AMENDED AGENDA

Queen Creek Town Council Regular Session

Community Chambers, 20727 E Civic Parkway

May 7, 2025 | 6:30 PM

Notice of Regular Meeting and Possible Executive Session of the Town Council:
Pursuant to A.R.S. §§ 38-431.02 and 38.431.03, notice is hereby given that the Town Council will hold a Regular Meeting at the date and time specified above. The Town Council may vote during the meeting to enter into Executive Session for legal advice and discussion with the Town Attorney(s) regarding any item(s) on the agenda. Please note that Executive Sessions are not open to the public.

The Mayor or presiding officer may modify the order of Agenda Items and/or address items in a sequence deemed appropriate. The Town Council and staff may participate in the meeting in person, telephonically, or electronically. Physical access to the meeting space will be available one-hour prior to the meeting start time.

Public Comment:
Residents may submit public comments for any item listed under the consent agenda, public hearing, and final action. Members of the public may submit comments to the Town Council for items not on the agenda during public comment. All comments for this Town Council meeting can be submitted in person or via email to PublicComment@QueenCreekAZ.gov. Emails received by 5:00 PM the day of the meeting, will be entered into the official record. Comments are limited to one per person, per Agenda Item. Please include your name, address, agenda item and comment of 500 words or less. Comments without identifying name and address will not become part of the written record.

Accessibility:
The Town of Queen Creek is committed to making its public meetings accessible to individuals with disabilities. For special accommodations, please contact the Town Clerk's Office at 480-358-3000 / TownClerk@QueenCreekAZ.gov or the Arizona Relay Service at 7-1-1 at least 72-hours prior to the meeting. Council Meetings are live-streamed and can be viewed at https://QueenCreekaz.gov/government/watch-town-meetings by selecting "video" next to the applicable meeting, or by visiting the Town's Ustream account at https://video.ibm.com/councilmeeting.

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PLEDGE OF ALLEGIANCE**

4. **INVOCATION / MOMENT OF SILENCE**

5. **CEREMONIAL MATTERS** *(Presentations, Proclamations, Awards, Guest Introductions and Announcements)*

   A. Proclamation: Mental Health Awareness Month

   B. Recognition of Eagle Scouts from Troops 378, 3050 and 3738

   C. Proclamation: Professional Municipal Clerks Week and Recognition of Town Clerk Honor Roll

D. Proclamation: Public Works Week and Recognition of Public Works Fleet Interns

E. Proclamation: Economic Development Week and Recognition of Bridgette Blair, Economic Development Specialist, awarded by the Arizona Association for Economic Development (AAED) as Member of the Year.

F. Citizen Leadership Institute Graduation & Class Project Presentations

6. COMMITTEE REPORTS

A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

B. Committee and outside agency reports (only as scheduled):

1. Transportation Advisory Committee Report (April 24, 2025)

7. PUBLIC COMMENT

8. CONSENT AGENDA *(Matters listed under the Consent Agenda are considered to be routine and will be enacted by one motion and one vote. Members of the Town Council and/or staff may comment on any item without removing it from the Consent Agenda or remove any item for separate discussion and consideration.)*

A. Consideration and possible approval of the April 16, 2025 Regular Session minutes.

B. Consideration and possible approval of Expenditures $75,000 and over and items that are of Public Policy and Interest, pursuant to Town Purchasing Policy. (FY24/25 Budget Items)

1. Professional Sales and Service, L.C. - One (1) 2026 Horton 603 Type I Pass-Through Custom Ambulance on 2026 Form F-550 4x4 Cab Chassis and Related Equipment, including a Gurney and Patient Loading System: $462,968. (Fire & Medical)

2. Brinc Drones, Inc. - UAV Public Safety System: Additional spending authority of $330,000. The Council previously approved $245,000 on June 5, 2024; this will increase spending authority by $330,000 for a total of $575,000. (Police)

3. Solar Traffic, Sierra Transportation, Wesco Dba Brown, Clark Transportation, Advanced Traffic, Econolite, Wesco Dba CSC, CS Construction, Roadway Electric, Fonroche Lighting, Contractors West, Fluoresco Services. - Traffic signal equipment (service meter pedestal & control cabinets, etc): Additional spending authority of $300,000. Council previously approved $1,296,000 spending authority on June 5, 2024. This request will increase spending authority by $300,000 for a total of $1,596,000. (Public Works)

C. Consideration and possible approval of a Design Services Contract with Gabor Lorant Architects Inc. for the Public Works and Capital Improvement Projects Departments Building (CIP Project MF018) in the amount of $2,858,881 which includes a 10% contingency. (This is a FY25 partially budgeted item and will require a necessary budget adjustment).

D. Consideration and possible approval of an Intergovernmental Agreement between the State of Arizona and the Town of Queen Creek for scoping services to review a Highway Safety Improvement Program (HSIP) grant application to install street lighting along the east side of Gary Road extending from the intersection of Empire Boulevard and Gary Road to approximately 4,000 feet north.

E. Consideration and possible approval of the Purchase and Sale Agreement to purchase 30 acres of real property located within Pinal County located southeast of Meridian Road and the Queen Creek Wash from Queen Creek Acres Limited Partnership for a purchase price of $14,900,000, and make any necessary budget adjustments, and authorizing and directing the Mayor, Town Manager, Town Attorney and Town Clerk to negotiate, finalize and sign any and all documents and/or agreements and to pay all costs necessary to complete the transaction.

9. PUBLIC HEARINGS

A. Public Hearing on the possible fifteen percent (15%) increase in Water Rates and approve a motion authorizing a further public hearing and possible action to adopt the rate increase to occur on July 16, 2025, at 6:30 p.m. pursuant to Final Action agenda item 10A.

10. FINAL ACTION

A. Discussion and possible approval of 60-day Notice of Intention setting the time (6:30 p.m.) and the date (July 16, 2025) for the public hearing to increase water rates 15%.

B. Consideration and possible action on the Town's FY 2025-26 Tentative Budget of $682.7M and Request to set the Public Hearing for May 21, 2025 for the Final Budget per requirements under Arizona state statutes.

11. ITEMS FOR DISCUSSION *(These items are for Town Council discussion only and no action or public comments will be taken.)*

A. Presentation and discussion of the Mobility Options and Connectivity Feasibility Study

B. Capital Improvement Projects (CIP) update presentation.

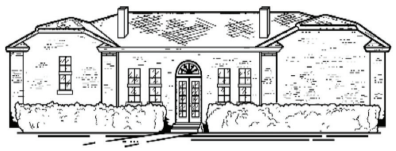
12. ADJOURNMENT

Homesteaders, Pioneers, and Builders

View the historical displays, art, and vignettes that capture and preserve the stories of the homesteaders, pioneers, and builders of Queen Creek's earliest communities. Many of these individuals are now cherished namesakes of the area's roads, parks, and schools.

The classroom

This charming time capsule, housed in the 1937 building addition, features original concrete floors, transom windows, a library card catalog, and preserved slate blackboards. Admire the class photos from 1926 onwards, lining the walls and hallway, capturing moments in Rittenhouse school history.



Rittenhouse Elementary School Circa 1925

Completed in 1925 as part of Higley School District #60, originally held classes in a cook's shack from 1920 to 1922, owned by G.R. "Grid" Duncan, a partner of Charles Rittenhouse, the area's namesake. From 1923 until the school's completion, classes were held in a church building. The school, designed in Spanish Colonial style with three rooms, was expanded in 1936 with federal funds to add two classrooms and restrooms. Although the community name changed to Queen Creek in 1947, the school retained its original name, and ownership transferred to the newly formed Queen Creek Unified School District #95. A new school building was constructed in 1952, and the original school, known as "Old Main," continued to serve the community until 1982 when it became a storage facility. Listed on the Arizona Register of Historical Places in 1990, it was restored in 1994 under an agreement with the San Tan Historical Society to preserve its historic character. The school was added to the National Register of Historic Places in 1998.

Native American Artifacts and Arizona History Library

Immerse yourself in Arizona's earliest history through Native American artifacts, interactive displays of prehistoric pottery and tools, and a reconstructed adobe wall from 1916. Browse over 1,200 books on Arizona's heritage at the Vinnie Russo Memorial Arizona History Library.

Higley, Combs, and Chandler Heights

Experience the farming roots that enabled Chandler Heights, Combs, Higley, and Queen Creek to flourish. View donated historical relics that document and preserve early farm life in the area and Arizona.

Betty Binner Nash

Betty Binner Nash, born in 1925, was a beloved teacher, journalist, and historian who spent most of her life in Chandler Heights, Arizona. She founded local newspapers, wrote for national publications, and helped preserve community history as a founding member of the San Tan Historical Society Museum.

Mansel Carter

Born in 1902 in Ohio, was a photographer, miner, and well-known local character who settled in the San Tan Mountains after serving briefly in the military. Known as one of the "Mountain Men," he later sold hand-carved cactus curios and left behind a legacy preserved in the local museum through his guest register and personal items.

Giftshop, Main Room, Stage

Step back in time to the original 1925 Rittenhouse Elementary School house, now the heart of the San Tan Historical Society. This volunteer group is dedicated to collecting, preserving, documenting, and showcasing the rich histories of Chandler Heights, Combs, Higley, and Queen Creek. Their work ensures these invaluable stories are not forgotten.

San Tan Historical Society Museum

The community's first choice for history; serving the communities around Queen Creek, Chandler Heights, Higley, and Combs.

Our Vision

Preservation
Restoration
Education

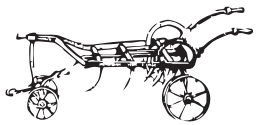
San Tan Historical Society Museum
20425 S. Old Ellsworth Road
Queen Creek, AZ 85142

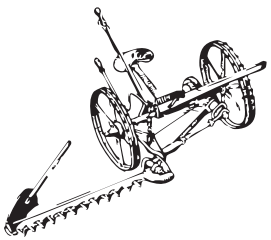
480-987-9380
www.santanhistorical.org
santanhistory@yahoo.com

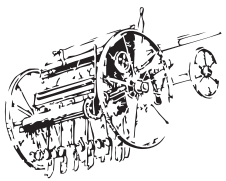
MUSEUM MAP

Farm Equipment

For Display Only









Playground

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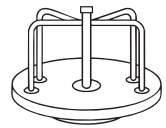













Council Committee Reports

- 04/17 – For our Town Queen Creek (Wheatley, McClure, Oliphant)
- 04/17 – Valley Metro Board of Directors Meeting (McClure)
- 04/17 – Apache Junction/Pinal County/Queen Creek State Route 24 Discussion (Wheatley)
- 04/17 – Pinal Partnership Emerging Leaders Event (Wheatley)
- 04/18 – Two Lights for Tomorrow (Martineau)
- 04/21 – Central Arizona Governments Executive Committee Meeting (Benning)
- 04/23 – Economic Development Commission Meeting (Brown)
- 04/23 – Queen Creek Chamber Women in Business Conference (Wheatley)
- 04/23 – Maricopa Association of Governments Regional Council Meeting (Wheatley)
- 04/23 – Central Arizona Governments Regional Council Meeting (Benning)
- 04/24 – QC Volunteers Appreciation Dinner (Martineau)
- 04/24 – Transportation Advisory Committee Meeting (Martineau)
- 04/25 – Banner Ironwood Volunteer Appreciation Awards Luncheon (Martineau)
- 04/26 – Queen Creek Rotary Club 3rd Annual Run for Resilience (Martineau, McClure)
- 04/26 – STHS 100th Anniversary of Old Rittenhouse School (Wheatley, Martineau, Benning, Brown)
- 04/26 – Queen Creek PBR at Horseshoe Park and Equestrian Centre (Brown)
- 04/27 – Queen Creek Police Department Active Shooter Training Scenario (Wheatley, Martineau)
- 04/30 – East Valley Mayors' Prayer Breakfast (Wheatley, Martineau, Benning, McClure)
- 04/30 – Central Arizona Project East Valley Cities & Towns Dinner (Benning, McClure)
- 05/01 – Greater Phoenix Economic Council Mayors & Supervisors Council Meeting (Wheatley)
- 05/05 – Meeting with Pinal County Attorney's Office (Wheatley)
- 05/06 – Mesa State of the City (Wheatley)
- 05/06 – ASU & Town of Queen Creek Update Meeting (Wheatley)
- 05/06 – Tour of Able Aerospace (Wheatley)
- 05/07 – Switchyard Groundbreaking (Wheatley, Martineau, Benning, McClure, Oliphant)
- 05/07 – East Valley Council Member Quarterly Meeting (Benning, McClure)

8.A

TOWN OF QUEEN CREEK ARIZONA

TO:	**HONORABLE MAYOR AND TOWN COUNCIL**
THROUGH:	**BRUCE GARDNER, TOWN MANAGER**
FROM:	**MARIA GONZALEZ MMC, TOWN CLERK**
RE:	**CONSIDERATION AND POSSIBLE APPROVAL OF THE APRIL 16, 2025 REGULAR SESSION MINUTES.**
DATE:	**May 7, 2025**

Suggested Action:

To approve the draft minutes as presented.

Alternatives:

Council can request revisions to be made to the draft minutes and approve with revisions or continue to a future meeting.

Attachment(s):

1. Minutes 04-16-25_DRAFT.pdf

Minutes
Town Council Regular Session
Community Chambers, 20727 E. Civic Parkway
Wednesday, April 16, 2025
6:30 PM

1) CALL TO ORDER

The meeting was called to order by Mayor Wheatley at 6:30 p.m.

2) ROLL CALL

PRESENT:
Julia Wheatley, Mayor
Leah Martineau, Vice Mayor
Robin Benning, Council Member
Jeff Brown, Council Member
Bryan McClure, Council Member
Dawn Oliphant, Council Member
Travis Padilla, Council Member

3) PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Wheatley.

4) INVOCATION / MOMENT OF SILENCE

Mayor Wheatley asked for a moment of silence to remember those who have lost their lives in a work zone incident.

5) CEREMONIAL MATTERS

5.A) Star Student Recognition

Council Member Benning recognized Kenzie Larson from Queen Creek High School.

Council Member Oliphant recognized Addison Thornton from Faith Mather Sossaman Elementary School.

Council Member Brown recognized Priscilla Hernandez from Jack Barnes Elementary School.

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Council Member McClure recognized Seth Legge from Katherine Mecham Barney Elementary School.

Vice Mayor Martineau recognized Kirk Loock from Schnepf Elementary School.

Council Member Padilla recognized teacher Gabriel Gahn from Queen Creek High School.

Council Member Benning recognized teacher Donald Taylor from Frances Brandon-Pickett Elementary School.

Council Member Oliphant recognized teacher Veronica Onofre from Katherine Mecham Barney Elementary School.

Vice Mayor Martineau recognized teacher Jill Moffat from Schnepf Elementary School.

Vice Mayor Martineau recognized Avaerly Martinez from Frances Brandon-Pickett Elementary School.

5.B) Recognition of National Civics Bee Queen Creek Winners

Council Member McClure said he served as a judge at the Queen Creek Civics Bee hosted by the Queen Creek Chamber of Commerce and spoke about the different competition rounds. Council Member McClure congratulated Logan from Highland Junior High, Annamay from Eastmark High School, and Peyton from Eastmark High School and noted they would advance to the Arizona State Competition.

5.C) Proclamation: Work Zone Awareness Week

Council Member Brown read the Work Zone Awareness Week Proclamation.

5.D) Proclamation: Crime Victims' Rights Week

Vice Mayor Martineau read the Crime Victims' Rights Week Proclamation.

Brad Miller, Pinal County Attorney, said he has spent a majority of his career prosecuting crimes against children. Mr. Miller said he created a special victims unit dedicated to protecting children and they are going after sex trafficking crimes. Mr. Miller said it is important to treat victims of crimes with dignity and respect and spoke about the Crime Victims Bill of Rights.

6) COMMITTEE REPORTS

6.A) Council summary reports on meetings and/or conferences attended. This may include but is not limited to Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

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6A - Committee Reports

There were no comments on the Council summary report.

6.B) Committee and outside agency reports (only as scheduled):
1. Mayor's Teen Advisory Committee (April 15, 2025)

Charles Gonzalez, Vice Chair of the Mayor's Teen Advisory Committee, said the Committee spoke about teen events in the community and has decided to pursue a teen drive-in movie event. The Committee will hold a series of work sessions to plan the event working closely with the Parks and Recreation Department. The Committee provided feedback on the first concepts of the Committee's logo and branding to have an easily identifiable brand when they are in the community. Mr. Gonzalez said staff would bring forward options for approval at the next meeting. At the meeting, staff gave an overview of the policies of the new recreation and aquatic center and the Committee learned about local cell phone policies in the high schools.

Council Member Oliphant thanked the Committee for their work and the precedent the Committee is trying to set in the community.

7) PUBLIC COMMENT

There were no public comments.

8) CONSENT AGENDA

8.A) Consideration and possible approval of the April 2, 2025 Regular Session minutes.

Department: Town Clerk's Office

Staff Report

Minutes

8.B) Consideration and possible approval of Expenditures $75,000 and over and items that are of Public Policy and Interest, pursuant to Town Purchasing Policy. (FY24/25 Budget Items)

Department: Finance

Staff Report

Expenditures over $75,000.pdf

8.C) Consideration and possible approval of an updated Master Services Agreement (MSA) for the Versaterm Police Records Management System. This agreement replaces Agreement No. 2020-130 and consolidates all existing and future

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services provided by Versaterm under this MSA and its associated schedules. There is no additional fiscal impact with the MSA approval.

Department: Police

Staff Report

VPS US - MSA [Queen Creek PD]_DONE_1.pdf

8.D) Consideration and possible approval of a Construction Manager at Risk (CMAR) Contract with Hunter Contracting Co. for the Wales Ranch Ridge and Main Plant Tank and Booster Projects (CIP Projects WA030 and WA033) and authorizing Pre-Construction Phase Services and Guaranteed Maximum Price #1 for long lead items, in the total amount of $4,243,811, including a 10% contingency, that will be reimbursed by Pinal County American Rescue Plan Act of 2021 (ARPA) funds.

Department: Capital Improvement Projects

Staff Report

WA030 WA033 Project Location Exhibit.pdf

WA030 WA033 CMAR Contract.pdf

8.F) Consideration and possible approval of a Letter to the Pinal County Board of Supervisors in opposition to the Gantzel & Algarve Mixed Use Rezoning Application in Pinal County and authorizing the Mayor to send the letter on behalf of the Town Council.

Department: Town Council

Staff Report

Letter of Opposition

Aerial of Project Site

Proposed Site Plan

Rezoning Application Narrative

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MOTION:	**To approve the Consent Agenda less Item 8(E).**
RESULT:	**Approved unanimously (7-0)**
MOVER:	Jeff Brown, Council Member
SECONDER:	Bryan McClure, Council Member
AYES:	Julia Wheatley, Mayor, Jeff Brown, Council Member, Robin Benning, Council Member, Leah Martineau, Vice Mayor, Bryan McClure, Council Member, Dawn Oliphant, Council Member, Travis Padilla, Council Member
ABSENT:	Shea Joachim , Assistant Town Manager

8.E) **Consideration and possible approval of Resolution 1637-25 approving the First Amendment to the Pre-Annexation Development Agreement with Jorde Farms, Inc. and Jorde Farms 1, LLC, dated June 2, 2021, amending the Auto Mall Site area and identifying a Religious Institution site and authorizing and directing the Mayor, Town Manager, Town Clerk, and Town Attorney to negotiate, finalize and execute all documents and instruments and to take such actions as necessary or appropriate to consummate the transactions contemplated by this Resolution.**

Department: Development Services

Staff Report

First Amendment - Jorde PADA.pdf

Resolution 1637-25.pdf

Council Member Benning declared a conflict of interest on Item 8.E.

MOTION:	**To approve Resolution 1637-25 approving the the First Amendment to the Pre-Annexation Development Agreement with Jorde Farms, Inc. and Jorde Farms 1, LLC and authorizing and directing the Mayor, Town Manager, Town Clerk, and Town Attorney to negotiate, finalize and execute all documents and instruments and to take such actions as necessary or appropriate to consummate the transactions contemplated by this Resolution.**
RESULT:	**Approved unanimously (6-0)**
MOVER:	Jeff Brown, Council Member
SECONDER:	Leah Martineau, Vice Mayor
AYES:	Julia Wheatley, Mayor, Leah Martineau, Vice Mayor, Jeff Brown, Council Member, Bryan McClure, Council Member, Dawn Oliphant, Council Member, Travis Padilla, Council Member

9) **PUBLIC HEARING CONSENT AGENDA**

9.A) Consideration and possible recommendation of approval on a new Series 12 Restaurant Liquor License application submitted by Teresa Michelle Horn on

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behalf of Your Pie. located at 25004 S 206th Street, Queen Creek.

Department: Town Clerk's Office

Staff Report

Rule R19-1-702 (9-24-22).pdf

LGB Public Report #330303.pdf

QCPD Report.pdf

Mayor Wheatley opened the public hearing. There were no public comments. Mayor Wheatley closed the public hearing.

MOTION:	**To forward a recommendation of approval to the Arizona Department of Liquor Licenses and Control on a new Series 12 Restaurant Liquor License application submitted by Teresa Michelle Horn on behalf of Your Pie. located at 25004 S 206th Street, Queen Creek.**
RESULT:	**Approved unanimously (7-0)**
MOVER:	Jeff Brown, Council Member
SECONDER:	Robin Benning, Council Member
AYES:	Julia Wheatley, Mayor, Jeff Brown, Council Member, Robin Benning, Council Member, Leah Martineau, Vice Mayor, Bryan McClure, Council Member, Dawn Oliphant, Council Member, Travis Padilla, Council Member
ABSENT:	Shea Joachim , Assistant Town Manager

10) ADJOURNMENT

The meeting was adjourned by Mayor Wheatley at 7:22 p.m.

TOWN OF QUEEN CREEK

_____

Julia Wheatley, Mayor

ATTEST:

_____

Maria E. Gonzalez, Town Clerk

DRAFT

I, Maria E. Gonzalez, do hereby certify that to the best of my knowledge and belief, the foregoing Minutes are a true and correct copy of the Town Council Regular Session Minutes of the April 16, 2025 Town Council Regular Session of the Queen Creek Town Council. I further certify that the meeting was duly called and that a quorum was present.

Passed and approved on:_____

DRAFT

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

THROUGH: **BRUCE GARDNER, TOWN MANAGER**

FROM: **MELISSA BAUER, PROCUREMENT MANAGER**

RE: **CONSIDERATION AND POSSIBLE APPROVAL OF EXPENDITURES $75,000 AND OVER AND ITEMS THAT ARE OF PUBLIC POLICY AND INTEREST, PURSUANT TO TOWN PURCHASING POLICY (FY24/25 BUDGET ITEMS).**

DATE: **May 7, 2025**

Suggested Action:

To approve the Expenditures $75,000 and over and items that are of Public Policy and Interest, pursuant to Town Purchasing Policy.

Discussion:

The following item being requested is:

1. Professional Sales and Service, L.C. - One (1) 2026 Horton 603 Type I Pass-Through Custom Ambulance on 2026 Form F-550 4x4 Cab Chassis and Related Equipment, including a Gurney and Patient Loading System: $462,968 (Fire & Medical)
2. Brinc Drones, Inc. - UAV Public Safety System: Additional spending authority of $330,000. The Council previously approved $245,000 on June 5, 2024; this will increase spending authority by $330,000 for a total of $575,000. (Police)
3. Solar Traffic, Sierra Transportation, Wesco Dba Brown, Clark Transportation, Advanced Traffic, Econolite, Wesco Dba CSC, CS Construction, Roadway Electric, Fonroche Lighting, Contractors West, Fluoresco Services. - Traffic signal equipment (service meter pedestal & control cabinets, etc): Additional spending authority of $300,000. Council previously approved $1,296,000 spending authority on June 5, 2024. This request will increase spending authority by $300,000 for a total of $1,596,000 (Public Works)

Fiscal Impact:

The fiscal impact of the requested spending authority for the above expenditure is $1,092,968 Funds have been identified within the line item budget as approved in the FY24/25 budget or subsequently approved by Council.

Attachment(s):

1. Expenditures over $75,000.pdf

Attachment: Expenditures $75,000 and Over
Budgeted in Fiscal Year 24/25
May 7, 2025

Item #	Vendor(s)	Description	Purpose	Requesting Dept(s)	Fiscal Impact $	Procurement Method	Alternative
1	Professional Sales and Service, L.C.	One (1) 2026 Horton 603 Type I Pass-Through Custom Ambulance on 2026 Ford F-550 4x4 Cab Chassis and related equipment, including a gurney and patient loading system.	As we anticipate the opening of Fire Station #6 in Fiscal Year 2028, it is crucial to address the long lead times associated with acquiring emergency response vehicles. To ensure that the station is fully operational and equipped to provide timely services to the community from day one, we are requesting the purchase of an ambulance now. Given the lengthy manufacturing and delivery timelines for ambulances, purchasing now will safeguard against any potential delays that could arise closer to the opening date, ensuring we meet our readiness commitments. This item is included in the FY24-25 Capital Improvement budget. Based upon quotes and information available to date, the funding required to purchase this ambulance with a gurney and patient load system is estimated to be $462,968.00. This includes a ten percent contingency amount.	Fire & Medical	$462,968	HGAC Contract #AM10-23	Council could opt to postpone this purchase, however due to long lead times this could cause a delay in staffing Medic 416 in time for the opening of Fire Station #6.
2	Brinc Drones, Inc.	UAV Public Safety System	Additional spending authority for integrated DFR-UAS system equipment, supplies, software, training, services, and support. This authority allows QCPD to incorporate current Brinc UAVs into the new service, support and refresh schedule while transitioning a portion of our current UAS fleet from foreign-made to American NDAA compliant devices. (FY 25 budgeted Item). Additional spending authority of $330,000. Council previously approved $245,000 in spending authority on June 5, 2024. This request will increase spending authority by $330,000 for a total of $575,000.	Police	$330,000	BuyBoard Contract #718-23	Council could choose not to approve this spending authority and instruct QCPD to operate with current equipment. However, pending legislation may render our fleet completely useless/inoperable in the near furute. This would substantially increase liability, significantly reduce officer safety and limit our capacity to serve the community. In addition, regardless of legislation, we would also lack the ability to consistely launch UAV/Air support for immediate/emergent situations.
3	Solar Traffic, Sierra Transportation, Wesco Dba Brown, Clark Transportation, Advanced Traffic, Econolite, Wesco Dba CSC, CS Construction, Roadway Electric, Fonroche Lighting, Contractors West, Fluoresco Services.	Traffic signal equipment (service meter pedestal & control cabinets, etc)	Additional contract spending authority to purchase additional sets of Traffic signal equipment for inventory, due to on-going long lead supply issues. Council previously approved $1,296,000 spending authority on June 5, 2024. This request will increase spending authority by $300,000 for a total of $1,596,000 (FY25 budget has been identified).	Public Works - Traffic	$300,000	Town Contracts 2020-037, 2020-038, 2020-039, 2020-040, 2020-041, 2020-043 (Maricopa County #200125-C) Sourcewell #091422-WES, Scottsdale #2019-195-COS, Mesa #2022146, BuyBoard Contract #725-24, Maricopa County Contract #230200, City of Goodyear Contract #CON23-0026. Staff may purchase from another approved vendor/contract based on availability and price..	Council could choose not approve the expenditure request. However, doing so would create extensive delays in ongoing and future construction projects within the Town.

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

THROUGH: **BRUCE GARDNER, TOWN MANAGER**

FROM: **DAVE LIPINSKI, PE, CIP DEPARTMENT DIRECTOR**

RE: **CONSIDERATION AND POSSIBLE APPROVAL OF A DESIGN SERVICES CONTRACT WITH GABOR LORANT ARCHITECTS INC. FOR THE PUBLIC WORKS AND CAPITAL IMPROVEMENT PROJECTS DEPARTMENTS BUILDING (CIP PROJECT MF018) IN THE AMOUNT OF $2,858,881 WHICH INCLUDES A 10% CONTINGENCY. (THIS IS A FY25 PARTIALLY BUDGETED ITEM AND WILL REQUIRE A NECESSARY BUDGET ADJUSTMENT).**

DATE: **May 7, 2025**

Suggested Action:

Move to approve a design services contract with Gabor Lorant Architects Inc. for the Public Works and Capital Improvement Projects Departments Building (CIP Project MF018) in the amount of $2,858,881 which includes a 10% contingency.

Relevant Council Goal(s):

Superior Infrastructure – Capital Improvement Program

Discussion:

As the Town continues to grow additional staff workspace is necessary to meet the needs for the Public Works Department and the Capital Improvement Projects (CIP) Departments, as well as staff from other Town departments. Public Works is currently housed in trailers within the Field Operations Facility and a few other locations in Town, while the CIP Department resides within the Utilities Department's facilities. This design will provide space for both departments through their anticipated 2040 growth and beyond. The new building will also include space for other departments to utilize including members of the Human Resources, Information Technologies and Finance departments. The CIP Department is currently working on interim space alternatives in order to allow for approved staff growth to continue until such time as the ultimate solution of a Public Works and CIP Building is realized.

On November 19, 2024, the Town issued a Request for Qualifications (RFQ) to competitively solicit for design services for a new Public Works and CIP Building. The Town received eleven responses to this RFQ by the due date and time. Utilizing the established scoring in the solicitation, a short list of firms was determined by the selection committee. On March 10, 2025 the selection committee conducted interviews with the short-listed firms and Gabor Lorant Architects Inc. was the highest ranked firm.

Staff recommends the approval of the design services contract with Gabor Lorant Architects Inc. for the Public Works and CIP Building (CIP Project MF018) in the amount of $2,858,881 which includes a 10% contingency for unexpected work in accordance with established Town practices.

As the design progresses, staff will work with Finance to identify the construction cost for the facility

and to have those funds identified in a future adoption of the Town's five year Capital Improvement Program.

Fiscal Impact:

The Design Services contract with Gabor Lorant Architects Inc., for the Public Works and CIP Building (CIP Project MF018) is in the amount of $2,858,881, which includes a 10% contingency. The FY25 Revised budget includes $346K of FY24 Carry Forward budget. The current proposed work was not anticipated in the FY25 budget, therefore, in order to execute this contract, a budget adjustment of $2,512,509 will be necessary from CIP Contingency.

Staff is requesting Council's approval to allocate funding from the General Fund construction sales tax reserve in order to fund this project. In addition, Staff is requesting Council to authorize any budget adjustments and/or transfers necessary to accomplish this.

Alternatives:

- The Town Council may decide not to approve the contract with Gabor Lorant Architects Inc. The impact of this decision would be to delay the design of the new Public Works and CIP Building. This will in turn delay the construction of the new facility and over time will increase the space deficit for Town staff, potentially impacting staff efficiency or service delivery.

- The Town Council may request staff to revisit the scope of the design contract with a view to a modular or phased approach to the design. This will delay the design and subsequent construction and the initial phase may be under capacity on completion.

Attachment(s):

1. MF018 Project Site Exhibit.pdf
2. MF018 PW CIP Builidng Contract.pdf

MF018 - PW Administration Building - Site Exhibit





TOWN OF QUEEN CREEK
22358 S. ELLSWORTH ROAD
QUEEN CREEK, AZ 85142
(480) 358-3000
www.queencreek.org

DESIGN PROFESSIONAL SERVICES

MASTER CONTRACT

CONTRACT NO. _____

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EXHIBITS

A PROJECT TASK ORDER FORM

B INSURANCE REQUIREMENTS

DESIGN PROFESSIONAL MASTER CONTRACT

Contract No._____

THIS MASTER CONTRACT is made and entered into on the _____ day of May 2025 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and Gabor Lorant Architects, Inc. ("Design Professional").

TOWN and Design Professional agree as follows:

ARTICLE 1 – PARTIES

TOWN: **Town of Queen Creek**
Project Manager: Bob Coulthard
Telephone: 480-358-3140
E-mail: bob.coulthard@queencreekaz.gov

DESIGN PROFESSIONAL: **Gabor Lorant Architects, Inc.**
3326 North 3rd Ave. Ste 200, Phoenix, AZ 85013
Arizona Registration No. 11013
Design Professional Representative: Jan Lorant
Telephone: 602-667-9090
E-mail: janl@gaborlorant.com

ARTICLE 2 – CONTRACT DOCUMENTS

2.1 CONTRACT DOCUMENTS

The Contract between TOWN and Design Professional for any project shall consist of the following Contract Documents:

1. This Master Contract;
2. General Conditions, dated May 2, 2022, and General Conditions Appendices, incorporated by reference;
3. Project Task Order in the form attached hereto as Exhibit A;
4. Exhibit B - Insurance Requirements- attached;
5. The Request for Qualifications RFQ 25-007 issued by TOWN for this Master Contract; and
6. The Statement of Qualifications (SOQ) or Proposal submitted by Design Professional dated January 7, 2025.

2.1.1 **Master Agreement:** This is a Master Contract providing the basis by which TOWN may issue, and Design Professional may accept, an authorization to perform Services for or in relation to a specific project. This Master Contract shall govern all contracts and other agreements between TOWN and Design Professional, unless expressly excluded, in writing, in such contract or agreement.

1. Authorization by TOWN to perform Services and agreement by Design Professional to perform specific Services shall be made by separate "Project Task Order", as set forth in

the attached Exhibit A. The terms and conditions set forth herein, and attached hereto, including any and all Exhibits and properly adopted amendments or modifications hereto, are expressly agreed to by Design Professional and shall be applicable for any and all Services performed by Design Professional for TOWN and shall be incorporated (whether specifically referenced or not) into every Project Task Order, change order, contract or agreement (whether written or oral) entered into between Design Professional and TOWN. This Master Contract does not obligate or require TOWN to offer any Project Task Order to Design Professional, and no contract in relation to any specific Services shall be entered into until a Project Task Order therefore has been fully executed by TOWN and Design Professional.

2. Agreement to the terms set forth herein is a material and necessary precondition and inducement to TOWN entering into this Master Contract, and each Project Task Order, with Design Professional.

2.1.2 **Issuance of Project Task Orders:** TOWN may, in its sole discretion, issue a Project Task Order in the form attached hereto as Exhibit A, to Design Professional to perform the Services specified in the Project Task Order. Upon acceptance by the Design Professional, each Project Task Order, together with this Master Contract, shall constitute the Contract for performance of the Services set forth in the Project Task Order.

2.1.3. **General Conditions and Specifications:** TOWN has adopted standard General Conditions which apply to all construction projects and construction contracts entered into by TOWN ("General Conditions"). TOWN has also adopted and operates under the Standard Specifications and Details set forth in Section 3 of the General Conditions ("Standard Specifications"). Design Professional and all of Design Professional's subconsultants and subcontractors must be aware of, and abide by, all specifications, details, drawings, and/or other documents generated under this Master Contract. Unless otherwise provided herein, the definitions in the General Conditions shall apply to this Master Contract and all documents related to this Master Contract. Any questions concerning the applicability of any specific provisions of the General Conditions or Specifications to the Project or the Services shall be directed in writing to the Contract Manager. The General Conditions are available on the Internet at: https://www.queencreek.org/departments/finance-/procurement/bids-rfqs

2.1.4 **Conflicts:** In the event of a conflict between this Master Contract and the General Conditions or any exhibit hereto or appendix thereto, the terms of this Master Contract shall control, and the specific terms of a Project Task Order will control over the terms of this Master Contract.

2.2 DEFINITIONS

The definitions in Section 2 of the General Conditions apply to all the Contract Documents to this Master Contract and all Project Task Orders. Additional definitions or defined terms applicable to all the Contract Documents for this Project, if any, will be set forth in the applicable Project Task Orders.

ARTICLE 3 – SERVICES

3.1 Design Professional shall perform the Services required by, and in accordance with this Master Contract and as outlined in the applicable Project Task Order to the satisfaction of the Project Manager.

ARTICLE 4 – DELIVERABLES

4.1 DELIVERABLES AS PART OF THE SERVICES

Design Professional shall provide all of the Deliverables required under the Project Task Order in the time specified, manner and format required by and to the satisfaction of TOWN.

4.2 DESIGN PROFESSIONAL'S PRE-CONTRACT AND PRE-SERVICE DELIVERABLES

4.2.1 Design Professional shall timely provide the Deliverables in accordance with Section 4.2 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services". Unless otherwise provided in a Project Task Order, Sections 4.2.4 and 4.2.5 shall not apply.

4.2.2 Design Professional shall also timely provide to TOWN all of the Deliverables necessary to fully and timely complete all of the Services under a Project Task Order in compliance with Section 4.2 of the General Conditions.

4.2.3 Additional items, if any, which Design Professional must deliver to TOWN prior to commencing the Services on a Project shall be set forth in the Project Task Order.

ARTICLE 5 – TOWN RESPONSIBILITIES

5.1 TOWN shall have the responsibilities, and provide the information specified in, and subject to the conditions set forth in, Section 5 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

5.2 Additional services to be provided and responsibilities assumed, by TOWN, if any, shall be set forth in the Project Task Order.

5.3 Additional information to be provided by TOWN, if any, shall be set forth in the Project Task Order.

ARTICLE 6 – CONTRACT TIME

Time is of the essence of this Master Contract and each Project Task Order. Design Professional shall complete all Services within the schedule set forth in the Project Task Order.

ARTICLE 7 – CONTRACT PRICE

The Contract Price to be paid by TOWN to Design Professional In exchange for the full, timely and acceptable performance of the Services under the Project Task Order shall be set forth in each Project Task Order.

ARTICLE 8 – PAYMENT

8.1 PAYMENT

Unless otherwise set forth in the Project Task Order, TOWN shall pay the Design Professional for the Services as set forth in Section 8 of the General Conditions with the term "Design Professional" replacing "Contractor" and the word "Work" meaning the "Services."

8.2 TOWN'S RIGHT TO WITHHOLD PAYMENT

TOWN may withhold payment to such extent as may be necessary in TOWN's opinion to protect TOWN from loss for which Design Professional is responsible, including, without limitation, for those reasons set forth in Section 8.3 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

8.3 FINANCIAL RECORD KEEPING AND TOWN'S AUDIT RIGHT

Section 8.5 of the General Conditions apply to Design Professional, this Master Contract and all Project Task Orders, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

ARTICLE 9 – CHANGES TO THE CONTRACT

9.1 Changes to the Contract may be made in accordance with Section 9 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

9.2 In order to be effective, any and all changes or amendments in the Contract Documents must be in writing signed by the Parties.

ARTICLE 10 – SUSPENSION AND TERMINATION

The Contract may be suspended and/or terminated in accordance with Section 10 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

ARTICLE 11 – INSURANCE

11.1 INSURANCE

Design Professional shall provide insurance as provided on the attached Exhibit B, and in accordance with Section 11.1 of the General Conditions, as well as any additional insurance required under each Project Task Order. Design Professional shall provide proof of such insurance and all required endorsements in form acceptable to TOWN prior to commencing any Services under the Contract.

11.2 FAILURE TO PROVIDE

Failure to provide proof of insurance and the required endorsements, in forms acceptable to TOWN, will be material breach and grounds for termination of the Contract by TOWN for cause.

ARTICLE 12 – INDEMNIFICATION

Design Professional shall have and assume the indemnity obligations set forth in Section 12 of the General Conditions.

ARTICLE 13 – DISPUTE RESOLUTION

13.1 All disputes and claims arising out of or relating to the Contract, the Services, or the Project shall be resolved as set forth in Section 13 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services."

13.2 Design Professional shall continue performance of the Services during the Dispute Resolution process.

ARTICLE 14 – MISCELLANEOUS PROVISIONS

The Miscellaneous Provisions in Section 14 of the General Conditions shall apply to the Contract, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

IN WITNESS WHEREOF, the parties hereto have executed this Master Contract through their duly authorized representatives, whose signatures bind their respective entities as of the effective date.

"TOWN"

Town of Queen Creek

Signature _____

Name Julia Wheatley

Title Mayor

ATTEST:

Signature _____

Name Maria Gonzalez

Title Town Clerk

APPROVED AS TO FORM:

_____
DICKINSON WRIGHT, PLLC
TOWN Attorneys

"DESIGN PROFESSIONAL"
Gabor Lorant Architects, Inc.

Signature _____

Name _____

Title _____

EXHIBIT A – PROJECT TASK ORDER FORM

TOWN OF QUEEN CREEK,
an Arizona municipal corporation ("TOWN")

DESIGN PROFESSIONAL PROJECT ORDER
Design Services Field Operations Facility – Public Works/CIP Building

Project Task Order No. 01
Contract No. _____
CIP Project No. MF018

THIS PROJECT ORDER is made and entered into on the _____day of May, 2025 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and the "Design Professional" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the Design Professional Contract No. _____, dated May ___, 2025 between TOWN and Design Professional ("Contract"). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein ("Services").

TOWN and Design Professional agree as follows:

TOWN:	**Town of Queen Creek** **Project Manager: Bob Coulthard** **Telephone: 480-358-3140** **E-mail: bob.coulthard@queencreekaz.gov**
DESIGN PROFESSIONAL:	**Gabor Lorant Architects, Inc.** **3326 North 3rd Ave. Ste 200, Phoenix, AZ 85013** **Arizona Registration No. 11013** **Design Professional Representative: Jan Lorant** **Telephone: 602-667-9090** **E-mail: janl@gaborlorant.com**

PROJECT DESCRIPTION: This Project Task Order 01 is for the design of a new field operations facility building for use by the Public Works, CIP, Finance, Human Resources and Information Technology Departments.

The Project is scheduled to commence upon approval and be completed no later than the agreed upon schedule to be submitted by the Design Professional or a maximum of 365 calendar days.

PROJECT SITE ADDRESS/LOCATION: This Project Task Order 01 site is approximately 4 acres within the Facility Operations Facility bounded by Park Drive to the east, Ryan Rd. to the north, and existing TOQC maintenance facilities for Parks and Public Works to the south and west respectively.

PROJECT TASK ORDER PRICE (Not to Exceed): $2,598,983.00

X **Fixed Price:** All-inclusive in the above Project Task Order Price

SCOPE OF SERVICES, DELIVERABLES, AND PROJECT SCHEDULE/DURATION: Attached Exhibit A

UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY) (Article 11)**:** Attached Exhibit B.

PROJECT SPECIFIC CONDITIONS (IF ANY): Attached Exhibit C.

IN WITNESS, WHEREOF, the parties hereto have executed this Project Order through their duly authorized representatives and bind their respective entities as of the effective date.

"TOWN"

Signature _____
Name Julia Wheatlley
Title Mayor

"DESIGN PROFESSIONAL"

Signature _____
Name _____
Title _____

ATTEST:

Signature _____
Name Maria Gonzalez
Title Town Clerk

PROJECT TASK ORDER # 01

EXHIBIT A – SCOPE OF WORK AND PROJECT SCHEDULE

gabor lorant architects inc.
3326 n. 3rd ave, suite 200
phoenix, arizona 85013
tel. 602 667 9090
fax. 602 667 9133
www.gaborlorant.com

28 March 2025

New Field Operations Facility
CIP/ Public Works Building
CITY OF QUEEN CREEK
City of Queen Creek RFP No. 25-007
GLA Project No. 25101

PROJECT DESCRIPTION

Site: the project site is approximately 4 acres and bounded by Park Drive to the east, Ryan Road to the north and the existing Queen Creek Maintenance Facilities for the Parks Department and Public Works Department to the south and west, respectively. Utility extensions are required (data, power, water and sewer) for the new facilities as is the 310' extension to the west of Ryan Road and its utilities.

New Field Operations Facility: this project will provide new facilities for the Public Works, Capital Improvements, Finance, Human Resources and Information Technology Departments. Within Public Works, the following groups will be included: Transportation, Highway User Revenue Fund (HURF), Streets, Facilities, Environmental, and Administration. Approximately 40,000 square feet of area in a new 2-story building is anticipated for these program elements. The exact square footage will be adjusted during the Programming/Design Charrette. Construction Cost Estimates will be prepared by GLA and will be used by the Town to inform decision making on the building size.

The following spaces are anticipated:

A. Interior Space

1. **General office, workspace, and support areas** for the following staff:
    a) Public Works Management and Administration
    b) Public Works Streets, Environmental, Facilities, and Traffic field staff
    c) CIP Management and Field staff
    d) Staff from IT, HR, and Finance departments

2. **Specific program areas** include:
    a) Traffic Management Center (TMC)
    b) Collaborative workspaces
    c) Conference/training rooms
    d) Publicly accessible meeting rooms
    e) Administrative supply storage
    f) Shipping/receiving area and file storage
    g) Restrooms
    h) Shower/changing rooms
    i) Locker rooms (men's and women's)
    j) Uniform delivery and storage
    k) Printing, mail rooms

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gla

l) Break room(s)/kitchen(s)
m) Electrical rooms
n) Mechanical rooms
o) MDF/IDF
p) Janitorial rooms
q) IT storage, equipment setup, and server room
r) Radio/vehicle work bay
s) Elevators (one freight, one passenger)

3. **Critical Infrastructure**—TMC operations require redundant power (emergency generator), Uninterruptible Power Supply (UPS), Larger MDF or Server Room, independent and redundant HVAC for the TMC, and security and surveillance systems.

B. Exterior Space

1. Secure Fencing with automatic gate(s)
2. Lighting
3. Separate Parking Areas for:
   a) Personal vehicles for Staff
   b) Town vehicles
   c) Visitors' vehicles
4. Ryan Road Extension
5. Sidewalks & driveways
6. Landscaping & Irrigation Systems
7. Shade structure staff amenity area
8. Analysis of solar power generating covered parking.

Construction Budget:

New FOF Building (40,000sf @ $630/sf)	=	$25,200,000
Site Improvements/Utilities	=	$ 3,750,000
Total	=	$28,950,000

gabor lorant architects inc.
3326 n. 3rd ave, suite 200
phoenix, arizona 85013
tel. 602 667 9090
fax. 602 667 9133
www.gaborlorant.com

CoQC New Field Operations Facility - EXHIBIT B *rev* ***09 April 2025***
CIP / Public Works Building, Queen Creek Service Yard
GLA Fee Proposal; GLA Project No. 25101

PHASE / TASK			FEE
BASIC SERVICES			
A. Schematic Design (30%)			
• Sr. Project Manager:	*180* hours @	$215.00 per hour…..	*$38,700.00*
• Sr. Project Architect:	*280* hours @	$188.00 per hour…..	*52,640.00*
• Project Architect:	*280* hours @	$164.00 per hour…..	*45,920.00*
• Sr. BIM Drafting:	*820* hours @	$133.00 per hour…..	*109,060.00*
• BIM Drafting:	*920* hours @	$112.00 per hour…..	*103,040.00*
• Structural Engineering (ASE):			19,152.00
• MP Eng'g (Applied):			24,680.00
• Electrical Eng'g (Applied):			24,680.00
• Civil Eng'g & Landscape Arch (HZ):			15,785.00
		Subtotal……	***$433,657.00***
B. Design Development (60%)			
• Sr. Project Manager:	280 hours @	$215.00 per hour…..	$60,200.00
• Sr. Project Architect:	320 hours @	$188.00 per hour…..	60,160.00
• Project Architect:	600 hours @	$164.00 per hour…..	98,400.00
• Sr. BIM Drafting:	1680 hours @	$133.00 per hour…..	223,440.00
• BIM Drafting:	1920 hours @	$112.00 per hour…..	215,040.00
• Structural Engineering (ASE):			49,464.00
• MP Eng'g (Applied):			85,280.00
• Electrical Eng'g (Applied):			65,880.00
• Civil Eng'g & Landscape Arch (HZ):			*53,535.00*
		Subtotal……	***$911,399.00***
C. Contract Docs (95%)			
• Sr. Project Manager:	280 hours @	$215.00 per hour…..	$60,200.00
• Sr. Project Architect:	320 hours @	$188.00 per hour…..	60,160.00
• Project Architect:	480 hours @	$164.00 per hour…..	78,720.00
• Sr. BIM Drafting:	1800 hours @	$133.00 per hour…..	239,400.00
• BIM Drafting:	1920 hours @	$112.00 per hour…..	215,040.00
• Structural Engineering (ASE):			76,864.00
• MP Eng'g (Applied):			65,080.00
• Electrical Eng'g (Applied):			44,880.00
• Civil Eng'g & Landscape Arch (HZ):			*64,000.00*
		Subtotal……	***$904,344.00***
D. Contract Docs (100%)			
• Sr. Project Manager:	60 hours @	$215.00 per hour…..	$12,900.00
• Sr. Project Architect:	100 hours @	$188.00 per hour…..	18,800.00
• Project Architect:	100 hours @	$164.00 per hour…..	16,400.00
• Sr. BIM Drafting:	120 hours @	$133.00 per hour…..	15,960.00
• BIM Drafting:	160 hours @	$112.00 per hour…..	17,920.00
• Structural Engineering (ASE):			12,648.00
• MP Eng'g (Applied):			14,360.00
• Electrical Eng'g (Applied):			10,320.00
• Civil Eng'g & Landscape Arch (HZ):			*4,645.00*
		Subtotal……	***$ 123,953.00***
		BASIC SERVICES TOTAL…...	***$ 2,373,353.00***

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CoQC New Field Operations Facility - EXHIBIT B *rev* ***09 April 2025***
CIP / Public Works Building, Queen Creek Service Yard
GLA Fee Proposal; GLA Project No. 25101

PHASE / TASK			**FEE**
MISC. SERVICES:			
Planning, Programming, & Tech Management			
• Sr. Project Manager:	*84* hours @	$215.00 per hour…..	$18,060.00
• Sr. Project Architect:	*148* hours @	$188.00 per hour…..	27,824.00
• Sr. BIM Drafting:	*120* hours @	$133.00 per hour…..	15,960.00
• Civil Engineer Mgt & Coordination			8,440.00
• Civil Engineer Research/Data Collection			20,555.00
		Subtotal……	***$90,839.00***
Tech Design Docs - Cabling/Access Control/A-V Systems/Video Surveillance & Security			
• Schematic Design (30%):			$ 18,184.00
• Design Development (60%):			$ 38,816.00
• Construction Docs (95%):			$ 28,592.00
• Construction Docs (100%):			$ 10,752.00
		Subtotal……	**$ 96,344.00**
		Room Acoustics *(optional)* …..	**$ 4,950.00**
		Interior Sound Isolation *(optional)* …..	**$ 6,959.00**
		HVAC Noise & Vibration Isolation *(optional)* …..	**$ 6,950.00**
		Legals or Mods for Water Easement, R/W *(allowance)* …..	**$ 10,500.00**
		Aerial Mapping of Existing Site Conditions…..	**$ 4,288.00**
		Printing/Plotting (allowance)…..	**$ 4,800.00**
		TOTAL ADDITIONAL SERVICES…….	**$225,630.00**
		GRAND TOTAL…….	***$2,598,983.00***

QUEEN CREEK FIELD OPERATIONS FACILITY
MECHANICAL, PLUMBING AND ELECTRICAL
ENGINEERING SERVICE AGREEMENT V1

Between:	**Gabor Lorant Architects, Inc.** 3100 N. 3rd Avenue, Suite 200 Phoenix, AZ 85013	**And:**	**Applied Engineering, Inc.** 2800 S Rural Rd., Suite 101 Tempe, AZ 85282
Contact Person:	**Jan Lorant, AIA**	Contact Person:	Gregory Piraino, PE
Client Job #:		Applied Job #:	25-040
Job:	Queen Creek Field Operations Facility	Date:	3/27/2025
Location:	Queen Creek, AZ	Service:	MPE Engineering Services

General Scope of MPE Engineering Services:

Applied will provide MPE design services for new approximately 40,000sf 2-Story building, including:

- Interior Space including office, workspace and support areas for staff.
- Critical Infrastructure including redundant power (emergency generator), uninterruptable power supply, larger MDF or Server Room, independent and redundant HVAC for the TMC, and security and surveillance systems.
- Exterior Space including Secure Fencing with automatic gate(s), lighting, separate parking areas for staff, town vehicles and visitors' vehicle, Ryan Road Extension, Sidewalks & driveways, Landscaping & Irrigation Systems, Shade structure staff amenity area, Analysis of solar power generating covered parking.
- Utility extensions are required (data, power, water and sewer) for the new facilities as is the 310' extension to the west of Ryan Road and its utilities.

Mechanical Scope

- Includes (3) in person meetings: (1) kickoff meeting during SD phase, (1) during DD phase and (1) during CD phase.
- Coordination of MPE with entire design team.
- Support through permitting included.
- Deliverable: SD, DD, CD 95% and CD 100% Sealed delivered in pdf format via email.

Plumbing Scope

- Includes (3) in person meetings: (1) kickoff meeting during SD phase, (1) during DD phase and (1) during CD phase.
- Coordination of MPE with entire design team.
- Support through permitting included.
- Deliverable: SD, DD, CD 95% and CD 100% Sealed delivered in pdf format via email.

Electrical Scope

- Site amenities shall include parking lot and site lighting, electric utility relocations/modifications and low voltage raceways.
- 310' Ryan Road Extension including lighting, utility power, low voltage, and coordination with utilities for these items.
- Meetings with electric utility and low voltage utilities are included to incorporate underground electrical scope of work
- Up to (3) in person site meetings/observation(s) during design
- Design support including site electrical, site lighting and photometrics.
- Design of SES to be PV ready is included. PV studies by PV vendors.
- Schematic fire alarm system design.
- Coordination with technology partner.
- Deliverables: SD, DD, CD 95% and sealed CD 100% delivered in pdf format via email.

Construction Administration/Observations:

Not in contract – to be negotiated with Town of Queen Creek once project is funded for construction.

Understandings/Exclusions:

- MPE design work up to DD shall be performed in AutoCAD. Revit model will have the structure of the building entered into the model prior to Applied drawing MPE systems into the model. From DD to CD a REVIT BIM model of MPE systems to LOD 200 will be created and delivered along with the CD plans.
- During construction phase all Revit BIM updates will be performed by the contractor's BIM team.
- Off-site improvements other than 310's Ryan Road extension is NIC or by others.
- Utility contracts, utility construction scheduling shall be coordinated between utility and owner / GC.
- Dry utility coordination is excluded.
- Electrical exclusions/assumptions: Energy calculations are included when required by codes in force. Online meetings are included as needed. Special systems raceway designs are by technology consultant. Standard exclusions (unless specifically included in scope of services): PV or battery system design, instrumentation / controls, design of AV, access controls, video surveillance, or IT hardware and cabling systems, time-current coordination, arc flash analysis, permitting, meetings with AHJ, cost estimates, LEED design, rebates, engineered fire alarm.
- Bidding Phase support NIC and to be provided under CA agreement.
- Construction Phase support NIC and to be provided under CA agreement.
- Technology Design, Special Systems Design and related Consulting under separate agreement.
- Design phase up to 12 months is included.

Schematic Design Phase (30% Design Submittal)

1. Project Kick-off Meeting—this meeting will be conducted with Town of Queen Creek Stakeholders representing the Public Works (Transportation, Streets, Admin, and Facilities), CIP, Finance, IT, and HR.
2. Meetings and coordination with Queen Creek Facilities to determine Mechanical, Plumbing, Electrical, Technology goals and standards.
3. Deliverable: Mechanical, Plumbing, Electrical SD 30% progress plans and narrative reports on anticipated systems and features.

Design Development Phase (60% Design Submittal)

Mechanical Engineering:

1. Equipment Schedules, locations, sizes, types.
2. HVAC distribution including: Supply Air/Return Air, Exhaust Air, Outside Air requirements and associated calculations.
3. Equipment placement and sizing (rooms, roofs, pads).
4. Description of energy system management controls and operations.
5. Equipment connections and supports – standard details.
6. Preliminary Report, calculations and compliance statement regarding building mechanical system design with ASHRAE/IESNA Standard 90.1-1999

Plumbing Engineering:

1. Plumbing plans and drawings, including: Fixture schedule, locations, Equipment schedule, locations, Waste and vent riser diagram with types, locations, key sizes, Water piping, water heater types and locations (sizes for pipes larger than1"), Roof drainage system.
2. Water pressure and Fixture Count Calculations.
3. Fire Protection System identification including fire riser and Siamese Connection location(s).

Electrical Engineering:

1. Equipment Sizing and Specifications
2. Power Distribution and Single Line Diagrams to include power distribution equipment, feeder size, equipment schedule and grounding.
3. Load Calculations.
4. Electrical Site Plan with outdoor lighting, power feed and telecommunication pathways.
5. Power and Special Systems Plan (power outlets, data/telecommunications pathways and j-boxes)
6. Security & Access Control System pathways and devices
7. Lighting Plan with fixture types, switch types and locations.
8. Motor Control Plan for HVAC equipment with starter and circuit sizing.
9. Preliminary Report, calculations and compliance statement regarding building electrical system design with ASHRAE/IESNA Standard 90.1- 1999.

Deliverable: Design Development 60% plans for MPE Systems along with any relevant narrative reports.

Contract Documents Phase (95% and 100% CONTRACT DOCUMENT SUBMITTALS)

1. Owner Review Comments from the Design Development Submittal (60% Design Documents) shall be tabulated and addressed.
2. The 95% Contract Documents Submittal shall include all documentation for architectural, structural, civil, mechanical, plumbing, electrical and special systems, and landscape architecture for the Project through the finalization and completion of calculations, reports, plans, documents, details and schedules.
3. Submit 95% Contract Documents to Authority Having Jurisdiction (AHJ) and to Owner for final review and comment.
4. Tabulate and incorporate AHJ and Owner Review Comments from the 95% Construction Documents to finalize Contract Documents (100%).
5. Obtain Construction Permit. All permit fees are to be paid by the Owner.
6. Update / finalize construction cost estimate to reflect 100% construction docs.

QUEEN CREEK FIELD OPERATIONS FACILITY
MECHANICAL, PLUMBING AND ELECTRICAL
ENGINEERING SERVICE AGREEMENT V1

MPE Engineering Fees:

MECHANICAL MPE	Rate	SD Hours	DD Hours	95% CD Hours	100% CD Hours	Subtotal
Professional Engineer PE	$ 195.00	16	16	16	8	$ 10,920.00
Project Engineer EIT	$ 175.00	40	160	120	24	$ 60,200.00
Senior Designer	$ 175.00	40	160	120	24	$ 60,200.00
Revit BIM Drafter	$ 155.00	40	160	120	24	$ 53,320.00
Administrative	$ 85.00	16	16	16	8	$ 4,760.00
		$ 24,680.00	$ 85,280.00	$ 65,080.00	$ 14,360.00	**$ 189,400.00**
		SD	DD	95% CD	100% CD	**Total Fee**

ELECTRICAL MPE	Rate	SD Hours	DD Hours	95% CD Hours	100% CD Hours	Subtotal
Professional Engineer PE	$ 195.00	16	16	16	8	$ 10,920.00
Project Engineer EIT	$ 175.00	40	140	80	16	$ 48,300.00
Senior Designer	$ 175.00	40	140	80	16	$ 48,300.00
Revit BIM Drafter	$ 155.00	40	80	80	16	$ 33,480.00
Administrative	$ 85.00	16	16	16	8	$ 4,760.00
		$ 24,680.00	$ 65,880.00	$ 44,880.00	$ 10,320.00	**$ 145,760.00**
		SD	DD	95% CD	100% CD	**Total Fee**

Terms:
Invoiced upon basis of percentage completion. Payments to Applied are due Net 10 from receipt of payment to GLA by Queen Creek. In event client puts project on hold, Applied Engineering's fees shall be due and payable for percentage of work completed per main agreements. Late payment fees of 1.5%/month plus reasonable collection fees and costs due and payable by Client to Applied in the event of default.
(End of Service Agreement)

Accepted by: Gabor Lorant Architects, Inc.	**Offered by: Applied Engineering, Inc.**
Signature:	
By: Jan Lorant, AIA	By: Gregory Piraino, PE
Title:	Title: President
Date:	Date: 3/27/2025

Advanced Structural Engineering
9308 E Raintree Drive, Scottsdale, AZ 85260 602.264.1010
AdvancedStructuralEng.com

AGREEMENT FOR PROFESSIONAL SERVICES

CLIENT: Mr. Jan Lorant, AIA, NCARB, LEED AP
Gabor Lorant Architects, Inc.
3326 N 3rd Avenue, Suite 200
Phoenix, AZ 85013-4302

DATE: March 28, 2025
PROPOSAL NO: P25001a
PROJECT NO: TBD

PROJECT: **Queen Creek Field Operations Facility**
Park Drive and Ryan Road, Queen Creek, AZ

SCOPE OF SERVICES: Structural engineering design and drafting, review your specifications, sealed calculations, and construction documents for the Field Operations Facility in Queen Creek, AZ. The following items are included in the scope of services:

- Project Notes:
  - Newly proposed structure is intended to be 2-story approximately 40,000-sf.
  - Building is intended for support spaces regarding Public Works, Capital Improvements, Finance, Human Resources, and Information Technology Departments.
  - Additional Spaces for Consideration (beyond typical offices and support spaces):
    - Traffic Management Center
    - Conference/Training Room
    - Locker Spaces and Shower/Changing Rooms
    - Radio/Vehicle Work Bay
  - Exterior Items for Consideration:
    - Secure Fencing
    - Shade Structure
- Provide structural design:
  - Determine building vertical loading and lateral loading.
  - Design Building Foundations
    - Review Geotechnical Recommendations regarding building foundation and soil properties.
  - Design Building Gravity Systems
  - Design Building Lateral Systems
  - Design Miscellaneous Structural Items
    - Foundations for Secure Fencing
    - Framing and Foundations for Exterior Shade Structure
    - Elevator Miscellaneous Embeds and Hoist
- Assemble construction documents:
  - Formalize and seal structural calculations.
  - Draft, assemble, and seal structural drawings.
  - Mark-up/provide project specifications.
- Coordination/Discussion/Meetings:
  - To discuss, coordinate, or review design requirements/intent/direction/existing site conditions.
- Technical Review:
  - Internal review of submittal documents.

SPECIAL CONDITIONS: Construction Administration and Special Structural Inspection services are not included in the proposal and can be discussed as a separate item upon request.

SERVICES FEE:

Queen Creek Field Operations Facility Structural Design	
Schematic Design	$19,152.00
Design Development	$49,464.00
95% Construction Documents	$76,864.00
100% Construction Documents	$12,648.00
Overall Total Fee	**$158,128.00**

EXPENSES: Anticipated minor expenses for messengers, in-house printing and plotting, and local travel are included in our lump sum fee. Major expenses such as milestone printing for end of phase permit submittals or bid sets, while not anticipated, would be billed at our cost with markup (x1.20) if required.

We are available to start the work upon execution of this agreement by signing below and returning via email to Eric.Domingo@AdvancedStructuralEng.com.

We are looking forward to working with you on this project. If there are any questions or need for further information, please feel free to contact me or Mr. Brian Raji, PE, SE, Managing Principal.

By: ***Advanced Structural Engineering***

Signed: _____

By: Eric Domingo
Principal

Agreed to by: **CLIENT**

Signed: _____

By: _____
Print Name/Title/Date

This agreement includes the Terms and Conditions in Exhibit A.

Attachments:
Exhibit A: Terms and Conditions on the next page
Exhibit B: Hourly Rate Schedule
Exhibit C: Scope of Services
Exhibit D: Fee Breakdown

cc: Brian B. Raji, PE, SE, Managing Principal, ASE
Michael S. Puhlmann, PE, SE, Principal, ASE
Karen Ratliff, Principal, Marketing, ASE

EXHIBIT A

TERMS AND CONDITIONS

Advanced Structural Engineering (ASE) shall perform the services outlined in this agreement pursuant to the stated fee arrangement.

1. **Additional Services** Should the Scope of Services change from those set forth in the Agreement for Professional Services, the fee for such additional services will be negotiated between CLIENT and ASE.
2. **Limitation of Liability** To the greatest extent allowed by law, the aggregate liability of ASE for any and all injuries, claims, demands, losses, expenses or damages, of whatever kind, arising out of or in any way related to this Agreement or the services provided by ASE on this project, shall be limited to $50,000 or the total fee received by ASE pursuant to this Agreement, whichever is greater. Further, no officer, director, shareholder or employee of ASE shall bear any personal liability to CLIENT for any and all injuries, claims, demands, losses, expenses or damages, of whatever kind or character, arising out of or in any way related to this Agreement or the services provided by ASE on this project.
3. **Mediation** All disputes between CLIENT and ASE arising out of or relating to this Agreement shall be submitted to nonbinding mediation prior to commencement of any other judicial proceeding.
4. **Dispute Handling** ASE shall make no claim against CLIENT without first providing CLIENT with a written notice of damages and providing CLIENT thirty (30) days to cure before an action is commenced. CLIENT shall make no claim either directly or in a third party claim, against ASE unless CLIENT has first provided ASE with a written certification executed by an independent professional currently practicing in the same discipline as ASE and licensed in the state of the subject project. This certification shall a) contain the name and license number of the certifier; b) specify each and every act or omission that the certifier contends is a violation of the standard of care expected of a professional performing professional services under similar circumstances; and c) state in complete detail the basis for the certifier's opinion that each such act or omission constitutes such a violation. This certificate shall be provided to ASE not less than thirty (30) calendar days prior to the presentation of any claim or the institution of any judicial proceeding.
5. **Suspension of Services** If CLIENT fails to make payments to ASE in accordance with this Agreement, such failure shall provide ASE the option to suspend performance of services under this Agreement upon seven (7) days written notice to CLIENT. In the event of a suspension of services, ASE shall have no liability for any delays or damages caused because of such suspension. Before resuming services, ASE shall be paid all sums due prior to suspension and any expenses incurred by ASE in the interruption and resumption of its services. ASE's fees for the remaining services and time schedules shall be equitably adjusted. If any invoice is in dispute, CLIENT shall pay under written protest to keep the project on schedule and resolve the payment dispute after substantial completion.
6. **Termination** This Agreement may be terminated by either party with seven (7) days written notice to the other in the event of a substantial failure of performance by the other party through no fault of the terminating party. If this Agreement is terminated, ASE shall be paid for services performed to the termination notice date, including reimbursable expenses due.
7. **Ownership of Documents** The drawings, calculations and specifications are instruments of service and are, and shall remain, the property of ASE, whether the project for which they are made is executed or not. They are not to be used on other projects or extensions to this project except by agreement in writing.
8. **Contract Administration** It is understood that ASE will not provide design and construction review services relating to safety measures of any contractor or subcontractor on the project. Further, it is understood that ASE will not provide any supervisory services relating to the construction for the project. Any opinions solicited from ASE relating to any such review or supervisory services shall be considered only as general information and shall not be the basis for any claim against ASE.
9. **No Third Party Beneficiary** Nothing in this Agreement shall create a contractual relationship with or a cause of action in favor of any third party against ASE or CLIENT.
10. **No Assignments** Neither party to this Agreement shall transfer, sublet or assign any rights under or interest in this Agreement (including but not limited to monies that are due or monies that may be due) without the prior written consent of the other party.
11. **Payments** ASE will submit monthly invoices. Payment is due on the date of the invoice and becomes delinquent one month thereafter. A late charge will be added to delinquent amounts at the rate of one-and-one-half percent (1 ½ %) for each one month of delinquency (or the maximum allowable by law, whichever is lower). If ASE initiates suit to recover delinquent sums owed by CLIENT, ASE shall be entitled to recover all reasonable costs incurred, including staff time, court costs, attorney's fees, expert fees and other related costs and expenses.
12. **Composite Systems/Carbon Fiber Structural Reinforcement** ASE is in collaboration with Pipe Reconstruction Inc (PRI) and Composite Wrap (CW) to provide turn-key service for the material procurement, design, installation, and inspection of advanced composite/carbon fiber reinforcement systems. Design provided shall be based on our turn-key operation, 3rd party substitutions bear all responsibility in opposing design and verification of equality.

EXHIBIT B

2025 HOURLY RATE SCHEDULE

STRUCTURAL ENGINEERING SERVICES

Principal	$199.00
Project Manager	$176.00
Sr. Project Engineer	$140.00
Project Engineer/Sr. Inspector	$123.00
Engineer/Inspector	$109.00
CADD Technician/Drafter	$95.00
Clerical	$70.00

Note: Hourly rates for employees are subject to annual adjustments. Services will be billed at the employee's hourly rate in place at the time the service is provided.

IRS Mileage Rate Allowance as of 1/1/25: $0.70/mile

Markup on expenses (mileage, travel, subsistence, reprographics, courier, express mail): 20%

EXHIBIT C
STRUCTURAL ENGINEERING SCOPE OF SERVICES

Our fee is based on the following selected/checked scope items and subject to change if project scope is revised:

Overall Project Metrics:

Included?	Project Metric	Included?	Project Metric
	Estimated total construction cost: $xx.xM		Parking garage; # of structured levels: x
X	Total gross square feet: 40,000-sf		Pre-Engineering garage by others
X	One major building mass		Pre-Engineered Metal Bldg by others
	Multiple bldgs./wings; # of bldgs.: x		Mixed PEMB with ASE design
	Single story		ASE design PEMB foundation only
X	Multistory; # of stories: 2		Prototype building
	Designed for future level(s)		Repeat bldg. from previous prototype

The following are normally included in our BASIC services:

Included?	Basic Design Services	Included?	Basic Design Services
X	Assist Client in concept/programming	X	Study alternative framing systems
X	Site visit if existing building	X	Written narrative of systems and selection
X	Schematic design phase; ~15% design	X	Full CAD/Revit/BIM modeling of structure to AIA E202 Level of Development 300
X	Design development ph.; ~30-40% design	X	Outline specifications during DD phase
X	Construction documents ph.; 100% design	X	Full CD specifications or redline client's
X	Bidding/bid negotiation/GMP support	X	Review Client's cost estimate opinion
X	Design for support of building MPE systems equipment	X	Design embeds/attachments for exterior cladding elements
X	Design embeds/attachments for pre-fab stairs and handrails	X	Design rail supports and attachments for elevators and other guideway systems
X	Design retaining walls that are part of the building structure	X	Design site free-standing walls and trash enclosure walls
X	Review GC shop and erection drawings, submittals, concrete mix designs		Review GC shop drawings for pre-engineered structural elements
	Review testing and inspection reports		Assist Client in preparing change orders
	Review RFI's/field questions and provide interpretations of structural conditions		Review GC change order requests, claims, and disputes
	Provide site observation visits at periodic intervals of construction (max of xx visits)		Assist Client in determining amounts due to GC for structural work
	Attend Owner-Architect-Contractor (OAC) meetings on an as-needed basis (included within limit of site observation visits)		Review GC's as-built drawings submittal

The following are <u>not</u> normally part of Basic services and are additional or optional services:

Included?	Additional or Optional Services:	Included?	Additional or Optional Services:
	Special Structural Inspections (SSI); maximum no. of site visits = xx		Full-time on-site project representative or site engineer/manager
	Post-construction substantial/final completion or warranty site observ. visits		Review GC's procurement plan, schedule, and safety plans
	Review GC's construction schedule and payment requests		Attend Owner-Architect-Contractor (OAC) meetings on a regular or weekly basis
	Record Drawings based on GC's as-builts		Provide special studies or special surveys

Included?	Additional or Optional Services:	Included?	Additional or Optional Services:
	Services Relative to Future Facilities, Systems, and Equipment		Services to Investigate Existing Conditions of Facilities, or Make Measured Drawings
	Services to Verify Accuracy of Information Furnished by Architect		Coordination of Construction Performed by Separate Contractors
	Services Regarding Work of a Construction Manager or Consultant		Detailed Opinions or Estimates of Construction Cost
	Quantity Surveys or Material Inventory		Designing Tenant or Rental Spaces
	Investigations or Appraisals of Existing Materials or Facilities		Coordination of Work in Conjunction with Owner Supplied Equipment or Materials
	Sitework Elements (normally provided by arch/civil/landscape):		Non-structural or Secondary Structural Elements and Their Attachments:
	a. Culverts, Bridges, Foot Bridges, Sidewalks, Utility/Drainage Vaults/Pads		a. Detailed Cladding, Curtain Wall, Metal Stud, Precast Fascia Panels
	b. Site Retaining Walls		b. Interior Architectural Systems
	c. Landscape Elements, Furnishings		c. Window Washing System/Tie Downs
	d. Signs		d. Antenna or Flagpoles
	e. Misc. Site Structures including shade canopies, gazebos, trellises		e. Calcs/details for anchorage of MPE equipment & distribution systems
	f. Flagpoles, Lighting Poles, AV/Security Poles, Solar Panel Racks		f. Calculations and details for anchorage of medical equipment.
	g. Fencing, Gates, Backstops, Sports / Playground Equipment, Skateparks		g. Mechanisms/Guides for Elevators, Escalators or other Conveying Equip.
	h. Pre-Engineered Metal Buildings (PEMB), Parking Canopies & Fndns.		h. Pre-Engineered Stairs and Handrails designed by others.
	i. Swimming Pools.		i. Storage Tanks or Underground Vaults
	Incorporate Peer Review Comments		j. Storefront and Skylight Design
	Prepare Demolition Documents		Soils investigations or reports.
	Prepare Excavation, Excavation Shoring, or Underpinning Documents		Designing, detailing, or specifying Life Safety and Fireproofing
	Designing, detailing, or specifying waterproofing or watertightness		Analysis & Design of Base Isolation or Other Passive Energy Dissipation Systems
	Field modifications or substitutions originated by contractor or owner		Construction sequencing and special techniques
	Redesign and/or investigation of alternative details or methods of construction requested after the plans have been essentially completed		Redesign due to owner or design team revisions after previous fast-track or phased packages have been coordinated, approved, and submitted
	Fast-track construction or phased construction document submittals		Redesign required due to construction costs exceeding the construction estimates

Footnotes:

1. Revit Building Information Modeling (BIM) Model will be created through the receipt of periodic architectural updates and annotated redline drawings. The Copy/Monitor technique of model updates will not be relied upon. BIM Model is for contract document, coordination and clash detection purposes and shall not be used for thorough estimating of quantities, shop drawing production, construction means and methods or detailed on site coordination. Based roughly on AIA E-202 Level of Development (LOD) 300 the BIM Model will include:
   - Accurate quantity, size, shape, location and orientation of structural members drawn with standard coarse visibility in plan view and medium or fine visibility in elevations and details; gridlines, dimensions, foundation and floor elevations
   - Slab and deck edges, and major openings; floor slabs; lateral force resisting elements – shear walls, braced and moment frames

   BIM Model will not Include:
   - Connection bolts, plates, weldments; reinforcing steel, lintels in concrete/masonry
   - Stairs; fluted decking; cladding or cladding support elements
   - Non-structural and secondary elements such as canopies, sun shades, cornices, towers, signage, sitework elements, etc.
2. Traditional 2 Dimensional Modeling, AutoCAD or Other will be drawn in conformance with the National CAD Standards with ASE specific deviations for readability.

EXHIBIT D
STRUCTURAL ENGINEERING FEE BREAKDOWN

Field Operations Facility
Queen Creek, AZ

FEE PROPOSAL
SD-CD

TASK ITEMS	PRINCIPAL	PROJECT MANAGER	SENIOR PROJECT ENGINEER	PROJECT ENGINEER/ SR. INSPTR	ENGINEER/ SPECIAL INSPECTOR	DRAFTING / TECHNICIAN	CLERICAL	TASK SUB-TOTAL
								$ -
								$ -
								$ -
								$ -
SD		36.0	24.0		24.0	72.0		$ 19,152.00
DD		96.0	68.0		72.0	160.0		$ 49,464.00
95%CD		144.0	128.0		120.0	216.0		$ 76,864.00
100%CD		12.0	24.0		24.0	48.0		$ 12,648.00
								$ -
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								$ -
TOTAL HOURS	0.0	288.0	244.0	0.0	240.0	496.0	0.0	1268.0
HOURLY RATES	$ 199.00	$ 176.00	$ 140.00	$ 123.00	$ 109.00	$ 95.00	$ 70.00	
SUB-TOTALS	$ -	$ 50,688.00	$ 34,160.00	$ -	$ 26,160.00	$ 47,120.00	$ -	$ 158,128.00
Reimbursibles / Exp	Travel, mileage, per-diem, courier, printing							
Subconsultants	(List subs here, if any)							
								$ -
								$ -
TOTAL								***$ 158,128.00***

HUITT
HZ ZOLLARS

March 27, 2025
(Revised 4-7-25)

Mr. Jan Lorant, AIA
Gabor Lorant Architects Inc.
3326 N. 3rd Avenue, Suite 200
Phoenix, AZ 85013

Re: Proposal for Civil Engineering and Landscape Architectural Services
Town of Queen Creek – Field Operations Facility – CIP/Public Works Building

Dear Jan:

Thank you for the opportunity to submit this proposal for civil engineering, surveying and landscape architectural services.

Our proposed fee is $166,960 for the design phase, $4,288 for aerial mapping and $10,500 for allowances, for total project fee of $181,748. Please refer to the attached scope of work and project estimating sheet.

Again, thank you for this opportunity and please call me if you have any questions.

Sincerely,
Hitt-Zollars, Inc.

Mark T. Gavan, PE
Principal

Attachments
Scope of Work
Fee Estimate
Mapping Limits Exhibit
Cooper Aerial Mapping Scope & Fee

SCOPE OF WORK

Queen Creek
Field Operations Facility – CIP/Public Works Building

Queen Creek, Arizona

PROJECT DESCRIPTION

This project is the addition of a new Field Operations Facility - CIP/Public Works Building in the Town of Queen Creek, Arizona. This project includes surveying, civil engineering and landscape architectural design services. The site improvements for the project will include a new parking lot with paving, grading & drainage improvements, stormwater retention, new fireline, site water and sewer service, landscaping, and other site improvements necessary to accommodate the new building and it's intended operations.

TASKS

1.0 General

1.1 Project Meetings, Management & Coordination – Attend meetings with GLA, GLA sub-consultants, utility providers, Salt River Project & Town of Queen Creek.

2.0 Research/Data Collection

2.1 Research/Data Collection – We will review the Town of Queen Creek's (Town) as-built plans of waterlines, sewer lines, storm drains, and irrigation, and with assistance from the Town will gather and review all pertinent utility maps and other project related information. We will also obtain utility mapping from private utility companies for incorporation into the base drawing.

2.2 Site Visits – Visit Site to assess project needs. Document existing conditions and take site photographs of features relevant to planning, design and construction.

2.3 Field Topographic, Boundary Survey & Project Control – Field locate existing section corners to establish GPS calibration and site control for the preparation of topographic mapping and boundary verification. Provide ground control and establish panel points for use in Drone Mapping. Obtain ground survey measured elevations at the perimeter of the site especially at key tie-in points of drives, roads and sidewalk for final design. The basis of project coordinates will be State Plane Ground values scaled up around the origin and aligned to Grid North NAD83. The Datum will be NAVD88 in accordance with Maricopa County GDACS published values verified among three corresponding benchmarks. Topographic mapping will include ground measure cross-sections for perimeter roads, and ground measured locations of sewer manholes, fire-hydrants, power-poles, visible junction boxes, pedestals and electrical transformers. Boundary will be verified from plats, prior survey(s), or recorded Deeds. The survey will be aligned to the historical Signal Butte roadway using NAD83 as the basis of bearings.

2.4 Power Company Coordination/Design Conflict Review –Coordination with power company regarding 69kv poles to discuss design constraints.

3.0 Schematic Design (30% Design Submittal)

3.1 Base Drawing/Sheets – A base drawing for the new building facility improvement area will be produced using new topographic survey for the site.

3.2 Schematic Design Plans (Civil Narrative) – A narrative will be prepared describing civil components for the site development including earthwork, water and sewer utilities, pavements,

and grading and drainage. The fire line, water and sewer services will include sizes, lengths, and associated appurtenances.

3.3 Schematic Design Plans (Landscape Narrative) – A narrative will be prepared describing the anticipated landscape treatments for the site including trees, shrubs, ground covers, and anticipated irrigation renovation requirements for the purposes of providing estimated costs for the landscape treatments.

3.4 Outline Technical Specifications – Outline technical specifications will be prepared for unique items of civil and landscape work that is not covered by MAG, or the Town of Queen Creek Supplements to MAG Standard Specifications.

4.0 Design Development (60% Design Submittal)

4.1 Initial Demolition Plan – Prepare demolition plan to include the onsite and offsite features requiring demolition.

4.2 Preliminary Site Construction Plans - Construction plans will be prepared to provide new curb, pavement, sidewalk and other features.

4.3 Preliminary Grading and Drainage Plans - Grading and drainage plans will be prepared to provide vertical control for curb, pavement and sidewalk elevations, building floor elevation and stormwater retention areas. The grading plans will be prepared in a manner to meet the requirements of the Town's Engineering Development Services Division as the plans are developed.

4.4 Preliminary Ryan Road Paving Plans – Prepare plan and profile paving plans, including drainage design.

4.5 Preliminary Drainage Report - A preliminary report will be prepared including documentation of the required storm water retention volume and drain-time for the new facilities. This report will also document contributing offsite flows which may be conveyed through the project site.

4.6 Preliminary Site and Drainage Details – Prepare site and drainage detail sheets.

4.7 Preliminary Site Water and Sewer Plan – Water and sewer plans will be prepared for the new building, and offsite water and sewer plans will also be provided to connect into the existing water lines west of the site and the sewer in Ryan Road.

4.8 Preliminary Landscape Plans – Planting plans will be prepared to identify plant material types, sizes and layout, and inert ground covers.

4.9 Preliminary Irrigation Plans. Preliminary Irrigation plans will be prepared showing irrigation design intent, point of connection for water, and electrical connection intent for relocated and new valves. Plans will include an irrigation legend to show the irrigation materials and manufacturers. Final plans shall include irrigation legend, notes, sprinkler and drip layout, mainline and lateral pipe, valves and controller locations, and control valve sequencing.

4.10 Preliminary Technical Specifications – Provide preliminary technical specifications for unique items of civil and landscape work that is not covered by MAG, or the Town of Queen Creek Supplements to MAG Standard Specifications.

5.0 Construction Documents (90% and 100% Design Submittals)

5.1 Pre-Final Civil and Landscape Plans (90%) - Provide construction documents for civil and landscape plans describing in detail the construction requirements for the project. Plans will be prepared per Town Engineering standards. In addition, the following plans/tasks shall be provided for the construction documents:

- Demolition Plans
- Site Construction Plans
- Grading & Drainage Plans
- Ryan Road Paving
- Drainage Report
- Site/Drainage Details
- Water/Sewer Plan

- Landscape Plans
- Irrigation Plans
- Technical Specifications

5.2 Horizontal Control Plans will be prepared to provide horizontal control for the new site work including control for parking lot curbs, drainage features, sidewalks, and light poles (pole locations to be provided in AutoCad by others).

5.3 Storm Water Management Plans will be prepared to provide erosion control BMPs for the site construction area as required by the Town.

5.4 Pre-Final Civil and Landscape Plans (100%) permit-ready, biddable construction documents shall be prepared for the above referenced civil and landscape plans describing in detail the construction requirements for the project. Plans will be prepared per Town standards.

6.0 Allowances

6.1 Reimbursable Expenses – Miscellaneous expenses such as travel, etc.

6.2 Legal Descriptions - Legal Descriptions for waterline easements and Ryan Road R/W Dedication.

SUBMITTALS

- Schematic Design (30% Submittal) – CAD files of topographic survey, outline technical specifications, narratives for civil and landscape components, and schematic construction cost estimate.
- Design Development (60% Submittal) – Preliminary drainage report and preliminary plans in PDF format of all submittal documents.
- Construction Documents (95% and 100% Submittals) – Final plans, final drainage report, final technical specifications, completed checklists and off-site cost estimate for City Plan Review in PDF format will be provided to client. It is assumed that hard-copy or electronic plan submittals will be made by GLA.

ASSUMPTIONS AND EXCLUSIONS

a. Site Plan - It is assumed that all site plan design, calculations, and preparation as required by the Town of Queen Creek will be provided by GLA.

b. The civil and landscape plans produced by Huitt-Zollars, Inc. will be in AutoCAD format and will utilize the site plan digital file(s) provided by GLA. Any changes to the site plan will also be provided to Huitt-Zollars, Inc. in AutoCAD format.

c. Geotechnical Engineering - Soils investigations or testing are not included in the scope of our services. GLA shall provide Huitt-Zollars, Inc. with a geotechnical report which shall include infiltration test data and pavement recommendations.

d. Dry Utility Design – It is assumed that new utility design for electric and communications will be by others (electrical engineers) and is not included in this scope of work.

e. Utility Coordination – It is assumed that coordination with utility companies and agencies for conflict resolution, other than Town of Queen Creek water and sewer utilities, will be by GLA or the City, and is not included in this scope of work.

f. Landscape Inventory & Salvage – Based on the context of the site it appears a landscape inventory and salvage plan would not be required and is not included in the scope of our services. If an inventory and salvage plan is required, it can be provided as an amendment to this proposal.

g. Agency Fees - The City or GLA will pay all agency review fees and permit fees.

h. Reproduction costs for making plan review sets and bid sets will be paid by the Town or GLA.

f. Structural Engineering - GLA will provide for structural design of any required retaining walls, or other features requiring structural engineering design.

Queen Creek Field Operations Facility - CIP/Public Works
Fee Schedule / Project Estimating Sheet

		Labor Classifications & Hourly Rates									
		Project Manager	Sr. Civil Engineer	Senior Designer	Landscape Architect	EIT	Admin. Manager	Survey Manager	Sr. Survey Technician	1-Person Survey Crew	TOTAL HOURS
TASK DESCRIPTION	**SUBTOTALS**	$215.00	$195.00	$185.00	$160.00	$140.00	$125.00	$240.00	$145.00	$120.00	
1.0 GENERAL	**$8,440.00**	**32**	**8**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**40**
1.1 Project Meetings, Management & Coordination	8,440.00	32	8								40
2.0 RESEARCH / DATA COLLECTION	**$20,555.00**	**17**	**22**	**0**	**2**	**8**	**0**	**6**	**34**	**40**	**129**
2.1 Research/Data Collection	4,440.00	4	8		2	8			4		26
2.2 Site Visits (Pictures)	2,460.00	6	6								12
2.3 Field Topographic, Boundary Survey, Project Control	10,805.00	1						6	30	40	77
2.5 Utility/Agency Coord/Design Conflict Review	2,850.00	6	8								14
3.0 SCHEMATIC DESIGN	**$15,785.00**	**13**	**26**	**0**	**4**	**52**	**0**	**0**	**0**	**0**	**95**
3.1 Base Drawing/Sheets	7,115.00	5	8			32					45
3.2 Schematic Design (Civil Narrative/Drainage Calcs)	5,435.00	5	8			20					33
3.3 Schematic Design (Landscape Narrative)	855.00	1			4						5
3.4 Outline Technical Specifications	995.00	1	4								5
3.5 Site Construction Opinion Of Probable Cost	1,385.00	1	6								7
4.0 DESIGN DEVELOPMENT (60%)	**$53,535.00**	**39**	**76**	**16**	**40**	**148**	**2**	**0**	**0**	**0**	**321**
4.1 Initial Demolition Plans	3,885.00	3	8			12					23
4.2 Preliminary Site Construction Plans	9,795.00	5	16			40					61
4.3 Preliminary Grading and Drainage Plans	9,795.00	5	16			40					61
4.4 Preliminary Ryan Road Paving Plan - P&P	3,450.00	2	4			16					22
4.5 Preliminary Drainage Report	5,205.00	9	4			16	2				31
4.6 Preliminary Site and Drainage Details	4,445.00	3	8			16					27
4.7 Preliminary Water / Sewer Plan (Impacts & Relocations)	3,755.00	5	8			8					21
4.8 Preliminary Landscape Plans	5,535.00	1		8	24						33
4.9 Preliminary Irrigation Plans	4,255.00	1		8	16						25
4.10 Preliminary Technical Specifications	3,415.00	5	12								17
5.0 CONSTRUCTION DOCUMENTS (90% / 100%)	**$68,645.00**	**55**	**92**	**16**	**32**	**220**	**0**	**0**	**0**	**0**	**415**
5.1 Pre-Final Plans (90%)											
a. Demolition Plans	2,330.00	2	4			8					14
b. Site Construction Plans	8,755.00	9	12			32					53
c. Grading and Drainage Plans	10,655.00	9	16			40					65
d. Ryan Road Paving	6,510.00	4	6			32					42
e. Drainage Report	7,635.00	9	12			24					45
f. Site / Drainage Details	5,440.00	4	12			16					32
g. Water / Sewer Plan	5,995.00	5	8			24					37
h. Landscape Plans	4,255.00	1		8	16						25
i. Irrigation Plans	4,255.00	1		8	16						25
j. Technical Specifications	2,205.00	3	8								11
5.2 Horizontal Control Plans	3,450.00	2	4			16					22
5.3 Storm Water Management Plans	2,285.00	1	2			12					15
5.4 Final Plans (100%)	4,875.00	5	8			16					29
Total Hours		**156**	**224**	**32**	**78**	**428**	**2**	**6**	**34**	**40**	**1,000**
SUBTOTAL Design Fees	**$166,960.00**	$33,540.00	$43,680.00	$5,920.00	$12,480.00	$59,920.00	$250.00	$1,440.00	$4,930.00	$4,800.00	

Subconsultants

6.1 Cooper Aerial Surveys	$4,288.00

Allowances

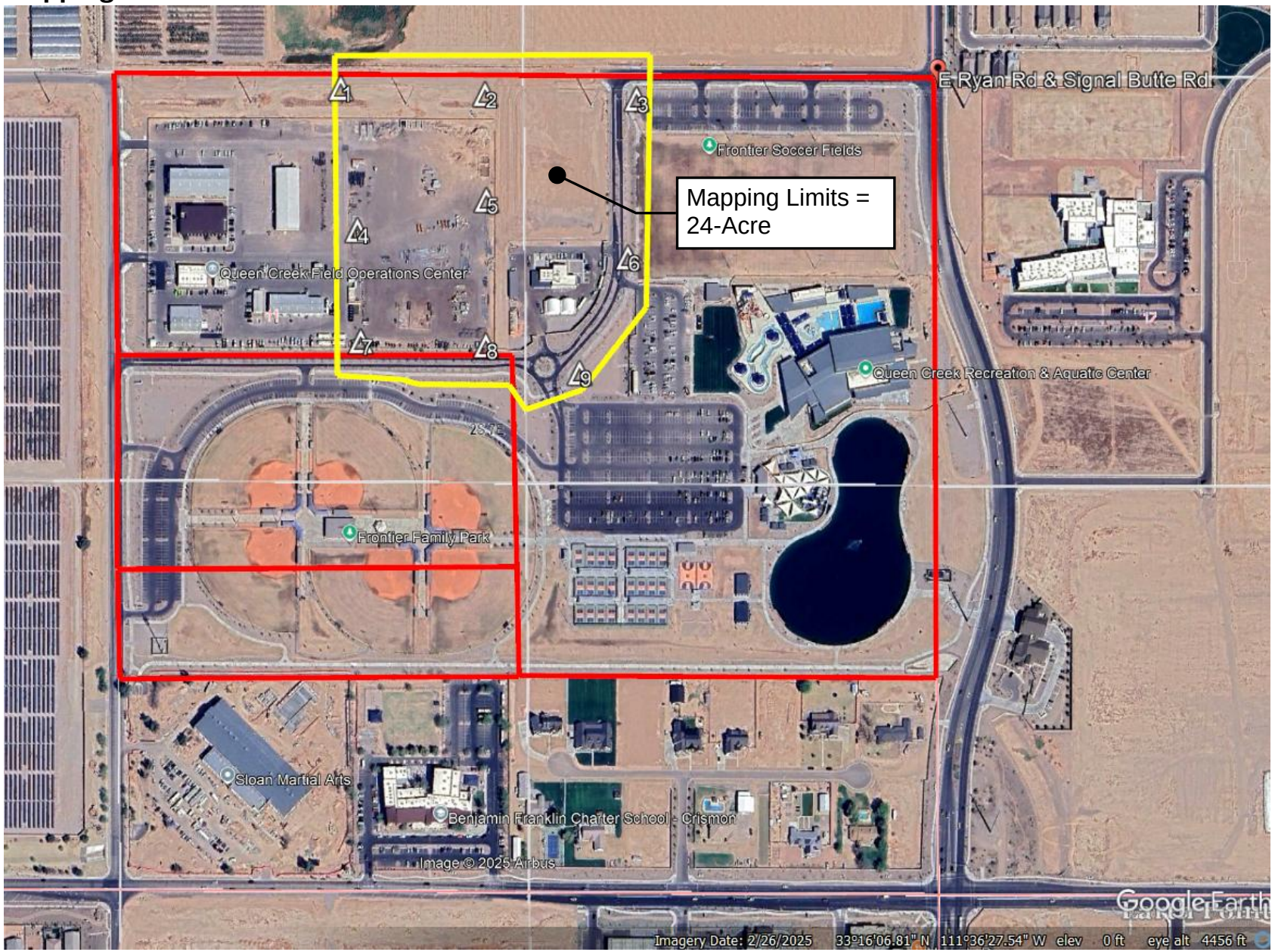
8.1 Reimbursables Allowance	$2,000.00
8.2 Legal(s) or MOD for W.E. & Ryan Rd R/W Dedication(s)	$8,500.00
NOT TO EXCEED FEE TOTAL	**$181,748.00**

Queen Creek /Public Works

FIELD OPERATIONS FACILITY – CIP/PUBLIC WORKS BUILDING

RFQ No. 25-007

Mapping Limits EXHIBIT



COOPER AERIAL SURVEYS CO.

PROJECT MANAGER
Jim Crume
602.678.5111 ext 224
jcrume@cooperaerial.com

Cost Proposal for Queen Creek Mapping (Flight and processing)

Tom Granillo
Huitt-Zollars, Inc -7038
5050 North 40th St, Suite 100
Phoenix, Arizona 85018
602-252-8384
tgranillo@huitt-zollars.com

Proposal Date:
03/25/2025
Project Location:
20039 S 220th St, Queen Creek, Arizona 85142
85142

Cooper Aerial Surveys Co. is pleased to provide its cost proposal for aerial mapping and related services. This proposal is valid for thirty days from issuance date. The following is a summary of services to be provided. Please sign below and return the approved proposal to your Cooper Aerial Project Manager as acceptance of scope of services, proposed cost, and agreement to payment terms (30 days from completion of the work and provision of deliverables.)

Project Scope

Survey Services	Client is responsible for 9 ground control locations and post-process data
Mapping Services	Cooper Aerial process 144 exposures. * The mapping will be produced to National Map Accuracy Standards as published by the U.S.G.S. * Mapping Accuracy: ASPRS Vertical Class 2.5cm; Horizontal Class 2.5cm

Estimated Duration*

15 working days from the receipt of flight and verification of control

* Expediting must be addressed upon project authorization and additional charges may apply.

Deliverables for Queen Creek Mapping (Flight and processing)

2D Planimetrics and Contours Civil3D (DWG), Orthorectified Imagery JPG

COOPER AERIAL SURVEYS CO.

PROJECT MANAGER
Jim Crume
602.678.5111 ext 224
jcrume@cooperaerial.com

Sincerely,



Jim Crume

CLIENT ACCEPTANCE

Printed Name:
Title:
Signature:
Date:

☐ * Check here if you give permission to Cooper Aerial Surveys Co. to use your project for marketing purposes.

TOTAL FEE: $4,288.00

(plus taxes where applicable)

All fees are listed in USD *Accounts not paid within 60 days of the date of the invoice are subject to a 2% monthly finance charge*

Aerial Survey Metadata

Please fill out and return with the final mapping control.

To help with post processing and overall accuracy, Cooper Aerial requests the following information.

If you need assistance, please contact your Cooper Aerial Project Manager.

1. FOR STATE PLANE COORDINATE SURVEYS

- **PROJECTION: STATE PLANE ZONE _____, NAD _____, (EPOCH _____)**
  Example: State Plane Zone Arizona Central 0202, NAD83 (2011), Epoch 2010

- **ELLIPSOID USED _____**
  Example: GRS80

- **UNITS (circle one): INTERNATIONAL FEET / US SURVEY FEET / METERS**

- **VERTICAL DATUM: _____**
  Example: NAVD88

- **GEOID MODEL: GEOID_____**
  Example: Geoid18

- **IF THE PROJECT HAS BEEN MODIFIED TO GROUND. IF NOT, THEN N/A**
  MODIFIED TO GROUND AT (GRID) N: _____, E: _____, COMBINED SCALE FACTOR OF _____

2. FOR LOCAL/ASSUMED COORDINATE SURVEYS

*** IF OTHER THAN STATE PLANE COORDINATES, ADDITIONAL MATH IS REQUIRED**

FILL OUT INFORMATION FROM ITEM 1, THEN:

- **HORIZONTAL ADJUSTMENT FROM STATE PLANE - SHIFT DIRECTION AND QUANTITY: _____**
  Example: State Plane Easting - 500,000, State Plane Northing - 700,000

- **HORIZONTAL ROTATION FROM STATE PLANE: _____ DEG/MIN/SEC**
  Example: 02° 10' 10"
  ROTATION ORIGIN NORTHING: _____, EASTING: _____

Photo ID's for this project? Provide 2 photos of each PID:

- **At least 2 photos of each PID with equipment in place, one up close, and one appoximately 15-20 ft. back showing a distinguishable feature if possible**
- **Ground control data in .csv or .txt format preferred, label your data with the corresponding ground control photos**
- **Each PID should fall within an open clear area free from obstructions**
- **Label the title of your photos with the corresponding ground control numbers recommended by Cooper Aerial**
- **Let us know if you have to significantly relocate a PID so we can assure it will fall within the imagery**

QUEEN CREEK FIELD OPERATIONS FACILITY
TECHNOLOGY CONSULTING SERVICE AGREEMENT V1

Between:	**Gabor Lorant Architects, Inc.** 3100 N. 3rd Avenue, Suite 200 Phoenix, AZ 85013	**And:**	**Applied Engineering, Inc.** 2800 S Rural Rd., Suite 101 Tempe, AZ 85282
Contact Person: **Jan Lorant, AIA**		Contact Person:	Gregory Piraino, PE
Client Job #:		Applied Job #:	25-040
Job:	Queen Creek Field Operations Facility	Date:	3/28/2025
Location:	Queen Creek, AZ	Service:	Technology Consulting Services

General Scope of Technology Consulting Services:

Applied will provide Technology Consulting services for new approximately 40,000sf 2-Story building.

Included is an outline for deliverables as follows:

- Telecommunications Cabling Systems
- Audiovisual Systems
- Access Control/Video Surveillance Systems
- Acoustics, Noise & Vibration Control

TELECOMMUNICATIONS CABLING SYSTEMS w/ INFRASTRUCTURE (BASE SCOPE)

Schematic Design

- Review existing programmatic requirements and Town of QC standards for the telecommunications cabling (voice, data, video) systems. Identify and communicate to the design team the general locations throughout the project in which telecommunications cabling systems should be housed. Examples of these areas, where tight coordination is required, include telecommunications rooms (Main Cross-connect (MC), Horizontal Cross-connect (HC)), duct spaces, equipment rooms, and raised floor areas.
- The scheduled deliverable for the Schematic Design phase of the project will be a basis for design narrative report outlining desired:
  - Telecommunications Cabling Systems & Associated Infrastructure
  - Telecommunications Cable Distribution Rooms (MC/HC)
  - Outside Plant Cabling (OSP) Connectivity for Telecommunications Utilities
- Inclusive of this report shall be preliminary budget estimates for the specified systems on a per space/system type basis.
  - Other deliverables in this phase shall be in the form of verbal conversations, written notes and email communications.

Design Development

- Produce a systems design in specification outline format for each specialty system on the project that describes the design concept for the:
  - Telecommunications Cabling Systems
  - Cable Tray/"J" Hook Cable Support Systems
  - Telecommunications Cabling Wall boxes
- Produce drawing sheets for each phase of the project that illustrate infrastructure requirements for:
  - Telecommunications Cabling Systems Wall & Floorbox Locations
  - Connection to Existing Utilities (LAN/ PBX)
  - Cable Tray/"J" Hook Cable Support Systems
  - WiFi Access Points (RCP)
  - Telecommunications Cable Distribution Rooms
- Prepare heat load figures and AC power requirements for telecommunications cabling systems.
- Develop candidate equipment locations for the:
  - Telecommunications Cabling Systems
  - Cable Tray/"J" Hook Cable Support Systems
  - Telecommunications Cable Distribution Rooms
- Provide information on special grounding and bonding measures that will be required to accommodate telecommunications equipment.

Construction Documents

- Revise the telecommunications cabling systems design based on feedback from Town of QC officials on the Design Development submission.
- Prepare a detailed cost estimate for the specified telecommunications cabling systems and associated installation labor.
- Develop a CSI-format specification for all Category 6 Unshielded Twisted Pair (UTP) Voice and Local Area Network (Data) Cabling, Coaxial (RG-11/6) Radio Frequency (RF) Video Cabling, and Single/Multi-Mode Optical Fiber Cabling outside and within the building.
- Provide the following construction drawings as part of the final Telecommunications Cabling Systems specification package:
  - TA 1.0 Title Sheet and Device Legend
  - TA 1.1 TA Device Outlet Placement New Field Operations Facility 1st Floor Plan
  - TA 1.2 TA Device Outlet Placement New Field Operations Facility 2nd Floor Plan
  - TA 1.3 TA Device Outlet Placement New Field Operations Facility 1st Floor RCP
  - TA 1.4 TA Device Outlet Placement New Field Operations Facility 2nd Floor RCP
  - TA 1.5 Telecommunications Cabling Plate Details
  - TA 1.6 Optical Fiber/RF Video/ Co-axial Cabling Signal Flow Outlet Details
  - TA 1.7 Telecommunications Cabling/ Co-axial Cabling & Optical Fiber Riser Detail
  - TA 1.8 MC/HC Telecommunications Closet Details
  - TA 1.9 MC/HC Equipment Rack Details
  - TA 2.0 Wireless (WiFi) LAN Access Point Details
  - TA 2.1 OSP Site Plan Detail (Outside Cable)

Continued on Page 2

AUDIOVISUAL SYSTEMS ELECTRONICS w/ INFRASTRUCTURE (BASE SCOPE)

Schematic Design

- Review existing programmatic requirements and Town of QC standards for the audiovisual systems. Identify and communicate to the design team the general locations throughout the project in which audiovisual components should be housed. Examples of these areas, where tight coordination is required include audiovisual equipment rooms, ceiling heights, control rooms, and raised floor areas.
- The scheduled deliverable for the Schematic Design phase of the project will be a basis for design narrative report outlining desired audiovisual systems. Inclusive of this report shall be preliminary budget estimates for the specified systems on a per space/system type basis.

Design Development

- Produce a systems design in specification outline format for each specialty system on the project that describes the design concept for the audiovisual systems, projections screens, and multimedia system wall/floor box locations.
- Produce drawing sheets for each phase of the project that illustrate infrastructure requirements for audiovisual systems, projections screens, and multimedia system wall/floor box locations.
- Prepare heat load figures and AC power requirements for audiovisual systems.
- Evaluate the issues in the design – such as accessible ceilings/floors in the spaces, ceiling heights, furniture layouts, ceiling shaping, etc.—as they pertain to visibility (sight lines), projection system configurations and associated infrastructure issues as needed.
- Provide information on special grounding and bonding measures that will be required to accommodate audiovisual equipment.

Construction Documents

- Revise the systems design based on feedback from Town of QC officials on the Design Development submission.
- Develop a CSI-format specification for audiovisual wall/floor boxes, audiovisual presentation, audio reinforcement systems, audiovisual source electronics and instructor's station for programmed spaces within the building.
- Make recommendations and deliver CSI-format specification for the projection screens associated with the display systems in the programmed spaces.
- Prepare detailed cost estimate for the specified AV system electronics and associated installation labor.
- Documents will follow the CSI/AIA Design Guidelines for format and deliverable details.
- Provide the following construction drawings as part of the final AV Systems specification package:
    - AV 1.0 Title Sheet and Device Legend
    - AV 1.1 AV Device Outlet Placement New Field Operations Facility 1st Floor Plan
    - AV 1.2 AV Device Outlet Placement New Field Operations Facility 2nd Floor Plan
    - AV 1.3 AV Device Outlet Placement New Field Operations Facility 1st Floor RCP
    - AV 1.4 AV Device Outlet Placement New Field Operations Facility 2nd Floor RCP
    - AV 1.5 AV Floor/Wall Box Details
    - AV 1.6 Equipment Rack Details
    - AV 1.7 AV Input/Output Plate Details
    - AV 1.8 Room Section/Presentation Wall Details
    - AV 1.9 Presentation Lectern Details
    - AV 2.0 PW Management & Administration AV Signal Flow
    - AV 2.0 PW Streets, Environmental, Facilities, Workspaces AV Signal Flow
    - AV 2.1 CIP Management and Field Staff AV Signal Flow
    - AV 2.2 IT, HR and Finance Department AV Signal Flow
    - AV 2.3 Traffic Management Center (TMC) AV Signal Flow
    - AV 2.4 Collaborative Workspaces AV Signal Flow
    - AV 2.5 Conference/Training Rooms AV Signal Flow
    - AV 2.6 Public Accessible Meeting Rooms AV Signal Flow
    - AV 3.4 Breakroom(s) & Kitchen(s) AV Signal Flow
    - AV 3.9 IT Storage, Equipment Setup & Server Room AV Signal Flow
    - AV 4.0 Radio/Vehicle Work Bay AV Signal Flow

Continued on Page 3

ACCESS CONTROL/VIDEO SURVEILLANCE SECURITY SYSTEMS (BASE SCOPE)

Schematic Design

- The scheduled deliverable for the Schematic Design phase of the project will be a basis for design narrative report outlining the desired access control/video surveillance security system. Inclusive of this report shall be a preliminary budget estimate for the specified system.

Design Development

- Produce a systems design in specification outline format that describes the design concept for the access control/video surveillance security system.
- Produce drawing sheets that illustrate infrastructure requirements for the access control/video surveillance security system.
- Prepare heat load figures and AC power requirements for the access control/video surveillance security system.
- Provide information on special grounding and bonding measures that will be required to accommodate security system equipment.

Construction Documents

- Coordinate and revise the access control/video surveillance security system design based on the feedback from Town of QC officials on the Design Development submission.
- Develop a CSI-format specification for all access control/video surveillance security system electronics.
- Provide the following construction drawings as part of the final access control/video surveillance security system specification package:
    - SS 1.0 Title Sheet and Device Legend
    - SS 1.1 Security Device Outlet Placement New Field Operations Facility 1st Floor Plan
    - SS 1.2 Security Device Outlet Placement New Field Operations Facility 2nd Floor Plan
    - SS 1.3 Security Device Outlet Placement New Field Operations Facility 1st Floor RCP
    - SS 1.4 Security Device Outlet Placement New Field Operations Facility 2nd Floor RCP
    - SS 1.5 Security Systems Infrastructure Riser Detail
    - SS 1.6 Security Equipment/Control Room Details
    - SS 1.7 Security System Electronics Details

ROOM ACOUSTICS (OPTIONAL SCOPE)

Schematic Design

- Recommended room reverberation times will be outlined in the form of a narrative report for the following spaces:
    - PW Management & Administration Offices, Workspaces, & Support Areas
    - PW Streets, Environmental, Facilities and Traffic Field Staff Offices, Workspaces, & Support Areas
    - CIP Management and Field Staff Offices, Workspaces, & Support Areas
    - IT, HR and Finance Department Offices, Workspaces, & Support Areas
    - Traffic Management Center (TMC)
    - Collaborative Workspaces
    - Conference/Training Rooms
    - Public Accessible Meeting Rooms
    - Shower/Changing Rooms
    - Locker Rooms
    - Breakroom(s) & Kitchen(s)
    - IT Storage, Equipment Setup & Server Room
    - Radio/Vehicle Work Bay
- Room shaping will be evaluated to determine adequate reflected sound levels and the control of flutter and delayed echoes from side and rear wall surfaces.
- Recommendations will be given in the form of a narrative report.

Design Development

- Calculations will be made of reverberation time and speech intelligibility for the spaces listed above. Calculations will be compared to the recommended design criteria.
- Recommendations for special acoustical finishes will be provided in the form of a narrative report.
- Locations and quantity of finishes will be provided on marked-up drawings.
- Specifications will be provided, or specifications prepared by others, will be reviewed on special acoustical finish material items.

Construction Documents

- Architectural drawings, specifications, and finish schedules will be reviewed to confirm compliance with previous recommendations.
- Scheduled deliverable for this phase of the project will a comprehensive Acoustical analysis and report.
- Updates to reverberation time calculations will be made as needed in order to confirm compliance with recommended design criteria.

Continued on Page 4

INTERIOR SOUND ISOLATION (OPTIONAL SCOPE)

Schematic Design

- Recommended Sound Transmission Class (STC) ratings for various partition types and floor slabs will be outlined in the form of a narrative report.
- Partition type details will be provided and selected based on the recommended acoustical design criteria.
- Recommended partition types will be keyed on architectural floorplans.
- Acoustical requirements for floor/ceiling construction will be provided in the form of a narrative report and/or detail drawings.
- Other deliverables during this phase shall be delivered as verbal comments, meeting notes, product literature, and e-mail communications.

Design Development

- Acoustical recommendations for doors, acoustical seals, glazing, and windows will be provided in the form of a narrative report.
- Details for caulking, closure at pipe and duct penetrations, and partition intersections will be provided as needed.
- Scheduled deliverable for this phase of the project will a comprehensive Acoustical analysis and report.
- Other deliverables during this phase shall be delivered as verbal comments, meeting notes, product literature, and e-mail communications.

Construction Documents

- Architectural/Structural drawings and specifications will be reviewed to confirm compliance with previous recommendations.
- Scheduled deliverable for this phase of the project will a comprehensive Acoustical analysis and report.
- Other deliverables during this phase shall be delivered as verbal comments, meeting notes, product literature, and e-mail communications.

HVAC NOISE & VIBRATION CONTROL (OPTIONAL SCOPE)

Schematic Design

- Recommended Noise Criterion (NC) levels will be outlined in the form of a narrative report for the following spaces:
    - PW Management & Administration Offices, Workspaces, & Support Areas
    - PW Streets, Environmental, Facilities and Traffic Field Staff Offices, Workspaces, & Support Areas
    - CIP Management and Field Staff Offices, Workspaces, & Support Areas
    - IT, HR and Finance Department Offices, Workspaces, & Support Areas
    - Traffic Management Center (TMC)
    - Collaborative Workspaces
    - Conference/Training Rooms
    - Public Accessible Meeting Rooms
    - Shower/Changing Rooms
    - Locker Rooms
    - Breakroom(s) & Kitchen(s)
    - IT Storage, Equipment Setup & Server Room
    - Radio/Vehicle Work Bay
- Radiated noise generation from mechanical/electrical equipment will be reviewed and compared to the design criteria. Recommendations for architectural sound isolation will be provided.
- Drawings will be reviewed to determine poor duct layout conditions that will give rise to regenerated noise.
- Scheduled deliverable for this phase of the project will a comprehensive Acoustical analysis and report.

Design Development

- Radiated noise generation from terminal units will be reviewed and compared to the design criteria. Recommendations for unit sizing and radiated noise levels will be provided.
- A vibration isolation schedule will be developed for the mechanical equipment.
- Duct breakout noise transmission from fans and air handler units will be evaluated. Recommendations for duct gauges and lagging will be provided.
- Scheduled deliverable for this phase of the project will a comprehensive Acoustical analysis and report.

Construction Documents

- Discharge noise generation from terminal units will be calculated and compared to the design criteria. Recommendations sound attenuators and/or duct lining will be provided as necessary.
- Noise levels from supply and return air diffusers will be evaluated and compared to the design criteria. Recommendations for sizing, maximum air velocities, and NC levels will be provided.
- Discharge/inlet noise generation from Air Handler units will be calculated and compared to the design criteria. Noise control elements including acoustically lined ductwork and/or sound attenuators will be developed and shown on marked-up drawings.
- A vibration isolation schedule will be updated for the mechanical equipment.
- Mechanical/Architectural drawings and specifications will be reviewed to confirm compliance with previous recommendations.
- Scheduled deliverable for this phase of the project will a comprehensive Acoustical analysis and report.
- Other deliverables during this phase shall be delivered as verbal comments, meeting notes, product literature, and e-mail communications.

Continued on Page 5

Construction Administration/Observations/RFI's/Submittal Reviews:

Not in contract – to be proposed under separate agreement with once project is funded for construction.

Understandings/Exclusions:

- Off-site improvements NIC or by others. 310' Ryan Road extension Low Voltage by Electrical Engineer.
- Technology scope includes deliverables for a design project commencing with the Schematic Design phase and concluding with Construction Documents. Our Base Services scope addressing programmed needs exclude the following options: Paging/public address and intercom systems, Distributed Antenna Systems (DAS), and LAN/PBX/Wi-Fi electronics which have separate line-item fees below.
- LEED acoustical certification is excluded

Technology Fees:

TECHNOLOGY BASE	Rate	SD Hours	DD Hours	95% CD Hours	100% CD Hours	Subtotal
Principal	$229.00	16	24	8	8	$ 12,824.00
Project Manager	$190.00	64	96	80	24	$ 50,160.00
Designers/Revit Specialists	$115.00	0	96	80	24	$ 23,000.00
Spec Writer	$105.00	8	24	8	8	$ 5,040.00
Administrative	$95.00	16	16	16	8	$ 5,320.00
		$ 18,184.00	$ 38,816.00	$ 28,592.00	$ 10,752.00	$ 96,344.00
		SD	DD	95% CD	100% CD	**Total Fee**

TECHNOLOGY LINE-ITEM OPTIONS:	**ACCEPT**	**DECLINE**
OPTIONAL SCOPE: ROOM ACOUSTICS – Add $4,950.	_____	_____
OPTIONAL SCOPE: INTERIOR SOUND ISOLATION – Add $6,950.	_____	_____
OPTIONAL SCOPE: HVAC NOISE AND VIBRATION – Add $6,950.	_____	_____

Terms:

Invoiced upon basis of percentage completion. Payments to Applied are due Net 10 from receipt of payment to GLA by Queen Creek. In event client puts project on hold, Applied Engineering's fees shall be due and payable for percentage of work completed per main agreements. Late payment fees of 1.5%/month plus reasonable collection fees and costs due and payable by Client to Applied in the event of default.

(End of Service Agreement)

Accepted by: Gabor Lorant Architects, Inc.	**Offered by: Applied Engineering, Inc.**
Signature:	
By: Jan Lorant, AIA	By: Gregory Piraino, PE
Title:	Title: President
Date:	Date: 3/28/2025

PROJECT TASK ORDER # 01

EXHIBIT B - UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)

Design Professional shall secure and maintain, at his or her own expense, until completion of the contract, insurance coverage for all general, contractual and products liability risks normally associated with the goods and materials and/or services covered by this Contract.

a. The Design Professional shall secure and maintain during the life of this Contract, the insurance coverage set forth which shall include statutory Workers' Compensation, comprehensive general and automobile liability, Design Professional's liability insurance and errors and omissions professional liability. The comprehensive general and automobile liability limits shall be no less than one million dollars ($1, 000,000.00) combined single limit. The Design Professional's general liability limits shall be no less than one million dollars ($1,000,000.00) for each occurrence and one million dollars ($1,000,000.00) policy aggregate. The minimum amounts of coverage for Design Professional's professional liability shall be one million dollars ($1, 000,000.00). The Town (and to the fullest extent permitted by law, its council members, agents, representatives, officers, officials and employees) shall be named as an additional insured on all policies except errors and omissions professional liability and Workers' Compensation. All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of Insurance, and possessing an A.M. Best rating of at least A or better through Lloyd's of London. Should coverage be written on a claims-made basis, the Design Professional shall provide, prior to commencement of any work, an initial certificate of insurance evidencing required coverage limits from date of contract execution through date of policy expiration. Subsequently, a certificate of insurance or a renewal quotation accompanied by evidence of premium payment shall be presented a minimum of thirty (30) days prior to date of expiration of current certificate. Such certificate or evidence of continuous coverage shall be provided on a periodic basis for a minimum of two (2) years after completion of contract, and shall contain a certification that the claims period for such insurance is retroactive to the effective date of this Contract. In the event the Design Professional fails to provide such certificate of coverage retroactive to the beginning date of this Contract, the Town may, but shall not be required to, purchase insurance, if available, to protect itself against any losses which would have been covered by the errors and omissions policy Design Professional is required to maintain under this Article. If the Town elects to purchase the insurance under this provision, Design Professional shall be liable to the Town for all costs incurred by the Town for purchasing such insurance.

b. The Design Professional shall submit to the Town a certificate of insurance evidencing the coverage and limits stated in the foregoing paragraph within ten (10) days of award of this Contract. Insurance evidenced by the certificate shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town, and a statement to that effect must appear on the face of the certificate and the certificate shall be signed by a person authorized to bind the insurer. The amount of any errors and omissions deductible shall be stated on the face of the certificate. The Contract Administrator may require the Design Professional to furnish a financial statement establishing the ability of Design Professional to fund the deductible. If in the sole judgment of the Contract Administrator the financial statement does not establish the Design Professional's ability to fund the deductible, and no other provisions acceptable to the Contract Administrator are made to assure funding of the deductible, the Contract Administrator may, in his/her sole discretion, terminate this Contract and the Town will have no further obligation to the Design Professional.

c. Additional Insurance Requirements: The Design Professional is primarily responsible for the risk management of its Services under this Contract, including but not limited to obtaining and maintaining the required insurance and establishing and maintaining a reasonable risk control and safety program. Town reserves the right to amend the requirements herein at any time during the Contract subject to at least 30 days written notice. The Design Professional shall require any and all subconsultants and/or subcontractors to maintain insurance as required herein naming Town and Design Professional as "Additional Insured" on all insurance policies, except errors and omissions professional liability and Workers' Compensation, and

this shall be reflected on the Certificate of Insurance. The Design Professional's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the Design Professional shall not be limited to the liability assumed under the Indemnification provision of this Contract. The Town reserves the right to require complete copies of all insurance policies required by this Contract at any time. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, constitutes a material breach of this Contract.

1. INSURANCE REQUIREMENTS

1.1 Indemnification Clause

1.1.1 To the fullest extent permitted by law, the Consultant shall, indemnify, save and hold harmless the Town and its officials, officers, employees and agents (collectively "Indemnitees") from and against any and all damages, claims, losses, liabilities, actions or expenses (including, but not limited to, attorneys' fees, court costs, and the cost of appellate proceedings) (collectively, "Claims") relating to, arising out of or alleged to have resulted from the performance of Services pursuant to this Contract including, but not limited to, any such performance by any subconsultant. The Consultant's duty to, hold harmless and indemnify Indemnitees pursuant to this section shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, including death, or to injury to, impairment, or destruction of property including loss of use resulting therefrom, caused in whole or in part by the acts, errors, mistakes, omissions, work or services of the Consultant or anyone for whose acts the Consultant may be legally liable. It is the specific intention of the Parties that the Indemnitee shall be indemnified by Consultant only to the extent caused by the negligence, recklessness or intentional wrongful conduct of such consultant, subconsultant or design professional or other persons employed or used by such consultant, subconsultant or design professional in the performance of the contract or subcontract. The Consultant will be responsible for primary loss investigation and defense and judgment costs where this Indemnification applies.

1.1.2 The Consultant's obligations under this Article shall survive the expiration or earlier termination of this Contract.

1.1.3 The insurance provisions set forth in this Contract are separate and independent from the indemnity provisions of this Article and shall not be construed in any way to limit the scope and magnitude of this Indemnification, nor shall this Indemnification be construed in any way to limit the scope, magnitude or applicability of the insurance provisions.

1.2 Insurance Requirements

1.2.1 Consultant and subconsultant shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Consultant, its agents, representatives, employees or subconsultants.

1.2.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The Town of Queen Creek in no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that arise out of the performance of the work under this Contract by the Consultant, its agents, representatives, employees or subconsultants, and the Consultant is free to purchase additional insurance.

1.3 Minimum Scope and Limits of Insurance

Consultant shall provide coverage with limits of liability not less than those stated below.

1.3.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate $2,000,000
- Products – Completed Operations Aggregate $1,000,000
- Personal and Advertising Injury $1,000,000
- Damage to Rented Premises $50,000
- Each Occurrence $1,000,000

a. The policy shall be endorsed, as required by this written agreement, to include the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant.
b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Consultant.

1.3.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) $1,000,000

a. Policy shall be endorsed, as required by this written agreement, to include the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Consultant involving automobiles owned, hired and/or non-owned by the Consultant.
b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Consultant.

1.3.3 Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
  - Each Accident $1,000,000
  - Disease – Each Employee $1,000,000
  - Disease – Policy Limit $1,000,000

a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Consultant.
b. This requirement shall not apply to each Consultant or subconsultant that is exempt under A.R.S. § 23-901, and when such Consultant or subconsultant executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

1.3.4 Professional Liability (Errors and Omissions Liability)

- Each Claim $2,000,000
- Annual Aggregate $2,000,000

a. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Consultant warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.
b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

1.4 Additional Insurance Requirements

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

1.4.1 The Consultant's policies, as applicable, shall stipulate that the insurance afforded the Consultant shall be primary and that any insurance carried by the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees shall be excess and not contributory insurance.

1.4.2 Insurance provided by the Consultant shall not limit the Consultant's liability assumed under the indemnification provisions of this Contract.

1.5 Notice of Cancellation

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Consultant's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the Town of Queen Creek. Within two (2) business days of receipt, Consultant must provide notice to the Town of Queen Creek if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Procurement Department and shall be mailed, emailed, or hand delivered to Procurement Department, 22358 S. Ellsworth Rd, Queen Creek, AZ 85142 or Procurement@Queencreekaz.gov.

1.6 Acceptability of Insurers

Insurers shall have an "A.M. Best" rating of not less than A- VII. The Town of Queen Creek in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

1.7 Verification of Coverage

Consultant shall furnish the Town of Queen Creek with certificates of insurance (valid ACORD form or equivalent approved by the Town of Queen Creek) evidencing that Consultant has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

1.7.1 All such certificates of insurance and policy endorsements must be received by the Town of Queen Creek before work commences. The Town of Queen Creek's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

1.7.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.7.3 All certificates required by this Contract shall be sent directly to the Procurement Department at 22358 S. Ellsworth Road, Queen Creek, AZ. 85142, or procurement@queencreekaz.gov. **The Town of Queen Creek project/contract number and project description shall be noted on the certificate of insurance.** The Town of

Queen Creek reserves the right to require complete copies of all insurance policies required by this Contract at any time.

1.8 Subconsultants

Consultant's certificate(s) shall include all subconsultants as insureds under its policies or Consultant shall be responsible for ensuring and/or verifying that all subconsultants have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subconsultant. All coverages for subconsultants shall be subject to the minimum Insurance Requirements identified above naming the Town and Consultant as "Additional Insured' on all insurance policies, except Worker's compensation. The Town reserves the right to require, at any time throughout the life of this contract, proof from the Consultant that its subconsultants have the required coverage.

1.9 Approval and Modifications

The Town reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary, subject to at least 30 days written notice. Such action will not require a formal Contract amendment but may be made by administrative action.

1.10 Exceptions

In the event the Consultant or subconsultant(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance.

PROJECT TASK ORDER # 01

EXHIBIT C
PROJECT SPECIFIC CONDITIONS (IF ANY)

N/A

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

FROM: **MOHAMED YOUSSEF, PUBLIC WORKS DIRECTOR**

RE: **CONSIDERATION AND POSSIBLE APPROVAL OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE TOWN OF QUEEN CREEK FOR SCOPING SERVICES TO REVIEW A HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) GRANT APPLICATION TO INSTALL STREET LIGHTING ALONG THE EAST SIDE OF GARY ROAD EXTENDING FROM THE INTERSECTION OF EMPIRE BOULEVARD AND GARY ROAD TO APPROXIMATELY 4,000 FEET NORTH.**

DATE: **May 7, 2025**

Suggested Action:

Consideration and possible approval of an Intergovernmental Agreement between the State of Arizona and the Town of Queen Creek for scoping services to review a Highway Safety Improvement Program (HSIP) grant application to install street lighting along the east side of Gary Road extending from the intersection of Empire Boulevard and Gary Road to approximately 4,000 feet north.

Relevant Council Goal(s):

Superior Infrastructure - Capital Improvement Program

Discussion:

On May 7, 2024, The Town of Queen Creek submitted an application for Highway Safety Improvement Program (HSIP) funding. The Town has estimated the total project cost of this project to be $1,378,936.19. Of that amount requested, ADOT determined that the full amount of the construction and installation cost is HSIP eligible. HSIP is a federally funded initiative aimed at significantly reducing traffic fatalities and serious injuries on all public roads. Administered by the Federal Highway Administration (FHWA) and managed at the state level by the Arizona Department of Transportation (ADOT), HSIP provides funding for safety improvement projects that align with a data-driven, strategic approach to safety planning. The Town of Queen Creek applied for HSIP funding to install street lighting on the east side of Gary Road extending from the intersection of Empire Boulevard and Gary Road to approximately 4,000 feet north, so as to improve nighttime visibility and safety. This intergovernmental agreement (IGA) outlines the first step in the scoping process.

Scoping is a mandatory phase for all ADOT-managed federal-aid projects and is essential to ensure that the original funding request aligns with the actual work required. The cost of scoping is $40,000, with the Town of Queen Creek responsible for a 5.7% match, or $2,280. During this phase, preliminary engineering tasks such as environmental reviews, right-of-way considerations, cost estimates, utility conflicts, and schedules are completed. The outcome of the scoping phase can identify adjustments needed before design and construction, preventing cost overruns and scope creep later in the project lifecycle.

By entering into this IGA, the Town authorizes ADOT to act as its agent in managing the federally funded scoping phase. The Town is responsible for its share of the costs and any additional expenses should the actual costs exceed the estimate or if any expenses are deemed ineligible for federal reimbursement. This collaborative process ensures project readiness for future design and

construction phases, which will be addressed in a separate agreement upon successful completion of scoping.

Fiscal Impact:

The scoping phase of the project is estimated at approximately $40,000 with the Town being responsible, at this time, for a 5.7% match of $2,280 (Federal-aid funds $37,720). Sufficient funding for this phase has been identified in the Public Works Traffic FY25, as well as the FY26 operational budget, if needed, due to the timing of the scoping phase of the project. As mentioned, there may be additional costs incurred, while not expected, that require payment by the Town. Any potential additional funding or change in timing of project spend may require either re-allocation within the Traffic budget or the use of budget contingency.

The final design and construction phase of the project will be dependent on the results of the scoping project, therefore all related details (timeline, costs, 100% ADOT/FHWA funded, etc) will be addressed in a separate agreement at a later date .

Alternatives:

Council could decide not to proceed with pursuing the HSIP grant and not install the street lighting at this time.

Attachment(s):

1. DRAFT Gary Road IGA .pdf
2. Project Limits Map.pdf

ADOT CAR No.: IGA 25-0010993-I
AG Contract No.: P00100xxxx
Project Location/Name: Gary Rd, Empire Blvd Intersection North 4,000 ft
Type of Work: Scoping
Federal-aid No.: HSIP-QCR-0(223)T
ADOT Project No.: T0651 03L
TIP/STIP No.: QNC25-271
CFDA No.: 20.205 - Highway Planning and Construction
Budget Source Item No.: 104620

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
THE TOWN OF QUEEN CREEK

THIS AGREEMENT ("Agreement") is entered into this date _____, pursuant to the Arizona Revised Statutes ("A.R.S.") §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the TOWN OF QUEEN CREEK, acting by and through its MAYOR and (the "" or "Local Agency"). The State and the Local Agency are each individually referred to as a "Party" and are collectively referred to as the "Parties."

I. RECITALS

1. The State is empowered by A.R.S. § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.

2. The Local Agency is empowered by A.R.S. §9-240 to enter into this Agreement and has by resolution, if required, a copy of which is attached and made a part of, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the Local Agency.

3. The work proposed under this Agreement consists of scoping services to review a Highway Safety Improvement Program (HSIP) application to install street lighting along the east side of Gary Road from the Empire Boulevard intersection to approximately 4,000 feet north, (the "Project" or the "Scoping"). Scoping also includes the determination for environmental and right of way preliminary requirements. The Project cost, shown in Exhibit A, is estimated at $40,000, which includes federal aid and the Local Agency's match. The State will administer the Scoping. Final design and construction will be addressed in a separate agreement as applicable.

4. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the Local Agency and authorization of such federal funds for the Project pursuant to federal law and regulations. The State shall be the designated agent for the Local Agency

for the Project, if the Project is approved by Federal Highway Administration (FHWA) and funds for the Project are available.

5. The foregoing Recitals and Exhibit A shall be incorporated into this Agreement.

In consideration of the mutual terms expressed herein, the Parties agree as follows:

II. SCOPE OF WORK

1. The Parties agree:

   a. The final Project amount may exceed the initial estimate(s) identified in Exhibit A, and in such case, the Local Agency is responsible for, and agrees to pay, any and all actual costs exceeding the initial estimate. If the final Project amount is less than the initial estimate, the difference between the final Project amount and the initial estimate will be de-obligated or otherwise released from the Project. The Local Agency acknowledges it remains responsible for actual costs and agrees to pay according to the terms of this Agreement.

2. The State will:

   a. Execute this Agreement, and if the Project is approved by FHWA and funds for the Project are available, be the Local Agency's designated agent for the Project.

   b. After this Agreement is executed, and prior to performing or authorizing any work, invoice the Local Agency for the Local Agency's share of the Scoping costs, estimated at $2,280. If Scoping costs exceed the estimate prior to completion of the Project, invoice the Local Agency for Project costs exceeding Scoping. After the Project costs are finalized, invoice or reimburse the Local Agency for the difference between actual costs and the amount the Local Agency has paid for Scoping.

   c. After receipt of the Local Agency's estimated share of the Project costs, submit all required documentation pertaining to the Project to FHWA with the recommendation that the maximum federal funds programmed for this Project be approved for Scoping. Should costs exceed the maximum federal funds available it is understood and agreed that the Local Agency will be responsible for any overage.

   d. Review Project plans, cost estimates, and other such documents required for the Project; provide comments to the Local Agency as appropriate. Review and approve documents required by FHWA to qualify the Project for and to receive federal funds.

3. The Local Agency will:

   a. Designate the State as the Local Agency's authorized agent for the Project.

   b. Within 30 days of receipt of an invoice from the State, pay the Local Agency's share of Scoping costs, estimated at $2,280. Be responsible and pay for the difference between

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the estimated and actual Scoping costs of the Project within 30 days of receipt of an invoice.

c. Prepare and provide all documents pertaining to the Project.

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

e. Automatically grant to the State, by execution of this Agreement, its agents and/or contractors, without cost, the temporary right to enter the Local Agency's rights of way, as required, to conduct any and all scoping related activities for the Project, on, to and over said Local Agency's rights of way. This temporary right will expire with completion of the Project.

f. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase Project costs. Be responsible for the cost of any Local Agency requested changes to the scope of work of the Project, such changes will require State and FHWA approval.

III. MISCELLANEOUS PROVISIONS

1. Effective Date. This Agreement shall become effective upon signing and dating of all Parties.

2. Amendments. Any change or modification to the Project will only occur with the mutual written consent of both Parties.

3. Duration. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the Project and all related deposits and/or reimbursements are made.

4. Cancellation. This Agreement may be canceled at any time, so long as the canceling Party provides at least 30 days' written notice to the other Party. It is understood and agreed that, in the event the Local Agency terminates this Agreement, the Local Agency shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that in the event the Local Agency terminates this Agreement, the State shall in no way be obligated to complete or maintain the Project.

5. Indemnification. The Local Agency shall indemnify, defend, and hold harmless the State, any of its departments, agencies, boards, commissions, officers or employees (collectively referred to in this paragraph as the "State") from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the "Claims"), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the Local Agency, its employees, officers, directors,

agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The Local Agency's obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation does apply to any negligence of the Local Agency which may be legally imputed to the State by virtue of the State's ownership or possession of land. The Local Agency's obligations under this paragraph shall survive the termination of this Agreement.

6. Third-Party Indemnification. The State shall include Section 107.13 of the 2021 version of the Arizona Department of Transportation Standard Specifications for Road and Bridge Construction, incorporated into this Agreement by reference, in the State's contract with any and all contractors, of which the Local Agency shall be specifically named as a third-party beneficiary. This provision may not be amended without the approval of the Local Agency.

7. Programmed Federal Funds. The cost of scoping work under this Agreement is to be covered by the federal funds programmed for this Project, up to the maximum available. The Local Agency acknowledges that actual Project costs may exceed the maximum available amount of federal funds, or that certain costs may not be accepted by FHWA as eligible for federal funds. Therefore, the Local Agency agrees to pay the difference between actual costs of the Project and the federal funds received.

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

9. Indirect Costs. The cost of the Project under this Agreement includes indirect costs approved by FHWA, as applicable.

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

11. Governing Law. This Agreement shall be governed by and construed in accordance with Arizona laws.

12. Conflicts of Interest. This Agreement may be canceled in accordance with A.R.S. § 38-511.

13. Inspection and Audit. The Local Agency shall retain all books, accounts, reports, files and other records relating to this Agreement which shall be subject at all reasonable times to inspection and audit by the State for five years after completion of the Project. Such records shall be produced by the Local Agency, electronically or at the State office as set forth in this Agreement, at the request of ADOT.

14. Title VI. The Local Agency acknowledges and will comply with Title VI of the Civil Rights Act Of 1964.

15. Non-Discrimination. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09, as amended by Executive Order 2023-01, issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding "Non-Discrimination."

16. Non-Availability of Funds. Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

17. Arbitration. In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by arbitration as is set forth for public works contracts if required by A.R.S. § 12-1518.

18. E-Verify. The Parties shall comply with the applicable requirements of A.R.S. § 41-4401.

19. Contractor Certifications. The Parties shall certify that all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.

20. Other Applicable Laws. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.

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

For Agreement Administration:

Arizona Department of Transportation
Joint Project Agreement Group
205 S. 17th Avenue, Mail Drop 637E
Phoenix, AZ 85007
JPABranch@azdot.gov

of Queen Creek
Attn: Janet Martin
19805 S. 220th Street
Queen Creek, AZ 85142
PHONE
janet.martin@queencreekaz.gov

For Project Administration:

Arizona Department of Transportation
Traffic Safety Section
1615 W Jackson Street, Mail Drop 065R
Phoenix, AZ 85007
azhsip@azdot.gov

of Queen Creek
Attn: Mohamed Youssef
22358 S. Ellsworth Rd.
Queen Creek, AZ 85142
(480) 358-3144
mohamed.youssef@queencreekaz.gov

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For Financial Administration:

Arizona Department of Transportation
Traffic Safety Section
1615 W Jackson Street, Mail Drop 065R
Phoenix, AZ 85007
azhsip@azdot.gov

of Queen Creek
Attn: Dan Olsen
22358 S. Ellsworth Rd.
Queen Creek, AZ 85142
(480) 358-3144
dan.olsen@queencreekaz.gov

22. Revisions to Contacts. Any revisions to the names and addresses above may be updated administratively by either Party with written notice to the other Party.

23. Legal Counsel Approval. In accordance with A.R.S. § 11-952 (D), the written determination of each Party's legal counsel providing that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form is set forth below.

24. Electronic Signatures. This Agreement may be signed in an electronic format including DocuSign.

Remainder of this page is intentionally left blank.

(Signatures begin on the next page)

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IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective upon the signing and dating of all Parties.

TOWN OF QUEEN CREEK

By _____ Date_____
JULIA WHEATLEY
Mayor

ATTEST:

By _____ Date_____
MARIA GONZALEZ
Clerk

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its Department of Transportation, and the Town of Queen Creek, an agreement among public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 9-240 and declare this Agreement to be in proper form and within the powers and authority granted to the under the laws of the State of Arizona.

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

By _____ Date_____
Attorney

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ARIZONA DEPARTMENT OF TRANSPORTATION

By _____ Date_____
AUDRA MERRICK, PE
Infrastructure Delivery and Operations Division
Division Director

By _____ Date_____
IQBAL HOSSAIN, PE
Acting Multimodal Planning Division Director

This Agreement between public agencies, the State of Arizona and the Town of Queen Creek, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 28-401, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona. No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

By _____ Date_____
Assistant Attorney General

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EXHIBIT A

Cost Estimate

T0651 03L

The Project costs are estimated as follows:

Scoping:

Federal-aid funds @ 94.3%	$ 37,720
Local Agency's match @ 5.7%	2,280
Subtotal – Scoping	**$ 40,000**
Estimated TOTAL Project Cost	**$ 40,000**
Total Estimated Local Agency Funds	**$ 2,280**
Total Federal Funds	**$ 37,720**

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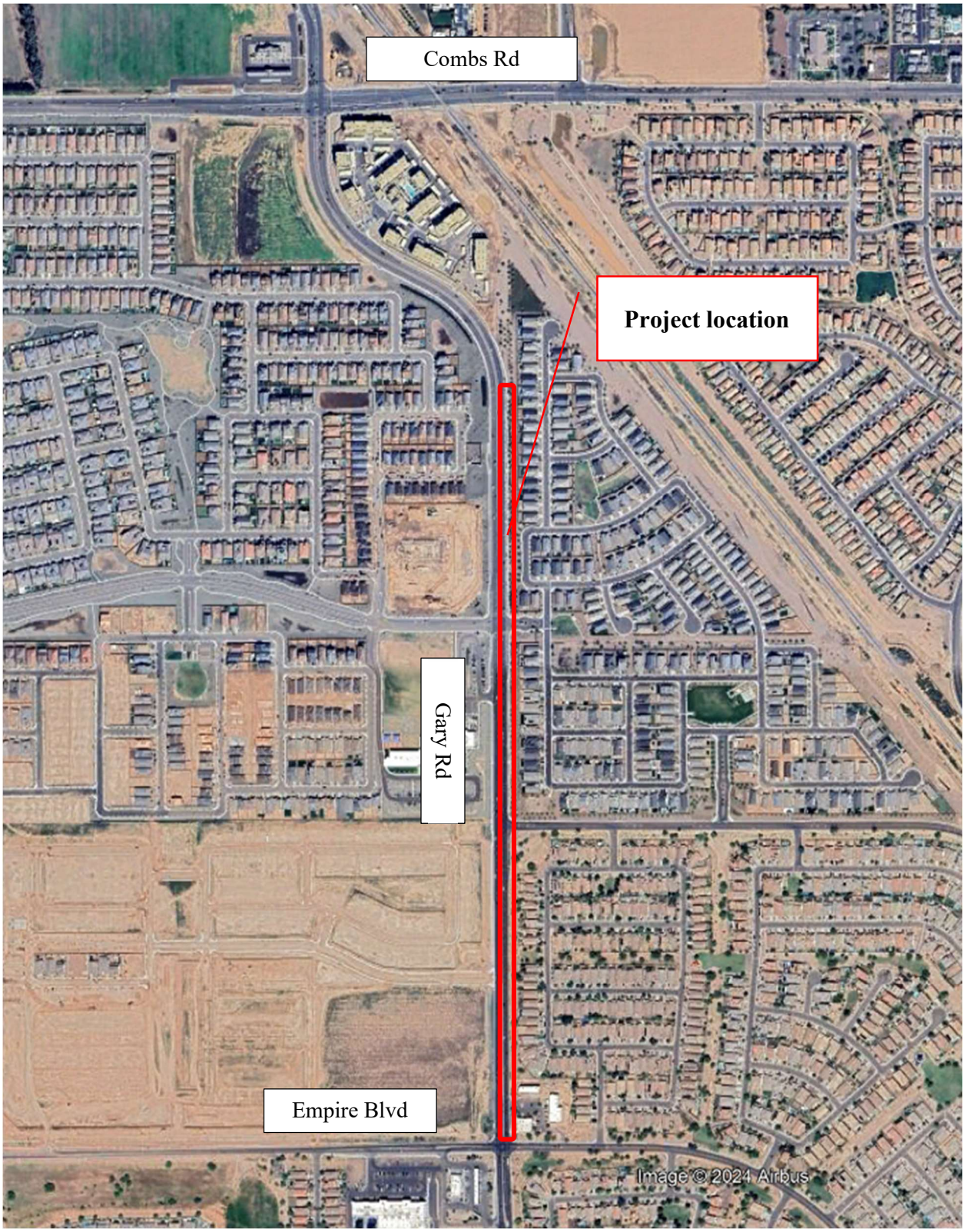

Combs Rd
Project location
Gary Rd
Empire Blvd
Image © 2024 Airbus

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

THROUGH: **BRUCE GARDNER, TOWN MANAGER**

FROM: **BRETT BURNINGHAM, DEVELOPMENT SERVICES DIRECTOR**

RE: **CONSIDERATION AND POSSIBLE APPROVAL OF THE PURCHASE AND SALE AGREEMENT TO PURCHASE 30 ACRES OF REAL PROPERTY LOCATED WITHIN PINAL COUNTY LOCATED SOUTHEAST OF MERIDIAN ROAD AND THE QUEEN CREEK WASH FROM QUEEN CREEK ACRES LIMITED PARTNERSHIP FOR A PURCHASE PRICE OF $14,900,000, AND MAKE ANY NECESSARY BUDGET ADJUSTMENTS, AND AUTHORIZING AND DIRECTING THE MAYOR, TOWN MANAGER, TOWN ATTORNEY AND TOWN CLERK TO NEGOTIATE, FINALIZE AND SIGN ANY AND ALL DOCUMENTS AND/OR AGREEMENTS AND TO PAY ALL COSTS NECESSARY TO COMPLETE THE TRANSACTION.**

DATE: **May 7, 2025**

Suggested Action:

Move to approve the Purchase and Sale Agreement to purchase 30 acres of real property located within Pinal County located southeast of Meridian Road and the Queen Creek wash from Queen Creek Acres Limited Partnership for a purchase price of $14,900,000, and make any necessary budget adjustments, and authorize the Mayor, Town Manager, Town Attorney and Town Clerk to negotiate, finalize and sign any and all documents and/or agreements and to pay all costs necessary to complete the transaction.

Discussion:

Staff is recommending the approval to purchase real property from Queen Creek Acres Limited Partnership of approximately 30 acres (net) generally located southeast of Meridian Road and the Queen Creek Wash. The purchase price authorized by the Council for negotiations was not to exceed $15,000,000. Staff is requesting approval to purchase the park property for an amount not to exceed $14,900,000, which is the total negotiated purchase price, exclusive of closing and any other corresponding costs which will be shared between the seller and the Town as required per the Development Agreement.

On May 15, 2024 the Town Council adopted Resolution 1591-24 approving the Development Agreement with Queen Creek Acres Limited Partnership to facilitate the Bosma Farms development of approximately 136 acres located north and east of the northeast corner of Combs and Meridian roads. As part of the Development Agreement, Queen Creek Acres Limited Partnership agreed to reserve until one year after the effective date of the Development Agreement up to approximately 30 acres (net) for the future purchase of a community park site. A draft copy of the Purchase and Sale Agreement was included as an exhibit to the approved Development Agreement but the purchase price was to determined through appraisal and/or negotiation. Resolution 1591-24 authorized and directed the Town Mayor, Town Manager, Town Clerk and Town Attorney, as appropriate, to sign the Development Agreement and execute all other documents and instruments and take such actions as are reasonably necessary and/or appropriate to effectuate the transactions contemplated by the Resolution.
As per the attached Bosma Farms Development Plan, the park site is located generally southeast of

the Queen Creek Wash along Meridian Road. Not only will the acquisition of the property further the Town Council's strategic objectives related to meeting the Level of Service (LOS) requirements of the parks master plan, the location is also ideal as it is in the southeast portion of the community. As growth continues, the future park will be necessary to serve the residents in the area.

The purchase of 30 additional park acres (net) is consistent with the adopted Parks and Recreation Master Plan Update (2018) and is essential to meeting the adopted LOS for park acres. The 2018 Parks and Recreation Master Plan Update revised the level of service for park acres, establishing a transitionary goal of 40 acres per 10,000 residents and an ultimate goal of 51 acres per 10,000 residents. As of October 2018, Queen Creek had 89 acres of developed park land and 245 acres of undeveloped park land. To meet the transitionary LOS by 2027, the Town would need a cumulative total of 268 acres, and to meet the ultimate LOS, 342 acres. The Town has purchased approximately 70 acres for a future fire station and park (Jorde Farms South site). In addition, the Town has secured the future purchase of approximately 56 acres for a police substation and park (PRI site) through a Development Agreement.

The 2018 Master Plan Update specifically recommends exploring opportunities to purchase and develop a new park with a minimum of 30 acres in southeast Queen Creek. This recommendation directly addresses the need to increase the Town's park acreage to meet the growing population and the adopted LOS.

The acquisition of 30 additional acres is essential for several reasons:

- Meeting the LOS: The current inventory of undeveloped land may not be sufficient to meet the long-term LOS goals, especially considering the projected population growth. Adding 30 acres contributes directly to increasing the total park acreage and moving closer to the adopted standards.
- Addressing Geographic Needs: The plan identifies a specific need for additional active park space in the southeast area of Town. Acquiring land in this area helps to equitably provide recreation opportunities for all Queen Creek residents.
- Providing Diverse Amenities: The additional land will allow for the development of new facilities and amenities to meet the recreational demands of the growing and changing population. Resident feedback has indicated a desire for a variety of park amenities. The program of this and other park sites will be part of the upcoming Parks & Recreation Master Plan update process.
- Strategic Land Acquisition: The plan emphasizes the importance of strategically acquiring land for new parks in a way that minimizes costs to the Town. Prioritizing land acquisition can help secure necessary space before it becomes unavailable or more expensive.

The property purchase would be funded using impact fees designated for this specific purpose.

While the 2005 Parks, Trails and Open Space Master Plan had a different LOS (6.1 acres of community parkland per 1,000 residents), the 2017 update supersedes this and provides the current adopted standards. The purchase of 30 acres aligns with the more recent and relevant recommendations for park development and land acquisition necessary to achieve the updated LOS for park acres.

Fiscal Impact:

The purchase price of $14,900,000, plus approximately $20,000 in closing costs for this park site were originally anticipated in the Fiscal Year 2025-26 budget. Due to the accelerated transaction timeline, Finance is requesting a budget adjustment from the Fiscal Year 2024-25 CIP Contingency to establish the project budget.

This 30-acre park site was included in the 2024 Infrastructure Improvement Plan (IIP) used to set the Parks Impact Fees approved by Council in June, 2024. The park site will be funded by 100% growth funding, with no debt issuances anticipated for this transaction. Staff is requesting approval to process any associated funding transfers which may include budget adjustments.

Attachment(s):

1. Bosma Farms Development Plan.pdf
2. 1591-24 Bosma Dev Agr.pdf
3. Bosma - PSA for execution.pdf

SITE DATA				
GROSS ACREAGE	135.69 AC			
NET ACREAGE	131.33 AC	5.98 DU/AC		
TOWN PARK	30.08 AC			
AMENITY	1.59 AC			
TRAIL OPEN SPACE	5.13 AC			
TOTAL OPEN SPACE	36.80 AC			
DESCRIPTION	NET ACREAGE	DEVELOPMENT CATEGORY	UNITS	MIX
PARCEL 1 [1]	30.08 AC	R1-5	135 DU	17.20%
PARCEL 2	22.90 AC	R1-5	80 DU	10.19%
PARCEL 3	27.48 AC	MDR-2	216 DU	27.52%
PARCEL 4	15.27 AC	MDR-2	85 DU	10.83%
PARCEL 5	1.59 AC	AMENITY		
PARCEL 6	19.20 AC	MDR-2	119 DU	15.16%
PARCEL 7	14.61 AC	MDR-1	150 DU	19.11%
AMENITY	**1.59 AC**	**AMENITY**		
MDR-1	**14.61 AC**	**MDR-1**	**150 DU**	**19.11%**
MDR-2	**61.95 AC**	**MDR-2**	**420 DU**	**53.50%**
R1-5	**52.98 AC**	**R1-5**	**215 DU**	**27.39%**
TOTAL	**131.13 AC**		**785 DU**	

1. IF THE TOWN PARK DOES NOT DEVELOP, THE LAND MAY BE DEVELOPED AS RESIDENTIAL LOTS

LEGEND

- ROADWAY CONNECTION
- PARCEL BOUNDARY

QUEEN CREEK WASH

MERIDIAN ROAD

RITTENHOUSE ROAD

RED FERN ROAD ALIGNMENT

COMBS ROAD

PARCEL 1
TOWN PARK
30.08 AC.

PARCEL 2
R1-5
22.90 AC.

PARCEL 3
MDR-2
27.48 AC.

PARCEL 4
MDR-2
15.27 AC.

PARCEL 5
AMENITY
1.59 AC.

PARCEL 6
MDR-2
19.20 AC.

PARCEL 7
MDR-1
14.61 AC.

THE QUARTERS
(for reference only)

MATCH SHEET TP04

AGRITAINMENT
5.37 NET AC.

AMENITY

AGRITAINMENT
6.38 NET AC.

NEC MERIDIAN & COMBS
(for reference only)

AGRITAINMENT
5.44 NET AC.

AGRITAINMENT
BOUTIQUE
HOTEL/SPA
2.02 NET AC.

AGRITAINMENT
BOUTIQUE
HOTEL/SPA
2.55 NET AC.

AGRITAINMENT
BOUTIQUE
HOTEL/SPA
2.88 NET AC.

VLUX AT
QUEEN CREEK
(for reference only)

Exhibit A

BOSMA FARMS

Conceptual Master Plan

Plan Scale 1:200 Date:02-12-2024

200' 400' 600'

ABLASTUDIO.COM

RESOLUTION NO. 1591-24

A RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE TOWN AND QUEEN CREEK ACRES LIMITED PARTNERSHIP FOR THE APPROXIMATE 131 ACRE SITE LOCATED NORTH AND EAST OF THE NORTHEAST CORNER OF COMBS AND MERIDIAN ROADS AND TO FACILITATE THE POTENTIAL LAND ACQUISITION AND DEVELOPMENT OF AN APPROXIMATELY 30-ACRES (NET) TOWN PARK SITE LOCATED AT THE SOUTHEAST CORNER OF MERIDIAN ROAD AND THE QUEEN CREEK WASH.

WHEREAS, A.R.S. 9-500.05 authorizes the Town to enter into development agreements relating to property within the Town of Queen Creek limits; and

WHEREAS, the development agreement is in the best interest of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Town of Queen Creek, Arizona, as follows:

Section 1: That the Development Agreement between the Town of Queen Creek and Queen Creek Acres Limited Partnership, attached as Exhibit A and incorporated herein by this reference, is hereby approved and adopted as presented.

Section 2: That the Town Mayor, Town Manager, Town Clerk and Town Attorney, as appropriate, are hereby further authorized and directed to sign the Development Agreement and execute all other documents and instruments and take such actions as are reasonably necessary and/or appropriate to effectuate the transactions contemplated by this Resolution.

PASSED AND ADOPTED by the Common Council of the Town of Queen Creek, Arizona, this 15th day of May, 2024.

FOR THE TOWN OF QUEEN CREEK:

Julia Wheatley, Mayor

ATTESTED TO:

Maria Gonzalez, Town Clerk

REVIEWED BY:

Bruce Gardner, Town Manager

APPROVED AS TO FORM:

Dickinson Wright, PLLC
Town Attorneys

PURCHASE AND SALE AGREEMENT

AGREEMENT DATE: May _____, 2025

SELLER: QUEEN CREEK ACRES, LLC, a Washington limited liability company

BUYER: TOWN OF QUEEN CREEK, an Arizona municipal corporation

ESCROW AGENT: Security Title Agency
Escrow Number: ST15240413

REAL PROPERTY: The real property consisting of approximately thirty (30) acres, legally described in **Exhibit A** attached hereto and made a part hereof (the "**Real Property**").

RECITALS: Seller and Buyer are parties to a "Development Agreement" dated May 21, 2024 (the "**Development Agreement**"), which was recorded in the Official Records of Pinal County, Arizona, as Fee No. 2024-041036. Pursuant to the terms of the Development Agreement, (a) Buyer has exercised its right to purchase from Seller the Real Property for development as a public park (and appurtenant public safety and community facilities), on the terms and conditions more fully set forth in this Agreement and the Development Agreement, (b) Buyer and Seller have agreed on the Purchase Price, which is now set forth in this Agreement, and (c) Seller and Buyer are now executing this Agreement, the form of which was attached to the Development Agreement.

In connection with reaching agreement on the Property's Purchase Price under this Agreement, the Parties expressly recognize and acknowledge the Real Property and certain other adjacent real property are part of the subdivision covered by State of Arizona Department of Water Resources Certificate of Assured Water Supply No. 27-401585.0000 (the "**CAWS Certificate**"), which supports the Real Property's development for single-family homes and other types of development, which would not be possible without the CAWS Certificate and thereby inherently increases the Real Property's fair market value over comparable real property without a State of Arizona Department of Water Resources Certificate of Assured Water Supply.

AGREEMENT: Based upon the mutual covenants and agreements hereinafter set forth, and for good and valuable consideration, Seller and Buyer hereby agree as follows:

1. **Definitions**. These words and phrases, wherever used in this Agreement, shall be construed as defined in this Section unless, from the context, a different meaning is intended. Any term in the singular also refers to the plural. The term "**shall**" refers to a mandate or required duty.

a. "**Agreement**" means this "Purchase and Sale Agreement and Escrow Instructions," as amended, restated or supplemented in writing from time to time, including all Exhibits and schedules to this Agreement. References to Sections or Exhibits mean Sections of this Agreement or Exhibits attached to this Agreement, unless otherwise qualified.

b. "**Agreement Date**" means the date designated on Page 1 of this Agreement.

c. "**Approved Title Exception**" means as defined in Section 10(e).

d. "**Business Day**" means those days from Monday through Thursday, excluding United States federal government holidays.

e. "**Buyer**" **means** Town of Queen Creek, an Arizona municipal corporation.

f. "**Closing**" **means** the final transaction or meeting between the Buyer and Seller where the Deed and other necessary documents to the transaction are executed, and the money and Property are transferred.

g. "**Closing Date**" means as defined in Section 9.

h. "**Closing Deadline**" means the period of time that is no later than sixty (60) days from the expiration of the Feasibility Period but in no event later than May 28, 2025.

i. "**Deed**" means the special warranty deed with respect to the Property in the form attached as **Exhibit B** to this Agreement.

j. "**Default**" means as defined in Section 16(a).

k. "**Escrow**" means as defined in Section 4(a).

l. "**Escrow Agent**" means Security Title Agency, as agent for Chicago Title Insurance Company, as designated on Page 1 of this Agreement.

m. "**Feasibility Period**" means the period of time beginning on the Opening Date and ending at 5:00 P.M. (Local Arizona Time) sixty (60) days from the Opening Date.

n. **"Hazardous Materials"** means any flammables, explosives, radioactive materials, hazardous wastes, hazardous and toxic substances or related materials, petrochemicals, asbestos or any material containing asbestos (including, without limitation, vinyl asbestos tile), or any other substance or material, defined or regulated as a "hazardous substance" by any federal, state or local environmental law, ordinance, rule or regulation including, without limitation, any Hazardous Materials Laws.

o. **"Hazardous Materials Law"** means any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common-law") relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about any of the improved real properties comprising the Land, or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), as amended, 42 U.S.C. §9601, et seq., the Resource Conversation and Recovery Act ("RCRA"), 42 U.S.C. §6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq., Title 49 of Arizona Revised Statutes, any amendments to the foregoing, and any similar federal, state or local laws, ordinances, rules, decrees, orders or regulations.

p. "**Opening Date**" means as defined in Section 4(b)(i).

q. "**Parties**" means the Seller and Buyer collectively.

r. "**Party**" means the Seller or Buyer individually, and "**Parties**" means Seller and Buyer, collectively.

s. "**Person**" means and includes natural persons, corporations, limited partnerships, general partnerships, joint stock companies, joint venture associations, limited liability companies, limited liability partnerships, trusts, land trusts, business trusts or other organizations, whether or not legal entities.

t. "**Property**" **means** as defined in Section 2(a).

u. "**Property Information**" means as defined in Section 5(a).

v. "**Purchase Price**" means the sum of Fourteen Million, Nine Hundred Thousand and no/100 Dollars ($14,900,000.00) which is the total purchase price Buyer agrees to pay for the Property.

w. "**Real Property**" means as defined on Page 1 and legally described in Exhibit A of this Agreement.

x. "**Report**" means as defined in Section 5(d).

y. "**Seller**" **means** as designated on Page 1 of this Agreement.

z. "**Seller's Title Cure Period**" means as defined in Section 6(b).

aa. "**Survey**" means a current ALTA survey of the Property prepared by a registered land surveyor, licensed in the State of Arizona.

bb. "**Taxes**" means property taxes, improvement liens, and assessments for the Property.

cc. "**Title Insurer**" means Chicago Title Insurance Company.

dd. "**Title Policy**" means as defined in Section 10(e).

ee. "**Title Review Period**" means as defined in Section 6.

2. **Property; Effect of Agreement.**

a. **Property**. For the purposes of this Agreement, the term "**Property**" shall include:

(1) the Real Property,

(2) all buildings, structures, improvements and fixtures (if any) located on the Real Property, if any, and

(3) all of the following to the extent they exist and to the extent of Seller's assignable interest, if any, with respect to the Real Property:

(i) all easements, benefits, rights of way, privileges, licenses, tenements, franchises, servitudes, hereditaments, permits and appurtenances pertaining to the Real Property;

(ii) all rights to surface and ground water of any type or kind appurtenant to the Real Property;

(iii) the agreement of the Parties to allocate an estimated water demand of not less than fifty-seven (57) acre feet per year of assured water supply to the Real Property as evidenced by the CAWS Certificate;

(iv) all right of Seller (as the named "Landlord") in the "Agricultural Lease Agreement" dated January 1, 2025, between Seller and Pace Farms (as "Tenant") as it respects the Real Property only (the "**Agricultural Lease**");

(v) all rights to utility services to or serving the Real Property;

(vi) all interests of Seller in any roads, roadways and alleys adjoining the Real Property, to the centerline thereof; and

(vii) all interests in any award made or to be made or settlement in lieu thereof for damage to the Real Property by reason of condemnation, eminent domain or exercise of police power which may occur after the execution of this Agreement, which is not expended on the Real Property as a cost to cure payment.

b. **Effect of Agreement**. Seller hereby agrees to sell the Property, and Buyer hereby agrees to purchase the Property, on the terms and conditions set forth in this Agreement.

c. **Park Use**. Buyer agrees and covenants that the Property shall be used and occupied only as a public park that is available for use and enjoyment by the general public, except for such portions which are intended to be used by Buyer only for a police station or public safety or

community facilities, and those portions shall be used only for such uses. These agreements are set forth in the Deed, the form of which Deed is attached hereto as Exhibit B.

3. **Purchase Price.** The Buyer agrees to pay the Purchase Price for the Property. At the Closing, Buyer shall deposit with the Escrow Agent (in cash or by wire transfer of immediately available funds) the entire amount of the Purchase Price. The Parties acknowledge that this Agreement does not require Buyer to pay Seller any deposits, earnest money, or other form of security or guarantee related to the purchase of the Property and Escrow. Escrow Agent shall disburse the Purchase Price and any interest earned thereon, to Seller on the Closing Date, less any funds required to take into account prorations and other adjustments required of Seller by this Agreement.

4. **Escrow.**

a. **Establishment of the Escrow**. An escrow for this transaction (the "**Escrow**") is established with the Escrow Agent and the Escrow Agent is engaged to administer the Escrow.

b. **Opening and Closing**.

(1) **Opening**. Within five (5) Business Days after the execution of this Agreement by both Buyer and Seller, Buyer will deliver a fully executed copy of this Agreement to Escrow Agent. The date that this fully executed Agreement is delivered to Escrow Agent is referred to in this Agreement as the "**Opening Date**." Escrow Agent shall notify Buyer and Seller in writing of the Opening Date.

(2) **Closing**. The Closing of the transaction will be as set forth in Section 9 of this Agreement.

c. **Acceptance of Escrow**. By accepting the Escrow, Escrow Agent agrees to the terms of this Agreement as they relate to the duties of Escrow Agent.

d. **Escrow Instructions**. This Agreement constitutes escrow instructions to Escrow Agent. If Escrow Agent requires the **execution** of its standard form printed escrow instructions, Buyer and Seller agree to execute those instructions; however, those instructions will be construed as applying only to Escrow Agent's engagement. If there are conflicts between the terms of this Agreement and the terms of the printed escrow instructions, the terms of this Agreement will control. No change of instructions will be of any effect on this Escrow unless given in writing by both Parties.

e. **Payments and Disbursements to be Handled through the Escrow**. The various charges, credits and prorations contemplated by this Agreement will be handled by Escrow Agent through the Escrow by appropriate charges **and** credits to Buyer and Seller. All amounts payable pursuant to this Agreement will be paid to Escrow Agent for disposition through the Escrow. Escrow Agent is authorized to make all disbursements to the Parties and to third parties contemplated by this Agreement from funds deposited for those purposes, as necessary or appropriate to close this transaction.

f. **Escrow Cancellation Charges**. If the Escrow fails to close because of Seller's Default, Seller will pay all customary Escrow cancellation charges. If the Escrow fails to close because of Buyer's Default or Buyer's cancellation of this Agreement for any reason other than the Default of Seller, Buyer will pay all customary Escrow cancellation charges. If the Escrow fails to close for any other reason, Seller and Buyer will each pay one-half of all customary Escrow cancellation charges.

5. **Property Information.**

a. **Diligence Materials and Property Information**. Within five (5) Business Days after the Opening Date, Seller shall provide Buyer with copies (which may be digital or electronic) of all studies, reports and other information in Seller's possession relating to the physical condition of the Real Property (the "**Property Information**"). Buyer covenants and agrees that it will conduct its own due diligence on or with regard to all matters referred to in the Property Information or otherwise relating to the Property and Buyer shall have no right to rely on any documents provided by Seller unless Buyer obtains reliance letters (or similar) from the applicable preparers thereof. Seller makes no representation as to the completeness or accuracy of any fact or opinion contained in any document it provides to Buyer. Subject to Seller's warranty that (1) the Property Information is provided to Buyer in the same form and substance as when originally received by Seller, with no modifications or changes, and (2) the Property Information contains all material information (other than confidential or proprietary information) known to (with "known to" having the same meaning as "Seller's actual knowledge" as such term is defined herein) or held by Seller relating to the physical condition or uses of the Property, Buyer hereby releases Seller of and from any responsibility or liability for the contents of the Property Information and any other reports and materials previously or hereafter provided by Seller, and Seller disclaims all warranties (express and implied) related thereto.

b. **Right to Enter and Inspect the Property** During the Feasibility Period, Buyer may enter the Real Property with Buyer's representatives, contractors, and agents to examine the Real Property, conduct customary geotechnical soil tests, environmental studies, engineering feasibility studies, and other non-invasive tests and studies, and to plan the proposed development or use of the Real Property; provided, however, Buyer shall restore to Seller's satisfaction, any damage it causes to the Real Property to a condition equal to or better than the condition prior to causing such damage. Any entry upon the Real Property and all examinations and investigations shall be at the sole risk and expense of Buyer. Buyer shall not allow or permit any liens or encumbrances to arise or exist against the Real Property as a result of any such inspections or investigations. Buyer agrees, however, (a) that Buyer will not cause or allow any liens to be filed against the Property as a result of the inspections, and (b) to indemnify Seller and hold Seller harmless from and against any and all claims, liens, demands, liabilities and causes of action arising from the inspections or the entry and activities on the Property of Buyer, its agents and contractors.

c. **Survey; Legal Description**. The Parties have caused to be prepared, or have otherwise agreed on, the legal description for the Property set forth in **Exhibit A,** by means of a survey dated May 14, 2024, and prepared by Sunrise Engineering (Ronnie E. Dorsey, Registration No. 38862) (the "**Survey**"). Within the Feasibility Period, unless previously done, Buyer shall have the Survey certified to be accurate, complete, and correct to Buyer, Seller, and Title Insurer.

d. **Preliminary Title Report**. Escrow Agent shall provide Buyer and Seller as soon as possible following the Opening Date with: (i) a commitment for an owner's title insurance policy covering the Property to be issued by the Title Insurer to Buyer (the "**Report**"), which Report shall show the status of title to the Property as of the date of the Report and contain the express commitment of the Title Insurer to issue the Title Policy; and (ii) legible copies of all documents referred to in the Report.

e. **Eminent Domain**. From and after the date of this Agreement, Seller shall not consent to the entry of any judgment or order in any eminent domain or similar action with respect to the Property, nor shall Seller agree to any conveyance of a portion of the Property in lieu of condemnation. If Seller receives written notice of a threatened condemnation or is served in an action to condemn any portion of the Property, Seller shall promptly deliver a copy of such notice or summons and complaint to Buyer; and the Parties thereupon shall promptly meet to review the rights of the Parties with respect to such matters and to determine possible amendments to this Agreement.

f. **Town's Governmental Authority**. Seller acknowledges that Buyer is a municipal entity and its agreement to buy the Property in this transaction is separate from, and does not affect, the Town of Queen Creek's (Buyer's) separate powers and authority as a governmental entity.

g. **Additional Inspection Requirements**. Before any entry upon the Property by Buyer or Buyer's representatives, contractors, or agents, Buyer will provide Seller at least 48-hours advance Notice to coordinate access and in order for a representative of Seller (if desired by Seller) to be present during any such entry. Buyer shall cause each published inspection report or study that is obtained by Buyer or at Buyer's direction from a third party to be addressed to and certified (if customarily certified) to Seller as well as to Buyer.

6. **Title Review**. Buyer must be satisfied with the status of title to the Property as disclosed by the Report and the Survey. In that regard, Buyer shall have until (i) the later of twenty (20) Business Days following the Opening Date or twenty (20) Business Days following its receipt of the Survey and Report, and (ii) five (5) Business Days following any supplemental title report (collectively the periods being the "**Title Review Period**") to approve or disapprove the status of title as shown by the Survey, Report, or supplemental title report, as applicable; provided further, that the Title Review Period shall not extend the Feasibility Period or the Closing Date. If Buyer is dissatisfied with any exception to title as shown in the Report, Survey, or supplemental title report that reflects a material flaw in Seller's title to the Property that was not disclosed in a prior Report, then Buyer may, by giving Notice to Seller and Escrow Agent within the Title Review Period, either:

a. Cancel this Agreement; or

b. Provisionally accept title subject to Seller's cure of the material flaw in Seller's title described in Buyer's Notice either by removal of any disapproved matters, exceptions, or objections, or Seller obtaining title insurance endorsements satisfactory to Buyer in its sole discretion against such matters, exceptions, and objections within two (2) Business Days following receipt of Buyer's Notice ("**Seller's Title Cure Period**"). If Seller does not respond to Buyer's Notice or remove such matters, exceptions and objections before the expiration of the Seller's Title

Cure Period, then, Buyer's sole and exclusive remedy shall be either to waive such disapproved matters or to cancel this Agreement by giving Notice to Seller and Escrow Agent on or before the second (2nd) Business Day following expiration of the Seller's Title Cure Period. Seller shall have no obligation whatsoever to eliminate or obtain title insurance endorsements over any matters shown by the Report, Survey, or supplemental title report to which Buyer has made an objection; provided however that Seller must cure, without endorsement or need of objection by Buyer, (i) all liens reflecting loans or similar monetary obligations encumbering the Real Property, (ii) all judgments, and (iii) all unpaid taxes or assessments of any nature prorated to the Closing Date, and (iv) any matter arising from and after the date of recordation of the Development Agreement.

7. **Buyer's Investigations; Feasibility Period**. Buyer shall have until the end of the Feasibility Period to conduct an investigation and inspection of the Property (subject to Buyer's obligations as provided in Section 5(b)). Buyer's investigation may include, among other things (1) the physical condition of the Property, (2) the environmental condition of the Property, and (3) the feasibility of Buyer's anticipated development or use of the Property and matters related thereto. If Buyer is not satisfied with its investigations and inspections with respect to the Property and this transaction, or for any reason or no reason, then Buyer will have the right, exercisable in its sole and absolute discretion, to cancel this Agreement by delivering Notice of cancellation to Seller and Escrow Agent prior to the end of the Feasibility Period.

8. **Buyer's Conditions Precedent to Close**. Buyer's obligation to close this transaction is subject to the satisfaction (or waiver in writing), of the following conditions on and as of the Closing, unless an earlier date is specified:

a. **Town Council Approval**. Buyer's Town Council must approve the purchase of the Property by Buyer in accordance with the terms of this Agreement, prior to Closing. Buyer represents and warrants that the Town Council approved the purchase of the Property by Buyer materially in accordance with the terms of this Agreement by virtue of Town's entering into the Development Agreement and, therefore, this condition is satisfied.

b. **No Liens or Encumbrances**. Buyer shall not be obligated to close, and it shall be a breach of this Agreement by Seller, if Seller causes or permits any new lien, claim, charge or encumbrance of any nature or description whatsoever to attach to or encumber the Property or any part thereof unless the same is removed prior to Closing or is agreed upon in writing by Buyer at its sole and absolute discretion.

c. **Representations & Warranties**. Seller's representations and warranties set forth in this Agreement remain materially true and correct as of Closing and Seller shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with prior to and as of Closing.

d. **No Change to Property**. No material adverse change in the physical condition of the Property has occurred from the end of the Feasibility Period that would, in the reasonable opinion of Buyer, reduce the value of the Property to less than the Purchase Price.

e. **Delivery of Deed**. The delivery by Seller to Escrow Agent, for recording at Closing, of the executed Deed.

f. **Failure of Buyer's Closing Conditions**. If the conditions described in this Section 8 have not been satisfied by the Closing Deadline, then Buyer may (1) waive the unfulfilled condition(s) and close the Escrow in accordance with this Agreement, without adjustment or abatement of the Purchase Price, (2) by giving Notice to Seller and Escrow Agent on the Closing Deadline, terminate this Agreement, whereupon this Agreement shall automatically terminate and shall be of no further force or effect, and Buyer and Seller shall have no further obligations or liabilities hereunder, except for any obligations or liabilities which survive the cancellation or termination of this Agreement. Notwithstanding the foregoing, if any of the conditions described in this Section 8 fails because of Seller's default under this Agreement, then Seller shall have the opportunity to cure such default in accordance with Section 16(b). In the event this Agreement is terminated, Seller and the Property shall immediately, and without further act, be released from any obligation to reserve or sell the Property to the Buyer. Buyer shall thereupon execute and deliver such additional documents reflecting such release, as may be necessary to release on the public records, the Seller and Property from the obligations under Section 8 of this Development Agreement. This obligation shall survive termination of the Agreement.

9. **Closing the Transaction.** The Closing shall occur on the date (the "**Closing Date**") that is the earlier to occur of (1) five (5) Business Days after Buyer provides Notice to Escrow Agent and Seller that Buyer elects to close; and (2) the Closing Deadline. Notwithstanding the foregoing, Buyer intends that the Town Council of the Town Queen Creek will consider and approve this Agreement at its regularly-scheduled meeting on May 7, 2025, with the Closing to be scheduled on May 14, 2025; but in the event that this Agreement is not considered at the Town Council's May 7, 2025, meeting, this Agreement will be considered at the Town Council's next regularly-scheduled meeting thereafter, with the Closing to occur one week later (if this Agreement was approved by the Town Council at such later meeting), but no later than the Closing Deadline.

10. **Closing; Closing Documents**.

a. **Deliveries and Actions by Seller**. At Closing, Seller shall execute and acknowledge before a notary, as appropriate, and deliver to Escrow Agent, on Buyer's account, all the following:

(1) The Deed.

(2) The "Partial Assignment and Assumption of Agricultural Lease" in the form attached to this Agreement as **Exhibit C**.

(3) The "Memorandum of Agreement" in the form attached to this Agreement as **Exhibit D**.

(4) Proof of the power and authority of the individual(s) executing or delivering any instruments, documents, assignments or certificates on behalf of Seller to act for and bind Seller, as reasonably may be required by Buyer.

(5) At no material additional cost or liability imposed on Seller, any other items or documents referred to in this Agreement or affecting the conveyance of the Property to Buyer that may be reasonably requested by Buyer or Escrow Agent or that may be necessary to carry out the purpose and intent of this Agreement, in each case subject to the approval of Seller (not to be unreasonably withheld).

b. **Deliveries and Actions by Buyer**. At Closing, Buyer shall execute and acknowledge before a notary, as appropriate, and deliver to Escrow Agent, on Seller's account, all the following:

(1) The Purchase Price.

(2) The "Partial Assignment and Assumption of Agricultural Lease" in the form attached to this Agreement as **Exhibit C**.

(3) The "Memorandum of Agreement" in the form attached to this Agreement as **Exhibit D**.

(4) The "Partial Assignment and Assumption of Development Agreement" in the form attached to this Agreement as **Exhibit E**.

(5) Proof of the power and authority of the individuals executing or delivering any instruments, documents, assignments or certificates on behalf of Buyer to act for and bind Buyer, as reasonably may be required by Seller.

(6) Any other items or documents referred to in this Agreement or affecting the conveyance and sale of the Property to Buyer that may be reasonably requested by Seller or Escrow Agent or that may be necessary to carry out the purpose and intent of this Agreement, in each case subject to the approval of Buyer (not to be unreasonably withheld).

c. **Escrow Fees and Closing Costs**. Buyer and Seller shall equally share in the payment of the Escrow Fees and Closing costs, including: (i) all Escrow and recording fees including, but not limited to, recording fees for documents transferring interest to Buyer, such as the Deed, and for removing liens or encumbrances; and (ii) any other closing costs not provided for above. Each Party shall pay its own attorneys' fees.

d. **Prorations**. Real property and similar ad valorem taxes, if any, shall be prorated between the Parties as of the Closing Date. The Parties agree that rent that has been prepaid by the Tenant under the Farm Lease will not be prorated.

e. **Title Insurance Policy**. At the Closing, and subject to Buyer's compliance with the terms of this Agreement including, but not limited to, obtaining an ALTA Survey of the Property, Escrow Agent will provide Buyer with a standard coverage owner's policy of title insurance (the "**Title Policy**") issued by the Title Insurer, in the amount of the Purchase Price, effective as of the Closing, insuring Buyer that fee simple title to the Property is vested in Buyer, subject only to the usual printed exceptions and exclusions contained in such title insurance policies and the Approved Title Exceptions. For the purpose of this Agreement, the title exceptions shown in the Report that are not objected to or waived (or are not required by this Agreement to

be objected to) shall be the "**Approved Title Exceptions**." Buyer, if it desires, may obtain an ALTA extended policy of title insurance, the additional cost for which shall be borne solely by Buyer. The Title Policy shall contain endorsements, if any, that Seller has agreed to request (and Buyer has approved) that the Title Insurer issue to cure title objections of Buyer made pursuant to Section 6(a) and shall also contain any endorsements requested by Buyer that Title Insurer has agreed to issue. Escrow Agent shall have no obligation to provide endorsements to the Title Policy which are not approved for issuance by Title Insurer. Seller will satisfy Escrow Agent's standard requirements for issuance of such standard policy pertaining to Seller's authority to execute the Deed and pertaining to the provision of a commercially reasonable owner's affidavit, but expressly excluding the provision of an updated ALTA survey and those others, if any, within Buyer's sole control. Buyer must satisfy all of Escrow Agent's requirements for issuance of any title insurance endorsements requested by Buyer.

11. **Recording and Filing of Documents**. At the Closing, the Deed shall be recorded by Escrow Agent in the Pinal County Recorder's Office.

12. **Seller's Representations and Warranties**. Seller acknowledges, represents, and warrants to Buyer that the following are true as of the Agreement Date and will be true as of the Closing, and in entering into this Agreement, Buyer is relying upon the following:

a. To Seller's actual knowledge, there are no pending, threatened or contemplated actions, suits, proceedings or investigations, in law or in equity, or otherwise in, for or by any court or governmental board, commission, agency, department, or office arising from or relating to this transaction, the Real Property, or the operations of Seller on the Real Property.

b. The Person(s) executing this Agreement on behalf of Seller are duly authorized to do so and thereby bind Seller hereto without the signature of any other Person.

c. Except as set forth in attached **Schedule 12(c): (**1**)** Seller has not granted any options or rights of first refusal to purchase all or any part of the Real Property or entered into any unrecorded tenancies or occupancies which may affect title to the Real Property; and, (2) to Seller's actual knowledge, there are no third parties in possession of any portion of the Real Property, including leases or tenants.

d. To Seller's actual knowledge, as of the date hereof, Seller has received no written notice from any governmental authority of any noncompliance with any federal, state, or local laws, regulations and orders relating to environmental matters with respect to the Real Property.

e. This Agreement is valid, binding, and enforceable against Seller in accordance with its terms.

f. Except as may be disclosed in the Property Materials or by a visual inspection of or reports Buyer obtains regarding the Property, to Seller's actual knowledge: there are no Hazardous Materials of any type or quantity that requires remediation pursuant to Hazardous Materials Law located on the Real Property, and there have been no discharges of Hazardous Materials of any type or quantity that requires remediation pursuant to Hazardous Materials Law on the Real Property.

g. Except as set forth in attached **Schedule 12(c)**, there are no license, rental, lease, occupancy or similar agreements granting any rights to any person to use any portion of the Property.

h. Seller will make no amendments or changes to the CAWS Certificate (or any pending application for re-issuance) to reduce the allocated assured water supply for the Real Property or to claim any additional water for other real property subject to the CAWS Certificate. The representation will survive the Closing and the recording of the Deed.

The phrase "Seller's actual knowledge" and similar phrases used herein mean the actual knowledge of Henry Bosma, without any duty of review, inquiry or investigation the matters to which such knowledge or the absence thereof pertains. Seller represents to Buyer that Henry Bosma is the person charged with the knowledge of the Property and is the most capable of making representations on the condition of the Property on behalf of Seller. Notwithstanding anything herein to the contrary, in no event or circumstance shall Henry Bosma have any personal liability under or with regard to this Agreement.

13. **Buyer's Representations and Warranties**. Buyer acknowledges, represents, and warrants to Seller that the following are true as of the Agreement Date and will be true as of the Closing, and in entering into this Agreement Seller is relying upon the following:

a. Buyer is purchasing the Property based upon its independent review of the Property.

b. Subject to the express terms and limitations in this Agreement, the Person(s) executing the Agreement on behalf of Buyer is/are duly authorized to do so and thereby bind Buyer hereto without the signature of any other Person.

c. Buyer has no actual knowledge of any litigation, proceeding, initiative, referendum, investigation, or threat of any of the same contesting the powers of Buyer or its officials with respect to this Agreement.

14. **Survival of Representations.** Each of the representations and warranties contained in Section 12 and Section 13, whether made by Seller or Buyer, shall be true and correct as of the Closing Date (subject to modification as expressly permitted by this Agreement) and shall survive the Closing with respect to the Property and the delivery of deeds between the Parties for a period of six (6) months after the Closing Date.

15. **Condition of Property; Waiver of Claims.**

a. Pursuant to Section 5(b), prior to the Closing Date, Buyer shall have made its own examination, physical inspection, and investigation of the condition of the Property and all matters affecting the development thereof as it deems necessary or appropriate. Buyer agrees that Seller shall not be responsible or liable to Buyer for any conditions affecting the Property, as Buyer is acquiring the Property **AS-IS**, **WHERE-IS** and **WITH ALL FAULTS**. **EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE**

DEVELOPMENT AGREEMENT DATED MAY 21, 2024, BUYER IS ACQUIRING THE PROPERTY AS OF THE CLOSING DATE IN ITS THEN CONDITION, "AS IS, WHERE IS," WITHOUT WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (the "**Express Representations**").

b. The aforementioned waiver of claims does not waive any right Buyer may have to join Seller in any action or proceeding under CERCLA initiated or being prosecuted by the State of Arizona or the federal government. This Section 15(b) will survive the Closing and the recording of the Deed.

16. **Default; Remedies.**

a. **Default**. A Party shall be in default if the Party breaches any of the terms or provisions of this Agreement, whether or not the term or condition specifically states that the failure to meet it is a breach, or otherwise defaults hereunder ("**Default**").

b. **Notice and Opportunity to Cure**. In the case of an alleged breach of this Agreement by either Party, a Party shall not be considered to be in Default and no remedies may be pursued for such Default *until* a Notice describing the alleged breach and the action required to cure the breach has been given to the allegedly breaching Party and such Party has failed to cure the breach within ten (10) Business Days thereafter. Notwithstanding any contrary provision of this Agreement, the provisions of this Section 16 shall not limit the Parties' rights in connection with any indemnity granted pursuant to this Agreement, or limit Seller's rights to collect any amounts payable by Buyer to Seller.

c. **Remedies**. If either Party Defaults at or prior to the Closing, the non-Defaulting Party's sole and exclusive remedies are that it may either:

(1) waive such Default and consummate the transaction contemplated hereby in accordance with the terms hereof; or

(2) cancel this Agreement. Following cancellation, both Parties shall be relieved of and released from any further liability under this Agreement except any indemnification obligations of a Party set forth in this Agreement shall survive the cancellation and shall be performable and owing; provided, however, that if Seller is the defaulting Party, then (and notwithstanding the foregoing), Buyer may seek specific enforcement of this Agreement as its sole and exclusive remedy, hereby waiving all other remedies. In the event this Agreement is terminated, Seller and the Property shall immediately, and without further act, be released from any obligation to reserve or sell the Property to the Buyer. Buyer shall thereupon execute and deliver such additional documents reflecting such release, as may be necessary to release on the public records, the Seller and Property from the obligations under Section 8 of the Development Agreement. This obligation shall survive termination of the Agreement.

d. **Waiver of Remedies for Default Prior to Closing**. Other than the remedies specifically set forth in Sections 16(c) above for a Default prior to Closing, the Parties hereby waive any other remedies permitted in law or in equity, including any right to recover exemplary, special, indirect, consequential, or other damages on account of any such breach or Default.

e. **Post-Closing Remedies**. The limitations on remedies contained in Sections 16(c) through 16(d) above shall apply only to any Default under this Agreement arising prior to the date of Closing. The remedies of a Party for the Default by the other Party of any agreements, covenants, or warranties which this Agreement specifically provides are to survive the Closing shall be limited to solely and exclusively the right to recover from the Defaulting Party the actual damages reasonably incurred by the non-Defaulting Party resulting from the Default, and such equitable relief as may be appropriate under the circumstances. The Parties each hereby waiving its right to recover indirect, consequential, special, or other damages caused by the other's post-Closing Default.

17. **Miscellaneous Provisions**.

a. **Assignment and Transfers**. This Agreement is personal to Buyer, and therefore Buyer may not assign or transfer its rights under this Agreement.

b. **Notices**. From and after the Opening Date, any notice, consent, approval, waiver, election or other communication that any Party shall be required or permitted to make or give under this Agreement (each, a "**Notice**") shall be in writing and shall be either (1) hand-delivered (with receipt acknowledged by the recipient), or (2) sent by Federal Express, U.P.S. or other similar, nationally recognized overnight courier for next-business day delivery, addressed to the respective Parties at the addresses below:

To Seller:

Queen Creek Acres, LLC
c/o Henry "Hank" Bosma
4300 Beam Road
Zillah, WA 98953-9050

With a required copy to:
Stokes Lawrence, P.S.
Attention: Dustin E. Yeager
120 North Naches Avenue
Yakima, Washington 98901

To Buyer:

Town Manager
Town of Queen Creek
22358 South Ellsworth Road
Queen Creek, Arizona 85142

With a required copy to:

Town of Queen Creek
Dickinson Wright PLLC
Attention: Scott A. Holcomb
1850 North Central Avenue, Suite 1400
Phoenix, Arizona 85004

To Escrow Agent:

Security Title Agency
Attention: Jason Bryant or Elizabeth Nunez
2415 E. Camelback Road, Ste. 200
Phoenix, AZ 85016

Any Notice shall be deemed to have been delivered and received on the date of delivery. Except as expressly set forth in Section 5(g), the receipt of a copy of a Notice via email shall not be a proper receipt of the Notice by the receiving Party. Any Party may, from time to time, change the address to which Notices shall be sent by like Notice given to the other Party, except that no Party may change its address to other than a street address. Any Notice given that does not conform to this Section 17(b) will not be effective. Any Notice to be given by any Party may be given by legal counsel for such Party. Counsel for the Parties may give simultaneous Notice hereunder to the opposing Party and its counsel.

c. **Entire Agreement**. This Agreement, together with the Exhibits attached hereto which are incorporated in this Agreement by this reference, constitutes the entire agreement between Seller and Buyer, and supersedes all other agreements between the Parties on the subject matter of this Agreement. There are no other covenants, agreements, promises, terms, provisions, conditions, undertakings or understandings, either oral or written, between the Parties concerning the purchase and sale of the Property other than those set forth in this Agreement. No subsequent agreement or modification of the terms of this Agreement shall be binding upon Seller or Buyer unless in writing and signed by both Parties.

d. **Headings**. The headings, captions, and numbering system are inserted only as a matter of convenience and may not be considered in interpreting the provisions of this Agreement.

e. **Binding Effect**. This Agreement shall bind and inure to the benefit of the Parties and their respective successors and assigns.

f. **Entire Agreement**. This Agreement supersedes all other written or verbal agreements between the Parties concerning the Purchase Transaction. No claim of waiver, modification or amendment of any provision of this Agreement shall be made against a Party unless based upon a written instrument signed by both Parties.

g. **Time of Essence**. Time is of the essence of this Agreement.

h. **Severability of Provisions**. Buyer and Seller each believes that the execution, delivery, and performance of this Agreement is in compliance with all applicable laws. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be held to be invalid or prohibited, such provision shall be ineffective only to the extent of such prohibition or invalidation but shall not invalidate the remainder of such provision or the remaining provisions of this Agreement.

i. **Counterparts**. This Agreement may be executed by signing counterparts of this instrument, and this instrument and all its counterparts so executed shall be deemed for all purposes to be a single instrument.

j. **Governing Law, Jurisdiction, Venue**. This Agreement shall be deemed to be made under, construed in accordance with, and governed by the internal, substantive laws of the State of Arizona (without reference to conflict of law principles). Any action brought to interpret, enforce or construe any provision of this Agreement may only be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Pinal (or in the United States District Court for the District of Arizona, if, but only if, the Superior Court lacks or declines jurisdiction over such action). Seller and Buyer irrevocably consent to jurisdiction and venue in such courts for such purposes and agree not to seek transfer or removal of any action commenced in accordance with the terms of this Section 17(j). Seller's agreement not to seek transfer or removal of any action, and to maintain jurisdiction solely within the State of Arizona, is a material term of this Agreement that was specifically negotiated.

k. **Survival**. The representations, warranties and covenants contained in this Agreement shall be effective on the date of this Agreement and on the Closing Date, shall not merge in the Deed or any other document and, where specified in this Agreement, shall survive the Closing.

l. **Date of Performance**. When calculating the period of time specified in this Agreement, exclude the day of the event that triggers the period and include the last day of the period; provided, however, that if the last day of any period or any date of performance under this Agreement falls on a Friday, Saturday, Sunday or United States federal government holiday, then the final day of the period or the date of performance shall be extended to the next day that is not a Friday, Saturday, Sunday or United States federal government holiday.

m. **Attorneys' Fees**. In the event of litigation involving this Agreement, the unsuccessful Party shall pay to the predominantly prevailing Party all costs of suit, including reasonable arbitrators' and attorneys' fees, investigative fees, and the fees of expert witnesses.

n. **Waivers**. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. Except as expressly provided in this Agreement, no waiver shall be binding unless executed in writing by the Party making the waiver. Either Party may waive any provisions of this Agreement intended for its benefit; provided, however, such waiver shall in no way excuse the other Party from the performance of any of its other obligations under this Agreement.

o. **Possession**. At the Closing, Seller shall deliver possession of the Property to Buyer, subject only to the Farm Lease and the rights of the Tenant named in the Farm Lease.

p. **Risk of Loss**. The risk of loss or damage to the Property and all liability to third parties until the Closing will be borne by Seller except as it relates to Buyer's indemnity obligations in Section 5(b).

q. **Broker**.

i. **Use of Broker**. Seller has employed Chaz Smith, Insight Land and Investment, in connection with this transaction as per a separate written agreement directly between Seller and Chaz Smith, Insight Land and Investment, and for which Buyer has no responsibility. Buyer warrants that Buyer has not dealt with any broker in connection with this transaction.

ii. **Brokerage Indemnification**. If any Person asserts a claim to a finder's fee, brokerage commission or other compensation on account of alleged employment as a finder or broker or performance of services as a finder or broker in connection with this transaction, the Party under whom the finder or broker is claiming shall be fully responsible for all claims or other liability related thereto and, to the extent authorized by law, shall indemnify and hold the other Party harmless for, from and against any claims or other liability related thereto. The indemnity set forth in this Section 17(q)(ii) will survive the Closing, and the cancellation or termination of this Agreement.

r. **Construction**. The terms and provisions of this Agreement represent the results of negotiations between the Parties, each of which has been or has had the opportunity to be represented by counsel of its own choosing, and none of which has acted under any duress or compulsion, whether legal, economic, or otherwise. Consequently, the terms and provisions of this Agreement will be interpreted and construed in accordance with their usual and customary meanings, and the Parties each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Agreement that ambiguous or conflicting terms or provisions contained in this Agreement will be interpreted or construed against the Party who prepared or whose attorney prepared the executed Agreement or any earlier draft of the same. When used herein, the terms "include" and "including" shall not be limiting and mean "including without limitation." When used herein, the term "shall" will be deemed a requirement.

s. **A.R.S. § 38-511**. In the event a conflict of interest was found in the negotiation of this Agreement, this Agreement is subject to cancellation pursuant to A.R.S. § 38-511.

t. **IRS Real Estate Sales Reporting**. Buyer and Seller hereby appoint Escrow Agent as, and Escrow Agent agrees to act as, "the person responsible for closing" the transaction which is the subject of this Agreement pursuant to § 6045(e) of the Internal Revenue Code only to the extent such provisions apply to sellers of real property. Escrow Agent shall prepare and file IRS Form 1099-S and shall otherwise comply with the provisions of § 6045(e) of the Internal Revenue Code only to the extent such provisions apply to sellers of real property. Escrow Agent shall indemnify, protect, hold harmless and defend Seller, Buyer and their respective attorneys for, from

and against any and all claims, actions, costs, loss, liability or expense arising out of or in connection with the failure of Escrow Agent to comply with the provisions of this Section 17(t).

18. **Additional Acts**. The Parties agree to execute promptly such other documents and to perform such other acts as may be reasonably necessary to carry out the purpose and intent of this Agreement.

19. **Email Acceptance**. The Parties agree that they may reflect and confirm their agreement to be bound hereby, and their execution and delivery of this Agreement, by transmitting a signed copy of the signature page(s) in this Agreement via email to Escrow Agent and the other Party (including the Person(s) entitled to copies of Notices to such other Party pursuant to the Agreement). Notwithstanding any emailing of signed copies of the signature page(s) of this Agreement, the emailing Party shall cause Escrow Agent to receive at least one (1) original signed copy of this entire Agreement within three (3) Business Days of its transmission of such emailed copy or emailed signature page. If only one (1) signed copy of this Agreement is so delivered to Escrow Agent by either Party, such original signed document shall be distributed to the other Party at such other Party's direction. This Section 19 does not amend Section 17(b) with respect to Notices required to be sent after the Opening Date.

(SIGNATURES ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the Parties hereto have executed this Purchase and Sale Agreement and Escrow Instructions as of the date and year first above written.

BUYER:

TOWN OF QUEEN CREEK, ARIZONA,
an Arizona municipal corporation

By: _____
Printed Name: _____
Title: _____

SELLER:

QUEEN CREEK ACRES, LLC,
a Washington limited liability company

By: _____
Printed Name: Henry Bosma
Title: Manager

ESCROW AGENT:

Accepted and agreed to this ___ day of April, 2025.

SECURITY TITLE AGENCY

By: _____
Printed Name: _____
Its: _____

EXHIBIT A TO PURCHASE AND SALE AGREEMENT

LEGAL DESCRIPTION OF REAL PROPERTY

A PORTION OF THAT CERTAIN LAND LOCATED IN THE WEST HALF OF SECTION 30, TOWNSHIP 2 SOUTH, RANGE 8 EAST OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A TOWN OF QUEEN CREEK BRASS CAP FLUSH MARKING THE SOUTHWEST CORNER OF SAID SECTION 30, FROM WHICH A PINAL COUNTY HIGHWAY DEPARTMENT BRASS CAP FLUSH MARKING THE SOUTH QUARTER CORNER OF SAID SECTION 30 BEARS NORTH 89°49'06" EAST, A DISTANCE OF 3308.15 FEET;

THENCE NORTH 0°31'39" WEST, ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, A DISTANCE OF 2420.22 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 0°31'39" WEST, ALONG SAID EAST LINE, A DISTANCE OF 139.08 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 25;

THENCE NORTH 0°31'26" WEST, ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 25, A DISTANCE OF 1405.21 FEET TO THE SOUTHWEST CORNER OF THE "MAP OF DEDICATION OF CHURCH FARM PARCEL N" DESCRIBED ON DOCUMENT NUMBER 2019-105137;

THENCE NORTH 89°48'50" EAST, ALONG THE SOUTH LINE OF SAID MAP OF DEDICATION, A DISTANCE OF 920.01 FEET;

THENCE SOUTH 0°31'24" EAST, A DISTANCE OF 1538.88 FEET;

THENCE SOUTH 89°28'36" WEST, A DISTANCE OF 919.97 FEET TO THE POINT OF BEGINNING;

EXCEPT THAT PORTION CONVEYED FOR PERMANENT PUBLIC ROAD RIGHT-OF-WAY TO THE TOWN OF QUEEN CREEK, ARIZONA, UNDER THAT CERTAIN GRANT OF ROAD RIGHT OF WAY RECORDED ON MARCH 17, 2015, UNDER OFFICIAL RECORDS OF PINAL COUNTY RECORDER FEE NO. 2015-016273.

SITUATED IN PINAL COUNTY, ARIZONA.

EXHIBIT B TO PURCHASE AND SALE AGREEMENT

FORM OF DEED

When recorded return to:

EXEMPT FROM AN ARIZONA
AFFIDAVIT OF VALUE PURSUANT
TO A.R.S. § 11-1134(A)(3)

SPECIAL WARRANTY DEED

QUEEN CREEK ACRES, LLC, a Washington limited liability company ("Grantor"), for and in consideration of the sum of Ten Dollars ($10.00) and other valuable consideration paid to Grantor by **TOWN OF QUEEN CREEK**, an Arizona municipal corporation ("Grantee"), the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL, CONVEY, ASSIGN and DELIVER to Grantee the following:

(a) the tract of land located in Pinal County, Arizona described in Exhibit A attached hereto and made a part hereof, for all purposes, together with all rights and interests appurtenant thereto (the "Land"), and Grantor's interest in all buildings, structures, improvements and fixtures located on the Land (collectively, the "Improvements"), and all rights, titles, and interests appurtenant to the Land and Improvements; and

(b) Grantee's assignable right, title and interest, if any, in and to all easements, benefits, rights of way, privileges, licenses, tenements, franchises, servitudes, hereditaments, permits and appurtenances pertaining to the Land; and

(c) Grantee's assignable right, title and interest, if any, in and to all and singular rights and appurtenances pertaining to the Land and Improvements and any right, title, and interest of Grantor in and to adjacent streets, alleys, or rights-of-way, any adjacent strips or gores of real estate, all rights to surface and ground water of any type or kind appurtenant to the Land, all assignable rights of Seller, if any, to air, oil, gas, and minerals located, appurtenant or otherwise pertaining to the Land, development rights and air rights belonging or in any way appertaining to the Land and to the Improvements.

SUBJECT TO: current taxes and assessments; reservations in patents; all covenants, conditions, restrictions, reservations, rights-of-way, easements, obligations and liabilities and other such matters of record; and the applicable zoning and use ordinances, regulations, zoning codes and the like of any municipality, county, state, or the United States

affecting the Land as same now exist and as may hereafter be established or amended; and all matters that a survey or an inspection of the Land may reveal.

By acceptance of this Special Warranty Deed and title to the Land and Improvements, Grantee hereby covenants and agrees that the Land shall be used and occupied only as a public park that is available for use and enjoyment by the general public for recreational, educational and cultural purposes, except those portions of the Land that may be owned and used by Grantee as police, public safety or other community facilities are not subject to this covenant, but subject to a covenant that such lands be used for police, public safety or other community facilities. This covenant runs with the land.

And Grantor hereby binds itself and its successors to warrant and defend the title, as against all acts of Grantor herein and none other, subject to the matters above set forth.

IN WITNESS WHEREOF, this Deed is executed by Grantor as of the ____ day of May, 2025.

GRANTOR:

QUEEN CREEK ACRES, LLC,
a Washington limited liability company
By: _____
Printed Name: Henry Bosma
Title: Manager

STATE OF _____)
) ss.
County of _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Henry Bosma, the Manager of Queen Creek Acres, LLC, a Washington limited liability company, for and on behalf of the company.

_____
Notary Public

My commission expires:

Exhibit A to Special Warranty Deed
(Legal description of Land)

EXHIBIT C TO PURCHASE AND SALE AGREEMENT

FORM OF PARTIAL ASSIGNMENT AND ASSUMPTION OF AGRICULTURAL LEASE

PARTIAL ASSIGNMENT AND ASSUMPTION OF AGRICULTURAL LEASE

This Partial Assignment and Assumption of Agricultural Lease (this "**Assignment**") is made and entered into this ____ day of May, 2025 ("**Effective Date**"), by and between Queen Creek Acres, LLC, a Washington limited liability company ("**Assignor**"), and Town of Queen Creek, an Arizona municipal corporation ("**Assignee**"). Assignor and Assignee may be referred to collectively in this Assignment as the "**Parties**."

1. Recitals. As background to this Assignment, the Parties recite, state, confirm and acknowledge the following:

A. Concurrently with the execution and delivery of this Assignment, Assignor, as Seller, is conveying to Assignee, as Buyer, by a special warranty deed (the "**Deed**"), the real property legally described on Exhibit "A" attached to this Assignment ("**Assignee's Real Property**").

B. Assignee's Real Property is leased by Assignor, as "**Landlord**," to Pace Farms, as "**Tenant**," pursuant to an "Agricultural Lease Agreement" dated as of January 1, 2025 (the "**Lease**"). The Lease, however, demises more real property to the Tenant than Assignee's Real Property (such additional real property referred to in this Assignment as "**Assignor's Retained Real Property**." The lease expires on December, 31, 2025 (the "**Termination Date**")

C. In conjunction with Seller's conveyance of Assignee's Real Property to Buyer, and Seller's agreement to deliver possession of Assignee's Real Property to Buyer at the recordation of the Deed, Seller has agreed to partially assign the Lease to Assignee to the extent it pertains to and encumbers Assignee's Real Property only. Assignor is retaining all rights as Landlord under the Lease to the extent it pertains to and encumbers the Assignor's Retained Real Property.

2. For good and valuable consideration, the receipt and sufficiency of which are acknowledged by Assignor and Assignee, Assignor now assigns the Lease as it pertains to and encumbers Assignee's Real Property only, to Assignee; and Assignee accepts the assignment of the Lease, as it pertains to and encumbers Assignee's Real Property only, and accepts possession of Assignee's Real Property subject to the rights of Tenant granted in and by the Lease.

3. Assignor agrees, on behalf of itself and its successors and assigns, (A) to continue to administer the Lease as to both Assignee's Real Property and Assignor's Retained Real Property through the Termination Date, including continuing to perform all of the obligations of Landlord under the Lease until the Termination Date, (B) not to amend the Lease in a way that affects or includes Assignee's Real Property, (C) not to renew the Lease beyond the Termination Date as it affects or includes Assignee's Real Property, (D) not to incur any Lease-related expense on behalf

of Assignee without Assignee's prior written consent, which may be granted or withheld in Assignee's sole, absolute and unfettered discretion, (E) not to impair Assignee's right to possess Assignee's Real Property beyond the rights of Tenant under the Lease, and (F) promptly to provide Assignee with any notice given by Assignor to Tenant under the Lease or received by Assignor from Tenant under the Lease.

4 Subject to Section 3 of this Assignment, Assignee (A) assumes and agrees to perform all of the covenants, liabilities and obligations of Assignor under the Lease as they relate to Assignee's Real Property and which first arise after the Effective Date of this Assignment, and (B) agrees to indemnify, defend and hold Assignor harmless for, from and against any and all loss, liability, claims, damages, costs and expenses (including, but not limited to, court costs and reasonable attorney's fees) arising out of or relating to Assignee's failure to perform any of the obligations of the Assignor under the Lease, as they relate to Assignee's Real Property and which obligations first arise after the Effective Date of this Assignment. Notwithstanding anything to the contrary contained in the Lease or this Assignment, Assignee acknowledges and agrees that it has no right to receive all or any portion of the Rent under the Lease. Subject to Section 3 of this Assignment, Assignee hereby agrees that it shall reasonably cooperate with Assignor and any future successor in interest of Assignor in the administration and enforcement of the Lease.

5. Assignor agrees to indemnify, defend and hold Assignee harmless for, from and against any and all loss, liability, claims, damages, costs and expenses (including, but not limited to, court costs and reasonable attorney's fees) arising out of or relating to Assignor's failure to perform any of the obligations of the Assignor (A) which arise under Section 3 of this Assignment from and after the Effective Date of this Assignment or (B) which arise under the Lease which arose prior to the Effective Date of this Assignment.

6. This Assignment shall inure to the benefit of and shall be binding upon the Parties and their respective successors and assigns. This Assignment will be governed by the substantive law of the State of Arizona. This Assignment may be executed by the Parties in counterparts.

7. The Parties have executed this Assignment as of the Effective Date.

ASSIGNOR:	**ASSIGNEE:**
Queen Creek Acres, LLC, a Washington limited liability company	Town of Queen Creek, an Arizona municipal corporation
By: _____ Name: Henry Bosma Its: _____	By: _____ Name: _____ Its: _____
Date:_____	Date:_____

EXHIBIT D TO PURCHASE AND SALE AGREEMENT

FORM OF MEMORANDUM OF AGREEMENT

[See Attached]

EXHIBIT E TO PURCHASE AND SALE AGREEMENT

FORM OF PARTIAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT

[See Attached]

Schedule 12(c)

1. Queen Creek Acres, LLC granted a third-party residential developer an option to purchase the Real Property in the event the Town of Queen Creek does not timely exercise and complete the Town of Queen Creek's purchase of the Property prior to the expiration of the Town of Queen Creek's purchase option to purchase the Property under Section 8(b) of the Development Agreement.

2. Pursuant to the Agricultural Lease, the Real Property is presently leased by Seller to Pace Farms for agricultural farming purposes, with the Agricultural Lease expiring and terminating on December 31, 2025.

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

THROUGH: **BRUCE GARDNER, TOWN MANAGER**

FROM: **SCOTT A HOLCOMB, TOWN ATTORNEY**

RE: **PUBLIC HEARING ON THE POSSIBLE FIFTEEN PERCENT (15%) INCREASE IN WATER RATES AND APPROVE A MOTION AUTHORIZING A FURTHER PUBLIC HEARING AND POSSIBLE ACTION TO ADOPT THE RATE INCREASE TO OCCUR ON JULY 16, 2025, AT 6:30 P.M. PURSUANT TO FINAL ACTION AGENDA ITEM 10A.**

DATE: **May 7, 2025**

Suggested Action:

Staff recommends the Council hold the Public Hearing on the possible fifteen percent (15%) increase in Water Rates and approve a motion authorizing a further public hearing and possible action to adopt the rate increase to occur on July 16, 2025, at 6:30 p.m.

Discussion:

In order to increase water or wastewater fees under A.R.S. § 9-511.01, in addition to other requirements, the Town Council must adopt by motion a notice of intent that sets "a date for a public hearing on the proposed increase that shall be held at least sixty days after adoption of the notice of intention". The Town Council did so setting May 7, 2025 as the date for the public hearing. Notice of the hearings was posted on the Town's website and also included in the water bills sent to Town utility customers.

The statue also requires that:

"A copy of the notice of intention showing the date, time and place of the hearing shall be published one time in a newspaper of general circulation within the boundaries of the municipality not less than twenty days before the public hearing date."

A copy of the notice of intent was not published more than twenty days before May 7, 2025.

Although notice efforts well beyond those required under A.R.S. § 9-511.01 were taken by the Town, because of the failure to publish the notice of intent in a local newspaper more than twenty days before the hearing, a second notice of intent should be adopted by motion by the Town Council setting a second public hearing to occur on July 16, 2025, at 6:30 p.m. to allow for publication of the notice of intent. In addition because notice of the May 7, 2025 public hearing has been on the Town's website and included with the utility bills, the public hearing on May 7, 2025 should occur to allow for any members of the public attending the meeting to speak on the proposed utility rates.

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

THROUGH: **BRUCE GARDNER, TOWN MANAGER**

FROM: **SCOTT MCCARTY, DEPUTY TOWN MANAGER/CHIEF FINANCIAL OFFICER**

RE: **DISCUSSION AND POSSIBLE APPROVAL OF 60-DAY NOTICE OF INTENTION SETTING THE TIME (6:30 P.M.) AND THE DATE (JULY 16, 2025) FOR THE PUBLIC HEARING TO INCREASE WATER RATES 15%.**

DATE: **May 7, 2025**

Suggested Action:

Move to approve the 60-day Notice of Intention setting the time (6:30 p.m.) and date (July 16, 2025) for the public hearing to increase water rates 15%.

Relevant Council Goal(s):

- Effective Government: KRA Financial Stability

Discussion:

Town staff introduced a 15% increase to water rates at the February 19, 2025 Town Council meeting. The presentation included an overview of the Water utility, the reasons for the rate increase (including reducing the annual financial deficit), the impacts to our customers, and how this rate increase is the initial phase of a more comprehensive rate increase that is expected to be introduced to the Town Council towards the end of the summer. Water rates were last increased in 2010.

At the time of February 19 Town Council meeting, the intention was that the new rates would take effect in July. However, last week, Town staff became aware that the requirement to make a legal posting regarding the rate increase and public hearing was not made in the newspaper as required. The public hearing will still be held but no action will be taken.

This agenda item starts the process over, resulting in about a two-month delay of implementing the new rates. The new rates will be effective of all bills after October 7.

Water services are accounted for by an Enterprise Fund. Enterprise Funds operate similarly to a private business, where the costs of providing the service to the customer are recovered through user charges and fees. In accordance with the Town's Financial Policies, Enterprise fees shall be set to fully recover their respective operating costs.

In order to increase water rates, the Town must follow a two-step process as required by ARS § 9-511.01. Step one, is a requirement to provide a written public notice regarding the intent to increase rates, sets the public hearing date, and includes data that supports the proposed fee. This notice must occur at least 60 days before the Town Council considers the increase. Attached is a report prepared by Stantec supporting the proposed 15% rate increase. If the notice is approved at this Town Council meeting, a copy of the notice will be published in the newspaper one time, not less than twenty days before the public hearing date as required and all related material will be posted on

the Town's website at https://www.queencreekaz.gov/government/utilities/2025-water-rate-increase.

Step two, after the 60-day notice period, there is a requirement to conduct a public hearing to increase the fee. In this case, the date for the public hearing is scheduled for July 16, 2025 at which time the Town Council will be asked to approve the fee increase. The new fee can then be applied 30 days after that approval, which would be August 15, 2025. This would result in the new rates being effective for the water bills dated October 7, 2025 and thereafter.

This process and calendar are shown in the schedule below.

Date	Activity
May 7	Town Council Discussion and Possible Approval of 60-Day Notice of Intention to Increase Water Rates 15%
May 8 – July 6	60-Day Notice Period
July 16	Town Council Public Hearing and Possible Adoption of a Resolution Increasing Water Rates 15%
August 15	Effective Date of 15% Rate Increase (if Approved)
October 7	Water Bills Prepared with New Rates

Fiscal Impact:

The annual revenue base of monthly water rates is about $33M. A 15% rate increase is projected to increase revenues about $4.3M. Approximately $3M (67%) of the increase will come from the 40K single-family residential customers. Of these 40K accounts, about 25K accounts (63%) are expected to experience a monthly increase in their water bill of $3 to $6.

Alternatives:

Water Utilities services are accounted for in an Enterprise Fund. The intent of the Enterprise Fund is to recover all expenses through rates and fees. As such, if this rate increase is not implemented, the annual financial deficit will increase and it will result in a higher rate increase at some point in the future. The intention of this increase is to generate additional revenue until the comprehensive rate study can be implemented.

Attachment(s):

1. Notice of Intention: Increase Water Rates 15%
2. Report: New Water Meter Cost Analysis
3. Presentation

TOWN OF QUEEN CREEK

Notice of Intention

A public hearing has been set for July 16, 2025 at 6:30 p.m. in the Community Chambers building, 20727 E. Civic Parkway, Queen Creek, Arizona. The purpose of this hearing is to receive public comment on a recommended 15% water rate fee increase. Information relating to the proposed fee change including the written report supporting the increased rate is available in the Town Clerk's office at 22358 S. Ellsworth Road, Queen Creek, Arizona and on the Town's website at https://www.queencreekaz.gov/government/utilities/2025-water-rate-increase



Queen Creek, Arizona

2025 Water Financial Analysis

February 19, 2025

Stantec

Prepared for:	Scott McCarty Queen Creek Finance Director	Prepared by:	Zac Koch Stantec Consultant
		Date:	February 19, 2025

The Town of Queen Creek, Arizona (Town) contracted with Stantec Consulting Services Inc (Stantec) to conduct a comprehensive utility rate study for its water, wastewater, and solid waste systems that is currently in progress. However, given current circumstances, the Town has requested an interim analysis of the water system's cash flow projections in support of a rate adjustment. The analysis described in this technical memorandum focuses on a multi-year financial model detailing the need for a water rate adjustment, and is provided to help the Town comply with the Arizona Revised Statutes Title 9, § 9-511.01, requiring a municipality engaging in domestic water or wastewater business to prepare a written report or supply data supporting any rate adjustment.

CASH FLOW PROJECTIONS

As part of the referenced rate study, Stantec is developing a multi-year financial forecasting model that includes FY 2025 and FY 2026 cash flow projections based on current data and assumptions provided by and discussed with the Town. The following tables summarize the revenue, operating expenses, cash funded capital projects, debt service, and transfers for FY 2025 and FY 2026 based on data provided by the Town. Importantly, all of the summarized information provided herein excludes any capacity fee revenues and expenses, debt service payments funded by capacity fees, and cash funded capital paid for by capacity fees. This cash flow analysis focuses solely on rate revenue requirements, and all capacity fee related revenues and expenditures were removed from the model in collaboration with the Town. The dollar amounts in each table are rounded to one tenth of a million.

Due to modest increases in operating expenditures, annual debt service obligations and the level of additional capital project funding needed, the multi-year financial model identified substantial cash flow deficits in FY 2025 and FY 2026 based on the Town's current water rates. Town staff acknowledges that the Water Fund has continued to operate with a cash deficit, and that FY 2025 began with a substantial cash deficit due to operational performance, infrastructure expenses, debt service obligations, and certain timing-related expenditures. Table 1 below summarizes the Town's cash flows in FY 2025 and FY 2026 if rates are not changed and the capital project needs provided by the Town are fully funded. Increases in operating revenues from FY 2025 to FY 2026 are attributable to assumed customer base growth per development projections provided by the Town.

Table 1: Summary of Water Operating Fund With Fully Funded Capital Plan (Millions of Dollars)

Water	Fiscal Year 2025	Fiscal Year 2026
Operating Revenues	$33.8	$34.8
Operating Expenses	($33.6)	($34.9)
Cash Funded Capital	($2.1)	($2.9)
Annual Debt Service	($9.1)	($10.8)
Net Transfers	$2.5	($0.3)
Cash Flow	($8.5)	($14.1)

For FY 2025, the cash flow deficit may result in interfund transfers, some form of interim borrowing, and/or capital deferrals to the extent operating revenues and expenses occur as projected. If rates are held constant for FY 2026, the cash flow deficit increases to $14.1 million based on the full capital plan. To the extent that the City defers the outlays for capital spending, it would serve to reduce the cash flow

deficits, all else being equal. As an example, Table 2 shows that the cash flow deficits can be reduced to an extent, but not eliminated, if the capital plan is partially funded in FY 2025 and FY 2026.

Table 2: Summary of Water Operating Fund With Partially Funded Capital Plan (Millions of Dollars)

Water	Fiscal Year 2025	Fiscal Year 2026
Operating Revenues	$33.8	$34.8
Operating Expenses	($33.6)	($34.9)
Cash Funded Capital	($1.0)	($1.5)
Annual Debt Service	($9.1)	($10.8)
Transfers In	2.5	($0.3)
Cash Flow	($7.5)	($12.7)

RESULTS

Recognizing the existence of cash flow shortfalls, the Town is proposing to increase water rates 15% in FY 2026 as an interim measure pending completion of the rate study. While a larger rate increase would be needed to fully fund the capital plan and avoid a cash flow deficit, the Town recognizes affordability concerns related to increased water rates and plans to build up to rates that would adequately fund the capital program, debt service obligations, and increasing operating expenses over time.

Ultimately, additional rate increases should be anticipated for the Town to eliminate annual cash flow deficits and fully fund the capital needs for its water system.

The current FY 2025 and proposed FY 2026 rates are presented in Table 3 and Table 4. The rates in Table 3 only apply to customers in the Queen Creek service area. Monthly service charges include the cost of the first 1,000 gallons of monthly water usage for these customers. Table 4 presents the Diversified Water Utility service area rates for reference, which are not proposed to increase in FY 2026.

Table 3: Current and Recommended Water Rates for Non-Diversified Utility Service Area Customers

Monthly Service Charges	Current Rate as of July 2024	Recommended Rate July 2025
3/4”	$18.33	$21.08
1”	$31.00	$35.65
1.5”	$46.00	$52.90
2”	$77.00	$88.55
3”	$184.00	$211.60
4”	$305.00	$350.75
6”	$1,345.00	$1,546.75
Volume Charges Per 1,000 Gallons	**Current Rate as of July 2024**	**Recommended Rate July 2025**
0 to 1,000 gallons	$0.00	$0.00
1,001 to 10,000 gallons	$1.77	$2.04
10,001 to 20,000 gallons	$2.37	$2.73
20,001+ gallons	$2.96	$3.40

For reference, the Diversified Water Utility service area rates are presented in Table 4. These rates will be unaffected by the FY 2026 rate increase discussed herein.

Table 4: Current and Recommended Water Rates for Diversified Utility Service Area Customers

Monthly Service Charges	Current Rate as of July 2024	Recommended Rate July 2025
3/4”	$27.50	$27.50
1”	$32.00	$32.00
1.5”	$36.40	$36.40
2”	$54.40	$54.40
3”	$86.50	$86.50
4”	$137.50	$137.50
6”	$262.50	$262.50
Volume Charges Per 1,000 Gallons	**Current Rate as of July 2024**	**Recommended Rate July 2025**
All Usage	$3.65	$3.65

Appendix A of this memorandum includes cash flow projections that indicate all anticipated revenues from customers and the overall expenses for providing water services discussed above, reflecting the fully funded cash funded capital scenario with no rate increase implemented such that Appendix A reflects Table 1.

Disclaimer

This document was produced by Stantec Consulting Services, Inc. ("Stantec") for the Queen Creek, Arizona ("Town") and is based on a specific scope agreed upon by both parties. Stantec's scope of work and services do not include serving as a "municipal advisor" for purposes of the registration requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission. Stantec is not advising the Town, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, terms, or other similar matters concerning such products or issuances.

In preparing this report, Stantec utilized information and data obtained from the Town or public and/or industry sources. Stantec has relied on the information and data without independent verification, except only to the extent such verification is expressly described in this document. Any projections of future conditions presented in the document are not intended as predictions, as there may be differences between forecasted and actual results, and those differences may be material.

Additionally, the purpose of this document is to summarize Stantec's analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliance on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by the Town should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.

Town of Queen Creek, AZ - Water

FY 2025 Water Rate Memo

Assumptions & Results Workbook Reflecting Scenario With Zero Rate Increases



Stantec

Assumptions — Schedule 1

	FY 2025	FY 2026
Rate Increase Adoption Date	7/1/2024	7/1/2025
Annual Growth		
Water		
Ending # of EDUs	58,922	61,228
EDU Growth	2,939	2,306
% Change in EDUs	*5.25%*	*3.91%*
Usage per EDU	126.38	125.12
% Change in Usage per EDU	*-1.00%*	*-1.00%*
Usage (Kgal)	7,446,785	7,660,843
% Change in Usage	*4.20%*	*2.87%*
Capital Spending		
Annual Capital Budget (Future Year Dollars)	$ 76,948,334	$123,269,430
Annual Percent Executed	100%	100%
Average Annual Interest Earnings Rate		
On Fund Balances	2.00%	2.00%
Operating Budget Reserve		
Target (Number of Months of Reserve)	2.0	4.0
Operating Budget Execution Percentage		
Personal Services	95%	95%
Variable Operations and Maintenance	65%	65%
Fixed Operations and Maintenance	100%	100%
Capital Outlay	60%	60%

Pro Forma — Schedule 2

		FY 2025	FY 2026
1	**Operating Revenue**		
2	Water, Rate Revenue	$ 29,244,447	$ 29,244,447
3	Change in Revenue From Growth	-	975,308
4	Subtotal	$ 29,244,447	$ 30,219,755
5	*Weighted Average Rate Increase*	*0.00%*	*0.00%*
6	Additional Rate Revenue From Rate Increase	-	-
7	Total Rate Revenue	$ 29,244,447	$ 30,219,755
8	Plus: Other Operating Revenue	4,516,000	4,559,980
9	**Equals: Total Operating Revenue**	**$ 33,760,447**	**$ 34,779,735**
10	**Less: Operating Expenses**		
11	Personal Services	$ (9,667,973)	$ (10,050,122)
12	Variable Operations & Maintenance Costs	(7,427,237)	(7,718,615)
13	Operations & Maintenance Costs	(6,408,591)	(6,595,907)
14	**Equals: Net Operating Income**	**$ 10,256,646**	**$ 10,415,090**
15	**Plus: Non-Operating Income/(Expense)**		
16	Interest Income	$ -	$ -
18	Transfers In	3,454,916	627,785
19	**Equals: Net Income**	**$ 13,711,562**	**$ 11,042,875**
20	**Less: Revenues Excluded From Coverage Test**		
21	Transfers In	$ (3,454,916)	$ (627,785)
22	**Equals: Net Income Available For Debt Service**	**$ 10,256,646**	**$ 10,415,090**

Pro Forma — Schedule 2

		FY 2025	FY 2026
23	**Senior Lien Debt Service Coverage Test**		
24	Net Income Available for Senior-Lien Debt Service	$ 10,256,646	$ 10,415,090
25	Existing Senior-Lien Debt	7,300,984	9,014,228
26	Cumulative New Senior Lien Debt Service (calculated)	-	-
27	**Total Annual Senior-Lien Debt Service**	**$ 7,300,984**	**$ 9,014,228**
28	**Subordinate Debt Service Coverage Test**		
29	Net Income Available for Subordinate Debt Service	**$ 2,955,662**	**$ 1,400,862**
30	**Total All-In Debt Service Coverage Test**		
31	Net Income Available for Subordinate Debt Service	$ 10,256,646	$ 10,415,090
32	Total Senior-Lien Debt Service	7,300,984	9,014,228
33	**Total Annual Debt Service**	**$ 9,099,931**	**$ 10,811,767**
34	**Cash Flow Test**		
35	Net Income Available For Debt Service	$ 10,256,646	$ 10,415,090
36	**Less: Non-Operating Expenditures**		
37	Net Interfund Transfers (In - Out)	2,506,916	(320,215)
38	Net Debt Service Payment	(9,099,931)	(10,811,767)
39	Capital Outlay	(10,110,965)	(10,490,127)
40	**Net Cash Flow**	**$ (6,447,334)**	**$ (11,207,019)**

Pro Forma — Schedule 2

		FY 2025	FY 2026
41	**Unrestricted Reserve Fund Test**		
42	Balance At Beginning Of Fiscal Year	$ 1,122,008	$ (7,412,502)
43	Cash Flow Surplus/(Deficit)	(6,447,334)	(11,207,019)
44	Projects Designated To Be Paid With Cash	(2,087,176)	(2,912,000)
45	**Balance At End Of Fiscal Year**	**$ (7,412,502)**	**$(21,531,521)**
46	Minimum Working Capital Reserve Target	3,917,300	8,121,548
47	**Excess/(Deficiency) Of Working Capital To Target**	**$ (11,329,802)**	**$ (29,653,070)**

Projection of Cash Inflows — Schedule 3

		FY 2025	FY 2026
1	**Rate Revenue Growth Assumptions**		
2	**Water**		
3	% Change in EDU	5.25%	3.91%
4	% Change in Usage Revenue	4.20%	2.87%
5	**Assumed Rate Revenue Increases**		
6	Assumed Water Rate Increase	0.00%	0.00%
7	**Water Rate Revenue**		
8	Base Rate Revenue	$ 12,960,538	$ 13,467,766
9	Usage Rate Revenue	16,283,908	16,751,989
10	**Total Water Rate Revenue**	**$ 29,244,447**	**$ 30,219,755**
11	**Other Operating Revenue**		
12	DIVERSIFIED- WATER SALES	$ 2,600,000	$ 2,600,000
13	QC WATER PLAN REVIEW FEES	57,000	58,710
14	NEW METER REVENUE	1,230,000	1,266,900
15	ESTABLISHMENT & SERVICE FEE	170,000	175,100
16	DIVERSIFIED- ESTABLISHMENT & SERVICE FEE	9,000	9,270
17	IRRIGATION SALES	450,000	450,000
18	**Total Other Operating Revenue**	**$ 4,516,000**	**$ 4,559,980**

19	**Non-Operating Revenue**				
20	**Transfers In**				
21	SEWER BILLING FEE	$	505,500	$	520,665
22	SOLID WASTE BILLING FEE		104,000		107,120
23	CAPITAL OUTLAY TRANSFER IN		2,845,416		-
24	**Total Transfers In**	**$**	**3,454,916**	**$**	**627,785**
25	**Interest Income**				
26	Unrestricted	$	-	$	-
27	**Total Interest Income**	**$**	**-**	**$**	**-**
28	**Total Cash Inflows**	**$**	**37,215,363**	**$**	**35,407,520**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Administration				
1	BAD DEBT EXPENSE	OMF	220-460-2100-00000-400015-	$ 50,000	$ 51,500
2	DEPT SUPPORT COSTS-IT	OMF	220-460-2100-00000-400120-	587,042	604,653
3	DEPT SUPPORT COSTS-HR	OMF	220-460-2100-00000-400121-	93,810	96,624
4	DEPT SUPPORT COSTS-FINANCE	OMF	220-460-2100-00000-400122-	63,053	64,945
5	DEPT SUPPORT COSTS-BUDGET	OMF	220-460-2100-00000-400126-	23,250	23,948
6	DEPT SUPPORT COSTS-FACILITIES	OMF	220-460-2100-00000-400131-	158,507	163,262
7	UTILITY FRANCHISE FEE	CO	220-460-2100-00000-400200-	914,180	1,116,074
8	IN LIEU PROPERTY TAX	CO	220-460-2100-00000-400300-	424,788	389,452
9	PERMANENT SALARIES	PS	220-460-2100-00000-401000-	962,835	996,534
10	VACATION PAY OUT	PS	220-460-2100-00000-401400-	9,357	9,684
11	CELL PHONE STIPEND	PS	220-460-2100-00000-401500-	1,248	1,292
12	MEDICAL PREMIUMS	PS	220-460-2100-00000-402111-	110,677	117,871
13	HSA CONTRIBUTIONS	PS	220-460-2100-00000-402112-	6,702	6,937
14	DENTAL PREMIUMS	PS	220-460-2100-00000-402120-	6,048	6,441
15	VISION PREMIUMS	PS	220-460-2100-00000-402130-	1,348	1,436
16	DISABILITY & LIFE PREMIUMS	PS	220-460-2100-00000-402150-	1,563	1,665
17	COMMUTER INSURANCE	PS	220-460-2100-00000-402153-	56	60
18	FICA ER CONTRIBUTIONS	PS	220-460-2100-00000-402200-	56,517	60,191
19	MEDICARE ER CONTRIBUTIONS	PS	220-460-2100-00000-402210-	13,616	14,501
20	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2100-00000-402300-	116,238	120,306
21	ER DEFERRED COMPENSATION	PS	220-460-2100-00000-402350-	1,441	1,491
22	STATE UNEMPLOYMENT TAX	PS	220-460-2100-00000-402500-	1,329	1,376
23	WORKMAN'S COMPENSATION	PS	220-460-2100-00000-402600-	3,301	3,417
24	MAINLINE AGREEMENTS	OMF	220-460-2100-00000-403000-	10,603	11,071
25	PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2100-00000-403005-	478,426	492,778
26	PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2100-00000-403005-RU001	173,103	178,296
27	LEGAL SERVICES	OMF	220-460-2100-00000-403010-	239,862	247,057
28	GENERAL SERVICES	OMF	220-460-2100-00000-403031-	206,900	213,107
29	TRAVEL/CONFERENCE/SEMINARS/TRA	OMF	220-460-2100-00000-403100-	155,225	159,882
30	DUES/MEMBERSHIP FEES	OMF	220-460-2100-00000-403200-	3,750	3,863
31	LICENSE/FEES	OMF	220-460-2100-00000-403220-	8,900	9,167
32	EMPLOYEE UNIFORMS	OMF	220-460-2100-00000-403370-	60,800	62,624

Projection of Cash Outflows

Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
33	WATER	OMF	220-460-2100-00000-404110-	1,500	1,545
34	CELLULAR TELEPHONE	OMF	220-460-2100-00000-404155-	61,920	63,778
35	PEST CONTROL SERVICES	OMF	220-460-2100-00000-404250-	5,000	5,150
36	MAINTENANCE/REPAIRS	OMF	220-460-2100-00000-404300-	10,000	10,210
37	VEHICLE MAINT/REPAIR	OMF	220-460-2100-00000-404310-	83,480	85,233
38	RENTAL OF LAND/BUILDINGS	OMF	220-460-2100-00000-404410-	7,740	7,972
39	LIABILITY INSURANCE	OMF	220-460-2100-00000-405200-	150,000	154,500
40	MILEAGE	OMF	220-460-2100-00000-405900-	2,000	2,060
41	SHOP SUPPLIES	OMF	220-460-2100-00000-406015-	1,000	1,030
42	OFFICE SUPPLIES	OMF	220-460-2100-00000-406020-	30,900	31,827
43	SAFETY SUPPLIES	OMF	220-460-2100-00000-406075-	20,000	20,600
44	POSTAGE	OMF	220-460-2100-00000-406150-	9,000	9,270
45	GASOLINE (VEHICLE USAGE)	OMF	220-460-2100-00000-406260-	230,000	232,093
46	MAJOR EQUIPMENT >10000	CO	220-460-2100-00000-407400-	50,000	51,500
47	VEHICLE EQUIPMENT	OMF	220-460-2100-00000-407425-	10,000	10,300
48	FURNITURE & FIXTURES	CO	220-460-2100-00000-407430-WA220	100,000	103,000
49	EQUIPMENT <5000	OMF	220-460-2100-00000-407500-	50,000	51,500
50	SOFTWARE SUPPORT	OMF	220-460-2100-00000-407555-	57,000	58,710
51	MISCELLANEOUS EXPENSE	OMF	220-460-2100-00000-408000-	33,000	33,990
52	WASTE (TRASH)	OMF	220-460-2100-00275-404160-	4,000	4,120
53	ELECTRICITY	OMF	220-460-2100-00366-404120-	48,000	50,461
54	WASTE (TRASH)	OMF	220-460-2100-00366-404160-	12,000	12,360
55	PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2100-00000-403005-WA220	100,000	103,000
56	**Administration Subtotal**			**$ 6,021,015**	**$ 6,335,713**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Customer Service				
57	PERMANENT SALARIES	PS	220-460-2110-00000-401000-	$ 1,353,006	$ 1,400,361
58	PART-TIME STAFFING	PS	220-460-2110-00000-401100-	20,939	21,672
59	TEMP/SEASONAL STAFFING	PS	220-460-2110-00000-401150-	172,948	179,001
60	OVER TIME PAY	PS	220-460-2110-00000-401300-	8,700	9,005
61	VACATION PAY OUT	PS	220-460-2110-00000-401400-	17,727	18,347
62	CELL PHONE STIPEND	PS	220-460-2110-00000-401500-	4,680	4,844
63	BILINGUAL STIPEND	PS	220-460-2110-00000-401510-	3,900	4,037
64	MEDICAL OPT OUT STIPEND	PS	220-460-2110-00000-402101-	1,200	1,242
65	MEDICAL PREMIUMS	PS	220-460-2110-00000-402111-	191,299	203,733
66	HSA CONTRIBUTIONS	PS	220-460-2110-00000-402112-	32,270	33,399
67	DENTAL PREMIUMS	PS	220-460-2110-00000-402120-	12,170	12,961
68	VISION PREMIUMS	PS	220-460-2110-00000-402130-	2,250	2,396
69	DISABILITY & LIFE PREMIUMS	PS	220-460-2110-00000-402150-	2,755	2,934
70	COMMUTER INSURANCE	PS	220-460-2110-00000-402153-	124	132
71	FICA ER CONTRIBUTIONS	PS	220-460-2110-00000-402200-	93,808	99,906
72	MEDICARE ER CONTRIBUTIONS	PS	220-460-2110-00000-402210-	21,946	23,372
73	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2110-00000-402300-	191,361	198,059
74	ER DEFERRED COMPENSATION	PS	220-460-2110-00000-402350-	3,840	3,974
75	STATE UNEMPLOYMENT TAX	PS	220-460-2110-00000-402500-	2,856	2,956
76	WORKMAN'S COMPENSATION	PS	220-460-2110-00000-402600-	3,106	3,215
77	GENERAL SERVICES	OMF	220-460-2110-00000-403031-	37,800	38,934
78	TRAVEL/CONFERENCE/SEMINARS/TRA	OMF	220-460-2110-00000-403100-	66,753	68,756
79	DUES/MEMBERSHIP FEES	OMF	220-460-2110-00000-403200-	7,213	7,429
80	LICENSE/FEES	OMF	220-460-2110-00000-403220-	5,150	5,305
81	BANK FEES	OMF	220-460-2110-00000-403240-	70,000	72,100
82	CREDIT CARD FEES	OMF	220-460-2110-00000-403241-	400,000	412,000
83	PRINTING (EXTERIOR & INTERIOR)	OMF	220-460-2110-00000-405500-	238,000	245,140
84	OFFICE SUPPLIES	OMF	220-460-2110-00000-406020-	4,000	4,120
85	EQUIPMENT <5000	OMF	220-460-2110-00000-407500-	3,000	3,090
86	SOFTWARE SUPPORT	OMF	220-460-2110-00000-407555-	236,000	243,080
87	MISCELLANEOUS EXPENSE	OMF	220-460-2110-00000-408000-	1,000	1,030
88	**Customer Service Subtotal**			**$ 3,209,801**	**$ 3,326,530**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Engineering				
89	PERMANENT SALARIES	PS	220-460-2120-00000-401000-	$ 453,454	$ 469,325
90	OVER TIME PAY	PS	220-460-2120-00000-401300-	3,000	3,105
91	VACATION PAY OUT	PS	220-460-2120-00000-401400-	3,719	3,849
92	CELL PHONE STIPEND	PS	220-460-2120-00000-401500-	1,260	1,304
93	MEDICAL PREMIUMS	PS	220-460-2120-00000-402111-	70,582	75,170
94	HSA CONTRIBUTIONS	PS	220-460-2120-00000-402112-	3,750	3,881
95	DENTAL PREMIUMS	PS	220-460-2120-00000-402120-	3,959	4,216
96	VISION PREMIUMS	PS	220-460-2120-00000-402130-	848	903
97	DISABILITY & LIFE PREMIUMS	PS	220-460-2120-00000-402150-	822	875
98	COMMUTER INSURANCE	PS	220-460-2120-00000-402153-	58	62
99	FICA ER CONTRIBUTIONS	PS	220-460-2120-00000-402200-	27,109	28,871
100	MEDICARE ER CONTRIBUTIONS	PS	220-460-2120-00000-402210-	6,342	6,754
101	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2120-00000-402300-	56,442	58,417
102	ER DEFERRED COMPENSATION	PS	220-460-2120-00000-402350-	480	497
103	STATE UNEMPLOYMENT TAX	PS	220-460-2120-00000-402500-	639	661
104	WORKMAN'S COMPENSATION	PS	220-460-2120-00000-402600-	12,132	12,557
105	PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2120-00000-403005-	250,000	257,500
106	SHOP SUPPLIES	OMF	220-460-2120-00000-406015-	2,000	2,060
107	VEHICLES	OMF	220-460-2120-00000-407420-	72,900	75,087
108	CAPITAL MAINTENANCE	CO	220-460-2120-00000-407435-WA260	150,000	154,500
109	CAPITAL MAINTENANCE	CO	220-460-2120-00000-407435-WA307	150,000	154,500
110	CAPITAL MAINTENANCE	CO	220-460-2120-00000-407435-WA900	200,000	206,000
111	EQUIPMENT <5000	CO	220-460-2120-00000-407500-	3,000	3,090
	Engineering Subtotal			**$ 1,472,496**	**$ 1,523,186**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Field Ops Meters				
112	PERMANENT SALARIES	PS	220-460-2130-00000-401000-	$ 1,046,058	$ 1,082,670
113	TEMP/SEASONAL STAFFING	PS	220-460-2130-00000-401150-	97,940	101,368
114	CALL OUT	PS	220-460-2130-00000-401250-	21,744	22,505
115	STAND BY	PS	220-460-2130-00000-401251-	6,203	6,420
116	OVER TIME PAY	PS	220-460-2130-00000-401300-	5,000	5,175
117	VACATION PAY OUT	PS	220-460-2130-00000-401400-	16,254	16,823
118	CELL PHONE STIPEND	PS	220-460-2130-00000-401500-	5,520	5,713
119	BILINGUAL STIPEND	PS	220-460-2130-00000-401510-	1,300	1,346
120	MEDICAL OPT OUT STIPEND	PS	220-460-2130-00000-402101-	1,200	1,242
121	MEDICAL PREMIUMS	PS	220-460-2130-00000-402111-	145,382	154,832
122	HSA CONTRIBUTIONS	PS	220-460-2130-00000-402112-	18,607	19,258
123	DENTAL PREMIUMS	PS	220-460-2130-00000-402120-	8,993	9,578
124	VISION PREMIUMS	PS	220-460-2130-00000-402130-	1,913	2,037
125	DISABILITY & LIFE PREMIUMS	PS	220-460-2130-00000-402150-	2,090	2,226
126	COMMUTER INSURANCE	PS	220-460-2130-00000-402153-	135	144
127	FICA ER CONTRIBUTIONS	PS	220-460-2130-00000-402200-	70,982	75,596
128	MEDICARE ER CONTRIBUTIONS	PS	220-460-2130-00000-402210-	16,607	17,686
129	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2130-00000-402300-	147,193	152,345
130	ER DEFERRED COMPENSATION	PS	220-460-2130-00000-402350-	1,875	1,941
131	STATE UNEMPLOYMENT TAX	PS	220-460-2130-00000-402500-	2,012	2,082
132	WORKMAN'S COMPENSATION	PS	220-460-2130-00000-402600-	26,598	27,529
133	SHOP SUPPLIES	OMF	220-460-2130-00000-406015-	7,500	7,725
134	METER/FITTINGS	CO	220-460-2130-00000-406017-	2,050,000	2,111,500
135	WELDING SUPPLIES	OMF	220-460-2130-00000-406085-	5,000	5,150
136	CAPITAL MAINTENANCE	CO	220-460-2130-00000-407435-WA139	205,000	211,150
137	EQUIPMENT <5000	CO	220-460-2130-00000-407500-	15,000	15,450
138	SOFTWARE SUPPORT	OMF	220-460-2130-00000-407555-	115,000	118,450
	Field Ops Meters Subtotal			**$ 4,041,106**	**$ 4,177,940**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - GIS				
139	PERMANENT SALARIES	PS	220-460-2140-00000-401000-	$ 459,403	$ 475,482
140	CALL OUT	PS	220-460-2140-00000-401250-	2,384	2,467
141	STAND BY	PS	220-460-2140-00000-401251-	8,222	8,510
142	OVER TIME PAY	PS	220-460-2140-00000-401300-	12,000	12,420
143	VACATION PAY OUT	PS	220-460-2140-00000-401400-	2,475	2,562
144	CELL PHONE STIPEND	PS	220-460-2140-00000-401500-	1,740	1,801
145	MEDICAL OPT OUT STIPEND	PS	220-460-2140-00000-402101-	1,200	1,242
146	MEDICAL PREMIUMS	PS	220-460-2140-00000-402111-	68,717	73,184
147	HSA CONTRIBUTIONS	PS	220-460-2140-00000-402112-	1,660	1,718
148	DENTAL PREMIUMS	PS	220-460-2140-00000-402120-	3,258	3,470
149	VISION PREMIUMS	PS	220-460-2140-00000-402130-	810	863
150	DISABILITY & LIFE PREMIUMS	PS	220-460-2140-00000-402150-	843	898
151	COMMUTER INSURANCE	PS	220-460-2140-00000-402153-	45	48
152	FICA ER CONTRIBUTIONS	PS	220-460-2140-00000-402200-	29,057	30,946
153	MEDICARE ER CONTRIBUTIONS	PS	220-460-2140-00000-402210-	6,796	7,238
154	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2140-00000-402300-	59,608	61,694
155	ER DEFERRED COMPENSATION	PS	220-460-2140-00000-402350-	288	298
156	STATE UNEMPLOYMENT TAX	PS	220-460-2140-00000-402500-	894	925
157	WORKMAN'S COMPENSATION	PS	220-460-2140-00000-402600-	9,582	9,917
158	PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2140-00000-403005-	25,000	25,750
159	LICENSE/FEES	OMF	220-460-2140-00000-403220-	20,000	20,600
160	SHOP SUPPLIES	OMF	220-460-2140-00000-406015-	15,000	15,450
161	EQUIPMENT <5000	CO	220-460-2140-00000-407500-	55,000	56,650
162	SOFTWARE SUPPORT	OMF	220-460-2140-00000-407555-	1,500	1,545
	GIS Subtotal			**$ 785,482**	**$ 815,677**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Irrigation				
163	UTILITY ROI EXPENSE	OMF	220-460-2150-00000-400100-	$ 17,000	$ 17,510
164	PERMANENT SALARIES	PS	220-460-2150-00000-401000-	240,653	249,076
165	CALL OUT	PS	220-460-2150-00000-401250-	818	847
166	STAND BY	PS	220-460-2150-00000-401251-	11,662	12,070
167	OVER TIME PAY	PS	220-460-2150-00000-401300-	9,000	9,315
168	VACATION PAY OUT	PS	220-460-2150-00000-401400-	3,077	3,185
169	CELL PHONE STIPEND	PS	220-460-2150-00000-401500-	2,520	2,608
170	MEDICAL PREMIUMS	PS	220-460-2150-00000-402111-	27,253	29,024
171	HSA CONTRIBUTIONS	PS	220-460-2150-00000-402112-	3,320	3,436
172	DENTAL PREMIUMS	PS	220-460-2150-00000-402120-	1,804	1,921
173	VISION PREMIUMS	PS	220-460-2150-00000-402130-	425	453
174	DISABILITY & LIFE PREMIUMS	PS	220-460-2150-00000-402150-	462	492
175	COMMUTER INSURANCE	PS	220-460-2150-00000-402153-	30	32
176	FICA ER CONTRIBUTIONS	PS	220-460-2150-00000-402200-	16,225	17,280
177	MEDICARE ER CONTRIBUTIONS	PS	220-460-2150-00000-402210-	3,796	4,043
178	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2150-00000-402300-	32,739	33,885
179	STATE UNEMPLOYMENT TAX	PS	220-460-2150-00000-402500-	525	543
180	WORKMAN'S COMPENSATION	PS	220-460-2150-00000-402600-	8,631	8,933
181	IRRIGATION REPAIRS	OMV	220-460-2150-00000-404315-	25,000	25,750
182	SHOP SUPPLIES	OMF	220-460-2150-00000-406015-	3,000	3,090
183	VEHICLES	OMF	220-460-2150-00000-407420-XX036	51,577	52,660
184	EQUIPMENT <5000	PS	220-460-2150-00000-407500-	5,000	5,175
	Irrigation Subtotal			**$ 464,517**	**$ 481,327**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Conservation				
185	PERMANENT SALARIES	PS	220-460-2170-00000-401000-	$ 179,564	$ 185,849
186	PART-TIME STAFFING	PS	220-460-2170-00000-401100-	51,146	52,936
187	OVER TIME PAY	PS	220-460-2170-00000-401300-	250	259
188	CELL PHONE STIPEND	PS	220-460-2170-00000-401500-	585	605
189	MEDICAL PREMIUMS	PS	220-460-2170-00000-402111-	49,019	52,205
190	DENTAL PREMIUMS	PS	220-460-2170-00000-402120-	2,215	2,359
191	VISION PREMIUMS	PS	220-460-2170-00000-402130-	467	497
192	DISABILITY & LIFE PREMIUMS	PS	220-460-2170-00000-402150-	389	414
193	COMMUTER INSURANCE	PS	220-460-2170-00000-402153-	12	13
194	FICA ER CONTRIBUTIONS	PS	220-460-2170-00000-402200-	13,794	14,691
195	MEDICARE ER CONTRIBUTIONS	PS	220-460-2170-00000-402210-	3,228	3,438
196	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2170-00000-402300-	27,317	28,273
197	ER DEFERRED COMPENSATION	PS	220-460-2170-00000-402350-	121	125
198	STATE UNEMPLOYMENT TAX	PS	220-460-2170-00000-402500-	1,587	1,643
199	WORKMAN'S COMPENSATION	OMF	220-460-2170-00000-402600-	1,232	1,269
200	TRAVEL/CONFERENCE/SEMINARS/TRA	OMF	220-460-2170-00000-403100-	7,700	7,931
201	DUES/MEMBERSHIP FEES	OMF	220-460-2170-00000-403200-	25,050	25,802
202	PRINTING (EXTERIOR & INTERIOR)	OMF	220-460-2170-00000-405500-	5,000	5,150
203	MARKETING	OMF	220-460-2170-00000-405600-	20,500	21,115
204	SIGNAGE	OMF	220-460-2170-00000-405800-	6,000	6,180
205	POSTAGE	OMF	220-460-2170-00000-406150-	1,500	1,545
206	MISCELLANEOUS EXPENSE	OMF	220-460-2170-00000-408000-	3,790	3,904
207	WATER CONSERVATION PROGRAM	OMF	220-460-2170-WC010-404115-	28,000	28,840
208	WATER CONSERVATION PROGRAM	OMF	220-460-2170-WC020-404115-	56,320	58,010
209	WATER CONSERVATION PROGRAM	OMF	220-460-2170-WC030-404115-	39,000	40,170
	Conservation Subtotal			**$ 523,786**	**$ 543,222**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water - Distribution				
210	PERMANENT SALARIES	PS	220-460-2180-00000-401000-	$ 1,721,024	$ 1,781,260
211	CALL OUT	PS	220-460-2180-00000-401250-	128,635	133,137
212	STAND BY	PS	220-460-2180-00000-401251-	57,543	59,557
213	OVER TIME PAY	PS	220-460-2180-00000-401300-	15,000	15,525
214	VACATION PAY OUT	PS	220-460-2180-00000-401400-	7,589	7,855
215	CELL PHONE STIPEND	PS	220-460-2180-00000-401500-	6,180	6,396
216	BILINGUAL STIPEND	PS	220-460-2180-00000-401510-	2,600	2,691
217	MEDICAL OPT OUT STIPEND	PS	220-460-2180-00000-402101-	2,400	2,484
218	MEDICAL PREMIUMS	PS	220-460-2180-00000-402111-	222,646	237,118
219	HSA CONTRIBUTIONS	PS	220-460-2180-00000-402112-	21,805	22,568
220	DENTAL PREMIUMS	PS	220-460-2180-00000-402120-	12,415	13,222
221	VISION PREMIUMS	PS	220-460-2180-00000-402130-	2,854	3,040
222	DISABILITY & LIFE PREMIUMS	PS	220-460-2180-00000-402150-	3,064	3,263
223	COMMUTER INSURANCE	PS	220-460-2180-00000-402153-	146	155
224	FICA ER CONTRIBUTIONS	PS	220-460-2180-00000-402200-	116,901	124,500
225	MEDICARE ER CONTRIBUTIONS	PS	220-460-2180-00000-402210-	27,348	29,126
226	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2180-00000-402300-	237,561	245,876
227	ER DEFERRED COMPENSATION	PS	220-460-2180-00000-402350-	2,925	3,027
228	STATE UNEMPLOYMENT TAX	PS	220-460-2180-00000-402500-	5,331	5,518
229	WORKMAN'S COMPENSATION	PS	220-460-2180-00000-402600-	46,719	48,354
230	PROFESSIONAL AND TECHNICAL SER	OMF	220-460-2180-00000-403005-	75,000	77,250
231	LICENSE/FEES	OMF	220-460-2180-00000-403220-	10,130	10,434

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
232	ELECTRICITY	OMV	220-460-2180-00000-404120-	5,248,000	5,517,095
233	WATER DISTRIBUTION SYSTEM REPA	OMV	220-460-2180-00000-404314-	250,000	255,250
234	WELL SITE REPAIRS	OMV	220-460-2180-00000-404330-	725,000	740,225
235	WELL SITE OPS/MAINTENANCE	OMV	220-460-2180-00000-404331-	1,627,500	1,661,678
236	BACKFLOW - VALVE TESTING	OMF	220-460-2180-00000-404350-	3,000	3,090
237	RENTAL OF EQUIPMENT/VEHICLES	OMF	220-460-2180-00000-404420-	50,000	51,500
238	SHOP SUPPLIES	OMF	220-460-2180-00000-406015-	20,000	20,600
239	WATER DISTRIBUTION PARTS	OMF	220-460-2180-00000-406016-	500,000	515,000
240	WELDING SUPPLIES	OMF	220-460-2180-00000-406085-	10,000	10,300
241	CHEMICALS	OMV	220-460-2180-00000-406210-	600,000	635,247
242	VEHICLES	CO	220-460-2180-00000-407420-XX036	368,500	379,555
243	VEHICLES	CO	220-460-2180-00000-407420-XX048	71,656	73,806
244	CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA005	1,200,000	1,236,000
245	CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA017	1,042,361	1,073,631
246	CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA206	2,000,000	2,060,000
247	CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA252	187,500	193,125
248	CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA304	300,000	309,000
249	CAPITAL MAINTENANCE	CO	220-460-2180-00000-407435-WA305	7,161,824	7,376,678
250	EQUIPMENT <5000	CO	220-460-2180-00000-407500-	100,500	103,515
251	MISCELLANEOUS EXPENSE	OMF	220-460-2180-00000-408000-	11,130	11,464
252	MAJOR EQUIPMENT >10000	CO	220-460-2180-00000-407400-	102,300	105,369
	Distribution Subtotal			**$ 24,305,086**	**$ 25,164,483**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Water Resources				
253	PERMANENT SALARIES	PS	220-460-2190-00000-401000-	$ 341,288	$ 353,233
254	VACATION PAY OUT	PS	220-460-2190-00000-401400-	2,132	2,207
255	CELL PHONE STIPEND	PS	220-460-2190-00000-401500-	1,560	1,615
256	MEDICAL OPT OUT STIPEND	PS	220-460-2190-00000-402101-	1,200	1,242
257	MEDICAL PREMIUMS	PS	220-460-2190-00000-402111-	25,119	26,752
258	DENTAL PREMIUMS	PS	220-460-2190-00000-402120-	1,118	1,191
259	VISION PREMIUMS	PS	220-460-2190-00000-402130-	138	147
260	DISABILITY & LIFE PREMIUMS	PS	220-460-2190-00000-402150-	241	257
261	COMMUTER INSURANCE	PS	220-460-2190-00000-402153-	12	13
262	FICA ER CONTRIBUTIONS	PS	220-460-2190-00000-402200-	20,368	21,692
263	MEDICARE ER CONTRIBUTIONS	PS	220-460-2190-00000-402210-	4,765	5,075
264	AZ ST RETIREMENT ER CONTRIB	PS	220-460-2190-00000-402300-	42,331	43,813
265	STATE UNEMPLOYMENT TAX	PS	220-460-2190-00000-402500-	408	422
266	WORKMAN'S COMPENSATION	PS	220-460-2190-00000-402600-	7,469	7,730
267	LICENSE/FEES	OMF	220-460-2190-00000-403220-	487,275	501,893
268	WATER RESOURCES	OMV	220-460-2190-00000-404105-	1,214,342	1,250,772
269	TELEPHONE SERVICE	OMF	220-460-2190-00000-404150-	1,000	1,030
270	TESTING/SAMPLING	OMF	220-460-2190-00000-404270-	129,800	133,694
271	CAP IRRIGATION	OMV	220-460-2190-00000-404313-	1,736,676	1,788,776
272	PRINTING (EXTERIOR & INTERIOR)	OMF	220-460-2190-00000-405500-	3,000	3,090
273	SOFTWARE	OMF	220-460-2190-00000-407550-	20,000	20,600
274	**Water Resources Subtotal**			**$ 4,040,242**	**$ 4,165,243**
275	**Total Other Operating Expenses**			**$ 44,863,531**	**$ 46,533,321**
	Total Expenses by Category				
276	Personal Services			$ 10,176,814	$ 10,579,076
277	Variable Operations & Maintenance			11,426,518	11,874,793
278	Operations & Maintenance			6,408,591	6,595,907
279	Capital Outlay			16,851,608	17,483,545
280	**Total Expenses**			**$ 44,863,531**	**$ 46,533,321**

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
	Expense Execution Factors				
281	Personal Services			95%	95%
282	Variable Operations & Maintenance			65%	65%
283	Operations & Maintenance			100%	100%
284	Capital Outlay			60%	60%
	Total Expenses at Execution				
285	Personal Services			$ 9,667,973	$ 10,050,122
286	Variable Operations & Maintenance			7,427,237	7,718,615
287	Operations & Maintenance			6,408,591	6,595,907
288	Capital Outlay			10,110,965	10,490,127
289	**Total Expenses at Execution**			**$ 33,614,766**	**$ 34,854,772**
	Transfers Out				
290	Interfund loan interest			$ 948,000	$ 948,000
291	**Total Transfers Out**			**$ 948,000**	**$ 948,000**
	Debt Service Paid with Operating Fund				
292	2014 WIFA Loan Principal Expense			$ 399,966	$ 412,580
293	2014 WIFA Loan Interest Expense			173,955	167,131
294	2014 WIFA Loan Admin Fee Exp			157,758	151,569
295	2020 WIFA GWEC Principal Expense			1,518,795	1,548,928
296	2020 WIFA GWEC Interest Expense			251,886	244,389
297	2020 WIFA GWEC Admin Fee Exp			780,639	757,405
298	2020 WIFA Encanterra Principal Expense			225,423	229,895
299	2020 WIFA Encanterra Interest Expense			37,386	36,273
300	2020 WIFA Encanterra Admin Fee Exp			115,864	112,416
301	2020 WIFA Diversified Principal Expense			358,638	365,358
302	2020 WIFA Diversified Interest Expense			45,236	43,870
303	2020 WIFA Diversified Admin Fee Exp			181,427	175,948
304	2021 WIFA NIA Water Principal Expense			232,768	236,685

Projection of Cash Outflows — Schedule 4

	Expense Line Item	Code	Account Number	FY 2025	FY 2026
305	2021 WIFA NIA Water Interest Expense			14,649	14,216
306	2021 WIFA NIA Water Admin Fee Exp			120,076	116,526
307	2022 BofA Refi Principal Expense			1,049,000	1,079,000
308	2022 BofA Refi Interest Expense			521,864	491,112
309	2022 WIFA CIP - Water Principal Expense			-	221,344
310	2022 WIFA CIP - Water Interest Expense			129,820	126,746
311	2022 WIFA CIP - Water Admin Fee Exp			140,195	136,874
312	2022 WIFA Cibola Water Principal Expense			-	616,597
313	2022 WIFA Cibola Water Interest Expense			440,640	430,577
314	2022 WIFA Cibola Water Admin Fee Exp			405,000	395,751
315	2014T Sub-Lien H2O Principal Expense			390,417	421,651
316	2014T Sub-Lien H2O Interest Expense			818,301	786,723
317	2014T Sub-Lien H2O Premium Int Exp			590,229	589,165
318	2021W UTILITY INTERIM LOAN 85,000,000			-	903,037
319	**Total Debt Service**			**$ 9,099,931**	**$ 10,811,767**
	Cash-Funded Capital				
320	Projects Designated To Be Funded with Cash			$ 2,087,176	$ 2,912,000
321	**Total Cash-Funded Capital**			**$ 2,087,176**	**$ 2,912,000**
322	**Total Cash Outflows**			**$ 45,749,873**	**$ 49,526,539**

Capital Improvement Program (CIP) Schedule 5

Projects

		FY 2025	FY 2026
1	**Water Projects**		
2	Sossaman Site, Tank, & Booster C101	$ -	$ 17,250,000
3	Diversified Well #1 Tank & Pump Station (C105)	150,000	7,195,000
4	Diversified Well 4 (Well 0) DW4	1,500,000	3,883,750
5	Ware Farms 2 Well	1,036,153	-
6	Harvest WA202 Phase4	-	3,259,580
7	Silver Creek to Via Del Jardine & West to Sossaman Tank Ph2 (C100)	-	3,246,429
8	Ware Farms 1 Well	-	1,000,000
9	Harvest WA202 Phase3	823,444	-
10	Sossaman Rd: Via Del Jardine to Empire Chanderl Hts Transmission (WA065)	27,868	7,444,632
11	Sossaman Rd; Chandler Hts to Empire	-	7,435,710
12	Stagecoach Pass Ave: Schnepf Rd to Kenworthy Rd (Transmission/Transfer) (B38)	-	1,592,500
13	Rolling Ridge: Quail Run to Sierra Vista (Transfer)	1,204,370	-
14	Bell Road Pump Station	146,352	-
15	East Park Water Infrastructure	451,656	-
16	Schnepf: Rolling Ridge to Skyline	14,706	-
17	Homeplace Lake Fill	476,700	-
18	Diversified: Upfit Well #1 (WIFA Diversified)	863,478	-

Capital Improvement Program (CIP) — Schedule 5

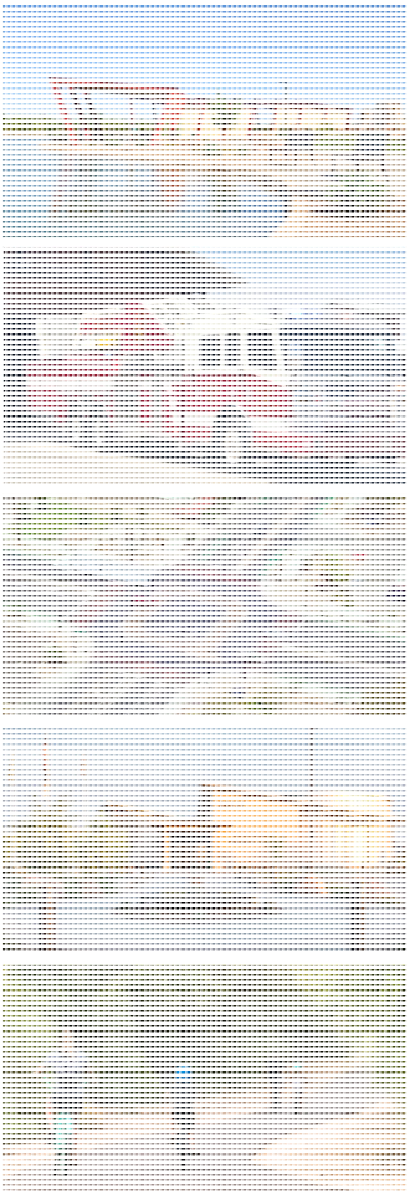
Projects

		FY 2025	FY 2026
19	Pima Rd: Meridian to Ironwood	732,292	-
20	Home Place East Well (Wales Ranch)	901,313	503,074
21	Home Place South Well (Wales Ranch)	870,359	511,423
22	Home Place: Kenworthy to Schnepf (Transmission)	1,952,398	35,333
23	Wales Ranch Ridge/Kenworthy 1MG Tank, Boosters, & Site	3,936,755	-
24	Main Plant 1MG Tank & Booster	4,000,000	-
25	Germann Rd: Ironwood to Kenworthy	4,246,613	-
26	Kenworthy Rd: Redfern to Chandler Hts	2,813,877	-
27	Schnepf Rd Water line Germann to Main Plant	5,400,000	-
28	Schnepf Rd Water Line: Main Plant to QC Wash	5,400,000	-
29	**Water Subtotal**	**$ 36,948,334**	**$ 53,357,430**
30	**Water Resources And Reclaimed Projects**	-	-
31	Water Supply Acquisition	40,000,000	42,000,000
32	Water Supply Infrastructure	-	25,000,000
33	Frisbee Park Transmission Line (Queen Creek Road from Higley to Recker) ST14	-	1,239,000
34	Frisbee Park Recharge Facility	-	1,673,000
35	**Water Resources and Reclaimed Subtotal**	**$ 40,000,000**	**$ 69,912,000**
36	**Total CIP Budget (in current dollars)**	**$ 76,948,334**	**$ 123,269,430**
37	Cumulative Projected Cost Escalation[1]	0.0%	0.0%
38	**Resulting CIP Funding Level**	**$ 76,948,334**	**$ 123,269,430**
39	Annual CIP Execution Percentage	100%	100%
40	**Final CIP Funding Level**	**$ 76,948,334**	**$ 123,269,430**

[1] CIP Escalation factors are consistent with the Engineering News Record Construction Cost Index.

Approve 60-Day Notice of Intention to Increase Monthly Water Rates 15%

Town Council Meeting
May 7, 2025



Background

- February 19 Town Council Meeting
  - Introduced the 15% Rate Increase
- March 5 Town Council Meeting
  - Approved Notice of Intention to Increase Rates and Set a Public Hearing for May 7
  - *Legal Notice Regarding Rate Increase and Public Hearing Date was Not Advertised in a Newspaper*
  - As a Result, Process is Being Restarted

Revised Schedule
15% Rate Increase Effective October 2025 Bills

Step #	Step	Date
1	Introduce 15% Monthly Water Bill Increase	February 19, 2025 Town Council Meeting (1 of 3)
2	Adopt Notice of Intention to Increase Monthly Water Bill 15%	May 7, 2025 Town Council Meeting (2 of 3)
3	Publish Legal Notice of Intention and Public Hearing Date (Website and Newspaper one time at least 20 days prior to Public Hearing Date) Publish Water Financial Analysis Report	May 8, 2025 Legal Notice in Newspaper Not Later than June 26, 2025
	60-Day Notice Period	
4	Public Hearing RE 15% Monthly Rate Increase and Approve Rate Increase	July 16, 2025 Town Council Meeting (3 of 3)
	30-Day Waiting Period Before New Rates are Effective	
5	Effective Date of New Rates	August 27, 2025 (August 15 earliest possible date)
6	Customer Bills With New Rates	October 7, 2025 (Usage period August 27 to September 24)

15% Increase: +$4.3M Annually
Impact by Customer Type

Customer Type	Number of Accounts	15% Increase	Annual Bills With 15% Increase
Single-Family Homes	~40K	$3.0M (67%)	$21.7M (67%)
HOA	~600	$600K (15%)	$4.8M (15%)
Commercial / Non-Residential	~800	$400K (10%)	$3.4M (10%)
Construction Meters	~200	$200K (4%)	$1.5M (4%)
Irrigation	~500	$70K (2%)	$500K (2%)
Town of Queen Creek	~100	$50K (1%)	$400K (1%)
Multi-Family	~40	$40K (1%)	$300K (1%)
TOTAL	~42K	$4.3M	$32.6M

NOTE: 2K+ Diversified Accounts Not Included in 15% Increase

Monthly Water Bill 15% Increase
Single-Family Homes: +$3.0M Annually

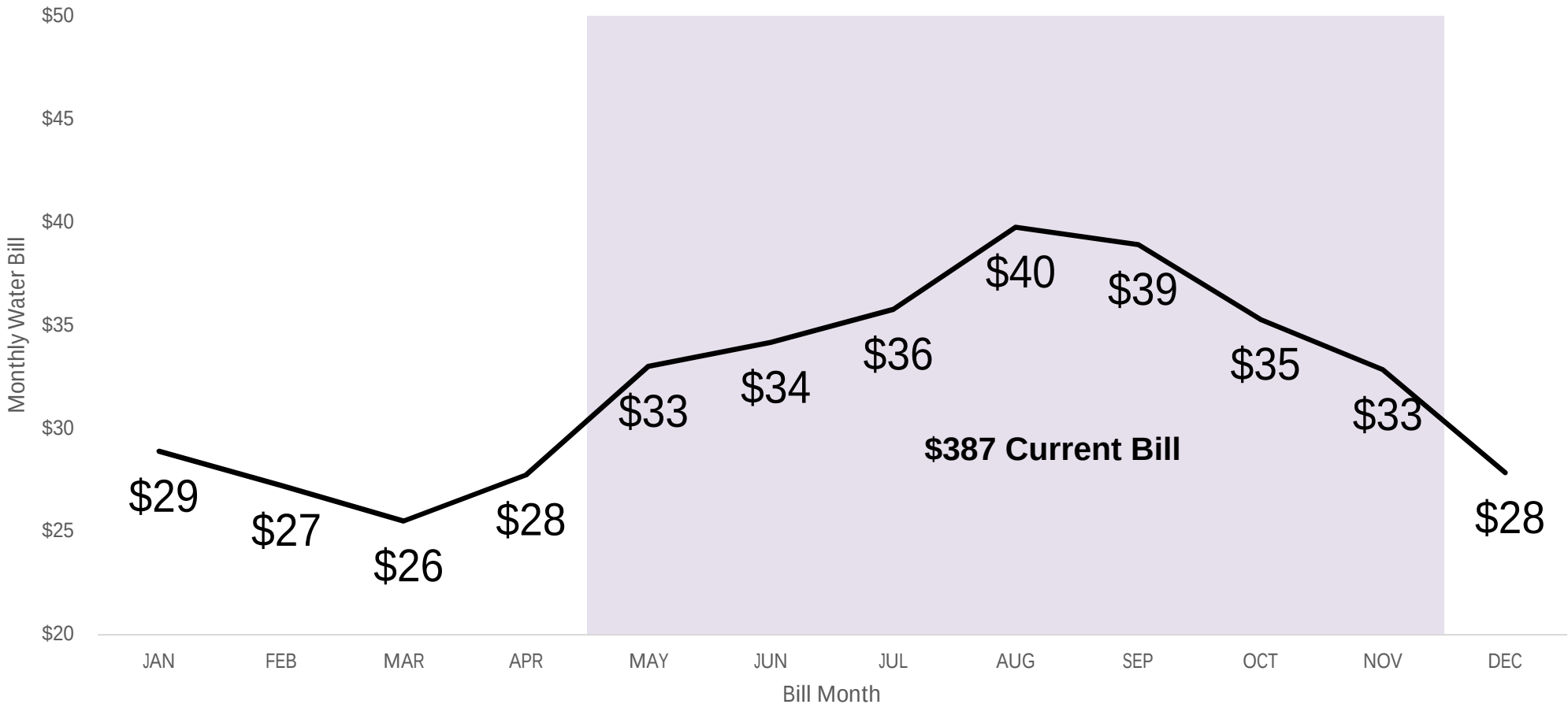
Range of Monthly Increase	Number of Customers
$0 to $3	3K
$3 to $6	25K (63%)
$6 to $9	7K
$9 to $12	2K
$12 to $15	1K
>$15	2K
Total	40K

Water Bills

~ 65% of Water Sales are In-Town Accounts (Residents)

~ 35% of Water Sales are Out-of-Town Accounts (Non-Residents)

“Average” Water Bill: $387 Annually Currently



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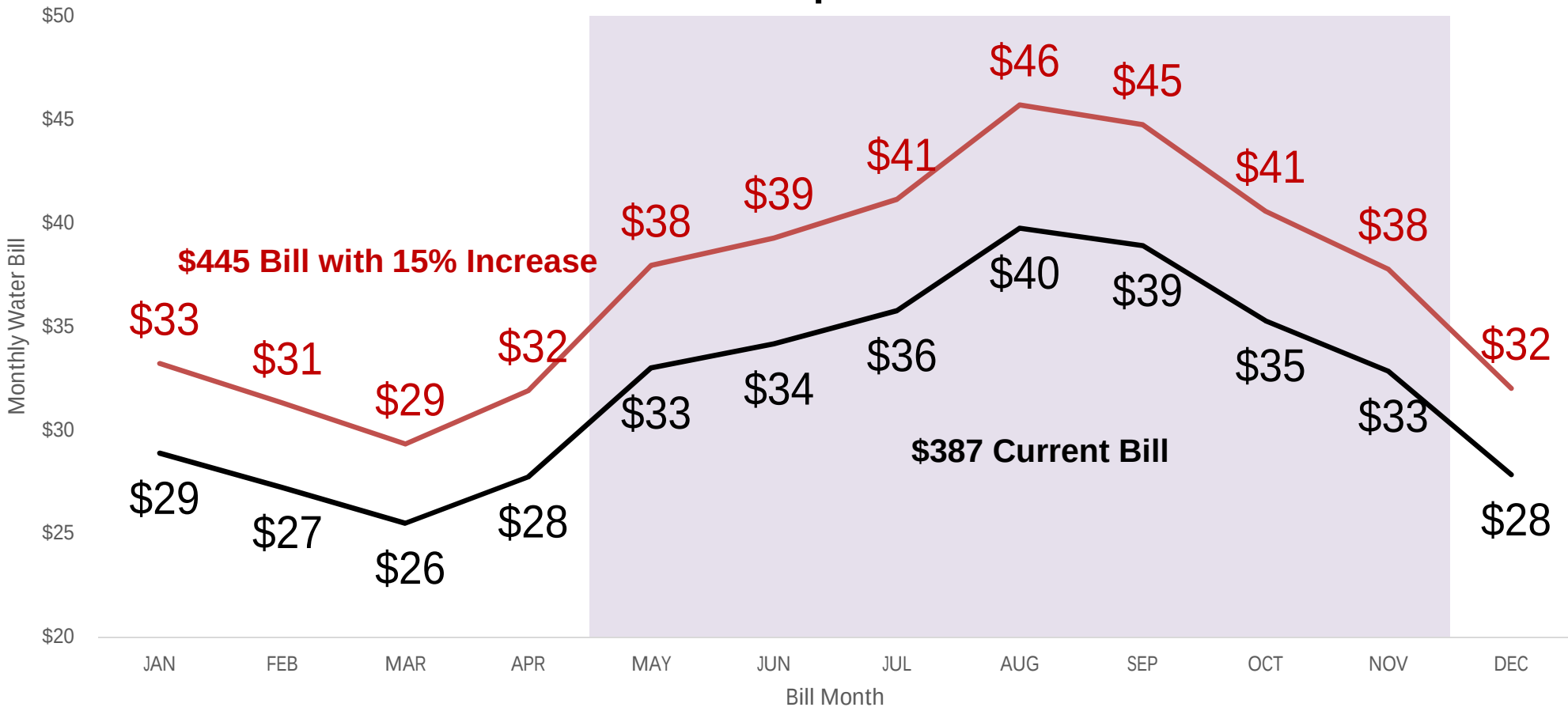
“Average” Water Bill: $387 to $445 (+$58) Annually
+$3 to +$6 per Month



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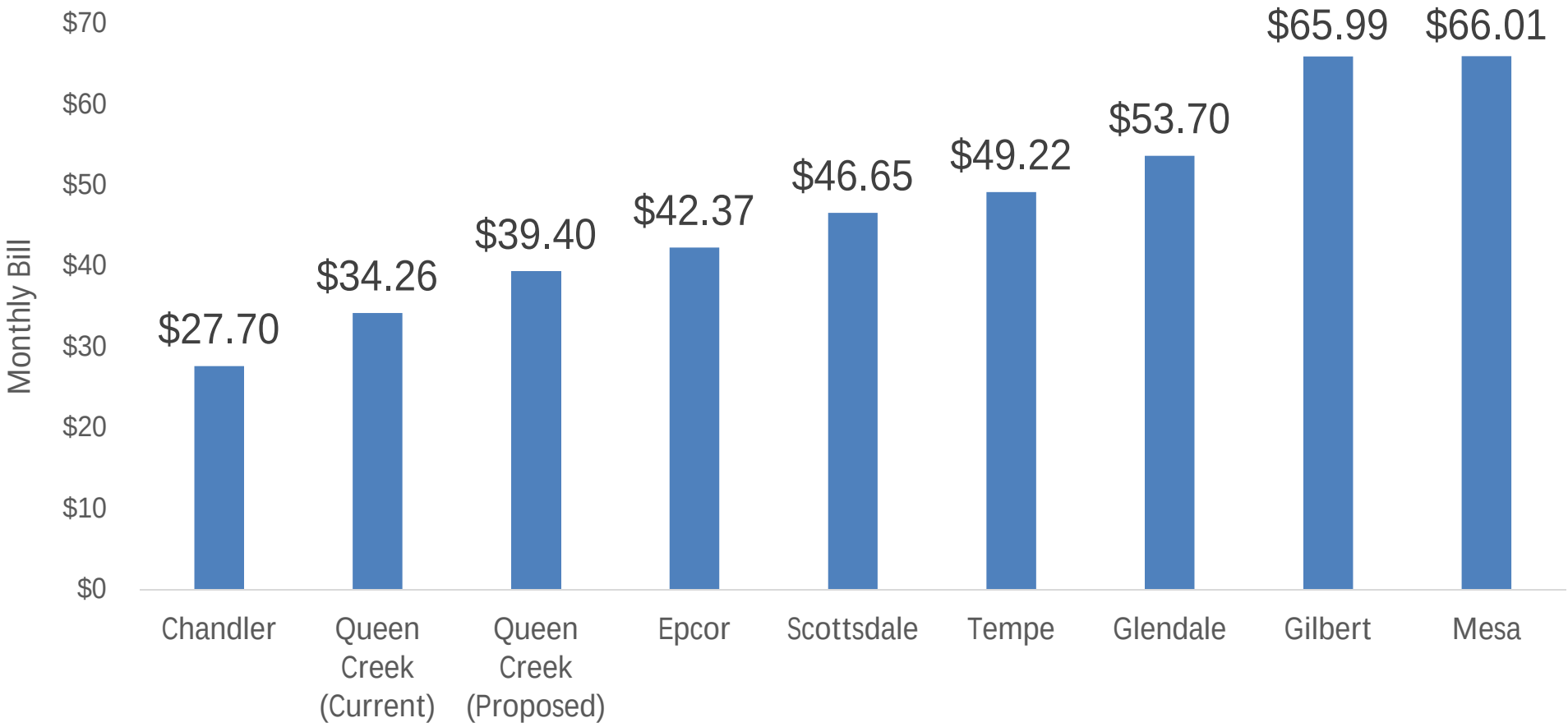
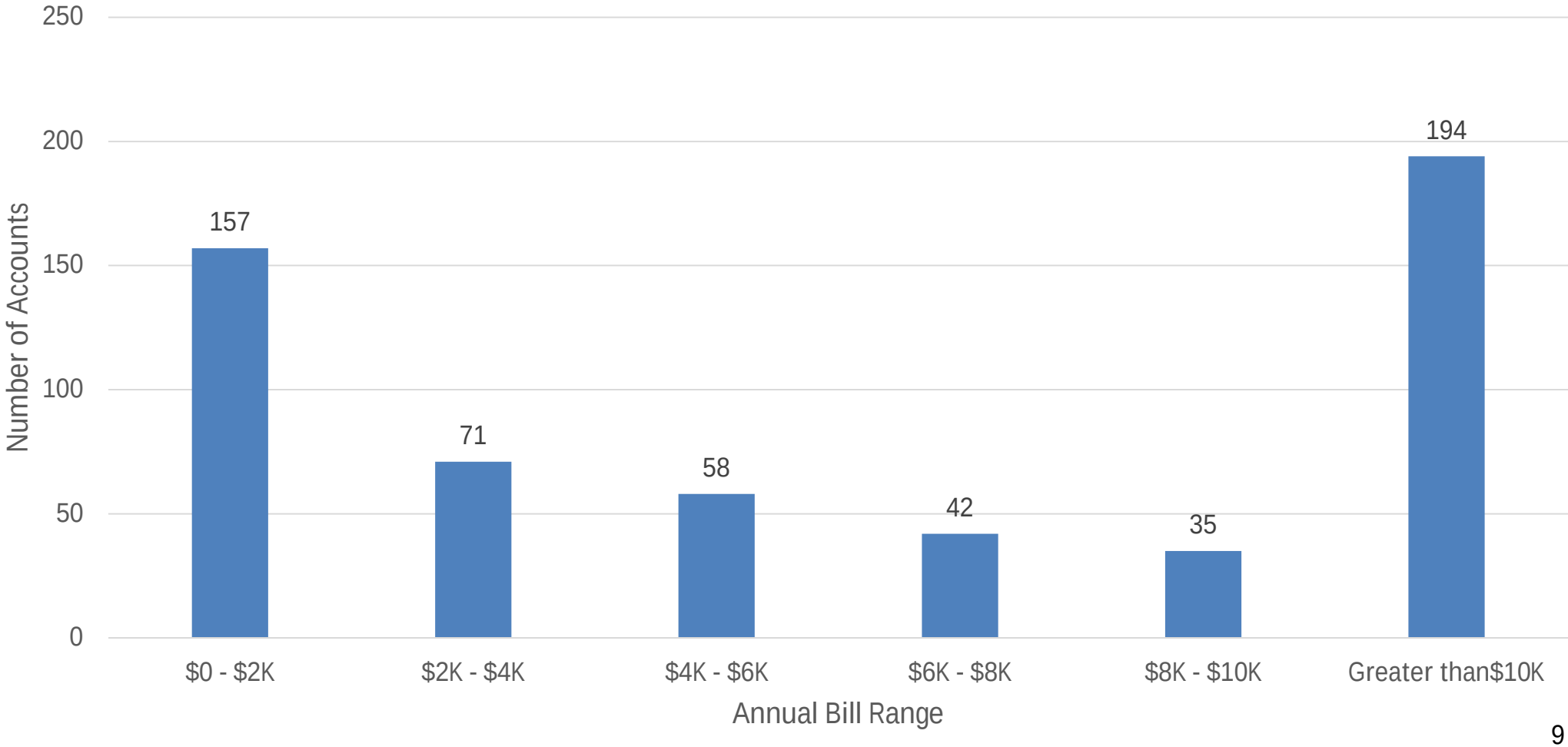
Comparison: “Average Residential Monthly Bill”



* Based on water consumption of 10K gallons and a ¾” meter. Represents Current or Future Adopted Rates.

HOA Annual Bills (~600 Accounts): $4.8M Annually



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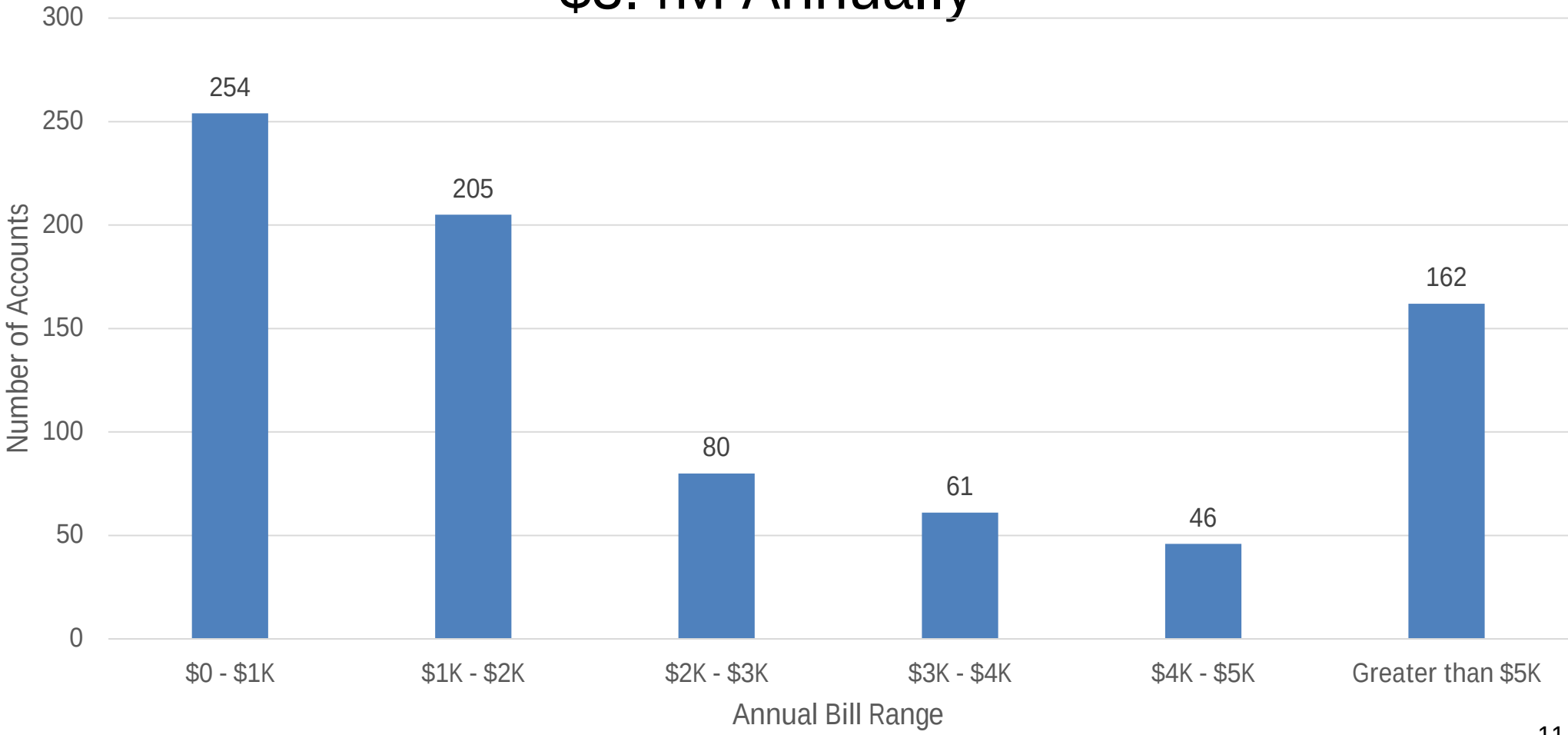
Commercial / Non-Residential Water Bill 15% Increase (~800 Accounts): +$0.4M Annually

Customer Type	Number of Accounts	Annual Revenue Increase
Schools	~141	$190K (4%)
Medical Facilities	~30	$10K (.23%)
Restaurants, Bars, Grocery Stores	~108	$42K (1%)
Car Washes	~7	$5K (.12%)
Churches	~59	$20K (.47%)
Gas Stations with Convenience Store	~22	$8K (.19%)
Retail	~25	$5K (.12%)
Other Commercial	~408	$120K (3%)
TOTAL	~800	$400K

NOTE: 2K+ Diversified Accounts Not Included in 15% Increase

Commercial / Non-Residential Annual Bills (~800 Accounts): $3.4M Annually



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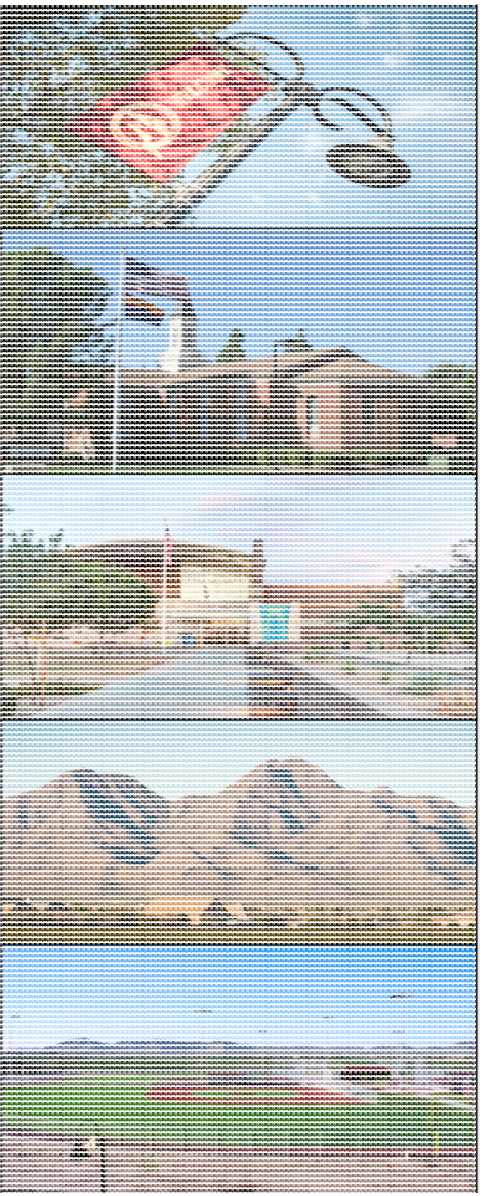
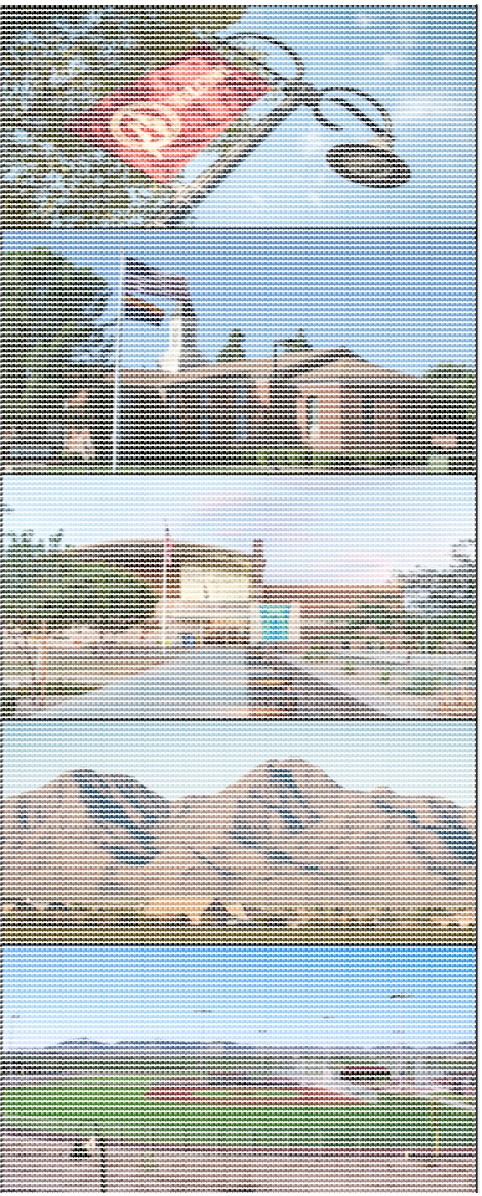


Online Modeler: Example #1

	Current Monthly	Proposed Monthly	$ Increase	% Increase
Water Base Fee	$18.33	$21.08	$2.75	15%
Water Consumption	$13.63	$15.71	$2.08	15%
Monthly Bill	$31.96	$36.79	$4.83	15%

	Monthly Without Reduction	Monthly With Reduction	Monthly Reduction	% Decrease
CAGRD Assessment	$24.11	$12.86	($11.25)	-47%
Monthly	**$56.07**	**$49.65**	**($6.42)**	**-11%**
Annual Savings			**($77.04)**	

12



Online Modeler: Example #2

	Current Monthly	Proposed Monthly	$ Increase	% Increase
Water Base Fee	$18.33	$21.08	$2.75	15%
Water Consumption	$13.63	$15.71	$2.08	15%
Monthly Bill	$31.96	$36.79	$4.83	15%

	Monthly Without Reduction	Monthly With Reduction	Monthly Reduction	% Decrease
CAGRD Assessment	$24.11	$0	($24.11)	-100%
Monthly	**$56.07**	**$36.79**	**($19.28)**	**-34%**
Annual Savings			**($231.36)**	

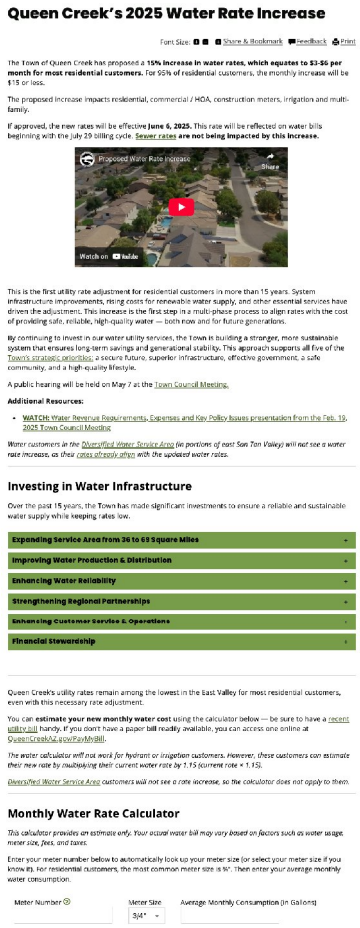
13

Resident Outreach - Update

Webpage available with calculator –
www.QueenCreekAZ.gov/WaterRateUpdate
3,000 total views (peaked on Feb. 20)
Online form – 5 responses

News Release on Feb. 20
43% open rate

Articles in local papers
Queen Creek Sun Times
Queen Creek Independent
AZCentral



Queen Creek's 2025 Water Rate Increase

Font Size Share & Bookmark Feedback Print

The Town of Queen Creek has proposed a **15% increase in water rates, which equates to $3-$6 per month for most residential customers.** For 95% of residential customers, the monthly increase will be $15 or less.

The proposed increase impacts residential, commercial / HOA, construction meters, irrigation and multi-family.

If approved, the new rates will be effective **June 6, 2025.** This rate will be reflected on water bills beginning with the July 29 billing cycle. **Sewer rates are not being impacted by this increase.**

Proposed Water Rate Increase — Share — Watch on YouTube

This is the first utility rate adjustment for residential customers in more than 15 years. System infrastructure improvements, rising costs for renewable water supply, and other essential services have driven the adjustment. This increase is the first step in a multi-phase process to align rates with the cost of providing safe, reliable, high-quality water — both now and for future generations.

By continuing to invest in our water utility services, the Town is building a stronger, more sustainable system that ensures long-term savings and generational stability. This approach supports all five of the Town's strategic priorities: a secure future, superior infrastructure, effective government, a safe community, and a high-quality lifestyle.

A public hearing will be held on May 7 at the Town Council Meeting.

Additional Resources:

- **WATCH:** Water Revenue Requirements, Expenses and Key Policy Issues presentation from the Feb. 19, 2025 Town Council Meeting

Water customers in the Diversified Water Service Area (in portions of east San Tan Valley) will not see a water rate increase, as their rates already align with the updated water rates.

Investing in Water Infrastructure

Over the past 15 years, the Town has made significant investments to ensure a reliable and sustainable water supply while keeping rates low.

- Expanding Service Area from 36 to 69 Square Miles
- Improving Water Production & Distribution
- Enhancing Water Reliability
- Strengthening Regional Partnerships
- Enhancing Customer Service & Operations
- Financial Stewardship

Queen Creek's utility rates remain among the lowest in the East Valley for most residential customers, even with this necessary rate adjustment.

You can **estimate your new monthly water cost** using the calculator below — be sure to have a recent utility bill handy. If you don't have a paper bill readily available, you can access one online at QueenCreekAZ.gov/PayMyBill.

The water calculator will not work for hydrant or irrigation customers. However, these customers can estimate their new rate by multiplying their current water rate by 1.15 (current rate × 1.15).

Diversified Water Service Area customers will not see a rate increase, so the calculator does not apply to them.

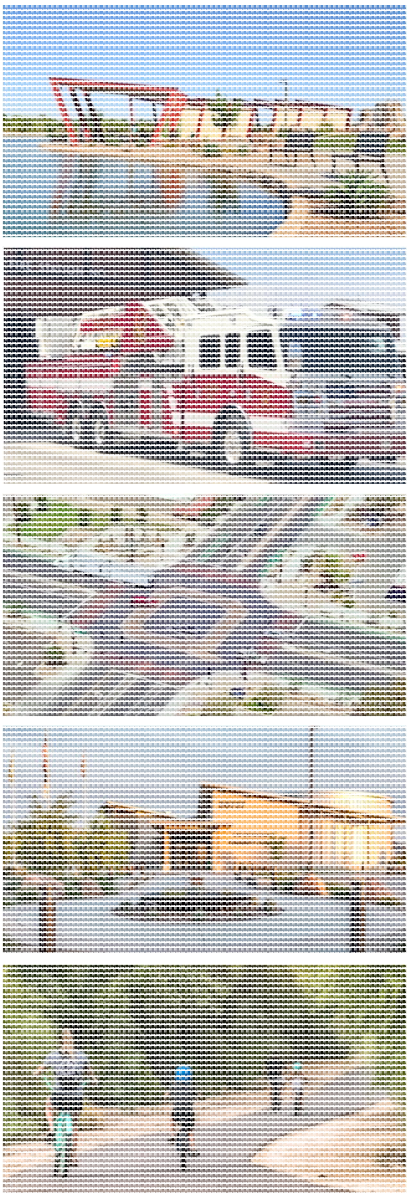
Monthly Water Rate Calculator

This calculator provides an estimate only. Your actual water bill may vary based on factors such as water usage, meter size, fees, and taxes.

Enter your meter number below to automatically look up your meter size (or select your meter size if you know it). For residential customers, the most common meter size is ¾". Then enter your average monthly water consumption.

Meter Number | Meter Size: ¾" | Average Monthly Consumption (in Gallons)

Resident Outreach - Update



Video on social media on Feb. 20

14,300 video views

Email to Water Customers

80% open rate

Senior Program visit on Feb. 26

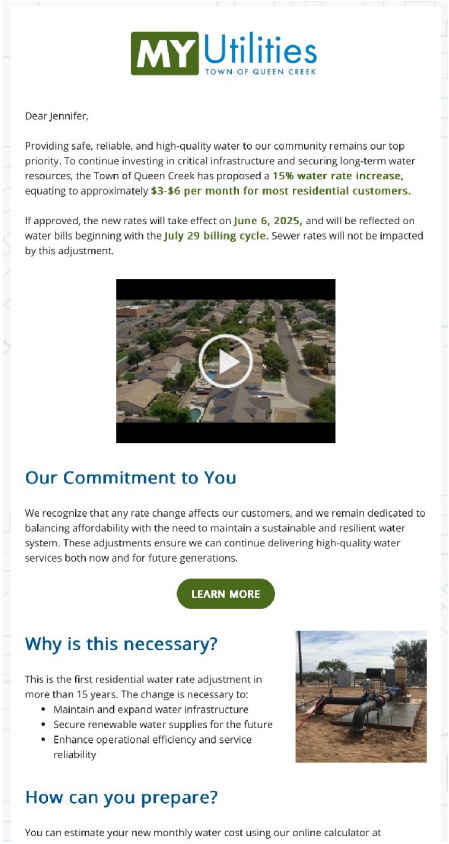
Creek Peek Newsletter on Feb. 26

68% open rate

April & May water bill inserts

Creek Peek Newsletter on April 9

58% open rate



MY Utilities
TOWN OF QUEEN CREEK

Dear Jennifer,

Providing safe, reliable, and high-quality water to our community remains our top priority. To continue investing in critical infrastructure and securing long-term water resources, the Town of Queen Creek has proposed a **15% water rate increase,** equating to approximately **$3-$6 per month for most residential customers.**

If approved, the new rates will take effect on **June 6, 2025,** and will be reflected on water bills beginning with the **July 29 billing cycle.** Sewer rates will not be impacted by this adjustment.

Our Commitment to You

We recognize that any rate change affects our customers, and we remain dedicated to balancing affordability with the need to maintain a sustainable and resilient water system. These adjustments ensure we can continue delivering high-quality water services both now and for future generations.

LEARN MORE

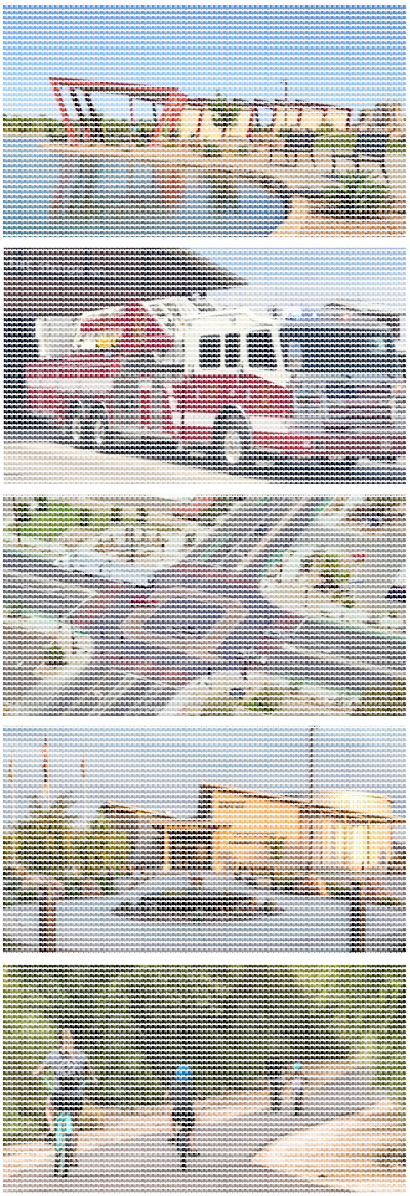
Why is this necessary?

This is the first residential water rate adjustment in more than 15 years. The change is necessary to:

- Maintain and expand water infrastructure
- Secure renewable water supplies for the future
- Enhance operational efficiency and service reliability

How can you prepare?

You can estimate your new monthly water cost using our online calculator at

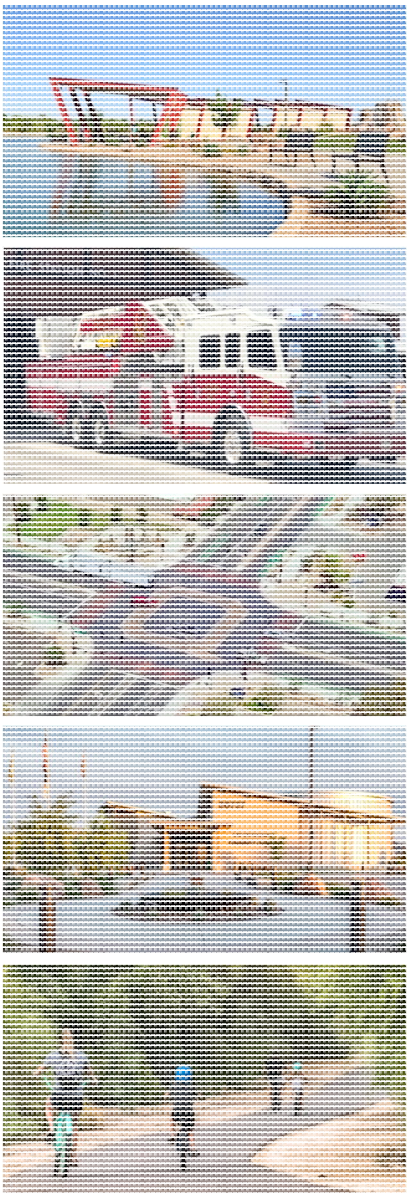


Resident Outreach - Upcoming

Following May 7

- Update webpage (calculator continues to be available)
- Information shared across channels (news release, social media, eblast to Utility customers, info in portal, Creek Peek, signage, info to partners)
- Senior program visit
- June water bill insert
- Booth at What's Poppin' in QC event

Following July 16 (repeat above)



Recommended Motion

Approve 60-Day Notice of Intention Setting a Public Hearing on July 16, 2025 to Increase Water Rates 15%

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

FROM: **BRUCE GARDNER, TOWN MANAGER, SCOTT MCCARTY, DEPUTY TOWN MANAGER/CHIEF FINANCIAL OFFICER**

RE: **CONSIDERATION AND POSSIBLE ACTION ON THE TOWN'S FY 2025-26 TENTATIVE BUDGET OF $682.7M AND REQUEST TO SET THE PUBLIC HEARING FOR MAY 21, 2025 FOR THE FINAL BUDGET PER REQUIREMENTS UNDER ARIZONA STATE STATUTES.**

DATE: **May 7, 2025**

Suggested Action:

Motion to approve the Town's FY 2025-26 Tentative Budget of $682.7 million and set May 21, 2025 at 6:30 p.m. as the date and time of the public hearing for the FY 2025-26 Final Budget as required under Arizona state statutes.

Relevant Council Goal(s):

- Effective Government
- Safe Community
- Secure Future
- Superior Infrastructure
- Quality Lifestyle

Discussion:

On April 16, 2025 the Town Council considered the Town Manager's FY 2025-26 Recommended Budget, hearing from the Town Manager, Finance Director, and other Department Directors. With input from the Town Council, the Tentative Budget is now ready for consideration.

TENTATIVE BUDGET

The purpose of the Tentative Budget is to establish the maximum budget, or budget ceiling, for the next fiscal year. Approving the Tentative Budget is the required first step by state law. Once the Tentative Budget is approved, the Final Budget can go no higher; however, the budget can be reduced or re-allocated between programs and/or funds prior to adoption of the Final Budget.

As part of approving the Tentative Budget, the Town Council also approves the time and place for conducting the public hearing on the Town's Final Budget. The public hearing and final action on the Town's FY 2025-26 Final Budget is scheduled for the Town Council meeting on May 21, 2025.

Adoption of the Final Budget on May 21, 2025 is predicated on the Town Council approving the Tentative Budget on May 7, 2025. The legal posting requirements to adopt the Final Budget on this timeline must begin by May 8th with submittal of the required newspaper advertisement.

PRIMARY PROPERTY TAXES

For FY 2025-26, primary property taxes are estimated to be $14.8 million. The primary property tax is dedicated to fund Public Safety, and funds about 18% of the Public Safety Budget of $82.4M. The public safety budget includes the Fire & Medical Department and the Police Department.

For a third year, the Tentative Budget was developed under the Town Council's adopted policy of "freezing" property taxes for existing property owners. By doing so, the Town is not required to hold a "Truth in Taxation" hearing as we have in prior years. The Town Council is still required to adopt the FY 2025-26 property tax levy by ordinance at a separate meeting from adoption of the Final Budget. The property tax ordinance is currently scheduled for June 4, 2025.

BUDGET DISCUSSION

The Fiscal Year 2025-26 Recommended Budget is balanced and allocates resources consistent with the needs of our growing community. It was developed in an environment of moderating inflation rates, tight labor markets, supply-chain issues, and competing economic forecasts about the impacts of federal fiscal policy on the national economy. The Town's financial condition has weathered the uncertainty of the last five years better than expected, with actual revenues continuing to exceed initial projections and overall development activity remaining strong despite higher interest rates that continue to weigh on the housing market.

Within the resources available, the Recommended Budget is consistent with the Town Council's priorities identified in the Corporate Strategic Plan. The Fiscal Year 2025-26 budget totals $682.7 million, with 52% of the total budget dedicated to building infrastructure. Major cost drivers include building facilities identified in the Master Plans of Police, Fire, and Parks; continued investments in critical transportation and utilities infrastructure; and additional staffing resources for the Police Department and other Town departments.

Queen Creek remains a preferred community in the Phoenix region for residential and non-residential investment. The rate of growth in both residential and non-residential investment is directly driving the Town's infrastructure needs to service this growth and position the Town competitively. The Recommended Budget reflects our objectives to maintain service levels and the Town Council's commitment to the community's infrastructure needs.

The FY2025-26 budget continues our tradition and organizational culture of spending within our means. We have developed contingencies to our revenue and expenditure plans and continue to monitor economic conditions regularly. Our budget practices, including Town Council-adopted financial policies, compel us to design internal controls for evaluating real-time budget-to-actual expenditures, allowing us to adjust very quickly as needed.

Over the last 36 years since incorporation, Queen Creek has grown from a farming community with virtually no improved roads, a small private utility company servicing the 2,000 or so residents, and a subscription based single-engine fire company. Today, Queen Creek remains one of the most attractive communities within our region to live, work and play. Since 2010, Queen Creek has more than tripled in size, making it one of the fastest growing communities in Arizona and the nation. With a population estimate of 89,300 for FY2025-26, we continue to invest in essential infrastructure like roads, utilities, and public safety. This investment is essential to accommodate the Town Council's vision for the community and to position Queen Creek as a preferred choice for families and businesses to thrive in the southeast valley. Preserving and advancing the community's quality of life has always been at the forefront of our budget development process.

Consistent with the needs of our growing community and the Town Council's priorities, the budget includes funding to continue building the Queen Creek Police Department as well as resources to operate and maintain new parks and recreation facilities. The budget also includes funding to continue our investments in new streets, water and wastewater infrastructure, water resource purchases, and construction of roads and utilities to accommodate future development on the State

Lands parcels and other areas throughout the Town.

GUIDING PRINCIPLES AND KEY ISSUES

The following guiding principles and key issues shaped the FY 2025-26 budget:

- Prioritization of Resources. The budget follows the Town's Corporate Strategic Plan to prioritize its allocation of resources. Guidance to the organization is found within our strategic priorities adopted by the Town Council as follows:
    - Effective Government;
    - Safe Community;
    - Secure Future;
    - Superior Infrastructure; and
    - Quality Lifestyle.
- The Economy. The national and state economies are poised to expand, bringing higher consumer confidence and strong demand for goods and services. Growth expectations have been tempered by persistent inflation pressures, elevated long-term interest rates, and the uncertainty of how recent tariff wars will resolve. However, economists are optimistic that the U.S. economy will continue to grow, and any potential slowdown in economic activity is expected to be modest and short-lived.
- Population Growth and Commercial Investment. The Town has seen significant residential and commercial growth in the last several years. We expect that growth to continue, though at a moderate pace in the near term as developers grapple with the state's water supply rules and related challenges. Developing plans to deal with an increasing residential population and business investment is critical to ensure both operational and infrastructure needs are met.
- Public Safety and Infrastructure. The Recommended Budget continues investments in these critical areas to ensure we provide appropriate levels of service to our current residents as well as those who will live, work, and shop here in the future.
- Maintain a Balanced Five-Year Operating Budget. The five-year forecast reflects increased revenues and expenses based on population growth and new commercial development. While the five-year financial plan remains balanced overall, the near-term forecast calls for using resources in the Town's fund balances for various one-time capital needs, as allowed by and outlined in adopted policies. Doing so preserves ongoing revenues and budget capacity for forecasted needs in future years.
- Town Council Fiscal Policies. In addition to the property tax "freeze," the Town Council also voted last year to repeal the 0.25% Town Center sales tax that had been in place since 2007, providing even more tax relief to Queen Creek residents. The proposed budget reflects the full elimination of this sales tax.

BUDGET HIGHLIGHTS

Following are the highlights of the FY 2025-26 Tentative Budget:

- Police and Fire/Medical Services. The budget includes 15 new positions for the Queen Creek Police Department and two new positions for the Fire/Medical department. The budget also includes funding for the necessary software, hardware, vehicles and equipment for these new staff.
- Public Safety Infrastructure. The budget includes $55.3 million for critical facilities identified in the adopted Police Master Plan, as well as $11.5 million for Fire/Medical facilities and equipment, including design of a new fire station to service the southern area of Town.
- Parks and Recreation. The budget includes $26.8 million to purchase land for future parks, building out the Town's trails system, and closing out final costs for the Recreation & Aquatic Center.
- Comprehensive Capital Improvement Plan (CIP). As a growing community, the need for new infrastructure for transportation, water, and wastewater remains a priority. The budget includes $245.1 million to build such infrastructure as well as continue planning for future infrastructure needs. The Town has been successful in securing commitments from regional

partners towards these infrastructure needs to help defray the costs of certain major projects. Pinal County, Maricopa County, and the Flood Control District have committed millions of dollars towards road, drainage, and utility projects. The Town has also secured funding from the state's Public Infrastructure Reimbursement program to offset a portion of the costs of infrastructure in the State Lands area. Contingency allocations have been included to ensure we have the authority to meet the dynamic environment's infrastructure needs. The budget acknowledges the critical nexus infrastructure plays in increasing opportunities for private sector investment within the community, particularly as it relates to the State Route 24 freeway corridor and development of the State Lands parcels.

- Additional Staffing. In addition to the positions mentioned above, the budget includes funding for 20 other new positions outside of Police and Fire/Medical:
    - Four positions for a new Town Attorney's Office, as part of the Town Council's goal to transition the costs of contracted legal services to a more responsive in-house service.
    - Four Information Technology staff, all of which are dedicated to public safety to maintain critical-technology infrastructure, deploy new hardware and software, and service the day-to-day needs of the Town's first responders.
    - Five Public Works, three Utilities, and one Parks & Recreation staff to operate, maintain, and service the Town's streets, traffic signals, utility systems, facilities and trails. These positions are critical to protecting the Town's multi-million dollar infrastructure investments and maintaining existing service levels for our residents and businesses.
    - Three staff among Human Resources, Town Clerk, and Communications & Marketing, to support other departments' administrative and public-facing activities.
- Employee Compensation. Resources have been allocated to fund a 3.5% market increase tied to indicators identified in the Town Council's adopted compensation policy.
- Healthcare Costs. The Town has a very active wellness program, which is a positive factor that has helped manage healthcare costs for both the Town and our employees. The budget includes a 3% increase in medical premiums, which the Town is absorbing, and no increase in medical premiums for Town employees.

Fiscal Impact:

The Tentative Budget for FY 2025-26 totals $682.7 million. The required Auditor General Schedules, which provide all the allocations by fund, are included as an Attachment to this staff report.

Alternatives:

The Town Council can modify the Tentative Budget in any manner prior to adoption. The Council could delay adoption of the Tentative Budget until the next Council meeting on May 21st, which would delay adoption of the Final Budget until June 4, 2025 and move the property tax levy ordinance to June 18, 2025. The Town would also be required to re-publish the budget notices in the newspaper.

Attachment(s):

1. FY 2025-26 Tentative Budget Presentation
2. Schedule of FY 2025-26 Tentative Budget by Category and Fund
3. Required State Budget Forms (Schedules A-G)
4. Budget Meeting Follow-Up Memo











FY 2025-26 Tentative Budget Approval

Town Council Meeting

May 7, 2025

FY 25-26 Budget Calendar

Date	Item
January 24-25	Council Strategic Planning Session
March 5	Revenue Projections
March 20	Town Manager Recommended Budget Released
March and April	Budget Briefings with Town Council
April 16 Council Meeting	Town Council Budget Committee Meeting (Full Council)
May 7 Council Meeting	Tentative Budget Approval
May 21 Council Meeting	Approval of the Final Budget, Corporate Strategic Plan, and Financial Policies
June 4 Council Meeting	Property Tax Levy Adoption







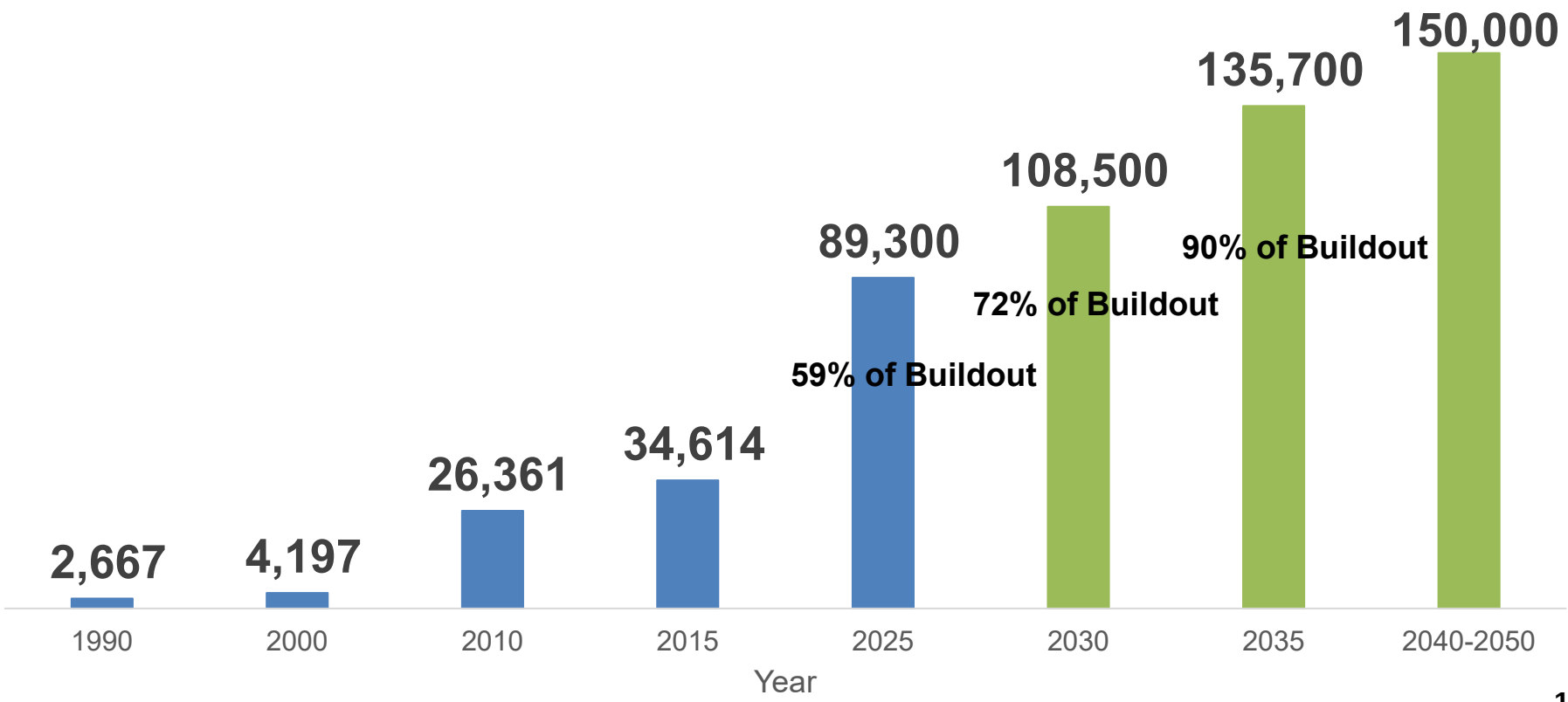




We Don't Know ….

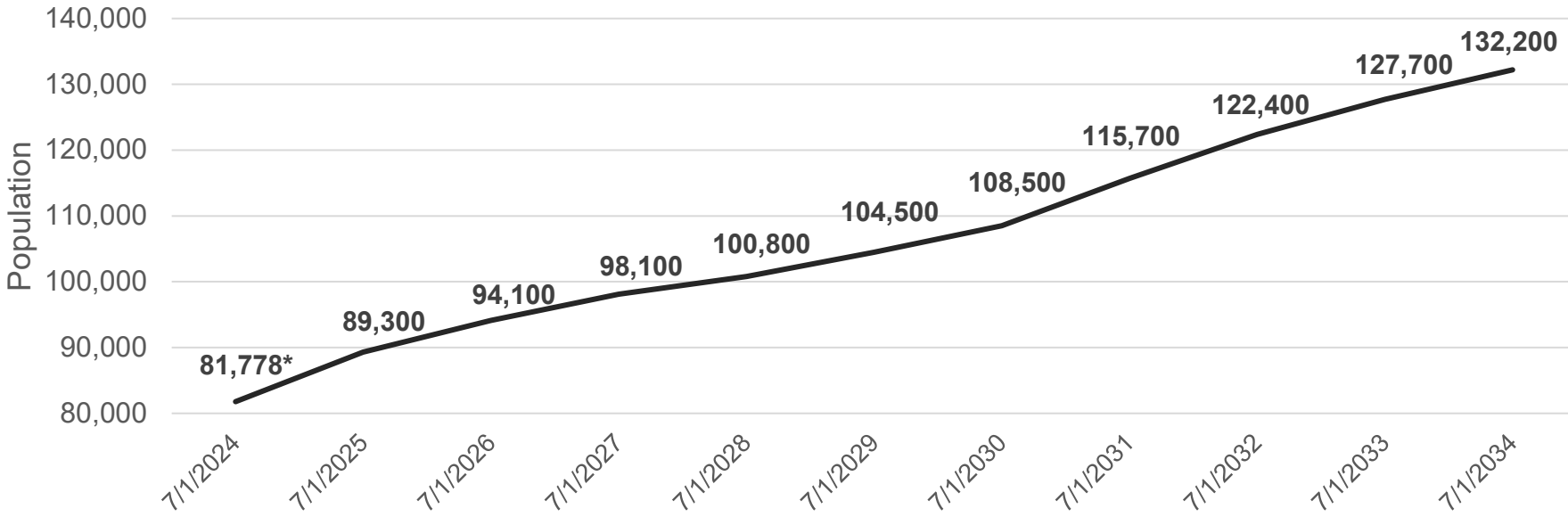
1. Economic Uncertainty
   - Federal Policy, Inflation, Mortgage Rates, and Unemployment
2. Development of Single-Family Subdivisions Without Assured Water Supply
3. Financial Impact of LGES to the Operating Budget
4. $50M LGES Interim Loan Due June 2027
5. New State Legislation (Revenue Reductions, Zoning)
6. Recreation and Aquatic Center Revenues and Expenses
7. Increasing ASRS Unfunded Pension Liability
8. San Tan Valley Incorporation
9. New Streets Identified in Updated Transportation Master Plan
10. Water and Wastewater Revenue Requirements / Rates and Capacity Fees

Buildout Population: 150K



10-Year Population Projection: +50K (62%)

Buildout Population: ~150K



Revised Estimate YOY Variance										
	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32	FY 32-33	FY 33-34	FY 34-35
# Change	7,522	4,800	4,000	2,700	3,700	4,000	7,200	6,700	5,300	4,500
% Change	9%	5%	4%	3%	4%	4%	7%	6%	4%	4%

*7/1/2024 estimate from Arizona State Demographer, Office of Economic Opportunity









FY 25-26 Tentative Budget Overview

- Reduced to $682.7M (-$41.1M, -6% from Current Year)
- Reflects Continued Tax and Fee Reductions

  (Water Replenishment Fees, Primary and Streetlight Property Taxes)
- Reflects Town Council Strategic Priorities
- Increased Service Levels
  - Police
  - Fire
  - Transportation
  - Town Attorney's Office









FY 25-26 Tentative Budget Overview

(concluded)

- New FTEs: 37
- Aggressive Infrastructure Construction Continues and Funding is Needed
- Reflects Updated Development Impact Fees
- Water, Wastewater, and Solid Waste / Recycling Rates and Capacity Fees Are Being Evaluated



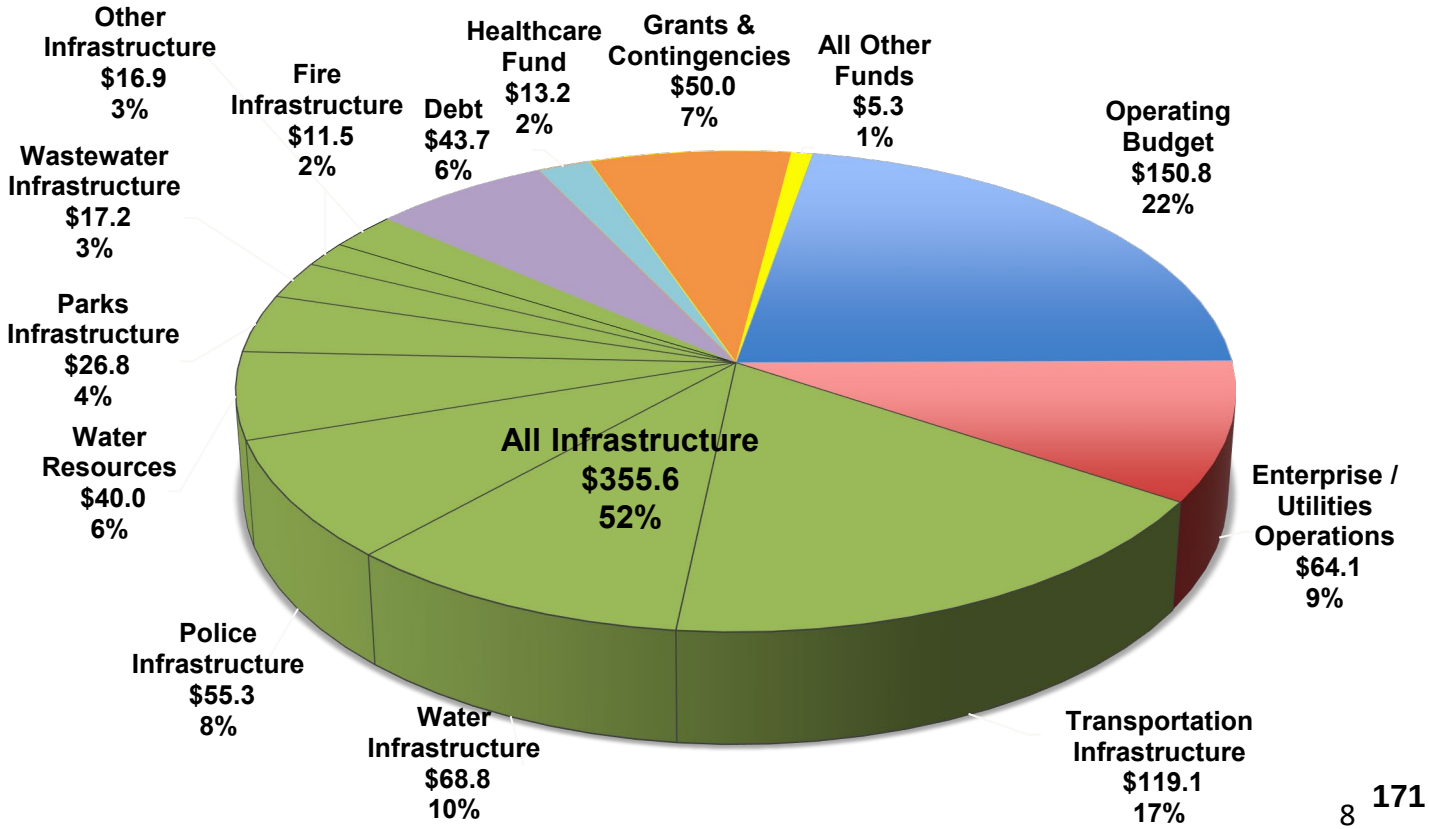






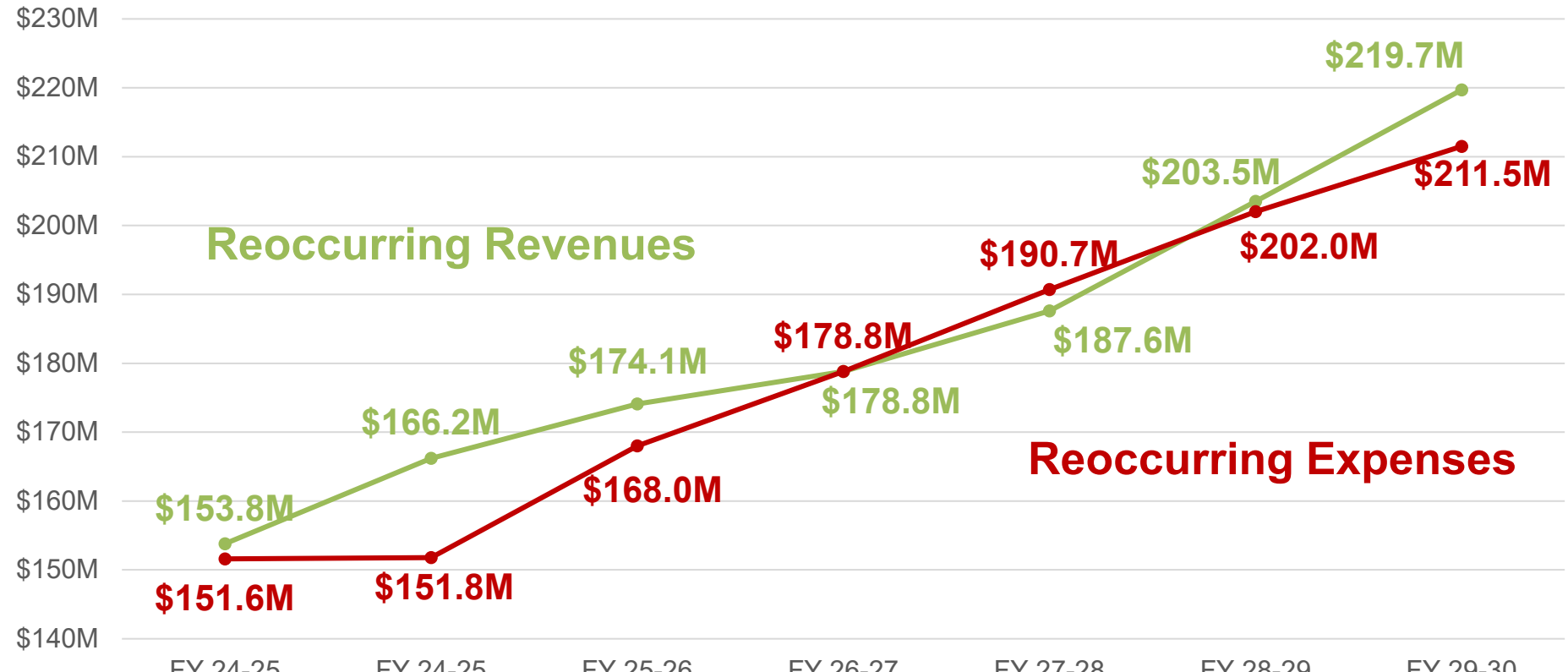


FY 25-26 Tentative Budget
$682.7M



5-Year Operating Budget Projection

Reoccurring Revenues and Expenses Only*



*Excludes Construction Sales Taxes in Excess of $10M and One-Time Grants











+$15M New Annual Expenses in Upcoming Years Influencing FY 25-26 New Expenses

FY 26-27

+$5M Annual Debt Service for PD HQ, Parking Garage, and Fleet Maintenance Building

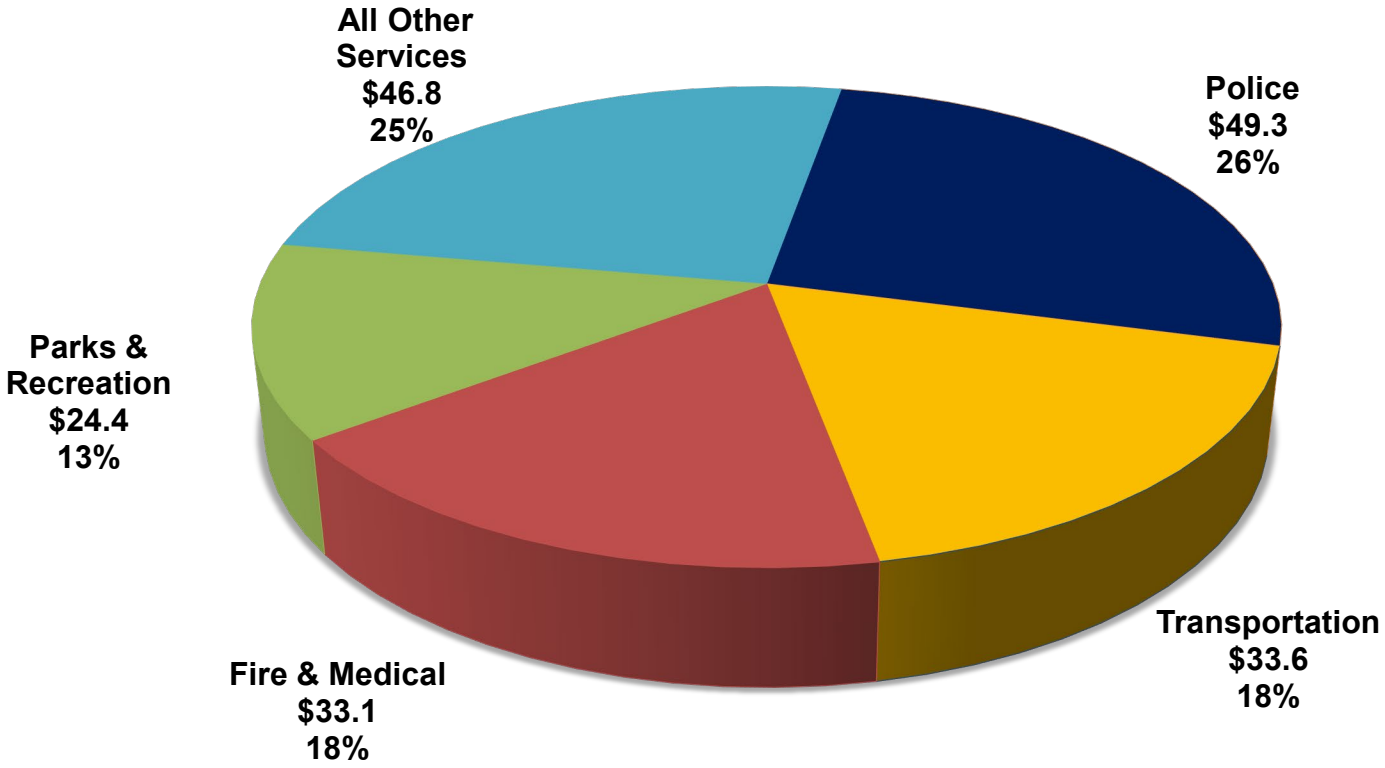
FY 27-28

+$4M Annual Operating Expenses for New Fire Station No. 6

FY 28-29

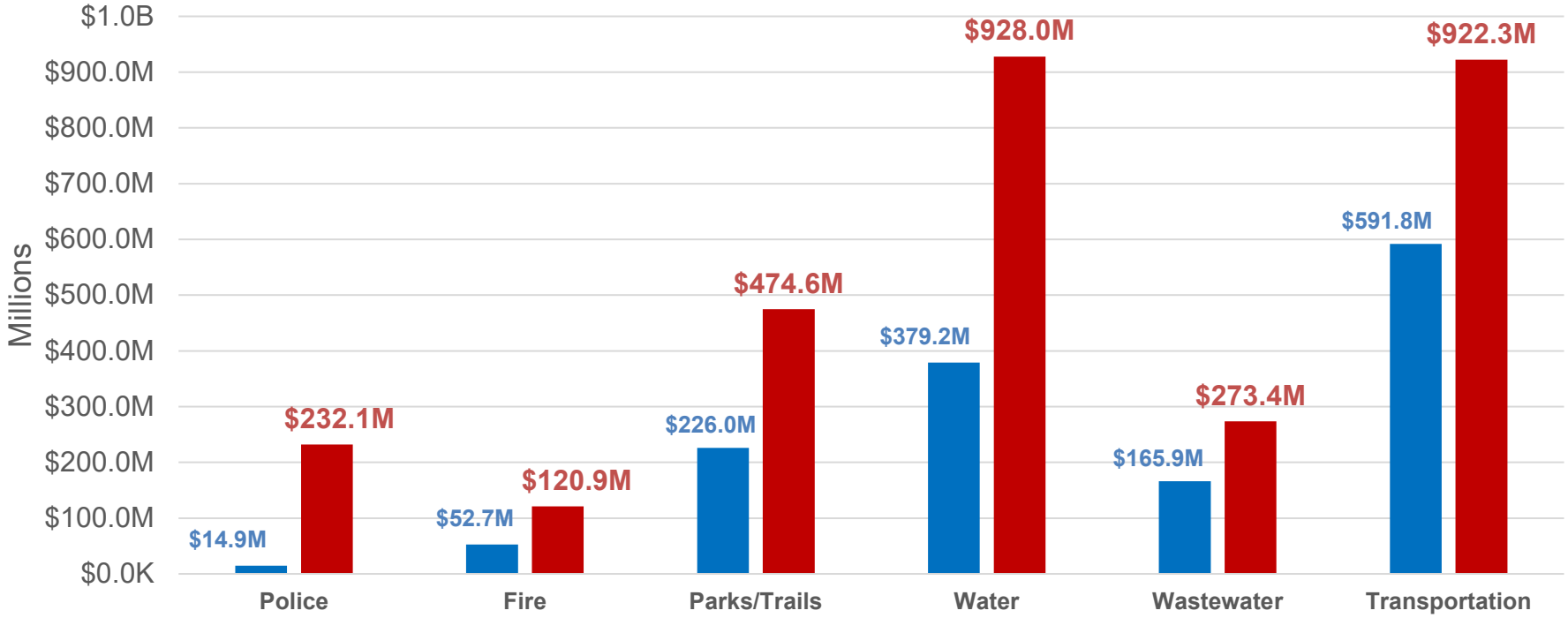
+$6M Annual Operating Expenses to Initiate PD Dispatch Services

FY 25-26 Operating Expenses / Uses: $187.2M (By Program)



“Building a Town”

Today’s Valuation ($1.4B) vs. Buildout ($3B)*



	Police	Fire	Parks/Trails	Water	Wastewater	Transportation
Percent Complete	6%	44%	48%	41%	61%	64%

*Best Estimate Available








Infrastructure Budget Summary

	Projects Under Contract	Priority Projects (1)	Contingency	FY 25-26 Tentative Budget
Transportation	$48.7M	$20.4M	$50.0M	$119.1M
Water	$36.8M	$32.0M	-	$68.8M
Water Resources	-	$40.0M	-	$40.0M
Police	$37.2M	$18.1M	-	$55.3M
Parks and Trails	$6.3M	$20.5M	-	$26.8M
Wastewater	$7.6M	$9.6M	-	$17.2M
Municipal Facilities	$10.1M	$6.8M	-	$16.9M
Fire & Medical	$8.7M	$2.8M	-	$11.5M
Total Infrastructure	**$155.4M**	**$150.2M**	**$50.0M**	**$355.6M**

(1) See next slide







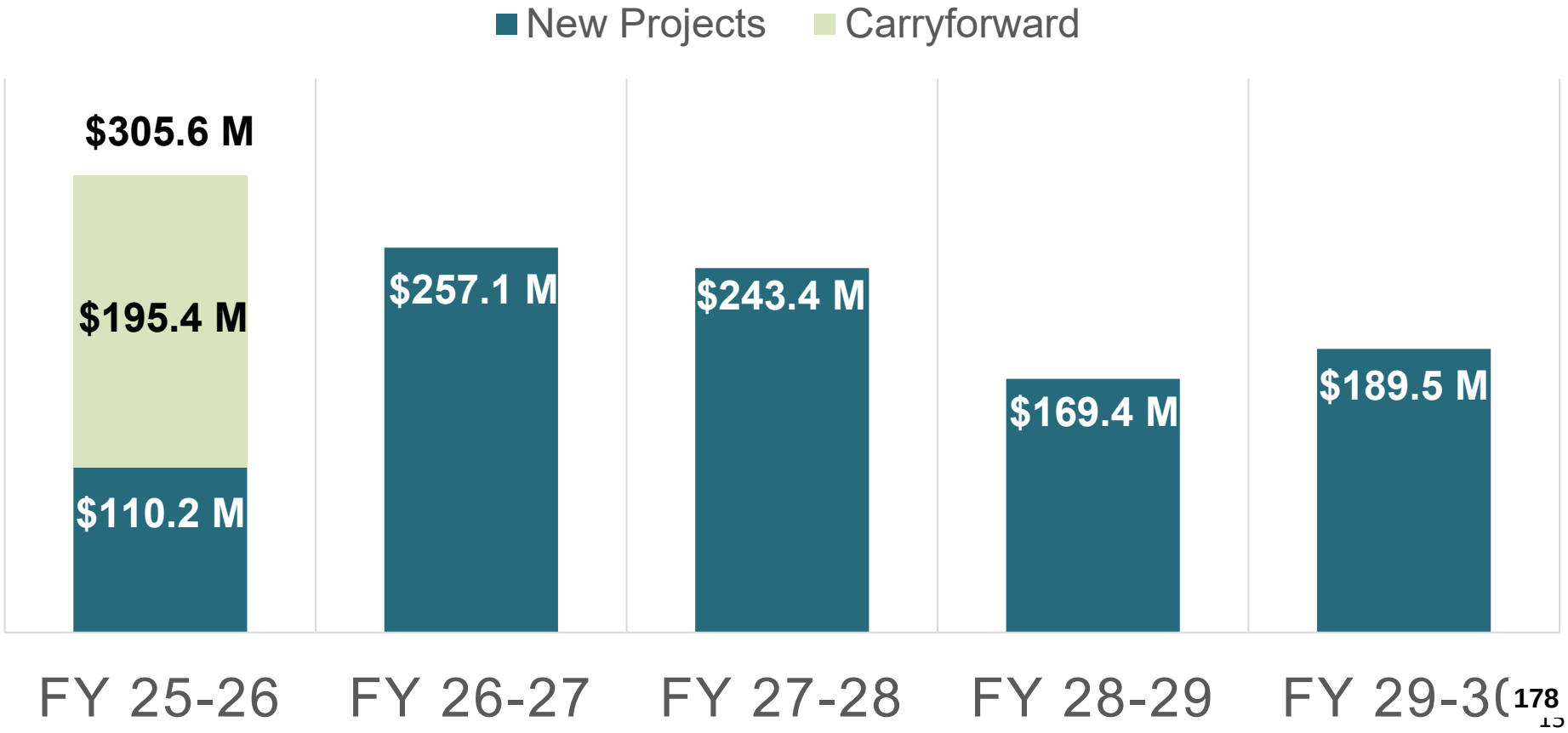




Priority Projects

	FY 25-26 Tentative Budget
Water / Wastewater Projects	$41.6M
Water Resources Purchase	$40.0M
Transportation Projects	$15.5M
Purchase of Future Park Site	$15.0M
Parking Facility (Public Safety/General Government)	$9.8M
Fleet Building Expansion (Public Safety/General Government)	$7.8M
Trail Improvement Projects	$5.5M
Police Headquarters Design & Construction	$5.0M
Drainage Projects	$4.8M
Fire Projects	$2.8M
Police Equipment	$1.4M
Public Works / CIP Administration Building Design	$1.0M
Total	**$150.2M**

INFRASTRUCTURE PROJECTS
FY 25-26 to FY 29-30










Contingency Budgets

Purpose	Description	Amount
1. New Construction Projects	Expenditure authority for new projects or unanticipated CIP costs	$50.0M
2. Carry-Forward for Long-Lead Items and Other Items	Expenditure authority for vehicles, equipment, projects and materials previously ordered but will not be received or completed until FY 25-26	$28.2M
3. Development Agreements	Expenditure authority for anticipated expenses required by development agreements (LG and Vestar)	$9.8M
4. Operating Contingencies	Expenditure authority for unanticipated operating costs in the Operating Budget and Utility Funds (approximately 3% of budgeted expenses, plus an additional $2M for possible tariff-related cost increases)	$9.0M
5. Grants Contingency	Expenditure authority for potential receipt of grants for PD, Traffic, Streets, and Trails	$3.0M
	Total FY 25-26 Contingencies	**$100.0M**









Why Contingencies?

- Under Arizona State Law….
  1. The Adopted Budget Cannot be Increased
  2. Full Expense Authority for Contracts is Required when Awarded
     - Likely Results in a Carryforward
- Contingency
  - The Mechanism to Address Potential New Expenses Not Identified in Adopted Budget
  - Town Council Approval is Required to Use It
- Insurance Against Not Being Able to Do Something Important
- Influences Total Budget Amount









Our History of CIP Contingency

- Examples of Use
  - Insufficient Adopted Project Budget / Change Orders
  - Project “Moved Up” from a Future Year
  - New Project Not Included in the CIP
  - Take Advantage of Price Discounts
  - Debt Refinancings (Market Driven)









Our History of CIP Contingency
(concluded)

- FY 24-25: $35M ($50M Budget)
  - $15M Parks Land Purchase
  - $11.7M Debt Payoff
- FY 23-24: $43.2M ($50M Budget)
  - $9.8M Pinal County IGA for Germann Road
  - $7.8M Fire Apparatus (Discount Received)
- FY 22-23: $28.4M ($20M Budget)
  - $10.8M Family Frontier Park Expenses in Excess of Budget
  - $6.6M Ocotillo Road: Sossaman to Hawes Cost Increase
- FY 21-22: $32.0M ($20M Budget)
- FY 20-21: $15.2M ($12.5M Budget)









CIP Contingency Recommendation

- Maintain FY 25-26 Amount at $50M
- Develop a Financial Policy for FY 26-27 Budget
  - Background and Purpose
  - Approach to Determine Amount
  - Annual Reporting of Use
  - Total Budget Relative to Voter Approved Permanent Base Budget











Permanent Base Adjustment

- Passed with 82% Voter Approval in August 2022
- FY 25-26 Expenditure Limit: $768.6M
- FY 25-26 Tentative Budget Under Expenditure Limit: $343.7M
  - Tentative Budget Subject to Expenditure Limit (with Exclusions): $424.9M

Compliance With Expenditure Limit of $768.6M

		FY 25-26 Tentative Budget
Total Tentative Budget		**$682.7M**
Less Exclusions:		
Use of Debt Proceeds (for CIP Projects)	$155.9M	
Debt Service Requirements	$43.7M	
Investment Income	$10.4M	
Federal, State, and Private Grants & Contributions	$4.9M	
Transactions Between Funds (Healthcare Internal Service Fund)	$13.2M	
HURF Revenues	$6.4M	
Contracts with Other Governments (for CIP Projects)	$23.3M	
Total Exclusions		**($257.8M)**
Budget Amount Subject to the Expenditure Limit		$424.9M
FY 25-26 Expenditure Limit, per ADOR		$768.6M
Amount Under the Expenditure Limit		**$343.7M**









FY 25-26 Proposed Final Budget

Tentative Budget		$682.7M
Recommended Reductions:		
1. Harquahala Water Purchase	($40M)	
2. Bosma Land Purchase	($15M)	($55M)
Proposed Final Budget		**$627.7M**







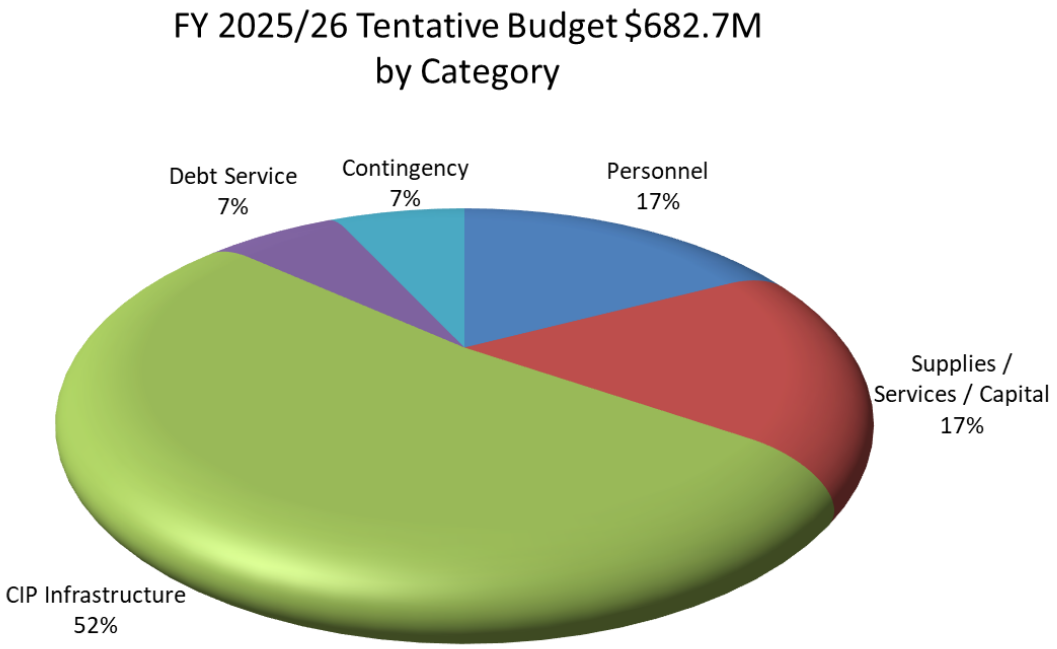


Recommended Motion

Move to Approve the FY 2025-26 Tentative Budget of $682.7M and Set May 21, 2025 at 6:30 p.m. as the date and time of the Public Hearing for the FY 2025-26 Final Budget as required under Arizona Revised Statutes

- Sets the Maximum Budget Amount

Uses / Total Appropriations Schedule



FY 2025/26 Total Appropriations - Budget by Fund

	General Fund	EMS Fund	HURF	HPEC	Enterprise	Special Revenue	Capital	Debt	Healthcare	Grand Total
Sources										
Local Sales Tax	$ 61,605,280	$ 7,709,660	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 69,314,940
Construction Sales Tax	18,315,270	2,289,409	-	-	-	18,315,270	$ -	-	-	38,919,949
State Shared Revenue	28,055,800	-	10,729,600	-	-	-	-	-	-	38,785,400
Property Tax	-	14,810,813	-	-	-	-	-	-	-	14,810,813
Charges for Services	16,474,378	7,166,793	47,971	1,402,112	61,339,991	-	-	-	15,226,134	101,657,379
License & Fees	120,259	-	-	-	-	-	-	-	-	120,259
Franchise Fees	247,822	-	-	-	-	-	-	-	-	247,822
Special Assessments	-	-	-	-	-	-	-	1,659,330	-	1,659,330
Interest Income	5,206,166	-	-	-	634,522	2,450,275	2,111,050	-	40,000	10,442,013
Capacity Fees	-	-	-	-	7,499,900	-	-	-	-	7,499,900
Impact Fees	-	-	-	-	-	8,503,924	-	-	-	8,503,924
Other	619,587	1,249,415	-	15,158	63,202,802	3,000,000	1,400,000	-	100,000	69,586,962
Total Revenues	$ 130,644,562	$ 33,226,090	$ 10,777,571	$ 1,417,270	$ 132,677,215	$ 32,269,469	$ 3,511,050	$ 1,659,330	$ 15,366,134	$ 361,548,691
Transfers In	-	47,141,707	192,462	2,181,845	15,771,010	-	54,213,752	27,555,610	-	147,056,386
Total Sources	$ 130,644,562	$ 80,367,797	$ 10,970,033	$ 3,599,115	$ 148,448,225	$ 32,269,469	$ 57,724,802	$ 29,214,940	$ 15,366,134	$ 508,605,077

Uses										
Personnel	34,458,574	$ 50,554,886	$ 2,745,031	$ 1,379,508	$ 12,910,344	$ -	$ 3,877,565	$ -	$ 12,438,992	$ 118,364,900
Supplies & Services	25,634,920	20,221,857	8,231,894	1,790,697	37,021,823	3,510,000	900,201	-	779,000	98,090,392
Capital	1,040,000	4,109,049	315,000	214,269	55,672,058	-	56,021,450	-	-	117,371,826
Debt Service	-	-	-	-	14,450,110	-	-	29,214,941	-	43,665,051
Contingency / Carryforward	-	-	-	-	84,350,000	47,074,923	173,823,000	-	-	305,247,923
Total Expenses	$ 61,133,494	$ 74,885,792	$ 11,291,925	$ 3,384,474	$ 204,404,335	$ 50,584,923	$ 234,622,216	$ 29,214,941	$ 13,217,992	$ 682,740,092
Transfers Out	69,916,378	5,781,705	-	214,641	15,771,010	35,406,972	19,965,680	-	-	147,056,386
Total Uses	$ 131,049,872	$ 80,667,497	$ 11,291,925	$ 3,599,115	$ 220,175,345	$ 85,991,895	$ 254,587,896	$ 29,214,941	$ 13,217,992	$ 829,796,478
Change in Fund Balance	$ (405,310)	$ (299,700)	$ (321,892)	$ -	$ (71,727,120)	$ (53,722,426)	$ (196,863,094)	$ (1)	$ 2,148,142	$ (321,191,401)

City/Town of Queen Creek
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2026

Fiscal year		Sch		Funds							
				General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total all funds
2025	Adopted/adjusted budgeted expenditures/expenses*	E	1	69,073,987	117,017,419	36,758,442	300,662,301	0	189,019,178	11,306,137	723,837,465
2025	Actual expenditures/expenses**	E	2	69,073,987	117,017,419	36,758,442	126,839,300	0	104,669,178	11,306,137	465,664,464
2026	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	137,541,525	24,288,805	1,241	172,766,195	0	(15,327,906)	3,424,957	322,694,817
2026	Primary property tax levy	B	4		14,810,813						14,810,813
2026	Secondary property tax levy	B	5								0
2026	Estimated revenues other than property taxes	C	6	130,644,562	62,879,587	1,659,330	3,511,050	0	132,677,215	15,366,134	346,737,878
2026	Other financing sources	D	7	0	0	0	0	0	0	0	0
2026	Other financing (uses)	D	8	0	0	0	0	0	0	0	0
2026	Interfund transfers in	D	9	0	49,516,014	27,555,610	54,213,752	0	15,771,010	0	147,056,386
2026	Interfund Transfers (out)	D	10	69,916,378	41,403,318	0	19,965,680	0	15,771,010	0	147,056,386
2026	Line 11: Reduction for fund balance reserved for future budget year expenditures										
	Maintained for future debt retirement		11								0
	Maintained for future capital projects										0
	Maintained for future financial stability										0
	Maintained for future retirement contributions										0
											0
2026	Total financial resources available		12	198,269,709	110,091,901	29,216,181	210,525,317	0	117,349,309	18,791,091	684,243,508
2026	Budgeted expenditures/expenses	E	13	61,133,494	140,147,114	29,214,941	234,622,216	0	204,404,335	13,217,992	682,740,092

	Expenditure limitation comparison	2025	2026
1	Budgeted expenditures/expenses	$ 723,837,465	$ 682,740,092
2	Add/subtract: estimated net reconciling items		
3	Budgeted expenditures/expenses adjusted for reconciling items	723,837,465	682,740,092
4	Less: estimated exclusions	522,666,459	257,833,741
5	Amount subject to the expenditure limitation	$ 201,171,006	$ 424,906,351
6	EEC expenditure limitation or voter-approved alternative expenditure limitation	$ 704,292,168	$ 768,578,226

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund). See the Instructions tab, cell C17 for more information about the amounts that should and should not be included on this line.

City/Town of Queen Creek
Tax levy and tax rate information
Fiscal year 2026

		2025	2026
1.	Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	$ 21,856,279	$ 23,380,874
2.	Amount received from primary property taxation in the **current year** in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	$	
3.	Property tax levy amounts		
	A. Primary property taxes	$ 13,920,642	$ 14,810,813
	Property tax judgment		
	B. Secondary property taxes		
	Property tax judgment		
	C. Total property tax levy amounts	$ 13,920,642	$ 14,810,813
4.	Property taxes collected*		
	A. Primary property taxes		
	(1) **Current** year's levy	$ 13,920,642	
	(2) Prior years' levies	13,389	
	(3) Total primary property taxes	$ 13,934,031	
	B. Secondary property taxes		
	(1) **Current** year's levy	$	
	(2) Prior years' levies		
	(3) Total secondary property taxes	$	
	C. Total property taxes collected	$ 13,934,031	
5.	Property tax rates		
	A. City/Town tax rate		
	(1) Primary property tax rate	1.6314	1.5485
	Property tax judgment		
	(2) Secondary property tax rate		
	Property tax judgment		
	(3) Total city/town tax rate	1.6314	1.5485

B. Special assessment district tax rates

Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

City/Town of Queen Creek
Revenues other than property taxes
Fiscal Year 2026

Source of revenues	Estimated revenues 2025	Actual revenues* 2025	Estimated revenues 2026
General Fund			
Local taxes			
City Sales Tax	$ 51,610,384	$ 53,015,209	$ 61,605,280
Construction Sales Tax	14,647,709	23,327,588	18,315,270
Licenses and permits			
Business Licenses	90,000	90,000	101,967
Liquor License	13,000	13,000	17,641
Building Revenue	8,568,600	9,660,700	7,208,800
Intergovernmental			
State Sales Tax	11,032,900	11,563,300	12,656,900
Urban Revenue Sharing	16,116,742	16,288,578	15,398,900
Charges for services			
Recreation User Fees	2,030,040	2,030,040	2,652,581
Fleet Charges Internal	700,000	900,000	700,000
Interest on investments			
Interest Income	4,503,923	4,149,604	5,206,166
Miscellaneous			
Telecommunications	175,000	175,000	192,530
Building Lease Revenue	92,680	92,680	97,544
Gas Franchises	200,000	200,000	247,822
Government Agency Reimbursement	390,000	390,000	
Signage Revenue	25,000	25,000	
Miscellaneous	250,000	250,000	319,587
Grants			300,000
Departmental Support Revenue	5,212,736	5,212,736	5,623,574
Total General Fund	$ 115,658,714	$ 127,383,435	$ 130,644,562

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

City/Town of Queen Creek
Revenues other than property taxes
Fiscal Year 2026

Source of revenues	Estimated revenues 2025	Actual revenues* 2025	Estimated revenues 2026
Special revenue funds			
Highway User Revenue Fund			
Highway Users Revenue	$ 5,774,900	$ 5,857,200	$ 6,364,300
Pinal County Taxes	40,000	40,000	47,971
Vehicle License Tax	4,122,400	3,966,700	4,365,300
Grants	362,000	362,000	
	$ 10,299,300	$ 10,225,900	$ 10,777,571
Municipal Town Center Fund			
City Sales Tax	$ 336,000	$ 315,825	$
	$ 336,000	$ 315,825	$
Construction Sales Tax Fund			
Construction Sales Tax	$ 14,647,709	$ 23,327,588	$ 18,315,270
Interest Income		354,319	450,911
	$ 14,647,709	$ 23,681,907	$ 18,766,181
Grants and Contingency Fund			
Grants	$ 5,000,000	$ 5,000,000	$ 3,000,000
	$ 5,000,000	$ 5,000,000	$ 3,000,000
Parks Development Fund			
Development Impact Fees	$ 6,754,606	$ 5,161,979	$ 3,004,354
Interest Income	903,257	903,257	1,125,490
	$ 7,657,863	$ 6,065,236	$ 4,129,844
Trails Development Fund			
Development Impact Fees	$	$	$ 212,610
	$	$	$ 212,610
Transportation Development Fee Fund			
Development Impact Fees	$ 4,912,828	$ 4,119,984	$ 2,517,435
Interest Income	655,703	655,703	563,065
	$ 5,568,531	$ 4,775,687	$ 3,080,500
Public Safety Development Fee Fund			
Development Impact Fees	$ 1,473,020	$ 1,189,775	$ 976,500
Interest Income	90,571	90,571	123,956
	$ 1,563,591	$ 1,280,346	$ 1,100,456
Fire Development Fee Fund			
Development Impact Fees	$ 2,704,707	$ 2,184,174	$ 1,793,025
Interest Income	280,426	280,426	186,853
	$ 2,985,133	$ 2,464,600	$ 1,979,878
Emergency Services Fund			
City Sales Tax	$ 6,451,298	$ 6,626,901	$ 7,709,660
Construction Sales Tax	1,830,964	2,915,948	2,289,409
County Island Fire District	2,238,852	2,238,852	2,342,831
Fire Inspections	190,000	190,000	222,875
PSPRS Premium Tax Credit	350,000	350,000	480,000
ROI Utility Revenue	4,000,000	2,235,478	2,534,195
IGA	247,244	247,244	160,000
Police Department Revenues	63,000	63,000	99,239
Grants	98,628	2,428,561	534,415
Miscellaneous	390,000	390,000	402,339
Charges for Services	1,500,000	1,500,000	1,500,000
Ambulance Service Revenue	15,000	15,000	140,314
	$ 17,374,986	$ 19,200,984	$ 18,415,277
Horseshoe Park & Equestrian Center (HPEC) Fund			
Park Revenues	$ 1,245,129	$ 1,245,129	$ 1,185,551
Sponsorships	367,500	367,500	231,719
Miscellaneous	12,595	12,595	
	$ 1,625,224	$ 1,625,224	$ 1,417,270
Total Special Revenue Funds	$ 67,058,337	$ 74,635,709	$ 62,879,587

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

City/Town of Queen Creek
Revenues other than property taxes
Fiscal Year 2026

Source of revenues	Estimated revenues 2025	Actual revenues* 2025	Estimated revenues 2026
Debt service funds			
Special Assessment Fund			
Property Assessments	$ 1,679,273	$ 1,679,273	$ 1,659,330
	$ 1,679,273	$ 1,679,273	$ 1,659,330
Total Debt Service Funds	$ 1,679,273	$ 1,679,273	$ 1,659,330
Capital projects funds			
Drainage & Transportation Fund			
Government Agency Reimbursement	$ 10,018,387	$ 10,018,387	$ 1,400,000
Miscellaneous	3,248,430	3,248,430	
Interest Income	930,359	930,359	
	$ 14,197,176	$ 14,197,176	$ 1,400,000
General CIP			
Bond/Loan Proceeds	140,000,000	140,000,000	
Interest Income	1,424,711	1,424,711	2,111,050
	$ 141,424,711	$ 141,424,711	$ 2,111,050
Total Capital Projects Funds	$ 155,621,887	$ 155,621,887	$ 3,511,050

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

City/Town of Queen Creek
Revenues other than property taxes
Fiscal Year 2026

Source of revenues	Estimated revenues 2025	Actual revenues* 2025	Estimated revenues 2026
Enterprise Funds			
Wastewater Fund			
User Fees	$ 12,000,000	$ 12,000,000	$ 13,186,900
Capacity Fees	3,527,514	3,527,514	2,364,300
Miscellaneous	1,416,200	287,100	
Interest Income	629,332	629,332	467,363
Government Agency Reimbursement	916,992	916,992	
	$ 18,490,038	$ 17,360,938	$ 16,018,563
Water Fund			
User Fees	$ 32,741,000	$ 32,741,000	$ 42,088,125
Capacity Fees	3,889,800	3,889,800	5,135,600
Miscellaneous	609,500	609,500	710,340
Interest Income	250,583	250,583	123,013
Government Agency Reimbursement			4,925,702
Interest Income	605,999	605,999	
Bond/Loan Proceeds	44,559,719	44,559,719	58,277,100
	$ 82,656,601	$ 82,656,601	$ 111,259,880
Solid Waste Fund			
User Fees	$ 5,114,500	$ 5,114,500	$ 5,128,826
Recycling	9,500	9,500	10,000
Cart Fees	215,800	215,800	215,800
Interest Income	33,422	33,422	44,146
Miscellaneous	18,000	18,000	
	$ 5,391,222	$ 5,391,222	$ 5,398,772
Total enterprise funds	$ 106,537,861	$ 105,408,761	$ 132,677,215
Internal service funds			
Healthcare Self-Insurance			
Premiums	$ 11,206,137	$ 11,206,137	$ 15,226,134
Stop Loss Reimbursement	100,000	100,000	100,000
Interest Income			$ 40,000
	$ 11,306,137	$ 11,306,137	$ 15,366,134
Total internal service funds	$ 11,306,137	$ 11,306,137	$ 15,366,134
Total all funds	$ 457,862,209	$ 476,035,202	$ 346,737,878

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

City/Town of Queen Creek
Other financing sources/(uses) and interfund transfers
Fiscal year 2026

Fund	Other financing 2026 Sources	Other financing 2026 (Uses)	Interfund transfers 2026 In	Interfund transfers 2026 (Out)
General Fund				
Debt Service	$	$	$	$ 17,954,564
Infrastructure (CIP)				2,445,800
Emergency Services Fund				47,141,707
Horseshoe Park & Equestrian Center Fund				2,181,845
Highway Urban Revenue Fund				192,462
Total General Fund	$	$	$	$ 69,916,378
Special revenue funds				
Emergency Services Fund	$	$	$ 47,141,707	$ 5,781,705
Parks Development Fee Fund				15,000,000
Public Safety Development Fee Fund				1,142,700
Fire Development Fee Fund				1,218,135
Transportation Development Fee Fund				1,959,414
Trails Development Fee Fund				1,654,338
Construction Sales Tax Fund				14,432,385
Highway Urban Revenue Fund			192,462	
Horseshoe Park & Equestrian Center Fund			2,181,845	214,641
Total special revenue funds	$	$	$ 49,516,014	$ 41,403,318
Debt service funds				
Debt Service	$	$	$ 27,555,610	$
Total debt service funds	$	$	$ 27,555,610	$
Capital projects funds				
Transportation CIP	$	$	$ 19,022,701	$
General CIP			35,191,051	
Cash In Lieu				75,000
Bond Proceeds Fund				1,250,000
Bond Proceeds - 2024A Fund				10,637,800
PAYGO Fund				8,002,880
Total capital projects funds	$	$	$ 54,213,752	$ 19,965,680
Enterprise funds				
Water Fund	$	$	$	$ 13,539,119
Water Capacity				244,485
Water CIP			244,485	
Water Debt			13,539,119	
Wastewater Fund				1,660,689
Wastewater Capacity				326,717
Wastewater CIP			1,076,417	
Wastewater Debt			910,989	
Total enterprise funds	$	$	$ 15,771,010	$ 15,771,010
Total all funds	$	$	$ 147,056,386	$ 147,056,386

City/Town of Queen Creek
Expenditures/expenses by fund
Fiscal year 2026

Fund/Department	Adopted budgeted expenditures/ expenses 2025	Expenditure/ expense adjustments approved 2025	Actual expenditures/ expenses* 2025	Budgeted expenditures/ expenses 2026
General Fund				
Town Council	$ 518,649	$	$ 518,649	$ 549,087
Town Manager	1,248,854		1,248,854	3,626,733
Legal Services	1,039,500		1,039,500	1,093,443
Town Clerk	410,751	10,793	421,544	546,969
Finance	4,017,988	331,273	4,349,261	4,396,101
Human Resources	1,447,107	17,025	1,464,132	1,801,693
Information Technology	9,235,264	709,080	9,944,344	11,799,366
Community Services	14,390,955	1,487,702	15,878,657	10,681,326
Economic Development	1,448,518		1,448,518	1,531,197
Development Services	4,895,867	816,419	5,712,286	6,465,575
Public Works	21,487,701	2,144,884	23,632,585	19,475,937
Centralized Services	3,342,954	72,702	3,415,656	(833,933)
Total General Fund	$ 63,484,108	$ 5,589,879	$ 69,073,987	$ 61,133,494
Special Revenue Funds				
HURF	$ 10,780,558	$ 365,088	$ 11,145,646	$ 11,291,925
Municipal Town Center Fund	433,000	300,550	733,550	210,000
Streetlight Improvement District	240,070		240,070	300,000
Grants & Contingency Fund	47,790,695	(23,666,945)	24,123,750	50,074,923
Parks Development Fund		3,154	3,154	
Transporation Development Fund		3,154	3,154	
Public Safety Development Fund		3,154	3,154	
Fire Development Fund		3,154	3,154	
Emergency Services Fund	58,641,531	18,579,150	77,220,681	74,885,792
Horseshoe Park & Equestrian Fund	3,412,735	128,372	3,541,107	3,384,474
Total Special Revenue Funds	$ 121,298,589	$ (4,281,170)	$ 117,017,419	$ 140,147,114
Debt Service Funds				
Debt Service Fund	$ 23,397,502	$ 11,681,667	$ 35,079,169	$ 27,555,610
Special Assessment Fund	1,679,273		1,679,273	1,659,331
Total Debt Service Funds	$ 25,076,775	$ 11,681,667	$ 36,758,442	$ 29,214,941
Capital Projects Funds				
Drainage & Transportation	$ 159,695,173	$ (11,874,201)	$ 147,820,971	$ 123,965,466
General CIP	152,841,329	0	152,841,329	110,656,750
Carryforward Allowance			(173,823,000)	
Total Capital Projects Funds	$ 312,536,502	$ (11,874,201)	$ 126,839,300	$ 234,622,216
Enterprise Funds				
Water Operating	$ 47,814,228	$ (271,100)	$ 47,543,128	$ 45,818,731
Water Capacity	50,000		50,000	
Water Capital	86,295,442	8,144,295	94,439,737	108,736,787
Water Carryforward Allowance			(76,750,000)	
Water Debt	12,190,701		12,190,701	13,539,620
Sewer Operating	12,017,933	(735,069)	11,282,864	12,293,703
Sewer Capacity	50,000		50,000	
Sewer Capital	24,978,630	(8,287,679)	16,690,951	17,115,767
Sewer Carryforward Allowance			(7,600,000)	
Sewer Debt	1,328,243		1,328,243	910,490
Solid Waste	5,410,177	33,377	5,443,554	5,989,237
Total Enterprise Funds	$ 190,135,354	$ (1,116,176)	$ 104,669,178	$ 204,404,335
Internal Service Funds				
Medical Self-Insurance	$ 11,306,137	$	$ 11,306,137	$ 13,217,992
Total Internal Service Funds	$ 11,306,137	$	$ 11,306,137	$ 13,217,992
Total all funds	$ 723,837,465	$ (0)	$ 465,664,464	$ 682,740,092

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City/Town of Queen Creek
Expenditures/expenses by department
Fiscal year 2026

Department/Fund	Adopted budgeted expenditures/ expenses 2025	Expenditure/ expense adjustments approved 2025	Actual expenditures/ expenses* 2025	Budgeted expenditures/ expenses 2026
Town Council				
General Fund	$ 518,649	$	$ 518,649	$ 549,087
Town Council Total	$ 518,649	$	$ 518,649	$ 549,087
Town Manager				
General Fund	$ 1,248,854		1,248,854	3,626,733
Town Manager Total	$ 1,248,854	$	$ 1,248,854	$ 3,626,733
Legal Services				
General Fund	$ 1,039,500		1,039,500	1,093,443
Legal Services Total	$ 1,039,500	$	$ 1,039,500	$ 1,093,443
Town Clerk				
General Fund	$ 410,751	10,793	421,544	546,969
Town Clerk Total	$ 410,751	$ 10,793	$ 421,544	$ 546,969
Finance				
General Fund	$ 4,017,988	331,273	4,349,261	4,396,101
Finance Total	$ 4,017,988	$ 331,273	$ 4,349,261	$ 4,396,101
Community Services				
General Fund	$ 14,390,955	1,487,702	15,878,657	10,681,326
Parks Development Fund		3,154	3,154	
Community Services Total	$ 14,390,955	$ 1,490,856	$ 15,881,811	$ 10,681,326
Development Services				
General Fund	$ 4,895,867	816,419	5,712,286	6,465,575
Development Services Total	$ 4,895,867	$ 816,419	$ 5,712,286	$ 6,465,575
Public Works				
General Fund	$ 21,487,701	2,144,884	23,632,585	19,475,937
HURF	10,780,558	$ 365,088	$ 11,145,646	$ 11,291,925
Solid Waste Fund	5,410,177	33,377	5,443,554	5,989,237
Transportation Development Fund		3,154	3,154	
Drainage & Transportation Fund	159,695,173	$ (11,874,201)	$ 147,820,971	$ 123,965,466
Carryforward Allowance			(98,700,000)	
Public Works Total	$ 197,373,609	$ (9,327,698)	$ 89,345,910	$ 160,722,565
Human Resources				
General Fund	$ 1,447,107	17,025	1,464,132	1,801,693
Human ResourceTotal	$ 1,447,107	$ 17,025	$ 1,464,132	$ 1,801,693
Information Technology				
General Fund	$ 9,235,264	709,080	9,944,344	11,799,366
Information Technology Total	$ 9,235,264	$ 709,080	$ 9,944,344	$ 11,799,366

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City/Town of Queen Creek
Expenditures/expenses by department
Fiscal year 2026

Department/Fund	Adopted budgeted expenditures/ expenses 2025	Expenditure/ expense adjustments approved 2025	Actual expenditures/ expenses* 2025	Budgeted expenditures/ expenses 2026
Economic Development				
General Fund	$ 1,448,518		1,448,518	1,531,197
Municipal Town Center Fund	433,000	300,550	733,550	210,000
Horseshoe Park Fund	3,412,735	128,372	3,541,107	3,384,474
Economic Development Total	$ 5,294,253	$ 428,922	$ 5,723,175	$ 5,125,671
Emergency Management Services (EMS)				
Emergency Services Fund	$ 58,641,531	18,579,150	77,220,681	74,885,792
Public Safety Development Fund		3,154	3,154	
Fire Development Fund		3,154	3,154	
EMS Total	$ 58,641,531	$ 18,585,458	$ 77,226,989	$ 74,885,792
Utilities Department				
Sewer Utility Fund	$ 12,017,933	(735,069)	11,282,864	12,293,703
Sewer Capacity Fund	50,000		50,000	
Sewer Capital Fund	24,978,630	(8,287,679)	16,690,951	17,115,767
Sewer Debt Fund	1,328,243		1,328,243	910,490
Carryforward Allowance - Sewer CIP			(7,600,000)	
Water Operating Fund	47,814,228	$ (271,100)	$ 47,543,128	$ 45,818,731
Water Capacity Fund	50,000		50,000	
Water Capital Fund	86,295,442	8,144,295	94,439,737	108,736,787
Water Debt Fund	12,190,701		12,190,701	13,539,620
Carryforward Allowance - Water CIP			(76,750,000)	
Utilities Department Total	$ 184,725,177	$ (1,149,553)	$ 99,225,624	$ 198,415,098
Centralized Service / General Operations				
General Fund	$ 3,342,954	72,702	3,415,656	(833,933)
General CIP	152,841,329	0	152,841,329	110,656,750
Carryforward Allowance			(75,123,000)	
Grants & Contingency Fund	47,790,695	(23,666,945)	24,123,750	50,074,923
Streetlight Improvement Districts	240,070		240,070	300,000
Special Assessments Fund	1,679,273		1,679,273	1,659,331
Debt Service Fund	23,397,502	$ 11,681,667	$ 35,079,169	$ 27,555,610
Healthcare / Self-Insurance	11,306,137	$	$ 11,306,137	$ 13,217,992
ralized Srvcs / General Ops. Total	$ 240,597,960	$ (11,912,576)	$ 153,562,384	$ 202,630,673
Total All Departments	$ 723,837,465	$	$ 465,664,464	$ 682,740,092

Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City/Town of Queen Creek
Full-time employees and personnel compensation
Fiscal year 2026

Fund	Full-time equivalent (FTE) 2026	Employee salaries and hourly costs 2026	Retirement costs 2026	Healthcare costs 2026	Other benefit costs 2026	Total estimated personnel compensation 2026
General Fund	257.43	$ 27,869,741	$ 2,762,883	$ 3,777,026	$ 2,831,199	$ 37,240,849
Special revenue funds						
Emergency Services	293	$ 38,934,759	$ 3,769,047	$ 4,276,113	$ 3,574,967	$ 50,554,886
HPEC	9.50	948,345	105,115	223,221	102,827	1,379,508
HURF	25	2,024,649	221,067	307,401	191,914	2,745,031
Total special revenue funds	327.50	$ 41,907,753	$ 4,095,229	$ 4,806,735	$ 3,869,708	$ 54,679,425
Capital projects funds						
CIP	23	$ 2,930,315	$ 354,382	$ 332,223	$ 260,645	$ 3,877,565
Total capital projects funds	23	$ 2,930,315	$ 354,382	$ 332,223	$ 260,645	$ 3,877,565
Enterprise funds						
Sewer Utilities	6	$ 1,165,480	$ 138,730	$ 153,734	$ 124,923	$ 1,582,867
Water Fund	5	8,094,672	951,382	1,075,570	809,438	10,931,062
	90.98	295,531	42,805	28,888	29,191	396,415
Total enterprise funds	102	$ 9,555,683	$ 1,132,917	$ 1,258,192	$ 963,552	$ 12,910,344
Total all funds	709.91	$ 82,263,492	$ 8,345,411	$ 10,174,176	$ 7,925,104	$ 108,708,183

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

THROUGH: **BRUCE GARDNER, TOWN MANAGER**

FROM: **SCOTT MCCARTY, DEPUTY TOWN MANAGER/CFO**

RE: **FY 25-26 BUDGET MEETING FOLLOW-UP MEMO**

DATE: **April 28, 2025**

During budget briefings with Town Council members, and during the Town Council's Budget Meeting on April 16, several questions and comments were raised regarding the FY 25-26 Town Manager's Recommended Budget. This memo is intended to provide follow-up information for items that were not fully addressed during the meetings.

1. **Please explain why the Town's state-shared income tax has gone down recently in spite of the Town's population continuing to grow.**
   The following table provides detailed information on the state's income tax revenues and the Town's population and state-shared income tax revenues.

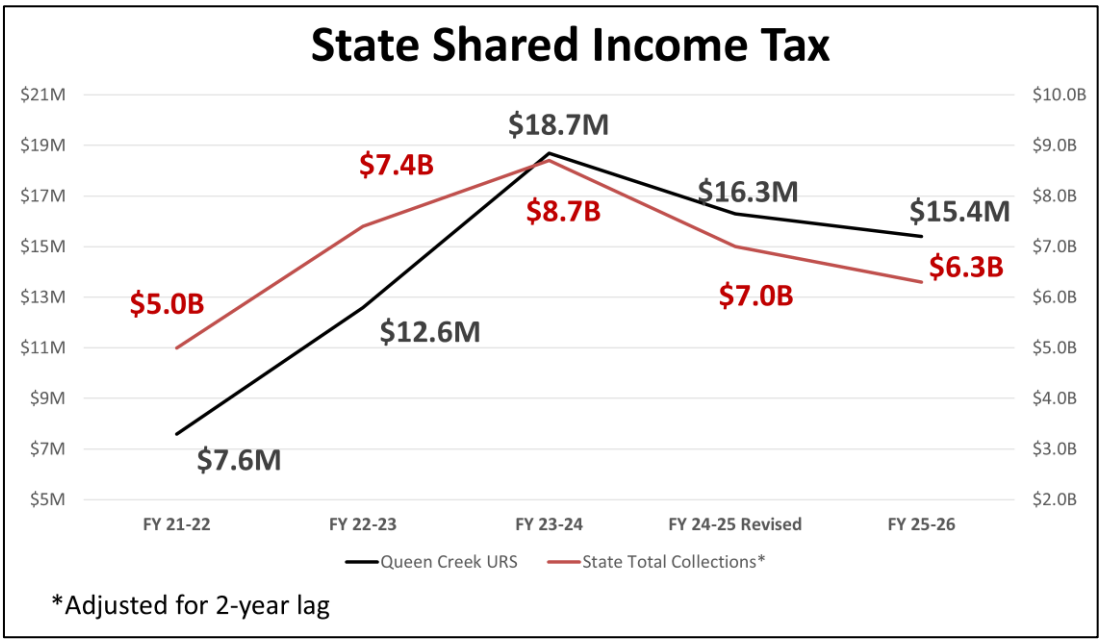
State Income Tax QC Projection						
Year Used for Data	FY 2020/21	FY 2021/22	FY2022/23	FY2023/24	FY2024/25*	FY2025/26*
QC Population as of 6/30	66,275	70,734	76,752	81,778	89,300	94,100
QC as a % of AZ Pop. (Incorp.)	1.14%	1.20%	1.27%	1.35%	1.45%	1.51%
State Income Tax Collections	$7.4B	$8.7B	$7.0B	$6.3B	$6.9B	$7.3B
Urban Rev. Sharing %	15%	18%	18%	18%	18%	18%
Cities and Towns Sharing Base	$1.1B	$1.6B	$1.3B	$1.1B	$1.2B	$1.3B
$ QC Receives	$12.6M	$18.8M	$16.1M	$15.4M	$18.1M	$19.7M
Received in	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2027/28	FY 2028/29
$ Per Capita	$190	$265	$210	$188	$202	$209

In Calendar Year 2022, the state income tax rate was lowered, but not to the 2.5% flat tax as the legislation provided for a multi-year step-down implementation. The highest tax bracket was lowered from 4.5% to 2.98%. This change did not significantly impact the state's income tax revenue; the state still saw an increase of $1.3B from FY 20-21 to FY 21-22. Coupled with the increase of the local sharing allocation from 15% to 18%, and the Town's increased proportion of the state's population, the Town's revenues increased by $6M to $18.8M, a 49% increase from the prior year.

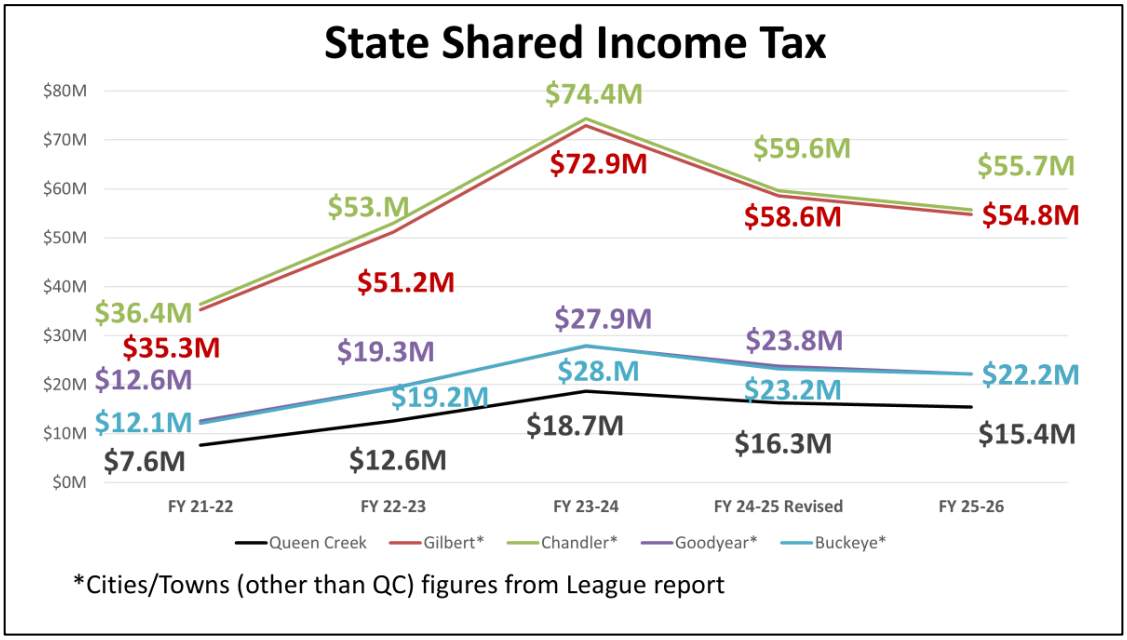
In Calendar Year 2023, the state income tax rate was reduced to the flat 2.5% rate. As a result, the state saw decreased income tax revenues for the 2nd half of the fiscal year. Now that the state's FY 23-24 has been completed, we are seeing the full-year impact of the legislative change to a flat 2.5% income tax rate.

Because there is a two-year lag between the year the state collects the income tax and the year those funds are distributed to the cities, the Town began to feel the effects of the lower tax rate in FY 24-25, and the full effect will show up in FY 25-26.

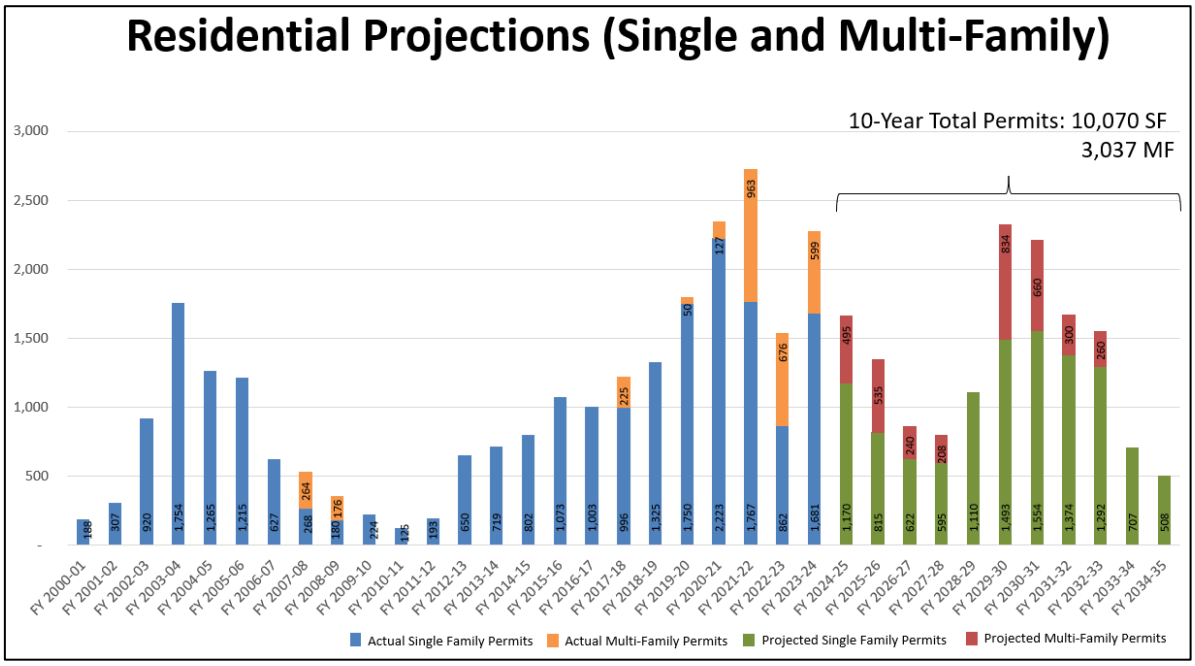
The chart below juxtaposes the state's income tax collections against the Town's state-shared income tax revenues, adjusted for the two-year lag in distribution:



2. **Related to the question above, what has been the impact on other communities of the lower state income tax rate? Have they seen similar trends?**
The following charts show the state-shared revenues for a few other Arizona cities. Trends in these other cities are similar to Queen Creek.



3. **The budget presentation includes a chart showing both single-family and multi-permits going back to FY 2001. However, the multi-family data only shows data from FY 2020 forward. Please add prior years' multi-family data to the chart.**
   The updated chart is shown below:



4. **Resident Turnover – How many people move out of Queen Creek each year?**
   While exact data is not readily available, we queried the Town's water & sewer customer database for "shut off" entries by year and filtered out those that were related to non-payment. We compared the results to publicly available data from realtor groups and found them to be reasonably close to each other. We don't know how many of these customers moved within Queen Creek, but we believe the numbers below are a close approximation to the number of homes sold each year.

Count of Move Out Years	Tax Profile State, Maricopa, Town	State, Pinal, Town	Grand Total
2003	150	1	151
2004	632	16	648
2005	1,042	17	1,059
2006	1,105	8	1,113
2007	1,345	13	1,358
2008	1,894	17	1,911
2009	2,016	26	2,042
2010	1,796	19	1,815
2011	1,748	18	1,766
2012	1,476	24	1,500
2013	1,541	41	1,582
2014	1,448	129	1,577
2015	1,433	174	1,607
2016	1,549	213	1,762
2017	1,603	284	1,887
2018	1,506	311	1,817
2019	1,736	405	2,141
2020	1,756	493	2,249
2021	1,745	491	2,236
2022	1,626	409	2,035
2023	1,492	358	1,850
2024	1,548	415	1,963
2025	509	115	624

5. **Please provide the FY 25-26 operating budgets for Mansel Carter Park, Family Frontier Park, the Recreation & Aquatic Center, and Trails. Please include debt service expenses as well.**

   The following table provides the information requested. Note that these numbers do not include the budgets for Parks & Recreation Administration, the Rec Annex, or Park Rangers:

FY26 Expenses Parks Maintenance	Salaries & Fringes	Supplies & Services	Subtotals:	Debt Service	Totals:
Mansel Carter Oasis Park	613,551	640,197	1,253,748	656,721	1,910,469
Frontier Family Park	769,937	1,006,237	1,776,174	3,127,210	4,903,384
Wash & Trails	744,952	41,200	786,152	-	786,152
Other Park Operations	1,603,921	546,267	2,150,188	1,770,234	3,920,422
Total:	3,732,361	2,233,901	5,966,262	5,554,165	11,520,427

FY26 Expenses Recreation & Aquatic Center	Salaries & Fringes	Supplies & Services	Subtotals:	Debt Service	Subtotals:
Recreation Center	1,962,860	1,143,463	3,106,323	-	3,106,323
Aquatic Center	1,301,583	798,273	2,099,856	-	2,099,856
QCRAC*	-	-	-	3,476,900	3,476,900
Total:	3,264,443	1,941,736	5,206,179	3,476,900	8,683,079

*Debt Service is not split between the recreation and aquatic center. The project was constructed as a single project.

Please also note that certain costs for maintenance and custodial services for certain facilities are included in the Public Works budget, as follows:

FY26 PW - Facilities Operations	Salaries & Fringes	Supplies & Services	Totals:
Mansel Carter Oasis Park	-	3,000	3,000
Frontier Family Park	-	4,650	4,650
Recreation & Aquatic Center	353,825	885,350	1,239,175
Total:	353,825	893,000	1,246,825

6. **Which Trails projects are included in the FY 25-26 budget?**

   The FY 25-26 budget includes funding for three trails projects for a total of $5,514,460:

   a) QC Wash Trail Improvements – Rittenhouse to Meridian ($4,668,660)
   b) Sonoqui Wash Trail – Power to Recker ($346,000)
   c) SRP Utility Easement Trail – Ellsworth to Signal Butte ($500,000)

7. **What has been the annual spending on Transportation compared to Parks & Recreation over the last five years?**

   The chart below shows actual and budgeted operational and capital infrastructure spending for each function. These numbers do not include one-time capital purchases of vehicles and equipment, or debt service:

Transportation	FY 2020/21 Actual	FY 2021/22 Actual	FY 2022/23 Actual	FY 2023/24 Actual	FY 2024/25 Revised	FY 2025/26 Recommended	TOTAL
Operations & Maintenance	5,852,425	5,060,254	7,858,979	11,212,055	12,503,977	13,096,515	55,584,205
CIP Infrastructure Projects	21,276,361	49,662,783	29,776,594	34,022,487	75,459,049	20,422,700	230,619,974
Total Transportation	27,128,786	54,723,037	37,635,573	45,234,542	87,963,026	33,519,215	286,204,179
% change from prior year		*102%*	*-31%*	*20%*	*94%*	*-62%*	

Parks & Recreation	FY 2020/21 Actual	FY 2021/22 Actual	FY 2022/23 Actual	FY 2023/24 Actual	FY 2024/25 Revised	FY 2025/26 Recommended	TOTAL
Operations & Maintenance	3,602,831	4,515,614	5,244,765	6,996,141	14,391,936	15,094,901	49,846,188
CIP Infrastructure Projects	515,908	1,975,191	56,419,589	89,126,567	44,218,933	20,514,460	212,770,647
Total Parks & Recreation	4,118,739	6,490,805	61,664,354	96,122,708	58,610,869	35,609,361	262,616,835
% change from prior year		*58%*	*850%*	*56%*	*-39%*	*-39%*	

8. **For the land by the library that we just sold, how much did we pay for it? What are we going to do with the cash from the sale of the land?**

   The Town's estimated purchase price for the 8.24 acres sold is $2.8 million. Proceeds of $8.6M from the sale were deposited into the Town Center Fund where we have previously deposited proceeds from other downtown land sales. The funds are not restricted and will remain in the fund until the Town Council directs their use. Staff will provide a recommendation on uses of the proceeds as we close out the books for FY 24-25.

9. **Title 42 State Funding for Public Infrastructure Projects – How much have we received, what has Phoenix and Chandler received, and how much remains to be paid out?**

   The table below reports data through April 10, 2025:

CAP	$ 200,000,000.00
Payments	
Chandler	$ (36,624,253.30)
Phoenix	$ (87,264,628.76)
Queen Creek	$ (17,354,363.38)
Remaining Cap	**$ 58,756,754.56**

10. **Do Town Council salaries increase for CPI like the employees?**
    Yes, Town Council salaries receive the same market adjustment as all other employees (e.g., FY 25-26 adjustment will be 3.5% effective July 1, 2025).

11. **Please provide data on the number of Police Department contacts with juveniles related to e-bikes and motor-driven cycles.**
    For all calls/contacts where the Police Department responded to disturbance calls or conducted traffic stops on underage individuals operating motor-driven cycles (such as a Surron), ATVs, golf carts, and similar devices, here is the basic data:
    2023: 513
    2024: 352
    2025 (as of 4-16-25): 104

12. **How many vehicles does the Police Department have and what level position is assigned a vehicle?**
    Please see Appendix A.

13. **For each of the Town's outstanding general government debt, please provide the annual payment, interest rate, and the year the debt is paid off. Also, how does Town staff make the decision whether or not to pay off the debt?**
    Please see Appendix B for a schedule of the Town's debt. Note that two tables are provided. The first table displays the Town's debt by Purpose (Transportation, Police, etc.), and the second table displays the Town's debt by bond series.

    Town staff evaluates the potential pay off of debt on a routine basis. From a purely financial perspective, the factors impacting a payoff decision include whether it is eligible to be called (paid off), the cash available in the fund making the payment, and interest rate on the debt vs. the interest rate the Town would earn on the available cash. None of the Town's outstanding debt can be paid off now. The first possible call date is August 1, 2026 on some of the debt as shown in the appendix. Additionally, for that debt, the interest rate is 1.77%. So, assuming at the call date, Town staff believes the interest rate we would earn on our investments is greater than 1.77%, we would not pay off the debt.

    Finally, despite this evaluation criteria, there could be situations where paying off the debt accomplished another goal - such as reducing our total debt outstanding and improving our debt coverage ratio (revenues used to pay debt divided by annual debt service).

14. Please provide a history of the amount of CIP Contingency the Town has budgeted vs. used over the last few years.

Following are the amounts budgeted and used out of CIP Contingency for the last five fiscal years:

Year	Budgeted	Used	Comment
FY25	$ 50,000,000	$ 34,969,623	YTD used through 4/16/25
FY24	$ 50,000,000	$ 43,277,752	Total used was less than amount budgeted
FY23	$ 20,000,000	$ 28,369,974	Used other Contingency funds to make up the difference
FY22	$ 20,000,000	$ 32,096,224	Used other Contingency funds to make up the difference
FY21	$ 12,500,000	$ 15,227,714	Used other Contingency funds to make up the difference

Circumstances that drive the need to allocate spending authority from CIP Contingency include the following:

- A new project comes up that was not originally planned or budgeted
- A project's timeline gets moved up and we need to either start the project in the current fiscal year or accelerate a project that is already underway
- Change orders that modify the scope of a project, if the total cost of the change orders cannot be absorbed within a project's approved budget
- Unanticipated cost increases that cannot be absorbed within a project's approved budget

The Town's adopted budget requires an allocation of "contingency" because, under Arizona law, once the Town adopts a budget, we cannot increase that budget for any reason whatsoever, not even by a dollar. Therefore, the budget we adopt must have room to accommodate unexpected things that come up during the year so that we can accomplish those activities but still remain under the total adopted budget amount.

In all cases, the Town Council has full authority to decide whether, when, and for what purpose our contingency expenditure authority will be used. Also, before requesting use of contingency, staff must identify the funding source for the increased expenditure. It's not a separate pile of cash sitting on the side that we draw from; rather, we must determine how to pay for the increased cost using existing available resources. The staff report for the request to use contingency will explain the reason for the request and the funding source that will be used to pay for the additional expenditure.

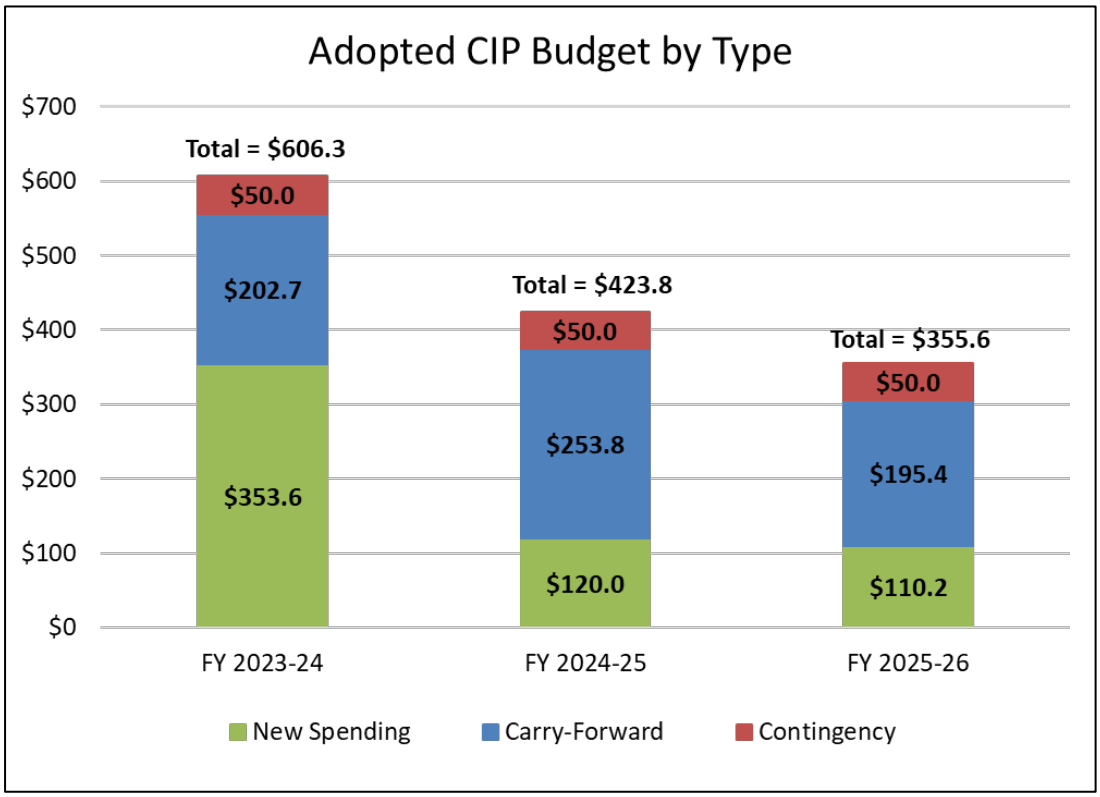
Additionally, the concept of "carry-forward" is similar to contingency. Under Arizona law, when we approve a contract for a project, our budget must have sufficient spending authority for the full contract amount, even if the project will span multiple fiscal years. For example, if we approve a road project for $10M, the

current-year budget must have $10M in expenditure authority for that project, even though we know the road project will take more than one year to complete.

This requirement drives the need for us to identify "carry-forward" items while we prepare the budget for the next fiscal year. We need to know which projects that are already underway will continue into the next fiscal year, so that next year's budget has sufficient expenditure authority for that project. In the $10M project example above, if we've spent $6M this year, we have to include $4M in next year's budget for that project in order to continue the work and complete the project.

In the budget materials, then, items identified as "carry-forward" simply mean projects that are already underway but will continue into the next fiscal year.

With these concepts in mind, the Town's adopted CIP budget can be broken into three pieces: new spending, carry-forward, and contingency, as follows:



Not all states have this budgetary requirement, which means that cities in other states can increase their budgets at any time for any reason. They don't have to deal with the concepts of "contingency" and "carry-forward" like we do. It's a quirk of Arizona law.

QCPD Fleet Summary Report

Fleet Assignment Summary
The Queen Creek Police Department maintains a fleet of 152 vehicles, categorized as either assigned or unassigned. Assigned vehicles are designated to a specific member of the department and may or may not be authorized for take-home use. Take-home vehicles are issued to those in roles requiring on-call status or the ability to respond to incidents after normal duty hours, ensuring rapid deployment when critical situations arise. Unassigned vehicles are available for use on a pooled basis and serve varying operational functions across the department.

Fleet Inventory

Unassigned Vehicles (94 Total)

Vehicle Type	Quantity
Marked SUV	61
OD Marked SUV	3
ATV	3
Bearcat	1
Armored Van	1
Unmarked Trucks	3
Unmarked Vans	3
Unmarked SUV	18
Unmarked OD SUV	1

Assigned Vehicles (58 Total)

Vehicle Type	Quantity
Marked SUV	7
Unmarked Trucks	1
Unmarked SUV	40
Motors	10

Fleet Procurement and Replacement Strategy
Due to significant lead times and supply chain complexities associated with law enforcement vehicle procurement, the department plans fleet acquisitions well in advance. Police vehicles are often treated as long-lead items requiring strategic forecasting and scheduling. This ensures timely availability, especially for specialty models and upfitted units.

Many upcoming purchases are intended as replacements for vehicles that have met the fleet division's criteria for retirement, including age, mileage, mechanical condition, and cost-effectiveness. Other orders represent new additions required to support department growth, emerging assignments, and evolving operational needs.

Future Vehicle Orders by Fiscal Year

FY26 / FY27 – On Order (41 Vehicles)

Type	Quantity	Purpose
Tahoe Marked Units	4	New
Tahoe Marked Units	12	Replacement
Tahoe Unmarked Units	10	New
Tahoe Unmarked Units	10	Replacement
BMW Motorcycles	2	New
BMW Motorcycles	3	Replacement

FY26 / FY27 – Need to Order (39 Vehicles)

Type	Quantity	Purpose
Large Panel Van	1	New
Tahoe Marked Units	5	New
EV Blazer	1	New
Tahoe Unmarked Units	8	New
1500 CC PPV Truck	1	Replacement
Sedan/SUV (Admin Use)	1	Replacement
Tahoe Marked Units	21	Replacement
Tahoe K-9 Unit	1	Replacement

FY28 (Budgeted in FY26) – Need to Order (32 Vehicles)

Type	Quantity	Purpose
Tahoe Marked Units	3	New
Tahoe Unmarked Units	10	New
Tahoe Marked Units	5	Replacement
Tahoe Unmarked Units	14	Replacement

OUTSTANDING DEBT - GENERAL GOVERNMENT, BY PURPOSE

Purpose	Bond Series	Outstanding @ 6/30/26	FY26 Annual Payment	Interest Rate (Arbitrage Yield)	Maturity Date	Call Date
Transportation	2018A Ex Tax	41,300,000	3,110,500	3.06%	8/1/2047	8/1/2028
	2020 Ex Tax	51,155,000	3,073,050	1.86%	8/1/2050 *	8/1/2030
	2023 Ex Tax	49,625,000	2,420,000	4.09%	6/1/2027	n/a
	2024 Ex Tax	21,601,700	2,604,158	3.76%	8/1/2054	8/1/2034
		163,681,700	11,207,708			
Parks	2016 Ex Tax (2007 Ex Tax)	1,139,242	194,648	1.77%	8/1/2032	8/1/2026
	2022A Ex Tax	99,830,000	7,198,231	3.69%	8/1/2047	8/1/2032
	2022B Ex Tax	23,275,000	1,258,028	3.30%	8/1/2037	anytime
		124,244,242	8,650,907			
Police	2024 Ex Tax	36,327,200	4,379,270	3.76%	8/1/2054	8/1/2034
Fire	2020 Ex Tax	21,465,000	1,372,250	1.86%	8/1/2050	8/1/2030
	2024 Ex Tax	5,189,600	625,610	3.76%	8/1/2054	8/1/2034
		26,654,600	1,997,860			
Rec Annex	2016 Ex Tax (2005 GADA)	287,500	63,112	1.77%	8/1/2030	8/1/2026
	2016 Ex Tax (2006 GADA)	2,376,375	272,530	1.77%	8/1/2036	8/1/2026
	2016 Ex Tax (2007 Ex Tax)	260,544	44,516	1.77%	8/1/2032	8/1/2026
		2,924,419	380,158			
Town Bldgs	2016 Ex Tax (2004 GADA)	766,160	213,231	1.77%	8/1/2029	8/1/2026
	2016 Ex Tax (2007 Ex Tax)	368,534	62,967	1.77%	8/1/2032	8/1/2026
	2024 Ex Tax	1,751,500	211,088	3.76%	8/1/2054	8/1/2034
		2,886,194	487,286			
Library	2016 Ex Tax (2005 GADA)	164,701	36,155	1.77%	8/1/2030	8/1/2026
	2016 Ex Tax (2006 GADA)	1,361,359	156,124	1.77%	8/1/2036	8/1/2026
	2016 Ex Tax (2007 Ex Tax)	149,258	25,502	1.77%	8/1/2032	8/1/2026
		1,675,318	217,781			
HPEC	2016 Ex Tax (2007 Ex Tax)	1,256,251	214,641	1.77%	8/1/2032	8/1/2026
	GRAND TOTAL	**359,649,924**	**27,535,611**			

* $9,725,000 of the 2020 bonds mature on 8/1/2040

OUTSTANDING DEBT - GENERAL GOVERNMENT, BY BOND SERIES

Bond Series	Interest Rate (Arbitrage Yield)	Maturity Date	Call Date	Purpose	Outstanding @ 6/30/26	FY26 Annual Payment
2016 Ex Tax (2004 GADA)	1.77%	8/1/2029	8/1/2026	Town Bldgs	766,160	213,231
2016 Ex Tax (2005 GADA)	1.77%	8/1/2030	8/1/2026	Library	164,701	36,155
				Rec Annex	287,500	63,112
					452,201	99,267
2016 Ex Tax (2006 GADA)	1.77%	8/1/2036	8/1/2026	Library	1,361,359	156,124
				Rec Annex	2,376,375	272,530
					3,737,734	428,654
2016 Ex Tax (2007 Ex Tax)	1.77%	8/1/2032	8/1/2026	HPEC	1,256,251	214,641
				Library	149,258	25,502
				Parks	1,139,242	194,648
				Rec Annex	260,544	44,516
				Town Bldgs	368,534	62,967
					3,173,829	542,274
2018A Ex Tax	3.06%	8/1/2047	8/1/2028	Transportation	41,300,000	3,110,500
2020 Ex Tax	1.86%	8/1/2050	8/1/2030	Fire	21,465,000	1,372,250
	1.86%	8/1/2050 *	8/1/2030	Transportation	51,155,000	3,073,050
					72,620,000	4,445,300
2022A Ex Tax	3.69%	8/1/2047	8/1/2032	Parks	99,830,000	7,198,231
2022B Ex Tax	3.30%	8/1/2037	anytime	Parks	23,275,000	1,258,028
2023 Ex Tax	4.09%	6/1/2027	n/a	Transportation	49,625,000	2,420,000
2024 Ex Tax	3.76%	8/1/2054	8/1/2034	Fire	5,189,600	625,610
				Police	36,327,200	4,379,270
				Town Bldgs	1,751,500	211,088
				Transportation	21,601,700	2,604,158
					64,870,000	7,820,126
				GRAND TOTAL	**359,649,924**	**27,535,611**

* $9,725,000 of the 2020 bonds mature on 8/1/2040

TOWN OF QUEEN CREEK ARIZONA

TO: **HONORABLE MAYOR AND TOWN COUNCIL**

FROM: **MOHAMED YOUSSEF, PUBLIC WORKS DIRECTOR**

RE: **PRESENTATION AND DISCUSSION OF THE MOBILITY OPTIONS AND CONNECTIVITY FEASIBILITY STUDY**

DATE: **May 7, 2025**

Suggested Action:

The Mobility Options and Connectivity Feasibility Study is presented for discussion only.

Relevant Council Goal(s):

Quality Lifestyle - Alternative options for travel.

Discussion:

The Town of Queen Creek, in partnership with the Maricopa Association of Governments (MAG) and Jacobs Engineering, is conducting a Mobility Options and Connectivity Feasibility Study to explore opportunities to enhance travel options within the Town and its planning area.

The Queen Creek Mobility Options and Connectivity Feasibility Study reviewed innovative and context sensitive mobility options to enhance multimodal mobility and connectivity in the Town. The study evaluated seven (7) different mobility options:
1. Transportation Network Company (TNC) Partnerships
2. Microtransit
3. Micromobility
4. Mobility Hubs
5. Robotaxis
6. Autonomous Shuttles
7. Mobility as a Service (MaaS)

The central component of this study is an Attitude and Awareness Survey (the Survey). We conducted the Survey over six months, from May to October 2024. A multipronged survey recruitment strategy resulted in a statistically valid response rate, with a total of 1,155 responses received. Notably, 96% of these responses came from Queen Creek residents. The survey provided valuable insights into resident interest in various mobility options, their awareness of different mobility options, their comfort levels with different modes of transportation, and their perceptions of the existing transportation in the Town. The rich data gathered from this survey formed a cornerstone of our recommendations.

Key findings from the survey included:
1. 90% indicated that having their own vehicle is important
2. 57% indicated that available transportation options are adequate
3. 40% are familiar with the different mobility options
4. 30% are interested in an OnDemand mobility option

In addition to the community input, the study examined how peer agencies have implemented the identified mobility options. This review provided insights into implementation feasibility, potential

challenges, and best practices that the Town could adopt. The study team also explored various operations and partnership models to ensure the long-term sustainability and effectiveness of any recommendations.

This study recommends near-term mobility options for the Town to consider implementing:

- An OnDemand mobility option like a TNC partnership or Micro transit alongside mobility hubs.
- Education and outreach campaigns for the safe operation of resident-owned micro mobility devices.

Other mobility solutions reviewed in this study may warrant consideration in the future, contingent on technological advancements. The study report will also include preliminary implementation costs and potential funding sources for near-term options.

Staff is seeking feedback from Council on the study's recommendations, which will be incorporated into the final reports to ensure the strategies align with the Town's vision and community needs.

Attachment(s):

1. Presentation

MARICOPA ASSOCIATION of GOVERNMENTS

TOWN OF QUEEN CREEK ARIZONA



Queen Creek

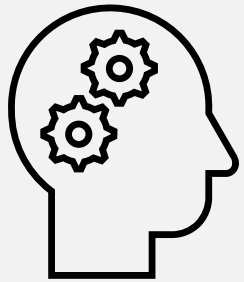
Mobility Options and Connectivity Study

Town of Queen Creek
Town Council Meeting
May 7, 2025

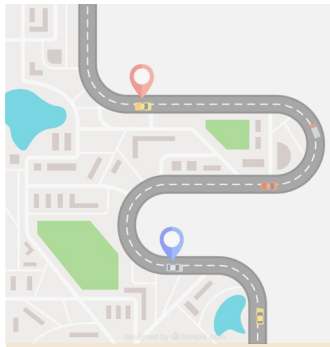
Study Overview

- Study Objectives:
  - Identify key mobility-related issues, concerns, and opportunities.
  - Explore opportunities to improve multimodal mobility.
  - Attitudes and awareness of existing and new mobility options (survey).
  - Strategies to improve mobility options.
  - Develop an implementation roadmap.
- Project Website: www.azmag.gov/queencreekmobility.

Attitudes and Awareness Survey - Overview



Attitudes and Preferences



Current travel patterns



Opinions and perception of mobility options



Background information

Queen Creek residents constituted ~95% of the respondent sample (self reported)

- Residents: 1,105
- Non-residents: 61 (excluded from analysis)

Vision and Goals Summary

Vision: Create a seamless, efficient, and safe transportation system by integrating innovative, context-sensitive mobility options to reduce congestion and improve connectivity.

- Provide Reliable Mobility Options to Reduce Congestion
- Explore Alternate Modes of Transportation for Trips within Town Limits
- Implement Pilot Program(s)
- Increase Awareness
- Monitor Utilization
- Improve Safety
- Identify Potential Funding Options

Draft Mobility Options for Consideration

Near-Term Considerations	Future Considerations
1. TNC Partnerships 2. Microtransit 3. Micromobility (Resident Ownership) Education and Awareness Campaign 4. Mobility Hubs	1. Shared Micromobility (Vendor Partnerships) 2. Robotaxis 3. Circulator Shuttles 4. Autonomous Vehicle Shuttles 5. Mobility as a Service (MaaS)

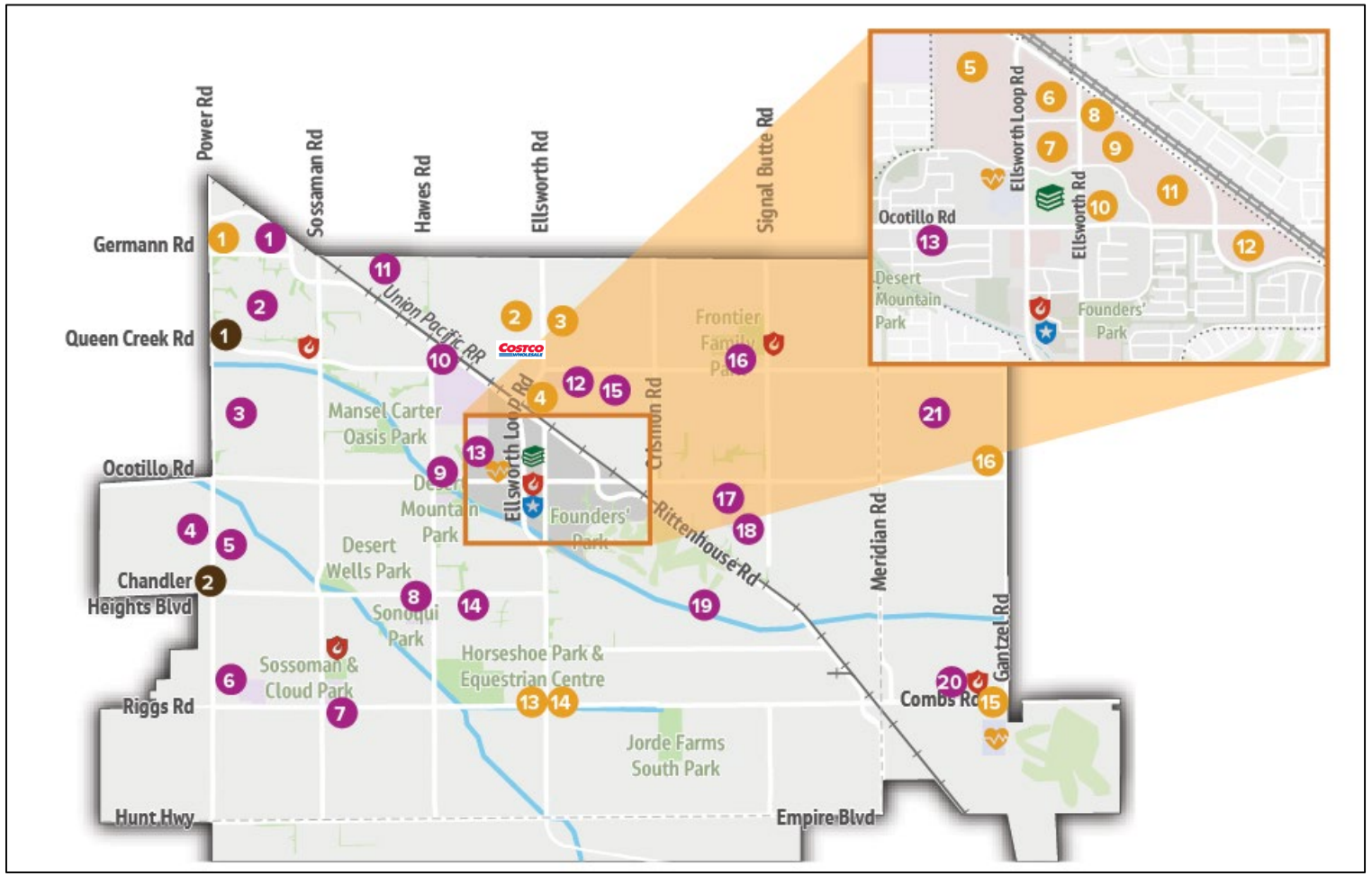
TNC Partnerships

Transportation Network Companies (TNCs) are firms that operate on-demand taxi services with users through a mobile app. These firms typically do not own the vehicles, but partner with vehicle owners who are willing to operate their vehicle under the company's brand. In a TNC partnership, TNCs partner with public agencies to provide discounted rides in predefined service areas.

- Objective: To offer a convenient, efficient, and a demand-responsive transportation service that adapts to riders' needs and schedules.
- TNC Partnership program will align with the following goals:
  - Provide reliable mobility options
  - Explore alternate modes of transportation for trips within Town limits
- Actions for implementation:
  - Plan and implement a pilot program
  - Monitor utilization
  - Increase awareness
  - Identify potential funding options



TNC Partnerships – Service Area



Points of Interest

Schools

1. Benjamin Franklin High School
2. Cortina Elementary School
3. Sossaman Middle School
4. Chandler Elementary School
5. Benjamin Franklin Charter School
6. Chandler High School
7. Newell Barney Middle School
8. American Leadership Academy Elementary
9. Desert Mountain Elementary School
10. Canyon State Academy
11. Heritage Academy
12. Queen Creek Middle School
13. Cambridge Academy
14. Queen Creek Elementary School
15. Jack Barnes Elementary
16. Ben Franklin Charter School
17. Queen Creek High School
18. American Leadership Academy- Buttes
19. Frances Brandon Pickett Elementary
20. American Leadership Academy (E & HS)
21. Legacy Traditional School

Shopping Center

1. Power Marketplace
2. QC Crossing
3. Shops at Terravella
4. QC Station
5. QC Marketplace
6. QC District
7. QC Fiesta
8. QC Crossroads
9. Heritage Square
10. QC Village Center
11. Cornerstone
12. Shops at Indigo Trails
13. Pecan Plaza
14. QC Commons
15. Vineyard Town Center
16. Ironwood Crossing

Grocery Store

1. Safeway Center
2. Basha's Center

Hospital

Police Station

Fire Station

Library

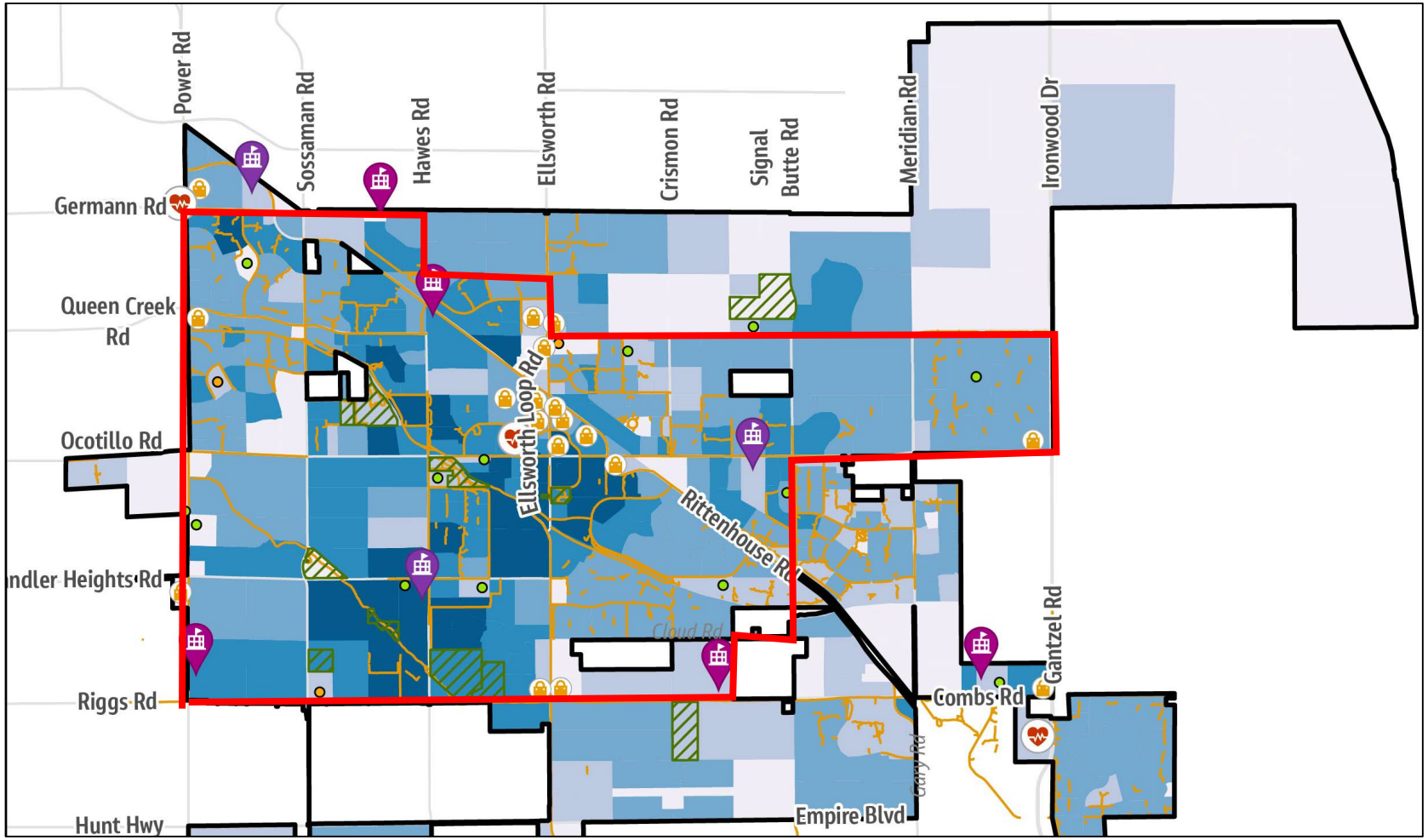
Microtransit



Microtransit is a technology-enabled service typically using multi-passenger vehicles, such as minivans, to provide app based, demand-responsive, shared rides with dynamic routing.

- Objective: To offer a convenient, efficient, and a demand-responsive transportation service that adapts to riders' needs and schedules.
- Microtransit program will align with the following goals:
  - Provide reliable mobility options and alleviate congestion
  - Explore alternative modes of transportation for local trips
  - Implement pilot and monitor utilization
- Actions for implementation:
  - Plan and implement a pilot program
  - Monitor utilization
  - Increase awareness
  - Identify funding

Microtransit – Potential Zone and Cost



Service Area: 18.9 Sq. Mi

Total Population: 55,839

Total Employment: 12,192

Town of Queen Creek

Total Population: 84,704

Total Employment: 19,124

Micromobility



Micromobility is any small, low-speed, human- or electric-powered transportation device, including bicycles, scooters, electric assist bicycles, electric scooters, and other small, lightweight, wheeled conveyances.

- Objective: Implement education and awareness campaigns for safe use of ***resident-owned*** micromobility devices.
- Micromobility program will align with the following goals:
  - Explore alternative modes of transportation for trips within Town limits
  - Improve safety
  - Promote awareness
- Actions for implementation:
  - Provide guidelines for safe operation of resident-owned devices
  - Promote awareness about the Town's micromobility ordinance
  - Identify potential micromobility parking areas
  - Ensure adequate micromobility parking infrastructure at key activity centers

Micromobility

- Education and Awareness Campaign
  - Promote awareness about local Town ordinance
  - Promote safe operations and parking etiquette
  - Utilize a variety of platforms to reach diverse audiences
- Infrastructure and Monitoring
  - Designate safe operations zones and parking areas
  - Install parking corrals at key activity centers
  - Registration program (optional) for resident owned devices

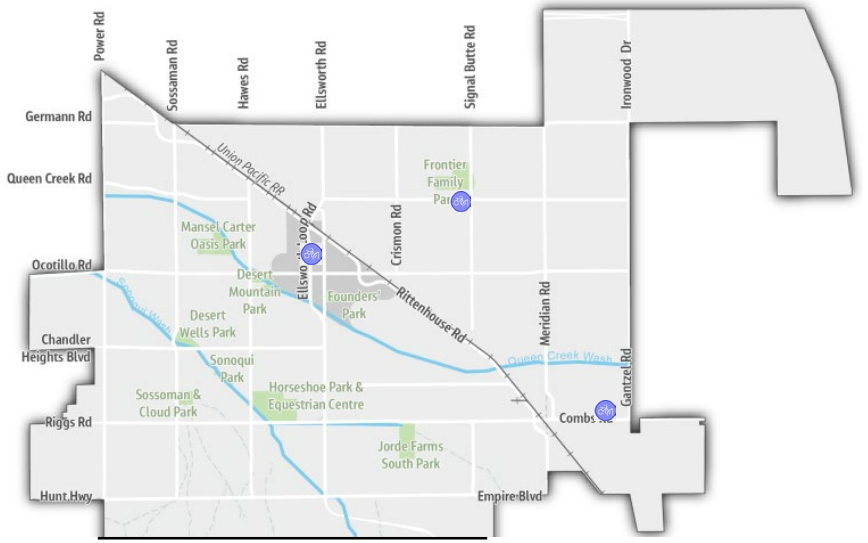
Mobility Hubs

Mobility Hubs are centralized areas intended to connect various modes of travel, both physically by providing spaces for multiple modes of travel and digitally via network and data-sharing platforms.

- Objective: To co-locate OnDemand mobility services with designated micromobility parking areas. Mobility hubs can be implemented after the OnDemand service (TNC partnership/Microtransit).

- Mobility hubs program will align with the following goals:
  - Explore alternative modes of transportation for trips within Town limits
  - Provide reliable mobility options and reduce congestion
  - Promote awareness

- Actions for implementation
  - Plan and implement a pilot program for TNC/microtransit
  - Designate safe operation zones and parking areas for micromobility
  - Site mobility hubs at key locations



Conclusions and Next Steps

- Conclusions
  - Study identified four near-term mobility options
  - Identified mobility options provide alternative mode choices for trips within the town
  - Implementation will require local funding
  - Pilot programs will allow further evaluation and refinements
- Study Next Steps
  - Refine mobility options and implementation plan
  - Virtual community outreach through the project website
  - Provide input to the ongoing Transportation Master Plan
  - Project completion – End of June 2025

THANK YOU

Hannah Quinsey, MAG Project Manager
HQuinsey@azmag.gov
www.azmag.gov/queencreekmobility



Capital Improvement Projects Update



Dave Lipinski PE, CIP Dept. Dir.

10-Year IIP Roadway Projects
2018-2027

Key

= Completed Project

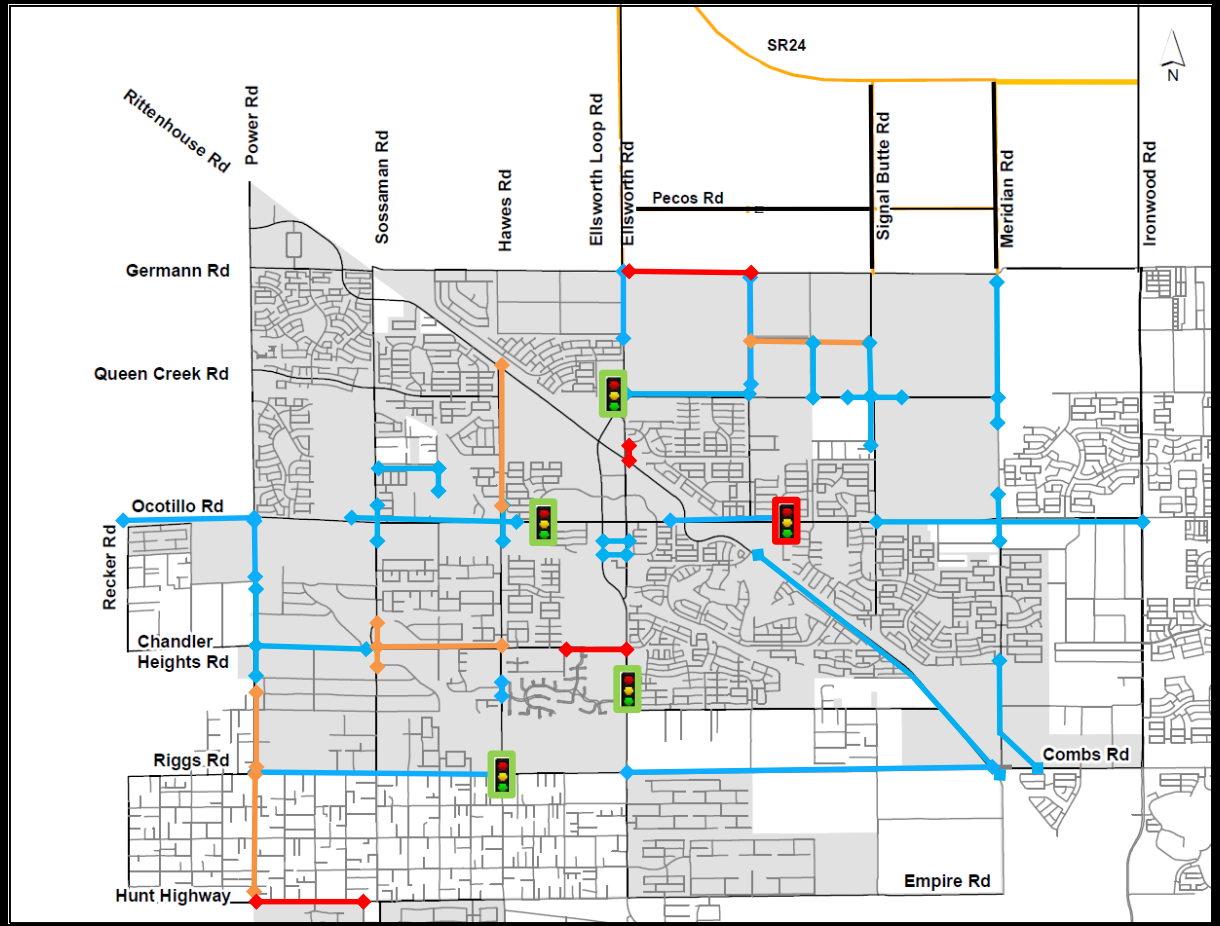
= Active Project

= Remaining Project

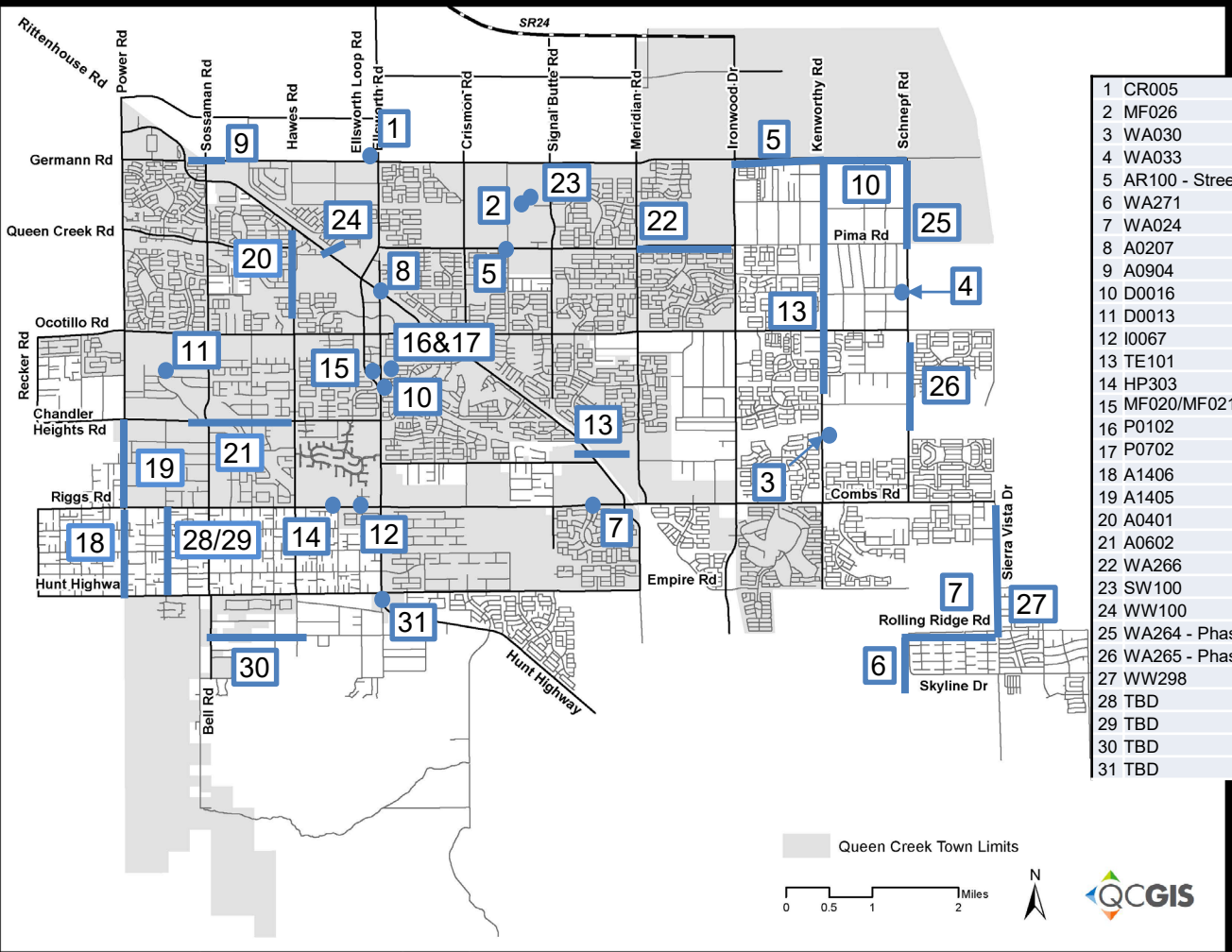
Traffic Signal Completed

Traffic Signal Future

Completed	72%
Active	11%
Remaining	17%

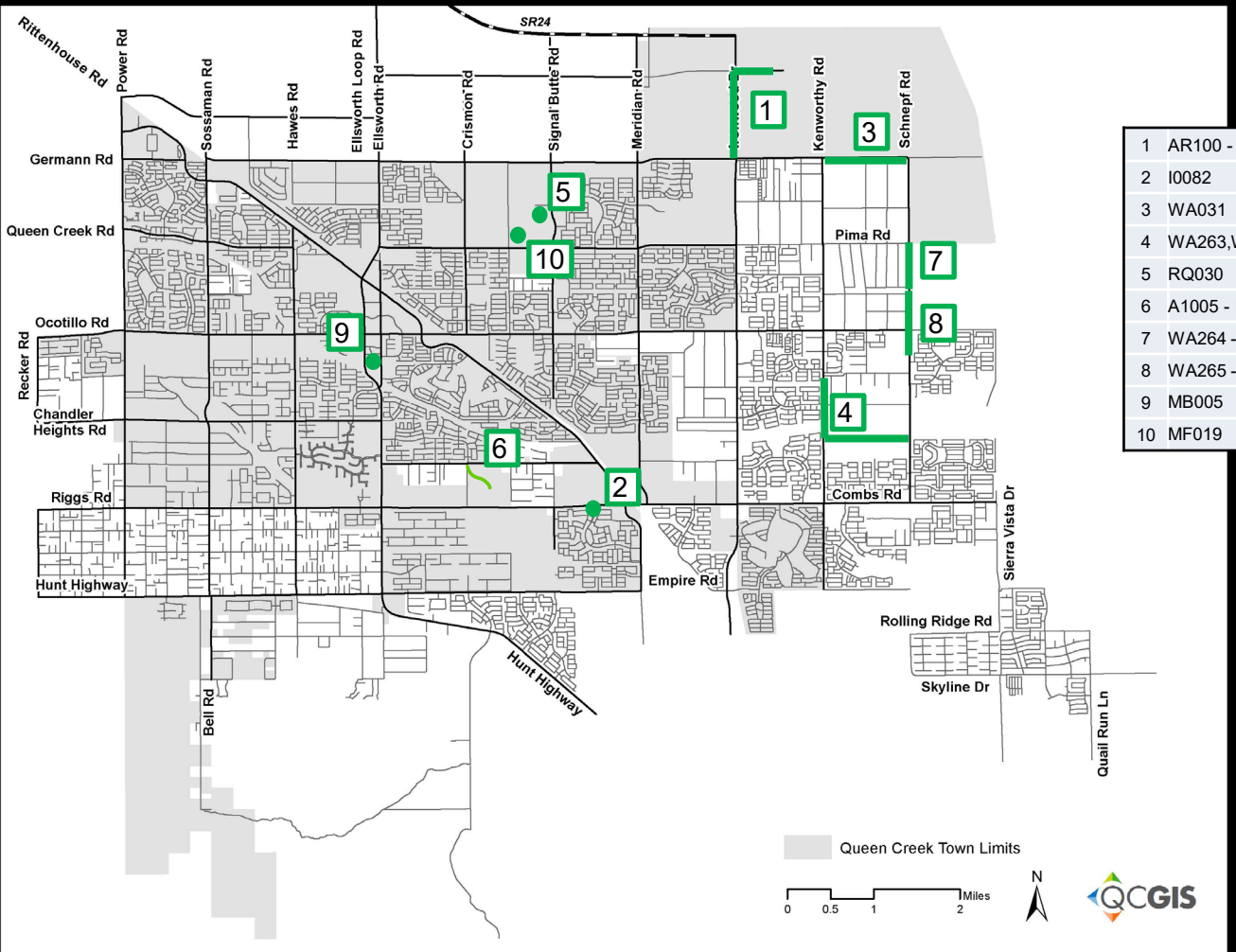


CIP Projects – In Design



1	CR005	Town Monument Sign Relocation @ Ells&Germann
2	MF026	Fleet Maintenance Facility
3	WA030	Wales Ranch Ridge (Kenworthy Pit Site)Tank
4	WA033	Main Plant Tank and Booster
5	AR100 - Streets	Germann Rd
6	WA271	Schnepf Rd 12" WL - Skyline to Rolling Ridge
7	WA024	Rolling Ridge 16" WL - Skyline to Sierra Vista
8	A0207	Ellsworth Rd - Rittenhouse to UPRR
9	A0904	Sossaman/Germann/UPRR Crossing Improv
10	D0016	QC Wash Trail Under Ellsworth Rd Bridge
11	D0013	Via Del Jardin Wash Crossing
12	I0067	Traffic Signal - Riggs & 206th St
13	TE101	QC Wash Trail - Rittenhouse to Meridian
14	HP303	HPEC Marquee Sign Replacement
15	MF020/MF021	Public Safety Complex (PDHQ) Expansion
16	P0102	Founders Park Playground Replacement
17	P0702	Founders Park Dog Park Relocation
18	A1406	Power Rd - Riggs Rd to Hunt Hwy
19	A1405	Power Rd - Chandler Heights to Riggs Rd
20	A0401	Hawes Rd - Rittenhouse Rd to Jude Dr
21	A0602	Chandler Heights Rd- Sossaman to Hawes Rd
22	WA266	Pima Rd West Well Trans. & Dist. Line
23	SW100	Recycle Center Relocation
24	WW100	Sewer Crossing of UPRR at QC Rd Alignment
25	WA264 - Phase 3B	Schnepf Rd: Pima to Germann
26	WA265 - Phase 2B	Schnepf Rd: QC Wash to Ocotillo
27	WW298	Sierra Vista Rd 12" Waterline
28	TBD	Lime Road 16in Waterline - Riggs to Hunt Hwy
29	TBD	Lime Rd-SanTan Blvd-Sossaman 15in Sewer
30	TBD	Sundance Drive Waterline
31	TBD	Ellsworth Rd @ Riggs - RCBC Leak Study

CIP Projects – In Construction



1	AR100 - Streets	Ironwood, Pecos, Kenworthy
2	I0082	Traffic Signal - Riggs Rd & Harvest Lake Dr
3	WA031	Germann Rd Waterline (24")
4	WA263,WA294	Kenworthy Rd & Redfern Alignment WLs (16")
5	RQ030	MultiGen Rec Ctr & Aquatics Ctr
6	A1005 - Part 2	Crismon Rd - Riggs Rd to Cloud Rd - Ph 2&3
7	WA264 - Phase 3A	Schnepf Rd: Main Plant to Pima
8	WA265 - Phase 2A	Schnepf Rd: Ocotillo to Main Plant
9	MB005	MSB Chiller/AHU Replacement
10	MF019	Public Safety Complex

A1005: Crimson Rd: Riggs Rd to Cloud Rd



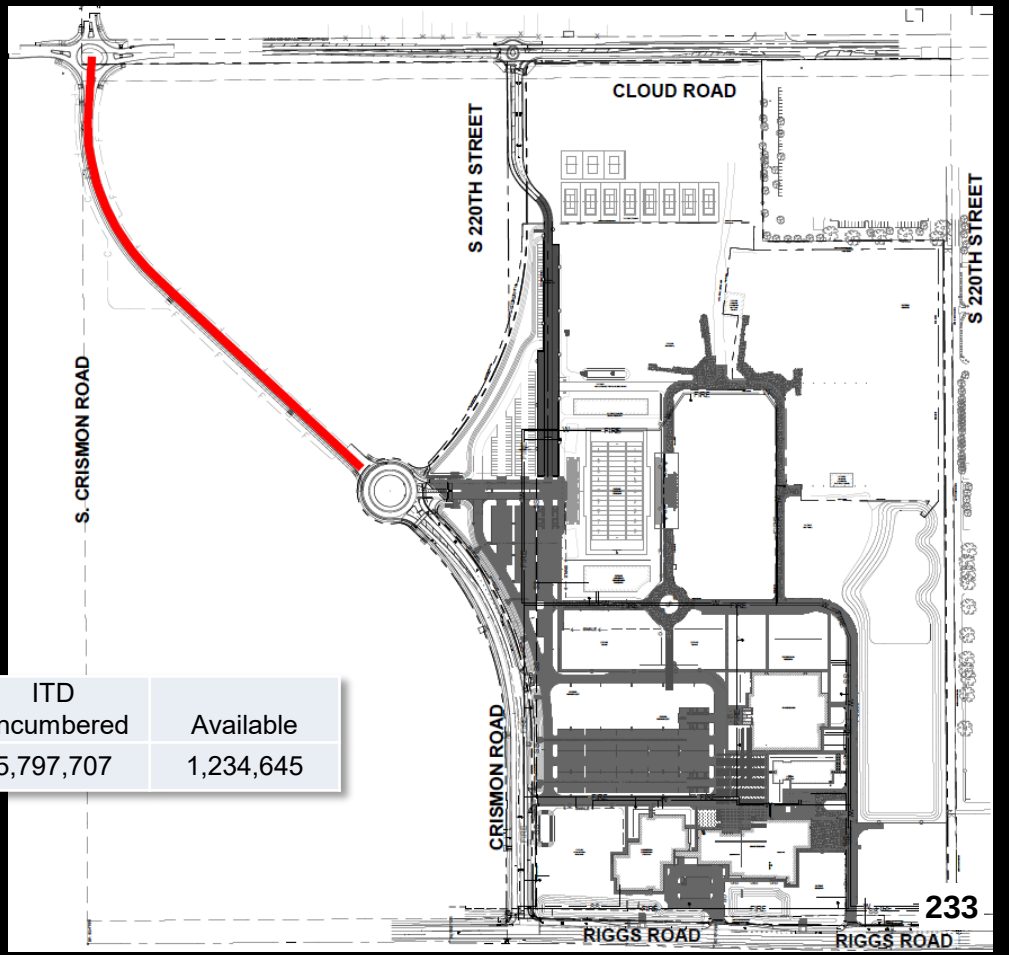








ITD Budget	ITD Expended	ITD Encumbered	Available
10,700,000	3,667,648	5,797,707	1,234,645



A1005: Crimson Rd: Riggs Rd to Cloud Rd





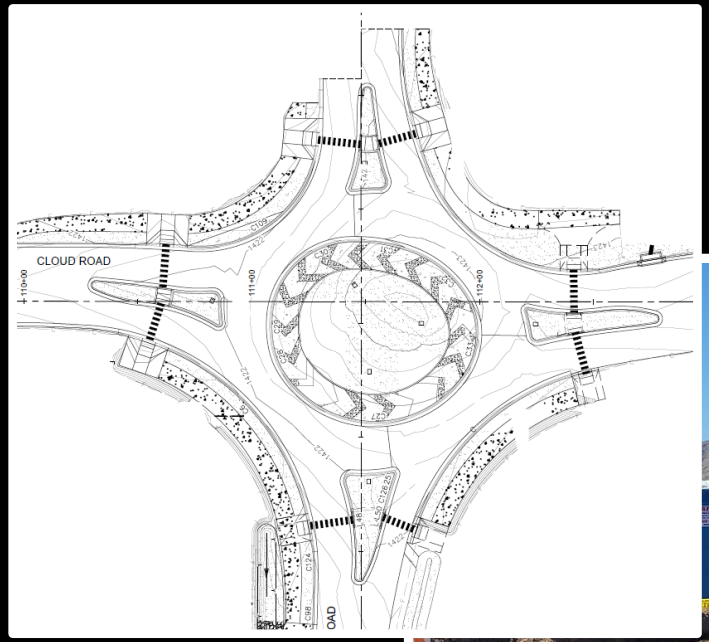








A1005: Crimson Rd: Riggs Rd to Cloud Rd





A1005: Crimson Rd: Riggs Rd to Cloud Rd







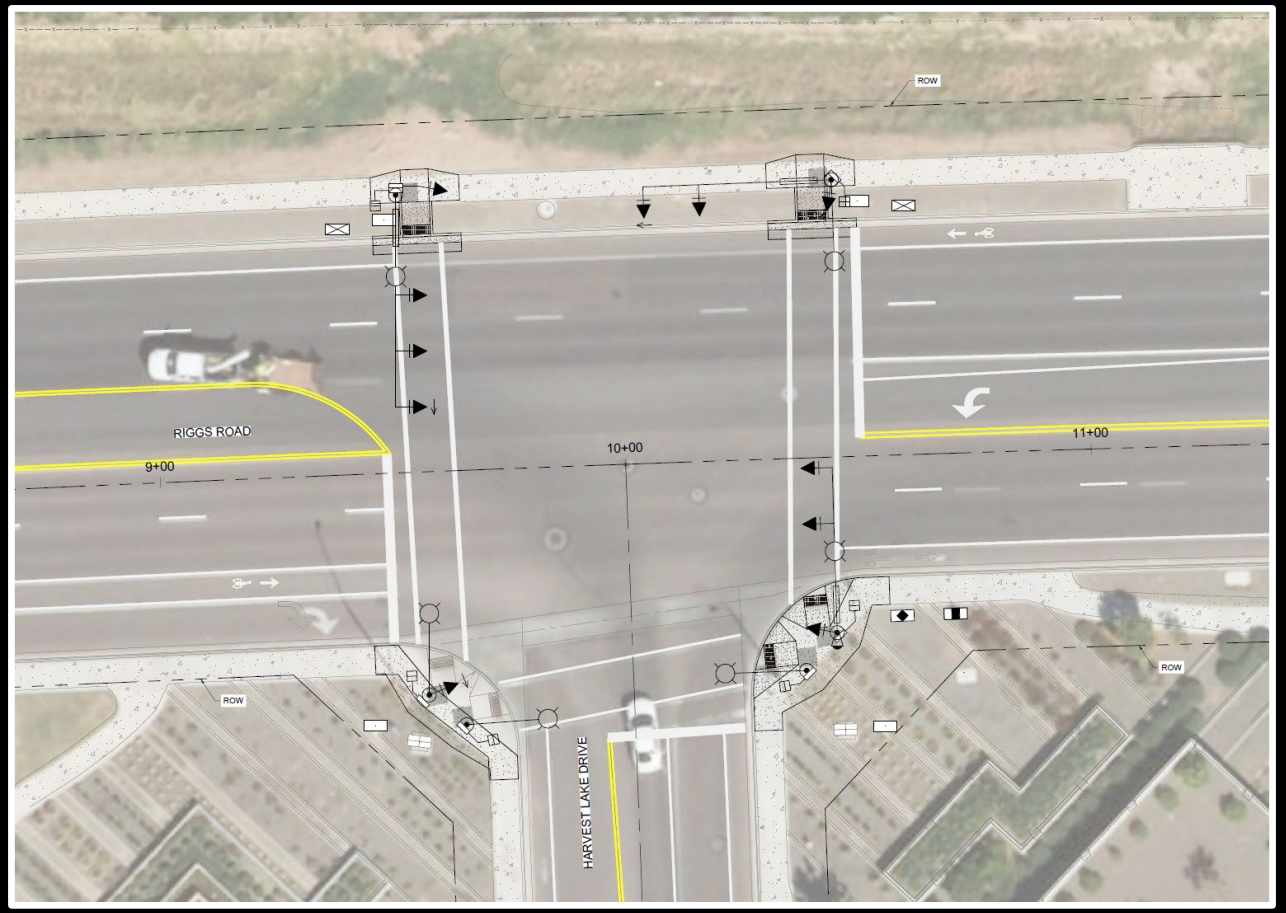








I0082 – Traffic Signal: Riggs Rd and Harvest Ln



Construction start 4/28/25

- Hardscape completion late June
- Signal installation October

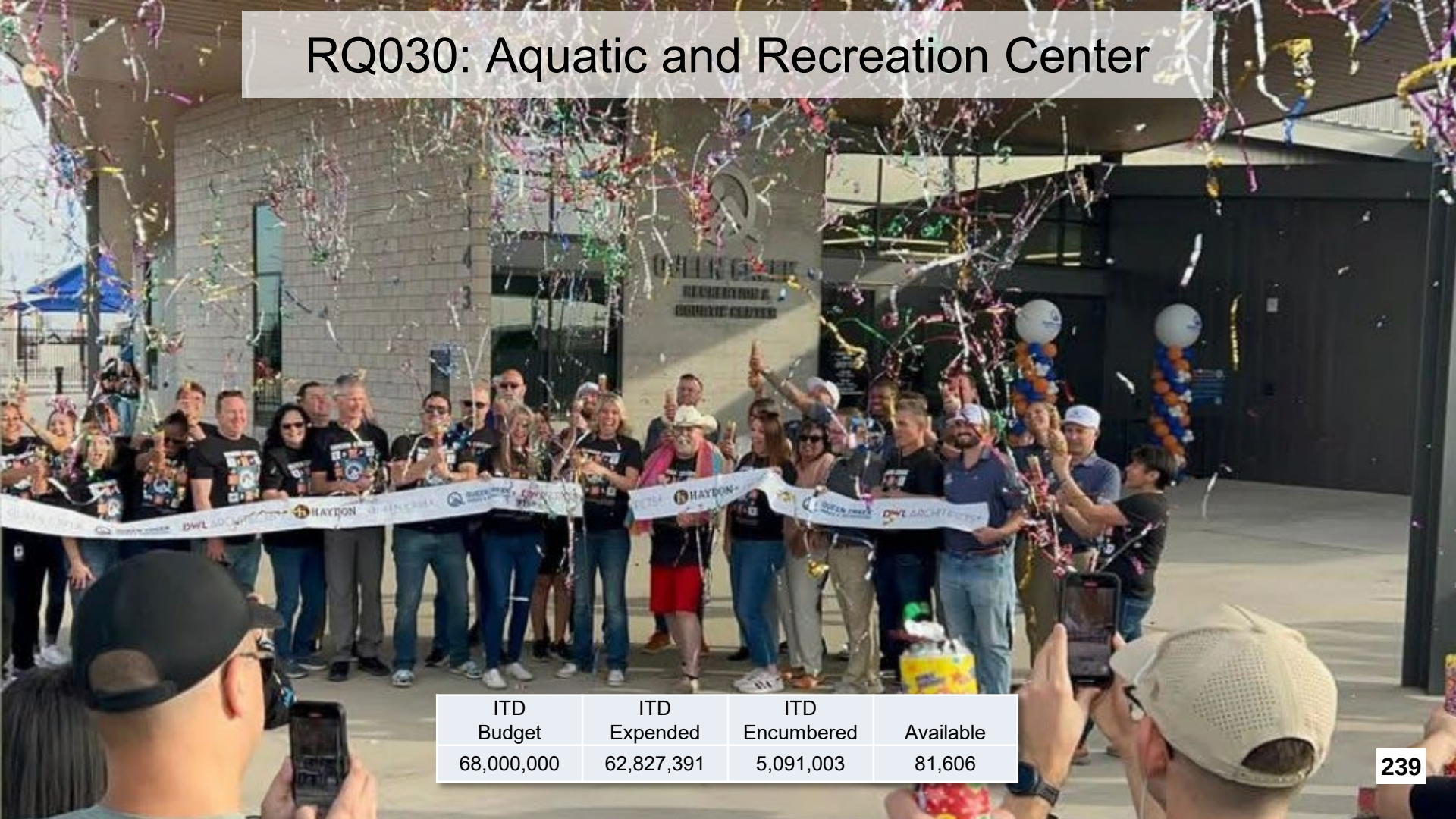
Long lead items:

- Poles – 16 weeks
- Meter pedestal – 42 weeks
- Controller – 30+ weeks



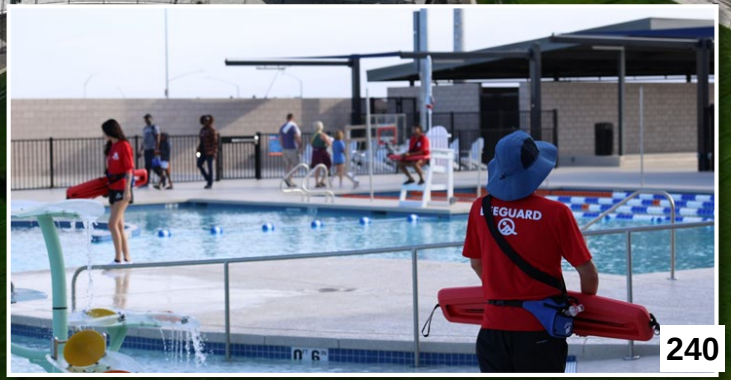


RQ030: Aquatic and Recreation Center

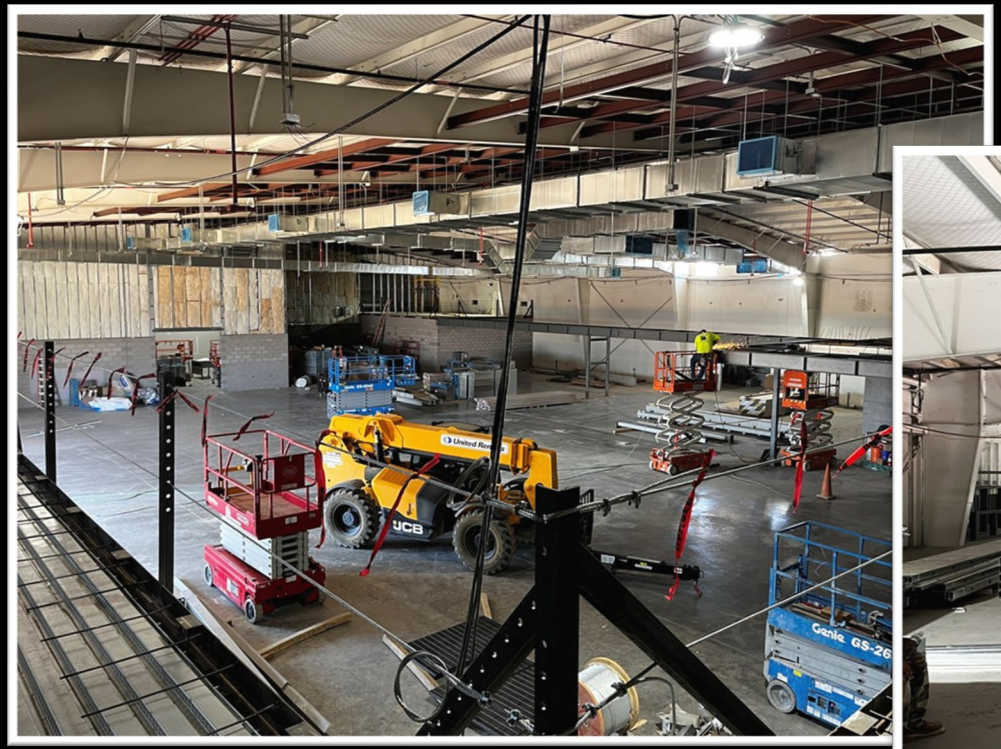


ITD Budget	ITD Expended	ITD Encumbered	Available
68,000,000	62,827,391	5,091,003	81,606

RQ030: Aquatic and Recreation Center



MF019: Public Safety Complex #1 PD/Fire





ITD Budget	ITD Expended	ITD Encumbered	Available
64,998,436	31,956,873	32,490,886	550,677

MF019: Public Safety Complex #1 PD/Fire





MF019: Public Safety Complex #1 PD/Fire

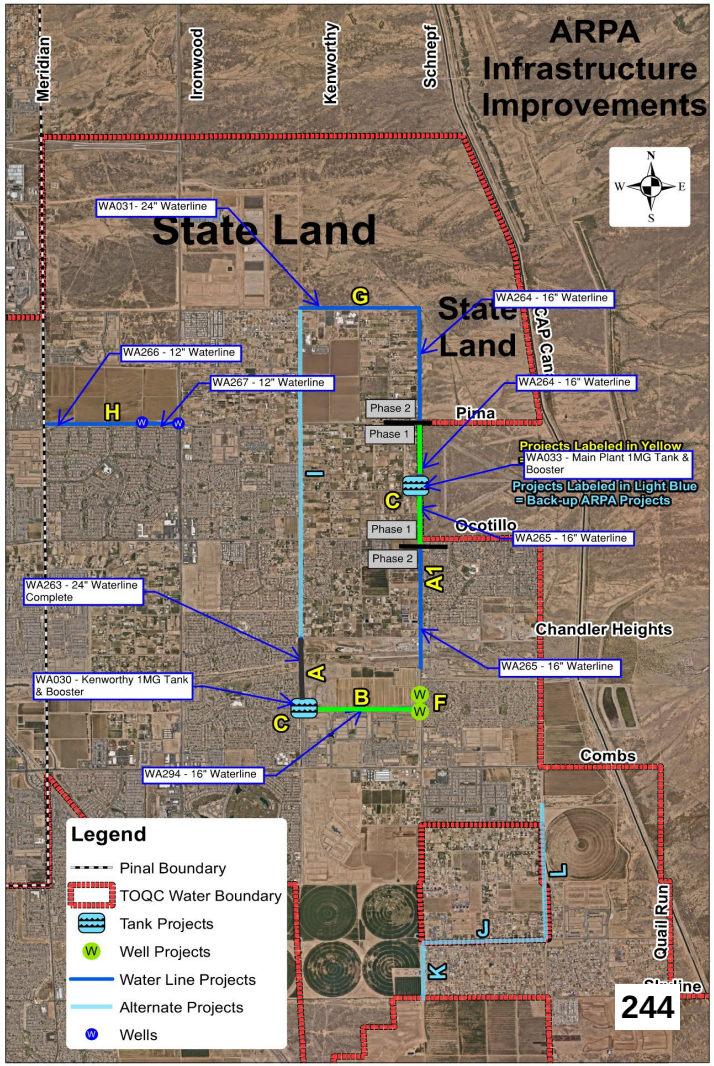




ARPA Funded Projects

Grant Agreement Main Project List as Amended					
Town Project Number	Revied Description	ITD Budget	ITD Expended	ITD Encumbered	Available
WA263	Kenworthy Redfern To Chandler Heights	$ 3,210,001.00	$ 1,843,433.00	$ 1,577,489.00	$ (210,921.00)
WA264	Phase 1 - Main Plant to Pima Road	$ 5,400,000.00	$ 97,382.00	$ 2,820,877.00	$ 2,481,741.00
WA264	Phase 2 - Pima to Germann Road				
WA265	Phase 1 - Main Plant to Ocotillo	$ 5,400,000.00	$ 95,155.00	$ 2,848,038.00	$ 2,456,807.00
WA265	Phase 2 - Ocotillo to QC Wash				
WA294	Home Place: Kenworthy to Schnepf	$ 2,100,000.00	$ 627,803.00	$ 1,170,277.00	$ 301,920.00
WA030	Wales Ranch Ridge Site Tank & Booster	$ 4,000,000.00	$ 108,671.00	$ 1,988,530.00	$ 1,902,799.00
WA033	New Main Plant 1MG Tank & Booster	$ 4,000,000.00	$ 64,551.00	$ 2,456,993.00	$ 1,478,456.00
TBD	Recharge Improvements	$ 80,665.00			$ 80,665.00
WA290	Home Place East Well	$ 1,750,000.00	$ 1,075,803.00	$ 245,859.00	$ 428,338.00
WA292	Home Place South Well	$ 1,750,000.00	$ 1,107,715.00	$ 328,498.00	$ 313,787.00
WA031	Germann Road: Kenworthy to Schnepf	$ 4,400,000.00	$ 614,277.00	$ 4,310,214.00	$ (524,491.00)
WA266	Pima Road: Barney Tank to Well	$ 2,200,000.00	$ 39,286.00	$ 117,846.00	$ 2,042,868.00
WA267	Pima Road: West Well to Ironwood Well	$ 797,535.00	$ -	$ -	$ 797,535.00
		$ 35,088,201.00	$ 5,674,076.00	$ 17,864,621.00	$ 11,549,504.00

Grant Alternate Project List					
Town Project Number	Revied Description	ITD Budget	ITD Expended	ITD Encumbered	Available
WA263	Design Complete				
WA024	Rolling Ridge: Scnepf to Sierra Vista	$ 170,720.00	$ -	$ 155,200.00	$ 15,520.00
WA271	Schnepf: Hasknife to Skyline	$ 164,243.00	$ 37,742.00	$ 116,261.00	$ 10,240.00
WA298	Sierra Vista: Skyline to 1/2 Mile				
		$ 334,963.00	$ 37,742.00	$ 271,461.00	$ 25,760.00
	Totals	$ 35,423,164.00	$ 5,711,818.00	$ 18,136,082.00	$ 11,575,264.00



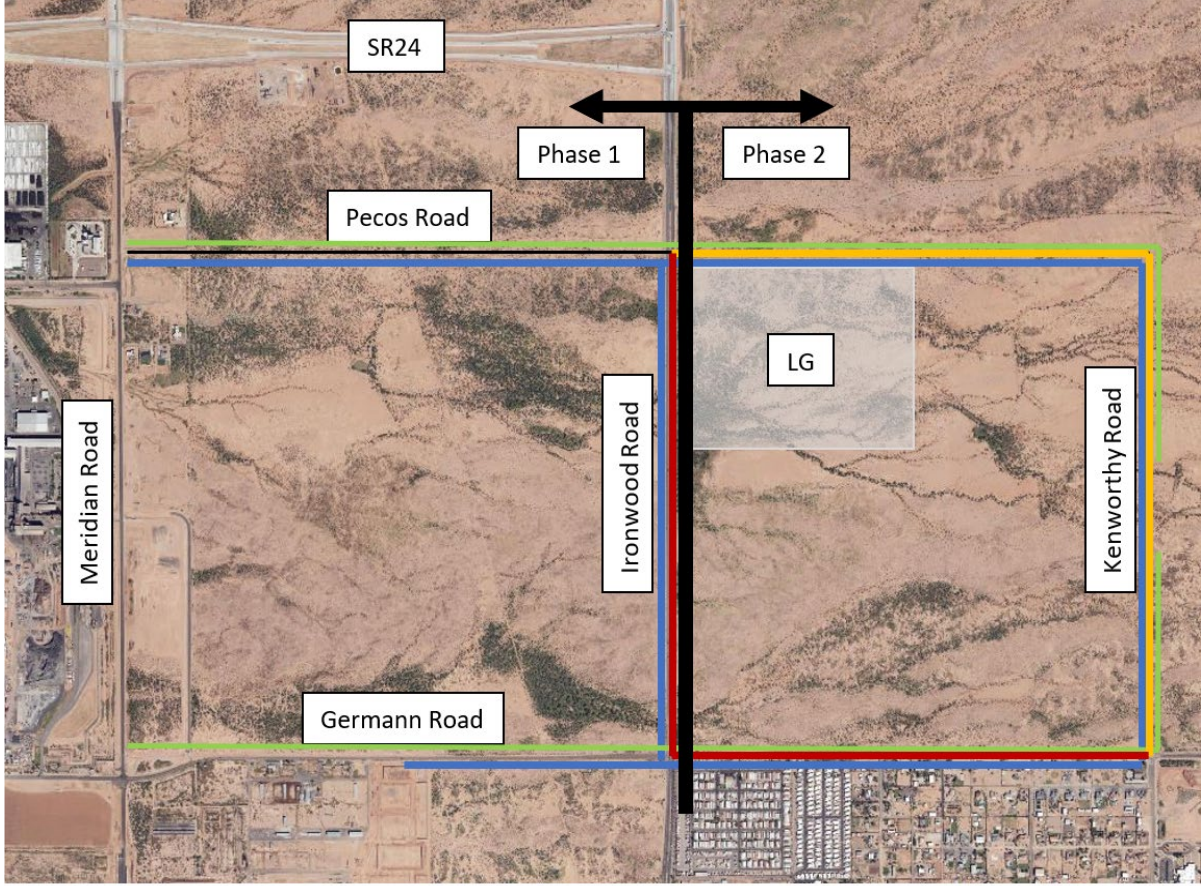
ARPA Funded Projects





AR100: ASLD Infrastructure

ITD Budget	ITD Expended	ITD Encumbered	Available
94,113,722	39,147,524	15,464,506	39,501,691



Ironwood Drive and Pecos Road Intersection



Ironwood Road Paving





Ironwood Road Base Course Paving

- Monday, April 28, 2025
- 10 hours – 1,600+ tons of asphalt placed

LG – Site Development



LG – Site Development













Questions?