



Purpose

To provide the City of Phoenix Water Services Department (WSD) and Development Services Department (DSD) procedures for water and sewer repayment agreements.

Background

The water main repayment policy of the City for developer constructed water main extensions is described in Sections 37-35, 37-36, 37-37, and 37-38 of the Phoenix City Code. The sewer main repayment policy of the City for developer constructed sewer main extensions is described in Section 28-23 of the Phoenix City Code.

Procedures

1. Repayment Agreements for water and sewer mains 12-inches in diameter and below will be initially processed by the Development Services Department (DSD), Water Services Counter, 200 W. Washington St., 2nd Floor, Phoenix, AZ, 85003, phone 602-262-6551.

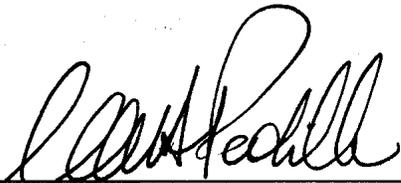
Repayment Agreements for water and sewer mains larger than 12-inches in diameter, for wastewater lift stations, and for all mains located outside Phoenix City limits will be initially processed by the Water Services Department (WSD), Technical Support Counter, 200 W. Washington St., 8th Floor, Phoenix, AZ, 85003, phone 602-495-5601.

2. If a developer will be constructing an approach main, the City's DSD or WSD plan reviewer, during initial plan review, will provide a copy to the developer's engineer of this procedure and a form (Attachment A) for the developer to fill out indicating preference for a repayment agreement or a standard agreement.
3. Repayment agreements must be requested in writing from the developer. The developer will fill out a form indicating preference for either a standard agreement or repayment agreement for the approach main, sign the form, and submit to their plan reviewer prior to plan approval.
4. WSD will make the final determination of whether the approach main is eligible for a repayment agreement. The costs of water and/or sewer mains within the boundary of the development are not eligible for repayment.
5. The developer's engineer shall submit the following documents for the approach main that is subject to repayment agreement. Repayment agreements will not be processed prior to the submission of all of these documents.
 - a. Engineering plans and specifications
 - b. An exhibit for the agreement showing the proposed repayment area or frontage. Exhibit C-1 shall be used for water repayment agreements and shall show the water repayment area on a front footage basis. Exhibit C-2 shall be used for sewer repayment agreements and shall show the sewer repayment area using local drainage conditions on an acreage basis. Instructions on preparing the exhibits and sample exhibits are included in Attachment B.

This publication can be made available in alternate formats (Braille, large print or digital media) upon request. Contact Planning and Development Department at (602) 262-7811 voice or (602) 534-5500 TTY.

- c. Water and/or Wastewater design report in accordance with the WSD Design Standards Manual Section 5.2.2. The wastewater design report will provide the justification and the criteria for the benefited drainage area.
 - d. A bid form (Attachment C) showing the repayment items and quantities.
6. As per Section 28-23 of the Phoenix City Code, if a developer will also be receiving impact fee credits for the approach main (typically for sewer mains greater than 18-inches in diameter that are part of the City's Impact Fee Infrastructure Finance Plan), then the credits for impact fees will be allocated based on the proportional allocation of costs as specified in the repayment agreement. The developer may reduce the repayment amount in order to receive a larger allocation of the impact fee credits. The developer must request this in writing to WSD and provide the repayment reduction amount prior to the preparation of the agreement.
7. After City approval of 5a-d above, the developer shall submit a minimum of three (3) sealed bids for the construction of the approach main to DSD Water Services Counter (mains 12-inches in diameter and less) or WSD (mains greater than 12-inches in diameter, lift stations, or all mains outside City limits). Unit pricing shall be shown on all bids. These bids will be opened by the City on a predetermined date agreeable to the developer and the City. The developer or a representative must be present for the bid opening. The developer shall contact the City at least one week prior to schedule the desired bid opening date. The City reserves the right to reject any or all bids. The developer shall choose one of the contractors whose bid is opened to perform the work.
8. Per City Code Section 37-37 and Section 28-23, engineering costs for the repayment approach main can be added to the total project cost. Engineering costs shall not exceed 10 percent of the low bid cost. The developer shall submit documentation of engineering costs to the City on the Engineer's letterhead with signed and dated seal.
9. The City department that is initially processing the repayment agreement will prepare the bid tabulation and calculate the total project cost, the developer's share of the cost, the repayment amount, and the connection charge for future connections.
10. After the low bid has been established and the connection charge determined, the City will prepare a water and/or wastewater repayment agreement. The developer shall sign and notarize the agreements and return all four copies to the City department that is initially processing the repayment agreement.
11. The developer shall provide a copy of the signed contract with the contractor that will be constructing the approach main to the City department that is initially processing the repayment agreement. The contract shall show the contract amount for the repayment approach main. The date the repayment period begins is the date the developer signs the repayment agreement.
12. DSD Water Services Counter will issue permits for the approach main upon receipt of the signed repayment agreements, construction contract, payment or posting of appropriate bonds, a Grading and Drainage permit, resolution of holds, and contractor license and insurance information. The developer will be required to pay an administrative fee for each repayment agreement at the time of permit issuance. Permits for projects eligible for repayment will not be issued prior to bid openings and acceptance of agreement.

13. The City department that is initially processing the repayment agreement will return one copy of the executed agreement to the developer.
14. Upon construction completion and acceptance, the approach main or facility will become property of the City. The City will have exclusive control of connections to the proposed approach main.
15. DSD Water Services Counter will collect a connection charge from anyone who subsequently connects into and obtain service from the approach main and is located in the benefited area shown on Exhibit C-1 or C-2.
 - a. A direct connection to a water approach main will be charged on a cost per front footage basis. This connection charge is determined by the cost per front foot as written in the agreement.
 - b. A connection to a sewer approach main or lift station will be charged on a cost per acre basis. This connection charge is determined by the costs per acre as written in the agreement and the total acreage of the new development
16. The City will repay the connection charge to the original developer. For sewer repayment agreements, the City will deduct a portion of each connection charge as an administrative fee. The total amount of repayments shall not exceed the total cost eligible for repayment per the agreement. The entire repayment contract will terminate in ten (10) years, or 20 years for Class 2 wastewater projects¹, or when the total repayment amount is repaid, whichever is sooner.



Carlos Padilla, P.E.
Assistant Director for Water Services Department

1. Class 2 wastewater projects are regional projects involving construction costs in excess of \$3 million, that are located in targeted growth areas, and that involve large regional facilities such as lines of 18" in diameter or greater, or lift stations with 5 MGD or greater capacities. This new class of repayment agreement will have a 20 year time span, instead of the usual 10 year time span.

ATTACHMENT A

Date: _____

Developer: _____

Engineer: _____

Project Name: _____

KIVA #: _____

Subject: Repayment Agreements (Sections 28-23 and 37-35 through 37-38 Phoenix City Code).

This project has been designed with an approach on water or wastewater main and may be eligible for a repayment agreement. An approach main is defined as a main extended beyond the limits of the project or a main constructed along the total frontage or boundary of the development.

In order to be eligible for a repayment agreement, an established procedure must be followed. This procedure is explained in Water Services Department Policy P-77. To allow for orderly and timely processing, the developer is encouraged to become familiar with and use this procedure.

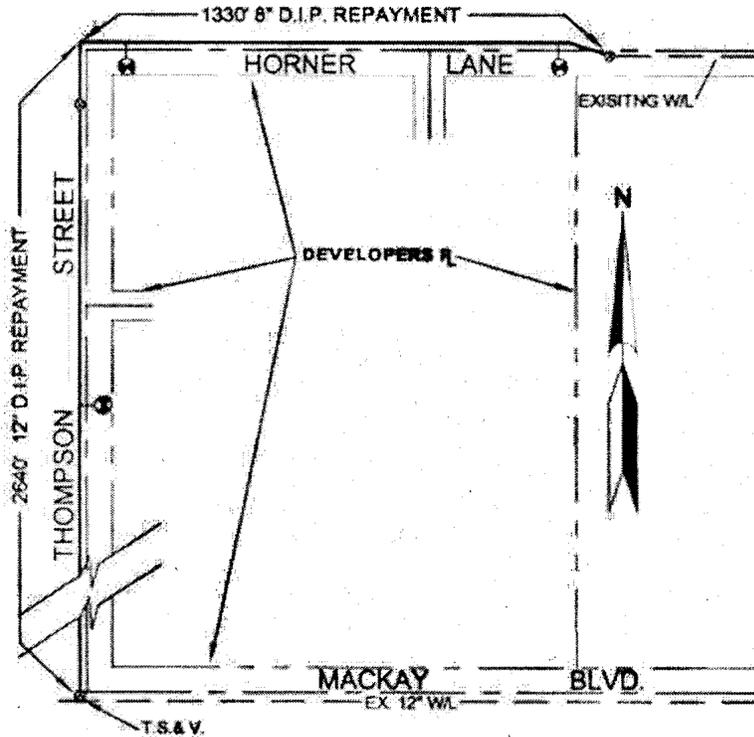
Please indicate your agreement preference below:

_____ Repayment Agreement

_____ Standard Agreement

DEVELOPER'S SIGNATURE: _____

SAMPLE WATER REPAYMENT EXHIBIT
 INFORMATION TO BE PROVIDED BY ENGINEERING FIRM ON EXHIBIT C-1



REPAYMENT QUANTITIES*	
ITEM	UNIT
12" D.I.P.	2640 L.F.
8" D.I.P.	1330 L.F.
12" VALVES	1 EA.
8" VALVES	2 EA.
F.H.	3 EA.
12 T.S.&V.	1 EA.
PVMT. REPL.	8 S.Y.

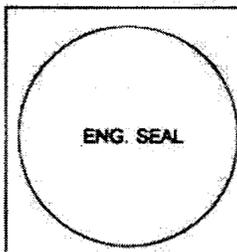
* ONLY THOSE QUANTITIES PERTAINING TO REPAYMENT PORTION OF PROJECT.

NO. L.F. PIPE BOUNDING DEVELOPERS PROPERTY	
SIZE & MATERIAL	NO. L.F.
12" D.I.P.	380 L.F.
8" D.I.P.	430 L.F.

WATER REPAYMENT EXHIBIT C-1
 KEY MAP - NOT FOR BIDS OR CONSTRUCTION

APPROVED:
 THE CITY OF PHOENIX

COUNTY HEALTH DELEGATE _____ DATE _____



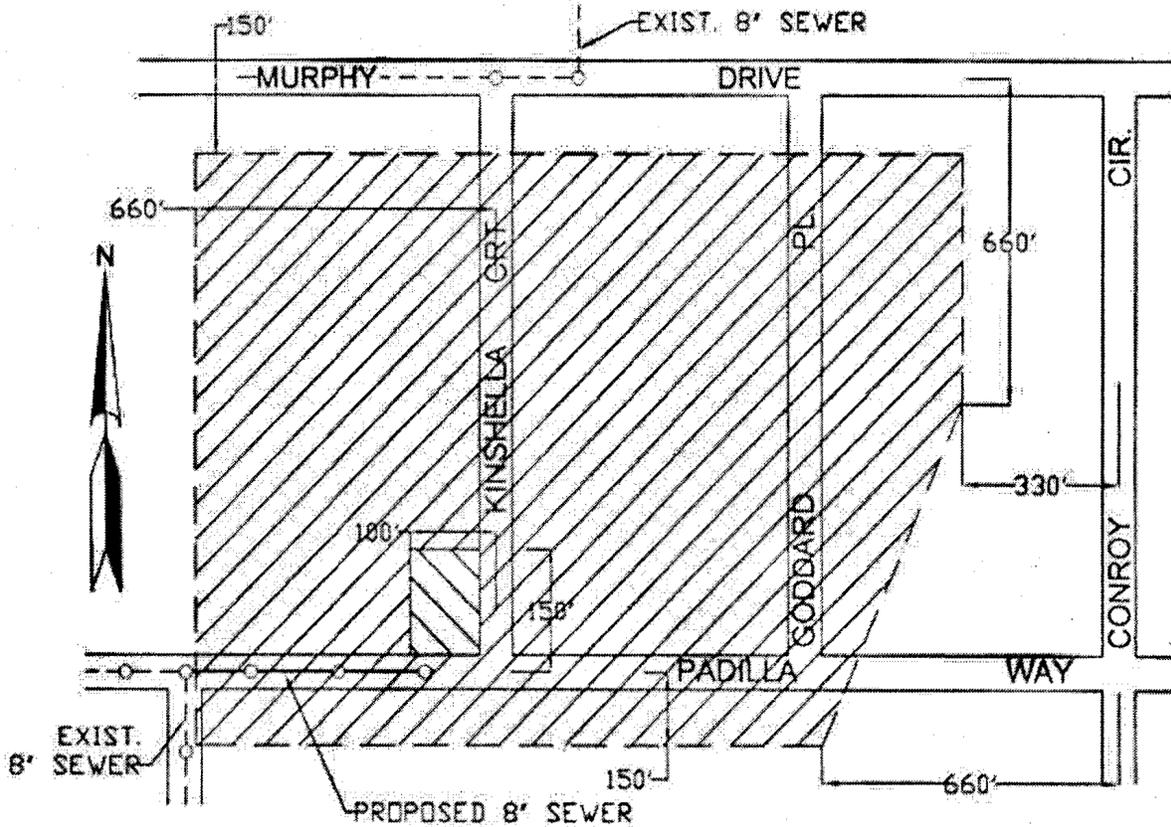
PREPARED BY: ENGINEERING FIRM	
PROJECT NAME:	
DRAWN BY:	DATE:
CHECKED BY:	SCALE:
KVA NO.:	Q.S.:

ATTACHMENT B
INSTRUCTIONS FOR SEWER REPAYMENT AGREEMENT EXHIBIT C-2

1. The developer's consulting engineer shall prepare Exhibit C-2 to the repayment agreement and submit to the City for review and approval.
2. The following information shall be shown and labeled on the drawing in Exhibit C-2:
 - a. Sewer pipe, lift station, and appurtenances which are eligible for repayment. Show with dark or thick line. Do not show mains located inside the developer's area.
 - b. Existing sewer mains to which the approach main will connect. Show with lighter dashed line. Also include City manhole number, if connecting to existing manhole.
 - c. Developer's gross area. This should be shaded using cross hatching.
 - d. Benefited area. This should be shaded using cross hatching in the opposite direction as the cross hatching for the developer's area. This area should correspond to the area shown in the engineer's design report.
 - e. Streets in which repayment pipe is located, streets which bound the developer's area and benefiting area, and all major streets.
 - f. Dimensions of each side of the developer's area and the benefiting area.
 - g. Offset distances from the center lines of nearest rights-of-way to the boundaries of the developer's area and benefiting area.
3. The following quantities shall be provided on Exhibit C-2, which reflects only those items eligible for repayment:
 - a. Benefiting area in gross acres.
 - b. Developer's area in gross acres.
 - c. Total area in gross acres.
 - d. Lineal feet of pipe and number of manholes. Include pipe size and material.
 - e. Pavement replaced (S.Y.) and type per M.A.G. and City standards.
4. Engineer shall add the engineering firm name, the project name, the developer's name, the project (KIVA) number, the drawing scale, and the quarter section number. Engineer shall seal, date, and sign the exhibit.
5. City's plan reviewer will review exhibit and attain signature from a County Health Delegate for approval. The City will not approve the exhibit until the approach main plans are approved.

SAMPLE WASTEWATER REPAYMENT EXHIBIT

INFORMATION TO BE PROVIDED BY ENGINEERING FIRM ON EXHIBIT C-2



REPAYMENT QUANTITIES*	
ITEM	UNIT
8" V.C.P.	820 L.F.
4" M.R.	3 EA.
PVMT. REPL.	55 S.Y.

* ONLY THOSE QUANTITIES PERTAINING TO REPAYMENT PORTION OF PROJECT.

DEVELOPER'S AREA (GROSS ACREAGE) = 5 ACRES

BENEFITING DRAINAGE AREA = 180 ACRES (ACREAGE)

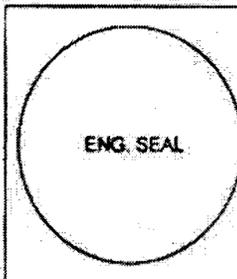
TOTAL = 185 ACRES

WASTEWATER REPAYMENT EXHIBIT C-2

KEY MAP - NOT FOR BIDS OR CONSTRUCTION

APPROVED:
THE CITY OF PHOENIX

COUNTY HEALTH DELEGATE _____ DATE _____



PREPARED BY:	
ENGINEERING FIRM	
PROJECT NAME:	
DRAWN BY:	DATE:
CHECKED BY:	SCALE:
KVA NO.:	Q.S.:

ATTACHMENT C

REPAYMENT BID LIST FOR: _____

The items listed below are the only items eligible for repayment purposes.

QUANTITY	UNIT	ITEM	UNIT PRICE	TOTAL

TOTAL _____

By signing this bid, I hereby state the above noted charges will be applied if our firm is awarded this job

FIRM SUBMITTING BID: _____

Address: _____

Phone: _____

Signature of Authorized Agent

Date

Print Name