



City Council Report

Date: June 17, 2019
To: City Council
Through: Karolyn Kent, Assistant City Manager
From: RJ Zeder, Transportation Director
Subject: Intergovernmental Agreement between Town of Queen Creek and City of Mesa for the Design and Construction of Roadway Improvements to Signal Butte Road and Meridian Road (District 6)

Purpose and Recommendation

The purpose of this report is to request Council approval to enter into an Intergovernmental Agreement (IGA) between the Town of Queen Creek (Queen Creek) and the City of Mesa (Mesa) for the design and construction of roadway improvements to Signal Butte Road and Meridian Road.

Staff recommends that Council approve the IGA and the Resolution authorizing the City Manager to execute this IGA on behalf of the City.

Background

The City of Mesa has initiated design for Signal Butte Road from Williams Field Road to Germann Road which will be bisected by the extension of State Route 24 currently being designed and constructed by the Arizona Department of Transportation (ADOT). State Route 24 will be extended from the current terminus at Ellsworth Road to Ironwood Road in Pinal County. Currently, the State Route 24 construction is planned for a Mid-2022 completion date. Specific funding has not yet been identified by the City of Mesa for the construction of the Signal Butte Road project.

Originally, the limits of the Signal Butte Road project were from Williams Field Road to Pecos Road. Subsequently, the Town of Queen Creek approached City staff to request that the limits of the City's Signal Butte Road project be extended south from Pecos Road to Germann Road which is the boundary between Mesa and Queen Creek and will align with Queen Creek's plans to improve Signal Butte Road to Germann Road from the south.

Queen Creek also indicated their intent to design and construct improvements to Meridian Road in Pinal County from Germann Road to State Route 24.

Discussion

Under the terms of the proposed IGA, Queen Creek is responsible for pre-funding the costs of right of way/easement acquisition, construction, and construction management expenses for Signal Butte Road from Germann Road to Pecos Road with Mesa being responsible for funding the portion from Pecos Road to State Route 24 if funding is

available to complete the project at that time. If Mesa funding is not available at the time construction is ready to start, Queen Creek will have the option of funding this section of the Signal Butte Road project as well. The estimated costs for the project are \$7,000,000 for Signal Butte Road from Germann to Pecos and \$5,000,000 from Pecos to State Route 24.

Under either scenario, the proposed IGA obligates Mesa to reimburse Queen Creek for expenses reimbursable under the IGA no later than December 31, 2030 (no interest will apply).

Queen Creek intends to design and construct improvements to Meridian Road, which is the City's eastern boundary at their sole expense. Following the terms of the proposed IGA, Queen Creek will construct and maintain Meridian Road in Pinal County immediately adjacent to the Mesa City boundary, and the roadway will shift back to the Mesa boundary alignment at the intersection with State Route 24.

The proposed agreement includes language that Queen Creek will support Mesa's efforts to work with the Arizona State Land Department (ASLD) to place deed restrictions (e.g., Conditions, Covenants, and Restrictions) on the ASLD property that would establish a non-residential buffer between future development and the industrial properties in Mesa located west of Meridian Road. This buffer would begin 805' east of Mesa's eastern boundary and extend eastward for 745'.

Additionally, the proposed IGA contains language where if Queen Creek annexes the privately owned property immediately east of Meridian Road between Williams Field Road and Germann Road, that it will not pursue zoning for residential uses that are greater in intensity than those currently allowed under the existing Pinal County zoning on the property.

In consideration of Queen Creek's funding commitments set forth in the proposed IGA, Mesa agrees to withdraw its letter of objection to Queen Creek's 208 (Wastewater) Plan Amendment application at the Central Arizona Governments, and will now support that application, so long as that application remains in its current form and scope.

Alternatives

The City Council could choose not to enter into this IGA. This is not recommended as adding roadway capacity in this area will benefit both Mesa and Queen Creek.

Fiscal Impact

With this agreement, the City will commit to reimburse Queen Creek for expenses incurred to improve Signal Butte Road up to a total of \$12,000,000 (the maximum caps allowed in the IGA) no later than December 31, 2030.

Coordinated With

The Transportation Department concurs with this recommendation and has coordinated review of the agreement with the City Attorney's Office. The City has also coordinated this agreement with the Town of Queen Creek.