

ORDINANCE NO. 5826

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA, AMENDING THE EXISTING TITLE 9 OF THE MESA CITY CODE AT, CHAPTER 6 SECTION 4 AND CHAPTER 8 SECTION 3 REGARDING WATER AND SEWER LINE IMPROVEMENT REQUIREMENTS.

WHEREAS, the City of Mesa owns, operates and maintains municipal water distribution and wastewater collection systems which provide utility service to existing customers, and the expansion of these systems is required as part of the improvement of public streets and utilities under the City Code for new subdivisions and for the development of commercial, industrial, and multiple residential uses, and residential uses not in subdivisions;

WHEREAS, the City desires to amend the provisions of the City Code whereby developers are required to install water distribution and wastewater collection systems and certain costs associated therewith may be shared by the City to the extent those improvements must be oversized or may be required to be shared by future developers, all in order to promote the orderly and efficient extension of City utility systems in an equitable and proportionate manner;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Text written in **BOLD ALL CAPS** indicates additional or new language.
Text written in ~~strikethrough~~ indicates deletions.

Section 1: That Title 9, Chapter 6, Section 4, Subsection (D) of the of the Mesa City Code is hereby amended as follows:

4. Water and Sewer Lines and Services. Water and sewer lines shall be installed within the subdivision, and all adjoining streets, to lines and grades and of such sizes and lengths as approved by the City Engineer and in conformance with City standards. Water and sewer service lines of sizes and at locations approved by the City Engineer and in conformance with City standards shall be installed for each lot within the subdivision prior to paving the street and improving the alleys. Service stubs to platted lots and tracts within the subdivision for underground utilities shall be placed to such length and size so as not to necessitate disturbance of street and utility improvements when future service connections are made. Where it is necessary to extend a water or sewer main from an existing adequate main to the subdivision, the subdivider will be required to pay the full cost of the line extension. ~~However, IF if so~~ requested, the City may participate in the oversize **IMPROVEMENT** cost **IN A "CITY-SHARE" AGREEMENT WHERE APPLICABLE, AND MAY ALSO** ~~or~~ enter into a "private line agreement" with the subdivider **TO PROVIDE FOR EQUITABLE AND PROPORTIONATE RECOVERY OF THE ACTUAL EXTENSION COSTS IN EXCESS OF ANY CITY-SHARE AND THOSE COSTS ATTRIBUTABLE TO THE SUBDIVIDING DEVELOPER'S PROPERTY. IF THE CITY ENTERS INTO A PRIVATE LINE AGREEMENT,** ~~requiring subsequent users to~~ **DEVELOPERS MUST** pay a **PROPORTIONATE AND EQUITABLE** share of the cost, **BY FRONTAGE OR ACREAGE**, of the line extension at such time as they **DEVELOP BENEFITTED PROPERTY, WHETHER OR NOT THE BENEFITTED PROPERTY** takeS service from the line extension. ~~If such service is taken during the term of the agreement. THE~~

CITY IS AUTHORIZED TO ADOPT POLICIES, PROCEDURES, AND METHODS FOR CITY-SHARE AND COST SHARE, AND ALL CITY-SHARE AND PRIVATE LINE AGREEMENTS SHALL BE SUBJECT TO COMPLIANCE THEREWITH.

Section 2: That Title 9, Chapter 8, Section 3, Subsection (H) of the of the Mesa City Code is hereby amended as follows:

4. Water and Sewer Lines. Water and sewer lines shall be installed in all streets adjacent to the land under development to lines and grades and of such sizes as approved by the City Engineer and in conformance with City standards. Water and sewer service lines of sizes and at locations approved by the City Engineer and in conformance with City standards shall be installed prior to paving the streets and improving the alleys. Where it is necessary to extend a water or sewer main from an existing main of adequate size to the development, the developer will be required to pay the full cost of the line extension. ~~; however, and if so~~ **IF** requested, the City ~~will~~ **MAY PARTICIPATE IN THE OVERSIZE IMPROVEMENT COST IN A “CITY-SHARE” AGREEMENT WHERE APPLICABLE, AND MAY ALSO** enter into a private line agreement with the developer **TO PROVIDE FOR EQUITABLE AND PROPORTIONATE RECOVERY OF THE ACTUAL EXTENSION COSTS IN EXCESS OF ANY CITY-SHARE AND THOSE COSTS ATTRIBUTABLE TO THE DEVELOPER’S PROPERTY. IF THE CITY ENTERS INTO A PRIVATE LINE AGREEMENT, requiring others to** **SUBSEQUENT DEVELOPERS MUST** pay a **PROPORTIONATE AND EQUITABLE** share of the cost, **BY FRONTAGE OR ACREAGE**, of the line extension at such time as they **DEVELOP BENEFITTED PROPERTY, WHETHER OR NOT THE BENEFITTED PROPERTY** takeS service from the line extension ~~if such service is taken during the term of the agreement.~~ **THE CITY IS AUTHORIZED TO ADOPT POLICIES, PROCEDURES, AND METHODS FOR CITY SHARE AND COST SHARE, AND ALL CITY-SHARE AND PRIVATE LINE AGREEMENTS SHALL BE SUBJECT TO COMPLIANCE THEREWITH.**

Section 3: Private Line Agreement Policies and Procedures. To implement this Ordinance No. _____ and City-Share an Private Line Agreements, and in order to promote the orderly and efficient extension of City utility systems, the City Manager or designee is hereby authorized to establish policies and procedures related to city-share and private line agreements, repayment thereunder, and cost sharing for utility main water distribution, wastewater collection lines, and related infrastructure funded by developers. Such policies and procedures shall be established and implemented in a manner which is reasonably equitable and uniform and standardized as to similarly situated developers and subdividers and which promotes the health, safety, general welfare, and public interest of the citizens of Mesa. All utility lines and infrastructure installed under a private line agreement must be consistent with Mesa’s Design Engineering standards and Utility Master Plans. The extent to which property is benefitted by a private line and the final determination regarding whether frontage or acreage-based recovery shall be applied shall be at the sole discretion of the City. Acreage-based cost share for any private line agreement shall only be available for water and sewer lines installed in major arterial or collector streets and will be dependent on City approval of engineering studies (consistent with the City’s General Plan, zoning, Utility Master Plans, and Mesa’s Design Engineering standards) provided at the sole cost of the developer and demonstrating the area of benefitted property acreage prior to establishment of the private line agreement. For frontage-based cost share, where actual frontage does not equitably reflect cost share, frontage may be imputed and established by the City. The City shall have sole and exclusive control and oversight as to all connections to any extension. All cost sharing shall allocate the costs of implementation on the property developer and shall exclude from cost sharing the costs attributable to the development which shall be allocated to the developer. The policies may establish minimum

recoverable amounts of cost share. All private line agreements shall include a payback period of up to, but in no event longer than, fifteen (15) years and must be signed by the City within one year of acceptance of applicable line extensions by the City. The determination as to frontage or acreage-based recovery shall not be subject to subsequent change once established. In order to recover costs associated with the administration of private line and cost sharing agreements, the City will charge an amount equal to one half of one percent (.5%) of the recoverable project cost, to be recovered at the time subsequent developers make cost share contributions. Cost share recovery is not and shall not be guaranteed by City. If the City elects to make a City-share oversize contribution, such amounts shall not be included in any cost share calculations, and developers shall not be entitled to recover such amounts through private line agreements. A property is not a “benefitted property” if the line extension is incapable of serving that property (e.g. due to full use/subscription to the line, water pressure zone, etc.) and such a property shall not be required to pay a cost share under a private line agreement for such line.

Section 4: The recitals above are incorporated in this Ordinance by reference as if fully set forth herein.

Section 5: The effective date of this Ordinance shall be thirty (30) days following adoption by the Mesa City Council.

Section 6: The various City officers and employees are hereby authorized and directed to perform all acts necessary to give effect to this Ordinance, including the City Clerk shall codify Sections 1 and 2 into the City Code.

PASSED AND ADOPTED by the City Council of the City of Mesa, Maricopa County, Arizona, this 4th day of December, 2023.

APPROVED:

Mayor

ATTEST:

City Clerk