

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: November 7, 2013**

SUBJECT: Potential Wastewater Main Extension - Northside

SUBMITTING DEPARTMENT: Utilities Department

PREPARED FOR: Neil Wadsworth, Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: a) Northside Development Agreement (Jan 28, 2010)

SUMMARY BACKGROUND: Northside is the name that has been given to a commercial area north of Highway 89A but south of the Viewpoint and Pronghorn Ranch developments (approx. 210 acres). The Town has fielded inquiries about possible commercial projects in Northside (including a shopping center and grocery store). However, development has not gone forward because of the lack of infrastructure (particularly wastewater collection capacity).

Background: On Oct 27, 2005, the Town Council adopted Ord No. 639 approving zoning and a Preliminary Development Plan for a project known as Northgate Village Center west of Viewpoint Drive (approx. 53 acres). Certain conditions were applied, including “participation” in the cost of roadway improvements (including traffic signalization) and water and wastewater improvements. When the improvements did not go forward, in 2008 the Town began working with all the property owners in the area to form the Northside Community Facilities District No. 1. In the process, the owners voted to allow NCFD No. 1 to levy ad valorem taxes for operation and maintenance expenses. And, a General Plan identified improvements for the District to finance (including water mains, an off-site water storage tank, diversion of wastewater from existing lines to new lines, roadway extensions, and widening and signalization of the intersection at Viewpoint Drive and Pronghorn Ranch Parkway). Unfortunately, the economic downturn intervened and it never was feasible for NCFD No. 1 to sell bonds to finance the improvements. Therefore, on Jan 28, 2010 the Town Council approved a separate Development Agreement with owners of certain property west of ViewPoint Drive (approx. 30 acres) to help them develop their parcels. [see attached] The Agreement included a plan developed by the Town Engineer to build the improvements listed in the NCFD No. 1 General Plan in three phases. It included estimated costs and estimated shares of those costs by the benefitted parcels. But, the Agreement only provided for construction of the Phase 1 improvements (plus an extension of Pronghorn Ranch Parkway that would be subject to reimbursement by certain other benefitted parcels per Town Code §14-04-070). The Agreement anticipated that improvements in the other two phases would also be paid for by the benefitted property owners and, if one owner had to construct all the improvements for a phase, then the other owners would reimburse their share when they developed per §14-04-070). But, those property owners were not actually parties to the Agreement.

This Action: The possible commercial projects that the Town has fielded would be located in the area identified as Phase 3 in the Agreement. Among the improvements identified for Phase 3 was an extension of Antelope Meadows Drive to connect with Coyote Springs Road (and widening of a portion of Coyote Springs Road to SR 69). In 2009, the Town took it upon itself to assist in completing this improvement because of concerns about the need for a second access into Pronghorn Ranch. Another of the improvements would be a 16-inch gravity wastewater main line from the existing force mains at the

southeast corner of Pronghorn Ranch down to the sewer main at Roundup Drive and Robert Road (generally shown in the Figure below).



Because of the immediate benefit towards potential development of the area if the wastewater mainline were already in place (similar to Crossroads), staff is proposing that the Council consider jump-starting the process by using Town funds to construct the wastewater trunk line now.

The cost has been estimated at about \$1,500,000. The Town currently has a balance of about \$5,000,000 in the Wastewater Enterprise Fund account that could be designated to pay for such a project. A design could be completed this winter and the project could be bid out for a construction start date this coming summer in FY 14/15.

In considering such a proposal, it should be noted that there are other wastewater system improvements that staff will also be proposing in FY 14/15 and FY 15/16. They are projects to up-size the wastewater trunk mains in the Roundup Drive area and between Granville and Roundup Drive (shown in the Figure below). The cost for these improvements is estimated at about \$2,000,000.



OPTION ANALYSIS: For Discussion Only

ACTION OPTION: For Discussion Only

RECOMMENDATION: For Discussion Only

FISCAL ANALYSIS: The current Wastewater Enterprise Fund cash balance is about \$5,000,000. A copy of the 5-year Sewer Capital Improvement Plan is provided below to show additional anticipated expenses that may be needed in the near future. They have been categorized as critical or not critical. Non-critical projects may be moved farther into the future without serious consequences. Critical projects must be done, but might also be moved 1 year (or 2) depending on the circumstances. Not included in the Capital Improvement Plan is any expansion of the North Plains Recharge Facility (which is currently uncertain).

Wastewater Capacity Fund 552-7010	Current FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	Comments
Capacity & Resource Fee Study	\$ 25,000.00	\$0	\$0	\$0	\$0	
Treatment Plant Headworks Improve	\$0	\$0	\$1,250,000	\$0	\$0	not critical
Roundup Drive Gravity Sewer Main	\$0	\$70,000	\$1,000,000	\$0	\$0	critical
East Industrial Park Wastewater System	\$0	\$1,000,000	\$0	\$0	\$0	not critical
Solids Handling Improvements	\$0	\$0	\$300,000	\$3,860,000	\$0	not critical
Projects not in current 5-year plan						
Section 2 Sewer Up-Sizing				\$150,000	\$750,000	critical
Northside Area Sewer (Project Under Discussion)						TBD
Wastewater Capacity Fund - TOTALS	\$25,000	\$1,070,000	\$2,550,000	\$4,010,000	\$750,000	\$8,405,000
Wastewater Capacity Fund - CRITICAL	\$25,000	\$70,000	\$1,000,000	\$150,000	\$750,000	\$1,995,000

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____