

RESOLUTION NO. 1873

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, A MUNICIPAL CORPORATION OF ARIZONA, APPROVING A PLAN, POLICY OR PROCEDURE IN ACCORDANCE WITH ARS §9-471(O) TO PROVIDE THE TERRITORY ANNEXED IN ANX 13-003 (ORDINANCE NO. 791) WITH APPROPRIATE LEVELS OF INFRASTRUCTURE AND SERVICES TO SERVE ANTICIPATED NEW DEVELOPMENT THEREIN WITHIN TEN (10) YEARS AFTER THE DATE WHEN THE ANNEXATION BECOMES FINAL; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

WHEREAS, Arizona Eco Development, LLC. (Developer) has proposed development of a 1,259-acre residential master-planned community (Glassford Heights) in §§4 and 9, Township 14 North, Range 1 West, Gila & Salt River Base and Meridian (generally located south of State Route 89A and west of the current Granville master-planned community); and

WHEREAS, §§4 and 9 are located within the area designated for future annexation by the Town of Prescott Valley (Prescott Valley) through an intergovernmental agreement (IGA) between the City of Prescott (Prescott) and Prescott Valley dated July 12, 2001 and §3.3.4 of the Prescott Valley General Plan 2025 (General Plan); and

WHEREAS, in accordance with ARS §9-471 the Prescott Valley Town Council (Council) has duly adopted Ordinance No. 791 annexing §§4 and 9 as ANX 13-003; and

WHEREAS, Glassford Heights is located within the Tier 1 Growth Area in the General Plan and is designed to conform to and support the applicable Land Use Map designations in the General Plan with low-density single-family residential housing in the southern area (along the base of Glassford Hill), low- to medium-density single-family detached and attached residential housing in the central area, and high-density multi-family attached residential housing in the northern area (as well as two (2) neighborhood shopping parcels near the future SR 89A/Great Western Highway interchange), resulting in a proposed maximum of 3,587 residential units; and

WHEREAS, in accordance with ARS §9-471(O) the Town Council desires now to approve a plan, policy or procedure which will provide Glassford Heights with appropriate levels of infrastructure and services to serve anticipated new development therein within 10 years after the date when the annexation becomes final;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, ARIZONA, AS FOLLOWS:

1. Transportation infrastructure for Glassford Heights will be provided through a mixture of routes planned and constructed by the developers and routes developed through other processes involving Prescott Valley, the Arizona Department of Transportation (ADOT), other local governments, and other developers.

Roadways: State Route 89A is currently located immediately to the north of Glassford Heights and is a four (4)-lane regional highway providing access to northern areas of Prescott and Prescott Valley (and connecting SR 69 to SR 89). This highway was originally designed at-grade but has since been improved with a couple of grade-separated crossings, creating a high-capacity limited-access highway through the area. The grade-separated interchanges are near Glassford Heights at Glassford Hill Road and at the Granite Dells Parkway alignments. State Route 69 is located approximately one (1) mile to the south and is a 4-lane regional highway that connects Prescott Valley to Interstate 17 and Prescott. In the immediate area, it includes significant commercial activity. State Route 89 is located approximately three (3) miles to the west and is a 4-lane regional highway providing north-south access from Prescott to Chino Valley and other communities to the north. SR 89 connects to SR 69 and SR 89A, providing a looped connection through the region. The future Great Western Drive extension from SR 69 has been part of ADOT transportation plans for a number of years as a north/south alternative to SR 89 and an access to future growth areas north of SR 89A. The Great Western Roadway Study Design Concept Report (DCR) was completed several years ago and established a preferred alignment connecting to SR 89A near the northwest corner of Glassford Heights. This will ultimately connect with StoneRidge Drive to the south, providing an additional route to the north in the immediate vicinity of Glassford Heights. The DCR recommends flyover ramps from Great Western Drive to SR 89A in a three-directional interchange.

In addition to these regional highways, there are several existing and planned arterial roads in the vicinity that will provide localized access for Glassford Heights. Glassford Hill Road is currently a 4-lane roadway with a center median that is anticipated to someday be expanded to six (6) lanes. It runs north-south and is approximately 0.5 – 1.0 miles east of Glassford Heights. Glassford Hill Road provides a direct connection from SR 69 to SR 89A through Prescott Valley. There is a full diamond interchange at its connection with SR 89A, with future plans to eventually extend the roadway north of that interchange. The Santa Fe Loop is currently a 2-lane road with a center median. It is anticipated to be expanded in the future to 4 lanes. It connects to Glassford Hill Road and extends through Granville, ending at Glassford Heights immediately south of the Iron King Trail alignment. Santa Fe Loop will be one of the primary access points for Glassford Heights and will ultimately connect to StoneRidge Drive in order to provide additional connectivity. Granite Dells Parkway is a future roadway that will extend north and south from the recently-completed Granite Dells Parkway interchange at SR 89A (approximately 1.5 miles west of Glassford Heights). Granite Dells Parkway will connect to the adjacent Granite Dells Estates property, ultimately providing access to the northern portion of Glassford Heights via Dells Ranch Road and StoneRidge Drive. And, the extension of StoneRidge Drive north of SR 69 is expected to be a 4-lane arterial roadway that will provide additional north-south connectivity through Glassford Heights to SR 89A. It will also connect to Dells Ranch Road to the west and Santa Fe Loop to the east. This will be the primary connector road through Glassford Heights.

Finally, two primary collector roads are planned for Glassford Heights. The first will connect through the northern portion of Granville, providing an alternative access point to Glassford Heights from the northeast. This road will extend southwest and intersect with StoneRidge Drive and ultimately provide access across the Iron King Trail. An additional roadway connection will be provided off this road to access State Trust land located to the west. It should

be noted that Dells Ranch Road (a collector street planned in the Granite Dells Estates community to the west) will provide an additional connection to StoneRidge Drive near the northern portion of Glassford Heights (providing an alternative circulation option to the west and ultimately accessing the Granite Dells interchange). The second planned collector road will provide localized access to several parcels within the northern portion of Glassford Heights, including parcels north of the power line corridor. This road will connect StoneRidge Drive to the first collector road.

All arterial, collector and local roads and streets will include pedestrian sidewalks in accordance with Prescott Valley's roadway standards.

Airport: Ernest A. Love field (owned and operated by Prescott) is approximately 3 miles northwest of Glassford Heights. It is primarily used for general aviation but is also currently served by Great Lakes Airlines. Glassford Heights will be within the five (5)-mile radius boundary and the identified outer influence area. The airport plan recommends residential land uses medium density in this area (i.e. 2 - 5 dwelling units per acre).

2. Glassford Heights will be located in the Humboldt Unified School District (HUSD). The nearest HUSD elementary school is currently Granville Elementary approximately 0.75 miles to the east. The nearest HUSD middle school is Glassford Hill Middle School approximately 0.85 miles to the southeast. And, the nearest HUSD high school is Bradshaw Mountain High School approximately 0.80 miles to the southeast. A number of charter schools also serve the area.

3. Glassford Heights will be divided into 2 pressure zones for domestic water purposes. The current steel water reservoirs and water mains in the area are either not close enough or are fully committed to other uses. However, there is additional land owned by Prescott Valley for placement of another steel reservoir (2 million gallons) to serve at least one of the pressure zones. That reservoir and other water system improvements (including a new well, pump and main lines) will be the responsibility of the developers in accordance with Prescott Valley Town Code §14-04-015. If the Developer of Glassford Heights is asked to upsize water mains for connection by any other future Prescott Valley developments to the west and north, then Prescott Valley will enter into agreements for the Developer to be reimbursed for the cost of that upsizing.

Water Rights: On January 12, 1999, the Arizona Department of Water Resources (ADWR) issued its final report declaring the Prescott Active Management Area located in central Yavapai County (PrAMA) to no longer be in a state of safe-yield regarding groundwater use and requiring new developments in PrAMA to be served from alternative water supplies. ADWR's Third Management Plan for PrAMA discussed alternative water supplies and listed, among others, (a) contracting with Prescott to obtain groundwater imported by Prescott from the Big Chino sub basin located outside of PrAMA, and (b) use of treated effluent (either directly or through recharge and withdrawal of potable groundwater). On August 21, 2003, ADWR issued a letter determining that Prescott is entitled to import 8,717 acre feet of groundwater annually from the Big Chino sub basin. Subsequently, ADWR issued an advisory opinion (letters dated April 5 & 13, 2004) that any such groundwater made available to the Town through a wholesale

contract could be pledged to certificates of assured water supply (CAWSs) required for new development within Prescott Valley. Therefore, on December 2, 2004 Prescott Valley entered into an IGA with Prescott whereby it would receive 4,000 of the 8,717 acre feet of groundwater pumped from the JWK Ranch located in the Big Chino sub basin (Ranch) and transported by pipeline to a location in Chino Valley (Project) in return for paying a pro-rata share of Prescott's costs to (1) purchase the Ranch, (2) develop improvements needed to pump and transport Project water, and (3) operate and maintain the Project. Prescott and Prescott Valley have since taken steps to design and obtain property interests for the Project, and Prescott Valley has taken steps to design and obtain property interests for a secondary pipeline and other improvements needed to independently transport and deliver its portion. At present, Prescott and Prescott Valley are cooperating with Salt River Project to monitor hydrologic conditions in the Big Chino sub-basin of the Verde River Watershed to ensure that water pumped by the Project will not adversely impact the River. When the Project is built, Prescott and Prescott Valley may agree to use alternative methods to finance and construct the Project (including public/private partnerships). And, any new developments in Prescott Valley that ultimately use water from the Project for CAWSs will need to pay their share of Project costs (likely through payment of one-time water system capacity charges for new homes).

As an alternative, Prescott Valley has also arranged for treated effluent from its current and committed demand to be recharged to the aquifer and withdrawn as potable groundwater for new developments. Prescott Valley has worked with ADWR to quantify said effluent and develop documents and procedures for using this alternative water supply to obtain CAWSs. On July 17, 2006, ADWR issued Physical Availability Demonstration No. 20-402187.0000 (PAD) under AAC RI2-15-702 (C), along with a letter setting procedures to obtain CAWSs. The PAD provided that 2,724 acre-feet of effluent water (1) will be physically available for 100 years, (2) will satisfy applicable water quality criteria, and (3) can be used to support CAWS applications. Thereafter, Prescott Valley developed an auction process to allocate through market principles the right and interest to pledge the effluent water recognized in the PAD. The auction was held on October 29-30, 2007 and 3 parties qualified to bid. The successful bidder was Water Property Investors (WPI) based on a bid of \$24,650 per acre-foot. The purchase terms allowed WPI to re-sell, assign or pledge the PAD water interests to one or more CAWSs provided the CAWS is applied within Prescott Valley's municipal boundary. Now, future developers may acquire needed water interests through direct negotiations with WPI. It is understood that the Developer is currently in discussions with WPI.

Finally, the Developers may be successful in finding and purchasing other water rights needed to develop Glassford Heights.

4. On July 25, 2013, the Council approved an agreement with the developer of Granville for Prescott Valley to pay approximately \$75,000.00 to upsize from 12" to 18" a wastewater main in a Santa Fe Loop extension to the new Granville Unit 7. Because it was anticipated that this line could also assist the development of Glassford Heights, Prescott Valley required the upsizing. Now, the Developer may connect to this upsized line after reimbursing Prescott Valley for its cost. In addition, a wastewater system plan indicates that the Developer will need to pay to build other needed wastewater collection infrastructure as development of Glassford Heights occurs. If the Developer of Glassford Heights is asked to upsize wastewater

mains for connection by any other future Prescott Valley developments to the west and north, then Prescott Valley will enter into agreements for the Developer to, in turn, be reimbursed. The Prescott Valley wastewater treatment facility already has the capacity to service the anticipated new residents of Glassford Heights, and the capacity used by Glassford Heights will be paid for through one-time wastewater system capacity charges for new houses.

5. Central Yavapai Fire District (CYFD) serves Prescott Valley and surrounding communities. Prescott Valley has its own water supply for fire hydrants (which hydrants it contracts with CYFD to service). The nearest CYFD fire station is approximately 1.5 miles to the northeast.

6. Glassford Heights will be served by the Prescott Valley Police Department (Patrol District #3). The police station is located approximately 1.5 miles to the southeast.

7. Prescott Valley does not currently provide refuse collection services. However, several private companies in the area provide refuse collection services to Prescott Valley residents and have the capacity to provide such service to future residents of Glassford Heights.

8. Glassford Heights will be served by the Prescott Valley Library (which is part of the Yavapai County library network). The Prescott Valley Library facility is located approximately 1.5 miles to the southeast.

9. The Prescott Valley Recreation and Open Space Plan identifies a future Agua Fria Regional Park (approximately 1 mile to the east) which will ultimately be available for Glassford Heights residents. It also identifies the existing Iron King Trail and a potential new trail along the Agua Fria wash that will provide a connection to said Park. The Plan generally requires new master-planned developments to provide 6.8 acres of park land/open space per 1,000 residents. At present, 2 neighborhood parks of at least 5 acres apiece are planned for Glassford Heights (one in the south and one in the north). These may include play fields, play structures, picnic areas, sport courts, landscaping, shade structures, and similar amenities. Approximately eight (8) mini parks of 1 acre or less are planned throughout Glassford Heights which may include small play structures, community gardens, informal play fields, picnic areas, and landscaping. Additional trails and open spaces are also planned (including 86 acres of natural open space along the upper slopes of Glassford Hill and 91 acres of natural open space within the Agua Fria wash).

An abandoned railroad right-of-way originally crosses §9 from east to west. In 2004, a 4 mile portion of that right-of-way was transformed by Prescott Valley into a multi-use trail through the federal "Rails to Trails" program. It is known as the Iron King Trail and begins west of Glassford Hill Road (north of Spouse Drive). At present, some of the Iron King Trail deviates from the old railroad right-of-way. However, that right-of-way remains intact in order to potentially accommodate mass transit options in the future. The Iron King Trail ultimately intersects the north-south Peavine trail (a similar trail on former railroad right-of-way developed by Prescott).

10. Four existing drainage basins ranging between 102 and 1,380 acres were analyzed in the Glassford Heights preliminary drainage report. Glassford Heights generally slopes from southwest to northeast and the drainages will outlet at 4 design points on the east property line. The headwaters of the Agua Fria River begin east of the property within drainage basin 1, and a portion of Glassford Heights contains this FEMA-designated 100 year floodplain and floodway. Three stock tanks are currently located in Glassford Heights and will likely be incorporated in some fashion in the drainage system. The drainage was analyzed for the 2-, 10-, 25- and 100-year storm events and the data will be used by the Developer to design and construct necessary drainage features.

11. There is a 100-foot wide public utility easement for a major electric power line running east-west through Glassford Heights at the north end.

12. This Resolution shall be effective from and after its passage and approval according to law.

RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Arizona, this 27th day of March, 2014.

Harvey C. Skoog, Mayor

ATTEST:

Diane Russell, Town Clerk

APPROVED AS TO FORM:

Ivan Legler, Town Attorney