

# CITY COUNCIL REPORT



Meeting Date: June 9, 2026  
General Plan Element: *Economic Vitality*  
General Plan Goal: *Provide diverse economic activities, employment opportunities, and educational pursuits to enhance the socioeconomic prosperity of all community members.*

## **ACTION**

**Amendment No. 1 to the Development Agreement between the City of Scottsdale and ASM America, Inc.** Adopt Resolution No. 13692 authorizing the First Amendment to the Development Agreement (Contract No. 2024-120-COS-A1) to define participation in the State of Arizona's Title 42 Program under A.R.S. 42-5032.02.

**Arizona Department of Revenue (ADOR) Intergovernmental Agreement (IGA).** Adopt Resolution No. 13693 authorizing Intergovernmental Agreement Contract No. 2026-081-COS with ADOR to reimburse public infrastructure improvements under the State of Arizona's Title 42 program under A.R.S. 42-5032.02 and authorizing the City Manager to make changes to the agreement as necessary to ensure compliance with the Title 42 program.

## **BACKGROUND**

ASM is currently constructing a state-of-the-art office, research, and development facility for advanced semiconductor materials and equipment. The facility, located at the northwest corner of Mayo Blvd. and Miller Road, immediately south of the Loop 101, is intended to serve as ASM's North American headquarters.

The City previously adopted Development Agreement 2024-120-COS. This 1<sup>st</sup> amendment is intended to memorialize the City and ASM's intent to participate in the Title 42 program, and to provide a full and complete list of public infrastructure projects that will benefit the ASM facility. The total estimated cost of public infrastructure to be completed by the City, contemplated under this first amendment is \$110,171,875. This first amendment restates the City's obligation to reimburse ASM for actual costs incurred in the construction of public infrastructure shown in Exhibit B.

The State of Arizona through the ADOR created a program under A.R.S. 42-5032.02 commonly referred to as Title 42. This program authorizes funding which is statutorily based and collected from

Action Taken \_\_\_\_\_

the transaction privilege tax (TPT) filings of contractors engaged in the construction of qualified manufacturing facilities. Under the program, cities may enter into an agreement with the ADOR and seek reimbursement for up to 80% of costs incurred by the City for the development of public infrastructure improvements for the benefit of the manufacturing facility. Per Statute, a manufacturing facility in Maricopa County must make at least \$500,000,000 in capital investment to qualify for the program.

Three other Arizona municipalities are actively using the program: City of Phoenix (TSMC), the City of Chandler (Intel), and the Town of Queen Creek (LGES). In previous legislative sessions the State of Arizona has set aside \$100 million on two separate occasions. These funds have been drawn down entirely by the participating cities. In the current legislative session, changes to the program are contemplated in HB 4026. Specifically, an additional \$75 million would be set aside for participating cities, and the required capital investment in the manufacturing facility would increase to \$3 billion. Under current law, the ASM project is a qualified manufacturing facility, and the City of Scottsdale is eligible to participate in the program. Should this legislation take effect, the City of Scottsdale would no longer qualify for the program. Execution of this IGA with the ADOR prior to July 1, 2026 is intended to preserve the City's right to participate in the program under the current eligibility requirements.

## **ANALYSIS & ASSESSMENT**

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Prior to Council consideration of the development agreement in 2024, an independent study of the ASM project was prepared by Applied Economics. That analysis estimated that the project would generate direct benefit to the City greater than the maximum amount of the reimbursement paid during the term of the development agreement. The overall economic impact of this project over 10 years is estimated at \$4.1 billion, and ASM is expected to create a total of 500 new jobs and 720 relocated jobs.

The Title 42 program requires certain activities to occur:

- 1) Manufacturing facility must file a Sworn Certification of Capital Investment with the Arizona State Commerce Authority certifying their capital investment will exceed \$500 million. The Commerce Authority is in receipt of ASM's Sworn Certification.
- 2) City and Industrial Manufacturer (ASM) must have in place a DA that defines aspects of public infrastructure. The DA requirement has been met and is being further enhanced through adoption of this 1st amendment.
- 3) City must enter an IGA with the ADOR. This will be completed through the approval of Resolution 13693, and Contract 2026-081-COS, to be executed by the ADOR at a future date, and before June 30, 2026.
- 4) City must work with each Prime Contractor to ensure certain ADOR-required TPT filing procedures are followed.
- 5) City must identify funding for the portion of infrastructure not covered under Title 42. The City has met this requirement.

## RESOURCE IMPACTS

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### Available Funding

The City, through the previously adopted DA 2024-120-COS, agreed to fund certain public improvements that will benefit ASM and the public. Funding for those projects has been identified by the City and reserved in the General Fund in accordance with Comprehensive Financial Policy 11.02. Further, by participating in Title 42 the City expects reimbursement of a portion of actual expenditure for certain public improvements. There is no additional cost to participate in the program.

### Staffing, Workload Impacts

The staffing impacts are nominal, once the DA has been approved and the City finalizes acceptance into the Title 42 Program. Staff will be required to prepare and send monthly invoices to the ADOR, requesting reimbursement for costs paid by the City to Prime Contractors or other developers constructing the qualifying public infrastructure.

### Future Budget Implications

Title 42 program participation allows the City to seek reimbursement for up to 80% of construction costs related to public improvements, for which one time funding will be received. Staff estimates that approximately \$10M - \$20M may be received by participating in this program; however, actual Title 42 reimbursement to the City is dependent on numerous external factors, including project construction and payment timelines, and the availability of funding from the ADOR.

## OPTIONS & STAFF RECOMMENDATION

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Adopt Resolution No. 13692 authorizing the First Amendment to the Development Agreement (Contract No. 2024-120-COS-A1) to define participation in the State of Arizona's Title 42 Program under A.R.S. 42-5032.02.

Adopt Resolution No. 13693 authorizing Intergovernmental Agreement Contract No. 2026-081-COS with ADOR to reimburse public infrastructure improvements under the State of Arizona's Title 42 program under A.R.S. 42-5032.02 and authorizing the City Manager to make changes to the agreement as necessary to ensure compliance with the Title 42 program.

## RESPONSIBLE DEPARTMENT(S)

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Economic Development

## STAFF CONTACTS (S)

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Kevin Burke, Sr Director Economic Development, [kburke@ScottsdaleAZ.Gov](mailto:kburke@ScottsdaleAZ.Gov)

**APPROVED BY**

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*Kevin Burke*

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Kevin Burke, Sr Director Economic Development  
480-312-2533, kburke@ScottsdaleAZ.Gov

5/20/26 17:05 MST

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Date

*Judy Doyle*

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Judy Doyle, Deputy City Manager  
480-312-2691, jdoyle@ScottsdaleAZ.Gov

5/21/26 06:31 MST

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Date

*Greg Caton*

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Greg Caton, City Manager  
480-312-7759, gcaton@ScottsdaleAZ.Gov

5/20/26 17:37 MST

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Date

**ATTACHMENTS**

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1. Resolution 13692
2. First Amendment to the Development Agreement Contract No. 2024-120-COS-A1
3. Resolution 13693
4. Intergovernmental Agreement between the City of Scottsdale and ADOR Contract No. 2026-081-COS

RESOLUTION NO. 13692

A RESOLUTION OF THE CITY OF SCOTTSDALE, ARIZONA, AUTHORIZING THE MAYOR TO EXECUTE DEVELOPMENT AGREEMENT AMENDMENT NO. 2024-120-COS-A1 TO ALLOW THE CITY TO PARTICIPATE IN THE STATE'S TITLE 42 PROGRAM RELATED TO THE DEVOLVEMENT OF A MANUFACTURING FACILITY AT PROPERTY LOCATED AT THE NORTHWEST CORNER OF MAYO BLVD AND MILLER ROAD.

WHEREAS, A.R.S. § 9-500.05 authorizes the City to enter into development agreements with persons having an interest in real property located in the City; and

WHEREAS, On September 17, 2024, the City entered into Development Agreement No. 2024-120-COS with ASM, Inc. for the construction of a manufacturing facility and headquarters.

WHEREAS, it is in the best interest of the City and ASM to enter into Development Agreement Amendment No. 2024-120-COS-A1 allowing the City to participate in the State of Arizona Title 42 program related to the construction of a Manufacturing Facility and Reimbursement of Public Infrastructure related to the manufacturing facility.

WHEREAS, Development Agreement Amendment No. 2024-120-COS-A1 is consistent with the portions of the City's general plan applicable to the property on the date this Amendment is executed.

NOW, THEREFORE, LET IT BE RESOLVED, by the Council of the City of Scottsdale, as follows:

Section 1. That Mayor is authorized and directed to execute Development Agreement Amendment No. 2024-120-COS-A1.

Section 2. The City Council hereby authorizes the City Manager or his designee to execute any other documents, make revisions, substitute exhibits or addendums and take such other actions as are necessary to carry out the intent of this resolution and the requirement of the Title 42 program.

Section 3. That the City Clerk is hereby directed to record Development Agreement Amendment No. 2024-120-COS-A1 with the Maricopa County Recorder within ten (10) days of its execution by all parties.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Arizona, this \_\_\_\_\_ day of \_\_\_\_\_, 2026.


ATTEST:

CITY OF SCOTTSDALE, an Arizona  
municipal corporation

By: \_\_\_\_\_  
Ben Lane, City Clerk

By: \_\_\_\_\_  
Lisa Borowsky, Mayor

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY

A handwritten signature in black ink, appearing to read "Joe Padilla", written over a horizontal line.

Luis E. Santaella, City Attorney  
By: Joe Padilla, Deputy City Attorney

**WHEN RECORDED, MAIL TO:**

**CITY OF SCOTTSDALE**  
Economic Development Director  
3939 North Drinkwater Blvd.  
Scottsdale, AZ 85251

City Contract No. 2024-120-COS-A1  
Resolution No. 13692

**FIRST AMENDMENT TO THE  
DEVELOPMENT AGREEMENT  
BETWEEN THE CITY OF SCOTTSDALE AND  
ASM AMERICA, INC.**

This First Amendment ("**Amendment**") to the Development Agreement ("**Agreement**," Contract No. 2024-120-COS) is made and entered into this 3rd day of June, 2026 between the City of Scottsdale ("**City**"), an Arizona municipal corporation, and ASM America, Inc ("**ASM**"), a Delaware corporation, with its principal place of business located at 3440 East University Drive, Phoenix, Arizona 85034. City and ASM are referred to collectively as "**Parties**" and individually as a "**Party**."

**RECITALS**

A. The Parties entered into the Agreement dated September 17, 2024, and recorded in the Official Records of the Maricopa County Recorder's Office at Document No. 20240498694 on September 19, 2024.

B. The Agreement sets forth the rights and obligations of the City and ASM related to ASM construction and operation of ASM's North American Headquarters, a pilot manufacturing and research and development facility for the semiconductor equipment industry in the City ("**Project**"), including design and construction of ASM's Public Improvements, which the City agreed to reimburse subject to certain conditions as set forth in and necessary to support the Agreement.

C. In addition to ASM's Public Improvements under the Agreement, the City is required to design and construct additional public infrastructure improvements for the benefit and to support the Project under the Agreement as set forth in the attached **Exhibit E** to be added to the Agreement ("**City Public Infrastructure**").

D. The Arizona Department of Revenue ("**ADOR**") administers a reimbursement program under A.R.S. § 42-5032.02 wherein the Arizona State Treasurer collects revenue from contractors engaged in the construction of improvements at qualified manufacturing facilities, and cities, towns, and counties are able to seek

reimbursement of up to eighty (80) percent for costs related to public infrastructure improvements serving those qualified manufacturing facilities ("Title 42 Program").

E. The City is entering into an intergovernmental agreement ADOR for reimbursement under the Title 42 Program as ASM is a qualifying manufacturing facility expending costs related to related to public infrastructure ("Title 42 Intergovernmental Agreement").

F. The Parties wish to amend and clarify the Agreement to identify and set forth the estimated cost and source of funding for the public infrastructure and associated improvements, including the City Public Infrastructure to be designed and constructed for the benefit and to support the Project under the Agreement and to set forth the Parties' responsibilities in relation to compliance with the Title 42 Program.

### AMENDMENT

NOW THEREFORE, in consideration of the mutual agreements and promises set forth herein, the Parties agree as follows:

1. **Incorporation of Recitals; Capitalized Terms.** The foregoing Recitals are agreed to be true and correct and are incorporated herein by this reference. Capitalized terms not defined herein shall have the meaning set forth in the Agreement.
2. **Title 42 Program.** Section 35 is hereby added to the Agreement:

**35. Title 42 Program.** Pursuant to A.R.S. § 42 -5032.02, the City may be eligible to receive distributions from the State of Arizona for the sole purpose of constructing public infrastructure and associated improvements for the benefit of the Property including ASM's Public Improvements described in **Exhibit F** and the City Public Infrastructure described in **Exhibit E**. City and ASM affirm that they will use good faith efforts to satisfy the requirements of the Title 42 Program, the Title 42 Intergovernmental Agreement, and ADOR, including without limitation, to the following:

**35.1. Capital Investment.** By no later than June 9, 2026, ASM shall provide the required cost report to the ADOR stating that it has made at least 10% of the capital investment as required under A.R.S. § 42 -5032.02 and by ADOR.

**35.2. Prime Contractor Transaction Privilege Tax ("TPT").** ASM and the City shall require each of their prime contractors to comply with any reporting codes or written notification(s) issued by ADOR as to the means and method of reporting the portion of the prime contractors' income separately identified to ADOR pursuant to A.R.S. § 42-5075(H)), which is subject to the Title 42 Program and the Title 42 Intergovernmental Agreement. If required by ADOR, Parties shall require their prime contractors to obtain a separate TPT number.

**3. Source of Monies.** Section 36 is hereby added to the Agreement as follows:

**36. Source of Monies for Public Infrastructure.** The following monies shall be used to pay for the public infrastructure and the associated improvements:

**36.1. City Public Infrastructure.** Public infrastructure and associated improvements to be constructed by the City as generally identified in **Exhibit E** and the source of the monies to be used to pay for the infrastructure shall be the monies received by the City pursuant A.R.S. §42-5032.02 and the City's Capital Improvement Program Funding.

**36.2. ASM's Public Improvements.** Public improvements and associated improvements to be constructed by ASM as generally identified in **Exhibit F** and the source of the monies to be used to pay for the infrastructure shall be the monies received pursuant A.R.S. §42-5032.02 and the City's Capital Improvement Program Funding.

**4. Sewer Line Payback.** Exhibit C, Section 7 is hereby amended to add the following language:

On or before December 31, 2026, the City shall calculate the payback owed by ASM. In no event shall the payback owed by ASM exceed \$1,850,000.

**5. ASM Reimbursement.** The City shall reimburse ASM for the public infrastructure and associated improvements identified on **Exhibit F** in accordance with and subject to the terms of the Agreement.

**6. Effect of Amendment.** Except as otherwise amended herein, all other terms and conditions of the Agreement will remain in full force and effect. If there is a conflict or ambiguity among amendment and the Agreement, then the amendment will prevail and control. Notwithstanding the foregoing, Parties agree that this Amendment shall have no force and effect if the City and the State fail to enter into an intergovernmental agreement for the distribution of revenues under A.R.S. §42-5032.02.

**7. Water Credits.** The Parties acknowledge ASM's compliance with the Agreement's obligations with respect to ASM securing and transferring a total of 600 acre-feet of renewable water supplies to support the project as set forth in Recital E and Paragraph 11 of the Agreement.

**8. Counterparts.** This Amendment may be executed in duplicate originals, each of which is deemed to be an original.

9. **Governing Law.** This Amendment shall be construed and interpreted in accordance with the Agreement according to the laws of the State of Arizona without regard to any conflicts of laws principles.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized officers effective as of the date provided above.

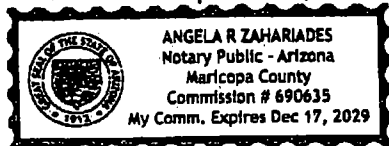
**ASM:**  
**ASM AMERICA, INC.,**  
a Delaware corporation,

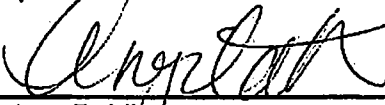
DocuSigned by:  
*Ahmad Mohandes*  
By: \_\_\_\_\_  
Ahmad Mohandes  
Its: Vice President

STATE OF ARIZONA     )  
  )  
County of Maricopa     )

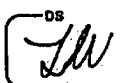
Approved by ASM Legal  
 02 June 2026

This Development Agreement dated, June 3, 2026 was executed before me on June 3, 2026, by Ahmad Mohandes a Vice President of ASM AMERICA, INC., a Delaware corporation, on behalf of the corporation.



  
\_\_\_\_\_  
Notary Public

[Seal]

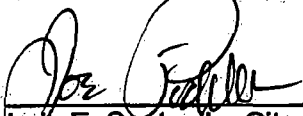


**CITY SIGNATURE PAGE TO FIRST AMENDMENT TO DEVELOPMENT AGREEMENT**

**CITY:**  
**CITY OF SCOTTSDALE,**  
an Arizona municipal corporation

By: \_\_\_\_\_  
Lisa Borowsky, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**  
  
\_\_\_\_\_  
Luis E. Santaella, City Attorney  
By: Joe Padilla, Deputy City Attorney

\_\_\_\_\_  
Ben Lane, City Clerk

STATE OF ARIZONA     )  
  )  
County of Maricopa     )

This Development Agreement dated, \_\_\_\_\_ was executed before me on \_\_\_\_\_, 2026, by Lisa Borowsky, the Mayor of CITY OF SCOTTSDALE, an Arizona municipal corporation, on behalf of the City.

\_\_\_\_\_  
Notary Public

[Seal]



## Exhibit E

### City of Scottsdale Public Improvements

The Crossroads East development area includes multiple sites for which large scale infrastructure improvement has been and will be required. The major area is bordered by the 101 Freeway to the north, Princess Boulevard to the South, Scottsdale Road to the West, and Hayden Road to the East. While this broadly represents the geographical area, certain project elements may fall outside these borders and still support the infrastructure requirements within these borders. Projects include roadway, water, and wastewater infrastructure with certain aspects of the projects requiring initial installation, modifications to sizing to accommodate the ASM (and other large development), site development for a total cost of \$110,171,875.

#### Projects:

##### Crossroads East – Water System Improvements

Increase site 55A booster pump capacity and install approximately 4,200 linear feet of 30-inch diameter transmission main to serve current and future connections. Union Hills Drive alignment (Extended) from Booster Pump Station 55A at the Central Arizona Project (CAP) Water Treatment (WTP) Plant

##### Booster Pump Station-55A Rebuild

Design and construction of a new Booster Pump Station (BPS) with double the current capacity for potable water delivery to the identified service area. Project location is the Scottsdale Water Campus.

##### Mayo Boulevard Sewer Improvements

Construct a new 8-inch diameter and 10-inch diameter sewer main to provide capacity for current and future connections. Mayo Boulevard, from Scottsdale Road to Princess Boulevard.

##### Greenway Hayden Loop Sewer Improvements

Construct a new 36-inch diameter sewer from Princess Drive Boulevard through the TPC Champion Golf Course to the Pima Road alignment. This new gravity fed sewer capacity is for developing growth and future sewer connection in the airpark area.

##### North Pumpback Rehabilitation

Enhance north pumpback capacity and reliability, improve odor control, and increase storage tank capacity while reconstructing existing storage tanks. These requirements are for additional storage flows related to industrial and other development.

**Water Campus Asset Improvement**

Construct additional treatment capacity to accommodate large scale growth and other large industrial and commercial facilities within the immediate geographical area.

**Miller Road – Princess Drive to Legacy Boulevard**

Construct the portion of the 4-lane major collector on the Miller Road alignment that crosses Arizona Department of Transportation right-of-way using the newly constructed freeway underpass. The project will also include a new potable water line funded by existing Water Resources CIP.

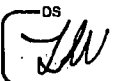
**Miller / May Roundabout**

Construct a roundabout at the Intersection of Miller Road and Mayo Boulevard to accommodate accessibility, and safety through the high growth commercial and industrial traffic corridor.

**Exhibit F**

**ASM's Public Improvements**

<b>Item</b>	<b>Caveats</b>	<b>Estimated Cost</b>
<b>Off-Site Earthwork</b>	Site preparation, clearing, grubbing (roadway area)	\$19,600.00
	Final Grading (Roadway surface)	\$24,274.80
	Miller Road Excavation	\$87,000.00
	Fill (Assumes 10" fill over roadway)	\$55,594.00
<b>Demolition</b>	2 Cap Water Mains	\$8,000.00
	Mayo Boulevard - Remove Median Nose at 73rd Place	\$3,000.00
<b>Paving</b>	AC Pavement Section – 5" AC on 14" ABC on Compacted Subgrade	\$541,875.00
	4" Concrete Sidewalk	\$139,500.00
	Sidewalk Ramps	\$18,000.00
	Pavement Striping & Signage	\$10,000.00
	6" Vertical Curb and Gutter	\$46,500.00
	Traffic Control	\$25,000.00
	Adjust MH/GV to Grade	\$4,500.00
	Streetlight (250' Spacing)	\$78,000.00
<b>Soft Costs</b>	Mobilization	\$242,008.87
	Survey and Testing	\$242,008.87
	Construction Management	\$242,008.87
	Municipal Fees	\$121,004.43
	Mayo and Miller Round-A-Bout - City of Scottsdale Assessment	\$250,000.00
<b>Water</b>	24" DIP w/ Fittings (Miller Road)	\$147,960
	Hydrant assembly per MAG STD DET 360, quantity 3	\$13,500
	16" DIP w/ Fittings (Mayo Boulevard)	\$375,700
	Connection to Existing Main, quantity 2	\$10,000
	Hydrant assembly per MAG STD DET 360, quantity 4	\$18,000



<b>Street Light Electrical</b>	APS Feeder Extension (Including 2 Switching Cabinets)	\$37,500.00
	2" Street Light Conduit	\$74,585.00
<b>Storm Drain West side of Miller</b>	Erosion control/storm water pollution prevention	\$5,000.00
	Miller Road - 24" HDPE Storm Drain	\$91,190.00
	Miller Road - 18" HDPE Storm Drain	\$18,715.00
	Miller Road - Catch Basin	\$24,000.00
	Miller Road - Storm Drain Manhole	\$40,000.00
	Miller Road - Bubble-Up Structure	\$7,000.00
	Miller Road - Dual Chamber Drywell	\$15,000.00
	Storm Water Basin Grading	\$7,000.00
	Rip-Rap, D50=6", 12" Depth	\$115,360.00
	Four-Barrel 48" HDPE Culverts (West Side of Miller Rd)	\$48,750.00
	30" HDPE Storm Drain (North Side of West Parcel)	\$103,920.00
	Four-Barrel 48" HDPE Culverts (West Side of Miller Rd)	\$534,193.00
	Drainage Structure	\$45,000.00
Four-Barrel 48" Headwall	\$22,000.00	



RESOLUTION NO. 13693

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE MAYOR TO EXECUTE CONTRACT NO. 2026-081-COS, AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF REVENUE FOR DISTRIBUTION OF REVENUES UNDER A.R.S. § 42-5032.02.

WHEREAS, Arizona Revised Statutes Sections 11-951, *et seq.* provide that public agencies may enter into intergovernmental agreements for the provision of services or joint or cooperative action; and

WHEREAS, Article 1, Section 3-1 of the City Charter of the City of Scottsdale authorizes the City to enter into intergovernmental agreements with various public agencies, including state agencies or departments like the Arizona Department of Revenue; and

WHEREAS, the Arizona Department of Revenue administers a reimbursement program under A.R.S. § 42-5032.02 wherein the Arizona State Treasurer collects revenue from contractors engaged in the construction of improvements at qualified manufacturing facilities, and cities, towns, and counties are able to seek reimbursement of up to eighty (80) percent for costs related to public infrastructure improvements serving those qualified manufacturing facilities ("Title 42 Program"); and

WHEREAS, the City of Scottsdale and the Arizona Department of Revenue desire to enter into an Intergovernmental Agreement ("IGA") for diversion and distribution of revenue under A.R.S. § 42-5032.02 for public infrastructure improvements made for the benefit of ASM America, Inc. ("ASM"), which is a qualifying manufacturing facility under the Title 42 Program.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. The City Council hereby authorizes, approves and directs the Mayor to execute, on behalf of the City, Contract No. 2026-081-COS, an IGA with the Arizona Department of Revenue for diversion and distribution of revenue under A.R.S. § 42-5032.02 for public infrastructure improvements made for the benefit of ASM, a qualified manufacturing facility under the Title 42 Program.

Section 2. The City Council hereby authorizes the City Manager or his designee to execute any other documents and take such other actions as are necessary to carry out the intent of this Resolution and Contract No. 2026-081-COS.

Section 3. The City Council further authorizes the City Manager or his designee to amend or execute new addenda to the IGA from time to time and necessary to comply with the terms of Contract No. 2026-081-COS and carry out the intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this \_\_\_\_\_ day of \_\_\_\_\_ 2026.

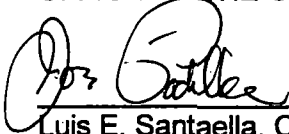
CITY OF SCOTTSDALE, an Arizona  
municipal corporation

ATTEST:

\_\_\_\_\_  
Ben Lane, City Clerk

\_\_\_\_\_  
Lisa Borowsky, Mayor

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY



\_\_\_\_\_  
Luis E. Santaella, City Attorney

By Joe Padilla, Deputy City Attorney

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN THE CITY OF SCOTTSDALE AND ARIZONA DEPARTMENT OF REVENUE  
FOR DISTRIBUTION OF REVENUES UNDER A.R.S. § 42-5032.02**

THIS INTERGOVERNMENTAL AGREEMENT (the "**Agreement**") is entered into this \_\_\_ day of \_\_\_\_\_ 2026, pursuant to Arizona Revised Statutes ("**A.R.S.**") §§ 11-951 through 11-954 by and between the Arizona Department of Revenue ("**ADOR**") and the City of Scottsdale, an Arizona Municipal Corporation (the "**City**"). The City and ADOR are referred to collectively in this agreement as the "**Parties**" and each individually as a "**Party**." A.R.S. references shall be to the code version in effect as of the effective date of this Agreement ("**Effective Date**"), unless otherwise provided expressly in this Agreement.

**DEFINITIONS**

The following definitions shall apply throughout this Agreement:

1. "**Capital Investment**" means an expenditure to acquire, lease, or improve property that is used for the benefit of the Facility, including land, buildings, machinery, and fixtures, as the term "capital investment" is defined in A.R.S. § 42-5032.02 and identified under Section I of this Agreement.
2. "**Certification**" means the sworn certification of capital investment submitted by ASM to the Arizona Commerce Authority on April 10, 2026.
3. "**Construction Phase Services**" has the same meaning prescribed in A.R.S. § 42-5075(N)(1).
4. "**ASM**" means ASM America, Inc., a Delaware corporation having its principal place of business at 3440 East University Drive, Phoenix, Arizona 85034.
5. "**Facility**" means an establishment that:
  - a. Is engaged in the mechanical, physical, or chemical transformation or fabrication of materials, substances, or components into new products within the State of Arizona;
  - b. Is classified within sections 31 through 33 inclusive of the 2007 edition of the North American Industry Classification System as published by the National Information Service of the United States Department of Commerce; and
  - c. Agrees to make at least five hundred million dollars (\$500,000,000) in Capital Investment.
6. "**Prime Contractor**" means any contractor identified in connection with a Capital Investment or Public Infrastructure Improvement Project under this Agreement who is liable for reporting and remitting TPT levied under A.R.S. § 42-5075.

7. "**Public Infrastructure**" means water production, delivery, and disposal facilities; wastewater production, delivery, and disposal facilities, and roads that are necessary to support the activities of the Facility.
8. "**Public Infrastructure Improvement Project**" or "**PIIP**" means any project identified under Section II of this Agreement.
9. "**Development Agreement**" means the written agreement, as amended, between ASM and the City that identifies and states the cost of the Public Infrastructure Improvement Projects that will be constructed and identifies the source of monies that will be used to pay for the same under A.R.S. § 42-5032.02.
10. "**Reporting Code**" means a code that ADOR provides to a Prime Contractor under Section III of this Agreement for the purpose of allowing the Prime Contractor to separately identify to ADOR such income reported under A.R.S. § 42-5075 that is derived from a contract for Capital Investment and Public Infrastructure Improvement Projects under this Agreement.
11. "**Statutory Maximum**" means the total amount paid to all cities, towns, and counties under A.R.S. § 42-5032.02, which shall not exceed the amount allowed under the statute.
12. "**TPT**" means state transaction privilege tax.

#### RECITALS

1. ADOR is authorized to enter into this Agreement under A.R.S. §§ 42-1004(A)(4) and 42-5032.02(G).
2. The City is authorized to enter into this agreement under Scottsdale City Charter Article 1, Section 3-1 and A.R.S. §§ 11-952 and 42-5032.02(G).
3. ASM intends to engage in business at a production facility to be constructed within the City that qualifies as a Facility under this Agreement.
4. ASM has agreed with the City to make a qualifying Capital Investment and has filed its Certification to this effect with the Arizona Commerce Authority.
5. On or before the Effective Date, ASM has agreed with the City to provide a cost report to ADOR demonstrating that ASM has made ten percent (10%) of the Capital Investment identified in the Certification that constitutes "construction phase services," as that term is defined in A.R.S. § 42-5075.
6. The City has determined that certain PIIPs are necessary to support ASM's Capital Investment.
7. ASM and the City have entered into the Development Agreement that identifies and states the cost of the PIIPs that will be constructed and identifies the source of monies that will be used to pay for such PIIPs.
8. Under A.R.S. § 42-5032.02(H), the City can obtain funding for up to eighty percent (80%) of the cost of a PIIP from the portion of TPT revenue under A.R.S. § 42-5075 derived from

the construction of buildings and associated improvements for the benefit of the Facility and the PIIPs that benefit the Facility.

9. The purpose of this Agreement is to facilitate ADOR's distribution of funds to the City under A.R.S. § 42-5032.02 and to ensure compliance with the requirements of that statute and other applicable laws.

WHEREFORE, IN CONSIDERATION of the foregoing and of the mutual covenants expressed in this Agreement, the Parties agree as follows:

**I. Capital Investment.**

- A. The Capital Investment and associated Prime Contractors covered by this Agreement are identified in the attached Addendum A.
- B. Future Capital Investments may be identified under this Agreement through the use of similar addenda, and in that event, the terms and conditions of this Agreement shall apply.

**II. Public Infrastructure Improvement Projects (PIIPs).**

- A. The Public Infrastructure necessary to support the Capital Investment is identified in the attached Addendum B.
- B. The actual amount of the construction funding that will be derived from sources other than the State is also identified in Addendum B.
- C. Using the form attached as Addendum B, the City shall notify ADOR of each Prime Contractor or other service provider awarded a contract under A.R.S. Title 34 for the Public Infrastructure Improvement Project and any other City expense related to the PIIP, together with an updated project cost, estimated start of construction date, and estimated completion date.
- D. Future PIIPs may be identified under this Agreement through the use of similar addenda and, in that event, the terms and conditions of this Agreement shall apply.
- E. The City shall submit an amended Addendum B as needed for any new PIIP subsequent to the execution of this Agreement.

**III. Prime Contractors.**

- A. ADOR shall provide written notification, with a copy to the City, to each Prime Contractor identified under this Agreement as to the means and method of reporting the portion of its income separately identified to ADOR under A.R.S. § 42-5075 as being derived from a contract for Capital Investment or PIIP under this Agreement.
- B. ADOR shall separately account for state TPT revenues identified, reported, and collected under A.R.S. § 42-5075 of the prime contracting classification from any Prime Contractor identified under this Agreement for both the PIIPs and Capital Investment project.

- C. Revenue derived from contracts subject to A.R.S. § 42-5075 for PIIPs under this Agreement shall be used exclusively to pay for PIIPs identified under this Agreement until either:
1. The Statutory Maximum for payments to all cities, towns, and counties under A.R.S. § 42-5032.02, as amended, is reached or
  2. September 30, 2033 or such later date as amended in A.R.S. § 42-5032.02.
- D. In the event there is more than one PIIP undertaken by more than one city, town, or county for the benefit of ASM that will be funded by the same Capital Investment project, the revenue shall be allocated by ADOR among the PIIPs based on available funds and whether the eighty percent (80%) threshold for each PIIP has been met.
- E. The City agrees that any amounts paid by ADOR to a Prime Contractor resulting from an audit adjustment or claim for credit or refund of taxes collected under A.R.S. § 42-5010(A) and derived from a contract for the construction of a PIIP or Capital Investment project under this Agreement shall be recovered by ADOR by reducing the amount paid to the City under A.R.S. § 42-5029 from monies designated as the distribution base in the month next succeeding the month in which the adjustment or claim is paid. In the event that there is more than one PIIP undertaken by more than one city, town, or county for the benefit of ASM, any amount paid by ADOR to a Prime Contractor under this section shall be recovered in the manner prescribed by this section only from the city, town, or county to whom the monies were allocated pursuant to Section III(D) above.
- F. The City agrees that if, on notification by ADOR, the State Treasurer ceases payments because the City has received monies that meet or exceed either eighty percent (80%) of the cost of a PIIP or the Statutory Maximum, the City shall have no claim to additional payments if ADOR subsequently pays amounts to a Prime Contractor due to an audit adjustment or claim for credit or refund of taxes.

#### **IV. Payments to the City.**

- A. Within ten (10) business days after all of the conditions set forth in Sections IV(B)(1) through IV(B)(4) have been satisfied for a PIIP to be funded under this Agreement, and provided that TPT funds identified under A.R.S. § 42-5075(H) are available, ADOR shall provide written notice to the State Treasurer, with a copy to the City, to begin making payments to the City under this Agreement.
- B. ADOR shall not instruct the State Treasurer to begin making payments to the City under this Agreement until each of the following conditions has been met:
1. ADOR has received a cost report demonstrating that ASM has made ten percent (10%) of the Capital Investment identified in the Certification that constitutes Construction Phase Services.
  2. ADOR has received documentation from the City that it has entered into a contract for a PIIP to be funded under this Agreement.
  3. ADOR has received all of the information to be provided under Addendum B for a PIIP.

4. At least one Prime Contractor or other service provider has been identified, and all of the information required to be provided for that Prime Contractor or other service provider under Addendum B, has been provided for a PIIP. Payments to the City for any Prime Contractor, other service provider, or other City expense identified in Addendum B shall not exceed eighty percent (80%) of the construction cost, contract cost, or other expense as set forth in Addendum B.
- C. The total amount paid to the City for any PIIP under this Agreement shall not exceed: (a) eighty percent (80%) of the total cost of the PIIP as set forth in Addendum B or (b) the Statutory Maximum for payments to all cities, towns, and counties under A.R.S. § 42-5032.02. If the amount needed to meet eighty percent (80%) of the PIIP would exceed the Statutory Maximum, such amount shall be funded by the City. In no event shall payments be made to the City under this Agreement from and after September 30, 2033 or such later date as amended in A.R.S. § 42-5032.02.
  - D. The City agrees that the monies received under this Agreement shall be used exclusively to pay for PIIPs that are necessary to support the activities of ASM.
  - E. The City agrees that it will commit all of its portion of the revenue received pursuant to A.R.S. § 42-5029(D) derived from contracts subject to A.R.S. § 42-5075 for the construction of buildings and associated improvements for the benefit of the Facility (identified in this Agreement as Capital Improvements and PIIPs) for PIIPs under this Agreement.
  - F. The City will promptly notify ADOR if monies received under this Agreement exceed eighty percent (80%) of the cost of any PIIP and will return the amount of the excess to the State Treasurer for deposit according to A.R.S. § 42-5032.02(G)(4) or successor provision.
  - G. ADOR shall notify the State Treasurer to cease payments under this Agreement when either: (a) the total for all payments to the City meet or exceed eighty percent (80%) of the cost of the PIIPs under this Agreement or (b) payments to all cities, towns, and counties under A.R.S. § 42-5032.02 have reached the Statutory Maximum. The City agrees that it has no claims to additional payments under these conditions.
  - H. ADOR shall distribute and the City shall receive funding payments for eligible PIIP costs rendered after the City substantiates to ADOR the cost has been expended, is allowable, and is relevant for the submitted program expenditures. To request reimbursement, the City shall submit its request to ADOR for review and processing in a form and manner agreed upon by both the City and ADOR. Unless otherwise specifically indicated, the City as a funding recipient is not required to submit any supporting documentation with a reimbursement request. However, the City is required to maintain all necessary supporting documentation to ensure such documentation is available to ADOR for review, upon request. The City must maintain records that show:
    1. The total amount of funds received under this Agreement;
    2. How the City used the funds;
    3. The total cost of the projects; and
    4. Other records to facilitate an effective audit.

Allowable costs are those eligible PIIP costs invoiced to the City on or after the month of the Effective Date of this Agreement, as substantiated by supporting documentation.

- I. ADOR will process reimbursements requests under A.R.S. § 42-5032.02 on a first-come, first-served basis, so it is important for the City to submit payment requests as early as possible. The City may request updates on the remaining amounts available under A.R.S. § 42-5032.02 from time to time.

**V. Meet and Confer Process.**

- A. In order to ensure timely compliance with the requirements of A.R.S. § 42-5032.02, the Parties shall adopt a meet and confer schedule for each PIIP at approximately the following intervals as determined by the City, but in no event less than on a quarterly basis or upon request by ADOR:

1. At or near project initiation;
2. At or near 20% project completion;
3. At or near 60% project completion;
4. At or near 80% project completion; and
5. At or near 90% project completion.

- B. Representatives of ASM and/or any Prime Contractor may attend at the request of the City or ADOR.

**VI. Calculation of Statutory Maximum.** ADOR shall use, inter alia, the amounts subject to any distribution to the City under A.R.S. § 42-5032.02(A) in calculating the Statutory Maximum.

**VII. Other Funding.** The funding for a PIIP that will be derived from sources other than the State will be twenty percent (20%) of the overall PIIP costs that shall be paid from the City's Capital Improvement Project ("CIP") budget. In addition, the City shall pay one hundred percent (100%) of any PIIP costs not reimbursed by the State under A.R.S. § 42-5032.02(A) for any reason.

**VIII. Effective Date and Duration.** This Agreement shall become effective upon execution by the City and ADOR, and shall remain in effect until the earlier of either the point at which the Statutory Maximum is reached or September 30, 2033.

**IX. Termination.** A Party desiring to terminate this Agreement shall provide written notice to the other Party at least sixty (60) days in advance of the proposed termination date.

**X. Choice of Law.** The laws and regulations of the State of Arizona shall govern the rights of the Parties, the performance of this Agreement, and any disputes arising from this Agreement, including the City's appeal rights pertaining to ADOR's agency actions contained herein.

**XI. Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to its subject matter and correctly sets forth the rights, duties, and obligations of each to the other as of its Effective Date. All prior or contemporaneous agreements and

understandings, oral or written, are superseded and merged into this Agreement. The provisions of this Agreement may be abrogated, modified, rescinded, or amended in whole or in part only by mutual written consent of the Parties.

**XII. Notices.** All written notices concerning this Agreement shall be sent electronically and by first class mail, postage prepaid, to the Parties as follows:

A. To the City:

Greg Caton, City Manager  
City of Scottsdale  
7447 E. Indian School Rd.  
Scottsdale, AZ 85251

with a copy to:

Luis E. Santaella, City Attorney  
City Attorney's Office  
3939 N. Drinkwater Blvd.  
Scottsdale, AZ 85251

B. To ADOR:

Robert Woods, Director  
1600 W. Monroe St.  
Phoenix, AZ 85007  
[rwoods@azdor.gov](mailto:rwoods@azdor.gov)

with a copy to:

Hsin Pai, General Counsel  
1600 W. Monroe St.  
Phoenix, AZ 85007  
[hpai@azdor.gov](mailto:hpai@azdor.gov)

The address to which any notice, demand or other writing may be given, made or sent to any Party may be changed by written notice given by such Party as above provided.

**XIII. Nondiscrimination.** ADOR and the City shall comply with Executive Order 2023-01, which prohibits discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status, by persons performing state contracts or subcontracts. ADOR and the City also agree to comply with Executive Orders 2003-22 and 2009-09 as amended by Executive Order 2023-01, all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act of 1990.

- XIV. Cancellation.** The requirements of A.R.S. § 38-511 shall apply to this Agreement. Either Party may cancel this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of ADOR or the City is, at any time while this Agreement or any extension is in effect, an employee, agent, or consultant of the other Party with respect to the subject matter of this Agreement.
- XV. Other Agreements.** This Agreement in no way restricts either Party from participating in similar activities with other public or private agencies, organizations, or individuals.
- XVI. Records Retention.** The City and ADOR shall retain all data, books, and other records ("Records") relating to this Agreement for at least six (6) years after the termination of this Agreement and following each annual renewal thereof. All Records shall be subject to inspection by ADOR at reasonable times. Upon request, ADOR and the City shall produce any or all such records. This Agreement is subject to A.R.S. §§ 35-214 and 35-215.
- XVII. Compliance with Immigration Laws.** ADOR and the City shall comply with all Federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214(A). A breach of compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and may be grounds for the immediate termination of this Agreement. ADOR and the City retain the legal right to inspect the papers of any employee who works on the Agreement to ensure ADOR and the City are complying with applicable Federal immigration laws and regulations and State statutes as set forth above.
- XVIII. Relationship.** It is not intended by this Agreement to, and nothing contained in this Agreement shall be construed to, create any partnership, joint venture, or employment relationship between the Parties or to create any employer-employee relationship between the City and any ADOR employee, or between ADOR and any City employee. Neither Party shall be liable for any debts, accounts, obligations, or other liabilities whatsoever of the other, including, without limitation, the other Party's obligation to withhold Social Security and income taxes for any of its employees.
- XIX. Nonavailability of Funds.** Every payment obligation of ADOR under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payments of such obligation. If funds are not appropriated, allocated, and available, or if the appropriation is changed resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this section.
- XX. Failure to Enforce.** The failure to exercise any right, power, or privilege under this Agreement shall not constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of that or any right, power, or privilege.
- XXI. Authorization to Enter into Agreement.** Attached to this Agreement and incorporated by reference is the written determination of each Party's legal counsel that each Party is authorized under the laws of the State of Arizona to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Agreement as authorized by the State of Arizona.

**Arizona Department of Revenue ("ADOR")**

**City of Scottsdale ("City")**

By: \_\_\_\_\_  
Name: Neeraj Deshpande  
Title: Deputy Director

By: \_\_\_\_\_  
Name: Lisa Borowsky  
Title: Mayor

Date: \_\_\_\_\_


Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Ben Lane, City Clerk

**IGA DETERMINATION—CITY**

This IGA, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952 by the undersigned, who has determined that it is in the proper form and is within the power and authority granted under the laws of the State of Arizona to those parties to the Agreement represented by the City Attorney, including under the Scottsdale City Charter and A.R.S. § 42-5032.02(G). No opinion is expressed as to the authority of the Arizona Department of Revenue to enter into this Agreement.

  
\_\_\_\_\_  
Luis E. Santaella, City Attorney  
By: Joe Padilla, Deputy City Attorney

**IGA DETERMINATION—STATE**

This IGA, which is an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952(D) by the undersigned, as the attorney for the Arizona Department of Revenue, who has determined that it is in the proper form and is within the power and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue including under A.R.S. §§ 42-1004(A)(4) and 42-5032.02(G). No opinion is expressed as to the authority of the City to enter into this Agreement.

\_\_\_\_\_  
Hsin Pai, General Counsel, ADOR

**ADDENDUM A**

**Capital Investment**

The following Capital Investment and Prime Contractor(s) are identified pursuant to Section I of the Intergovernmental Agreement entered into between the Arizona Department of Revenue and the City of Scottsdale on or about \_\_\_\_\_, 2026 (the "Agreement"):

ASM North American Headquarters and semiconductor equipment manufacturing, research and development facility

Prime Contractor(s): Okland Construction Company

Anticipated Construction Start Date: Fall of 2025

Estimated Date of Completion: To Be Determined

Estimated Construction Cost: In Excess of \$500 million

Each Prime Contractor identified above has been notified as to which portion of the Prime Contractor's income shall be separately identified to the Department pursuant to A.R.S. § 42-5075(H).

The provisions of the Agreement are incorporated and shall control as fully as if they were set forth in this Addendum.

**Arizona Department of Revenue  
corporation**

**City of Scottsdale, an Arizona municipal**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Greg Caton

Title: \_\_\_\_\_

Title: City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Ben Lane, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Luis E. Santaella, City Attorney  
By: Joe Padilla, Deputy City Attorney

**ADDENDUM B**

**Public Infrastructure Improvement Project**

City represents that the following Public Infrastructure Improvement Projects are necessary to support the Capital Investment identified in Addendum A, dated \_\_\_\_\_, to the Intergovernmental Agreement entered into between the Arizona Department of Revenue and the City of Scottsdale on or about \_\_\_\_\_, 2026 (the "Agreement"):

**City of Scottsdale – Infrastructure Improvements**

By Project:

**Crossroads East - Water Systems Improvements: to add 4,200 linear feet of transmission pipeline and add additional capacity at closest booster pump site.**

Prime Contractor(s):	Willmeng Construction
Anticipated Construction Start Date:	Ongoing
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$14,000,000
State TPT (80%)	\$11,200,000
City CIP (20%)	\$2,800,000

**Crossroads East - Water Systems Improvements: to add 4,200 linear feet of transmission pipeline and add additional capacity at closest booster pump site.**

Prime Contractor(s):	TFC Contracting
Anticipated Construction Start Date:	Ongoing
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$14,000,000
State TPT (80%)	\$11,200,000
City CIP (20%)	\$2,800,000

**Booster Pump Station-55 Rebuild: to double capacity at the site in support of Crossroads East and ASM**

Prime Contractor(s):	To Be Determined
Anticipated Construction Start Date:	To Be Determined
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$31,800,000
State TPT (80%)	\$25,440,000
City CIP (20%)	\$6,360,000

**Mayo Boulevard Sewer Improvements: to construct new sewer mains throughout Crossroads East and to the ASM site**

Prime Contractor(s):	Willmeng Construction
Anticipated Construction Start Date:	Ongoing
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$3,733,000
State TPT (80%)	\$2,986,400
City CIP (20%)	\$746,600

**Greenway Hayden Loop Sewer Improvements: to construct sewer mainline through Crossroads East connecting with the city pumpback system.**

Prime Contractor(s):	Achen-Gardner Construction
Anticipated Construction Start Date:	Ongoing
Anticipated Date of Completion:	Fall 2026
Estimated Construction Costs:	\$5,638,875
State TPT (80%)	\$4,511,100
City CIP (20%)	\$1,127,775

**North Pumpback Rehab: to add capacity and for industrial and other Crossroads East capacity**

Prime Contractor(s):	To Be Determined
Anticipated Construction Start Date:	To Be Determined
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$10,000,000
State TPT (80%)	\$8,000,000
City CIP (20%)	\$2,000,000

**Water Campus Asset Improvement: to construct additional treatment capacity to serve Crossroads East and ASM**

Prime Contractor(s):	To Be Determined
Anticipated Construction Start Date:	To Be Determined
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$15,000,000
State TPT (80%)	\$12,000,000
City CIP (20%)	\$3,000,000

**Miller Road - Princess Drive to Legacy Boulevard: to construct street improvements in Crossroads East adjacent to the ASM project**

Prime Contractor(s):	To Be Determined
Anticipated Construction Start Date:	To Be Determined
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$10,000,000
State TPT (80%)	\$8,000,000
City CIP (20%)	\$2,000,000

**Miller / Mayo Roundabout: to construct a roundabout at the intersection of Miller Road and Mayo Boulevard to accommodate accessibility and safety adjacent to the ASM Project**

Prime Contractor(s):	To Be Determined
Anticipated Construction Start Date:	To Be Determined
Anticipated Date of Completion:	To Be Determined
Estimated Construction Costs:	\$6,000,000
State TPT (80%)	\$4,800,000
City CIP (20%)	\$1,200,000

Prime Contractors are as shown above

Total Construction Costs:	Approximately \$110.2 Million
State TPT (80%)	\$88.1 Million
City (20%)	\$22.1 Million

The Parties shall meet and confer at or near the start of construction and at such subsequent times as provided under Section V of the Agreement.

The provisions of the Agreement are incorporated and shall control as fully as if they were set forth in this Addendum.

Dated: \_\_\_\_\_

CITY OF SCOTTSDALE

\_\_\_\_\_  
Greg Caton, City Manager

ATTEST:

\_\_\_\_\_  
Ben Lane, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Luis E. Santaella, City Attorney  
By: Joe Padilla, Deputy City Attorney