

CITY COUNCIL REPORT



Meeting Date: March 24, 2026
General Plan Element: *Public Services and Facilities*
General Plan Goal: *Provide a safe environment for all citizens, visitors, and private interests*

ACTION

Adopt Resolution No. 13615 authorizing Intergovernmental Agreement 2026-035-COS between the City of Scottsdale and the Flood Control District of Maricopa County for Construction, Construction Management, and Operation and Maintenance for the 68th Street Storm Drain Project.

Background

The purpose of this action is to authorize the City to enter into an intergovernmental agreement (IGA) with the Flood Control District of Maricopa County (District) for the Construction, Construction Management, and Operation and Maintenance for the 68th Street Storm Drain Project.

The City of Scottsdale will be the lead agency for the 68th Street Storm Drain Project (Project) as recommended by the Lower Indian Bend Wash Area Drainage Master Study (ADMS).

The 68th Street Storm Drain project is a quarter mile of storm drain extension along 68th Street from Monterosa Street to Roma Avenue (Project) and is located within the City of Scottsdale. The Project is intended to mitigate the flood hazards along 68th Street.

The area is part of the Lower Indian Bend Wash (LIBW) Area Drainage Master Study/Plan (ADMS/P), a regional study sponsored by the Flood Control District of Maricopa County (FCDMC) which was completed in December 2017. The ADMP report identified five regional drainage improvement areas and eleven smaller localized drainage improvement areas. The Project storm drain extension is in one of the localized drainage improvement areas.

On May 23, 2018, the Board of Directors of the District adopted Resolution FCD 2018R007 (C-69-18-036-6-00), authorizing the District to negotiate and prepare an IGA for cost-sharing, design, rights-of-way acquisition, construction, construction management, and future operation and maintenance of the Project.

Action Taken _____

City Council Report | IGA with the Flood Control District of Maricopa County for the 68th Street Storm Drain Project for the Construction, Construction Management, and Operation and Maintenance

This Agreement is only for the construction, construction management, operation, and maintenance of the Project which will construct a quarter mile of storm drain along 68th Street from Monterosa Street to Roma Avenue to reduce the flood hazard in the area by providing a 10-yr level of protection. The proposed Project elements are shown in Exhibit A, attached hereto and made a part hereof.

The total project cost is estimated to be \$2.6 million. This amount is based on the best information available at the time of the execution of this IGA. Upon recognizing any anticipated increases to this estimated project cost, project partners shall communicate these anticipated increases and take appropriate actions to address the situation.

Under the terms of this IGA, the District will contribute fifty percent (50%) towards the cost of Construction, Construction Management, and Operation and Maintenance of the project. The District's contribution (50%) is estimated to be approximately \$1.3 million. The city of Scottsdale's cost share under this IGA is 50% and is estimated to be approximately \$1.3 million.

Significant Issues to be Addressed

This Agreement identifies and defines the responsibilities of the District and the City for Project activities related to construction, construction management, operation, and maintenance.

ANALYSIS & ASSESSMENT

Recent Staff Action

Staff coordinated with the Flood Control District of Maricopa County to negotiate the required IGA for Construction, Construction Management, and Operation and Maintenance of the project.

Community Involvement

As necessary, targeted public meetings will be held with the HOA and other impacted public in the vicinity of the project.

City Council Report | IGA with the Flood Control District of Maricopa County for the 68th Street Storm Drain Project for the Construction, Construction Management, and Operation and Maintenance

RESOURCE IMPACTS

Available funding

Per agreement No. 2026-035-COS, the City of Scottsdale's contribution of 50% of the total cost of the project is \$1.3 million. Funding is available for this proposed project in FY 2026/27 capital budget (Project PF2401). Scottsdale's contribution of \$1.3 million is funded by the CIP Stormwater Fee.

Staffing, Workload Impact

The contract administrator responsible for enforcing all contract provisions will be Hasan Mushtaq, Floodplain Administrator, Planning and Development Services Department, City of Scottsdale. No additional staffing needs have been identified because of this action.

Future Budget Implications

Annual maintenance costs for the 68th Street Storm Drain Project are estimated at approximately \$3,000/year, which staff will include in future operating budget requests.

OPTIONS & STAFF RECOMMENDATION

Recommended Approach

Adopt Resolution No. 13615 Authorizing Intergovernmental Agreement No. 2026-035-COS between the City of Scottsdale, and the Flood Control District of Maricopa County for Construction, Construction Management, and Operation and Maintenance for the 68th Street Storm Drain Project.

Proposed Next Steps

Upon approval by Council, the Floodplain Administrator will continue to work with the Flood Control District of Maricopa County to monitor all project costs during all phases of the 68th Street Storm Drain Project.

City Council Report | IGA with the Flood Control District of Maricopa County for the 68th Street Storm Drain Project for the Construction, Construction Management, and Operation and Maintenance

RESPONSIBLE DEPARTMENT(S)

Planning and Development Services Department.

STAFF CONTACT (S)

Hasan Mushtaq, Floodplain Administrator, hmushtaq@scottsdaleaz.gov

APPROVED BY

Scott Selin

Scott Selin, Budget Director
(For Financial Policies Compliance and Budget Appropriation)
(480) 312-2603, sselin@scottsdaleaz.gov

3/10/26

Date

Michael L. Clack

Michael Clack, Planning & Development Area Director
(480) 312-7629, mclack@scottsdaleaz.gov

3/6/26

Date

Erin Perreault

Erin Perreault, Planning & Development Services Senior Director
(480) 312-7093, eperrault@scottsdaleaz.gov

3/6/26

Date

Greg Caton

Greg Caton, City Manager
(480) 312-7759, gcaton@scottsdaleaz.gov

3/6/26

Date

ATTACHMENTS

1. Resolution No. 13615
2. Location Map
3. Contract No. 2026-035-COS

RESOLUTION NO. 13615

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA AUTHORIZING THE MAYOR TO EXECUTE INTERGOVERNMENTAL AGREEMENT NO. 2026-035-COS BETWEEN THE CITY OF SCOTTSDALE AND THE FLOOD CONTROL DISTRICT OF MARICOPA COUNTY FOR THE 68TH STREET STORM DRAIN PROJECT.

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;

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 public entities such as the Flood Control District of Maricopa County ("the District"); and

WHEREAS, the City of Scottsdale, and the District desire to enter into Intergovernmental Agreement No. 2026-035-COS for the Construction, Construction Management, Operation and Maintenance for the 68th Street Storm Drain Project; and

BE IT RESOLVED by the Council of the City of Scottsdale as follows:

Section 1. The Mayor of the City of Scottsdale is authorized and directed to execute Intergovernmental Agreement No. 2026-035-COS between the City of Scottsdale and the Flood Control District of Maricopa County in the estimated total project amount of \$2,600,000 of which the City's share is estimated to be \$1,300,000 for the 68th Street Storm Drain Project.

PASSED AND ADOPTED by the Council of the City of Scottsdale this 24th day of March, 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


Luis E. Santaella, Interim City Attorney
By: Karen Tyler, Principal Assistant City Attorney



ATTACHMENT 2						
LOCATION MAP						
DEPT.	D.R.	DRAWN	DATE	SCALE	SHT.	
CPM		RAH	6/25	NTS	1 OF 1	



INTERGOVERNMENTAL AGREEMENT
between the
THE CITY OF SCOTTSDALE
and the
FLOOD CONTROL DISTRICT OF MARICOPA COUNTY
for the
CONSTRUCTION, CONSTRUCTION MANAGEMENT, OPERATION & MAINTENANCE
of the
68th STREET STORM DRAIN

IGA FCD 2026A007
City of Scottsdale Contract Number 2026-035-COS

Agenda Item _____

This Intergovernmental Agreement IGA FCD 2026A007 (Agreement) is entered into by and between the City of Scottsdale, an Arizona municipal corporation, acting by and through its City Council, hereinafter called the CITY, and the Flood Control District of Maricopa County, a political subdivision of the State of Arizona, acting by and through its Board of Directors, hereinafter called the DISTRICT. The DISTRICT and the CITY may hereinafter individually be called a PROJECT PARTNER, or collectively called the PROJECT PARTNERS.

This Agreement shall become effective as of the date it has been executed by all PROJECT PARTNERS.

STATUTORY AUTHORIZATION

1. The DISTRICT is empowered by Arizona Revised Statutes (A.R.S.) Section 48-3603, as revised, to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the DISTRICT.
2. The CITY is empowered by A.R.S. Section 11-952 and the Scottsdale City Charter Section 3-1 to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the CITY.

BACKGROUND

3. The 68th Street Storm Drain project is a quarter mile of storm drain extension along 68th Street from Monterosa Street to Roma Avenue (the PROJECT) and is located within the City of Scottsdale. The PROJECT is intended to mitigate the flood hazards along 68th Street.
4. The area is part of the Lower Indian Bend Wash (LIBW) Area Drainage Master Study/Plan (ADMS/P), a regional study sponsored by the Flood Control District of Maricopa County (FCDMC) which was completed in December 2017. The ADMP report identified five regional drainage improvement areas and eleven smaller localized drainage improvement areas. The subject storm drain extension is located in one of the localized drainage improvement areas.
5. On May 23, 2018, the Board of Directors of the DISTRICT adopted Resolution FCD 2018R007 (C-69-18-036-6-00), authorizing the DISTRICT to negotiate and prepare an Intergovernmental Agreement for cost-sharing, design, rights-of-way acquisition, construction, construction management, and future

CITY OF SCOTTSDALE CONTRACT NUMBER 2026-035-COS

operation and maintenance of the PROJECT.

6. This Agreement is only for the construction, construction management, operation, and maintenance of the PROJECT which will construct a quarter mile of storm drain along 68th Street from Monterosa Street to Roma Avenue to reduce the flood hazard in the area by providing a 10-yr level of protection. The proposed PROJECT elements are shown in Exhibit A, attached hereto and made a part hereof.

PURPOSE OF THE AGREEMENT

7. This Agreement identifies and defines the responsibilities of the DISTRICT and the CITY for PROJECT activities related to construction, construction management, operation, and maintenance.

TERMS OF AGREEMENT

8. The PROJECT as referenced herein, is described in Paragraph 3 and 6 of this Agreement.
9. The PROJECT COST, as referenced herein, solely encompasses the following costs directly associated with the PROJECT activities and incurred after the effective date of this Agreement and can include appropriate retroactive tasks and related costs, which are: costs of construction, construction management, material testing, post-design services and construction surveying support related to the PROJECT.
 - 9.1 The PROJECT COST for this agreement is estimated to be \$2,600,000. This amount is an estimate based on the best information available at the time of this Agreement. Upon recognition of anticipated costs above this estimated PROJECT COST, the PROJECT PARTNERS shall communicate these anticipated increases and address them in the context of Paragraph 11.3.
10. The following are specifically excluded from the calculation of PROJECT COST:
 - 10.1 Any costs associated with non-flood control features added to the construction at the CITY's request. Such costs shall be funded solely by the CITY.
 - 10.2 The personnel and internal administrative costs associated with this PROJECT incurred by each PROJECT PARTNER, including costs associated with the issuance of PROJECT permits, unless specifically identified otherwise in this Agreement.
11. Not later than January 1st of each year during the life of the Project, the CITY shall provide to the DISTRICT a written estimate of the funds the CITY anticipates will be needed from the DISTRICT for the next fiscal year and for each of the remaining fiscal years of the Project until said Project is completed. The DISTRICT'S fiscal year commences on July 1 and ends on June 30 of the following calendar year. The DISTRICT'S project funding is dependent on the availability of Capital Improvement Program (CIP) funding. Depending on funding availability, the Parties may implement a payment plan by mutual agreement.
 - 11.1 The DISTRICT's fifty percent (50%) PROJECT COST share under this Agreement is estimated to be \$1,300,000, and is contingent on the availability of funding.
 - 11.2 DISTRICT funding for its cost share of the project is contingent on funding availability for construction and all related activities, with overall funding estimated at \$1,300,000 distributed for the DISTRICT fiscal year, as outlined in the table below:

Fiscal Year	Not to Exceed
FY 2026	\$300,000
FY 2027	\$1,000,000

11.3 Funding increases may be negotiated and are subject to written approval from the DISTRICT, contingent upon budget availability. DISTRICT funding for the PROJECT shall be from secondary flood control tax levy revenue.

12. CITY funding for the PROJECT shall be from the CITY's Capital Improvement Program (CIP) budget.

13. The CITY shall:

13.1 Fund 50% of the PROJECT COST, making the CITY's estimated share \$1,300,000.

13.2 Prior to the CITY beginning the contracting process for hiring a contractor for construction related activities, coordinate with the DISTRICT to understand its funding capabilities and timing for reimbursement of these PROJECT costs.

13.3 Beginning three months after the award of the construction contract, invoice the DISTRICT every quarter for its share of the accrued contract costs to date as invoiced to the CITY by the contractor.

13.4 Serve as the lead agency for the PROJECT construction, construction management, material testing, surveying, and post-design services.

13.4.1 If the construction management services are provided via CITY staff, then the construction management cost shall be assigned a value not to exceed eight percent (8%) of the actual construction cost.

13.5 Serve as the lead agency for any PROJECT public involvement activities.

13.6 Obtain DISTRICT review and concurrence on construction change orders.

13.7 Assure the safety and appropriateness of any non-flood control uses of the PROJECT prior to offering to make or making the PROJECT available for such uses.

13.8 Obtain DISTRICT review and comments on the design and construction of any future modifications to the PROJECT and resolve and incorporate the DISTRICT's comments into these future PROJECT modifications.

13.9 Invite the DISTRICT to all progress meetings and inspections.

13.10 Be responsible for all operations and maintenance of the PROJECT including the development of an operation and maintenance plan to be shared with the DISTRICT.

13.10.1 The maintenance activities to be performed include, but are not limited to, maintaining the flood control function of the PROJECT, including sediment and vegetation removal, removal of trash and debris, electricity and other operation costs for the facilities, vandalism

CITY OF SCOTTSDALE CONTRACT NUMBER 2026-035-COS

repair and replacement, and structural repair and replacement of the flood control structures.

13.10.2 Schedule, and invite the DISTRICT to participate in, an annual inspection of the PROJECT. Any deficiencies relating to flood control for which the CITY is responsible shall be corrected by the CITY within 30 calendar days. If the CITY has not taken corrective action within this time, the DISTRICT reserves the right to perform corrective action and the CITY shall reimburse the DISTRICT for the total costs incurred by the DISTRICT within thirty-30 calendar days of receipt of an invoice from the DISTRICT.

13.10.3 On an annual basis, commencing on the first anniversary date of the completion and acceptance of the PROJECT, provide written notification to the DISTRICT that the PROJECT has been properly maintained by the CITY over the past year in accordance with the PROJECT design and to ensure proper hydraulic function.

13.10.4 Have the right, when approved by the other PROJECT PARTNER in writing to delegate its responsibilities under this Agreement to another party. Any delegation, however, shall not relieve the delegating PROJECT PARTNER of its original responsibilities as defined herein.

14. The DISTRICT shall:

14.1 Fund fifty (50%) of the PROJECT COST, making the DISTRICT's estimated share \$1,300,000.

14.2 Subject to the availability of funding, within 30 calendar days of receipt, pay approved invoices issued by the CITY in accordance with the terms of this Agreement.

14.3 Participate in PROJECT public involvement activities.

14.4 Participate in a final inspection of the PROJECT with the CITY.

14.5 Participate, as desired by the DISTRICT, with the CITY in an annual inspection of the PROJECT.

14.6 Provide review and comments on post-design or post-construction changes or modifications to the PROJECT that may affect the hydraulic function of the PROJECT

15. Each PROJECT PARTNER, and the PROJECT PARTNERS collectively, shall:

15.1 Comply with A.R.S. Sections 41-4401 and 23-214(A).

15.1.1 Each party to this Agreement retains the legal right to inspect the records of the CITY's and any contractors' or subcontractors' employees performing work under this Agreement to verify compliance with Title 34 of the Arizona Revised Statutes, as well as A.R.S. Sections 41-4401 (as applicable) and 23-214(A).

15.1.2 Failure by either party to this Agreement to comply with Title 34 of the Arizona Revised statutes, A.R.S. Section 41-4401, or A.R.S. Section 23-214(A) shall be deemed a breach of this Agreement and is subject to penalties up to and including termination of the Agreement.

15.2 Require that any contractor selected for the PROJECT:

- 15.2.1 Warrant its compliance with all federal immigration laws and regulations that relate to its employees and their compliance with A.R.S. Section 23-214(A).
- 15.2.2 Agree that a breach of the warranty under paragraph 18.2.1 shall be deemed a material breach of contract and is subject to penalties up to and including termination of the contract.
- 15.2.3 Agree that the PROJECT PARTNERS retain the legal right to inspect the papers of the contractor or subcontractor employee(s) who work(s) on this Agreement to ensure that contractor or subcontractor is complying with the warranty under paragraph 18.2.1.
- 15.2.4 Who engages in for-profit activity and has 10 or more employees, certify it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. Section 4842, or a regulation issued pursuant to 50 U.S.C. Section 4842.
- 15.2.5 Warrant and certify that it does not currently, and agrees for the duration of the contract that it will not, use:

The forced labor of ethnic Uyghurs in the People's Republic of China.

Any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

Any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

If the Contractor becomes aware during the term of the Agreement that the Contractor is not in compliance with this paragraph, the Contractor shall notify the County within five (5) business days after becoming aware of the noncompliance. Failure of the Contractor to provide a written certification that the Contractor has remedied the noncompliance within one hundred eighty (180) days after notifying the public entity of its noncompliance shall result in the termination of this Agreement unless the Term of this Agreement shall end prior to said one hundred eighty (180) day period.

- 15.3 Use their best efforts and enter into good faith negotiations to resolve any disputed items of this Agreement. However, this shall not limit the rights of the PROJECT PARTNERS to seek any remedies provided by law.
- 15.4 Take reasonable and necessary actions within its authority to ensure that only storm water is discharged into the PROJECT, and that such discharges into the PROJECT comply at the point of discharge with any applicable requirements of the U.S. Environmental Protection Agency Clean Water Act, Arizona Pollutant Discharge Elimination System or any other applicable discharge requirements, including any permit requirements.
- 15.5 Equally share the cost of PROJECT compliance and cost of audit to be initiated within 60 days of PROJECT completion, if requested by either PROJECT PARTNER. An independent auditing firm agreed to by the PROJECT PARTNERS will perform the audit. Any payments or reimbursements necessary to bring the PROJECT into compliance with the audit findings shall be made within 45 days of the audit findings by the PROJECT PARTNERS.

16. Each party to this Agreement shall, as "Indemnitor," to the extent permissible by law, indemnify, defend and hold harmless the other PROJECT PARTNER ("Indemnitee") including agents, officers, directors, governors and employees thereof, from and against any and all loss or expense incurred as a result of any claim or suit of any nature whatsoever, which arises out of any act or omission of Indemnitor pursuant to this Agreement, including but not limited to, reasonable attorneys' fees, court costs, and other expenses relating to the defense against claims or litigation, incurred by the Indemnitee. Notwithstanding the above, Indemnitee shall be liable for its own negligence or wrongful acts as provided by law. In no event shall the Indemnitor owe or be obligated to pay any amounts which the Indemnitee has not actually paid or has no actual obligation to pay. In the event any agreement to pay to resolve issues of liability is not enforceable, or any agreement or settlement results in an actual obligation lower than the full amount of liability, the Indemnitor's obligation to pay shall be limited to the amount Indemnitee has paid or would be obligated to pay in the absence of any agreement to indemnify. Should any PROJECT PARTNER offer to make the PROJECT available for any non-flood control uses, the offering PROJECT PARTNER shall, to the extent permissible by law, indemnify, defend and save harmless the DISTRICT, including agents, officers, directors, governors and employees thereof, from any and all loss or expense incurred as a result of any claim or suit without limitation related solely to the non-flood control use of the PROJECT or portions of the PROJECT. Such indemnification obligation is intended to be a specific indemnity obligation rather than the general indemnity obligations set forth in this paragraph regarding all other types of claims or suits and shall include the obligation to provide reasonable attorneys' fees, court costs, and other expenses relating to the defense of such claims or litigation related solely to the non-flood control use of the PROJECT or portions of the PROJECT. This paragraph shall survive the completion and/or termination of this Agreement.
17. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:
- Flood Control District of Maricopa County
Chief Engineer and General Manager
2801 West Durango Street
Phoenix, AZ 85009-6399
- City of Scottsdale
City Manager
7447 E. Indian School Rd., Suite # 300
Scottsdale, AZ 85251
18. This Agreement shall expire either (a) 10 years from the effective date, or (b) upon completion of the PROJECT and after all funding obligations and reimbursements have been satisfied in accordance with this Agreement, whichever is the first to occur. However, by mutual written agreement of all parties, this Agreement may be amended or terminated. The operation, maintenance, and indemnification provisions, of this Agreement, shall survive the expiration of this Agreement.
19. This Agreement is subject to cancellation by any party pursuant to the provisions of A.R.S. Section 38-511.
20. Attached to this Agreement or contained herein are the written determinations by the appropriate attorneys for the parties to this Agreement, that these agencies are authorized under the laws of the State of Arizona to enter into this Agreement and that it is in proper form.
21. If legislation is enacted after the effective date of this Agreement that changes the relationship or structure of one or more parties to this Agreement, the parties agree that this Agreement shall be renegotiated at the written request of any party.

FLOOD CONTROL DISTRICT OF MARICOPA COUNTY
A Political Subdivision of the State of Arizona

Recommended by:

Paul Baughman, P.E., CFM
Chief Engineer & General Manager

Date

Approved and Accepted:

By: _____
Chair, Board of Directors Date

Attest:

By: _____
Clerk of the Board Date

The foregoing Intergovernmental Agreement IGA FCD 2026A007 has been reviewed pursuant to A.R.S. Section 11952, as amended, by the undersigned General Counsel, who has determined that it is in proper form and within the powers and authority granted to the Flood Control District of Maricopa County under the laws of the State of Arizona.

Flood Control District General Counsel Date

CITY OF SCOTTSDALE CONTRACT NUMBER 2026-035-COS

CITY OF SCOTTSDALE
A Municipal Corporation,

By: _____
Lisa Borowsky, Mayor Date

Attest:

By: _____
Ben Lane, City Clerk Date

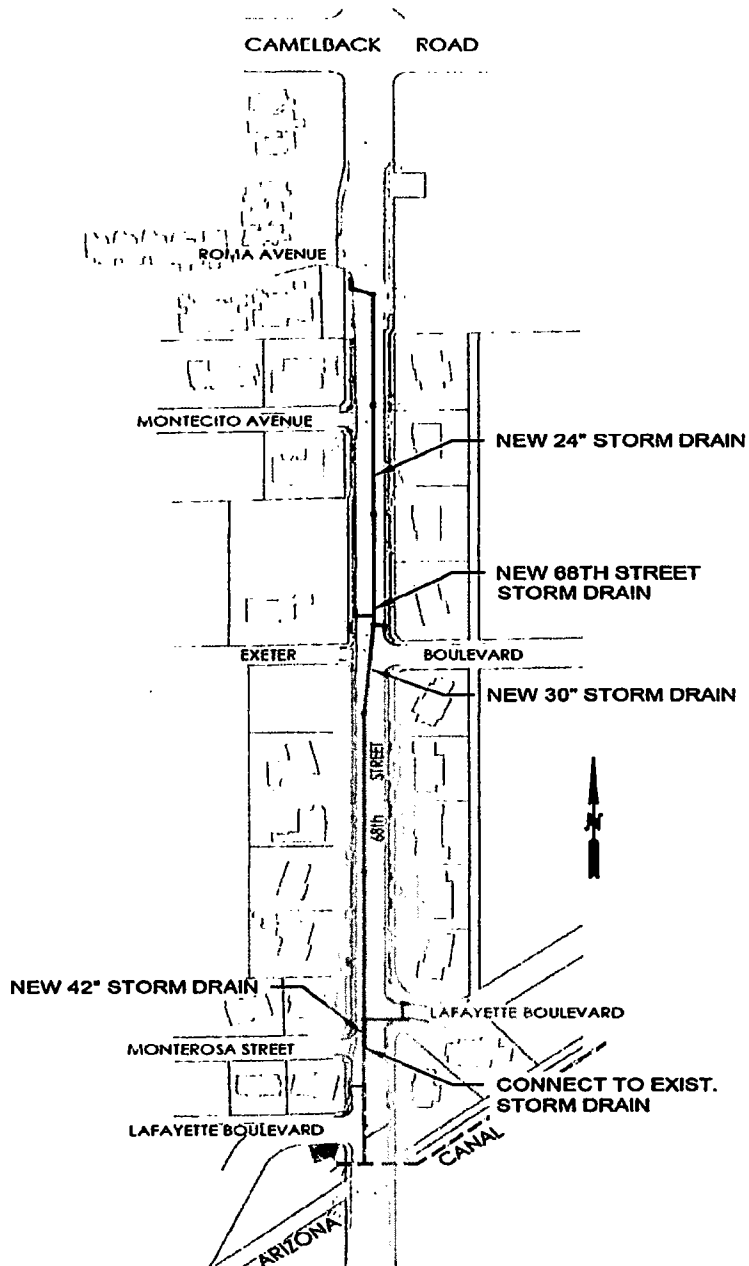
The foregoing Intergovernmental Agreement IGA FCD 2026A007 has been reviewed pursuant to Arizona Revised Statutes 11-952, as amended, by the undersigned attorney who has determined that it is in proper form and within the power and authority granted to the City of Scottsdale under the laws of the State of Arizona.

OFFICE OF THE CITY ATTORNEY

By: Karen Tyler 3/10/26
Luis Santaella, Interim City Attorney Date
By: Karen Tyler, Principal Assistant
City Attorney

EXHIBIT A

68th Street Storm Drain extension from Monterosa Street to Roma Avenue



CITY OF SCOTTSDALE CONTRACT NUMBER 2026-035-COS