

# CITY COUNCIL REPORT



Meeting Date: January 17, 2017

General Plan Element: ***Cost of Development***  
 General Plan Goal: ***Use fiscal impact modeling for budgeting public service operations***

## **ACTION**

### **City of Scottsdale, Arizona - Underground Utility Facilities Improvement District No. I-6002 Public Hearing and Resolution Ordering Election.**

1. Hold public hearing regarding formation of the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002.
2. Consider, and if deemed advisable, adopt Resolution No. 10696:
  - a. Finding that:
    - i. Sufficient petitions were submitted in support of the formation of the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002 (District) pursuant to A.R.S. § 48-620.B; and
    - ii. No registered voters reside within the area of the proposed District boundaries; and
  - b. Ordering an election and approving a form of ballot regarding:
    - i. The formation of the District, if the Council determines to order such formation election instead of declaring formation of the District without an election as authorized under A.R.S. § 48-620.C when there are no registered voters residing within the proposed District.
    - ii. The assessment to be levied within the District

## **BACKGROUND**

The purpose of this action is to hold a public hearing regarding the formation of the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002 (District) and to consider ordering an election and approving a form of ballot (i) regarding the formation of District, if determined by the Council, and (ii) regarding the assessment to be levied in the District.

### **Project and Background**

Arizona Public Service Company (APS), in an effort to improve electric system reliability and provide additional capacity for electric consumption in north Scottsdale, is constructing a new 69kV power line to connect the Raintree Substation, located north of Raintree Drive and 90<sup>th</sup> Street, with the

East End substation, located at approximately 91<sup>st</sup> Street, a half-mile north of Bell Road. The new power line is being constructed on steel poles approximately 65 feet tall.

Pursuant to Arizona Revised Statutes § 48-620, owners of real property along the north end of the APS project have submitted petitions to the City Clerk in support of formation of an improvement district to construct a portion of the power line underground instead of overhead in this area. A deposit of \$50,000 was also submitted to the City of to be used towards initial formation costs incurred by the City. If formed, the District would distribute design and construction cost of undergrounding power lines (including a recovery of the City's cost to form the district) to members of the District based on an approved assessment methodology.

APS supports the District formation if the District can be formed by March 31, 2017, so that construction of the underground portion of the line can begin in April 2017. Construction of the underground portion is expected to take approximately three months. APS is preparing final construction documents for this undergrounding effort. If the District cannot be formed by March 31, 2017, APS will need to move forward with construction of that portion of the line overhead.

If the District is formed, APS would be solely responsible for constructing this portion of the line underground and responsible initially for paying for the construction; however, District members will be required to reimburse APS for the cost of constructing the line underground as opposed to overhead. District members would be given the option of paying for their share of the costs of undergrounding up front or financing their share over 15 years at APS' cost of capital by contract (per State Statute). The City would be responsible for the semi-annual assessment and billing of District members who choose the financing option and would then forward the funds to APS.

### **Prior Council Action**

The Resolution of Intention, adopted by Council on December 2, 2016, represented the first action necessary per State Statute and set forth the proposed District boundaries and items of work to be constructed in the District. The City completed both the required on-site postings along the lines of the proposed improvements and the required publication of the Resolution of Intention in a newspaper of general circulation in the City by December 7, 2016. The residents and owners of property within the District were provided until January 6, 2017, to file written protests or objections. No objections have been filed with the City within that 30-day period.

### **Next Steps**

The next step in the process is for the Council to conduct a public hearing on the formation of the District and to review the signed petitions from property owners within the proposed boundaries of the District. If the Council finds that sufficient petitions were submitted in support of the formation of the District, signed by a majority of the owners of the real property within the proposed District boundaries as measured by square footage or acreage owned, the Council may consider ordering the election on formation of the District. If Council finds that sufficient signatures were not received, the District may not be formed.

The statute also provides that if no registered voters reside within the area of the proposed District, an election is not required and the Council may declare formation of the District without holding an election on formation. The Maricopa County Recorder has certified that as of December 21, 2016,

no registered voters reside within the area of the proposed District. This certificate will be updated before the January 17th meeting. Assuming no changes to that certificate, it is the Council's decision whether to declare formation of the District without holding an election or to order an election on District formation despite no registered voters residing within the District. In its current form, Resolution No. 10696 orders an election on formation, but if the Council decides to declare formation of the District without an election, the resolution will be revised.

Regardless of the Council's decision on the formation election, to continue moving forward with the District, the Council would need to order an election on the assessment to be levied in the District by adopting Resolution No. 10696.

If Council adopts Resolution No. 10696, the following steps will occur:

- 1) An all-mail election will be held utilizing a simplified ballot card methodology (including the formation and assessment question or just the assessment question, depending on Council direction). Property owners and residents, if any, within the proposed District boundary will receive ballots.
- 2) If the majority of the persons voting in the election approve the formation (assuming Council does not declare formation without an election) and approve the assessment, the City Council will be requested to adopt a Resolution Ordering Work and to approve a contract with APS to perform the work and to pay APS from amounts collected on assessments levied in the District. This gives direction to APS to begin the construction project.
- 3) A public hearing at a future Council meeting would be required to allow property owners within the District boundaries to object to the assessment methodology presented by the City. If the Council agrees with the assessment methodology as presented after hearing public comment, City Council will be required to adopt a Resolution Levying the Assessment and Approving the Assessment Diagram.
- 4) If, within one year of the date of the notice of completion, a member of the governing body or any owner within the District files a written notice to the City Clerk stating that the work has not been performed substantially in accordance with the Resolution of Intention, the plans and specification and estimate, a public hearing at a future Council meeting would be required to review the notice filed with the City Clerk. If the Council agrees that the work was completed in conformance with the aforementioned documents, Council would be requested to adopt a Resolution of Final Assessment to complete the process.

## **ANALYSIS & ASSESSMENT**

---

### **Recent Staff Action**

Outside special counsel for the City, Gust Rosenfeld P.L.C., will be used in the District's formation. Gust Rosenfeld has prepared Resolution No. 10696 and concurs with this staff recommendation. Staff has completed the required posting and publication to provide notice of the proposed improvement to persons interested in the District.

**Policy Implications**

Constructing this section of the 69kV power line underground would eliminate unsightly overhead power lines.

**Community Involvement**

Petitions of interest for forming the District were filed with the Clerk’s office, representing 51% of real property owners within the proposed District boundary based on acreage or square footage. Persons interested in the District also were provided an opportunity to file written objections with the City, but none were received. Following approval of Resolution No. 10696, the City will administer an all-mail election where all property owners and residents, if any, within the District will have the opportunity to approve or disapprove the formation of the District (if Council decides to submit that question to the voters despite no registered voters residing within the proposed District) and the opportunity to approve or disapprove the assessment to be levied.

**RESOURCE IMPACTS**

---

**Available funding**

APS will initially be responsible for the cost of constructing line underground rather than overhead, and District members will reimburse APS these costs including the City’s costs to form the District (plus any carrying costs).

**Staffing, Workload Impact**

Christopher Perkins, Superintendent of Streets, Public Works Division will be the City’s primary point of contact. Financial Services and the City Attorney’s office will provide support to the Superintendent of Streets. The City Clerk’s office will administer the all-mail simplified ballot card election.

**Cost Recovery Options**

As District members are assessed the costs of the work and the District, they will be given the choice of:

- 1) Paying their assessment up front with no carrying costs, or
- 2) Paying their assessment over 15 years, including a carrying cost at APS’ cost of capital (currently 12.27%) and including a servicing fee by the City.

**OPTIONS & STAFF RECOMMENDATION**

---

**Recommended Approach:**

- 1. Hold a public hearing regarding formation of the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002.
- 2. Adopt Resolution No. 10696:



- a. Finding that:
  - i. Sufficient petitions were submitted in support of the formation of the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002 (District) pursuant to A.R.S. § 48-620.B; and
  - ii. No registered voters reside within the area of the proposed District boundaries; and
- b. Ordering an election and approving a form of ballot regarding:
  - i. The formation of the District, if the Council determines to order such formation election instead of declaring formation of the District without an election as authorized under A.R.S. § 48-620.C when there are no registered voters residing within the proposed District.
  - ii. The assessment to be levied within the District.

**Description of Option B**

Alternatively, City Council could choose to not proceed with the undergrounding improvement district and APS will then continue with the process of installing overhead 69kV power lines in the subject area.

**Proposed Next Steps:**

Attachment 3 outlines the remaining proposed steps in the formation process.

**RESPONSIBLE DEPARTMENT(S)**

---

Public Works Division, Capital Project Management

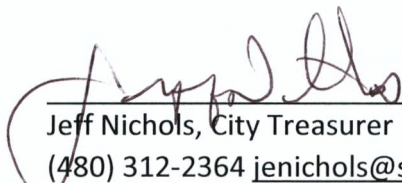
**STAFF CONTACT (S)**

---

Christopher Perkins, Superintendent of Streets, [cperkins@scottsdaleaz.gov](mailto:cperkins@scottsdaleaz.gov) (480) 312-7845

**APPROVED BY**

---

  
\_\_\_\_\_  
Jeff Nichols, City Treasurer  
(480) 312-2364 [jenichols@scottsdaleaz.gov](mailto:jenichols@scottsdaleaz.gov)

11/10/17  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Daniel J. Worth, Public Works Director  
(480) 312-5555, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

1-10-17  
\_\_\_\_\_  
Date

**ATTACHMENTS**

---

1. Resolution No. 10696
2. Map of Proposed District Boundary
3. Remaining proposed steps in the formation process

RESOLUTION NO. 10696

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, MAKING CERTAIN FINDINGS; ORDERING AN ALL MAIL ELECTION REGARDING THE FORMATION OF CITY OF SCOTTSDALE, ARIZONA, UNDERGROUND UTILITY FACILITIES IMPROVEMENT DISTRICT NO. I-6002; ORDERING AN ALL MAIL ELECTION REGARDING THE ASSESSMENT OF REAL PROPERTY WITHIN THE ASSESSMENT DISTRICT; APPROVING A FORM OF BALLOT; AND RATIFYING THE TAKING OF OTHER ACTIONS HERETOFORE OR HEREAFTER TAKEN IN FURTHERANCE OF THE ASSESSMENT DISTRICT.

**WHEREAS**, the Governing Body of the City of Scottsdale, Maricopa County, Arizona (the "*City*") previously passed and adopted Resolution No. 10649 (the "*Resolution of Intention*") declaring the intent to form the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002 (the "*Assessment District*"); and

**WHEREAS**, the City completed the posting and publication of the Resolution of Intention and the proposed formation of the Assessment District in accordance with Title 48 of the Arizona Revised Statutes ("*A.R.S.*"); and

**WHEREAS**, no objections have been filed with the Clerk; and

**WHEREAS**, on January 17, 2017, the Governing Body conducted a public hearing pursuant to A.R.S. §48-620 where the Governing Body reviewed signed petitions from property owners within the proposed boundaries of the Assessment District, as submitted to the Clerk, and considered ordering an election on the formation of the Assessment District and the assessment of the real property within the proposed Assessment District boundaries; and

**WHEREAS**, the Maricopa County Recorder conducted a search of registered voters within the proposed Assessment District boundaries and determined that no registered voters reside within the area of the proposed Assessment District; and

**WHEREAS**, in accordance with A.R.S. §48-620 the Governing Body now desires to order an election regarding the formation of the Assessment District and order an election regarding the assessment to be levied within the Assessment District;

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

**Section 1. Definitions.** In this Resolution, terms defined in the Resolution of Intention shall have the same meanings herein as therein.

## **Section 2. Findings.**

a. In accordance with A.R.S. Title 48, Chapter 4, the Governing Body hereby finds no objections were filed with the Clerk.

b. The Governing Body conducted a public hearing on the formation of the Assessment District and the Governing Body hereby finds that the Clerk now has on file sufficient petitions in support of formation of the Assessment District, signed by a majority of the owners of the real property within the proposed Assessment District boundaries as measured by square footage or acreage owned; such property ownership was determined by the records of the Maricopa County, Arizona, Assessor. The Governing Body hereby finds that sufficient signatures are submitted pursuant to A.R.S. §48-620.B. and shall proceed with an all mail election regarding the formation of the Assessment District and the assessment of the real property within the proposed Assessment District boundaries, as more fully described herein.

c. In reliance on a certificate from the Maricopa County, Arizona, Recorder now on file with the Clerk, the Governing Body hereby finds that no registered voters reside within the area of the proposed Assessment District boundaries. Therefore the Governing Body hereby finds that the eligible voters in the all mail election described herein shall be the owners of real property within the proposed boundaries of the Assessment District.

**Section 3. Ordering An All Mail Election Regarding the Formation of the Assessment District.** In accordance with A.R.S. §§48-620.C. and 620.G., the Governing Body hereby orders an all mail election regarding the formation of the Assessment District, and hereby approves the ballot in substantially the form of Exhibit A attached hereto.

**Section 4. Ordering An All Mail Election Regarding the Assessment.** As described in the Resolution of Intention, all amounts due or to become due with respect to financing the costs and expenses of the Work, together with all Incidental Expenses, shall be chargeable upon the respective lots, pieces and parcels of land within the Assessment District. The Governing Body previously received the Estimate from the Coordinating Utility for the Work and Incidental Expenses and such Estimate is on file with the Clerk. In accordance with A.R.S. §48-620.G., the Governing Body hereby orders an all mail election regarding the assessment, and hereby approves the ballot in substantially the form of Exhibit A attached hereto.

**Section 5. Administration of the All Mail Election.** The all mail election shall be administered by the Governing Body and conducted in accordance with A.R.S. §48-620 and applicable law. In order to effectuate the all mail election as contemplated by this Resolution, the Clerk is hereby authorized to take any necessary action to comply with applicable law including, without limitation, to revise the ballot and to receive the ballots from property owners eligible to vote in the all mail election. The Governing Body hereby authorizes all expenditures as may be necessary to order, hold and administer the all mail election, including but not limited to the cost of the return postage to return the voted mail ballots to the Clerk. Pursuant to this Resolution the Clerk may designate election related expenditures as Incidental Expenses.

**Section 6. Ballot Replacement Location.** The Clerk's office is hereby designated as the location for purposes of replacing ballots that have been lost, spoiled, destroyed or not received by an elector.

**Section 7. Actual Plans and Specifications.** Pursuant to A.R.S. §48-620.D., the Coordinating Utility shall file actual plans and specifications for the Work following the adoption of this Resolution but prior to the date of the all mail election.

**Section 8. Severability.** If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal, invalid or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The Governing Body hereby declares that this Resolution would have been adopted and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the all mail election pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

**Section 9. Ratification.** All actions of the members of the Governing Body, officers, employees and agents of the City and the Assessment District which are in conformity with the purposes and intent of this Resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed, authorized and approved.

PASSED AND ADOPTED by the City Council of the City of Scottsdale, Maricopa County, Arizona, on January 17, 2017.

CITY OF SCOTTSDALE, an Arizona  
municipal corporation

ATTEST:

\_\_\_\_\_  
Carolyn Jagger, City Clerk

\_\_\_\_\_  
W.J. "Jim" Lane, Mayor

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Gust Rosenfeld P.L.C., District Counsel

Attachment: Exhibit A – Form of Ballot

**CERTIFICATION**


I, Carolyn Jagger, the duly appointed and acting Clerk of the City of Scottsdale, Arizona, do hereby certify that the above and foregoing Resolution No. 10696 was duly passed by the City Council of the City of Scottsdale, Arizona, at a regular meeting held on January 17, 2017, and the vote was \_\_\_\_ aye's and \_\_\_\_ nay's and that the Mayor and \_\_\_\_ City Council Members were present thereat.

DATED: January 17, 2017.

\_\_\_\_\_  
Carolyn Jagger, City Clerk

EXHIBIT A  
FORM OF BALLOT

Stub No. 1

Hole for stringing stub here > 

Register No. \_\_\_\_\_

STUB - TO BE REMOVED BY ELECTION INSPECTOR - TALÓN - SEPARADO POR EL INSPECTOR DE ELECCIONES

TO BE COMPLETED BY AN ELECTION BOARD MEMBER ONLY: Parcels: \_\_\_\_\_  
COMPLETADO SOLAMENTE POR UN OFICIAL DE LA JUNTA DE ELECCIONES: Parcelas: \_\_\_\_\_

OFFICIAL BALLOT - BOLETA OFICIAL

SPECIAL ELECTION, \_\_\_\_\_, 2017 - ELECCIÓN ESPECIAL, \_\_\_\_\_ 2017

FORMATION AND ASSESSMENT ELECTION  
CITY OF SCOTTSDALE, ARIZONA, UNDERGROUND UTILITY FACILITIES IMPROVEMENT DISTRICT NO. I-6002

ELECCIÓN DE FORMACIÓN Y TASACIÓN  
CIUDAD DE SCOTTSDALE, ARIZONA, DISTRITO DE MEJORAMIENTO DE INSTALACIONES DE SERVICIOS PÚBLICOS SUBTERRÁNEOS NÚM. I-6002

NOTICE TO VOTERS

Place a mark in the squares opposite the words "DISTRICT, YES" or "DISTRICT, NO" and "ASSESSMENT, YES" or "ASSESSMENT, NO", whichever words express your choice.

AVISO A LOS VOTANTES

Ponga una marca en el cuadro opuesto a las palabras "DISTRITO, Sí" o "DISTRITO NO" y "TASACIÓN Sí" o "TASACIÓN NO" cualesquier palabras que indiquen su preferencia.

Shall the City Council of the City of Scottsdale, Arizona, form the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002 in accordance with Title 48, Chapter 4, Article 2, of the Arizona Revised Statutes for the purpose of constructing certain utility facilities underground, instead of overhead, and with such boundaries as described in the legal description and district map on file with the City Clerk of the City of Scottsdale, Arizona?

¿Deberá el Concejo Municipal de la Ciudad de Scottsdale, Arizona, formar el Distrito de Mejoramiento de Instalaciones de Servicios Públicos Subterráneos Núm. I-6002, Ciudad de Scottsdale, Arizona, de acuerdo con Título 48, Capítulo 4, Artículo 2, de los Estatutos Revisados de Arizona con el fin de construir ciertas instalaciones de servicios públicos bajo tierra, en lugar de por encima, y con tales límites como se describen en la descripción legal y el mapa del distrito archivados con la Secretaria de la Ciudad de la Ciudad de Scottsdale, Arizona?

DISTRICT, YES  DISTRITO, SÍ  
DISTRICT, NO  DISTRITO, NO

Shall the City of Scottsdale, Arizona, Underground Utility Facilities Improvement District No. I-6002 (the "District"), if formed, be authorized to levy an assessment on the real property within the boundaries of the District in order to finance the costs and expenses, including certain incidental expenses, of constructing certain utility facilities underground, instead of overhead, in an aggregate assessment amount not to exceed the estimate currently on file with the City Clerk of the City of Scottsdale, Arizona?

¿Si se forma, se le deberá autorizar al Distrito de Mejoramiento de Instalaciones de Servicios Públicos Subterráneos Núm. I-6002, Ciudad de Scottsdale, Arizona (el "Distrito"), a exigir una tasación sobre la propiedad inmueble dentro de los límites del Distrito con el fin de financiar los costos y gastos, incluso ciertos gastos secundarios, de la construcción de ciertas instalaciones de servicios públicos bajo tierra, en lugar de por encima, de una cantidad de tasación total que no excede la estimación actualmente archivada con la Secretaria de la Ciudad de la Ciudad de Scottsdale, Arizona?

ASSESSMENT, YES  TASACIÓN, SÍ  
ASSESSMENT, NO  TASACIÓN, NO

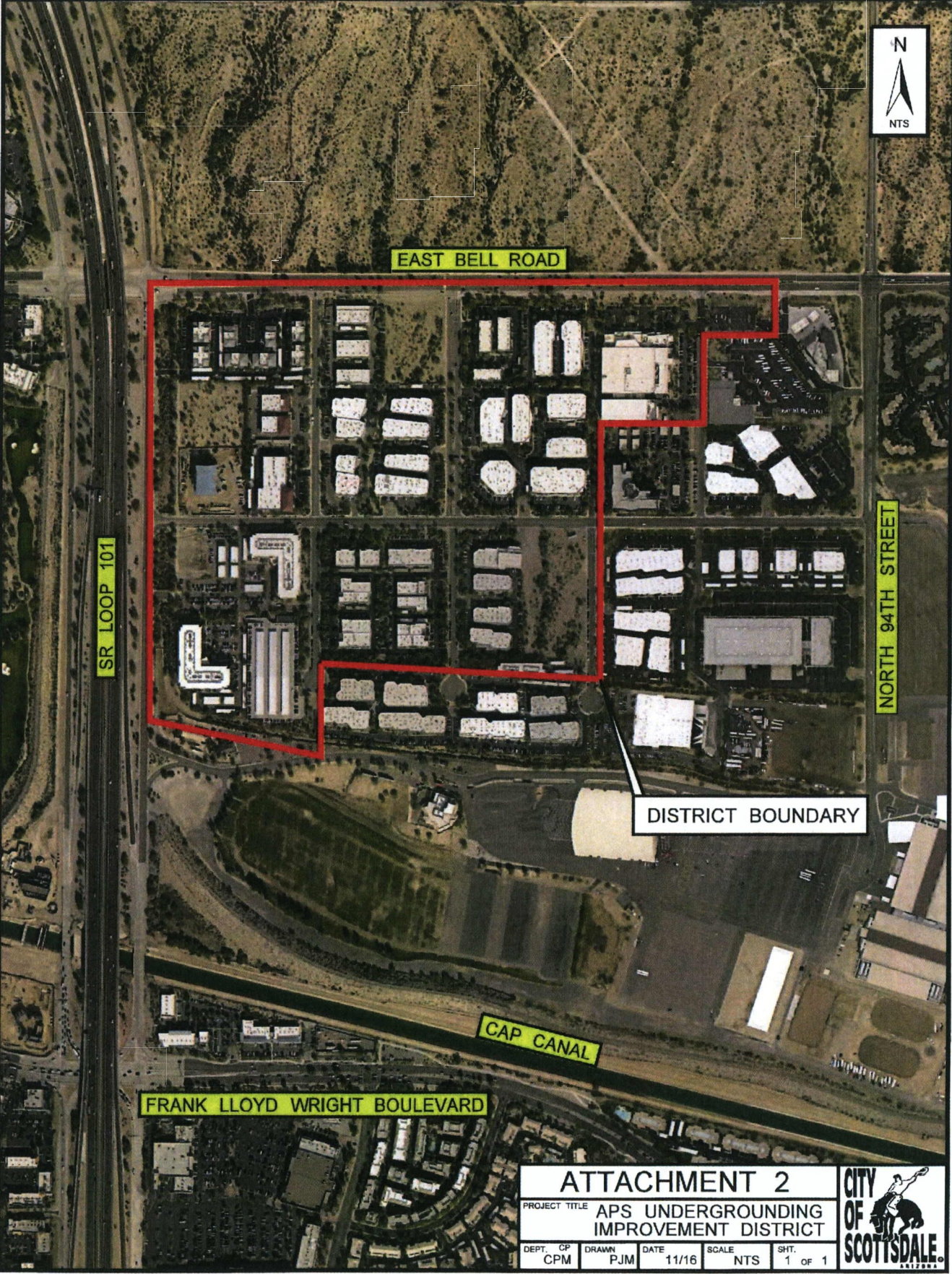
TO BE VALID, A VOTED BALLOT CARD SHALL BE RETURNED TO THE CITY CLERK OF THE CITY OF SCOTTSDALE, ARIZONA (ACTING ON BEHALF OF THE CITY COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA), WITHIN THIRTY DAYS OF THE DATE ABOVE. A VOTED BALLOT CARD THAT IS NOT TIMELY RETURNED SHALL NOT BE COUNTED.

PARA SER VÁLIDA, UNA TARJETA DE BOLETA LLENADA DEBE SER REGRESADA A LA SECRETARIA DE LA CIUDAD DE LA CIUDAD DE SCOTTSDALE, ARIZONA (ACTUANDO DE PARTE DEL CONCEJO MUNICIPAL DE LA CIUDAD DE SCOTTSDALE, ARIZONA), DENTRO DE TREINTA DÍAS DE LA FECHA ARRIBA. NO SE CONtará UNA TARJETA DE BOLETA LLENADA QUE NO REGRESE A TIEMPO.



PLOT DATE: 11/14/2016 1:10:35 PM

DESIGN FILE: ... \20161114\_APS Underground Bell Road.dgn



<b>ATTACHMENT 2</b>					
PROJECT TITLE APS UNDERGROUND IMPROVEMENT DISTRICT					
DEPT. CP	DRAWN	DATE	SCALE	SHT.	
CPM	PJM	11/16	NTS	1 OF 1	





**City of Scottsdale, Arizona,  
Underground Utility Facilities Improvement District No. I-6002**

**Proposed Remaining Steps in the Formation Process**

Prior to Public Hearing on Formation

- APS to provide final plans and specifications.
- City to review recorder and assessor records, with special counsel input, to determine registered voters and confirm property ownership within the proposed district boundaries.
- APS to obtain all necessary rights of way and easements.

Public Hearing on Formation

- City Council to conduct a public hearing on formation of the district.
  - City Council to listen to public comment.
    - If a member of the public attends and provides a verbal protest or objection to the district, City Council has discretion to table any further district formation action and extend the period for the public to properly submit written protests and objections.
  - City Council to find and determine sufficient ARS 48-620 petition signatures, and then order an election regarding district formation and an election regarding levy of the assessment.

Resolution Ordering Election

- Based on a certificate of the County Recorder, there are no registered voters within the proposed district boundaries. That means the City Council may choose to declare the district formed and only require an election on the assessment. The City Council may also choose to still conduct an election on the formation of the district.

Election (Simplified Ballot Card, All Mail Election)

Resolution Canvassing Election and Declaring Formation of the District

Resolution Ordering Work

- Prior to ordering the work, APS to provide the City with a final detailed report and a form of the contract with APS regarding the work.

Resolution Approving the Form of Agreement Between the District and APS

Assessment and Warrant

- Warrant, Assessment, Treasurer's Return and Certified List
  - Receive cash payments, if any
- Record Assessment with Superintendent of Streets
  - Record Notice of Recording of Assessment with County Recorder
- Public Hearing Regarding Assessment
- Resolution Levying the Assessment and Approving the Assessment Diagram

Final Assessment (following completion of the work)

- Final Assessment Hearing (if necessary)
- Resolution Approving Final Assessment

**Raintree 69kV  
Underground  
Improvement District  
No. I-6002 Resolution  
of Intention**

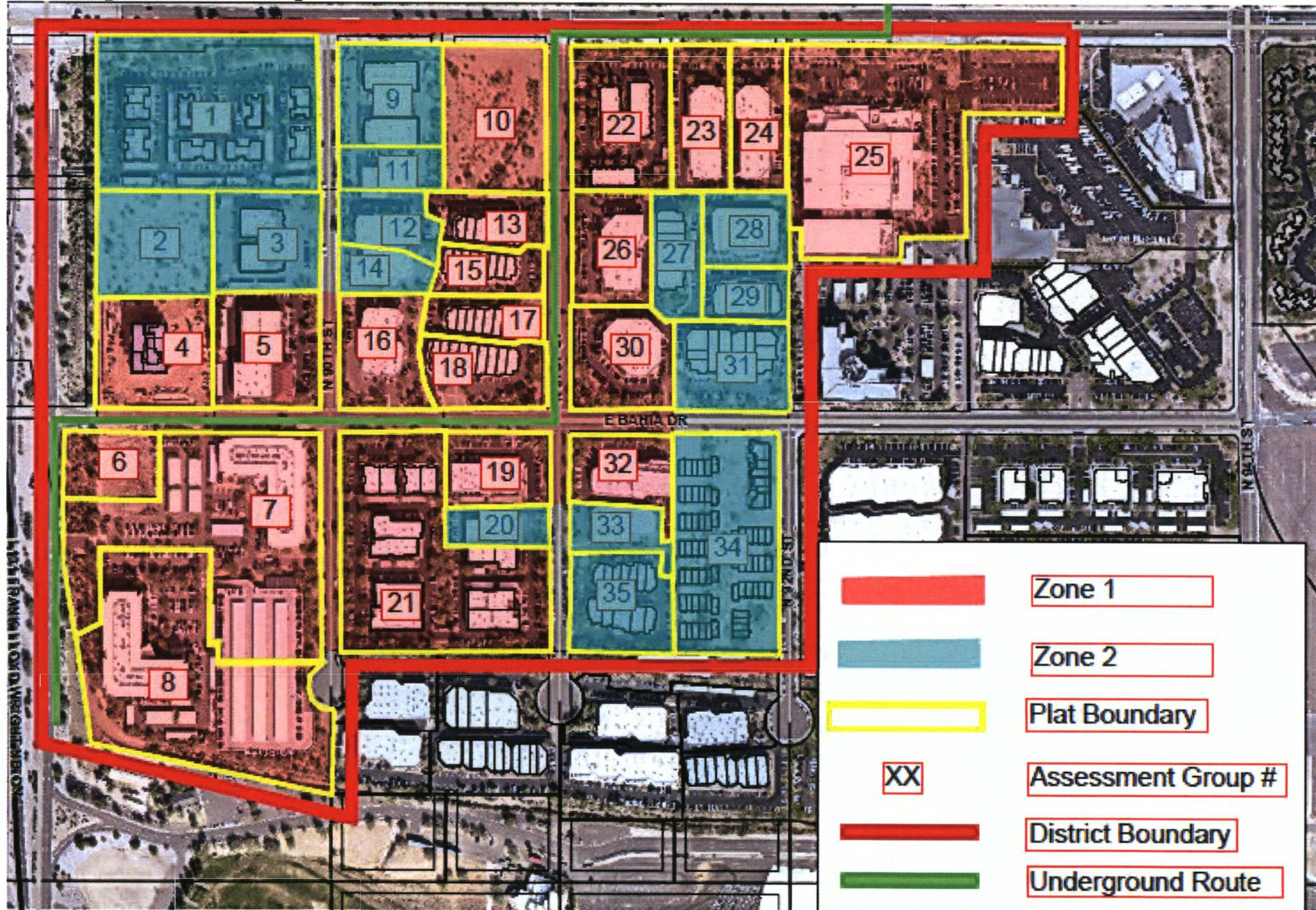
*City Council  
January 17, 2017*

# Proposed Action

- Continue process of forming an Underground Utility Facilities Improvement District
  - Hold public hearing regarding formation of the Underground Utility Facilities Improvement District No. I-6002
  - Adopt Resolution No. 10696:
    - Ordering an election to vote on forming the district and approving the assessment or;
    - Approving the form of ballot



# Map of Proposed District



# Purpose and Responsibilities

- APS:
  - Construct the powerlines underground and pay associated costs
- District members:
  - Reimburse APS for costs of constructing powerlines underground
  - Costs apportioned per assessment methodology
  - Option of one time payment or financing over 15 years at APS' cost of capital
- City:
  - Collects semi-annual assessment
  - Forwards funds to APS

# Process

- Resolution of intention: Establishes district boundary and items of work to be constructed
- Post and publish notice of intention; 30 day comment period
- Public hearing for objections:
  - Proposed date January 17, 2017 Council meeting
  - Council may order election regarding district formation and levy of the assessment if majority of property owners in district have signed a petition in support of formation.
- Election utilizing simplified ballot card; registered voters and property owners within the proposed district receive ballots
- If election is successful, Council may adopt a Resolution Ordering Work to give direction to APS to begin construction
- Public hearing at future Council meeting to hear objections to proposed assessment methodology; Council may then adopt a Resolution Levying the Assessment and Approving the Assessment Diagram
- Resolution of Final Assessment follows completion of construction



# Proposed Action

- Continue process of forming an Underground Utility Facilities Improvement District
  - Hold public hearing regarding formation of the Underground Utility Facilities Improvement District No. I-6002
  - Adopt Resolution No. 10696:
    - Ordering an election to vote on forming the district and approving the assessment
    - Approving the form of ballot

# **Questions and Discussion**



Item 29

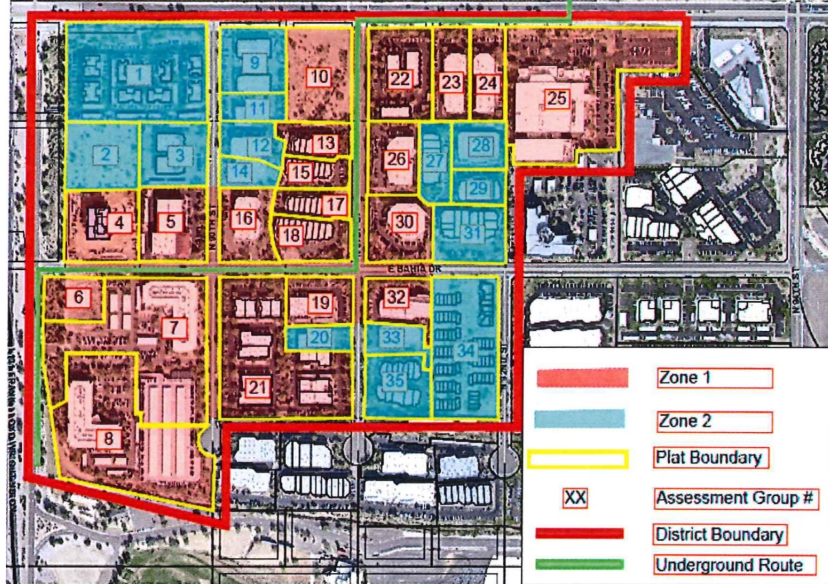
**Raintree 69kV  
Underground  
Improvement District  
No. I-6002 Resolution  
of Intention**

*City Council  
January 17, 2017*

**Proposed Action**

- Continue process of forming an Underground Utility Facilities Improvement District
  - Hold public hearing regarding formation of the Underground Utility Facilities Improvement District No. I-6002
  - Adopt Resolution No. 10696:
    - Ordering an election to vote on forming the district and approving the assessment or;
    - Approving the form of ballot

## Map of Proposed District



## Purpose and Responsibilities

- APS:
  - Construct the powerlines underground and pay associated costs
- District members:
  - Reimburse APS for costs of constructing powerlines underground
  - Costs apportioned per assessment methodology
  - Option of one time payment or financing over 15 years at APS' cost of capital
- City:
  - Collects semi-annual assessment
  - Forwards funds to APS

## **Process**

- Resolution of intention: Establishes district boundary and items of work to be constructed
- Post and publish notice of intention; 30 day comment period
- Public hearing for objections:
  - Proposed date January 17, 2017 Council meeting
  - Council may order election regarding district formation and levy of the assessment if majority of property owners in district have signed a petition in support of formation.
- Election utilizing simplified ballot card; registered voters and property owners within the proposed district receive ballots
- If election is successful, Council may adopt a Resolution Ordering Work to give direction to APS to begin construction
- Public hearing at future Council meeting to hear objections to proposed assessment methodology; Council may then adopt a Resolution Levying the Assessment and Approving the Assessment Diagram
- Resolution of Final Assessment follows completion of construction

## **Proposed Action**

- Continue process of forming an Underground Utility Facilities Improvement District
  - Hold public hearing regarding formation of the Underground Utility Facilities Improvement District No. I-6002
  - Adopt Resolution No. 10696:
    - Ordering an election to vote on forming the district and approving the assessment
    - Approving the form of ballot

**Questions and  
Discussion**