

CITY SEWER UTILITY DEBT SERVICE  
FOR BONDS OUTSTANDING AT JUNE 30, 1979

	<u>Total Principal, Interest, and Mandatory Sinking Fund</u>	<u>Less Application Unused Bond Funds</u>	<u>Net</u>
1979-80	\$1,469,135	(1)	(1)
1980-81	1,492,600	(1)	(1)
1981-82	1,415,525		
1982-83	1,390,886		
1983-84	1,305,610		
1984-85	1,108,563		
1985-86	797,160		
1986-87	<u>402,446</u>		
TOTAL	\$9,381,925	<u>(1)</u>	<u>(1)</u>

EXHIBIT A to Ex 1 of Res.  
10860

ALLOCATION OF SEWER CAPACITYPurpose

The purpose of this interim policy is to provide guidance to City and County officials in the review of development applications until such time as a more comprehensive policy and means for the allocation of sewer capacity can be prepared by staff, reviewed by interested citizens and presented to the Mayor and Council. The interim policy is intended to provide review criteria that are equitable, legally defensible and consistent with public health and safety.

Definitions

- (1) "Surcharge" means a sewer pipe flow condition in which the actual, not theoretical, peak dry weather flow equals or exceeds 100 per cent of the sewer pipe capacity.
- (2) "Surcharge condition planned for early relief" means a surcharge condition, the sewer improvements for the relief of which have been budgeted by the County in the current fiscal year, and are planned for completion by the following fiscal year.
- (3) "Critical area" means a geographic area within the City Limits which is tributary to a reach of sewer pipe that is being operated in a surcharged condition as defined in (1) above.

## I. Rezoning and Subdivision Plat Review

A. Scope. These guidelines shall apply to:

1. Any rezoning application in which an ordinance has not been adopted by the Mayor and Council prior to the effective date; or
2. Any subdivision application in which a final plat has not been approved for recording by the Mayor and Council prior to the effective date; and
3. Such applications involve proposed development which would require a sewer connection in a critical area.

B. Guidelines.

1. Following the effective date, the Zoning Administrator shall provide all applicants for rezoning and subdivision plat review with written notice that a surcharge condition affecting the proposed development may be grounds for denial of the rezoning, plat or building permits.
2. Rezoning and subdivision plat applications within the scope of this policy will be approved, provided
  - a) such applications satisfy all non-sewer-related criteria and conditions; and
  - b) the surcharge condition affecting the proposed development is planned for early relief; or
  - c) the applicant has in good faith relied on prior City representations of adequate sewer capacity and denial would result in substantial financial damage to the applicant.
3. In the event that an application for rezoning or subdivision plat review is denied solely on the basis of this policy, reapplication shall be without prejudice or duplicative fees.
4. In the event that an application for rezoning or subdivision plat review is approved pursuant to this policy, the Mayor and Council may condition such approval with the provision that no building permits or sewer permits will be issued for the proposed development until such time as the surcharge condition has been relieved.

C. County shall review proposed City rezoning and subdivision plats. County shall advise the City in writing within five (5) working days:

1. whether the proposed rezoning or plat would require a sewer connection in a "critical area" or "non critical area."
2. if in a "critical area," whether the surcharge condition affecting the proposed development is scheduled for early relief, and the estimated date of completion.

II. Building Permits

A. Scope. These guidelines shall apply to any application for a building permit:

1. Which is received by Building Inspections following the effective date; and
2. Which involves proposed development requiring a sewer connection in a critical area.

B. Guidelines.

1. Following the effective date, the Chief Building Inspector shall provide all applicants for building permits with written notice that a surcharge condition affecting the proposed development may be grounds for denial of the building or occupancy permits.
2. The County shall review City building permit applications. County shall advise City within five (5) working days:
  - a) whether the building permit application would require a sewer connection in a "critical area" or "non critical area;"
  - b) if in a "critical area" the County will recommend the building permit be approved, provided that immediate connection of the proposed development to the surcharged sewer will not create an unreasonable risk to public health and safety.
3. Building permit applications within the scope of this policy will be approved, provided that immediate connection of the proposed development to the surcharged sewer will not create an unreasonable risk to public health and safety. In making this determination, the City Manager will consider the following factors to be provided by the County:
  - a) Severity of the existing surcharge condition downstream from the proposed connection, as indicated by:

- (i) degree and duration of existing surcharge condition;
  - (ii) length of the downstream surcharged segments; and
  - (iii) known localized sewer system deficiencies, including manhole depths, local topographic conditions, maintenance history, physical condition of sewer, number of existing service connections, wet weather infiltration problems, and existing hydrogen sulfide generation problems.
- b) Estimated impact of the proposed connection on the existing surcharge condition, as indicated by:
- (i) wastewater discharge and peaking characteristics of the proposed connection;
  - (ii) the incremental increase to the existing surcharge condition relative to the sewer diameter at the point of surcharge; and
  - (iii) the incremental increase to the existing surcharge condition relative to known downstream system deficiencies, as described in (a)(iii) above.
- c) The timing of sewer improvements intended to relieve the surcharge condition (the longer the duration of the surcharge condition, the greater the likelihood of system damage).
- d) The possibility that the immediate effect of the proposed connection on the existing surcharge condition can be mitigated, either:
- (i) by staging of development in conjunction with planned sewer improvements, or
  - (ii) by developer-financed off-site improvements.
3. In the event that a building permit application is denied solely on the basis of this policy, reappliation shall be without prejudice or duplicative fees.
4. In the event that building permits are approved pursuant to this policy the City Manager may condition such approval with the provision that

no occupancy or sewer permits will be issued for the proposed development until such time as the surcharge condition is relieved, either by the staging of development in conjunction with planned sewer improvements or by developer-financed off-site improvements.

QUITCLAIM DEED

FOR AND IN CONSIDERATION of the sum of ONE (\$1.00) DOLLAR, and other valuable considerations, the undersigned, CITY OF TUCSON, a municipal corporation, does hereby release, assign, and quitclaim unto PIMA COUNTY, a political subdivision of the State of Arizona, all right, title, interest, claim and demand in the property situated in Pima County and described in Exhibit "A" attached hereto and incorporated as if fully set forth herein subject to the following four conditions:

1. County acceptance of and compliance with the effluent terms agreed to in Article III of the Intergovernmental Agreement (IGA) of the City and County, dated \_\_\_\_\_.
2. County acceptance of responsibility for the existing City sewer debt, pursuant to Article IV of the Intergovernmental Agreement (IGA) of the City and County, dated \_\_\_\_\_.
3. County commitment to the Regional Facilities Plan for a period of three (3) years from the date hereof and award of a construction contract for the Roger Road Plant, all as set forth in Article V of the Intergovernmental Agreement (IGA) of the City and County, dated \_\_\_\_\_.
4. County commitment not to turn the sewer system over to an independent agency for a period of ten (10) years as set forth in Article VI of the Intergovernmental Agreement (IGA) of the City and County, dated \_\_\_\_\_.

Articles III, IV, V and VI of said Intergovernmental Agreement (IGA) of the City and County, dated \_\_\_\_\_, are attached hereto as Exhibit "B" and are incorporated as though fully set forth herein.

The foregoing four conditions are express conditions subsequent upon which this conveyance is made. If the County, its successors and assigns, shall fail to perform or comply strictly with any of the four conditions, then the City, its successors and assigns, may at anytime thereafter serve on the County a notice in writing specifying the particular or particulars in which default or a breach thereof has been made and directing the County to remedy such default

or breach. Should the County fail fully and entirely to remedy such breach within ninety days of such notice, the City may notify the County in writing that the City elects that the title to the whole of the conveyed system or any part thereof shall revert to the City, and thereupon the title to the whole or designated part of the conveyed system shall immediately and without necessity of any further action on the part of the City revert to and re-vest in the City and the County shall lose all of its right, title and interest in and to the conveyed system or designated portions thereof, and the grantor shall have the right of re-entry to the conveyed system. Such reversion is subject to then existing encumbrances provided that those encumbrances represent funds actually spent to improve the sewerage system conveyed herein. The City shall assume obligation for payment of such encumbrances. This obligation is subject to annual appropriation and is payable solely from sewer revenues. Sewer revenues shall be expended in accordance with the provisions of A.R.S. § 9-530.

In the event the power of termination set forth herein is successfully invoked by the City, any and all provisions related to effluent and in particular the provisions of Article III contained within that certain Intergovernmental Agreement (IGA) between the City of Tucson and County of Pima dated \_\_\_\_\_, 1979, shall become null and void and of no further cause and effect. Further, all documents executed by County in order to carry out the provisions of Article III and in particular Article III (c) shall become automatically void and of no effect or validity as if said documents had never been executed by the County.

Each and all of the conditions and agreements contained herein shall be deemed and construed to be continuing, according to their terms, and the fulfillment of any condition(s) shall not impair or affect any of the remaining conditions or agreements, so far as any future or other breach is concerned. It is understood and agreed by and between the parties hereto that no waiver of a breach of any of the conditions and agreements herein contained shall be construed to be a waiver of any other breach of the same or other conditions and agreements, nor shall failure to enforce any of such conditions, either by re-entry or otherwise, be construed as a waiver of the same.

If any portion of the Intergovernmental Agreement (IGA) of City and County, dated \_\_\_\_\_, is finally adjudicated invalid, this Deed shall be null and void.

CUSTOMER SERVICES

\$267,040

For processing of sewer user fee bills, monitoring of revenue collections, processing applications for new services, maintaining sewer customer files.

Based on 25% of Customer Services Budget, except for postage costs, which are allocated on the basis of the number of water and sewer accounts.

METERING SERVICES

248,790

For water use data on City of Tucson Water Utility customers and file maintenance of up-to-date records of customers by address and account number.

Based on 25% of Metering Services Budget.

COLLECTION SERVICES

33,230

For sewer user fee revenue collection services provided by the City Finance Department's Revenue Division.

Based on the ratio of sewer user fee revenue to the total revenue collections of the Revenue Division.

DEVELOPMENT AND LIAISON SERVICES

50,940

For the development and implementation costs of the redesigned water and sewer bill, assistance with rate setting and formulation, and other liaison requirements regarding sewer user billing and collecting

TOTAL AMOUNT	\$600,000
PER MONTH	50,000

EXHIBIT D to Ex. 1 of Res. 10860