



UTILITY BUY-IN PROGRAM

PRIVATE LINE AGREEMENTS

DEVELOPMENT SERVICES DEPARTMENT

I. PURPOSE AND INTENT

The purpose and intent of this document is to establish procedures that standardize the City of Mesa's Utility Buy-In Program (a.k.a. Private Line Agreement) process.

II. PROCEDURE STATEMENT

In conjunction with the private development of land, certain public infrastructure may be required to meet regional as well as local needs. Utility main line extensions may be required for the purpose of ensuring that the City of Mesa's minimum standards for health, safety and welfare are maintained. Minimum standards are established to promote the convenience, comfort, public interest, and general welfare of the citizens of Mesa.

A. PUBLIC UTILITY MAIN LINES:

The developer is responsible for the design, installation, construction and/or extension of public utility main lines necessary to adequately serve its development. Minimum public utility main line design requirements are established in the City of Mesa's Engineering Design Standards and Utility Master Plans.

The developer is required to design, install, construct and/or extend public utility main lines where necessary as determined by the City for present and/or future needs of the community. When a main line extension is required, the developer may be eligible to apply for a Private Line Agreement. The City will prepare a Private Line Agreement on the Developer's behalf so that any person(s) making a direct service connection to the sewer/water main lines in the future will be required to pay a share of the cost of these lines (main line extension to the main line with an established buy-in will not be assessed the buy-in fee).

B. NOTIFICATION AND ELIGIBILITY:

During the City of Mesa's Preliminary Plat Review and Central Plans Review processes, all required main line extensions are identified that are eligible for a Private Line Agreement. The developer is notified of these requirements via staff's written review comments. The developer must confirm eligibility by means of a formal written request to the office of the City of Mesa's Development Services Department's Development Planning Specialist.

C. AGREEMENT:

Any commitment for a Private Line Agreement must be formalized in an Agreement prepared by the City of Mesa. The Agreement will include identification of eligible public infrastructure, method of payment, Mesa's specific obligations, Developer's specific obligations and other general information relevant to the process.

Upon receipt of proper documentation from Developer and acceptance of water/sewer main line by the City of Mesa Engineering Construction Inspector, an Agreement will be prepared.

D. DOCUMENTATION

All supporting documentation submitted by the developer must comply with standards established to justify an agreement. See Exhibits A, B and C.

1. Unit costs shall be expressed in the following terms:
 - "Linear Feet" for all public utility main lines
 - "Each" for all structures and facilities
 - "Lump Sum" for all permits and unusual installations.
2. All documentation shall be explicitly identified as contract or invoice for payment.
3. Unit costs must be consistently represented on every contract, invoice and payment.
4. Consolidate supporting data. Documentation shall only come from either the general contractor and/or developer.
5. The information package submitted by the developer must concisely define and validate the unit costs without requiring lengthy research and audit by City staff.

It is the developer's responsibility to provide documentation that clearly and specifically identifies the unit costs. The City will not consider unit costs that cannot be validated due to incomplete documentation.

EXECUTION OF PRIVATE LINE AGREEMENT

Upon receipt of the developer's written request and proper documentation, the Development Planning Specialist of Development Services Department will draft a Private Line Agreement. The draft shall be reviewed and approved by both parties prior to execution. In order to access, calculate and collect fees, the Agreement must be fully and formally executed by the Developer and the City of Mesa.

The obligations, covenants and agreements contained in the Private Line Agreement shall become effective and shall remain in full force ten (10) years from day of acceptance of the water/sewer main line by the City of Mesa Engineering Construction office.

Nothing in the Private Line Agreement shall be deemed as creating a joint venture, partnership, or any other cooperative or joint arrangement between Developer and City.

REIMBURSEMENT

The City of Mesa will administer, assess and collect the Private Line Buy-In fee in conjunction with the sale of service(s) and/or meter(s) for connection to water/sewer line, or the issuance of a Right-of-Way permit for connection to the water/sewer main on behalf of the Developer. The City of Mesa will remit the assessment fee to the Developer within a reasonable time as specified in Section 2 of the Private Line Agreement.

EXHIBIT A

EXAMPLE ONLY

DEVELOPER'S LETTERHEAD

(date)

Development Services Department
Attn: Development Planning Specialist
P O Box 1466
Mesa, AZ 85211-1466

Re: **(Name of Project & Location)**

(Name of Project), **(Developers Name)** hereby request a Private Line Agreement for the installation of the **sewer/water main line**. Please find enclosed itemized invoices, Contracts and Unconditional Final Lien Waivers for your review.

If you have any questions or need additional information, please feel free to call me at **(phone number)**.

Thank you

(Signature)

EXHIBIT B

EXAMPLE ONLY

JOE'S CONSTRUCTION, INC.
43211 E. Ideal St.
Mesa, AZ 85201
Phone 480-123-4567

Invoice # 12345
(Date)
(Project Name)

Qty	Description of work	Unit Price	Total
1,000 LF	16" DIP Waterline	\$ 44.00 LF	\$44,000.00
5 EA	16" Valve, Box & Cover	\$2,000.00 EA	\$10,000.00
2 EA	Fire Hydrants	\$3,000.00 EA	\$ 6,000.00
1 EA	16" x 2" Blow Off	\$ 500.00 EA	\$ 500.00
1 EA	16" Pipe Realignment	\$2,000.00 EA	\$ 2,000.00
1 LS	Design Engineering	\$ 600.00 LS	\$ 600.00
1 LS	Construction Staking	\$ 800.00 LS	<u>\$ 800.00</u>
	Total Cost		\$63,900.00

NOTE: This is an example only and does not reflect actual prices

EXHIBIT C

EXAMPLE

UNCONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

Company Name:

Project Name/Address:

The undersigned has been paid in full for all labor, services, equipment or material furnished to the jobsite or to **(Developer's Name)** on the above referenced project/job location and does hereby waive and release any right to mechanic's lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position.

Date: _____

Construction Company Name

Signature

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONAL AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS.