AG Contract No. KR98 1354TRN
ADOT ECS File: JPA 98-100
Project: G1050 77C
Section: Butler Drive ESP Improvements

INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF EL MIRAGE

THIS AGREEMENT is entered into 6 AUGUST, 1998, pursuant to Arizona Revised Statutes, Sections 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") and the CITY OF EL MIRAGE, acting by and through its MAYOR and CITY COUNCIL (the "City").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes Section 41-1513 and 28-1895 et seq to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the City.

3. The City has requested Economic Strength Project (ESP) funds in the amount of $180,000.00; the Arizona Department of Commerce and the Economic Development Commission have recommended the approval of such funds for the City, and the Transportation Board has approved the funding, for the construction of improvements to Butler Drive, to provide improved access, and aid in the retention and development of local business, hereinafter referred to as the Project.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:
==========

NO. 22566
Filed with the Secretary of State
Date Filed: 08/06/98
Betsey Bayless
Secretary of State
By Vicky V. Graenewold

II. SCOPE

1. The City will:

a. Insure the additional commitment of 26.99% of the total estimated Project cost, or $66,540.00, whichever is more, from the City or other sources (not including ESP funds) to the Project Accomplish construction of the Project by public bidding, in strict compliance with State procurement laws, rules and regulations. Upon completion, approve and accept the Project on behalf of the City and provide maintenance.

b. No more often than monthly, invoice the State for ESP funds (Arizona Department of Commerce, ATTN: Finance and Administration Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012), in an amount not to exceed $180,000 00.

c. Provide the State a copy of the executed Project contract(s), and draw down and expend the State ESP funds no later than six (6) months after the effective date of this agreement. Provide the State detailed written reports of all ESP fund expenditures, supported by invoices, receipts or other suitable and appropriate documentation, and a final accounting report no later than thirty (30) days after ESP funds are fully expended.

d. Reimburse the State any funds received from the State under this agreement which are not specifically and directly expended in compliance with the ESP grant application, which is attached hereto and made a part hereof, and are subsequently disallowed by the State.

e. Provide the State (Arizona Department of Commerce, ATTN: Finance and Administration Division, ESP Program Director, 3800 N. Central Avenue, Suite 1500, Phoenix, AZ 85012) with quarterly Project status reports, and one year after completion of the Project, a written Economic Impact Report detailing the direct and indirect impact of the Project, to include jobs created, jobs retained and related data.

2. The State will:

Within thirty (30) days after receipt and approval of the ESP contract(s) and subsequent monthly progress payment invoices, reimburse the City for work completed on the Project funds in an amount not to exceed $180,000 00.

III. MISCELLANEOUS PROVISIONS

1. The only interest of the Department of Transportation in the Project is to convey economic strength pass through funds for the use and benefit of the City by reason of state law under which funds for the Project are authorized to be expended.

2. The City agrees to indemnify and save harmless the State, or any of it's departments, agencies, officers or employees, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the State of any of the provisions of this agreement.

3. The total amount of ESP funds expended under this agreement shall not exceed 73.01% of the total Project cost. Should the Project not be completed, be partially completed, or be completed at a lower cost than the advanced amount, or for any other reason should any of these ESP funds not be expended, a proportionate amount of the funds provided under this agreement shall be reimbursed to the State.

4. This agreement shall remain in force and effect until completion of said Project, reimbursement and subsequent reports; provided, however, that this agreement, except any provisions herein for maintenance, which shall be perpetual, may be cancelled at any time prior to the award of a construction contract, upon thirty (30) days written notice to the other party. Further, this agreement may be terminated and the ESP grant cancelled by the State if the City, in the opinion of and by action of the Transportation Board, fails to pursue due diligence on the Project or in the performance of any of the terms of this agreement.

5. This agreement shall become effective upon filing with the Secretary of State.

6. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511 as regards conflicts of interest on behalf of State employees.

7. The provisions of Arizona Revised Statutes Section 35-214 pertaining to 5 year records retention by the City and audit by the State are applicable to this contract.

8. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

9. All notices or demands upon any party to this agreement, except as otherwise specified herein, shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 South 17 Avenue, Mail Drop 616E
Phoenix, AZ 85007

City of El Mirage
City Manager
PO Box 26
El Mirage, AZ 85335

10. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written

CITY OF EL MIRAGE

By Maggie Reese
MAGGIE REESE
Mayor

STATE OF ARIZONA
Department of Transportation

By
JAY KLAGGE, Director
Transportation Planning

ATTEST:

By Rosalinda Herrera
ROSALINDA HERRERA
City Clerk

RESOLUTION NO. R98-07-18

A RESOLUTION OF THE COUNCIL OF THE CITY OF EL MIRAGE, ARIZONA, AUTHORIZING THE ACTING CITY MANAGER OR ASSISTANT CITY MANAGER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF TRANSPORTATION AND THE CITY OF EL MIRAGE FOR BUTLER DRIVE ECONOMIC STRENGTH PROGRAM IMPROVEMENTS.

A resolution of the City Council of the City of El Mirage authorizing the Acting City Manager or Assistant City Manager to enter into agreement with ADOT under AG Contract No. KR98 1354.

WHEREAS, the City Council of the City of El Mirage is desirous of undertaking community development activities; and

WHEREAS, the Economic Strength Program Grant will provide funding for the construction of improvements to Butler Drive, to provide improved access, and aid in the retention and development of local businesses.

WHEREAS, the Arizona Department of Transportation will administer the Economic Strength Program.

WHEREAS, the City is required to provide a minimum match of $10,000.

WHEREAS, as recipient of the ESP we are required to comply with their program guidelines and regulations.

NOW, THEREFORE, BE IT RESOLVED THAT the Mayor and Common Council of City of El Mirage authorize the Acting City Manager or Assistant City Manager to sign the contract or agreement or any revisions for receipt and use of these funds, and Acting City Manager or Assistant City Manager to take all actions necessary to implement and complete the activities submitted in said ESP regulation (s); and

THAT, the City Council of the City of El Mirage will comply with all ADOT and ESP guidelines, Federal Statues and regulations applicable to the ESP program.

PASSED AND ADOPTED by the City Council of the City of El Mirage this 23th day of July 1998.

Margarita Reese

Margarita Reese, Mayor

ATTEST:

Rosalinda Herrera

Rosalinda Herrera, City Clerk

APPROVED AS TO FORM:

Gary V. Scales, City Attorney

JPA 98-100

RESOLUTION

BE IT RESOLVED on this 22nd day of June 1998, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with the City of El Mirage for the purpose of defining responsibilities for the design, construction and maintenance of improvements to Butler Drive in the City.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director of Transportation Planning for approval and execution.

DAVID ALLOCCO, Manager
Engineering Technical Group
for Mary E. Peters, Director

JPA 98-100

APPROVAL OF THE EL MIRAGE CITY ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, and the CITY OF EL MIRAGE and declare this agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

DATED this 23rd day of July, 1998.

City Attorney

ECONOMIC STRENGTH PROJECTS

REQUEST FOR PROPOSAL
FY 1998 - ROUND 2
January 23, 1998

APPLICATION FORM

1. NAME, ADDRESS, AND COUNTY OF APPLICANT(S):

   City of El Mirage
   14405 North Palm Lane
   El Mirage, Arizona 85335
   Maricopa County

2. TYPE OF ORGANIZATION OF APPLICANT: (Check one)

   a) __X__ Local Government only

   b) _____ Private Non Profit / Local Government Joint Application:

   Name of Non Profit Agency Involved

   _____

   Name of Local Government Involved

   City of El Mirage

3. Describe the function or purpose of applicant organization.

   The City of El Mirage is a municipal government and is charged with the delivery of services within its geographical boundaries. Primary areas of responsibilities include law enforcement, court, fire protection, public works and roadway maintenance. The City of El Mirage is governed by a seven-member City Council. The Mayor is selected from these board members. The City Council appoints four positions: City Manager, Police Chief, City Clerk and Fire Chief. This eleven-person management team is then responsible for the administration, general direction and coordination of business affairs of the City. The City of El Mirage has adopted an aggressive policy to attract new commercial, industrial and manufacturing businesses to the City. The City's motto is "Come grow with us." Our community economic development program focuses on attracting, creating or retaining employment opportunities within the City limits of El Mirage.

4. Name, address, and phone number of contact person(s):

   Mr. Leonard Rivera
   14405 North Palm Street
   El Mirage, Arizona 85335
   972-8116 Fax: 972-8110

   Mr. Larry Tysiac, Consultant Engineer for the City of El Mirage
   7600 North 15th Street, Suite 200
   Phoenix, Arizona 85020
   861-2200 Fax: 943-1989

5 Describe the private sector project or activity for which the related ESP funding is requested.

Clayton Homes will locate their new state-of-the-art Manufactured Housing facility in El Mirage, creating 225 new jobs with an average hourly wage of $10.47. At full production, the facility will annually produce between 1,600 and 2,000 homes, with revenues in excess of $50,000,000.00. Clayton will invest almost $7,000,000.00 in capital expenditures in this venture. This will be the 19th manufacturing facility that Clayton has opened since 1965. Each of the 18 existing production facilities have operated continuously since their respective openings.

Clayton is a vertically integrated company based in Knoxville, Tennessee, with a total employment base of over 6,000 team members and sales in excess of $1 billion annually. Clayton is one of the nations largest manufactured housing companies. Clayton markets their products through approximately 250 company owned and approximately 800 independently owned sales centers. The company also owns approximately 65 manufactured housing communities. Although the company just recently started doing business in Arizona, they already have six retail sales centers and three communities located in Arizona. The company anticipates that due to the opening of a manufacturing facility here, both the retail sales centers and communities located in Arizona will dramatically increase in numbers now that competitive sources of supply will be available.

6. Describe the Economic Strength Project for which funding is requested. Describe how the ESP project supports/relates to the private sector project described in #5 above.

Butler Drive is now a privately owned dirt roadway. The land for this new road is being donated to the City Of El Mirage by the owners of the land, Contech, Arizona Oxides, JDL. Inc., and Clayton Homes. The project will make roadway improvements to Butler Drive which will provide paved access to the Clayton Homes, Contech, and Arizona Oxides sites. Also, intersection improvements at El Mirage Road and Butler Drive to accommodate left turn traffic to the sites.

7. Describe how the private sector project fits into the community's overall economic development efforts.

The City of El Mirage owns public roads in El Mirage. The City is desirous of improving Butler Road (currently a dirt road), and a portion of El Mirage Road. If funded with ESP, these roads can be improved, which will be a stimulus to encourage Clayton Homes to locate to our community, bolster our efforts to retain Contech and Arizona Oxides, and enhance our ability to induce other businesses to locate in our community. The economic development efforts of the City of El Mirage include attracting businesses that can offer wages that are 1.5 to 2 times higher than the minimum wage. The city is very concerned about creating economic growth that will facilitate a rapid improvement in our average standard of living. Please note that the poverty rate of our citizens is 32%, the second highest rate in Maricopa County. The average annual household income for our city is only $15,232.00. The improvement of the roads as requested would create over 225 jobs at Clayton with an average annual wage of $21,778.00, which is 43% higher than our average total household income. The economic benefits of this project are needed to fuel growth and improve our overall economic strength.

8. Describe how the supporting ESP project fits into the Community's overall economic development efforts.

The economic development program in El Mirage desperately need a major employer such as Clayton to locate in our city. Presently, our largest employer has less than 30 positions. Clayton will not only bring 225 new and high paying jobs to our community, but they will serve as a major stimulus for attracting additional industrial and residential development. Funding our proposal will create an immediate economic benefit and will have a major impact on our city , all surrounding communities, Maricopa County and the State of Arizona.

Specifically, the paving of Butler Avenue will also assist the development of adjacent vacant land in this industrial district of the City. Existing industries adjacent to Butler Drive will also benefit from this project.

9. How will ongoing maintenance and repair be provided for the ESP project after construction/improvement?

The City of El Mirage Public Works Department will maintain the ESP project, as they maintain other city streets.

10. Description of ESP project. (Check one)

a) _____ This is an existing roadway.
b) __X__ This is a new roadway.
c) _____ This is a bridge.
d) _____ This is an underpass.
e) _____ Other_____

11. Where is the private sector project located that is supported by this ESP project?

The Clayton Homes site is adjacent to the ESP project and will receive its roadway access via the ESP project.

A. Clayton Homes will be located on the south side of Butler Road, just west of El Mirage Road.
B. Contech is located on the north side of Butler Road, approximately ½ mile west of El Mirage Road.
C. Arizona Oxide is located on the south side of Butler Road, approximately ½ mile west of El Mirage Road.

12. Where is the ESP project located? **(Note: Site maps - Attachments C, D, E.)**

a. In the community: **In the Southeastern section of the City of El Mirage.**
b. In relation to the related private sector project: **Clayton Homes will locate on the South side of Butler Drive, just west of El Mirage Road.**
c. In what legislative district: **15 and 20**

13. What is the length (in feet/miles) of the ESP project? **4000 FT/0.76 Miles**

14. What is the width (in feet) of the ESP project? **28 ft. pavement w/8' shoulders = 44 ft.**

In the jobs section below (Q15 - Q17), applicants must provide employment- and wage-related information for the private sector employers (existing or new) which the ESP fund is supporting. If these projects do not generate certain categories of jobs (job creation, job retention or seasonal jobs), those sections should be left blank.

15. JOB CREATION

a. Construction Phase

Does your project create any public or private construction jobs?

Yes ___X___

No _____

(1) Number of construction jobs directly created by private sector ___*___

Number of days or months the construction jobs would last ___*___

Average hourly wages $___*___

***The contractor estimates that over 200 individual construction workers will work on the project for varying amounts of individual time. The project will take 6 to 7 months to complete. The contractor's estimate of the total cost of this labor is approximately $1,200,000.00.**

(2) Number of construction jobs directly created by ESP project ___5___

Average number of days or months the construction jobs would last ___60___

Average hourly wages $___20.00___

b. Operation Phase

(1) Number of full-time permanent direct jobs created ___225___

Average hourly wages $___10.47___

(2) Number of part-time permanent direct jobs created (in 2 years) ___0___

Average number of hours per week ___N/A___

Average hourly wages $___N/A___

16. JOB RETENTION

a. Number of permanent full-time direct jobs retained ___27___

Average hourly wages $___12.00___

b. Number of permanent part-time direct jobs retained ___N/A___

Average number of hours per week ___N/A___

Average hourly wages $___N/A___

c How would the lack of the ESP project cause, or contribute to, the loss of these directly effected jobs?

Butler Drive is a private dirt road and very inadequate for businesses. When it rains, the road gets very muddy and difficult for large trucks to travel. Without an adequate public roadway, the existing businesses like Arizona Oxide and Contech may relocate to a location with an adequate roadway

17. SEASONAL JOBS: None Created

18 Capital Investment

a) What kind of new, additional capital investment will be made by the private sector business or industry assisted by this ESP project? (Building, equipment, etc at this site).

The Clayton Homes project consists of two air-conditioned buildings, one being 100,950 square feet, the second being 9,960 square feet, which will be constructed on 30 acres of land. The smaller building will house the welding and fabrication processes of our metal frames. The larger facility will include: general offices for sales, production management, purchasing management and purchasing department, quality assurance management, secretarial staff, and general manager; two training and three meeting rooms; large lunch room; nursing/first aid facility; automated cabinet shop; large state-of-the-art crane system with interlocking capabilities; fully automated home movement process; automated scaffolding systems with vertical and horizontal movement. A large portion of the ground surface will consist of various amounts of asphalt and concrete pavement. The entire property will be fenced which will include automated gate assemblies.

b) What is the purpose and dollar value of the new, additional capital investment that will be made by the private sector business or industry assisted by this ESP project?

$	390,000.00	for	Land purchase
$	4,309,300.00	for	New Building Construction
$	1,673.000.00	for	Equipment, Jigs and Fixtures
$	100,000.00	for	Site preparation
$	54,700.00	for	Permits, Fees, Etc.
$	145,000.00	for	Sales Tax on Construction Contract
$	6,672,000.00	Total	

19 Cost/Benefit Calculation

What is the likelihood that benefit resulting from the project will exceed the costs of the project? Show detail of cost/benefit analysis used to determine the net benefits of this project. Note: Included in this analysis should be the projected annual taxes (real and property) to be generated by the planned retail stores and other businesses being assisted and the taxes (state and local) to be paid by the workers who will be employed by these businesses.

CREATION OF NEW JOBS:

Approximately 225 full time new jobs are expected to be created within the first 3 years of operation. Average hourly wage rates are$10.47. Estimated payroll costs range from $1,976,000.00 in the first year of operations to $4,899,960.00 in the 3rd year. Over a ten-year period (adjusted slightly for inflation & etc.), the payroll should range between $40 and $50 million.

RETENTION OF EXISTING JOBS:

Two businesses are currently located on Butler Drive, Arizona Oxides and Contech. Arizona Oxide has approximately 15 employees with an average hourly wage of $12.00. Contech has approximately 12 employees with an average hourly wage of $12.00.

Twenty-seven (27) jobs at $12.00 per hour equates to an annual payroll of approximately $670,000.00. This amount over a ten-year period (adjusted slightly for inflation & etc.) would equal $7.6 million.

ATTRACTION OF NEW BUSINESSES:

With an improved roadway and access, the Butler Road area can be an attraction for new future businesses to move in. There are approximately 300 acres available in the general vicinity for new businesses to locate. Placing a value of any future new business is difficult, but the probability needed to be listed.

Non-recurring Revenue or Benefits:

Clayton Homes will invest over $6 million in capital improvements for the design and construction of new facilities along with equipment purchases over a six-month period. Construction materials and services are anticipated to be purchased within Arizona.

Acquisition of 30 acres of land at a purchase price of $390,000.00.

Approximately $145,000.00 of sales tax for construction of facilities will be realized of which approximately $85,000.00 will go to the State.

These funds total $6,672,000.00 which will be spent and retained in Arizona.

Recurring Revenue or Benefits:

Approximately $50 million worth of product would be produced on an annual basis when full production is realized at year 5. First year estimates are $17.6 Million, 2nd year $27.8 Million, 3rd $34.8 Million, 4th 44.6 Million, 5th, 50,1 Million, which means that over a ten-year period, a over $400 million of products will be produced and sold..

Approximately 225 new jobs will be created with an average hourly wage of $10.47, which would mean an annual payroll of approximately $5 million per year. These employees will be needed on an ongoing basis for many years to meet the production demands. Over a ten-year period (adjusted slightly for inflation and etc.), the payroll should be in the $40 to $50 Million range.

Clayton Homes new employees (225) will generate an estimated $800,000.00 to $1 million in state taxes over a ten-year period. The taxes of the retained businesses employees are not included in this analysis.

Sales tax revenues as a result of the 225 new positions and the retention of 27 positions will be considerable, but are not definable and therefore not included in this analysis, but needed to be mentioned.

Estimates run from 60% to 75% of the total production that will be sold retail in the State of Arizona. Using a conservative 15% mark-up on the wholesale price of our homes, and using the low production estimates, the total retail sales will equal: $400 million x 115% x 60% = $276 Million x 6.5% sales tax = $17,940,000.00 Sales Tax Revenues. For the purpose of this analysis, these amounts will not be included.

Real & Personal Property Taxes on the new facility are estimated to be in the $120,000.00 to $140,000.00 range per year starting with year one. A note needs to be made that the City of El Mirage is considering adopting a $1.00/hundred property tax as early as 1998. This tax, when adopted, will add $12,000.00 to $14,000.00 annually to the above listed figures. This new tax, nor the property

taxes of the existing businesses the will now be retained are included in this analysis.

Using a very conservative approach, new annual recurring tax revenues in excess of $200,000 per year have been demonstrated.

20. What community(ies) will benefit from this project? How will each listed community benefit?

This project will have a direct, immediate and significantly positive impact on the City of El Mirage and surrounding cities of Surprise, Peoria, Sun City, Glendale, Phoenix, Litchfield Park, Goodyear, Tolleson and Avondale, as well as most of the unincorporated areas of western Maricopa County. This project will enhance the economic base of all of these areas through increased employment opportunities, retail sales, and both real and personal property tax revenues.

The City of El Mirage will benefit from the creation of 225 new jobs and local residents will have an opportunity to obtain good employment as well as a means to get our of poverty and welfare.

The nearby cities of Surprise, Peoria, Glendale, Phoenix, Tolleson and Avondale will especially benefit from the creation of new jobs, since it is very likely that some of the new employees will live in the nearby communities.

Local suppliers located in the nearby cities of Surprise, Glendale, Peoria, Phoenix, Tolleson and Avondale would benefit from the increased business since Clayton is estimating annual revenues of approximately $50 million of product when full production is realized.

21. List the names of local economic development organizations, and a contact person for each, which are involved with this private sector project. Attach documentation (letters of support, etc.) showing the involvement and level of support of each organization. (Attachment F)

As shown on the attached letters of support, the following organizations welcome economic development opportunities, such as the one Clayton Homes is proposing in El Mirage:

Maricopa Association of Government – James Bourney, Executive Director
Northwest Chamber of Commerce – Debbie Wilden, Executive Director
WESMARC, Diana McCarthy, Executive Director

22. What is the total cost of the entire project? $ 7,058,540.00

23. What is the total cost of the ESP portion of the project? $ 246,540.00

24. Complete and attach the Budget Detail Schedule (Attachment A).

25. Complete and attach the Sources and Uses Schedule (Attachment B).

26. Of the total ESP project cost listed in #23 above, how much financial assistance are you requesting from the Economic Strength Projects Fund? $ 180,000.00

27. List the sources and amounts of matching funds (both private and public) that will be a part of the total direct ESP project cost.

a) Public Funds:

(1) Name of public entity contributing the match | Amount

_____	$ N/A
Total	$ N/A

(2) Cash match contributed to the project.
- Source (general fund, grants, HURF, etc.)

	Amount
City of El Mirage (HURF's Funds)	$ 10,000.00
Total	$ 10,000.00

(3) In-kind match contributed to the project.
- Type of match (force account labor, construction management, materials, etc.)

	Amount
	$ N/A
Total	$ N/A

b) Private Sector funds:
Name of private sector company(ies) contributing matching funds to the ESP project, (if any)

	Amount
Clayton Homes - Cash Contribution	$ 10,000.00
Land Donated by Clayton Homes, Contech, Arizona Oxides & JDL, Inc.	$ 46,540.00
Total	$ 56,540.00

28. Local utility or other infrastructure expenditures:

a) What indirect local public utility or other infrastructure expenditures will need to be made in connection with (1) the private sector project, and (2) the ESP project? For example, expansion of water or waste water treatment facilities due to demands of the new business which the ESP project is assisting; extension of utility lines, major drainage improvements, etc.).

IMPROVEMENT	COST
Waterline Extension & Improvement	$ 140,000.00
Total	$ 140,000.00

29. How will the infrastructure expenditures listed in #28 above be funded?

The City of El Mirage will pay for the waterline extension. (Attachment G)

30. How soon after receiving approval of your ESP proposal could you begin construction on:

(a) The private sector project?(e.g., days, months)

Clayton Homes could begin their new construction within 30 days after notification of being awarded funds.

(b) The ESP project?(e.g., days, months)

The ESP project can begin within 45 days after notification of being awarded the funds.

31(a). How long will the private sector project take to complete from start to finish? (e.g , days, months)

Clayton Homes estimates that it will take approximately 6-7 months to be fully operational.

31(b). How long will the ESP project take to complete from start to finish? (e g., days, months).

The ESP project can be completed within 6 months from start to finish.

32. List below the major milestone activities to be completed in the project and the time schedules for each. Note: Include the construction dates and purchase dates of the capital investments of the private sector.

ACTIVITY WITH ESP FUNDS

ACTIVITY	START DATE	END DATE
Prepare bid specs	April	April
Advertise and Bid	May	May
Verify bids & Award Contract	June	June
Construction of Roads	July	August

CLAYTON HOMES ACTIVITY

ACTIVITY	START DATE	END DATE
Close escrow on land	April	April
Award Construction Bid	April	April
Construction of Facility	April	October

33. Is there any opposition to either the private sector project or the ESP project? If so, from whom and what is the nature of the opposition?

If El Mirage is not able to improve Butler and El Mirage Roads, it is very likely that Clayton Homes will not locate to El Mirage. There is no known opposition to this project; instead there is a lot of support.

34. Is project located in
X disadvantaged area of state?
X rural area of state?
X Enterprise Zone area of state?

35. Has this applying entity ever received any previous ESP grant funds.

NO X YES_____ DATE RECEIVED: N/A

AMOUNT RECEIVED: $ N/A

36. Certification:

I certify that this project is compatible with other transportation facilities and conforms to all applicable construction and engineering standards.

NAME: **Rosalinda Herrera** DATE: **March 3, 1998**

TITLE: **City Manager**

SIGNATURE: Rosalinda Herrera

NAME OF CONTACT PERSON: **Leonard Rivera, Assistant City Manager**
(602) 972-8116

Larry Tysiac, Consultant Engineer, City of El Mirage
(602) 861-2200, FAX (602) 943-1989

ATTACHMENT A

ECONOMIC STRENGTH PROJECTS - BUDGET DETAIL SCHEDULE

Note: No contingency costs are to be included in the total project costs.

ACTIVITY	LABOR OR UNIT PRICE	MATERIALS OR NUMBER OF UNITS	TOTAL CONSTRUCTION COSTS	ARCHITECTURAL/ ENGINEERING COSTS	TOTAL ACTIVITY COSTS	PROJECTED ANNUAL OPERATIONS & MAINTENANCE COSTS
Donated Land	$13,000/Acre	3.58 Acres			46,540.00	
Butler Avenue						
1) Subgrade Preparation	$1.50/SY	13,000 SY	19,500.00	3,000.00	22,500.00	
2) 3" Asphalt Pavement	$40.00/TON	1,500 TONS	60,000.00	11,000.00	71,000.00	2,000.00
3) 4" ABC	$15.00/TON	900 TONS	13,500.00	3,000.00	16,500.00	1,000.00
4) Striping	$3,000.00/LS	1 LUMP SUM	3,000.00	1,000.00	4,000.00	500.00
5) Utility Relocations	$4,000.00/LS	1 LUMP SUM	4,000.00	1,000.00	5,000.00	
6) Miscellaneous Construction	$4,000.00/LS	1 LUMP SUM	4,000.00	1,000.00	5,000.00	500.00
Subtotal			104,000.00	20,000.00	124,000.00	4,000.00
El Mirage Road						
1) Subgrade Preparation	#2.50/SY	4,000 SY	10,000.00	2,000.00	12,000.00	
2) 4" Asphalt Pavement	$60.00/TON	420 TONS	25,200.00	5,000.00	30,200.00	2,000.00
3) 8" ABC	$15.00/TON	1,000 TONS	15,000.00	4,000.00	19,000.00	1,000.00
4) Utility Relocations	$4,000.00/LS	1 LUMP SUM	4,000.00	1,000.00	5,000.00	
5) Striping	$5,000.00/LS	1 LUMP SUM	5,000.00	1,000.00	6,000.00	500.00
6) Miscellaneous Construction	$2,800.00/LS	1 LUMP SUM	2,800.00	1,000.00	3,800.00	500.00
Subtotal			62,000.00	14,000.00	7,600.00	4,000.00
GRAND TOTAL			166,000.00	34,000.00	246,540.00	8,000.00

Lawrence L. Tysiac

Signature of Registered Professional

Registered Professional Engineer (Civil)
CERTIFICATE NO.
13925
LAWRENCE L.
TYSIAC
Date Signed 3/6/09
ARIZONA, U.S.A.

ATTACHMENT B

SOURCES AND USES STATEMENT

I. USES:

A. Private Sector Related

1.	Acquisition of Existing Building with land	$ N/A
2.	Site Acquisition (vacant land)	$ 390,000.00
3.	New building construction	$ 4,309,300.00
4.	Remodeling	$ N/A
5.	Machinery and Equipment	$ 1,673,000.00
6.	Site preparation	$ 100,000.00
7a.	Other – Permit Fees & Etc.	$ 54,700.00
7b.	Other – Est. Sales Tax on Construction Contract	$ 145,000.00
	Sub Total	$ 6,672,000.00

B. Public Sector Related

1. Total ESP project improvements
(Grand Total of Total Activity Costs in Attachment A and Item 23 in the Application) $ 246,540.00

2. Local public sector improvements
(Infrastructure improvements directly related to the project and located on or contiguous to the project site. Do not include ESP related costs here)
Water Extension Improvements $ 140,000.00

3. Other _____ $ _____

C. Total Uses $ 7,058,540.00*

II. SOURCES:

A.	Private sector project investment ((Item 18 b) Total))	$ 6,672,000.00
B.	Local public sector (direct project related)	$ 140,000.00
C.	Economic Strength Projects Fund (State funds) (Item 26)	$ 180,000.00
D.	ESP match	
	(2) From the public sector ((Items 27 a)(1)(2) &(3))	$ 10,000.00
	(1) From the private sector ((Item 27 b))	$ 56,540.00
E.	Other _____	$ 0.00
F.	Total Sources	$ 7,058,540.00*

* Total Uses (I.C.) must equal Total Sources (II.F.)

STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

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ATTORNEY GENERAL

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INTERGOVERNMENTAL AGREEMENT DETERMINATION

A.G. Contract No. KR98-1354TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATE July 30, 1998.

GRANT WOODS
Attorney General

JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:gt/14129

Enc.