

MINUTES OF THE FLORENCE TOWN COUNCIL WILL HOLD A MEETING OPEN TO THE PUBLIC ON MONDAY, JUNE 3, 2013, AT 5:00 P.M., IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Rankin called the meeting to order at 5:00 p.m.

ROLL CALL:

Present: Rankin, Smith, Celaya, Hawkins, Montañño, Woolridge, Walter

ADJOURN TO EXECUTIVE SESSION

For the purpose of discussion of the public body for a performance evaluation of the Town Manager in accordance with A.R.S. §38-431.03(A)(1), and pursuant to A.R.S. § 38-431.03(A)(7) for discussion and consultation with the Town Attorney regarding negotiations for the purchase of real property.

On motion of Vice-Mayor Smith, seconded by Councilmember Celaya, and carried to adjourn to Executive Session.

ADJOURN FROM EXECUTIVE SESSION

On motion of Councilmember Hawkins, seconded by Councilmember Celaya, and carried to adjourn from Executive Session.

INVOCATION PERFORMED BY PASTOR DALE STORM, FLORENCE BAPTIST CHURCH.

No invocation was performed.

PLEDGE OF ALLEGIANCE

Mayor Rankin led the Pledge of Allegiance.

CALL TO THE PUBLIC

Call to the Public for public comment on issues within the jurisdiction of the Town Council. Council rules limit public comment to three minutes. Individual Councilmembers may respond to criticism made by those commenting, may ask staff to review a matter raised or may ask that a matter be put on a future agenda. However, members of the Council shall not discuss or take action on any matter during an open call to the public unless the matters are properly noticed for discussion and legal action.

Mr. Ty Schraufnagel, Chamber of Commerce President, provided an update on their "First Thursdays" event. He said it is an after-hours business mixer. Their first event will be at McFarland State Park, and the public is invited to attend. The Chamber has

also added six new members. The luncheons continue to be successful. The Chamber also hosted a business education workshop that was geared towards customer service. They will also have a mixer on June 18, 2013 at the Holiday Inn. They will also have their next business education workshop on June 19, 2013.

Resolution No. 1400-13:

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk read Resolution No. 1400-13 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, GRANTING APPROVAL TO THE ISSUANCE OF ONE OR MORE SERIES OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF FLORENCE, INC. TAX-EXEMPT AND/OR TAXABLE EDUCATION REVENUE AND REFUNDING BONDS (MOHAVE ACCELERATED LEARNING CENTER SCHOOLS), SERIES 2013, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,500,000 TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF EDUCATIONAL FACILITIES FOR MOHAVE ACCELERATED LEARNING CENTER AND MOHAVE ACCELERATED ELEMENTARY SCHOOL, INC.

Mr. Scott Bowles, Economic Development Coordinator, stated that the Mohave Accelerated Learning Center is a charter school for grades 6 through 12, serving approximately 400 students. The Mohave Accelerated Elementary School is also a charter school, serving approximately 180 students in grades K – 5. Both schools are located in Bullhead City, Arizona.

Mr. Bowles said the resolution will allow for financing for three projects:

- Refinancing certain existing indebtedness related to the acquisition and construction of charter school facilities located on the main campus
- Acquiring, constructing, improving and equipping a football field, bleachers, irrigation equipment and food service equipment located at the main campus
- Acquiring computers for use on the main campus

Mr. Bowles introduced Mr. William Wilder, Legal Counsel for Florence IDA, Casey Mulligan, Principal and Acting Superintendent of Mohave Accelerated Schools, and Valorie Merrigan, Assistant Principal and Executive Boardmember of Mohave Accelerated Schools.

Mr. Wilder stated the Florence Industrial Development Authority Board unanimously adopted the approving resolution for the issuance of the bonds, subject to the Florence Town Council's action. Ms. Lisa Garcia has been provided the resolution.

Mr. Wilder introduced John Fry, Partner, and Roxanne Gallagher, Bond Counsel.

On motion of Vice-Mayor Smith, seconded by Councilmember Celaya, and carried to adopt Resolution No. 1400-13.

Presentation of Award to Police Chief Daniel Hughes for his contribution to the success of the Ride to the Ruins annual event by Rex Carolin, Coordinator for the Ride to the Ruins.

Mr. Rex Carolin, Coordinator for Ride to the Ruins, stated that the Ride to the Ruins started approximately four years ago. The motorcycle riders wanted to raise money for the Pinal County Advocacy Center as well as to attract people to the area. He explained his passion for the community. He said the following law enforcements are part of the Ride to the Ruins: Gila River Police Department, Coolidge Police Department, Pinal County Sheriff's Office, Florence Police Department, and the City of Casa Grande. The City of Maricopa and Marana plan to join next year.

Mr. Carolin said Florence Police Department and their volunteers have offered substantial support. He presented Police Chief Daniel Hughes an award to the Police Department and its volunteers for their support and acknowledged their contribution.

Presentation from Pinal Partnership CEO and President Sandie Smith and City of Maricopa Vice-Mayor Edward Farrell on the creation of a map by Pinal Partnership that displays the assets of Pinal County.

Ms. Sandie Smith, Pinal Partnership CEO, provided a Power Point Presentation, in which she outlined the following:

- Created in 2005
- Unity community growth efforts in Pinal County
- Coalition of community, industry, business, education, government
- Provide leadership and support in specific areas of focus
- Mission Statement
 - o Improve research, planning and coordination of private and public efforts related to infrastructure, natural resources and community development within in Pinal County.
- Reasons to join Pinal Partnership
 - o Information
 - o Networking opportunities
 - Annual golf tournament
 - Mixers/special events
 - A day at the ballpark
 - o Motives to serve the community
- Monthly breakfast
 - o Samples of breakfast topics
 - Economic development forecast by Elliott Pollack
 - Law enforcement – from the County level to the local level
 - Renewable energy
 - Arizona Highways television show
 - Air quality and control within Pinal County
 - ADOT program/ project updates
 - The immigration debate (SB1070)
 - Medical marijuana

- Redistricting
- Tribal community happenings and developments
- Latest economic development projects
- Welcome other issues for discussion
- Opportunities to serve
 - Transportation and Infrastructure Committee
 - A clearing house of information on transportation and infrastructure issues that affect Pinal County.
 - Government Relations Committee
 - Tracks issues of our local, state, and federal government. Supports legislation and promotes economic development to work for the greater good of Pinal County.
 - Supervisorial tours (5 planned)
 - Education Committee
 - Link with the Economic Development committee
 - Expand the scope to include private/public partnerships
 - Include vocational schools
 - Retraining of the established workforce
 - Bring science technology to Pinal County
 - Unite K-12, community colleges/universities to strengthen economic development
 - Educating the public regarding issues up for vote
 - Renewable Energy Committee
 - Advocate for renewable energy
 - Solar 101 Educational seminar
 - Solar workshops and tours
 - Draft ordinances to Pinal jurisdictions
 - Renewable Energy Economic Impact Summit
 - Economic Development Committee
 - Advocates for a sustainable Pinal County economy through preservation and creation of employment centers. Supports organized economic development efforts throughout the region, and encourages conditions that foster economic growth.
 - Information sharing committee
 - Working on map that shows the assets of Pinal County
 - Ensure that the information regarding Florence is accurate
 - Promote economic development
 - Possible gaming grants available to promote all of Pinal County
 - Working with CAG and Pinal County GIS systems to incorporate open space and trails
 - Park, Trails, Open Space, and Public Lands Committee
 - Advocates for the protection of our private and public lands throughout Pinal County by sustaining a quality of life for the great outdoors.
 - Addressing local issues

- Connect cities and Towns with Pinal County regarding open space and trails plan
 - Working with stewards of the land and maintenance of trails.
 - Health and Human Resources Committee
 - Focus on wellness and healthy communities
 - Encourages services in Pinal County growth areas and rural communities
- Pinal Partnership makes a difference
 - RSRM (Pinal County regional transportation Routes)
 - Comprehensive Plan
 - Revision of subdivision standards
 - Superstition Vistas visioning
 - Pinal County Water Element Task Force
 - Lower Santa Cruz Alliance
 - Pinal County zoning regulations
 - T.I.M.E. Coalition
 - Clearinghouse of information
- Pinal Partnership Membership consists of:
 - Platinum members \$5,000
 - Gold Members \$3,000
 - Silver Members \$1,500
 - Individual Member \$ 250 Non business or business under 5 employees are eligible, no exceptions
 - Non-profit \$ 250
- Transportation and Infrastructure Committee

Ms. Smith provided a description of what each type of membership offers to its members. She said it important to get involved. She said Pinal Partnership is strong and growing because of the commitment of its members.

Mayor Rankin inquired how all of the transportation information for all of the MPOs and Pinal County is being coordinated.

Ms. Smith stated Pinal Partnership has a transportation committee and they would like to be informed of when an MPO is formed and meet with them to get the information disseminated.

Discussion occurred on the North-South corridor and Superstition Vista Project.

MOTION TO ADJOURN TO MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 1 BOARD.

On motion of Councilmember Woolridge, seconded by Councilmember Hawkins, and carried to adjourn to the Merrill Ranch Community Facility District No. 1 Board.

First Reading of Ordinance No. MRCFD1 110-13:

Ms. Lisa Garcia, District Clerk, read Ordinance No. MRCFD1 110-13 by title only.

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2014.

Ms. Becki Guilin, District Treasurer, stated that MRCFD1 has issued GO Bonds and the monies that are generated from the ad valorem tax are repaid by the levy. There was a decline in property values. The total estimated for debt service is \$435,426 and estimated operations and maintenance is \$40,193, for a total \$475,619. She said the second reading and public hearing on the ordinance will be done on June 17, 2013. She said the adoption will occur in July 1, 2013. The levy is \$3.25 per \$100 Net Assessed Valuation (NAV) for the debt service and \$0.30 per \$100 NAV for operations and maintenance.

Mayor Rankin inquired if the amount had changed from last year to this year.

Ms. Guilin stated that the amount is the same.

Resolution No. MRCFD1 122-13:

Ms. Lisa Garcia, District Clerk, read Resolution No. MRCFD1 112-13 by title only.

A RESOLUTION OF THE DISTRICT BOARD OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, EXERCISING THE OPTION TO REDEEM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1 SPECIAL ASSESSMENT LIEN BONDS (ASSESSMENT AREA TWO) AND DELEGATING CERTAIN MATTERS WITH RESPECT THERETO TO THE DISTRICT TREASURER OF THE DISTRICT.

Ms. Guilin, District Treasurer, stated the option redemption is required by the fiscal agent as well as the bond indebtedness requirements. Prepayments must be evaluated to relieve the debt service of the debt principal balance. She said if this isn't done, interest will continue to be accrued. She said there was \$10,000 collected that can be paid off on the principal.

Councilmember Walter inquired if the assessment is being raised.

Ms. Guilin explained the difference between assessments and the tax levy.

On motion of Boardmember Montaño, seconded by Boardmember Celaya, and carried to adopt Resolution No. MRCFD1 122-13.

Resolution No. MRCFD1 123-13:

Ms. Lisa Garcia, District Clerk, read Resolution No. MRCFD1 123-13 by title only.

A RESOLUTION OF THE DISTRICT BOARD OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, EXERCISING THE OPTION TO REDEEM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1 SPECIAL ASSESSMENT LIEN BONDS (ASSESSMENT AREA ONE) AND DELEGATING CERTAIN MATTERS WITH RESPECT THERETO TO THE DISTRICT TREASURER OF THE DISTRICT.

Ms. Guilin, District Treasurer, said the payoff in principal is \$55,000 on the bond issue. Funds will be transferred for payment.

On motion of Boardmember Montaño, seconded by Boardmember Smith, and carried to adopt Resolution No. MRCFD1 123-13.

MOTION TO ADJOURN FROM MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 1 BOARD.

On motion of Boardmember Woolridge, seconded by Boardmember Hawkins, and carried to adjourn from the Merrill Ranch Community Facility District No. 1 Board.

MOTION TO ADJOURN TO MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2 BOARD.

On motion of Councilmember Woolridge, seconded by Councilmember Celaya, and carried to the Merrill Ranch Community Facility District No. 2 Board.

First Reading of Ordinance No. MRCFD2 209-13:

Ms. Lisa Garcia, District Clerk, read Ordinance No. MRCFD2 209-13 by title only.

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2014.

Ms. Guilin, District Treasurer, said the levy is for an ad valorem tax of \$3.25 per \$100/NAV estimated at \$332,414 for the debt service, plus an operations and maintenance levy of \$0.30 per \$100/NAV estimated at \$30,684, for a total of \$3.55 per \$100/NAV or \$363,098.

Resolution No. MRCFD2 222-13:

Ms. Lisa Garcia, District Clerk, read Resolution No. MRCFD2 222-13 by title only.

A RESOLUTION OF THE DISTRICT BOARD OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA EXERCISING THE

OPTION TO REDEEM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2 SPECIAL ASSESSMENT LIEN BONDS (ASSESSMENT AREA ONE) AND DELEGATING CERTAIN MATTERS WITH RESPECT THERETO TO THE DISTRICT TREASURER OF THE DISTRICT.

Ms. Guilin, District Treasurer, stated the prepayment is for \$60,000 to reduce the debt in assessment Area One.

On motion of Boardmember Celaya, seconded by Boardmember Montaño, and carried to adopt Resolution No. MRCFD2 222-13.

Resolution No. MRCFD2 223-13:

Ms. Lisa Garcia, District Clerk, read Resolution No. MRCFD2 223-13 by title only.

A RESOLUTION OF THE DISTRICT BOARD OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA EXERCISING THE OPTION TO REDEEM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2 SPECIAL ASSESSMENT LIEN BONDS (ASSESSMENT AREA THREE) AND DELEGATING CERTAIN MATTERS WITH RESPECT THERETO TO THE DISTRICT TREASURER OF THE DISTRICT.

Ms. Guilin, District Treasurer, stated they have \$13,000 in principal prepayments to reduce the debt in Assessment Area Three.

On motion of Boardmember Woolridge, seconded by Boardmember Hawkins, and carried to adopt Resolution No. MRCFD2 223-13.

MOTION TO ADJOURN FROM MERRILL RANCH COMMUNITY FACILITY DISTRICT NO. 2 BOARD

On motion of Boardmember Montaño, seconded by Boardmember Celaya, and carried to adjourn from the Merrill Ranch Community Facility District No. 2 Board.

CONSENT: All items indicated by an (*) will be handled by a single vote as part of the consent agenda, unless a Councilmember or a member of the public objects at the time the agenda item is called.

- a. ***Authorization to enter into an 18-month Professional Services Agreement with the Greater Florence Chamber of Commerce.**
- b. ***Authorization to enter into a three year lease agreement with the Greater Florence Chamber of Commerce for the McFarland State Historic Park.**
- c. ***Approval of awarding the bid of the Council Chambers Audio/Video Upgrade Project to Sound Image Inc. in an amount not to exceed \$49,332.40.**
- d. ***Ratification of the Special Event Liquor License for the Chamber of Commerce to hold three First Thursday events on June 6, July 4, and August 1, 2013 from 4:30 p.m. to 6:30 p.m.**

e. ***Adopt Resolution No. 1398-13: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING MAYOR TOM J. RANKIN, TOWN MANAGER CHARLES A. MONTOYA AND FINANCE DIRECTOR MICHAEL FARINA TO ACT AS SIGNATORIES FOR THE TRANSACTION OF BUSINESS ON ALL TOWN OF FLORENCE BANK ACCOUNTS, AND DECLARING AN EMERGENCY.**

f. ***Adopt Resolution No. 1399-13:**

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Resolution No. 1399-13 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING MAYOR TOM J. RANKIN AND TOWN MANAGER CHARLES A. MONTOYA TO ACT AS SIGNATORIES FOR THE TRANSACTION OF BUSINESS ON THE POLICE DEPARTMENT EVIDENCE TRUST FUND AT NATIONAL BANK OF ARIZONA, AND DECLARING AN EMERGENCY.

g. ***Authorization to dispose of equipment as listed on the June 3, 2013, Request for Council Action Form, per Town Policy.**

h. ***Approval of accepting the register of demands ending April 30, 2013, in the amount of \$1,753,618.65.**

On motion of Councilmember Montaño, seconded by Councilmember Celaya, and carried to approve the Consent Agenda, with the removal of Item a.

a. **Authorization to enter into an 18-month Professional Services Agreement with the Greater Florence Chamber of Commerce.**

Ms. Garcia stated that she, along with Jess Knudson, Assistant Town Manager, worked with the Chamber of Commerce to negotiate an 18-month agreement, which will:

- Move the annual report date to January
- Attendance of first Council meetings of the month to introduce new businesses and to address Council
- Council to receive tickets to Chamber events
- Increase membership by 10%

The Town is excited to have the Chamber in McFarland State Park. The Chamber will be open Monday through Saturday from 9:00 am to 2:00 pm. The fiscal impact for operating the Visitor Center and the Chamber is \$65,000 for the first year. The Town has negotiated a partial contract for next fiscal year at \$32,000.

Vice-Mayor Smith inquired about supporting of Town events, and asked if it will include the Home Tour.

Ms. Garcia said the Town staff will be responsible for the Home Tour and will seek support from other entities to ensure a successful event.

On motion of Councilmember Woolridge, seconded by Vice-Mayor Smith, and carried to approve Consent Agenda item a.

NEW BUSINESS

Discussion/Approval/Disapproval of the FY2013-2014 employee benefit program renewals with CIGNA Healthcare for Medical and Dental; Met Life for Life Insurance; Vision Service Plan for Vision Insurance; EAP Preferred for Employee Assistance Program; AFLAC for supplemental insurance products; and adding a 24/7 physician access benefit provided by Consult A Doctor.

Mr. Scott Barber, Human Resources Director, stated that the Consult A Doctor benefit has been added to the benefit package this year. The benefit is inexpensive. He said this is the fourth year that Florence has offered HSA and staff is recommending renewal of the existing coverage for the next fiscal year. There is a 6% increase in cost. He said staff is looking at alternatives for the following year.

Councilmember Montaño inquired what coverage is offered for prescription drugs.

Mr. Barber stated that the medical coverage is a high deductible plan which means first dollar coverage. The rates charged are negotiated with CIGNA. It is for full coverage plan, but not like an indemnity plan, there is a co-pay. The individual must first meet the deductible and the Town partially funds the employee. He said employees are encouraged to utilize generics and not run it through the insurance.

Councilmember Walter inquired if the employees have been surveyed to see if they like the type of plan.

Mr. Barber said they do receive feedback from the employees. He said the group insurance works well for some employees and not for others, depending on personal circumstances.

Councilmember Walter inquired if the employees would be given an option for conventional coverage in the future.

Mr. Barber said options are good; however, it can cause issues for the group. There are several factors that must be considered.

On motion of Councilmember Woolridge, seconded by Councilmember Celaya, and carried to approve the FY2013-2014 employee benefit program renewals with CIGNA Healthcare for Medical and Dental; Met Life for Life Insurance; Vision Service Plan for Vision Insurance; EAP Preferred for Employee Assistance Program; AFLAC for supplemental insurance products; and adding a 24/7 physician access benefit provided by Consult A Doctor.

Discussion/Approval/Disapproval of an Intergovernmental Agreement between the Town of Florence and Arizona Department of Transportation for the design of a roundabout at the Intersection of SR 287 and SR 79b.

Mr. Jess Knudson, Assistant Town Manager, stated that the area is at SR 287 and SR 79b, which is commonly known as the Y, south of Main Street. The draft agreement is for the use of Florence's TIP dollars that the Town receives through CAG. The anticipated cost for the project is \$649,812.30. The project is for the design of a new intersection solution at the intersection. The Town would contribute \$46,469.30, which covers the match and ADOT design fee. ADOT will acquire the services of an independent design service contractor. As part of the IGA, the Town would assume the construction and maintenance of the roundabout once it is completed. Special considerations have been considered for archeological findings that may occur. The Town would not be responsible for the construction costs associated with the findings. He said \$2.25 million has been budgeted in the CIP for construction of the intersection once the design is completed.

Vice-Mayor Smith inquired what the design will entail.

Mr. Knudson said it will be design for the intersection, which will be a roundabout because of the six to eight points of access from the ancillary streets. He said there are approximately 6-7 minor accidents per year on the current intersection. The roundabout will minimize the amount of accidents and maximize the ability of the motorists to traverse through the intersection and onto the neighboring streets.

Mayor Rankin inquired if the businesses have been noticed.

Mr. Knudson said he hasn't spoken with any of the businesses directly.

Discussion occurred on improvements on Florence Heights Road along with the roundabout.

Mayor Rankin inquired if there has been any communication between Town staff and the Director of ADOT, or if all communication is going through ADOT's Engineering Department.

Mr. Knudson stated that discussions have been with the ADOT's Project Manager on the projects.

Mr. Charles A. Montoya, Town Manager, stated that they have spoken with the local engineer, Project Manager, and Public Information Officer. They have not spoken directly with the Director.

Mayor Rankin directed staff to schedule a meeting with District Representative in Tucson.

Councilmember Hawkins stated that he does not favor a roundabout and there should have been other alternatives for Council to consider. He said the Town doesn't have much say in the decision because it is a state highway.

Mayor Rankin said the current intersection is dangerous and there are many individuals who go the wrong way.

Councilmember Hawkins said the signage is important.

Councilmember Montaño inquired what the Town of Florence will resume liability on.

Mr. Knudson said the Town will assume the construction and maintenance costs for the roundabout. ADOT will need to sign off on the design and construction. He added that the positives of the roundabout include:

- Landscaping and signage can be incorporated in the design
- Town will have the ability to interject what they would like to see in the area

Councilmember Montaño said he doesn't agree with the ADOT placing the liability on the Town. They have closed a portion of SH79b because they felt it was unsafe and pushed their traffic onto local streets, which will also utilize the Y. They then want the Town to assume responsibility for traffic that goes through the Y once the roundabout is complete.

Vice-Mayor Smith concurred with Councilmember Montaño.

Mr. James Mannato, Town Attorney, clarified what the Town's liability would be. He said the State has the leverage because they are providing the Town with approximately \$600,000. There is no negotiating with them. ADOT is demanding that the Town indemnify the State and its contractors going forward. While they might not be able to completely delegate their responsibilities away, the fact that the Town will have to indemnify them if there are mistakes made is troubling. It comes down to a decision as to whether or not the Town wants to get the project done by accepting approximately \$600,000 or not. He said to a great extent, governmental entities are immune from liability in the design and construction of highways so long as it can be shown the design and construction was in conformity with the standards that were established at the time of the design and construction. However, the problem there is that the Town is not the one designing the roundabout. The State is going to choose the contractor.

Vice-Mayor Smith inquired who is currently responsible for the existing problems.

Mr. Mannato said in his opinion, unless that the Town does something negligent, the State has the responsibility. He noted that the State is immunized from liability, as outlined above.

Mr. Mannato explained that the standards change which is why they provide immunity.

Discussion occurred on changes in standards and the State recognizes that technology and guidelines change, which is why there is immunity.

Mayor Rankin stated that if the Town does not approve the project, the money will be returned on the State. He said the deadline is June 30, 2013 for Council to act. He said they can table the item, and try to schedule a work session.

Mr. Knudson stated that ADOT may not change its stance even if they have a work session.

Councilmember Hawkins inquired if future funding can be held if they elect not to approve this project.

Councilmember Montaña state the Town may need to speak with the Governor and address the concerns with her directly.

Mr. Montoya said the money was requested by the Town years ago. He said if the Town does not move forward, the money will be lost. If the Town elected to pursue it in the future, it will need to be self-funded as ADOT will not fund it later.

Mr. Wayne Costa, Public Works Director, stated that the project has been in the CIP since 2005.

Councilmember Celaya stated that the Town will also have perpetual operations and maintenance costs for the roundabout, the infrastructure, and the surrounding area.

Mr. Costa said in 2005, the Town did not know they would have to assume the liability or perpetual costs. He said they sought funding from Pinal County and others as it would benefit everyone.

Councilmember Celaya stated that the issues need to be addressed to someone at a higher level. He said ADOT should not be pushing off their responsibility onto municipalities.

Mayor Rankin requested that this item be tabled and a meeting be scheduled with the stakeholders and ADOT to answer the Council's questions. He understands that Council must come to a decision prior to July 1st on this matter.

On motion of Councilmember Montaña, seconded by Councilmember Walter, and carried to table item 14b.

Resolution No. 1395-13:

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Resolution No. 1395-13 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE TOWN OF FLORENCE CAPITAL IMPROVEMENT PROJECT PLAN (CIP) AND PROVIDING FOR SEVERABILITY.

Ms. Becki Guilin, Finance Director, stated that adoption of the Capital Improvement Project Plan is part of the budget process. There were no new additions to the Plan; and some revisions were made. The Town has \$161,786,000 in major infrastructure costs; \$5,595,000 in minor infrastructure costs, and \$151,000,897 in infrastructure improvement plan that is impact fee related. The projects are being moved from one year to the next or are being programmed in for future years.

On motion of Councilmember Walter, seconded by Councilmember Hawkins, and carried to adopt Resolution No. 1395-13.

Resolution No. 1396-13:

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Resolution No. 1396-13 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNT REQUIRED FOR THE PUBLIC EXPENSE FOR THE TOWN OF FLORENCE FOR FISCAL YEAR 2013-2014; ADOPTING A TENTATIVE ANNUAL BUDGET; SETTING FORTH THE RECEIPTS, EXPENDITURES AND THE AMOUNT PROPOSED TO BE EXPENDED FOR VARIOUS PURPOSES; GIVING NOTICE OF THE TIME FOR PUBLIC HEARING FOR TAXPAYERS ON THE ADOPTION OF THE FINAL BUDGET; ADOPTING THE BUDGET IN ACCORDANCE WITH THE LOCAL EXPENDITURE LIMITATION ORDINANCE; DECLARING AN EMERGENCY.

Ms. Guilin said Town Manager Charles A. Montoya presented the Fiscal Year 2013-2014 budget to the Town Council. She said a Public Hearing will be held on June 17, 2013 to receive public comments. She said after the Public Hearing, a recommendation for adoption of the budget will be on the agenda. She said there have been no changes made on the tentative budget after it was adopted. The tentative budget must be in place prior to the adoption of the final budget to allow the Town to operate into the next fiscal year if the final budget is not adopted by July 1st.

On motion of Councilmember Walter, seconded by Councilmember Montaña, and carried to adopt Resolution No. 1396-13.

Ordinance No. 597-13:

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Ordinance No. 597-13 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, ARIZONA ADOPTING A LOCAL ALTERNATIVE EXPENDITURE LIMITATION FOR THE TOWN FOR THE FISCAL YEAR 2013-2014 AND DECLARING AN EMERGENCY.

Ms. Guilin said the expenditure limitation is the amount of money put forth to the Council as the maximum amount that can be spent in the fiscal year. The expenditure limitation is set at \$47,450,289 for FY 2013-2014. She said the Town has also adopted the Home Rule Option, and this is the Town's fourth year. The Town will have to adopt the Home Rule Option again next year.

On motion of Councilmember Woolridge, seconded by Councilmember Montaño, and carried to adopt Ordinance No. 597-13.

Ordinance No. 596-13:

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Ordinance No. 596-13 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF FLORENCE SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR GENERAL MUNICIPAL EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2014. (First Reading)

Ms. Guilin stated the ordinance is to levy the property tax for next fiscal year. The rate levied last year was \$1.0517 per \$100 Net Assessed Valuation (NAV). She said in order to raise the same amount as last fiscal year the Town will need to levy \$1.0963 per \$100 of NAV; which is due to the decrease in property values. The Town's maximum allowable levy is \$814,526, which includes \$29,456 in new construction, or a 2% levy over last year's levy. She said the Town is only allowed to levy 2% over last year's levy.

Ms. Guilin said the Town levies and Ad Valorem and Secondary Property Tax for the Merrill Ranch Streetlight Improvement Districts #1, #2, and #3 (SLIDS), but due to adequate fund balance, the Town will not levy for the SLIDS this fiscal year.

Discussion/Approval/Disapproval of an amendment to the Intergovernmental Agreement between the Town of Florence and Arizona Department of Transportation to complete the Downtown Streetscape Project.

Mr. Jess Knudson, Assistant Town Manager, stated the addendum to the IGA will allow the Town to move forward with the completion of the Streetscape Project. The addendum includes the Town identifying fund within its existing budget to bring on the consultant, T Y Lin. The consultant will assist with the environmental studies,

completion of the design bid for construction, and oversight of construction of the project. The project consists of:

- The removal of all streetlights (cobra and pedestrian) on Main Street between Ruggles Street and Butte Avenue.
- The installation of a new streetlight in the project area to accommodate the needs of pedestrians and vehicular traffic.
- The installation of benches and trash receptacles in the project area.

Mr. Knudson said the Town will work closely with ADOT, Federal Highways, and SHPO as well as the consultant to complete the work and to identify the Town's tasks that remain on the project. The anticipated total cost of the project is \$644,919; and the Town's contribution is \$144,919.

Councilmember Hawkins said the historic-looking lights that are removed be saved for future use in the Town.

Mayor Rankin inquired if the Council will have the opportunity to see samples of the streetlights that will be installed.

Mr. Knudson said the Town will have coordination with SHPO on the selection of the new streetlights and the elements for the downtown area. He said the streetlights will be need to reminiscent and symbolic of the era.

Mayor Rankin expressed his concerns with regards to accepting grants and the amount of input that the Town has.

On motion of Vice-Mayor Smith, seconded by Councilmember Woolridge, and carried to amend the Intergovernmental Agreement between the Town of Florence and the Arizona Department of Transportation to compete the Downtown Streetscape Project.

DEPARTMENT REPORTS

Manager's Report

Mr. Charles A. Montoya, Town Manager stated the quarterly newsletter is something new that will go out quarterly in the sanitation bill. Items of interest to the community will be included in the newsletter as well as things that the Council is working on and/or doing.

Mr. Montoya provided an update on the National Conference of Retailers that he, along with Mr. Knudson, and Mr. Scott Bowles, Economic Development Coordinator, attended in Las Vegas, Nevada. He said the event was very successful and the three of them met with different groups of people. The Economic Development Brochures were phenomenal and were well received. Mr. Montoya and Mr. Bowles and he will follow up with retailers that they met with.

Mr. Montoya said that a sign has been erected at the new Anthem Fire Station location. He said they anticipate breaking ground in July 2013. Ms. Lisa Garcia, Deputy Town Manager, will work with Peter Zick, Fire Chief, on a groundbreaking ceremony.

Mr. Montoya introduced Mr. Mike Farina, Finance Director, who will take Ms. Guilin's place, due to her retirement. He comes to the Town from Colorado, and has extensive financial experience.

Mr. Montoya provided an update on the July 4th celebration.

Mr. Montoya said Town staff received a development agreement from Johnson Ranch/Florence Ranch, and is being reviewed. Johnson Ranch/Florence ranch would like to get started by the end of the year.

Mr. Montoya said there are hospital signs that are directing people to the vacant hospital in the downtown area. Mr. Wayne Costa, Public Works Director, is working to get the signs redirected to the Anthem Hospital.

Mr. Montoya said Community Development is working diligently with the new projects that are underway. Construction for the new Super Stop has started.

Mr. Montoya said the Town should be receiving a final report on the Brunenkant Building in the near future. Stabilization of the building should start shortly thereafter.

Mayor Rankin inquired if the owner of the Super Stop is the same owner of the business across the street. He also inquired what the plans are for that business.

Mr. Mark Eckhoff, Community Development Director, stated the owners are the same and he has indicated that he will keep the business open. The store is branded as a different name. He said the existing business operates as a gas station with a small convenience store. The new business will be a much larger convenience store and a single bay automated car wash.

Department Reports

Community Development

Courts

Finance

Fire

Library

Parks and Recreation

Police

Public Works

The Department Reports were received and filed.

CALL TO THE PUBLIC

There were no public comments.

CALL TO THE COUNCIL

Councilmember Hawkins reminded the public about the free community clean-up day.

Councilmember Montaño stated that the graduation was very successful with no accidents. Grad Night was sponsored by the Pinal County Sheriff's Office and the Pinal County Attorney's Office, which was also a success. A member of the Southwest Ambulance team passed away; however the individual was not on duty. He was a great participant in the community and it is a loss that will be felt throughout the Town.

Mayor Rankin thanked GEO and the all of the sponsors for the July 4th event. He recognized all of the sponsors and thanked them for their generosity. He attended the MAG meeting and said Florence is a member of MAG and CAG.

ADJOURN TO EXECUTIVE SESSION

For the purpose of discussion of the public body for a performance evaluation of the Town Magistrate in accordance with A.R.S. §38-431.03(A)(1), and pursuant to A.R.S. § 38-431.03(A)(4) for discussion and consultation with the Town Attorney regarding pending or contemplated litigation."

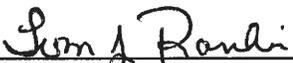
On motion of Councilmember Woolridge, seconded by Councilmember Montaño, and carried to adjourn to Executive Session.

ADJOURN FROM EXECUTIVE SESSION

On motion of Vice-Mayor Smith, seconded by Councilmember Walter, and carried to adjourn from Executive Session.

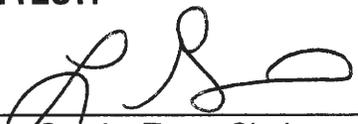
ADJOURNMENT

On motion of Vice-Mayor Smith, seconded by Councilmember Walter, and carried to adjourn the meeting at 9:00 p.m.



Tom J. Rankin, Mayor

ATTEST:



Lisa Garcia, Town Clerk

I certify that the following is a true and correct copy of the minutes of the Florence Town Council meeting held on June 3, 2013, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk