

**TOWN OF FLORENCE  
REGULAR MEETING  
AGENDA**

PURSUANT TO A.R.S. § 38-431.02, NOTICE IS HEREBY GIVEN TO THE MEMBERS OF THE FLORENCE TOWN COUNCIL AND TO THE GENERAL PUBLIC THAT THE FLORENCE TOWN COUNCIL WILL HOLD A MEETING OPEN TO THE PUBLIC ON MONDAY, MAY 20, 2013, AT 6:00 P.M., IN THE CHAMBERS OF TOWN HALL, LOCATED AT 775 NORTH MAIN STREET, FLORENCE, ARIZONA.

**1. CALL TO ORDER**

- 2. ROLL CALL:** Mayor Rankin\_\_\_; Vice-Mayor Smith\_\_\_;  
Councilmembers: Tom Celaya\_\_\_; Bill Hawkins\_\_\_;  
Ruben Montaña\_\_\_; Tara Walter\_\_\_; Vallarie Woolridge\_\_\_;

**3. MOMENT OF SILENCE**

**4. PLEDGE OF ALLEGIANCE**

**5. 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 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.

**6. PUBLIC HEARING AND PRESENTATIONS**

- a. **Public Hearing on** the 2013-2023 Land Use Assumptions and Infrastructure Improvements Plan.
- b. Greater Florence Chamber of Commerce presentation of an award to the Pinal County Federal Credit Union for being May's Chamber Business of the Month.

**7. 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. **\*Adoption of Resolution No.** 1393-13: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, SUPPORTING APPLICATION TO THE TOHONO O'ODHAM NATION FOR STATE-SHARED REVENUE GRANT FUNDS TO PURCHASE A POLICE TRAINING SIMULATOR.
- b. **\*Adoption of Resolution No.** 1394-13: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE RE-SUBDIVISION OF LOTS 40 THRU 45 INCLUSIVE AND LOTS 63 THRU 65

INCLUSIVE, LOCATED WITHIN THE RE-SUBDIVISION OF ANTHEM AT MERRILL RANCH UNIT 18; REQUIRING THE PROVISION OF AN INFRASTRUCTURE IMPROVEMENT ASSURANCE OR WITHHOLDING OF RECORDATION TO SECURE THE SATISFACTORY CONSTRUCTION, INSTALLATION AND DEDICATION OF REQUIRED IMPROVEMENTS; ESTABLISHING A DEADLINE FOR REQUIRED IMPROVEMENTS TO BE COMPLETED; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

- c. \*Authorization to enter into an Intergovernmental Agreement Amendment for continued partnership with the Arizona State Parks Board for operation of McFarland State Historic Park.
- d. \*Appointment of Judy Hughes to the Florence Industrial Development Authority Board, with a term to expire December 31, 2013.
- e. \*Approval of the April 15 and May 6, 2013, Town Council minutes.
- f. \*Receive and file the following board and commission minutes:
  - i. October 25, 2012 Parks and Recreation Advisory Board minutes.

#### 8. UNFINISHED BUSINESS

- a. Ordinance No. 595-13: Discussion/Approval/Disapproval of AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, TO PROVIDE INCREASES IN NEW RATES AND FEES FOR WATER AND WASTEWATER TREATMENT.

#### 9. CALL TO THE PUBLIC


#### 10. CALL TO THE COUNCIL

#### 11. ADJOURNMENT

Council may go into Executive Session at any time during the meeting for the purpose of obtaining legal advice from the Town's Attorney(s) on any of the agenda items pursuant to A.R.S. § 38-431.03(A)(3).

POSTED THE 15<sup>th</sup> DAY OF MAY 2013, BY LISA GARCIA, TOWN CLERK, AT 775 NORTH MAIN STREET, 1000 SOUTH WILLOW STREET, FLORENCE, ARIZONA AND AT [WWW.FLORENCEAZ.GOV](http://WWW.FLORENCEAZ.GOV).

\*\*\*PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE TOWN OF FLORENCE DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE TOWN OF FLORENCE ADA COORDINATOR, AT (520) 868-7574 OR (520) 868-7502 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.\*\*\*

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u> 6a.</b>
<b>MEETING DATE:</b> May 20, 2013  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Becki Guilin, Finance Director  <b>SUBJECT:</b> Public Hearing on 2013-2023 Land Use Assumptions and Infrastructure Improvements Plan		<input type="checkbox"/> Action <input type="checkbox"/> Information Only <input checked="" type="checkbox"/> Public Hearing <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulatory</li> <li><input type="checkbox"/> 1<sup>st</sup> Reading</li> <li><input type="checkbox"/> 2<sup>nd</sup> Reading</li> </ul> <input type="checkbox"/> Other

**RECOMMENDED MOTION/ACTION:**

As required by A.R.S. Statutes, hold a Public Hearing on the 2013-2023 Land Use Assumptions and Infrastructure Improvements Plan to receive citizen’s comments.

**BACKGROUND/DISCUSSION:**

The Town Council has authorized a study to develop Land Use Assumptions, Infrastructure Improvements Plan and Impact Fee Study that comply with the new development impact fee legislation reflected in A.R.S. §9-463.05. We engaged Duncan Associates to provide this study for the Town of Florence.

The draft document has been on file with the Town Clerk’s Office and available on the Town of Florence website for review. We have advertised the Public Hearing and have mailed developers that have interest in the Town of Florence.

New legislation requires a Public Hearing to be held on the Land Use Assumptions and Infrastructure Improvements Plan, followed by Council approval or disapproval within 60 days.

Clancy Mullen, of Duncan Associates, will answer any questions related to the Public Hearing and take action under advisement of the Mayor and Town Council.

The Infrastructure Improvements Plan and Land Use Assumptions are part of the basis for calculation of impact fees.

A resolution to adopt the Infrastructure Improvements Plan and the Land Use Assumption will come before the Town Council on July 1, 2013.

**FINANCIAL IMPACT:**

The cost of the study is \$89,100.

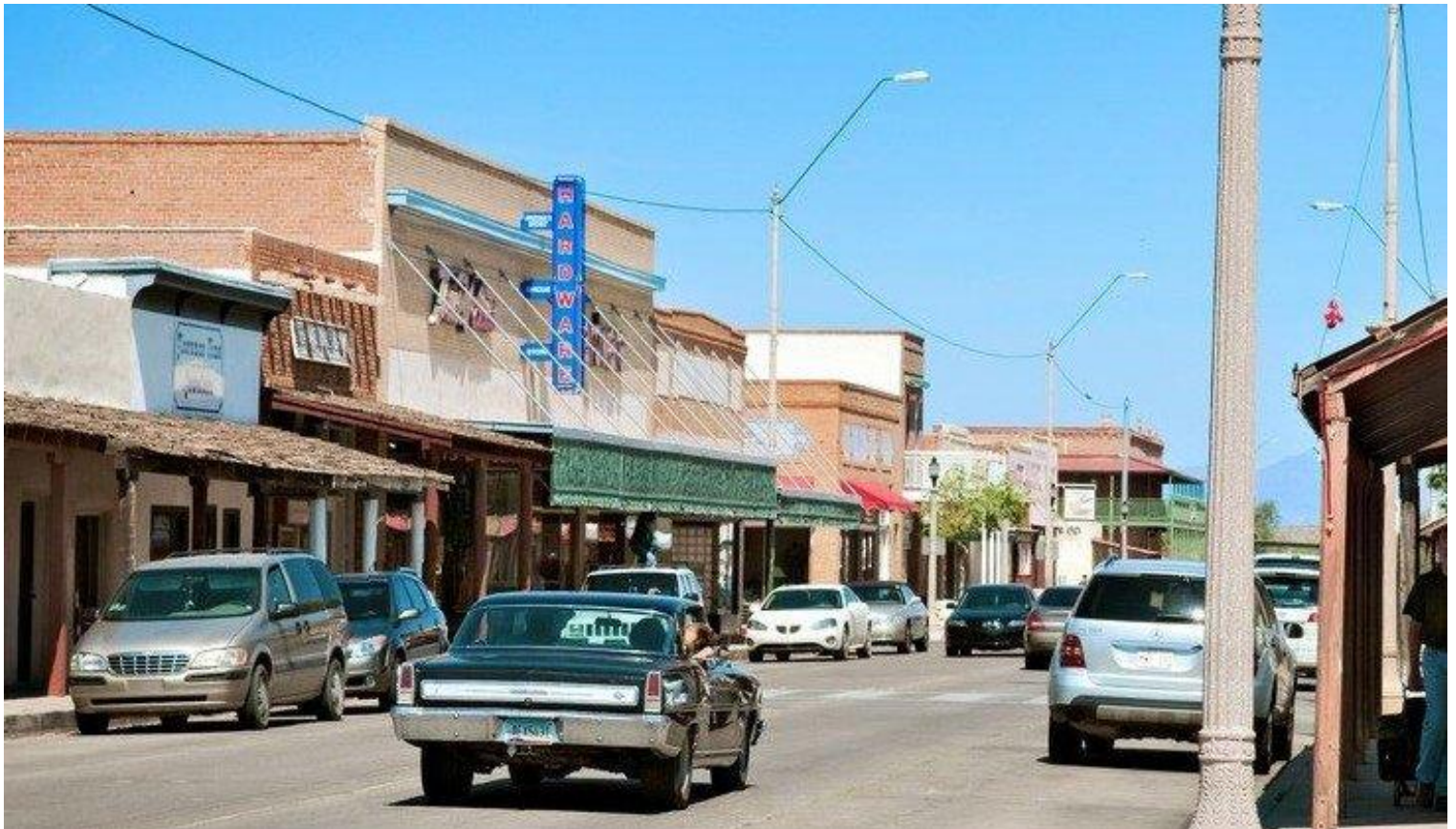
**STAFF RECOMMENDATION:**

Staff recommends opening the Public Hearing to receive citizen's comments.

**ATTACHMENTS:**

DIF Study





**2013-2023  
Land Use Assumptions,  
Infrastructure Improvements Plan  
and Impact Fee Study  
for the Town of Florence, Arizona**

*prepared by*

**duncan** | associates

**Public Review Draft  
February 2013**

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# EXECUTIVE SUMMARY

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This study provides the land use assumptions, infrastructure improvements plans and impact fee analysis required to update the Town's impact fees for roads, parks, libraries, fire, police, water and wastewater facilities in compliance with the newly-revised State impact fee enabling act.

## Background

The Town of Florence originally adopted water and wastewater impact fees in 2003. Impact fees for roads, general government, fire, police, parks, library and sanitation were adopted in 2005. The most recent comprehensive update of the fees occurred in 2007, based on a study by MuniFinancial. The fees were updated for inflation in 2008 and 2009.

The Arizona Legislature imposed a moratorium on any new or increased impact fees beginning September 1, 2009. In 2011, the legislature passed Senate Bill (SB) 1525, which was signed by the governor on April 26, 2011. SB 1525 constituted a major overhaul of Arizona's enabling act for municipalities. Among the most salient provisions of relevance to Florence, the amended enabling act:

- Prohibits the collection of impact fees for the following after January 1, 2012:
  - general government facilities;
  - sanitation facilities;
  - library materials and equipment;
  - parks over 30 acres;
- Mandates that service areas provide a “substantial nexus” between the facilities and development in the area;
- Requires that impact fees be reduced to account for any “excess” construction tax; and
- Requires that fees be updated by August 1, 2014 to be in compliance with all of the provisions of SB 1525.

To comply with the immediate requirements of SB 1525, the Town ceased collecting library, general government and sanitation fees, and reduced fire and police fees, on January 1, 2012. While library fees are still authorized, the Town does not currently own a library facility, and had based its fees on its existing level of service for circulation materials and equipment. Since those cost components are no longer authorized, the Town suspended the collection of library fees until they could be updated with a new study.

This study is intended to bring the Town's impact fees into full compliance with all of the requirements of SB 1525.



## Major Changes

The major recommended changes to the Town's impact fee system are briefly described as follows.

**Parks.** The limitation of park impact fees to parks no larger than 30 acres and the requirement that service areas demonstrate a “substantial nexus” basically rule out the continuation of a Town-wide service area for parks. This study proposes the creation of one park service area, encompassing approximately 23 square miles. The Town would cease collecting park impact fees in areas outside this service area.

**Library.** The exclusion of library materials and equipment by SB 1525 means that the Town has no existing level of service for eligible library facilities, since it does not currently have a Town-owned library (the current library is temporarily located in a school building). This creates an existing deficiency. In order to reinstate a library impact fee, the Town would need to commit to funding the deficiency and providing a library facility over the next ten years. This study assumes that the Town will construct a library of at least 10,000 square feet (the maximum size that can be paid for with impact fees). Projected impact fees, along with the current library impact fee account balance, would cover about 46% of the cost, and the remaining cost would need to come from non-impact fee revenues.

**Roads.** The updated road impact fees have been limited to arterials and major collectors. Since these facilities are designed to move traffic long distances, a single Town-wide service area meets the “substantial nexus” requirement and continues to be appropriate for the Town's road impact fees. In addition, the fees are reduced to account for “excess” construction tax revenues anticipated to be generated by new development. While the Town does not earmark these revenues for road improvements, this is the only fee that is potentially large enough to absorb the reduction. Because of the major road improvements already funded by the Merrill Ranch Community Facilities Districts (CFDs), lower road impact fees would be charged to new development in the CFDs.

**Fire.** Fire fees would be lower in the Merrill Ranch CFDs, due to the fact that the Town plans to fund a portion of a new fire station with CFD bonds, which would be retired by property owners in the CFDs.

**Water and Wastewater.** Water and wastewater have been divided into two service areas, North and South of the Gila River. While fees for a typical residential customer are going down significantly, the meter capacity ratios have been updated, resulting in lower reductions and in some cases even increases for some of the larger meters. The cost of most master planned lines have been included, so that developers who build such lines (16” or larger water transmission lines and 10” or larger wastewater interceptors) to serve their projects will need to be given credit for the full cost of the line, not just the over-sizing beyond what is required to serve their projects. No fees would be charged for new customers in the North Florence Improvement District, since these properties are paying off the debt for the Town's purchase of the North Florence water and wastewater systems. Ten-year revenue projections of \$1.69 million for water and \$0.58 million for wastewater have been based on historical customer growth over the last ten years, which implicitly assumes that the Anthem/Merrill Ranch area will continue to be served by Johnson Utilities rather than the Town. Even if the Town does begin to provide utility service to that area, revenues are not likely to be



much higher, since water and wastewater fees will likely need to be reduced or eliminated to provide offsets for improvements funded by the Community Facilities Districts.

### Comparative Fees

Current and updated non-utility fees are shown in Table 1. As noted above, park fees would no longer be assessed outside the park service area. Road and fire fees would be lower within the Merrill Ranch CFDs to account for CFD funding of major road and fire improvements. Development in the CFDs would also not pay park fees, since the area is outside the park service area.

**Table 1. Current and Updated Non-Utility Fees**

Land Use	Roads			Fire		Police	Library	Total Non-Utility Fees non-CFD		
	non-CFD	in CFD	Parks*	non-CFD	in CFD			Parks	non-Parks	in CFD
<b>Updated Fees</b>										
Single-Family (unit)	\$2,086	\$641	\$1,417	\$917	\$607	\$607	\$203	\$5,230	\$3,813	\$2,058
Multi-Family (unit)	\$1,313	\$403	\$1,148	\$743	\$492	\$492	\$164	\$3,860	\$2,712	\$1,551
Commercial (1000 sf)	\$3,141	\$964	\$170	\$660	\$437	\$437	\$24	\$4,432	\$4,262	\$1,862
Institutional (1,000 sf)	\$1,733	\$532	\$198	\$605	\$401	\$401	\$28	\$2,965	\$2,767	\$1,362
Industrial (1000 sf)	\$1,015	\$312	\$128	\$202	\$134	\$134	\$18	\$1,497	\$1,369	\$598
<b>Current Fees</b>										
Single-Family (unit)	\$583	\$583	\$857	\$1,096	\$1,096	\$913	\$0	\$3,449	\$3,449	\$3,449
Multi-Family (unit)	\$410	\$410	\$617	\$788	\$788	\$657	\$0	\$2,472	\$2,472	\$2,472
Commercial (1000 sf)	\$2,618	\$2,618	\$162	\$629	\$629	\$171	\$0	\$3,580	\$3,580	\$3,580
Institutional (1,000 sf)	\$2,618	\$2,618	\$162	\$629	\$629	\$171	\$0	\$3,580	\$3,580	\$3,580
Industrial (1000 sf)	\$425	\$425	\$92	\$362	\$362	\$98	\$0	\$977	\$977	\$977
<b>Percent Change</b>										
Single-Family (unit)	258%	10%	65%	-16%	-45%	-34%	n/a	52%	11%	-40%
Multi-Family (unit)	220%	-2%	86%	-6%	-38%	-25%	n/a	56%	10%	-37%
Commercial (1000 sf)	20%	-63%	5%	5%	-31%	156%	n/a	24%	19%	-48%
Institutional (1,000 sf)	-34%	-80%	22%	-4%	-36%	135%	n/a	-17%	-23%	-62%
Industrial (1000 sf)	139%	-27%	39%	-44%	-63%	37%	n/a	53%	40%	-39%

\* updated park fees would not be charged outside of the park service area

Source: Current fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 28 (roads), Table 39 (parks), Table 47 (libraries), Table 60 (fire), and Table 70 (police).

Current and updated utility fees are compared in Table 2. Updated water and wastewater impact fees would not be charged in the North Florence Improvement District. The combined updated water and wastewater fees would be lower than current fees for most meter sizes and types.

**Table 2. Current and Updated Utility Fees**

Meter Size	Type	Water			Wastewater			Total Change
		Current	Updated	Change	Current	Updated	Change	
5/8"x3/4"	Disc-Resid.	\$3,330	\$1,980	-41%	\$4,105	\$2,140	-48%	-45%
5/8"x3/4"	Disc-Other	\$3,330	\$1,980	-41%	\$4,105	\$2,782	-32%	-36%
1"	Disc	\$5,550	\$4,950	-11%	\$6,841	\$7,062	3%	-3%
1 1/2"	Disc	\$11,101	\$9,900	-11%	\$13,684	\$14,338	5%	-2%
2"	Disc	\$22,201	\$15,840	-29%	\$27,369	\$22,898	-16%	-22%
3"	Compound	\$35,522	\$31,680	-11%	\$43,789	\$45,582	4%	-3%
3"	Turbine	\$35,522	\$34,650	-2%	\$43,789	\$49,862	14%	7%
4"	Compound	\$55,503	\$49,500	-11%	\$68,422	\$71,262	4%	-3%
4"	Turbine	\$55,503	\$59,400	7%	\$68,422	\$85,600	25%	17%
6"	Compound	\$111,007	\$99,000	-11%	\$136,843	\$142,738	4%	-2%
6"	Turbine	\$111,007	\$123,750	11%	\$136,843	\$178,262	30%	22%
8"	Turbine	\$266,415	\$178,200	-33%	\$328,422	\$256,800	-22%	-27%
10"	Turbine	\$421,825	\$287,100	-32%	\$522,154	\$413,662	-21%	-26%
12"	Turbine	\$555,031	\$425,700	-23%	\$684,213	\$613,538	-10%	-16%

Notes: Updated fees are not charged in the North Florence Improvement District

Source: Current fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 85 (water) and Table 102 (wastewater).

For a new single-family unit, the total of both utility and non-utility impact fees would be lower than current fees for new utility customers located outside the North Florence Improvement District (which pays no utility impact fees), and for non-utility customers in the Merrill Ranch CFDs, as shown in Table 3. Total updated fees would be higher than current total fees for non-utility customers or development in the North Florence Improvement District, since those developments do not pay utility impact fees and would not benefit from the reductions of the utility fees.

**Table 3. Total Fees for New Single-Family Unit**

	Town Utility Customers			Non-Utility Customers		
	Within Park Service Area	Outside Park Service Area	N Florence Imp. Dist.	Merrill Ranch CFDs	Outside CFDs Non-Parks	Parks
Updated Total Fees	\$9,350	\$7,933	\$5,230	\$2,058	\$3,813	\$5,230
- Current Total Fees	-\$10,884	-\$10,884	-\$3,449	-\$3,449	-\$3,449	-\$3,449
Fee Change	-\$1,534	-\$2,951	\$1,781	-\$1,391	\$364	\$1,781
Percent Change	-14%	-27%	52%	-40%	11%	52%

Source: Table 1 and Table 2.

## LEGAL FRAMEWORK

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Impact fees are a way for local governments to require new developments to pay a proportionate share of the infrastructure costs they impose on the community. In contrast to traditional “negotiated” developer exactions, impact fees are charges that are assessed on new development using a standard formula based on objective characteristics, such as the number and type of dwelling units constructed. The fees are one-time, up-front charges, with the payment usually made at the time of building permit issuance. Impact fees require each new development project to pay its pro-rata share of the cost of new capital facilities required to serve that development.

Arizona’s enabling act for municipalities is codified in Sec. 9-463.05, Arizona Revised Statutes (ARS). In 2011, the legislature passed SB 1525, which was signed by the governor on April 26, 2011. SB 1525 constituted a major overhaul of Arizona’s enabling act for municipalities. This section summarizes some of the major provisions of the new state act.

### Eligible Facilities

Prior to SB 1525, municipalities could assess impact fees for any “necessary public services” (which was not defined) that constituted “costs to the municipality.” SB 1525 amended the statute to limit the types of facilities for which impact fees can be assessed. Authorized facilities for which impact fees can be assessed, after January 1, 2012, are limited to the following defined “necessary public services:”

*“Necessary public service” means any of the following facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:*

- (a) Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.*
- (b) Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.*
- (c) Storm water, drainage and flood control facilities, including any appurtenances for those facilities.*
- (d) Library facilities of up to ten thousand square feet that provide a direct benefit to development, not including equipment, vehicles or appurtenances.*
- (e) Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.*
- (f) Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.*

(g) *Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.*

(h) *Any facility that was financed and that meets all of the requirements prescribed in subsection R of this section. (Sec. 9-463.05.S.5, ARS)*

No longer authorized are fees for general government facilities, sanitation facilities, library buildings larger than 10,000 square feet and library books or equipment, parks larger than 30 acres and community centers larger than 3,000 square feet. No changes were made to authorized improvements for road, stormwater drainage, water or wastewater facilities, other than the new requirement that eligible facilities must have a life expectancy of at least three years.

## Compliance Deadlines

Municipalities may continue to collect fees for unauthorized facilities after January 1, 2012 if the fees were pledged to retire debt for such facilities prior to June 1, 2011. However, the Town of Florence had not pledged fee revenue in this sense for any of its development impact fees. Consequently, the Town ceased collecting general government, sanitation and library fees, and reduced its fire and police impact fees to remove unauthorized components on January 1, 2012.

SB 1525 added numerous new requirements related to how impact fees are calculated. Land use assumptions (growth projections) must be prepared for each service area, covering at least a ten-year period. Many new requirements were added for the infrastructure improvements plan (IIP) and the impact fee analysis. However, compliance with these is not required until August 1, 2014:

*A development fee that was adopted before January 1, 2012 may continue to be assessed only to the extent that it will be used to provide a necessary public service for which development fees can be assessed pursuant to this section and shall be replaced by a development fee imposed under this section on or before August 1, 2014. (9-463.05K, ARS)*

Significant changes were made to the requirements for adopting updated infrastructure improvements plans and fee schedules. These requirements are effective as of January 1, 2012, but only apply to the updated IIP and impact fee schedules that must be in place by August 1, 2014.

Provisions were also added relating to refunds. However, these provisions only apply to fees collected after August 1, 2014.

Other changes, however, are effective as of January 1, 2012. These include new provisions or amendments to previous provisions related to developer credits, the locking-in of fee schedules for 24 months following development approval, and annual reporting requirements. In addition, the expenditure of impact fees collected after January 1 is restricted to facilities authorized by SB 1525

(and repayment of pledged debt for unauthorized facilities, although this is not an option for Florence).

### Service Areas

Service areas are a key requirement for impact fees under SB 1525. A service area is defined as “any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan.” Land use assumptions (growth projections) and an infrastructure improvements plan (list of capital improvements and impact fee analysis) must be prepared for each service area.

It should be noted that multiple service areas are not mandated by SB 1525. A service area may include all of the area within the Town limits, or within the Town’s water and wastewater service area, as long as it can be shown that developments located anywhere within the service area will be served by or benefit from improvements in the service area.

### Service Units

In impact fee analysis, demand for facilities must be expressed in terms of a common unit of measurement, called a “service unit.” SB 1525 defines a service unit as “a standardized measure of consumption, use, generation or discharge attributable to an individual unit of development calculated pursuant to generally accepted engineering or planning standards for a particular category of necessary public services or facility expansions.” The service units used in the Town’s 2007 impact fee study are compared with the recommended service units in Table 4. The recommended service units are described in the individual facility sections of this report. All of the service units can be translated into Equivalent Dwelling Units (EDUs), based on the demand relative to that generated by a typical single-family dwelling unit.

**Table 4. Current and Recommended Service Units**

Type of Fee	Current	Recommended
Transportation	Daily Trips	Daily Vehicle-Mile of Travel (VMT) and EDUs
Water	Dwelling Unit Equivalents (DUEs)	Gallons per Day (gpd) and EDUs
Wastewater	Dwelling Unit Equivalents (DUEs)	Gallons per Day (gpd) and EDUs
Fire	Service Population (1)	Functional Population and EDUs
Police	Service Population (2)	Functional Population and EDUs
Parks	Service Population (2)	Equivalent Dwelling Units (EDUs)
Library	Service Population (3)	Equivalent Dwelling Units (EDUs)

*Notes:* (1) resident population plus 0.73 times number of workers; (2) resident population plus 0.24 times number of workers; (3) resident population plus 0.19 times number of workers.

### Methodologies

SB 1525 is sometimes misunderstood to dictate a particular methodology for calculating impact fees. Because cities must forecast anticipated growth over a fixed time period and identify improvements over the same time period, some are lead to think that a “plan-based” methodology is required, where the cost per service unit is calculated by dividing planned costs by anticipated new service units. In fact, however, SB 1525 does not dictate this methodology, and most impact fees in the

state have not been calculated in this way. The reason is that, to support a plan-based methodology, the list of planned improvements must be developed using a rigorous analysis, such as the modeling used to develop a transportation master plan, in order to establish the required nexus between the anticipated growth and the specific list of improvements required to serve that growth.

The principal alternative to the plan-based methodology is “standards-based.” The key difference is that the plan-based approach is based on a complex level of service (LOS) standard, such as “every road shall function at LOS D or better,” or “the average fire response time shall not exceed three minutes,” that requires projecting growth by small areas and using sophisticated modeling or analysis to determine the specific improvements needed to maintain the desired LOS. In contrast, a standards-based approach uses a generalized LOS standard, such as the ratio of park acres to population, that does not require an extensive master planning effort in order to determine the improvements and costs that are attributable to a specific quantity of growth.

There are advantages and disadvantages to the two methodologies. The major advantage of a standards-based methodology is that it is more flexible, since the fees are not dependent on the specific projects included in the list of improvements, only on the average cost to construct a unit of capacity. Changing the list of planned projects typically does not require recalculation of standards-based impact fees, since a single project is likely to have an insignificant impact on the average cost of capacity added by all of the improvements. This allows the capital plan to change in response to unforeseen development without triggering the need for an impact fee update.

That flexibility can also be seen as a major disadvantage of the standards-based approach, although we disagree. Many people, particularly developers and builders, tend to like the certainty of knowing which projects will be funded with their impact fees. This advantage of plan-based fees can be over-rated, however. SB 1525 requires that there be a list of planned improvements, and that the impact fees be spent only on listed projects, regardless of the methodology on which the fees are based. In addition, the impact fee capital plan must be updated at least every five years, and many communities find it necessary to modify their plan even between updates. The real difference between the methodologies is that any change to the capital plan for a plan-based fee would require a new master plan and impact fee update. There may not be as much certainty with a plan-based fee as appears to be commonly believed, but there definitely is more rigidity.

The Town’s 2007 impact fee study used the plan-based approach for roads and the standards-based approach for the other facilities. We generally prefer the standards-based approach because of its greater flexibility and the fact that its soundness is not dependent on the availability and quality of a master plan. However, we have relied on the Town’s 2008 water and wastewater master plans to determine appropriate unit costs for some components of those fees.



## Level of Service (LOS) Standards

SB 1525 does not define the term “level of service,” nor does it require the formal adoption of LOS standards. It does require, however, that impact fees be based on the same LOS provided to existing development in the service area. This reflects a basic principle of impact fees, which is that new development should not be charged for a higher LOS than existing development. This does not mean that impact fees cannot be based on a higher standard than is currently actually provided to existing development in a service area. If the fees are based on a higher-than-existing LOS, however, there must be a plan to use non-impact fee funds to remedy the existing deficiency.

The level of service standards used in the Town’s 2007 study are compared with the recommended LOS measures in Table 5. The recommended LOS standards are described in the individual facility sections of this report.

**Table 5. Current and Recommended Level of Service Standards**

Type of Fee	Current	Recommended
Transportation	Level of Service "C"	1.00 Ratio of Vehicle-Miles of Capacity (VMC) to VMT
Water	Existing Cost per DUE	1.00 Ratio of Capacity to Demand (gpd)
Wastewater	Existing Cost per DUE	1.00 Ratio of Capacity to Demand (gpd)
Fire	Existing Cost per Service Population	Existing Cost per Functional Population
Police	Future Cost per Service Population	Existing Cost per Functional Population
Parks	Existing Cost per Service Population	Existing Cost per EDU
Library	Existing Cost per Service Population	Future Cost per EDU

*Notes:* VMT stands for vehicle-miles of travel, DUE stands for dwelling unit equivalent (same as EDU), gpd stands for gallons per day, and EDU stands for equivalent dwelling unit

## Land Use Assumptions

An impact fee update must now include the development of land use assumptions (growth projections) for each service area. SB 1525 defines land use assumptions as “projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality.” Since the infrastructure improvements plan (IIP) that must be prepared for each service area must identify improvement needs for a period not to exceed 10 years, a 10-year time-frame would seem to be the most appropriate for both the land use assumptions and the IIP.

## Infrastructure Improvements Plan

The infrastructure improvements plan (IIP) that is required to be prepared for each service area is often confused with a list of planned capital improvements. While the IIP must include such a list, it must also contain much more analysis. The IIP is basically the impact fee study. To avoid confusion, we suggest referring to the list of improvements that must be included in the IIP as the “capital plan.” This report represents a single, consolidated document that includes land use assumptions, infrastructure improvement plans and impact fee analyses for all of the Town’s impact fee facilities.

As noted above, the IIP must identify planned projects over a period of not more than 10 years, and it is suggested that the Town’s IIPs and capital plans cover a 10-year period. Of course, the impact

fee analysis could cover a longer period, such as to build-out, which may be required if the fees are based on build-out master plans.

The cost of the projects listed in the capital plan will not determine the impact fee amounts. As noted in the methodology section above, there are two basic methodologies. Under a plan-based approach, the fee will be determined by the projects listed in the applicable master plan, some but not all of which will be listed in the impact fee capital plan. Under the standards-based approach, the fees will be based on the existing level of service and the average cost per unit of capacity (e.g., for roads, the average cost to build an additional vehicle-mile of capacity). So the impact fee capital plan basically functions as a list of improvements that are eligible to be funded with impact fees.

Eligible improvements are those that add capacity to accommodate future growth. Replacing an existing fire truck or an existing fire station, or remodeling or repairing an existing building, are examples of improvements that do not add capacity. Some projects may be partially eligible. For example, replacing an existing two-bay fire station with a larger three-bay fire station would be partially eligible for impact fee funding.

## **Refunds**

A common and understandable misinterpretation of SB 1525 is that a municipality may be required to refund fees collected if any improvement listed in the IIP is not completed within the timeframe of the IIP. Section 9-463.05.B.7 provides that collection of impact fees is allowed only to pay for a project that is identified in the IIP, “and the municipality plans to complete construction and have the service available within the time period established in the infrastructure improvements plan, but in no event longer than the time period provided in subsection H, paragraph 3 of this section [i.e., 15 years for water and wastewater, and 10 years for other facilities].” The key terms in this section are “plans to complete” and “have the service available.” No community has a crystal ball that allows them to know with certainty how much development is going to occur over a 10-15 year period in the future. While the Town may plan to complete an improvement in this time period in order to serve anticipated growth, if the anticipated growth does not materialize and the need for the improvement is not required to serve the growth that does occur, it is highly unlikely that a court would find that the Town is compelled to refund the fees that it did collect.

The refund provisions in the referenced refund subsection (H) reinforce this interpretation. The first two subparagraphs refer to the collection of fees when “service is not provided” (H.1) or when “service is not available” and the municipality has failed to complete construction within the time period identified in the IIP (H.2), a clear echo of the “have the service available” phrase in subsection B.7. In general, impact fees are not collected when services are not available. Services are generally available immediately upon development, even if a planned facility could provide service from a closer location. An exception would be if Florence reinstates library impact fees to build its first library, but fails to complete construction within the required time period.

Section 9-463.05.B.7 directly references only the final paragraph of subsection H (H.3), which does not refer to services being available. The third paragraph simply requires that the impact fees be spent within a certain time period (15 years for water and wastewater, and 10 years for other facilities) from the date they were collected. It is reasonable to conclude that this is the only refund provision that will likely be applicable, as long as the Town does not collect impact fees without



providing services (as could happen in the case of library fees). However, there is always the possibility that refunds could be required if a construction project comes in significantly lower than its estimated cost.

## **Offsets**

A fundamental principle of impact fees is that new development should not be required to pay twice for the cost of new facilities – once through impact fees and again through other taxes or fees that are used to fund the same facilities. To avoid such potential double-payment, impact fees must be reduced, and such a reduction is referred to as an “offset.” Typically, offsets are incorporated into the impact fee calculation, although they can also be addressed through an independent fee study for an individual development project. While this has long been a part of impact fee practice in Arizona, SB 1525 amended the state enabling act to add the following provision (Section 9-463.05.B.12):

*The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.*

In general, offsets are only required for funding that is dedicated for capacity-expanding improvements of the type addressed by the impact fee. A municipality is not required to use general fund or utility rate revenue to pay for growth-related improvements. If, for example, a municipality decides that the existing level of service on which impact fees are based is lower than what is desired, and opts to use general revenue to raise the level of service for both existing and new development, no offset would be required.

The clearest situation that requires an offset is when there is outstanding debt on the facilities that are providing existing development with the level of service that new development will be expected to pay for through impact fees. In this case, new development will be paying for the facilities that will serve them, while also paying for a portion of the cost of facilities serving existing development through property or other taxes. Consequently, the impact fees should be reduced to avoid this potential double-payment.

Another clear case requiring offsets is when the impact fees for a particular service area have been adopted based on a level of service that is higher than what is currently provided to existing development in the service area. In such a case, the cost of remedying the existing deficiency will almost always be funded by future revenue sources to which new development in the service area will contribute. To the extent that this is the case, an offset is required.

As noted above, an offset will generally be warranted when new development will be contributing toward a funding source that is dedicated to fund the same growth-related improvements addressed by the impact fee. Offsets are also often provided for anticipated grant funding that may be available to help fund growth-related improvements, although the uncertainty of such funding and the fact that it is not paid for by property owners make this type of offset discretionary.

The new language inserted in the state enabling act by SB 1525, cited above, now requires municipalities to provide offsets for the excess portion of any construction contracting excise tax. The Town charges a construction excise tax of 4%, compared to a 2% excise tax rate on other types of business activities. The Town does not dedicate construction excise tax revenues for growth-related capital improvements, nor does it allocate them for specific types of capital improvements. Consequently, there is no rational basis for assigning offsets to specific types of facilities. Nevertheless, state law now requires that such an offset be provided. It would appear to be at the discretion of the Town to determine which fees should be offset to account for the excess construction tax. It is recommended that the Town provide the offset for the excess construction excise tax payments against the road impact fee. Unlike water and wastewater fees, which are not assessed in areas of town that are not served by Town utilities, the road impact fee is assessed against all new development in the town. In addition, the park, fire and police impact fees are not sufficiently large to absorb the offset. Consequently, the calculation and application of the construction excise tax offset is addressed in the road impact fee section of this report.

Finally, SB 1525 not only requires that other revenues generated by new development be considered in determining the extent of the burden imposed, it also specifically requires that certain types of revenue be forecast. This is made more specific in Sec. E.7, which specifies that the IIP should include:

*A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.*

Revenues projected to be generated by new development over the next ten years are provided in Appendix D. However, it would not be reasonable to infer that all revenue generated by new development must be used to offset capital costs for which impact fees are charged, since much of this revenue is required to pay for increased operations and maintenance needs, as well as capital needs not addressed by impact fees. The methodology for including these contributions in determining the extent of the burden imposed by new development is guided by the principles outlined above. The following offsets are provided in this study:

- Community Facilities District taxes generated by new development in the Merrill Ranch CFDs and used to retire debt on major road improvements funded by the CFDs.
- Community Facilities District taxes generated by new development in the Merrill Ranch CFDs and used to retire debt on CFD bonds used to partially fund the new fire station.

- Assessments paid by property in the North Florence Improvement District and used to retire debt related to the Town’s purchase of the water and wastewater system serving the Florence Gardens area.
- Excess construction sales taxes paid by new development (this required offset is applied against the road impact fees).
- Ad valorem and other general fund revenue generated by new development that will be used to remedy the existing deficiency for libraries.
- Federal, State and tribal grant revenue for fire and police capital improvements that, while not directly generated by new development and not assured in the future, might be anticipated based on historical trends and could be, in part, attributable to new development.
- Wastewater utility rate revenue generated by new development and used to retire debt on the existing wastewater system.

### **Developer Credits**

In keeping with the principle that impact fees should not require developers to pay twice for the same facilities, national impact fee case law also requires that developers be given credits for improvements required as a condition of development approval that are of the same type for which impact fees are charged. This principle is now codified in Arizona’s enabling act (as modified per SB 1525) in Section 9-463.05.B.7(c), which provides that development fees may be collected if:

*“The municipality requires or agrees to allow the owner of a development to construct or finance the necessary public service or facility expansion and any of the following apply:*

- (i) The costs incurred or money advanced are credited against or reimbursed from the development fees otherwise due from a development.*
- (ii) The municipality reimburses the owner for those costs from the development fees paid from all developments that will use those necessary public services or facility expansions.*
- (iii) For those costs incurred the municipality allows the owner to assign the credits or reimbursement rights from the development fees otherwise due from a development to other developments for the same category of necessary public services in the same service area.”*

The provision cited above does not clearly state whether credits are required for any improvements of the same type as addressed by the applicable impact fee, or whether credits are only required for planned improvements identified in the IIP. However, Section 9-463.05.B.11 makes clear that credit should be given in some instances for improvements that are not listed in the IIP:

*If a municipality requires as a condition of development approval the construction or improvement of, contributions to or dedication of any facilities that were not included in a previously adopted infrastructure improvements plan, the municipality shall cause the infrastructure improvements plan to be amended to include the facilities and shall provide a credit toward the payment of a development fee for the construction,*

*improvement, contribution or dedication of the facilities to the extent that the facilities will substitute for or otherwise reduce the need for other similar facilities in the infrastructure improvements plan for which development fees were assessed.*

State law now provides (pursuant to Section 9-463.05.B.7(c), cited above) three options for providing developer credits: (1) fee reductions within the subdivision for which the improvement was made; (2) reimbursements to the developer who made the improvement; or (3) allowing the developer to transfer fee-reduction credits or reimbursement rights to other developments in the same service area. Presumably, a municipality may utilize one or more of these options. Historically, the Town has utilized only the first option, which is to reduce the fees for development within the affected subdivision.

An important consideration is that Arizona law prohibits the use of impact fees to reimburse developers unless the improvement was publicly bid according to A.R.S. Title 34 or other alternative procurement methods. This makes the exclusive use of reimbursements as the method for providing developer credits somewhat problematic. The consultant's recommendation is to utilize only the first two options for any new credit agreements. Utilizing the third option and allowing transfers of credits or reimbursements would impose significant administrative burdens on the Town to track credit eligibility. It is recommended that the Town continue its current practice of providing for fee reductions within the affected development for credits up to the amount of the impact fees that would otherwise be due. The excess value of any developer credits beyond that could be dealt with as reimbursements to the developer from the appropriate impact fee account, limited by the extent to which unencumbered balances in such accounts are available.

# SERVICE AREAS

The starting point for the identification of service areas is the current Town limits. The Town has annexed aggressively in recent years, including annexing some areas since the 2010 census. However, it is anticipated that little additional annexation of already-developed areas will occur in the next ten years.

## Roads

The types of improvements covered by the Town’s current road impact fees are not well defined. It is recommended that the revised road impact fees be restricted to the cost of Town-owned arterials and major collectors, and exclude the cost of State roads, minor collectors and local streets. One advantage of this approach is that an arterial/major collector impact fee is consistent with a Town-wide service area, since the purpose of these facilities is to move traffic throughout the community. Another advantage is that the Town will not need to provide credits against the fees for minor collector improvements, which will generally be made by developers. The extent of the Town’s existing and planned major road network is illustrated in the functional classification map from the 2008 *Coolidge-Florence Regional Transportation Plan* (Figure 1). Existing Town-maintained roadways are shown in Figure 2.

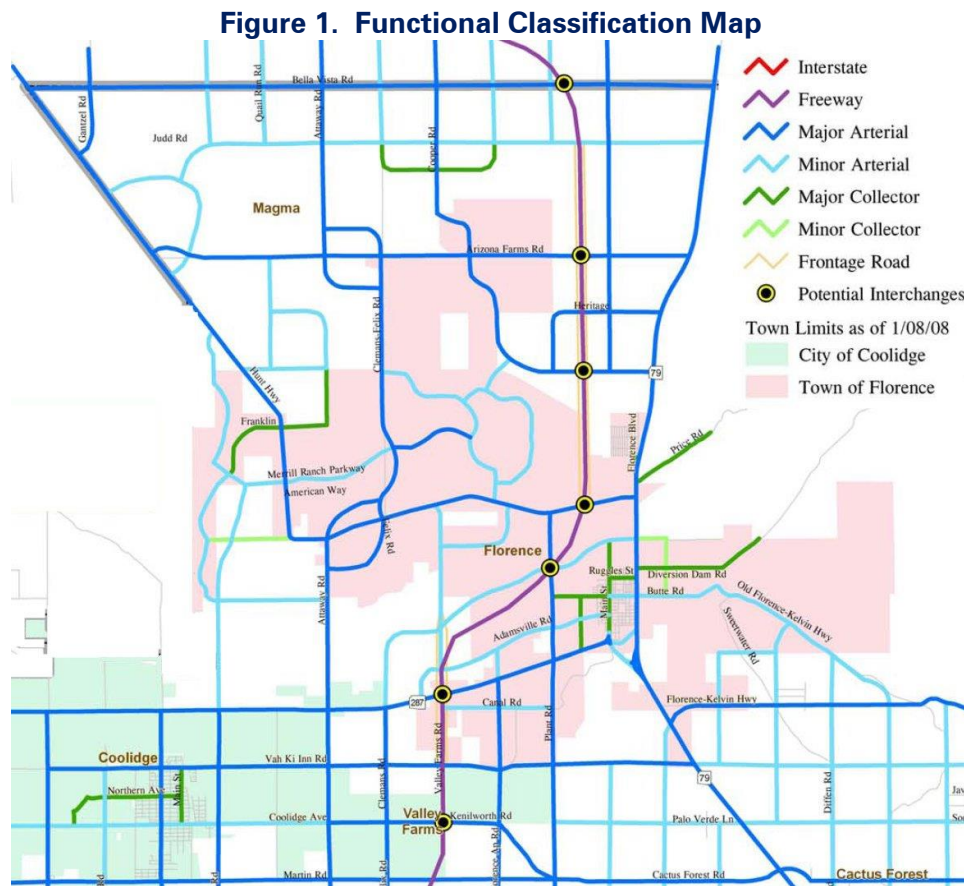
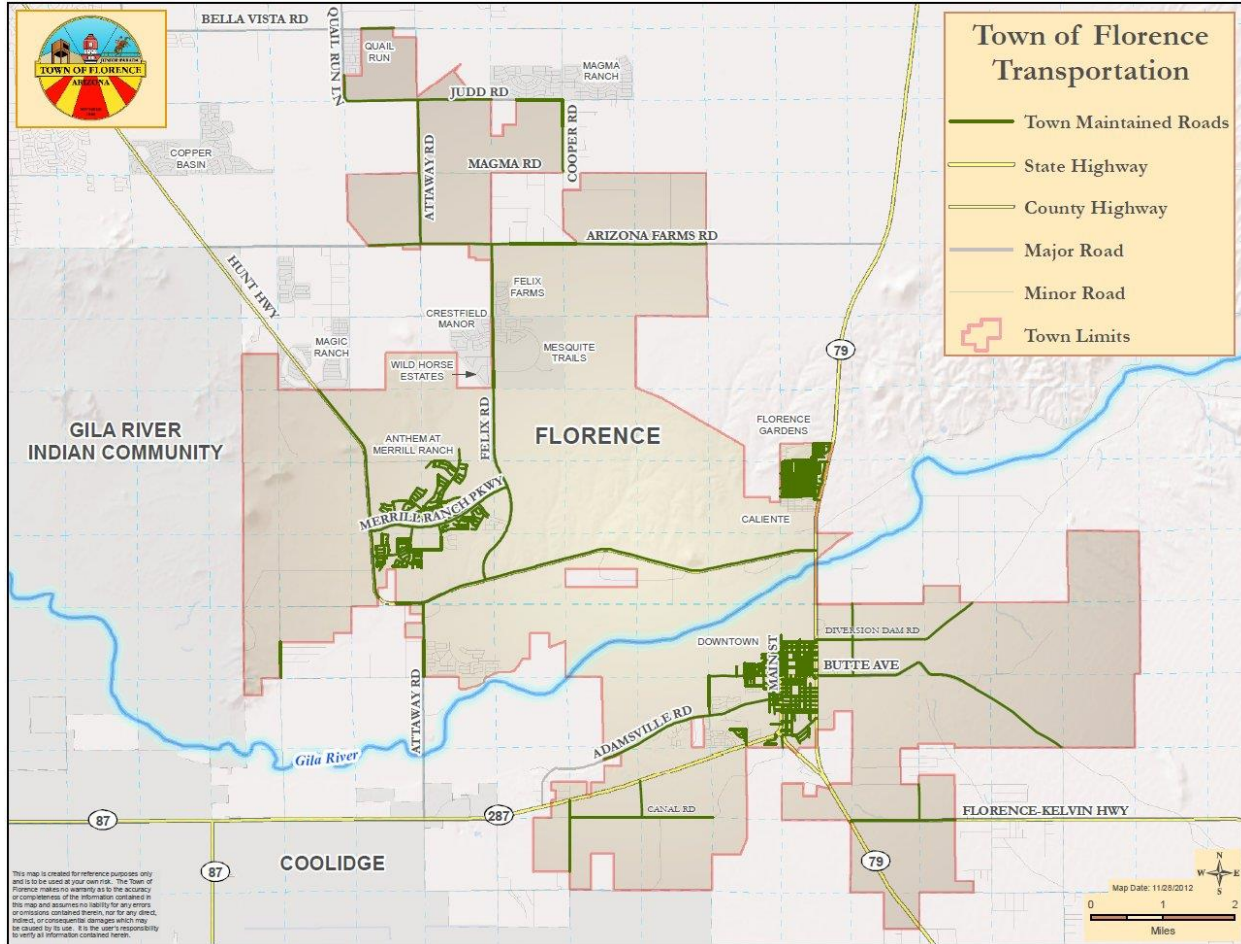




Figure 2. Existing Town-Maintained Roads

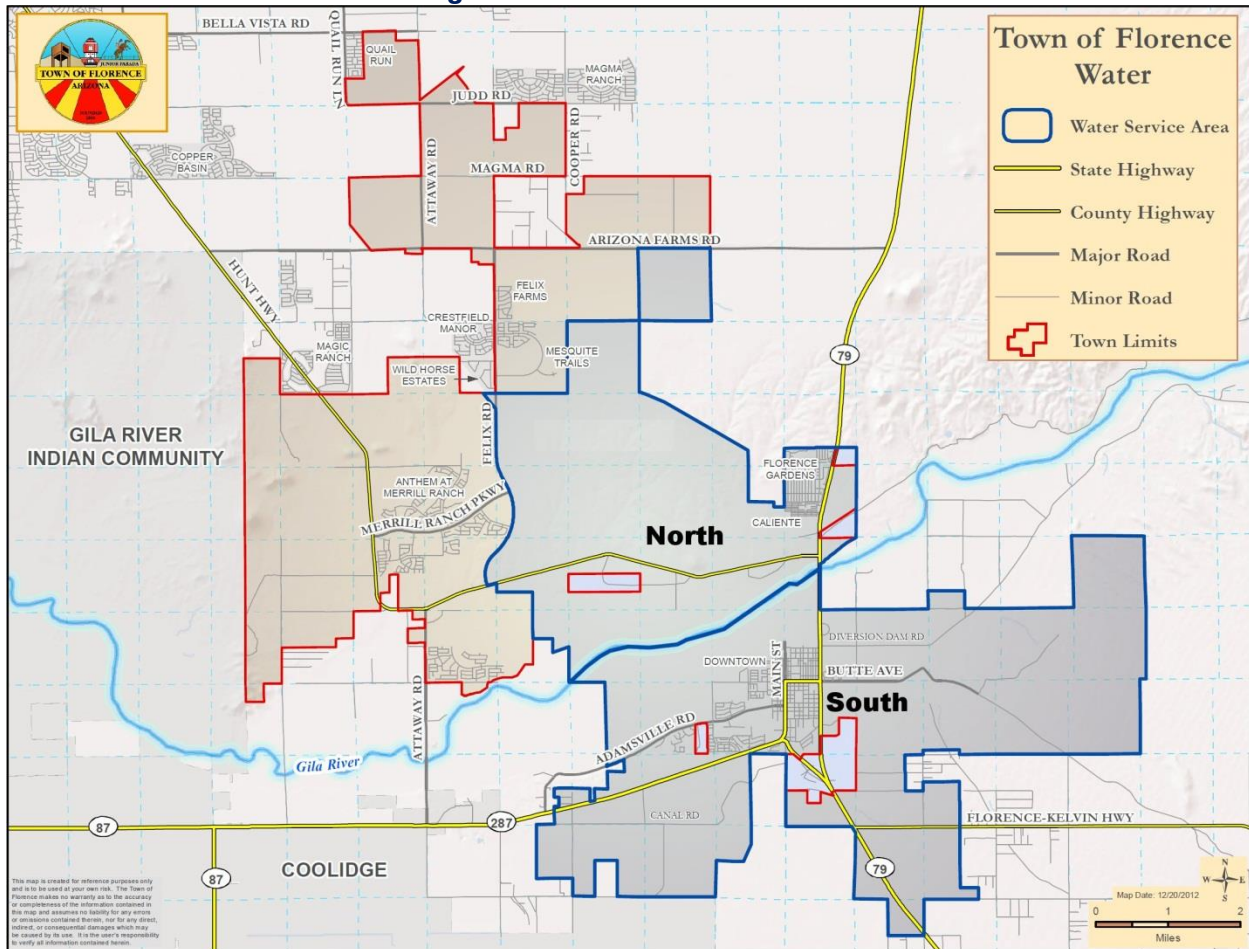


## Water

The Town's water system currently serves the downtown and surrounding "Old Florence" area, as well as the Florence Gardens area located north of the Gila River.

The *Water Master Plan* divides the planning area into a number of pressure zones. Water "campuses," which will include a well, booster pump and storage tank, will be located between pressure zones, and will be interconnected for redundancy. These characteristics result in an integrated, pressurized water system. However, there will be limited if any interconnections across the Gila River. There will essentially be two water systems, one north and one south of the Gila River. It is recommended that there should be two water service areas: North and South of the Gila River, as illustrated in Figure 3.

Figure 3. Water Service Areas



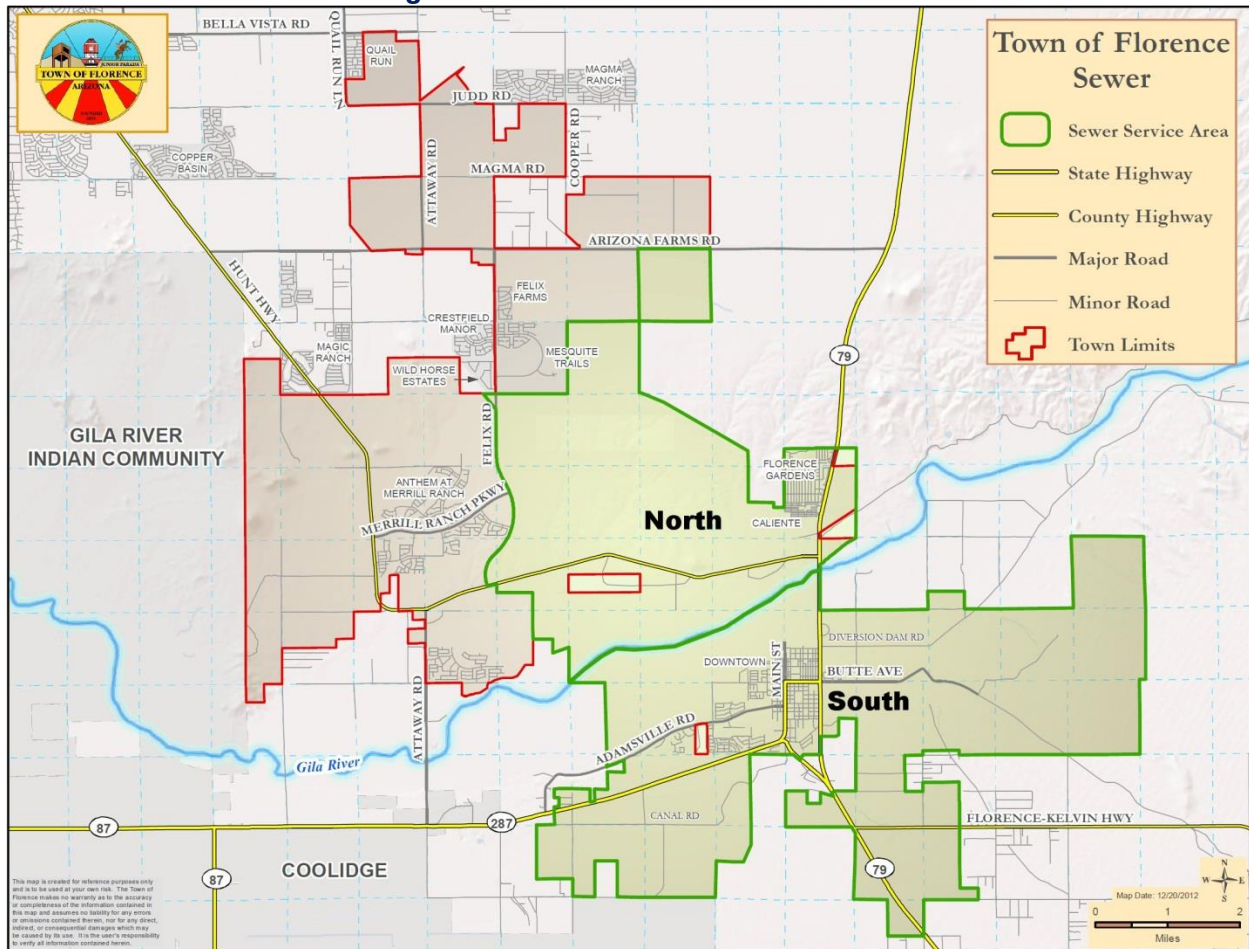
## Wastewater

The Town’s wastewater system currently serves the downtown and surrounding “Old Florence” area, as well as the Florence Gardens area located north of the Gila River. The downtown area is served by the 2.5 million gallons per day (mgd) Florence Wastewater Treatment Plant, while the Florence Gardens area is served by the 0.42 mgd North Florence Wastewater Treatment Plant.

The *Wastewater Master Plan* divides the planning area into basins. Wastewater flows from south of the Gila River will be conveyed to the existing Florence Wastewater Treatment Plant, which will be expanded on the same site to accommodate the additional flows. Flows from north of the River will be conveyed to the proposed Merrill Ranch Wastewater Reclamation Facility. There will essentially be two wastewater systems, one north and one south of the Gila River. It is recommended that there should be two wastewater service areas: North and South of the Gila River, as illustrated in Figure 4.



Figure 4. Wastewater Service Areas



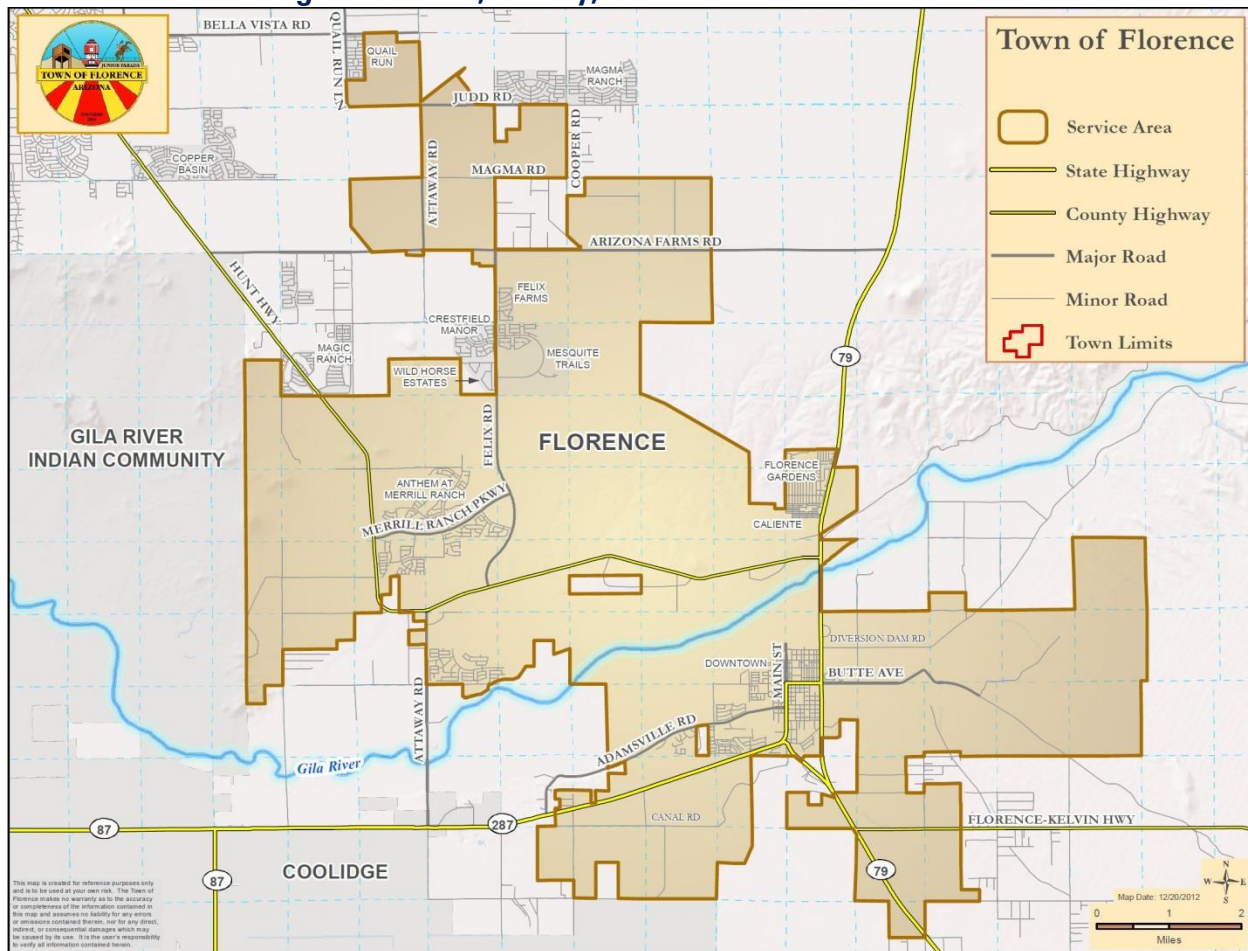
### Fire/Police and Libraries

The recommended service areas for fire protection, police protection and libraries are all Town-wide. Police protection is provided throughout the Town from roving patrol cars based in a central police station. Only a single library facility is currently planned to serve the entire Town, which is typical for communities the size of Florence. While fire protection is provided by equipment located in multiple stations (currently two), equipment from multiple stations may be dispatched to a single incident, or if the equipment from one station is on another call, equipment may be dispatched from another station. Fire protection thus forms an integrated system, and a Town-wide service area is appropriate.

The recommended Town-wide service area for roads, fire, police and library impact fees is shown in Figure 5.



Figure 5. Road, Library, Fire and Police Service Area



**Parks**

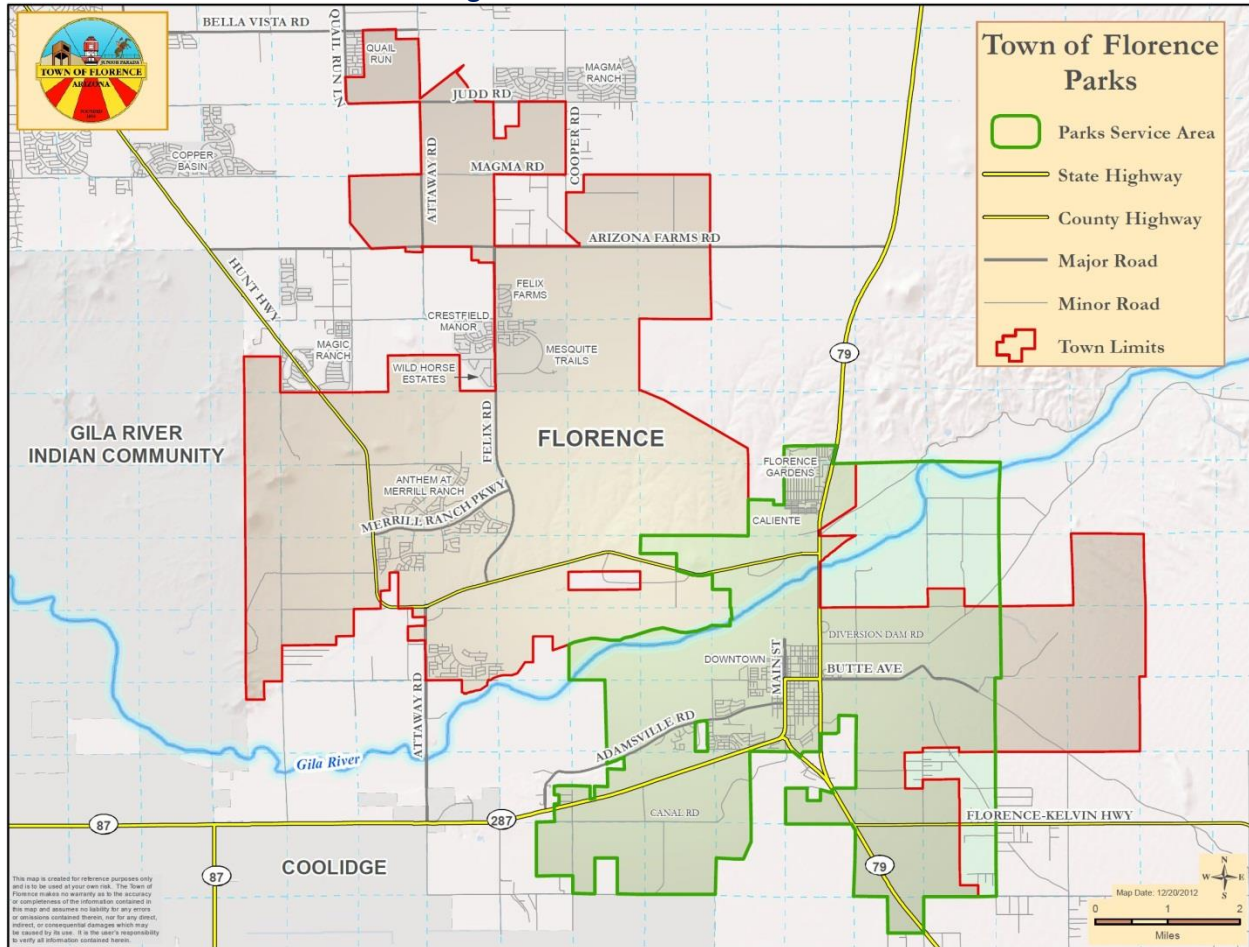
SB 1525, the bill that rewrote the State development impact fee enabling act for municipalities, limits park impact fees to “neighborhood parks,” an undefined term that excludes parks larger than 30 acres in size, unless a larger park can be shown to provide a “direct benefit” to development. Excluded from the definition of a neighborhood park are a number of improvements, including aquatic centers, theme parks and community or recreational centers larger than 3,000 square feet.

The Town’s 2008 *Parks, Trails and Open Space Master Plan* defines neighborhood parks as 10-acre sites serving development within a one-half mile radius, and community parks as sites with a minimum size of 50 acres serving development within a 3-mile radius. It is recommended that park impact fee service areas for sites with up to 30 acres should be limited to approximately a 2.5 mile radius, or areas that are roughly 25 square miles (5 miles x 5 miles).

Since each service area designated essentially commits the Town to spend the funds collected in that service area within 10 years, it is recommended that park service areas should be defined only in areas where there are existing parks (e.g., Old Florence), or where there is significant near-term development potential (e.g., Anthem/Merrill). Since it is likely that the Anthem/Merrill

Ranch developments will provide their own private parks, and since it would be difficult to expand the proposed service area to include the Anthem/Merrill Ranch area, a single service area is recommended for the central area of the town, as illustrated in Figure 6.

Figure 6. Park Service Area



# LAND USE ASSUMPTIONS

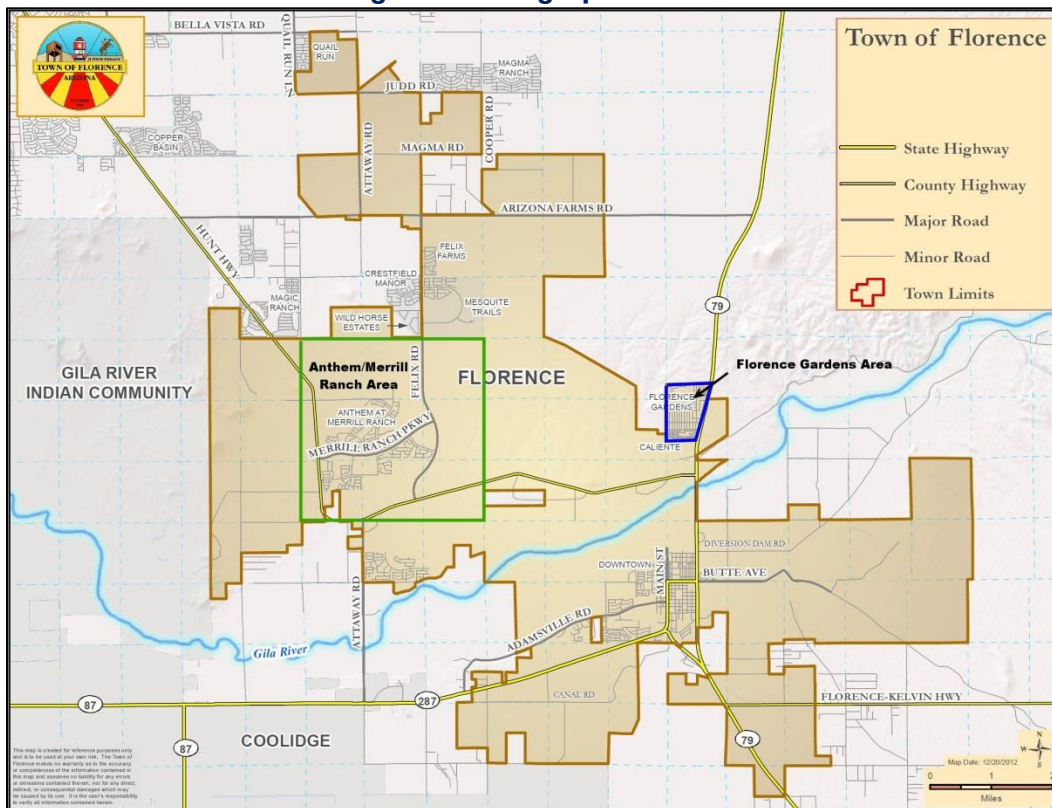
This section presents land use assumptions covering a ten-year period (2013-2023) to serve as the basis for the updated IIP and impact fee calculations for the Town's water, wastewater, road, parks, library, fire and police impact fees. While SB 1525 requires that land use assumptions be developed "pursuant to the general plan," the *Town of Florence 2020 General Plan* provides only build-out projections. Consequently, the development of land use assumptions relies primarily on other sources.

It should be noted that the land use assumptions will not have a significant effect on the amount of the calculated impact fees. This is because the fees will reflect the unit cost of accommodating future growth, and the unit cost will be largely unaffected by either the rate of growth or the total cost of planned improvements to serve the anticipated growth over the planning period. A higher growth projection will necessitate more planned improvement costs than a lower growth projection, but will not necessarily require a higher fee per unit of development.

## Geographic Areas

In addition to service areas, growth projections have been developed for various subareas of the Town, as illustrated in Figure 7.

Figure 7. Geographic Areas





## Existing Development

The starting point for developing land use assumptions is to determine the amount of existing development. There are two primary sources for population, housing and land use data for small geographic areas that can be aggregated to service areas. These are the 2010 U.S. Census block data (housing units, household population and group quarters population) and Central Arizona Governments (CAG) estimates and projections by Traffic Analysis Zone (TAZ). The TAZ data, which were updated in 2010, include housing units, household population, group quarters population and employment (retail, office, industrial, public and other), and have projections by five-year increments from 2005-2040. In Florence, residents of group quarters are inmates at criminal detention or Homeland Security facilities (referred to here as “prisoners”).

U.S. Census and CAG estimates for 2010 by subarea of the town are compared in Table 6. Note that the 2010 Census housing and population estimates are slightly higher than what is reported by the Census for the Town. That is because the area included in the Town’s corporate limits has changed since the 2010 Census. The consultant has aggregated block data to determine the 2010 units and population in the area now included in the Town limits.

The CAG data appear to undercount housing units and population north of the Gila River, particularly in Merrill Ranch, while over-counting south of the River. These balance out somewhat, but the CAG data still undercount by about 300 housing units compared to the Census. Despite the housing undercount, the household population estimate overshoots the Census estimate by about 900 persons, suggesting that CAG is using somewhat inflated person per unit ratios.

In terms of prisoner counts, the Census completely overlooks the Homeland Security facility just south of Florence Gardens and undercounts prisoners south of the River, resulting in an overall count that is about 1,800 short of the Town’s 2010 survey. The CAG estimates include the Homeland Security facility, but overestimates by about two-fold the number of prisoners (the facility has a capacity of only 697). Overall, the CAG undercounts prisoners even more than the Census.

**Table 6. Housing, Household Population and Prisoner Estimates, 2010**

Geographic Area	Housing Units		HH Population		Prisoners		
	Census	CAG	Census	CAG	Census	CAG	Survey
Florence Gardens Area	1,783	1,719	1,382	1,707	0	1,281	621
Anthem/Merrill Ranch Area	1,542	682	2,753	1,278	0	0	0
Park Service Area - North*	38	3	37	5	0	0	0
Other	120	530	235	1,083	0	0	0
<b>Subtotal, North of River</b>	<b>3,483</b>	<b>2,934</b>	<b>4,407</b>	<b>4,073</b>	<b>0</b>	<b>1,281</b>	<b>621</b>
<b>N Water/WW Service Area</b>	<b>1,827</b>	<b>1,739</b>	<b>1,393</b>	<b>1,771</b>	<b>0</b>	<b>1281</b>	<b>621</b>
Park Service Area - South	1,779	2,025	3,497	4,730	17,700	14,713	18,915
Other	2	0	0	0	0	0	0
<b>Subtotal, South of River</b>	<b>1,781</b>	<b>2,025</b>	<b>3,497</b>	<b>4,730</b>	<b>17,700</b>	<b>14,713</b>	<b>18,915</b>
<b>Total, Town of Florence</b>	<b>5,264</b>	<b>4,959</b>	<b>7,904</b>	<b>8,803</b>	<b>17,700</b>	<b>15,994</b>	<b>19,536</b>

Source: 2010 U.S. Census block data; CAG 2010 projections by TAZ; 2010 prisoner survey from Town of Florence Planning Department (Census and TAZ prisoner counts are group quarters residents).

## Residential Projections

Residential growth projections must start with an estimate of the existing housing stock. The current estimate of dwelling units by housing type is provided in Table 7.

**Table 7. Existing Dwelling Units, 2012**

Housing Type	2000 Units	2010 Units	2012 Units
Single-Family Detached/MH	2,688	4,736	5,046
Multi-Family	528	528	528
<b>Total</b>	<b>3,216</b>	<b>5,264</b>	<b>5,574</b>

Source: 2000 & 2010 from Census (no multi-family permits issued since 2000 per Town Planning Department); 2012 adds units permitted in 2010 and 2011 from Table 8.

Projections of future growth are always difficult, but are especially difficult for small jurisdictions like Florence, where a single large residential subdivision can make a big difference. Recent building permit activity provides one of the few guides to future growth. Residential building permits issued by the Town since 2005 are summarized in Table 8. During the housing boom years of 2006-2008, the Town was issuing over 400 permits annually. That has since fallen to a little over 100 permits last year.

The Town issued 285 single-family permits and 25 manufactured home permits in 2010 and 2011. Town staff notes that virtually all the single-family permits were in Merrill Ranch and virtually all of the manufactured home permits were in Florence Gardens.

**Table 8. Building Permits, 2005-2011**

Year	Single-Family	Mfg. Home	Total
2005	100	28	128
2006	407	62	469
2007	411	36	447
2008	467	15	482
2009	201	12	213
2010	173	13	186
2011	112	12	124

Source: Town of Florence Planning Department, March 28, 2012.

The CAG housing unit projections for 2010-2020 are summarized in Table 9. They indicate that most of the growth over the next ten years will be north of the River, which is consistent with the Town's recent experience. However, they project annual growth from 2010-2015 of over 600 units per year, which is 50% higher than what the Town experienced during the housing boom of 2006-2008, and even more rapid growth in the following five years. As noted earlier, the Town issued 124 permits last year, which is less than one-fourth of the projected annual average for the 2010-2015 period. The CAG projections would thus appear to be highly optimistic.

**Table 9. CAG Housing Unit Projections, 2010-2020**

Geographic Area	2010	2015	2020	Annual Growth	
				2010-15	2015-20
Florence Gardens Area	1,719	1,736	1,767	3	6
Anthem/Merrill Ranch Area	682	2,383	5,421	340	608
Park Service Area - North*	3	3	3	0	0
Other	530	1,688	3,760	232	414
<b>Subtotal, North of River</b>	<b>2,934</b>	<b>5,810</b>	<b>10,951</b>	<b>575</b>	<b>1,028</b>
<b>N Water/WW Service Area</b>	<b>1,739</b>	<b>2,750</b>	<b>4,557</b>	<b>202</b>	<b>361</b>
Park Service Area - South	2,025	2,367	2,091	68	-55
Other	0	0	856	0	171
<b>Subtotal, South of River</b>	<b>2,025</b>	<b>2,367</b>	<b>2,947</b>	<b>68</b>	<b>116</b>
<b>Total, Town of Florence</b>	<b>4,959</b>	<b>8,177</b>	<b>13,898</b>	<b>644</b>	<b>1,144</b>

\* excluding the Florence Gardens area

Source: CAG demographic datasets by TAZ, 2010.

It would be more reasonable to anticipate that the Town would experience the housing unit increase projected by CAG over the 2010-2015 period during the 2010-2023 period. This would mean that the Town would add an average of about 250 units annually over the 13-year period. This would appear to be more in line with the current housing market and recent trends. The housing unit projections are shown in Table 10. The projections indicate an increase of 3,242 units from 2010-2023, which is slightly higher than the CAG’s projected 2010-2015 increase of 3,218.

**Table 10. Projected Housing Units, 2013-2023**

Geographic Area	2010	2012	2013	2023
Florence Gardens Area	1,783	1,799	1,819	2,019
Anthem/Merrill Ranch Area	1,542	1,725	1,825	4,075
Park Service Area - North*	38	38	45	115
Other	120	120	128	208
<b>Subtotal, North of River</b>	<b>3,483</b>	<b>3,682</b>	<b>3,817</b>	<b>6,417</b>
<b>North Water/WW Service Area</b>	<b>1,827</b>	<b>1,843</b>	<b>1,874</b>	<b>2,894</b>
Park Service Area - South	1,779	1,779	1,807	2,087
Other	2	2	2	2
<b>Subtotal, South of River</b>	<b>1,781</b>	<b>1,781</b>	<b>1,809</b>	<b>2,089</b>
<b>Total, Town</b>	<b>5,264</b>	<b>5,463</b>	<b>5,626</b>	<b>8,506</b>

\* excluding the Florence Gardens area

Source: 2010 units from U.S. Census block data; 2012 adds building permits from 2010 and 2011; 2013-2023 projections assume 20 units per year in Florence Gardens area, 100 per year from 2011-2013 and 225 per year from 2013-2023 in Anthem/Merrill Ranch area, 7 per year in the Park Service Area-North, 8 per year in other areas north of the river, 28 per year in the Park Service Area-South, and none in other area south of the river; North wastewater service area for 2012 is 2010 plus growth in Florence Gardens area, 2013 is sum of Florence Gardens area and Park Service Area-North, plus 10 units; North wastewater service area for 2023 assumes one-third of growth in Anthem/Merrill Ranch area will be in the Town’s service area..

Household population projections can be derived from the housing unit projections, using the person per unit ratios by area from the 2010 U.S. Census. These are shown in Table 11.

**Table 11. Projected Household Population, 2013-2023**

Geographic Area	Persons/ Unit	Household Population			
		2010	2012	2013	2023
Florence Gardens Area	0.78	1,382	1,394	1,410	1,565
Anthem/Merrill Ranch Area	1.79	2,753	3,080	3,258	7,275
Park Service Area - North*	0.97	37	37	44	112
Other	1.96	235	235	251	407
<b>Subtotal, North of River</b>	<b>1.27</b>	<b>4,407</b>	<b>4,746</b>	<b>4,963</b>	<b>9,359</b>
<hr/>					
North Water/WW Service Area	0.76	1,393	1,401	1,424	2,199
<hr/>					
Park Service Area	1.96	3,497	3,493	3,548	4,098
Other	1.96	0	4	4	4
<b>Subtotal, South of River</b>	<b>1.96</b>	<b>3,497</b>	<b>3,497</b>	<b>3,552</b>	<b>4,102</b>
<hr/>					
<b>Total, Town</b>	<b>1.50</b>	<b>7,904</b>	<b>8,243</b>	<b>8,515</b>	<b>13,461</b>

\* excluding the Florence Gardens area

Source: 2010 data from U.S. Census block data; projections based on housing projections from Table 10 and persons per unit ratios by area from 2010 Census (2010 household population shown above divided by total 2010 units from Table 6).

### Nonresidential Projections

Florence is home to ten correctional facilities, which along with County and other governmental facilities provide the foundation for the Town’s economy. The projected growth in the prisoner population from 2010-2023 is based on the CAG’s projected 2010-2015 increase in group quarters residents. The results are summarized in Table 12. The projected prisoner population for 2023 exceeds the capacity of existing correctional facilities south of the River (18,983 according to the Town’s 2011 survey), indicating some anticipated expansion over the planning period.

**Table 12. Projected Prisoner Population, 2013-2023**

Geographic Area	2010	2011	2013	2023
Florence Gardens Area	621	395	402	442
Anthem/Merrill Ranch Area	0	0	0	0
Park Service Area - North*	0	0	0	0
Other	0	0	0	0
<b>Subtotal, North of River</b>	<b>621</b>	<b>395</b>	<b>402</b>	<b>442</b>
<hr/>				
North Water/WW Service Area	621	395	402	442
<hr/>				
Park Service Area - South	18,915	18,831	18,915	19,374
Other	0	0	0	0
<b>Subtotal, South of River</b>	<b>18,915</b>	<b>18,831</b>	<b>18,915</b>	<b>19,374</b>
<hr/>				
<b>Total, Town</b>	<b>19,536</b>	<b>19,226</b>	<b>19,317</b>	<b>19,816</b>

\* excluding the Florence Gardens area

Source: 2010 and 2011 prisoner counts from Town surveys; 2023 projections based on CAG projected increase from 2010-2015; 2013 projections are straight-line interpolations of 2011-2023 projections.

Employment projections to 2023 are also based on CAG’s projected increases from 2010-2015. These are shown in Table 13.

**Table 13. Projected Employment, 2013-2023**

	Florence Gardens Area	Anthem/Merrill Ranch	Park Area North*	Other North	Subtotal North of River	North W/WW Area	Park Area South	Other South	Subtotal South of River	Town Wide Total
<b>Retail</b>										
2010	0	81	0	0	81	0	646	23	669	750
2013	0	127	0	34	161	3	754	23	777	938
2023	0	684	0	440	1,124	37	2,050	23	2,073	3,197
<b>Office</b>										
2010	1	0	0	0	1	1	393	0	393	394
2013	1	0	0	7	8	1	494	0	494	502
2023	1	0	0	87	88	1	1,701	0	1,701	1,789
<b>Industrial</b>										
2010	0	33	0	3	36	33	468	0	468	504
2013	0	42	0	5	47	35	468	0	468	515
2023	0	149	0	23	172	53	468	0	468	640
<b>Prison</b>										
2010	124	0	0	0	124	124	3,783	0	3,783	3,907
2013	124	0	0	0	124	124	3,806	0	3,806	3,930
2023	124	0	0	0	124	124	4,079	0	4,079	4,203
<b>Other Public</b>										
2010	0	0	0	0	0	0	2,906	0	2,906	2,906
2013	0	0	0	0	0	0	2,923	0	2,923	2,923
2023	0	0	0	0	0	0	3,133	0	3,133	3,133
<b>Total</b>										
2010	125	114	0	3	242	158	8,196	23	8,219	8,461
2013	125	169	0	46	340	163	8,445	23	8,468	8,808
2023	125	833	0	550	1,508	215	11,431	23	11,454	12,962

\* excluding the Florence Gardens area

Source: 2010 estimates from Central Arizona Governments TAZ dataset (see Appendix Table 106); 2023 is CAG 2015 projection; 2013 is based on 1/13<sup>th</sup> of projected 2010-2023 growth; with the exception that 2010 prison workers estimated based on Town prisoner count and 0.20 workers per prisoner, which is the average ratio in federal prisons per Matthew Harwood, "Prison Overcrowding," *Security Management*, July 21, 2009, and other public being the remainder of public workers (both prison and other public assumed to grow at the same pace as total public workers).

Employment estimates and projections can be used to estimate nonresidential building square footage. This can be done using ratios of employees per 1,000 square feet of building floor area, shown in Table 14.

**Table 14. Employees/1,000 Sq. Ft. Ratios**

Retail	1.23
Office	3.11
Industrial	0.91
Prison	1.40
Other Public	2.32

Source: Retail and office from Central Arizona Governments, *Pinal County Build-Out*, October 2003; industrial from Institute of Transportation Engineers (ITE), *Trip Generation*, 8<sup>th</sup> edition, 2009 based on warehouse; public is average from ITE for public/institutional uses.

Applying these ratios to the employment estimates and projections yields the following estimates of existing and future nonresidential building floor area (see Table 15).



**Table 15. Projected Nonresidential Building Square Footage (1,000s), 2013-2023**

	Florence Gardens Area	Anthem/Merrill Ranch	Park Area North*	Other North	Subtotal North of River	North W/WW Area	Park Area South	Other South	Subtotal South of River	Town Wide Total
<b>Retail</b>										
2010	0	66	0	0	66	0	525	19	544	610
2013	0	103	0	28	131	2	613	19	632	763
2023	0	556	0	358	914	30	1,667	19	1,686	2,600
<b>Office</b>										
2010	0	0	0	0	0	0	126	0	126	126
2013	0	0	0	2	2	0	159	0	159	161
2023	0	0	0	28	28	0	547	0	547	575
<b>Industrial</b>										
2010	0	36	0	3	39	36	514	0	514	553
2013	0	46	0	5	51	38	514	0	514	565
2023	0	164	0	25	189	58	514	0	514	703
<b>Prison</b>										
2010	89	0	0	0	89	89	2,702	0	2,702	2,791
2013	89	0	0	0	89	89	2,719	0	2,719	2,808
2023	89	0	0	0	89	89	2,914	0	2,914	3,003
<b>Other Public</b>										
2010	0	0	0	0	0	0	1,253	0	1,253	1,253
2013	0	0	0	0	0	0	1,260	0	1,260	1,260
2023	0	0	0	0	0	0	1,350	0	1,350	1,350
<b>Total</b>										
2010	89	102	0	3	194	125	5,120	19	5,139	5,333
2013	89	149	0	35	273	129	5,265	19	5,284	5,557
2023	89	720	0	411	1,220	177	6,992	19	7,011	8,231

\* excluding the Florence Gardens area

Source: Square footage for all but prisons is product of employment from Table 13 divided by employees/1,000 sq. ft. ratios from Table 14; prison square footage based on prison employee per inmate ratio cited in preceding table and 120 sq. ft. per prisoner, which is ratio for ASP-Florence West (GEO) unit per Arizona Department of Corrections, *Biennial Comparison of Private versus Public Provision of Services*, December 21, 2011.

# ROADS

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This section calculates updated road impact fees for the Town of Florence.

## Service Unit

A service unit creates the link between supply (roadway capacity) and demand (traffic generated by new development). An appropriate service unit basis for road impact fees is vehicle-miles of travel (VMT). Vehicle-miles is a combination of the number of vehicles traveling during a given time period and the distance (in miles) that these vehicles travel.

The two time periods most often used in traffic analysis are the 24-hour day (average daily trips or ADT) and the single hour of the day with the highest traffic volume (peak hour trips or PHT). Due to the fact that available traffic counts are in terms of ADT and to be consistent with the Town's current fees, which are based on ADT, daily VMT will be used as the service unit for the road impact fees.

For some purposes, it will be useful to compare service units for the different types of impact fees. Consequently, an alternative service unit will be calculated in terms of Equivalent Dwelling Units, or EDUs. An EDU is a unit of demand expressed in terms of the demand represented by a typical single-family detached dwelling unit.

## Methodology

The standards-based methodology for road impact fees is called the “consumption-based” approach. In the standard consumption-based approach, the total cost of a representative set of improvements is divided by the capacity added by those improvements in order to determine an average cost per vehicle-mile of capacity (VMC). This cost per VMC is then multiplied by the vehicle-miles of travel (VMT) generated by a unit of development of a particular land use type to determine the gross impact fee. The level of service (LOS) standard in the consumption-based approach is a system-wide ratio of VMC to VMT of 1.00. A variant is the modified consumption-based approach, which uses a system-wide VMC/VMT ratio higher than 1.00.

The alternative is the plan-based approach. The LOS standard for the plan-based approach is a desired LOS, such as LOS C or LOS D, which is applied to each individual road segment or intersection. The key to a defensible plan-based methodology is a well-designed transportation master plan that establishes a strong nexus between anticipated growth over a 10-20 year period and the improvements that will be required to accommodate growth over that planning horizon. The cost per VMT (or per trip) is determined by dividing the cost of the planned improvements by the growth in VMT (or trips). The cost per VMT (or trip) is then multiplied by the VMT (or trips) generated by a unit of development of a particular land use type to determine the gross impact fee.

The consumption-based approach, at least in its standard form, tends to be conservative and generally results in lower impact fees than the plan-based approach. This is because most roadway systems need more than one unit of capacity (VMC) for each unit of travel demand (VMT) in order to function at an acceptable level of service (the modified consumption-based approach addresses

this issue and is less conservative). Plan-based fees using a transportation plan that identifies all of the improvements needed to provide acceptable levels of service on all roadways will almost always result in higher fees.

The 2007 road impact fee study used the plan-based approach. It divided the Town's share of the total cost of a list of planned improvements by the projected number of new trips that were expected to be generated by new development over a ten-year period (2006-2015) to derive the cost per trip. The problem with this approach is that no analysis was provided to demonstrate the connection between the amount of growth anticipated over the ten-year period and the need for the planned improvements. No LOS standard was stated, nor was there any attempt to identify existing facilities that already fell below the desired LOS (these would be considered existing deficiencies).

In 2008, the Town completed a transportation master plan<sup>1</sup> that could serve as the foundation for a plan-based impact fee calculation. The master plan used LOS D as the desired LOS standard, modeled daily traffic volumes for 2005 and 2025 based on existing and projected development by traffic analysis zones, and identified needed improvements and costs required to accommodate projected development. No existing capacity deficiencies were identified. The master plan identified approximately \$426 million in needed Town arterial road improvements.

Even though the Town generally uses LOS C as its standard, under the plan-based approach the fees would be based on the cost to maintain LOS D, since this was the standard used by the master planning process to identify improvement needs. However, the Town would not be tied to the standard used in the master plan if it uses a consumption-based approach.

The alternative to a plan-based methodology would be to use the consumption-based approach. The Town's arterial/major collector road system currently has a VMC/VMT ratio of about 2:1 (see Table 18 in the next section). Since this is twice as high as the 1:1 ratio used in the standard consumption-based approach, there are no existing deficiencies. Under the modified consumption-based approach, the Town could choose to use a VMC/VMT ratio higher than 1:1 as its LOS, as long as it does not exceed 2:1.

Although the Town's most recent transportation master plan is five years old, it could potentially provide the basis for a plan-based road impact fee. However, the consumption-based approach is recommended because of its greater flexibility and the fact that its soundness is not dependent on the availability and quality of a transportation master plan.

## **Major Roadway System**

A road impact fee program should include a clear definition of the major roadway system that will be funded with the impact fees. As noted in the Service Area section of this report, the types of improvements covered by the Town's current road impact fees are not well defined. It is recommended that the revised road impact fees be restricted to the cost of Town-owned arterials and major collectors, and exclude the cost of State roads, minor collectors and local streets. One advantage of this approach is that an arterial/major collector impact fee is consistent with a Town-wide service area, since the purpose of these facilities is to move traffic throughout the community.

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<sup>1</sup> Lima & Associates, Kimley-Horn and Associates and Economic and Real Estate Consulting, *Coolidge-Florence Regional Transportation Plan*, Final Report, February 2008

Another advantage is that the Town will not need to provide credits against the fees for minor collector road improvements, which will generally be made by developers. The Town’s functional classification map showing the location of existing and planned major roadways is included in the Service Area section of this report (see Figure 1).

This update includes a detailed inventory of the major roadway system, which consists of all the existing arterial and major collector roads. The inventory compares demand and capacity on existing facilities. The capacity of an individual roadway depends on a number of factors, including number of lanes, lane width, topography, percent of truck traffic, etc. In impact fee analysis, generalized capacity estimates are typically used based strictly on number of lanes. The Florida Department of Transportation has done extensive work developing generalized capacity estimates to be used for planning purposes based on Highway Capacity Manual procedures, and their work will be used to develop planning-level capacity estimates for use in this analysis. These estimates are shown in Table 16.

**Table 16. Average Daily Capacities**

Lanes	Capacity
2-Lane	7,520
3-Lane	9,870
4-Lane	22,700
6-Lane	35,700

*Source: 2009 FDOT Quality/Level of Service Handbook, Table 2: Generalized Annual Average Daily Volumes for Areas Transitioning into Urbanized Areas or Areas over 5,000 not in Urbanized Areas, Class II (2-4.5 signalized intersections per mile) at LOS C.*

The inventory of the existing major roadway system is presented in Table 17. The principal objective of the inventory is to calibrate national travel demand factors to local conditions by comparing the actual vehicle-miles of travel (VMT) on the major road system to expected VMT based on existing development. This is addressed in the Service Units section below.

Table 17. Existing Major Roadway System

Road	From-To	Class	Miles	Lns	Cap.	VMC	ADT	VMT	Lane-Miles	
									Total	w/cts
Adamsville Rd	Main St-WTL	Min Art	2.64	2	7,520	19,853	1,072	2,830	5.28	5.28
American Way	Hunt Hwy-Const Way	Maj Col	0.95	2	7,520	7,144			1.90	0.00
Anthem Way	American Way-MRP	Maj Col	0.31	2	7,520	2,331			0.62	0.00
Arizona Farms Rd	ETL-RR tracks	Maj Art	4.72	2	7,520	35,494	2,964	13,990	9.44	9.44
Attaway Rd	AZ Farms-Judd Rd	Maj Art	2.00	2	7,520	15,040			4.00	0.00
Attaway Rd	Palmer Rd-Hunt Hwy	Maj Art	1.07	2	7,520	8,046	7,270	7,779	2.14	2.14
Bella Vista	Quail Run-Attaway (pt.)	Maj Art	0.45	2	7,520	3,384			0.90	0.00
Butte Ave	Plant Rd-Main St	Maj Col	1.00	2	7,520	7,520	2,287	2,287	2.00	2.00
Butte Ave	Main St- Old F-K Hwy	Min Art	1.98	2	7,520	14,890	3,898		3.96	3.96
Canal Rd	Valley Fms-Plant Rd	Min Art	1.95	2	7,520	14,664			3.90	0.00
Centennial Park Av	Butte Ave-16th St	Maj Col	0.13	2	7,520	978			0.26	0.00
Constitution Way	American Way-MRP	Maj Col	0.34	2	7,520	2,557			0.68	0.00
Cooper Rd	Magma Rd-Judd Rd	Maj Art	1.00	2	7,520	7,520	317	317	2.00	2.00
Diversion Dam Rd	Bowling Rd-TL	Maj Col	1.84	2	7,520	13,837			3.68	0.00
Diversion Dam Rd	Pinal Pkwy-Bowling Rd	Min Art	0.50	2	7,520	3,760	3,096	1,548	1.00	1.00
Dogwood Rd	Flor-Kelvin-Sunaire Dr	Min Art	0.50	2	7,520	3,760			1.00	0.00
Felix Rd	Hunt Hwy-RR tracks	Maj Art	2.62	2	9,870	25,859			5.24	0.00
Felix Rd	RR tracks-Crestfield Mr	Maj Art	0.70	2	7,520	5,264			1.40	0.00
Felix Rd	Crestfield-Heritage Rd	Maj Art	0.50	3	9,870	4,935			1.50	0.00
Felix Rd	Heritage-Az Farms Rd	Maj Art	1.00	2	7,520	7,520			2.00	0.00
Florence Hts Dr	Main St-SR 79	Min Art	0.56	2	7,520	4,211	3,678	2,060	1.12	1.12
Flor.-Kelvin Hwy	SR 79-TL	Maj Art	1.44	2	7,520	10,829	1,529	2,202	2.88	2.88
Hiscox Lane	Canal Rd-Hwy 287	Maj Art	0.51	2	7,520	3,835			1.02	0.00
Hunt Hwy	SR 79-TL	Maj Art	5.90	2	7,520	44,368	5,473	32,291	11.80	11.80
Hunt Hwy	TL-S end 6 lane	Maj Art	0.20	2	35,700	7,140	8,154	1,631	0.40	0.40
Hunt Hwy	S end 6ln-N end 6ln	Maj Art	1.52	6	7,520	11,430	8,469	12,873	9.12	9.12
Hunt Hwy	N end 6ln-TL	Maj Art	1.42	2	7,520	10,678	8,469	12,026	2.84	2.84
Judd Rd	CAP Canal-Cooper (pt.)	Min Art	1.12	3	9,870	11,054			3.36	0.00
Judd Rd	Quail Run-CAP Canal	Min Art	1.54	2	7,520	11,581	3,742	5,763	3.08	3.08
Main St	SR 287-Butte Ave	Maj Col	0.64	2	7,520	4,813	4,079	2,611	1.28	1.28
Main St	Butte Ave-N end	Maj Col	0.53	2	7,520	3,986	4,079	2,162	1.06	1.06
Merrill Ranch Pky	Hunt Hwy-Felix Rd	Min Art	2.06	4	22,700	46,762	3,510	7,231	8.24	8.24
Old Flor-Kelvin	Butte Av-Diffen Rd	Min Art	2.34	2	7,520	17,597	3,898	9,121	4.68	4.68
Plant Rd	Adamsville-Butte Ave	Maj Art	0.56	2	7,520	4,211			1.12	0.00
Quail Run	Judd Rd-NTL	Min Art	0.36	2	7,520	2,707			0.72	0.00
Ruggles St	Main St-SR 79	Maj Col	0.48	2	7,520	3,610	2,339	1,123	0.96	0.96
Sun City Blvd	MRP-Franklin Rd	Maj Col	0.93	3	7,520	6,994			2.79	0.00
Valley Farms Rd	N of Vah Ki Inn-Hwy 287	Maj Art	0.99	2	7,520	7,445	1,415	1,401	1.98	1.98
<b>Total</b>			<b>49.30</b>			<b>417,607</b>		<b>121,246</b>	<b>111.35</b>	<b>75.26</b>

Source: Town of Florence, November 10, 2011; "Class" is functional classification; "Miles" is length of segment; "Lns" is existing number of through travel lanes; "Cap." is capacity in vehicles per day from Table 16; "VMC" is vehicle-miles of capacity, which is product of miles and capacity; "ADT" is average daily traffic counts taken 2009-2011; "VMT" is vehicle-miles of travel, which is product of miles and ADT; "Lane-Miles" is miles times number of lanes; "Total" is total number of lane-miles; "w/cts" is number of lane-miles with traffic counts.

A secondary objective of the road inventory is to ensure that the level of service (LOS) implicit in the standard consumption-based road impact fee methodology does not exceed the actual LOS on the major roadway system. The implicit LOS in the standard consumption-based methodology is a system-wide ratio of 1.00 between vehicle-miles of capacity (VMC) and vehicle-miles of travel (VMT) on the major roadway system. As can be seen in Table 18, the current VMC/VMT ratio exceeds 1.00.



**Table 18. Existing Road Capacity/Demand Ratio**

Daily VMT on Segments with Counts	121,246
÷ Lane-Miles of Segments with Counts	75.26
Average Volume per Lane on Segments with Counts	1,611
x Total Lane-Miles	111.35
Estimated Total Daily Vehicle-Miles of Travel (VMT)	179,385
Existing Vehicle-Miles of Capacity (VMC)	417,607
÷ Existing Vehicle-Miles of Travel (VMT)	179,385
Existing VMC/VMT Ratio	2.33

*Source:* VMT on segments with counts, lane-miles and VMC from Table 17.

## Service Units

Road service units are defined in terms of vehicle travel. The travel demand generated by specific land use types in Florence is a product of three factors: 1) trip generation, 2) percent primary trips and 3) average trip length.

### Trip Generation

Trip generation rates are based on information published in the most recent edition of the Institute of Transportation Engineers' (ITE) *Trip Generation* manual. Trip generation rates represent trip ends, or driveway crossings at the site of a land use. Thus, a single-one way trip from home to work counts as one trip end for the residence and one trip end for the work place, for a total of two trip ends. To avoid over counting, all trip rates have been divided by two. This places the burden of travel equally between the origin and destination of the trip and eliminates double charging for any particular trip.

### Primary Trip Factor

Trip rates must also be adjusted by a "primary trip factor" to exclude pass by and diverted-linked trips. This adjustment is intended to reduce the possibility of over-counting by only including primary trips generated by the development. Pass by trips are those trips that are already on a particular route for a different purpose and simply stop at a development on that route. For example, a stop at a convenience store on the way home from the office is a pass by trip for the convenience store. A pass by trip does not create an additional burden on the street system and therefore should not be counted in the assessment of impact fees. However, since the fees for the consolidated "commercial" category (retail and office) are based on the travel demand factors for general office, no primary trip adjustment is warranted.

### Average Trip Length

In the context of a road impact fee based on a consumption-based methodology, it is necessary to determine the average length of a trip on the major roadway system within Florence. The point of departure in developing local trip lengths is to utilize national data. The U.S. Department of Transportation's 2009 National Household Travel Survey identifies average trips lengths for specific trip purposes. However, these trip lengths are unlikely to be representative of travel on the major roadway system in Florence. An adjustment factor for local trip lengths can be derived by dividing the vehicle-miles of travel (VMT) that is actually observed on the major roadway system by the VMT that would be expected using national average trip lengths and trip generation rates.

The first step is to estimate the total VMT that would be expected to be generated by existing development in Florence based on national travel demand characteristics. This can be accomplished by multiplying existing development in each land use category by the appropriate national trip generation rates, primary trip factors and trip lengths. The expected VMT is considerably higher than the actual estimated VMT on the Town’s major roadway system that was calculated earlier. This is not surprising, since the major roadway system does not include State roads, minor collectors, local streets or any portion of a trip that occurs outside the Town limits. Consequently, it is necessary to develop an adjustment factor to account for this variation. The local adjustment factor is the ratio of actual to projected VMT on the major roadway system. As shown in Table 19, the national average trip length for each trip type should be multiplied by a local adjustment factor of 0.417.

**Table 19. Local Trip Length Adjustment Factor**

Land Use Type	ITE Code	Unit	2010 Units	Trip Rate	Primary Trips	Daily Trips	Length (miles)	Daily VMT
Single-Family Detached	210	Dwelling	4,736	4.79	100%	22,685	9.16	207,795
Multi-Family	220	Dwelling	528	3.33	100%	1,758	8.30	14,591
Commercial	710	1,000 sq ft	736	5.51	100%	4,055	11.98	48,579
Public/Institutional	620	1,000 sq ft	4,044	3.79	100%	15,327	9.61	147,292
Industrial/Warehouse	150	1,000 sq ft	553	1.78	100%	984	11.98	11,788
Total Expected VMT								430,045
Total Actual VMT								179,385
Ratio of Actual to Total VMT								0.417

Source: Existing 2010 units from Table 10 and Table 15; trip rates are one-half daily trip ends during a weekday from Institute of Transportation Engineers (ITE), *Trip Generation*, 8th ed., 2008 (commercial based on general office, public/institutional based on nursing home and industrial/warehouse based on warehouse); daily trips is product of units, trip rate and primary trip percentage; average trip lengths from U.S. Department of Transportation, National Household Travel Survey, 2009; daily VMT is product of daily trips and average trip length; actual VMT from Table 18.

National average trip lengths derived from the U.S. Department of Transportation’s 2009 National Household Travel Survey are available for a variety of trip types and purposes, including single-family detached, multi-family, home-to-work and medical/dental. These have been adjusted by the local adjustment factor, as shown in Table 20 below.

**Table 20. Average Trip Lengths**

Trip Type/Purpose	National Trip Length	Local Adjustment Factor	Local Trip Length
Single-Family	9.16	0.417	3.82
Multi-Family	8.30	0.417	3.46
To or From Work	11.98	0.417	5.00
Medical/Dental	9.61	0.417	4.01

Source: National average trip lengths from U.S. Department of Transportation, National Household Travel Survey, 2009 (office/institutional based on doctor/dentist); local adjustment factor from Table 19.

**Service Unit Summary**

The result of combining trip generation rates, primary trip factors and localized average trip lengths is a travel demand schedule that establishes the daily VMT during the average weekday on the major roadway system generated by various land use types per unit of development for Florence. The recommended road demand schedule is presented in Table 21. Service units are expressed in both VMT per unit and EDUs per unit (an EDU is a single-family equivalent).

**Table 21. Road Demand Schedule**

Land Use Type	ITE Code	Unit	Trip Rate	Primary Trips	Length (miles)	VMT/Unit	EDUs/Unit
Single-Family Detached	210	Dwelling	4.79	100%	3.82	18.30	1.000
Multi-Family	220	Dwelling	3.33	100%	3.46	11.52	0.630
Commercial	710	1,000 sq ft	5.51	100%	5.00	27.55	1.505
Public/Institutional	620	1,000 sq ft	3.79	100%	4.01	15.20	0.831
Industrial/Warehouse	150	1,000 sq ft	1.78	100%	5.00	8.90	0.486

Source: Trip rates and primary trip percentages from Table 19; average trip lengths from Table 20; daily VMT per unit is product of trips, percent primary trips and trip length; EDUs/unit is ratio of VMT to single-family detached VMT per unit.

Road service units are expressed in terms of both vehicle-miles of travel (VMT) and equivalent dwelling units (EDUs). Projections for both service unit measurements for the 2013-2023 planning period are shown in Table 22.

**Table 22. Road Service Units, 2013-2023**

Land Use Type	Unit	Units		EDUs/Unit	EDUs		VMT/Unit	VMT	
		2013	2023		2013	2023		2013	2023
Single-Family Detached	Dwelling	3,273	3,903	1.000	3,273	3,903	18.30	59,896	71,425
Multi-Family	Dwelling	528	528	0.630	528	528	11.52	6,083	6,083
Commercial	1,000 sq ft	821	2,619	1.505	821	2,619	27.55	22,619	72,153
Public/Institutional	1,000 sq ft	4,068	4,353	0.831	4,068	4,353	15.20	61,834	66,166
Industrial/Warehouse	1,000 sq ft	519	539	0.486	519	539	8.90	4,619	4,797
<b>Total Service Units Outside Merrill Ranch CFDs</b>								<b>155,051</b>	<b>220,624</b>
Single-Family Detached	Dwelling	1,825	4,075	1.000	1,825	4,075	18.30	33,398	74,573
Multi-Family	Dwelling	0	0	0.630	0	0	11.52	0	0
Commercial	1,000 sq ft	103	556	1.505	103	556	27.55	2,838	15,318
Public/Institutional	1,000 sq ft	0	0	0.831	0	0	15.20	0	0
Industrial/Warehouse	1,000 sq ft	46	164	0.486	46	164	8.90	409	1,460
<b>Total Service Units Within Merrill Ranch CFDs</b>								<b>36,645</b>	<b>91,351</b>
<b>Total Town-Wide Service Units</b>								<b>191,696</b>	<b>311,975</b>

Source: Units from Table 10 and Table 15; EDUs per unit and VMT per unit from Table 21; EDUs is product of units and EDUs per unit; VMT is product of units and VMT per unit.

## Cost per Service Unit

The cost per service unit is derived from the cost estimates in the Town's transportation master plan. As shown in Table 23, the average cost per vehicle-mile of capacity (VMC) from the master plan is \$289. To take into account reduced right-of-way costs and possibly reduced construction from 2008, the cost estimates have been reduced by 10 percent to \$260 per VMC.

**Table 23. Road Cost per Vehicle-Mile of Capacity**

Road	From-To	Class	Miles	Lanes		Cost	New VMC	Cost per VMC
				Ex	Fut			
Adamsville Rd	Town Lim-Main St	Min Art	2.64	2	4	\$13,272,344	40,075	\$331
Arizona Farms Rd	Felix Rd-Town Limit	Maj Art	3.22	2	6	\$24,104,186	90,740	\$266
Attaway Rd	Palmer-Hunt Hwy	Maj Art	1.07	2	6	\$7,766,562	30,153	\$258
Attaway Rd	Hunt Hwy-Felix Rd	Maj Art	1.28	0	6	\$8,233,972	45,696	\$180
Attaway Rd	Hunt Hwy-Hiller Rd	Maj Col	1.81	0	3	\$10,239,599	17,865	\$573
Butte Ave	Plant Rd-Main St	Maj Col	1.00	2	3	\$5,346,776	2,350	\$2,275
Butte Ave	Main St-SR 79	Min Art	0.49	2	4	\$2,463,428	7,438	\$331
Butte Rd	SR 79-Old F-K Hwy	Min Art	1.49	2	4	\$8,630,831	22,618	\$382
Carrell Lane	Vah Ki Inn-SR 79	Min Art	0.75	0	4	\$3,770,552	17,025	\$221
Clemans-RanchView	Town Limit-SR 79	Min Art	3.38	0	4	\$18,132,623	76,726	\$236
Desert Color Pkwy	Hunt Hwy-Felix Rd	Min Art	3.76	0	4	\$20,043,036	85,352	\$235
Diversion Dam Rd	SR 79-end	Maj Col	2.35	2	3	\$8,616,924	5,523	\$1,560
Florence Hts Dr	Main St-SR 79	Min Art	0.56	2	4	\$2,815,346	8,501	\$331
Flor-Kelvin Hwy	SR 79-Quail Run	Maj Art	2.00	2	6	\$16,100,116	56,360	\$286
Franklin	MR Pkwy-Hunt Hwy	Maj Col	1.49	0	3	\$7,743,497	14,706	\$527
Main St	SR 287-Butte Rd	Maj Col	0.64	2	4	\$2,346,737	9,715	\$242
Merrill Ranch Pkwy	Walter Butte-Hunt	Min Art	1.05	0	4	\$5,278,773	23,835	\$221
Merrill Ranch Pkwy	Hunt Hwy-Felix Rd	Min Art	2.08	0	4	\$8,580,556	47,216	\$182
Merrill Ranch Pkwy	Felix-Desert Color	Maj Art	1.48	0	6	\$15,016,998	52,836	\$284
Old Flor-Kelvin Hwy	Butte Ave-Diffen Rd	Min Art	2.34	2	4	\$17,320,123	35,521	\$488
Poston Butte Pkwy	Desert Color Loop	Min Art	3.10	0	4	\$17,864,950	70,370	\$254
Poston Butte-Coope	Poston Butte-Hiller	Min Art	0.72	0	4	\$6,397,730	16,344	\$391
Quail Run Rd	Mayfield-Old F-K Hwy	Min Art	0.60	0	4	\$4,156,442	13,620	\$305
Ranchview Rd	Valley Farms-Hunt	Min Art	1.76	0	4	\$8,848,230	39,952	\$221
Ruggles St	Main St-SR 79	Maj Col	0.48	2	4	\$1,760,053	7,286	\$242
Vah Ki Inn Rd	Fulson Rd-SR 79	Maj Art	0.52	0	6	\$3,094,030	18,564	\$167
W Canal Rd	Valley Farms-Plant	Min Art	1.95	2	4	\$9,803,436	29,601	\$331
Walker Butte Pkwy	Christensen-Merrill R	Min Art	2.56	0	4	\$15,150,152	58,112	\$261
<b>Total</b>						<b>\$272,898,002</b>	<b>944,100</b>	<b>\$289</b>
x Factor for Reduced ROW/Construction Costs								90%
<b>Estimated Current Average Cost per Vehicle-Mile of Capacity (90%)</b>								<b>\$260</b>

Source: Lima & Associates, *Coolidge-Florence Regional Transportation Plan*, April 2008, Table 29; new VMC based on segment lengths, number of lanes and capacities from Table 16.

The cost per service unit is the product of the cost per VMC and the level of service (LOS). The existing LOS is 2.33 VMC per VMT (see Table 18), and this represent the full cost to maintain existing levels of service on the Town's major roadways. The standard consumption-based approach, however, is extremely conservative, and is based on a 1.00 ratio of capacity to demand. Under the standard consumption-based approach, the cost per VMT is the same as the cost per VMC, plus the cost of future impact fee studies per VMT, as shown in Table 24.

**Table 24. Road Cost per Service Unit**

Cost per Vehicle-Mile of Capacity	\$260
x Assumed Capacity/Demand Ratio	1.00
Cost per Vehicle-Mile of Travel	\$260
Study Cost per VMT	\$1
<b>Total Cost per VMT</b>	<b>\$261</b>

*Source:* Cost per VMC from Table 23; capacity/demand ratio is implicit in the standard consumption-based methodology; study cost per VMT is study cost per EDU from Table 113 divided by VMT per single-family unit from Table 21.

## Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. The road impact fees calculated in this report are based on a system-wide level of service that is lower than the existing level of service, so there are no existing deficiencies. The Town has no outstanding debt on past road improvements, nor any revenue sources that are dedicated for future capacity-expanding road improvements. Consequently, no offsets against the road impact fee are required based on these criteria.

However, the Arizona impact fee enabling act also requires that new development be given an offset against the impact fees for the value of any “excess” construction contracting excise tax payments beyond that required of most other types of business activities. The Town charges a construction excise tax of 4%, compared to a 2% excise tax rate on other types of business activities. Since the Town does not dedicate construction excise tax revenues for growth-related capital improvements, nor does it allocate them for specific types of capital improvements, there is no rational basis for assigning this offset to specific types of facilities. Nevertheless, State law now requires that such an offset be provided. It would appear to be at the discretion of the Town to determine which fees should be offset to account for the excess construction tax. It is recommended that the Town provide the offset for the excess construction excise tax payments against the road impact fee. Unlike water and wastewater fees, which are not assessed in areas of town that are not served by Town utilities, the road impact fee is assessed against all new development in the town. In addition, the park, fire and police impact fees are not sufficiently large to absorb the offset. Consequently, an offset for the excess construction excise tax is provided against the road impact fees.

To determine the appropriate amount of the offset, data was compiled on total construction excise tax payments for single-family detached units constructed over the five-year period from July 1, 2006 through June 30, 2011 (fiscal years 2007 through 2011). This was divided by the number of single-family permits issued over the same period to determine the average construction excise tax payment per unit. Since the excise tax on construction contracting is twice the rate on other business activities, half of the construction tax is the “excess” payment. This amounts to an average offset of \$2,682 per single-family unit, as shown in Table 25. The offset per single-family unit is divided by the VMT per single-family unit to determine the offset of \$147 per VMT.



**Table 25. Construction Tax Offset per Service Unit**

Residential Construction Tax Receipts, FY 06/07-10/11	\$7,712,632
÷ New Single-Family Permits Issued, FY 06/07-10/11	1,438
Average Construction Tax per Unit	\$5,363
x Percent "Excess" Construction Excise Tax	50%
Construction Excise Tax Offset per Single-Family Unit	\$2,682
÷ VMT per Single-Family Unit	18.30
Construction Excise Tax Offset per VMT	\$147

Source: Residential construction tax receipts from Town of Florence Finance Department, November 9, 2012; building permits from Town of Florence Planning Department, March 28, 2012; VMT per single-family unit from Table 21.

In addition, an offset should be calculated for the Merrill Ranch Community Facility Districts #1 and #2. Properties in the CFDs are paying property taxes to retire bonds used to construct major roadway improvements in the area. A simple way to calculate an offset is to divide the outstanding bond debt by future service units that will be retiring the debt. Merrill Ranch CFDs #1 and #2 are retiring bonds issued in 2006 and 2010 that were used to fund improvements to major Town roads, including Merrill Ranch Parkway, Hunt Highway, American Way, Constitution Way, Felix Road and Sun City Boulevard. Dividing the amount of outstanding road debt by estimated 2023 service units results in a debt offset of \$79 per VMT, as shown in Table 26.

**Table 26. Merrill Ranch CFD Debt Offset per Service Unit**

Bond Issue	Issue Date	Maturity	Orig. Amt.	Retired	Balance
CFD #1, 2008A Bond Issue	6/28/2006	7/1/2030	\$4,390,000	\$345,000	\$4,045,000
CFD #2, 2010 Bond Issue	11/19/2010	7/15/2035	\$3,560,000	\$425,000	\$3,135,000
Total Debt Principal			\$7,950,000	\$770,000	\$7,180,000
÷ 2023 Merrill Ranch CFD VMT					91,351
Debt Offset per VMT					\$79

Source: Debt information from Town of Florence Finance Department, July 30, 2012; 2023 VMT from Table 22.

The offsets per VMT are subtracted from the cost per VMT to determine the net costs per VMT in the Merrill Ranch DFDs and the rest of the town, as shown in Table 27.

**Table 27. Road Net Cost per Service Unit**

	Merrill Ranch CFD 1 & 2	Rest of Town
Cost per VMT	\$261	\$261
– Construction Sales Tax Offset per VMT	-\$147	-\$147
– Community Facility District Offset per VMT	-\$79	\$0
Net Cost per VMT	\$35	\$114

Source: Cost per VMT from Table 24; construction sales tax offset per VMT from Table 25; Merrill Ranch CFD offset per VMT from Table 26.

## Potential Impact Fees

The maximum road impact fees that may be adopted by the Town based on this study is the product of the number of vehicle-miles of travel (VMT) generated by a unit of development and the net cost per VMT calculated above. The resulting fee schedules for the Merrill Ranch CFDs and the rest of the town are presented in Table 28.

**Table 28. Potential Road Impact Fees**

Land Use Type	Unit	VMT/ Unit	Net Cost/VMT		Net Cost/Unit	
			Non-CFD	CFD	Non-CFD	CFD
Single-Family Detached	Dwelling	18.30	\$114	\$35	\$2,086	\$641
Multi-Family	Dwelling	11.52	\$114	\$35	\$1,313	\$403
Commercial	1,000 sq ft	27.55	\$114	\$35	\$3,141	\$964
Public/Institutional	1,000 sq ft	15.20	\$114	\$35	\$1,733	\$532
Industrial/Warehouse	1,000 sq ft	8.90	\$114	\$35	\$1,015	\$312

Source: VMT per unit from Table 21; net cost per VMT from Table 27.

The updated road impact fees are compared to the Town's current fees in Table 29.

**Table 29. Comparative Road Impact Fees**

Land Use Type	Unit	Current Fee	Updated Fee		Percent Change	
			Non-CFD	CFD	Non-CFD	CFD
Single-Family Detached	Dwelling	\$583	\$2,086	\$641	258%	10%
Multi-Family	Dwelling	\$410	\$1,313	\$403	220%	-2%
Commercial	1,000 sq ft	\$2,618	\$3,141	\$964	20%	-63%
Public/Institutional	1,000 sq ft	\$2,618	\$1,733	\$532	-34%	-80%
Industrial/Warehouse	1,000 sq ft	\$425	\$1,015	\$312	139%	-27%

Source: Current fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 28.

## Capital Plan

Potential road impact fee revenue over the next ten years, based on anticipated new development within and outside the Merrill Ranch CFDs, is estimated to be about \$9.4 million, as shown in Table 30.

**Table 30. Potential Road Impact Fee Revenue, 2013-2023**

	Merrill	Rest of	Total
	Ranch CFDs	Town	
New VMT, 2013-2023	54,706	65,573	120,279
x Net Cost per VMT	\$35	\$114	n/a
<b>Potential Revenue, 2013-2023</b>	<b>\$1,914,710</b>	<b>\$7,475,322</b>	<b>\$9,390,032</b>

Source: New VMT from Table 22; net cost per unit from Table 28.

Over the next ten years, the Town has plans to complete approximately \$33.6 million in growth-related improvement to the major road system, as summarized in Table 31. Anticipated road impact fee revenues will cover approximately 28% of the total cost of planned improvements. The timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some of the improvements may be constructed by the CFD or developers in return for offsets or

credits against the road impact fees. The list of projects may also change to reflect changes from anticipated development patterns.

**Table 31. Road Capital Plan, 2013-2023**

Roadway	From-To	Description	Est. Cost
Main Street Ext	Across River	Planning/feasibility study	\$650,000
Florence Hts Rd	Main-SR 79	Improve 2-lane chip seal to minor arterial	\$2,170,000
Felix Rd	Attaway-AZ Farms	Improve 2-3 lane road, except 1/2-rd impmts	\$2,385,000
SR 79B/SR 287	Roundabout	Roundabout	\$2,150,000
Diversion Dam Rd	SR 79-Bowling Rd	2-ln chip seal to minor arterial w/signalization	\$1,559,000
Desert Color Pkwy	Hunt-Felix Rd	Minor arterial, ph 1	\$1,298,000
Hunt Hwy/SR 79	Intersection	Turn lanes & signalization	\$1,334,000
AZ Farms Rd	Felix-ETL	Complete 1/2-rd adj to Co area to min art (n half)	\$2,806,000
Attaway	Palmer-Hunt	Complete 1/2-rd adj to Co area to major arterial	\$3,577,000
Adamsville Rd	Central-Cent Park	Drain imp, ped access & imp to min art	\$796,000
Walker-Butte	Franklin to Tn Lmts	New minor art for init ph assoc w/project	\$4,400,000
Adamsville Rd	Main-Central	Imp drain, ped acces & imp to minor arterial	\$2,000,000
Centennial Park Av	SR 287-Butte	New major collector	\$1,827,000
W Canal Rd	Vally Farms-1 mi E	New road	\$2,200,000
Flor-Kelvin Hwy	SR 79-Quail Run	Major arterial	\$1,724,000
Hunt Hwy	TL to Comm Fac. Area	Access control for CFA and emer signalization	\$355,000
Signalization	As Warranted	Arterial/arterial or arterial/major collector ints.	\$2,325,000
Road Impact Fee Studies (2)			\$25,458
<b>Total</b>			<b>\$33,581,458</b>

Source: Town of Florence, May 24, 2012; road impact fee study cost from Table 112.

## PARKS

The Town provides a number of public park facilities for the benefit of residents. This section calculates updated park impact fees.

### Service Units

The demand for Town park facilities is generated by people, including both residents and employees. Non-resident employees may make use of Town parks during breaks, before or after work, or when participating in company-sponsored events. The number of people associated with a multi-family unit or 1,000 square feet of nonresidential building are divided by the number of people associated with a single-family dwelling to determine park equivalent dwelling unit (EDU) multipliers for each land use type.

The best available data on average household size by housing type is still the 2000 Census. The 2000 Census recorded information on occupied housing units and residents for 16.7% of the dwelling units in the Town. The Census Bureau has since restricted such data to 1% annual samples, and the most recent compilation of such data is a 5% sample from the last five years (2006 through 2010). Since Florence has only an estimated 528 multi-family units, a 5% sample would include only about 26 such units, which would have a very large margin of error. Consequently, average household sizes are based on 2000 Census data, as summarized in Table 32.

**Table 32. Average Household Size**

Housing Type	Household		Average
	Population	Households	HH Size
Single-Family Detached	4,401	1,777	2.48
Multi-Family	849	422	2.01

*Source:* 2000 U.S. Census, SF-3 (1-in-6 sample data).

A single-family home is by definition one park service unit (equivalent dwelling unit or EDU). The numbers of service units associated with a multi-family unit or 1,000 square feet of nonresidential building floor area are determined by dividing the number of persons by the average household size of a single-family unit (2.48 people). The resulting service unit multipliers are presented in Table 33.

**Table 33. Park Service Unit Multipliers**

Land Use	Unit	Pop./Emp. per Unit	Occupancy Factor	Occupants/Unit	EDUs/Unit
Single-Family Detached	Dwelling	2.48	1.00	2.48	1.00
Multi-Family	Dwelling	2.01	1.00	2.01	0.81
Commercial	1,000 sf	1.23	0.24	0.30	0.12
Industrial/Warehouse	1,000 sf	0.91	0.24	0.22	0.09
Public/Institutional	1,000 sf	1.40	0.24	0.34	0.14

*Source:* Population per dwelling unit is average household size from Table 32; employment per 1,000 square feet from Table 14 (commercial based on retail, public/institutional based on prison); occupancy factor for nonresidential uses based on ratio of typical 40-hour work week to 168 total hours per week.

The number of service units in an area can be determined by multiplying the number of development units (housing units and 1,000 square feet of nonresidential) by the service unit multipliers for each land use type and summing for the area. Existing and projected service units (EDUs) in the park service area and town-wide are calculated in Table 34.

**Table 34. Park Service Units, 2013-2023**

Land Use	Dev't Unit	Dev't Units		EDUs/ Unit	EDUs	
		2013	2023		2013	2023
<b>Park Service Area</b>						
Single-Family Detached	Dwelling	1,324	1,674	1.00	1,324	1,674
Multi-Family	Dwelling	528	528	0.81	428	428
Commercial	1,000 sf	772	2,214	0.12	93	266
Industrial/Warehouse	1,000 sf	514	514	0.09	46	46
Public/Institutional	1,000 sf	3,979	4,264	0.14	557	597
<b>Total, Park Service Area</b>					<b>2,448</b>	<b>3,011</b>
<b>Town-Wide</b>						
Single-Family Detached	Dwelling	5,098	7,978	1.00	5,098	7,978
Multi-Family	Dwelling	528	528	0.81	428	428
Commercial	1,000 sf	924	3,175	0.12	111	381
Industrial/Warehouse	1,000 sf	565	703	0.09	51	63
Public/Institutional	1,000 sf	4,068	4,353	0.14	570	609
<b>Total, Town-Wide</b>					<b>6,258</b>	<b>9,459</b>

*Source:* Development units from Table 10 and Table 15; EDUs per unit from Table 33/ EDUs is product of development units and EDUs per unit.

## Cost per Service Unit

SB 1525 limits park impact fees to “neighborhood parks,” an undefined term that excludes parks larger than 30 acres in size, unless a larger park can be shown to provide a “direct benefit” to development. SB 1525 also excludes a number of park improvements from being funded with park impact fees, including “that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.” Since the Aero Modeler Park and rodeo grounds could be construed to fall within a prohibited category, those facilities will be excluded in determining the existing level of service.

In general, impact fees should be based on the current level of service being provided to existing development. All of the Town’s existing parks are located in the proposed park service area. The inventory of existing eligible park facilities in the park service area is provided in Table 35.



**Table 35. Existing Park Facilities**

Improvement	Heritage	Little League	Main Street	Jacques Square	Arriola Square	Poston Butte*	Total
Land (acres)	25.17	1.75	1.25	0.25	0.25	30.00	58.67
Parking Spaces	200	0	15	10	12	0	237
Restrooms	1	1	0	1	0	0	3
Basketball Courts w/lighting	2	0	0	0	0	0	2
Picnic Ramadas	5	0	3	0	0	0	8
Picnic Tables	0	0	8	0	0	0	8
Volleyball Courts	1	0	0	0	0	0	1
Softball Fields w/lighting	3	0	0	0	0	0	3
Baseball Fields w/lighting	1	0	0	0	0	0	1
Soccer Fields	1	0	0	0	0	0	1
Play Structures w/shade	2	0	0	0	0	0	2
Park Benches	0	3	0	2	4	0	9
Bleachers (25')	0	2	0	0	0	0	2
Dugouts	0	2	0	0	0	0	2
Scoreboards	0	1	0	0	0	0	1

\* eligible 30 acres of 160-acre site

Source: Town of Florence Parks Department, December 8, 2011; Duncan Associates.

The replacement cost of existing facilities in the park service area can be determined based on current unit costs. Park land costs are estimated to be \$30,000 per acre. This is lower than the \$40,000 per acre cost used in the 2007 impact fee study, and it is likely to be conservative. The Town purchased the 30.45-acre Giles property across the street from the Town Hall in 2007 for \$1,370,700, or \$45,015 per acre. Road right-of-way dedicated to the Town by Pulte Homes and Anthem in 2007-2009 was valued by the developer at an average of \$47,935 per acre. Unit costs for park amenities were drawn from actual recent purchases from the Town's fixed asset listings, adjusted for inflation, from Town Parks Department staff and from the consultant's experience. The total replacement value of existing park land and facilities serving the park service area is estimated to be about \$3.36 million, as shown in Table 36.

**Table 36. Existing Park Facility Replacement Costs**

Improvement	Units	Unit Cost	Total Cost
Park Land (acres)	58.67	\$30,000	\$1,760,100
Parking Spaces	237	\$2,500	\$592,500
Restrooms	3	\$22,000	\$66,000
Basketball Courts w/lighting	2	\$65,000	\$130,000
Picnic Ramadas	8	\$5,000	\$40,000
Picnic Tables	8	\$4,000	\$32,000
Volleyball Courts	1	\$60,000	\$60,000
Softball Fields (fencing/lighting)	3	\$96,000	\$288,000
Baseball Fields (fencing/lighting)	1	\$96,000	\$96,000
Soccer Fields	1	\$96,000	\$96,000
Play Structures w/shade	2	\$76,754	\$153,508
Park Benches	9	\$1,627	\$14,640
Bleachers (25')	2	\$4,000	\$8,000
Dugouts	2	\$9,000	\$18,000
Scoreboards	1	\$4,000	\$4,000
<b>Total</b>			<b>\$3,358,748</b>

Source: Units from Table 35; unit costs from Town of Florence Parks Department, Town of Florence fixed asset listings and Duncan Associates.

The existing level of service in the park service area can be expressed in terms of current cost per service unit, as shown in Table 37.

**Table 37. Existing Park Level of Service, Park Service Area**

Total Existing Park Value, Park Service Area	\$3,358,748
÷ Existing Park EDUs, Park Service Area	2,448
<b>Existing Cost per EDU, Park Service Area</b>	<b>\$1,372</b>

Source: Total park value from Table 36; existing EDUs in the park service area from Table 34.

## Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. The Town has no outstanding debt on past park improvements, nor any revenue sources that are dedicated for future capacity-expanding park improvements. The Town has not received any grant funding for parks in the last five years, and has no reasonable expectation of future grant funding. Since the fees are based on the existing level of service for the park service area, there are no deficiencies. Consequently, no offsets against the park impact fee are required based on these criteria, and the net cost per service unit is the same as the cost per service unit calculated above, plus the cost per service unit for future impact fee studies.

**Table 38. Park Net Cost per Service Unit**

Existing Park Cost per EDU	\$1,372
Park Impact Fee Study Cost per EDU	\$45
<b>Park Net Cost per EDU</b>	<b>\$1,417</b>

Source: Cost per EDU from Table 37; study cost from Table 113.

## Potential Impact Fees

The maximum park impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 39.

**Table 39. Potential Park Impact Fees, Park Service Area**

Land Use Type	Unit	EDUs/ Unit	Net Cost/ EDU	Net Cost/ Unit
Single-Family Detached	Dwelling	1.00	\$1,417	\$1,417
Multi-Family	Dwelling	0.81	\$1,417	\$1,148
Commercial	1,000 sq ft	0.12	\$1,417	\$170
Public/Institutional	1,000 sq ft	0.14	\$1,417	\$198
Industrial/Warehouse	1,000 sq ft	0.09	\$1,417	\$128

Source: EDUs per unit from Table 33; net cost per EDU from Table 38.

The updated park fees are compared to current fees in Table 40. It should be noted that park fees outside the park service area would be eliminated when the updated fees are adopted.

**Table 40. Comparative Park Impact Fees**

Land Use Type	Unit	Current Fee	Updated Fee*	Percent Change
Single-Family Detached	Dwelling	\$857	\$1,417	65%
Multi-Family	Dwelling	\$617	\$1,148	86%
Commercial	1,000 sq ft	\$162	\$170	5%
Public/Institutional	1,000 sq ft	\$162	\$198	22%
Industrial/Warehouse	1,000 sq ft	\$92	\$128	39%

\* applies to park service area only

Source: Current fee from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 39.

## Capital Plan

Potential park impact fee revenue over the next ten years, based on anticipated new development in the park service area, is estimated to be about \$0.80 million, as shown in Table 41.

**Table 41. Potential Park Impact Fee Revenue, 2013-2023**

New EDUs, Park Service Area, 2013-2023	563
x Net Cost per EDU	\$1,417
<b>Projected Impact Fee Revenue</b>	<b>\$797,771</b>

Source: New EDUs from Table 34; net cost per EDU from Table 38.

Over the next ten years, the Town plans to construct a new community center and provide new playground equipment in Main Street Park, as shown in Table 42. However, the timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Anticipated impact fees will cover approximately 64% of eligible planned costs.

**Table 42. Park Capital Plan, 2013-2023**

	Total Cost	Eligible Cost
New 40,000 sq. ft. Community Center*	\$14,607,055	\$1,095,529
Main Street Park Playground Equipment	\$125,000	\$125,000
Park Impact Fee Studies (2)	\$25,458	\$25,458
<b>Total</b>	<b>\$14,757,513</b>	<b>\$1,245,987</b>

\* Eligible share is 3,000 square feet of 40,000 sq. ft. building

Source: Town of Florence, May 22, 2012; study cost from Table 112.

## **LIBRARY**

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The Town suspended its library impact fee on January 1, 2012, because it was no longer authorized as originally calculated under revisions to State law that went into effect on that date. This section calculates a potential library impact fee for the Town.

### **Service Units**

In the Town's 2007 impact fee study, the service unit for libraries was defined in terms of service population, in which a resident was counted as a full person and a worker was counted as 0.19 persons. The weighting factor for workers was derived from a library usage study conducted by the City of Phoenix in 1998.

An alternative to the use of population as the service unit for library impact fees is equivalent dwelling units, or EDUs. An EDU represents the demand for library facilities from a typical single-family dwelling unit, based on average household size. Using EDUs as the service unit has the advantage of eliminating the effects of occupancy rates, which can change significantly over time. Multi-family dwelling units typically represent a fraction of an EDU, since they typically have fewer occupants per unit. Rather than relying on a 14-year-old study conducted in Phoenix, nonresidential development could be converted into EDUs based on the 0.24 factor for workers used in the 2007 study for parks (based on the ratio of a typical 40-hour work week to 168 total hours per week). This approach is retained for the updated park fees, and is used for the updated library fees as well.

The demand for library facilities is generated by people, including both residents and employees. Non-resident employees may make use of library facilities during breaks, for work-related purposes or before or after work. The number of people associated with a multi-family unit or 1,000 square feet of nonresidential building are divided by the number of people associated with a single-family dwelling to determine park equivalent dwelling unit (EDU) multipliers for each land use type. The service unit multipliers by land use for libraries are the same as for parks (see previous section).

### **Cost per Service Unit**

SB 1525 prohibits the use of impact fees after January 1, 2012 for libraries over 10,000 square feet that do not provide a direct benefit, or for "equipment, vehicles or appurtenances." Presumably appurtenances would include books, furniture and fixtures. The League of Cities and Towns is interpreting the size threshold to allow cities to pay for the first 10,000 square feet of a library with impact fees.

The Town does not currently own a library facility, but provides library services out of the high school. The 2007 study calculated the fee using a standards-based methodology, based on the existing level of service. The study divided the cost of existing vehicles, equipment and books owned by the Town by the existing service units to determine the cost per service unit. Since none of these capital items are currently eligible for library impact fees, it was not possible to recalculate an impact fee for adoption by January 1, 2012 based on the previous study. However, a new library impact fee can now be calculated that would be consistent with SB 1525.

The Town plans to construct a library building of approximately 35,000 square feet. The Town has purchased a parcel of land near the Town Hall that it plans to use for several facilities, including a library. While the Town-owned library books and equipment are no longer impact fee eligible, the portion of the cost of the land that is attributable to 10,000 square feet of the planned library building is eligible and could be used as the basis to determine the existing LOS. However, since the property was purchased with loan proceeds, there is very little equity in the property. If the full value of the land attributable to the library is used as the basis of the LOS, an offset for the outstanding debt would need to be calculated, offsetting most of the fee amount. Consequently, basing the fees on the existing level of service, whether only on the equity amount or on the full value less an offset for the outstanding debt, will likely result in very low library impact fees. The alternative is to base the library fees on a future level of service, with a plan to fund the deficiency and with an offset provided for the portion of the deficiency that would be paid by future development.

The Town estimates is that the planned library will cost per square foot for architectural/engineering fees and construction (excluding furniture, fixtures and equipment, which are not eligible for impact fees), based on the average cost for libraries built in Arizona over the last four years, as shown in Table 43.

**Table 43. Library Cost per Square Foot**

Year	City	Construction Cost	Gross Sq. Feet	Cost per Sq. Foot
2008	Scottsdale	\$7,771,987	20,000	\$389
2008	Tucson (Marana)	\$5,251,000	20,000	\$263
2008	Tucson	\$1,300,000	5,000	\$260
2008	Wellton	\$2,200,000	8,675	\$254
Average Cost per Sq. Ft., 2008				\$291
	Peoria	\$8,470,000	22,500	\$376
2009	Phoenix	\$8,189,340	25,000	\$328
2009	Phoenix	\$5,409,950	12,400	\$436
2009	Queen Creek	\$13,695,733	47,000	\$291
2009	Yuma	\$5,200,000	22,398	\$232
2009	Yuma	\$18,042,381	79,491	\$227
Average Cost per Sq. Ft., 2009				\$315
2010	Prescott Valley	\$17,650,000	55,000	\$321
2010	Scottsdale	\$7,265,000	21,000	\$346
Average Cost per Sq. Ft., 2010				\$333
2011	Phoenix	\$16,821,504	53,500	\$314
2011	Waddell	\$8,686,984	29,000	\$300
Average Cost per Sq. Ft., 2011				\$307
<b>Average Cost per Sq. Ft., 2008-2011</b>				<b>\$310</b>

Source: Town library staff, based on data from the *Library Journal*.

If the Town is to reinstate the collection of library impact fees, it will need to construct an eligible facility (up to 10,000 square feet) within ten years. Based on projected growth in the land use assumptions, this would result in a level of service of \$328 per EDU by 2023 (see Table 44 below). Assuming that the Town uses its current library impact fee account balance for this purpose, the

Town would need to commit about \$1.26 million in non-impact fee funds to fund the construction of the library.

**Table 44. Library Level of Service and Deficiency Cost**

Impact Fee Eligible Square Feet	10,000
x Construction Cost per Square Foot	\$310
Impact Fee Eligible Cost	\$3,100,000
÷ 2023 Town-Wide EDUs	9,459
2023 LOS (Cost per EDU)	\$328
x Town-Wide 2013 EDUs	6,258
Potential Deficiency Cost	\$2,052,624
– Existing Library Impact Fee Fund Balance	-\$792,122
<b>Unfunded Deficiency Cost</b>	<b>\$1,260,502</b>

*Source:* Construction cost per square foot from Table 43; 2013 and 2023 town-wide EDUs from Table 34; existing park impact fee fund balance as of June 30, 2010 from Florence Finance Director, July 26, 2012.

### Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. The Town has no outstanding debt on past library improvements, although it does have debt on the Giles property, a portion of which may be used for a future library. However, since it is not known how much of the land may be used for a library, no land costs have been included in the fee calculations. The Town does not have any revenue sources that are dedicated for future capacity-expanding library improvements. Consequently, no offsets against the library impact fees are required based on these two criteria.

Since the Town does not currently have a Town-owned library building to serve existing residents, there is an existing deficiency. Since the unfunded portion of the deficiency will be funded from non-impact fee revenue generated by all development in the Town, a revenue offset should be provided. The simplest way to calculate such an offset is to divide the unfunded deficiency amount by the number of future town-wide service units. More complicated techniques could be used to calculate a somewhat lower offset, based on growth projections and assumptions about how the deficiency would be funded over time, but the simpler, more conservative approach is used here.

**Table 45. Library Deficiency Offset per Service Unit**

Unfunded Deficiency Amount	\$1,260,502
÷ 2023 Town-Wide EDUs	9,459
<b>Deficiency Offset per EDU</b>	<b>\$133</b>

*Source:* Unfunded deficiency amount from Table 44; 2023 EDUs from Table 34.

The cost per EDU is the sum of the future improvement cost per EDU and the cost of library impact fee studies required over the next ten years per EDU. The net cost per EDU is determined



by subtracting the deficiency offset, resulting in a net cost of \$203 per service unit, as shown in Table 46.

**Table 46. Library Net Cost per Service Unit**

Future Cost per EDU	\$328
Study Cost per EDU	\$8
- Deficiency Offset per EDU	-\$133
<b>Net Cost per EDU</b>	<b>\$203</b>

Source: Future cost per EDU from Table 44; existing EDUs from Table 34.

## Potential Impact Fees

The maximum library impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 47.

**Table 47. Potential Library Impact Fees**

Land Use Type	Unit	EDUs/ Unit	Net Cost/ EDU	Net Cost/ Unit
Single-Family Detached	Dwelling	1.00	\$203	\$203
Multi-Family	Dwelling	0.81	\$203	\$164
Commercial	1,000 sq ft	0.12	\$203	\$24
Public/Institutional	1,000 sq ft	0.14	\$203	\$28
Industrial/Warehouse	1,000 sq ft	0.09	\$203	\$18

Source: EDUs per unit from Table 33; net cost per EDU from Table 46.

Table 48 compares the library impact fees that were in place prior to January 1, 2012 with the updated library fees.

**Table 48. Comparative Library Fees**

Land Use Type	Unit	Previous Fee	Updated Fee	Percent Change
Single-Family Detached	Dwelling	\$407	\$203	-50%
Multi-Family	Dwelling	\$293	\$164	-44%
Commercial	1,000 sq ft	\$60	\$24	-60%
Public/Institutional	1,000 sq ft	\$60	\$28	-53%
Industrial/Warehouse	1,000 sq ft	\$34	\$18	-47%

Source: Previous fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 47.

## Capital Plan

Potential library impact fee revenue over the next ten years, based on anticipated new development, is estimated to be about \$0.65 million, as shown in Table 49.

**Table 49. Potential Library Impact Fee Revenue, 2013-2023**

New EDUs, 2013-2023	3,201
x Net Cost per EDU	\$203
<b>Projected Impact Fee Revenue</b>	<b>\$649,803</b>

*Source:* New EDUs from Table 34; net cost per EDU from Table 46.

Anticipated costs and revenues for a new 10,000 square foot library building over the next ten years are summarized in Table 50 (the sum of costs and revenues do not quite match due to rounding). In order to achieve the future level of service on which the fees are based, it will be necessary for the Town to use the current \$0.79 million library impact fee account balance to partially address the existing deficiency. In addition, the Town will need to identify \$1.68 million in additional, non-impact fee revenue to fund the rest of the existing deficiency, as well as to supplement impact fees in order to make up for the impact fee revenue lost due to the deficiency offset.

**Table 50. Library Costs and Revenues, 2013-2023**

New EDUs, 2013-2023	3,201
x Cost per EDU	\$328
Growth Cost, 2013-2023	\$1,049,928
Existing Deficiency Cost	\$2,052,624
Study Cost	\$25,458
<b>Total Cost, 2013-2023</b>	<b>\$3,128,010</b>

Anticipated Future Impact Fee Revenue	\$649,803
Existing Impact Fee Account Balance	\$792,122
<b>Non-Impact Fee Funding Needed</b>	<b>\$1,683,533</b>
<b>Projected Revenue</b>	<b>\$3,125,458</b>

*Source:* New EDUs Table 34; cost per EDU, existing deficiency cost and impact fee account balance from Table 44; anticipated impact fee revenue from Table 49; non-impact fee funding is difference between total costs and other projected revenue.

Over the next ten years, the Town plans to construct a new library of at least 10,000 square feet. It is estimated that the portion of the future library eligible for impact fee funding (10,000 square feet) will cost approximately \$3.1 million to construct. Library impact fees are anticipated to cover approximately 21% of the eligible costs.

**Table 51. Library Capital Plan, 2013-2023**

New 10,000 Sq. Ft. Library	\$3,100,000
Library Impact Fee Studies (2)	\$25,458
<b>Total</b>	<b>\$3,125,458</b>

*Source:* Library cost from Table 44; study cost from Table 112.

# FIRE

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The Town provides fire protection service throughout the town from two existing fire stations – one located in downtown Florence and the other in the Merrill Ranch area. This section calculates updated fire impact fees.

## Service Units

The two most common methodologies used in calculating public safety (fire and police) service units and impact fees are the “calls-for-service” approach and the “functional population” approach. The 2007 study used a less common approach, which relied on limited residential-versus-nonresidential call data from one year to weight workers as the equivalent of 0.73 persons. The consultant’s experience is that fees based on call data will fluctuate significantly between updates because the distribution of calls is relatively unstable over time, especially for smaller communities.

This update utilizes the “functional population” approach to calculate and assess the fire impact fees. This approach is a generally-accepted methodology for both fire and police impact fee types, and is based on the observation that demand for public safety facilities tends to be proportional to the presence of people. This approach generates service unit multipliers that are similar to those based on call data, but are more stable over time.<sup>2</sup>

The service unit for the fire and police impact fee updates is an Equivalent Dwelling Unit, or EDU. The functional population-based multipliers by land use type for fire and police impact fees are converted into EDUs. The description of the functional population methodology, the calculation of the service unit multipliers and the determination of existing and projected fire and police service units are presented in Appendix B.

## Cost per Service Unit

The cost per service unit to provide fire protection to new development is based on the existing level of service provided to existing development. The level of service is quantified as the ratio of the replacement cost of existing fire capital facilities to existing fire service units.

The Town has two existing fire stations, as summarized in Table 52. While the Anthem station is currently in a temporary building, funding is in place and construction will be completed by October 2013, so it is appropriately included in the existing level of service.

**Table 52. Existing Fire Facilities**

Facility	Acres	Sq. Ft.
Fire Station # 1 (Central)	2.39	10,000
Fire Station # 2 (Anthem)	3.00	12,000
<b>Total</b>	<b>5.39</b>	<b>22,000</b>

Source: Town of Florence, November 9, 2012.

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<sup>2</sup> See Clancy Mullen, *Fire and Police Demand Multipliers: Calls-for-Service versus Functional Population*, proceedings of the National Impact Fee Roundtable, Arlington, VA, October 5, 2006 [http://growthandinfrastructure.org/proceedings/2006\\_proceedings/fire%20police%20multipliers.pdf](http://growthandinfrastructure.org/proceedings/2006_proceedings/fire%20police%20multipliers.pdf)

The permanent Anthem fire station is estimated to cost \$2.5 million to build. The building will cost about \$206 per square foot, as shown in Table 53.

**Table 53. Fire Station Cost per Square Foot**

Grading Engineering	\$90,000
CLOMAR	\$5,000
Grading Engineering	\$100,000
Project Management	\$140,000
Civil Engineering	\$25,000
Geo Tech	\$10,000
Survey	\$10,000
Station Design	\$150,000
Construction	\$1,500,000
Inspection	\$20,000
Permits	\$50,000
Off Site Improvements	\$275,000
Contingency	\$100,000
<b>Total</b>	<b>\$2,475,000</b>
÷ Building Square Feet	12,000
<b>Fire Station Cost per Square Foot</b>	<b>\$206</b>

Source: Town of Florence, October 15, 2012.

The replacement cost of existing fire equipment is based on original purchase price, inflated to current dollars, as shown in Table 54.

**Table 54. Existing Fire Equipment Cost**

Equipment	Year	Original Cost	Inflation Factor	Current Cost	Eligible Cost
Mobile Mini Storage Unit	1999	\$6,981	1.374	\$9,592	\$9,592
Air Bag Lift Syst (136-ton)	2000	\$5,318	1.326	\$7,052	\$7,052
12-Lead Biphasic Monitor	2001	\$23,489	1.291	\$30,324	\$30,324
2001/02 New Fire Sta-FFE	2001	\$69,196	1.291	\$89,332	\$0
AMKUS Extrication Tool	2002	\$14,168	1.272	\$18,022	\$18,022
Exercise Equipment	2003	\$20,602	1.246	\$25,670	\$0
Thermal Imaging Camera	2005	\$9,529	1.172	\$11,168	\$11,168
Light Tower Trailer	2005	\$10,497	1.172	\$12,302	\$12,302
Air/Light Trailer	2006	\$64,050	1.126	\$72,120	\$72,120
Extrication Tool	2007	\$19,977	1.100	\$21,975	\$21,975
Thermal Imaging Camera	2007	\$7,469	1.100	\$8,216	\$8,216
Debibrillator/Heart Monitor	2007	\$15,568	1.100	\$17,125	\$17,125
Voice Data System Station	2007	\$33,465	1.100	\$36,812	\$36,812
Emergency Generators	2008	\$276,648	1.042	\$288,267	\$288,267
Zoll Heart Monitor	2008	\$16,826	1.042	\$17,533	\$17,533
Wireless Upgrade-Anthem	2008	\$11,655	1.042	\$12,145	\$12,145
Mask Tester	2010	\$7,894	1.051	\$8,297	\$8,297
Heart Monitor for Engine 549	2010	\$19,135	1.051	\$20,111	\$20,111
Verticon Breathing Appar	2011	\$37,065	1.014	\$37,584	\$37,584
Posi Tester	n/a	\$12,000	1.000	\$12,000	\$12,000
Turnout Gear	n/a	\$52,500	1.000	\$52,500	\$52,500
Self-Contained Breathing App	n/a	\$10,500	1.000	\$10,500	\$10,500
Access Control System	n/a	\$6,108	1.000	\$6,108	\$6,108
Helicopter Landing Pad	n/a	\$40,000	1.000	\$40,000	\$0
<b>Total</b>		<b>\$790,640</b>		<b>\$864,755</b>	<b>\$709,753</b>

Source: Fixed Asset Listings, Year End October 31, 2011, November 10, 2011 and Fire Department, October 31, 2012; inflation factor is ratio of Consumer Price Index for July 2012 to July of acquisition year.

As with equipment, the replacement cost of existing fire apparatus and vehicles is based on original purchase price, inflated to current dollars, as shown in Table 55.

**Table 55. Existing Fire Vehicle Cost**

Vehicle	Year	Original Cost	Inflation Factor	Current Cost
1996 Ferrera Fire Truck	1996	\$168,818	1.459	\$246,305
1998 Pierce Fire Truck	1998	\$438,869	1.404	\$616,172
2002 Pierce Fire Truck #126	2002	\$213,150	1.272	\$271,127
2005 Ford S-Duty F45	2005	\$42,578	1.172	\$49,901
Ford Super Duty F-550	2006	\$88,340	1.126	\$99,471
2004 Ford F-150 Truck (Used)	2008	\$10,650	1.042	\$11,097
2007 Chev G3500 AEV Trauma	2008	\$115,676	1.064	\$123,079
1987 Ford Water Tender (Used)	2011	\$13,500	1.014	\$13,689
2012 Ford F-150 FWD	2012	\$37,511	1.000	\$37,511
2012 Pierce Velocity Pumper Fire Engine	2012	\$670,000	1.000	\$670,000
<b>Total</b>		<b>\$1,799,092</b>		<b>\$2,138,352</b>

Source: Fixed Asset Listings, Year End October 31, 2011, November 10, 2011 and Fire Department, October 31, 2012; inflation factor is ratio of Consumer Price Index for July 2012 to July of acquisition year.

The Town's existing fire facilities have a total estimated replacement cost of \$7.54 million, as summarized in Table 56. Dividing the total cost of existing capital facilities and equipment by the existing number of service units (EDUs) results in a cost of \$1,026 per EDU.

**Table 56. Existing Fire Cost per Service Unit**

	Existing Units	Unit Cost	Total Cost
Fire Station Land (acres)	5.39	\$30,000	\$161,700
Fire Station Building (square feet)	22,000	\$206	\$4,532,000
Fire Vehicles			\$2,138,352
Fire Equipment			\$709,753
<b>Total Existing Fire Facility Value</b>			<b>\$7,541,805</b>
<b>Current Fire Impact Fee Account Balance</b>			<b>\$1,691,836</b>
<b>Total Current Fire Capital Investment</b>			<b>\$9,233,641</b>
<b>÷ Existing Town-Wide EDUs</b>			<b>9,000</b>
<b>Cost per EDU</b>			<b>\$1,026</b>

*Source:* Existing acres and building square feet from Table 52; land value per acre same as park cost per acre from Table 36; building cost per square foot from Table 53; vehicle cost from Table 55; equipment cost from Table 54; existing EDUs from Table 110.

## Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. There are no existing deficiencies, since the fees are based on the existing town-wide level of service, and the Town does not have any revenue sources that are dedicated for future capacity-expanding fire improvements. While the Town has no town-wide debt on past fire improvements, it has issued bonds via the Merrill Ranch Community Facilities Districts to help fund the construction of the permanent Anthem fire station. Consequently, fire impact fees in the Merrill Ranch CFDs should be reduced to take into account that new development in that area will be paying a portion of its share of fire capital costs through CFD property taxes. The amount of the offset is calculated by dividing the amount of the CFD debt by the projected future service units that will be paying off the debt, as shown in Table 57.

**Table 57. Fire CFD Debt Offset**

Bond Issue	Amount
CFD #1 Bond Issue	\$900,000
CFD #2 Bond Issue	\$500,000
<b>Total Debt Principal</b>	<b>\$1,400,000</b>
<b>÷ 2023 Merrill Ranch EDUs</b>	<b>4,511</b>
<b>Debt Offset per EDU</b>	<b>\$310</b>

*Source:* CFD debt issues from Town of Florence, November 9, 2012; 2023 EDUs from Table 111.

The Town has received some grant funding for fire facilities over the last five years. Federal, State and tribal grants for the types of facilities and equipment included in calculating the existing level of service are summarized in Table 58. Over the last five years, the Town received an average of



\$74,144 in Federal, State and tribal grants. Offsets against impact fees for grant funding are not required. Grant funding is not generated by new development, allows the Town to raise the level of service for existing development, and is not guaranteed for the future. Nevertheless, an offset will be provided for potential grant funding, based on the assumption that future grants will follow the historical trend.

**Table 58. Fire Grant Funding Offset**

Fiscal Year	Grant	Description	Source	Amount
2007-08	None	n/a	n/a	\$0
2008-09	2009 GOHS	Extrication Equipment	State	\$11,425
2008-09	2006 SSP Grant	Firetruck and EMS vehicle	Federal	\$300,000
2009-10	2009 GOHS	Extrication Equipment	Federal	\$19,794
2009-10	FEMA-AFG	Mask Fit Tester	Federal	\$8,000
2010-11	None	n/a	n/a	\$0
2011-12	Gila River Indian Comm. Gaming Grant	Public Safety Vehicles (1 fire)	Tribal	\$31,500
Total Five-Year Funding				\$370,719
÷ Years				5
Annual Historical Funding				\$74,144
÷ Existing EDUs				9,000
Annual Funding per EDU				\$8
x Present Value Factor (20 Years)				14.24
Grant Funding Credit per EDU				\$114

Source: Historical grant funding from Town Finance Department, November 9, 2012; existing EDUs from Table 110; present value factor based on discount rate of 3.48%, which is the December 2012 average interest rate on state and local bonds from the U.S. Federal Reserve at <http://www.federalreserve.gov/datadownload/Build.aspx?rel=H15>.

The cost of future fire impact fee studies must be added to the facility and equipment costs. The offset for future CFD debt service payments is subtracted to determine the net cost per service unit in the Merrill Ranch CFDs. The grant funding offset is subtracted from the cost per service unit for all areas. The net costs per service unit are shown in Table 59.

**Table 59. Fire Net Cost per Service Unit**

	Merrill Ranch CFD 1 & 2	Rest of Town
Cost per EDU	\$1,026	\$1,026
Fire Impact Fee Study Cost per EDU	\$5	\$5
– Community Facility District Offset per EDU	-\$310	\$0
– Grant Funding Offset per EDU	-\$114	-\$114
Net Cost per EDU	\$607	\$917

Source: Cost per EDU from Table 56; study cost from Table 112; CFD offset from Table 57; grant funding offset from Table 58.

## Potential Impact Fees

The maximum fire impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedules for the areas within and outside of the Merrill Ranch community facilities districts are presented in Table 60.

**Table 60. Potential Fire Impact Fees**

Land Use	Unit	EDUs/ Unit	Net Cost/EDU		Net Cost/Unit	
			Non-CFD	CFD	Non-CFD	CFD
Single-Family Detached/MH	Dwelling	1.00	\$917	\$607	\$917	\$607
Multi-Family	Dwelling	0.81	\$917	\$607	\$743	\$492
Commercial	1,000 sq. ft.	0.72	\$917	\$607	\$660	\$437
Public/Institutional	1,000 sq. ft.	0.66	\$917	\$607	\$605	\$401
Industrial/Warehouse	1,000 sq. ft.	0.22	\$917	\$607	\$202	\$134

Source: EDUs per unit from Table 109; net cost per EDU from Table 59.

Table 61 compares the current fire impact fees with the updated fire impact fees.

**Table 61. Comparative Fire Fees**

Land Use	Unit	Current Fee	Updated Fee		Percent Change	
			Non-CFD	CFD	Non-CFD	CFD
Single-Family Detached/MH	Dwelling	\$1,096	\$917	\$607	-16%	-45%
Multi-Family	Dwelling	\$788	\$743	\$492	-6%	-38%
Retail/Commercial	1,000 sq. ft.	\$629	\$660	\$437	5%	-31%
Public/Institutional	1,000 sq. ft.	\$629	\$605	\$401	-4%	-36%
Industrial/Warehouse	1,000 sq. ft.	\$362	\$202	\$134	-44%	-63%

Source: Current fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 60.

## Capital Plan

Potential fire impact fee revenue over the next ten years, based on anticipated new development, is estimated to be about \$3.5 million, as shown in Table 62.

**Table 62. Potential Fire Impact Fee Revenue, 2013-2023**

Land Use Type	Unit	New Units	Net Cost/ Unit	Potential Revenue
Single-Family Detached	Dwelling	630	\$917	\$577,710
Multi-Family	Dwelling	0	\$743	\$0
Commercial	1,000 sq ft	1,798	\$660	\$1,186,680
Public/Institutional	1,000 sq ft	285	\$605	\$172,425
Industrial/Warehouse	1,000 sq ft	20	\$202	\$4,040
Subtotal, Outside Merrill Ranch CFDs				\$1,940,855
Single-Family Detached	Dwelling	2,250	\$607	\$1,365,750
Multi-Family	Dwelling	0	\$492	\$0
Commercial	1,000 sq ft	453	\$437	\$197,961
Public/Institutional	1,000 sq ft	0	\$401	\$0
Industrial/Warehouse	1,000 sq ft	118	\$134	\$15,812
Subtotal, Merrill Ranch CFDs				\$1,579,523
<b>Total Potential Revenue</b>				<b>\$3,520,378</b>

Source: New units from Table 10 and Table 15; net cost per unit from Table 60.

Over the next ten years, the Town plans to construct a new fire station and purchase an aerial ladder truck and two fire engines, as shown in Table 63. However, the timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the

planned improvements will necessarily be completed in the next ten years. Some of the improvements may be constructed by the CFD or developers in return for offsets or credits against the fire impact fees. The list of projects may also change to reflect changes from anticipated development patterns. Projected fire impact fees over the next ten years will cover approximately 56% of the planned capital expenditures.

**Table 63. Fire Capital Plan, 2013-2023**

New 110' Aerial Ladder Truck	\$1,420,000
New Fire Engine Tanker/Pumper	\$630,000
New Fire Engine Tanker/Pumper	\$630,000
Fire Station 546 (Hwy 287/Valley Farms)	\$3,570,000
Development Fee Update Studies (2)	\$25,458
<b>Total</b>	<b>\$6,275,458</b>

*Source:* Town of Florence, May 22, 2012 and October 31, 2012; study cost from Table 112.

# POLICE

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The Town provides police protection throughout the town. This section calculates updated police impact fees.

## Service Units

The two most common methodologies used in calculating public safety (fire and police) service units and impact fees are the “calls-for-service” approach and the “functional population” approach. The 2007 study used a less common approach, which relied on limited residential versus nonresidential call data from one year to weight workers as the equivalent of 0.73 persons. The consultant’s experience is that fees based on call data will fluctuate significantly between updates because the distribution of calls is relatively unstable over time, especially for smaller communities.

This update utilizes the “functional population” approach to calculate and assess the police impact fees. This approach is a generally-accepted methodology for both fire and police impact fee types, and is based on the observation that demand for public safety facilities tends to be proportional to the presence of people. This approach generates service unit multipliers that are similar to those based on call data, but are more stable over time.

The service unit for the fire and police impact fee updates is an Equivalent Dwelling Unit, or EDU. The functional population-based multipliers by land use type for fire and police impact fees are converted into EDUs. The description of the functional population methodology, the calculation of the service unit multipliers and the determination of existing and projected fire and police service units are presented in Appendix B.

## Cost per Service Unit

The cost per service unit to provide fire protection to new development is based on the existing level of service provided to existing development. The level of service is quantified as the ratio of the replacement cost of existing police capital facilities to existing police service units.

The Town has a central police station and a recently-completed evidence building in the downtown area. Details are shown in Table 64.

**Table 64. Existing Police Facilities**

Facility	Address	Sq. Ft.	Acres
Police Station	425 N Pinal St	8,400	0.89
Evidence Building	425 N Pinal St	4,416	n/a
<b>Total</b>		<b>12,816</b>	<b>0.89</b>

Source: Town of Florence, November 15, 2011.

The evidence building, completed in June 2012 except for final finish-out, cost \$331 per square foot, as shown in Table 65.

**Table 65. Police Station Cost per Square Foot**

Total Evidence Building Cost	\$1,664,388
– Portion to be Occupied by IT Dept. (15%)	-\$202,629
Eligible Cost of Police Portion	\$1,461,759
÷ Police Square Feet	4,416
Cost per Square Foot	\$331

Source: Town of Florence, March 16, 2012.

The replacement cost of existing police vehicles is based on the most recent purchase price, as shown in Table 66.

**Table 66. Existing Police Vehicle Cost**

Vehicle Type	Number	Unit Cost	Total Cost
Patrol Sedans	25	\$36,500	\$912,500
Vans/SUVs	10	\$36,937	\$369,370
Pick-up Trucks	6	\$36,047	\$216,282
Motorcycles	1	\$26,244	\$26,244
<b>Total</b>	<b>42</b>		<b>\$1,524,396</b>

Source: Fixed Asset Listings, Year End October 31, 2011, November 10, 2011; unit costs based on most recent purchases.

Besides vehicles, the major equipment relied upon by the Police Department is its communications system. The Town is nearing completion to upgrades to the public safety communication system. The upgrades to the system will enhance the communication exchange between dispatch operations, fire operations, police operations and regional public safety partners. Upgraded equipment includes radios, dispatch consoles, repeaters, upgrades to the existing communication tower in the Florence Gardens area, and the construction of a new communication tower in the vicinity of Hunt Highway and Attaway Road. As of June 30, 2012, \$1,179,724 has been spent. An additional amount of \$415,000 has been budgeted to complete the project with a total cost estimated at \$1,594,724.

The Town's existing police facilities have a total estimated replacement cost of \$7.39 million, as summarized in Table 67. Dividing the total cost of existing capital facilities and equipment by the existing number of service units (EDUs) results in a cost of \$821 per EDU.

**Table 67. Existing Police Cost per Service Unit**

	Existing Units	Unit Cost	Total Cost
Police Station Land (acres)	0.89	\$30,000	\$26,700
Police Station Building (square feet)	8,400	\$331	\$2,780,400
Evidence Building (square feet)	4,416	\$331	\$1,461,696
Police Vehicles			\$1,524,396
Communications System			\$1,594,724
<b>Total Existing Police Facility Value</b>			<b>\$7,387,916</b>
÷ Existing Town-Wide EDUs			9,000
<b>Cost per EDU</b>			<b>\$821</b>

Source: Existing acres and building square feet from Table 64; land value per acre same as park cost per acre from Table 36; building cost per square foot from Table 65; vehicle cost from Table 66; communications system cost from Town Finance Department, November 9, 2012; existing EDUs from Table 110.

## Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. The Town has no outstanding debt on past police improvements, nor does the Town have any revenue sources that are dedicated for future capacity-expanding police improvements. Consequently, no offsets against the police impact fee are required based on these criteria.

The Town has received considerable grant funding for police facilities over the last five years. Federal, State and tribal grants for the types of facilities and equipment included in calculating the existing level of service are summarized in Table 68. Over the last five years, the Town received \$119,250 annually in Federal, State and tribal grants (additional grants for types of equipment not included in the level of service calculations, such as in-car laptops, radar guns, uniforms and bullet-proof vests, are not shown in the table). Offsets against impact fees for grant funding are not required. Grant funding is not generated by new development, allows the Town to raise the level of service for existing development, and is not guaranteed for the future. Nevertheless, an offset will be provided for potential grant funding, based on the assumption that future grants will follow the historical trend.

**Table 68. Police Grant Funding Offset**

Fiscal Year	Grant	Description	Source	Amount
2007-08	None	n/a	n/a	\$0
2008-09	2008 GADA (Match Grant)	Police Evidence Bldg	State	\$36,000
2008-09	FEMA-AFG	Public Safety Communication Project	Federal	\$65,400
2008-09	Dept of Homeland Security	Communications System Upgrades	Federal	\$280,000
2009-10	2009 Tohono O'odham 12% Gaming Grant	Motorcycle for PD	Tribal	\$30,000
2010-11	2010 FEMA-AFG	Public Safety Communication Project	Federal	\$65,331
2011-12	Gila River Indian Comm. Gaming Grant	Public Safety Vehicles (3 police)	Tribal	\$94,500
2011-12	Town PSSG -Police	Patrol Car	Federal	\$25,020
Total				\$596,251
÷ Years				5
Annual Grant Funding				\$119,250
÷ Existing EDUs				9,000
Annual Grant Funding per EDU				\$13.25
x Present Value Factor (25 Years)				16.52
Grant Offset per EDU				\$219

Source: Grant funding from Town Finance Department, November 9, 2012; existing EDUs from Table 110; present value factor based on discount rate of 3.48%, which is the December 2012 average interest rate on state and local bonds from the U.S. Federal Reserve at <http://www.federalreserve.gov/datadownload/Build.aspx?rel=H15>.

The cost of future police impact fee studies must be added to the facility and equipment costs. The offset for future grant funding is subtracted to determine the net cost per service unit (see Table 69 below).



**Table 69. Police Net Cost per Service Unit**

Cost per EDU	\$821
Police Impact Fee Study Cost per EDU	\$5
– Grant Offset per EDU	-\$219
<b>Net Cost per EDU</b>	<b>\$607</b>

Source: Cost per EDU from Table 67; study cost from Table 113; grant offset from Table 68.

## Potential Impact Fees

The maximum police impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 70.

**Table 70. Potential Police Impact Fees**

Land Use	Unit	EDUs/ Unit	Net Cost/ EDU	Net Cost per Unit
Single-Family Detached/MH	Dwelling	1.00	\$607	\$607
Multi-Family	Dwelling	0.81	\$607	\$492
Commercial	1,000 sq. ft.	0.72	\$607	\$437
Public/Institutional	1,000 sq. ft.	0.66	\$607	\$401
Industrial/Warehouse	1,000 sq. ft.	0.22	\$607	\$134

Source: EDUs per unit from Table 109; net cost per EDU from Table 69.

Table 71 compares the current police impact fees with the updated police impact fees.

**Table 71. Comparative Police Fees**

Land Use	Unit	Current Fee	Revised Fee	Percent Change
Single-Family Detached/MH	Dwelling	\$913	\$607	-34%
Multi-Family	Dwelling	\$657	\$492	-25%
Retail/Commercial	1,000 sq. ft.	\$171	\$437	156%
Public/Institutional	1,000 sq. ft.	\$171	\$401	135%
Industrial/Warehouse	1,000 sq. ft.	\$98	\$134	37%

Source: Previous fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 70.

## Capital Plan

Potential police impact fee revenue over the next ten years, based on anticipated new development, is estimated to be about \$2.87 million, as shown in Table 72.

**Table 72. Potential Police Impact Fee Revenue, 2013-2023**

New EDUs, 2013-2023	4,720
x Net Cost per EDU	\$607
<b>Projected Impact Fee Revenue</b>	<b>\$2,865,040</b>

Source: New EDUs from Table 110; net cost per EDU from Table 69.

Over the next ten years, the Town plans to acquire land for and construct a new 19,000 square-foot police station with an estimated cost of \$8 million, as shown in Table 73. Projected police impact fees over the next ten years will cover approximately 36% of the eligible planned capital expenditures.

**Table 73. Police Capital Plan, 2013-2023**

New Police Station	\$8,000,000
Impact Fee Update Studies (2)	\$25,458
<b>Total</b>	<b>\$8,025,458</b>

*Source:* Town of Florence, May 22, 2012; study update cost from Table 112.

# WATER

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The Town has charged new water customers a water impact fee since 2003. The fees were originally based on a study by Black and Veatch. The water impact fees were updated in 2007 based on a study by MuniFinancial. This study represents the second update of the water impact fees.

## Service Units

To calculate water and wastewater impact fees, the demand associated with different types of customers must be expressed in a common unit of measurement, called a “service unit.” The service unit for the Town’s water and wastewater impact fees is an “equivalent dwelling unit” (EDU). An EDU is a single-family detached dwelling unit or its equivalent in terms of water demand. The number of service units associated with different customers is determined by the capacity of the water meter relative to the capacity of the smallest meter size, which is typically used by a single-family unit. Table 74 below presents recommended EDU multipliers for various meter sizes based on meter capacities from the American Water Works Association.

**Table 74. Meter Capacity Ratios**

Meter Size	Type	Capacity (gpm)	EDU Multiplier
5/8"x3/4"	Disc	10	1.0
1"	Disc	25	2.5
1 1/2"	Disc	50	5.0
2"	Disc	80	8.0
3"	Compound	160	16.0
3"	Turbine	175	17.5
4"	Compound	250	25.0
4"	Turbine	300	30.0
6"	Compound	500	50.0
6"	Turbine	625	62.5
8"	Turbine	900	90.0
10"	Turbine	1,450	145.0
12"	Turbine	2,150	215.0

*Source:* Meter capacities in gallons per minute (gpm) represent the recommended maximum rates for continuing operations from the American Water Works Association for disc meters (AWWA C700), compound meters (AWWA C702) and vertical shaft and low-velocity horizontal turbine meters (AWWA C701).

The original EDU multipliers used in the 2007 impact fee study are shown in Table 75 below for comparison. The meter ratios for larger meters should be increased based on current AWWA meter capacity standards.

**Table 75. Comparative Meter Capacity Ratios**

Meter Size	Type	Meter Ratios		Percent Change
		Current	Updated	
5/8"x3/4"	Disc	1.00	1.00	0%
1"	Disc	1.67	2.50	50%
1 1/2"	Disc	3.33	5.00	50%
2"	Disc	6.67	8.00	20%
3"	Compound	10.67	16.00	50%
3"	Turbine	10.67	17.50	64%
4"	Compound	16.67	25.00	50%
4"	Turbine	16.67	30.00	80%
6"	Compound	33.33	50.00	50%
6"	Turbine	33.33	62.50	88%
8"	Turbine	80.00	90.00	13%
10"	Turbine	126.67	145.00	14%
12"	Turbine	166.67	215.00	29%

Source: Current meter capacity ratios from MuniFinancial, *Town of Florence Development Impact Fee Study*, May 2007, Table 9-5; updated ratios from Table 74.

Town water billing records for 2002 and 2012 provide the number of annual active meters by size and type. Multiplying the number of active meters by the EDUs per meter yields the number of customers, expressed in terms of service units (EDUs), over this recent ten-year period, as shown in Table 76.

**Table 76. Water Service Units, 2002-2012**

Meter Size	Type	2002 Meters		2012 Meters		EDUs/ Meter	2002 EDUs		2012 EDUs	
		South	North	South	North		South	North	South	North
5/8"x3/4"	Disc	1,178	1,726	1,350	1,981	1.00	1,178	1,726	1,350	1,981
1"	Disc	75	2	81	3	2.50	188	5	203	8
1 1/2"	Disc	0	0	0	2	5.00	0	0	0	10
2"	Disc	37	8	60	13	8.00	296	64	480	104
3"	Compound	0	3	5	1	16.00	0	48	80	16
3"	Turbine	0	0	1	3	17.50	0	0	18	53
4"	Compound	28	1	2	0	25.00	700	25	50	0
4"	Turbine	0	0	2	0	30.00	0	0	60	0
6"	Compound	0	0	0	0	50.00	0	0	0	0
6"	Turbine	0	0	6	1	62.50	0	0	375	63
8"	Turbine	0	0	1	0	90.00	0	0	90	0
10"	Turbine	0	0	1	0	145.00	0	0	145	0
12"	Turbine	0	0	0	0	215.00	0	0	0	0
<b>Total</b>		<b>1,318</b>	<b>1,740</b>	<b>1,509</b>	<b>2,004</b>		<b>2,362</b>	<b>1,868</b>	<b>2,851</b>	<b>2,235</b>

Source: Meters by size for 2001-2002 fiscal year and as of June 30, 2012 City of Florence water billing records, September 28, 2012; EDUs/meter from Table 74; EDUs is product of meter count and EDUs/meter.

The growth in water service units over this recent ten-year period provides a reasonable basis for projecting growth over the next ten years. These projections are shown in Table 77.

**Table 77. Water Service Units, 2013-2023**

	South	North	Total
2012 EDUs	2,851	2,235	5,086
- 2002 EDUs	2,362	1,868	4,230
New EDUs, 2002-2012	489	367	856
÷ Years	10	10	10
Annual New EDUs	49	37	86
Estimated 2013 EDUs	2,900	2,272	5,172
Estimated New EDUs, 2013-2023	489	367	856
Estimated 2023 EDUs	3,389	2,639	6,028

Source: 2002 and 2012 EDUs from Table 76; 2013 and 2023 EDUs based on annual growth from 2002-2012.

Current water demands from existing customers are evaluated based on recent water demand. For the one-year period from September 2010 through August 2011, the Town's wells produced an average of 1.925 million gallons per day (mgd), as shown in Table 78.

**Table 78. Water Production, 9/2010 through 8/2011**

Month	Year	Gallons	MGD
September	2010	57,972,151	1.932
October	2010	72,866,801	2.351
November	2010	49,288,222	1.643
December	2010	57,069,544	1.841
January	2011	47,557,953	1.534
February	2011	48,418,200	1.729
March	2011	53,726,313	1.733
April	2011	60,474,687	2.016
May	2011	69,187,943	2.232
June	2011	58,206,764	1.940
July	2011	61,849,778	1.995
August	2011	65,851,229	2.124
Total Produced		702,469,585	1.925

Source: Town of Florence, May 31, 2012.

A water system must be able to meet peak day demand. The Town uses a peak day factor of 2.0 times average day demand. Based on this factor, current peak day demand is estimated to be 756 gallons per day (gpd) per service unit.

**Table 79. Water Demand per Service Unit**

Average Day Demand (gpd), 2011	1,925,000
÷ 2012 Water EDUs	5,086
Average Day Demand (gpd) per EDU	378
x Peaking Factor	2.0
Peak Day Demand (gpd) per EDU	756

Source: 2011 average day demand from Table 78; 2012 EDUs from Table 76; peaking factor from Town of Florence Public Works Department, November 1, 2012.

## Cost per Service Unit

According to SB 1525, impact fees “shall be based on the same level of service provided to existing development.” The capacity of a water system is based on firm capacity, which is typically calculated at 75% of full capacity, or for smaller systems with the largest well out of service. The Town’s water production facilities provide adequate capacity to accommodate the peak water demands of existing water customers, as shown in Table 80. In addition, the Town’s Water Master Plan states that all components of the water system, including wells, storage facilities and transmission lines, are adequate to accommodate existing customers.

**Table 80. Existing Water Level of Service**

Facility	gpm	mgd
Well No. 1	1,500	2.160
Well No. 3*	2,500	3.600
Well No. 4	1,000	1.440
Well No. 5	1,500	2.160
Total Capacity	6,500	9.360
– Capacity of Largest Well	-2,500	-3.600
Total, Firm Capacity	5,000	5.760
Existing Peak Demand		3.850

\* planned to be in service in July 2013

Source: Well capacities from Town of Florence Public Works Department, November 10, 2011; firm capacity is with largest well out of service; peak demand from Table 79.

While the Town’s water system is adequate to accommodate existing customers, there is little excess capacity to accommodate growth. The cost to serve new customers will be based on new facilities identified in the Water Master Plan. These new facilities consist primarily of new water campuses, each containing a well, pump and storage tank, and transmission lines. The cost of a water campus is estimated by the Town to be \$3 million, as shown in Table 81. Dividing the cost by the capacity results in a water campus cost of \$1.11 per gallon per day (gpd).

**Table 81. Water Campus Cost**

Well Drilling	\$750,000
Pump (2,500 gpm)	\$1,150,000
Storage (1 MG)	\$1,100,000
Total	\$3,000,000
÷ Water Campus Firm Capacity (gpd)	2,700,000
Water Cost per gpd	\$1.11

Source: Town of Florence Public Works Department, September 20, 2012; firm capacity is 75% of capacity per Water Master Plan.

The need for new water transmission lines to serve new customers is derived from the Water Master Plan. Lines 12” in diameter and smaller are excluded, because those smaller lines will typically be installed by developers. As shown in Table 82, future transmission lines will cost \$1.47 per gallon per day of additional water customer demand.



**Table 82. Water Transmission Line Cost**

Pipe Size	Planned Linear Feet	Cost/ Foot	Cost
16" Pipe	387,500	\$156	\$60,450,000
20" Pipe	91,820	\$197	\$18,088,540
24" Line	85,200	\$227	\$19,340,400
30" Pipe	15,880	\$281	\$4,462,280
Total Cost			\$102,341,220
÷ Projected New Peak Day Demand (gpd)			69,737,760
Transmission Line Cost per gpd			\$1.47

Source: Planned lines, costs and projected demand from Fluid Solutions, *Town of Florence Water Master Plan*, 2008, except that cost per foot for 16" reduced per Town Public Works Department, October 1, 2012.

Adding water campus and transmission line costs to derive a total cost per gallon per day of demand, and multiplying that sum by the peak day demand per service unit results in a cost of \$1,950 per service unit to provide the capital facilities needed to accommodate additional water customers, as shown in Table 83.

**Table 83. Water Cost per Service Unit**

Water Campus Cost per Gallon/Day	\$1.11
Transmission Line Cost per Gallon/Day	\$1.47
Total Cost per Gallon/Day	\$2.58
x Peak Day Demand per EDU (gpd)	756
Water Cost per EDU	\$1,950

Source: Water campus cost from Table 81; transmission line cost from Table 82; peak day demand per EDU from Table 79.

## Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. The Town’s water system does not have any existing deficiencies, there are no revenue sources dedicated for future capacity-expanding water improvements, and no grants have been received in the recent past or are anticipated to be received in the future to help defray growth-related capital costs of expanding the water system. Consequently, no offsets against the water impact fees are required based on those criteria.

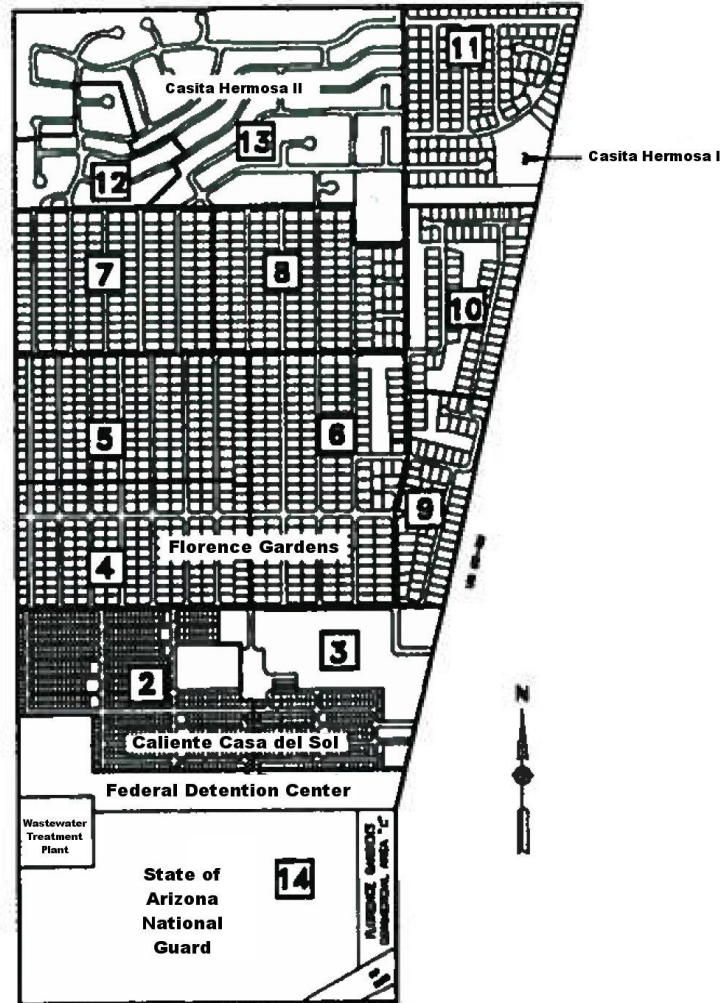
There is some debt on the water system, stemming from the purchase of the Arizona Sierra Water Utility, which is being retired with assessments on property in the North Florence Improvement District (see Figure 8). Since these properties will not be subject to the water impact fees, no additional offset is required. Since no offsets are required, the net cost per service unit is the sum of the facility cost per service unit and the study cost per service unit, as shown in Table 84 below.

**Table 84. Water Net Cost per Service Unit**

Water Cost per EDU	\$1,950
Water Study Cost per EDU	\$30
Water Net Cost per EDU	\$1,980

Source: Cost per EDU from Table 83; study cost from Table 113.

**Figure 8. North Florence Improvement District**



**Potential Impact Fees**

The maximum water impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 85.

**Table 85. Potential Water Impact Fees**

Meter Size	Type	EDUs per Meter	Net Cost/ EDU	Net Cost/ Meter
5/8"x3/4"	Disc	1.0	\$1,980	\$1,980
1"	Disc	2.5	\$1,980	\$4,950
1 1/2"	Disc	5.0	\$1,980	\$9,900
2"	Disc	8.0	\$1,980	\$15,840
3"	Compound	16.0	\$1,980	\$31,680
3"	Turbine	17.5	\$1,980	\$34,650
4"	Compound	25.0	\$1,980	\$49,500
4"	Turbine	30.0	\$1,980	\$59,400
6"	Compound	50.0	\$1,980	\$99,000
6"	Turbine	62.5	\$1,980	\$123,750
8"	Turbine	90.0	\$1,980	\$178,200
10"	Turbine	145.0	\$1,980	\$287,100
12"	Turbine	215.0	\$1,980	\$425,700

Note: Fees will not be assessed in North Florence Improvement District.

Source: EDUs per meter from Table 74; net cost per EDU from Table 84.

Table 86 compares the current water impact fees with the updated impact fees. The updated fees would apply to all new customers outside the North Florence Improvement District. The updated fees are lower for most meter sizes and types.

**Table 86. Comparative Water Fees**

Meter Size	Type	Current Fee	Updated Fee	Percent Change
5/8"x3/4"	Disc	\$3,330	\$1,980	-41%
1"	Disc	\$5,550	\$4,950	-11%
1 1/2"	Disc	\$11,101	\$9,900	-11%
2"	Disc	\$22,201	\$15,840	-29%
3"	Compound	\$35,522	\$31,680	-11%
3"	Turbine	\$35,522	\$34,650	-2%
4"	Compound	\$55,503	\$49,500	-11%
4"	Turbine	\$55,503	\$59,400	7%
6"	Compound	\$111,007	\$99,000	-11%
6"	Turbine	\$111,007	\$123,750	11%
8"	Turbine	\$266,415	\$178,200	-33%
10"	Turbine	\$421,825	\$287,100	-32%
12"	Turbine	\$555,031	\$425,700	-23%

Source: Current fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees for all new customers except those in the North Florence Improvement District from Table 85.

## Capital Plan

Potential water impact fee revenue over the next ten years, based on anticipated new customers, is estimated to be about \$1.69 million, as shown in Table 87. Since the new customer projections are based on historical trends, they implicitly assume that the Merrill Ranch area in the North service area will continue to be served by Johnson Utilities. Even if the Town does begin to provide water service to that area, revenues may not be much higher, since water fees may need to be reduced to provide offsets for water improvements funded by the Community Facilities Districts.

**Table 87. Potential Water Impact Fee Revenue, 2013-2023**

	South	North	Total
New Water Customers, 2013-2023 (EDUs)	489	367	856
x Net Cost per EDU (Outside N Florence Imp. District)	\$1,980	\$1,980	\$1,980
<b>Potential Water Impact Fee Revenue, 2013-2023</b>	<b>\$968,220</b>	<b>\$726,660</b>	<b>\$1,694,880</b>

Source: New EDUs from Table 77; net cost per EDU outside the North Florence Improvement District from Table 84.

Over the next ten years, the Town anticipates the need for a number of improvements totaling an estimated \$13.44 million, as shown in Table 88. However, the timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some of the improvements may be constructed by developers in return for offsets or credits against the water impact fees. The list of projects may also change to reflect changes from anticipated development patterns. Projected water impact fees over the next ten years will cover approximately 13% of the planned capital expenditures.

**Table 88. Water Capital Plan, 2013-2023**

Planned Improvement	Description	Total
Prison Complex Water Line (NE)	4,680' of 16" water line	\$732,000
Water Transmission Line Ext (Well 5 to 4)	5,653' of 12" water line	\$968,000
Valley Farms Area Well #1	New water campus, w/o storage tank	\$1,930,000
New Well, SE (Majestic Ranch)	Provide water to annexed areas SE of Town	\$1,120,000
Water Storage Tank, SE	Water tank on improved site to supply SE area	\$1,050,000
Impact Fee Studies (2)		\$14,543
<b>Subtotal, South Service Area</b>		<b>\$5,814,543</b>
N Florence Water Storage Transmission Line	Looped line from Well #1 to storage tank at FG	\$1,150,000
Water Transmission Line Ext (Caliente-Calif)	8,700' of 12" line extension	\$1,665,000
Felix Road Well (Zone A1)	Prove out existing well	\$980,000
Merrill Ranch Well #1 and Storage Tank	Shallow well, 0.50 mg tank	\$1,900,000
Merrill Ranch Well #2		\$1,920,000
Impact Fee Studies (2)		\$10,915
<b>Subtotal, North Service Area</b>		<b>\$7,625,915</b>
<b>Total</b>		<b>\$13,440,458</b>

Source: Town of Florence, March 18, 2012; total study cost from Table 112, allocated between service areas based on projected new EDUs from Table 77.

# WASTEWATER

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The Town has charged new wastewater customers a wastewater impact fee since 2003. The fees were originally based on a study by Black and Veatch. The wastewater impact fees were updated in 2007 based on a study by MuniFinancial. This study represents the second update of the wastewater impact fees.

## Service Units

To calculate wastewater impact fees, the demand associated with different types of customers must be expressed in a common unit of measurement, called a “service unit.” The service unit for the Town’s water and wastewater impact fees is an “equivalent dwelling unit” (EDU). An EDU is a single-family detached dwelling unit or its equivalent in terms of water or wastewater demand. For water, the number of service units associated with different customers is determined by the capacity of the water meter relative to the capacity of the smallest meter size, which is typically used by a single-family unit. For wastewater, an adjustment is warranted to take into account that more of the water consumed by non-single-family customers is returned to the wastewater system (that is, less is used for lawn watering and irrigation). According to the Town’s Public Works Department, approximately 25% of single-family water usage is for irrigation, compared to a de minimus percentage for other customers. Consequently, the wastewater service unit multipliers for non-single-family customers are derived by dividing the water multipliers by 0.75, as shown in Table 89.

**Table 89. Wastewater Service Unit Multipliers**

Meter Size	Type	Water	Wastewater
5/8"x3/4"	Disc-Resid.	1.0	1.0
5/8"x3/4"	Disc-Other	1.0	1.3
1"	Disc	2.5	3.3
1 1/2"	Disc	5.0	6.7
2"	Disc	8.0	10.7
3"	Compound	16.0	21.3
3"	Turbine	17.5	23.3
4"	Compound	25.0	33.3
4"	Turbine	30.0	40.0
6"	Compound	50.0	66.7
6"	Turbine	62.5	83.3
8"	Turbine	90.0	120.0
10"	Turbine	145.0	193.3
12"	Turbine	215.0	286.7

*Source:* Water service unit multipliers from Table 74; wastewater service unit multiplier for non-single-family customers are water multipliers divided by 0.75.

The original EDU multipliers used in the 2007 impact fee study are shown in Table 90 below for comparison. The service unit multipliers for non-single-family meters should be increased significantly to better reflect actual wastewater demand.

**Table 90. Comparative Wastewater Service Unit Multipliers**

Meter Size	Type	Meter Ratios		Percent Change
		Current	Updated	
5/8"x3/4"	Disc-Resid.	1.00	1.00	0%
5/8"x3/4"	Disc-Other	1.00	1.30	30%
1"	Disc	1.67	3.30	98%
1 1/2"	Disc	3.33	6.70	101%
2"	Disc	6.67	10.70	60%
3"	Compound	10.67	21.30	100%
3"	Turbine	10.67	23.30	118%
4"	Compound	16.67	33.30	100%
4"	Turbine	16.67	40.00	140%
6"	Compound	33.33	66.70	100%
6"	Turbine	33.33	83.30	150%
8"	Turbine	80.00	120.00	50%
10"	Turbine	126.67	193.30	53%
12"	Turbine	166.67	286.70	72%

Source: Current meter capacity ratios from MuniFinancial, *Town of Florence Development Impact Fee Study*, May 2007, Table 9-5; updated ratios from Table 89.

Determining the number of service units is more difficult for wastewater than it is for water, since some wastewater customers are not water customers, and the Town's records for wastewater customers do not include information on water meter size. However, data on average water service units per customer can be used to estimate the same for wastewater. As shown in Table 91, non-single-family customers can be expected to use 4.89 times as much water as a single-family customer. However, as noted above, it is estimated that only 75% of single-family water use returns to the wastewater system, since the rest is used for lawn watering. As a result, the number of wastewater service units per customer for non-single-family customers is 30% higher ( $1.00 \div 0.75 = 1.30$ ) than the water service units per customer.

**Table 91. Wastewater Service Unit Multipliers by Customer Class**

Customer Class	2012 Water Customers	2012 Water EDUs	Water EDUs/Customer	Wastewater EDUs/Customer
Single-Family	3,101	3,101	1.00	1.00
Other	406	1,985	4.89	6.36
Total	3,507	5,086	1.45	n/a

Source: 2012 water customers by class from Town billing records as of June 30, 2012; 2012 total water EDUs from Table 76; single-family water EDUs are the same as single-family customers by definition; other water EDUs is the difference between single-family and total water EDUs; water EDUs/customer is ratio of EDUs to customers; wastewater EDUs per non-single-family customer is 1.30 times water EDUs per non-single-family customer, as described in the preceding text.

The current number of wastewater service units is estimated in Table 92. It is estimated that existing wastewater customers generate 4,242 equivalent dwelling units (EDUs) of wastewater demand Town-wide.



**Table 92. Wastewater Service Units, 2012**

	South	North	Total
2012 Single-Family Customers	943	1,671	2,614
x EDUs per Single-Family Customer	1.00	1.00	1.00
2012 Single-Family EDUs	943	1,671	2,614
2012 Other Customers	214	42	256
x EDUs per Other Customer	6.36	6.36	6.36
2012 Other Customer EDUs	1,361	267	1,628
2012 Total EDUs	2,304	1,938	4,242
÷ 2012 Total Customers	1,157	1,713	2,870
Average EDUs per Customer	1.99	1.13	1.48

Source: 2012 wastewater customers by class from Town billing records as of June 30, 2012; wastewater EDUs per customer from Table 91.

The growth in wastewater service units over the last ten years (2002-2012) provide a reasonable basis for projecting growth over the 2013-2023 period, as shown in Table 93.

**Table 93. Wastewater Service Units, 2013-2023**

	South	North	Total
2002 Customers	1,116	1,550	2,666
x EDUs per Customer	1.99	1.13	
2002 EDUs	2,221	1,752	3,973
2012 EDUs	2,304	1,938	4,242
- 2002 EDUs	-2,221	-1,752	-3,973
New EDUs, 2002-2012	83	186	269
÷ Years	10	10	10
Annual New EDUs	8	19	27
Estimated 2013 EDUs	2,312	1,957	4,269
Estimated New EDUs, 2013-2023	83	186	269
Estimated 2023 EDUs	2,395	2,143	4,538

Source: 2002 wastewater customers from Town utility billing records as of June 30, 2012; EDUs per customer and 2012 EDUs from Table 92; 2013 and 2023 EDUs based on annual EDU growth from 2002-2012.

Average day water demand for a single-family unit is estimated to be 378 gallons per day (gpd). Single-family customers typically return only 75% of their water use to the wastewater system, with the remainder used for outdoor watering. This indicates that the average wastewater demand is 284 gpd per service unit, as shown in Table 94.

**Table 94. Wastewater Demand per Service Unit**

Average Daily Water Demand (gpd) per EDU	378
x % of Single-Family Water Returned	75%
Average Daily Wastewater Demand per EDU (gpd)	284

Source: Average daily water demand per EDU from Table 79.

## Cost per Service Unit

According to SB 1525, impact fees “shall be based on the same level of service provided to existing development.” The Town’s wastewater production facilities provide adequate capacity to accommodate the peak wastewater demands of existing wastewater customers, as shown in Table 95. In addition, the Town’s Wastewater Master Plan states that all components of the wastewater system are adequate to accommodate existing customers.

**Table 95. Existing Wastewater Level of Service**

Existing Capacity (mgd)	2.920
– Existing Demand (mgd)	2.095
<b>Existing Excess Capacity (mgd)</b>	<b>0.825</b>

*Source:* Treatment capacity from Town of Florence Public Works Department, November 10, 2011; existing demand is average daily influent flows from September 2010 through August 2011 from Public Works, November 15, 2011.

While the Town’s wastewater system is adequate to accommodate existing customers, there is little excess capacity to accommodate growth. The cost to serve new customers will be based on new facilities identified in the Wastewater Master Plan and the Town’s capital plan. These new facilities consist primarily of wastewater treatment plant expansions, interceptors and lift stations, and sewer cleaning equipment.

The cost of adding new wastewater treatment plant capacity varies by service area, as shown in Table 96. In the south, the existing 2.5 mgd treatment plant is planned to be expanded to 4.0 mgd. At an estimated cost of \$12.5 million, the cost of the additional capacity is \$8.35 per gpd. In the north, the initial temporary package plant will cost an estimated \$4.0 million and have a capacity of 200,000 gpd, for a cost of \$20.00 per gpd. The plan is for the initial package plant to be replaced by a Phase II membrane plant with a cost of \$14.95 per gpd. It is anticipated that the northern plants will be constructed by the Merrill Ranch community facilities district, and that the Town will purchase approximately 0.50 mgd of capacity in the Phase II plant to replace the current 0.42 mgd Florence Gardens treatment plant and add some capacity to accommodate growth. To be conservative, treatment plant costs will be based on the cost to add capacity to the southern plant.

**Table 96. Wastewater Treatment Plant Cost per Service Unit**

	South	North, Ph I	North, Ph II
Treatment Plant Cost	\$12,525,000	\$4,000,000	\$14,950,000
÷ New Treatment Capacity (gpd)	1,500,000	200,000	1,000,000
<b>Treatment Cost per gpd</b>	<b>\$8.35</b>	<b>\$20.00</b>	<b>\$14.95</b>

*Source:* Town of Florence Public Works Department, March 28, 2012.

The need for new wastewater interceptors and lift stations to serve new customers to build-out is derived from the Wastewater Master Plan. As shown in Table 97, future interceptor and lift station costs will vary somewhat by service area. To be conservative, the interceptor and lift station cost per service unit will be based on the lower cost of \$2.64 per gallon per day of additional wastewater customer demand for the south service area.

**Table 97. Wastewater Interceptor/Lift Station Cost per Service Unit**

	Planned Quantities		Cost/ Unit	Planned Costs		
	South	North		South	North	Total
10" PVC (feet)	60,000	11,000	\$55	\$3,300,000	\$605,000	\$3,905,000
12" PVC (feet)	29,400	17,300	\$65	\$1,911,000	\$1,124,500	\$3,035,500
15" PVC (feet)	29,500	7,000	\$76	\$2,242,000	\$532,000	\$2,774,000
18" PVC (feet)	17,600	0	\$91	\$1,601,600	\$0	\$1,601,600
21" PVC (feet)	29,800	700	\$105	\$3,129,000	\$73,500	\$3,202,500
24" PVC (feet)	28,900	17,300	\$121	\$3,496,900	\$2,093,300	\$5,590,200
30" PVC (feet)	43,000	2,500	\$177	\$7,611,000	\$442,500	\$8,053,500
36" PVC (feet)	34,900	0	\$192	\$6,700,800	\$0	\$6,700,800
48" Manhole (each)	517	193	\$5,600	\$2,895,200	\$1,080,800	\$3,976,000
60" Manhole (each)	173	45	\$7,700	\$1,332,100	\$346,500	\$1,678,600
72" Manhole (each)	1	0	\$9,300	\$9,300	\$0	\$9,300
84" Manhole (each)	19	2	\$10,900	\$207,100	\$21,800	\$228,900
Lift Station B-1 (mgd)	7.92	0.00	\$0.50	\$3,960,000	\$0	\$3,960,000
Lift Station C-1 (mgd)	12.96	0.00	\$0.50	\$6,480,000	\$0	\$6,480,000
Lift Station D-1 (mgd)	0.00	5.04	\$0.50	\$0	\$2,520,000	\$2,520,000
Lift Station D-2 (mgd)	0.00	10.37	\$0.50	\$0	\$5,185,000	\$5,185,000
Lift Station D-3 (mgd)	0.00	4.71	\$0.50	\$0	\$2,355,000	\$2,355,000
Lift Station D-4 (mgd)	0.00	0.60	\$0.50	\$0	\$300,000	\$300,000
Lift Station D-5 (mgd)	0.00	0.40	\$0.50	\$0	\$200,000	\$200,000
<b>Total Build-Out Cost</b>				<b>\$44,876,000</b>	<b>\$16,879,900</b>	<b>\$61,755,900</b>
<b>Build-Out Growth in Demand (gpd)</b>				<b>16,996,133</b>	<b>5,938,560</b>	<b>22,934,693</b>
<b>Cost per gpd</b>				<b>\$2.64</b>	<b>\$2.84</b>	<b>\$2.69</b>

Source: Planned lines, manholes and lift station quantities from Fluid Solutions, *Town of Florence Wastewater Master Plan*, 2008; costs per unit from Town of Florence Public Works Department, September 14, 2012.

A final cost component is the equipment required to clean the wastewater lines. The Town's existing equipment will need to be replaced with updated equipment to maintain the larger interceptors required to accommodate anticipated growth. The growth-related share of this cost is determined using an incremental expansion approach based on the existing level of service. This is calculated in Table 98.

**Table 98. Wastewater Equipment Cost per Service Unit**

Replacement Value of Existing Equipment	\$58,000
÷ Existing Wastewater Demand (gpd)	2,095,000
<b>Cleaning Equipment Cost per gpd</b>	<b>\$0.03</b>

Source: Replacement value of existing sewer cleaning equipment from Town of Florence Public Works Department, September 19, 2012; existing wastewater demand from Table 95.

Adding wastewater treatment, interceptor/lift station and cleaning equipment costs results in the total cost per gallon per day of demand. Multiplying that sum by the demand per service unit results in a cost of \$3,130 per service unit to provide the capital facilities needed to accommodate additional wastewater customers, as shown in Table 99.

**Table 99. Wastewater Cost per Service Unit**

Treatment Plant Cost per gpd	\$8.35
Interceptor/Lift Station Cost per gpd	\$2.64
Cleaning Equipment Cost per gpd	\$0.03
<b>Total Cost per gpd</b>	<b>\$11.02</b>
x Demand per EDU (gpd)	284
<b>Wastewater Cost per EDU</b>	<b>\$3,130</b>

Source: Treatment plant cost per gpd from Table 96; interceptor/lift station cost per gpd from Table 97; cleaning equipment cost per gpd from Table 98; demand per EDU from Table 94.

## Net Cost per Service Unit

As noted in the Legal Framework section of this report, impact fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the impact fees. Cases in which such an offset is warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements. The Town’s wastewater system does not have any existing deficiencies, there are no revenue sources dedicated for future capacity-expanding wastewater improvements, and no grants have been received in the recent past or are anticipated to be received in the future to help defray growth-related capital costs of expanding the wastewater system. Consequently, no offsets against the wastewater impact fees are required based on those criteria.

There is some system-wide debt on the wastewater system, outstanding from the \$7.5 million loan from the Water Infrastructure Authority of Arizona (WIFA) for improvements to the south Florence treatment plant. A second WIFA loan for \$1.3 million taken out in 2009 and to be used for the future expansion of the south Florence treatment plan has not been spent, and no offset is required for this debt. A simple way to calculate an offset is to divide the outstanding debt by existing service units. This puts new customers on equal terms with current wastewater customers in terms of the portion of the capital costs needed to serve them that will be borne by general utility system debt. The offset for the system-wide debt is \$1,085 per service unit, as shown in Table 100.

**Table 100. Wastewater System-Wide Debt Offset**

Water Infrastructure Authority of Arizona Loan 1	\$4,601,318
÷ Existing Wastewater EDUs	4,242
<b>Debt Offset per EDU</b>	<b>\$1,085</b>

Source: Outstanding debt as of July 30, 2012 from Town of Florence Finance Department; existing EDUs from Table 92.

In addition, there is some debt stemming from the purchase of the Arizona Sierra Water Utility, which is being retired with assessments on property in the Florence Gardens area. Since these properties will not be subject to the wastewater impact fees, no additional offset is required. The net cost per service unit is the sum of the facility cost and the impact fee study per service unit, less the system-wide debt offset per service unit (see Table 101 below).

**Table 101. Wastewater Net Cost per Service Unit**

Facility Cost per EDU	\$3,130
Study Cost per EDU	\$95
– System-Wide Debt Offset per EDU	-\$1,085
<b>Net Cost per EDU</b>	<b>\$2,140</b>

Source: Facility cost per EDU from Table 99; study cost from Table 113; offset from Table 100.

### Potential Impact Fees

The maximum wastewater impact fees that may be adopted by the Town based on this study is the product of the number of service units generated by a unit of development and the net cost per service unit calculated above. The resulting fee schedule is presented in Table 102.

**Table 102. Potential Wastewater Impact Fees**

Meter Size	Type	EDUs per Meter	Net Cost/EDU	Net Cost/Meter
5/8"x3/4"	Disc-Resid.	1.0	\$2,140	\$2,140
5/8"x3/4"	Disc-Other	1.3	\$2,140	\$2,782
1"	Disc	3.3	\$2,140	\$7,062
1 1/2"	Disc	6.7	\$2,140	\$14,338
2"	Disc	10.7	\$2,140	\$22,898
3"	Compound	21.3	\$2,140	\$45,582
3"	Turbine	23.3	\$2,140	\$49,862
4"	Compound	33.3	\$2,140	\$71,262
4"	Turbine	40.0	\$2,140	\$85,600
6"	Compound	66.7	\$2,140	\$142,738
6"	Turbine	83.3	\$2,140	\$178,262
8"	Turbine	120.0	\$2,140	\$256,800
10"	Turbine	193.3	\$2,140	\$413,662
12"	Turbine	286.7	\$2,140	\$613,538

Source: EDUs per meter from Table 89; net cost per EDU from Table 101.

Table 103 compares the current wastewater impact fees with the updated impact fees. The updated fees would apply to all new customers outside the North Florence Improvement District. The updated fees are generally lower for the smallest and largest meter sizes.

**Table 103. Comparative Wastewater Fees**

Water Meter Size	Type	Current Fee	Updated Fee*	Percent Change
5/8"x3/4"	Disc-Resid.	\$4,105	\$2,140	-48%
5/8"x3/4"	Disc-Other	\$4,105	\$2,782	-32%
1"	Disc	\$6,841	\$7,062	3%
1 1/2"	Disc	\$13,684	\$14,338	5%
2"	Disc	\$27,369	\$22,898	-16%
3"	Compound	\$43,789	\$45,582	4%
3"	Turbine	\$43,789	\$49,862	14%
4"	Compound	\$68,422	\$71,262	4%
4"	Turbine	\$68,422	\$85,600	25%
6"	Compound	\$136,843	\$142,738	4%
6"	Turbine	\$136,843	\$178,262	30%
8"	Turbine	\$328,422	\$256,800	-22%
10"	Turbine	\$522,154	\$413,662	-21%
12"	Turbine	\$684,213	\$613,538	-10%

\* for customers outside North Florence Improvement District

Source: Current fees from Town of Florence, *Annual Report of Development Impact Fees, Reported as of June 30, 2012*; updated fees from Table 102.

## Capital Plan

Potential wastewater impact fee revenue over the next ten years, based on anticipated new development, is estimated to be about \$0.58 million, as shown in Table 104.

**Table 104. Potential Wastewater Impact Fee Revenue, 2013-2023**

	South	North	Total
New Wastewater Customers, 2013-2023 (EDUs)	83	186	269
x Net Cost per EDU (Outside FG Assessment District)	\$2,140	\$2,140	\$2,140
<b>Potential Wastewater Impact Fee Revenue, 2013-2023</b>	<b>\$177,620</b>	<b>\$398,040</b>	<b>\$575,660</b>

Source: New EDUs from Table 93; net cost per EDU from Table 101.

Over the next ten years, the Town plans to make some major capital investments in its wastewater system, as shown in Table 105. However, the timing of individual improvements will be dependent on the pace and location of development that actually occurs, and not all of the planned improvements will necessarily be completed in the next ten years. Some of the improvements may be constructed by the CFD or developers in return for offsets or credits against the wastewater impact fees.

It is likely that only a small portion of these costs will be paid for with impact fees, due to relatively slow projected growth in new wastewater customers. In the North service area, about half of the total costs are not eligible for impact fee funding, since they are related to the replacement of the temporary Phase I Merrill Ranch package plants or the replacement of the existing North Florence treatment plant. In addition, it is anticipated that the Merrill Ranch treatment plant phases will be funded primarily with Community Facilities District (CFD) bonds, although the Town may contribute roughly half of the funds to construct the Phase II facility in order to replace the capacity of the North Florence plant as well as to purchase some additional capacity to serve future growth outside the CFD. The projections of new customers in the North service area are based on historical trends, which implicitly assume that the Anthem/Merrill Ranch development continues to



be served to non-Town providers. In the event that the area becomes served by the Town wastewater system, it is unlikely that new customers within the CFD would pay a wastewater impact fee, due to offsets or credits for their CFD taxes to pay off CFD-funded wastewater infrastructure.

**Table 105. Wastewater Capital Plan, 2013-2023**

<b>Planned Improvement</b>	<b>Total Cost</b>	<b>Eligible Cost</b>	<b>Potential Impact Fee Revenue</b>
Sewer Cleaning Equipment (1)	\$187,500	\$187,500	
1 mgd Lift Station at Valley Farms	\$920,000	\$920,000	
10" Sewer Main Extension, Eliz-Adamsville	\$144,000	\$144,000	
S Florence WWTP Expansion to 4 mgd	\$12,525,000	\$12,525,000	
Main Interceptor from CCA-WWTP	\$4,679,400	\$4,679,400	
Impact Fee Study Cost	\$7,855	\$7,855	
<b>Subtotal, South Service Area</b>	<b>\$18,463,755</b>	<b>\$18,463,755</b>	<b>\$177,620</b>
Sewer Cleaning Equipment (1)	\$187,500	\$187,500	
Lift Station at Hunt Hwy/SR 79	\$370,000	\$370,000	
Merrill Ranch WRF, Ph I	\$4,000,000	\$4,000,000	
Merrill Ranch WRF, Ph II (2)	\$14,950,000	\$6,351,000	
18" Bore across SR 79	\$100,000	\$100,000	
N Florence WWTP Expansion (3)	\$2,549,000	\$407,840	
N Florence Lift Station (3)	\$850,000	\$136,000	
Impact Fee Study Cost	\$17,603	\$17,603	
<b>Subtotal, North Service Area</b>	<b>\$23,024,103</b>	<b>\$11,569,943</b>	<b>\$398,040</b>
<b>Total</b>	<b>\$41,487,858</b>	<b>\$30,033,698</b>	<b>\$575,660</b>

*Notes:* (1) cost split evenly between service areas; (2) eligible cost reduced by \$4 million because it will replace Phase I facility, and remaining cost reduced by 42% because the 1.00 mgd facility will replace the existing 0.42 mgd North Florence treatment plant; (3) these improvements are related to the conversion of the existing North Florence treatment plant to a lift station to convey flows to the Merrill Ranch Ph. II facility, which will replace the current 0.42 mgd North Florence plant with a Town-owned 0.50 mgd share of the Merrill Ranch facility.

*Source:* Town of Florence, March 28, 2012; total impact fee study cost from Table 112, allocated by service area based on projected new EDUs from Table 93; potential impact fee revenue from Table 104.

## APPENDIX A: CAG PROJECTIONS

**Table 106. CAG Projections, 2010-2015**

Geographic Area	Housing Household			Employees					Total
	Units	Population	Prisoners	Retail	Office	Indust.	Public	Other	
Florence Gardens Area, 2010	1,719	1,707	1,281	0	1	0	0	65	66
Anthem/Merrill Ranch Area, 2010	682	1,278	0	81	0	33	0	109	223
Park Service Area - N, 2010	3	5	0	0	0	0	0	0	0
Other, 2010	530	1,083	0	0	0	3	0	100	103
<b>Subtotal, N of River, 2010</b>	<b>2,934</b>	<b>4,073</b>	<b>1,281</b>	<b>81</b>	<b>1</b>	<b>36</b>	<b>0</b>	<b>274</b>	<b>392</b>
Park Service Area - S, 2010	2,025	4,730	14,713	646	393	61	6,689	172	7,961
Other, 2010	0	0	0	23	0	0	0	0	23
<b>Subtotal, S of River, 2010</b>	<b>2,025</b>	<b>4,730</b>	<b>14,713</b>	<b>669</b>	<b>393</b>	<b>61</b>	<b>6,689</b>	<b>172</b>	<b>7,984</b>
Town of Florence, 2010	4,959	8,803	15,994	750	394	97	6,689	446	8,376
North Water/WW Service Area	1,739	1,771	1,281	0	1	33	0	123	157
<b>Florence Gardens Area, 2015</b>	<b>1,736</b>	<b>1,742</b>	<b>1,328</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>65</b>	<b>66</b>
<b>Anthem/Merrill Ranch Area, 2015</b>	<b>2,383</b>	<b>4,793</b>	<b>0</b>	<b>684</b>	<b>0</b>	<b>149</b>	<b>0</b>	<b>578</b>	<b>1,411</b>
<b>Park Service Area - N, 2015</b>	<b>3</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other, 2015</b>	<b>1,688</b>	<b>3,472</b>	<b>0</b>	<b>440</b>	<b>87</b>	<b>23</b>	<b>0</b>	<b>635</b>	<b>1,185</b>
<b>Subtotal, N of River, 2015</b>	<b>5,810</b>	<b>10,013</b>	<b>1,328</b>	<b>1,124</b>	<b>88</b>	<b>172</b>	<b>0</b>	<b>1,278</b>	<b>2,662</b>
<b>Park Service Area - S, 2015</b>	<b>2,367</b>	<b>5,435</b>	<b>15,256</b>	<b>2,050</b>	<b>1,701</b>	<b>468</b>	<b>7,212</b>	<b>1,020</b>	<b>12,451</b>
<b>Other, 2015</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>25</b>
<b>Subtotal, S of River, 2015</b>	<b>2,367</b>	<b>5,435</b>	<b>15,256</b>	<b>2,073</b>	<b>1,701</b>	<b>468</b>	<b>7,212</b>	<b>1,022</b>	<b>12,476</b>
<b>Town of Florence, 2015</b>	<b>8,177</b>	<b>15,448</b>	<b>16,584</b>	<b>3,197</b>	<b>1,789</b>	<b>640</b>	<b>7,212</b>	<b>2,300</b>	<b>15,138</b>
<b>North Water/WW Service Area</b>	<b>2,750</b>	<b>3,830</b>	<b>1,328</b>	<b>37</b>	<b>1</b>	<b>53</b>	<b>0</b>	<b>423</b>	<b>514</b>
<b>Florence Gardens Area, 2010-15</b>	<b>17</b>	<b>35</b>	<b>47</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Anthem/Merrill Ranch Area, 2010-15</b>	<b>1,701</b>	<b>3,515</b>	<b>0</b>	<b>603</b>	<b>0</b>	<b>116</b>	<b>0</b>	<b>469</b>	<b>1,188</b>
<b>Park Service Area - N, 2010-15</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other, 2010-15</b>	<b>1,158</b>	<b>2,389</b>	<b>0</b>	<b>440</b>	<b>87</b>	<b>20</b>	<b>0</b>	<b>535</b>	<b>1,082</b>
<b>Subtotal, N of River, 2010-15</b>	<b>2,876</b>	<b>5,940</b>	<b>47</b>	<b>1,043</b>	<b>87</b>	<b>136</b>	<b>0</b>	<b>1,004</b>	<b>2,270</b>
<b>Park Service Area - S, 2010-15</b>	<b>342</b>	<b>705</b>	<b>543</b>	<b>1,404</b>	<b>1,308</b>	<b>407</b>	<b>523</b>	<b>848</b>	<b>4,490</b>
<b>Other, 2010-15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>
<b>Subtotal, S of River, 2010-15</b>	<b>342</b>	<b>705</b>	<b>543</b>	<b>1,404</b>	<b>1,308</b>	<b>407</b>	<b>523</b>	<b>850</b>	<b>4,492</b>
<b>Town of Florence, 2010-15</b>	<b>3,218</b>	<b>6,645</b>	<b>590</b>	<b>2,447</b>	<b>1,395</b>	<b>543</b>	<b>523</b>	<b>1,854</b>	<b>6,762</b>
<b>North Water/WW Service Area</b>	<b>1,011</b>	<b>2,059</b>	<b>47</b>	<b>37</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>300</b>	<b>357</b>

Source: Central Arizona Governments, demographic dataset by Traffic Analysis Zone, 2010.

## APPENDIX B: FUNCTIONAL POPULATION

The two most common methodologies used in calculating public safety (fire and police) service units and impact fees are the “calls-for-service” approach and the “functional population” approach. For the reasons discussed in the “service unit” section of the fire portion of this report, this update utilizes the “functional population” approach to calculate and assess the fire and police impact fees. This approach is a generally-accepted methodology for these impact fee types and is based on the observation that demand for public safety facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used for the purpose of determining the impact of a particular development on the need for facilities. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that factors trip generation rates, average vehicle occupancy and average number of hours spent by visitors at a land use.

### Residential Functional Population

For residential land uses, the impact of a dwelling unit on the need for capital facilities is generally proportional to the number of persons residing in the dwelling unit. This can be measured for different housing types in terms of either average household size (average number of persons per occupied dwelling unit) or persons per unit (average number of persons per dwelling unit, including vacant as well as occupied units). In this analysis, average household size is used to develop the functional population multipliers, as it avoids the need to make assumptions about occupancy rates.

Determining residential functional population multipliers is considerably simpler than the nonresidential component. It is estimated that people, on average, spend 16 hours, or 67 percent, of each 24-hour weekday at their place of residence and the other 33 percent away from home. The functional population per unit for these uses is shown in Table 107.

**Table 107. Functional Population per Unit for Residential Uses**

Housing Type	Unit	Average HH Size	Occupancy	Func. Pop./Unit
Single-Family Detached/MH	Dwelling	2.48	0.67	1.66
Multi-Family	Dwelling	2.01	0.67	1.35

*Source:* Average household size from Table 32.

### Nonresidential Functional Population

The functional population methodology for nonresidential land uses is based on trip generation data utilized in developing the road demand schedule prepared for the updated road impact fee update. Functional population per 1,000 square feet is derived by dividing the total number of hours spent by employees and visitors during a week day by 24 hours. Employees are estimated to spend 8 hours

per day at their place of employment, and visitors are estimated to spend one hour per visit. The formula used to derive the nonresidential functional population estimates is summarized in Figure 9.

**Figure 9. Nonresidential Functional Population Formula**

FUNCPOP/UNIT	=	(employee hours/1000 sf + visitor hours/1000 sf) ÷ 24 hours/day
<u>Where:</u>		
Employee hours/1000 sf	=	employees/1000 sf x 8 hours/day
Visitor hours/1000 sf	=	visitors/1000 sf x 1 hour/visit
Visitors/1000 sf	=	weekday ADT/1000 sf x avg. vehicle occupancy – employees/1000 sf
Weekday ADT/1000 sf	=	one-way avg. daily trips (total trip ends ÷ 2)

Using this formula and information on trip generation rates, vehicle occupancy rates from the *National Household Travel Survey* and other sources and assumptions, nonresidential functional population estimates per 1,000 square feet of gross floor area are calculated in Table 108.

**Table 108. Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate	Persons/ Trip	Employee/ Unit	Visitors/ Unit	Functional Pop./Unit
Commercial	1,000 sq. ft.	5.51	1.24	3.11	3.72	1.19
Industrial/Warehouse	1,000 sq. ft.	1.78	1.24	0.91	1.30	0.36
Public/Institutional	1,000 sq. ft.	3.79	2.59	2.32	7.50	1.09

*Source:* Trip rates based on one-half of average daily trip rate from ITE, *Trip Generation*, 8<sup>th</sup> ed., 2008 (commercial based on office, industrial based on warehousing, institutional based on nursing home); persons/trip is average vehicle occupancy from Federal Highway Administration, *Nationwide Household Travel Survey*, 2009; employees/unit from Table 14; visitors/unit is trips times persons/trip minus employees/unit; functional population/unit calculated based on formula from Figure 9.

### Fire and Police Service Unit Summary

The functional population multipliers for the recommended residential and nonresidential land use categories are summarized in Table 109 and converted into equivalent dwelling units (EDUs).

**Table 109. Fire and Police Service Unit Multipliers**

Land Use	Unit	Functional Pop./Unit	EDUs/ Unit
Single-Family Detached/MH	Dwelling	1.66	1.00
Multi-Family	Dwelling	1.35	0.81
Commercial	1,000 sq. ft.	1.19	0.72
Industrial/Warehouse	1,000 sq. ft.	0.36	0.22
Public/Institutional	1,000 sq. ft.	1.09	0.66

*Source:* Residential dwelling unit functional population per unit from Table 107; nonresidential functional population per unit from Table 108; EDUs/unit is ratio of functional population per unit to functional population per single-family unit.

Town-wide fire and police service units are expressed in terms of equivalent dwelling units (EDUs). Multiplying existing and projected development units in each land use category by the service unit multipliers calculated in the previous table yields the total number of existing and projected fire and police service units, as summarized in Table 110.

**Table 110. Fire and Police Service Units, Town-Wide, 2013-2023**

Land Use	Dev't Unit	Dev't Units		EDUs/Unit	EDUs	
		2013	2023		2013	2023
Single-Family Detached	Dwelling	5,098	7,978	1.00	5,098	7,978
Multi-Family	Dwelling	528	528	0.81	428	428
Commercial	1,000 sf	924	3,175	0.72	665	2,286
Industrial/Warehouse	1,000 sf	565	703	0.22	124	155
Public/Institutional	1,000 sf	4,068	4,353	0.66	2,685	2,873
<b>Total</b>					<b>9,000</b>	<b>13,720</b>

Source: Development units from Table 10 and Table 15; EDUs per unit from Table 109.

For the purpose of calculating offsets, it is necessary to estimate the number of service units in the Merrill Ranch Community Facilities Districts. This is estimated based on the land use assumptions developed for the Anthem/Merrill Ranch area, as shown in Table 111.

**Table 111. Fire and Police Service Units, Merrill Ranch CFDs, 2013-2023**

Land Use	Dev't Unit	Dev't Units		EDUs/Unit	EDUs	
		2013	2023		2013	2023
Single-Family Detached	Dwelling	1,825	4,075	1.00	1,825	4,075
Multi-Family	Dwelling	0	0	0.81	0	0
Commercial	1,000 sf	103	556	0.72	74	400
Industrial/Warehouse	1,000 sf	46	164	0.22	10	36
Public/Institutional	1,000 sf	0	0	0.66	0	0
<b>Total</b>					<b>1,909</b>	<b>4,511</b>

Source: Development units from Table 10 and Table 15; EDUs per unit from Table 109.

## APPENDIX C: IMPACT FEE STUDY COST

According to State law, impact fees may be used to pay for the costs of “professional services required for the preparation or revision of a development fee” (Sec. 9-463.05.A, ARS). This impact fee study cost the Town \$89,100 for the update of road, water, wastewater, park, library, fire and police impact fees, or \$12,729 per facility type. Since SB 1525 requires impact fees to be updated every five years, two additional studies will be required over the next ten years, which indicates a future cost of \$25,458 per facility type.

**Table 112. Study Cost per Facility, 2013-2023**

Cost of 2012 Impact Fee Study	\$89,100
÷ Number of Facilities	7
Cost per Facility	\$12,729
x Number of Studies Needed, 2013-2023	2
<b>Study Cost per Facility, 2013-2023</b>	<b>\$25,458</b>

Source: Cost of 2012 study from Duncan Associates contract.

Dividing the cost of the study for each facility by the new EDUs projected over the next ten years results in the following study costs per EDU.

**Table 113. Study Cost per EDU by Facility, 2013-2023**

Facility Type	Study Cost	New EDUs	Cost per EDU
Roads	\$25,458	2,733	\$9
Water	\$25,458	856	\$30
Wastewater	\$25,458	269	\$95
Parks	\$25,458	563	\$45
Library	\$25,458	3,201	\$8
Fire	\$25,458	4,720	\$5
Police	\$25,458	4,720	\$5

Source: Study cost per facility from Table 112; new EDUs from Table 22 (roads), Table 34 (parks); Table 49 (library), Table 60 (fire), Table 70 (police), Table 77 (water) and Table 93 (wastewater).



## APPENDIX D: REVENUE PROJECTIONS


SB 1525 requires a projection of future revenues anticipated to be generated by new development. These projections are provided in Table 114.

**Table 114. Growth-Related Revenues, 2013-2023**

Funding Type	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
State-Shared Revenue	\$172,784	\$345,568	\$518,352	\$691,136	\$863,920
Federal Grants	\$739	\$1,478	\$2,217	\$2,956	\$3,695
Highway User Revenue	\$81,229	\$162,458	\$243,687	\$324,916	\$406,145
Ad Valorem Property Tax	\$21,580	\$43,160	\$64,740	\$86,320	\$107,900
Construction Excise Tax	\$364,684	\$364,684	\$364,684	\$364,684	\$364,684
Wastewater Rates - Debt	\$3,886	\$7,720	\$11,504	\$15,239	\$18,924
<b>Total</b>	<b>\$644,902</b>	<b>\$925,068</b>	<b>\$1,205,184</b>	<b>\$1,485,251</b>	<b>\$1,765,268</b>

Funding Type	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
State-Shared Revenue	\$1,036,704	\$1,209,488	\$1,382,272	\$1,555,056	\$1,727,840	\$9,503,120
Federal Grants	\$4,434	\$5,173	\$5,912	\$6,651	\$7,390	\$40,645
Highway User Revenue	\$487,374	\$568,603	\$649,832	\$731,061	\$812,290	\$4,467,595
Ad Valorem Property Tax	\$129,480	\$151,060	\$172,640	\$194,220	\$215,800	\$1,186,900
Construction Excise Tax	\$364,684	\$364,684	\$364,684	\$364,684	\$364,684	\$3,646,840
Wastewater Rates - Debt	\$22,561	\$26,150	\$29,693	\$33,190	\$36,659	\$205,526
<b>Total</b>	<b>\$2,045,237</b>	<b>\$2,325,158</b>	<b>\$2,605,033</b>	<b>\$2,884,862</b>	<b>\$3,164,663</b>	<b>\$19,050,626</b>

Source: Based on FY 2013 projected revenue from Town of Florence Official Budget, Fiscal Year 2012-2013; state-shared revenue, federal grants, highway user revenue and property tax revenue projections based on FY 2013 revenue per EDU and EDU projections from Table 22; excess construction excise tax revenue projections based on excess construction excise tax per single-family unit from Table 25 and projected road EDUs from Table 22; wastewater debt service revenue projections based on wastewater debt service per wastewater EDU and projected wastewater EDUs from Table 93.

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>7a.</b>
<b>MEETING DATE:</b> May 20, 2013  <b>DEPARTMENT:</b> Police Department/Finance  <b>STAFF PRESENTER:</b> Ernest Feliz, Special District Manager  <b>SUBJECT:</b> Resolution No. 1393-13: Tohono O'odham Nation 12% Gaming Grant Program for Office Training Simulator		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input checked="" type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Adopt Resolution No. 1393-13 for approval of an application and resolution by the Town of Florence for Tohono O'odham Nation 12% Gaming Grant Program funds to be used for officer training.

**BACKGROUND/DISCUSSION:**

The grant application is for the purchase of a Milo Range Pro System and associated software. The simulator is used for training in "shoot, don't shoot" scenarios. Training on this device will help police officers stay in compliance with Arizona Post for training in "shoot, don't shoot." Use of the simulator also will be made available to other area police agencies. Currently, such simulator training is difficult to schedule. This is a public safety request.

Each year, the Tohono O'odham Nation, like all tribes in Arizona that engage in gaming, has a requirement to meet the State's Proposition 202 Gaming Laws. These requirements stipulate that 12% of their revenue sharing proceeds must be earmarked either to local governments in Arizona or in the form of a deposit to the State of Arizona's Commerce and Economic Development Commissions Local Community Fund. Again this year, the Tribe has elected to contribute directly to local governments through a grants program.

**FINANCIAL IMPACT:**

There are no direct costs associated with this grant. There will only be minor indirect costs related to the payment of invoices and processing of reimbursement requests.

**STAFF RECOMMENDATION:**

Staff recommends that the Town Council adopt Resolution No. 1393-13, to approve the application and resolution.

**ATTACHMENTS:**

Resolution No. 1393-13  
Funding Announcement

**TOWN OF FLORENCE**

**RESOLUTION NO. 1393-13**

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, SUPPORTING APPLICATION TO THE TOHONO O'ODHAM NATION FOR STATE-SHARED REVENUE GRANT FUNDS TO PURCHASE A POLICE TRAINING SIMULATOR.**

**WHEREAS**, the Tohono O'odham Nation has announced its Request for Proposals for Fiscal Year 2012 for the distribution of gaming revenues in compliance with Arizona Revised Statutes ("A.R.S.") § 5-601.02(H)(4); and

**WHEREAS**, the Town of Florence is dedicated to promoting public safety for its citizens and local businesses, and

**WHEREAS**, the Town of Florence has an immediate need to improve the availability of training for its officers and those of other area agencies, and

**WHEREAS**, the Town of Florence has identified the need to purchase a training simulator for shoot, don't shoot scenarios that will be available for use by Town of Florence officers as well as other area law enforcement officers.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and Council of the Town of Florence:

1. Supports the application for 12% Gaming Distribution funds from the Tohono O'odham Nation; and
2. Authorizes the Grants Coordinator to submit an application to the Tohono O'odham Nation for a grant in the amount of \$59,005; and
3. Agrees to conclude negotiations to enter into a Grant-in-Aid Agreement with the Tohono O'odham Nation for the purchase of a Milo Range Pro System simulator no later than September 30, 2013.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, on this 20<sup>th</sup> day of May, 2013.

\_\_\_\_\_  
Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Lisa Garcia, Town Clerk

\_\_\_\_\_  
James E. Mannato, Town Attorney

I, the undersigned, being the duly appointed and qualified Town Clerk of the Town of Florence, certify that the foregoing Resolution No. 1393-13 is a true, correct and accurate copy as passed and adopted at a regular meeting of the Town of Florence Mayor and Council, held on the 20<sup>th</sup> day of May, 2013 at which a quorum was present and voted in favor of said Resolution No. 1393-13.

\_\_\_\_\_  
Lisa Garcia, Town Clerk



# Tohono O'odham Nation Office of the Chairman & Vice Chairwoman

COMPASSION FAITH TRADITION RESPECT  
T-I:BDAG 'AMJED S-WOHOCUDA HIMDAG PI:K 'ELID

Ned Norris, Jr.  
Chairman

Wavalene M. Romero  
Vice Chairwoman



April 24, 2013

Chief Daniel Hughes  
Police Chief  
City of Florence Police Department  
P.O. Box 2670  
Florence, AZ 85132

Dear Chief Hughes:

In 2002, Arizona voters passed Proposition 202 which allowed for the continuation of limited Indian gaming on tribal lands in Arizona. Passage of this ballot measure was of tremendous importance as it ensures that Arizona tribes can continue to address the desperate poverty and needs that exist on tribal lands. On the Tohono O'odham Nation, gaming revenues are being used to improve the health and well-being of tribal members, strengthen public safety, open up educational opportunities, and address a multitude of other infrastructure needs.

Under Proposition 202, Arizona tribes also agreed to share a portion of their revenues with the State of Arizona. Of the revenues shared, 12 percent is made available to cities, towns, or counties for a purpose benefiting the general public through either direct distribution to the local governments or in the form of a deposit to the State of Arizona's Commerce and Economic Development Commission's Local Community Fund.

For its 2013 revenue sharing, the Tohono O'odham Nation has chosen to contribute directly to local governments. In addition, quality non-profit organizations may work with local governments to qualify for the funding available from the Nation. As a result, the Tohono O'odham Nation is seeking to obtain Requests for Funding Proposals from Arizona cities, towns, counties, and non-profit organizations.

Attached are the specific criteria and timelines the Tohono O'odham Nation has set forth for identifying funding recipients. Proposals will be evaluated and awarded under the priorities established by the Tohono O'odham Nation.

Sincerely,

Dr. Ned Norris Jr.  
Chairman, Tohono O'odham Nation





# Tohono O'odham Nation Office of the Chairman & Vice Chairwoman

COMPASSION FAITH TRADITION RESPECT  
T-I:BDAG 'AMJED S-WOHOCUDA HIMDAG PI:K 'ELID

Ned Norris, Jr.  
Chairman

Wavalene M. Romero  
Vice Chairwoman



## REQUEST FOR PROPOSALS for the Arizona Revised Statute 5-601-02 12% Gaming Distribution Tohono O'odham Nation

### Background

In 2002 Arizona eligible voters approved Proposition 202, which implemented a new requirement that Tribal/State Gaming Compacts must include a provision that the compacting tribe would contribute a portion of its annual net gaming revenues (the "Annual Contribution") for the benefit of the general public. Pursuant to Proposition 202, each tribe may determine the recipients of 12% of its total Annual Contribution (the "12% Payments"). The tribe has two options for directing the 12% Payments: 1) direct distribution from the tribe to cities, towns, and counties, or 2) deposits to the Arizona Commerce and Economic Development Commission, which are then given to the recipients of the tribe's choice. The Tohono O'odham Nation will be making selections and finalizing agreements with recipients of the 12% payments no later than November 15, 2013.

### Distribution Priority Areas for Fiscal Year 2013

Proposals must address one or more of the following priority areas:

- a) Education
- b) Health Care
- c) Public Safety
- d) Child Advocacy
- e) Economic Development
- f) Cultural & Environmental Development and Protection

### Proposal

Proposals shall be limited to 4 pages in length, typewritten in 12 point font. If the proposal is more than 4 pages, only the first 4 pages will be considered. Budgets are required and therefore will be counted as part of the 4 pages. Attachments, such as photos, are not considered as one of the 4 pages. All proposals must be sent via certified mail and **must be postmarked no later than June 14, 2013**. Only one copy per proposal is needed. It is recommended that a copy of the proposal is sent via e-mail to [matts@simginc.com](mailto:matts@simginc.com). However, providing a copy of the proposal via e-mail alone will not be deemed to have applied properly and only proposals received via certified mail will be considered. Proposals must:

- a) Explain the perceived need and explain how the proposal will address that need.
- b) Describe the population who will benefit from the proposal if approved.
- c) Include a budget of the requested funds, with the total amount requested clearly notated.



- d) List any other funding requests that have been made for this or substantially related proposals and provide the status of those requests.
- e) Indicate whether the entity has already received a 12% distribution from the Tohono O'odham Nation or other Arizona tribes, along with the amount and date awarded.
- f) Identify a designated contact person and alternate contact person for follow-up, including e-mail address, phone number, mailing address, and fax number for these persons.
- g) Indicate which priority area (from the above list) the proposal falls under.
- h) If the proposal is from a non-profit organization, include the name of the city, town, or county an agreement will be made with if funds are granted. A letter from the governmental entity acknowledging its agreement to work with the non-profit is not necessary for the initial proposal. However, it is necessary for those non-profits selected to receive grant funding.

## Requirements

If you, the applicant, are a city, town or county located within the State of Arizona:

- 1) You will need to provide proof or cite some authority that you are authorized to seek and enter into a grant of this nature.
- 2) If selected, you will need to ensure that the government you represent is willing to negotiate and execute the Intergovernmental Agreement (IGA) with the Nation no later than September 30, 2013.

If you, the applicant, are any other non-governmental entity (not-for-profits, etc):

- 1) You will need to enter into an agreement with a city, town or county located within Arizona whereby that city, town, or county will agree to accept the grant funding from the Nation on your behalf. As a non-governmental entity, you bear the responsibility to find a municipality to flow the funding through and the Nation is not responsible for matching you with a government capable of receiving the funding.
- 2) The city, town, or county that has agreed to assist you to receive the grant will be required to enter into a Grant-in-Aid, Fiscal Agent agreement with the Nation in which the city, town, or county agrees to accept the funding on your behalf.

## Timeline


- a) All proposals to be considered must be postmarked no later than June 14, 2013.
- b) Notification of decision will be mailed by August 30, 2013.
- c) Negotiation of Grant-in-Aid Agreements will commence immediately after notification.
- d) Negotiations of the Grant-in-Aid Agreements must be concluded no later than September 30, 2013.
- e) Approval of all Grant-in-Aid Agreements by the Nation and distribution of monies will occur on or about November 15, 2013.

## Submitting Your Proposal / Contact Information

Address and mail all proposals via certified mail to:

Chairman Ned Norris Jr.  
Tohono O'odham Nation  
P.O. Box 837  
Sells, Arizona 85634  
ATTN: Lanez Valisto  
(520) 383-2028 telephone  
(520) 383-3379 fax

***Must be postmarked no later than June 14, 2013  
Proposals not in compliance with the above procedures will not be  
considered.***

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>7b.</b>
<b>MEETING DATE:</b> May 20, 2013  <b>DEPARTMENT:</b> Community Development  <b>STAFF PRESENTER:</b> Mark Eckhoff, AICP Community Development Director  <b>SUBJECT:</b> Resolution No. 1394-13: Re-Subdivision of Lots 40 Thru 45 Inclusive and Lots 63 thru 65 Inclusive, located within the Re-Subdivision of Anthem at Merrill Ranch Unit 18		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulatory</li> <li><input type="checkbox"/> 1<sup>st</sup> Reading</li> <li><input type="checkbox"/> 2<sup>nd</sup> Reading</li> </ul> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Motion to adopt Resolution No. 1394-13 for the re-subdivision of Lots 40 thru 45 Inclusive and Lots 63 thru 65 Inclusive, located within the re-subdivision of Anthem at Merrill Ranch Unit 18.

**BACKGROUND/DISCUSSION:**

Pulte Group Inc. requests approval of this re-subdivision located within the Sun City portion of Anthem at Merrill Ranch. Within this re-subdivision, Pulte Group Inc. is proposing to reduce the number of lots by two. The resulting larger lots will accommodate new housing product being offered by Pulte Homes. All subdivision improvements will be constructed to Town specifications. Water and sewer infrastructure will be provided by Johnson Utilities, and Pulte Homes will continue to construct their approved home plans within this subdivision.

**FINANCIAL IMPACT:**

The loss of two residential building lots, but overall any impact is extremely negligible.

**RECOMMENDATION:**

Staff recommends a motion to adopt Resolution No. 1394-13 for the re-subdivision of Lots 40 thru 45 Inclusive and Lots 63 thru 65 Inclusive, located within the re-subdivision of Anthem at Merrill Ranch Unit 18.

**ATTACHMENTS:**

Resolution No. 1394-13  
Re-Subdivision Plat

## RESOLUTION NO. 1394-13

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY ARIZONA, APPROVING THE RE-SUBDIVISION OF LOTS 40 THRU 45 INCLUSIVE AND LOTS 63 THRU 65 INCLUSIVE, LOCATED WITHIN THE RE-SUBDIVISION OF ANTHEM AT MERRILL RANCH UNIT 18; REQUIRING THE PROVISION OF AN INFRASTRUCTURE IMPROVEMENT ASSURANCE OR WITHHOLDING OF RECORDATION TO SECURE THE SATISFACTORY CONSTRUCTION, INSTALLATION AND DEDICATION OF REQUIRED IMPROVEMENTS; ESTABLISHING A DEADLINE FOR REQUIRED IMPROVEMENTS TO BE COMPLETED; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.**

**BE IT RESOLVED** by the Mayor and Council of the Town of Florence, Arizona, as follows:

1. Approve the Re-Subdivision of Lots 40 Thru 45 Inclusive and Lots 63 thru 65 Inclusive, Located within the Re-Subdivision of Anthem at Merrill Ranch Unit 18, subject to Developer/Owner's compliance with all applicable laws and ordinances.

2. Require that the Developer/Owner secures its provision of the installation or construction of the required improvements with one of the following alternatives prior to execution of the plat by Town officials and employees and recordation of the Re-Subdivision with the Office of the Pinal County Recorder:

- a. Provide an infrastructure improvement assurance in an amount of the full cost, as determined by the Town Engineer, of the materials and the installation or construction necessary to complete the subdivision improvements. Said guarantee shall be in the form of a performance bond, an irrevocable letter of credit, or cash funds in escrow or on deposit with the Town prior to recording of the Re-Subdivision. The required improvements for which the guarantee is provided must be completed within twelve (12) months of recordation of the Re-Subdivision or the Town may, without further Council action, declare the financial guarantee to be in default, call on the guarantee, and require that all the improvements be installed; or
- b. At the request of the Developer/Owner, the Developer/Owner shall enter into an agreement which shall require completion of the required improvements no later than twelve months from the date this Re-Subdivision is approved herein and the Town Community Development Director shall withhold recordation of the Re-Subdivision in the Office of the Pinal County Recorder until the Town Engineer has verified such completion. If Developer/Owner does not complete the improvements within twelve (12) months of this approval, the approval shall expire and be deemed withdrawn; or

- c. Other means of providing infrastructure improvement assurance as permitted by Town Resolution No. 917-05 shall be allowed. Town and Developer/Owner shall agree on the exact mechanisms and timing necessary to guarantee completion of all required infrastructure requirements prior to the recording of the Re-Subdivision. The Re-Subdivision approval shall expire in twelve (12) months from this approval if the Re-subdivision is not recorded prior to said date.

3. Authorize execution by the Town Manager of any documentation necessary to provide the above-referenced infrastructure improvement assurance and/or agreement requiring completion of the public improvements.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Lisa Garcia, Town Clerk

\_\_\_\_\_  
James Mannato, Town Attorney

# APPLICATION FOR FINAL PLAT

PROJECT NAME: Anthem @ Merrill Ranch - Unit 18 Replat Lots 40-45

REQUEST TYPE:  Re-Plat  Final Plat  
 Map of Dedication

1. Property Owner: Name: Pulte Group, Inc (Dan Bonow, P.E.)  
Address: 16767 N. Perimeter Drive, Suite 100  
Scottsdale, AZ 85260  
Phone: 480-391-6000 Fax: \_\_\_\_\_  
Email: Daniel.Bonow@Pultegroup.com

2. Applicant/Developer: Name: Pulte Group, Inc. (Dan Bonow, P.E.)  
Address: 16767 N Perimeter Drive Suite 100  
Scottsdale, AZ 85260  
Phone: 480-391-6000 Fax: \_\_\_\_\_  
Email: Daniel.Bonow@Pultegroup.com

3. Address or Location of Property: Anthem @ Merrill Ranch  
Florence, AZ

4. Tax Parcel Numbers: \_\_\_\_\_  
Gross Acres: 0.7820 Number of Lots: 5  
Zoning: P.U.D.

5. Approval date of the Preliminary Plat or Design Review application: \_\_\_\_\_

  
SIGNATURE OF PROPERTY OWNER or REPRESENTATIVE

2/11/13  
DATE

**FOR STAFF USE ONLY:**

CASE NO. <u>PZC-7-13-RP</u>	APPLICATION DATE AND TIME <u>2/13/13</u>
TC HEARING DATE _____	FEE \$ _____
RECOMMENDATION: APPROVAL	REVIEWED BY: <u>GO</u>
	DISAPPROVAL

# RE-SUBDIVISION

OF LOTS 40 THRU 45 INCLUSIVE AND LOT 63 THRU 65 INCLUSIVE, LOCATED WITHIN THE RE-SUBDIVISION OF ANTHEM AT MERRILL RANCH, UNIT 18 (2011-077761A, PCR)

SITUATED WITHIN THE EAST HALF OF SECTION 24, TOWNSHIP 4 SOUTH, RANGE 8 EAST AND THE WEST HALF OF SECTION 19, TOWNSHIP 4 SOUTH, RANGE 9 EAST OF THE GILA AND SALT RIVER MERIDIAN, TOWN OF FLORENCE, PINAL COUNTY, ARIZONA

## DECLARATION, TITLE WARRANTY AND DEDICATION

STATE OF ARIZONA }  
COUNTY OF PINAL } SS.

KNOW ALL MEN BY THESE PRESENTS:

PULTE HOME CORPORATION, A MICHIGAN CORPORATION, (HEREINAFTER REFERRED TO IN THIS RE-SUBDIVISION AS THE "MASTER DEVELOPER"), AS OWNER HAS RE-SUBDIVIDED UNDER THE NAME RE-SUBDIVISION OF LOTS 40 THRU 45 INCLUSIVE AND LOTS 63 THRU 65 INCLUSIVE, LOCATED WITHIN THE RE-SUBDIVISION OF ANTHEM AT MERRILL RANCH, UNIT 18 AS SHOWN ON THE FINAL PLAT RECORDED AS FEE # 2011-077761A, PINAL COUNTY RECORDER, SITUATED WITHIN THE EAST HALF OF SECTION 24, TOWNSHIP 4 SOUTH, RANGE 8 EAST AND THE WEST HALF OF SECTION 19, TOWNSHIP 4 SOUTH, RANGE 9 EAST OF THE GILA AND SALT RIVER MERIDIAN, TOWN OF FLORENCE, PINAL COUNTY, ARIZONA AND HEREBY DECLARES THIS RE-SUBDIVISION SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF THE LOTS, TRACTS AND EASEMENTS CONSTITUTING SAME AND THAT SAID LOTS AND TRACTS, SHALL BE KNOWN BY THE NUMBER, LETTER OR NAME GIVEN EACH RESPECTIVELY.

THIS RE-SUBDIVISION IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN "FINAL PLAT, ANTHEM AT MERRILL RANCH, UNIT 18" (2010-087672, PCR), IN WITNESS WHEREOF:

PULTE HOME CORPORATION, AS OWNER, HAS HERETO CAUSED ITS NAME TO BE AFFIXED AND HAS EXECUTED

THIS RE-SUBDIVISION BY THE SIGNATURE OF THE UNDERSIGNED, DULY AUTHORIZED, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

PULTE HOME CORPORATION, A MICHIGAN CORPORATION;

BY: \_\_\_\_\_  
ITS: \_\_\_\_\_

## ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } SS.

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, BEFORE ME, THE UNDERSIGNED,

PERSONALLY APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED SELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FORGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS THEREOF, I HAVE HERETO SET MY HAND AND OFFICIAL SEAL.

\_\_\_\_\_  
NOTARY PUBLIC DATE \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_, 20\_\_\_\_.

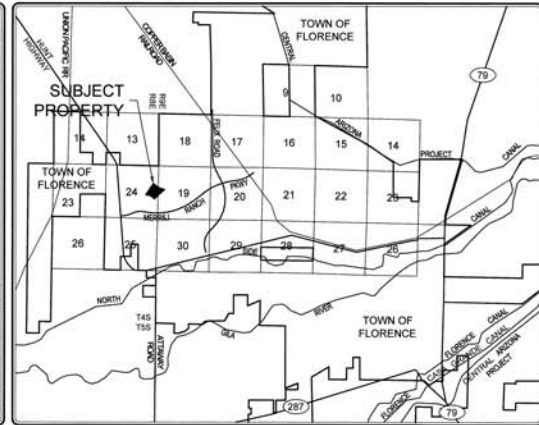
## MERRILL RANCH COMMUNITY FACILITIES DISTRICT

NOTWITHSTANDING THE FOREGOING, THE OWNERS HEREBY RESERVE ANY AND ALL INTERESTS IN INFRASTRUCTURE-RELATED REAL PROPERTY. THE RESERVATION OF SUCH INTERESTS IS ONLY TO THE EXTENT NECESSARY TO ACCOMMODATE THE DISTRICT'S ACQUISITION OF, AND PAYMENT TO THE OWNERS FOR, SUCH INTERESTS AND ANY RELATED PUBLIC INFRASTRUCTURE AS CONTEMPLATED BY THE DEVELOPMENT AGREEMENT AND THE PRE-ANNEXATION AGREEMENT. AFTER SUCH ACQUISITION BY THE DISTRICT, THE OWNERS WILL NO LONGER OWN SUCH INTERESTS. FOR PURPOSES OF THE FOREGOING, (A) "OWNERS" MEANS, COLLECTIVELY, PULTE HOME CORPORATION, A MICHIGAN CORPORATION, TOGETHER WITH SUCCESSORS AND ASSIGNS PURSUANT TO THE DEVELOPMENT AGREEMENT, (B) "INFRASTRUCTURE-RELATED REAL PROPERTY" MEANS ANY AND ALL OF THE FOREGOING REAL PROPERTY (I) ON OR OTHERWISE APPURTENANT TO WHICH ANY "PUBLIC INFRASTRUCTURE" (AS SUCH TERM IS DEFINED IN SECTION 48-701, ARIZONA REVISED STATUTES, AS AMENDED) HAS BEEN OR IS TO BE CONSTRUCTED, (II) WHICH ITSELF IS OR IS TO BECOME SUCH PUBLIC INFRASTRUCTURE, OR (III) THE ACQUISITION OF WHICH WOULD CONSTITUTE A "PUBLIC INFRASTRUCTURE PURPOSE" (AS SUCH TERM IS DEFINED IN SUCH SECTION), (C) "PRE-ANNEXATION AGREEMENT" MEANS THE PRE-ANNEXATION AND DEVELOPMENT AGREEMENT RECORDED AS FEE NUMBER DOCUMENT 2003-086513 ON THE OFFICIAL RECORDS OF THE PINAL COUNTY RECORDER, (D) "DISTRICT" MEANS THE COMMUNITY FACILITIES DISTRICT TO BE FORMED HEREAFTER BY THE TOWN OF FLORENCE, ARIZONA (THE "MUNICIPALITY") AND PRESENTLY ANTICIPATED TO BE KNOWN AS "MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1," AS CONTEMPLATED BY THE PRE-ANNEXATION AGREEMENT, AND (E) "DEVELOPMENT AGREEMENT" MEANS THE DEVELOPMENT AGREEMENT TO BE ENTERED INTO AMONG THE OWNERS, THE MUNICIPALITY, AND THE DISTRICT.



LOCATION MAP

1" = 500'



VICINITY MAP

NOT TO SCALE



## GENERAL NOTES

1. ALL-WEATHER ACCESS WILL BE PROVIDED TO ALL LOTS WITHIN THIS SUBDIVISION.
2. ALL PROPOSED DWELLING UNITS SHALL BE SINGLE FAMILY, DETACHED.
3. THIS SUBDIVISION IS SUBJECT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR ANTHEM AT MERRILL RANCH.
4. PUBLIC UTILITY FACILITY EASEMENT WOULD BE LAND DEDICATED FOR INSTALLATION OF FACILITIES OVERHEAD AND UNDERGROUND, FURNISHED FOR USE BY THE PUBLIC. THIS TYPE OF EASEMENT MAY BE USED TO DEDICATE INGRESS TO PROPERTY, AS IN PRIVATE STREET SUBDIVISIONS. ALSO INCLUDED ARE IMPROVEMENTS SUCH AS STREETLIGHTS, TRAFFIC SIGNALS DEVICES, SIDEWALKS, AND FLOOD CONTROL. THESE FACILITIES MAY BE OWNED AND OPERATED BY THE MUNICIPALITY OR DULY AUTHORIZED BY STATE AND MUNICIPAL REGULATIONS.
5. CONSTRUCTION WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO UTILITIES, FENCES AND DRIVEWAYS.
6. NO STRUCTURES OR VEGETATION OF ANY KIND THAT WOULD IMPIDE THE FLOW OF WATER THROUGH THE EASEMENTS MAY BE CONSTRUCTED, PLANTED OR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS.
7. ONLY GROUND COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN EASEMENTS DEDICATED FOR THE EXCLUSIVE USE OF WATER, SANITARY SEWER, RECLAIMED WATER OR ANY COMBINATION THEREOF. NO TREES ARE ALLOWED.
8. VISIBILITY EASEMENT RESTRICTIONS: ANY OBJECT, WALL, STRUCTURE, MOUND, OR LANDSCAPING (MATURE) OVER 24" IN HEIGHT IS NOT ALLOWED WITHIN THE VISIBILITY EASEMENT. (SEE SHEET 2 FOR DETAIL)
9. TRACT, LOT, AND PARCEL MONUMENTATION TO BE SET AT COMPLETION OF STREET PAVING.
10. ALL TRACTS THAT WILL NOT BE DEDICATED TO THE TOWN OF FLORENCE AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF FLORENCE AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS' ASSOCIATION. THE HOMEOWNERS' ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.
11. ALL PROPERTY LINES SHOWN INTERSECTING AN ARC ARE TO BE ASSUMED RADIAL, UNLESS NOTED AS NON-RADIAL (NR).
12. POSITIONAL TOLERANCE FOR WALLS COMMON TO TWO LOTS IS +/-1.0 FOOT FROM COMMON LOT LINE. WALLS COMMON TO A LOT AND A TRACT OR RIGHT-OF-WAY ARE TO BE WITHIN THE WALL MAINTENANCE EASEMENT.
13. REFERENCE DOCUMENTS 2010-106384, 2010-087672, 2012-013291 PCR

## SHEET INDEX

SHEET NO.	CONTENTS
1	COVER SHEET
2	UNIT 18 LAYOUT

## BASIS OF BEARING

THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 24, (THE NORTHEAST CORNER BEING FOUND A OLD BRASS CAP AND THE EAST QUARTER CORNER BEING FOUND A 3" AC, LS 11893), TOWNSHIP 4 SOUTH, RANGE 8 EAST, OF THE GILA AND SALT RIVER MERIDIAN, PINAL COUNTY, ARIZONA, BEARING BEING N00°25'55"W, HORIZONTAL DISTANCE BETWEEN MONUMENTS BEING 2639.77'

## WATER AND SEWER SERVICE CERTIFICATION

ANTHEM AT MERRILL RANCH UNIT 18 IS WITHIN THE SERVICE AREA OF JOHNSON UTILITIES, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY, WHICH HAS BEEN DESIGNATED AS HAVING AN ASSURED WATER SUPPLY PURSUANT TO A.R.S. 45-578. A COMMITMENT TO SUPPLY WATER SERVICE TO THIS PLATTED SUBDIVISION HAS BEEN RECEIVED FROM SAID COMPANY AS EVIDENCED BY JOHNSON UTILITIES DRINKING WATER SERVICE AGREEMENT, A COPY OF WHICH IS SUBMITTED WITH THIS PLAT. ON-SITE SANITARY SEWER DISTRIBUTION LINES WILL BE CONSTRUCTED BY THE DEVELOPER OF THIS SUBDIVISION AND OWNED AND MAINTAINED BY JOHNSON UTILITIES, L.L.C.

JOHNSON UTILITIES, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

## ACKNOWLEDGEMENT

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } SS.

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, BEFORE ME, THE UNDERSIGNED, PERSONALLY

APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED SELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FORGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS THEREOF, I HAVE HERETO SET MY HAND AND OFFICIAL SEAL.

\_\_\_\_\_  
NOTARY PUBLIC DATE \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_, 20\_\_\_\_.

## APPROVALS

BY ACCEPTANCE OF THIS RE-SUBDIVISION, THE TOWN OF FLORENCE AGREES TO THE VACATION OR ABANDONMENT OF THE EASEMENTS DESCRIBED OR SHOWN HEREON AS BEING VACATED OR ABANDONED.

APPROVED BY THE COMMUNITY DEVELOPMENT DIRECTOR AND THE TOWN ENGINEER OF THE TOWN OF FLORENCE, ARIZONA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

APPROVED BY: \_\_\_\_\_ COMMUNITY DEVELOPMENT DIRECTOR DATE: \_\_\_\_\_  
TOWN OF FLORENCE, ARIZONA

APPROVED BY: \_\_\_\_\_ TOWN ENGINEER DATE: \_\_\_\_\_  
TOWN OF FLORENCE, ARIZONA

APPROVED BY THE COUNCIL OF THE TOWN OF FLORENCE, ARIZONA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

APPROVED BY: \_\_\_\_\_ MAYOR DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_ TOWN CLERK DATE: \_\_\_\_\_

## RECORDER

STATE OF ARIZONA }  
COUNTY OF PINAL } SS.

I hereby certify that the within instrument is filed in the official records of this County as File No. \_\_\_\_\_  
Date: \_\_\_\_\_  
Request of: \_\_\_\_\_  
Witness my hand and official seal: \_\_\_\_\_  
Virginia Ross Pinal County Recorder  
By: \_\_\_\_\_ Deputy

## DEVELOPER / OWNER

PULTE HOME CORP.

16767 PERIMETER DRIVE STE. 100

SCOTTSDALE, AZ 85266

480.818.6001

## SURVEYOR

BAXTER DESIGN GROUP

7580 N. DOBSON ROAD, SUITE 200

SCOTTSDALE, AZ 85266

480.818.6001

## LAND USE INFORMATION

GROSS AREA	0.7820	ACRES
OPEN SPACE	N/A	ACRES
RIGHT-OF-WAY AREA	N/A	ACRES
NET AREA	0.7820	ACRES
TOTAL LOTS	5	
PROPOSED DENSITY	6.3039 D.U./AC.	
ZONING	P.U.D. R-1	

## UTILITIES AND SERVICES

GAS	SOUTHWEST GAS
SEWER	JOHNSON UTILITIES CO
WATER	JOHNSON UTILITIES CO
ELECTRIC	ARIZONA PUBLIC SERVICE (APS)
TELEPHONE	QWEST COMMUNICATIONS
SOLID WASTE DISPOSAL	TOWN OF FLORENCE
CABLE	COX/QWEST COMMUNICATIONS



## SURVEYOR CERTIFICATION

THIS IS TO CERTIFY THAT THIS PLAT IS CORRECT AND ACCURATE AND THE MONUMENTS DESCRIBED HEREIN HAVE EITHER BEEN SET OR LOCATED AS DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DATE:	MARCH 20, 2013
DESIGNED BY:	BOO
DRAWN BY:	STS
REVIEWED BY:	JWW
PROJECT:	
TITLE:	RE-SUBDIVISION



J.W. WEEKS, R.L.S. 43021  
BAXTER DESIGN GROUP, LLC  
7580 N. DOBSON ROAD, SUITE 200  
SCOTTSDALE, AZ 85266

REG-06

PULTE GROUP  
RE-SUBDIVISION OF  
LOTS 40 THRU 45 INCLUSIVE AND  
LOTS 63 THRU 65 INCLUSIVE, LOCATED  
WITHIN THE RE-SUBDIVISION OF  
ANTHEM AT MERRILL RANCH UNIT, 18  
(2011-077761A, PCR)

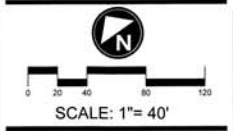
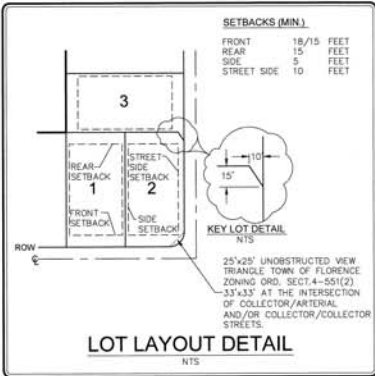
SITUATED WITHIN THE EAST HALF OF SECTION 24, TOWNSHIP 4 SOUTH, RANGE 8 EAST AND THE WEST HALF OF SECTION 19 TOWNSHIP 4 SOUTH, RANGE 9 EAST OF THE GILA AND SALT RIVER MERIDIAN, TOWN OF FLORENCE, PINAL COUNTY, ARIZONA

UNIT 18  
COVER SHEET  
SHEET 1 OF 2

DATE PLOTTED: 03/20/13 10:00 AM  
PLOT BY: JWW

VERSION





**LINE TABLE**

LOT NO.	SQ. FT.	ACRES
40	6,247	0.1434
41	6,095	0.1399
42	6,372	0.1509
43	7,715	0.1771
44	7,437	0.1707
63	9,664	0.2219
64	9,555	0.2187

**LINE TABLE**

LINE	BEARING	DISTANCE
L1	S46°03'09"E	20.58'
L2	S51°10'31"W	11.57'

**CURVE TABLE**

CURVE#	RADIUS	LENGTH	DELTA	TANGENT
C1	330.00'	102.29'	17°45'34"	51.56'
C2	330.00'	45.17'	7°50'03"	22.60'
C3	330.00'	37.17'	9°50'31"	28.65'
C4	50.00'	22.50'	25°50'31"	11.47'
C5	50.00'	11.42'	13°05'30"	5.74'
C6	50.00'	3.04'	3°28'28"	1.52'
C7	50.00'	3.09'	9°16'33"	4.05'
C8	600.00'	245.17'	22°39'08"	124.18'
C9	620.00'	93.57'	8°38'48"	46.87'
C10	620.00'	72.37'	6°41'15"	36.22'
C11	620.00'	72.37'	6°41'15"	36.22'
C12	600.00'	6.82'	0°37'49"	3.41'

**RECORDER**

STATE OF ARIZONA } SS  
COUNTY OF PINAL }

I hereby certify that the within instrument is filed in the official records of this County as File No. \_\_\_\_\_

Date: \_\_\_\_\_

Witness my hand and official seal.

Virginia Ross  
Pinal County Recorder  
Deputy

**SYMBOL LEGEND**

- QUARTER CORNER, OLD BRASS CAP, (UNLESS NOTED OTHERWISE)
- CENTERLINE MONUMENT
- REBAR & CAP, RLS 21085 FOUND

**LINE LEGEND**

- BREAK LINE
- CENTERLINE OF ROADWAY
- EASEMENT LINE
- PLAT BOUNDARY
- PROPERTY LINE
- ROW
- MIDSECTION LINE
- TERMINAL POINT ON ROW

**ABBREVIATIONS**

(AC) ACRES  
AL ALUMINUM CAP  
BC BRASS CAP  
DCT DITCH  
(BOB) BASIS OF BEARING  
DOK DOWEL  
FND FOUND MONUMENT  
GL GENERAL LAND OFFICE  
LE LANDSCAPE EASEMENT  
LSP LAND SURVEYORS REGISTRATION NO.  
NO ID NO IDENTIFICATION, (NO LS No.)  
(NR) MORE OR LESS  
NTS NOT TO SCALE  
PCR PINAL COUNTY RECORDER  
PAGE PAGE  
PCB POINT OF BEGINNING  
PUE PUBLIC UTILITY FACILITY EASEMENT/  
DRAINAGE EASEMENT  
R # E RANGE LINE No. EAST  
(RB) RADIAL BEARING  
ROW RIGHT OF WAY  
SEC # SECTION No.  
SDE STORM DRAIN EASEMENT  
SLS SLOPE  
SSE SANITARY SEWER EASEMENT  
SOT SIGHT DISTANCE TRIANGLE  
T # S TOWNSHIP LINE No. SOUTH  
TOP TOWN OF FLORENCE  
LVT UNOBSTRUCTED VIEW TRIANGLE  
VNAE VEHICULAR NON-ACCESS EASEMENT  
WME WALL MAINTENANCE EASEMENT



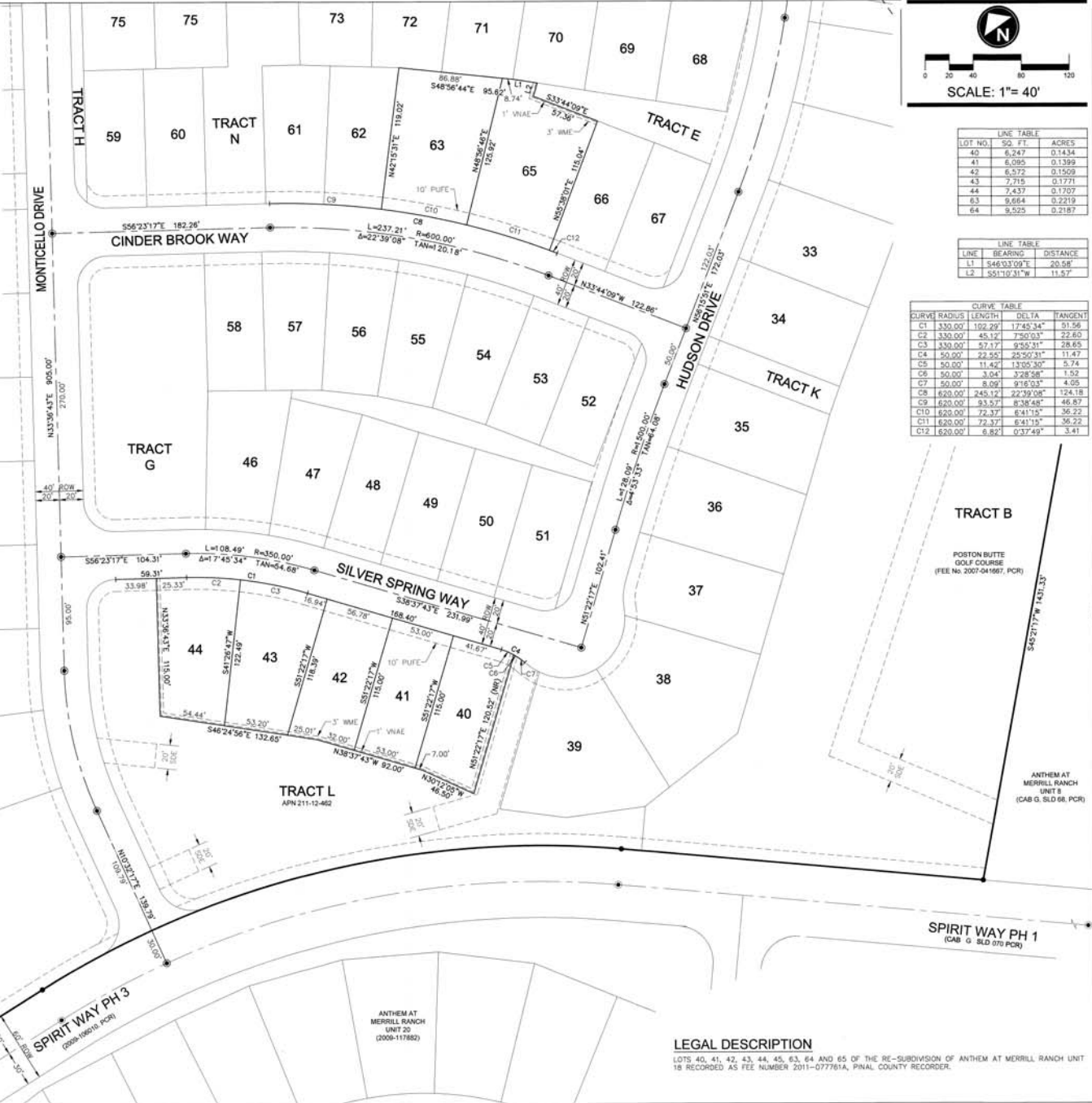
DATE:	MARCH 20, 2013
DESIGNED BY:	BOG
DRAWN BY:	STS
REVIEWED BY:	JWW
PROJECT:	
DATE:	RE-SUBDIVISION

REVISIONS:	

**PULTE GROUP**  
RE-SUBDIVISION OF  
LOTS 40 THRU 45 INCLUSIVE AND  
LOTS 63 THRU 65 INCLUSIVE, LOCATED  
WITHIN THE RE-SUBDIVISION OF  
ANTHEM AT MERRILL RANCH UNIT, 18  
(2011-077761A, PCR)

SITUATED WITHIN THE EAST HALF OF SECTION 24,  
TOWNSHIP 4 SOUTH, RANGE 8 EAST AND THE WEST HALF  
OF SECTION 19 TOWNSHIP 4 SOUTH RANGE 8 EAST OF THE  
GLA AND SALT RIVER MERIDIAN,  
TOWN OF FLORENCE, PINAL COUNTY, ARIZONA.

**UNIT 18**  
**LAYOUT SHEET**  
**SHEET 2 OF 2**




**LEGAL DESCRIPTION**

LOTS 40, 41, 42, 43, 44, 45, 63, 64 AND 65 OF THE RE-SUBDIVISION OF ANTHEM AT MERRILL RANCH UNIT 18 RECORDED AS FEE NUMBER 2011-077761A, PINAL COUNTY RECORDER.

VERSION

ALL RIGHTS RESERVED BY BAXTER DESIGN GROUP  
No. 10-01784-1 | 10/10/12 | 10/10/12 | 10/10/12



	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>7c.</b>
<b>MEETING DATE:</b> May 20, 2013  <b>DEPARTMENT:</b> Community Development  <b>STAFF PRESENTER:</b> Mark Eckhoff Community Development Director  <b>SUBJECT:</b> Intergovernmental Agreement Amendment for McFarland State Park		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Authorization to enter into an amendment to the Intergovernmental Agreement and extend the Partnership Agreement between the Arizona State Parks Board and Town of Florence for McFarland State Historic Park operations, beginning April 25, 2013 and set to expire June 30, 2016.

**BACKGROUND/DISCUSSION:**

The Town has entered into a partnership with the McFarland State Historic Park since October 18, 2010, for operation of the Park. Within the original agreement, the Town contracted with the Florence Main Street Program to operate the Park. The Florence Main Street Program vacated the McFarland State Historic Park effective April 1, 2013. During the interim period, the Town has hired a temporary employee to operate the McFarland State Historic Park and Florence Visitor's Center.

This agreement includes some of the following changes:

1. The Town will provide routine ground maintenance.
2. The Town may execute a Professional Service Agreement with a third party to operate the facility.
3. The Town or third party may operate a gift shop.
4. A provision allowing cross-marketing materials in McFarland State Historic Park. These will be in addition to Board-specific cross-marketing materials currently available to visitors at the Park.
5. Language which states the "Arizona State Parks Board, the Town and other interested parties will endeavor to work together to encourage community

marketing and rehabilitation efforts” in regards to the McFarland State Historic Park. Any specific projects for the Park would be authorized through additional agreements between the parties.

6. Language to extend the contract for service of the McFarland State Historic Park until June 30, 2016, unless otherwise cancelled or terminated.

Town Staff is currently working with Chamber of Commerce, who will lease McFarland State Park and staff the Florence Visitor Center. It is anticipated that a lease agreement, as well as a professional service agreement, will be before the Town Council in June.

**FINANCIAL IMPACT:**

There will be a small fiscal impact as it relates to minor maintenance to the interior and exterior of the building and grounds.

**STAFF RECOMMENDATION:**

Authorization to enter into and Intergovernmental Agreement Amendment for continued partnership with the Arizona State Parks Board for operation of McFarland State Historic Park.

**ATTACHMENTS:**

Intergovernmental Agreement - 2010  
Intergovernmental Agreement Amendment No. 1 - 2011  
Intergovernmental Agreement Amendment No. 2 - 2013



## INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
and  
**Town of Florence**

ASPB IGA Ref No. PR11-027

Contract Officer: Sharon Kendrick, CPPB

TOWN Ref No.

RE: MSHP AGREEMENT

Page 1 of 29

Issued: October 4, 2010

**THIS INTERGOVERNMENTAL AGREEMENT (IGA)** is made between TOWN OF FLORENCE (the "TOWN"), a political subdivision of the State of Arizona, and the ARIZONA STATE PARKS BOARD (the "BOARD" or "ASPB"), an agency of the State of Arizona. Individually either of these entities may be referred to as "PARTY" and collectively they may be referred to as "PARTIES."

### I. AUTHORITIES

#### A. BOARD:

1. General:
  - a. A.R.S. § 11-952, authorizes the PARTIES to enter into Intergovernmental Agreements.
2. Specific:
  - a. BOARD:
    - i. A.R.S. § 41-511.03 authorizes the BOARD to select, acquire, preserve, establish and maintain areas of historical interest for the education, pleasure, recreation, and health of the people.
    - ii. A.R.S. § 41-511.04 (A) (2) authorizes the BOARD to manage, develop and operate state parks.
    - iii. A.R.S. § 41-511.04 (A) (6) authorizes the BOARD to enter into agreements with other local governments to protect state parks.
    - iv. A.R.S. § 41-511.05 (2) authorizes the BOARD to enter into Agreements to perform its duties.
    - v. A.R.S. § 41-511.10 authorizes the BOARD to reject any donations, gifts or properties it finds unsuitable.

#### B. TOWN:

1. General:
  - a. A.R.S. §§ 9-494 (A) authorizes the TOWN to establish and maintain public parks and to acquire, hold and improve real property for that purpose.
  - b. A.R.S. §§ 11-931 through -933 authorizes the TOWN to establish public parks and to enter into cooperative agreements to maintain and administer public parks.

### II. RECITALS:

- A. **WHEREAS**, McFarland State Historic Park (hereinafter called "PARK"), is owned and operated by the BOARD, and,
- B. **WHEREAS**, the BOARD is the owner of, and has the authority to manage the PARK, to acquire, manage, and plan state historic sites, and to contract with governmental entities to accomplish these purposes; and
- C. **WHEREAS**, the TOWN has the statutory authority to establish and maintain public parks; and on March 17, 2010 the TOWN Council authorized the TOWN Administrator to execute an agreement with the BOARD to operate the PARK; and
- D. **WHEREAS**, it is understood and agreed by the PARTIES that the TOWN will be expending money from time to time for the purpose of making appropriate and necessary repairs and improvements to the PARK; and



## INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
and  
**Town of Florence**

ASPB IGA Ref No. PR11-027  
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TOWN Ref No.

RE: MSHP AGREEMENT

Page 2 of 29

Issued: October 4, 2010

- E. **WHEREAS**, the TOWN and the BOARD recognize the importance of keeping the PARK open to the public at this time, and further recognize that the current budget deficits of the State of Arizona make it difficult for the BOARD to commit adequate funds to operate and maintain the PARK; and
- F. **WHEREAS**, the TOWN is willing and able to cooperatively maintain and operate the PARK for a period of time; and
- G. **WHEREAS**, the TOWN is willing to contribute its expertise, property and exhibits to this cooperative agreement; and
- H. **WHEREAS**, both TOWN and the BOARD agree that responsibility for maintenance and operational expenses will be resumed by the BOARD when it is able to do so;

**NOW, THEREFORE**, the PARTIES agree as follows:

### III. PURPOSE

The BOARD enters into this IGA with the TOWN to cooperatively maintain and operate the PARK. The PARK is located at 24 W Ruggles Street, Florence, Arizona 85132, as shown in Exhibit 1 attached and made part of this IGA by reference. The PARTIES anticipate that when the BOARD believes it has sufficient funds to operate the PARK, the BOARD will resume operation of the PARK, and the BOARD and TOWN will work together to develop a plan of operation for the PARK that may include continued financial support from the TOWN for the operation of the PARK.

### IV. RESPONSIBILITIES

#### A. BOARD:

1. **FUNDING.** The BOARD may provide funding, if available, for emergency maintenance repairs and/or construction improvement projects agreed upon by the PARTIES to this IGA.
2. **VISITS and INSPECTIONS.** The BOARD will periodically visit, inspect, and monitor all or any portions of the PARK to ensure compliance with the terms and conditions of this IGA. BOARD staff may interview TOWN personnel and volunteers, take photographs, examine documents, take notes and record data during these site inspections. The BOARD will provide a written report of its findings to the TOWN within a reasonable time after the visit. If deficiencies are found, the BOARD may require corrective actions be implemented by the TOWN or may take corrective action as permitted by this IGA.
3. **LANDSCAPE MAINTENANCE.** The Board will provide routine grounds maintenance and upkeep of the exterior premises of the PARK. The BOARD may utilize Department of Corrections inmate labor for this task.
4. **The BOARD** will retain responsibility of the Archives Building located on Parcel B (Exhibit 1) with the exception of the restrooms, which will be operated and maintained by the TOWN.
5. **MANAGEMENT OVERSIGHT.** The BOARD agrees that it will maintain management oversight over the PARK to ensure that the feel of the PARK remains consistent with and comparable to other BOARD facilities.



## INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
and  
**Town of Florence**

ASPB IGA Ref No. PR11-027  
Contract Officer: Sharon Kendrick, CPPB

TOWN Ref No.

RE: MSHP AGREEMENT

Page 3 of 29

Issued: October 4, 2010

### B. TOWN:

1. **PARK IDENTITY.** The TOWN agrees that the PARK name will remain *McFarland State Historic Park* and it shall be referred to as such in all literature and signage. With written permission from the BOARD, the TOWN may add verbiage to the name such as “Operated cooperatively by the TOWN and the Florence Main Street Program” or other such descriptive variant, and may reference the fact that the Main Street Program visitor center is located within the PARK.
2. **PARK CONTACT INFORMATION.** The TOWN shall keep and maintain all current contact information for the PARK, i.e. telephone numbers, addresses, P.O. boxes, etc. This will avoid misinformation and confusion that could result from changing this information.
3. **COMPLIANCE WITH LAW.** The TOWN shall make those efforts necessary to ensure that the PARK is not used for any unlawful purpose, and ensure that it does not cause, maintain or permit any nuisance in, on or about the PARK.
4. **The TOWN** agrees to operate and maintain Parcels A, C & D (Exhibit 1) with the following stipulation. Parcel D may be used as an overflow area for the TOWNS Public Works Department, provided no potentially hazardous material or debris is introduced therein. The TOWN also agrees to operate and maintain the restrooms located on Parcel B.
5. **BUILDING MAINTENANCE.**
  - a. The TOWN is responsible to maintain the interior and exterior of the building, as shown in Exhibit 2. Maintenance means, “those activities necessary to keep a facility in good working order and professional in appearance,” and the TOWN agrees that it will keep the facilities of the PARK in at least as good a condition as other TOWN-maintained facilities. Construction Improvements, as referenced in Section IV, C are not considered to be maintenance, and are not the responsibility of the TOWN.
  - b. In the event of a life safety emergency or natural disaster affecting either the interior or exterior of the PARK, the TOWN shall immediately contact the BOARD’s Chief of Development to report the extent of the emergency. In time-critical situations, when the Chief of Development is unavailable, the TOWN may temporarily protect and stabilize the affected portions of the PARK until the BOARD’s Chief of Development can assess the damage and repairs can commence. The TOWN shall follow-up with a written report. Emergency construction repairs to the PARK shall be the responsibility of the BOARD and will proceed as soon as practicable.
6. **UTILITIES.** The TOWN agrees to pay 100% of all utility costs for phone, gas, internet, alarm system(s), trash, water, and wastewater of the PARK during the time the PARK is operated and maintained cooperatively with the TOWN. The PARTIES agree to share the cost of electricity used at the PARK with the TOWN paying 85% and the BOARD paying 15%.
7. **LIENS.** The TOWN shall keep the PARK free from any liens arising out of any work performed, materials furnished or obligations incurred by the TOWN.



## INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
and  
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ASPB IGA Ref No. PR11-027  
Contract Officer: Sharon Kendrick, CPPB

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RE: MSHP AGREEMENT

Page 4 of 29

Issued: October 4, 2010

### 8. ASSIGNMENT AND SUBLETTING.

- a. The TOWN may not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, or encumber this IGA or any interest therein.
- b. The BOARD acknowledges that the TOWN may execute a Professional Service Agreement ("PSA") with the Florence Main Street Program ("FMSP") to provide: staffing and professional curation services for the operation of the PARK, a location for the TOWN's visitor center and the FMSP offices, and that the PSA is not prohibited by this paragraph. The PSA will incorporate the terms of this IGA by reference, and the TOWN understands that it is ultimately responsible for the performance of FMSP under this IGA. The Town shall notify the BOARD if any of the terms of the PSA change, including the identity of any PARTY to the PSA, by providing a 60-calendar day advanced written notice of this change.
- c. The TOWN or FMSP may enter into short-term agreements with third parties for the use of PARK. The TOWN shall notify the BOARD of any such agreements within 15 days after said agreements are in place. The term of any such agreements shall not exceed the term of this IGA. Further, any such agreements shall terminate upon the termination of the IGA. Any and all revenue derived from the agreements shall be paid to the town.

### 8. INFORMATION REPORTING:

- a. The TOWN shall report the following information monthly to the Fiscal Services Section of the BOARD'S Administrative Services Division on forms supplied by the Section:
  - i. Day use attendance
  - ii. Day use revenues
  - iii. Visitors utilizing the annual pass
  - iv. Concessionaire revenues
  - v. Gift shop revenues
  - vi. Special event revenues
  - vii. Donation revenues
- b. The TOWN shall submit reporting information electronically in Microsoft Excel format either by email to [msnyder@azstateparks.gov](mailto:msnyder@azstateparks.gov) or mail to Fiscal Services Section, Arizona State Parks, Administrative Services Division, 1300 W. Washington, Phoenix, AZ 85007; Tel. (602) 542-6938.
- c. Upon request by the BOARD, the TOWN shall provide supporting details of monthly report(s) as defined in this section.

### C. Shared Responsibilities of the BOARD and the TOWN

1. **CONSTRUCTION IMPROVEMENTS.** The TOWN and the BOARD recognize that some of the facilities in the PARK are in need of maintenance, repair or replacement. A list of potential construction improvements is attached as Exhibit 3. To the extent possible, the TOWN and the BOARD will work together to secure funds for these



## INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
and  
**Town of Florence**

ASPB IGA Ref No. PR11-027  
Contract Officer: Sharon Kendrick, CPPB

TOWN Ref No.

RE: MSHP AGREEMENT

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Issued: October 4, 2010

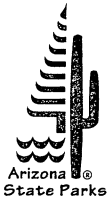
construction improvements. Construction improvement projects include any construction, renovation, repair or replacement of any facilities at the PARK, as deemed necessary to operate the Park by the Chief of Development of the BOARD.

- a. The TOWN shall provide project management services to complete design of construction improvement projects agreed to by the PARTIES.
- b. All construction improvement projects on the PARK shall be contracted and procured by the TOWN in conformance with current TOWN procedures. All construction must comply with the Arizona Registrar of Contractors Statutes and Rules.
- c. The TOWN shall create and provide a detailed scope of work, with plans and specifications sealed by an Arizona Registered Architect or Engineer, for any construction improvement projects, and shall provide this scope of work, including the plans and specifications, to the BOARD's Chief of Development.
- d. Prior to beginning any construction, the TOWN shall receive written approval of said Scope of Work and plans and specifications, from the BOARD's Chief of Development. This approval is for scope, type, quantity and location only. The TOWN is responsible for design and code compliance including the requirements of the State Fire Marshall. The Chief of Development shall have adequate time to review, for approval, all required documents submitted by the TOWN. Upon completion of each project, the TOWN shall submit to the Chief of Development, a sealed copy of AS-BUILT DRAWINGS on CD or DVD media.
- e. The TOWN shall obtain all necessary permits, concurrences and authorizations, required. Copies of all permits, concurrences and authorizations shall be submitted to the BOARD's Chief of Development with a detailed schedule of progress for said project(s).
- f. Any repairs to historic buildings that affect building materials or character-defining elements shall be discussed with the BOARD's Chief of Development to ascertain whether or not the repair shall require review and approval of State Historical Preservation Office (SHPO).
- g. All previous Historic Structures Reports, Building Conditions Assessments or Historic Building Preservation Plans that have been completed for the BOARD or SHPO shall be used as a basis for repairs, improvements or construction improvement projects.
- h. All improvements, repairs and installations to historic buildings shall meet the Secretary of the Interior's Standards for historic structures. The Chief of Development will consider all improvements, repairs and installations complete upon his final approval.
- i. Permanent structures constructed on the PARK shall become the property of the BOARD upon the expiration or termination of this IGA.

### 2. **INDIVIDUAL COMPETENCIES AND TRAINING.**

- a. Any individual working in the PARK, either paid or unpaid, shall be familiar with:
  - i. The significance of the facility and the reasons why it is part of the Arizona State Park system.





## INTERGOVERNMENTAL AGREEMENT

Between  
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RE: MSHP AGREEMENT

Page 6 of 29

Issued: October 4, 2010

- ii. Care and maintenance of artifacts and museum collections.
    - iii. Visitor contact and interpretive education practices.
  - b. Examples of PARK staff duties include, but are not limited to:
    - i. Inspecting grounds, equipment, buildings and museum facilities for necessary repairs, security and safety problems or hazards.
    - ii. Serving as an interpretive guide and providing information and programs to the visiting public.
  - c. The BOARD will conduct training programs at the PARK covering the topics listed above. Any individual working at the PARK must attend this training within the first three months of their work at the PARK.
- 3. **ARTIFACT COLLECTIONS.**
  - a. Within 30-business days of the effective date of this IGA, the BOARD will inventory and remove property and equipment as provided below.
  - b. The TOWN will properly protect and care for artifact collections located within the PARK and will follow standard museum practices described in *The National Park Service Museum Handbook*. An electronic version of this handbook shall be provided to the TOWN by the BOARD.
  - c. The TOWN will be solely responsible for the safety of artifacts on display, exhibits and library items. The BOARD will remain responsible for non-displayed artifacts stored at the PARK, and these objects will not be available for inspection, research or display without specific permission from the Cultural Resources staff of the BOARD. Should the TOWN wish to display and exhibit certain of the non-displayed artifacts, the BOARD will consider providing those artifacts upon the presentation of and mutual agreement on an exhibit plan.
  - d. The TOWN will provide and monitor proper heating, cooling and ventilation for the buildings. Open Windows must have proper screening to prevent insect infestation.
  - e. The TOWN will routinely clean and maintain the buildings and the exterior of exhibit cases. The TOWN must consult with the Cultural Resources staff of the BOARD prior to cleaning furnishings and/or if access to the interior of exhibit cases is needed.
  - f. The TOWN shall maintain and monitor security to protect the artifact collections and exhibits in the PARK. This includes the upkeep of the security system and monitors in the buildings and museum, as well as visual inspection of the grounds.
  - g. The TOWN will maintain and monitor outside interpretive panels and exhibits.
  - h. The TOWN will immediately report any damage to or theft of artifacts or exhibits to the BOARD and to the police of the local jurisdiction.
  - i. The BOARD will also regularly monitor the historic resources, including the buildings, museum and grounds.
  - j. If the TOWN wants to move, handle, rearrange, change, repair, or conserve any of the artifacts, it must secure advance permission from the BOARD in writing.



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Similarly, any planning, rearranging, moving, or changing of exhibits requires prior consultation in writing and approval from the BOARD.

- k. The PARK contains both artifacts in the collection and educational objects. Educational objects may be used by the TOWN for demonstration purposes, whereas artifacts may not. The BOARD will provide the TOWN a list of educational objects prior to the expiration of the 30-business day transition period.
- l. The collections at the PARK may include objects on loan from individuals or other institutions. The BOARD will inform the TOWN of any special requirements relating to these artifacts.
- m. Any donations of artifacts or archival materials offered to the PARK shall be approved by the cultural resources staff of the BOARD prior to acceptance, and shall become property of the BOARD. BOARD procedures for donations of artifacts or materials shall be followed.

#### 4. **TRANSITION AND STORAGE.**

- a. The TOWN may begin operations to re-open the PARK immediately upon the effective date of this agreement. The TOWN shall allow the BOARD five (5) business days from the effective date of this agreement to remove all non-essential property and records from the PARK.
- b. The BOARD shall use the McFarland Archives building, located on Parcel B, to store BOARD property and equipment.

#### 5. **GIFT SHOP OPERATION AND MERCHANDISE.**

- a. The TOWN will operate the gift shop area of the PARK so that it retains the look and feel of an Arizona State Park gift shop. Any alterations to the existing configuration of the gift shop area must be pre-approved by and done in consultation with, the gift shop staff of the BOARD. The TOWN shall retain all revenue from the operation of the gift shop.
- b. All gift shop furniture and fixtures remain the property of the BOARD and shall not be altered, removed or disposed of by the TOWN without written permission from the gift shop staff of the BOARD.
- c. The BOARD will make gift shop merchandise available to the TOWN for purchase, subject to the terms and conditions specified in Exhibit 4, ASPB Gift Shop Merchandise Policy For IGA Partners. Gift shop merchandise shall only be sold at the PARK. The BOARD must receive initial payment for gift shop merchandise already located at the PARK on or before the date the TOWN takes possession of the PARK. The TOWN may choose alternately not to purchase merchandise located at the PARK, and the BOARD agrees that it will remove the non-purchased merchandise prior to the date the TOWN takes possession of the PARK.
- d. Upon resumption of operational responsibility by the BOARD, the BOARD will purchase from the TOWN that portion of the Gift Shop merchandise remaining



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in the possession of the TOWN that was acquired from the BOARD. Payment for Gift Shop merchandise will be made to the TOWN within 30-calendar days of receipt of their invoice. Inventory of the Gift Shop will be completed by the PARTIES prior to the BOARD's resumption of operational responsibility of the PARK.

### 6. MARKETING

The PARTIES agree that the BOARD's cross-marketing materials (e.g., park-specific rack cards, and other marketing materials) will continue to be made available to visitors at the PARK to provide information regarding other parks and events within the state parks system and that Florence Main Street Program cross-marketing materials may be made available in the same manner at the PARK.

### V. TERM, DEFAULT, REMEDIES, AND TERMINATION.

- A. Term and Duration: This IGA is entered into and is effective as of the date on which the last of all required signatures is affixed hereto, and shall continue until June 30, 2013, unless earlier cancelled or terminated in accordance with the terms of this IGA. This IGA may be extended for two additional three-year periods, upon written advance notice by either party, prior to expiration and the written agreement of the PARTIES.
- B. Default: In the event that either PARTY is in default of its obligations and such default continues un-remedied for a period of 30-calendar days after written notice, the other PARTY may elect, upon not less than sixty 60-calendar days prior written notice, to terminate this IGA; provided, however, that if the nature of the default is such that more than 30-calendar days are reasonably required for its cure, then the PARTY shall not be deemed to be in default if the PARTY commences such cure within said 30-calendar day period and thereafter diligently prosecutes such cure to completion. Nothing in this provision shall preclude the PARTY alleging the default from pursuing other remedies that exist in law or in equity.
- C. Termination: This IGA may be terminated by either PARTY upon 90-calendar days written notice to the other PARTY of its intention to terminate. Neither PARTY shall incur new obligations under this IGA once notice of termination has been provided.

### VI. DISPOSAL OF PROPERTY.

- A. Any permanent structures constructed on the PARK during the term of this IGA shall become the property of the BOARD upon the expiration or termination of this IGA.
- B. All equipment purchased for the operation of the PARK with funds provided by the TOWN designated under this IGA shall become the property of the TOWN upon the expiration or termination of this IGA.

### VII. RESUMPTION OF OPERATIONAL RESPONSIBILITY BY THE BOARD.

- A. Upon abandonment, cancellation, revocation or termination of this IGA, the TOWN shall restore the PARK to its original condition, to the satisfaction of the BOARD. Such restoration shall include, but shall not be limited to, removal of any and all material, equipment, facilities, temporary structures, or debris, deposited by TOWN on the PARK. If the TOWN fails to



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remove all such material, equipment, facilities, temporary structures, or debris within a reasonable period, as determined by the BOARD, they shall be forfeited and become the property of the State, but the TOWN shall remain liable for the cost of removal of all materials and for restoration of the PARK.

- B. In the event this IGA is not renewed or is canceled, the TOWN shall peaceably surrender the possession of the PARK upon the effective date of the cancellation or expiration of the term of this IGA. The TOWN may not hold over upon the expiration or cancellation of this IGA for any reason. The provisions of this paragraph shall not be deemed to limit or constitute a waiver of any other rights or remedies of the BOARD provided herein or at law. If the TOWN fails to surrender the PARK upon the termination or expiration of this IGA, in addition to any other liabilities to BOARD accruing therefrom, the TOWN shall protect, defend, indemnify and hold the BOARD harmless for, from and against all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure.
- C. After the expiration, cancellation, or termination of this IGA, the TOWN shall execute, acknowledge and deliver to the BOARD within 30-calendar days after written demand from the BOARD to the TOWN, any document requested by the BOARD quitclaiming any right, title or interest in the PARK to the BOARD.

### VIII. FINANCIAL

- A. The PARTIES understand and agree that this IGA shall be subject to available funding, and nothing in this IGA shall bind the PARTIES to performance or expenditures in excess of funds authorized and appropriated for the purposes outlined in this IGA.
- B. The TOWN shall charge fees according to the BOARD's approved fee schedule, and honor the BOARD's Annual Park Passes, Retiree Lifetime Passes and ASPB Volunteer Passes. In the event legislation is enacted that authorizes free admission to the BOARD's parks, the TOWN shall comply with the law, or may terminate in accordance with the terms of this IGA. Any and all revenue derived from the operation of the PARK, shall be paid to the TOWN.
- C. SPECIAL EVENTS - REVENUE AND MANAGEMENT. The TOWN may authorize special events at the PARK. Special Events shall conform to the BOARD's rules and policies governing Special Events. ASPB's Special Use Permit Application Materials Package is provided in Exhibit 5 and shall be used by the TOWN. All net revenues generated by Special Events held at the PARK shall be used for the operation and maintenance of the PARK.

### IX. INSURANCE

- A. Insurance: Insurance Requirements for Governmental PARTIES to the IGA: None.
1. Insurance Requirements for Any Contractors Used by a Party to the IGA: (Note: this applies only to Contractors used by a governmental entity, not to the governmental entity itself.) The insurance requirements herein are minimum requirements and in no way limit the indemnity covenants contained in the Intergovernmental Agreement. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the governmental entity or Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors, and Contractor and the governmental entity are free to purchase additional insurance.



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2. Minimum Scope And Limits Of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

i. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability – Written and Oral	\$1,000,000
Fire Legal Liability	\$ 50,000
Each Occurrence	\$1,000,000

(1) The policy shall be endorsed to include the following additional insured language: **“The State of Arizona and Arizona State Parks officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor”.**

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)

(2) Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

ii. **Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)      \$1,000,000

(1) The policy shall be endorsed to include the following additional insured language: **“The State of Arizona and Arizona State Parks officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor”.**

(2) Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

(Note that the other governmental entity(ies) is/are also required to be additional insured(s) and they should supply the Contractor with their own list of persons to be insured.)



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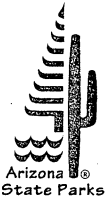
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### iii. **Worker's Compensation and Employers' Liability**

Workers' Compensation:	Statutory Employers' Liability
Each Accident	\$ 500,000
Disease – Each Employee	\$ 500,000
Disease – Policy Limit	\$1,000,000

- (1) Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
  - (2) This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. § 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.
3. Additional Insurance Requirements: The policies are to contain, or be endorsed to contain, the following provisions:
  - a. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees and the other governmental entity wherever additional insured status is required. Such additional insured shall be covered to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by the Contract.
  - b. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
  - c. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of its Contract with the other governmental entity(ies) Party to the IGA.
4. Notice Of Cancellation: Each insurance policy required by the insurance provisions of this Contract shall not be suspended, voided, cancelled, reduced in coverage or in limits except after 30-calendar days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to Arizona State Parks, 1300 W. Washington Room 220, Phoenix, AZ 85007 and shall be sent by certified mail, return receipt requested.
5. Acceptability Of Insurers: Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A-VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
6. Verification Of Coverage: Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.





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- a. All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- b. All certificates required by this Contract shall be sent directly to Arizona State Parks, 1300 W. Washington, Room 220, Phoenix, AZ 85007. The State of Arizona project/contract number and project description must be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. Do not send certificates of insurance to the state of Arizona's Risk Management Division.
7. Subcontractors: Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
8. Approval: Any modification or variation from the *insurance requirements* in this IGA must have prior approval from the State of Arizona Department of Administration, Risk Management Division, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.
9. Exceptions: In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university then none of the above shall apply.

### X. GENERAL TERMS AND CONDITIONS

- A. Amendment: This IGA may be amended only in writing by the PARTIES hereto. Amendments must be approved with the same formality as was this IGA.
- B. Arizona Law: This IGA shall be governed by and construed in accordance with the laws of the State of Arizona.
- C. Immigration Compliance: All PARTIES shall comply with all applicable federal immigration laws and regulations including Governor's Executive Order 2005-30 and any successor statutes.
- D. Equal Opportunity/Non-Discrimination: The PARTIES shall comply with Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The PARTIES shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.
- E. Records: Pursuant to A.R.S. § 35-214, all books, accounts, reports, files and other records relating to this IGA shall be subject at all reasonable times to inspection by the State of Arizona for five years after the completion of this IGA. Such records shall be reproduced as designated by the State of Arizona.



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- F. Arbitration: The PARTIES agree to use arbitration to resolve disputes arising out of this IGA to the extent required by A.R.S. § 12-1518.
- G. Governor's Cancellation: All PARTIES are put on notice that this IGA is subject to cancellation pursuant to A.R.S. § 38-511.
- H. Indemnification: Neither party to this Agreement agrees to indemnify the other PARTY or hold harmless the other PARTY from liability hereunder. However, if the common law or a statute provides for either a right to indemnify and/or a right to contribution to any PARTY to this agreement, then the right to pursue one or both of these remedies is preserved.
- I. No Partnership or Joint Venture: Nothing contained in this IGA shall be deemed or construed to create a partnership or joint venture between either party, and neither Party shall be responsible in any way for the activities, debts, contracts, obligations or acts, negligent or otherwise, of the other, it being expressly agreed that this IGA is an agreement between two independent PARTIES in which the identity of each Party is maintained as it was prior to this IGA.
- J. Waiver: The waiver by either Party of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.
- K. Marginal Headings: The marginal headings and Article titles to the Articles of this IGA are not a part of this IGA and shall have no effect upon the construction or interpretation of any part hereof.
- L. Time Is Of The Essence: Time is of the essence of this IGA and each and all of its provisions in which performance is a factor.
- M. Prior Agreements: This IGA contains all of the agreements of the PARTIES hereto with respect to any matter covered or mentioned in this IGA, and no prior agreement or understanding pertaining to any such matters shall be effective for any purpose. No provision of this IGA may be amended or added to except as provided in this IGA. This IGA shall not be effective or binding on any PARTY until fully executed by both PARTIES hereto.
- N. Attorney's Fees: In the event of any action or proceeding brought by either PARTY against the other under this IGA, each PARTY shall each be responsible for their own costs and expenses in such action or proceeding.
- O. Severability: Any provision of this IGA which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.
- P. Cumulative Remedies: No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.
- Q. Venue: The PARTIES must institute and maintain any legal actions or other judicial proceedings arising from this IGA in a Maricopa County court of competent jurisdiction.

## XI. NOTICES

- A. Any notice, demand or request required or authorized by this IGA to be given or made to or upon the PARTIES to this IGA shall be deemed properly given or made if delivered to or by: (a) certified return receipt mail; or (b) recognized overnight courier; or (c) facsimile transmission, effective upon electronic transmission confirmation; or (d) electronic mail. Notices shall be sent to the following addresses:



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1. Town of Florence/Town Manager, P.O. Box 2760, 775 N. Main Street, Florence, Arizona 85132. Fax: (520) 868-7564, Email: [himanshu.patel@florenciaz.gov](mailto:himanshu.patel@florenciaz.gov)
  2. Arizona State Parks/Procurement Officer, 1300 W. Washington, Phoenix, Arizona 85007. Fax: (602) 542-6925, Email: [skendrick@azstateparks.gov](mailto:skendrick@azstateparks.gov)
- B. A change of address or person to whom notices should be sent may be made by giving notice, in the manner described above, to the other PARTY.



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**XII. INTERGOVERNMENTAL AGREEMENT SIGNATURE AUTHORITY**

- A. By signing below, the signer certifies the authority to enter into this IGA and has read the foregoing and agrees to accept the provisions herein.
- B. This IGA may be executed in two or more counterparts each of which shall be deemed an original and all of which together shall constitute one instrument.
- C. Electronic Submittal: All PARTIES to this Amendment acknowledge that signatures by electronic means are acceptable and legally binding.

**RESERVED FOR ARIZONA STATE PARKS**

**RESERVED FOR THE TOWN MAYOR**

*Renée E. Bahl* 21 Oct 2010  
Signature Date

*Vicki Kilvinger* 10-18-10  
Signature Date

Renée E. Bahl, Executive Director  
Typed Name and Title

Vicki Kilvinger, Mayor  
Typed Name and Title

Arizona State Parks Board  
Entity Name

Town of Florence  
Entity Name

1300 W. Washington  
Address

775 N. Main Street  
Address

Phoenix, AZ 85007  
City State Zip

Florence, AZ 85132  
City State Zip

**RESERVED FOR THE ATTORNEY GENERAL**

**RESERVED FOR THE TOWN ATTORNEY**

PR10-037, which is an Intergovernmental Agreement between public agencies, has been reviewed pursuant to A.R.S. 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those Parties to the Agreement represented by the Attorney General this

I have reviewed the Intergovernmental Agreement between the Arizona State Parks Board and Town of Florence and declare this agreement to be in proper form and within the powers of authority granted to the Town of Florence under the laws of the State of Arizona this

4<sup>th</sup> day of October, 2010

8 day of October, 2010

TERRY GODDARD  
The Attorney General

*Terry Goddard*  
Assistant Attorney General Signature

*[Signature]*  
Attorney Signature

**RESERVED FOR THE TOWN CLERK**

I, Lisa Garcia, Florence Town Clerk, do hereby certify that the foregoing and attached Intergovernmental Agreement between the Arizona State Parks Board and the Town of Florence was passed and adopted by the Florence Town Council, at the regular meeting held this 18 day of October, 2010.

**ATTEST**

*[Signature]*  
Clerk Signature



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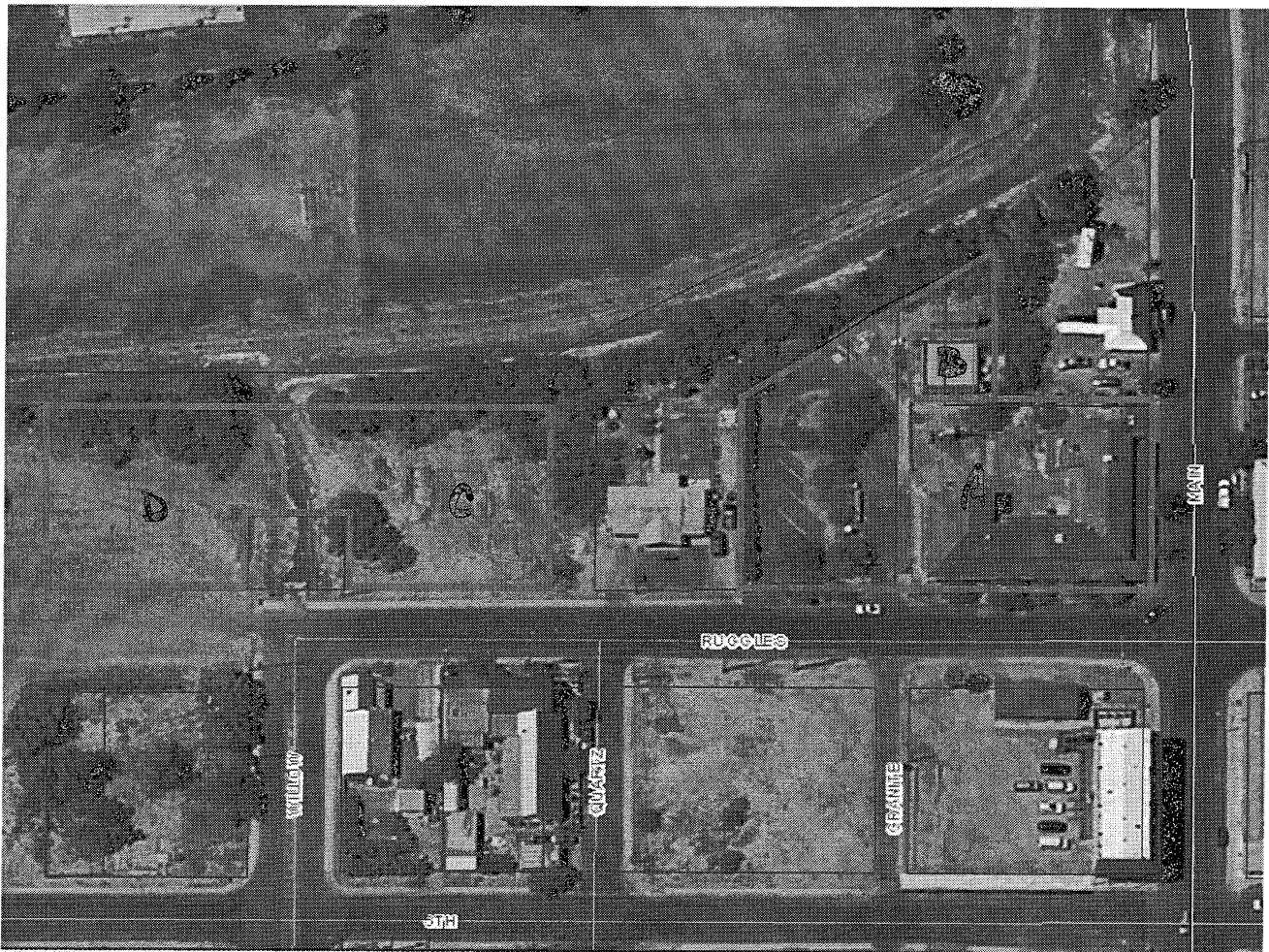
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## EXHIBIT 1

### Map Depicting McFarland State Historic Park

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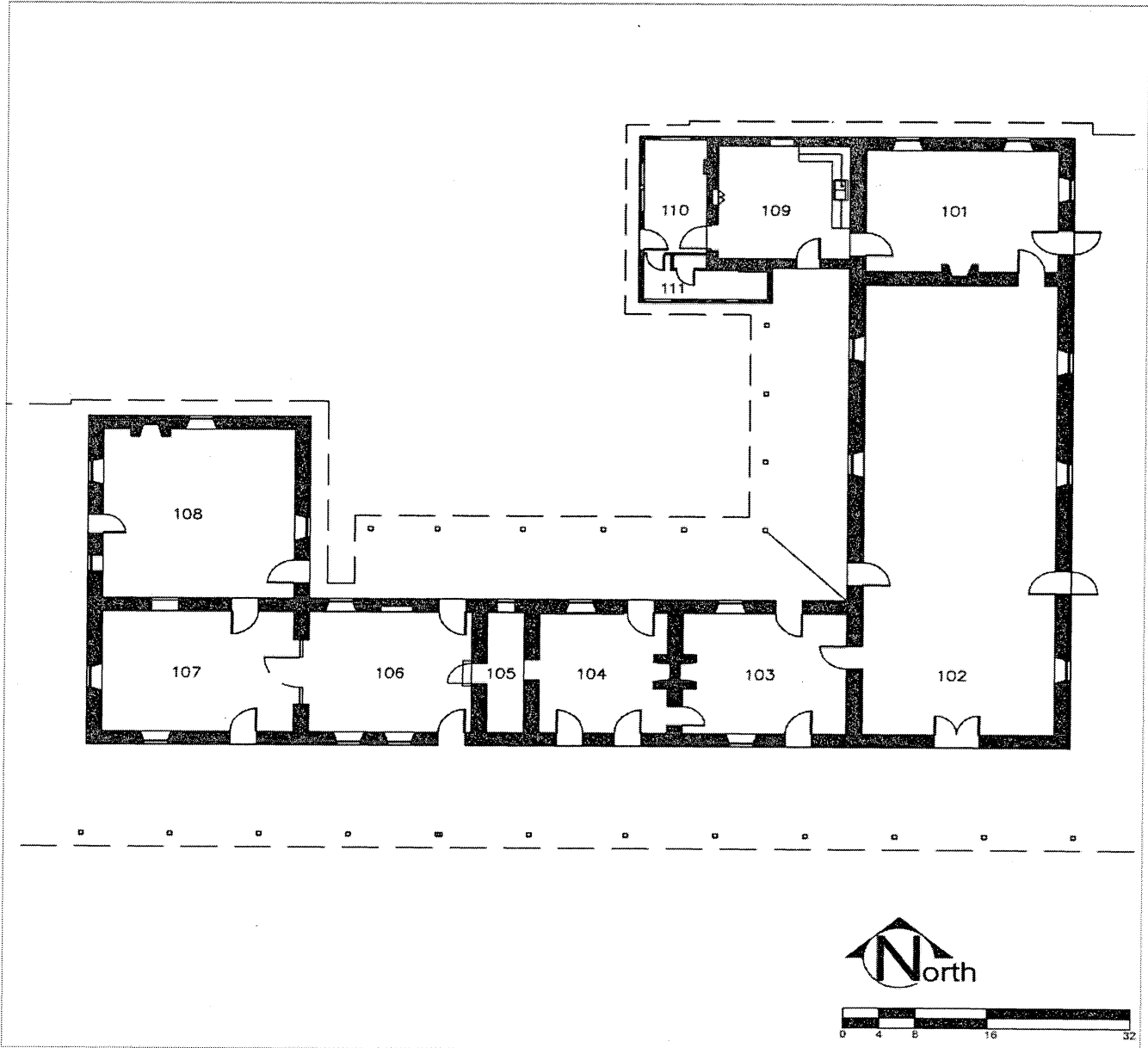
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**EXHIBIT 2  
Building Floor Plan McFarland State Park**



**PB-2-004, 0010**  
1878 Courthouse - 5,415sf  
1st Floor  
Jan. '09  
rev. Sept'10

**McFarland State Historic Park**  
24 W. Ruggles, Florence, AZ 85232  
**ARIZONA STATE PARKS**  
Development, M.Parisella





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**EXHIBIT 3**

**Board IGA Ref No. PR11-026**

**McFARLAND STATE HISTORIC PARK**

**LIST OF POTENTIAL CONSTRUCTION IMPROVEMENTS**

The Town will include resurfacing and striping of the parking lot as part of their pavement project.

The BOARD, as shown in Exhibit 2, will lay existing historical wood flooring in Room Number 108; make minor repairs to flooring in Room Number 102 and to exterior porch South East corner as deemed practicable by the Chief of Development for operating the PARK.





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### EXHIBIT 4

## ARIZONA STATE PARKS GIFT SHOP MERCHANDISE POLICY FOR IGA PARTNERS

### PURPOSE

- The purpose of this policy is to provide written directives in regard to gift shop merchandise sold by the IGA Partner in Arizona State Park facilities.
- "IGA Partner" is defined as any firm or individual that has entered into an agreement, or permit, with Arizona State Parks for the operation of facilities in areas under the jurisdiction of Arizona State Parks.
- "Gift Shop Merchandise" is defined as products such as, but not limited to:
  - Art
  - Calendars
  - Clothing: sweatshirts, T-shirts, hats, etc.
  - Coasters, tiles, etc.
  - Collectable items
  - Jewelry
  - Key chains, refrigerator magnets, pens, pencils, etc.
  - Mugs, glassware, etc.
  - Packaged food gift items
  - Place mats, hot pads, etc.
  - Plush/stuffed animals
  - Postcards, greeting cards, note paper, etc.
  - Posters, CD's, tapes, slides, etc.
  - Publications: Books, maps, etc.
  - Toys and games
  - Water bottles, can coolers, etc.

### ASPB LOGO

- The Arizona State Parks (ASPB) logo **shall not** be used on any customized products developed by the IGA Partner, unless authorized pursuant to a separate agreement providing for the license of trademark rights by ASPB to the IGA Partner.

### PARK NAME

- The park name or park image may be used on customized products developed by the IGA Partner, subject to prior written approval of artwork or concept by ASPB. If applicable, this may require the execution of a separate agreement providing for the license of trademark rights by ASPB to the IGA Partner. Said permission to use the park name or image will be limited to the term of the IGA with ASPB.
- The IGA Partner shall not wholesale the customized products described above to other retailers; in other words, sale of these products shall be limited to the cooperatively managed sites identified in the agreement with ASPB.
- The IGA Partner shall not establish any type of logo, i.e. identifying symbol, using the park name.



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### MERCHANDISE

- Park, nature, environmental, cultural, and historical or recreation-oriented images are suggested as guidelines for gift shop merchandise product mix.
- ASPB reserves the right to require the IGA Partner to remove any product found to be objectionable, controversial, or beyond the scope of merchandise necessary for proper service to the public or that does not reflect the look and feel of an Arizona State Park. ASPB shall give the IGA Partner 30-calendar days notice to sell, remove, or otherwise dispose of the product(s) in question. Failure to comply with this notice may be deemed a breach of the leasing contract.

### ASPB PRODUCTS

#### 1. Quantities

The IGA Partner shall be required to purchase no less than 20% of the gift shop product inventory from the ASPB product line, if gift shop merchandise is sold by the IGA Partner.

Compliance with this policy will be assessed by ASPB on an annual basis. The IGA Partner's annual financial report shall include details of "Cost of Goods Sold" for ASPB products as compared to all other gift shop merchandise.

#### 2. Wholesale Pricing

The IGA Partner shall purchase the ASPB merchandise at **30% off the suggested retail price**. The IGA Partner is encouraged, but not restricted, to sell the product at ASPB's suggested retail price.

If ASPB has a **permanent markdown** on a particular item, the wholesale price will be reduced to **10% off the markdown retail price**.

For example, if a T-shirt retails for \$10.00, the IGA Partner will purchase from ASPB for \$7.00. If ASPB has a permanent markdown on this item to \$5.00, the IGA Partner will purchase from ASPB for \$4.50.

#### 3. Purchasing

The IGA Partner shall submit written requests for product orders to:

Arizona State Parks  
Attn: Merchandise Coordinator  
1300 W. Washington  
Phoenix, AZ, 85007  
Tel: (602) 542-7121  
FAX: (602) 364-1518

A Purchase Order, or other ordering document, will be acceptable. Allow four to six weeks for delivery.

All products are non-refundable, except if damaged in transit. Merchandise damaged in transit and shortages must be reported within 48 hours of receipt of shipment to the Merchandise Coordinator.

An invoice will be shipped with the merchandise. Payment is due within 30-calendar days of receipt of invoice.

#### 4. Other Distribution

ASPB retains the right to sell its products throughout the State Parks system, as well as various other retail outlets.



**INTERGOVERNMENTAL AGREEMENT**

**Between  
Arizona State Parks Board  
and  
Town of Florence**

ASPB IGA Ref No. PR11-027  
Contract Officer: Sharon Kendrick, CPPB

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RE: MSHP AGREEMENT

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**EXHIBIT 5**

**SPECIAL USE PERMIT APPLICATION MATERIALS PACKAGE**

Follows on Next Page



# INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
and  
**Town of Florence**

ASPB IGA Ref No. PR11-027  
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## Special Use Permit Application Materials Package

09-2008

Arizona State Parks, 1300 W. Washington, Phoenix, AZ 85007  
www.azstateparks.com(602) 542-4174,

Thank you for your interest in Arizona State Parks (ASPB). Our mission is:

*"Managing and conserving Arizona's natural, cultural and recreational resources for the benefit of the people, both in our parks and through our partners."*

Enclosed is information concerning our Special Use Permit program, instructions and application form.

*Why are Special Use Permits required?*

The reasons for requiring Special Use Permits are:

- To keep track of the activities occurring on state lands.
- To be able to require stipulations/ conditions on uses to minimize impacts on the natural, recreational, historical and cultural resource we manage.
- To be able to educate users about proper recreational and stewardship practices.
- To maintain quality recreational experiences and to reduce user conflicts.
- To assure that uses on State lands are compatible with long-range management objectives for that particular property.

*Note: A Special Use Permit is not required for building, picnic or camping reservations unless requested by the Park Manager.*

*Why is there a fee for a Special Use Permit?*

- Special Uses differ from normal park use either by the nature of the activity or by the size of the group involved in the activity. In order to allow these activities we have to accommodate each use or event outside of our normal operations. These accommodations invariably will increase our cost to provide services.
- Due to Legislative changes and mandates, ASPB receives substantially less General Fund monies (tax based) for our operations, salaries, or equipment. This means that we must rely heavily on our revenues (fees) as the source of funding that allows us to maintain our parks and provide a safe and enjoyable environment for our visitors.

Arizona State Park special use permits are divided into four categories, per R12-8-125:

### 1. Private Special Event

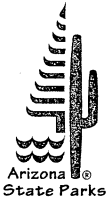
A Special Use Permit shall be issued for Private Special Events provided the following conditions are met:

- i. The person or entity has requested no more than 7 consecutive days of use, and no more than 14 days in any calendar year.
- ii. The Private Special Event does not significantly interfere with the public's use of the property.
- iii. No solicitation of funds, offering to sell any goods or services, advertising, or receiving money in exchange for any item or activity takes place on property owned or managed by the Arizona State Parks Board under a Private Special Event Special Use Permit.

### 2. Public Special Event

A Special Use Permit shall be issued for Public Special Events provided the following conditions are met:

- i. The person or entity has requested no more than 4 consecutive days of use per quarter, and no more than 16 days in any calendar year at any one park.
- ii. No more than two Public Special Event Permits shall be issued per day per park. Permits shall be issued on a first come, first served basis.



# INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
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Arizona State Parks, 1300 W. Washington, Phoenix, AZ 85007  
www.azstateparks.com(602) 542-4174,

### 3. Festival Special Use

A Special Use Permit shall be issued for Festival Special Events provided the following conditions are met:

- i. The person or entity has requested the permit at least 120 days in advance of the event. Events with anticipated attendance greater than 1,500 people per day shall require application at least 180 days in advance of the event.
- ii. The person or entity has provided a detailed plan regarding sanitary facilities, medical services, parking, food and drink facilities, booths and sponsorships, that complies with the requirements detailed in the Special Use policy, available from the Arizona State Parks Board. This plan must be submitted to the Arizona State Parks Board at least 90 days in advance of the event.
- iii. The person or entity has obtained any permits required from other entities, such as cities, counties, other municipalities, or governmental entities.
- iv. The person or entity has requested no more than 7 consecutive days of use, and no more than 14 days in any calendar year.
- v. Sponsorships. The person or entity requesting a Festival Special Use Permit may seek sponsorships for that festival or parts of that festival, provided that the sponsorships comply with the Arizona State Parks Board Policy and Procedures, available from the Arizona State Parks Board.
- vi. No more than one festival per day per park is allowed, and Festival Special Use permits shall be issued on a first come, first served basis.

### 4. Commercial Photography

A Special Use Permit shall be issued for Commercial Photography provided the following conditions are met:

- i. The person or entity has requested the permit at least 30 days in advance of the event.
- ii. The person or entity has requested no more than 7 consecutive days of use, and no more than 14 days in any calendar year.
- iii. Commercial Photography Special Use Permits shall be used only for actual filming and photo-taking activities. No soliciting funds, offering to sell any goods or services, advertising, or receiving money in exchange for any item or activity shall take place on property owned or managed by the Arizona State Parks Board.

Depending on the type and scope of the event, the application and required additional documentation should be completed and preferably received by the specific Park facility 45 days in advance of the event date, but no later than 30 days prior to the event. Larger events may require submittal up to 180 days in advance. Contact the specific Park administration for other details. All applications received will be reviewed, but we cannot guarantee that every application will be approved.

If you have any questions about this process or the application form, please contact the Park Manager at the facility in which you are interested. We look forward to working with you in order to make your activity or event successful.



# INTERGOVERNMENTAL AGREEMENT

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**Arizona State Parks Board**  
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ASPB IGA Ref No. PR11-027  
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**Special Use Permit Application Materials Package**  
Arizona State Parks, 1300 W. Washington, Phoenix, AZ 85007  
www.azstateparks.com(602) 542-4174,

**09-2008**

## PERMIT APPROVAL ADMINISTRATION

R12-8-125. Special Use Permits

B. General terms and conditions. The Board shall issue a special use permit only subject to the following general terms and conditions:

1. An application for the special use permit is submitted less than one year before the planned special use;

Approval of permit application will require the following:

- A. All necessary paperwork; application, insurance, appropriate permits, licenses and inspections is preferably submitted at least 14 days before the proposed date of the use in order to allow for processing, review and verification. Larger events may require up to 6 months of advance notice.
- B. The park area or facility is available on the date or dates requested.
- C. All necessary approval authority signatures and notifications have been obtained/made.
- D. The applicable fee has been paid as listed in R12-8-109.
- E. The State Parks Board agrees that:
  1. The use is a proper state park activity.
  2. The use does not create an undue safety hazard to participants, spectators or general public.
  3. The use is not destructive to the park resources.
  4. The use does not present a serious use conflict with the general park-using public.
- F. Approvals are confirmed in writing only, and a responsible person will have the written approval on site for the duration of the use.



**INTERGOVERNMENTAL AGREEMENT**

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ASPB IGA Ref No. PR11-027  
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**Special Use Permit Application Materials Package**

**09-2008**

Arizona State Parks, 1300 W. Washington, Phoenix, AZ 85007  
www.azstateparks.com(602) 542-4174,

FROM: PARK NAME  
Manager: Manager Name  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ FAX: \_\_\_\_\_

The following steps must be completed and documentation provided by the applicant in order to apply for a special use permit:

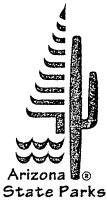
- A. Special Use Application form, with all applicable blanks completed by the applicant will be submitted at least 14 days prior to the proposed date of the use to the park administration as listed above. Larger events may require submittal up to 6 months in advance. Requests will be prioritized on a "first come, first served basis" upon availability of the area requested.
- B. Indemnification Certificate, completed by the applicant, should be typed on the applicant's own letterhead and submitted with the Special Use Application form. Wording and format should be the same as the example distributed with application blanks.
- C. A Certificate of Insurance will be required. The minimum amount of required Comprehensive General Liability coverage will be \$1,000,000.00, and if applicable a minimum Workers' Compensation coverage and proof of automobile insurance (generally these are required for Commercial ventures). On the certificate, the State of Arizona will be included as an additional insured party. For an activity/use with a relatively high liability risk, such as powerboat races, motion picture photography, public attractions, public commercial activity, etc. a higher level of liability coverage may be required, and will be determined by consultation with the Risk Management Division of the Department of Administration. The Certificate of Insurance will be completed by the requesting party's insurance carrier and submitted with the Special Use Application form.

Exception to this requirement is another State Level Governmental Agency or entity that is covered by the Department of Administration Risk Management Division. The Certificate of Insurance will not be required as the statutory requirements of ARS § 41-621 apply.

- D. If this is a Public/Festival event, Applicant must certify that the event complies with the Americans with Disability Act and other similar legislation.
- E. Copies of all appropriate licenses, certificates and permits that may be required by State or local jurisdictions for the sale or dissemination of: foodstuffs and alcohol\* to the general public, or the sale of any commodity or goods, must be submitted.
- F. After review by appropriate Park staff, the applicant will be contacted concerning the status of the application, specific fee requirements and any other applicable stipulations and /or conditions that will be required by Arizona State Parks and listed on the Special Use permit form. Actual fees will be determined by Park administration.
- G. All State & Federal Statutes, Park Rules, County and Municipal ordinances and regulations remain in force during all activities. Any request for a variance or modification of any rule, stipulation or requirement must be submitted to the Park administration in writing prior to the event / use for review. Any stipulations and /or conditions will have the force of law and failure to comply may result in cancellation of the permitted use, and permittee can be cited for the rule violation.

\*Additional insurance and stipulations may be required for the specific sale or dissemination of alcohol.





## INTERGOVERNMENTAL AGREEMENT

Between  
**Arizona State Parks Board**  
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**Town of Florence**

ASPB IGA Ref No. PR11-027  
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### Special Use Permit Application Materials Package

09-2008

Arizona State Parks, 1300 W. Washington, Phoenix, AZ 85007

www.azstateparks.com(602) 542-4174,

#### ADDITIONAL INFORMATION

##### Restrictions: (exceptions made with Park Managers approval)

- No pets are allowed in the event / use area (this includes vendors)
- No glass containers are allowed in the event / use area
- No weapons are allowed in the event / use area
- No private vehicles are allowed in the event / use area
- Event / use related vehicles will drop off supplies and equipment and then exit the area immediately
- Event staff may not possess or consume alcoholic beverages while on duty
- Vendors may not possess or consume alcoholic beverages at any time
- All fire lanes must be left open and accessible
- All events must end by 10:00 pm
- Only security personnel may remain on site after hours only if approved in the original application process.
- Events must meet ADA requirements

##### Additional Sanitation Needs

Dependent upon the type and scope of the event / use and the actual park infrastructure of the location, additional facilities (vault toilets, port-a-johns) will be the responsibility of the permittee. The number of units required to adequately service the projected attendance will be determined by Park staff. A minimum of one (1) chemical or portable toilet for every 225 people, or portion thereof attending the event. Five percent (5%) of these facilities must be ADA accessible. This figure is based upon the maximum number of attendees at the event during peak time. Set-up, removal, maintenance and operational cleanliness will be the responsibility of the permittee.

##### Deposits

Refunds of deposits, whether partial or in full will be processed according to the refund guidelines as set by the Administrative Services Section. Allow up to 30 days for refund processing of the deposit

##### Site Cleanliness & Cleaning Deposit

- Event / use area will be policed on an hourly basis
- Trash will be removed from the area as receptacles become full
- Dumpsters will be adequately sized to meet the event / use needs. A minimum of one 50-gallon refuse container or its equivalent shall be provided for each 100 persons anticipated. Refuse containers shall be readily accessible, and periodically checked and emptied as needed. Depending on the event location, activity, area, an adequately sized dumpster may be required.
- 4-mil trash bags will be of sufficient quantity to meet the event / use needs
- Parking areas specific to the event / use will be policed on an hourly basis
- A cleaning deposit will be required from the permittee.
- Return of the deposit, in whole or in part, will be based upon a final post-event walk through with the Park Manager.

##### Damage Deposit

- A damage deposit will be required to cover repair or replacement of damaged items. Amount will be determined by Park Administration and will be dependent upon the type and scope of the event / use.
- Damaged items will be replaced at cost, to include labor.
- Any unused portion of the deposit will be refunded after the final walk through.
- If the initial deposit is insufficient to cover all repair costs, the permittee will be billed for the remainder of the uncovered cost. Documentation for costs will be provided with the billing.

##### Water and Electric

Depending on the actual site location, telephone, water and electrical service may be limited. Special or additional needs may be the responsibility of the sponsor.



# INTERGOVERNMENTAL AGREEMENT

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## Special Use Permit Application Materials Package

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www.azstateparks.com(602) 542-4174,

### ADDITIONAL INFORMATION

#### Verifiable Ticket Sales

This number is vital to allow the park and all necessary local entities such as LE and EMS services time to plan for the event's effect on the park and surrounding areas. Verification method to be an agreed upon by both the park and the Event Organizer such as a CPA/ event staff notarized statement, receipts, etc. Due date for this information will be agreed upon by the Event Organizer and the park.

### SPECIAL USE PERMIT FEE STRUCTURE

The negotiation of the daily fees will be based on the type, size and complexity of the production and will be based on the Special Use Permit Worksheet. Listed below are examples of fees that can be reasonably charged for specific "Adjustments" to the "Base Fee".

#### Base Fee (per day)

Attendance: attendance will be reviewed by park staff and permittee during event.

Small Events (50 – 100 participants, guests, spectators)	\$25.00
Medium Events(101 – 250 participants, guests, spectators)	\$100.00
Large Events (251 – 500 participants, guests, spectators)	\$150.00
Major Events (501– 1000 participants, guests, spectators)	\$300.00 +

#### Adjustments:

**Special Equipment:** Each Park location has different equipment and facility resources, and although some items may be considered standard, some equipment or facilities may or may not be available.

Fees charged may be different depending on park availability, set-up requirements, location, etc. An example would be if 15 additional tables are requested and the site is located at a boat camp on Lake Havasu, the fee could reasonably be increased due to the time and staffing needed to transport the tables to and from the site.

**Special Personnel Services:** Special personnel services "Staff Time" could include educational programs, parking services, staff supervision / security, special set up, construction or installation. Additional Staff Time: \$30.00 /staff member/ hr

**Other:** Special requests can be determined based upon individual parks facility or inventory.



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ASPB IGA Ref No. PR11-027  
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**ARIZONA STATE PARKS BOARD  
SPECIAL USE APPLICATION**

1. Use / Event Name: \_\_\_\_\_

2. Type of use:  
Brief Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Non-Commercial: \_\_\_\_\_ Non-Profit: \_\_\_\_\_ Private Party: \_\_\_\_\_  
Commercial: \_\_\_\_\_ For-Profit: \_\_\_\_\_ Other: \_\_\_\_\_

3. Date(s) of use: \_\_\_\_\_ thru \_\_\_\_\_  
Set-Up Date: \_\_\_\_\_ Tear-Down Date: \_\_\_\_\_  
Start Time: \_\_\_\_\_ (am/pm) End Time: \_\_\_\_\_ (am/pm)  
Note: all events / uses must end by 10:00 pm.

4. Area of park requested:  
Ramada \_\_\_\_\_ Grass area \_\_\_\_\_ Group Area \_\_\_\_\_ Parking Lot \_\_\_\_\_  
Other \_\_\_\_\_

5. Applicant Name: \_\_\_\_\_

6. Primary contact person  
Name: \_\_\_\_\_ Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip  
Code: \_\_\_\_\_

Telephone #: ( ) \_\_\_\_\_ Work #: ( ) \_\_\_\_\_ Ext.: \_\_\_\_\_

Fax #: ( ) \_\_\_\_\_ Cell #: ( ) \_\_\_\_\_ Ext.: \_\_\_\_\_

E-mail: \_\_\_\_\_

7. Estimated attendance: \_\_\_\_\_ per day.

8. Verifiable Ticket sales (indicate method and time frame below):  
\_\_\_\_\_

Due: \_\_\_\_\_ before the event. \_\_\_\_\_

(Method to be an agreed upon by both the park and the Event Organizer such as a CPA/event staff notarized statement, receipts, etc. This number is vital to allow the park and all necessary local entities such as LE and EMS services time to plan for the event's effect on the park and surrounding areas.)

9. Applicant certifies compliance with all appropriate A.D.A. requirements for  
Public/Festival event: \_\_\_\_\_ (Init & date)

10. Estimated # of Event staff: \_\_\_\_\_ per day.



**INTERGOVERNMENTAL AGREEMENT**

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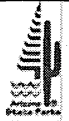
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**ARIZONA STATE PARKS BOARD  
SPECIAL USE APPLICATION**

- 11. **Security requested** Y / N  
(Park administration may require security depending upon the nature of the event / use)
- 12. **Concession & Sales** (*Attach separate sheet with list of all vendors & type*)  
Food Vendors: \_\_\_\_ (Valid Health Permit required) Vendors: \_\_\_\_ (Valid Business License required)  
Games: \_\_\_\_ (Current Safety Inspection required) Rides: \_\_\_\_ (Current Safety Inspection required)
- 13. **Sanitary facilities** (Items requested from the Park: please indicate number requested)  
Perimeter fencing \_\_\_\_ Picnic Tables \_\_\_\_ Trash Barrels \_\_\_\_  
Traffic Cones \_\_\_\_ Other \_\_\_\_ Other \_\_\_\_
- 14. **Alcohol:**  
Security is required when alcohol is served. All Title IV laws remain in affect at all times.  
Alcohol Prohibited \_\_\_\_ Beer Garden \_\_\_\_ (An area w/in the main event for the sale / consumption of beer)  
Alcohol Sold \_\_\_\_  
Alcohol Served \_\_\_\_
- 14. **Indemnification certificate:** The Indemnification (save harmless) is part of the approved permit. By signing the permit, the Permittee agrees to the conditions.
- 15. **Insurance verification** (attach copy).
- 16. **Other** (attach copy of any other pertinent information).
- 17. **Signature of applicant** \_\_\_\_\_ **Date:** \_\_\_\_\_



# CONTRACT AMENDMENT

Arizona State Parks  
 1300 W Washington  
 Phoenix, AZ 85007  
**Contact:**  
 Margaret Fernandez  
 Phone: (602) 542-6937  
 Fax: (602) 542-6949

**Contract Number:** PR11-027

**Amendment No.:** 1

**Expires:** 6/30/13

**Title:** Utility Cost

**Amendment Issued:** 2/16/11

**Contractor:** Town of Florence

**Page:** 1 of 1

In accordance with the terms of this agreement, the following is amended as follows:

A. REPLACE Section IV.B.6 Utilities, with the following:

The Town agrees to pay 100% of all costs for phone, gas, Internet, alarm system(s), trash, water, and wastewater of the PARK during the time the PARK is operated and maintained cooperatively with the TOWN. The TOWN shall be responsible for all electrical usage costs associated with the existing electrical meter connected to the Courthouse Building.

The PARK shall be responsible for all electrical usage costs associated with the newly installed electrical meter for the Archive Building.

B. REPLACE Section X.C General Terms and Conditions, with the following:

Immigration Compliance: All PARTIES shall comply with all applicable federal immigration laws, A.R.S § 41-4401 eVerify, Governor's Executive Order 2005-30, and any successor statutes.

C. All other provisions of the Agreement shall remain in full force and effect.

D. In the event of a conflict between the original and previous amendments, the terms of this amendment shall prevail.

### RESERVED FOR ARIZONA STATE PARKS

### RESERVED FOR THE TOWN MAYOR

Signature Renée E. Bahl, Executive Director	Date	Signature <i>Vicki Kilvinger</i> Vicki Kilvinger, Mayor	Date
Typed Name and Title Arizona State Parks Board		Typed Name and Title Town of Florence	
Entity Name 1300 W. Washington		Entity Name 775 N. Main Street	
Address Phoenix, AZ 85007		Address Florence, AZ 85132	
City	State	City	State
	Zip		Zip

### RESERVED FOR THE ATTORNEY GENERAL

### RESERVED FOR THE TOWN ATTORNEY

PR10-037, which is an Intergovernmental Agreement between public agencies, has been reviewed pursuant to A.R.S. 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those Parties to the Agreement represented by the Attorney General this

25 day of February, 2011

**TOM HORNE**

The Attorney General

Assistant Attorney General Signature

I have reviewed the Intergovernmental Agreement between the Arizona State Parks Board and Town of Florence and declare this agreement to be in proper form and within the powers of authority granted to the Town of Florence under the laws of the State of Arizona this

10 day of March, 2011

Town Attorney Signature

### RESERVED FOR THE TOWN CLERK

I, Lisa Garcia, Florence Town Clerk, do hereby certify that the foregoing and attached Intergovernmental Agreement between the Arizona State Parks Board and the Town of Florence was passed and adopted by the Florence Town Council, at the regular meeting held this 10 day of March, 2011.

**ATTEST**

Clerk Signature



# INTERGOVERNMENTAL AGREEMENT AMENDMENT

Arizona State Parks  
1300 W. Washington  
Phoenix, AZ 85007

**Contract Number:** PR11-027

**Amendment No:** 2

**Purpose:** Amend and Extend Partnership Agreement for McFarland State Historic Park

**Original Execution:**  
10/22/10

**Contract Officer:**  
Louise Higuera  
Phone: 602-542-6925

**Agreement Expiration:** 6/30/16

**Amendment Issued** 4/25/13

**Email:**  
lhiguera@azstateparks.gov

**Contractor:** Town of Florence

In accordance with the above-mentioned Agreement, the following sections are amended as follows:

1. Move Section IV(A)(3) **LANDSCAPE MAINTENANCE** to paragraph IV(B)(10) and amend to read as follows:

The TOWN will provide routine grounds maintenance and upkeep of the exterior premises of the PARK. The TOWN may utilize Department of Corrections inmate labor for this task.

2. Section IV(B)(8) **ASSIGNMENT AND SUBLETTING**., amend the following paragraphs:

Paragraph (b), DELETE

Paragraph (c), DELETE

3. Section IV(B)(8) **INFORMATION REPORTING**, amend title numbering to read as follows:

Section IV(B)(9) **INFORMATION REPORTING**

4. Section IV(C)(5) **GIFT SHOP OPERATION AND MERCHANDISE**, ADD the following to the end of Paragraph a.:

Starting in May 2013, The PARTIES agree that the TOWN may, at its discretion, operate a gift shop. If the TOWN chooses to operate a gift shop, Paragraphs b. through d., apply.

5. Section IV(C)(6) **MARKETING**, ADD the following paragraph:

Starting in May 2013, The PARTIES agree that the BOARD's cross-marketing materials (e.g., park-specific rack cards, and other marketing materials) will continue to be made available to visitors at the PARK to provide information regarding other parks and events within the state parks system and that TOWN cross-marketing materials may be made available in the same manner at the PARK.

6. ADD Section IV(C)(7), to read as follows:

### COMMUNITY MARKETING AND REHABILITATION

The Board, the Town and other interested parties will endeavor to work together to encourage community marketing and rehabilitation efforts. Specific projects, such as a monument sign for the Park, will be authorized by an additional agreement between the parties.

7. Section V(A), Term and Duration, ADD the following language to the end of the paragraph:

This IGA is extended and shall continue until June 30, 2016, unless earlier cancelled or terminated.

8. Attach authenticated copy of the TOWN's action authorizing this amendment.

9. All other provisions of this agreement shall remain in full force and effect.



# INTERGOVERNMENTAL AGREEMENT AMENDMENT

Arizona State Parks  
1300 W. Washington  
Phoenix, AZ 85007

**Contract Number:** PR11-027

**Amendment No:** 2

**Purpose:** Amend and Extend Partnership Agreement for McFarland State Historic Park

**Original Execution:**  
10/22/10

**Contract Officer:**  
Louise Higuera  
Phone: 602-542-6925

**Agreement Expiration:** 6/30/16

**Amendment Issued** 4/25/13

**Email:**  
lhiguera@azstateparks.gov

**Contractor:** Town of Florence

- 10. In the event of a conflict between the original and previous amendments, the terms of this amendment shall prevail.
- 11. Signature Authority
  - a. This Amendment is entered into and is effective as of the date of the last signature.
  - b. This contract may be executed in two or more counterparts each of which shall be deemed an original and all of which together shall constitute one instrument.
  - c. All PARTIES to this Agreement acknowledge that signatures by electronic means are acceptable and legally binding.
  - d. By signing below, the signer certifies the authority to enter into this Amendment and has read the foregoing and agrees to accept the provisions herein.

### RESERVED FOR ARIZONA STATE PARKS

### RESERVED FOR TOWN MAYOR

Signature \_\_\_\_\_ Date \_\_\_\_\_

Bryan Martyn, Executive Director

Typed Name and Title

Arizona State Parks Board

Entity Name

1300 W. Washington

Address

Phoenix, AZ 85007

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Tom J. Rankin, Mayor

Typed Name and Title

Town of Florence

Entity Name

775 N. Main Street, Suite 102

Address

Florence, AZ 85132

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

### RESERVED FOR THE ATTORNEY GENERAL

### RESERVED FOR THE TOWN ATTORNEY

Attorney General has been reviewed pursuant to A.R.S. 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement represented by the Attorney General this

29<sup>th</sup> day of April, 2013

**TOM HORNE**  
The Attorney General

Assistant Attorney General Signature \_\_\_\_\_ Date \_\_\_\_\_

I have reviewed the Intergovernmental Agreement between Arizona State Parks Board and the Town of Florence and declare this agreement to be in proper form and within the powers of authority granted to the Town under the laws of the State of Arizona this

2<sup>nd</sup> day of May, 2013

Town Attorney Signature \_\_\_\_\_ Date \_\_\_\_\_


### RESERVED FOR THE TOWN CLERK

I, \_\_\_\_\_, Clerk of the Town of Florence, do hereby certify that the foregoing and attached Intergovernmental Agreement between the Arizona State Parks Board and the Town of Florence, was passed and adopted by the Town Council of the Town of Florence, at the regular meeting held this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**ATTEST**

TOWN Clerk Signature \_\_\_\_\_ Date \_\_\_\_\_



	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>7d.</b>
<b>MEETING DATE:</b> May 20, 2013  <b>DEPARTMENT:</b> Administration  <b>STAFF PRESENTER:</b> Mark Eckhoff Community Development Director  <b>SUBJECT:</b> Appointment of Judy Hughes to the Industrial Development Authority Board		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Appointment of Judy Hughes to the Florence Industrial Development Authority Board, with a term to expire December 31, 2013.

**BACKGROUND/DISCUSSION:**

The Florence Industrial Development Authority (IDA) Board received the application of Judy Hughes to fill the vacant seat left by Damon Anderson. Mrs. Hughes is a Realtor for Award realty Commercial. With Mrs. Hughes filling this vacant seat, the initial term of her service will last until December 31, 2013.

**FINANCIAL IMPACT:**

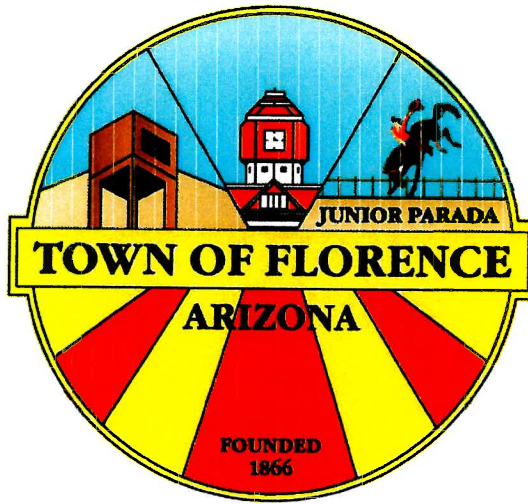
There is no financial impact to the Town of Florence for this appointment.

**STAFF RECOMMENDATION:**

Staff recommends that Council approve the appointment Judy Hughes to the IDA Board. Mrs. Hughes has impeccable business sense, which would be a great asset to the composition of the Board.

**ATTACHMENTS:**

Board and Commission Application for Judy Hughes



# Board and Commission Application

NAME Judy Hughes

DATE 4/29/2013

Date Received: April 29, 2013 10:49 AM

Appointed on: \_\_\_\_\_ to \_\_\_\_\_ Board/Commission

Term Expires: \_\_\_\_\_

## Board and Commission Application

Name: <u>Judy Hughes</u>		Date: <u>4/29/2013</u>
E-Mail Address: <u>judy.hughes@awardrealty.com</u>		
Street Address: <u>2918 N Congressional Ct Florence, AZ 85132</u>		Mailing Address:
Home Telephone:		Work Telephone: <u>520-858-5414</u>
Occupation: <u>Commercial Real Estate</u>		Best Time to Call: <u>8-4</u>
Do you own commercial property or operate a business in Florence? <u>NO</u>		
Work/Business Name: <u>Award Realty Commercial</u>		
Work/Business Address: <u>2918 N Congressional Ct Florence, AZ 85132</u>		
Length of Residency in Florence: <u>Came July 16, 2012</u> Are you a Registered Voter <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are you now, or have you ever served on a board, commission or committee for the Town of Florence? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If yes, please give name of board, commission and/or committee and dates served:		

**BOARD OR COMMISSION PREFERENCE(S):** Refer to last page for list of boards and commissions (Please list no more than two boards, commissions in order of preference)

1 <u>IDA</u>	2 <u>Redevelopment Commission</u>
--------------	-----------------------------------

If appointed, how much time would you be able to devote to the board or commission?

Hours per week? As Needed      Hours per month? As Needed

Employment History		
Employment Period	Employer's Name and Address	Title
<del>Real Estate</del>	Real Estate	<u>Commercial</u> REALTOR, Agent
Education		
Name of School, College or University you attended	Degree	Year
Lanphier High School		74
Designation School GRI, CLSS, CCSS, CCLS		06
Civic Activities – Service Organizations		
Board member - Florence Chamber of Commerce		
Member - Coalinga Chamber of Commerce		

2004  
PRES

Certified Land Sales Specialist: CLSS  
 Certified Commercial Sales Specialist: CCSS  
 Certified Commercial Leasing Specialist: CCLS

What personal and professional experience or background can you contribute to the board or commission? Economic Development thru Commercial Real Estate  
Small Biz Owner (3) in IL/Inois

What is the most significant contribution you can make as a member of the board or commission for which you are applying? Experience in Real Estate + Business

Please state in what ways you have been involved in the Florence community and what prompted you to apply for appointment to the Town's boards and commissions. Volunteer Contribution  
to Assist Florence Economic Development Director - Scott Bowles

I understand that if a subject is presented for discussion to a board or commission where you have a conflict of interest, I will excuse myself from the discussion and abstain from voting. (For more information on conflict of interest, please contact the Town Attorney).

I understand that boards and commissions shall have no administrative authority unless specifically required by Federal or State Law, or Intergovernmental Agreement. Members of boards and commissions shall serve without compensation.

I further understand that to be considered for appointment to a board or commission I must be at least eighteen (18) years of age (except youth representatives), a qualified elector, and a resident of Florence unless a motion, resolution, or ordinance creating a board or commission specifies otherwise.

I further understand that my attendance at all regularly scheduled meetings is critical even if I am an alternate member and that the Town Council may appoint a replacement for members who are chronically absent from regular meetings. If a member is absent without an excuse from three (3) or more consecutive meetings, the Town Council may remove this member from the board or commission and appoint another (subject to Town Council approval) to serve the remainder of the term. I also understand that this application is considered a public record.

Applicant's Signature: 

All applications are kept on file for one year. During that time, your application will be considered when there is an opening for the board or Commission for which you have applied.

- Please notify the Town Clerk's Office at 520-868-7552 if you move or no longer wish to be considered for appointment.
- Please feel free to attach a resume and/or copies of any certificates pertinent to the appointment you are seeking.
- Mail or deliver your completed application to: Town of Florence, Town Clerk's Office, 775 North Main Street, P.O. Box 2670, Florence, AZ 85132

\* Application must be completely filled out in order to be considered \*  
**THANK YOU FOR YOUR INTEREST IN THE TOWN OF FLORENCE**

**Industrial Development Authority**  
(6 Year Term)  
Meets the Third Thursday of the Month at 7:00p.m.  
7 members

**Barbara Kelly**

P O Box 550  
593 W. 11<sup>th</sup> Street  
Florence, AZ 85132  
(520) 868-4291 Home  
(520)560-5610 Cell  
aunt.brat@hotmail.com  
Appointed: 12/17/2007  
Expires: 12/31/2013

**Vacant**

Appointed:  
Expires: 12/31/2013

**Gem Gary Cox**

P.O. Box 872  
324 N. King Street  
Florence, AZ 85132  
(520) 907-6876 Home  
[gemcox@tep.com](mailto:gemcox@tep.com)  
Appointed: 1/21/2009  
Expires: 12/31/2014

**Henry Padilla**

P.O. Box 262  
180 S. San Carlos St.  
Florence, AZ 85132  
(520) 868-4534 Home  
(520)705-2541 Cell  
lpadilla@cox.net  
Appointed: 1/21/2009  
Expires: 12/31/2014

**Peter VillaVerde**

P.O. Box 365  
220 N. Bush  
Florence, AZ 85132  
(520) 868-4605 Home  
(520)705-9603 Cell  
Petervillaverde2qwestoffice.net  
Appointed: 1/21/2009  
Expires: 12/31/2014

**Alfred "Fred" Celaya**

P O Box 748  
515 Willow Street  
Florence, AZ 85132  
(520) 868-4262 Home  
Appointed: 3/16/2009  
Expires: 12/31/2014

**Ty Schraufnagel**

8011 W. Georgetown Way  
Florence AZ 85132  
(480) 440-5641 Home  
520-723-9400 Work  
[tschraufnagel@amfam.com](mailto:tschraufnagel@amfam.com)  
Appointed: 3/4/2013  
Expires: 12/31/2013

**Staff Liaisons**

Scott Bowles  
P.O. Box 2670  
Florence, AZ 85132  
[scott.bowles@florenceaz.gov](mailto:scott.bowles@florenceaz.gov)  
(520) 868-7594

**Council Liaisons**

**Vice-Mayor Tom Smith**

191 N. Bailey  
P O Box 1810  
Florence, AZ 85132  
Home: 520-868-4473  
Cell: 520-705-1221

**Councilmember Bill Hawkins**

130 Campbell Road  
P O Box 1378  
Florence, AZ 85132  
Home: 520-868-9647  
Cell: 520-705-1601

**MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, APRIL 15, 2013, AT 6:00 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 6:03 p.m.

**ROLL CALL:**

Present: Rankin, Smith, Celaya, Hawkins, Walter, Woolridge  
Absent: Montañó

**INVOCATION PERFORMED BY REVEREND DR. EDWARD KAVIMBA LUNGU, GRACE BIBLE REFORMED CHURCH.**

Reverend Dr. Edward Kavimba Lungu, Grace Bible Reformed Church performed the invocation.

**PLEDGE OF ALLEGIANCE**

Councilmember Celaya 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 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.**

There were no public comments.

**ADJOURNMENT TO THE MERRILL RANCH FACILITIES DISTRICT NO. 2 BOARD MEETING**

On motion of Councilmember Celaya, seconded by Vice-Mayor Smith, and carried to adjourn to the Merrill Ranch Facilities District No. 2 Board Meeting.

**Public Hearing on a Feasibility Report for Projects in Assessment Area Five - Units 22A & 22B)**

Ms. Becki Guilin, District Treasurer, stated that the District is proposing assessments on Unit 22A and 22B in Merrill Ranch Community Facilities District No. 2. The units do not have prior assessments within the units. The property is levied an ad valorem tax for regional improvements within MRCFD No. 2.

Ms. Guilin stated that Unit 22A and 22B are new sub-districts of Merrill Ranch Community Facilities District No. 2, consist of 55 acres, and are located in Assessment Area Five. Unit 22A is located off of Spirit Way, along CFD No. 2 north-eastern border. Unit 22B is located north of Unit 22A along Spirit Way, along CFD No. 2 north-eastern border.

Ms. Guilin stated there are a total of 159 lots, and they will be assessed \$3500 per lot for a total cost of improvements at \$1,185,054. The time table for completion of the projects is September 2013. Bonds have a twenty five year maturity with the first year being interest only and the principal amount amortized over the remaining twenty four years. Average annual payments will be approximately \$330, which is split into two payments: the first payment is interest only for six months; and the second payment is for interest for six months and one full year of principal. This assessment area is being handled under the new provision in the statutes for payment of assessments. Bonding will occur at a later date.

Chairman Rankin opened the Public Hearing. There were no public comments. Chairman Rankin closed the Public Hearing.

#### **Consideration and Possible Adoption of Resolution No. MRCFD2 221-13:**

Mr. Charles A. Montoya, District Manager, read Resolution No. MRCFD2 221-13 by title only.

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIFTH AMENDMENT AND WAIVERS (ASSESSMENT AREA FIVE – UNITS 22A & 22B) FOR DISTRICT DEVELOPMENT, FINANCING PARTICIPATION AND INTERGOVERNMENTAL AGREEMENT; AUTHORIZING AND RATIFYING THE GIVING OF NOTICE OF HEARING WITH RESPECT TO APPROVING A FEASIBILITY REPORT; APPROVING SUCH FEASIBILITY REPORT AND RESOLVING THE INTENT THEREFOR; ORDERING THE WORK WITH RESPECT THERETO; APPROVING THE ASSESSMENT DIAGRAM AND METHOD OF ASSESSMENT WITH RESPECT TO ASSESSMENT AREA FIVE AND PROVIDING FOR THE LEVY OF THE RELATED ASSESSMENT.**

On motion of Boardmember Woolridge, seconded by Boardmember Hawkins, and carried to adopt Resolution No. MRCFD2 No. 221-13.

#### **ADJOURNMENT FROM THE MERRILL RANCH FACILITIES DISTRICT NO. 2 BOARD MEETING**

On motion of Boardmember Woolridge, seconded by Boardmember Smith, and carried to adjourn from the Merrill Ranch Facilities District No. 2 Board Meeting.

#### **PRESENTATIONS**

**Proclamation naming April 2013 as Fair Housing Month in the Town of Florence, Arizona.**



Mr. Jess Knudson, Assistant Town Manager, read the proclamation by title only.

Mayor Rankin proclaimed April 2013 as Fair Housing Month in the Town of Florence, Arizona.

**Proclamation naming April 14-20, 2013, as Week of the Young Child in the Town of Florence, Arizona.**

Mr. Jess Knudson, Assistant Town Manager, read the proclamation by title only..

Mayor Rankin proclaimed April 14 – 20, 2013 as Week of the Young Child in the Town of Florence, Arizona.

**Proclamation naming the week of April 14 through April 20, 2013 as National Public Safety Telecommunicator's Week, in the Town of Florence, Arizona.**

Mr. Jess Knudson, Assistant Town Manager, read the proclamation into the record.

Mayor Rankin proclaimed the week of April 14 through 20, 2013 as National Public Safety Telecommunicator's Week, in the Town of Florence, Arizona

Mr. Daniel Hughes, Police Chief, recognized the telecommunicators. He said they handled over 10,718 calls for service this year. The telecommunicators do a great job, and handle each call with compassion.

Mayor Rankin stated that communication has improved significantly over the years. Dispatching is a police officer's life line and the dispatchers are very appreciated. He presented the proclamation to Police Chief Hughes.

**Proclamation naming April 26, 2013, as Arbor Day in the Town of Florence, Arizona.**

Mr. Jess Knudson, Assistant Town Manager, read the proclamation by title only.

Mayor Rankin proclaimed April 26, 2013, as Arbor Day in the Town of Florence, Arizona.

**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.**

**\*Authorization to purchase Personnel Protective Equipment from United Fire Equipment Company, in an amount not to exceed \$72,355.**

**\*Authorization to dispose of equipment listed on the April 15, 2013, Request for Council Action Form, per Town Policy.**

**\*Appointment of Talma Beal Harmon to the Library Advisory Board with a term to expire December 31, 2014.**

**\*Approval of accepting the register of demands ending March 31, 2013, in the amount of \$1,412,324.66.**

**\*Approval of the February 12, February 25, March 4, March 18, and April 1, 2013, Town Council minutes.**

**\*Receive and file the following board and commission minutes:**

**October 24, 2012 Historic District Advisory Commission Minutes.**

**December 19, 2012 Joint-Use Library Advisory Board Minutes.**

**December 6, 2012 Planning and Zoning Commission Minutes.**

On motion of Councilmember Woolridge, seconded by Councilmember Walter, and carried to approve the Consent Agenda, as written, with the removal of Item 9c.

**9c. \*Appointment of Talma Beal Harmon to the Library Advisory Board with a term to expire December 31, 2014.**

Mayor Rankin stated that Ms. Harmon's aunt, Viney Jones worked diligently to keep the library going years ago. If it wasn't for Ms. Jones, the Town would not have had a library. He said it is very nice to see her family member on the Board to keep the library going.

On motion of Mayor Rankin, seconded by Councilmember Walter, and carried to appoint Talma Beal Harmon to the Library Advisory Board with a term to expire December 31, 2014.

## **NEW BUSINESS**

### **Ordinance No. 595-13:**

Mr. Charles A. Montoya, Town Manager, read Ordinance No. 595-13 by title only.

### **AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, TO PROVIDE INCREASES IN NEW RATES AND FEES FOR WATER AND WASTEWATER TREATMENT. (First Reading)**

Ms. Becki Guilin, Finance Director, stated that the annual increase takes effect July 1<sup>st</sup> of each year. Economists.com prepared a rate study in 2008 and 2009 that provided incremental rate increases for water and sewer rates through 2017. The incremental annual rate and fee increases associated with the 2008-2009 Utility Rate Study are programmed to lessen the impact on the utility users for the next several years, while providing the utilities funding to continue to provide the operational and capital needs of the associated enterprise funds, and to not place an undue burden on the citizens. This

year's increase will be 5% for water and water meter charges. The sewer increase will be 10% for the sewer charges and base fee. She provided examples of what the increases may be for various usages. She said the projected revenue generated from the increase for water will be \$145,000, and revenue for sewer will be \$303,000.

**Resolution No. 1390-13:**

Mr. Charles A. Montoya, Town Manager, read Resolution No. 1390-13 by title only.

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, REVISING THE PERSONNEL POLICIES AND DATED THE 15<sup>TH</sup> DAY OF APRIL 2013, EFFECTIVE JULY 1, 2013.**

Mr. Scott Barber, Human Resources Director, stated that revisions to the Personnel Policy have been ongoing for several years. The primary goals were to bring a policy that is easy to understand and administer, foster responsibility and accountability on the part of the supervisors, provide clarity relating to employees' due process rights, and taking out a number of revisions that were in the policy that were more appropriately administrative directives, and not policy directives. The draft was provided to Council in February 2013. The implementation date is July 1, 2013, which will allow time for the final touches on the administrative policy to be completed, as well as for information and training sessions to be held.

Councilmember Walter asked for clarification of the severability clause.

Mr. Barber stated that the clause used standardized severability language that acknowledges that things happen from time to time regarding court decisions, etc. If there is a specific provision that would be validated by that action, it doesn't impact the balance of the policy.

Mr. James E. Mannato, Town Attorney, stated that the severability clause preserves the overall integrity of this policy.

Councilmember Walter stated that the policy is very manageable and a lot of work has been put into this document.

On motion of Councilmember Walter, seconded by Councilmember Hawkins, and carried to adopt Resolution No. 1390-13.

**CALL TO THE PUBLIC**

There were no public comments.

**CALL TO THE COUNCIL**

Councilmember Walter stated there was a lot of traffic in Florence this weekend. Many businesses were visited.

Mayor Rankin stated that Florence was honored at Country Thunder. Ms. Maria Montaña sang the National Anthem at Country Thunder. He said some of the bands who performed complimented her singing. He said this is the first year that Country Thunder was sold out. He said there were over 90,000 people who attend during the four day event. He said there were over 25,000 on Saturday night. Country Thunder is beneficial for Florence. He asked everyone to remember those who were affected by the tragedy in Boston Massachusetts. He said he attended the Arizona State Transportation Board Meeting in Tucson, Arizona. He said he is working on getting the intersection re-opened. Mr. Wayne Costa, Public Works Director presented at the meeting regarding the re-opening of the intersection and many good comments were received. He said the opening ceremony for Little League will be this Saturday, April 20, 2013, at Heritage Park.

### **ADJOURNMENT**

On motion of Vice-Mayor Smith, seconded by Councilmember Hawkins, and carried to adjourn the meeting at 6:33 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 April 15, 2013, and that the meeting was duly called to order and that a quorum was present.

---

Lisa Garcia, Town Clerk

**MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, MAY 6, 2013, AT 6:00 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 6:03 p.m.

**ROLL CALL:**

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

**INVOCATION PERFORMED BY REVEREND STEVE WILLIAMS, FLORENCE FIRST ASSEMBLY OF GOD.**

Reverend Steve Williams, Florence Assembly of God was not able to attend the meeting. Councilmember Woolridge performed the invocation.

**PLEDGE OF ALLEGIANCE**

Mr. Charles Montoya, Town Manager, 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.**

There were no public comments.

**PUBLIC HEARING AND PRESENTATION**

**Public Hearing on Ordinance No. 595-13:**

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Ordinance No. 595-13 by title only.

**AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, TO PROVIDE INCREASES IN NEW RATES AND FEES FOR WATER AND WASTEWATER TREATMENT (First reading on April 15, 2013; this item will appear on the May 20, 2013 Regular Council Meeting for possible action).**

Ms. Becki Guilin, Finance Director, stated that Economists.com provided a Utility Rate Study, and the first rate increase started in 2009. The study provided for incremental

rate increases, effective July 1<sup>st</sup> of each year. The Town has a significant capital plan that drives both utility rates. In order to not impact the residents with a significant increase at one time, the rates have been incrementally increased each year. She said this year the water rates will increase 5%, or \$0.07 per 1000 gallons. The base meter charge will increase 5% or \$1.02. The residential sewer rates will increase 10% or \$0.36 per 1000 gallons. The base meter charge will increase 10% or \$1.54. The Town will want to ensure that there is funding for the expenditures and that the Town can proceed with the capital projects.

Ms. Guilin provided examples of what residents may expect to see in regards to increases on their utility bills based on various consumptions.

Mayor Rankin inquired about the duration of the rate increases.

Ms. Guilin stated the study indicates that the rates will continue to 2016. Another review was done in 2011/2012 and the review confirmed that the Town was on track with the rates and fees. The Capital Improvement Plan (CIP) identifies when the projects are scheduled.

Mayor Rankin opened the Public Hearing. There being no public comments, Mayor Rankin closed the Public Hearing.

### **Presentation by the Community Development Director Mark Eckhoff on proposed annexations to be filed in 2013.**

Mark Eckhoff, Community Development Director, per the direction provided by Council, strategic planning session, and the Town Manager, provided an overview of proposed annexations. He stated two annexations that the Town is considering are Magic Ranch Annexation (2013-01) and Arizona Farms Annexation (2013-02). The Magic Ranch Annexation is approximately four square miles; and the Arizona Farms Annexation is approximately two square miles. The combined population for both is approximately 4200. He stated that the population has increased since that time.

Mr. Eckhoff stated there is a parcel of State Land in the near vicinity that the Town does not have authorization to annex. Both annexations include developed areas. All phases of the Magic Ranch subdivision are included in the annexation. The Arizona Farms Annexation includes Crestfield Manor, Wild Horse Estates, and undeveloped land that is entitled for future residential/non-residential land uses.

Mr. Eckhoff stated the annexations present opportunities such as increase in population as well as being in the Town's planning area, which the Town has been strategically growing in that area. The two annexations would also allow for the completion of the annexation of Lookout Mountain II State Land Annexation. There is also an opportunity for high quality commercial.

Mr. Eckhoff stated part of the annexation process is to provide the residents who live in those areas an opportunity to voice their comments. The Town will have two neighborhood meetings to provide an overview of the annexation process, and to provide an opportunity to listen to the residents and answer questions. The first meeting will be for the residents of Magic Ranch on May 14, 2013, at 6:30 pm, in the Town Council Chambers. The meeting for the Arizona Farms will be on May 16, 2013, at 6:30 pm in the Town Council Chambers. They have sent out approximately 2000 letters, posted signs, and have done press releases to inform the residents of the neighborhood meetings. The intent is to file the annexations and proceed with the official process after the neighborhood meetings. The official process includes a public hearing, collection of annexation petitions, adoption of comparable zoning, and possible development agreements.

Councilmember Walter inquired the length of time for the annexation process to occur should the Council elect to move forward.

Mr. Eckhoff stated that it could take approximately one year, sometimes earlier if they collect the proper number of petitions reflected. He stated receiving the appropriate number of petitions will take some time.

Councilmember Hawkins asked for clarification as to where the meetings will be held.

Mr. Eckhoff stated that initially the meetings were to be held at Christ the Victor Church; however, they weren't able to secure the building. The meetings have been moved to the Town Hall Council Chambers.

Councilmember Celaya asked if the Town has a projection as to how it will take the Town to recover from impact of services by bringing in the residents.

Mr. Charles Montoya, Town Manager, stated that Public Works, Police, Fire, and Community Development are working on a schedule to have a determination of what services will be impacted and the time period once the annexation takes place. Department Heads are making estimates as to what infrastructure will be needed or what services will need to be expanded.

Councilmember Montaña inquired if all the streets are paved and if they have curbs at Wild Horse Estates. He also inquired how the water from heavy rains will be funneled during heavy rains.

Mr. Wayne Costa, Public Works Director, stated that Public Works reviewed Crestfield Manor and Wild Horse Estates and found that the roads are in good shape. They have a ribbon curb in Wild Horse Estates. Crestfield Manor has a vertical curb and gutter. He stated the drainage is good for both, but vegetation in the washes need to be monitored and maintained in Wild Horse Estates. There is a breach in the storm water retention area in Crestfield Manor that occurred several years ago. The solution is once the Magma Flood Retardant structure is completed, that additional crest will take care of



2/3 of the volume of water down Magma Wash. They will also commission a drainage report that will result in a minimal berm for the detention area and will provide a safe avenue for storm water retention.

Councilmember Montaña stated the streets in Crestfield Manor are narrow, and inquired if they are wide enough to accommodate curbside parking along passage for emergency vehicles.

Mr. Costa responded that the roads are wide enough to accommodate parked vehicles and passage for emergency vehicles. He said a detailed analysis has been completed. The minimum edge-to-edge pavement is 28 feet, which allows for parking on both sides with an 11 foot lane in the center.

Vice-Mayor Smith inquired if the developments use septic or sewer.

Mr. Costa stated that the Wild Horse Estates is on septic and Crestfield Manor is on sewer. The sewer plant that services Crestfield Manor belongs to Johnson Utilities, which is in their CC & N area. Johnson Utilities has sufficient capacity and distribution and collection lines for water and sewer.

Mayor Rankin stated that there has been a dispute about drainage issues and access to buildings that are to be built in Wild Horse Estates. He inquired if Mr. Costa is aware of these issues.

Mr. Costa stated he is not aware of the dispute. There is a roadway alignment issue.

Mayor Rankin stated he would like to annex Magma Junction as well.

**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.**

**\*Adoption of Resolution No. 1392-13: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, SUPPORTING APPLICATION TO THE GILA RIVER INDIAN COMMUNITY, FOR DISTRIBUTION GAMING REVENUES GRANT IN THE AMOUNT OF \$66,013.**

**\*Authorization to Award a Purchase Order to Holbrook Asphalt Company for the not-to-exceed amount of \$63,025.17, to apply HA5 (High Density Mineral Bond) asphalt treatment on existing pavements with a PCI rating of 88 to Units 4 and 6 within Anthem at Merrill Ranch.**

On motion of Councilmember Walter, second by Councilmember Montaña, and carried to approve the Consent Agenda as written.

## **NEW BUSINESS**

**Resolution No. 1391-13: Discussion/Approval/Disapproval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING THE EXECUTION OF A CONTRACT WITH THE STATE OF ARIZONA FOR THE CONSTRUCTION OF A TRAFFIC SIGNAL AND RELATED IMPROVEMENTS FOR SR79 AT DIVERSION DAM ROAD IN FLORENCE, ARIZONA.**

Mr. Costa stated that last year a needs for signalization was finalized at the intersection of SR79 at Division Dam Road, and it showed that the intersection meets two warrants for signalization:

- 8 hour condition of traffic
- 4 hour peak hour condition of traffic

Mr. Costa stated the warrants mean that the intersection is congested throughout the day with McDonald's, County facility, and private prisons in the area. The congestion occurs within the first 300 feet of Diversion Dam. The signalization will eliminate safety concerns and address left turning movements. The signal will also have a left turn lane onto Diversion Dam in anticipation of the convenience mart or the Super Stop Store that is going in on the south side of Diversion Dam and the future CCA prison. There will also be a signal ahead sign on the northbound and southbound lanes of SH79. The emergency vehicle preemption will be installed on First Street to allow safety vehicles to enter SH79 on a green signal off of First Street. The Town of Florence is contributing 1/3 of the cost of the signal, which equates to \$83,000. He said \$75,000 of the \$83,000, that is the Town's portion, was contributed by CCA during the expansion of their prison facility. The net cost that the Town will be paying is \$8,000, which is part of the CIP Plan for Diversion Dam Road.

On motion of Councilmember Montaña, seconded by Vice-Mayor Smith, and carried to adopt Resolution No. 1391-13.

**Ordinance No. 596-13: First Reading of AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, TO PROVIDE NEW RATES AND FEES FOR SANITATION SERVICES, EFFECTIVE JULY 1, 2013.**

Mr. Charles Montoya, Town Manager, removed Item 8b. from the agenda.

**Discussion/Approval/Disapproval of authorizing the Town Manager to negotiate and enter into a contract or contracts not to exceed a cumulative total of \$300,000, for structural engineering and stabilization plans and building repairs for the Brunenkant building that would allow for the safe occupancy of the building; and support the Town retaining this asset, and authorize the Town Manager to direct staff to market the building for optimal usage.**

Mr. Eckhoff stated that the Brunenkant Building is experiencing structural deficiencies. The Chamber of Commerce was relocated out of the facility due to the deficiencies. Public Works has been monitoring the building for quite some time and has been able to see some of the cracks increase. He said the deficiencies include cracks, bowing,

instability of brick work, and deterioration of the foundation. The building was built on a stone foundation and there is some fluffing off of the surface material. The building is 100 years old and repairs are needed. The repair estimates that were received are wide ranging between \$250,000 and \$300,000. The Town would like to start the repairs as soon as possible to avoid additional deterioration. Swan Architects has inspected the building and offered their insight on repairs. It will be beneficial to dig around the foundation to get a better idea of the true condition. They will then be able to determine if they can stabilize the existing foundation, prop it up with another means, or use a new peer foundation that will be put under the building. The Town would like to get the building into use again in a way that will increase the foot traffic.

Councilmember Walter inquired what the Capital Improvement Project (CIP) fund balance is.

Ms. Becki Guilin stated for the end of the year projecting, including the project, the fund will have an excess of \$10 million in the CIP fund.

Councilmember Celaya inquired if another project would be put on hold in the CIP so that Brunenkant Building repairs can be funded.

Ms. Guilin stated the CIP fund is for any type of project. The residential construction tax monies are placed in the CIP fund. She said \$4 million was also moved from the General Fund fund balance into the CIP fund. She explained what other funds are incorporated into the CIP fund and how those monies can be used.

On motion of Councilmember Woolridge, seconded by Councilmember Walter, and carried to authorize the Town Manager to negotiate and enter into a contract or contracts not to exceed a cumulative total of \$300,000 for the Brunenkant Building.

## **DEPARTMENT REPORTS**

### **Manager's Report**

#### **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**

Mr. Larry Kollert, Resident, inquired how Council could justify spending \$300,000 for repairs on a building without a financial analysis.

Councilmember Hawkins responded that the alternative is letting the building go with no return. The building is a historical building that has great value to the Town of Florence. Over time it will generate tax revenue and foot traffic. The Town is trying to redevelop the downtown.

Councilmember Celaya stated the building can be let go with no revenue or they can do something and capture some revenue. He doesn't see the point of letting an asset go. The Town has to maintain its current assets and it is a historical building that is not replaceable.

Ms. Chris Reid, Historic District Advisory Boardmember, thanked the Council for preserving the building as part of the community's history. The historic buildings make the Town unique.

### **CALL TO THE COUNCIL**

Councilmember Celaya thanked the Police and Fire Departments for their assistance on the water leak at Pinal County.

Councilmember Montañó concurred with Councilmember Celaya. Both departments did an outstanding job.

Councilmember Walter thanked the Parks and Recreation program for Little League and the summer events that are planned.

Councilmember Hawkins thanked the Police Department for the radar unit that is located on Main Street.

Mayor Rankin stated that Florence is a historical town, our future is our past. The Council has to make investments in the future of Florence and the Historic District. He believes that they are a progressive Council looking for the best interest of the Town of Florence.

### **ADJOURN TO EXECUTIVE SESSION**

**For the purpose of discussion of the public body for performance evaluations of the Town Clerk/Deputy Town Manager and the Town Attorney in accordance with A.R.S. §38-431.03 (A)(1).**

On motion of Councilmember Hawkins, seconded by Councilmember Walter, 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 Councilmember Walter, seconded by Vice-Mayor Smith, and carried to adjourn the meeting at 8:30 p.m.

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Tom J. Rankin, Mayor

**ATTEST:**

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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 May 6, 2013, and that the meeting was duly called to order and that a quorum was present.

---

Lisa Garcia, Town Clerk

## **TOWN OF FLORENCE PARKS AND RECREATION ADVISORY BOARD**

**MINUTES FROM THE REGULAR MEETING HELD ON THURSDAY, OCTOBER 25, 2012 6:00 P.M. IN THE COUNCIL CHAMBER OF TOWN HALL, LOCATED AT 775 N. MAIN STREET, FLORENCE, AZ.**

### **CALL TO ORDER**

Chairman Revis called the meeting to order at 6:02 p.m.

### **ROLL CALL**

Present: Don Pinson, Christine Reeder, Jaclyn Revis, Donald Woolridge (Quorum),

Absent: Liaison Tara Walter

### **NEW BUSINESS:**

#### **a. Introduction of new board member Christine Reeder**

Member Reeder introduced herself to the board, stating that she has a background in catering and wedding planning. She stated that she is the Director of Lifestyle and Fitness for Anthem Parkside, and she looks forward to using her experience with the Advisory Board.

#### **b. Hiring of new recreation positions**

Mr. Ray Hartzel stated that the Parks and Recreation Department would be filling two vacant, full-time positions. One will be for a new Recreation Coordinator and the other for a Parks Maintenance Foreman. Mr. Hartzel stated that he would be interviewing and hoped to have the positions filled by early November. He also stated that he will be hiring for several part-time recreation positions in the coming months.

### **PAST AND CURRENT EVENTS**

#### **a. Halloween Fright Fest**

Mr. Ray Hartzel presented the board with a Halloween Fright Fest flier for the event on October 31<sup>st</sup>, 2012. Mr. Hartzel stated that the staff had been working on the event for quite some time and that the event layout would be same as in previous years. He stated that there would be a small haunted house in the dugout at the Little League Park during the event. Mr. Hartzel also stated that the majority of the game booths would be manned by volunteers from the community. Mr. Hartzel express thanks to the many volunteers who contribute to our events.

**b. 80<sup>th</sup> Annual Florence Junior Parada**

Mr. Ray Hartzel presented the board with a flier for the 80<sup>th</sup> Annual Junior Parada event on Saturday, November 24<sup>th</sup>, 2012. He also stated that the Greater Florence Chamber of Commerce will be hosting their first music festival beginning immediately after the parade. He stated that the music festival would include various local performers and would highlight locations throughout the Historic Florence district. He also stated that the Assumption of the Blessed Virgin Mary Catholic Church had planned a centennial celebration for the same day, but the committee cancelled their event. He stated that the parade would also include vendors, but that the focus of the weekend was to remain the youth rodeo at the Charles Whitlow Rodeo Grounds.

**c. Christmas on Main and Holiday Light Parade**

Mr. Ray Hartzel stated that the Christmas on Main and Holiday Light Parade would be on Friday, December 7<sup>th</sup>, 2012. He stated that the event would be on the same date as the Coolidge Christmas event, which was a communication error. He stated that the Christmas event would also be the same format as the previous years, but that the location would change from Arriola Square to Jacques Square. He stated that Jacques Square has several advantages, and that the Chamber of Commerce agreed to host Santa Claus photos in their building.

**d. Past and present recreation programs**

Mr. Ray Hartzel listed the upcoming recreation programs including youth soccer, youth football, and youth cheer. He also stated the Iddie Biddie Kiddies was going well and becoming a regular, well-received program. He also stated that there are a variety of new fitness programs at the Fitness Center. Fitness Instructor, Laura Kinney, is hosting a variety of classes including walking, hiking, and toning classes. He stated that Ms. Kinney is extremely knowledgeable regarding health and nutrition.

**DISCUSSION/APPROVAL OF MINUTES OF PAST MEETING ON JULY 26, 2012**

On motion by Vice-Chairman Pinson, seconded by Member Woolridge, and carried to approve the minutes of the July 26, 2012 meeting.



## **CALL TO THE PUBLIC/BOARD RESPONSE**

Ms. Ruth Harrison stated that she would like to discuss the four standards for the Tree City USA application and wanted to be certain that the Town of Florence met those standards. Mr. Hartzel stated that he is aware of those standards as set forth in the Tree City USA ordinance and that the application was approved accordingly by Tree City USA. Ms. Harrison stated that she would like copies of the tree ordinance and of the application submitted to Tree City USA. Mr. Hartzel stated that he would be happy to get the requested information to her. He asked if Ms. Harrison would contact him to discuss the protocol for receiving that information.

## **CALL TO THE BOARD**


None

## **ADJOURNMENT**

On motion made by Vice-Chairman Pinson, seconded by Member Woolridge, and carried to adjourn the meeting at 6:42 p.m.

Approved:

  
Jaclyn Revis, Chairman

	<b>TOWN OF FLORENCE COUNCIL ACTION FORM</b>	<b><u>AGENDA ITEM</u></b> <b>8a.</b>
<b>MEETING DATE:</b> May 20, 2013  <b>DEPARTMENT:</b> Finance  <b>STAFF PRESENTER:</b> Becki Guilin, Finance Director  <b>SUBJECT:</b> Ordinance No. 595-13: An Ordinance to Increase Utility Rates and Fees.		<input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Information Only</b> <input type="checkbox"/> <b>Public Hearing</b> <input type="checkbox"/> <b>Resolution</b> <input checked="" type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Regulatory</b> <input type="checkbox"/> <b>1<sup>st</sup> Reading</b> <input type="checkbox"/> <b>2<sup>nd</sup> Reading</b> <input type="checkbox"/> <b>Other</b>

**RECOMMENDED MOTION/ACTION:**

Adoption of Ordinance No. 595-13: AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA TO PROVIDE INCREASES IN NEW RATES AND FEES FOR WATER AND WASTEWATER TREATMENT.

**BACKGROUND/DISCUSSION:**

At the March 16, 2013 Town Council meeting, a Notice of Intention to increase utility rates and fees was presented to the Town Council.

A Notice of Intention and date of Public Hearing, as per Statute, will be advertised in the April 11, 2013 Florence Reminder, the Notice has also been posted on the Town's website since March 18, 2013, under Public Notice, and a Notice has been included on the April 2013 utility bills.

These annual increases for water, sewer and sanitation rates are also included in this, as set forth in the Utility Rate Study, by Economists.com, adopted by Ordinance No. 510-09. Rates and fees were projected out based upon operational expense, capital outlay and debt service. This study was also re-affirmed with the 2011 Utility Rate Study.

The incremental annual rate and fee increases associated with the 2008-2009 Utility Rate Study are programmed to lessen the impact on the utility users for the next several years, while providing the utilities funding to continue to provide the operational and capital needs of the associated enterprise funds.

Water capital projects total \$23,646,000 and Wastewater \$39,785,000. The portions that are not funded by anticipated grants, impact fees or developer contributions will be the responsibility of the enterprise funds. These costs are based upon the current proposed Capital Improvement Plan. These costs were considered in the Utility Rate Study.

A Public Hearing was held on May 6, 2013, along with a request for the Town Council to adopt the rates at fees. The adoption of the rates and fees will be on May 20, 2013. Utility rates and fees will become effective July 1, 2013, if this ordinance is adopted by the Town Council.

**FINANCIAL IMPACT:**

Water           5% increase to rates and base fees  
 Sewer          10% increase to rates and base fees

**WATER RATES AND FEES**

**Monthly Volume Charges - Inside Municipality**

Existing Rates Customer Category	Effective Date					Units
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016	
Under 10,000 gallons	<del>\$1.45</del>	\$1.52	\$1.59	\$1.67	\$1.76	1,000 gallons
10,000 to 18,700 gallons	<del>\$2.04</del>	\$2.11	\$2.21	\$2.32	\$2.44	1,000 gallons
Over 18,700 gallons	<del>\$3.56</del>	\$3.74	\$3.93	\$4.12	\$4.33	1,000 gallons
Under 1,337 cubic feet	<del>\$1.08</del>	\$1.14	\$1.19	\$1.25	\$1.31	100 cubic feet
1,337 to 2,500 cubic feet	<del>\$1.50</del>	\$1.57	\$1.65	\$1.73	\$1.82	100 cubic feet
Over 2,500 cubic feet	<del>\$2.67</del>	\$2.81	\$2.95	\$3.10	\$3.25	100 cubic feet

**Monthly Volume Charges - Outside Municipality**

Customer Category	Effective Date					Units
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016	
Under 10,000 gallons	<del>\$1.85</del>	\$1.94	\$2.04	\$2.14	\$2.25	1,000 gallons
10,000 to 18,700 gallons	<del>\$2.56</del>	\$2.69	\$2.83	\$2.97	\$3.12	1,000 gallons
Over 18,700 gallons	<del>\$4.55</del>	\$4.77	\$5.01	\$5.26	\$5.53	1,000 gallons
Under 1,337 cubic feet	<del>\$1.39</del>	\$1.45	\$1.53	\$1.60	\$1.68	100 cubic feet
1,337 to 2,500 cubic feet	<del>\$1.92</del>	\$2.02	\$2.12	\$2.22	\$2.33	100 cubic feet
Over 2,500 cubic feet	<del>\$3.40</del>	\$3.57	\$3.75	\$3.94	\$4.14	100 cubic feet

**Monthly Base Charges - Inside Municipality**

Meter Sizes	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
5/8" - 3/4"	<del>\$20.26</del>	\$21.28	\$22.34	\$23.46	\$24.63
1"	<del>\$33.78</del>	\$35.47	\$37.24	\$39.10	\$41.06
2"	<del>\$135.40</del>	\$141.86	\$148.95	\$156.40	\$164.22
3" Compound	<del>\$216.48</del>	\$226.99	\$238.34	\$250.25	\$262.77
3" Turbine	<del>\$236.44</del>	\$248.26	\$260.68	\$273.71	\$287.39
4" Compound	<del>\$337.76</del>	\$354.65	\$372.39	\$391.01	\$410.56
4" Turbine	<del>\$425.59</del>	\$446.86	\$469.21	\$492.67	\$517.30
6" Compound	<del>\$675.54</del>	\$709.32	\$744.78	\$782.02	\$821.13

6" Turbine	<del>\$945.75</del>	\$993.04	\$1,042.69	\$1,094.82	\$1,149.56
8" Turbine	<del>\$1,621.29</del>	\$1,702.36	\$1,787.47	\$1,876.85	\$1,970.69
10" Turbine	<del>\$2,567.05</del>	\$2,675.40	\$2,830.17	\$2,971.68	\$3,120.27
12" Turbine	<del>\$3,377.70</del>	\$3,546.58	\$3,723.91	\$3,910.11	\$4,105.61

### Monthly Base Charges - Outside Municipality

Meter Sizes	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
5/8" - 3/4"	<del>\$26.34</del>	\$27.66	\$29.04	\$30.49	\$32.02
1"	<del>\$43.90</del>	\$46.10	\$48.40	\$50.82	\$53.37
2"	<del>\$175.64</del>	\$184.42	\$193.64	\$203.33	\$213.49
3" Compound	<del>\$281.03</del>	\$295.08	\$309.83	\$325.32	\$341.59
3" Turbine	<del>\$301.29</del>	\$316.35	\$332.17	\$348.78	\$366.22
4" Compound	<del>\$439.10</del>	\$461.06	\$484.11	\$508.32	\$533.73
4" Turbine	<del>\$526.92</del>	\$553.27	\$580.93	\$609.98	\$640.48
6" Compound	<del>\$878.20</del>	\$922.11	\$968.22	\$1,016.63	\$1,067.46
6" Turbine	<del>\$1,148.41</del>	\$1,205.83	\$1,266.12	\$1,329.43	\$1,395.90
8" Turbine	<del>\$2,107.68</del>	\$2,213.06	\$2,323.71	\$2,439.90	\$2,561.89
10" Turbine	<del>\$3,337.16</del>	\$3,504.02	\$3,679.22	\$3,863.18	\$4,056.34
12" Turbine	<del>\$4,147.81</del>	\$4,355.20	\$4,572.96	\$4,801.60	\$5,041.68

Ordinance No. 510-09

## WASTEWATER RATES AND FEES

### Monthly Variable Charges per 1,000 Gallons

Customer Category	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Residential/Mobile Homes	<del>\$3.59</del>	\$3.95	\$4.35	\$4.57	\$4.79
Commercial	<del>\$3.61</del>	\$3.97	\$4.37	\$4.59	\$4.82
Institutional	<del>\$5.74</del>	\$5.97	\$6.94	\$7.36	\$7.64
Outside Municipality (Residential)	<del>\$3.59</del>	\$3.95	\$4.35	\$4.57	\$4.79

### Monthly Variable Charges per 100 Cubic Feet

Customer Category	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Residential/Mobile Homes	<del>\$2.69</del>	\$2.96	\$3.25	\$3.42	\$3.59
Commercial	<del>\$2.70</del>	\$2.97	\$3.27	\$3.43	\$3.60
Institutional	<del>\$4.29</del>	\$4.47	\$5.19	\$5.50	\$5.71
Outside Municipality (Residential)	<del>\$2.69</del>	\$2.96	\$3.25	\$3.42	\$3.59

### Monthly Base Charges

Customer Category	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Residential/Mobile Homes	<del>\$15.33</del>	\$16.87	\$18.55	\$19.48	\$20.45
Commercial	<del>\$15.33</del>	\$16.87	\$18.55	\$19.48	\$20.45
Institutional	<del>\$15.33</del>	\$16.87	\$18.55	\$19.48	\$20.45

Outside Municipality (Residential)	<del>\$15.33</del>	\$16.87	\$18.55	\$19.48	\$20.45
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**Commercial:** Includes but not limited to office, multi-family, school, and government facilities.

**Institutional:** Includes but not limited to multi-bed, self-contained facilities with or without kitchen.

### PRETREATMENT PROGRAM

#### Volume Charges per Excess Pound Treated

Customer Category	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Biochemical Oxygen Demand (BOD)	<del>\$0.80</del>	\$0.83	\$0.97	\$1.03	\$1.06
Suspended Solids (TSS)	<del>\$0.56</del>	\$0.58	\$0.69	\$0.72	\$0.75

**Ordinance No. 510-09**

#### Rate Increase Impact 2013-2014

5/8" or 3/4" Residential Service

	Old Rate	New Rate	Increase
<b>Water</b>			
Water Base Fee	\$20.26	\$21.28	\$1.02
<b>Rate</b>			
Under 10,000 gallons	\$1.45	\$1.52	\$0.07
10,000 to 18,700 gallons	\$2.01	\$2.11	\$0.10
Over 18,700 gallons	\$3.56	\$3.74	\$0.18
<b>Sewer</b>			
Sewer Base Fee	\$15.33	\$16.87	\$1.54
Rate per 1,000 gallons	\$3.59	\$3.95	\$0.36

Residential Sewer Charge based on 75% of water usage  
Commercial/Institutional based on 100% of water usage

#### **Increase to monthly bill-Summer Billing**

Usage	0	0.00	0.00
Water	\$20.26	\$21.28	\$1.02
Tax	\$1.97	\$2.06	\$0.10
Sewer	\$15.33	\$16.87	\$1.54
	<u>\$37.56</u>	<u>\$40.21</u>	<u>\$2.66</u>
			7.08%

#### **Residential Impact Usage-5,000 gallons**

	Old Rate	New Rate	Increase
<b>Water</b>			
Base	20.26	21.28	
Usage-5,000 gallons	7.25	7.60	
Sales Tax @.097%	2.67	2.80	
<b>Sewer</b>			
Base	15.33	16.87	
Usage-3,750 gallons	13.46	14.81	
<b>Total Bill</b>	<b>58.97</b>	<b>63.36</b>	<b>\$4.39</b>

7.45%

<b>Residential Impact</b>			
<b>Usage-15,000 gallons</b>	<b>Old Rate</b>	<b>New Rate</b>	<b>Increase</b>
<b>Water</b>			
Base	\$20.26	\$21.28	
Usage-10,000 gallons	\$14.50	\$15.20	
Usage - 5,000	\$10.05	\$10.55	
Sales Tax .097%	\$2.01	\$2.11	
<b>Sewer</b>			
Base	\$15.33	\$16.87	
Usage-11,250 gallons	\$40.39	\$44.44	
<b>Total Bill</b>	<b>102.54</b>	<b>110.45</b>	<b>\$7.91</b> 7.71%

<b>Residential Impact</b>			
<b>Usage-22,000 gallons</b>	<b>Old Rate</b>	<b>New Rate</b>	<b>Increase</b>
<b>Water</b>			
Base	20.26	21.28	
Usage-10,000 gallons	14.50	15.20	
Usage -8,700 gallons	17.49	18.36	
Usage-3,300	11.75	12.34	
Sales Tax .097%	6.21	6.52	
<b>Sewer</b>			
Base	15.33	16.87	
Usage-16,500 gallons	59.24	65.18	
<b>Total Bill</b>	<b>144.77</b>	<b>155.74</b>	<b>\$10.97</b> 7.58%

Anticipated revenue to the funds are as follows:

This is projected to provide additional water revenue in the amount of \$145,000 and sewer revenues of \$303,000.

**STAFF RECOMMENDATION:**

Adopt Ordinance No. 595-13, to increase utility rates and fees.

**ATTACHMENTS:**

- Ordinance No. 595-13
- Public Notice
- Calendar of Events

**Ordinance No. 595-13**

**AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, TO PROVIDE INCREASES IN NEW RATES AND FEES FOR WATER AND WASTEWATER TREATMENT.**

**WHEREAS**, it has been brought to the attention of the Council of the Town of Florence that the current fee structure for users of the municipal water and wastewater services requires modification to provide for the equitable distribution of the cost of operating the systems; and

**WHEREAS**, the Town Council commissioned a utility rate study and the results of said study indicated that the current fees and charges are not adequate for the financial well being of the Water and Wastewater systems.

**NOW, THEREFORE, BE IT ORDAINED** that the Fee Schedule of the Town of Florence is hereby amended to read in conformity with the attached schedules, each of which is attached hereto and incorporated herein as follows;

**WATER RATES AND FEES**

**Monthly Volume Charges - Inside Municipality**

Existing Rates	Effective Date					Units
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016	
Customer Category						
Under 10,000 gallons	<del>\$1.45</del>	\$1.52	\$1.59	\$1.67	\$1.76	1,000 gallons
10,000 to 18,700 gallons	<del>\$2.04</del>	\$2.11	\$2.21	\$2.32	\$2.44	1,000 gallons
Over 18,700 gallons	<del>\$3.56</del>	\$3.74	\$3.93	\$4.12	\$4.33	1,000 gallons
Under 1,337 cubic feet	<del>\$1.08</del>	\$1.14	\$1.19	\$1.25	\$1.31	100 cubic feet
1,337 to 2,500 cubic feet	<del>\$1.50</del>	\$1.57	\$1.65	\$1.73	\$1.82	100 cubic feet
Over 2,500 cubic feet	<del>\$2.67</del>	\$2.81	\$2.95	\$3.10	\$3.25	100 cubic feet

**Monthly Volume Charges - Outside Municipality**

Customer Category	Effective Date					Units
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016	
Under 10,000 gallons	<del>\$1.85</del>	\$1.94	\$2.04	\$2.14	\$2.25	1,000 gallons
10,000 to 18,700 gallons	<del>\$2.56</del>	\$2.69	\$2.83	\$2.97	\$3.12	1,000 gallons
Over 18,700 gallons	<del>\$4.55</del>	\$4.77	\$5.01	\$5.26	\$5.53	1,000 gallons
Under 1,337 cubic feet	<del>\$1.39</del>	\$1.45	\$1.53	\$1.60	\$1.68	100 cubic feet
1,337 to 2,500 cubic feet	<del>\$1.92</del>	\$2.02	\$2.12	\$2.22	\$2.33	100 cubic feet
Over 2,500 cubic feet	<del>\$3.40</del>	\$3.57	\$3.75	\$3.94	\$4.14	100 cubic feet

**Monthly Base Charges - Inside Municipality**

Meter Sizes	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
5/8" - 3/4"	<del>\$20.26</del>	\$21.28	\$22.34	\$23.46	\$24.63
1"	<del>\$33.78</del>	\$35.47	\$37.24	\$39.10	\$41.06
2"	<del>\$135.40</del>	\$141.86	\$148.95	\$156.40	\$164.22
3" Compound	<del>\$216.18</del>	\$226.99	\$238.34	\$250.25	\$262.77



3" Turbine	<del>\$236.44</del>	<b>\$248.26</b>	\$260.68	\$273.71	\$287.39
4" Compound	<del>\$337.76</del>	<b>\$354.65</b>	\$372.39	\$391.01	\$410.56
4" Turbine	<del>\$425.59</del>	<b>\$446.86</b>	\$469.21	\$492.67	\$517.30
6" Compound	<del>\$675.54</del>	<b>\$709.32</b>	\$744.78	\$782.02	\$821.13
6" Turbine	<del>\$945.75</del>	<b>\$993.04</b>	\$1,042.69	\$1,094.82	\$1,149.56
8" Turbine	<del>\$1,621.29</del>	<b>\$1,702.36</b>	\$1,787.47	\$1,876.85	\$1,970.69
10" Turbine	<del>\$2,567.05</del>	<b>\$2,675.40</b>	\$2,830.17	\$2,971.68	\$3,120.27
12" Turbine	<del>\$3,377.70</del>	<b>\$3,546.58</b>	\$3,723.91	\$3,910.11	\$4,105.61

### Monthly Base Charges - Outside Municipality

Meter Sizes	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
5/8" - 3/4"	<del>\$26.34</del>	<b>\$27.66</b>	\$29.04	\$30.49	\$32.02
1"	<del>\$43.90</del>	<b>\$46.10</b>	\$48.40	\$50.82	\$53.37
2"	<del>\$175.64</del>	<b>\$184.42</b>	\$193.64	\$203.33	\$213.49
3" Compound	<del>\$281.03</del>	<b>\$295.08</b>	\$309.83	\$325.32	\$341.59
3" Turbine	<del>\$301.29</del>	<b>\$316.35</b>	\$332.17	\$348.78	\$366.22
4" Compound	<del>\$439.10</del>	<b>\$461.06</b>	\$484.11	\$508.32	\$533.73
4" Turbine	<del>\$526.92</del>	<b>\$553.27</b>	\$580.93	\$609.98	\$640.48
6" Compound	<del>\$878.20</del>	<b>\$922.11</b>	\$968.22	\$1,016.63	\$1,067.46
6" Turbine	<del>\$1,148.41</del>	<b>\$1,205.83</b>	\$1,266.12	\$1,329.43	\$1,395.90
8" Turbine	<del>\$2,107.68</del>	<b>\$2,213.06</b>	\$2,323.71	\$2,439.90	\$2,561.89
10" Turbine	<del>\$3,337.16</del>	<b>\$3,504.02</b>	\$3,679.22	\$3,863.18	\$4,056.34
12" Turbine	<del>\$4,147.81</del>	<b>\$4,355.20</b>	\$4,572.96	\$4,801.60	\$5,041.68

## WASTEWATER RATES AND FEES

### Monthly Variable Charges per 1,000 Gallons

Customer Category	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Residential/Mobile Homes	<del>\$3.59</del>	<b>\$3.95</b>	\$4.35	\$4.57	\$4.79
Commercial	<del>\$3.61</del>	<b>\$3.97</b>	\$4.37	\$4.59	\$4.82
Institutional	<del>\$5.74</del>	<b>\$5.97</b>	\$6.94	\$7.36	\$7.64
Outside Municipality (Residential)	<del>\$3.59</del>	<b>\$3.95</b>	\$4.35	\$4.57	\$4.79

### Monthly Variable Charges per 100 Cubic Feet

Customer Category	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Residential/Mobile Homes	<del>\$2.69</del>	<b>\$2.96</b>	\$3.25	\$3.42	\$3.59
Commercial	<del>\$2.70</del>	<b>\$2.97</b>	\$3.27	\$3.43	\$3.60
Institutional	<del>\$4.29</del>	<b>\$4.47</b>	\$5.19	\$5.50	\$5.71
Outside Municipality (Residential)	<del>\$2.69</del>	<b>\$2.96</b>	\$3.25	\$3.42	\$3.59

### Monthly Base Charges

Customer Category	Effective Date				
	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Residential/Mobile Homes	<del>\$15.33</del>	<b>\$16.87</b>	\$18.55	\$19.48	\$20.45
Commercial	<del>\$15.33</del>	<b>\$16.87</b>	\$18.55	\$19.48	\$20.45
Institutional	<del>\$15.33</del>	<b>\$16.87</b>	\$18.55	\$19.48	\$20.45

Outside Municipality (Residential)	<del>\$15.33</del>	<b>\$16.87</b>	\$18.55	\$19.48	\$20.45
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**Commercial:** Includes but not limited to office, multi-family, school, and government facilities.

**Institutional:** Includes but not limited to multi-bed, self-contained facilities with or without kitchen.

**PRETREATMENT PROGRAM**

**Volume Charges per Excess Pound Treated**

Customer Category	7/1/2012	7/1/2013	7/1/2014	7/1/2015	7/1/2016
Biochemical Oxygen Demand (BOD)	<del>\$0.80</del>	<b>\$0.83</b>	\$0.97	\$1.03	\$1.06
Suspended Solids (TSS)	<del>\$0.56</del>	<b>\$0.58</b>	\$0.69	\$0.72	\$0.75

**BE IT FURTHER RESOLVED**, that the Fee Schedules for Water Rates and Fees, and Wastewater Rates and Fees, shall be effective July 1, 2013, and shall continue thereafter in full force and effect until further action of the Council.

**PASSED** and **ADOPTED** by the Mayor and Council of the Town of Florence, Arizona, this 20<sup>th</sup> day of May, 2013.

\_\_\_\_\_  
Tom J. Rankin, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Lisa Garcia, Town Clerk

\_\_\_\_\_  
James E. Mannato, Town Attorney



## Notice of Intention to Increase Water, Wastewater, and Solid Waste Rates

Notice is hereby given that on May 6, 2013, the Town Council of the Town of Florence, Arizona, will hold a public hearing to receive public input concerning a proposal to increase water, wastewater and solid waste rates and fees. A written report, prepared by Economists.com, in support of the proposed rates is on file in the office of the Town Clerk and is available for public inspection.

Public Hearing shall be held at 775 N. Main Street, Florence AZ 85132, in the Town Council Chambers at 6:00 P.M.

\*\*\*PURSUANT TO TITLE II OF THE AMERICANS WITH DISABILITIES ACT (ADA), THE TOWN OF FLORENCE DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY REGARDING ADMISSION TO PUBLIC MEETINGS. PERSONS WITH A DISABILITY MAY REQUEST REASONABLE ACCOMMODATIONS BY CONTACTING THE TOWN OF FLORENCE ADA COORDINATOR AT (520) 868-7574 OR (520) 868-7502 TDD. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMODATION. \*\*\*

Legal Ad (Surrounded by border)  
1/8 page

Publish: April 11, 2013

**2013 Utility Rate Increase  
Calendar of Events**

<b>Date</b>	<b>Event</b>
<b>March 18, 2013</b>	<b>Notice of Intention to Increase Utility Rates and Fees</b> Post on website-Must post 60 days in advance of approval or disapproval by the governing body
<b>March 18, 2013</b>	<b>Declare Town Council Intention to Increase Utility Rates and set a date for a Public Hearing-ARS §9-499.15</b>
<b>April 1, 2013</b>	<b>Notification by utility mailer to all customers-Notice of Public Hearing</b>
<b>April 5, 2013</b>	<b>Notice of Intention to Newspaper</b>
<b>April 11, 2013</b>	<b>Publish Notice of Intention to Increase Utility Rates and date of Public Hearing</b> A copy of the notice of intention showing the date, time and place of the hearing shall be published one time in a newspaper of general circulation within the boundaries of the Municipality not less than twenty days before the public hearing date. Post on Town Website.
<b>April 15, 2013</b>	<b>First Reading of Ordinance</b>
<b>May 6, 2013</b>	<b>Second Reading of Ordinance</b> <b>Hold Public Hearing</b> After holding the public hearing, the council may adopt, by ordinance or resolution, the proposed rate component, fee or service charge increase or any lesser increase.
<b>May 20, 2013</b>	<b>Adopt Ordinance for Rate Increases</b> Rates and fees become effective thirty days after adoption of the ordinance or resolution.
<b>June 1, 2013</b>	<b>Notice on utility bills that rates will increase effective 7/1/2013.</b>
<b>July 1, 2013</b>	<b>Rates become effective</b>

**Authority:** Arizona State Revised Statutes 9-511.01 Water and wastewater business