

**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, Montañño, 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

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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**

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**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**

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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.



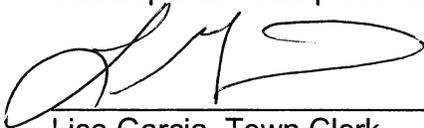
\_\_\_\_\_  
Tom J. Rankin, Mayor

**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 May 6, 2013, and that the meeting was duly called to order and that a quorum was present.



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