

MINUTES OF THE FLORENCE TOWN COUNCIL MEETING HELD ON MONDAY, SEPTEMBER 15, 2014, AT 6:00 PM, 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 6:05 pm.

ROLL CALL:

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

INVOCATION

Councilmember Woolridge led the Invocation.

PLEDGE OF ALLEGIANCE

Mayor Rankin led the Pledge of Allegiance.

CALL TO THE PUBLIC

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

Mr. Randy Rosane, Florence Resident, stated that they will have a 2015 Kickoff for ALS event at the River Bottom Grill, the weekend of September 19, 2014. Community leaders have volunteered to sit in a dunk tank to help raise funds.

Mr. Scott Barber, Director, Pinal County Federal Credit Union, stated the Pinal County Federal Credit Union Board members and staff are looking forward to seeing the community at their new branch, which will open on September 29, 2014. The official ribbon-cutting ceremony and grand opening will be announced at a later date. The Credit Union has been a member of the community since 1971.

Mr. Chris Knutson, Assistant Superintendent Florence Unified School District, stated that anything positive that the Town can do for the youth in the community, such as the proposed library/aquatic center project, would be appreciated and beneficial to the children.

Mr. Jim Tchida, Florence Resident, expressed his appreciation for the Council's efforts on behalf of the Florence citizens. He pointed out the improvements and the progress

the Town has seen in the last few years. He stated that the library/aquatic center and the extension of Main Street to Highway 79 are on tonight's agenda and are important for the Town. He said he hopes all residents will come together and focus on the future of Florence.

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

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

Public Hearing to receive citizens' comments on the Feasibility Report relating to Merrill Ranch Community Facilities District No. 1 (the "District"), Assessment Area Seven – Units 9B, 16 and 17C ("Area 7"); and Discussion/Approval/Disapproval of Resolution No. MRCFD1 129-14:

Ms. Lisa Garcia, Clerk of the Board, read Resolution No. MRCFD1 129-14, by title only.

A RESOLUTION OF THE DISTRICT BOARD OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1 APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SEVENTH AMENDMENT AND WAIVERS (ASSESSMENT AREA SEVEN UNITS 9B, 16 and 17C) FOR DISTRICT DEVELOPMENT, FINANCING PARTICIPATION, WAIVER AND INTERGOVERNMENTAL AGREEMENT (MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1); AUTHORIZING AND RATIFYING THE GIVING OF NOTICE OF HEARING WITH RESPECT TO APPROVING A FEASIBILITY REPORT WHICH INCLUDES IDENTIFYING THE PUBLIC INFRASTRUCTURE OF THE PROJECTS, THE AREAS TO BE BENEFITTED, THE EXPECTED METHOD OF FINANCING AND THE SYSTEM OF PROVIDING REVENUES TO OPERATE AND MAINTAIN THE PROJECTS, ALL AS PROVIDED IN SUCH 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 SEVEN AND PROVIDING FOR THE LEVY OF THE RELATED ASSESSMENT.

Mr. Michael Farina, District Treasurer, stated that Assessment Area Seven contains approximately 52.88 acres and upon build out will comprise of approximately 208 single family residential lots. The public infrastructure in Assessment Area Seven will consist of the following:

- Storm drain \$208,116
- Street improvements, \$887,397
- Related engineering costs \$467,234

Mr. Farina stated that the total estimated cost is approximately \$1,526,747. The engineering and the storm drain improvements are complete and the street improvements are scheduled for completion in December 2014.

He stated that the Special Assessment amount will pay for a portion of the total cost and will be divided equally among the 208 single-family residential lots in Area Seven. He stated that the per-parcel amount will be \$3,500, amortized over a 25-year period. As homes are sold, this amount will be assumed by the homebuyer.

Chairman Rankin opened the public hearing. There being no comments, Chairman Rankin closed the public hearing.

On motion of Boardmember Celaya, seconded by Boardmember Smith, and carried to adopt Resolution No. MRCFD1 129-14.

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

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

Presentation by the Greater Florence Chamber of Commerce recognizing Batteries + Bulbs as the Business of the Month.

Mr. Jim Gilloon, Office Manager, Greater Florence Chamber of Commerce, recognized Batteries + Bulbs, as the business of the month for September, 2014. He stated that there are 6 qualities the Greater Florence Chamber of Commerce Board looks for; professionalism, team work, expertise, passion, reliability and loyalty. He stated Batteries + Bulbs had demonstrated over a period of time their dedication and support for the Greater Florence Chamber of Commerce.

Ms. Glenda Stuart, Owner, Batteries + Bulbs, accepted the award and thanked the Chamber and Council for this recognition.

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. 1480-14

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Resolution No. 1480-14 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ACCEPTING NON-EXCLUSIVE ROADWAY EASEMENTS FOR THE EXTENSION OF

MAIN STREET AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

- b. ***Authorization to donate the modular building that was the temporary Fire Department Station 2 to the City of Phoenix Fire Department.**
- c. ***Authorization to enter into an Intergovernmental Agreement with the Town of Winkelman regarding CDBG funds for the 2015 and 2016 funding cycle years.**
- d. ***Authorization to enter into an Intergovernmental Agreement with the Superstition Fire and Medical District for maintenance services for fire apparatus.**
- e. ***Approval of the 2014 Groundwater Savings Agreement with Pinal County Water Augmentation Authority and Maricopa-Stanfield Irrigation & Drainage District.**
- f. ***Approval of the July 31, August 4, and August 18, 2014 Town Council Minutes.**
- g. ***Receive and file the following board and commission minutes:**
 - i. **April 30, and July 16, 2104 Historic District Advisory Commission minutes.**
 - ii. **June 10 and July 16, 2014 Joint-Use Library Advisory Board minutes.**

On motion of Councilmember Woolridge, seconded by Councilmember Walter, and carried to approve the Consent Agenda, as written, with the exception of items 9a and 9b.

a. *Adoption of Resolution No. 1480-14: A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ACCEPTING NON-EXCLUSIVE ROADWAY EASEMENTS FOR THE EXTENSION OF MAIN STREET AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

Councilmember Walter inquired where the money would be coming from and when the easements would take effect.

Mr. Mark Eckhoff, Community Development Director, stated the estimated cost of the project is \$700,000.00 which was budgeted for in the current fiscal year. The Main Street road extension is planned to be completed before July 1, 2015.

Councilmember Walter inquired if the project needed to go out to bid and what is the budget account the funds will be allocated from.

Mr. Wayne Costa, Public Works Director, stated the Main Street extension project will be completed by the Town's Public Works Department. The portion of the project that is on the State Highway will go out to bid and has an estimated cost of \$200,000.

Mr. Charles Montoya, Town Manager, stated the monies would be coming out of the Capital Projects fund.

b. *Authorization to donate the modular building that was the temporary Fire Department Station 2 to the City of Phoenix Fire Department.

Councilmember Walter stated her concerns with donating the building, valued at \$165,000, is that the Town will not receive any compensation. She said her concerns include the addition of approximately 4300 more residents through the annexation; the extension of fire services; and the radio system for our Fire Department which is in need of improvements. She asked if there were any negotiations for a trade or for the sale of the building.

Ms. Lisa Garcia, Town Clerk, stated that in 2007, Pulte, as part of the construction of Anthem, donated the modular to the Town for use as a Fire Station to service the area. At this time, Pulte would like to begin construction on the parcel that the modular currently sits on. The Town has the option to either tear down the modular and place it in storage at the Town's expense or donate it to another municipality that is in need of providing fire service.

Ms. Garcia stated that staff contacted all Councilmembers to make sure they wanted to donate the modular. With the assurance to donate, staff placed a call-out on Arizona List Serve to see if any municipality would want the modular and had the funds available to relocate the modular and get the support of their Council. The City of Phoenix was the first to secure funds and Council authorization. When the Town of Florence is ready to utilize a modular again for a temporary station, the Town can approach the developer to donate the land and modular.

On motion of Councilmember Woolridge, seconded by Vice-Mayor Smith, and carried to approve Items 9a. and 9b. of the Consent Agenda, as written.

NEW BUSINESS

Canvas of the 2014 Primary Election and Discussion/Approval/Disapproval of Resolution No. 1481-14:

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, read Resolution No. 1481-14 by title only.

**A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA,
DECLARING AND ADOPTING THE RESULTS OF THE PRIMARY ELECTION HELD
ON AUGUST 26, 2014.**

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated the Town of Florence held an election on August 26, 2014, with 1505 ballots cast, of which 1164 were mail-in ballots. She said the mail-in ballots were verified with 12 ballots declared ineligible. She said there were 50 provisional ballots that were voted at the polls and 6 were ineligible. The total votes cast per candidate were as follows:

- Mr. Anderson 529
- Mr. Buckley 570
- Mr. Carlson 303
- Mr. Gilbertson 607
- Ms. Guilin 654
- Mr. Villaverde 465
- Ms. Woolridge 599

Ms. Garcia stated that Ms. Guilin has been elected and will be sworn-in at the regular time with the other members of Council. The candidates moving on to the November 4, 2014 election are Mr. Anderson, Mr. Buckley, Mr. Gilbertson and Ms. Woolridge.

Ms. Garcia stated Proposition 400 received 622 votes for the proposition and 667 votes against. She said Proposition 400 was defeated.

Mayor Rankin asked how many voters are registered in the Town of Florence and how many voted in this election.

Ms. Garcia stated there are 4176 registered voters. The 2014 Primary Election saw a 36.04% voter turnout with 1505 votes cast. She said this is lower than the turnout two years ago. She said the 2010 Primary, which had the State ballot, had a 52% voter turnout, whereas the Mayoral Election for the General Election had a 47.3% voter turnout. The Mayoral Elections historically experience the larger voter turnout. She said the voter turnout in 2006 was 8%. The 2010 election contained a ballot to elect three Councilmembers and the voter turnout was 33.43%. She said historically, voter turnout is in the low to mid 30s with our turnout this year a bit above that average for this particular election.

Councilmember Celaya asked if it is normal to have 300 ballots to not vote either way on the Home Rule Proposition.

Ms. Garcia stated that a non-vote is still considered a vote. It is unknown why voters make the choice to not vote. Statistically, this is normal.

Mayor Rankin asked if there was confusion on behalf of the voter having the proposition on the back side of the ballot.

Ms. Garcia stated the Town no longer partakes in the education of election workers and will be working with Pinal County to ensure instruction is provided to all voters when picking up their ballots to turn it over when there are voting questions located on the backside.

Mayor Rankin stated in the past, the ballot used to be non-partisan; however, with the Consolidated Election Bill, the Town is now required to have their elections at the same time as State and Federal.

Ms. Garcia stated the Town has moved over to the fall election cycle and is required to be on the partisan primary and general ballots.

Mayor Rankin asked if the Town needs to change its Statute which states that the Town will use an all-mail ballot to comply with the State.

Ms. Garcia stated that the Town has made the selection to do an all-mail ballot by motion, each election cycle, when elections were required to be pre-certified. Elections are no longer required to be pre-certified. She said Pinal County facilitates the Town's elections and the Town no longer has to declare how it is going to do its elections. When the Town enters into an Intergovernmental Agreement with Pinal County, the Town can request an all-mail election; however, Pinal County has to authorize the Town to do so, and will have to forward the Intergovernmental Agreement to the Pinal County Board of Supervisors for approval.

Councilmember Hawkins stated that several municipalities in the Valley are challenging their process.

Ms. Garcia stated there was a lawsuit in which charter cities challenged the legislation and it was declared that charter cities do not have to abide by the State rule. Any town that is a general law city, which the Town of Florence is, must comply with the State rules.

Councilmember Hawkins stated he felt voters are concentrating more on the State and Federal business and are not as involved in the Town election.

Ms. Garcia stated she has noticed that since the Town is now on the fall election cycle there is less civic engagement as local organizations are no longer sponsoring candidate forums as they did in the past. The forums would allow a greater amount of engagement with the voters and there was more communication on the topics to be voted on. She said there are now fewer opportunities as those organizations are working on other political projects in the partisan arena. This limits the Town's opportunity to educate the citizens on voting and what each of the propositions mean.

Mayor Rankin stated that he and Ms. Garcia met with Representative Michelle Ugenti, who is the main sponsor of the Consolidated Election Bill. He said it is her belief that the bill will bring more voters out to participate in the elections. Mayor Rankin stated that the Town will have to watch and see what happens in the general election with regards to voter turnout; and if necessary, connect with other cities that might have experienced a reduction in voter turnout based on this bill and address it at the next legislative session.

On motion of Councilmember Montaña, seconded by Councilmember Hawkins, and carried to adopt Resolution No. 1481-14.

Discussion/Approval/Disapproval to enter into a design-build contract with Low Mountain Construction, establishing the Guaranteed Maximum Price of \$12,991,719 for design development and construction of the Library/Recreation Complex.

Mr. Charles Montoya, Town Manager, thanked the Council for their patience and for allowing the delay on the project. At this time, the design is in its final phase. Staff and Low Mountain Construction are in need of direction from Council.

Mr. Brian Hughes, Parks and Recreation Director, stated this Library/Recreation Complex Project consists of the library, which includes activity space, aquatic center, athletic fields and sports courts. The staff and Low Mountain Construction Design-Build Team have been meeting weekly since mid-June to plan Territory Square. He said three Open House meetings were held in July 2014. On June 23, 2014, Council authorized staff to enter into agreement with Low Mountain Construction for schematic design and this phase has been completed.

Mr. Hughes stated that staff is ready to move on to the design-build phase of the project. Staff is requesting Council's consideration in the design-build agreement with Low Mountain Construction, establishing the Guaranteed Maximum Price of \$12,991,719.00 for the design, development, and construction of the Library/Recreation Complex.

Mr. Hughes introduced the staff from Low Mountain Construction, Aaron Babcock from Hidell Architects and Jeff Swan, Project Manager.

Mr. Aaron Babcock, Hidell Architects, stated the current project is part of the 40 acre Territory Square Master Plan. He said they are looking to complete Phase 1, which consists of the Library/Recreation Facility located directly off Main Street. Future phases of the Master Plan include development of a community facility, aquatic center, two soccer fields, two tennis courts, two pickle ball courts, ramada, parking, service road, retention basin and a plaza. The library/recreation building is approximately 28,000 square feet and will contain the public library, shared common space, general

governmental office, and Parks and Recreation offices. The unique part of this design is the access of the common space from the various usage areas and the ability to flow between the spaces.

Mr. Babcock stated the arrival plaza that leads into the bathhouse contains the women's and men's restrooms and changing areas along with offices and a multi-purpose room. The pool area has a beach front access with over-the-water shade, aquatic play unit and geysers with rain drop water feature. The pool has a two-zone multi-purpose area that will provide for different skill level swim lessons to occur simultaneously. There will also be two slides which will be a 32 foot speed slide and a 42 foot body slide. He said separate from the leisure pool and slides will be a 25 yard, eight lane competition pool with a dive well and two one-meter diving boards.

Mr. Babcock stated that two of the restrooms will have exterior access to them to allow those using the tennis courts or the soccer fields to utilize them. There will also be an area for vendors to enter the aquatic facility.

Mr. Brian Hughes acknowledged the members of the Library and Parks and Recreation Advisory Boards that were present in the audience. He said joint meetings were held with both advisory boards in June, and they have forwarded their support and recommendation on the project.

Mr. Don Pinson, Parks and Recreation Advisory Boardmember, stated his support of the project. He said he understands that it is a controversial topic but feels the citizens of Florence need to join together to ensure the Town has the facilities it needs and can be proud of.

Ms. Denise Kollert, Chairperson of the Library Advisory Board, stated it is our civic duty to provide services to all members of our community. She said libraries are more than books; they are meeting places, a fun environment for kids and adults which offer programs for all ages. The library has been a planned part of Territory Square and the cornerstone of the project. The project will bring all areas of Florence together, developing a stronger sense of community. She said she hopes the Council will vote in favor of the library/aquatic center project.

Mr. Timothy Hess, Florence Resident, stated he has lived in Florence for 20 years and recently moved into the Anthem area and his choosing to stay in Florence was based on the amenities of the Town. He said the Town was once known as a prison town and is now an outstanding community. It would be a disservice to its youth by taking away the library and pool. It is beyond our civic duty to provide a library and recreation center for our children to be safe and provide them a place to learn and grow. He said there is no reason this project should not happen.

Mr. Albert Dare, Tempe, Arizona, resident, stated that he does not understand why community members would want to allow those in Phoenix to tell our town how to spend

our money with Home Rule. He said he is in favor of the library/recreational project. He is proud to be a member of the Town of Florence and the future it has.

Ms. Betty Rieffer, Florence Resident, stated she is in favor of the library/recreation project. The library system has been a strong and successful part of the community providing services and programs to all ages. She expressed her appreciation to the Council for their efforts.

Mayor Rankin asked Ms. Rieffer if she had served on the Library Board.

Ms. Rieffer stated that she has not but has attended many of the Library Board meetings. She was on the Planning and Zoning Committee.

Ms. Barbara Suttles, Florence Resident, is in support of the library and aquatic facility project. She said the facilities will be safe and clean and will offer activities for everyone within the community.

Mr. Charles Goldsmith, Florence Resident, stated he has lived in Florence all his life and has a passionate belief that the library/aquatic project needs to be built. Many of the members of our community don't have a facility of this nature and magnitude to use. He said this will encourage people to invest in our Town and be a part of our community. He said the Town needs to show them that we are investing in it ourselves. We need to show that our Council is committed to the Town.

Mr. John Anderson, Florence Resident, stated that he supports the library/aquatic project. He said his concern is with the cost of the project. He said that based on his financial analysis and research of the project, the anticipated operational costs for the two facilities is too low. He would like staff to take more time to review the analysis and ensure the operating costs are appropriate and sustainable.

Mr. Damon Anderson, Greater Florence Chamber of Commerce Chairman, stated that the Chamber unanimously supports seeing the library/aquatic center project moving forward. The proposed project will provide a place for families throughout our region to visit and enjoy. It will also give them a reason to possibly want to join our community. The water park will bring patrons to our town, infusing monies into our various business and services. It will make Florence the family fun water park destination in the southeast valley.

Ms. Alexandra Bruin, Florence Resident, stated that she is in favor of the library/aquatic facility but additionally feels the Town needs the soccer and sports fields. She said that a water park and recreational facilities will provide the youth options of things to do in Town that they currently do not have. She stated that the statistics indicate that when you have activities for the youth, they will not get involved in bad activity or make destructive decisions.

Ms. Amada Celaya, Florence Resident, stated that she purchased her first home five years ago in Florence because it had a Council. She said friends recommended that she purchase in San Tan because it offered better home value options and amenities; however, they did not have a Council. Ms. Celaya hopes that the Council will make her decision to invest in Florence a good one by building the recreation center.

Mr. Bill Day, Florence Resident, stated that as a long-time homeowner and business owner in Florence, he counts on the Council to make well-informed decisions. He encouraged all members of Florence to participate in all elections and make their vote count. He said that as a previous member of the Parks and Recreation Advisory Board, he is in favor of the library/aquatic center program. As residents of Florence, the residents need to take responsibility for our Town and expand our resources. He asked the Council to provide the facility that the residents need.

Ms. Sandra Hamberg, Florence Resident, stated that she is in favor of the library/aquatic center project. She said time is running out and Council must move forward now to get this project done before the Town does not have a pool or library at all.

Mr. Wilbur Freeman, Florence Resident, stated he is in favor the library/aquatic center facility. As a prior Mayor and a third generation Freeman living in Florence, he hopes to see the full plan come to fruition. He said the Town has the three things it needs for the project; financing for the construction, operation of the facility, and most importantly, the community need. He said the community wants and needs the amenities, but most important, they deserve it. The project is not only for our citizens now, but for the future growth and development of this town.

Ms. Vicki Kilvinger, Florence Resident and prior Mayor, stated that she remembers in the early 1990's when Heritage Park was being built. Funding ran out so everyone pitched in to complete it. She said the Town is at the point now that it can fiscally support a new library/aquatic center. She said she feels that many of our community members did not understand what Home Rule was. She said she is favor of the project and believes the library/aquatic center is the right thing for the Town.

Ms. Marsha Day, Florence resident and past Mayor, is in support of the library/aquatic center project. She said recreation and the needs of the community have been placed on the back burner for too long. The Town has the money and plans for the project, and needs to do what is right for the Town.

Ms. Becky Guilin, Florence resident and Councilmember-elect, stated as a prior Finance Director, she knows that the Town has saved for these projects and will need to bond to fully fund them. She said it won't be easy and there will be some "belt tightening" with future budgets but the financial infrastructure is in place that will support the project term. She said there are no amenities currently in the Town that will encourage development and growth. Revenues generated from an aquatic center will benefit not

only the Town, but the businesses as well. She said our community members must travel out of town to utilize programs and activities that are not available near their homes. The facilities will keep our community members closer to home and they will spend their money locally. The library/aquatic project will be good for the community.

Mr. Chase Johnson, Florence resident, stated he would like to see this facility built as there is nothing to do in Florence. He said that moving the pool and library out of the high school will provide more space for the school to expand.

Councilmember Celaya stated that in his experience on Council, the need for a recreation facility has been a need for many years. The proposed facility will be an anchor for the Town. He said that the Home Rule does not have an effect on the construction of this project. The cost to operate the aquatic center, in our financial analysis, is based on the hours of operation and shows the two facilities are sustainable. There have been several meeting on this project and the citizens deserve it. He agrees that the project needs to be done.

Councilmember Walter asked how Home Rule will affect the Towns future budget.

Mr. Mark Farina, Finance Director, stated the he estimates the State imposed limitation to be approximately \$19 million. He said the current budget is approximately \$55 million, not including the carry forwards. He said that the Home Rule will have a large impact that will mostly affect capital projects in the various funds, including utilities.

Councilmember Walter stated that she is in favor of having a library and pool facility in the core of Florence. Her concern is if the Town can fiscally provide for the facility and support the services of the Town under Home Rule. She said that it is unclear what services and projects will be cut to balance the budget that the Town will be required to operate under next fiscal year. She inquired if the Town has identified how the necessary services will be provided for.

Mr. Farina stated he has reviewed the projected operational expenditures and can confidently say the Town can move forward with that level of expenditures. The Council will have options to streamline the budget without sacrificing current levels of operation and service while working within the proposed new budget parameters.

Councilmember Walter explained that the plan has an estimated budget of \$660,200.00 for Parks and Recreation and noted that it is a 33% increase to the current budget. Last year, the Parks and Recreation budget had a 19% increase. She said the actual increase to the budget is approximately 41.5%.

Mr. Farina stated that he had not run those numbers at this time but knows that the increase will be 33% to the existing budget with is less than 5% of the General Fund Budget and less than 1% of the total town budget.

Councilmember Walter stated that she agreed with Ms. Bruin's comments on the poor condition of the sport fields and inquired what the plan is for maintaining the fields at the new facility.

Mr. Brian Hughes stated the maintenance management program for the ball fields has room for improvement. The budget last year was appropriate for proper upkeep but he believes it was not utilized properly. He said the maintenance management program for the sports fields will be appropriate and extended to the soccer fields.

Councilmember Walter stated she did not see any funds earmarked for furniture and equipment.

Mr. Hughes stated since there was not a final design/plan for the project, funds for furniture and equipment has not been allocated in the budget at this time. It is anticipated that a savings will be realized through the construction of the project. He said that they are looking at possible funding to be re-allocated in the current budget.

Councilmember Walter stated that when CAC built their campuses, the residents realized a 30% increase to the residents because they had not budgeted for furnishing and equipment. She said her concern is that the budget may not allow for the level of service that the Town currently provides to be maintained to all of the residents, including those that were recently annexed. She said the new annexed areas are known for a higher crime rate and she is concerned with the level of services that these areas will need is not reflected in the budget.

Councilmember Hawkins stated his concern is with the 50% reduction in the upcoming budget based on the Home Rule. He is in favor of the library/recreation center. The project is more than just the library; it has additional offices and open space. He said that perhaps the project can be modified to make it more affordable. The anticipated operating costs for the project include the following: library \$384,000.00, aquatic center \$382,000.00 and sports fields \$47,000.00, which equates to \$813,000 annually. He said if the recreation center is added, consideration must be given to the projected operating cost of \$419,000.00, which will equate to approximately \$1.2 million in annual costs. He noted that these expenses will increase with the cost of living and inflation.

Councilmember Hawkins stated that if the Home Rule had not been defeated, he believes the Town could have easily afforded these projects without cutting funds. He would like to have another worksession to review the financial impact of the project in light of Home Rule to better understand the impacts to the upcoming budget. He said that he was told that if the Town does not move forward with the library/aquatic center project, the Town would still be contractually obligated to pay the contractor the profit they would have realized if completed.

Mr. James Mannato, Town Attorney, stated this was not correct. There is no contract in place that would require the payment of profit to Low Mountain Construction. The only

contract the Town has entered into is the design of the project which is a little over \$300,000.00.

Mayor Rankin asked Mr. James Mannato, Town Attorney, based on the current process, is the Town obligated to move forward on this Project?

Mr. Mannato said the Request for Proposal stated the Town has no obligation to move past the design phase and has no contractual obligation to move forward. He said the procurement process does not obligate the Town to enter into contract for the design-build phase of the project.

Mr. Montoya stated the Town went out for RFP and RFQ and presented the Council with many iterations. He said the contractor may be under a belief that since the Town has entered into a design contract with them there would be additional direction from Council to move forward into the building phase. He said that the contractor may anticipate completing a portion of the project, if not all of the project in phases.

Councilmember Hawkins stated the recreational center portion of the project increases the financial obligation of the project to approximately \$18 million. He is concerned that the project will place the Town in a fiscally irresponsible position under the limitations imposed for the upcoming budget. The Town has always prided itself as being fiscally responsible and he is concerned about moving forward with the project because it could place the Town in the red. He said the Town Hall meetings with the public did not discuss options; they only presented what the project would be. He said the town is looking at doubling the library space and creating a competition style pool. He said the Town needs to be prudent in their actions.

Councilmember Montaño stated in 1976 the Town eliminated the pool to build the library. Since then, the Town of Florence has not shown much growth with the exception an additional government building, and homes being built out and not filling in the open space. He said in early 2000s, the gym that was provided by Earnest McFarland's efforts, in the era of depression with the WPA burnt down. The Town lost a gym and received a new gym. He said the existing gym is now is 14 years old and is outdated. He said Heritage Park was built approximately 20 years ago. He inquired why the Town has to wait two generations to see positive growth. The Town has been waiting approximately ten years for this project. He said that this is our future and we need to anticipate the future needs of our Town, not our current needs. He said that the Council needs to be forward thinking and build for the future.

Councilmember Woolridge thanked for those who are in attendance of the meeting and have shown interest in the Town. She said that Home Rule does not eliminate the funds we have, it limits access to them. The Town will have to be creative with its budget to ensure adequate services are provided to our community. She said that she feels some have used politics to sway voters in the community away from this project. She said inaccurate information has been disseminated, comparisons have been made

to other communities that were not similar to what is being planned, and that erroneous information has created a division in our community. She said the goal of this project is to provide a better quality of life to our residents. She said if the building and operational costs were going to bankrupt the Town, the project would not be on the table for consideration of the Council. The Town can discuss and complete this project because the Town has been fiscally responsible and conservative.

Councilmember Woolridge stated that this project will be beneficial to our new residents as well as the Town core. She said it is her hope that our new residents will see the benefits of joining the Town, having access to top-notch fire and police services, and access to quality amenities. She appreciates the support of those who have voted for her as well as those who desire to see her be re-elected. Some have suggested that she would compromise her desire to see this project be completed to obtain votes to be re-elected. She will not compromise doing what she feels is best for the Town of Florence.

Vice-Mayor Smith thanked Councilmember Woolridge for her statements and for her doing what is right for the Town. He would like to make clear that the vote tonight is to set the Guaranteed Maximum Price of \$12,991,719.00 for the design development and construction of the library/recreation complex.

Vice-Mayor Smith asked for confirmation that this does not include the recreation center.

Mr. Montoya confirmed that the guaranteed maximum price does not include the recreation center. He said it will be addressed under a separate agenda item on the current agenda.

Vice-Mayor Smith stated the additional portions of the Territory Square plan are estimated at a cost of approximately \$5.56 million. He thanked the Council and staff for their hard work and efforts regarding this project. He said there may be a way to override Home Rule with a special election.

Councilmember Hawkins inquired if a special election was an option to override Home Rule.

Mayor Rankin stated the conversation was going off topic, and asked Mr. Mannato for clarification on the discussion.

Mr. James Mannato, Town Attorney, stated the discussion of Home Rule is relevant to the current agenda item. He said the discussion allows Council to function fully as it should in making important decisions. The discussion on whether or not the Town should enter into contract with Low Mountain Construction certainly has within it the need to determine if the Town has the funds required to build and operate the project. Whether or not the Home Rule can be changed by holding another election is on the

edge of relevance. He said that the Council is trying forecast whether or not the restraints the voters have placed on the Council for next fiscal year can be changed or rectified. He said the discussion includes the issue to hold a statutory election under the Alternative Expenditure Limitation Statues.

Mayor Rankin clarified the Council can discuss the option to have a special election.

Ms. Lisa Garcia, Town Clerk, stated on October 6, 2014, the Council will have a work session at 5:00 pm. where Mr. Farina will explain how the loss of Home Rule will affect the Town and how much monies the Town will be allowed to utilize. He will also explain the option to have a special election on the third Tuesday in May 2015. She said the election will be an override election to spend on specific items. She said Council can also choose to have a second override election in 2016. The Arizona State Constitution states Home Rule must be placed on an election that has candidates. A special election allows the Town to expend outside expenditure limitation held by the State.

Mayor Rankin stated new residents will be able to take advantage of this project and participate in our election. He said the project is a way to bring the community together. He said the personal property tax rate will not increase to support this project. The Town is not in debt and is fiscally sound.

Mayor Rankin inquired if the \$55 million budget amount includes Capital Improvement projects.

Mr. Farina stated the amount does include all Capital Improvement Projects throughout the budget. He said grant funds and HURF funds are exempt from state limitations.

Mayor Ranked inquired what the budget total will be if the grants and HURF funds are removed from the total.

Mr. Farina stated if the Capital Improvement Projects are eliminated from the budget then there would be a smaller range from zero to \$3 million that would need to be reduced from the budget, but expressed that those are preliminary estimates.

Mayor Rankin inquired about the shared space being open and not under a roof.

Mr. Bryan Hughes, Parks and Recreation Director, clarified that the shared space is an interior plaza that has a roof over it. He said that it accounts for the common space for all entities to use and not to be placed directly in the library.

Mayor Rankin stated that the project will need to be completed by the end of June 2014.

Mr. Farina confirmed that any portion of the project not completed or paid for by the start of the next fiscal year will be subject to the Home Rule limitation.

Mayor Rankin stated he was proud to see the turnout this evening. He hopes to see this level of turnout at future meetings. He feels the library/aquatic facilities will serve all age groups and should not affect the citizens financially.

Councilmember Hawkins stated Anthem voted for Home Rule. The core of Florence and Florence Gardens voted down Home Rule.

On motion of Councilmember Hawkins, seconded by Councilmember Walter, to table item 10b. until October 6, 2014.

Roll Call:

Councilmember Hawkins: Yes
Councilmember Walter: Yes
Councilmember Woolridge: No
Councilmember Montaña: No
Councilmember Celaya: No
Vice-Mayor Smith: No
Mayor Rankin: No

Motion failed: Yes: 2; No: 5

On motion of Councilmember Montaña, seconded by Councilmember Hawkins, and carried to enter into a design-build contract with Low Mountain Construction, establishing the Guaranteed Maximum Price of \$12,991,719 for design development and construction of the Library/Recreation Complex.

Councilmember Walter requested to add to Option 1, which states impact fees and funds will be used for the projects and the Town does not need to go out for bonding.

Mr. Charles Montoya, Town Manager, stated the document states existing funding would be used. If Council desires, a document could be brought back to Council for additional monies for bonding. He said he would recommend that Council adopt a resolution, in the near future, to reimburse itself if there is a foreseeable issue and bonding needs to occur and that cash is needed for another purpose. This option would be available to this Council and future Councils.

Councilmember Montaña inquired if funds are currently available, without the need for bonding.

Mr. Montoya confirmed there are funds available without the need for bonding.

Councilmember Celaya inquired if there is the ability to seek bonding, if needed at a later time.

Mr. Montoya stated that the the Council could go out for bonding if needed with the adoption of a resolution.

Mayor Rankin inquired how bonds are used, the interest on the bonds, and the ease of selling the bonds.

Mr. Mark Reeder, Bond specialist for the Town with Stifel, Nicolaus, and Co. Inc., stated the bond market is at a very low rate, with approximately a 2- 3% interest range.

Mayor Rankin inquired what the interest rate is that the Town is earning on its funds.

Mr. Farina stated the current interest being earned is 1.5% accumulated. He said an analysis was done that compared the interest the Town would pay on a \$5 million bond obligation versus the interest the Town would earn on \$5 million in the bank. The result is that the Town would earn more in interest with the money sitting in the bank verses paying the interest on the debt obligation like a bond.

Mayor Rankin stated that was his concern regarding spending the cash.

Councilmember Celaya stated that is why he wanted to confirm that the Council had the ability to revisit bonding.

On motion of Councilmember Montaña, seconded by Councilmember Hawkins, and carried to enter into a design-build contract with Low Mountain Construction, establishing the Guaranteed Maximum Price of \$12,991,719 for design development and construction of the Library/Recreation Complex.

Roll Call:

Councilmember Montaña: Yes

Councilmember Celaya: Yes

Councilmember Woolridge: Yes

Councilmember Walter: No

Councilmember Hawkins: No

Vice-Mayor Smith: Yes

Mayor Rankin: Yes

Motion Passed: Yes: 5; No: 2

Discussion/Approval/Disapproval of authorizing staff to issue a request for qualifications and/or proposals for the proposed fitness and recreation center.

Mr. Brian Hughes, Parks and Recreation Director, stated that at the July 31, 2104 Work session, Council requested to have staff look at the possibility of adding a fitness and recreation center to the project. He said the cost for the fitness and recreation center to

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be added is approximately \$5 and \$10.5 million. The varied cost is based on conversation with architects who recently worked on these types of projects and the amenities that could be included. He said the operational costs are estimated at approximately \$420,000 annually.

Mr. Hughes stated that based on the procurement laws, the fitness and recreation center cannot be added to the existing library/aquatic center project. The Town will need to put out a request for RFP/RFQ for the fitness and recreation center project.

Mayor Rankin stated that the Town has been discussing placing all recreational facilities in one location. He said the project would be complete by added the fitness and recreation center. He said the Town may only be able to build the buildings at this time, but believes it the right way to go.

Councilmember Hawkins stated he cannot see building a building and leaving it empty. If the Town is going to build the centers, then the project should be completed 100 percent.

Councilmember Woolridge stated there is no harm going out for the RFQ as it will provide the information needed for the additional facilities and determine if they are fiscally prudent at this time.

Councilmember Hawkins asked what the cost would be to issue a RFQ.

Mr. Montoya stated the only cost to the Town is the time for staff to write the request.

Councilmember Walter stated that the project for the library/aquatic center was never brought to an RFQ vote and appreciates that this portion of the project is being brought to a vote. She said in her conversation with Mr. Montoya, he explained that because it was known that the pool and library would no longer be available to the community for public use, the Town staff moved forward with the RFQ without coming to Council.

Councilmember Celaya stated that if the Town went out for bond on the library/aquatic centers, funds could be available for the centers. He said there is also a possibility of moving funds around if Home Rule does not become an obstacle.

On motion of Councilmember Celaya, seconded by Councilmember Montaña, and carried to authorize staff to issue a Request for Qualifications and/or Proposals for the proposed fitness and recreation center.

Discussion/Approval/Disapproval of entering into a contract with DBA Construction, Inc., for sidewalk and asphaltic concrete improvements on Willow and Central Streets, between Adamsville Road and the High School parking lot, in an amount not to exceed \$274,346.41.

Mr. Wayne Costa, Public Works Director, stated that the Town has identified Willow and Central streets as being main access ways for ingress and egress of pedestrians, as well as the need to provide traffic calming. The action authorizes Town staff to complete the widening and rehabilitation project, utilizing the Alternate Bid Procedure/Cooperative Purchasing manual. This will allow the Town to procure services under a contract awarded by another governmental entity if it is advantageous to the Town; in this case, the City of Peoria Contract No. ACON37511A.

Mr. Costa stated that the project consist of four speed-humps that will be used to slow down traffic. Two humps will be placed on Willow and two humps will be placed on Central Street. A Request for Proposal was made to the winning bidder, DBA Construction. He said allocation of funds will be from the rehabilitation and repair of roadways, Account Number 011-518-322 in the amount of \$18,547.12 and sidewalk work within Account Number 011-518-318 in the amount of \$145,798.99.

On motion of Councilmember Celaya, seconded by Councilmember Woolridge, and carried to enter into contract with DBA Construction, Inc., for sidewalk and asphaltic concrete improvements on Willow and Central Streets, between Adamsville Road and the High School parking lot, in an amount not to exceed \$274,346.41.

Discussion/Approval/Disapproval of entering into a contract with Decorative Paving Solutions, LLC, for crosswalks and asphaltic concrete improvements on Main Street, between Ruggles and 12th Street, in an amount not to exceed \$48,500.

Mr. Wayne Costa, Public Works Director, stated that the streets identified are main access ways for ingress and egress for pedestrians as well as the need to provide high traffic visibility. Transverse high visibility markings are used in addition to colored or textured pavement to legally establish a crosswalk location. The use of transverse markings (bands) circumventing the crosswalks will allow for high visibility to occur with more reflectivity throughout the day and night. The Federal Highway Administration concludes that high visibility crosswalks have a positive effect on pedestrian and driver behavior.

Mr. Costa stated that the project will be piggy-backed with Contract No. 09PB039 that the Town of Scottsdale has with Decorative Paving Solutions, LLC.

On motion of Councilmember Hawkins, seconded by Councilmember Walter, and carried to enter into a contract with Decorative Paving Solutions, LLC, for crosswalks and asphaltic concrete improvements on Main Street, between Ruggles and 12th Street, in an amount not to exceed \$48,500.00.

MANAGER'S REPORT

There was no Manager's Report.

CALL TO THE PUBLIC

Ms. Ruth Harrison, Florence resident, suggested that the public be included in the design of projects before the Town is spending additional funds to improve or correct them. The public needs to be included early in the annual budgeting process as well. She agreed with Council that there needs to be more communication among elected officials, staff and the public. Residents need to have more opportunities to take a constructive part in the direction the Town goes and the decisions that are made.

Peter Koulouris, Mount Athos Restaurant, thanked the Council for having a vision for the Town. He stated volunteers are available to help make sure this project comes to fruition. He said the Town must work together focusing on the future of the children and the betterment for all citizens. He understands the concerns regarding the budget and how Home Rule will affect the Town next fiscal year. He said better education of the voters on Home Rule will provide better informed decision by our voting citizens.

CALL TO THE COUNCIL

Councilmember Celaya recognized the members of the Town Boards and Commissions and their work with the Town.

Councilmember Walter stated that the vote has occurred and together everyone needs to work together to move forward. She said that she also cares about the children in the community, but wished the vote could have been delayed until October 6th to ensure the Town is moving forward in a fiscally responsible manner. She requested that the Town Manager's report be attached to the packet to allow for electronic distribution of the report to the public on the Town website.

Councilmember Hawkins stated that he hopes there are no delays in the construction of the library and aquatic projects but wished the vote could have been delayed until the financial future of the Town could be properly understood and the Council could be prudent with their decision.

Councilmember Woolridge expressed her condolence to Tom Madden's family and stated he was an asset to the Community.

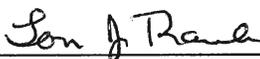
Vice-Mayor Smith stated that Tom Madden volunteered and supported many organizations throughout the Town and will be missed.

Mayor Rankin stated that Mr. Madden was a friend to all and supports all that has been said on his behalf this evening. He stated that the buildings on Main Street are getting cleaned up and coming into Code. He thanked the Fire Department, especially the Fire Marshall for his assistance in bringing the buildings up to Code. He said the goal is to make Main Street viable by bringing buildings back up to Code and getting them occupied. He thanked the members of Council for their vote this evening as he believes

the library and aquatic centers will put Florence back on the map and setting the pace for our future.

ADJOURNMENT

On motion of Councilmember Woolridge, seconded by Councilmember Montañó, and carried to adjourn the meeting at 9:28 pm.



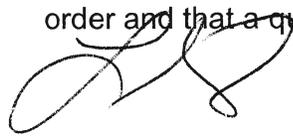
Tom J. Rankin, Mayor

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 September 15, 2014, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk