

MINUTES OF THE TOWN OF FLORENCE COUNCIL WORK SESSION HELD ON MONDAY, MAY 9, 2016, AT 4:30 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Rankin called the meeting to order at 4:36 pm.

ROLL CALL:

Present: Rankin, Walter, Woolridge, Hawkins, Guilin, Anderson, Wall (arrived at 4:55 pm).

WORK SESSION ON THE 2016-2017 CAPITAL IMPROVEMENT PLAN AND DRAFT BUDGET.

Mr. Brent Billingsley, Town Manager, provided a presentation outlining the following changes which have been added to the Fiscal Year 2015/2016 budget since the last meeting:

- Added the following expenditure:
 - Impact Fee Transfer \$57,072

Projected Fund Balance Fiscal Year 2015/2016 (Revised)	\$5,507,591
Revenues	\$14,150,647
Expenditures	\$14,413,270
Projected Ending Fund Balance Fiscal Year 2015/2016	\$5,244,968
Net Change to Fund Balance	-\$262,263

Mr. Billingsley stated that Fiscal Year 2015/2016 Budget projected \$1,154,000 use of fund balance to cover operations. This amount has been decreased to \$262,263 of fund balance to cover operations. The following changes have been added to the Fiscal Year 2016/2017 budget since the last meeting:

- State Shared Revenue estimates have been revised to be 10% above current year. (Per League of Cities and Towns)
- Reduced the following expenditures:
 - Benefits: \$128,139
 - SAFER: \$63,863
 - Fitness Center Salaries: \$32,000
- Added the following expenditures:
 - Legal Fees: \$150,000
 - IT Software (Windows and Office upgrade): \$44,000
 - Internships for high school students: \$10,000
 - Youth Leadership Program: \$50,000

Projected Fund Balance Fiscal Year 2015/2016 (Revised)	\$5,191,125
Revenues	\$14,766,023
Expenditures	\$14,719,480
Projected Ending Fund Balance Fiscal Year 2015/2016	\$5,237,668
Net Change to Fund Balance	\$46,543

Mr. Billingsley stated that the total change from the prior meeting is \$360,302. He stated staff is projecting a balanced budget without utilizing savings or the transfer of one-time revenues. He stated that the Town will receive the actual numbers for state shared revenues on or about May 15, 2016 for the upcoming year.

Vice-Mayor Walter inquired which impact fee is being utilized for the impact fee transfer.

Mr. Gabe Garcia, Finance Director, stated that a formulary is used in which the collectable categories will be utilized.

Mr. Billingsley stated that several people have come to Florence to do projects and have asked that the impact fees be waived. He stated impact fees are statutory and cannot be waived. The Town can pay for their impact fees with the Town's unrestricted money, which is the General Fund.

Mayor Rankin stated that the impact fees are collected town-wide and are for the betterment of the community as a whole.

Councilmember Anderson stated that it is his understanding that the impact fees need to be spent in the area in which the monies were collected. Impact fees were used for the fire department in Anthem and for the fire truck. He stated fees have been collected starting in 2012 and forward.

Mr. Billingsley stated that there have been three updates to the impact fee laws over the last several years. The statute requires the Town to come up with a study that identifies improvements and how those funds will be spent within a ten-year period. The Town must follow that study and implement those improvements within the ten-year period; otherwise the Town needs to pay back the individuals in which the fees were collected from. The projects in the study are identified based on the need for the improvements and on where the growth occurs.

Mayor Rankin inquired if there is land dedicated to a municipal park in the Anthem area. He stated aside from police and fire, the amenities are provided by the homeowner's association.

Mr. Billingsley stated that there is not any dedicated land for a municipal park in the Anthem area.

Councilmember Anderson stated that none of the impact fees collected from the Anthem residents go to Parks and Recreation or to water and sewer.

Mr. Billingsley stated that Mr. Anderson is correct that none of the impact fees go to Parks and Recreation or to water and sewer because the Town is not the water and sewer provider for Anthem nor are there any Town dedicated park areas in the Anthem area. He stated the impact fees are differentiated by area since some areas receive services that another does not.

Mr. Garcia stated that water and sewer impact fees are being used for the impact fee transfer.

Mr. Billingsley stated that the Capital Improvement Plan (CIP) is not part of the budget, but projects within the CIP must be approved through the budget process. The CIP is a plan which consists of a list of improvements that the Town would like to complete in a timeframe associated to those specific projects. He stated that the primary concern is the projects earmarked for Fiscal Year 2016/2017 as those projects are included in the upcoming budget, if approved by Council.

Mr. Billingsley stated that statutorily, the CIP needs to be for five years; however, the Town does projections for ten years. He provided a presentation in which he outlined the following:

What is a Capital Improvement Plan? Why do we do it?

- Strategic roadmap to major projects that are planned over the next five years.
- The goal is to keep its residents informed of what projects are happening, where they are located and how they impact the residents and the future of Florence.
- The Plan is a living document that will change over time and is meant to be revisited and modified each year to include changes in funding and priority.
- Actual funding approved annually in the main budget.

Mr. Billingsley noted the following;

- Projects listed with "***" are considered priorities and the majority of monies are budgeted in years thereafter the six year period.
- Council has approved staff moving forward to update the Development Impact Fee study (DIF) this next fiscal year. After July, the Town will go out to bid to hire a consultant to update the study.
- Some projects will be updated when the DIF is completed.
- Town has two upcoming elections
 - May 17, 2016 Expenditure Limitation
 - August 30, 2016 Home Rule
 - Budget and projects will need to be revisited if the elections do not pass.
 - Information that is being presented is with the assumption that both elections will be approved.
- Some projects have been placed in the CIP and have not advanced or have been achieved due to the following reasons:
 - Various requirements are needed such as environmental documentation, design, etc.
 - Right of way acquisition and utilities need to be moved
- Projects in CIP will not necessarily be completed in one fiscal year and may require carryover
- Explained process for various type projects and possible delays

Mr. Billingsley stated that pavement maintenance and pavement preservation are included in the CIP because of the cost, even though it is not a capital asset.

Mr. Billingsley stated that some projects may not be completed by June 30, 2016, and will need to be carried over to the upcoming fiscal year. The Diversion Dam Project may be carried over to the 2016/2017 Fiscal Year as the Town is working with various agencies to address the different components of the project.

Mr. Billingsley discussed the following CIP projects:

COMBINED SUMMARY

PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
GENERAL FUND TOTAL CAPITAL	-	-	368,400	1,111,748	1,900,676	867,160	\$ 4,247,984
HURF TOTAL CAPITAL	1,214,200	4,523,000	3,198,000	3,509,000	3,804,000	6,901,000	\$23,149,200
WATER FUND - TOTAL CAPITAL	-	1,250,000	1,375,000	2,932,000	1,620,000	5,215,000	\$12,392,000
SEWER FUND - TOTAL CAPITAL	100,000	910,000	600,000	650,000	230,000	17,930,000	\$20,420,000
FLEET & MINOR CAPITAL PROJECTS TOTAL	-	441,975	590,004	352,000	440,000	287,000	\$ 2,110,979
TOTAL CAPITAL PROJECTS	\$ 1,314,200	\$ 7,124,975	\$6,131,404	\$8,554,748	\$7,994,676	\$31,200,160	\$62,320,163

GENERAL GOVERNMENT

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
GG-16	Parks & Recreation Maintenance Building			50,600	527,300			\$577,900
	2020 General Plan Combine w/ Parks, Trail & Open Space Plan				300,000	300,000		\$600,000
TOTAL PROJECT COST		\$0	\$0	\$50,600	\$827,300	\$300,000	\$0	\$1,177,900

PARKS AND OPEN SPACE

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
POC-12	Florence Cemetery Main Access Paving				50,000			\$ 50,000
POC-13	Florence Cemetery Fencing			17,800				\$ 17,800
	Ancient Order of United Workers Cemetery/Florence Rotary				30,000	250,000	50,000	\$ 330,000
	Central Arizona Project Canal (CAP) Trail Development**						25,000	\$ 25,000
	Fitness and Recreation Center **						86,250	\$ 86,250
	Heritage Park Improvements						66,500	\$ 66,500
	Dog Park Improvements					4,438	13,313	\$ 17,751
	Main Street Park Improvements				4,448	22,238	171,097	\$ 197,783
	Poston Butte Open Space and Trails Development					39,000	195,000	\$ 234,000
TOTAL PROJECT COST		\$0	\$0	\$17,800	\$84,448	\$315,676	\$607,160	\$1,025,084

Councilmember Hawkins inquired about the Ancient Order of United Workers Cemetery/Florence Rotary Project.

Mr. Billingsley stated that the project is for the Adamsville Cemetery.

Discussion took place regarding the cemetery owner(s), boundary lines, and gravesites.

PUBLIC SAFETY

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
Fire/PD	Radio Equipment*			100,000	100,000	100,000	100,000	\$400,000
Fire	Extrication Equipment					35,000		\$35,000
Fire	Water Tender			200,000				\$200,000
Fire	Utility/Support Vehicle					300,000		\$300,000
Fire	Transitional Response Vehicle						160,000	\$160,000
PD	Remodel of Evidence Building Garage					650,000		\$650,000
TOTAL PROJECT COST		\$0	\$0	\$300,000	\$100,000	\$1,085,000	\$260,000	\$1,745,000

Mayor Rankin expressed his concern regarding the purchasing of the new radios over the span of four years.

Mr. Billingsley stated that the wave length is the same; it is the technology that is changing. The existing radios will work. The Town does not have the funding to replace all of the radios and equipment at one time. The oldest equipment and radios will be replaced first and will continue annually until all have been replaced.

Mayor Rankin inquired if the radios in the fire and police vehicles will still work.

Mr. Billingsley stated that the radios will work. The equipment will be replaced in phases due to funding. He stated both the Police and Fire Chief are researching funding options to expedite the replacement of the equipment.

HIGHWAY USER REVENUE FUND (HURF)/TRANSPORTATION

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
U-01	Storm Water Master Plan				100,000	200,000		\$300,000
T-08	Street Improvement Phase IV - Florence Gardens		1,050,000					\$1,050,000
T-09	Street Improvement Phase V - Florence Gardens			1,000,000				\$1,000,000
T-10/11	Street Improvement Phase I/II			500,000	500,000	500,000	500,000	\$2,000,000
T-12	Kelvin Highway Bridge Replacement				500,000		4,000,000	\$4,500,000
T-14	Roundabout or intersection improvement @ SH79 & 287					1,500,000		\$1,500,000
T-17	Diversion Dam Improvements	600,000	500,000					\$1,100,000
T-31	Felix Road 1/2 Road Improvements (Mesquite Trails)			50,000	575,000			\$625,000
T-32	Adamsville Rd 3/4 Mile Extension to Plant Road						225,000	\$225,000
T-40	Street Improvements - Ruggles						225,000	\$225,000
T-41	Pinal St Drainage (Butte to Ruggles Ditch)						525,000	\$525,000

T-44	Hunt Highway (Phase III of Hunt Highway south to county line)				50,000	304,000			\$354,000
T-48	Centennial Park Avenue (Butte to SR 287)**						76,000		\$76,000
T-52	Hunt Highway (Town Limits to SR-79)				1,284,000				\$1,284,000
	Survey Monumentation/Benchmarking - Phase I				100,000				\$100,000
IIP	Attaway/Hunt Intersection Improvements	100,000	1,077,000						\$1,177,000
	Felix/Hunt Intersection Improvements	80,000	163,000						\$243,000
	Elementary School Area Improvements			500,000					\$500,000
IIP	Hunt Highway Improvements @ Franklin Road Phase I		400,000	648,000					\$1,048,000
T-60	E. 1st Street Pavement		533,000						\$533,000
	Adamsville Road Improvements (Central to Centennial Park)						850,000		\$850,000
	Adamsville Road Main to Central					1,000,000			\$1,000,000
	Merrill Ranch Parkway	334,200							\$334,200
	Pavement Preservation		300,000	500,000	500,000	500,000	500,000		\$2,300,000
	Florence Heights Road Improvements		300,000						\$300,000
	Miscellaneous (HURF Projects)	100,000	200,000						\$300,000
TOTAL PROJECT COST		\$1,214,200	\$4,523,000	\$3,198,000	\$3,609,000	\$4,004,000	\$6,901,000		\$23,449,200

Mayor Rankin inquired if the storm water masterplan will contain studies on the existing flood control dams that impact the Town.

Mr. Billingsley stated that the masterplan will include studies on the existing flood control dams that impact Florence. He explained what the studies will entail and that the studies are for flood-prone areas in Florence.

Mayor Rankin inquired if the land developers will be involved.

Mr. Billingsley stated that he does not believe the land developers will be involved as it is not a FEMA level study. He stated they will be interested in what the areas of concern will be for them and then they will take it from that point.

Mayor Rankin stated that he doesn't see where the taxpayers of the community should pay all the money for the studies when the developers will be the ones who will benefit from them.

Mr. Billingsley stated that it may not benefit them as there may be things that need to mitigate that they were not aware of.

WATER FUND

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
WU-23	Water Well #1/ Chlorine Building		250,000	750,000				\$ 1,000,000
WU-25	INS Water Line Relocated					120,000		\$ 120,000
WU-26	Water Storage Tank N Florence						1,350,000	\$ 1,350,000
WU-38	Water Line Replacements		250,000	250,000	250,000	500,000	500,000	\$ 1,750,000
WU-64	SCADA Tie Ins (Water)		25,000					\$ 25,000
WU-65	Well No. 5 Booster Pumps		650,000					\$ 650,000
WU-67	Merrill Ranch Well (Initial)				250,000	1,000,000	1,900,000	\$ 3,150,000
WU-68	N. Florence Water Storage Distribution Line			250,000	1,600,000			\$ 1,850,000
WU-70	Prison Complex Water Line (NE Complex)			125,000	832,000			\$ 957,000
WU-74	Water Transmission line Extension - Caliente Entrance to California						1,465,000	\$ 1,465,000
	Well #3 Noise Control		50,000					\$ 50,000
	Rodeo Well Chlorination		25,000					\$ 25,000
TOTAL PROJECT COST		\$0	\$1,250,000	\$1,375,000	\$2,932,000	\$1,620,000	\$5,215,000	\$12,392,000

SEWER

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
SU-05	Recharge Injection Wells/Polishing Lagoons				500,000			\$ 500,000
SU-06	Sewer Main Extensions & Replacements		100,000	100,000	150,000	150,000	150,000	\$ 650,000
SU-08	Florence - WWTP Expansion						17,150,000	\$ 17,150,000
SU-11	18" Bore across SH 79						100,000	\$ 100,000
SU-12	WWTP Expansion (N. Florence)		635,000	500,000				\$ 1,135,000
SU-15	Lift Station at Hunt Highway & SR 79					40,000	330,000	\$ 370,000
SU-16	Recharge Facility Expansion					40,000	200,000	\$ 240,000
	SCADA Tie ins/Sewer Controls		75,000					\$ 75,000
	Miscellaneous (Sewer Projects)	100,000						\$ 100,000
	Recharge Permitting & Design		100,000					\$ 100,000
TOTAL PROJECT COST		\$ 100,000	\$ 910,000	\$ 600,000	\$ 650,000	\$ 230,000	\$ 17,930,000	\$ 20,420,000

Councilmember Anderson inquired where the funding comes from.

Mr. Billingsley stated that the funding comes from the enterprise fund.

Mayor Rankin inquired if a rate study has been budgeted for and if the current rates will cover all of the improvements.

Mr. Billingsley stated that the Town will expend from their savings and will recover in the future.

Mr. Billingsley stated that the Council was informed incorrectly that the Town was receiving recharge credits for the treated effluent, which the Town does not receive credit. The Town is not permitted to do so, nor does it have the approval from the Arizona Department of Environmental Quality. The Town needs to do it because it is a valuable asset. He stated the farms do not take the Town's water all of the time and the Town discharges a lot of water that, if we were permitted and set to recharge, would receive credits.

MINOR FLEET

PROJECT NO.	PROJECT TITLE	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	TOTAL
GG	Ford Transit Van		60,000					\$60,000
PS-PD	Chevy Tahoe		53,000					\$53,000
PS-PD	Chevy Tahoe		53,000					\$53,000
PW-HURF	Street Sweeper		175,975					\$175,975
PW-HURF	Grader (Upsizing)		100,000					\$100,000
PW-Sewer	Jetter Vac Truck			340,000				\$340,000
PS-PD	Chevy Tahoe			53,000				\$53,000
PS-FD	Command Veh			65,000				\$65,000
PW-Utilities	Dodge Pickup			33,000				\$33,000
PW-HURF	Dodge Pickup			33,000				\$33,000
PW-Engineer	Ford Explorer			34,004				\$34,004
PW-Fac Maint	Dodge Pickup			32,000				\$32,000
PS-PD	Chevy Tahoe				57,000			\$57,000
PS-PD	Chevy Tahoe				57,000			\$57,000
PS-PD	Chevy Tahoe				57,000			\$57,000
PS-PD	Chevy Tahoe				57,000			\$57,000
PW-HURF	Dump Truck				124,000			\$124,000
PS-PD	Chevy Tahoe					57,000		\$57,000
PS-PD	Chevy Tahoe					57,000		\$57,000
PS-PD	Chevy Tahoe					57,000		\$57,000
PW-Utilities	Dodge Pickup					72,000		\$72,000
PW-HURF	Mechanic's Truck					35,000		\$35,000
PW-HURF	Water Truck					90,000		\$90,000
PW-HURF	Dodge Pickup					36,000		\$36,000

PW-HURF	Dodge Pickup					36,000		\$36,000
PS-PD	Chevy Tahoe						57,000	\$57,000
PS-PD	Chevy Tahoe						57,000	\$57,000
PS-PD	Chevy Tahoe						57,000	\$57,000
PS-PD	Chevy Tahoe						57,000	\$57,000
PW-HURF	Stake Bed Truck						59,000	\$59,000
TOTAL FLEET REQUESTS		\$0	\$441,975	\$590,004	\$352,000	\$440,000	\$287,000	\$2,110,979

Mayor Rankin stated that the Town used to have an agreement with the City of Coolidge to utilize their equipment.

Mr. Billingsley stated that the Town no longer has an agreement with the City of Coolidge to share equipment.

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. Dick Wagner, Florence Resident, stated that Pinal County chip sealed Hunt Highway from Arizona Farms Road to the Johnson Utilities facility. He stated, per his conversation with the Pinal County Highway Department, the cost was \$53,000 for a two-lane one mile highway inclusive of markings. He stated if you remove the ¼ mile of highway that runs through Magic Ranch from Arizona Farms Road to the Pulte Highway by the hospital, it is approximately 2.7 miles, or approximately \$143,000. He stated that he does not know if the \$100,000 is still available. He asked Council to consider this project as a temporary patch. He inquired how much has been invested in repairs in this part of the road.

Mr. Jim Tchida, Florence Resident, stated that he would like the Town to create a program with \$50,000 seed money to reimburse property owners for beautification projects they complete for street appeal. He stated the City of Maricopa and City of Queen Creek have similar projects. He stated it would be done through a competitive process and not everyone would be approved. He stated that he has forwarded program material to Mr. Billingsley. He stated that the \$50,000 could fund ten projects and could expand in future years.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Vice-Mayor Walter thanked everyone for their attendance. She reminded the public to vote in the upcoming election and reminded everyone who received early ballots to return their ballots

to Pinal County Elections Department. The expenditure limit is on the ballot and this would allow the Town to carry forward the budget that was presented at this worksession.

Vice-Mayor Walter stated that on May 19, 2016, there will be a meeting regarding the Florence Copper Project at the Florence High School, from 6:00 pm to 9:00 pm. She invited the public to attend.

Mayor Rankin stated that the election is very important. He stated that seven Florence High School seniors who have enlisted in the armed services will attend the May 16, 2016 Council meeting. He invited everyone to come to the meeting to support them.

ADJOURNMENT

On motion of Councilmember Woolridge, seconded by Vice-Mayor Walter, and carried to adjourn the meeting at 5:55 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 May 9, 2016, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk