

**MINUTES OF THE TOWN OF FLORENCE COUNCIL SPECIAL MEETING OF THE FLORENCE TOWN COUNCIL HELD ON MONDAY, OCTOBER 15, 2018, AT 5:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.**

**CALL TO ORDER**

Mayor Walter called the meeting to order at 5:00 pm.

**ROLL CALL:**

Present: Walter, Woolridge, Hawkins, Anderson, Wall, Larsen

Absent: Guilin

**ADJOURNMENT TO EXECUTIVE SESSION**

**For the purposes of discussions or consultations with designated representatives of the public body and/or legal counsel pursuant to A.R.S. Sections 38-431.03 (A)(3) and (A)(4) to consider its position and instruct its representatives and/or attorneys regarding:**

**Town's position and instruct its attorneys regarding pending litigation in the U.S. District Court for the District of Arizona: (Case No. CV-14-01304-PHX-DMF) Walt Hunter and Jarris A.H. Varnrobinson VonZombie v. Town of Florence, et al.**

On motion of Councilmember Anderson, seconded by Councilmember Hawkins, and carried (6-0) to adjourn to Executive Session.

**ADJOURNMENT FROM EXECUTIVE SESSION**

On motion of Councilmember Larsen, seconded by Councilmember Wall, and carried (6-0) to adjourn from Executive Session.

**MOMENT OF SILENCE**

Mayor Walter called for a moment of silence.

**PLEDGE OF ALLEGIANCE**

Mayor Walter 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.**

Ms. Ruth Harrison, Florence Resident, asked the Council to save the historic walls of the Kokopelli Moon Saloon. She asked that the burned debris be removed, that they stabilize the walls and add a new roof and floor. She stated that Florence cannot afford to lose another building in the Historic District. She stated that the distressed buildings, such as the Kokopelli are opportunities for capital gain. She stated that the Town could also appeal to the residents and open a 501(c)3 non-profit to accept donations for projects, such as this. The Industrial Development Authority is a non-profit that can accept donations and do projects such as this as well.

### **WORK SESSION ON LAND USE ASSUMPTIONS (LUA), INFRASTRUCTURE IMPROVEMENTS PLAN (IIP), AND DEVELOPMENT FEE UPDATE.**

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that the Town is in the process of updating the town-wide development fees. Residents may view the Plan at Town Hall or on the Town's website.

Ms. Garcia, stated the dates of importance are:

- Monday, October 1, 2018 - Published LUA and IIP on Town Webpage
- Monday, October 15, 2018 - Council Work Session: LUA and IIP. Stakeholder sent notice of meeting
- Monday, December 3, 2018 - Public Hearing: LUA and IIP
- Monday, January 7, 2019 - Council Work Session: Development Impact Fees & Stakeholder Meeting
- Monday January 7, 2019 - LUA and IIP adoption
- Monday, March 11, 2019 - Public Hearing: Development Impact Fees
- Monday, April 15, 2019 – Ordinance for adoption of Development Impact Fees
- Monday, July 1, 2019 - Development Impact Fees become effective

Ms. Garcia stated that the Town entered into a contract with TischlerBise, to complete the Development Impact Fee Study and Infrastructure Improvements Plan (IIP), on September 18, 2017. She stated that Carson Bise has 28 years of fiscal and economic planning experience and has conducted the fiscal and infrastructure finance evaluations in 36 states.

Mr. Carson Bise, President of TischlerBise, provided a presentation in which he discussed the following:

- Who they are
  - 40-year consulting practice serving local government nationwide
    - Impact fees/infrastructure financing strategies
    - Fiscal/economic impact analyses
    - Capital improvement planning
    - Infrastructure finance/revenue enhancement
    - Real estate and market feasibility
- Senate Bill 1525 adopted in 2012
  - Three integrated products
    - Land Use Assumptions (at least 10 years and approved by elected officials)
    - Infrastructure Improvements Plan (IIP) limited to 10 years (no build out analysis)
    - Development Fees part of broader revenue strategy
  - Based on same Level-of-Service (LOS) provided to existing development

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- Limitations on Necessary Public Services
  - 3,000 square feet recreational facilities
  - No regional training facilities for public safety
- Refunds can be requested if improvements are not built
- Legal and Methodology
  - One-time payment for growth-related infrastructure, usually collected at the time buildings permits are issued
  - Can't be used for operations, maintenance, or replacement
  - Not a tax but more like a contractual arrangement to build infrastructure, with three requirements
    - Need (system improvements, not project-level improvements)
    - Benefit
      - Short range expenditures
      - Geographic service areas and/or benefit districts
  - Proportionate
- Summary of LUA
  - Population increase
    - Year round: 3,331
    - Seasonal: 1,101
  - Housing unit increase
    - Single family: 1,750 units
    - Multifamily: 250 units
  - Nonresidential development increase
    - 3,719 jobs
    - 1.3 million square feet
- Parks and Recreation
  - Methodology and Components
    - Consumption-based approach
    - Town-wide service area
    - Components
      - Park and open space land
      - Park improvements
- Projected Demand (IIP)

Type of Infrastructure	Level of Service		Demand Unit	Average Cost
Land	Residential	0.0083	Acres	\$10,000 per Acre
	Nonresidential	0.0007		
Improvements	Residential	0.060	Units	\$13,402 per Unit
	Nonresidential	0.005		

Need for Park Infrastructure					
	Year	Peak HH Population	Jobs	Acres	Improvements
Base	2018	14,480	7,626	125	909
Year 1	2019	14,926	7,902	128	937
Year 2	2020	15,369	8,188	132	965
Year 3	2021	15,812	8,484	136	993
Year 4	2022	16,255	8,791	140	1,022
Year 5	2023	16,698	9,172	144	1,050
Year 6	2024	17,141	9,571	148	1,079
Year 7	2025	17,584	9,987	152	1,107
Year 8	2026	18,027	10,420	156	1,136
Year 9	2027	18,470	10,873	160	1,165
Year 10	2028	18,913	11,345	164	1,194
Ten-Yr Increase		4,433	3,719	39	285
Growth-Related Expenditures =>				\$390,208	\$3,817,598

**Total Growth-Related Expenditures**      **\$4,207,806**

**- Proposed Development Fee**

Fee Component	Cost per Person	Cost per Job
Park Land	\$82.55	\$6.53
Park Improvements	\$807.65	\$63.90
Development Fee Study	\$7.19	\$0.43
<b>TOTAL</b>	<b>\$897.39</b>	<b>\$70.86</b>

**Residential (per unit)**

Development Type	Persons per Household	Proposed Fees	Current Fee	Increase / Decrease
Single-Family	2.42	\$2,175	\$1,417	\$758
Multifamily	1.80	\$1,616	\$1,148	\$468

\*Figure A1.

**Nonresidential (per square foot)**

Development Type	Jobs per 1,000 Sq. Ft.	Proposed Fees	Current Fee	Increase / Decrease
Commercial/Retail	2.34	\$0.17	\$0.17	(\$0.00)
Office/Institutional	2.97	\$0.21	\$0.20	\$0.01
Industrial/Flex	1.63	\$0.12	\$0.13	(\$0.01)

- Fire
  - Methodology and Components
    - Consumption-based approach
    - Town-wide service area
    - Credit for existing debt
    - Components
      - Station square footage
      - Apparatus
- Projected Demand

Type of Infrastructure	Level of Service		Demand Unit	Average Cost
Facilities	Residential	1.21	Square Feet	per Person
	Nonresidential	0.89		per Job
Vehicles	Residential	0.0005	Vehicles	per Person
	Nonresidential	0.0004		per Job

\$292 per SF

\$459,583 per Vehicle

Need for Fire Infrastructure					
Year	Peak HH Population	Jobs	Facilities (SF)	Vehicles	
Base	2018	14,480	7,626	24,300	11
Year 1	2019	14,926	7,902	25,085	11
Year 2	2020	15,369	8,188	25,875	12
Year 3	2021	15,812	8,484	26,675	12
Year 4	2022	16,255	8,791	27,484	12
Year 5	2023	16,698	9,172	28,359	13
Year 6	2024	17,141	9,571	29,250	13
Year 7	2025	17,584	9,987	30,156	14
Year 8	2026	18,027	10,420	31,078	14
Year 9	2027	18,470	10,873	32,017	14
Year 10	2028	18,913	11,345	32,974	15
Ten-Yr Increase		4,433	3,719	8,674	4
Growth-Related Expenditures =>			\$2,529,907	\$1,804,548	

**Total Growth-Related Expenditures**      \$4,334,455

- Proposed Development Fee

Fee Component	Cost Per Person	Cost Per Job
Fire Facilities	\$248.90	\$183.80
Fire Vehicles	\$251.39	\$185.62
Development Fee Study	\$5.84	\$2.36
Credit	(\$106.72)	(\$71.09)
<b>Total:</b>	<b>\$399.39</b>	<b>\$300.68</b>

Residential (per unit)

Development Type	Persons per household	Proposed Fees	Current Fee	Increase/Decrease
Single-family	2.42	\$968	\$917	\$51
Multi-family	1.80	\$719	\$743	(\$24)

**Non-residential (per square foot)**

Development Type	Jobs per 1,000 Sq. Ft.	Proposed Fees	Current Fee	Increase/Decrease
Commercial/Retail	2.34	\$0.70	\$0.66	\$0.04
Office/Institutional	2.97	\$0.89	\$0.61	\$0.29
Industrial/Flex	1.63	\$0.49	\$0.20	\$0.29

- Police

- Methodology and Components
  - Consumption-based approach
  - Town-wide service area
  - Components
    - Police space
    - Police vehicles

- Projected Demand (IIP)

Type of Infrastructure	Level of Service		Demand Unit	Average Cost
Facilities	Residential	0.70	Square Feet	\$292 per SF
	Nonresidential	0.26		
Vehicles	Residential	0.0021	Vehicles	\$47,744 per Vehicle
	Nonresidential	0.0008		

<b>Need for Police Infrastructure</b>					
	Year	Peak HH Population	Trip Ends	Facilities (SF)	Vehicles
Base	2018	14,480	14,830	14,016	43
Year 1	2019	14,926	15,366	14,469	44
Year 2	2020	15,369	15,922	14,925	46
Year 3	2021	15,812	16,498	15,386	47
Year 4	2022	16,255	17,095	15,852	49
Year 5	2023	16,698	17,837	16,357	50
Year 6	2024	17,141	18,612	16,871	52
Year 7	2025	17,584	19,420	17,394	53
Year 8	2026	18,027	20,264	17,926	55
Year 9	2027	18,470	21,144	18,467	57
Year 10	2028	18,913	22,063	19,019	58
<b>Ten-Yr Increase</b>		<b>4,433</b>	<b>7,233</b>	<b>5,003</b>	<b>15</b>
<b>Growth-Related Expenditures =&gt;</b>				<b>\$1,460,893</b>	<b>\$732,825</b>
<b>Total Growth-Related Expenditures</b>					<b>\$2,193,718</b>

- Proposed Development Fee

Fee Component	Cost per Person	Cost per Vehicle Trip
Police Facilities	\$203.50	\$77.27
Police Vehicles	\$102.08	\$38.76
Development Fee Study	\$5.39	\$1.55
<b>TOTAL</b>	<b>\$310.97</b>	<b>\$117.58</b>

**Residential (per unit)**

Development Type	Persons per Household	Proposed Fees	Current Fee	Increase / Decrease
Single-Family	2.42	\$754	\$607	\$147
Multifamily	1.80	\$560	\$492	\$68

\*Figure A1.

**Nonresidential (per square foot)**

Development Type	Trips per 1,000 Sq. Ft.	Trip Rate Adjustment	Proposed Fees	Current Fee	Increase / Decrease
Commercial/Retail	37.75	33%	\$1.46	\$0.44	\$1.03
Office/Institutional	9.74	50%	\$0.57	\$0.40	\$0.17
Industrial/Flex	4.96	50%	\$0.29	\$0.13	\$0.16

- Water

- Methodology and Components
  - Plan-based approach
  - Florence utility service area
  - Components
    - Transmission
    - Storage
    - Supply

- Water IIP

Description	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Years 6-10	Total Project
Centennial Park Road 8" Loop		\$80,000	\$145,000				\$225,000
Adamsville Rd water line (12 inch)						\$250,000	\$250,000
Water line infrastructure to serve North Florence (16 inch)			\$1,000,000				\$1,000,000
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,475,000</b>

Ten-Year Increase in Gallons of Peak Demand per Day => 1,241,411  
 Cost per Gallon of Demand => \$1.19

Description	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Years 6-10	Total Project
North Florence Storage Tank			\$1,250,000				\$1,250,000
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,250,000</b>

Gallons of Capacity per Day => 1,000,000  
 Cost per Gallon of Capacity => \$1.25

Description	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Years 6-10	Total Project
Future Wells (1000 gallons a minute)			\$1,250,000			\$1,500,000	\$2,750,000
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>\$2,750,000</b>
						Gallons of Capacity per Day =>	1,440,000
						Cost per Gallon of Capacity =>	\$1.91

- Proposed Development Fee

Input Variables	Cost per Gallon of Capacity
Transmission Projects	\$1.19
Storage Projects	\$1.25
Supply Projects	\$1.91
Development Fee Study	\$0.03
<b>Capital Cost per Gallon of Capacity =&gt;</b>	<b>\$4.38</b>
Peak Day Gallons of Demand per ERU =>	243

**All Development (per meter)**

Meter Size (inches)	Meter Type	Capacity Ratio	Proposed Water Fee	Current Fee	\$ Change
0.625	Displacement	1.00	\$1,065	\$1,980	(\$915)
0.75	Displacement	1.50	\$1,597	\$4,950	(\$3,353)
1.00	Displacement	2.50	\$2,662	\$4,950	(\$2,288)
1.50	Displacement	5.00	\$5,324	\$9,900	(\$4,576)
2.00	Displacement	8.00	\$8,519	\$15,840	(\$7,321)
3.00	Compound	16.00	\$17,038	\$31,680	(\$14,642)
3.00	Turbine	17.50	\$18,636	\$34,650	(\$16,014)
4.00	Compound	25.00	\$26,623	\$49,500	(\$22,877)
4.00	Turbine	31.50	\$33,544	\$59,400	(\$25,856)
6.00	Turbine	65.00	\$69,219	\$123,750	(\$54,531)
8.00	Turbine	140.00	\$149,088	\$178,200	(\$29,112)
10.00	Turbine	210.00	\$223,633	\$287,100	(\$63,467)
12.00	Turbine	265.00	\$282,203	\$425,700	(\$143,497)

- Wastewater

- Methodology and Components
  - Consumption-based approach
  - Town-wide service area
  - Credit for future debt service
  - Components
    - Police space
    - Police vehicles

## Wastewater IIP

Description	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Years 6-10	Total Project
West Main extension Adamsville to Dobson Property (36 inch)							\$600,000	\$600,000
South Sewer Main Extensions 287/SR79 (12 inch)							\$1,000,000	\$1,000,000
Lift Station at Hunt Highway & SR79				\$40,000	\$330,000			\$370,000
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,970,000</b>

Ten-Year Increase in Gallons of Peak Demand per Day => 931,058

Cost per Gallon of Demand => \$2.12

Description	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Years 6-10	Total Project
Florence S. - WWTP Expansion				\$2,000,000	\$15,150,000			\$17,150,000
South WWTP Expansion Headworks	\$150,000	\$2,000,000	\$1,500,000					\$3,650,000
SWWTP disinfection system upgrade			\$30,000	\$3,000,000				\$3,030,000
S. WWTP odor control / dust abatement			\$300,000					\$300,000
<b>Total</b>	<b>\$150,000</b>	<b>\$2,000,000</b>	<b>\$1,830,000</b>	<b>\$5,000,000</b>	<b>\$15,150,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,130,000</b>

Gallons of Capacity per Day => 1,500,000

Cost per Gallon of Capacity => \$16.09

### Input Variables

	<i>Cost per Gallon of Capacity</i>
Transmission Projects	\$2.12
Treatment Projects	\$16.09
Principal Payment Credit per Gallon =>	(\$5.04)
Capital Cost per Gallon of Capacity =>	\$13.17
Peak Day Gallons of Demand per ERU =>	182

### All Development (per meter)

Meter Size (inches)	Meter Type	Capacity Ratio	Proposed Wastewater Fee	Current Fee	\$ Change
0.625	Displacement	1.00	\$2,400	\$2,140	\$260
0.75	Displacement	1.50	\$3,600	\$2,782	\$818
1.00	Displacement	2.50	\$6,001	\$7,062	(\$1,061)
1.50	Displacement	5.00	\$12,002	\$14,338	(\$2,336)
2.00	Displacement	8.00	\$19,202	\$22,898	(\$3,696)
3.00	Compound	16.00	\$38,405	\$45,852	(\$7,447)
3.00	Turbine	17.50	\$42,005	\$49,862	(\$7,857)
4.00	Compound	25.00	\$60,008	\$71,262	(\$11,254)
4.00	Turbine	31.50	\$75,610	\$85,600	(\$9,990)
6.00	Compound	50.00	\$120,015	\$142,738	(\$22,723)
6.00	Turbine	65.00	\$156,020	\$178,262	(\$22,242)
8.00	Turbine	140.00	\$336,043	\$256,800	\$79,243
10.00	Turbine	210.00	\$504,065	\$413,662	\$90,403
12.00	Turbine	265.00	\$636,082	\$613,538	\$22,544

- Transportation
  - Methodology and Components
    - Hybrid consumption/plan-based approach
    - Town wide service area
    - Components
      - Arterial road capacity
- Road IIP

Improvement	Segment	New Lanes	Miles	Lane Miles	Func Class	Per lane mile	Project Cost
Florence Heights Drive	SR 79 to SR 79B	2	1	2	Minor Arterial	\$915,000	\$1,830,000
Adamsville Road	3/4 Mile Extension to Plant Road	2	3	6	Principal Arterial	\$1,013,000	\$6,078,000
Butte Avenue	Main to Plant	2	1	2	Major Collector	\$757,000	\$1,514,000
Plant Road	Butte to River	2	0.6	1.2	Minor Arterial	\$915,000	\$1,098,000
Diversion Dam Road	SR79 to Bowling	2	0.5	1	Minor Arterial	\$915,000	\$915,000
Main Street Extension	1st to 79th	2	1	2	Minor Arterial	\$915,000	\$1,830,000
River Road	N/S Corridor to Main	4	1.5	6	Principal Arterial	\$1,013,000	\$6,078,000
Hunt Highway	SR79 to Town Limits	2	4.25	8.5	Principal Arterial	\$1,013,000	\$8,610,500
Hunt Highway	Franklin to Hiller	2	1	2	Principal Arterial	\$1,013,000	\$2,026,000
Attaway Road	Palmer to Hunt	2	1	2	Principal Arterial	\$1,013,000	\$2,026,000
Felix Road	Copper Basin to AZ Farms	2	2	4	Principal Arterial	\$1,013,000	\$4,052,000
Arizona Farms Road	Copper Basin to Hersoth	2	4.5	9	Principal Arterial	\$1,013,000	\$9,117,000
Attaway Road	AZ Farms to Judd	2	2	4	Principal Arterial	\$1,013,000	\$4,052,000
N/S Corridor Alignment	287 to N. Town Limits	4	13	52	Az Parkway	\$1,215,600	\$63,211,200
				<b>101.7</b>		<b>\$1,105,582</b>	<b>\$112,437,700</b>

Source: Town of Florence.

- These are potential projects for which to use the development fees. Also used to derive weighted average cost per lane mile for the fee calculation.

- Proposed Development Fee

Average Miles per Trip=>	3.82
Cost per additional mile=>	\$1,105,582
Planned lane miles needed to maintain LOS=>	6.10
Ten-Year growth cost funded by fees	\$6,744,051
VMT Increase over ten years	54,532
Capital Cost per VMT#	\$124.32

**Residential (per unit)**

Development Type	Avg Wkdy Veh Trip Ends*	Trip Rate Adjustment	Trip Length Adjustment	Proposed Fees	Current Fee	Increase / Decrease
Single-Family Unit	6.20	63%	121%	\$2,250	\$2,086	\$164
Multi-Family Unit	4.30	63%	121%	\$1,560	\$1,313	\$247

**Nonresidential (per square foot)**

Development Type	Avg Wkdy Veh Trip Ends**	Trip Rate Adjustment	Trip Length Adjustment	Proposed Fees	Current Fee	Increase / Decrease
Commercial/Retail	37.75	33%	66%	\$3.90	\$3.14	\$0.76
Office/Institutional	9.74	50%	73%	\$1.68	\$1.73	(\$0.05)
Industrial/Flex	4.96	50%	73%	\$0.85	\$1.02	(\$0.17)

#Includes cost per VMT of \$0.65 for the development fee study

\*Current nonresidential fees adjusted from per 1,000 square feet to per square foot.

**- Proposed vs. Existing Fees**

**Residential (per unit)**

Type	Police	Fire and Rescue	Parks and Open Space	Roads	Proposed Fee	Current Fee	Difference
Single-Family	\$754	\$955	\$2,175	\$2,250	\$6,133	\$5,027	\$1,106
Multi-Family	\$560	\$710	\$1,616	\$1,560	\$4,446	\$3,696	\$750

**Nonresidential (per 1,000 square feet)**

Type	Police	Fire and Rescue	Parks and Open Space	Roads	Proposed Fee	Current Fee	Difference
Commercial/Retail	\$1,465	\$694	\$166	\$3,900	\$6,225	\$5,423	\$802
Industrial	\$292	\$482	\$115	\$850	\$1,739	\$464	\$1,275
Office/Other Services	\$292	\$880	\$210	\$1,680	\$3,061	\$2,937	\$124

Meter Size (inches)	Meter Type	Proposed Water Fee	Current Fee	\$ Change	Proposed Wastewater Fee	Current Fee	\$ Change
0.625	Displacement	\$1,065	\$1,980	(\$915)	\$2,400	\$2,140	\$260
0.750	Displacement	\$1,597	\$4,950	(\$3,353)	\$3,600	\$2,782	\$818
1.000	Displacement	\$2,662	\$4,950	(\$2,288)	\$6,001	\$7,062	(\$1,061)
1.500	Displacement	\$5,324	\$9,900	(\$4,576)	\$12,002	\$14,338	(\$2,336)
2.000	Displacement	\$8,518	\$15,840	(\$7,322)	\$19,202	\$22,898	(\$3,696)
3.000	Displacement	\$17,037	\$31,680	(\$14,643)	\$38,405	\$45,582	(\$7,177)
3.000	Compound	\$17,037	\$31,680	(\$14,643)	\$38,405	\$45,852	(\$7,447)
3.000	Turbine	\$18,635	\$34,650	(\$16,015)	\$42,005	\$49,862	(\$7,857)
4.000	Compound	\$26,621	\$49,500	(\$22,879)	\$60,008	\$71,262	(\$11,254)
4.000	Turbine	\$33,543	\$59,400	(\$25,857)	\$75,610	\$85,600	(\$9,990)
6.000	Compound	\$53,243	\$99,000	(\$45,757)	\$120,015	\$142,738	(\$22,723)
6.000	Turbine	\$69,216	\$123,750	(\$54,534)	\$156,020	\$178,262	(\$22,242)
8.000	Compound	\$85,189	\$178,200	(\$93,011)	\$192,025	\$0	\$192,025
8.000	Turbine	\$149,082	\$178,200	(\$29,118)	\$336,043	\$256,800	\$79,243
10.000	Turbine	\$223,623	\$287,100	(\$63,477)	\$504,065	\$413,662	\$90,403
12.000	Turbine	\$282,191	\$425,700	(\$143,509)	\$636,082	\$613,538	\$22,544

Councilmember Wall inquired what HH and N & S stand for.

Mr. Bise stated that HH stands for household and N & S stand for non-residential square feet.

Mayor Walter inquired how the current fees are being collected.

Mr. Brent Billingsley, Town Manager, stated that the development impact fees are collected at permit; however, there were two separate development agreements where the Town collected 50% at permit and the remaining 50% prior to receiving the Certificate of Occupancy. He stated that the law now states that the fees will be collected at permit.

Mayor Walter inquired about the differences in impact fees and how it affects growth.

Mr. Billingsley stated that the impact fees are project-based. He stated that the projects that are located in other parts of the Town, other than those in the current fee schedule, are not set up to collect the fees. He outlined the upcoming projects and stated that it is a balancing act to make the necessary improvements for growth and still maintain competitive with surrounding entities for development.

Councilmember Anderson inquired who will pay for the impact fees for roads.

Mr. Billingsley stated that every new residential permit will be charged those fees to pay for the regional improvements. Mr. Bise explained that the Town has \$110,000,000 worth of projects that are needed. The Town will collect the funds and Council will determine which projects to spend those funds where the Town has the most need for.

Mr. Bise stated that with regards to the roads they want to allow for flexibility due to changes that can occur such as growth rates, funding, etc.

## **PRESENTATION**

### **Presentation of Letters of Appreciation and Challenge Coins from the Fire Department to Mr. and Mrs. Kruthaupt.**

Mr. David Strayer, Fire Chief, stated that on September 19, 2018, DEA Agent John Kruthaupt, and his wife Fabiola, stopped and aided the Florence Fire Department at a vehicle accident involving 11 patients with multiple fatalities that occurred on Highway 79, at mile post 122. Agent Kruthaupt identified himself and stated that he was an Emergency Medical Technician and offered to help. He was assigned to the treatment area. Mrs. Kruthaupt also offered to assist and was able to translate for each patient and aided in gathering the necessary information. She also offered words of encouragement to the injured patients and helped keep them calm in the aftermath of the accident. Due to the remote location of the incident and the lack of resources in the area, the assistance provided by Mr. and Mrs. Kruthaupt was both needed and appreciated.

Chief Strayer stated that six patients died on scene, and the other five were flown out. Unfortunately, two of those patients that were flown out passed away as well. This incident

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was considered a mass casualty since it was over 10 patients. He expressed his deep appreciation for their help and presented each of them with a Letter of Appreciation and Challenge Coin.

Mr. Mike Harrison, Engineer, Florence Fire Department, expressed his gratitude to Mr. and Mrs. Kruthaupt for their assistance. He stated that due to the severity of the accident, their assistance was much needed. He commended Mrs. Kruthaupt for her assistance in translating as it helped the Fire Department to expedite treatment and gather pertinent information. The Kruthaupts went above and beyond what is expected of citizens' who stop and help.

Mayor Walter expressed her appreciation on behalf of herself and the Council to Mr. and Mrs. Kruthaupt for their assistance. The Town is grateful that they were there at the right time.

Chief Strayer explained that the Challenge Coin originated in the military; however, Police and Fire use it as well. The Challenge Coin is reserved for people who go above and beyond or do something extraordinary. He was honored to present Mr. and Mrs. Kruthaupt with their own Challenge Coin.

Mr. Kruthaupt stated that the first responders were doing a great job and realized that they could use assistance. He realized the nature of the patience and the language barrier and asked his wife to assist as well. He was impressed with her, as she is not used to working in those types of situations. He stated that it was an honor to assist and he wishes that they could have done more.

**CONSENT: All items on the consent agenda 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.**

**Approval of the purchase of three Police Interceptors from San Tan Ford, for a total not to exceed amount of \$96,706.14.**

**Acceptance of the 2018 Homeland Security Grant Program Subrecipient Agreement 180303-01, from Arizona Department of Homeland Security, in the amount of \$36,798, for the Florence Public Safety Interoperable Communications Project.**

**Authorization to contract with Centimark, for replacement and repairs of the Police Department and Fitness Center roofs using the Mohave Contract #13XCTMK-0417 in an amount \$51,393.70, plus a 15% contingency, for a total not to exceed amount of \$59,102.76.**

**Authorization for the Town Manager to execute a Cooperative Purchasing Agreement with the City of Tucson.**

**Authorization to enter into an Intergovernmental Agreement, with Pinal County, to provide Commercial Driver's License Testing Services.**

**Notice of Change to Task Order, issued on April 23, 2018, to WestLand Resources, for Task Assignment to perform an Environmental Assessment of two parcels the**

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Town is proposing to acquire from the Bureau of Land Management for the expansion of the Poston Butte Preserve. This item is Information Only.

Responses to the Request for Proposal were received on March 7, 2018, for an Environmental Assessment for the Poston Butte Expansion Project and was awarded to Westland Resources. Council entered into an Extension to the On-Call Engineer Contract on October 3, 2018.

Approval of the September 4 (Work Session), September 4, September 7, September 17 and September 24, 2018 Town Council Meeting minutes.

Receive and file the following board and commission minutes:  
May 10, 2018 Arts and Culture Commission Minutes  
August 16, 2018 Planning and Zoning Commission Meeting minutes.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried to approve the Consent Agenda, as written.

## **NEW BUSINESS**

### **Resolution No. 1682-18.**

Mayor Walter read Resolution No. 1682 by title only.

### **A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE MAP OF DEDICATION FOR SUN CITY BOULEVARD – PHASE 2.**

Mr. Larry Harmer, Community Development Director, stated that the Map of Dedication for Sun City Boulevard – Phase 2 will result in the extension of Sun City Boulevard, north from the existing terminus near West Meadowlark Way, for a distance of approximately 4,100 linear feet. This extension will serve future development units 60, 66 and 70. The Map of Dedication has been reviewed by the Town Engineer and it meets with the Town's requirement.

Mr. Harmer stated that there is an old dedicated right-of-way from Pinal County that is being abandoned as part of the overall dedication. The total extension is approximately 5.6 acres.

On motion of Vice-Mayor Woolridge, seconded by Councilmember Wall, and carried to adopt Resolution No. 1682-18.

### **Discussion/Approval/Disapproval of awarding a contract to Regional Pavement Maintenance of Arizona, Inc., to mill and replace asphalt for CIP T-60, East 1<sup>st</sup> Street Improvement Project, in an amount not to exceed \$755,544.80 under Job Order Contract (JOC) 2014-007 for the City of Buckeye.**

Mr. Chris Salas, Public Works Director/Town Engineer, stated that the project was awarded approximately one year ago. The project has not changed; however, it has taken some time to procure a new contractor. The Town has been working on getting quotes through the Job Order Contract. The Town has previously awarded multiple contracts to Regional

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Pavement with the same contract. Compared to previous, they are approximately \$15,000 to \$20,000 less than the competitive bid process.

Mr. Salas stated that the project is on 1<sup>st</sup> Street, between Main Street, and State Route 79.

Mayor Walter inquired if there is a timeline on when the project will be completed.

Mr. Salas stated the project will start in early January 2019 and will take approximately three to four months to complete.

Councilmember Anderson inquired if the waterline, which is critical, will be replaced.

Mr. Salas stated that the waterline replacement was critical and has been replaced. This is a multi-phased project. Part of the project was done in-house, and part of the project will require a contractor.

Mr. Billingsley stated the waterline was replaced prior to his and Mr. Sala's employment with the Town. The taps to the individual properties had not been replaced. Approximately one and half years ago, staff began replacement of the taps, and it took approximately six months to replace them all. He stated that the old line has been abandoned.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried to award a contract to Regional Pavement Maintenance of Arizona, Inc., to mill and replace asphalt for CIP T-60, East 1<sup>st</sup> Street Improvement Project, in an amount not to exceed \$755,544.80 under Job Order Contract (JOC) 2014-007 for the City of Buckeye.

**Discussion/Approval/Disapproval of awarding a contract to Apache Underground & Excavating, LLC, to do work associated with the Community Development Block Grant water line replacement project, in an amount not to exceed \$632,625.00.**

Mr. Salas stated that the 12" Waterline Phase 2 Project includes a Community Development Block Grant (CDBG) funded portion as well as a Town funded portion.

Mr. Salas stated that the project will include installation of approximately 3,000 linear feet of water line improvements along Ruggles Street, from North Park Street to North Phoenix Street, then south on North Phoenix Street to 12<sup>th</sup> Street, west on 12<sup>th</sup> Street and south on North Warner Street to Butte Avenue.

On motion of Councilmember Anderson, seconded by Councilmember Larsen, and carried to award a contract to Apache Underground & Excavating, LLC, to do work associated with the Community Development Block Grant water line replacement project, in an amount not to exceed \$632,625.00.

**Authorization directing the Town's Attorneys to pursue the instructions given in Executive Session relating to U.S. District Court for the District of Arizona (Case No. CV-14-01304-PHX-DMF) Hunter, Varnrobinson Vonzombie v. Town of Florence et. al.**

On motion of Councilmember Wall, seconded by Councilmember Hawkins, and carried to authorize directing the Town's Attorneys to pursue the instructions given in Executive Florence Town Council Meeting Minutes

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Session relating to U.S. District Court for the District of Arizona (Case No. CV-14-01304-PHX-DMF) Hunter, Varnrobinson Vonzombie v. Town of Florence et. al.

**SPECIAL MEETING WITH THE HISTORIC DISTRICT ADVISORY COMMISSION TO REVIEW AND TAKE ACTION ON ITEMS PERTAINING TO KOKOPELLI MOON SALOON PROPERTY LOCATED AT 255 N. MAIN STREET, FLORENCE, ARIZONA.**

**Historic District Advisory Commission Roll Call:**

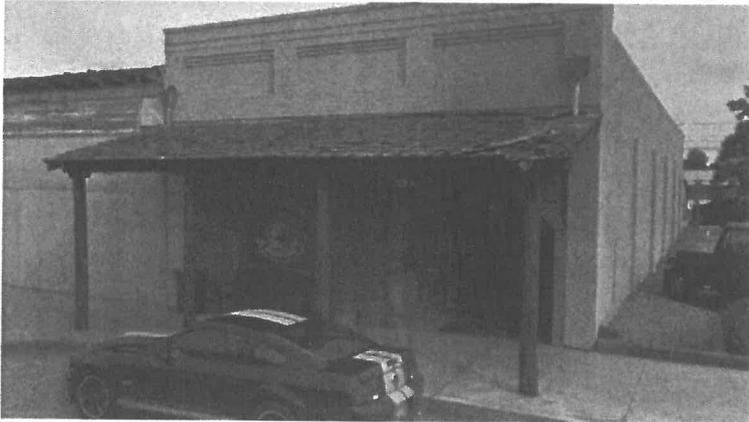
Present: Wheeler, Adam, Reid, Smith, Schmidt, Novotny, Knight

**Discussion and possible action of the Historic District Advisory Commission to support an emergency demolition permit, abatement, remediation, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, Tax Parcel No. 200-49-017A located at 255 N. Main Street, Florence, Arizona.**

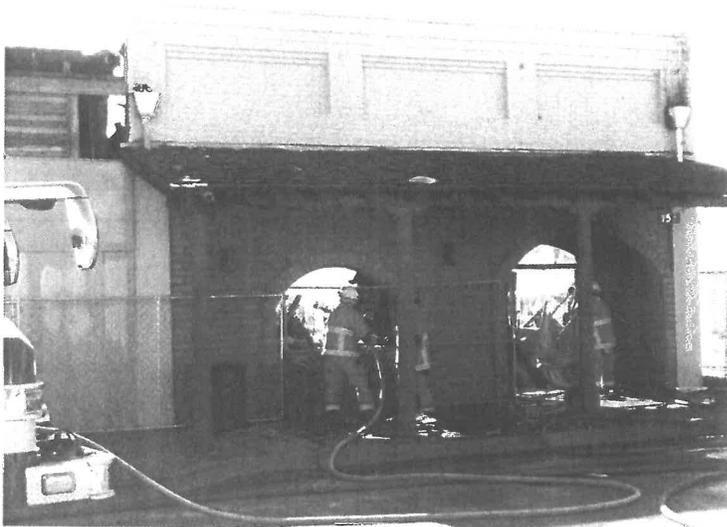
Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, provided a presentation, in which she outlined the following:

- Hazard Abatement
  - 255 N. Main Street
  - Parcel Number: 200-49-017A
  - Owner: Florence Ironhorse Rodeo Consortium, LLC.
- Background
  - Kokopelli Moon Saloon was formerly known as La Cantina, Florence Bar, La Paloma, My Uncle's Place, Cowboy Cradle and My Office
  - Original Construction 1912-1914
  - Style: Early 20<sup>th</sup> C. Commercial transformed to Contemporary "Territorial"
  - Historic District Significance: Contributor
- History on building
  - The small building that was used as an apartment, and faced Bailey Street, was constructed in 1888
    - Modifications were made in 1941
  - Both structures that were facing Main Street were completed between 1912 and 1914
  - Covered patio was completed without permits so it is unknown when that portion was completed
    - Pinal County Assessor's Office listed on 2010 for the improvements
- Compliance
  - Fires on June 8 and June 26, 2018
  - Compliance Notices sent on the following dates:
    - June 13, 2018
    - June 29, 2018
    - July 27, 2018
      - Gave 60 days for the property owner to abate the issue
      - Acknowledgement of notices were received on August 6, 2018 confirmed by return receipt

- Notice on Non-Compliance stating that the 60 days had elapsed as well as the October 15, 2018 Council Agenda Packet were hand-delivered to the statutory agent on October 11, 2018
- There has not been much discussion from the statutory agent about letting the Town know what the property owner's intentions are
- Building Location
  - Downtown Florence in Historic District
- Image prior to fire

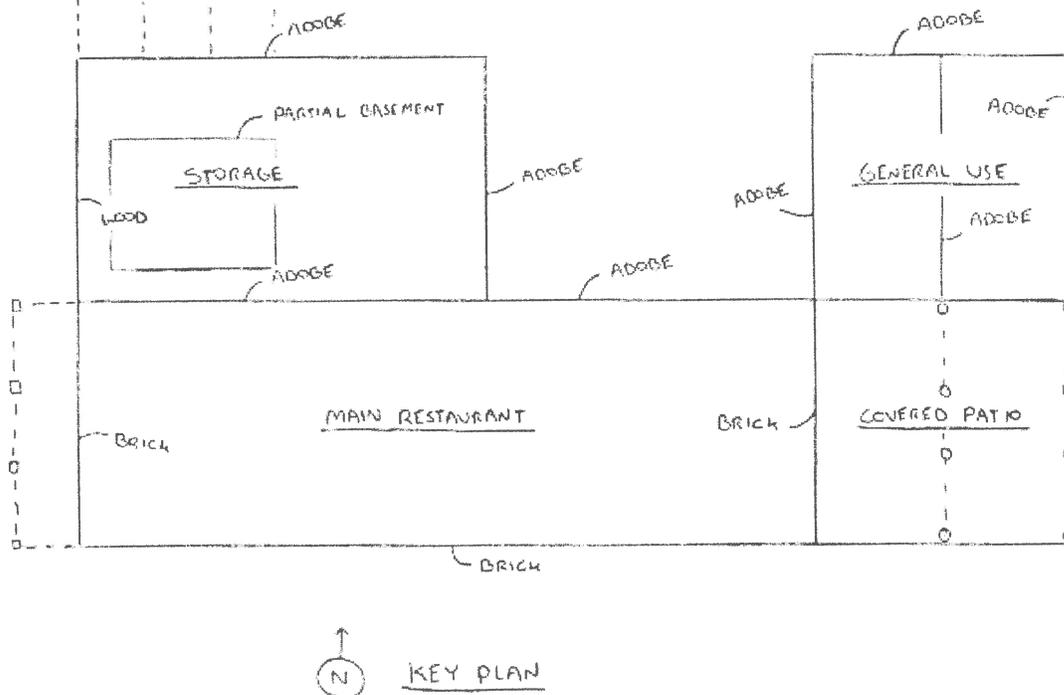


- Unsafe Structure
  - Section 110.1 International Property Management Code (IPMC)
  - Structure is damaged by fire and dilapidated, causing a dangerous, unsafe and unsanitary conditions, unfit for human habitation or occupancy, thus requiring demolition and removal of debris from the property





- 2006 IPMC 108
  - Conditions are unsafe because they are dangerous to the life, health and safety of the public. The structures are damaged and partial or complete collapse is possible
  - Town ordered Structural Report
  - Structural Report was provided to the Statutory Agent
- Structural Condition
  - Main Restaurant
    - Roof has been completely destroyed
  - Covered Patio
    - Roof has noticeable deflection at the wood joists
  - Storage Structure
    - Roof trusses have failed, noticeable deflection throughout.
  - General Use Structure
    - Wood joists are warped, hole in north elevation



- Required Action
  - Demolish, remediate, remove and dispose of all structures on the property including litter and equipment.
  - Demolish rear covered patio, located to the east of the main restaurant area.
  - Demolish existing storage structure, including roof, walls, and basement. The structure is compromised beyond reasonable repair.
  - Remediate and remove all hazardous substances on Property.
  - Demolish, fill and compact any basement openings to a standard of supporting construction of new structures.
- Not a typical situation
  - Abatement Issue
  - Town is not the property owner – Town is abating a life safety issue using the International Uniform Property Management Code, Town Code, and Fire Codes.
  - Not typical Historic District Advisory Commission demolition process.
  - Owner has not been responsive to date.
  - No insurance on building.
- 30 days from service (not yet issued)
  - Property owner will have 30 days to abate the situation after receiving Notice of Intent.
  - If the property owner fails to act, the Town will complete the necessary actions to ensure the safety of the community.
  - At the end of the 30 days, the Town will file documentation with the Town of Florence Magistrate to proceed with abatement.
  - There is an appeal process for the owner if they do not agree
  - Town will file all documents necessary to place a lien for the total required expenditure to abate the property.
- Historic District Action Requested
  - Historic District Advisory Commission to support an emergency demolition permit, abatement, remediation, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, 255 N. Main Street, APN 200-49-017A.
- Non-budgeted expense
  - Emergency Expenditure
    - Option 1: General Fund or Government Capital Account
      - Possible Reduction in Projects:
      - General Plan - \$350,000
      - Traffic Light - \$100,000 (Waiting for Warrant from ADOT)
      - Vehicles - \$94,000
      - Flooring - \$40,000
      - Council Projects - \$145,000 (Economic Development, PR Training, Tourism, Non-Profits)
      - Town Manager Contingency
    - Option 2: Use unbudgeted funds from 2017-2018, revenues over expenses
- Council Action #1
  - Authorize the Town Manager to use the City of Tucson Contract No. 18194601 Job Order for Demolition Services to solicit, negotiate, and enter into a contract with the selected vendor(s) in an amount not to exceed \$300,000 for demolition, abatement,

remediation removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon.

- Council Action #2

- Authorize the Town Manager, the Town's Attorneys and other representatives of the Town, on behalf of the Town of Florence, without further order of the Mayor and Common Council of the Town, to do all such acts and things, including full prosecution seeking demolition, remediation, abatement, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon.

Commissioner Adam inquired if the Town is suggesting to demolish and remediate all structures on the property, including the general use structure which may be sound.

Ms. Garcia stated that the Town is not the property owner and anything that is going to be demolished is under an abatement for life safety and public welfare. There are costs associated with preservation and the Town cannot spend money to shore-up the building or preserve private property.

Mayor Walter inquired if bricks from the building can be preserved because they have historic value. She inquired if this an LLC ownership.

Mr. Larry Harmer, Community Development Director, stated that the Town can be specific with regards to salvage; however, the cost of the demolition will increase because of the time it takes to do the salvage of the brick and adobe and demolition companies count on some of the salvage rights for themselves to help defer the cost that they would normally charge the Town.

Ms. Garcia stated that the business is an LLC; however, the LLC has one member and that member is also the statutory agent. All notices have gone to the statutory agent of the LLC.

Mr. Clifford Mattice, Town Attorney, stated that all notices that the Town has sent, and plan on sending, are directed to the LLC, and the member, and the statutory agent, at multiple addresses. The intent is to also post the building with the notice. The owner of the property has the ability to challenge that notice and challenge the assessment.

Mr. Mattice stated that staff would need to determine the cost for preserving the bricks and would include that cost as part of the lien amount.

Councilmember Larsen inquired if there is a liability on the Town preserving and utilizing the bricks for future projects. She stated that she is concerned about charging a property owner for the abatement and then using the materials on another project.

Mr. Mattice stated that he is not an expert on the remediation of materials, specifically with regards to asbestos and other hazardous materials. He stated that the fire was serious, and he is not aware of the cleaning process. He stated that he would be apprehensive about saving materials like that from a fire damage, or severely damaged situation with those hazardous materials.

Mr. Mattice stated that by taking an abatement action, if the court approves the procedure, does not take title of the property or title of the debris. There may be some items that are

salvageable, and this may be a reason as to why the Town would not want to keep the property. The Town is not taking ownership of anything, but rather a police action to clean up the property. The property then has a lien placed on it. The property owner has a specified time period to pay the lien off. He would be cautious of taking possession of any items on the property or part of the building.

Ms. Garcia stated that if the Council decides to move forward with the abatement, the Council would be authorizing the expenditure of up to \$300,000, as outlined in Item 12c. below. She explained the process and how the time frame would be applied. If the cost exceeds \$300,000, Council will need to authorize the excess.

Ms. Garcia stated that Mr. Salas, Public Works Director/Town Engineer, will have a pre-demolition report done to determine what kind of materials are inside. This will provide understanding of what the total project cost would be. If the Council elects to harvest bricks, the Town would need to determine the cost and Council would need to approve that expenditure as well. This would increase the total project cost amount above the \$300,000.

Councilmember Anderson inquired if the Town is legally able to enter the property to do the assessment.

Mr. Chris Salas, Public Works Director/Town Engineer, stated that staff is legally able to access the property under the auspice of public safety. The Town has the right to enter the property and it was explained in the letters. Per IPMC, Section 109, the Town has authority to do what is necessary, as a municipality, to render the building safe. Part of the process is to do the structural analysis and the next part is to do the pre-demolition report, which is necessary to make the situation and building safe.

Councilmember Anderson stated that it is his understanding that the Town is going to demolish the building at a cost of \$300,000 and will put a lien on the property for that amount.

Ms. Garcia stated that the property owner would have the right to pay back the lien in a ten-year period.

Mr. Mattice stated that the State Statute allows for the property owner to pay back the lien within ten years if the lien exceeds \$10,000. This lien would be inferior to general tax liens, meaning other people may have prior ownership such as deeds or mortgage on the property.

Mr. Mattice stated that they ordered a Litigation Guaranteed Report from a title company showing that there does not appear to be a mortgage on the property.

Discussion occurred how to force the owner to comply with cleanup of the property.

Ms. Garcia explained the process and provided an outline of what the letters contained that were sent to the property owner. The property owner was given three notices and was served by a Town of Florence police officer with this evening's Council packet so that he could attend tonight's Council meeting. The next notice will provide for 30 days and will be

sent to the property owner, via certified mail and delivered by a police officer. The notice will be placed on the building as well.

Ms. Garcia stated that there is a large population that is calling Town Hall asking what the Town is going to do about the situation. People are worried that the situation is dangerous. The Town wants to ensure that the Historic District Advisory Commission and the Town Council are properly informed, so she opted for a joint meeting. She stated that this situation is unique because the property owner did not have insurance and the property owner is not engaged.

Chairman Wheeler stated that there are citizen concerns, safety issues, and once the area is cleaned, there will be another vacant lot in the downtown area. She stated it is frustrating for her to see the vacant lots. She is concerned about the Avenenti Tack house on Bailey Street. She stated that once the property is cleaned up, the owner may be inspired with that building.

Mr. Salas explained that there were two separate fires. A joint letter from the Building Department and Code Enforcement contained the following:

- Material, dangers
- Infractions that needed to be resolved utilizing the International Property Management Code
- Series of pictures
- Code violations along with evidence of unpermitted electrical work that was within the building
- Unpermitted structural work within the building

Mr. Salas stated that after the second fire, the building was rendered structurally unusable and a second letter was sent out, which contained the following:

- Documentation regarding the previous infractions to the property management code as well as a statement that the Town was going to be exercising its right under the International Property Management Code to do an assessment of the building structurally.

Mr. Salas stated that a third letter was sent, which contained the following:

- Documentation of all of the structural shortcomings of the building at this point
- Attached Structural Report to the property owner
- Provided 60 days to resolve, based on structural analysis and integrity of the building

Mr. Salas stated that the Town has spent approximately \$5,000 on the fencing surrounding the building. This cost does not include staff time. Everything has been done for public safety. He stated that the Town does not have in interactive process with the property owner. Staff has moved towards the abatement plan because they have had no response.

Mayor Walter appreciates the Fire Department for securing the building to protect public safety. She stated that this has taken a lot of staff time and understands that this is a delicate situation because of wanting the preservation of the historic building but are concerned about the aesthetics and safety issues on Main Street.

Mr. James Allen, Building Official, addressed Commissioner Adam's concerns regarding the storage room. He stated that the storage room is towards the front of the building and the trusses and roof structure is compromised. He stated that there was evidence of a previous fire that happened years ago. A false ceiling was installed and covered the damage.

Commissioner Adam stated that she was referring to the general use structure.

Mr. Allen explained that the storage room is the general use structure. He elaborated that the area that is called the "house" can remain intact. The patio is considered a non-permitted structure and will need to come down because it relies on the interior wall for support. He addressed issues with the other walls, specifically the heights and not having support and the possibility of collapse. He stated that there is also a basement. He stated that the area which has signs of a previous fire and false roof show that the trusses were repaired and boards were put underneath to prop it up. This is how the business was operated. No one had access to notice the issues. Once staff had access, it was determined that it was unsafe prior, and now with the fire, and water damage from extinguishing the fire, it has created a very unsafe condition.

Mr. Allen stated that there is also a cyan between the buildings. This is all structurally tied together. He stated that the arch next to the hair salon is starting to crack so it will need to be removed as well.

Mr. Allen explained that the bid includes removing the area with the archway as well as the basement area and to fill it in. He stated that a question was posed about securing the remaining walls. This would be an eyesore because there would be bracing everywhere to hold up one wall for an indefinite amount of time.

Commissioner Adam stated that she appreciates the Council's due diligence in trying to save the building. She stated that she understands that this is a unique case and the Town will never be the property owner. The property owner is being non-cooperative. She stated that the Town does not have a choice because it is a safety hazard and an eyesore. She stated that because of the time frame for the deadlines, this eyesore will still be there during the Home Tour.

Councilmember Hawkins inquired if staff could find out if there is a legal way to require businesses to maintain fire insurance on the buildings.

Mr. Billingsley stated that staff will research the possibility of requiring businesses to maintain fire insurance.

Councilmember Anderson inquired if the property taxes have been paid and if the \$300,000 lien for the cleanup will go against their taxes. He also inquired how a person can assume the property by paying the delinquent taxes.

Ms. Garcia stated that the last time she checked there was a balance of approximately \$4,000+ owed for that site. She stated that once taxes have been delinquent for a minimum of three years, anyone can go in and pay the delinquent taxes. The owner will then have

a set time in which to pay the taxes. If they do not pay in the designated time frame, the person who paid the delinquent taxes assumes the property.

Mr. Billingsley stated that the taxes for the Kokopelli Moon Saloon were not paid for last year.

Vice-Mayor Woolridge inquired what access would both the Town and property owner have if the Town paid to have the rest of the building demolished and the lot cleaned. She inquired if the Town would be able to use the property.

Mr. Mattice stated that the specifics would need to be worked out in the order with the Judge, if the judge elects for the Town to proceed with the abatement. The owner would be excluded while the work is being done so there is no interference. Once the work is completed, the owner would have access to the property.

Commissioner Novotny inquired if the Town could condemn the property, and then do an eminent domain and take over the property so the Town does not lose the \$300,000. She does not agree with the Town spending \$300,000 and not getting anything in return. She would prefer that the land be used for something after it is cleaned.

Mr. Billingsley stated that the laws have changed and have taken the police power away from governments. The police power has been used improperly in the past. The only way the Town can condemn the property and take ownership is if the Town had a public use and then the Town would have to fill that public use.

Commissioner Novotny stated that they could build a Police Sub-station in that location. She stated that there is no Police presence on Main Street and Main Street is falling apart.

Councilmember Larsen inquired if there is any way the Town could use the property even on a temporary basis for festivals, etc. without having to take ownership.

Ms. Garcia stated that the Town has different types of agreements with various people to use their property, such as the Pinal County lot on Main Street. She stated that the Town would need to enter into a contractual agreement in order to use someone's property. Each contract is different.

Councilmember Larsen stated that she does not believe the property owner would be in agreement for the Town to use the property.

Mr. Mattice stated that the property owner's permission is required in order to use the property.

Vice-Mayor Woolridge stated that she would like to ensure that the Town get some benefit if they have to spend \$300,000.

Mayor Walter asked for each Commission and Council's opinion on the emergency demolition permit, abatement, remediation, removal and disposal of the structure including the debris regarding Kokopelli Moon Saloon.

Councilmember Hawkins stated that the \$300,000 is the maximum it will cost to clean up the property. The Town must clean up the property because it is a safety issue. This is a non-budgeted item and another project will need to be delayed because of this expense. It is his understanding that the owner will have up to ten years to pay the lien back to the Town. He inquired if the Town would get ownership of the property if the owner does not pay back the Town.

Mr. Mattice stated that if the Town is not paid back, the Town will need to file another action and foreclose on the lien.

Commissioner Adam stated that she worries about the precedence that this is setting. The Town has many absentee commercial building land owners in Florence who don't care about Florence. She fears that this may be their way out. She hopes that the Town can mandate fire insurance, so the Town is not stuck paying for another cleanup.

Ms. Garcia stated that it is unlikely for the property to sell with a huge lien on it.

Chairman Reed stated that she feels like the Town has no choice. She inquired if staff has spoken to SHPO regarding this, since the building is on the National Registry.

Mr. Harmer stated that he reached out to SHPO and they have not responded.

Vice-Chairman Smith agrees with Councilmember Hawkins. She owns a business and pays for fire insurance. She thinks every business should have fire insurance.

Commissioner Schmidt stated that it is a hazard, and something must be done. She hates to waste \$300,000 but doesn't see another option.

Commissioner Novotny inquired if the Town can prohibit a fence from being erected after it is cleaned.

Mr. Billingsley stated that the goal is to clean the lot with the hopes that it can be rebuilt upon.

Commissioner Knight stated that she used to live in the general use building. It is hard to maintain professionalism because she has personal ties to the building. Everyone has memories of the business and there will be a social aspect that will be missed. There is so much work that needs to be done on Main Street. She wonders why no one is listening.

Commissioner Schmidt inquired how it was Kokopelli allowed to open a business and operate without proper permitting. The General Store and Pinal County burned down as well. She inquired why people can't learn from other people's mistakes.

Mayor Walter stated that the new staff that has come aboard is looking at the events and are making proactive changes to ensure that this doesn't happen again. She agrees with Commissioner Knight that the Town needs to take a stronger stance. She asked staff to look at the abandoned buildings on Main Street and find out what can be done.

Commissioner Adam stated that the large space can attract outside investors. She shared a story about a microbrewery in Queen Creek and how they came to be there. She stated the Town needs to be become proactive in getting investors into Florence.

Mr. Billingsley stated that he agrees with Commissioner Adam. He stated the Town is working with Pinal County to do an RFP for the Pinal Country property on Main Street. The Town has been working hard on infill.

Commissioner Novotny inquired if the infill will be in the downtown area or Anthem.

Mr. Billingsley stated that the infill will be in the Florence proper area.

Ms. Ruth Harrison, Florence Resident, asked why the building on Bailey couldn't remain.

Mr. Allen reiterated that the structural report indicated that it could remain and did not need to be demolished. Some repairs will need to be done on it. He explained the compromised units and explained how the buildings will need to be separated.

Mr. Salas stated that the worst-case scenario is to demolish everything on the property, which is what the bid is for.

On motion of Commissioner Reid, seconded by Commissioner Smith, and carried (7-0) to support an emergency demolition permit, abatement, remediation, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, Tax Parcel No. 200-49-017A, located at 255 N. Main Street, Florence, Arizona, and if feasible, to save the building.

**Discussion and Possible action to authorize the Town Manager to use the City of Tucson Contract No. 18194601 Job Order for Demolition Services to solicit, negotiate, and enter into a contract with the selected vendor(s) in an amount not to exceed \$300,000 for demolition, abatement, remediation, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon (APN 200-49-017A) located at 255 N. Main Street, Florence.**

Ms. Garcia stated that this an emergency expenditure. She stated that the following projects can be delayed so that funding is available:

- Traffic signal at Hunt Highway and State Route 79 (still awaiting warrant) \$100,000
- Vehicles - \$94,000
  - One Police Department vehicle
  - One Fire Department vehicle
- Flooring - \$40,000
- Council Projects
- Economic Development - \$100,000
- Public Relations Training - \$45,000
- Town Manager Contingency

Ms. Garcia stated that the projects listed above would be the projects that would be moved in order to have funding for the Kokopelli Project. She stated that they can also use the unbudgeted funds from the 2017-2018 revenues over expenditures.

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Mr. Jarvis explained that the Town has collected \$566,000 more in the General Fund than they expended, and this may be another option.

Mr. Jarvis explained if there is excessive revenue over expenditures in the General Revenue it is moved into the Capital Fund and the Capital Fund is used to pay for the capital expenses. He stated that the Town will not be over the expenditure limitation.

Councilmember Anderson asked if they can meet with the homeowner and see if he is willing to sell the property.

Ms. Garcia stated that even if the property were gifted to the Town, the expenditure would still be the same. The only difference is that the Town would not have to put a lien on the property.

Mr. Billingsley stated the following:

- There will be lead and asbestos due to the age of the building and the timeframe of when the construction was done.
  - Staff doesn't have training nor does the Town want to assume liability for the cleanup.
- The Town cannot use public funds to purchase property unless they have use for that property.

Mayor Walter stated that there is hope and potential for Main Street.

Commissioner Adam stated that there needs to be an economic development outreach plan to actively try to bring investors to Florence.

Councilmember Larsen proposed looking at what projects can be postponed more closely once they determine what the final cost will be for the demolition. She inquired if the Town were to use the property for general use, how long will the Town need to own the property for that public use.

Mr. Billingsley stated that it isn't a problem if the property will be used for a right-of-way for a road, waterline or wastewater treatment plant. ; Per the Goldwater Institute's perspective, its fleecing the taxpayers because you can spend a large amount of money and then sell it for substantially less, which is a gift clause issue and a misuse of taxpayer funds.

Councilmember Larsen inquired if the adobe room, that can stay, hinder future growth on the property, specifically because it may be considered a historical property.

Commissioner Adam stated that it has been proven at other locations that having an anchor historic angle draws people. While it may be a little bit more of a challenge to build around it, it could be a selling point.

Councilmember Wall stated that there is a sense of urgency to protect the public. She stated that they need to authorize town staff to do what is necessary to protect the Town from liability and for abatement of the property.

Mr. Billingsley stated that the report does not say the building is great or in good condition. It states that there is a large hole in the adobe wall that needs to be repaired. The roof framing is damaged, and the building will need to be adequately blocked and diaphragm sheeting will need to be added as well as wall bracing. The Town would not be doing any that work as part of the demolition project. The prepares are part of the property owner's responsibility. He stated that the building still might fall down from the action of the demolition of the other building.

On motion of Vice-Mayor Woolridge, seconded by Councilmember Wall, and carried (6-0) to authorize the Town Manager to use the City of Tucson Contract No. 18194601 Job Order for Demolition Services to solicit, negotiate, and enter into a contract with the selected vendor(s) in an amount not to exceed \$300,000 for demolition, abatement, remediation, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon (APN 200-49-017A) located at 255 N. Main Street, Florence, to possibly save the building.

**Discussion and possible action of the Florence Town Council authorizing the Town Manager, the Town's Attorneys and other representatives of the Town, on behalf of the Town of Florence, without further order of the Mayor and Common Council of the Town, to do all such acts and things, including full prosecution seeking demolition, remediation, abatement, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, Tax Parcel No. 200-49-017A located at 255 N. Main Street, Florence, Arizona (the "Property") and to pursue any and all actions including executing, filing and delivering all such notices, assessments, complaints, appeals, liens, certificates, recordings, filings, pleadings, correspondence, proceedings, agreements and other documents as may be necessary or convenient to be executed, filed and delivered on behalf of the Town in order to carry out the demolition, abatement, remediation and removal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, including the assessment, recording, lien, foreclosure, sale or purchase of the Property to satisfy liens.**

On motion of Vice-Mayor Woolridge, seconded by Councilmember Wall, and carried (6-0) to authorize the Town Manager, the Town's Attorneys and other representatives of the Town, on behalf of the Town of Florence, without further order of the Mayor and Common Council of the Town, to do all such acts and things, including full prosecution seeking demolition, remediation, abatement, removal and disposal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, Tax Parcel No. 200-49-017A located at 255 N. Main Street, Florence, Arizona (the "Property") and to pursue any and all actions including executing, filing and delivering all such notices, assessments, complaints, appeals, liens, certificates, recordings, filings, pleadings, correspondence, proceedings, agreements and other documents as may be necessary or convenient to be executed, filed and delivered on behalf of the Town in order to carry out the demolition, abatement, remediation and removal of any structures (including debris) formerly constituting the Kokopelli Moon Saloon, including the assessment, recording, lien, foreclosure, sale or purchase of the Property to satisfy liens.

Mr. David Strayer, Fire Chief, stated that there is a clear pattern of losing a building every four years. The Town will lose more if radical changes are not made. He stated that changes need to be made.

Ms. Bonnie Bariola, Chandler Resident, stated that when the Silver King burned in 1995, the Florence Preservation Foundation had purchased the building and had funding in place. They immediately had a contractor come and shore up the building. She provided other examples of three historic buildings that were saved because they were prepared.

### **MANAGER'S REPORT**

There was no report provided.

### **CALL TO THE PUBLIC**

There were no public comments.

### **CALL TO THE COUNCIL – CURRENT EVENTS ONLY**

Vice-Mayor Woolridge stated that she received several calls from people who were offended that someone installed Confederate Flags on Town-owned property. Everyone is entitled to their own opinions; however, that does not give anyone the right to put their thoughts or opinions on public property. Anyone can express their opinions on their own property. She asked everyone to be considerate about one another's feelings and to try to be considerate of others. Its ok to disagree but there is no need to be mean and ugly towards one another.

Councilmember Anderson thanked the Fire Department for their open house and for moving forward with the event even with the adverse weather. Everyone seemed to enjoy themselves.

Councilmember Wall thanked everyone who attended the Budget Work Session. She asked for the public to submit their suggestions to any of the Councilmembers within the next two months as they are working on the upcoming budget.

Councilmember Larsen stated that she attended the Fire Department Open House and felt like the event was a success. The public has asked that this become an annual event. She stated that the Council appreciates the public's involvement with the budget process.

Councilmember Larsen encouraged the public to get involved with the Make A Difference Day, which will be held on October 27, 2018. Donations for the Birthday bags and hygiene kits can be left in the large blue bins at the Safeway Store. She invited everyone to come out and build a better community. The gathering place will be at the Community Center.

Mayor Walter thanked everyone who attended the Council meeting. She invited everyone to come out to the Halloween event as well as the Haunted House hosted by the Youth Council.

### **ADJOURNMENT**

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

On motion of Councilmember Anderson, seconded by Councilmember Hawkins, and carried (6-0) to adjourn the meeting.

On motion of Commissioner Adam, seconded by Commissioner Novotny, and carried (7-0) to adjourn the meeting.

The meeting was adjourned at 8:34 p.m.

  
\_\_\_\_\_  
Tara Walter, 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 October 15, 2018, and that the meeting was duly called to order and that a quorum was present.

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