

MINUTES OF THE TOWN OF FLORENCE COUNCIL MEETING HELD ON MONDAY, JANUARY 7, 2019, AT 6:00 P.M., IN THE FLORENCE TOWN COUNCIL CHAMBERS, LOCATED AT 775 N. MAIN STREET, FLORENCE, ARIZONA.

CALL TO ORDER

Mayor Walter called the meeting at 6:01 pm.

ROLL CALL:

Present: Tara Walter, John Anderson, Bill Hawkins, Karen Wall, Kristen Larsen, Michelle Cordes, Judy Hughes

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.

There were no public comments.

PRESENTATIONS

Recognition of the 2018 Junior Parada Parade and Christmas on Main Parade Float winners.

Ms. Alison Feliz, Recreation Coordinator, acknowledged the following winners:

Jr. Parada Parade

Best Marching Group: Coolidge High School MCJROTC
Best Motorized Vehicle: Valley Farms 4H
Best Equestrian Entry: Arizona Wildhorse and Burro Inmate Program
Best Authentic Western Vehicle: Wells Fargo
Best Civic Entry: Florence Teen Council
Best Commercial Entry: Florence Copper

Christmas on Main Street

Best Community Entry: Florence Aero Modelers
Florence K-8 Council NJHS

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Best Performance: Florence High School Marching Band
Best Government Entry: Pinal County Attorney's Office
Best Public Safety Entry: Eloy Fire
Best Business Entry: E & JC Heating and Cooling
Best Family Entry: Ramirez/Martinez Family
Honorary Mention: Arizona Rangers

The winners received their awards prior to the Council meeting as well as having their pictures taken.

Ms. Feliz thanked everyone who participated in the events.

Presentation by the Florence Teen Council and highlights of their activities.

Mr. Kim "Koko" Hunter, Florence Teen Council (FTC) stated that the Teen Council began approximately three years ago. The FTC was granted permission to do a Junior High Lock-In Event on Friday, August 24, 2018 from 7:00 pm to 7:00 am on Saturday, August 25, 2018. They had four different themed rooms, which included food, videos and movie room. There were over 100 students who participated and stood in line hours before the event started to get in.

Mr. Hunter stated that the kids were very energetic all night long, and the event was a success. After the event, the students were walked out to their parents, and each parent received a personalized thank you letter from their child.

Madison Wahrman, FTC member, stated that the FTC had a haunted house at the American Legion Center on Halloween. They decorated six sections which included four rooms and two hallways. They raised \$550 and had 500 people go through the haunted house. They received several positive comments and suggestions. They hope to improve the event next year.

Katie Fleming, FTC member, stated that they built a float for the Jr. Parada Parade. Some of the FTC members walked alongside the float and handed out candy, while other members rode in the parade, greeting everyone as they passed by. She stated other events included going to the mall and to Skateland.

Delores Vasquez, FTC member, stated that the FTC members did a Shadow Day on December 5, 2018. Five people from five departments within the Town of Florence were shadowed. FTC members were able to see what it takes to make Florence run smoothly. They received firsthand knowledge of how great the departments are as well as the individuals who work in those departments. They also took the employees to lunch and had great conversations. The goal is to have a shadow day in 2019 as well.

Cara Roberts, FTC member, stated that the FTC and Florence Teen Council participated in the Christmas on Main Street event. They built a float for the parade alongside the Town Councilmembers. They handed out candy and sang Christmas carols. It was an event enjoyed by all.

Grace Diorio, last name not provided, FTC member, stated that on December 13, 2018, the FTC hosted its 3rd Annual Holiday Ho Down, with 80 participants. It was a great event and they received many positive comments. They look forward to hosting the event next year.

Mr. Hunter stated that the FTC will be hosting their 3rd Annual Teen Symposium, on February 23, 2019, and have invited companies and organizations throughout Pinal County to participate. They have some great speakers coming to the event. The participants want to make Florence better as well as improve the lives of the students and teenagers in Pinal County.

Mayor Walter stated that the teens have improved in their public speaking, their self-confidence and how active they are in the community. The Council appreciates everything that the FTC does.

Presentation on Pinal County Tourism Video #3.

Mr. Ben Bitter, Assistant to the Town Manager, played the third video in the series produced by Pinal County Economic Development Department. They will have another video in the next few months.

Work Session Presentation by Carson Bise, TischlerBise, regarding the Town of Florence Development Impact Fee Update.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, introduced Mr. Carson Bise, TischlerBise, who provided a presentation on impact fees. She stated that the Town has worked with Mr. Bise, for approximately one year to develop both an Infrastructure Improvement Plan (IIP) Study as well as impact fees. If Council desires to proceed with the fees, they can adopt Resolution No. 1685-19, which will be presented later in this meeting. Mr. Bise provided a new study on the Draft Land Use Assumptions Infrastructure Improvement Plan (IIP) and Development Fees, which has been updated through today's date, January 7, 2019, based on comments received from the public. Mr. Bise will note those changes prior to the adoption of the IIP Plan.

Mr. Carson Bise, TischlerBise, provided the following presentation, in which he outlined the following:

- Background regarding development impact fees in Arizona
- Received comments from the public which slightly decreased the calculations for the Parks and Recreation Impact Fees
- Provided background on their firm
- Senate Bill 1525 is the enabling statute for development fees.
 - o Significant changes made in 2012

Land Use Assumptions, IIP and Development Fees

- 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
 - Apache Junction
 - Avondale

- Buckeye
 - Camp Verde
 - Casa Grande
 - Coolidge
 - Dewey-Humboldt
 - Eloy
 - Flagstaff
 - Florence
 - Gilbert
 - Glendale
 - Goodyear
 - Maricopa
 - Nogales
 - Payson
 - Pinetop-Lakeside
 - Queen Creek
 - Safford
 - Sedona
 - Sierra Vista
 - Surprise
 - Tucson
 - Yuma
- Senate Bill 1825
 - 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
 - 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
 - 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 Fees
 - 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	per Person
	Nonresidential	0.0007		per Job
Improvements	Residential	0.060	Units	per Person
	Nonresidential	0.005		per Job

\$10,000 per Acre

\$13,402 per Unit

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 Parks Development Fee

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

Residential (per unit)

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

*Figure A1.

Nonresidential (per square foot)

<i>Development Type</i>	<i>Jobs per 1,000 Sq. Ft.</i>	<i>Proposed Fees</i>	<i>Current Fee</i>	<i>Increase / Decrease</i>
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)

- Projected Parks Development Fee Revenue

	Growth Cost
Parks and Open Space Land	\$390,208
Parks and Open Space Improvements	\$3,817,598
Development Impact Fee Study	\$16,607
TOTAL	\$4,224,413

		Single-Family	Multifamily	Commercial / Retail	Office / Institutional	Industrial / Flex
		\$2,175 per Housing Unit	\$1,616 per Housing Unit	\$0.17 per Sq. Ft.	\$0.21 per Sq. Ft.	\$0.12 per Sq. Ft.
Year		Units	Units	KSF	KSF	KSF
Base	2018	5,715	817	271	2,305	93
Year 1	2019	5,890	842	281	2,388	97
Year 2	2020	6,064	868	291	2,475	100
Year 3	2021	6,239	893	301	2,564	104
Year 4	2022	6,414	918	312	2,657	108
Year 5	2023	6,589	943	326	2,773	112
Year 6	2024	6,764	968	340	2,893	117
Year 7	2025	6,939	993	355	3,019	122
Year 8	2026	7,114	1,018	370	3,150	128
Year 9	2027	7,289	1,043	386	3,287	133
Year 10	2028	7,464	1,068	403	3,429	139
Ten-Yr Increase		1,750	250	132	1,124	46
10-Year Projected Revenue		\$3,805,417	\$404,514	\$21,910	\$236,384	\$5,253
Projected Revenue =>						\$4,473,478

- Fire Facilities

- 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 Fire Development Fee

<i>Fee Component</i>	<i>Cost per Person</i>	<i>Cost per Job</i>
Fire Facilities	\$248.90	\$183.80
Fire Vehicles	\$251.37	\$185.62
Development Fee Study	\$5.84	\$2.36
Credit	(\$112.13)	(\$75.38)
TOTAL	\$393.98	\$296.39

Residential (per unit)

<i>Development Type</i>	<i>Persons per Household</i>	<i>Proposed Fees</i>	<i>Current Fee</i>	<i>Increase / Decrease</i>
Single-Family	2.42	\$955	\$917	\$38
Multifamily	1.80	\$710	\$743	(\$33)

*Figure A1.

Nonresidential (per square foot)

<i>Development Type</i>	<i>Jobs per 1,000 Sq. Ft.</i>	<i>Proposed Fees</i>	<i>Current Fee</i>	<i>Increase / Decrease</i>
Commercial/Retail	2.34	\$0.69	\$0.66	\$0.03
Office/Institutional	2.97	\$0.88	\$0.61	\$0.27
Industrial/Flex	1.63	\$0.48	\$0.20	\$0.28

▪ Projected Fire Development Fee Revenue

	Growth Cost	Total Cost
Fire Facilities	\$2,529,907	\$2,529,907
Fire Vehicles	\$1,804,548	\$1,804,548
Development Impact Fee Study	\$16,607	\$16,607
TOTAL	\$4,351,062	\$4,351,062

Fire Development Impact Fee Revenue

		Single-Family	Multifamily	Commercial / Retail	Office / Institutional	Industrial / Flex
		\$955 per Housing Unit	\$710 per Housing Unit	\$0.69 per Sq. Ft.	\$0.88 per Sq. Ft.	\$0.48 per Sq. Ft.
Year		Households	Households	KSF	KSF	KSF
Base	2017	5,437	778	271	2,305	93
Year 1	2018	5,607	802	281	2,388	97
Year 2	2019	5,773	826	291	2,475	100
Year 3	2020	5,940	850	301	2,564	104
Year 4	2021	6,107	874	312	2,657	108
Year 5	2022	6,273	897	326	2,773	112
Year 6	2023	6,440	921	340	2,893	117
Year 7	2024	6,606	945	355	3,019	122
Year 8	2025	6,773	969	370	3,150	128
Year 9	2026	6,939	993	386	3,287	133
Year 10	2027	7,106	1,017	403	3,429	139
<i>Ten-Yr Increase</i>		1,669	239	132	1,124	46
<i>10-year projected revenue</i>		\$1,593,578	\$169,397	\$91,646	\$988,737	\$21,972
Projected Revenue =>						\$2,865,330

– Police Facilities

- Methodology and Components
 - Consumption-based approach
 - Townwide 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	per Person
	Nonresidential	0.26		per Trip End
Vehicles	Residential	0.0021	Vehicles	per Person
	Nonresidential	0.0008		per Trip End

\$292 per SF

\$47,744 per Vehicle

Need for Police Infrastructure					
	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
Ten-Yr Increase		4,433	7,233	5,003	15
Growth-Related Expenditures =>				\$1,460,893	\$732,825
Total Growth-Related Expenditures					\$2,193,718

- Proposed Police Development Fee

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

Residential (per unit)

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

*Figure A1.

Nonresidential (per square foot)

<i>Development Type</i>	<i>Trips per 1,000 Sq. Ft.</i>	<i>Trip Rate Adjustment</i>	<i>Proposed Fees</i>	<i>Current Fee</i>	<i>Increase / Decrease</i>
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

▪ Projected Police Development Fee Revenue

	Growth Cost	Total Cost
Police Facilities	\$1,460,893	\$1,460,893
Police Vehicles	\$732,825	\$732,825
Development Impact Fee Study	\$16,607	\$16,607
TOTAL	\$2,210,325	\$2,210,325

Police Development Impact Fee Revenue

		Single-Family	Multifamily	Commercial / Retail	Office / Institutional	Industrial / Flex
		\$754 per Housing Unit	\$560 per Housing Unit	\$1.46 per Sq. Ft.	\$0.57 per Sq. Ft.	\$0.29 per Sq. Ft.
<i>Year</i>		<i>Units</i>	<i>Units</i>	<i>KSF</i>	<i>KSF</i>	<i>KSF</i>
Base	2017	5,715	817	271	2,305	93
Year 1	2018	5,890	842	281	2,388	97
Year 2	2019	6,064	868	291	2,475	100
Year 3	2020	6,239	893	301	2,564	104
Year 4	2021	6,414	918	312	2,657	108
Year 5	2022	6,589	943	326	2,773	112
Year 6	2023	6,764	968	340	2,893	117
Year 7	2024	6,939	993	355	3,019	122
Year 8	2025	7,114	1,018	370	3,150	128
Year 9	2026	7,289	1,043	386	3,287	133
Year 10	2027	7,464	1,068	403	3,429	139
<i>Ten-Yr Increase</i>		1,750	250	132	1,124	46
<i>10-year projected revenue</i>		\$1,318,665	\$140,173	\$193,398	\$643,753	\$13,295
Projected Revenue =>						\$2,290,092

- Water Facilities

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

<i>Description</i>	<i>FY18-19</i>	<i>FY19-20</i>	<i>FY20-21</i>	<i>FY21-22</i>	<i>FY22-23</i>	<i>Years 6-10</i>	<i>Total Project</i>
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
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$1,475,000

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
Total	\$0	\$0	\$1,250,000	\$0	\$0	\$0	\$1,250,000
							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
Total	\$0	\$0	\$1,250,000	\$0	\$0	\$1,500,000	\$2,750,000
							Gallons of Capacity per Day => 1,440,000
							Cost per Gallon of Capacity => \$1.91

▪ Proposed Water 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
Capital Cost per Gallon of Capacity =>	\$4.38
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 Facilities
 - Methodology and Components
 - Plan-based approach
 - Florence utility service area
 - Credit for future debt service
 - Components
 - Collection system
 - Wastewater treatment
 - 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
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,970,000
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
Total	\$150,000	\$2,000,000	\$1,830,000	\$5,000,000	\$15,150,000	\$0	\$0	\$24,130,000
Gallons of Capacity per Day =>								1,500,000
Cost per Gallon of Capacity =>								\$16.09

▪ Proposed Wastewater Development Fee

<i>Input Variables</i>		<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)

<i>Meter Size (inches)</i>	<i>Meter Type</i>	<i>Capacity Ratio</i>	<i>Proposed Wastewater Fee</i>	<i>Current Fee</i>	<i>\$ Change</i>
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

- Proposed Wastewater Development Fee Revenue

	Total Cost
Collection	\$1,970,000
Treatment	\$24,130,000
Development Impact Fee Study	\$16,607
TOTAL	\$26,116,607

Wastewater Development Impact Fee Revenue

		Residential	Nonresidential
		\$3,600	\$60,008
		per Unit	per Connection
Year		Connections	Connections
Base	2017	3,106	267
Year 1	2018	3,179	277
Year 2	2019	3,251	287
Year 3	2020	3,322	297
Year 4	2021	3,394	308
Year 5	2022	3,465	321
Year 6	2023	3,537	335
Year 7	2024	3,608	350
Year 8	2025	3,680	365
Year 9	2026	3,751	381
Year 10	2027	3,823	397
<i>Ten-Yr Increase</i>		717	130
<i>10-year projected revenue</i>		\$2,347,503	\$7,814,022
Projected Revenue		\$10,161,525	

- Streets Facility
 - 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
				101.7		\$1,105,582	\$112,437,700

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 Lane 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 Streets Development Fee Revenue

	Growth Cost	Total Cost
Arterial Improvements	\$6,744,051	\$6,744,051
Development Impact Fee Study	\$16,607.00	\$16,607
TOTAL	\$6,760,658	\$6,760,658

Streets Impact Fee Revenue

		Single-Family	Multi-Family	Commercial / Retail	Office / Institutional	Industrial / Flex
		\$2,250	\$1,560	\$3.90	\$1.68	\$0.85
		per Housing Unit	per Housing Unit	per Sq. Ft.	per Sq. Ft.	per Sq. Ft.
Year		Units	Units	KSF	KSF	KSF
Base	2017	5,715	817	271	2,305	93
Year 1	2018	5,890	842	281	2,388	97
Year 2	2019	6,064	868	291	2,475	100
Year 3	2020	6,239	893	301	2,564	104
Year 4	2021	6,414	918	312	2,657	108
Year 5	2022	6,589	943	326	2,773	112
Year 6	2023	6,764	968	340	2,893	117
Year 7	2024	6,939	993	355	3,019	122
Year 8	2025	7,114	1,018	370	3,150	128
Year 9	2026	7,289	1,043	386	3,287	133
Year 10	2027	7,464	1,068	403	3,429	139
<i>Ten-Yr Increase</i>		1,750	250	132	1,124	46
<i>10-year projected revenue</i>		\$3,936,207	\$390,517	\$514,918	\$1,888,649	\$38,752
Projected Revenue =>						\$6,769,043

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

▪ Fee Comparison for SF Units

Single-Family Fees per Unit									
Jurisdiction	Total	Parks	Police	Fire	Streets	Water	Sewer	Gen. Govt.	Library
Gilbert	\$16,374	\$4,081	\$2,469	\$0	\$450	\$6,286	\$1,933	\$1,155	\$0
Casa Grande*	\$9,941	\$1,153	\$179	\$589	\$3,230	\$0	\$4,557	\$233	\$0
Queen Creek	\$15,890	\$3,681	\$167	\$490	\$1,263	\$4,014	\$5,082	\$470	\$723
Avondale*	\$16,888	\$1,497	\$832	\$775	\$3,171	\$4,495	\$5,999	\$0	\$119
Florence*	\$9,598	\$2,175	\$754	\$955	\$2,250	\$1,065	\$2,400	\$0	\$0
Goodyear*	\$18,037	\$2,255	\$820	\$971	\$3,330	\$7,843	\$2,818	\$0	\$0
Glendale*	\$10,154	\$1,181	\$600	\$631	\$3,928	\$2,126	\$1,493	\$0	\$195
Pinal County-North Central	\$9,214	\$536	\$700	\$0	\$7,978	\$0	\$0	\$0	\$0
Pinal County-West	\$2,592	\$536	\$544	\$0	\$1,512	\$0	\$0	\$0	\$0
Pinal County-East	\$3,511	\$536	\$544	\$0	\$2,431	\$0	\$0	\$0	\$0
Pinal County-South Central	\$3,703	\$536	\$544	\$0	\$2,623	\$0	\$0	\$0	\$0

*Proposed

Councilmember Hughes inquired at what point, in the next 10 years, do you revisit the study to see if the predictions are still accurate.

Mr. Bise stated that the fees need to be updated every five years, specifically because of demographic, growth changes and changes in cost. He stated that some communities elect to review the fees more often than five years.

Councilmember Wall inquired if the fees will remain the same for the five-year duration.

Mr. Bise stated that the fees can be pegged to some sort of construction index to keep up with inflation. You can calibrate the fees to the Engineering News and Record, which publishes

regional cost indexes for construction. Council, by ordinance, can elevate the fees by the specified percentage.

Vice-Mayor Anderson inquired about the projected cost for roads.

Mr. Bise explained that a system was created to allow for modifications in which streets need to be built. The model specifies that six lane miles are to be built; however, it does not specify which exact roads, thus, allowing for flexibility based on need.

Mr. Brent Billingsley, Town Manager, explained that the list of projects that was comprised included all projects that staff would like completed in 10 years. The list is very large, and it would be very expensive to complete all projects. The Development Impact Fee Study must balance the benefits and the burdens. The burden is the cost of the fees in competitiveness with its neighbors.

Mr. Billingsley stated that he, and Mr. Chris Salas, Public Works Director, analyzed all of the projects and determined that the best course of action would be to build six miles of road. He stated that based on capacity needs alone, the Town will need to construct a minimum of six miles of roads based on growth.

Mayor Walter stated that it would be good to base the comparisons on population of the other communities. The Council hears a lot of concern about the cost of development impact fees. She stated that there are different factors that each community considers when determining the impact fees.

Councilmember Cordes inquired if each unit is considered separately when determining the impact fees. She also inquired what the impact would be if they lowered the impact fees.

Mr. Bise stated that the fee is based on each unit and not the entire complex. He stated that there are several ways in which to lower the fees, but the cost of the improvement will not change and the difference to build the capital would need to be paid from the General Fund, rather than 100% from the impact fees. The Council could also choose to take out components of a project to reduce the fees, which would result in no exposure to the General Fund.

Vice-Mayor Anderson inquired if development fees would be assessed on buildings being built in the downtown area.

Mr. Billingsley stated that vacant, undeveloped lots would be assessed development impact fees. If there is an existing building that would be demolished and then a new building added, there would not be development impact fees.

Vice-Mayor Anderson would like to have some type of incentive for the downtown area.

Mr. Bise stated that the fees can be waived; however, those fees would need to be paid for by a different source.

Mr. Billingsley stated that the Town has offered incentives on two separate occasions. The portion of fees waived were paid from the General Fund.

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.

- a. **Recommend to the Arizona State Board on Geographic and Historic Names the renaming of portions of US-60 in Pinal and Gila Counties as "The Governor Rose Mofford Memorial Highway." (Ben Bitter)**
- b. **Approval of the purchase and installation of a self-contained breathing apparatus (SCBA) compressor for Fire Station 542, from United Fire Equipment Company, in an amount not to exceed \$49,000. (David Strayer)**
- c. **Approval to suspend the Town of Florence Special Event Vendor Permit rules for the Road to Country Thunder event to allow the Greater Florence Chamber of Commerce to coordinate vendors and collect vendor fees as a fundraiser during the Road to Country Thunder event on April 6, 2019. (Lisa Garcia)**
- d. **Authorization to award a contract with Casa Grande Courier, for delivery of samples, through the procurement bidding process; contract to ratify expenditures July 2018 through December 2018; contract to then begin January 7, 2019 through June 30, 2020, in an amount not to exceed \$46,799.10. (Chris Salas)**
- e. **Approval to award a contract to K.P. Ventures Well Drilling & Pump LLC, to rebuild Well #4 located at 425 E. Ruggles, in an amount not exceed \$96,038.59. (Chris Salas)**
- f. **Approval of accepting the register of demands ending November 30, 2018, in the amount of \$2,435,543.36. (Joe Jarvis)**

On motion of Councilmember Larsen, seconded by Councilmember Hawkins, and carried (7-0) to approve the Consent Agenda, as written, with the exception of Item d.

- d. **Authorization to award a contract with Casa Grande Courier, for delivery of samples, through the procurement bidding process; contract to ratify expenditures July 2018 through December 2018; contract to then begin January 7, 2019 through June 30, 2020, in an amount not to exceed \$46,799.10.**

Councilmember Wall stated that for the record, the not to exceed amount is \$46,799.10.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (7-0) to award a contract with Casa Grande Courier, for delivery of samples, through the procurement bidding process; contract to ratify expenditures July 2018 through December 2018; contract to then begin January 7, 2019 through June 30, 2020, in an amount not to exceed \$46,799.10.

NEW BUSINESS

Discussion/Approval/Disapproval of appointment of Board/Commission members. (Lisa Garcia)

Re-appointment of H Christine Reid, Lynn Smith, and Betty Wheeler to the Historic District Advisory Commission, with terms to expire December 31, 2022.

Appointment of Carroll Michael to the Historic District Advisory Commission, with a term to expire December 31, 2022.

Re-appointment of Sheree Berger to the Library Advisory Board, with term to expire December 31, 2021.

Appointment of Douglas W. Stinson to the Parks and Recreation Board, with a term to expire December 31, 2021.

Re-appointment of Gary Pranzo to the Planning and Zoning Commission, with a term to expire December 31, 2022.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, encouraged the public to submit an application to serve on a board or commission.

On motion of Councilmember Wall, seconded by Councilmember Larsen , and carried (7-0) to re-appoint H Christine Reid, Lynn Smith, and Betty Wheeler to the Historic District Advisory Commission, with terms to expire December 31, 2022; appoint Carroll Michael to the Historic District Advisory Commission, with a term to expire December 31, 2022; re-appoint Sheree Berger to the Library Advisory Board, with term to expire December 31, 2021; appoint Douglas W. Stinson to the Parks and Recreation Board, with a term to expire December 31, 2021; and re-appoint Gary Pranzo to the Planning and Zoning Commission, with a term to expire December 31, 2022.

Resolution No. 1685-19: Discussion/Approval/Disapproval of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA ADOPTING THE 2019 LAND USE ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENTS PLAN FOR THE TOWN OF FLORENCE.

Ms. Garcia stated that the Council first heard Mr. Bise's presentation at the October 1, 2018 Town Council meeting, with the presentation being placed on the Town of Florence's website as well. The Council also held a work session on October 15, 2018, and a public hearing on December 3, 2018. Comments were received, and the Plan was updated to include the comments.

Staff is asking Council to adopt the resolution and proceed with the adoption of the impact fees. Tonight's meeting is the first work session of the development impact fees. A public hearing will be held in March 2019 on the impact fees, followed by the adoption. The fees will be effective in July 1, 2019.

Ms. Garcia explained that the Plan is to put in place the Land Use Assumptions and the Infrastructure Improvement Plan. Another ordinance will be presented which will set the impact fees, which the Town will notify the public, pursuant to the State Statutes.

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (7-0) to adopt Resolution No. 1685-19.

Ordinance No. 669-19: Discussion/Approval/Disapproval of AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING CERTAIN REAL PROPERTY, HEREAFTER DESCRIBED, SURPLUS FOR USE BY THE TOWN AND AUTHORIZING THE SALE THEREOF, DECLARING AN EMERGENCY, AND RESCINDING ORDINANCE NO. 665-18.

Ms. Garcia stated that on November 5, 2018, Council adopted Ordinance No. 665-18, which sold the property; however, the purchaser opted not to purchase the property because the size of the lot was not conducive to what they wanted to do and withdrew their offer. The Town has received another full price offer from Donald E. Foster, for the lot located at 202 E. Saguaro. Staff is recommending sale of the lot for the full price of \$6,925.

Ms. Garcia stated, if approved, the property will go back on the tax rolls and the Town will once again collect taxes on the property.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (7-0) to adopt Ordinance No. 669-19.

Ordinance No. 666-19: Discussion/Approval/Disapproval of AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DECLARING CERTAIN REAL PROPERTY, HEREAFTER DESCRIBED, SURPLUS FOR USE BY THE TOWN AND AUTHORIZING THE SALE THEREOF, AND DECLARING AN EMERGENCY.

Ms. Garcia stated that the Town received a full price offer of \$8,000, from Ms. Linda Hane, for the property located at 3818 N. South Dakota Avenue, in the Florence Gardens subdivision. This is the first time that this property has come before Council. If approved, the property will be placed on the tax rolls.

On motion of Councilmember Hawkins, seconded by Councilmember Larsen, and carried (7-0) to adopt Ordinance No. 666-19.

Discussion/Approval/Disapproval of a Lease Agreement between the Town of Florence, and Lisa Terenzio, for Suite 201 at the Silver King Marketplace.

Ms. Jennifer Evans, Management Analyst, stated that Lease Agreement would be between the Town and Ms. Lisa Terenzio, for Suite 201. Ms. Terenzio is the owner, of Desert Yoga and Health, and she would like to open a yoga studio in that suite. She will offer yoga and wellness classes as well as healthy cooking classes.

Ms. Evans stated that Ms. Terenzio was the sole responder to the Request for Proposal process in November 2018. The lease terms are set at \$3 per square foot, which is consistent with other tenants in the Silver King Marketplace. She will also be responsible for paying the Government Property Lease Excise Tax, for approximately \$1,200 annually.

Ms. Lisa Terenzio, Business Owner, stated that her intentions are to start a small yoga studio. They will offer meditation classes for children. The target audience is children with disabilities and middle-aged, and elderly individuals. The business will be opened five days per week and

closed on Sunday and Monday. There will be multiple teachers that will work in the studio to provide diversity. Some of the teachers have already offered classes at other venues in Florence.

Councilmember Hawkins inquired the hours of operation.

Ms. Terenzio stated that the hours of operation will be from Tuesday through Friday, from 11:30 am to 8:30 pm, and on Saturday, from 10:00 am to 5:00 pm. They will be open for the required 35 hours per week.

Mayor Walter addressed her concerns, which include:

- Prior tenant had vacated the suite and Council was not informed
- Council was not informed of the RFP to fill the vacancy
- One other person was interested in occupying the suite and was working with Ms. Evans
- Building is historic
- Literature being disseminated advertising the grand opening of Desert Yoga and Health, in February, without first having been approved by Council.
- Issues with dust coming down from the ceiling to the suite below due to the movement in the upstairs suite
- Suite 201 is directly above a restaurant and is concerned about health codes

Councilmember Cordes stated that there may be possible issues with the restaurant below. She stated that there may also be noise issues for the yoga studio as the building can get very loud and it may not be conducive for someone who is trying to meditate. She stated that the Council has a responsibility to place businesses in the Silver King Marketplace that will generate tax revenue. She wants businesses to come to Florence; however, she wants the businesses to be in spaces that fit their business so that they are successful, and the surrounding businesses benefit from each other.

Councilmember Hawkins stated that the only way to prevent dust particles from falling in the restaurant is to install a drop ceiling; however, it can be expensive.

Mayor Walter asked Ms. Evans how many people she emailed regarding the RFP for Suite 201.

Ms. Evans responded that she emailed three individuals, one of which was Ms. Terenzio, who expressed interest in the space. The request for proposal was also posted on the Town's website.

Ms. Sharon Grier, Proprietor of What's Upstairs, stated that she is in Suite 202 in the Silver King Marketplace. She was excited when she heard that the suite across from her was available. She stated that she does not believe the suite is conducive for a yoga studio because of the noise. She stated that there is a dust issue, but all of the tenants deal with it, and it is very minimal.

Ms. Grier was hoping a retail business would go upstairs that would stimulate her business and compliment the other businesses. She has an issue with getting people visiting her store as it is upstairs. She stated that there is more foot traffic on Main Street because of the new businesses opening. She stated that the building is a gathering place for people and can get noisy.

Councilmember Cordes inquired if Desert Yoga and Health was the only business who submitted a business plan.

Ms. Evans stated that Desert Yoga and Health was the only business who submitted a business plan and other required documentation that was requested in the RFP before the 3:00 pm deadline. She added that Ms. Terenzio's proposal was the only RFP received once the process was opened.

Ms. Evans stated that staff received another business plan prior to the opening of the RFP process; however, it was returned with comments to Ms. Grier. Ms. Evans stated that the business plan was never received back.

Mayor Walter inquired if there was any communication with regards to not receiving it back.

Ms. Evans stated that she was unable to recall any specific conversations regarding not receiving anything back.

Mayor Walter stated that Ms. Grier's computer crash and she was unable to receive it. Ms. Grier was interested and wanted to proceed.

Ms. Evans stated that she did find out about Ms. Grier's computer crashing until after the official deadline.

Councilmember Larsen stated that it is not the Council's position to determine if a business will thrive or not; the market will determine that. She sympathizes with the dust issue but isn't sure if there is anything that can be done. She wants to be business forward and business friendly and welcomes businesses on Main Street and wants them to succeed. She inquired what options the Council has with regards to this item.

Mr. Billingsley suggested that Council go to Executive Session to obtain legal advice.

Councilmember Hawkins inquired if they can table this item to a later time.

Mayor Walter stated that she would prefer that that this item go back out through the RFP process.

On motion of Mayor Walter, seconded by Vice-Mayor Anderson, and carried (4-2) to disapprove a Lease Agreement between the Town of Florence, and Lisa Terenzio, for Suite 201 at the Silver King Marketplace.

Roll Call:

Mayor Walter: Yes

Vice-Mayor Anderson: Yes

Councilmember Hawkins: Yes

Councilmember Wall: No

Councilmember Larsen: No

Councilmember Cordes: Yes

Councilmember Hughes: Recused herself

Motion passed: Yes: 4; No: 2

Discussion/Approval/Disapproval to award a contract with Legend Technical Services of Arizona Inc., using the Cooperative Purchase Agreement from the City of Tempe, Contract # WUD15-113-04, for potable water quality, wastewater and soil testing services, to ensure the Town is compliance with current regulations, in an amount not to exceed, \$104,118.00. (Chris Salas)

Mr. Chris Salas, Public Works Director, stated that there are State requirement with regards to testing of water and wastewater that must be done by a laboratory. There are only a few accredited laboratories in the State of Arizona. Most municipalities utilize Legend Technical Services of Arizona Inc. (Legend). Staff has sought out quotes in the past and received very little interest. Those who responded were higher than Legend.

Ms. Salas stated that the Town has opted to utilize Tempe's Cooperative Contract to purchase these services.

Vice-Mayor Anderson inquired how often is the testing done.

Mr. Salas stated that it is dependent on what they are testing.

On motion of Vice-Mayor Anderson, seconded by Councilmember Cores, and carried (7-0) to award a contract with Legend Technical Services of Arizona Inc., using the Cooperative Purchase Agreement from the City of Tempe, Contract # WUD15-113-04, for potable water quality, wastewater and soil testing services, to ensure the Town is compliance with current regulations, in an amount not to exceed, \$104,118.00.

Discussion/Approval/Disapproval I to award a contract to 315 Fire Protection Services, for the installation of a fire suppression system in the Public Works Building, located at 425 E. Ruggles Street, in an amount not to exceed \$107,832.

Mr. Salas stated that Public Works has had improvements that were done after the fact. He stated that a comprehensive life safety analysis was performed by Mr. John Kemp, Florence Fire Marshall, through the Public Works Building for code compliance. They did the best that they could to use the existing International Building Code, giving the same rights to themselves as they would any other business owner, trying to figure out what was at one time code compliant and what is no longer code complaint and allowing themselves to receive that same grandfathering right as anyone else would.

Mr. Salas stated that the Town has identified certain incorrect electrical systems and have since corrected the non-code compliant issues. One of the code compliant issues is the size of the building versus the construction methods. The building is too large for the current construction methods, which will require modification. There are two options to correct:

- Install a fire wall
 - Extremely expensive to do
 - Logistically does not work because the building operates as a large building
- Install an automatic fire suppression system (fire sprinklers)

Staff has opted to install a fire sprinkler system, which is also the gold standard as it saves lives.

On motion of Councilmember Larsen, seconded by Councilmember Hughes, and carried (7-0) to award a contract to 315 Fire Protection Services, for the installation of a fire suppression system in the Public Works Building, located at 425 E. Ruggles Street, in an amount not to exceed \$107,832.

Discussion/Approval/Disapproval of awards associated with CIP-20 Recharge Facility:

Mr. Billingsley stated that the determination was made two budget cycles ago to pursue recharge as a viable option to extend the Town's capabilities in Arizona. In that time, Council budgeted funds to do permitting process through Arizona Department of Environmental Quality (ADEQ) to close out the old polishing ponds and basins at the old south wastewater treatment plant. A permitting process was also started with Arizona Department of Water Resources (ADWR) to build a recharge facility.

Mr. Billingsley stated that ADEQ has approved the Town's closeout of the old plant and has allowed the Town to move forward with the recharge facility. The Town does not have the State's approval to be able to receive recharge credits yet.

Mr. Billingsley stated that this project is to construct the recharge facility. The Town will be able to take its treated effluent, recharge it and receive recharge credit.

Mr. Salas stated that the Town went through a competitive bid process and received bids on two different alternates, one of which is with electronics, valve actuation, and one without it. The difference was \$100,000 between the two. He explained the it is a very slow-moving process which takes days to fill up the basin. Staff decided not to choose the more expensive option.

Mr. Salas explained the original bid was deemed more than what the Town wanted to spend. Modifications were made by removing ancillary items that were not absolutely necessary, resulting in a \$130,000 savings; therefore, the prices do not match the original amount on the competitive bid. Both the Town Manager and Finance Director approved the changes.

Councilmember Hawkins inquired if the Town has received approval from the State for the recharge.

Mr. Billingsley explained that the Town has provided a design, model, calculations and elevations to the State. The Town believes that it will obtain approval. If Council approves, the Town will not break ground until it receives approval from the State. He stated that there is a public process once the State provides tentative approval.

Councilmember Wall stated that she did not see an entry in the mandatory pre-bid conference nor a bid tab for the bid response from Jayco in the Request for Council for Action in the agenda packet.

Mr. Salas explained that initially there was one bid for approximately \$597,000 and the alternate was approximately \$498,000. Staff reworked the project, removing all unnecessary pieces. The Town was able to save \$30,000 by working directly with Jayco, who was the original earthwork company under Scholz Contracting, LLC. By removing the contract from under them, it removes the administrative cost. Jayco was an original member of the Scholz team.

Vice-Mayor Anderson stated that the State is encouraging all municipalities to do a recharge. This will be common, specifically, with the water issues.

Approval to award a contract to JAYCO, as per attached Exhibit A Scope of Work. The project amount shall not exceed \$263,700. (Chris Salas)

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (7-0) to award a contract to JAYCO, as per attached Exhibit A Scope of Work. The project amount shall not exceed \$263,700.

Approval to award a contract to Scholtz Contracting LLC as per attached Exhibit A Scope of Work. The project amount shall not exceed \$341,634. (Chris Salas)

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (7-0) to award a contract to Scholtz Contracting LLC as per attached Exhibit A Scope of Work. The project amount shall not exceed \$341,634.

MANAGER'S REPORT

Mr. Billingsley recognized Sergeant Klix for her graduation from the Federal Bureau of investigations (FBI) Academy. She and Police Chief Dan Hughes are the only two FBI graduates on the Police force.

Mr. Daniel Hughes, Police Chief, stated that of the 800,000 police officers nationwide, Sgt. Klix was one of the few selected to go to the FBI Academy. The course is a 10-week management course set up for executive law enforcement personnel who will become command officers. It covers a variety of topics, which are authenticated by the University of Virginia.

Chief Hughes stated that she is the first officer selected from the Town of Florence. Each participant must go through a vetting process, which goes up to the FBI Director's office for approval. Sgt. Klix also had to pass a physical test. She did well and earned master's degree credits.

Ms. Rene Klix, Police Sergeant, stated that she is honored that she was able to attend the program. The program was impactful and was very proud to add Florence's badge to a wall within the FBI. She hopes that this a trend in which others will go. Some of the topics included:

- Counter-terrorism
- Law enforcement image
- Contemporary police issues and challenges for leadership

Sgt. Klix stated that the format they have is very inclusive and she was able to participate with Lieutenants, Police Chiefs, and others. All classes were open to discussion and she was able to bring a lot of information back. She is excited to be able to apply what she learned.

Sgt. Klix stated that there were representatives from all over the country as well as 23 other countries.

Mr. Billingsley partnered with Pinal County for a Request for Proposals pertaining to the property located at 383 N. Main Street. The building burnt down some time ago. The building once housed the County's elections and recorder's office. The proposal will be for economic development with respect to that lot.

Mr. Billingsley stated that he and Councilmember Wall attended the Pinal County Economic Development Forum and it was very informative. He stated that Arizona Department of Transportation (ADOT) held their North-South Corridor meeting on November 27, 2018. ADOT is hoping to release its Draft Environmental Impact Statement for their Tier 1 Environmental Impact Study in the upcoming months.

Mr. Billingsley has added upcoming meetings and forums section as well as current advertisements by the Town to his monthly written report.

Mr. Billingsley stated that the state-shared revenues are higher than projections.

DEPARTMENT REPORTS

Community Development
Community Services
Courts
Finance
Fire
Police
Public Works

The department reports were received and filed.

CALL TO THE PUBLIC

There were no public comments.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Hughes stated that Pinal Partnership will hold their annual discussion between the five Pinal County Board of Supervisors and the Pinal County Manager. They will discuss ongoing projects, priorities and challenges for the new year. She invited the public to attend.

Councilmember Larsen stated that the Town is hosting a public forum for the Parks and Recreation Comprehensive Master Plan. The Town is seeking public input. The first forum will be January 30, 2019 at the Parkside Community Center, and the second forum will be on January 31, 2019 at the Florence Library and Community Center.

Councilmember Hawkins congratulated Sgt. Klux. Florence has been the Safest City in Arizona for the last two years and this is due to our Police Department. He stated that the Greater Florence Chamber of Commerce released a new pamphlet on Florence, which is very nice.

Councilmember Hawkins invited everyone to the Car Show on February 16, 2019. They have approximately 200 cars.

Vice-Mayor Anderson stated that he attended the Pinal County Water Augmentation Meeting. They discussed the drought contingency plan and unfortunately, farmers will be their first to lose their water. By 2025, the farmers will not be getting any water from the CAP canal. They are trying to figure how the farmers can get water from the abandoned wells; however, it can cost up to \$1 million. The wells were abandoned when farmers began to get water from the CAP canal.

Vice-Mayor Anderson stated that he met with Senator McSally. She is interested in what is happening in Pinal County. He mentioned that Pinal County's concerns are highways, roads and water.

Mayor Walter stated that the Town is business-friendly. She hopes for more communication and participation with regards to businesses.

ADJOURN TO EXECUTIVE SESSION

Discussion and possible action to authorize the holding of an Executive Session during the Council Meeting 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 Arizona Department of Environmental Quality proceedings, related to Water Quality Appeals Board Case No. 16-002, including appellate proceedings to reviewing courts.

Town's position and instruct its attorneys regarding pending litigation in Maricopa County Superior Court: Town of Florence v. Florence Copper, Inc. CV2015 -000325.

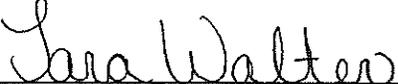
On motion of Councilmember Wall, seconded by Councilmember Hawkins, and carried (7-0) to adjourn to Executive Session.

ADJOURN FROM EXECUTIVE SESSION

On motion of Councilmember Wall, seconded by Councilmember Hughes, and carried (7-0) to adjourn from Executive Session.

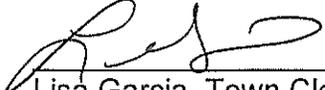
ADJOURNMENT

On motion of Councilmember Larsen, seconded by Councilmember Wall, and carried (7-0) to adjourn the meeting at 11:20 pm.



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 January 7, 2019, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk