

MINUTES OF THE TOWN OF FLORENCE COUNCIL SPECIAL MEETING HELD ON MONDAY, JULY 1, 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 to order at 6:00 pm.

ROLL CALL:

Present: Walter, Anderson, Wall, Larsen, Cordes, Hughes

Absent: Hawkins

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. Pamela Giss, Launch Development Finance Advisors, on behalf of Merrill Ranch Owner's Agent, LLC, stated that they are not in support of the reduction of the ad valorem tax for Merrill Ranch Community Facilities District No. 1 because they have submitted a feasibility study and the reduction in that ad valorem will ensure that they will not recover their expenditures for reimbursable project costs.

ADJOURN TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (6-0) to adjourn to Merrill Ranch Community Facilities District No. 1.

Public hearing to receive citizens' comments on the property tax levy of the Merrill Ranch Community Facilities District No. 1: Ordinance No. MRCFD1 116-19.

Chairman Walter read Ordinance No. MRCFD1 116-19 by title only.

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE

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AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2020.

Chairman Walter opened the public hearing.

Mr. Rey Sanchez, District Treasurer, stated that the public hearing is for a property tax lev for Merrill Ranch Community Facilities District No. 1. He requested that the tax levy rate be set at \$0.42 per \$100 net assessed valuation (NAV). This levy will bring in approximately \$124,779 which will be used for debt service. He requested an additional \$0.30 per \$100 NAV for operations and maintenance. This will bring in approximately \$83,685. The combined total levy, if approved, will be \$0.72 per \$100 NAV, and will bring in approximately \$208,464.

Chairman Walter inquired why there is a difference of \$0.42 and the \$3.25 which is what it has been in previous years.

Mr. Sanchez stated that the \$0.42 is for debt service. There is no future bonding calculated in that total.

Mr. Brent Billingsley, District Manager, stated that a law passed that pertains to tax rates, how they are set, and what can be taxed based on actual funds that must be repaid. The MRCFD No. 1 has not gone to the streets for General Obligation Bond offering in many years. The policy of the Board previously was to maintain the same rates in both Community Facilities Districts. It became clear that they could not do that last year so there was an additional reduction in the rate per the State Law requirement. The recommended reduction this year is to stay in compliance with this law.

Mr. Mike Cafisio, Greenburg and Traurig, and Town of Florence Bond Attorney, stated that there is a law which does not allow you to levy for more that what is needed to pay debt service on outstanding debt, plus planned debt, plus 10% of the debt service due in the current year as a reserve cushion. He stated that based on the current outstanding debt and no planned future debt, the \$0.42 per \$100 NAV is all that is needed.

Ms. Pamela Giss, Launch Development Finance Advisors, on behalf of Merrill Ranch Owner's Agent, LLC, reiterated that they are not in support of the reduction of the ad valorem tax for Merrill Ranch Community Facilities District No. 1 because they have submitted a feasibility study and the reduction in that ad valorem will ensure that they will not be reimbursed for the expenditures they submitted under the feasibility study.

Mr. Cafisio inquired what their ownership right in land and in the District is. He inquired what standing they have to raise any sort of issue with taxes being levied.

Ms. Giss stated that their clients, Merrill Ranch Owners Agent, LLC, has property in the District.

Mr. Cafisio inquired if she was their attorney, speaking on their behalf.

Ms. Giss stated that she is representing them as one of their financial advisors.

Mr. Cafisio inquired if she had written authority to speak on their behalf.

Ms. Giss stated that she has authority to be present and speak on their behalf. It is her understanding that the Merrill Ranch Owner's Agents, LLC, still owns property, and her understanding from them that it is in the District.

Mr. Cafisio stated that it is not correct. The Merrill Ranch Owner's Agents, LLC does not own land, and there are other entities that are related that own land.

Chairman Walter asked if it is correct that the Merrill Ranch Owner's Agents, LLC does not own land.

Mr. Cafisio responded that it is correct, according to the last title report that they saw.

Chairman Walter closed the public hearing.

Public hearing to receive citizens' comments on the proposed final budget for Merrill Ranch Community Facilities District No. 1 and possible adoption of Resolution No. MRCFD1 140-19.

Chairman Walter read Resolution No. MRCFD1 140-19 by title only.

A RESOLUTION OF THE MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1, PINAL COUNTY, ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2019-2020.

Mr. Sanchez stated that the budget for Fiscal Year 2019-2020 is estimated to be \$3,899,607 in expenditure for Capital Improvements, Debt Service and Administrative costs.

Boardmember Cordes inquired if the HOA fees are to be reflected in the budget.

Mr. Sanchez responded that the HOA fees are not part of the Community Facilities District.

Chairman Walter opened the public hearing.

Mr. Billingsley explained that the CFD is a separate quasi-governmental entity that is specifically utilized to finance infrastructure. Rates are set for the quasi-governmental entity to pay back debt and the budget itself provides for the funds to operate that district on an annual basis.

Chairman Walter closed the public hearing.

On motion of Boardmember Wall, seconded by Vice-Chairman Anderson, and carried (6-0) to adopt Resolution No. MRCFD1 140-19.

Discussion/Approval/Disapproval of the Merrill Ranch Community Facilities District No. 1 October 1, 2018 and April 15, 2019 Special Meeting minutes.

On motion of Boardmember Wall, seconded by Vice-Chairman Anderson, and carried (6-0) to approve the Merrill Ranch Community Facilities District No. 1 October 1, 2018 and April 15, 2019 Special Meeting minutes.

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ADJOURN FROM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 1

On motion of Boardmember Wall, seconded by Boardmember Larsen, and carried (6-0) to adjourn from Merrill Ranch Community Facilities District No. 1.

ADJOURN TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2

On motion of Councilmember Larsen, seconded by Councilmember Cordes, and carried (6-0) to adjourn to Merrill Ranch Community Facilities District No. 2.

Public hearing to receive citizens' comments on the property tax levy of the Merrill Ranch Community Facilities District No. 2: Ordinance No. MRCFD2 216-19.

Chairman Walter read Ordinance No. MRCFD2 216-19 by title only.

AN ORDINANCE OF MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE COMMUNITY FACILITIES DISTRICT SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR COMMUNITY FACILITIES EXPENSES FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2020.

Mr. Sanchez stated that the request is for the tax levy to be set at \$3.25 per \$100 of Net Assessed Valuation (NAV). The levy will bring in approximately \$698,767 and the funds will be used for debt service. The request also includes an ad valorem levy for operations and maintenance at \$0.30 per \$100 NAV or \$64,501. The total combined levy is \$3.55 per \$100 NAV or \$763,268.

Chairman Walter stated that the ad valorem is that same as prior years.

Chairman Walter opened the public hearing.

Boardmember Wall stated that the levy is increasing by \$0.27 over the previous year. She stated that she noticed the difference on her tax bill.

Mr. Billingsley stated that the CFDs have always taxed at the maximum rate. Last year, the District Treasurer determined that they could do a reduction based on the fact that no additional debt was being levied. He stated that based on their financial analysis including the audit that was recently completed, it indicates that we need to continue to assess at the maximum rate.

Mr. Billingsley stated that there was one year where there was a reduction of \$0.27 but the rate needs to increase to the maximum rate to cover the debt.

Chairman Walter closed the public hearing.

Public hearing to receive citizens' comments on the proposed final budget for Merrill Ranch Community Facilities District No. 2 and possible adoption of Resolution No. MRCFD2 237-19.

Chairman Walter read Resolution No. MR CFD2 237-19 by title only.

A RESOLUTION OF THE MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2, PINAL COUNTY, ARIZONA, ADOPTING THE BUDGET FOR FISCAL YEAR 2019-2020.

Ms. Sanchez stated that the budget for Fiscal Year 2019-2020 is estimated to be \$4,447,321 in expenditure for Capital Improvements, Debt Service and Administrative costs.

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

On motion of Boardmember Wall, seconded by Boardmember Cordes, and carried (6-0) to adopt Resolution No. MR CFD2 237-19.

Discussion/Approval/Disapproval of the Merrill Ranch Community Facilities District No. 2 October 1, 2018 and April 15, 2019 Special Meeting minutes.

On motion of Vice-Chairman Anderson, seconded by Boardmember Larsen, and carried (6-0) to approve the Merrill Ranch Community Facilities District No. 2 October 1, 2018 and April 15, 2019 Special Meeting minutes.

ADJOURN FROM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO. 2

On motion of Vice-Chairman Anderson, seconded by Boardmember Wall, and carried (6-0) to adjourn from Merrill Ranch Community Facilities District No. 2.

PUBLIC HEARINGS AND PRESENTATIONS

Public hearing to receive citizens' comments regarding the use of Fiscal Year 2019 Community Development Block Grant Regional Account/State Special Project funds, as required for submission of the grant application.

Ms. Jennifer Evans, Management Analyst, stated that each year, the Department of Housing of Urban Development (HUD) gives communities a certain allocation of funding to be used for community revitalization activities. The money is given to HUD, which in turn works with Central Arizona Governments (CAG) to manage the funds and disburse at the local level.

Ms. Evans stated that for many years the Town partnered with the City of Winkelman and applied for funds every other year to accomplish the Town's projects. This allowed for more funding to be utilized on projects.

Ms. Evan stated that this year is different as the Town received a \$91,000 allocation for a single year compared to \$165,000 last year. The Town decided not to partner with Winkelman as the intent is to go under Pinal County and their entitlement allocation next year.

Ms. Evans stated that this public hearing solicits input from the public for this project. She provided a brief overview of the CDBG program:

- Provides a variety of functions for community

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- Assists with revitalizing neighborhoods
- Able to accomplish economic development activities that create jobs
- Provides money to improve facilities and services

Ms. Evans stated that one of the three objectives need to be met:

- Benefits low to moderate income persons
- Removal of slum and blight
- Urban need

Ms. Evans stated that the Town typically applies for the low to moderate income benefit. The projects can be housing rehabilitation, waterline improvements, removal of architectural barriers such as the installation of ADA compliant ramps, etc.

Ms. Evans stated that there are two members of the public who would like to speak and provide their input for the use of funds.

Mayor Walter stated that the Town communicated with CAG that we would not be partnering with Winkelman. At the same meeting, Pinal County did a presentation and Florence will be receiving their CDBG funding from Pinal County in the future.

Mayor opened the public hearing.

Ms. Catherine (Cathy) Vargas, Florence Resident, stated that she has resided in Florence since 1989, purchased her home here in 1992 and has been in the home for 28 years. She stated that she has done some repairs to her home, but due to her chronic illness, she had to remove all of the carpeting in her home and replace it with tile.

Ms. Vargas explained her medical condition and explained what ongoing treatment is needed. She outlined some of the repairs that are needed, which include:

- Replace broken tiles
- Complete block fence
 - Fence is partial block and partial redwood (which is ready to fall down)
 - Original redwood fence was damaged in last year's storm and insurance only provided enough funding to replace a portion of the damaged fence
 - Has pool and the fence is the only barrier
 - Pool was installed to assist with back issues
- Replacement of roof
 - Some of the roof shingles were lost in same storm
 - Insurance paid; however, she used the money to assist with the installation of the partial block fence
- Heating and air conditioning need to be replaced
 - Heating unit is the original unit installed when the house was built in 1959.
- Exterior paint is chipping
- Lost awning in the backyard

Ms. Vargas stated that she has used all of the insurance money and all the damage is documented in her insurance claim.

Ms. Vargas spoke for Mr. Bob Mack. Mr. Mack is a veteran of the Vietnam War and is 77 years old. He was not aware of the grant. He also suffered damage from the same storm. He lost a tree in his front yard as well as his carport awning. She stated that Mr. Mack's home has foundation problems. He is unable to complete the form himself.

Ms. Vargas stated that she called Ms. Evans and advised her of Mr. Mack. She stated that they are both seeking rehabilitation. She stated that she is on disability and he is a veteran.

Ms. Evans stated that Town staff has been discussing several projects.

Mr. Billingsley stated that Ms. Evans and Mr. Chris Salas, Public Work Director, approached him with their applied project is to fix the ADA and sidewalk issues that are adjacent to the Florence K-8 school which was listed in the Safe Routes to School Plan. This would be a good way to put the funds to use. The Department of Housing calls it barrier removal projects – fixing known ADA issues so people with disabilities can have access to those public improvements.

Ms. Evans stated that there were 38 ramps that were identified that do not meet ADA requirements. The ramps will be removed and replaced with current standardized ramps. This is the same service area in which the waterline project is located. This area serves approximately 92 residents in the general area.

Ms. Evans stated that later in the meeting staff will ask Council to consider a resolution allowing staff to apply for this project and the second item is to approve a resolution that will commit matching funds to the project.

Councilmember Cordes inquired if there is a section near the post office that is not ADA compliant.

Ms. Evans responded that there is a section of sidewalk that is not in compliance as well as other sections in the Town core area. She stated that they focused on the area around the school because that area has already had a special survey conducted last year. The population in the area meets the low to moderate income standard for the grant. She stated that the issues with the ramps are documented in the Safe Route to Schools Study. Those were the primary basis for doing a project in that area.

Councilmember Cordes stated that she finds it interesting because the area by the post office is an area that everyone uses. There are people in wheelchairs unable to get to the post office because the barrier needs to be moved. She inquired why this area wasn't looked at. She would like all projects to be reviewed and suggested by priority.

Councilmember Cordes stated that she does not know how many ramps are not ADA compliant in the Town.

Mr. Billingsley explained that Florence has partnered with Winkelman to rotate funding each year. Last year was Florence's year for application. The Town had an application that was prioritized, and it was the 12" water main replacement project. A special income survey is required as part of the grant because the basic data provided in the census does not provide Florence the ability to qualify for these funds. Staff physically has to go door-to-door to do the survey, which takes

two to three months to complete. Staff must then submit that information to the State and Federal Government for review.

Mr. Billingsley stated that the Town went through that process last year for the project that is currently under construction. Staff did not know what was going to happen on the CDBG funding this year. When Pinal County got designated and CAG started losing entities and the funds changed as well as the options to go after the funds, the Town was left with a much smaller dollar amount, of approximately \$91,000. The timeframe is also impossible by which to get the clearance necessary to apply. Florence had no intention of applying this year and for all intent and purposes, the Town was not going to apply this year. This left the Town in the position that there were very limited projects to apply for. From the staff's perspective, it was fortuitous that we already had the low to mod survey that was already approved by the State that they were able to use. The project was already included in a recent study that shows the need for the project in terms of the barrier removal because of the Safe Routes to School Study.

Mr. Billingsley stated that there are many ADA ramps that are not up to current standard in Florence. This is the only area that the Town could have applied for and met the timeframes that are necessary due to the constraints.

Councilmember Cordes inquired if this is opened up to the public to apply for the grant to make repairs that they need for their homes, are they aware of the time constraints. She also inquired what information did Ms. Vargas and Mr. Mack need to provide, such as estimates, so that they would have a fair shot at the funding.

Ms. Evans stated that the program works in a way that staff recommends one project. Staff is recommending the ADA ramp project at this time. The Town would not do a housing rehabilitation program with this particular amount of funding. At this juncture, Council has the option to approve or disapprove the recommended project.

Ms. Evans stated for the housing rehabilitation, there is a qualification process that is led by Town staff. She explained the process including the income thresholds that must be met to be eligible to apply for the program. The construction project itself is managed by Town staff or a consultant.

Vice-Mayor Anderson stated that Ms. Vargas presented at the Planning and Zoning Commission. He inquired how can someone be assured that they will receive funding. He inquired if they need to wait until the following year.

Ms. Evans explained that it is the prerogative of the Town Council to apply for housing rehabilitation funding next year.

Councilmember Cordes inquired if the funding can be split between projects.

Ms. Evans stated that it is possible. She stated that the Town's experience with housing rehabilitation, in which the Town did four years ago, was that one rehabilitation project cost approximately \$91,000.

Ms. Evans stated that look at what is the largest benefit to the community. You may have one area in which 100 residents will benefit from the ADA compliant ramps. The rehabilitation program

can be limited to one thing such as roofs, electrical, or plumbing and you may be able to do three to four rehabilitation projects with the \$91,000 funding.

Ms. Vargas stated that she has been waiting for five years for this grant. She appealed last year and filed a new application. She stated that her income, since she is on Medicare, which increases by 3% per year, and also receives Arizona State Retirement. She submitted her income tax statement.

Mayor Walter inquired if Ms. Evans has all of her information over the past five years.

Ms. Evans stated that she submitted last year but the Town did not solicit nor accept it because the Town does not have an active housing rehabilitation program. Staff only accepts applications when there is funding available and they have an active program.

Mayor Walter inquired if she has documents from the years prior.

Ms. Evans stated that the last time the Town received funding was in Fiscal Year 2014 and Ms. Vargas did have an application for that grant round. She was not the Grants Coordinator at that time and came in after the construction had started on those projects.

Ms. Evans stated that staff held the required public hearings for this grant application round. Staff has fulfilled all of the meeting requirements and solicited public input. There were newspaper advertisements and notices were posted in the required locations.

Mayor Walter inquired if Mr. Mack has gone through the process or if this is the first time he has approached staff.

Ms. Evans stated that this is the first time.

Mayor Walter stated that it is her understanding that the Town does not have housing rehabilitation funds at this time and funding in the future will be under Pinal County. It is her understanding that the funding amount will be approximately \$335,000 to be used for CDBG projects.

Ms. Evans stated the distribution amount has not been determined but it is her understanding that the minimum will be \$91,000 per year.

Mr. Billingsley stated that it is Pinal County's intent to set a base amount with the ability through population numbers to add to the base amount. Pinal County will get a much larger sum than they have received in the past. For the last 20 years, Pinal County has received same the amount as the cities even though they have far more population. Now that they manage their own funds, they will receive several million dollars instead of \$190,000. Pinal County's intent is to make a larger impact by doing regional projects in cooperation with cities such as regional infrastructure projects to help economic development as part of the CDBG program going forward.

Mayor Walter stated that CDBG funding is a grant that the Town must apply for.

Ms. Evans stated that it is a grant; however, it is not competitive. The Town will receive the funding so long as they follow the rules. The Town must adhere to the public input process and

the project needs to fit within their parameters. The Town can do infrastructure projects and replace pipes, waterlines, sidewalks, etc., but cannot use the funding for equipment. Staff has to be diligent on the projects they are applying for while trying to receive the maximum benefit from those projects.

Mayor Walter inquired about the housing component and what would need to be submitted in order to pursue this.

Ms. Evans stated that the Town can pursue this in the future. Staff has been reviewing the State's five-year plan and how they spend their funding. Over 50% of their CDBG funding is spent on infrastructure projects. The Town has been inline with their priorities. They spend approximately 25% of their funding on housing. She stated that the Town has the opportunity to start a housing rehabilitation program again and there may be other types of funding they can apply for. Staff needs Council direction if that is a priority for the community.

Mayor Walter inquired if there are certain criteria that must be met such as the owners' have to live there for a certain amount of time.

Ms. Evans stated that there are certain thresholds of grant funds that require easements, deeds of trust, that can range from five years to fifteen years. She stated that this could be attached to the property, depending on the how much public funds are spent on the particular project. The qualification process is stringent. It has to be an owner-occupied home and the applicant needs to be low income and usually a senior (62 and over).

Mayor Walter would like to see this component brought back. She agrees to infrastructure and having to have the most impact for the community as a whole. She knows that there are needs within the community and would like to help out then they can.

Councilmember Larsen inquired if there is flexibility with the funding and if you can place a cap on each home or do both type of projects.

Ms. Evans stated that there is some flexibility but would need to look at the overall dollar amount being received. The money may not go very far if the Town tried to do both.

Ms. Cordes inquired if she is understanding this correctly. The Town has two citizens who are applying for a grant that Ms. Evans states they do not qualify for because the Town does not have a housing rehabilitation program. She said she is trying to understand why the public thinks they can apply for this grant. Either she doesn't understand it, like them, or the Town is misrepresenting what the grant is for. She hates to waste people's time by going through an application process for five years when the Town knows that the individual is not going to receive funding because there is no program. She would prefer that staff tell them from the onset that housing does not qualify. She wants staff to be clear on what they are saying to the public.

Ms. Evans stated that over the last four years, people have called and tried to apply. For a while staff took applications but did not qualify them. The applications were just held. She stated that she has always been very clear that the Town does not have funding to support this program at this time or anytime in the last four years.

Ms. Evans stated that both public hearings were to solicit input on how to use the funds. It was not an application process. It was to allow the public the opportunity to express how they would like to see the CDBG dollars used in the community. She wants to make it clear that the Town is not accepting applications nor does the Town have an active program.

Vice-Mayor Anderson stated that Ms. Evans made the same point at the Planning and Zoning Commission that there is not funding available for housing rehabilitation. He inquired if the applicant needed to be 62 years or older.

Ms. Evans responded that the applicant must be 62 years or older

Vice-Mayor Anderson stated that based on age, Ms. Vargas would not qualify.

Ms. Evans stated that there is also a component for disability and Ms. Vargas expressed that she is disabled.

Ms. Evans stated that Ms. Adams spoke at the first public hearing and the Town did receive her input.

Cathy Adams, Florence Resident, stated that she has been involved on the periphery of CDBG grant money used for housing before. When the Town Manager first came on board they had the privilege of handing the keys to the homeowners. She knows two people who were recipients of this. It drastically changed their lives. She stated that it eliminated blight in the neighborhood and a horrible sight to see. She sits on the Historic District Advisory Commission where they fight absentee landlords letting their buildings fall down. They have two citizens trying to keep their homes up. She strongly advocates for a housing component every year that the Town has CDBG funding because where else can they go. Infrastructure is something that Town can cover. There are other places where one can get infrastructure dollars. She inquired where can people go when they simply can't keep up. She thinks that is what CDBG should be all about. She asked Council to consider the impact to the community of doing the homes and not just the individual person.

Mayor Walter stated that they are on the same page with bringing back that housing component.

Vice-Mayor Anderson inquired of Mr. Billingsley if the Town receives any federal funding for the ADA ramps.

Mr. Billingsley responded that the Town does not receive any type of funding for those types of improvements. If the Town were to re-pave, we would be required to make sure all of the ramps were ADA accessible. Many communities use CDBG type funding for these types of improvements.

Mr. Billingsley stated that when you have a housing program it is not as simple as we take care of their grant and hire a contractor and they do the work. The Town would need to hire people to run the housing program to handle all of the paperwork. The Town went away from that, and now has an individual who handles our grant program that does other things. We would have to have employees who would directly oversee the program. They would be responsible for the paperwork, bidding, awarding the contract, overseeing the contractors, etc. for each of the

individual properties. In the past, Florence hired a consultant to do the compliance and ongoing paperwork. One of the concerns the then Council had was that a substantial portion of the funds was not going into the houses. A substantial portion of the money was going to consultants to manage the projects. The money was not actually going to the individuals but rather a site agency to provide services.

Mr. Billingsley stated that years ago, CDBG was almost entirely housing rehab. Now it gets reduced more and more all of the time because of how labor intensive it is and the bang that you get for your buck.

Mayor Walter closed the public hearing.

Public hearing to receive citizens' comments on the property tax levy of the Town of Florence and first reading of Ordinance No. 676-19

Mayor Walter read Ordinance No. 676-19 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE TOWN OF FLORENCE SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR GENERAL MUNICIPAL EXPENSES FOR THE FISCAL YEAR ENDING THE 30th DAY OF JUNE 2020.

Mr. Sanchez stated that the Town intends to increase the levy for Fiscal Year 2019/2020. The primary tax rate will see a decrease from this year to last year. The tax rate will decrease from \$1.10 to \$1.07; however, the levy will increase by 5.62% due to the amount of assessed valuation that increased. The total increase will be \$62,130. The revenue that will be generated will be used to pay General Government expenses, primarily Police and Fire.

Mayor Walter opened the public hearing.

Councilmember Wall stated that she receives a lot of questions from constituents regarding that the Council is increasing the levy but decreasing the tax rate. She asked that Mr. Sanchez elaborate further.

Mr. Sanchez explained that there are two ways to generate revenue. One way is to increase the rate. For this specific case, they did not need to increase the rate because the amount of total valuation of all the properties increased.

Councilmember Wall inquired who provides the Town with the number amount of assessed valuation for which the Town bases its levy on.

Mr. Sanchez stated that the Pinal County Assessor's Office provides the assessed valuation amount.

Mayor Walter closed the public hearing.

Public hearing to receive citizens' comments on the secondary property tax for the Fiscal Year 2019-2020 for Anthem at Merrill Ranch Street Light Improvement District No. 1, Anthem at Merrill Ranch Street Light Improvement District No. 2 and Anthem at Merrill Ranch Street Light Improvement District No. 3; and first reading of Ordinance No. 677-19.

Mayor Walter read Ordinance No. 677-19 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, LEVYING THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE STREET LIGHT IMPROVEMENT DISTRICTS (1, 2, & 3) SUBJECT TO TAXATION OF CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE RECEIVED FROM FUNDS FOR STREET LIGHT OPERATIONS FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE 2020.

Mr. Sanchez stated that for the last several years the Town has not levied a secondary tax in the Districts. This year, Street Light Improvement District No. 3 has diminished its funds and we must levy a secondary tax to provide continued service for the District. The proposed rate of \$.1207 per \$100 of Net Assessed Valuation (NAV) will result in a charge of \$12.07 on a \$100,000 home.

Mayor Walter opened the public hearing.

Vice-Mayor Anderson inquired if there are districts in other parts of the Town.

Mr. Billingsley stated that the Town currently has three streetlight improvement districts. In the near future, two more will be considered in District No. 4 and District No. 5. He stated that streetlight improvement districts are included in the Development Agreement for Anthem at Merrill Ranch, Merrill Ranch and other agreements in order to cover the cost to install the streetlights and pay for the power costs.

Mayor Walter asked that the street names be included.

Mr. Billingsley explained that Sun City Anthem is District No. 1 and a portion of District No. 3. Parkside Anthem is in District No. 2 and a portion of District No. 3. Districts No. 4 and No. 5 will be south and east of the existing districts.

Mr. Billingsley explained that the reason they have not levied a tax on the districts is because the Council levied at the maximum rate for three to four years when the districts were first set up and the funds collected far out-paced the expenditures on an annualized basis. The Town has not levied in many years; however, in District No. 3 a shortfall is forecasted.

Mayor Walter inquired if District 3 is where the new builds are occurring.

Mr. Billingsley responded that it is where the new builds are occurring in Sun City and DR Horton along with the location of the new commercial center is located.

Mayor Walter stated that in District No. 1 and No. 2, the levy was higher because the cost of the actual infrastructure was included, and the money was set aside for that along with the usage and repairs as necessary.

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Mr. Billingsley stated in those areas as they have been developing, there is a lot of infrastructure being installed. Once the Town accepts the streets it becomes the Town's infrastructure. He stated that in District 3, a lot of the infrastructure has sat fallow for many years and the development is just starting to pick up at this time.

Vice-Mayor Anderson inquired if this will pay for the light bill.

Mr. Billingsley stated the cost of the light bill, infrastructure and repair and maintenance is included.

Vice-Mayor Anderson inquired who pays for the light bills downtown.

Mr. Billingsley stated that the Town pays for the light bills; however, there are far less lights in the downtown and historic areas than in the Anthem area.

Vice-Mayor Anderson inquired about the lights bills in the Florence Gardens area.

Mr. Billingsley stated that he will need to research this and provide follow up to Council.

Vice-Mayor Anderson stated that he does not feel it is fair for the Town to pay for a portion of the streetlights for only a portion of the Town.

Councilmember Hughes stated that she is in agreement with Vice-Mayor Anderson. She does not believe the Town should pay for the lighting in the downtown area.

Mayor Walter asked that it be explained the development agreements and how it is that the Town only pays for a portion of the Town's streetlights.

Mr. Billingsley stated that the decision on how the subdivision was built and the infrastructure provided would have been very different if the expectation was that the Town was going to pay for the maintenance and the ongoing power bill for those lights. He stated that there would be far less lights to the point that we might have been built like some of the subdivisions in other communities where there isn't street lighting and they have a dark sky. There would be far less lighting because the Town would not have the ability to come up the revenue to pay for the lighting as it exists there.

Mr. Billingsley stated that other communities have been faced with similar issues in which part of the Town has streetlight improvement districts and they came to the Council and said that they did not want to have the districts. The options were to shut off the streetlights or the funding was to come out of the General Fund. Ultimately, they continued with the SLIDS and the SLIDS paid for the light bills.

Mr. Billingsley stated that if the Town did not have the SLIDS it would be a revenue issue to have to pay for the maintenance and the power for the lights. It would be a huge hit to the General Fund.

Councilmember Larsen stated that she agrees that she does not like the idea of the SLIDs and that they also pay for the streetlights for the rest of the community.

Vice-Mayor Anderson stated that he does not object to the SLIDs, he just feels that there should be SLIDS for all parts of Town.

Mayor Walter stated that it would need to be voted on. She stated that when everyone was elected they inquired why they had certain things and other areas do not. When Anthem was developed as a master planned community part of the development agreement outlined the amenities that it would offer and outlined the funding mechanism for those amenities.

Mayor Walter stated that they cannot impose it in other areas of the Town without taking it to a vote of the citizens.

Mr. Billingsley stated that it would not be an election, but rather a signature petition. An area would be picked and would need to go door-to-door. There is also an evaluation component and property ownership component. He stated if Council would like to try and do this in the future, they can try. He stated that it would be difficult for a community to tax themselves to pay for their streetlights when they do not currently pay for it.

Mr. Billingsley stated that the way that the Town set it up was that new developments with new amenities would utilize districts to pay for construction of infrastructure and ongoing maintenance of the infrastructure.

Councilmember Cordes stated that there is a lot of money that flows through Merrill Ranch and its community. Each home that is built there is assessed a \$3,000 special assessment. They also pay approximately \$380 per quarter for HOA fees. She stated that every time a home sells there is a capital improvement fee, transfer of HOA fees and a 0.25% charge of the sales price for every home in Anthem.

Councilmember Cordes stated that she assumed the HOA fees were covering the cost of the streetlights, park, pool and staff salaries.

Mayor Walter clarified that the HOA fees are not part of the Town of Florence. The Town of Florence does not offer the facilities in the Anthem community. She stated that when a person purchases a home in Anthem it is clearly communicated all the fees that must be paid, inclusive of impact fees. She inquired if the impact fees are more in Anthem.

Mr. Billingsley stated that all of the impact fees are the same for the entire Town for new development. There is not a water or sewer impact fee in Anthem area. The downtown area pays more because they have water and sewer infrastructure.

Mr. Billingsley stated that it is important to talk about the different districts. He stated that the \$3,000 special assessment fee is for building of the infrastructure such as streets and sidewalks in the individual parcels of the subdivisions. General Obligation Bonds are funds to pay for regional infrastructure such as regional routes used to access the subdivision.

Mayor Walter closed the public hearing.

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Public hearing to receive citizen's comments on the proposed final budget for Fiscal Year 2019-2020. And Discussion/Approval/Disapproval of Resolution No. 1700-19.

Mayor Walter read Resolution No. 1700-19 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ADOPTING THE BUDGET FOR THE FISCAL YEAR 2019-2020.

Mr. Sanchez stated that the final budget has not changed from the Tentative Budget that was approved on June 3, 2019 in the amount of \$45,251,331. The Expenditure Limitation was adopted on June 17, 2019 in the amount of \$28,938,392. He stated that he recently learned that some of the projections for the State Shared Revenue will come in slightly lower than projected.

Mayor Walter opened the public hearing. There being no public comment, Mayor Walter closed the public hearing.

On motion of Councilmember Wall, seconded by Councilmember Hughes, and carried (6-0) to adopt Resolution No. 1700-19.

Roll Call Vote:

Councilmember Wall: Yes
Councilmember Hughes: Yes
Councilmember Cordes: Yes
Councilmember Larsen: Yes
Vice-Mayor Anderson: Yes
Mayor Walter: Yes

Yes: 6; No; 0

United Way Presentation by Allen A. Villalobos, Chief Executive Officer for United Way of Pinal County.

Mr. Allen A. Villalobos, CEO for United Way of Pinal County, introduced himself to the Council. He has been in his position for two months and excited to be part of United Way. He thanked Ms. Lisa Garcia for volunteering her time as Secretary of Board for United Way of Casa Grande.

Braden Biggs, Community Programs/ VITA Manager, provided a presentation, in which he outlined the following:

- Florence Lives United
 - Reading by Third Grade
 - Over 60 sock puppets
 - 50 Literacy Kits donated to Head Start
 - Mentoring young kids with reading
 - Partnered with
 - Town of Florence
 - Florence Woman's Club

- Florence Rotary Club
 - Florence Unified School District
- Family Volunteer Day
 - 10 volunteers donated 3.5 hours
 - Value \$736 in labor
 - Bagged 125 literacy kits
 - Created 48 sock puppets
 - Partnering with Town of Florence and Disney
- Feed Pinal
 - September is Hunger Awareness Month
 - October is Hunger Action Month
 - Florence in Action
 - 40 volunteers donated 2 hours
 - \$1,975 in labor value
 - Packed 5,000 servings of Minestrone
 - Food Distributed to:
 - Elks Feeding Empty Little Tummys (EFELT)
 - Florence Unified School District
 - Superior Food Bank
 - Apache Junction School District
 - Leftovers were taken by local church to make extra kits
- Heat Relief Network
 - UWPC /Pinal County/CAG/MAG
 - Over 70 partners
 - Collected and distributed 39 pallets
 - Issued heat warnings
 - Collaborated with APS/SRP for high heat days and cooling stations
- FFN – Family, Friend and Neighbor Program
 - 300 enrolled family child care providers throughout Pinal County
 - Made up of grandparents and other kinship care providers, foster parents, and those who run childcare businesses from their homes.
 - Funded through FTF (State Agency) for up to 350 providers
 - 300 enrolled family child care providers throughout Pinal County
 - Made up of grandparents and other kinship care providers, foster parents, and those who run childcare businesses from their homes.
 - Funded through FTF (State Agency) for up to 350 providers
 - Within the training Cohorts we provide Play and Learn events, CPR/ First Aid classes and business workshops (Childcare business providers)
 - Quarterly conferences with over 100+ providers (4 – 6 Hours) of learning
 - Providers per city in Pinal County
 - Apache Junction – 24
 - Arizona City – 3
 - Casa Grande – 61
 - Coolidge – 9
 - Eloy – 3
 - Florence – 9
 - Kearny – 1
 - Maricopa – 63

- San Tan Valley – 32
- San Manuel 3 (All in-home trainings)
- Superior – 2
- Queen Creek - 5
- Volunteer Tax Assistance Program (VITA)
 - 1300 County-wide taxes prepared
 - \$1.3 million dollars in refunds
 - 462k in EITC Refunds
 - 100 residents of Florence assisted
 - 181 clients were Veterans
 - 188 classified themselves as disabled
 - 413 were returning clients from previous year (self-reported)

My Free Taxes (MFT) * Rank out of 1227 Counties Participating		
E-File	180	
EITC	143	
My Free Taxes (MFT) * Rank out of 839 United Ways Participating		
E-File	179	
EITC	151	

	Total Refund Amount
Apache Junction - CAC	\$24,681.00
Goodwill	\$388,527.00
MC- CAC	\$151,450.00
Eloy	\$113,734.00
San Tan Valley – CAC	\$89,729.00
Salt River	\$352,384.00
Apache Junction Public Library	\$41,760.00
Mountain View Church	\$97,232.00
Superior Chamber of Commerce	\$34,889.00
My Free Taxes (MFT)	\$1,294,386.00

Total Returns by City	
Apache Junction	109
San Tan Valley	81
Maricopa	217
Eloy	381
Salt River	217

- How is the UWPC Funded
 - Annual Giving Campaigns
 - Special Events
 - Corporate Sponsorships
 - Grants/Government Funding
 - Community Donors
 - Volunteers
- UWPC Income Sources and Distribution
 - Community Fund = \$191,981.27

- UWPC Designation = \$30,959.94
- PC Agency Designation = \$22,931.56
- VITA = \$26,000.00
 - One donor – Awarded PC Government Grant
- Dolly Parton Library = \$1,822.05
- Total = \$273,694.82
- Town of Florence Campaign
 - In working with the Town of Florence Staff – Town Manager and Town Clerk the UWPC presented to council in mid-February
 - On April 17, 2019, during Employee Appreciation Day the UWPC presented to staff and accepted employee payroll deductions
 - Eight staff members are contributing \$2,800 for the 2019/2020 campaign cycle.
 - Up from \$52 in prior years. An increase of 5400%
- Top 2018 Campaigns
 - Abbott
 - APS
 - ASARCO
 - Banner Casa Grande
 - Banner Goldfield
 - Banner Ironwood
 - Casa Grande Elementary Schools
 - Casa Grande Valley Newspaper
 - City of Apache Junction
 - City of Eloy
 - City of Maricopa
 - Harrah's– Ak-Chin Casino
 - Hexcel
 - Pinal-Gila Council for Senior Citizens
 - Pinal County Government
 - SRP – Desert Basin
 - SRP – Customer Service
 - Wal-Mart

Mayor Walter inquired about giving to United Way, specifically by texting 313131.

Mr. Biggs explained the how to donate by text or by going to their website.

Mayor Walter stated that she enjoyed all of the events that the Town has partnered with United Way. She looks forward to future ways to partner.

Councilmember Cordes thanked him for the presentation and for all that they do for Florence and the surrounding areas in Pinal County.

Councilmember Cordes inquired why Florence is not part of the peanut butter challenge.

Mr. Biggs asked that the public follow them on Instagram, Twitter and Facebook. He explained that the peanut butter and jelly challenge started two years ago in Apache Junction. They just completed their second year. The Casa Grande Elementary School District joined the challenge

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and turned into an intercity competition. The reason for challenge is that one in five children in Arizona (one in four in Pinal County) come from a food insecure household. Many school districts have many McKinney Vento Children (displaced, homeless or food insecure households) and United Way works with the school districts to ensure that the children do not go 72 hours hungry. This would be from the time they leave school on Friday afternoon until the time they return on Monday morning.

Mr. Biggs explained that the competition thus far is between Casa Grande and Apache Junction with goal of reaching 1300 jars. He would like to see this grow in other communities as well. He stated that is for a great cause and falls under the Feed Pinal.

Councilmember Cordes stated that she would love to join the challenge.

Mr. Biggs stated that he is designing a Golden Sandwich Trophy and will try to get other communities involved.

Councilmember Cordes inquired about the Employee Campaign and asked what basis is used for competition. She asked if there is a goal or if they are competing against someone.

Mr. Biggs stated that it is great to obtain donations; however, he likes to see participation. The competition is which city has the most donors. He stated that he encourages participation.

Councilmember Cordes stated that she would like to see competition between departments and this may encourage more employees to participate. She stated that as a realtor she participates in the Heroes Home Advantage and explained what they do. She asked him to think of ways to tap into the realty agency with regards to obtaining donations.

Mr. Biggs stated that Apache Junction has a realtor roundup and they present at their event. He will definitely look into this further.

Special recognition of Battalion Chief Jim Walter for completing the Managing Officer Program through the National Fire Academy.

Mr. David Strayer, Fire Chief, recognized Battalion Chief Jim Walter for completing the Managing Officer Program through the National Fire Academy. The National Fire Academy's (NFA's) Managing Officer Program is a multiyear curriculum that introduces emerging emergency services leaders to personal and professional skills in change management, risk reduction and adaptive leadership. Acceptance into the program is a major step in professional development as a career fire/Emergency Medical Services (EMS) manager and includes all four elements of professional development: education, training, experience and continuing education.

Chief Strayer stated that students build on foundational management and technical competencies, learning to address issues of interpersonal and cultural sensitivity, professional ethics, and outcome-based performance. Upon completion of the fire program fire officers are better prepared to grow professionally, improve skills and meet emergency and professional challenges, be able to embrace professional growth and development, enjoy a national perspective on professional development, understand and appreciate the importance of professional development and have a network of fire service professionals who support career development.

Mr. Jim Walter, Battalion Chief, stated that it took two years to complete the program. He stated that the fire service component was strange because they did not have to do any hazardous things. They did not have to wear a turnout nor were there any fires. They learned about the academic side of fire service. He learned about community risk reduction and data management. These tools will help grow the Fire Department and the community. He attended the program with people from New Hampshire, Washington and Alaska. It was a great experience to discuss our fire departments with other communities and to have gained lifelong friends in the fire service. He is looking forward to the next step which is the Executive Fire Officers Program. He will apply and hopefully be accepted. He thanked the Council.

Councilmember Hughes congratulated Mr. Walter.

Councilmember Cordes inquired what he thought was the best part of the program.

Mr. Walter stated that he still needs to complete the capstone component of the program, which is to decrease the cancer risk to the Fire Department by replacement of turnouts, on-scene procedures to wash contaminants off prior to getting back in the truck and procedures for when they get back to the station. This reduces the Town's risk and liability. He stated that one of the great things is the people you meet and what you take away from the interactions with others.

Special recognition of Sergeant Phil Riccomini for completing a 10-week course given through Northwestern University, School of Police Staff and Command.

Mr. Dan Hughes, Police Chief, stated that Florence is fortunate to have the caliber of employees it has. He stated that Northwestern University is one of two premiere schools that police leaders need to go to in order lead a police department. He stated that the program is for 10 weeks and offers college level credits. It is a compressed curriculum and if taken traditionally, would take approximately one and half years to complete.

Chief Hughes stated that the program covers all aspects of roles and responsibilities that a police officer needs to be considered as a police leader. Including himself, there are a total of three people who have attended the Northwestern University.

Mr. Phil Riccomini, Police Officer, thanked the Town for investing in his future. He attended the academy with others from around the Phoenix valley and Globe. One of his big takeaways was succession planning. He learned that what Chief Hughes instills in his employees, mirrors what is taught at the academy.

Chief Hughes stated that he along with Mr. Brent Billingsley, Town Manager, attended the graduation. He stated that it is good that the personnel attend these academies because they are the future leaders.

Proclamation declaring July as Parks and Recreation Month in the Town of Florence and to encourage residents to get outdoors and enjoy their community through parks and recreation. (Bryan Hughes)

Mayor Walter proclaimed July as Parks and Recreation Month in the Town of Florence.

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Mr. Bryan Hughes, Community Services Director, stated that the Town will have the Freedom Fest Day Celebration on July 4, 2019, starting with a free swim day at the Aquatics Center with several contests taking place throughout the day. He stated that they are also have a school supplies drive and are accepting donations at the aquatics center throughout the event. Salt River Project (SRP provided a \$5,000 donation for the event and will be present at the Aquatics Center to discuss their water safety program.

Mr. Hughes stated that the celebration will continue at Heritage Park at 5:00 p.m. with plenty of games and live entertained planned along with the fireworks show.

Mr. Hughes stated that other events planned throughout July include swim lessons, Kids Summer Camp, Teen Night, and Family Night. Some of the events will continue after the school session starts. He hopes that people come out and enjoy the parks and recreation facilities and events.

Councilmember Cordes asked that peanut butter and jelly be incorporated in the drive.

Mr. Hughes stated that they will consider the peanut butter and jelly donations for next year.

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. **Adoption of the Active Transportation Plan.**
- b. **Approval of an Extension of Agreement for Temporary Housing at Florence Fire Station 542 by American Medical Response for an additional 12 months.**
- c. **Approval of an Extension of Agreement with Air Methods Corporation for the utilization of the helipad at Fire Station 541 for an additional 12 months.**
- d. **Approval of an Inmate Work Contract with the Arizona Department of Corrections for a period of five years, with a term to expire June 30, 2024.**
- e. **Approval of the Interagency Service Agreement (ISA) between Arizona State Parks and the Town of Florence to manage McFarland State Historic Park through June 30, 2020.)**
- f. **Approval of entering into a Revocable License/Lease and Professional Services Agreement with the Greater Florence Chamber of Commerce for McFarland State Historic Park through June 30, 2020.**
- g. **Approval of accepting the register of demands ending May 31, 2019, in the amount of \$2,976,951.39.**

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (6-0) to approve the Consent Agenda as written, with the removal Item e.

e. Approval of the Interagency Service Agreement (ISA) between Arizona State Parks and the Town of Florence to manage McFarland State Historic Park through June 30, 2020.

Councilmember Wall inquired how the transfer of funds to the Arizona State Parks will work, specifically because the State will then return the Town's portion back to the Town within five days. She is confused as to how this process will work.

Ms. Jennifer Evans, Management Analyst, stated that this process is new and has not been done before. There are five partner parts in the system and McFarland State Park will be the first to have this type of agreement. This process was derived by their procurement personnel at State Parks. The employees are new to the agency and cited State statutes as the reason why the changes to the agreement were made.

Ms. Evans stated that the funds raised at McFarland State Park Gift Shop and through donations do not come to the Town. They have always stayed with Chamber, who manages the park. Prior to the Chamber, the funds remained with the Main Street Program. This is an incentive for them to run the gift shop. The agreement is for a one-year period and staff will have discussions with the Arizona State Park on this process.

Ms. Evans explained the money will be transferred to the Arizona State Parks, who will return the funding to the Town. The Town will then return the money back to the Chamber. She understands the redundancy in the process which is why staff will be having discussions with Arizona State Parks. She is hoping that the Chamber will be able to remit the money directly to the State.

Ms. Evans stated that the Town values the partnership with the Arizona State Parks; however, this process does utilize the Town's staff time and wants to adhere to their policy while doing so in an efficient manner.

Vice-Mayor Anderson inquired about the maintenance of the building and inquired if they are to install railing. He inquired who is to pay for the railing and if the Town is responsible for the installation.

Ms. Evans stated there are no set plans or schedule set. There has been discussion as to who is responsible for that type of improvement.

Mr. Billingsley stated that it is his understanding that a State has not budgeted for this improvement as of yet. It is their building and they would be responsible for the improvements. The last conversation with the State is that they were going to order railings from ACI and install the railings and ADA compliant ramps.

Vice-Mayor stated that the caution rope is an eye-sore.

Councilmember Larsen inquired about sections A and B of the agreement that refers to maintenance of the building and ADA compliance.

Mr. Billingsley explained that Section A pertains to general maintenance and that there is an ADA accessibility to the facility, so those two sections do not apply. There are no health and safety issues. He stated that it is not the Town's responsibility to do improvements at the State Parks.

Mayor Walter stated that staff can communicate with the Arizona State Parks for an update on when the improvements are scheduled to be made.

Mr. Billingsley stated that it is within the Council's purview to spend money on improvements at McFarland State Park; however, there is no money in the budget that Council just approved. He stated that the ropes were put up because the State would be liable should someone be injured.

Mr. Billingsley stated that the State Park is eligible to apply for a grant for up to \$5,000 through the Town's Façade Program to assist with that project.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (6-0) to approve the Interagency Service Agreement (ISA) between Arizona State Parks and the Town of Florence to manage McFarland State Historic Park through June 30, 2020.

NEW BUSINESS

Discussion/Approval/Disapproval to adopt Resolution No. 1707-19 adopting the Uniform Video Service License and Application and adopt Ordinance No. 679-19 amending the Town of Florence Code of Ordinances to comply with Arizona State law governing Video Service License Agreements. (Lisa Garcia)

Resolution No. 1707-19:

Mayor Walter read Resolution No. 1707-19 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, REAFFIRMING TOWN POLICY BY ADOPTING A UNIFORM STANDARD VIDEO SERVICES APPLICATION, AFFIDAVIT, AND LICENSE AGREEMENT FOR VIDEO SERVICE PROVIDERS; AND DIRECTING STAFF TO TAKE ALL NECESSARY STEPS TO CARRY OUT THE PURPOSE AND INTENT OF THIS RESOLUTION AND DECLARING AN EMERGENCY.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that this ordinance is coming before Council because Senate Bill 1140 was passed in 2018 which requires uniform video servicing provider license throughout the State of Arizona.

Ms. Garcia stated that the Arizona League of Cities and Towns worked with municipalities to ensure that all municipalities adopted the same licensing agreement and have the same rules. Staff has brought forward the following:

- A resolution that adopts the application and the policy
- An ordinance that adopts language that needs to be modified within the Town Code based on the fact that the Town has pre-January 1, 2020 and post-January 1, 2020 applications.

Ms. Garcia stated that some agreements that are in effect will use the old language until such time that their agreements renews and then they will use the new language. All new agreements will use the new language.

Ms. Garcia stated that staff will come before Council one more time to amend the ordinance once again, by removing the prior year language. She stated that Cox communications' license expires on September 5, 2021 and have the right to apply for a new application license under the current laws. They would have the right to move forward under the new license rules.

Ms. Garcia stated that the ordinance is statutorily required, therefore, it does not require two separate readings.

Councilmember Wall inquired if this pertains to cable and inquired if there are other companies.

Ms. Garcia stated that there are other companies who offer cable service; however, Cox Communications is the only company that has infrastructure in the ground within our municipal boundary.

Mayor Walter inquired if Centurylink has lines in the Town.

Ms. Garcia stated that Centurylink does not have lines in the ground. She stated that other servicers provide service but they do not provide cable video service. Satellite providers fall under different rules.

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (6-0) to adopt Resolution No. 1707-19.

Ordinance No. 679-19:

Mayor Walter read Ordinance No. 679-19 by title only.

AN ORDINANCE OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AMENDING THE TOWN OF FLORENCE CODE OF ORDINANCES BY AMENDING CHAPTER 118, CABLE COMMUNICATIONS, TO COMPLY WITH ARIZONA STATE LAW REQUIRING THE USE OF A UNIFORM VIDEO SERVICE LINES AGREEMENT EFFECTIVE JULY 1, 2019; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES AND PROVIDING FOR SEVERABILITY.

On motion of Councilmember Larsen, seconded by Councilmember Wall, and carried (6-0) to adopt Ordinance No. 679-19.

Resolution No.1705-19:

Mayor Walter read Resolution No. 1705-19 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, AUTHORIZING THE SUBMISSION OF APPLICATION(S) FOR FISCAL YEAR 2019 STATE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS, CERTIFYING THAT SAID APPLICATION(S) MEETS THE COMMUNITY'S PREVIOUSLY IDENTIFIED HOUSING AND

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COMMUNITY DEVELOPMENT NEEDS AND THE REQUIREMENTS OF THE STATE CDBG PROGRAM, AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITIES OUTLINED IN SAID APPLICATION FOR INFRASTRUCTURE IMPROVEMENTS.

Ms. Evans stated that staff is seeking authorization to apply for CDBG funding in the amount of \$91,000 to replace non-ADA compliant ramps with ADA compliant ramps in 38 locations.

Councilmember Hughes stated that she is not in agreement that the monies should be used only for sidewalks. She would like some of the funding to be used for home repairs for the individuals who spoke (Ms. Vargas and Mr. Mack) before Council at tonight's meeting.

Mayor Walter stated that it is her understanding that the Town does not have a housing program at this time.

Ms. Evans stated that she cannot guarantee funding to those two individuals. Staff would have to open up an opportunity for people to apply and the funding would go to the most needy based on certain criteria. She stated that there would have to be limits set, such as roofing, plumbing, etc. and it would be evaluated on certain criteria. She stated that there are time constraints as well.

Mayor Walter inquired when the grant is due.

Ms. Evans stated that the grant application is due August 1, 2019 to CAG, which would provide for a very limited amount of time to pull up a new scope and bring back to the Council at the next meeting. They must also implement the project within a 12-month period once the grant is awarded. She stated that it may take one to two months to qualify a resident for funding. She stated housing rehab projects are doable; however, it may be challenging with the time line with this specific grant.

Councilmember Cordes stated that she does not agree with asking the public for input when the staff already has decided on what project they are recommending to Council on the same agenda. This does not provide enough time for Council to consider the public's input. She agrees that replacing the crosswalks are important but does not want to disregard the public's input.

Mr. Billingsley stated that Town normally has a two-year window to determine what the projects are in the previous year. This is not the normal occurrence with CDBG funding. Town staff had one month to vet a project that would meet the criteria as well as the timeline. Staff had to determine where they could spend the funds, what the project would be, and follow the time constraints. The Town provided for public outreach twice, once before and once at this meeting.

Mr. Billingsley stated with regards to the public proposing a different project, the Town would not be able to do the project because of the low to mod survey that needs to be completed. He stated that another project considered was adding additional funding for the 12" waterline in which they funded two grants in a row, and they were unable to do so because there was not enough time to do a special income survey.

Mr. Billingsley stated that he agrees with Councilmember Cordes on how it appears; however, this is not how the process usually works and staff is trying to find the best project that will fit all of the criteria. There are time constraints that must be adhered to if the Town wishes to apply for the funds.

Mr. Billingsley stated that the Town used to have a Housing Rehab Program and decided to stop the program for a number of reasons including cost and staff. Florence has not had a housing rehab program for years.

Councilmember Cordes stated that her frustration is that the public thought that they had input on what project to apply for. She asked if staff can do a better job in explaining the process. She was unaware that staff only had one month to find and vet a project that met the criteria and time line. She understands that this is the only project that falls into place as meeting all of the criteria and that can be completed in the designated timeframe. She wants the public to understand why the project was chosen over what they suggested.

Councilmember Cordes stated that the Town was not expecting this funding and had to work hard to find a project that fit. She stated that this funding would have gone to Winkelman.

Vice-Mayor Anderson stated that the Town shared their funding with Winkelman and received funding every other year.

Mayor Walter stated that it was communicated what direction Florence was moving in at the CAG meeting when Pinal County presented future CDBG funding. She stated there was no voice opposition nor any conversation with staff following the meeting.

Ms. Garcia stated that with regards to CDBG funding, two public hearings must be held and after which the Council makes a decision of which projects the Town wants to move forward on. There was no decision made prior to the meeting as to which project to proceed with. The public hearings are very important to receive the citizen's input. She stated that at any time that Council feels that they need more time they can table the item.

Ms. Garcia stated that Council is hearing from its citizens and from staff. Staff is making a recommendation on what they feel Council should utilize the funding for. Council still has the independent choice on what project they want to proceed with. She stated no decision has happened before tonight.

Mayor Walter stated that this has communicated this very well. The public provided input on their desires and provides feedback for something for Council to consider.

Councilmember Larsen stated that she values public input and had not made a decision on the project prior to the meeting. She inquired what details need to be submitted in the application for the CDBG grant should they wish to pursue housing rehabilitation, such as housing plans, etc.

Ms. Evans stated that they do not need to go into that much detail. Staff needs to understand the priority of the Town Council and receive direction from the Council as to which project to proceed with. Furthermore, staff needs to know the limitations such as full housing rehabilitation or a

limited type program. Staff would want as much time as possible to open the application process in order to go through the tasks to qualify the applicants, as this takes time.

Councilmember Larsen inquired if staff would be responsible for everything including the contract work and coordination of the work. She also inquired if there is a way to limit the dollar amount, or include stipulations, that limit the amount spent on each home.

Ms. Evans stated that the Town has flexibility on the parameters of how much can be spent on each home, such as \$20,000. Town staff or a hired consultant will manage the project. The homeowner would not find its own contractors. She stated in the last housing rehabilitation project, the families needed to vacate their homes for approximately four months and the Town paid for alternate living arrangements through the grant.

Mayor Walter inquired how much employee time did this project take.

Ms. Evans stated that the project took the majority of their time.

Discussion occurred on what the grant application entails and the requirements that must be met.

Mr. Billingsley stated that housing rehabilitation is federally funded, which means all federal requirements must be met, inclusive of Davis Bacon, bidding requirements, Federal scope requirements, as well as other paperwork. There is no economy of scale, it is that amount of staff time and/or consultant time multiplied by that many projects. The application would entail the following:

-
- Detail to the application
- An analysis of the application
- After the application
 - An analysis of each dwelling unit
 - Must complete project to make it safe, regardless of dollar amount allocated
 - Dwelling unit must be made safe to live in
 - Selection of contractors
 - Management of contractors
 - All paperwork that needs to be completed

Mr. Billingsley stated that housing rehabilitation is a very involved project. He noted that approximately one third of the money was spent on the contractors which took away from what could have gone into the project.

Mayor Walter inquired about someone who has needed repairs, obtained insurance money to do the repairs but did not do the repairs and is now requesting grant funding for the repairs.

Ms. Evans stated that she does not know if there is a correlation between a previous insurance claim and a grant fund. The work still needs to be completed. The home will still need to be evaluated and go from there.

Mr. Billingsley stated that even though the Town is appreciative of the funding, staff only had a limited amount of time in which to bring a project forward that meets all the criteria and timeframe.

From his perspective, the best opportunity in which to obtain the funds and be successful in the implementation will be the barrier removal project. He stated if Council would like to move forward on a housing rehabilitation program, it can be included in the next year's budget.

Mayor Walter asked the process be clearly outlined and that there is ample time for feedback. She would also like projects that provide the biggest impact for all of the residents. There are also other resources available that a person could apply for assistance.

Ms. Evans state that with regards to leverage of funds, there are funds available in the current General Fund for ADA ramp improvements, and there is no funding available for housing rehabilitation.

Councilmember Wall agrees with all of the comments made by the Council and is empathetic to those residents who have needs. She stated that the Council needs to be fair when looking at a home repair program. There are many residents who may benefit from such a program and how does the Council determine who is best qualified to receive funding. It becomes a very person issue and she is not prepared to make that type of decision for that type of a program. She believes the Council should consider projects that are for the greater good.

Vice-Mayor Anderson stated that he would prefer that staff provide a plan for Council to review prior to a project being brought forth, along with the pros and cons and advantages and disadvantages of the project or program.

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (6-0) to adopt Resolution No. 1705-19.

Resolution No. 1706-19:

Mayor Walter read Resolution No. 1706-19 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, COMMITTING LOCAL FUNDS AS LEVERAGE FOR AN FY 2019 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION.

Ms. Evans stated that this is the matching fund for the CDBG application. The overall project is expected to be \$139,000 and the Town would need to commit approximately \$48,000 to complete the project.

On motion of Vice-Mayor Anderson, seconded by Councilmember Cordes, and carried (6-0) to adopt Resolution No. 1706-19.

Resolution No. 1708-19:

Mayor Walter read Resolution No. 1708-19 by title only.

A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, ORDERING THE ABANDONMENT OF A PORTION OF RIGHT-OF-WAY WITHIN FLORENCE, ARIZONA, GENERALLY DESCRIBED AS SITUATED IN THE SOUTHWEST CORNER OF SECTION 36,

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TOWNSHIP 4 SOUTH, RANGE 9 EAST OF THE GILA RIVER MERIDIAN, FLORENCE STREET BETWEEN EAST BUTTE AVENUE AND 11TH STREET.

Mr. Chris Salas, Public Works Director, stated that the Town has been working with Pinal County on their project. The benefit to their project is that while abandoning the right-of-way, the Town can remove some of the hinderances of the setback which will allow them to have more design flexibility.

Mr. Billingsley stated that this is part of making Florence a walkable community. The Town is abandoning a street and making it a pedestrian corridor to be able to walk the complex.

Vice-Mayor Anderson inquired if there were discussions regarding a land swap.

Mr. Billingsley stated that discussions occurred with the Town abandoning the street provides Pinal County some flexibility with setbacks on their project and they will make Park Street more of a boulevard concept so that it is more of an entry into the community instead of as it exists now.

Vice-Mayor Anderson stated that he thought there would be conversation regarding the vacant lot that they had.

Mr. Billingsley stated that they did not have that conversation.

On motion of Councilmember Cordes, seconded by Councilmember Larsen, and carried (6-0) to adopt Resolution No. 1708-19.

Discussion/Approval/Disapproval to award a contract to Ellison Mills Contracting LLC, to install valves, fire hydrants, tapping sleeves, and concrete encased sewer, replace curb, sidewalk and asphalt as necessary, in an amount not to exceed \$525,200.85 (Bid \$456,696.39 plus a 15% Town contingency of \$68,504.46) for CIP WU-83 Phase 3B Downtown 12" Loop.

Mr. Salas stated that this is the final loop of this project. Each part has improved the fire flows. Included in the project is upsized lines, new fire hydrants, especially were there were operational concerns or needs.

Councilmember Cordes inquired about the time frame for the project.

Mr. Salas stated that it will be completed before or after the Thanksgiving holiday.

Vice-Mayor Anderson stated that they have 120 days and if not completed in the timeframe, the contractor will be penalized \$500 per day.

On motion of Vice-Mayor Anderson, seconded by Councilmember Cordes, and carried (6-0) to award a contract to Ellison Mills Contracting LLC, to install valves, fire hydrants, tapping sleeves, and concrete encased sewer, replace curb, sidewalk and asphalt as necessary, in an amount not to exceed \$525,200.85 (Bid \$456,696.39 plus a 15% Town contingency of \$68,504.46) for CIP WU-83 Phase 3B Downtown 12" Loop.

MANAGER'S REPORT

Mr. Billingsley stated Council asked for staff to put a priority on developing partnerships and relationships. The Town has partnered with the Florence Unified School District (FUSD) to work towards a STEM school. Both entities made commitments to each other in terms of expenditures and improvements made to benefit the other. From the Town's perspective, the Town agreed to do the 12" waterline loop to increase fire flows to the Florence K-8 school which has some real challenges from a fire flow perspective. The Town also facilitated the ability for the school to do future projects and know that they have the fire flow necessary to meet the intent of the 2012 Codes.

Mr. Billingsley stated that from the Town's perspective, the FUSD agreed to rehabilitate a number of old buildings that have various issues from lead-based paint to asbestos. Both the FUSD and the Town has met those commitments. This is an example of an excellent partnership.

Mr. Billingsley stated that the Town had an opportunity to be represented on television three different times.

- Bullying video on News Channel 3 (which was shown to Council)
- Active Shooter Exercise on News 15
- Bullying video on Fox 10 News (will air soon)

Councilmember Cordes inquired what the buildings will be used for.

Mr. Billingsley stated that the head start building will be used for a daycare facility. They have installed new windows, new carpeting, new wall furnishings, ADA improvements, etc. in the other four buildings. Those buildings will be used for school programs and for their Before and After School Program. The Town of Florence is no longer providing the Before and After School Program as they have a new vendor.

DEPARTMENT REPORTS

Community Development

Community Services

Courts

Finance

Fire

Police

Public Works

The Department Reports were received and filed.

CALL TO THE PUBLIC

Ms. Cathy Adams, Florence Resident, thanked the Council for the conversation for the CDBG grants. She stated that it was very informative. She said that many attended the first CDBG public hearing along with others to provide feedback because they thought it was an open slate and their opinions were being asked because there were possibilities. If the Town clearly knew that there were time constraints to only provide a certain type of service, it should have been

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articulated at the meeting. She stated that it is important to articulate to the public of any parameters, limitations or time constraints to any proposed grants.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Vice-Mayor Anderson stated that he attended CPR training. The training was opening to the Town employees and the CERT group. He was surprised that there were not many participants. He would like to see more people attend the trainings.

Councilmember Wall wished Councilmember Larsen a Happy Birthday. She stated that it is her understanding that the tax rates will be as follows:

- Primary property tax Decrease by \$0.03
- MRCFD rate Decrease by \$2.56
- MRCFD2 rate Increase by \$0.27
- SLID #1 No change
- SLID #2 No change
- SLID #3 Increase by \$0.12

Councilmember Larsen wished everyone a Happy Fourth of July.

Councilmember Cordes attended the Historical Preservation Conference and stated that it was a wealth of information. She networked with the Historic District Advisory Commission (HDAC) members and discuss goals. HDAC will present a packet with their ideas and how they will implement their ideas to the Council. They learned about millennials. She would like to see more Councilmembers and HDAC members attend. She said she learned a lot and thanked the Council for the opportunity to attend.

Mayor Walter invited everyone to attend the Fourth of July events. She attended the 60th Anniversary of the Arizona Mexico Commission and was able to participate in a meeting with Arizona Governor Ducey and Sonora, Mexico Governor Pavlovich-Arellano. They discussed economic development, infrastructure and autonomous vehicles. She stated that there was a wealth of information shared.

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), (A)(4) and (A)(7) to consider its position and instruct its representatives and/or attorneys regarding:

Town's position and instruct its attorneys regarding pending litigation case number 1100CV201500235-Assoc. of Florence Fire vs Town of Florence.

Instruct staff with regards to negotiations of land purchases required for future infrastructure.

Town's position on potential and threatened claim regarding HOA fees.

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

ADJOURNMENT FROM EXECUTIVE SESSION

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

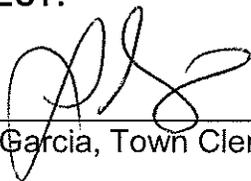
ADJOURNMENT

On motion of Councilmember Wall, seconded by Councilmember Larsen, and carried (6-0) to adjourn the meeting at 10:30 pm.



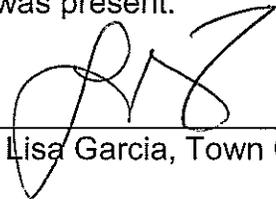
Tara Walter, Mayor

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 July 1, 2019, and that the meeting was duly called to order and that a quorum was present.



Lisa Garcia, Town Clerk