MINUTES OF THE TOWN OF FLORENCE SPECIAL MEETING OF THE FLORENCE TOWN COUNCIL HELD ON MONDAY, DECEMBER 16, 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 p.m.

ROLL CALL:

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

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.

ADJOURNMENT TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO 1.

On motion of Councilmember Wall, seconded by Councilmember Hawkins, and carried (5-0) to adjourn to Merrill Ranch Community Facilities District No. 1.

Discussion and possible action accepting the Annual Financial Statement for Fiscal Year 2018-2019.

Ms. Becki Jimenez, Interim District Treasurer, stated that the Town's auditors are Fester & Chapman. The cost of the audit was $8,500. The audit will provide financing entities, bond holders and the interested parties the financial status for MRCFD No. 1 and its operations. The report will also provide disclosure information for the District. She stated that there were no findings.

Mr. Ben Hur, Fester & Chapman, PLLC, provided an overview of the audit and noted that there were no deficiencies or findings. He stated that the audit was completed in accordance with

Generally Accepted Accounting Principles to ensure the statements are presented fairly. There were no reported deficiencies.

Mr. Hur stated that they also provided a report to the Board of Directors, which is a required communication for the auditors. There were no new accounting standards or adopted policies and they had a clean opinion which means that there was no difficulty encountered while performing the audit nor any disagreements with the management.

On motion of Vice-Chairman Anderson, seconded by Boardmember Cordes, and carried (5-0) to accept the Annual Financial Statement for Fiscal Year 2018-2019.

Discussion and possible action to approve the Professional Services Agreement with EPS Group, Inc., for Merrill Ranch Community Facilities District No. 1 engineering services, in an amount not to exceed $100,000.

Mr. Chris Salas, District Engineer, stated that State law and the Town Code require that the District have a separate engineering firm review all of the construction documents, feasibility reports and other engineering related items. A non-cost competitive bid analysis was completed and EPS Group, Inc. was chosen as the most qualified firm.

Mr. Salas stated that they spent $33,000 combined between both CFDs. The amount requested is to allow for flexibility. Staff will start out with an $18,000 purchase order for each CFD.

Vice-Chairman Anderson inquired why the amount being requested is $100,00 for each CFD when they spent far less last year. He is concerned about the large increase.

Mr. Salas explained that the increase is it to allow for flexibility.

On motion of Boardmember Wall, seconded by Boardmember Hawkins, and carried (5-0) to approve the Professional Services Agreement with EPS Group, Inc., for Merrill Ranch Community Facilities District No. 1 engineering services, in an amount not to exceed $100,000.

Discussion and possible action to approve Merrill Ranch Community Facilities District No. 1 September 16 and October 7, 2019 Special Meeting minutes.

On motion of Boardmember Wall, seconded by Boardmember Cordes, and carried (5-0) to approve the Merrill Ranch Community Facilities District No. 1 September 16 and October 7, 2019 Special Meeting minutes.

ADJOURNMENT FROM MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO 1.

On motion of Boardmember Hawkins, seconded by Boardmember Wall, and carried (5-0) to adjourn from Merrill Ranch Community Facilities District No. 1.

ADJOURNMENT TO MERRILL RANCH COMMUNITY FACILITIES DISTRICT NO 2.

On motion of Councilmember Wall, seconded by Councilmember Hawkins, and carried (5-0) to adjourn to Merrill Ranch Community Facilities District No. 2.

Discussion and possible action of accepting the Annual Financial Statement for Fiscal Year 2018-2019.

Ms. Becki Jimenez, Interim District Treasurer, stated that the Town's auditors are Fester & Chapman. The cost of the audit was $8,500. The audit will provide financing entities, bond holders and the interested parties the financial status for MRCFD No. 1 and its operations. The report will also provide disclosure information for the District.

Ms. Jimenez stated that when the audit is referred to as unremarkable, it means that there were no findings. It was mainly the collection of assessment principal and interest that was due as well as General Obligation Bonds principal and interest.

Mr. Ben Hur, Fester & Chapman, PLLC, provided an overview of the audit and noted that there were no deficiencies or findings. He stated that the audit was completed in accordance with Generally Accepted Accounting Principles to ensure the statements are presented fairly. There were no reported deficiencies.

Mr. Hur stated that they also provided a report to the Board of Directors, which is a required communication for the auditors. There were no new accounting standards or adopted policies and they had a clean opinion which means that there was no difficulty encountered while performing the audit nor any disagreements with the management.

On motion of Boardmember Hawkins, seconded by Vice-Chairman Anderson, and carried (5-0) to accept the Annual Financial Statement for Fiscal Year 2018-2019.

Discussion and possible action to approve the Professional Services Agreement with EPS Group, Inc., for Merrill Ranch Community Facilities District No. 2 engineering services, in an amount not to exceed $100,000.

Mr. Chris Salas, District Engineer, stated that State law and the Town Code requires that the District have a separate engineering firm review all construction documents, feasibility reports and other engineering related items. A non-cost competitive bid analysis was completed and EPS Group, Inc. was chosen as the most qualified firm.

Mr. Salas stated that they spent $33,000 combined between both CFDs. The amount requested is to allow for flexibility. Staff will start out with an $18,000 purchase order for each CFD.

Vice-Chairman Anderson inquired why the amount being requested is $100,00 for each CFD when they spent far less last year. He is concerned about the large increase.

Mr. Salas explained that the increase is it to allow for flexibility.

On motion of Boardmember Wall, seconded by Boardmember Cordes, and carried (5-0) to approve the Professional Services Agreement with EPS Group, Inc., for Merrill Ranch Community Facilities District No. 2 engineering services, in an amount not to exceed $100,000.

Discussion and possible action to approve Merrill Ranch Community Facilities District No. 2 November 4, 2019 Special Meeting minutes.

On motion of Vice-Chairman Anderson, seconded by Boardmember Cordes, and carried (5-0) to approve the Merrill Ranch Community Facilities District No. 2 November 4, 2019 Special Meeting minutes.

ADJOURNMENT FROM MERRILL RANCH COMMUNITY FACILTIES DISTRICT NO 2.

On motion of Boardmember Hawkins, seconded by Boardmember Wall, and carried (5-0) to adjourn from Merrill Ranch Community Facilities District No. 2.

PRESENTATIONS

Presentation of Years of Service Award to Lisa Garcia, Deputy Town Manager/Town Clerk, for 25 years of service.

Mr. Brent Billingsley, Town Manager, stated that Ms. Garcia is a prominent member in the community as well as a leader for the Town. He provided an overview of her tenure and accomplishments with the Town. He explained how vital the Municipal Clerk's position is to the Town and the functions that they perform.

Mr. Billingsley stated that Ms. Garcia is one of the best clerks in the State of Arizona and is recognized as the Region 8 Leader for the International Municipal Clerks Association. He stated that she is a wonderful teammate, keeps the team inline and ensures that the correct things are done.

Mr. Billingsley stated that Ms. Garcia serves dual roles for the Town as Town Clerk and Deputy Town Manager. He is proud to recognize her for all that she does for the Town and to have her family present to honor her.

Mayor Walter stated that she has known Ms. Garcia for approximately ten years, and she has taught her about municipal government and leadership. She thanked Ms. Garcia for her personal and professional growth.

Ms. Garcia thanked the current Council as well as the previous Councils who have allowed her to service the community. She began her employment with the Town on December 5, 1994 and fell in love with the community. She has raised her family in Florence and has moved her father and aunt to Florence as well. She stated that it is wonderful to live and work in Florence as well as serve Florence. She is very proud of everyone in the audience who has come out to support her.

Presentation and Discussion/Approval/Disapproval of accepting the Comprehensive Annual Financial Statement and Expenditure Limitation Report. (Rebecca Jimenez)

Ms. Becki Jimenez, Finance Director, stated that audited financial statements along with the Comprehensive Annual Financial Statement requires extensive work and is comprehensive. These documents are used by outside entities as a way to see how the Town functions and its financial stability. They are also used when the Town is requesting a loan or for bonding.

Ms. Jimenez stated that there was one finding that Mr. Hur will report on; however, she assured the Council that the issue has been resolved. Triple checks and balances have been added to ensure that there are no further occurrences.

Ms. Jimenez stated that the Town had findings last year; however, each of the findings have been addressed.

Mr. Ben Hur, Fester & Chapman, PLLC, explained what an audit entails and the financial thresholds for having to do a single audit. The audit was performed in accordance with Generally Accepted Auditing Standards and the Government Auditing Standards. They completed the audit of the financial statements and issued a modified opinion which means that the financial statements are (inaudible) in all aspects in accordance with Generally Accepted Accounting Principles.

Mr. Hur stated that they noted a finding which will be characterized as a deficiency. The single audit was new this year as the Town was not required to do a single audit last year. He stated that the they issued an unmodified opinion on compliance for the major programs they tested. The major programs were tested as a single audit. They tested the Community Development Block Grants (CDBG) and Highway Planning and Construction Grants, which were subject to the single audit and were tested for non-compliance. There were no deficiencies or findings.

Mr. Hur stated that a summary was reported to the Mayor and Council and the following topics are discussed:

- Significant Audit Findings
  - Qualitive Aspects of Accounting Practices
    - The disclosures in the financial statements are neutral, consistent, and clear.
- Difficulty Encountered in Performing the Audit
  - There were no significant difficulties in dealing with management in performing and completing the audit.
- Corrected and Uncorrected Misstatements
  - Two adjusting journal entries detected as a result of audit procedures and corrected by management.
  - Management also posted 15 post-closing journal entries after commencement of field work.
- Disagreements with Management
  - There were no such disagreements that arose during the course of the audit.
- Management Representation
  - They requested certain representations from management that are included in the management representation letter dated November 26, 2019.
- Management Consultations with Other Independent Accountants
  - There were no such consultations with other accountants.
- Other Audit Findings or Issues
  - They issued a Single Audit Reporting Package, dated November 26, 2019, noting a significant deficiency.
- Other matters
  - They did not audit the Management's Discussion and Analysis, the Budgetary Comparison Schedules and the Pension Plan Schedules (required supplemental information (RSI)), nor did they express an opinion or provide any assurance on the RSI.

Mr. Hur explained the outlined financial totals within the financial statements.

Vice-Mayor Anderson inquired how the value of assets are assessed and if they depreciate.

Mr. Hur explained that value is based on when the asset was acquired, and dependent on the type of asset, management will determine the appropriate useful life for the asset and will depreciate over the useful life.

Mayor Walter appreciated the fact that during the audit, it was determined that the Town made an overpayment to a vendor for a construction project. This overpayment was refunded to the Town. She appreciates that they worked with staff to evaluate what occurred and created a process in which long term projects will not be overpaid.

Mr. Hur stated that the work could not be completed without management and staff assistance.

Councilmember Wall asked that a copy of the presentation be prepared to Council.

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (5-0) to accept the Comprehensive Annual Financial Statement and Expenditure Limitation Report.

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 Parks and Recreation Comprehensive Plan. (Bryan Hughes)**

b. **Approval of expenditures over $24,999, and authorization for future expenditure not to exceed $75,000, with Brown Associates, to provide building safety services that include, but not limited to, inspections, plan review and Code interpretations. (Larry Harmer)**

c. **Approval of Final Plat for DR Horton, Anthem at Merrill Ranch Unit 33. (Larry Harmer)**

    1. **Resolution No. 1723-19:**

Mayor Walter read Resolution No. 1723-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE FINAL PLAT FOR ANTHEM AT MERRILL RANCH UNIT 33; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

d. **Approval of the Final Plats for Franklin, Anthem at Merrill Ranch Units 47, 49 and 51. (Larry Harmer)**

    1. **Resolution No. 1724-19:**

Mayor Walter read Resolution No. 1724-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE FINAL PLAT FOR ANTHEM AT MERRILL RANCH UNIT 47; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

2. Resolution No. 1725-19:

Mayor Walter read Resolution No. 1725-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE FINAL PLAT FOR ANTHEM AT MERRILL RANCH UNIT 49; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

3. Resolution No. 1726-19:

Mayor Walter read Resolution No. 1726-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE FINAL PLAT FOR ANTHEM AT MERRILL RANCH UNIT 51; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

e. Approval of Final Plats for Pulte, Anthem at Merrill Ranch Units 57 and 66. (Larry Harmer)

1. Resolution No. 1727-19:

Mayor Walter read Resolution No. 1727-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE FINAL PLAT FOR ANTHEM AT MERRILL RANCH UNIT 57; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

2. Resolution No. 1728-19:

Mayor Walter read Resolution No. 1728-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, APPROVING THE FINAL PLAT FOR ANTHEM AT MERRILL RANCH UNIT 66; AND AUTHORIZING EXECUTION BY THE TOWN MANAGER OF SUPPORTING DOCUMENTS.

f. Resolution No. 1729 -19:

Mayor Walter read Resolution No. 1729-19 by title only.

Adoption of A RESOLUTION OF THE TOWN OF FLORENCE, PINAL COUNTY, ARIZONA, DESIGNATING REBECCA JIMENEZ, INTERIM FINANCE DIRECTOR OF THE TOWN OF FLORENCE, ARIZONA, AS INTERIM CHIEF FINANCIAL OFFICER, DESIGNATED TO OFFICIALLY SUBMIT THE EXPENDITURE LIMITATION REPORT FOR THE TOWN OF FLORENCE, ARIZONA. (Rebecca Jimenez)

g. Discussion on the Notice of Task Order/Change Order issued for On-Call Engineering pursuant to Council approved contract for WestLand Resources. (Bryan Hughes)

h. Approval of the October 28, November 4, November 18 and December 3, 2019 Town Council Meeting minutes.

i. Receive and file the following board and commission minutes:

1. **October 10, 2019 Arts and Culture Commission Meeting minutes**
2. **September 5 and September 16, 2019 Parks and Recreation Advisory Board Meeting minutes**
3. **November 7, 2019 Planning and Zoning Commission Meeting minutes**

j. Approval of accepting the register of demands ending October 31, 2019, in the amount of $2,420,356.30. (Becki Jimenez)

On motion of Councilmember Cordes, seconded by Councilmember Wall, and carried (5-0) to approve the Consent Agenda, as written, with the exception of Items a and b.

b. Approval of expenditures over $24,999, and authorization for future expenditure not to exceed $75,000, with Brown Associates, to provide building safety services that include, but not limited to, inspections, plan review and Code interpretations.

Councilmember Cordes asked that Brown Associates attend a future Council meeting to discuss their opinion on the buildings, the Town' processes and how the Town interprets the Code. She would like to see all future consultants attend a Council meeting as well.

Mr. Larry Harmer, Community Development Director, stated that staff has had conversations with Brown Associates and has spoken with the Building Inspector in length prior to the Building Inspector's leave. The Town is in alignment and there have been no discrepancies. They also pointed out a few things that the inspector was missing, which was no issue with the contractors.

Councilmember Cordes stated that she appreciates staff having the conversations with them and sharing the discussions with the Council.

Mr. Harmer stated that he has used Brown Associates for approximately 15 years while working in other communities. He stated that Brown Associates is in agreement with how the Town is interpreting the Code and how it is operating.

On motion of Councilmember Cordes, seconded by Councilmember Hawkins, and carried (5-0) to approve the expenditures over $24,999, and authorization for future expenditure not to exceed $75,000, with Brown Associates, to provide building safety services that include, but not limited to, inspections, plan review and Code interpretations.

a. Adoption of the Parks and Recreation Comprehensive Plan.

Vice-Mayor Anderson stated that the Comprehensive Plan will cost approximately $29,000,000 to execute and felt that it should be discussed under new business and not placed on the consent agenda. He would have like a work session to discuss the Plan in detail. He would like to see a funding program that contains more detail before it is included in the General Plan.

Mr. Bryan Hughes, Community Services Director, stated that he presented the Comprehensive Plan during a work session at the November 4, 2019 Council meeting, where the Plan was discussed in length. Action Plans were presented within the Comprehensive Plan. There are potential substantial financial outlays which will be looked at independently at the beginning of each fiscal budget year as part of the CIP. He stated that the community was receptive to bonding, which may be a financial option. He stated that there are various funding options throughout the Plan.

Mr. Hughes stated that the item was placed on the Consent Agenda because it was staff's understanding that the questions had been answered at the work session.

Vice-Mayor Anderson inquired if the prices changed from what was presented to Council at the work session versus what is included on the consent agenda.

Mr. Hughes stated that the prices are consistent; however, the costs are estimates only and are on the higher end. The prices may be lower once they engineer the project.

Vice-Mayor Anderson is concerned about the $23,000,000 estimated cost for Heritage Park.

Mr. Hughes stated that he does not foresee the Town spending $23,000,000 for Heritage Park; however, the Town would till need to go out for bonding on this project.

Councilmember Hughes clarified that the Council is not being asked to approve the project but rather the plan so it can be included within the General Plan. He stated that the plan is a conceptual design and changes can be made. It is a compilation of what the public would like to see.

Mr. Brent Billingsley, Town Manager, stated that the Parks and Recreation Comprehensive Plan will become part of the General Plan, but it is not specific to any methodology nor committing Town funds. Under the Town's Expenditure Limitation, the Town does not have the ability to fund a lot of improvements that are included within the Plan until the Town goes back to the voters to get more capacity.

Councilmember Anderson stated that he would like to see a realistic plan and does not feel that the Town can execute this plan in the next ten years at a cost of $29,000,000. He would like to

see a more realistic approach. He stated that there is nothing planned for north of the Gila Rivera and questions why the Town is moving forward because the Plan is not comprehensive.

Mr. Anderson stated that 40% of the residents are millennials and live in the Anthem area and nothing is being done for them. They will not be using the amenities in the downtown area. He stated that Councilmember Larsen inquired about a skate park and it is not included.

Councilmember Cordes stated that she understands Vice-Mayor Anderson's concerns about the plan benefitting the downtown area and not the north side; however, the downtown area needs a lot of improvements if they want to see Florence grow and be a destination town. Florence is lacking things that people want to come to such as restaurants and bars. She thinks that this is a great plan. She appreciates the hard work and that there is a vision.

Mayor Walter stated that everyone is part of Florence and each section of Town has something to offer. She understands the importance of having amenities for the residents and for others to use. It is important to have a vision for the Town. This is the next phase of making the vision becoming a reality.

Vice-Mayor Anderson appreciates all of the work that went into the Comprehensive Plan.

On motion of Councilmember Hawkins, seconded by Councilmember Wall, and carried (Yes: 4: Cordes, Hawkins, Wall, Walter; No: 1: Anderson) to adopt the Parks and Recreation Comprehensive Plan.

NEW BUSINESS

Discussion/Approval/Disapproval of the Florence Downtown Redevelopment Area Improvement Program. (Jennifer Evans)

Ms. Jennifer Evans, Management Analyst, stated that Florence Downtown Redevelopment Area Improvement Program is an extension of the existing Façade Program. The Council allocated $20,000 for the Façade Program. This fiscal year, Council allocated $50,000 for a fire sprinkler suppression system grant program for commercial properties that are owned or leased by commercial tenants in the redevelopment area.

Ms. Evans stated that the grant awards for the façade program is $5,000 per project. The grant award for the fire suppression installation project is maximum $10,000 per project. The goal is to help the downtown business buildings up to Code and to freshen the facades of the building.

Ms. Evans stated that staff is requesting that Council consider entering into a contract with the Florence Industrial Development Authority to manage the program for the Town. The IDA will be paid $3,500 to run the program. They will collect and review the applications as well as manage the award process.

Vice-Mayor Anderson stated that the Town has this grant available, yet no one is applying for it.

Ms. Evans stated that staff has given out numerous applications over the last two years. Staff will double their efforts. She noted that staff made personal contact with each business and property owner and will do again.

Vice-Mayor Anderson asked that the Town involve the Chamber of Commerce.

Discussion occurred on various ways to spread the word to the public including reaching out the realtors and advising them of the program.

Councilmember Cordes stated that she has spoken to business owners and many were not aware of the available funding for the fire suppression program. She stated that $10,000 maximum award may not be enough as the system is very expensive to install. Many of the business owners feel that the Town will only allow this particular system and she does not agree with limiting the business owners to a specific system.

Councilmember Cordes inquired how many businesses have utilized the façade grant in the last five years. She inquired if anyone has applied for the fire suppression grant.

Ms. Evans stated that façade grant has been established for two years and they have received one application. The fire suppression program has not opened up yet as staff is waiting for Council approval before staff announces the program and solicits applications.

Councilmember Cordes inquired why the Town is paying the IDA to administer the program instead of staff administering it themselves.

Ms. Lisa Garcia, Deputy Town Manager/Town Clerk, stated that staff creates policies and programs for Council approved items. Staff has not advertised as of yet, pending approval from the Council. The Town has chosen the IDA to administer the program to ensure that there is someone in between to administer the grant and to prevent the Town from violating the processes in the gift clause. It also provides for transparency to ensure that there is no impression that the Town is independently choosing businesses.

Ms. Garcia explained the process of how the grant is applied for, awarded and funded. She stated that with regards to the fire system, the business owners can choose which system they will use however, the system does need to go through the Fire Department. The funding is done through a reimbursement.

Vice-Mayor Anderson inquired what the cost is for installing a fire suppression system.

Ms. Evans stated that the grant is a 50/50 matching grant with a $10,000 maximum allowable reimbursement. The understanding is that the system will cost $20,000 plus. It is her understanding that the cost will be dependent on square footage. She stated on average, the buildings in the downtown area are between 1,500 to 2,000 square feet.

Mayor Walter stated that the property owner does not need to pay back, it will increase their property value, and increase the safety of the downtown community. She stated that this is an investment in the downtown community.

Mr. Brent Billingsley, Town Manager, stated that the Town needs to go through an independent third party as part of a grant program because the Arizona State Constitution does not allow a governmental entity to provide mend material or money that can increase the value of property. The Town is not in the business of increasing value. The Town is trying to save buildings and assist individuals to come into compliance as well as save the historic infrastructure in the downtown area. The Town would provide the funds to the IDA and the IDA will be the one to administer it; not the Town.

Mayor Walter inquired if there are other communities that utilize these types of programs.

Mr. Billingsley stated that multiple communities in Arizona have partnerships with respect to façade programs. Florence will be the first community to offer a grant program for fire sprinkler systems.

Councilmember Hawkins stated that the program is a great program and a way to save the downtown. The IDA can also assist with other types of funding with low interest rates. The fire suppression system will also help with their insurance rates.

Councilmember Wall stated that they can prorate the IDAs fee based on the number of applications it receives.

Councilmember Cordes stated that it is staff's responsibility to advertise to the businesses of the available programs. She does not believe that Council needs to provide direction on how to advertise or promote the programs. Staff needs to work harder to entice the programs. She does not believe $10,000 is enough money for the fire suppression grant nor is the $5,000 enough for the Façade Program.

Ms. Garcia stated that staff has brought these items to Council for direction. Council has the authority to amend the program and change the policy as it sees fit. She explained that Council can amend the program and policy on the floor tonight or can ask staff to amend them and bring them back to Council for consideration at a future meeting. There is $50,000 in this year's fiscal budget and the Town is 50% through the fiscal year.

Mayor Walter is concerned about doing repairs and the property values being increasing and then the property owner sells the property and it still remains vacant. She asked if they could add criteria such as a viable business needs to be in the building or time limits that the funding needs to be paid back within a certain time frame if something viable is not done with the building.

Ms. Garcia explained that businesses are hesitant to apply for funding when a lien is placed on their property.

Discussion occurred on better advertisement of the programs and availability of funding.

Vice-Mayor Anderson stated that the IDA sent out letters to each individual business owner. He agrees that the limit can be increased but there still needs to be a cap on the total amount. The IDA is a non-profit and all monies paid to the IDA by the Town eventually come back to the Town.

Mayor Walter asked the local newspaper to advertise the programs in the local newspaper.

Councilmember Wall asked that Council place a cap on the amount of funding each person could apply for. She suggested that it be a 50/50 match with a cap of $15,000 for the fire suppression system.

Councilmember Cordes agreed with Councilmember Wall and asked that they raise the limit to $7,000 for the façade program with a 50/50 match as well.

Mr. Brent Billingsley, Town Manager, stated that if Council approves this item, the Façade Program changes, and it joins the two.

Mayor Walter inquired of Fire Chief David Strayer if $30,000 is sufficient for a fire suppression system.

Mr. David Strayer, Fire Chief, stated that it is difficult to determine a sufficient cost because there are several variables. He stated that a third of the cost is the underground. If the Town could assist with that, it would lessen the cost to the business owner.

Councilmember Hawkins stated that caution must be utilized when increasing the cost as it will be difficult to decrease it at a later date. He stated that he thinks it is a little much for the Town to pay for 50% of the cost.

Chief Strayer stated that $30,000 for a sprinkler system is not an unrealistic price for a small building.

On motion of Councilmember Wall, seconded by Councilmember Cordes, and carried (5-0) to approve the Florence Downtown Redevelopment Area Improvement Program with the amendment of the façade grant program in an amount not to exceed $7,000 per grant and the fire suppression grant in an amount not to exceed $15,000, both of which would be the maximum and require no more than 50% of the funds expended.

Discussion/Approval/Disapproval of the Administrative Services Contract with the Florence Industrial Development Authority (IDA) for Management of the Florence Downtown Redevelopment Area Improvement Program. (Jennifer Evans)

On motion of Vice-Mayor Anderson, seconded by Councilmember Wall, and carried (5-0) to approve the Administrative Services Contract with the Florence Industrial Development Authority (IDA) for Management of the Florence Downtown Redevelopment Area Improvement Program with the amendment for $7,000 per building for the façade grant and $15,000 for the fire suppression grant.

Discussion/Approval/Disapproval to authorize the Town of Florence to purchase 4,960 extinguishment credits from Greenstone Water Credits, LLC, for Pinal Active, in an amount not to exceed $434,135.25. (Brent Billingsley)

Mr. Billingsley stated that the purchase of the water credits is for the Town's sustainability program. Two years ago, the Town entered into two agreements, one with the Tonopah Irrigation and Drainage District and one with Central Arizona Groundwater Replenishment District with

respect to the recharge and marketing of long term storage credits from the Town's CAP allotment, which is annualized at 2,048 square feet.

Mr. Billingsley stated that in 2018, the Town entered into a five-year contract in which the Town utilizes the funds received through the CAGRD sale to purchase underground credits through agritirement at a significantly reduced cost than the cost of water. The Town is able to purchase twice as many credits that it would have received through a similar recharge agreement. This year's cost is $87.52 per credit. This enhances the Town's water portfolio as well as being able to provide our own 100-year supply instead of relying on the Town's yearly membership with CAGRD.

Vice-Mayor Anderson inquired how much longer before the Town reaches its CAGRD goal, where the Town will no longer need to pay them the fee.

Mr. Billingsley stated that the Town pays approximately $250,000 annually to belong to CAGRD. Although the Town does not utilize it because the Town is not over pumping its supply or designation, we remain members to belong to the insurance policy for the 100-year water supply. He stated that the Town has approximately 21 years of water supply, and if the trends remain the same, they should have the 100-year water supply in 10 to 20 years.

Mr. Billingsley stated that the Town will not be able to recharge its treated effluent therefore, cutting that time in half.

On motion of Councilmember Hawkins, seconded by Councilmember Wall, and carried (5-0) to authorize the Town of Florence to purchase 4,960 extinguishment credits from Greenstone Water Credits, LLC, for Pinal Active, in an amount not to exceed $434,135.25.

Discussion/Approval/Disapproval of a Design Services Agreement with J2 Engineering, and Environmental Design, LLC, for Poston Butte Preserve Project, in an amount not to exceed $153,335.

Mr. Bryan Hughes, Community Services Director, stated that the request is to allow the Town to continue to work with J2 Engineering and Environmental Design, LLC on the 60% design documents for the Poston Butte Project. They are complete with the 30% design documents that were submitted to BLM. This will help get the project ready to apply for grants.

Councilmember Wall inquired if this document is required by BLM or will the lease continue if the document is not completed. She inquired if J2 will begin work before the leases are obtained.

Mr. Hughes stated that the lease will still be issued without the document. The lease should be issued in the next few weeks. They have agreed with the 30% design documents. They have assisted with some of the environmental and cultural items.

Mr. Hughes stated that the time is such that staff wanted to obtain approval on the 60% design documents so they can keep the process moving.

Vice-Mayor Anderson inquired if these will be the final drawings.

Mr. Hughes stated No. They will eventually have 100% complete plans and they should be completed within 1-1/2 years.

On motion of Councilmember Wall, seconded by Councilmember Cordes, and carried (5-0) to approve a Design Services Agreement with J2 Engineering, and Environmental Design, LLC, for Poston Butte Preserve Project, in an amount not to exceed $153,335.

MANAGER'S REPORT

Mr. Billingsley stated that the Police Department is implementing the traffic and criminal software called AZTraCS (Arizona Traffic and Criminal Software), which is paperless ticketing. The Police Chief will provide a presentation to Council at a future meeting.

Mr. Billingsley stated that San Carlos Irrigation and Drainage District notified the Town that it will replace an existing structure on Butte Avenue as part of its canal lining project. They expect the Town to participate in the project, at a cost of approximately $800,000, to build a bridge at this location. This will include a three-barrel box culvert. This is not a planned expense by the Town or have included in the budget or CIPs.

Mr. Billingsley stated that the Town has a news release that will be provided to the local newspaper with regards to the Town's audit. The Town of Florence has been awarded the Certificate of Achievement for Excellence in Financial Reporting. He congratulated the Finance staff for their hard work.

Mr. Billingsley congratulated Ms. Jennifer Evans, Management Analyst, whom just graduated and received her Arizona Economic Development Pro Certification.

Mr. Billingsley read a note into the record, which stated:

"This note is to express our appreciation for the wonderful programs available to us through the Florence Community Services Department. My husband is in a wheelchair and is unable to stand or walk following two major spine surgeries. We needed to borrow a wheelchair (inaudible) another piece of equipment at the fitness center. They were great help. Because we have an SUV, we needed wheelchair transportation to doctors' appointments. Carolyn, who is the manager, was wonderful and so are the volunteer drivers. Thank you so much for this service. We had no other way to get him to the doctor. We may live in a small Town but the services available to us help us to get through this difficult time, and they are huge. Thank you so very much. Mere words cannot express how much this means to us."

Mr. Billingsley stated that through the 5310 grant, the Town has been able to implement senior transportation and services. The program is doing a great job for the community.

DEPARTMENT REPORTS

Community Services
Community Development
Courts
Finance

Fire
Police
Public Works

Councilmember Cordes inquired about the 10 false alarm malfunctions that were reported on the Fire Department Report. She inquired whose system is malfunctioning and is there a fee for dispatching. She inquired if the systems are in the downtown area.

Chief Strayer stated that it is their system and it is not in the downtown area. There is no fee to respond.

The Department Reports were received and filed.

CALL TO THE PUBLIC

Mr. Roger Biede, Executive Director, Greater Florence Chamber of Commerce, stated that he has been in Florence for six weeks and wanted to recognize Lisa Garcia for her support with the Chamber.

Mr. Biede stated that he is looking forward to working with Ms. Evans on the Façade Program and the Fire Suppression System Program. He stated that they tried to utilize the Façade Program for the building that he is in; however, the funding wouldn't allow for them to do the repairs needed. He stated that small businesses find it difficult to come up with the match money.

Mr. Biede thanked everyone for thinking about the future of the downtown area.

CALL TO THE COUNCIL – CURRENT EVENTS ONLY

Councilmember Hawkins stated that the Florence Reminder ran the offer to settle with Florence Copper. Mr. Bill Tanner made reference to the Town's Council wasting money to fight the mine and it was hubris of the Council to continue in that direction. The settlement was better than what the Courts offered. He stated that the Town has a few appeals and one is the EPA because the Town is trying to protect its environment. He explained the permit that was issued and the possibility of polluting the aquifer. This would affect all of the Town's western development. The aquifer also goes towards San Tan Valley and Queen Creek. Others should be concerned. He asked that people know the facts. The Council is trying to protect the future and its growth. The Town is working on its own water supply.

Councilmember Hawkins wished everyone a great Christmas.

Councilmember Wall stated that there have been several events this season, with one of the biggest being the farewell for Police Chief Dan Hughes. The Pinal County Historical Society had their Christmas party, which was well attended. They are a great asset to the community. She invited everyone to join their membership. She wished everyone happy holidays.

Councilmember Cordes stated that she attended the Electric Light Parade which was a great event. She also attended Superior's parade and it was a great parade as well. She welcomed incoming Police Chief Bruce Walls and wished Police Chief Dan Hughes well on his retirement.

She invited everyone to the 3rd Friday event and invited everyone to attend. The Greater Florence Chamber of Commerce is assisting in promoting the 3rd Friday events. The Chamber also has their welcome back winter visitor event. She hopes this continues to grow into an annual event.

Vice-Mayor Anderson stated that he attended the guitar concert at the Suter House, and they will have more programs in March. He attended the farewell reception for Chief Hughes. They are many things that can be done to help the less privileged and programs such as the Adopt a Grandparent Program.

Mayor Walter stated that there are many ways a person can help out. Please reach out to Council or staff if you have an idea that you think may help the community. She stated that there were inaccurate facts regarding Florence Copper that a resident submitted to the Florence Reminder.

Mayor Walter stated that with regards to the aquifer, there is only one and the water flows north. Before Anthem, Magic Ranch and the communities south of Sant Tan Valley existed, the land was considered desert wasteland. If you were to google aquifer exemptions in the state of Arizona on the EPA website, you will find that there are only 3 aquifer exemptions. The one in Florence is a Class 3 and it gives them full authority to pollute. A pilot program was done in the early 1990s and they could not maintain hydraulic control and the project went no further. Then all of the homes came, and the land just sat and the property was rezoned. We are now where we are.

Mayor Walter stated that the Council has made the process safer, but not ideal.

Mayor Walter stated that recently a lantern festival was held outside of Florence and she was excited because it would bring tourism to Florence. She heard the concerns of people regarding cattle and possibility of a fire. Pinal County issued the permit and the cattle were affected as well as a fire started.

Mayor Walter stated that it is important to advocate for our community and our residents.

Mayor Walter stated that no one has stood up for Florence, so Florence has to find a way to work with Florence Copper.

Mayor Walter stated that there have been several events in the community. She attended the Jingle Bell Jog and they had contests in which they gave out great prizes.

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)(1) to conduct evaluations of the following positions:

Town Clerk
Town Attorney
Town Manager

On motion of Vice-Mayor Anderson, seconded by Councilmember Cordes, and carried (5-0) to adjourn to Executive Session.

ADJOURNMENT FROM EXECUTIVE SESSION

On motion of Councilmember Wall, seconded by Vice-Mayor Anderson, and carried (5-0) to adjourn from Executive Session.

ADJOURNMENT

On motion of Councilmember Wall, seconded by Vice-Mayor Anderson, and carried (5-0) to adjourn the meeting at 10:05 p.m.

Tara Walter

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 December 16, 2019, and that the meeting was duly called to order and that a quorum was present.

Lisa Garcia, Town Clerk