

**Pima County Bond Advisory Committee
Meeting**

**The Manning House
450 W. Paseo Redondo
Tucson, Arizona 85701**

**September 16, 2011
8:00 a.m.**

SUMMARY OF MEETING

Committee Members Present

Larry Hecker, Chair
Carolyn Campbell, Vice Chair
Pat Benchik
Donald Chatfield
Gary Davidson
Brian Flagg (arrived 8:15 a.m.)
Rene Gastelum
Byron Howard
Terri Hutts
David Lyons
A.C. Marriotti
Wade McLean
Patty Richardson
Chris Sheafe
Tom Warne (arrived 8:15 a.m.)
Greg Wexler

Committee Members Absent

Peter Backus
Pete Delgado
Harry George
Jesus Gomez
Kelly Gomez
Ted Prezelski
Thomas Six
Dan Sullivan

MOTIONS

MOTION: Terri Hutts moved, seconded by Gary Davidson, to approve the June 17, 2011 meeting summary. Motion approved 14-0.

MOTION: Byron Howard moved, seconded by Greg Wexler, to accept the Semi-Annual Status Report on the 1997, 2004 and 2006 bond programs. Motion approved 16-0.

MOTION: Greg Wexler moved, seconded by Byron Howard, to support the proposed ordinance amendments to the 1997 General Obligation and Sewer Revenue Bond Ordinance. Motion approved 15-0. Vice-chair Campbell abstained from the vote.

MOTION: Byron Howard moved, seconded by Greg Wexler, to support the proposed ordinance amendments to the 1997 HURF Transportation Bond Ordinance. Motion approved 15-0. Vice-chair Campbell abstained from the vote.

MOTION: Chris Sheafe moved, seconded by Greg Wexler, to support the proposed ordinance amendments to the 2004 General Obligation and Sewer Revenue Bond Ordinance. Motion approved 16-0.

MOTION: Tom Warne moved, seconded by Don Chatfield, to schedule a special meeting for the full committee in November concerning the proposal for economic development projects that would facilitate job growth in key employment centers and to take suggestions on who should be invited to speak. Motion approved 16-0.

MEETING SUMMARY

1. Welcome

Meeting began at 8:05 a.m. with a quorum.

2. Approval of the June 17, 2011 Meeting Summary

MOTION: Terri Hutts moved, seconded by Gary Davidson, to approve the June 17, 2011 meeting summary. Motion approved 14-0.

3. End of Fiscal Year Report for 1997, 2004 and 2006 Bond Programs

Per the County's Truth in Bonding Code, materials were provided to the Committee providing the status of projects included in the 1997, 2004 and 2006 bond programs. These materials are also available to the public via the County's web site. Mary Tyson, Pima County Finance, also provided an overview at the meeting. The Chairman requested that the bond program update reports be sent to the cities, towns and tribes, and their elected officials.

Written reports were submitted by the following jurisdictions: City of Tucson, City of South Tucson, Town of Marana, Town of Oro Valley, Town of Sahuarita, and Tohono O'odham Nation.

There were questions about the status of HURF funding for City projects and public art for one of the City lighting projects.

MOTION: Byron Howard moved, seconded by Greg Wexler, to accept the Semi-Annual Status Report on the 1997, 2004 and 2006 bond programs. Motion approved 16-0.

4. City of Tucson Review of County Bond Programs

Mr. Huckelberry reported that several letters and memos had been sent to the Bond Committee in response to inquiries that City of Tucson Councilman Kozachik had regarding the fairness of the County bond programs to tax payers within the City. An analysis was conducted by the City's Finance Department, also included in the materials, which found the bond program to be fair to City tax payers. The item was deferred to the next City Council study session for presentation. Chairman Hecker offered to attend the meeting in case questions arise that he could address.

5. Amendments to the 1997 and 2004 Bond Ordinances

Per the County's Truth in Bonding Code, the Committee received a staff report describing each of the projects that would be impacted by the proposed ordinance amendments, including the procedures for ordinance amendments. Nicole Fyffe provided a brief verbal summary of each of the 1997 GO and Sewer, and 2004 GO and Sewer projects that would be impacted by the ordinance amendments. Ms. Fyffe noted which projects had received approval during public hearings by the City of Tucson and Town of Oro Valley mayor and councils, as well as other County advisory committees.

Priscilla Cornelio, Director for the Department of Transportation, verbally summarized the three projects impacted by the amendment to the 1997 HURF transportation program. There were questions and discussion regarding cost estimates for the Kino overpass. It was also stated that the City and the RTA Board support the funding change proposed in the proposed bond ordinance amendment. Ms. Cornelio noted that a significant number of HURF projects are either constructed or under construction.

There was support given by committee members for the cooperation between the City of Tucson, Pima County, and Davis-Monthan Air Force Base (AFB) on the Houghton (soon to be Harrison) Greenway, and the Town of Oro Valley and Pima County for the transfer of funds from Kelly Ranch to expand Tortolita Mountain Park. Questions were also asked and answered regarding the impacts from the change in location of the Houghton Greenway to Harrison. Vice-Chair Campbell asked about the remaining State Parks matching grant funds that can be used to purchase State Trust land reclassified for conservation.

MOTION: Greg Wexler moved, seconded by Byron Howard, to support the proposed ordinance amendments to the 1997 General Obligation and Sewer Revenue Bond Ordinance. Motion approved 15-0. Vice-chair Campbell abstained from the vote.

MOTION: Byron Howard moved, seconded by Greg Wexler, to support the proposed ordinance amendments to the 1997 HURF Transportation Bond

Ordinance. Motion approved 15-0. Vice-chair Campbell abstained from the vote.

MOTION: Chris Sheafe moved, seconded by Greg Wexler, to support the proposed ordinance amendments to the 2004 General Obligation and Sewer Revenue Bond Ordinance. Motion approved 16-0.

6. Committee Deliberation Regarding 2012 Bond Election Planning

A. Report from Aerospace-Defense Subcommittee on Proposed Economic Development Related Transportation Projects

Chairman Hecker, also chairman of the subcommittee, began by noting that these projects would benefit many more employment centers beyond the Aerospace and Defense industry. He also pointed out that the committee received information today from Raytheon and the UA Science and Tech Park regarding average wages and distribution of employees.

Mr. Huckelberry outlined how these projects had evolved over time, including the history of transportation projects and bond funding in this area of the County, and stated that there was certainly room for other suggestions for projects that would result in stimulating job growth. Mr. Huckelberry also stated that they County is looking internally at its processes and fees to determine if there are opportunities for changes that would facilitate job growth.

Chairman Hecker reported that the subcommittee asked for specific information on the anticipated benefits of the proposed transportation improvements and what types of jobs would be created. He noted that Raytheon and Davis-Monthan AFB were invited to present today, but that it was too short notice. He suggested that others also be invited to present, perhaps from Oro Valley's Innovation Park and the UA.

Other comments included:

- Support for the proposed projects based on the need to retain intellectual property
- The fact that Raytheon, UA Tech Park, and UA Bio Sciences (The Bridges) would all benefit from these transportation projects
- The need to look at other land uses and flood control impacts in this area of the County
- Support for the projects and the indirect jobs it would provide
- Question on whether a bond election should be held in the short term, or a reallocation of funding, just for the initial 2 projects (land acquisition and minimal transportation project)
- Support for a special meeting just for presentations by employment centers

- Concern that the benefits would only be felt by those in high paying positions
- Recommendation to read the book titled "How America Fell Behind"
- Comment that Seattle's economic boom lifted all economic classes
- Support of role of government in transportation improvements that benefit many, but against land acquisition improvement that would benefit just one employer

Chairman Hecker suggested a special meeting dedicated just to this issue with invites to Raytheon, Roche, Davis-Monthan AFB, UA, other jurisdictions, Pima Community College, etc. Others added social service directors, Sunnyside School District, and TREO. Information about the types of benefits should be available then, plus it would be good to hear about other land uses in the area, as well as, potential flood/drainage constraints. The optics industry would be part of this too. This meeting would be in lieu of another subcommittee meeting.

MOTION: Tom Warne moved, seconded by Don Chatfield, to schedule a special meeting for the full committee in November concerning the proposal for economic development projects that would facilitate job growth in key employment centers and to take suggestions on who should be invited to speak. Motion approved 16-0.

B. Presentations

No presentations.

7. Velodrome Project

A. Follow up from County Administrator

Mr. Huckelberry reported that he has not yet followed up with the Rio Nuevo District regarding the question of whether they have interest in initially funding the Velodrome project. The other question of whether the County could commit refunding from a future bond election is also still pending.

Byron Howard submitted a letter from City of Tucson Ward 1 Councilwoman Regina Romero stating support for the Velodrome but requesting a presentation to her office if locating it downtown becomes an option.

B. Presentation from Richard DeBernardis

Richard DeBernardis, President of Perimeter Bicycling, reported that since the Committee approved \$5 million in funding from a future bond election for the Velodrome project, others have requested

alternative locations be considered. He continued to state that he is contracting with an outside agency to study several variables that may inform the best location for a velodrome, and that the study should be complete in a couple of months. In addition, he is working with the Eller School of Business on an economic impact study.

There was discussion about why a downtown location was suggested, why committee members approved the Kino campus location, and a request by Oro Valley to consider a location within their town.

8. Future Agenda Items and Next Meetings

The next meeting for the full committee will be held in November at a date to be determined. The agenda will include presentations from various stakeholders regarding proposed future bond funding of transportation improvements in the area of employment centers.

Mr. Huckelberry announced three County events in October that committee members would be invited to.

9. Call to the Audience

Michael Tony spoke against the proposed economic development related transportation improvements and for investment in the optics industry.

10. Adjournment

Meeting was adjourned at 10:30 a.m.