

**Pima County Bond Advisory Committee
Meeting**

**Manning House
450 West Paseo Redondo
Friday September 26, 2008
8:00 a.m.**

SUMMARY OF MEETING

Committee Members Present

Larry Hecker, Chair
Carolyn Campbell, Vice Chair
Peter Backus
Pat Benchik
Gary Davidson
Paul Diaz
Rene Gastelum
Harry George
Jesus Gomez
Kelly Gomez
Byron Howard
Terri Hutts
David Lyons
Rebecca Manoleas
A.C. Marriotti
Patty Richardson
Chris Sheafe
Thomas Six
Dan Sullivan
Tom Warne
Greg Wexler

Committee Members Absent

Pete Delgado
Wade McLean
John Neis
Ted Prezelski

1. Welcome

Meeting began at 8:10 a.m. with a quorum.

2. Approval of Meeting Summary

The meeting summary from the April 25, 2008 meeting was approved 20-0.

3. Ending Fiscal Year 2007/08 Bond Program Update

Prior to the meeting, committee members were provided with a written update on the status of the County's bond programs, along with a CD containing a 5-year CIP plans, individual project level updates and a completed projects report. Mary Tyson, the new Capital Improvement Planning Program Manager, provided a summary overview.

Mr. Howard requested an analysis of the ultimate costs of completed projects compared to the amounts in the bond ordinance. Staff will provide such information. Mr. Huckelberry did note that although costs had been escalating sharply over the past few years, bids for recent project, including the Animal Care Center addition, have come in under estimates. Harry George asked a similar question and Mr. Huckelberry responded that the only 2004 project with a major problem is the Joint City/County courts facility that the Commission has been made aware of.

Fred Gray, Director of Parks and Recreation for the City of Tucson, provided a verbal update to the Committee on County bond projects administered by the City. A written report was provided prior to the meeting. Terry Hutts asked about the proposed bond ordinance amendment to move the funding originally allocated to P37 Santa Cruz River Park, to Menlo Park. Mr. Gray explained that construction of I-19/I-10 interchange used land that was need for P37. Therefore, with the concurrence of Supervisor Elias and Councilwoman Romero, the City passed a resolution requesting that the funds be moved to Menlo Park to construct a lighted soccer field and other improvements. Ms. Hutts and Mr. Warne noted that the Committee should make sure that the 2009 bond program includes park funding for the area around the original P37 location (Ajo and I-10).

Chairman Hecker emphasized his displeasure regarding a news article several weeks ago, which unfairly criticized the bond ordinance amendment process. He noted that projects must go through a minimum of two public hearings, additional public hearings if the project is administered by another jurisdiction or is overseen by the County's Neighborhood Reinvestment, Affordable Housing, or Conservation Acquisition Commission, public notice in the newspaper, and review by the Bond Advisory Committee and the Board of Supervisors. Byron Howard noted that for amendments recommended by the City, the City also gets input from the neighborhoods that would be impacted, prior to recommending an amendment to Council.

Jim Glock, City of Tucson Transportation Director, provided an update on County HURF funded transportation projects the City is administering. Vice-Chair Campbell asked if the City had determined whether the interchange project proposed at Kino Highway and 22nd Street would trigger the Neighborhood Protection Amendment. Mr. Glock reported that the City had determined it would not trigger the Neighborhood Protection Amendment.

City of South Tucson provided a written update prior to the meeting.

T Vanhook, Town of Marana Community Development Director, provided a verbal update on County bond projects administered by Marana. A written report was provided to the Committee prior to the meeting. Ms. Vanhook noted that the Santa Cruz Park, which has been held up by the discovery of significant archaeological resources, recently received archaeological clearance. Vice-Chair Campbell asked about whether the Tortolita Trails development was part of the County's overall Tortolita Trails system. Ms. Vanhook said yes.

Nancy Ellis, Town of Oro Valley, provided a verbal update on County bond projects administered by Oro Valley. A written report was provided to the Committee prior to the meeting. Ms. Ellis announced that the CDO River Park project is complete and the grand opening will occur on October 2, 2008. Chris Sheaf asked if there was any progress with the acquisition of Kelly Ranch. The answer was no.

AC Marriotti, Town of Sahuarita Finance Director, provided a verbal update on County bond projects administered by Sahuarita. A written report was provided to the Committee prior to the meeting.

The Tohono O'odham Nation and Pascau Yaqui Tribe submitted written reports to the Committee prior to the meeting.

MOTION: A motion was made and seconded to accept the reports on the current bond programs.

4. Amendments to the 1997 and 2004 General Obligation Bond Programs

Nicole Fyffe summarized the proposed bond ordinance amendments. A written report was provided to the Committee prior to the meeting. Byron Howard asked what the other funding source was for the Mission View Wash, and the answer was Flood Control District Tax Revenue. A question was asked about the source of other funding for the Animal Care Center and Green Valley Performing Arts building. The answer was that the source of other funding is bond interest. Chris Sheaf asked if there was a map to show what properties are being added to the open space bond program and if the proposed amendments impacted the Davis-Monthan open space program. The answer was yes there is a map and it is available upon request. And no, the proposed amendments would not impact the Davis-Monthan open space program. David Lyons asked if the amendment would take away eligible properties. The answer was no, not unless those properties have since been developed.

MOTION: Dan Sullivan moved, seconded by Peter Backus, to recommend the bond ordinance amendments as proposed. Vice-Chair Campbell asked if the motion could be separated into two motions, one for 1997 projects, and another for 2004 projects. Both Mr. Sullivan and Mr. Backus agreed. The motion to approve the recommended bond ordinance amendments as proposed for the 1997 bond program was approved 20-0 and Vice-Chair Campbell abstained. The motion to approve the recommended bond ordinance amendments as proposed for the 2004 bond program was approved 21-0.

5. Future Bond Election Planning Process

Chairman Hecker began the discussion by stating that we are still talking about a November 2009 bond election, and that when the Committee last met in May, the Committee was faced with narrowing down \$1.4 billion of projects. Nicole Fyffe reviewed the schedule for Committee deliberation that was suggested by staff in May:

Committee deliberation October 2008 through January 2009
Board deliberation from February-July 2009
Drafting bond ordinance and noticing in newspaper July-September 2009
Early voting begins October 1, 2009
Election day November 3, 2009

Vice-Chair Campbell stated that during the 2004 bond election planning process, the Committee requested input from Mr. Huckelberry on his suggestions for a comprehensive bond package. She suggested that the Committee make a similar request this time, and that this would simply be another piece of information the Committee could use for their deliberation. Dan Sullivan agreed and asked that Mr. Huckelberry's input be provided by the next meeting. Mr Huckelberry agreed that this could be provided before the next meeting, if

the next meeting was held on November 14th. Thomas Six stated that he had asked staff to update the cost estimates for projects. Mr. Huckelberry responded that is was underway. Chris Sheaf stated that the Committee needs to be careful not to pit Mr. Huckelberry's suggestions against the requests of other jurisdictions. Gary Davidson stated that he agrees the recommendation is ultimately up to the Commission, but that the Commission had not yet ask Mr. Huckelberry to weigh in. Mr. Davidson said this may also be a good time to look at the capacity question again. Byron Howard announced that the City may be planning a bond election for water, and the question of separate ballots and overall communication between the City and County elections for November 2009 would have to be addressed. Thomas Six asked that if Mr. Huckelberry suggests changes in the priorities recommended by the subcommittee, that to include a justification. Tom Warne stated that he agreed with Mr. Davidson regarding the need for more analysis on the capacity issue in light of borrowing costs recently increasing. Dan Sullivan stated that in the past Mr. Huckelberry's input has helped considerably.

MOTION: Dan Sullivan moved, seconded by Tom Warne, that the Committee meet on November 14, 2008 to review input from Mr. Huckelberry on a 2009 bond package.

Vice-Chair Campbell asked what the options were regarding the Joint City/County Court facility. Mr. Huckelberry explained that the alternatives include a cash contribution from the City or County, which is difficult because our ability to raise revenues is declining; Court district facility funding; revenue bond funds; reduce size and scope project.

Byron Howard stated that Tucson Water and Pima County wastewater cannot wait any longer for a bond election and need to decide and soon as possible how much.

Vice-Chair Campbell requested a presentation from Tucson Water on a 2009 water bond election. Mr. Howard stated that it could be for as much as \$700-\$800 million.

Motion approved 21-0

Chairman Hecker asked whether the County could get a legal opinion on whether Proposition 105 would apply to County bond elections if approved. Mr. Huckelberry agreed to send opinion to the Committee.

6. Next Meeting

The next meeting of the Bond Advisory Committee will be held on November 14, 2008.

7. Call to the Audience

No members of the audience spoke at this time.

8. Meeting Adjourned

Meeting Adjourned at 9:30 a.m.