

**Pima County Bond Advisory Committee
Meeting**

**Manning House
450 West Paseo Redondo
Friday February 16, 2007
8:00 a.m.**

MOTIONS

MOTION: Mr. Six moved, seconded by Mr. Myers, to approve the meeting summary from the January 12, 2007 meeting. Motion approved 18-0.

MOTION: Mr. Sullivan moved, seconded by Mr. Howard, to ask staff to gather a common set of overriding criteria, discuss with Chair, and get the criteria to the full committee and sub-committees as soon as possible. Motion passed 19-0.

SUMMARY OF MEETING

The following is a summary of the February 16, 2007 meeting. Audiotapes of the meeting are available upon request.

Committee Members Present

Larry Hecker, Chair
Kelly Gomez
Patty Richardson
Peter Backus
Gary Davidson
Rene Gastelum
Jesus Gomez
Byron Howard
Wade McLean
John Neis
Chris Sheafe
Thomas Six
Dan Sullivan
Robert Davis
Greg Wexler
Terri Hutts
Anne Doris
Rick Myers
Ted Prezelski

Committee Members Absent

Carolyn Campbell, Vice Chair
Paul Diaz
David Lyons
A.C. Marriotti
Tom Warne

1. Welcome

Meeting began at 8:00 a.m. with a quorum. Chairman Hecker introduced the new committee members Rick Myers and Anne Doris.

2. Approval of Meeting Summary

MOTION: Mr. Six moved, seconded by Mr. Myers, to approve the meeting summary from the January 12, 2007 meeting. Motion approved 18-0.

3. Report from Sub-Committees

Gary Davidson, Chair of the Parks and Recreation sub-committee: The sub-committee has a huge number of projects to narrow down. The sub-committee is continuing to refine criteria to assist in this effort. Presentations will be held by Supervisory district. The sub-committee will aim to come up with a list of A and B priorities, with the realization that many projects won't make the list. Mr. Huckelberry made some suggestions on criteria, including a suggestion that regional needs take priority over local needs since the bond funds are repaid with a regional property tax.

Dan Sullivan, Chair of the Justice and Law Enforcement sub-committee: The sub-committee discussed criteria, received a brief overview of project proposals from the Sheriff's office and Superior Court Presiding Judge Jan Kerney. The sub-committee also determined that they'd hear presentations from the Sheriff's office first. Mr. Sullivan noted that it was promising to hear that the Judge was willing to explore alternatives to a completely new courthouse.

Greg Wexler, Chair of the Public Works sub-committee: The subcommittee took a similar route to other sub-committees and will begin hearing presentations from the Flood Control District at the next meeting.

Peter Backus, Chair of the Public Facilities sub-committee: The sub-committee developed criteria to use and questions to ask during each presentation of proposed projects, and next meeting will start with Public Health project presentations.

It was clarified that several Flood Control District projects were moved to the Parks and Recreation sub-committee.

In response to questions regarding the timing of a sewer revenue bond election, Mr. Huckelberry responded by stating that a sewer revenue bond election could occur in May (only general obligation bond elections are limited to November). However, the County would then have to pay the cost of holding a special election just for sewer revenue bonds, which could cost more than \$1.5 million. On the other hand, the City of Tucson may hold a special election for water infrastructure, and in that case it would not cost much more to add sewer revenue bond questions to the ballot. However, there are procedural issues that arise when the City and County have separate items on the ballot during same election, since neither entity will allow the other to run the election. But overall, the door is not closed on a May election for sewer.

There was discussion regarding developing overall criteria that the full Bond Advisory Committee could use in its deliberations, which could then be supplemented by criteria used by the sub-committees. The full Bond Advisory Committee discussed five overall criteria at the January 12, 2007 meeting. Staff was asked to elaborate on those criteria and distribute to the sub-committees as soon as possible.

Mr. Huckelberry confirmed that he was not aware of any regulatory mandates requiring the County to fund a particular capital improvement project.

MOTION: Mr. Sullivan moved, seconded by Mr. Howard, to ask staff to gather a common set of overriding criteria, discuss with Chair, and get the criteria to the full committee and sub-committees as soon as possible. Motion passed 19-0.

Mr. McLean stated his concern about the amount requested by the Courts, and the impact funding a new courthouse would have on the funding available for other needed projects. Mr. Sullivan, Chair of the Justice and Law Enforcement sub-committee responded by stating that his sub-committee does not have enough information yet to determine how much should be funded for courts, and that the other sub-committees should just proceed with the criteria they've developed. Ms. Hutts stated that it is good to know that funding of a new courthouse is not a regulatory mandate.

Committee members discussed other important criteria, such as urgent needs, projects that provide added value over other projects, and projects located in stress areas.

Mr. Huckelberry stated that the Committee would be provided with a financial analysis regarding an appropriate not-to-exceed amount for a 2008 bond package, based on bonding capacity, existing debt service, interest rates, expected growth in assessed values, and secondary tax rates. Overall, it appears suitable to go for \$750 million in general obligation bonds, to be spent over a 10 year program, paid back over 15 years maximum, based on keeping the tax rate constant. Chairman Hecker added the fact that the County has been able to keep pledges to not exceed a set tax rate during implementation of the 1997, 2004, and 2006 bond programs, and the tax rate has dropped over this time.

4. Future meeting dates

Next meeting is March 16, 2007. This is one of two meetings required each year to oversee the implementation of the 1997, 2004, and 2006 bond program and consider amendments.

The committee will probably hold a meeting in April or May.

Committee members may want to request field trips to sites during this 2008 bond program planning process.

Name tags should be provided to those in audience.

5. Call to the Audience

No speakers.

6. Meeting Adjourned

Meeting Adjourned at 9:00 am.