

**Pima County Bond Advisory Committee
Meeting**

**Manning House
450 West Paseo Redondo
Friday December 1, 2006
8:00 a.m.**

MOTIONS

MOTION: Mr. Gastelum moved, seconded by Mr. Sullivan, to approve the meeting summary from the September 22, 2006 meeting. Ms Campbell asked that the summary be corrected to add in a separate motion that was accepted to amend the 1997 GO bond ordinance for the Tortolita Mountain Park project SD-5. Motion, with addition, approved 14-0.

SUMMARY OF MEETING

The following is a summary of the December 1, 2006 meeting. Audiotapes of the meeting are available upon request.

Committee Members Present

Larry Hecker, Chair (left at 9:30 am)
Carolyn Campbell, Vice Chair
Peter Backus
Gary Davidson (proposed new member)
Paul Diaz
Rene Gastelum
Kelly Gomez
Byron Howard
David Lyons
A.C. Marriotti (arrived 8:10 am)
Wade McLean (arrived 8:15 am)
John Neis
Patty Richardson
Chris Sheafe
Thomas Six
Dan Sullivan
Tom Warne

Committee Members Absent

Robert Davis
Jesus Gomez
Debbie Hecht

1. Welcome

Meeting began at 8:05 a.m. with a quorum. Chairman Hecker introduced the new committee members: Byron Howard (City of Tucson), Gary Davidson (Supervisor Day), Thomas Six (Supervisor Carroll).

2. Approval of Meeting Summary

Mr. Gastelum moved, seconded by Mr. Sullivan, to approve the meeting summary from the September 22, 2006 meeting. Ms Campbell asked that the summary be corrected to add in a separate motion that was accepted to amend the 1997 GO bond ordinance for the Tortolita Mountain Park project SD-5. Motion, with addition, approved 11-0.

3. Potential Future County Bond Election

Nicole Fyffe provided a summary of the planning process to date:

- Over 300 projects proposed by County departments, other jurisdictions, and outside agencies totaling \$3.4 billion.
- Committee members have binder of project requests and staff will continue to send updated project sheets to committee members as process proceeds.
- Open houses and presentations were held in October, November and December to gather input from public on how to pare down the proposed projects to approximately \$600-\$700 million in general obligation bond projects and \$250-\$300 million in sewer revenue bond projects. Additional open houses will be held later on in process when public is likely to be more interested.
- Web site and email link has also been set up to collect comments and all comments will be forwarded to the Board and Committee.
- Web site also includes most up to date list and description of proposed projects www.bonds.pima.gov/future/
- Majority of comments received to date are in support of parks and recreational projects and libraries.

It was clarified that staff is working with school districts to develop projects. Other committees involved in the planning process include the Conservation Acquisition Commission, the Neighborhood Reinvestment Committee, the Affordable Housing Committee, and the Davis-Monthan Open Space Committee.

John Bernal reported that staff are looking into alternative funding methods for some of the proposed projects, including public/private partnerships.

Committee members stated that the following information would be useful during this planning process in order to pare down the list of projects: Operations and management costs; non-bond fund contributions; cost estimates should include inflation and soft costs such as planning, design, and right of way acquisition; regional benefits; bonding capacity; ability to co-locate facilities to share parking and other support needs; information on what size of a bond issue could be recommended if the Committee wants to set a goal of not increasing the tax rate (like pledges that were made and kept for last 3 bond elections) or decreasing the tax rate.

County Administrator Chuck Huckelberry reported on the financial issues that have to be monitored as planning for a future bond election continues: assessed value of property continued to increase this year, residential property increased slower, but commercial still strong; bond debt continues to decrease since the County typically pays it off in less than 12 years and interest rates have been low. County will sell another \$100 million in bonds in January. County has plenty of bonding capacity. Both the County's primary and secondary tax rates continue to drop. Mr. Howard and Mr. Lyons were interested in seeing if the County could estimate a target bond issue size with the constraint of pledging to drop the

secondary tax rate to a certain amount, or while keeping constant the amount of tax the average homeowner pays.

Chairman Hecker requested that staff continue to solicit input from the public, other jurisdictions, and County departments, continue to refine operation and management costs, and other potential sources of funding.

Ms. Campbell asked about the high dollar amount of projects proposed for Superior Court and other justice and law enforcement functions. Mr. Huckelberry stated that the 2004 election was heavily weighted towards justice and law enforcement projects, and that it would be up to the Committee to determine what the priorities are for a future bond election. Mr. Warne requested cost/benefit information for projects (similar to what was provided for the psychiatric facilities bond question in 2006). Mr. Sheaf would like to see projects, that over time, would decrease the need for funding in other areas (such increased quality of life projects that decrease justice and law enforcement needs).

Committee members spoke in support of aiming for May 2008 as bond election date.

4. Call to the Audience

The following individuals spoke:

- Judge Leonardo (Presiding Superior Court Judge) – introduced Jan Kerry who will be replacing him, spoke about court capital space needs.
- Mr. Stevenson – spoke about Benson Highway Park and stated willingness to convey land owned by HOA to County for park.
- Elizabeth Web and JJ Lamb – spoke in support of projects in Vail including preservation of Vail Post office.
- Ann Gibson, President of the Vail School District Governing Board – spoke in support of projects in Vail to serve rapidly growing population.
- Walter Hill, resident of Vail, spoke in support of projects in Vail.

5. Next Meeting

Meeting date in January will be scheduled soon. Items for January agenda include establishing a subcommittee for justice and law enforcement projects, and other subcommittees as needed, and an agenda item to consider Chair and Vice Chair appointments.

6. Meeting Adjourned

Meeting Adjourned at 9:50 am.