



Board of Supervisors Memorandum

April 10, 2012

Appointment of a Bond Program Audit Committee

I. Background

On March 30, 2012, the Bond Advisory Committee (BAC) met for their semiannual review of the County's bond programs and also discussed the Governor's recent approval of House Bill (HB) 2408, which requires the Auditor General to conduct an audit of Pima County's bond programs. The BAC was obviously concerned about the audit and the delay it will cause in planning for a future bond election, but the BAC wants to be proactive regarding such an audit. The BAC took action to recommend to the Board of Supervisors the appointment of an audit subcommittee to the BAC. To counter accusations this subcommittee would be under the influence of my office, it was recommended that membership also include non-BAC members, similar to perhaps a corporate audit board. The BAC recommended three members from the BAC and three members from the community at large. I support their recommendation but would suggest that perhaps an odd-numbered committee with four members from the BAC and five members from the business community may be even more beneficial. In addition, since the BAC would not be meeting to appoint members to this committee and the Board would be ratifying appointments, it would not be a BAC subcommittee, but a standalone committee.

This memorandum provides additional details on such a possible committee and additional information about the audit bill itself.

II. HB 2408 audit bill, which is Marana drafted, sponsored and now adopted legislation

The Governor signed HB 2408 requiring an audit of Pima County's 1997, 2004 and 2006 general obligation bond programs (Attachment 1). The audit is supposed to be completed within six months of the effective date of the bill. According to the Arizona Constitution, this bill would become effective 90 days after the Legislature adjourns their regular session for the year. If the Legislature adjourns sometime between late April and mid-May, the effective date would be between late July and mid-August, which would mean the audit is supposed to be completed between late January and early February 2013. The Auditor General's office has already been in contact with our Finance Director, who will be the main point of contact. Initially, the Auditor General's office is reviewing information to develop an audit plan.

As has been restated numerous times in recent months, our Truth in Bonding Code provides a substantial level of public disclosure and accountability regarding our bond

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programs and any changes that become necessary to individual bond projects as they proceed from initial concepts to construction.

In this section of the memorandum, I will address each of the seven items listed in the legislation that are called for as part of the audit, including where the information is already available.

1. "A description of the general obligation bond programs including the role of the Pima county bond advisory committee and cities and towns within Pima County in administering the programs."

Detailed descriptions of 1997, 2004 and 2006 bond programs can be found on the County's bond website, www.bonds.pima.gov, under their associated bond implementation plan ordinances. Per the County's Truth in Bonding Code, Chapter 3.06, which was further strengthened prior to the 2004 bond election, each bond implementation plan ordinance must contain detailed project descriptions, schedules and cost estimates; and each ordinance must be adopted prior to early voting to provide as much information to voters as possible. The Truth in Bonding Code is available on the County's bond website and the Clerk of the Board's website.

The role of the BAC is clearly defined by Board action creating the committee on July 1, 2003 and in the Truth in Bonding Code, updated most recently on April 6, 2004. The BAC is to review and monitor bond programs on at least a semiannual basis, review and make recommendations to the Board on possible amendments to the bond ordinances, and make recommendations to the Board on future bond programs. Since the 2004 bond election, the BAC has been required to meet at least semiannually and review in detail the implementation process of each bond authorization and each question being implemented within each authorization. This has resulted in 16 semiannual reports being provided to the BAC and the Board of Supervisors. These semiannual implementation reports contain hundreds of pages of information, including reports from the cities, towns and tribes that administer some of the County bond projects. The most recent report provided to the BAC on March 30, 2012 contained 275 pages and is available on the County's bond website. All semiannual reports prepared and provided and acted upon by the BAC and the Board will be provided to the Auditor General for their review and use in this audit. It is estimated these reports total in excess of 4,400 pages.

Since 1997, there have been 16 rounds of bond ordinance amendments covering the 1997, 2004 and 2006 general obligation bonds. These ordinance amendments each have an individual staff report explaining each project modification in detail. The staff reports and ordinance amendments, totaling many hundreds of pages, are available on the County's bond website and will be made available to the Auditor General.

Cities, towns and the two tribes do not administer County bond programs, but they do typically administer individual bond projects that fall within a city or town or tribal boundaries and which are not regional in nature. These are administered by the particular city, town or tribe under intergovernmental agreements (IGAs) with the County. Our Truth in Bonding Code outlines some of the terms that are necessary to include in these IGAs. In addition, typical provisions in our IGAs call for the city, town or tribe to design, procure and construct projects subject to the project scope, schedule and cost detailed in the bond implementation plan ordinances. If it becomes necessary to deviate substantially from the original scope, schedule or cost, a bond ordinance amendment is necessary. Bond ordinance amendments must be approved by the governing board of that city, town or tribe following a public hearing. Bond ordinance amendments must also be approved by the BAC and the Board of Supervisors after the Board holds a public hearing that is noticed in a newspaper 15 days prior to said hearing. The IGAs also typically include certain requirements for environmental and cultural resource compliance, procurement procedures, requirements for reporting project progress to the County, and the process for reimbursement. All bond related IGAs are available for review by the Auditor General in the Clerk of the Board's office.

As stated previously, since 1998, there have been 16 rounds of bond ordinance amendments. These ordinance amendments each have a separate staff report explaining each project modification in detail. The staff reports and ordinance amendments, totaling thousands of pages, have been and are available on the internet and will be made available to the Auditor General.

2. "A comparison of the Pima county general obligation bond programs to general obligation bond programs administered by other counties in this state."

According to the FY 2010/11 Report of Bonded Indebtedness published by the Arizona Department of Revenue and available on their website, Pima County is the only county in Arizona currently with general obligation bond debt. Other Arizona counties currently have debt associated with revenue bonds, Certificates of Participation and Municipal Property Corporations. In other words, while other counties have substantial debt, they issue this debt without voter approval, unlike Pima County. In the past, other Arizona counties have issued and paid off general obligation debt. Marana carefully crafted this section of the legislation so that it would only include Pima County general obligation bond programs.

Comparing Pima County administered programs to other counties in the state is a difficult task. Perhaps the legislation should have been expanded to include comparison with other counties in the western United States or even the entire country, as Pima County has been the first to provide very extensive disclosure, transparency and accountability to voters when implementing voter-approved debt. From our research in developing the Truth in Bonding Code and our process of administering voter-approved bond programs, we found

very few comparable counties in the West with the level of disclosure, transparency and accountability selected by Pima County. Further, none of the disclosure, process, transparency and accountability measures adopted locally by Pima County are required by Arizona law.

We would invite the Auditor General to develop a more exhaustive comparison of similar general obligation bond program administrations for all counties in the western United States. This would provide a much more accurate and informative analysis of the adequacy of Pima County bond administration. The Auditor General could also examine the disclosure, process, transparency and accountability measures used by cities, towns and counties for other types of public debt. Such an examination would conclude ours is the most extensive.

3. "A comparison of the amounts and uses of funds as approved by voters and the Pima county bond advisory committee to the actual amounts and uses of funds."

As part of the effort to defend our bond programs from this and other similar legislation, staff undertook an analysis of our 1997, 2004 and 2006 general obligation bond programs; comparing the original cost estimates to the final costs of completed projects and comparing the original project scopes to the final completed scopes. For the 1997 program, 87 percent were completed at a cost that did not exceed 25 percent of the original cost estimate, and 90 percent substantially met the original scope. For the 2004 and 2006 programs, 93 percent were completed at a cost that did not exceed 25 percent of the original cost estimate, and 95 percent substantially met the original scope (Attachment 2). These reports will be made available to the Auditor General.

4. "A comparison of the timing of projects as approved by the voters to the actual timing of projects."

As part of the same analysis cited above, staff compared the original schedule listed in the original bond ordinances to the completion date for completed projects from the 1997, 2004 and 2006 general obligation bond programs. For the 1997 program, only 45 percent were completed within a year of the original implementation schedule. For the 2004 and 2006 bond programs, 100 percent of the completed projects were completed within one year of the original implementation schedule. Regarding the 1997 program, I believe we were overly optimistic with project schedules when drafting the 1997 bond ordinance. Many projects took longer to complete than originally anticipated. With the start of the 2004 program, additional programming assistance was provided to departments and project managers, which has resulted in the majority of projects being completed ahead of schedule.

5. **"An analysis of Pima county's explanation included in board of supervisors meeting minutes for each change in amount or use of funds and for each change in project delivery timing, including in each instance whether there is any reason to believe or conclude that Pima county changes the amounts or uses of funds or the timing of projects to reward or to punish an entity, party or official who stood to benefit from or be affected by the project."**

As stated above, detailed staff reports were and are provided to the BAC and the Board that explain the necessity for each of the changes to projects that require a bond ordinance amendment. These staff reports include marked up versions of the bond ordinances showing the changes, the date or dates the notice of the Board's public hearing was published in the newspaper, and a statement regarding whether other advisory committees or cities and towns acted or will act on the changes, as required by the County's Truth in Bonding Code. These staff reports are available on our bond website. Meeting minutes for the Board are available on the Clerk of the Board's website dating back to August 2008 and are available through the Clerk of the Board, offline, for prior years.

The most troubling part of this section of the new law is the clause regarding Pima County changes to "reward or punish an entity, party or official who stood to benefit from or be effected by the project." Clearly, the audit, in its legislative form, contains politically biased and preconceived motivations. While the allegations are ludicrous, we are confident the Auditor General will abide by a standard auditing code of ethics that would ignore the inference that an audit should be slanted to reward or punish based on political allegiances or affiliations. The Town of Marana should have had the courage to make this specific allegation directly instead of hiding behind and invoking the credibility of the Legislature to conduct a political witch hunt through the Auditor General.

Also troubling is that the legislation would lead one to believe the County, or the Board, is the only body that oversees these bond programs. The publicity related to this legislation would lead an uninformed party to conclude the County Administrator controls the County bond program. This is not so. Attachment 3 is an organization chart showing the numerous oversight committees, including the BAC, that oversee these programs. In all, 59 members of the public sit on these committees.

6. **"A schedule of the dollar amount of bonds issued under the 1997, 2004 and 2006 Pima county general obligation bond programs and a schedule of the geographic location and dollar amount of the projects actually delivered."**

Attachment 4 is the schedule of bonds issued under the 1997, 2004 and 2006 general obligation bond programs. Staff compiled maps of completed bond projects from 1974 onward, along with project costs. If projects were constructed at locations substantially

different from locations stated in the original bond ordinances, a bond ordinance amendment would have been required to provide opportunities for the public to comment.

7. "For each Pima county general obligation bond program, a determination of the amount of secondary property tax attributable to each city and town and to unincorporated areas of Pima county and the total expenditure of funding in each city and town and in the unincorporated areas of Pima county."

It will be interesting to see how the Auditor General's office responds to this portion of the audit. One could take the town boundaries at the time of each bond election (1997, 2004 and 2006), estimate the share of secondary property tax revenue that would have been generated that year based on the assessed value of the property within those boundaries and the secondary tax rate, and then compare that to the expenditure of bond funds that resulted from that bond election that occurred within those town boundaries. The information contained in this section of the legislation, however, is much like data without logic, since there is no determination as to whether the bond project provides local or jurisdictional based benefits or regional or countywide benefits. Simply looking at the address of the project and its geographic location will produce data; however, this data contributes nothing in determining the jurisdictional value of the project. A macro analysis of benefit versus tax contribution for the Town of Marana is provided in Section V of this report.

An example is embedded in the 1997 general obligation bond project where the voters were asked to approve expansion of the Juvenile Detention Facility of Pima County at a cost of \$42 million. This project has a street address within the City of Tucson; but to credit the benefit exclusively to the City of Tucson would be incorrect. The facility provides regional services and regional benefits to every taxpayer in the County. Such is the case with many of the projects contained in the approved bond programs; therefore, the Auditor General should pay close attention to not only the geographic location of a project but also whether the project provides local or jurisdictional benefits only or if it benefits the entire region.

A more recent example is two very popular and critically needed regional projects funded by the 2004 and 2006 bond elections: the Behavioral Health Pavilion (BHP) and Crisis Response Center (CRC) (originally named the Psychiatric Inpatient Hospital Facilities and Psychiatric Urgent Care Facilities). These facilities, which opened in August 2011, are providing services as promised to the voters. Specifically, the number of behavioral health clients served in all community hospital emergency rooms has decreased and the time for law enforcement drop-offs at emergency facilities has dramatically shortened. In 2012, approximately 300 persons each month in behavioral health crisis have been transported by law enforcement to the CRC. This has greatly reduced this population's impact on local hospital emergency rooms. The time law enforcement staff spend with behavioral health

patients at emergency rooms has decreased from several hours per crisis event to less than 10 minutes at the CRC because of the bond funded facilities. These facilities, located within the Tucson city limits, are providing significant value to the taxpayers of the cities, towns and unincorporated areas of Pima County.

III. Appointment of a Bond Program Audit Committee

Purpose. The purpose the Bond Program Audit Committee would be to:

- Be available to assist and support the Auditor General at the beginning and throughout the audit to facilitate and expedite the audit.
- Review materials Pima County provides to the Auditor General's office.
- Review and make recommendations, if necessary, regarding any reports or materials the Auditor General's office provides to Pima County as part of this audit, including the final report.
- Review Pima County's Truth in Bonding Code, Chapter 3.06, and recommend changes, if necessary.

Membership. The BAC recommended the audit committee be made up of three members from the BAC and three members from the community at large. I would recommend expanding this to nine members, to include:

- Four members of the BAC nominated by the Chair and Vice-Chair and ratified by the Board;
- One member from the largest private employer in Pima County (Raytheon);
- One member from the largest chamber of commerce in Pima County (Tucson Metropolitan Chamber of Commerce);
- One member from the largest organization of business executives (Southern Arizona Leadership Council);
- One member from the largest regional economic development organization in Pima County (Tucson Regional Economic Opportunities); and
- One member from the largest public utility in Pima County (Tucson Electric Power Company).

Term. The Bond Program Audit Committee would remain active through the end of the audit. Since the Auditor General's office has already been in contact with County staff, this committee should be made active as soon as possible. I recommend committee member appointments be ratified by the Board no later than May 1, 2012.

IV. Marana Claims Regarding Bond Irregularities

When questioned repeatedly, Marana representatives can only cite two, possibly three, issues in their assertion of irregular administration of the County bond program. These are 1) Avra Valley Airport Offsite Sewer Extension, 2) Honea Heights Affordable Housing, and 3) possibly the Rattlesnake Pass Park bond reallocation.

1. Avra Valley Airport Offsite Sewer Extension Project

Extending a public sewer to the Avra Valley Airport, now the Marana Regional Airport, was included in the sewer revenue bond program of 2004. This project was cancelled by the County upon notice from the Town of Marana terminating the sewer IGA between the Town and the County. The sewer IGA was entered into on April 23, 1979, and states, in part:

"12. ... Ownership of said flow-through system shall be in County during the term of this Agreement, and upon termination of this Agreement, ownership of all property relating to flow-through sewer facilities shall remain vested in County. On termination, the remainder of the sewer system within the corporate limits of Town that is not flow-through system shall become the property of Town." (emphasis added)

The Avra Valley Airport Sewer Extension would not be a flow-through sewer and, hence, would revert to the Town without cost. Based on the Town's notice of cancellation of the IGA, this project was terminated. To complete the project, given the July 11, 2007 cancellation notice from the Town and the terms of the IGA, Pima County would have violated its fiduciary responsibility to Pima County sewer ratepayers. Had we continued with the project, it would have been paid for entirely by County ratepayers and forfeited to the Town without compensation.

The funding for this project was reallocated, through a bond ordinance amendment on April 1, 2008, to the Marana Wastewater Reclamation Facility (MWRF) expansion. Because of the cancellation of the sewer IGA, the Town claimed the MWRF also belonged to the Town, a fact disputed by the County and litigated in Maricopa County in Superior Court Case No. CV2008-001131. On May 2, 2011, Maricopa County Superior Court Judge J. Kenneth Mangum issued his Final Judgment, ruling the Town had no claim to the wastewater reclamation facilities of the County. The Town subsequently requested a number of southern Arizona legislators to sponsor legislation known as Senate Bill (SB) 1171, which effectively did for the Town what they could not do in the courts – transferred the MWRF to the Town and required the Town only reimburse the outstanding debt owed by the County on the facility. This transfer occurred on January 3, 2012. The

County has filed litigation claiming the transfer legislation is unconstitutional, and this litigation is currently pending in Maricopa Superior Court.

As of this time, the Town of Marana has benefited from the "Marana Airport Sewer Extension," since funding for this project was reallocated to the MWRP. The Town has claimed the MWRP by virtue of SB 1171 passed by the State Legislature last year.

2. Honea Heights Affordable Housing Project

The Honea Heights project in Marana was approved for \$600,000 in Affordable Housing bond funds in January 2009 for infrastructure and development costs of 40 affordable single-family residential (SFR) housing units in a 92 SFR mixed income infill project. Discussions with the Town regarding this project date from November 2004. In November 2005, Marana officials indicated they had identified property flooded in the October 1983 flood but which was now removed from the floodplain and owned by the Marana Unified School District for this project. Due to flood control improvements by the County, the property was removed from the floodplain and so certified by the Federal Emergency Management Agency (FEMA) in March 2008. However, due to levy stability issues, in October 2008, FEMA indicated substantial portions of this property and the balance of Marana were under channel sheet flooding from inadequate levies that could breach principally the Central Arizona Project aqueduct. The issue of levy stability was finally resolved with FEMA.

In March 2010, the Marana Town Council expressed concern over the project regarding its affordability, flooding of the property, sewer service, etc., including issues of liens regarding mortgages related to resale of discounted homes by the original owner. Further, at the Pima County Housing Commission meeting of April 2011, Marana indicated federal home loan bank funding was no longer available, and they had not identified other funding at the time.

The issue of wastewater capacity does not appear to have been raised until September 2011. Regarding wastewater capacity, there is physical capacity at the plant, but the remaining capacity has been reserved via contracts for other customers. Arizona Department of Environmental Quality (ADEQ) rules state that additional connections cannot be made until the plant capacity is expanded. Pima County applied for and received an Aquifer Protection Permit (APP) to expand the capacity of the plant. However, the MWRP was transferred to the Town, and the Town must apply and receive its own APP, which would require them to demonstrate to ADEQ that Marana is financially able to support a more than \$40 million capacity expansion.

3. Marana Rattlesnake Park (Continental Ranch)

In April 2011, Pima County approached the Town of Marana about extending The Loop along the Santa Cruz River near Continental Ranch. The original river park path adjacent to Continental Ranch was a previous bond project. The extension would involve construction of a multiuse path and two bridges. The Marana Town Council approved a resolution and IGA with the County on September 6, 2011 (Resolution No. 2011-89). The IGA stated Pima County would provide up to \$200,000 toward the project, including \$85,490 in bond funding. Our records show the Town would contribute \$145,000. The IGA acknowledged the bond ordinance language would need to be revised to reflect these changes.

At the March 30, 2012 BAC meeting, County staff reported the Town had approved Resolution No. 2011-89 in support of the bond ordinance amendment. Apparently, there was some concern after the meeting that it may have been stated at another point during the meeting that the Town initiated the bond ordinance amendment. This is not correct; Pima County initiated the request. Who initiated the request is irrelevant, however, so long as a bond ordinance amendment was supported by the Town of Marana.

V. Marana Does Benefit from the Pima County Bond Program

The real Marana complaint is contained in comments made by the Marana Mayor in a recent interview in *The Explorer* (Attachment 5) in which he stated, "*When it comes to county bond funds that have been designated for specific projects over the years...We are getting shafted by the county, and so is the City of Tucson. We want our money, and it has nothing to do with wastewater.*" This is what Marana's legislation in Paragraph 7 attempts to determine.

Unfortunately for Marana, the facts will prove almost the opposite. Attachment 6A overlays the Town of Marana boundaries from inception since 1974 through the latest annexation and the various bond programs that have been identified within or directly benefiting the Town or subsequently annexed by the Town as a public improvement financed with County general obligation bonds. Attachment 6B is a list of completed Pima County bond projects within the Town for those elections from 1974 to 2004. Excluded from this list are programmatic bond improvements associated with floodprone land acquisition. However, the Town of Marana did benefit substantially from floodprone land bonds sold in 1984 due to the devastating October 1983 flooding that impacted the Town of Marana.

Most telling in this macro analysis is the Secondary Net Assessed Value of Pima County and Marana over the years that bond issues were approved by the voters within Pima County. Table 1 below indicates the tax year of a particular approved bond program, the

total Pima County secondary net assessed value (SNAV), the SNAV of Marana, the percentage of Marana's assessed value of the assessed value of the entire county, the secondary property tax rate for the particular year (or debt service retirement) and the tax revenues that could have been attributed to the property tax base within Marana to pay for Pima County bonds.

Table 1

Tax Year	Total Pima County SNAV	Total Marana SNAV	Marana SNAV as a Percentage of the Total County SNAV	Pima County Bond Secondary Tax Rate (per \$100 SNAV)	Tax Revenues Based on Marana SNAV
1974	\$1,067,881,277	*Not Applicable	*Not Applicable	\$0.1755	*Not Applicable
1979	1,303,534,317	\$ 1,774,766	.14	0.1722	\$ 3,056
1980	1,439,932,256	1,964,875	.14	0.7283	14,310
1984	2,324,225,207	3,678,890	.16	0.8268	30,417
1985	2,565,591,138	4,517,305	.18	0.8581	38,763
1986	2,841,072,424	5,307,390	.19	0.9101	48,303
1997	3,700,269,211	63,689,243	1.72	1.0000	636,892
2004	5,633,321,019	215,976,168	3.83	0.8150	1,760,206

*The *Abstract of the Assessment Roll*, Tax Year 1974, reported only Pima County valuation information. No information was reported for Marana.

Note: Valuations do not represent actual billing values for tax bills, as they include estimates of unsecured personal property and property exemptions when reported to the Arizona Department of Revenue by January 20 of each tax year.

Source: *Abstract of the Assessment Roll*, Arizona Department of Revenue, indicated years.

The conservative estimated attributable value of Pima County bond projects within the Town of Marana or those annexed by the Town is \$118 million (Attachment 6B). This includes approximately \$52 million in general obligation bond funding and almost \$15 million in HURF bond funding, in addition to \$51 million in non-bond funding. This excludes any regional bonds that would benefit the Town, such as increased jail capacity, hospital or other improvements for public health, the Juvenile Detention Facility, psychiatric facilities or the public safety interoperable communications system.

No matter how the data is considered, it is unmistakable that Marana has benefited significantly when compared to the secondary property taxes raised by Marana's component of the overall property tax base. Many of the bond related improvements

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financed in the list of 42 projects (Attachment 6B) provided fundamental and basic infrastructure that allowed the Town of Marana to grow and increase its assessed value over the years. The Auditor General can perform a year-by-year analysis of the property tax base, analyze each individual annexation and compare those with the benefits of the County bond program to reach generally the same conclusion. The evidence is overwhelming that Marana has benefited far more from the bond program of Pima County than they have paid in taxes to support the program.

Recommendation

I recommend the Board of Supervisors create the Bond Program Audit Committee and direct staff to fully cooperate with the Auditor General's Office concerning the audit.

Respectfully submitted,



C.H. Huckelberry
County Administrator

CHH/mjk – April 5, 2012

Attachments

c: Chairman and Members, Pima County Bond Advisory Committee
Martin Willett, Chief Deputy County Administrator
Tom Burke, Director, Finance and Risk Management
Nicole Fyffe, Executive Assistant to the County Administrator

ATTACHMENT 1

State of Arizona
House of Representatives
Fiftieth Legislature
Second Regular Session
2012

HOUSE BILL 2408

AN ACT

PROVIDING FOR A SPECIAL AUDIT OF THE PIMA COUNTY GENERAL OBLIGATION BOND PROGRAMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Special audit. Pima county general obligation bond
3 program

4 Within six months after the effective date of this act, the auditor
5 general shall complete a special audit of the 1997, 2004 and 2006 Pima county
6 general obligation bond programs. The audit shall include:

7 1. A description of the general obligation bond programs including the
8 role of the Pima county bond advisory committee and cities and towns within
9 Pima county in administering the programs.

10 2. A comparison of the Pima county general obligation bond programs to
11 general obligation bond programs administered by other counties in this
12 state.

13 3. A comparison of the amounts and uses of funds as approved by the
14 voters and the Pima county bond advisory committee to the actual amounts and
15 uses of funds.

16 4. A comparison of the timing of projects as approved by the voters to
17 the actual timing of projects.

18 5. An analysis of Pima county's explanation included in board of
19 supervisors meeting minutes for each change in amount or use of funds and for
20 each change in project delivery timing, including in each instance whether
21 there is any reason to believe or conclude that Pima county changed the
22 amounts or uses of funds or the timing of projects to reward or to punish an
23 entity, party or official who stood to benefit from or be affected by the
24 project.

25 6. A schedule of the dollar amount of bonds issued under the 1997,
26 2004 and 2006 Pima county general obligation bond programs and a schedule of
27 the geographic location and dollar amount of the projects actually delivered.

28 7. For each Pima county general obligation bond program, a
29 determination of the amount of secondary property tax attributable to each
30 city and town and to unincorporated areas of Pima county and the total
31 expenditure of funding in each city and town and in the unincorporated areas
32 of Pima county.

ATTACHMENT 2



MEMORANDUM

Date: March 12, 2012

To: Chairman and Members
Pima County Bond Advisory Committee

From: C.H. Huckelberry
County Administrator 

Re: **1997 General Obligation Bond Program and Voter Intent**

In our continuing effort to provide factual information about Pima County bond programs to counter the misinformation delivered by sponsors of House Bill 2656, attached is an assessment of completed 1997 general obligation bond projects. Similar to the assessment undertaken for the completed 2004 bond projects, staff examined whether completed projects substantially met voters' expectations regarding schedule, bond fund expenditures and scope.

As you can see, the program is almost complete, with 105 of the 118 projects completed. Three projects were retired due to feasibility issues, including endangered species compliance and Marana Unified School District funding a project instead of using bond funds. The remaining eight projects include river park improvements that are ongoing, improvements to Menlo Park that are almost complete, improvements to Lawrence Park that are underway, solid waste projects that remain incomplete due to ongoing activity at the Tangerine Landfill, and continuing remediation efforts at the El Camino del Cerro Landfill.

Of the 105 completed projects:

- 45 percent were completed within a year of the original schedule;
- 87 percent were completed with bond funds not exceeding 25 percent of the original bond funded portion of the cost estimate; and
- 90 percent substantially met the original scope.

Regarding project delays, I believe we were overly optimistic with project schedules when drafting the 1997 bond ordinance. Many projects took significantly longer to complete than originally anticipated. With the start of the 2004 program, additional programming assistance has been provided to departments and project managers, which has resulted in the majority of projects being completed ahead of schedule.

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Regarding changes in scope, many of these occurred after input from the benefiting community; the skate park at Rita Ranch being one example. In addition, several scope changes were due to an inability to afford all of the items listed in the original scope; for example, the number of Sheriff substations provided.

Regarding the projects that had more than a 25-percent increase in bond funds, one was due to unanticipated regulatory requirements associated with the Sahuarita Landfill expansion. Another was due to the unexpected cost of remediating individual septic systems to convert a former trailer park to Flowing Wells Park.

Timing aside, the 1997 general obligation bond program substantially meets voter intent with 90 percent meeting scope and 87 percent within budget. The more significant delays have occurred with the 1997 Highway User Revenue Fund (HURF) bond program. The Arizona Legislature's continued fund sweeps will continue to delay many of these road improvements.

CHH/dph

Attachment

c: The Honorable Chairman and Members, Pima County Board of Supervisors
Nicole Fyffe, Executive Assistant to the County Administrator
Diana Durazo, Special Staff Assistant to the County Administrator

Pima County 1997 General Obligation Bond Program - Did Completed Projects Meet Voter Intent?

Proj No.	Current Name	Original Implementation	Completion date	Met Time	Original Bond Funding \$	Actual Bond Funding \$	Actual as a % of original	Met	
								Bonds Budget	Met Scope
JC-1	Juvenile Court Detention and Administrative Facilities	1998/99	2000/01	No	42,000,000	42,000,000	100%	Yes	Yes
S-1	Sheriff Adult Remanded Juvenile Detention	2002/03	2005/06	No	12,000,000	11,094,768	92%	Yes	Yes
S-2	Sheriff Maximum Security Detention	2006/07	2005/06	Yes	22,000,000	19,823,268	90%	Yes	Yes
S-3	Sheriff New Substation and Sheriff Administration Building	2000/01	2002/03	No	1,000,000	627,000	63%	Yes	No
S-4	Sheriff Criminal Convictions	1998/99	2005/06	No	500,000	500,000	100%	Yes	Yes
S-5	Sheriff Substation Expansion	2002/03	2002/03	Yes	500,000	150,000	30%	Yes	No
S-6	Sheriff Jail Security	1998/99	2005/06	No	500,000	500,000	100%	Yes	Yes
S-7	Sheriff Evidence Security	2002/03	2002/03	Yes	1,500,000	2,740,566	183%	No	Yes
SC-8	Superior Court New Courtrooms	2004/05	2004/05	Yes	11,500,000	11,500,000	100%	Yes	No
SC-9	Superior Court Adult Probation	1998/99	1998/99	Yes	500,000	500,000	100%	Yes	Yes
P-1	Miscellaneous Park System Renovations	2006/07	2006/07	Yes	1,456,400	1,846,400	127%	No	Yes
P-2	Ajo Pool Renovation	1998/99	1999/00	Yes	1,210,000	1,726,200	143%	No	Yes
P-3	Anamax Neighborhood Park Renovations	2000/01	2004/05	No	550,000	550,000	100%	Yes	Yes
P-4	Tucson Mountain Park Renovation	2000/01	2005/06	No	1,100,115	1,100,115	100%	Yes	Yes
P-6	Colossal Cave Mountain Park Improvements	2002/03	2004/05	No	500,000	500,000	100%	Yes	Yes
P-7	Rillito Park Improvements	2000/01	1999/00	Yes	1,200,000	1,619,326	135%	No	Yes
P-8	Mehl-Foothills Park Improvements	1998/99	1999/00	Yes	250,000	435,000	174%	No	Yes
P-9	James D. Kriegh Park Improvements	1998/99	2005/06	No	250,000	250,000	100%	Yes	Yes
P-10	Coronado Middle School Play Field Lighting	1998/99	1997/98	Yes	632,800	632,800	100%	Yes	Yes
P-11	Yaqui Park Improvements	1998/99	2010/11	No	600,000	1,246,351	208%	No	Yes
P-12	South Tucson Play Field Lighting Improvements	1998/99	1997/98	Yes	200,000	51,765	26%	Yes	Yes
P-13	Freedom Park Center Improvements	2002/03	2004/05	No	1,400,000	1,400,000	100%	Yes	Yes
P-14	Sahuarita District Park Improvements	2000/01	2004/05	No	700,000	700,000	100%	Yes	Yes
P-15	Augie Acuna-Los Ninos Neighborhood Park Improvements	1998/99	1998/99	Yes	75,000	90,259	120%	Yes	Yes
P-16	Sam Lena Recreation Area Improvements	1998/99	1998/99	Yes	75,000	89,870	120%	Yes	Yes
P-17	Santa Rita Park Lighting Improvements	1998/99	1998/99	Yes	200,000	200,000	100%	Yes	Yes
P-18	Armory Park/Children's Museum Improvements	2002/03	2008/09	No	250,000	250,000	100%	Yes	Yes
P-19	Linda Vista Park Improvements	2002/03	2003/04	Yes	280,000	280,000	100%	Yes	Yes
P-20	Three Points Veterans Memorial Park Lighting Improvements	2000/01	2000/01	Yes	600,000	485,000	81%	Yes	Yes
P-21	Picture Rocks Park Improvements	2000/01	2003/04	No	1,096,685	1,096,685	100%	Yes	Yes
P-22	Southeast Regional Park Shooting Range Improvements	2002/03	2004/05	No	1,000,000	1,232,218	123%	Yes	No
P-23	Lawrence District Park Lighting Improvements	2000/01	2001/02	Yes	776,000	374,800	48%	Yes	Yes
P-24	Vail Park Improvements	2002/03	2002/03	Yes	562,000	562,000	100%	Yes	Yes
P-25	Udall Park Improvements	2002/03	2004/05	No	500,000	500,000	100%	Yes	Yes
P-26	Old Nogales Park Land Acquisition	1998/99	1999/00	Yes	100,000	100,000	100%	Yes	Yes
P-27	Catalina Park Land Acquisition	1998/99	2006/07	No	200,000	6,554	3%	Yes	Yes
P-28	Ryan Field Park Land Acquisition	1998/99	2002/03	No	100,000	61,543	62%	Yes	Yes
P-29	Rita Ranch District Park	2000/01	2000/01	Yes	350,000	350,000	100%	Yes	No
P-30	Rillito River Park - La Cholla to I-10	2002/03	2004/05	No	2,400,000	839,170	35%	Yes	No
P-33	Rillito Park at River Bend	2006/07	2006/07	Yes	1,000,000	1,035,000	104%	Yes	No
P-34	Oro Valley Canada Del Oro River Park	2002/03	2008/09	No	1,000,000	1,000,000	100%	Yes	Yes
P-35	Tucson Diversion Channel Soccer Field at Yaqui Park	2000/01	2004/05	No	500,000	1,884	0%	Yes	Yes
P-38	Northwest Pool/Marana USD	2002/03	2002/03	Yes	2,500,000	1,300,000	52%	Yes	No
P-39	Canyon Del Oro Riverfront Park	2002/03	2000/01	Yes	1,250,000	1,250,000	100%	Yes	Yes
P-40	Old Nogales Park	2000/01	2004/05	No	850,000	959,032	113%	Yes	Yes
P-41	Kino Community Field Lighting Improvement	2000/01	2000/01	Yes	500,000	317,387	63%	Yes	Yes
P-42	Flowing Wells Park	2002/03	2003/04	Yes	744,000	2,304,830	310%	No	Yes
P-44	Branding Iron Park	1998/99	1998/99	Yes	100,000	100,000	100%	Yes	Yes
P-45	Marana Rattlesnake Park (Continental Ranch)	2000/01	2008/09	No	500,000	500,000	100%	Yes	Yes
P-46	Columbus Park	2004/05	2008/09	No	2,000,000	2,000,000	100%	Yes	Yes
P-47	Tanque Verde Community Center	1998/99	1998/99	Yes	700,000	700,000	100%	Yes	Yes
P-48	Roy P. Drachman-Agua Caliente Regional Park Visitor Center	2000/01	2003/04	No	582,000	667,000	115%	Yes	Yes
P-49	Arivaca Community Center Expansion	2000/01	2000/01	Yes	200,000	200,000	100%	Yes	Yes
P-50	Sopori Pool	2000/01	2002/03	No	300,000	300,000	100%	Yes	No
P-52	Drexel Heights Community Center	2002/03	2002/03	Yes	780,000	589,769	76%	Yes	Yes
P-53	Ochoa-Lena Resource Center	1998/99	1998/99	Yes	800,000	800,000	100%	Yes	Yes
P-54	Kino Community Education & Resource Center	2002/03	2002/03	Yes	1,000,000	1,000,000	100%	Yes	Yes
P-55	Clements Recreational Facility	2002/03	2004/05	No	2,500,000	2,500,000	100%	Yes	Yes
P-56	Thomas Jay Community Center	2004/05	2008/09	No	900,000	790,940	88%	Yes	Yes
P-57	Quincie Douglas Park Pool	2002/03	2006/07	No	2,000,000	2,000,000	100%	Yes	Yes
P-58	Northwest Community Center/Aquatic Center (YMCA)	2000/01	2002/03	No	3,500,000	4,752,109	136%	No	Yes
T-18	Central Arizona Project (CAP) Trailhead	1998/99	2006/07	No	100,000	100,000	100%	Yes	Yes
T-19	36th Street Trailhead	1998/99	2006/07	No	200,000	200,000	100%	Yes	Yes
T-20	Tortolita Mountain Park Trail System	2000/01	2008/09	No	150,000	150,000	100%	Yes	Yes
T-21	Various Trailhead Parking/Staging	2006/07	2004/05	Yes	250,000	250,000	100%	Yes	Yes
T-22	Tucson Diversion Channel Trail Connection	2000/01	2011/12	No	300,000	300,000	100%	Yes	Yes
CH-24	Colossal Cave Rehabilitation	2000/01	2004/05	No	400,000	400,000	100%	Yes	Yes
CH-25	Agua Caliente Ranch Buildings Rehabilitation	1998/99	2003/04	No	350,000	350,000	100%	Yes	Yes
CH-26	Empirita Ranch Buildings Rehabilitation	2004/05	2007/08	No	200,000	200,000	100%	Yes	Yes
CH-27	Robles Ranch House Rehabilitation	2000/01	2002/03	No	500,000	821,576	164%	No	Yes
CH-28	Mission San Agustín	2000/01	2001/02	Yes	500,000	335,453	67%	Yes	Yes
CH-29	Canoa Ranch Buildings Rehabilitation	2002/03	2010/11	No	1,500,000	1,500,000	100%	Yes	Yes
CH-30	Anza National Trail and Campsites	2006/07	2006/07	Yes	750,000	750,000	100%	Yes	Yes
CA-31	Tumamoc Hill	2002/03	2008/09	No	500,000	1,249,392	250%	No	Yes
CA-32	Los Morteros	2002/03	2004/05	No	730,000	730,000	100%	Yes	Yes
CA-33	Valencia Site	2004/05	2004/05	Yes	900,000	50,608	6%	Yes	Yes

Pima County 1997 General Obligation Bond Program - Did Completed Projects Meet Voter Intent?

Proj No.	Current Name	Original Implementation	Completion date	Met Time	Original Bond Funding \$	Actual Bond Funding \$	Actual as a % of original	Met Bonds Budget	Met Scope
CA-34	Pantano Townsite	1998/99	1998/99	Yes	100,000	42,971	43%	Yes	Yes
L-1	Northwest (Oro Valley) Library	2002/03	2002/03	Yes	2,000,000	2,000,000	100%	Yes	Yes
L-2	City of Tucson Midtown Library	2002/03	2006/07	No	2,000,000	2,000,000	100%	Yes	Yes
L-3	Kino Youth, Library and Resource Center	2000/01	2003/04	No	1,000,000	850,000	85%	Yes	Yes
L-4	Marana Library Expansion	1998/99	2007/08	No	100,000	100,000	100%	Yes	Yes
L-5	South Tucson Library Expansion	1998/99	2002/03	No	150,000	300,000	200%	No	Yes
CC-6	Green Valley Performing Arts and Adult Education Center	2000/01	2003/04	No	1,500,000	1,500,000	100%	Yes	No
CC-7	Las Artes Youth Learning Center	1998/99	2000/01	No	1,500,000	1,540,014	103%	Yes	Yes
CC-8	El Pueblo Adult Education and Child Care	2000/01	1999/00	Yes	750,000	750,000	100%	Yes	Yes
CC-9	El Rio Adult Education and Child Care	2000/01	2002/03	No	1,500,000	1,500,000	100%	Yes	Yes
H-10	Kino Public Health Center	2004/05	2006/07	No	4,000,000	3,100,000	78%	Yes	No
H-12	Kino Hospital Repair	2000/01	2000/01	Yes	2,000,000	5,900,000	295%	No	Yes
FS-13	Improve Disabled Access	2002/03	2011/12	No	1,100,000	1,100,000	100%	Yes	Yes
FS-14	Fire Sprinkler/Asbestos Removal - Legal Services Bldg	2002/03	2011/12	No	5,800,000	5,432,543	94%	Yes	Yes
FS-15	Downtown Complex	2004/05	2006/07	No	5,600,000	4,843,443	86%	Yes	Yes
FC-1	Santa Cruz River, Grant to Ft. Lowell	2002/03	2002/03	Yes	3,500,000	2,990,000	85%	Yes	Yes
FC-3	Lower Santa Cruz Levee, Interstate 10 to Sanders	2000/01	2000/01	Yes	6,000,000	6,000,000	100%	Yes	Yes
FC-4	Mission Wash	2000/01	2008/09	No	1,000,000	1,000,000	100%	Yes	Yes
FC-5	City of Tucson Earp Wash Drainage Improvements	2006/07	2006/07	Yes	2,000,000	2,000,000	100%	Yes	Yes
FC-6	City of South Tucson	2000/01	2000/01	Yes	900,000	900,000	100%	Yes	Yes
FC-7	Town of Sahuarita	2000/01	2005/06	No	500,000	500,000	100%	Yes	Yes
FC-8	Town of Oro Valley	2002/03	2002/03	Yes	350,000	161,517	46%	Yes	Yes
FC-9	Green Valley Number 9 (drainageway improvements)	2000/01	2000/01	Yes	1,000,000	1,000,000	100%	Yes	Yes
FC-10	Continental Vista	2000/01	2003/04	No	250,000	250,000	100%	Yes	Yes
FC-11	South Tucson Fourth Avenue	1998/99	1998/99	Yes	500,000	500,000	100%	Yes	Yes
FC-12	Fairview and Limberlost	2002/03	2002/03	Yes	500,000	1,010,000	202%	No	Yes
FC-13	Holladay and Forrest	2002/03	2004/05	No	500,000	500,000	100%	Yes	Yes
FC-14	Tucson Diversion Channel	2002/03	2006/07	No	500,000	500,000	100%	Yes	Yes
SW-3	Sahuarita Expansion	2000/01	2006/07	No	900,000	4,000,000	444%	No	Yes

Definitions:

Met Time: Project complete date was not more than 1 year beyond original implementation period
 Met Bonds Budget: Bond funded portion of the project cost did not exceed 25% over the original bond ordinance estimate
 Met Scope: Project substantially met the scope in the original bond ordinance
 1997 bond program was originally a 10 year program

Summary - 1997 General Obligation Bond Program

118 site specific projects approved by voters & 3 programs
 105 site specific projects completed
 3 retired

Out of the 105 site specific projects:

47 met time	45%
91 met bonds budget	87%
94 met scope	90%

Programs

P-5 Tucson Athletic and Playfield Improvements
 Open Space Acquisitions
 T-23 Trails

Projects completed under Programs

16 projects completed
 27 properties acquired
 5 projects completed

2004/2006 General Obligation Bond Programs - Did Completed Projects Meet Voter Intent?

Site Specific Projects	Completion Status	Original Implementation	Completion Date	Met Time	Met Scope	Met Bonds Budget	Estimated Bond Cost in		Actual Bond Cost	Actual Bond Cost as a % of estimated bond cost
							Original Ordinance	Actual Bond Cost		
FM2.01 Kino Public Health Center	Completed	6/30/2010	1/16/2007	Y	Y	Y	\$ 25,000,000	\$ 25,000,000	100%	
FM2.02A New Psychiatric Hospital (2004 & 2006 Auth.)	Completed	6/30/2012	8/31/2011	Y	Y	Y	\$ 48,000,000	\$ 41,919,030	87%	
Crisis Response Center (2006 Auth.)	Completed	6/30/2011	8/31/2011	Y	Y	Y	\$ 18,000,000	\$ 17,797,057	99%	
FM2.04 Animal Care Center	Completed	6/30/2012	1/30/2010	Y	Y	Y	\$ 3,000,000	\$ 2,799,993	93%	
FM2.05 Roy Place Commercial Bldg. Restoration	Completed	6/30/2012	8/6/2010	Y	Y	Y	\$ 800,000	\$ 777,558	97%	
FM2.06 Green Valley Performing Arts Center Phase 2	Completed	6/30/2016	4/10/2009	Y	N	Y	\$ 4,000,000	\$ 3,999,973	100%	
FM2.07 Mt. Lemmon Community Center	Completed	6/30/2012	8/8/2008	Y	Y	Y	\$ 1,000,000	\$ 907,785	91%	
FM2.08 Amado Food Bank Kitchen	Completed	6/30/2012	8/8/2008	Y	Y	Y	\$ 300,000	\$ 299,999	100%	
SW2.11 Ina Road Tire Facility Relocation	Completed	6/30/2012	10/31/2011	Y	Y	Y	\$ 1,500,000	\$ 649,090	43%	
FM2.12 AZ Sonora Desert Museum - Auditorium	Completed	6/30/2010	8/27/2009	Y	Y	Y	\$ 1,000,000	\$ 1,000,000	100%	
FM2.14 Pima Air and Space Museum - Hangar #1	Completed	6/30/2010	4/30/2007	Y	Y	Y	\$ 1,000,000	\$ 999,890	100%	
FM3.04 Corrections Jail Security Project	Completed	6/30/2010	12/16/2010	Y	Y	Y	\$ 3,000,000	\$ 3,000,000	100%	
FM3.05 Interagency Victim Advocacy Center	Completed	6/30/2014	9/30/2010	Y	Y	Y	\$ 6,000,000	\$ 5,396,025	90%	
FM3.06 Juvenile Court Build-Out	Completed	6/30/2010	8/22/2009	Y	Y	Y	\$ 2,000,000	\$ 1,982,084	99%	
CR4.01 Empirita Ranch Buildings Rehabilitation	Completed	6/30/2010	6/30/2008	Y	Y	Y	\$ 400,000	\$ 400,000	100%	
CR4.05 Helvetia Townsite Acquisition	Retired	6/30/2010	n/a	n/a	N	N	\$ 100,000	\$ 2,926	3%	
CR4.06 Steam Pump Ranch Rehabilitation	Completed	6/30/2010	4/11/2011	Y	Y	N	\$ 2,000,000	\$ 4,997,806	250%	
CR4.07 Binghampton Historic Buildings Rehabilitation	Completed	6/30/2010	4/27/2007	Y	Y	Y	\$ 800,000	\$ 960,000	120%	
CR4.09 Dakota Wash Site Acquisition Under	Completed	6/30/2014	12/30/2011	Y	Y	Y	\$ 750,000	\$ 750,000	100%	
CR4.10 Coyote Mountains Site Acquisition	Completed	6/30/2014	3/15/2005	Y	Y	Y	\$ 800,000	\$ 800,000	100%	
CR4.12 Performing Arts Center Rehabilitation	Completed	6/30/2012	11/15/2008	Y	Y	Y	\$ 682,000	\$ 681,993	100%	
CR4.13 Tumamoc Hill Acquisition	Completed	6/30/2010	6/29/2009	Y	Y	N	\$ 100,000	\$ 1,226,289	1226%	
CR4.14 Los Morteros Preservation	Completed	6/30/2010	6/30/2011	Y	Y	N	\$ 100,000	\$ 249,993	250%	
CR4.17 Dunbar School	Completed	6/30/2012	3/1/2011	Y	Y	Y	\$ 1,218,000	\$ 1,217,959	100%	
PR4.18 Flowing Wells Community Center	Completed	6/30/2010	9/14/2007	Y	Y	Y	\$ 3,500,000	\$ 3,483,231	100%	
PR4.21 Curtis Park - Flowing Wells East	Completed	6/30/2010	5/1/2007	Y	Y	Y	\$ 2,250,000	\$ 2,649,135	118%	
PR4.23 Dan Felix Memorial Park	Completed	6/30/2012	6/30/2009	Y	N	Y	\$ 1,750,000	\$ 571,447	33%	
PR4.24 Brandi Fenton Memorial Riverbend Park	Completed	6/30/2010	12/4/2006	Y	Y	N	\$ 3,000,000	\$ 3,999,999	133%	
PR4.25 George Mehl Family Memorial Park	Completed	6/30/2012	10/31/2011	Y	Y	Y	\$ 2,000,000	\$ 1,999,999	100%	
PR4.26 Rillito Race Track	Completed	6/30/2014	6/30/2011	Y	Y	Y	\$ 2,250,000	\$ 2,412,154	107%	
PR4.27 Kino Public Sports Field Lighting	Completed	6/30/2016	12/18/2008	Y	Y	Y	\$ 650,000	\$ 640,745	99%	
PR4.28 Feliz Paseos Universal Access Park	Completed	6/30/2010	10/20/2006	Y	Y	Y	\$ 1,000,000	\$ 992,942	99%	
PR4.29 Picture Rocks Pool	Completed	6/30/2012	4/30/2007	Y	Y	Y	\$ 2,000,000	\$ 1,996,970	100%	
PR4.34 Julian Wash Linear Park	Completed	6/30/2012	6/30/2011	Y	Y	Y	\$ 3,700,000	\$ 3,061,697	83%	
PR4.37 Pantano River Park	Completed	6/30/2010	6/15/2011	Y	Y	Y	\$ 2,700,000	\$ 3,326,308	123%	
PR4.38 Rio Vista Natural Resource Park	Completed	6/30/2012	6/30/2010	Y	Y	Y	\$ 1,500,000	\$ 1,481,680	99%	
PR4.39 Cultural and Heritage Park	Completed	6/30/2012	5/31/2010	Y	Y	Y	\$ 1,000,000	\$ 979,131	98%	
PR4.41 Anamax Park Multi-Use Ball Field	Completed	6/30/2016	12/31/2007	Y	Y	Y	\$ 500,000	\$ 500,000	100%	
PR4.43 Naranja Town Site Park	Retired	6/30/2008	n/a	n/a	N	N	\$ 3,000,000	\$ 2,193	0%	
FM4.44 Marana Continental Ranch New Library	Completed	6/30/2010	11/30/2008	Y	Y	Y	\$ 4,500,000	\$ 4,453,878	99%	
FM4.45 Oro Valley Public Library Expansion	Completed	6/30/2008	1/30/2006	Y	Y	Y	\$ 1,100,000	\$ 1,099,551	100%	
FM4.46 Wilmot Branch Library Replacement or Reloc.	Completed	6/30/2012	8/2/2011	Y	Y	Y	\$ 7,000,000	\$ 4,888,292	70%	
FC5.08 Rillito River Linear Park Completion	Completed	6/30/2014	3/31/2009	Y	Y	Y	\$ 3,000,000	\$ 3,000,000	100%	
FC5.09 Santa Cruz River in Vicinity of Continental Ranch	Completed	6/30/2014	7/31/2007	Y	Y	Y	\$ 4,000,000	\$ 3,999,999	100%	

Programs	# Projects completed under Programs
Conservation Acquisition Program & DMAFB Open Space	69 properties acquired
Neighborhood Reinvestment	41 projects completed
Affordable Housing	10 projects completed
Urban Drainage Program	10 projects completed

Summary - 2004/2006 General Obligation Bond Programs

69 site specific projects approved by voters
 42 site specific projects completed
 2 retired - one requested by Oro Valley, one because of unwilling seller
 Remaining projects are under development, under construction or planned for the future
 An additional 130 projects and acquisitions have been completed under programs

Out of the 42 site specific completed projects:	
42 met time	100%
40 met scope	95%
39 met bonds budget	93%

2004 program is a 12 year program - 2004 to 2016
 2006 program was a 5 year program - 2006 to 2011

Definitions:

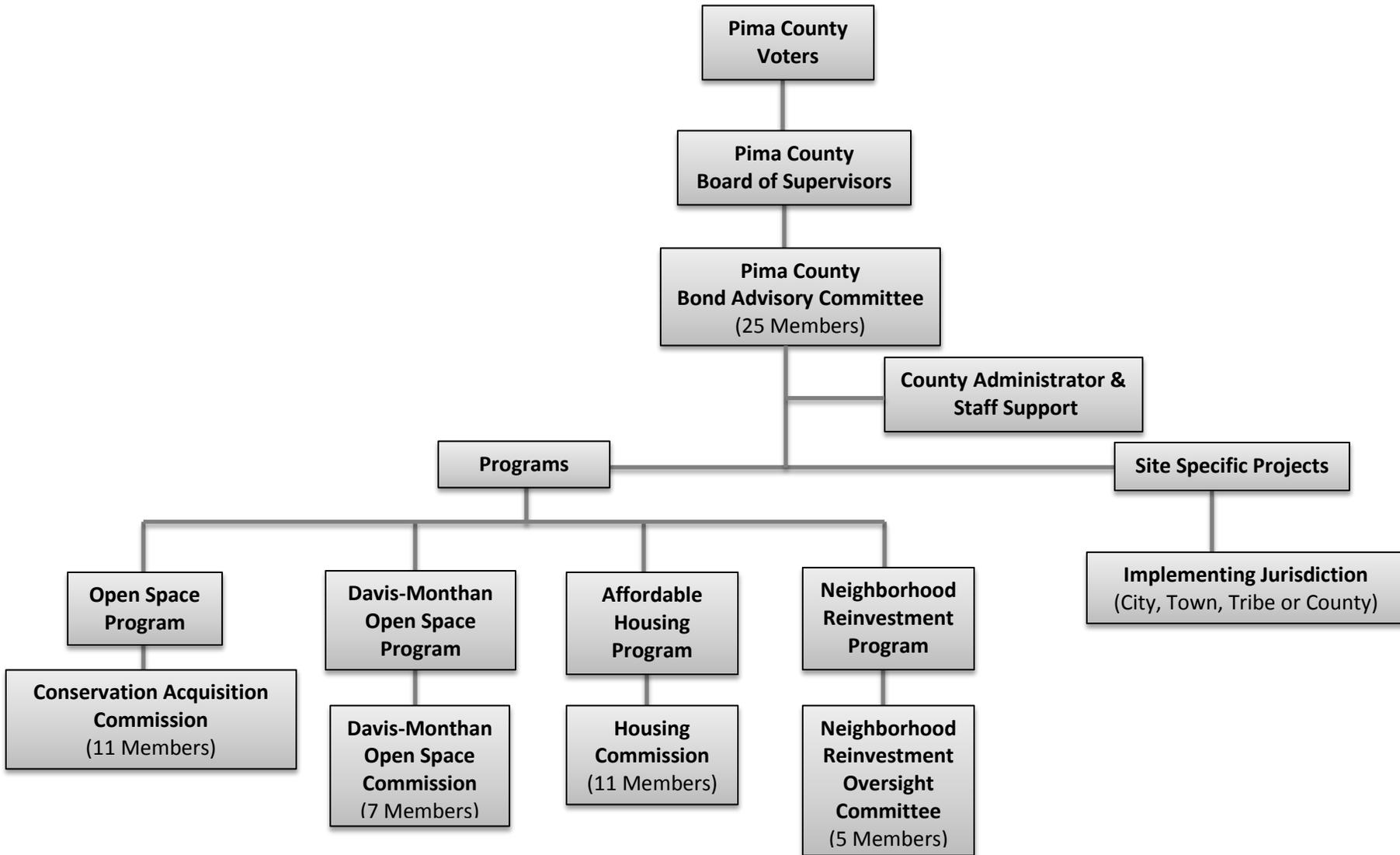
Met time: the project was completed within 12 months of original implementation period

Met scope: the completed project substantially met the scope of the project in the original bond ordinance

Met bonds budget: the bond funded portion of the project cost did not exceed 25% over the original bond ordinance estimate

ATTACHMENT 3

Organizational Design of Pima County's Bond Program Implementation



ATTACHMENT 4

SCHEDULE OF PIMA COUNTY GO BOND ISSUES at June 30, 2011
In 000's

General Obligation Bonds

Election of May 20, 1997		256,980
Series of 1998	34,954	
Series of 1999	45,700	
Series of 2000	49,800	
Series of 2002	17,486	
Series of 2003	45,966	
Series of 2004	12,241	
Series of 2005	10,779	
Series of 2007	11,536	
Series of 2008	7,346	
Series of 2009	3,389	
Series of 2009A	4,797	
Series of 2011	3,456	
Remaining at June 30, 2011		9,530
Election of May 18, 2004		582,250
Series of 2004	51,471	
Series of 2005	54,222	
Series of 2007	79,679	
Series of 2008	91,081	
Series of 2009	70,925	
Series of 2009A	45,510	
Series of 2011	68,086	
Remaining at June 30, 2011		121,276
Election of May 16, 2006		54,000
Series of 2007	716	
Series of 2008	1,573	
Series of 2009	685	
Series of 2009A	39,693	
Series of 2011	3,458	
Remaining at June 30, 2011		7,875
Aggregate unused General Obligation Authorizations, June 30, 2011		138,681

ATTACHMENT 5

County reacts to audit approval

By **Thelma Grimes, The Explorer** | Posted: **Wednesday, April 4, 2012 4:00 am**

Pima County Administrator Chuck Huckelberry was disappointed in the Arizona Legislature's approval to audit county bond practices. After passing both the House and Senate, Gov. Jan Brewer signed House Bill 2408 into law on March 29.

Huckelberry said, "It is a sad day when the State Legislature can be maneuvered into a political vendetta orchestrated by Marana. This same Legislature took assets of all County wastewater ratepayers and gave them to Marana at substantially less than actual cost. It is the same Marana that has not even complied with their own law by paying the County what they now owe. We will fully comply with, and cooperate with the Auditor General. The County makes available on our web page thousands of documents related to the Bond program. Anyone can review them as ask any question they want. We have absolutely nothing to hide from a legitimate audit."

Marana Town Manager Gilbert Davidson said the wastewater dispute, and the bond issues facing the two entities are completely separate.

"I think being able to understand the numbers from an independent third party could be very valuable for the entire region," he said. "The bond issue, and how money is being allocated is entirely different than wastewater."

Huckelberry blames the ongoing battle that started in 2008 where Marana has been fighting to gain control of wastewater rights. A law passed by the Stat Legislatue last year allowed Marana to take control of the north-side wastewater treatment facility for a cost of \$18 million. Huckelberry said taxpayers are getting ripped off in the agreement because the wastewater treatment facility, is worth \$27 million.

Marana Mayor Ed Honea said while the wastewater issues continue to be a sore point, the Town did not seek help from the State Legislature on the bond issue to settle some vendetta.

When it comes to county bond funds that have been designated for specific projects over the years, Honea said, "We are getting shafted by the county, and so is the City of Tucson. We want our money, and it has nothing to do with wastewater."

In Marana, some projects in question include the \$600,000 Honea Heights Housing project in 2009.

While Huckelberry disputes the claims, Honea said it's because of the county's actions that they lost a grant, and the project remains unfinished.

HB 2408 directs the state's auditor general to complete a special audit of the 1997, 2004 and 2006

Pima County general obligation bonds program.

When asked if it was a good idea to bring state lawmakers in to address matters between Marana and Pima County, Honea said at this point they need help.

“You do what you have to do,” he said. “We went to the county many times, many times. It’s just sad that they won’t work with us. We don’t want to lose these projects, and the county does not deal with us in a fair and equitable manner.”

In past interviews, Huckelberry has disputed the claims, saying it’s Marana who refuses to compromise.

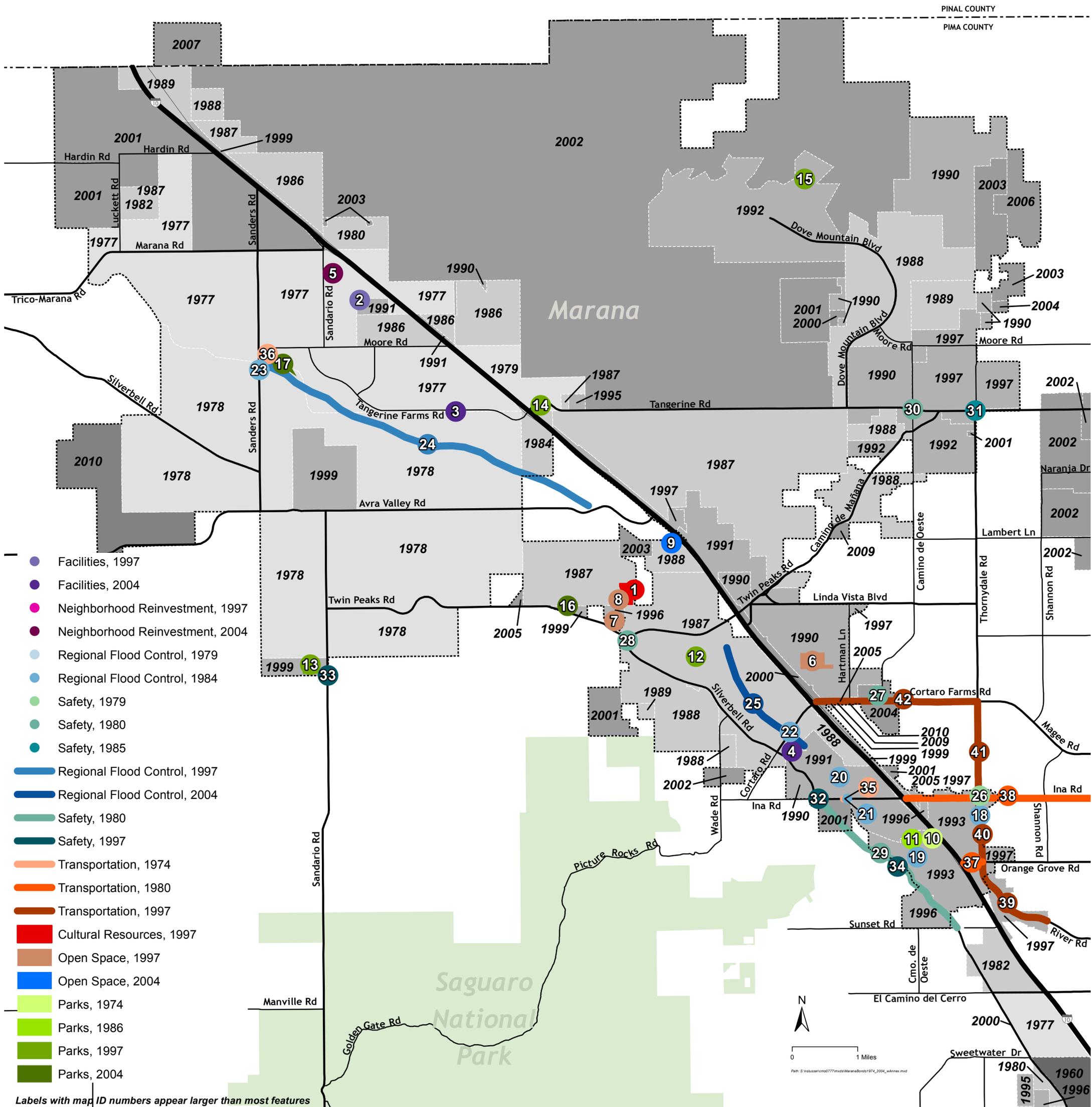
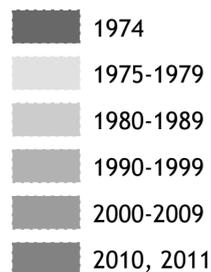
ATTACHMENT 6



Bond Programs 1974-2004

42 Completed Projects in Town of Marana

Annexations Since 1974



- Facilities, 1997
- Facilities, 2004
- Neighborhood Reinvestment, 1997
- Neighborhood Reinvestment, 2004
- Regional Flood Control, 1979
- Regional Flood Control, 1984
- Safety, 1979
- Safety, 1980
- Safety, 1985
- Regional Flood Control, 1997
- Regional Flood Control, 2004
- Safety, 1980
- Safety, 1997
- Transportation, 1974
- Transportation, 1980
- Transportation, 1997
- Cultural Resources, 1997
- Open Space, 1997
- Open Space, 2004
- Parks, 1974
- Parks, 1986
- Parks, 1997
- Parks, 2004

Labels with map ID numbers appear larger than most features



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Completed Pima County Bond Projects within the Town of Marana - Bond Elections 1974-2004					
	GO Funded				
Number	Project Type	Project Name	Bond Program	Bond Contribution	Total Project Cost
1	Cultural Resources	Los Morteros Site Acquisition	1997	\$ 730,000	\$ 730,000
2	Facilities	Marana Library Expansion	1997	\$ 100,000	\$ 100,000
3	Facilities	Ina Road Tire Facility Relocation	2004	\$ 1,500,000	\$ 648,604
4	Facilities	Marana Continental Ranch New Library	2004	\$ 4,500,000	\$ 4,726,377
5	Neighborhood Reinvestment	Marana Vista	2004	\$ 443,829	\$ 443,829
6	Open Space	Cortaro and Hartman	1997	\$ 1,175,000	\$ 1,175,000
7	Open Space	Baxter	1997	\$ 274,472	\$ 274,472
8	Open Space	Orach	1997	\$ 60,620	\$ 60,620
9	Open Space	Continental	2004	\$ 750,448	\$ 750,448
10	Parks	Ted Walker District Park	1974	\$ 200,000	\$ 294,324
11	Parks	Ted Walker District Park	1986	\$ 300,521	\$ 300,521
12	Parks	Marana Rattlesnake Park (Continental Ranch)	1997	\$ 200,000	\$ 585,491
13	Parks	Northwest Pool/Marana Unified School District	1997	\$ 2,190,000	\$ 2,500,000
14	Parks	CAP Trailhead (Planning only)	1997	\$ 100,000	\$ 139,000
15	Parks	Tortolita Trail System	1997	\$ 150,000	\$ 130,000
16	Parks	CR4.14 Los Morteros Preservation	2004	\$ 250,000	\$ 249,993
17	Parks	PR4.39 Cultural and Heritage Park	2004	\$ 1,000,000	\$ 979,131
18	Regional Flood Control	Thornydale Rd at CDO Wash	1979	\$ 2,220,000	\$ 2,220,000
19	Regional Flood Control	CDO Confluence Bank Protection	1984	\$ 500,000	\$ 500,000
20	Regional Flood Control	Santa Cruz Bank Protection, Ina Road Vicinity	1984	\$ 1,650,000	\$ 1,650,000
21	Regional Flood Control	Ina Road Bridge	1984	\$ 469,241	\$ 469,241
22	Regional Flood Control	Cortaro Road Bridge	1984	\$ 4,708,000	\$ 4,708,000
23	Regional Flood Control	Sanders Road Bridge	1984	\$ 580,000	\$ 580,000
24	Regional Flood Control	Lower Santa Cruz Levee	1997	\$ 6,000,000	\$ 15,600,000
25	Regional Flood Control	Santa Cruz in Vicinity of Continental Ranch	2004	\$ 5,740,067	\$ 5,740,067
26	Safety	Ina and Thornydale	1979	\$ 401,280	\$ 407,010
27	Safety	Cortaro Farms, near Camino de Oeste	1980	\$ 291,000	\$ 291,000
28	Safety	Silverbell and Twin Peaks	1980	\$ 314,590	\$ 314,590
29	Safety	Silverbell, Sunset to Ina	1980	\$ 314,590	\$ 314,590
30	Safety	Tangerine and Camino de Oeste	1980	\$ 314,590	\$ 314,590
31	Safety	Tangerine Road and Thornydale Road	1985	\$ 160,000	\$ 160,000
35	Transportation	Ina Road Bridge at Santa Cruz	1974	\$ 214,799	\$ 214,799
36	Transportation	Sanders Road Bridge at Santa Cruz	1974	\$ 608,390	\$ 608,390
37	Transportation	Orange Grove: Thornydale to Interstate 10	1980	\$ 2,991,057	\$ 7,410,000
38	Transportation	Ina Road: Interstate 10 to La Cholla	1980	\$ 11,275,639	\$ 12,204,021
		GO Total		\$ 52,678,133	\$ 67,794,108
	HURF Revenue Bonds				
39	Transportation	DOT-15 River Road, Thornydale Road to Shannon Road	1997	\$ 4,000,000	\$ 8,400,000
40	Transportation	DOT-21 Thornydale Road, Orange Grove Road to Ina Road	1997	\$ 1,000,000	\$ 3,053,000
41	Transportation	DOT-22 Thornydale Road, Ina Road to Cortaro Farms Road	1997	\$ 1,000,000	\$ 8,366,500
42	Transportation	DOT-18 Cortaro Farms Road: Union Pacific Railroad Crossing to Thornydale Road	1997	\$ 8,200,000	\$ 30,035,000
32	Safety	DOT-57 Ina - Silverbell (Town of Marana) Geometry and Traffic Signal Installation	1997	\$ 50,726	\$ 50,726
33	Safety	DOT-57 Sandario Road at Emigh Road: Safety Improvements	1997	\$ 251,868	\$ 251,868
34	Safety	DOT-57 Orange Grove/Silverbell Intersection Improvements	1997	\$ 231,914	\$ 231,914
		HURF Total		\$ 14,734,508	\$ 50,389,008
		Total All Bonds		\$ 67,412,641	\$ 118,183,116