



MEMORANDUM

Date: July 23, 2015

To: Chairman and Members
Pima County Bond Advisory Committee

From: C.H. Huckelberry
County Administrator 

Re: **Request for Review and Comments on Draft Bond Implementation Plan Ordinance for Pima County's 2015 Bond Election**

Pursuant to Pima County Code Chapter 3.06, the Board of Supervisors is required to adopt by ordinance a detailed bond implementation plan (Bond Ordinance) for each bond election. The overall intent of the Bond Ordinance is to provide voters with sufficient descriptions of proposed bond projects prior to early voting in addition to the impacts the sale of the bonds would have on secondary property taxes. Early voting for the November 3, 2015 election begins on October 8. We anticipate scheduling the required public hearing for the Board's consideration and adoption of the Bond Ordinance on September 8, 2015. The public hearing must be noticed in the newspaper 15 days prior to that date (August 23 or earlier).

Attached is a draft of the Bond Ordinance for your review and comments. This draft is also being sent for review and comment to City and Town managers, Tribal Chairs, The University of Arizona President, Flowing Wells School District Superintendent, Davis-Monthan Air Force Base, and nonprofit community partners; all of whom have one or more proposed projects included in one or more of the 2015 bond propositions. The draft is also being sent to the Pima County Neighborhood Reinvestment Oversight Committee, the Pima County Housing Commission and the Pima County Conservation Acquisition Commission, since all three of these recommending bodies make recommendations to the Bond Advisory Committee and the Board regarding programs included in the 2015 bond propositions.

Major Sections of the Bond Ordinance

Pima County Code Chapter 3.06 also states the type of information required to be contained in the Bond Ordinance. Based on these requirements, the draft Bond Ordinance is organized into the following three general areas:

Section II – Secondary property tax impact of issuing new general obligation bond debt.

Sections III, IV, V, and VI – Discussion regarding costs estimates, other funding, the potential for actual costs to vary from estimated costs, and the options available to manage cost variations; no sale of bonds for projects determined to not be feasible; factors that impact start and completion dates for bond projects; and intergovernmental and community organization coordination and cooperation.

Section VII – Specific project details by proposition and project.

Suggestions to Focus Review and Comments

This is a lengthy document, and you may choose to review and comment on any portion of it. Also, there may be several new topic areas that may be of particular interest to you.

1. Project Start and Completion Dates (Implementation Periods) – The Committee has seen the project descriptions sheets many times over and for the most part, they have not changed significantly; with the exception of the addition of project start and completion dates (identified by implementation periods). This is an area I believe may be of most interest to the general public as well. Therefore, I would recommend you review Section V, Bond Program Implementation Schedule for Project Start and Completion, as well as the specific Implementation Period(s) listed for projects in Section VII, Specific Project Details by Proposition and Project. Subsection 5C lists the various considerations that informed when projects were scheduled within the 12 years of bond implementation. Also attached is a detailed spreadsheet that shows planned expenditures by implementation period and fiscal year for each of the 99 projects.
2. Road Repair and Preservation Program description and draft map of selected arterial and collector roadways – As you may be aware, this \$160 million program was added by the Board after the Bond Advisory Committee transmitted its recommendations. County staff have been meeting weekly with representatives from the cities and towns to develop this program description and implementation requirements, as well as to develop a draft map of selected arterial and collector roadways that would be repaired under this program. In addition to these selected arterial and collector roadways, this group recommended that local streets be selected after the bond election, in accordance with their established pavement management practices. For the City of Tucson, this means their Bond Oversight Commission that oversees their current road repair bond program will develop recommendations on the local roads within the City to repair with County bond funds. For the County, this means we will be asking the Board to create a new advisory committee to develop recommendations to the Board regarding the local roads in unincorporated Pima County to repair with the County bond funds.
3. Design, construction, and long term operations and maintenance by cities, towns and other agencies – This was a consistent topic at Bond Advisory Committee meetings over the past two to three years (see Section VI, Intergovernmental and Community Organization Coordination and Cooperation). Nearly half of the 99 proposed bond projects will be designed, constructed and operated by an agency other than Pima County. Prior to starting these projects, individual agreements

Chairman and Members, Pima County Bond Advisory Committee
Re: **Request for Review and Comments on Draft Bond Implementation Plan Ordinance for Pima County's 2015 Bond Election**
July 23, 2015
Page 3

must be executed establishing the responsibilities of each agency and the County. These expectations are set forth in Pima County Code Section 3.06.090. This section of the County Code is also attached. This section of the Bond Ordinance provides clarification regarding maintenance requirements contained in the County Code and explains that the County will not substantially modify a bond project requested by another agency unless the modification is requested by that agency. Concerns had been raised by a City of Tucson Councilmember regarding the County's maintenance requirements, which resulted in the clarifications included in this draft Bond Ordinance. In addition, to better inform the discussion regarding the number of years a facility or capital improvement should be maintained, I have attached a list of fixed assets by type and estimated useful life, which was prepared by our Finance Department. Pima County uses guidance from the Uniform Accounting Manual for Arizona Counties to establish the useful life of our capital assets. This will be an ongoing discussion.

4. Property tax impact section, cost estimates and other funding, and no sale of bonds for projects determined not to be feasible – Sections II, III and IV – While much of this information is not generally new to the Committee, some of the specifics are new. In addition, and as a result of concerns expressed by the Committee and the public in the past, a new restriction has been added to this draft Bond Ordinance stating the County would not sell bond funding for any project that is later determined to no longer be feasible, that would not be transferred to another project, and, therefore, taxpayers would not be required to repay this debt.

How to Submit Comments

Please send written comments on or before Monday, August 10, to Nicole Fyffe, Executive Assistant to the County Administrator, at 130 W. Congress Street, Floor 10, Tucson, Arizona 85701 or to nicole.fyffe@pima.gov.

Thank you for your continued participation and assistance in preparing for this upcoming bond election.

CHH/mjk
Attachments

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