

**Pima County Bond Advisory Committee
Meeting**

**Friday, March 11, 2015
8:00 A.M.**

**Arizona River Park Inn
350 South Freeway
Tucson, Arizona**

SUMMARY OF MEETING

Committee Members Present

Larry Hecker, Chair
Carolyn Campbell, Vice Chair
Lynne Birkinbine
Joe Boogaart
Ed Buster (arrived at 8:11 a.m.)
Gary Davidson
Brian Flagg
Michael Lund
Ted Prezelski (arrived at 8:18 a.m.)
Patty Richardson
Chris Sheafe
John Sundt
James Ward
Tom Warne
Greg Wexler

Committee Members Absent

Tom Dunn
Rene Gastelum
Kelly Gomez
David Lyons
Wade McLean
Dan Sullivan

MOTIONS

MOTION: Gary Davidson moved, seconded by James Ward, to approve the September 11, 2015 meeting summary. Motion approved 13-0.

MOTION: Mike Lund moved, seconded by Greg Wexler, to accept the bond program updates for the 1997, 2004, 2006 and 2014 bond programs. Motion approved 14-0.

MOTION: Tom Warne moved, seconded by Greg Wexler, to approve the amendments to the 1997 and 2004 bond implementation plan ordinances. Motion approved 15-0.

MEETING SUMMARY

1. Welcome

The meeting began at 8:02 a.m. with a quorum. Chairman Hecker announced the resignation of Committee members Terri Hutts and Matt Smith.

2. Approval of the September 11, 2015 meeting summary

MOTION: Gary Davidson moved, seconded by James Ward, to approve the September 11, 2015 meeting summary. Motion approved 13-0.

3. Semi-Annual Bond Program Update for 1997, 2004, 2006 and 2014 Bond Programs

Per the County's Truth in Bonding Code, materials were provided to the Committee regarding the status of the 1997, 2004, 2006 and 2014 bond programs. This included written reports from the City of Tucson. These materials are also available on the County's website. Mary Tyson, CIP Program Manager for Pima County Finance, provided an overview of the bond programs as of December 31, 2015.

Robin Raine, City of Tucson Transportation, responded to questions from the Committee. Brian Flagg asked about the status of the advisory committee for the 22nd Street project that includes County HURF funds. Ms. Raine replied that the City is still in the planning stages, but will reconvene the Committee at the appropriate time. Gary Davidson asked what the funding sources were for the City's transportation projects included in the report. Ms. Raine and Mr. Huckelberry responded that the three projects included a variety of funding sources, but also County HURF revenues. The County is committed to contributing funding to these three projects, but the scheduling of the funds have to be timed with when the County receives enough HURF funding from the state to do so. Chris Sheafe asked when Campbell Avenue will be improved. Ms. Raine replied that it recently was resurfaced.

MOTION: Mike Lund moved, seconded by Greg Wexler, to accept the bond program updates for the 1997, 2004, 2006 and 2014 bond programs. Motion approved 14-0.

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

Per the County's Truth in Bonding Code, the Committee received a written staff report describing when bond ordinance amendments are necessary, the public review process associated with amending the ordinances, and details concerning the three projects that would be impacted by this round of bond ordinance amendments. Nicole Fyffe summarized these at the meeting. Gary Davidson asked about the source of other funding for the Santa Cruz River projects. Ms. Fyffe responded that the source of funding was the Flood Control District Tax Levy and City of Tucson funding.

MOTION: Tom Warne moved, seconded by Greg Wexler, to approve the amendments to the 1997 and 2004 bond implementation plan ordinances. Motion approved 15-0.

5. Post 2015 Bond Election

Mr. Huckelberry reported that the Committee had been provided a report concerning the results by precinct, that the Board subsequently rescinded the bond implementation plan ordinance, and that the County's recent credit ratings by two agencies improved from a stable to positive outlook. In response to a question from

Vice-Chair Campbell, Mr. Huckelberry replied that there have been no discussions with the Board about holding another bond election this year and time is running out for this year, but there is always November 2017, 2018, or 2019. Patty Richardson asked about the chances of the legislature removing the constraint of November only bond elections. Mr. Huckelberry responded that it was unlikely, and in fact the legislature is currently considering legislation that would make it even more difficult for the County to succeed at bond elections. Tom Warne stated that he would like to see another bond election that focuses on projects that generate jobs. Joe Boogaart stated that the people he spoke with leading up to the election were concerned about property taxes and the County's use of Certificates of Participation (COPS), supported safety only type projects, and thought some of the projects benefited non-profits and private entities.

In a response to a question from Vice-Chair Campbell, Mr. Huckelberry stated that other advisory committees related to the bond programs, like the Conservation Acquisition Commission, Neighborhood Reinvestment Oversight Committee and Housing Commission may go into hibernation until their input is needed on related policy issues or planning for another bond election. Vice-Chair Campbell thanked the Conservation Acquisition Commission for their service and spoke about the recent celebration they held at the popular Sweetwater Preserve.

Chris Sheafe stated that the next bond election should be scaled back and focused on projects that provide a clear return on investment, and complimented the County for the Hughes Access Road re-alignment and investments that are already generating significant investments. He also speculated about the success of the City's half-cent sales tax election, but referenced the strides that the new City Manager has made in a short time. Lynne Birkinbine elaborated on the possible sales tax election, stating that polling shows it may have to be targeted to roads and maybe some park improvement. She also spoke highly of her relationship with County staff, the ongoing City/County collaborations, and a positive outlook for the City's future. Brian Flagg stated that the City's package should be focused on police, roads, transit and parks.

6. Next meeting

The next Committee meeting will be scheduled for September to review the end of year bond program updates, proposed amendments, and elect a new Chair. Mr. Huckelberry offered to provide an update at that time on the County's debt and debt repayment schedules, including a primer on the County's use of Certificates of Participation (COPS) as short-term debt to overcome expenditure limitations and invest in projects that generate jobs.

7. Call to the Audience

Dave Devine recommended the Committee prioritize a maintenance only bond package for 2017.

Damion Alexander thanked the Committee for the countless hours spent planning for the election, thanked Joe Boogaart for stating the reasons his constituents opposed the bond election, stated that he and Mr. Boogaart have very different constituents, and emphasized the continued need for park improvements that generate tourism dollars.

Mr. Huckelberry mentioned the 72 Division 2 baseball teams currently training at Kino Sports Complex and the tourism dollars they bring into the community.

Vice-Chair Campbell asked about legislation to enable the RTA to ask for voter support of a sales tax for road maintenance. Mr. Huckelberry explained that is was part of the County's legislative package, but that no such bill has yet to be introduced.

8. Meeting Adjourned

Meeting adjourned at 8:57 a.m.

DRAFT