

**MINUTES
ORO VALLEY TOWN COUNCIL
REGULAR SESSION
May 5, 2010
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CANADA DRIVE**

REGULAR SESSION AT OR AFTER 5:00 PM

CALL TO ORDER - 5:00 p.m.

ROLL CALL

PRESENT:

Paul Loomis, Mayor
Bill Garner, Vice Mayor (via telephone)
K.C. Carter, Councilmember
Barry Gillaspie, Councilmember
Mary Snider, Councilmember
Pat Spoerl, Councilmember

EXECUTIVE SESSION AT OR AFTER 5:00 PM

MOTION: A motion was made by Councilmember Snider and seconded by Councilmember Gillaspie to go into Executive Session for the following purpose:

Pursuant to A.R.S. section 38-431.03(A)(3) for discussion and consultation with the Town Attorney for advice relating to the Town's participation in the Arizona Municipal Risk Retention Management Pool and associated litigation coverage and

Pursuant to A.R.S. section 38-431.03(A)(1) to discuss personnel matters related to appointment of a new Town councilmember to fill one vacancy with term effective until June 6, 2012

Mayor Loomis announced that in addition to the Town Council, the Interim Town Manager, the Interim Assistant Town Manager, the Town Attorney and the Town Clerk, Safety and Risk Manager Bob Easton would be present in Executive Session for Item 1.

MOTION carried, 6-0.

MOTION: A motion was made by Councilmember Carter and seconded by Councilmember Spoerl to go out of Executive Session at 5:55 p.m.

MOTION carried, 6-0.

RESUME REGULAR SESSION AT OR AFTER 6:00 PM**CALL TO ORDER** - 6:00 p.m.**ROLL CALL****PRESENT:**

Paul Loomis, Mayor
Bill Garner, Vice Mayor (via telephone)
K.C. Carter, Councilmember
Barry Gillaspie, Councilmember
Mary Snider, Councilmember
Pat Spoerl, Councilmember

PLEDGE OF ALLEGIANCE

Mayor Loomis led the audience in the Pledge of Allegiance.

UPCOMING MEETING ANNOUNCEMENTS

Communications Administrator Mary Davis reviewed the upcoming meetings and events.

COUNCIL REPORTS - No reports.

DEPARTMENT REPORTS

Building Safety Director Suzanne Smith announced that the month of May was Building Safety Month. She stated that the Building Safety Department would be offering free pool barrier safety inspections through September.

Town Clerk Kathryn Cuvelier introduced artist Jennifer Arno-Coleman who would be displaying her artwork in the Town Council Chambers. Ms. Cuvelier then reminded the audience that May 18, 2010 is the Town's General Election in addition to the State's Special Election. She noted that residents could vote early at Town Hall or request an early ballot from the Pima County Recorder's Office. She also announced that the week of May 2, 2010 was Municipal Clerk's Week and she thanked the Town Clerk's staff for the outstanding job that they do for the Town.

Interim Town Manager Jerene Watson announced that she and Mayor Loomis attended the Arizona Town Hall. She reported that jobs, economic development and immigration were some of the subjects discussed at the sessions. She also stated that the committee reports would soon be available to the Council and would also be placed on the Town's website.

CALL TO AUDIENCE

Lee Souter, Oro Valley resident, asked Council to reconsider the Ordinance which disallowed air soft guns to be discharged in Town. He stated that prohibiting this sport would be a major impact to youth activities as several hundred youth participate. He stated that none of the youth have been hurt and there has been no property damage. He asked that Council find some common ground.

Lindsey Carlson, Oro Valley resident, reviewed the air soft gun sport. He stated that they play in areas where civilians do not frequent and that the sport provided an opportunity for youth and adults to get outdoors and exercise. He stated that air soft was a good sport and he asked that Council give more review to the subject.

PRESENTATIONS

- a. Presentation of Graffiti Abatement Public Service Campaign by Ironwood Ridge High School Students

Communications Administrator Mary Davis reported that Town staff has formed a task force to help combat graffiti. She explained that efforts were focused on public education and awareness of the high cost of graffiti to the community as well as working with Homeowner Associations and other groups to remove graffiti quickly. Ms. Davis also stated that the task force has worked with Ironwood Ridge High School students who designed the public service campaign. She also reported that The Explorer Newspaper and Comcast have agreed to run the public service announcements throughout the summer, at no charge to the Town.

Craig Baron, Graphics and Communication teacher at Ironwood High School, presented the add campaign created by the high school students.

- b. Presentation regarding Steam Pump Ranch

Jose Rodriguez, Engineering Division Manager, presented an update on Steam Pump Ranch highlighting construction work on:

PHASE I -

~ Pusch Ranch House - Rehabilitation to the exterior to its late 19th century/early 20th century appearance and the adaptive re-use of the interior (Cost estimate \$350,000)

~ Procter/Leiber House - Emergency stabilization and repairs associated with the collapse of the fireplace built in the second story addition (Cost estimate \$100,000)

PHASE II

~ Steam pump - Restore the building to its early 20th century condition (Working with the State Historic Preservation Office to insure work on the steam pump)

meets the Secretary of the Interior Standards for Historic Places and to not jeopardize the National Listing on the site).

Mr. Rodriguez reported that the bid and award of contract for Phase I would be May 17 through June 25, 2010 with construction from July 6 through December 31, 2010. Phase II bid and award are anticipated to be July through August 2010.

RECONSIDERATION AND POSSIBLE ACTION REGARDING FILLING OF COUNCIL VACANCY WITH TERM EFFECTIVE UNTIL JUNE 6, 2012

MOTION: A motion was made by Vice Mayor Garner and seconded by Councilmember Snider to Table this item.

MOTION carried, 6-0.

DISCUSSION AND POSSIBLE ACTION REGARDING FILLING OF COUNCIL VACANCY WITH TERM EFFECTIVE UNTIL JUNE 6, 2012

(No action required due to vote on previous item).

1. CONSENT AGENDA

At the request of Councilmember Spoerl, Item E was pulled for discussion.

MOTION: A motion was made by Councilmember Carter and seconded by Councilmember Gillaspie to approve the Consent Agenda with the exception of Item E.

MOTION carried, 6-0.

- A. Minutes: March 8, 12, 24, & 31, 2010
- B. Coyote Run March 2010 Monthly Report
- C. Procurement Division Quarterly Report - January 1, 2010 - March 31, 2010
- D. Resolution No. (R)10-23, adopting the Town of Oro Valley Department of Public Works Transit Services Division Title VI Policy.
- E. **Resolution No. (R) 10-24, approving an Intergovernmental Master Agreement between Pima County and the Town of Oro Valley for joint use of facility space (PULLED FOR DISCUSSION)**

In response to a question from Councilmember Spoerl regarding visual impacts and notice to the public regarding the Pima County Wireless Integrated Network (PCWIN) project, Chief of Police Daniel Sharp explained that open houses are planned to inform the public of the project.

Captain Paul Wilson from the Pima County Sheriff's Office explained that a comprehensive inventory was conducted in order to lessen costs and impacts by using existing facilities as much as possible. He explained that they would be using the tower at the Oro Valley Police Department and that the tower would work in concert with three other tower sites. Captain Wilson explained that the tower colors would be selected per Oro Valley Code and that the 125 foot tower would not require lighting.

MOTION: A motion was made by Councilmember Carter and seconded by Councilmember Snider to adopt Resolution (R)10-24.

MOTION carried, 6-0.

- F. Resolution No. (R) 10-25, approving a Data Sharing Agreement between the Town of Oro Valley and the Arizona Board of Regents for and on behalf of Arizona State University
- G. Appointment of Donald L. Chatfield to the Pima County Bond Advisory Committee for a term to expire on June 30, 2016

Vice Mayor Garner terminated his attendance at the meeting (via telephone) at 6:46 p.m.

2. PUBLIC HEARING DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 12(RESTAURANT) LIQUOR LICENSE FOR HARVEST MOON CHINESE CUISINE LOCATED AT 12125 N. ORACLE ROAD #D-5

Mayor Loomis opened the public hearing. There being no speakers, the public hearing was closed.

MOTION: A motion was made by Councilmember Gillaspie and seconded by Councilmember Spoerl to recommend approval of the issuance of the Series 12 liquor license to the Arizona State Liquor Board for Mr. Quincy Zhang and principals at Harvest Moon Chinese Cuisine located at 12125 N. Oracle Road, Suite D-5.

MOTION carried, 5-0.

Mayor Loomis recessed the meeting at 6:50 p.m. The meeting resumed at 6:55 p.m.

3. DISCUSSION AND POSSIBLE ACTION REGARDING THE ORO VALLEY WATER UTILITY COMMISSION ANNUAL REPORT DATED APRIL 2010

Water Utility Director Philip Saletta reviewed the Oro Valley Water Utility Commission Annual Report and highlighted the following:

- ~ Currently serving 18,401 water service connections
- ~ Performed 4,000 tests in 2009 (no violations and did not exceed any maximum contaminant levels)
- ~ Water supply
 - Developed -
 - Groundwater - delivered 7,693 acre feet (AF)
 - Reclaimed Water - delivered 1,969 AF
 - Undeveloped -
 - Effluent - 1,500 AF
 - Central Arizona Project Water - 10,305 AF
- ~ Water Resource Planning
 - Groundwater Storage (Recharged CAP water at Kai Farms and Central Arizona Water Conservation District facilities)
 - Purchase of groundwater extinguishment credits
- ~ Water Use
 - Reduced total groundwater use over the last two years due to reclaimed water going on-line
- ~ Water Conservation Program
 - Conducted 179 free water audits
 - Rain sensor program
 - Member of Water Conservation Alliance of Southern Arizona (CASA)
- ~ Water Utility Operations
 - 20 operating wells, 18 reservoirs, 27 booster stations
 - 355 miles of water mains, 2,002 fire hydrants
- ~ Central Arizona Project (CAP) Water
 - Recharged 4,000 AF
 - Water Quality and Distribution Study
 - Participated in Value Planning Study for CAP reliability
- ~ Financial Highlights
 - Three Water Utility Funds
 - Enterprise Fund
 - Potable Water System Development Impact Fee Fund
 - Alternative Water Resources Development Impact Fee Fund

MOTION: A motion was made by Councilmember Gillaspie and seconded by Councilmember Snider to accept the Water Utility Commission Annual Report dated April, 2010.

MOTION carried, 5-0.

4. DISCUSSION AND POSSIBLE APPROVAL OF ENERGY EFFICIENCY PROJECT FINANCING MEASURES TO INCLUDE A COMBINATION OF USE OF CONTINGENCY RESERVE FUNDS IN THE GENERAL FUND, HIGHWAY FUND AND WATER UTILITY ENTERPRISE FUND TO PAY FOR ENERGY EFFICIENCY UPGRADES IN TOWN FACILITIES AND THE ISSUANCE OF EXCISE TAX-SECURED DIRECT-PAY SOLAR CLEAN RENEWABLE ENERGY BONDS (CREBs) TO PAY FOR THE INSTALLATION OF SOLAR PHOTOVOLTAIC (PV) ENERGY PRODUCTION PANELS AT THE TOWN HALL CAMPUS

Interim Assistant Town Manager and Finance Director Stacey Lemos reported that on November 18, 2009, the Town Council adopted a resolution approving the Energy Efficiency Conservation Strategy (EECS) as required by a EEC Block Grant that the Town received. Ms. Lemos then provided an overview of financing options available to pay for the solar photovoltaic (PV) project and the energy efficiency upgrades:

~ Solar PV Project Financing

- \$2.4 million issuance of taxable, direct pay CREBs bonds (Clean Renewable Energy Bonds)
- \$1.7 million in renewable energy credits from Tucson Electric Power (TEP) (\$83,000 annual payments over 20 years)
- \$71,000 estimated annual energy savings

~ Energy Efficiency Retrofits/Upgrades Financing:

- \$164,000 from Energy Efficiency Conservation Block Grant
- \$57,000 from TEP energy rebate program (eligible once project is complete)
- \$160,000 in estimated annual energy savings
- \$1.6 million from Contingency Reserves: General Fund (\$895,226), Highway Fund (\$309,260), Water Utility (\$423,197)

~ Additional highlights:

- Remaining contingency reserve balance would be above the 25% contingency reserve policy
- Project is 100% self funded
- Energy cost savings are guaranteed by APS Energy Services
- Invest in Town infrastructure instead of maintaining current utility expenses

MOTION: A motion was made by Councilmember Gillaspie and seconded by Councilmember Spoerl to authorize the use of contingency reserves in the General Fund, Highway Fund and Water Utility Fund in the amounts as specified (General Fund - \$895,226, Highway Fund - \$309,260, Water Utility - \$423,197) to pay for the energy efficiency measures as recommended in the APS Energy Audit and direct staff to return to Council with a resolution to authorize the issuance of excise tax secured direct-pay solar CREBS bonds on the May 19, 2010 regular Council meeting.

MOTION carried, 5-0.

FUTURE AGENDA ITEMS

Councilmember Gillaspie with second from Councilmember Snider - Direct staff for action regarding an assessment of options regarding insurance in the Town's Risk Pool.

Councilmember Gillaspie with second from Councilmember Snider - Study Session item to review possible options regarding the Firearms Ordinance and air soft guns.

Councilmember Spoerl with second from Mayor Loomis - Discussion of the Town's participation in the Arizona Centennial (Event runs January 2011 - February 2012 but proposals due September 2010).


CALL TO AUDIENCE - No speakers.

ADJOURNMENT

MOTION: A motion was made by Councilmember Carter and seconded by Councilmember Gillaspie to adjourn at 7:22 p.m.

MOTION carried, 5-0.

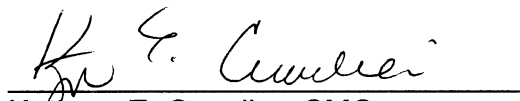
Prepared by:



Roxana Garrity, CMC
Deputy Town Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular session of the Town of Oro Valley Council of Oro Valley, Arizona held on the 5th day of May 2010. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 3 day of June, 2010.



Kathryn E. Cuvelier, CMC
Town Clerk