AGENDA
ORO VALLEY TOWN COUNCIL
REGULAR SESSION
December 1, 2010
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CAÑADA DRIVE

REGULAR SESSION AT OR AFTER 6:00 PM
CALL TO ORDER
ROLL CALL
PLEDGE OF ALLEGIANCE
UPCOMING MEETING ANNOUNCEMENTS
COUNCIL REPORTS
DEPARTMENT REPORTS

The Mayor and Council may consider and/or take action on the items listed below:

ORDER OF BUSINESS: **MAYOR WILL REVIEW THE ORDER OF THE MEETING**

INFORMATIONAL ITEMS

CALL TO AUDIENCE – At this time, any member of the public is allowed to address the Mayor and Town Council on any issue ***not listed on today's agenda.*** Pursuant to the Arizona Open Meeting Law, individual Council Members may ask Town Staff to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during "Call to Audience." In order to speak during "Call to Audience" please specify what you wish to discuss when completing the blue speaker card.

PRESENTATIONS

a. PLAQUE OF APPRECIATION TO MARY CASWELL FOR HER SERVICE ON THE PLANNING AND ZONING COMMISSION FROM JULY 2009 TO OCTOBER 2010

b. PRESENTATION BY TUCSON REGIONAL ECONOMIC OPPORTUNITIES, INC. VICE PRESIDENT OF REGIONAL DEVELOPMENT, MICHAEL S. GUYMON

1. **CONSENT AGENDA**
(Consideration and/or possible action)

A. Coyote Run Monthly Report September 2010

B. Coyote Run Monthly Report October 2010

C. Fiscal Year 2010/11 Financial Update through October 2010

D. Development & Infrastructure Services Department Permitting Division October 2010 Reports

E. **Resolution No. (R)10-83** Authorizing and Approving a Drainage and Maintenance Easement Between the Town of Oro Valley and In-N-Out Burger, Inc.

F. **Resolution No. (R)10-84** Authorizing and Approving a Subgrantee Agreement between the Town of Oro Valley and the Arizona Department of Homeland Security to Fund Overtime and Mileage Under the Operation Stonegarden Program

G. **Resolution No. (R)10-85** Authorizing and Approving a Subgrantee Agreement Between the Town of Oro Valley and the Arizona Department of Homeland Security to Fund the Purchase of Binoculars and Thermal Imaging/Night Vision Equipment Under the Operation Stonegarden Program

H. **Resolution No. (R)10-86** Authorizing and Approving an Amendment to the Intergovernmental Agreement Between the Town of Oro Valley and the Pima County Regional Flood Control District Extending the IGA for the Lomas de Oro Wash Channelization Project and the Oro Valley Estates Drainage Improvement Project (Phase II) an Additional Year to December 31, 2011

I. **Resolution No. (R)10-87** Authorizing and Approving Drainage Easements Between the Town of Oro Valley and Nine Homeowners Along Lomas de Oro Wash for the Federal Emergency Management Agency (FEMA) Channel Drainage Improvement Project

J. Amending the 2010 Town Council Liaison Assignments by adding Councilmember Mary Snider as an Alternate Liaison to the Parks & Recreation Advisory Board for Councilmember Barry Gillaspie

K. APPROVAL OF TOWN MANAGER'S ANNUAL PERFORMANCE GOALS

2. PRESENTATION AND TOWN COUNCIL ACCEPTANCE OF THE TOWN'S FINANCIAL AUDIT FOR FISCAL YEAR ENDED JUNE 30, 2010

3. **PUBLIC HEARING** DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 12 (RESTAURANT) LIQUOR LICENSE FOR NOBLE HOPS GASTROPUB LOCATED AT 1335 W. LAMBERT LANE #101

4. DISCUSSION AND POSSIBLE ACTION REGARDING A REQUEST FOR AUTHORIZATION TO USE GENERAL FUND CONTINGENCY RESERVE FUNDS FOR CITIZEN SATISFACTION SURVEY

5. PRESENTATION AND DIRECTION TO STAFF REGARDING LIBRARY INTERGOVERNMENTAL AGREEMENT (IGA) NEGOTIATIONS WITH PIMA COUNTY

6. **RESOLUTION NO. (R)10-81** REPEALING TOWN OF ORO VALLEY PERSONNEL POLICY NUMBER 25, ADVISORY BOARD FOR ORO VALLEY EMPLOYEES (ABOVE), AND PERSONNEL POLICY NUMBER 27, ANNUAL EMPLOYEE FORUM, OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL REGARDING EMPLOYEE RELATIONS, REPLACING THESE WITH ADMINISTRATIVE DIRECTIVE 33 WHICH PROVIDES A FRAMEWORK FOR EXPANDED EMPLOYEE VOICE (CONTINUED FROM 11/17/10)

7. **RESOLUTION NO. (R)10-88** AMENDING THE APPENDICES TO THE TOWN COUNCIL PARLIAMENTARY RULES AND PROCEDURES AND CODE OF CONDUCT TO UPDATE THE APPOINTMENT PROCESS AND TERM LIMIT PROVISIONS RELATING TO TOWN OF ORO VALLEY VOLUNTEERS

A. DISCUSSION AND POSSIBLE ACTION REGARDING THE FINANCE AND BOND COMMITTEE

B. DISCUSSION AND POSSIBLE ACTION REGARDING THE PARKS AND RECREATION ADVISORY BOARD (PRAB)

C. DISCUSSION AND POSSIBLE ACTION REGARDING THE DEVELOPMENT REVIEW BOARD AND ART REVIEW COMMISSION

8. **FUTURE AGENDA ITEMS** (The Council may bring forth general topics for future meeting agendas. Council may not discuss, deliberate or take any action on the topics presented pursuant to ARS 38-431.02H)

CALL TO AUDIENCE – At this time, any member of the public is allowed to address the Mayor and Town Council on any issue ***not listed on today's agenda***. Pursuant to the Arizona Open Meeting Law, individual Council Members may ask Town Staff to review the matter, ask that the matter be placed on a future agenda, or respond to criticism made by speakers. However, the Mayor and Council may not discuss or take legal action on matters raised during "Call to Audience." In order to speak during "Call to Audience" please specify what you wish to discuss when completing the blue speaker card.

ADJOURNMENT

POSTED: 11/19/10
2:00 p.m.
tlg

When possible, a packet of agenda materials as listed above is available for public inspection at least 24 hours prior to the Council meeting in the office of the Town Clerk between the hours of 8:00 a.m. – 5:00p.m.

The Town of Oro Valley complies with the Americans with Disabilities Act (ADA). If any person with a disability needs any type of accommodation, please notify the Town Clerk's Office at least five days prior to the Council meeting at 229-4700.

INSTRUCTIONS TO SPEAKERS

Members of the public have the right to speak during any posted public hearing. However, those items not listed as a public hearing are for consideration and action by the Town Council during the course of their business meeting. Members of the public may be allowed to speak on these topics at the discretion of the Chair.

If you wish to address the Town Council on any item(s) on this agenda, please complete a speaker card located on the Agenda table at the back of the room and give it to the Town Clerk. **Please indicate on the speaker card which item number and topic you wish to speak on, or if you wish to speak during "Call to Audience", please specify what you wish to discuss when completing the blue speaker card.**

Please step forward to the podium when the Mayor announces the item(s) on the agenda which you are interested in addressing.

1. For the record, please state your name and whether or not you are a Town resident.
2. Speak only on the issue currently being discussed by Council. Please organize your speech, you will only be allowed to address the Council once regarding the topic being discussed.
3. Please limit your comments to 3 minutes.
4. During “Call to Audience” you may address the Council on any issue you wish.
5. Any member of the public speaking must speak in a courteous and respectful manner to those present.

Thank you for your cooperation.

Item #: a.

TC Regular Session

Date: 12/01/2010

Requested by:	Kathryn Cuvelier, Town Clerk	**Submitted By:**	Kathryn Cuvelier, Town Clerk's Office
Department:	Town Clerk's Office		

Information

SUBJECT:

PLAQUE OF APPRECIATION TO MARY CASWELL FOR HER SERVICE ON THE PLANNING AND ZONING COMMISSION FROM JULY 2009 TO OCTOBER 2010

SUMMARY:

On behalf of the Town Council, Mayor Hiremath will present Mary Caswell with a Plaque of Appreciation for her service on the Planning and Zoning Commission from July 2009 to October 2010.

DISCUSSION:

N/A

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

N/A

SUGGESTED MOTION:

N/A

Item #: b.

TC Regular Session
Date: 12/01/2010
Requested by: Amanda Jacobs, Economic Development Manager
Submitted By: Amanda Jacobs, Town Manager's Office
Department: Town Manager's Office

Information

SUBJECT:

PRESENTATION BY TUCSON REGIONAL ECONOMIC OPPORTUNITIES, INC. VICE PRESIDENT OF REGIONAL DEVELOPMENT, MICHAEL S. GUYMON

SUMMARY:

On November 15, 2010, Mr. Guymon began his role as Vice President of Regional Development for Tucson Regional Economic Opportunities, Inc. (TREO). Mr. Guymon is responsible for planning, developing and implementing the business development strategies of TREO to attract, retain and expand jobs and capital investment for the region; providing direct client and project management services with site selection/expansion projects; building and maintaining positive, productive relationships with local stakeholders, including business and community leaders as well as economic development professionals, public officials & the real estate community; providing leadership support to the regional community in expanding its capacity for delivering business growth; and collaborating with the local and state economic development agencies to effectively develop and sell our region's assets to business decision makers, domestically and internationally.

As a native Tucsonan, Mr. Guymon's fourteen-year professional career has primarily centered on business development and advocacy, political strategy and organizational management. His previous positions include Executive Director of Metropolitan Pima Alliance, Chief-of-Staff to former Tucson City Council Member Fred Ronstadt, Vice President for Governmental Affairs at the Tucson Metropolitan Chamber of Commerce, and consultant to The Bridges, a 360-acre mixed use, infill development at the University of Arizona Bio Park.

Mr. Guymon is here today to introduce himself to the Town Council, staff and residents of Oro Valley.

DISCUSSION:

N/A

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

N/A

SUGGESTED MOTION:

Information only.

Item #: 1. A.

TC Regular Session

Date: 12/01/2010

Submitted By: Aimee Ramsey, Development Infrastructure Services

Information

Subject

Coyote Run Monthly Report September 2010

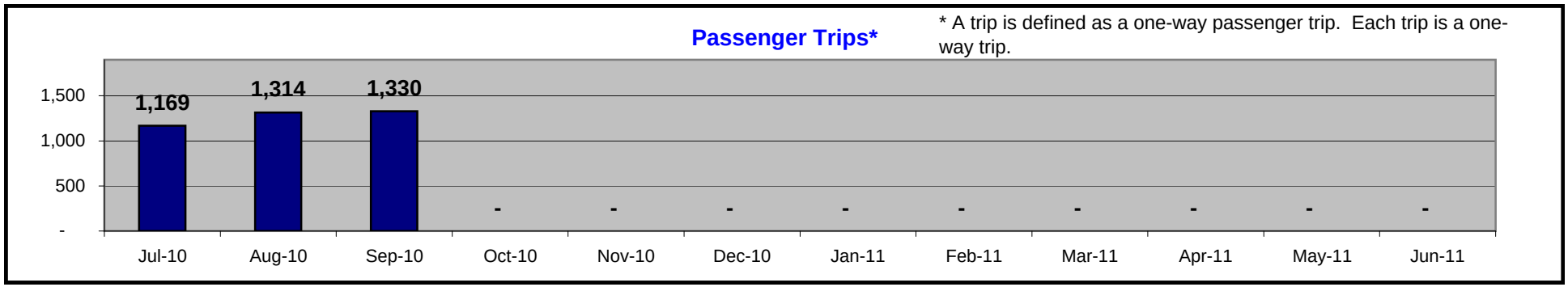
Attachments

Link: Coyote Run Report Sept 2010

September 2010

Transit Monthly Operations Report
FY 10-11

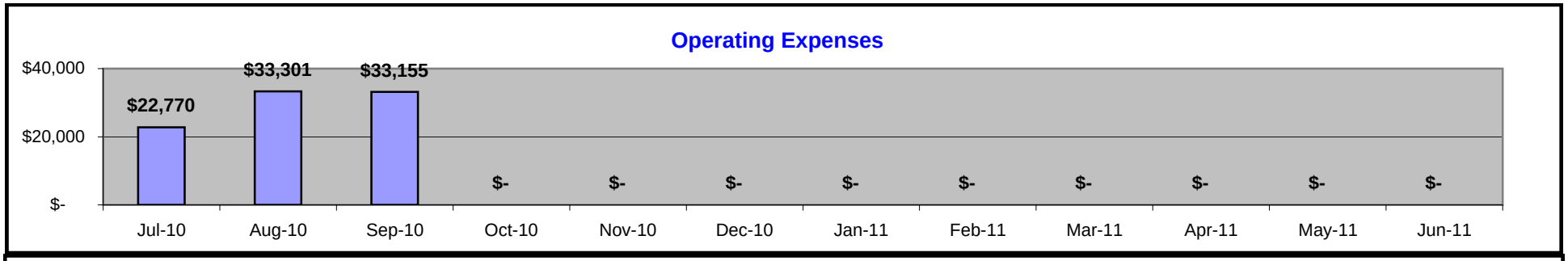
Month	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Revenue Hours	584.5	546.5	626.2	-	-	-	-	-	-	-	-	-
Passengers*	1,169	1,314	1,330	-	-	-	-	-	-	-	-	-
Pass/Rhour	2.00	2.40	2.12	-	-	-	-	-	-	-	-	-
YTD Rev. Hours	584.5	1,130.9	1,757.1	-	-	-	-	-	-	-	-	-
YTD Passengers	1,169	2,483	3,813	-	-	-	-	-	-	-	-	-
YTD Pass/RHour	**2.00**	**2.20**	**2.17**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

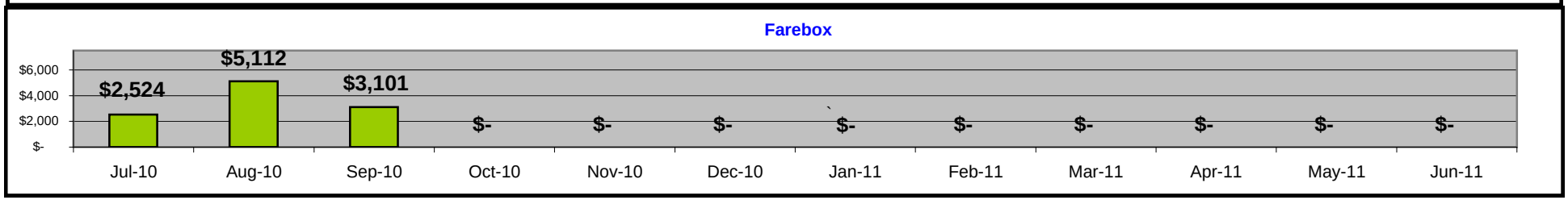


Month	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Oper Expenses	$ 22,770	$ 33,301	$ 33,155	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses[1]	$ 35,814	$ 33,703	$ 33,155	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
YTD TExpenses	$ 35,814	$ 69,517	$102,672	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Farebox	$ 2,524	$ 5,112	$ 3,101	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
YTD Farebox	$ 2,524	$ 7,636	$ 10,737	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Volunteer Hours[2]	104.0	88.5	61.8	-	-	-	-	-	-	-	-	-

[1] *Total Expenses include outside services and other non-operating capital. (Maintenance Estimated)*

[2] *YTD 254.25 Hours ≈ $4,149*

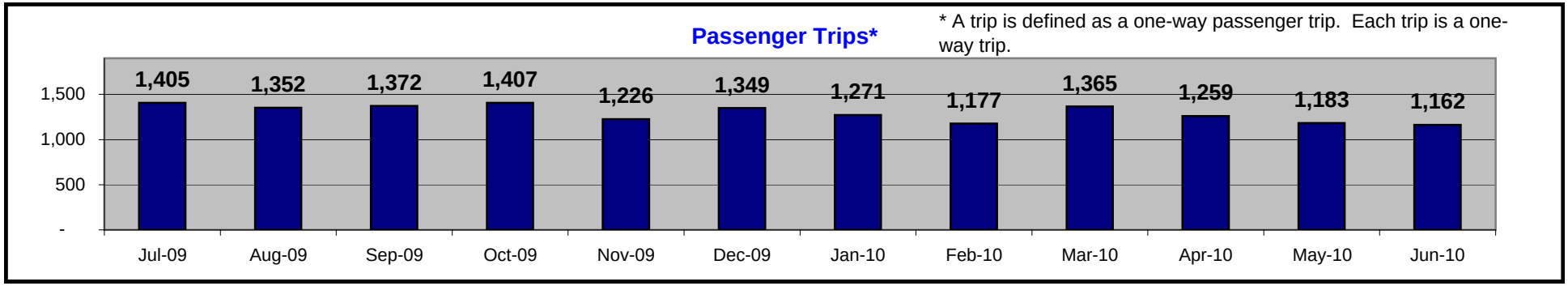




FY 2009/2010 FINAL
for comparison

Transit Monthly Operations Report
FY 09-10

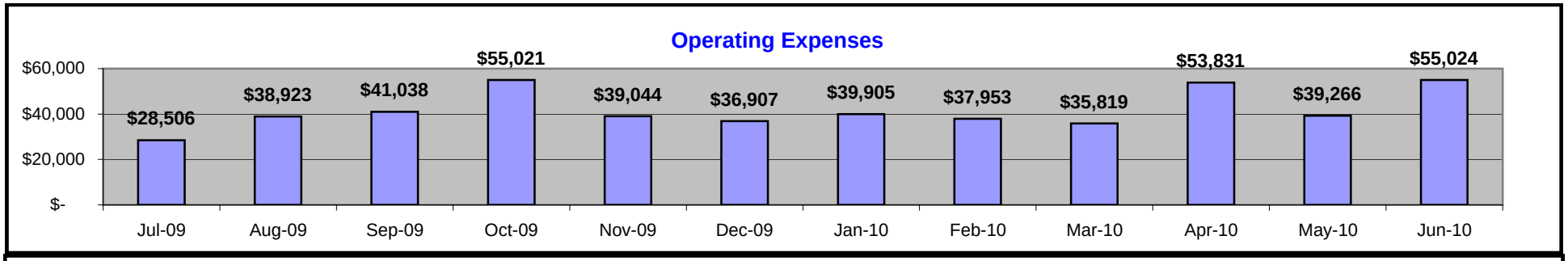
Month	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Revenue Hours	663.6	695.6	680.9	668.7	609.2	643.0	601.4	561.1	675.4	622.7	582.5	513.9
Passengers*	1,405	1,352	1,372	1,407	1,226	1,349	1,271	1,177	1,365	1,259	1,183	1,162
Pass/Rhour	2.12	1.94	2.01	2.10	2.01	2.10	2.11	2.10	2.02	2.02	2.03	2.26
YTD Rev. Hours	663.6	1,359.2	2,040.2	2,708.9	3,318.0	3,961.0	4,562.4	5,123.6	5,798.9	6,421.6	7,004.1	7,518.0
YTD Passengers	1,405	2,757	4,129	5,536	6,762	8,111	9,382	10,559	11,924	13,183	14,366	15,528
YTD Pass/RHour	**2.12**	**2.03**	**2.02**	**2.04**	**2.04**	**2.05**	**2.06**	**2.06**	**2.06**	**2.05**	**2.05**	**2.07**

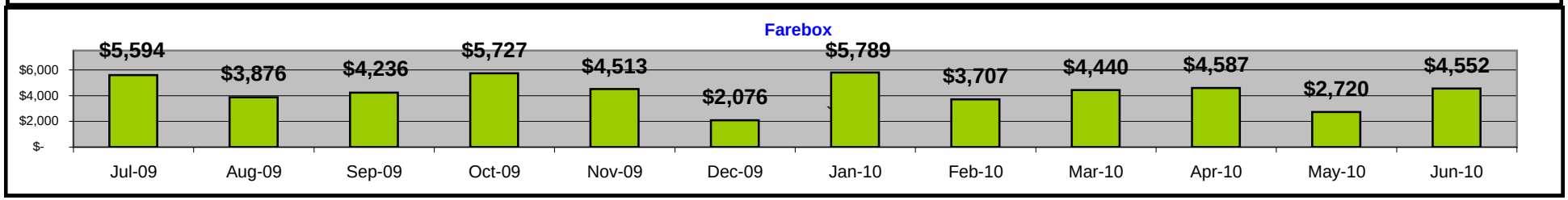


Month	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Oper Expenses	$ 28,506	$ 38,923	$ 41,038	$ 55,021	$ 39,044	$ 36,907	$ 39,905	$ 37,953	$ 35,819	$ 53,831	$ 39,266	$ 55,024
Total Expenses[1]	$ 28,999	$ 39,452	$ 41,226	$ 55,167	$ 39,426	$ 40,609	$ 39,961	$ 38,013	$ 35,869	$ 53,855	$ 39,291	$ 68,112
YTD TExpenses	$ 28,999	$ 68,451	$109,676	$164,844	$204,270	$244,879	$284,840	$322,853	$ 358,722	$ 412,578	$ 451,868	$ 519,980
Farebox	$ 5,594	$ 3,876	$ 4,236	$ 5,727	$ 4,513	$ 2,076	$ 5,789	$ 3,707	$ 4,440	$ 4,587	$ 2,720	$ 4,552
YTD Farebox	$ 5,594	$ 9,470	$ 13,706	$ 19,433	$ 23,946	$ 26,022	$ 31,811	$ 35,518	$ 39,958	$ 44,545	$ 47,265	$ 51,817
Volunteer Hours[2]	90.5	107.8	63.5	75.5	40.0	49.9	67.0	48.5	84.8	77.3	96.0	63.5

[1] *Total Expenses include outside services such as the RTA Park and Ride costs and other non-operating capital.*

[2] *YTD 864.17 Hours ≈ $14,103*





September 2010 System Summary

- Passenger demand continues to rise as more seniors register
- Total expenditures variances
    - 5k reduction in fleet due to reduction in service levels
    - 10k reduction in staffing
    - 5k reduction in TRAPEZE Maintenance costs
- Operated 1,153 additional miles or 10.4% more than projected
- An increase of 63 passenger trips or 1.7% as compared to projected
- Farebox revenues are above projected decrease due to anticipated ridership loss that is not occuring
- Requested rides exceeded capacity 11 out of 22 operational days

Days service demand exceeded capacity

10 / 21 47.6%

New Riders	**34**			
Female	19	56%		
Male	15	44%		
ADA Eligible	1	3%		
Disabled	3	9%		
Seniors	30	88%	Average Age of Seniors:	81.9

Item #: 1. B.

TC Regular Session

Date: 12/01/2010

Submitted By: Aimee Ramsey, Development Infrastructure Services

Information

Subject

Coyote Run Monthly Report October 2010

Attachments

Link: Coyote Run Report Oct 2010

October 2010

Transit Monthly Operations Report
FY 10-11

Month	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
Revenue Hours	584.5	546.5	626.2	631.7	-	-	-	-	-	-	-	-
Passengers*	1,169	1,314	1,330	1,324	-	-	-	-	-	-	-	-
Pass/Rhour	2.00	2.40	2.12	2.10	-	-	-	-	-	-	-	-
YTD Rev. Hours	584.5	1,130.9	1,757.1	2,388.8	-	-	-	-	-	-	-	-
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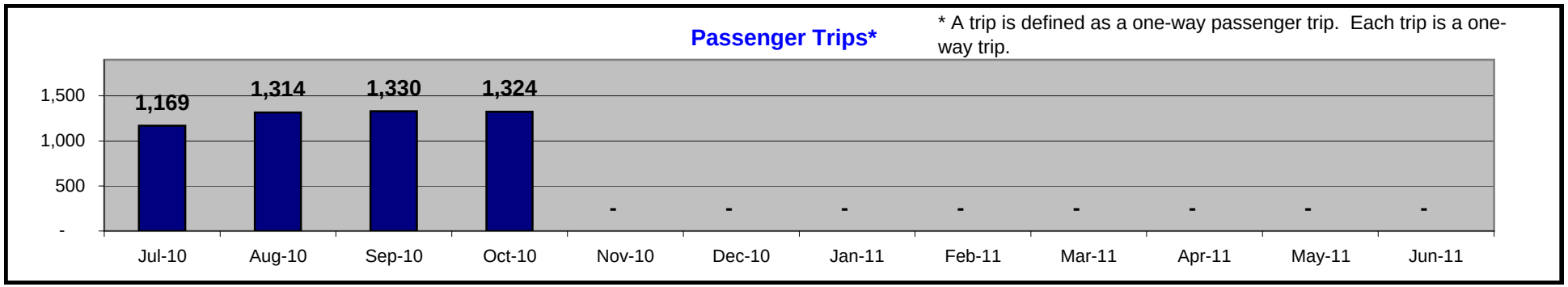
YTD Pass/RHour	**2.00**	**2.20**	**2.17**	**2.15**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**



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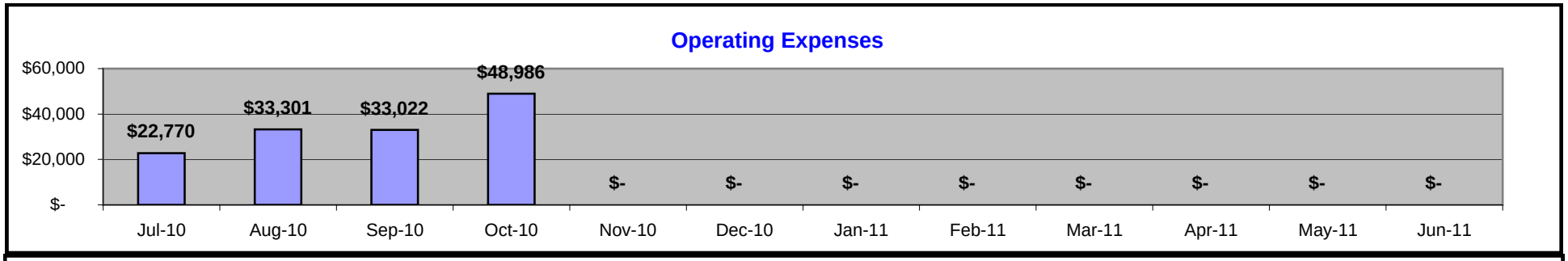
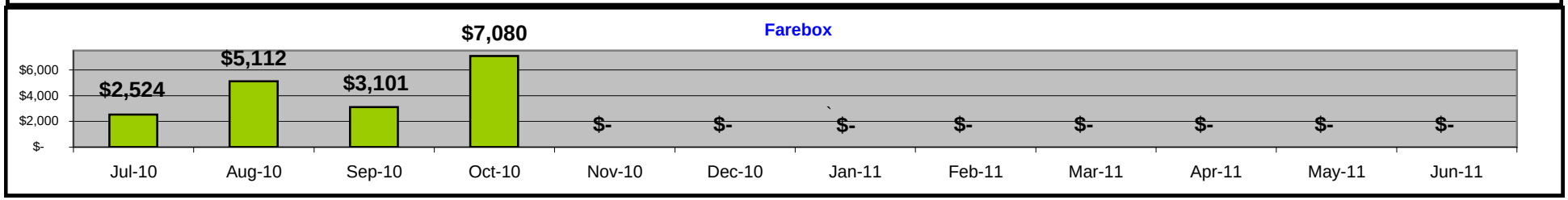
Oper Expenses	$ 22,770	$ 33,301	$ 33,022	$ 48,986	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Expenses[1]	$ 35,814	$ 33,703	$ 33,022	$ 48,986	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
YTD TExpenses	$ 35,814	$ 69,517	$102,539	$151,525	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Farebox	$ 2,524	$ 5,112	$ 3,101	$ 7,080	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
YTD Farebox	$ 2,524	$ 7,636	$ 10,737	$ 17,817	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Volunteer Hours[2]	104.0	88.5	61.8	137.2	-	-	-	-	-	-	-	-

[1] *Total Expenses include outside services and other non-operating capital. (Maintenance Estimated)*

[2] *YTD 391.5 Hours ≈ $6,389*





October 2010 System Summary

- Passenger demand continues to rise as more seniors register
- Operated 364 less monthly miles or 3.0% as compared to October 2009
- Carried 83 less passenger trips or 5.9% as compared to October 2009
- Provided 320 less service hours or 11.8% due to reduction in staffing levels as compared to October 2009
- Passenger Per Hour reached 2.15 or 0.13% increase
- Farebox revenues are above projected decrease due to anticipated loss of ridership

- Requested rides exceeded capacity 12 out of 21 operational days

Days service demand exceeded capacity

12 / 21 57.1%

New Riders	**47**			
Female	29	62%		
Male	18	38%		
ADA Eligible	2	4%		
Disabled	3	6%		
Seniors	42	90%	Average Age of Seniors:	81.3

FY 2009/2010 FINAL
for comparison

Transit Monthly Operations Report
FY 09-10

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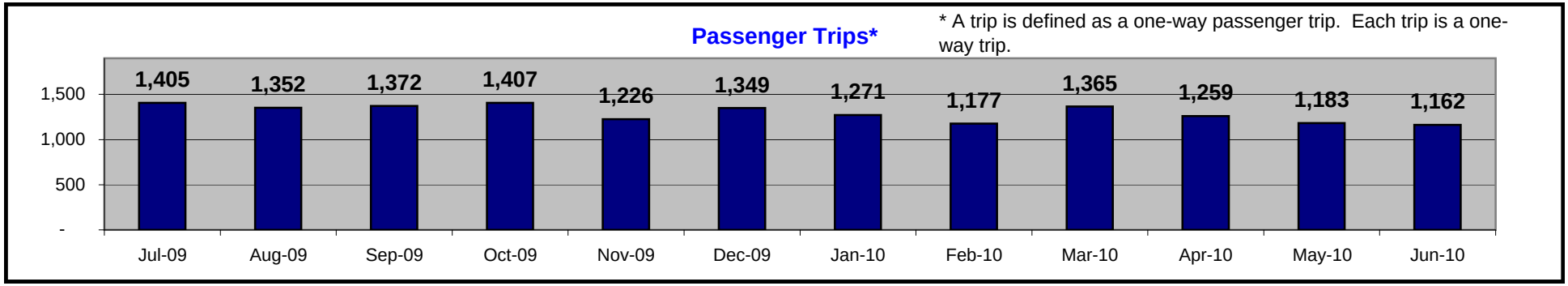

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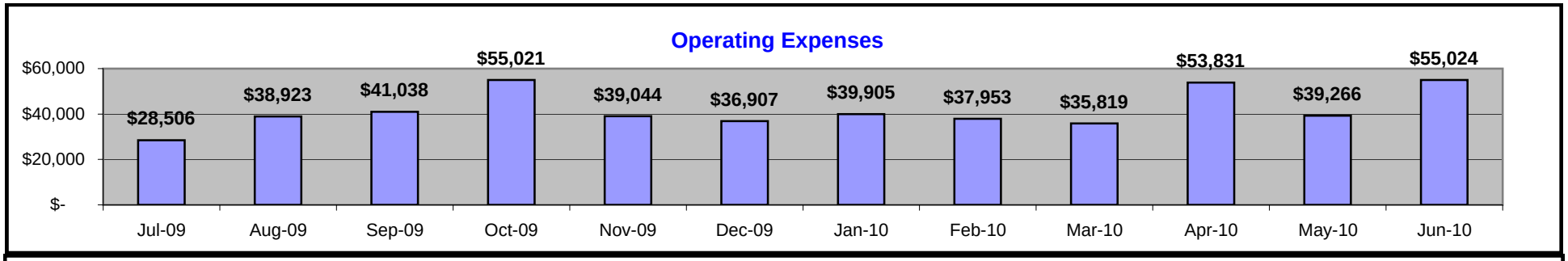
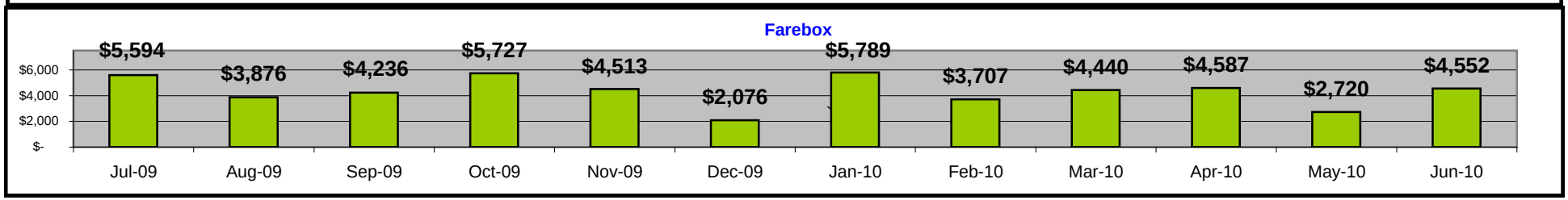
[1] *Total Expenses include outside services such as the RTA Park and Ride costs and other non-operating capital.*

[2] *YTD 864.17 Hours ≈ $14,103*





Item #: 1. C.

TC Regular Session
Date: 12/01/2010
Requested by: Wendy Gomez, Budget and Management Analyst
Submitted By: Wendy Gomez, Finance
Department: Finance

Information

SUBJECT:

Fiscal Year 2010/11 Financial Update through October 2010

SUMMARY:

The attachments capture total revenues earned and departmental expenditures through the end of October 2010 for the major funds in the budget that are tax-based (General, Highway, Bed Tax, and Public Transportation). A projected year-end total revenue estimate is provided for each fund and compared to the budgeted revenue for the year. A projected year-end expenditure estimate is also provided for each fund and compared to the budgeted expenditures for the year. Comparing the projected year-end revenue amount to total estimated year-end expenditures in each fund will show the anticipated operating deficit/surplus resulting in respective increases or decreases to the fund balance at year-end.

Attachment A provides a summary of the four funds.
Attachments B through E contain additional detail on each fund.
Attachment F contains the financial dashboard charts which display historical revenue and expenditure trend data, along with the actuals through October 2010. An enhancement to these reports has been included showing month by month revenue collection trend data from FY 2007/08 through the current FY 2010/11.

A brief overview of the General Fund is provided below.

DISCUSSION:

General Fund

Attachment B shows General Fund revenues and expenditures-to-date through October as well as year-end estimates for each. Through October, revenue collections totaled $8,279,646 and expenditures totaled $7,787,761.

The estimated **year-end** projections in the General Fund are as follows:

Revenues	$24,917,185
Expenditures	26,115,571
Estimated Operating Deficit	**($1,198,386)**

General Fund Revenues

- Revenues through October total $8,279,646, which represents 31.6% of the budgeted FY 2010/11 revenues
- Revenues are estimated to come in under budget by about $1,300,000, or by about 5%, primarily due to the continued slowdown in construction activity and lagging construction sales taxes
- Although the distribution by revenue category has changed, the total amount of General Fund revenues projected for this fiscal year are near levels seen in FY 2005-2006

General Fund Major Revenue Categories

Local Sales Tax

- Fiscal year to date General Fund collections are $3,768,004 (2.6% increase over FY 2009/10 through October)
- Estimated to come in 7.5% below budget due to reduced construction sales tax collections

State-Shared Revenues

- Income Tax - fiscal year to date is $1,278,304 (25% decrease from FY 2009/10 through October)
- Sales Tax - fiscal year to date is $943,605 (1% decrease from FY 2009/10 through October)
- Vehicle License Tax - fiscal year to date is $527,838 (8.5% decrease from FY 2009/10 through October)

General Fund Expenditures

- Expenditures through October total $7,787,761, which represents 29.3% of the budgeted FY 2010/11 expenditures
- Expenditures are estimated to come in under budget by about $445,000, or by about 1.7%

See attachment B for additional detail on the General Fund, and attachments C through E for the Highway, Bed Tax, and Public Transportation Funds.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

N/A

SUGGESTED MOTION:

This report is for information only.

Attachments

Link: Attachment A - Summary

Link: Attachment B - General Fund

Link: Attachment C - Highway Fund

Link: Attachment D - Bed Tax Fund

Link: Attachment E - Public Transportation Fund

Link: Attachment F - Dashboard 1 of 2

Link: Attachment F - Dashboard 2 of 2

ATTACHMENT A

October 2010 Monthly Financial Report

Revenues

Fund	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
General	$ 8,279,646	$ 26,215,984	31.6%	$ 24,917,185	-5.0%
Highway	$ 1,094,302	$ 3,797,842	28.8%	$ 3,582,220	-5.7%
Bed Tax	$ 74,195	$ 270,569	27.4%	$ 267,306	-1.2%
Transit	$ 51,865	$ 454,845	11.4%	$ 372,909	-18.0%

Expenditures

Fund	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
General	$ 7,787,761	$ 26,560,334	29.3%	$ 26,115,571	-1.7%
Highway	$ 930,757	$ 4,105,231	22.7%	$ 4,105,231	0.0%
Bed Tax	$ 61,975	$ 358,869	17.3%	$ 358,101	-0.2%
Transit	$ 151,525	$ 482,320	31.4%	$ 482,320	0.0%

	Surplus/(Deficit)			Fund Balance		
Fund	YTD	Budgeted	Year End Estimate	Budgeted	Year End Estimate	
General	$ 491,885	$ (344,350)	$ (1,198,386)	$ 10,620,363	$ 9,136,464	*
Highway	$ 163,545	$ (307,389)	$ (523,011)	$ 3,772,144	$ 3,515,891	
Bed Tax	$ 12,220	$ (88,300)	$ (90,795)	$ 987,870	$ 898,749	
Transit	$ (99,660)	$ (27,475)	$ (109,411)	$ 54,532	$ 26,625	

* Represents 35% of General Fund year-end estimated expenditures

ATTACHMENT B

October YTD Financial Status

FY 2010/2011

General Fund

% Budget Completion through October --- 33.3%

FINANCING SOURCES	Actuals thru10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
REVENUE:					
LOCAL SALES TAX	3,757,999	12,464,250	30.2%	11,534,805	-7.5%
BED TAX ALLOCATION	150,360	600,000	25.1%	600,000	0.0%
(allocation from Bed Tax Fund to Gen Fund)					
LICENSES & PERMITS	279,623	1,276,510	21.9%	1,028,301	-19.4%
FEDERAL GRANTS	294,505	881,239	33.4%	811,956	-7.9%
STATE GRANTS	72,550	145,700	49.8%	214,983	47.6%
STATE/COUNTY SHARED	2,749,747	8,360,415	32.9%	8,360,415	0.0%
OTHER INTERGOVERNMENTAL	30,000	607,781	4.9%	607,781	0.0%
CHARGES FOR SERVICES	427,043	1,021,715	41.8%	991,715	-2.9%
FINES	67,869	195,000	34.8%	195,000	0.0%
INTEREST INCOME	9,753	151,374	6.4%	60,129	-60.3%
MISCELLANEOUS	73,197	145,000	50.5%	145,100	0.1%
OTHER FINANCING SOURCES	367,000	367,000	100.0%	367,000	0.0%
TOTAL FINANCING SOURCES	**8,279,646**	**26,215,984**	**31.6%**	**24,917,185**	**-5.0%**

FINANCING USES	Actuals thru10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
EXPENDITURES:					
COUNCIL	97,005	220,610	44.0%	220,610	0.0%
CLERK	112,458	378,581	29.7%	378,581	0.0%
MANAGER	256,318	974,906	26.3%	915,558	-6.1%
HUMAN RESOURCES	124,029	484,189	25.6%	462,882	-4.4%
FINANCE	229,401	727,613	31.5%	727,304	0.0%
INFORMATION TECHNOLOGY	399,235	1,120,106	35.6%	1,120,106	0.0%
GENERAL ADMINISTRATION	764,296	3,458,898	22.1%	3,369,447	-2.6%
LEGAL	222,357	842,785	26.4%	770,785	-8.5%
COURT	228,911	753,772	30.4%	753,772	0.0%
DEV & INFRASTRUCTURE SVCS	822,806	3,084,586	26.7%	2,930,950	-5.0%
PARKS, REC, LIBRARY, & CULT RSCS	963,509	2,947,715	32.7%	2,947,715	0.0%
PUBLIC SAFETY	3,567,436	11,566,573	30.8%	11,517,861	-0.4%
TOTAL FINANCING USES	**7,787,761**	**26,560,334**	**29.3%**	**26,115,571**	**-1.7%**
SURPLUS/(DEFICIT)	**491,885**	**(344,350)**		**(1,198,386)**	

ATTACHMENT C

October YTD Financial Status *FY 2010/2011*

Highway Fund

% Budget Completion through October --- 33.3%

FINANCING SOURCES	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
REVENUE:					
LOCAL SALES TAX	130,820	630,188	20.8%	444,875	-29.4%
LICENSES & PERMITS	13,496	50,192	26.9%	50,192	0.0%
STATE GRANTS	74,955	317,000	23.6%	317,000	0.0%
STATE/COUNTY SHARED	847,107	2,669,767	31.7%	2,669,767	0.0%
INTEREST INCOME	3,597	53,205	6.8%	22,896	-57.0%
MISCELLANEOUS	2,726	12,686	21.5%	12,686	0.0%
OTHER FINANCING SOURCES	21,601	64,804	33.3%	64,804	0.0%
TOTAL FINANCING SOURCES	**1,094,302**	**3,797,842**	**28.8%**	**3,582,220**	**-5.7%**

FINANCING USES	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
EXPENDITURES:					
ADMINISTRATION	303,660	1,029,154	29.5%	1,029,154	0.0%
TRANSPORTATION ENGINEERING	156,647	1,285,320	12.2%	1,285,320	0.0%
PAVEMENT MANAGEMENT	60,687	201,893	30.1%	201,893	0.0%
STREET MAINTENANCE	256,183	954,481	26.8%	954,481	0.0%
TRAFFIC ENGINEERING	153,579	634,383	24.2%	634,383	0.0%
TOTAL FINANCING USES	**930,757**	**4,105,231**	**22.7%**	**4,105,231**	**0.0%**
SURPLUS/(DEFICIT)	**163,545**	**(307,389)**		**(523,011)**	

October YTD Financial Status *FY 2010/2011*

Bed Tax Fund

% Budget Completion through October --- 33.3%

FINANCING SOURCES	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
REVENUE:					
BED TAXES	223,727	861,569	26.0%	861,569	0.0%
less allocation to General Fund	(150,360)	(600,000)	25.1%	(600,000)	0.0%
INTEREST INCOME	828	9,000	9.2%	5,737	-36.3%
TOTAL FINANCING SOURCES	**74,195**	**270,569**	**27.4%**	**267,306**	**-1.2%**

FINANCING USES	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
EXPENDITURES:					
ECONOMIC DEVELOPMENT	61,975	358,869	17.3%	358,101	-0.2%
TOTAL FINANCING USES	**61,975**	**358,869**	**17.3%**	**358,101**	**-0.2%**
SURPLUS/(DEFICIT)	**12,220**	**(88,300)**		**(90,795)**	

October YTD Financial Status *FY 2010/2011*

Public Transportation Fund

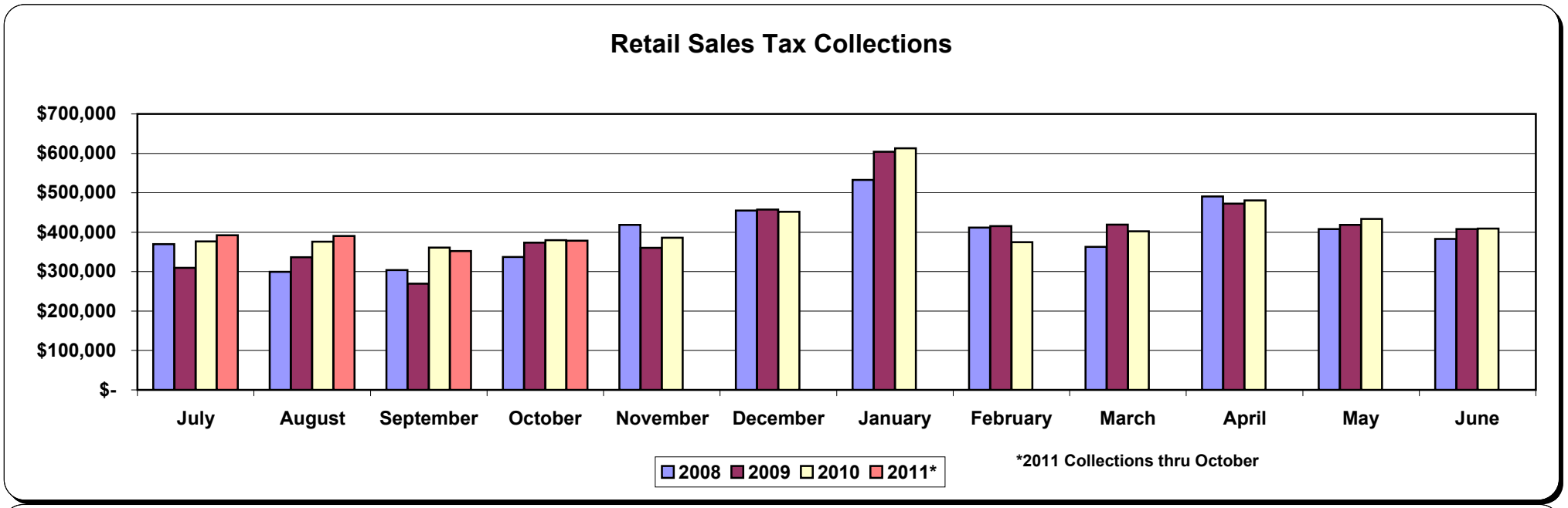
% Budget Completion through October --- 33.3%

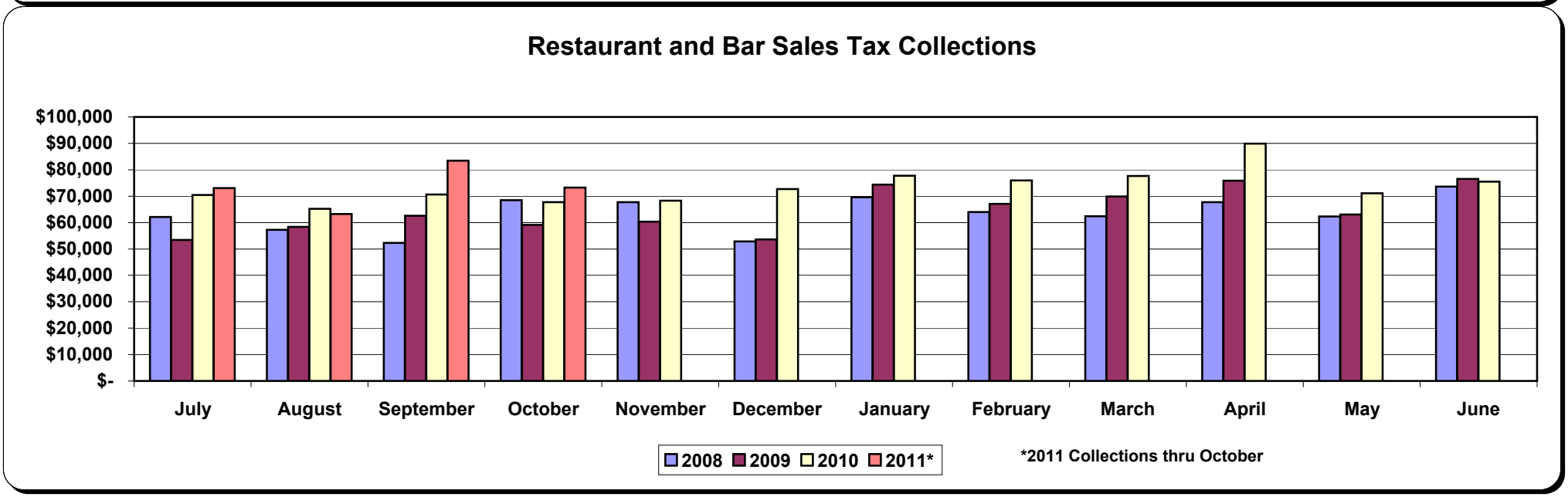
FINANCING SOURCES	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
REVENUE:					
CHARGES FOR SERVICES	17,817	34,545	51.6%	53,505	54.9%
INTEREST INCOME	80	1,800	4.5%	270	-85.0%
MISCELLANEOUS	634	18,500	3.4%	19,134	3.4%
TRANSFER FROM GEN FUND	33,333	400,000	8.3%	300,000	-25.0%
TOTAL FINANCING SOURCES	**51,865**	**454,845**	**11.4%**	**372,909**	**-18.0%**

FINANCING USES	Actuals thru 10/2010	Budget	% Actuals to Budget	Year End Estimate	% Variance to Budget
EXPENDITURES:					
PUBLIC TRANSIT	151,525	482,320	31.4%	482,320	0.0%
TOTAL FINANCING USES	**151,525**	**482,320**	**31.4%**	**482,320**	**0.0%**
SURPLUS/(DEFICIT)	**(99,660)**	**(27,475)**		**(109,411)**	

Town of Oro Valley
Financial Dashboard
Month-By-Month History
FY 2008 - 2011

ATTACHMENT F





Town of Oro Valley
Financial Dashboard
Month-By-Month History
FY 2008 - 2011

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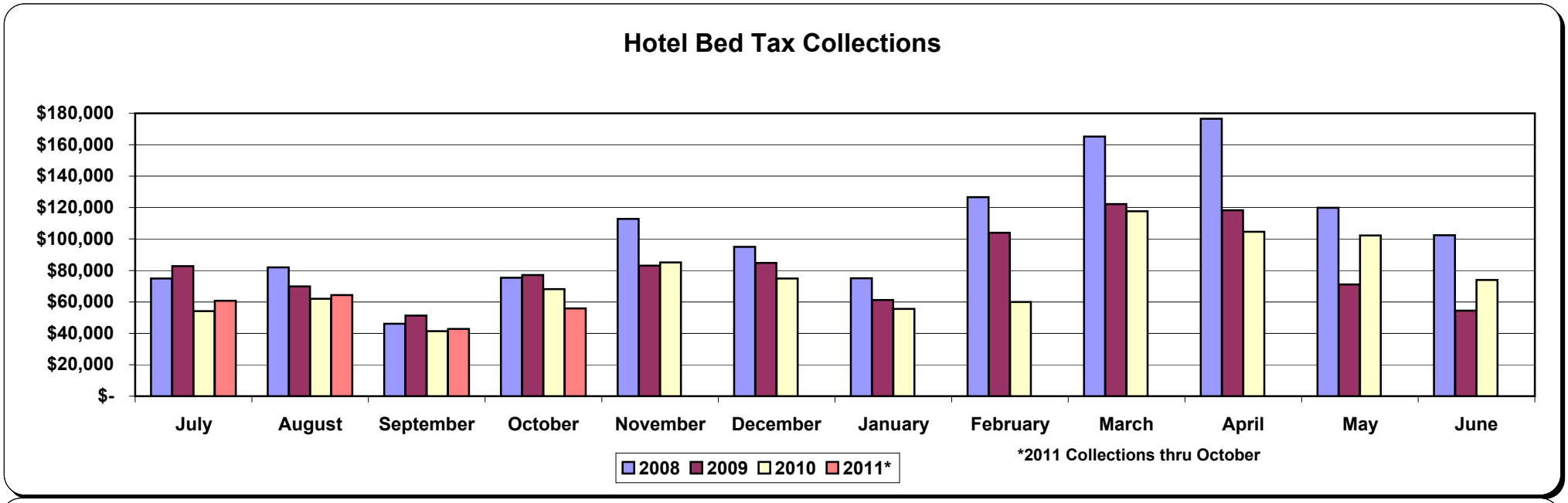

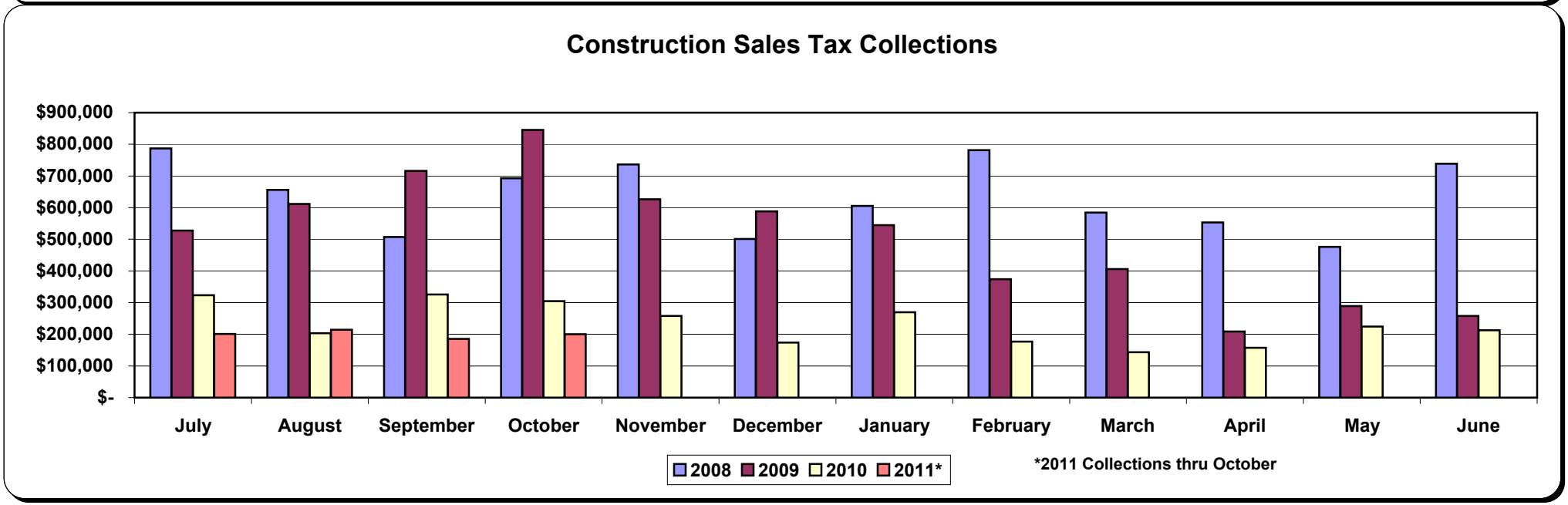

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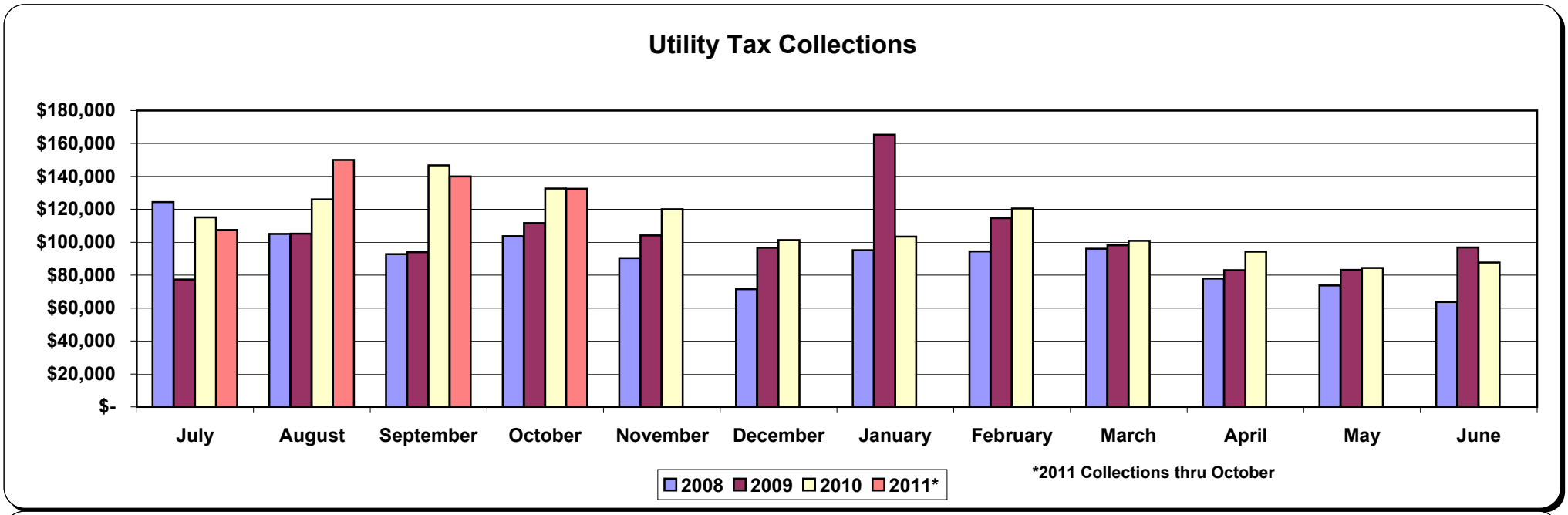

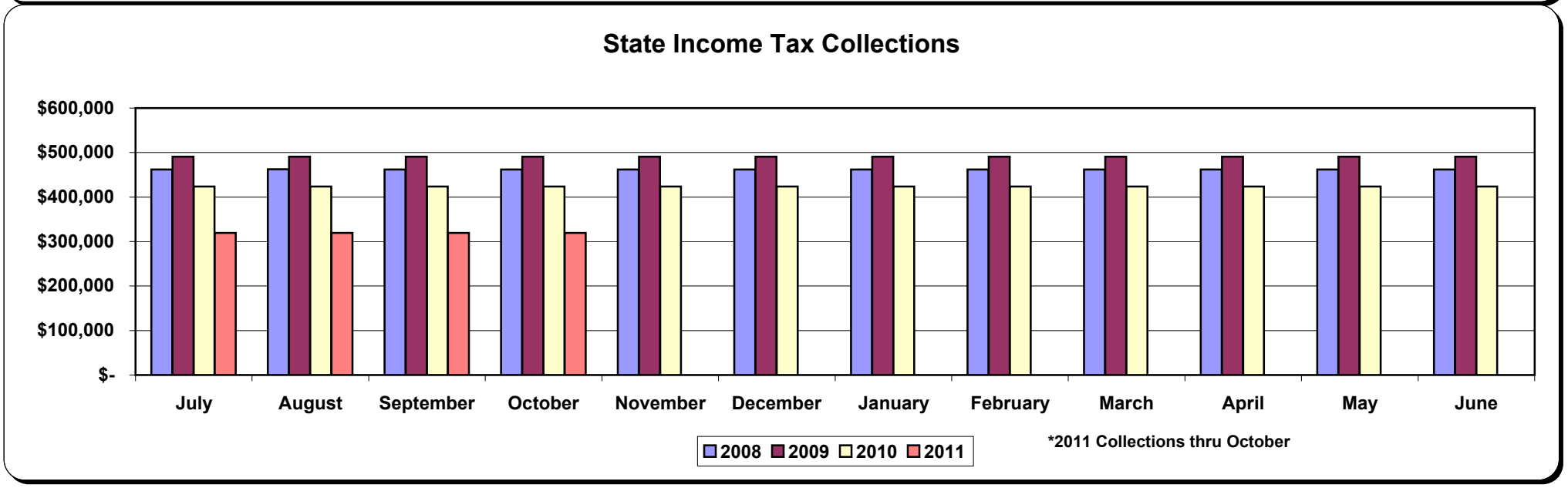

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Month-By-Month History
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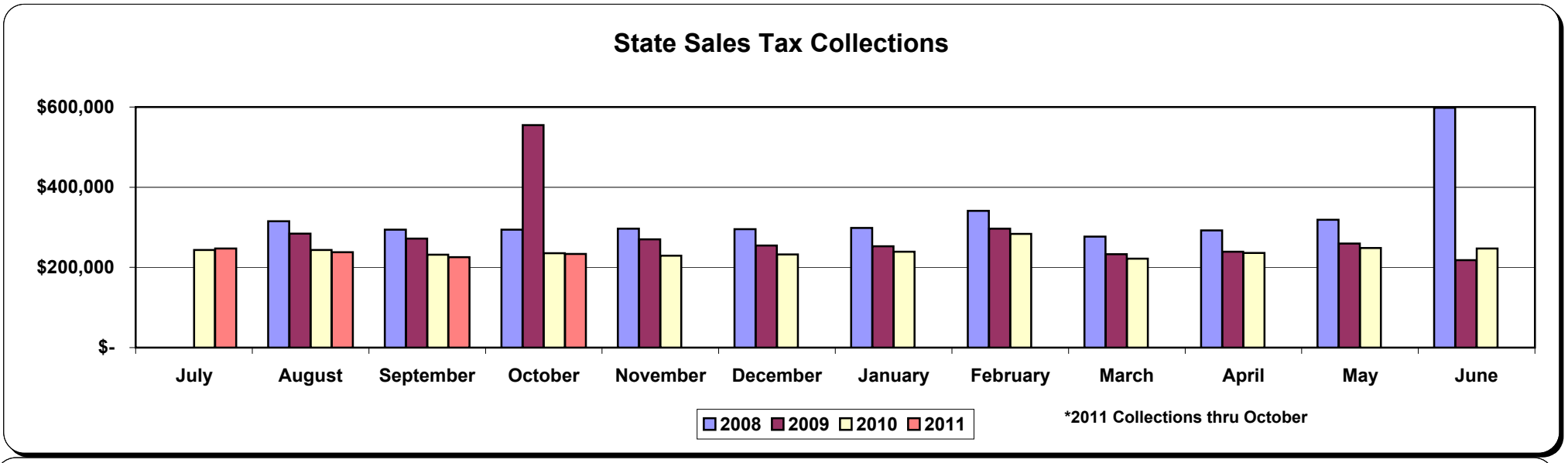
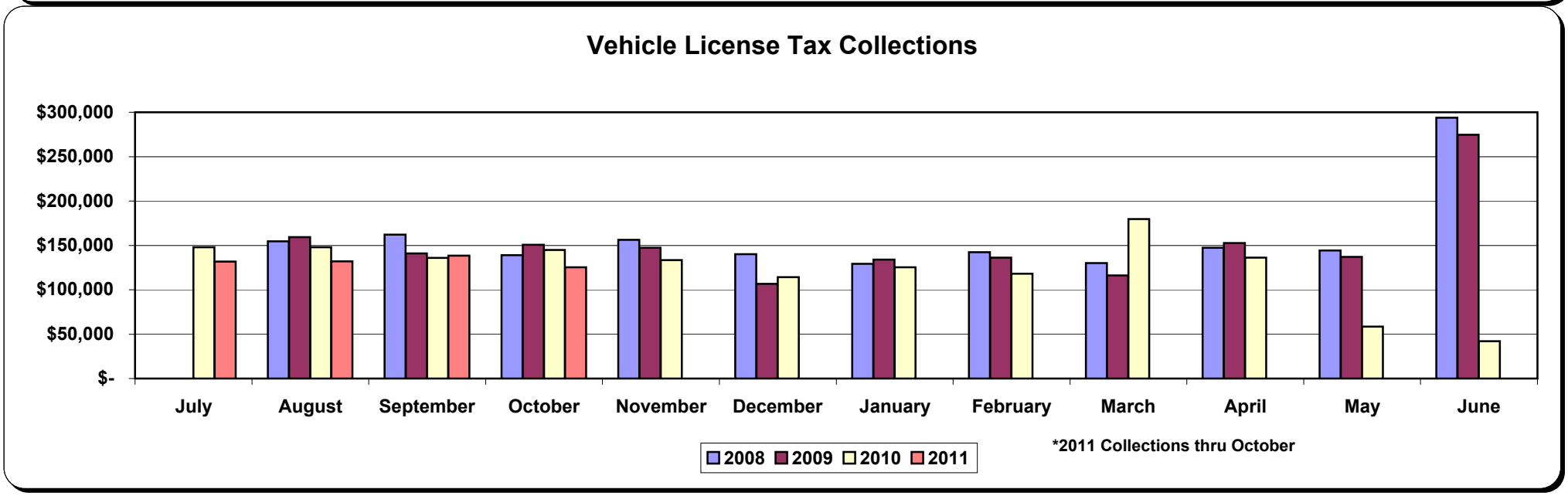
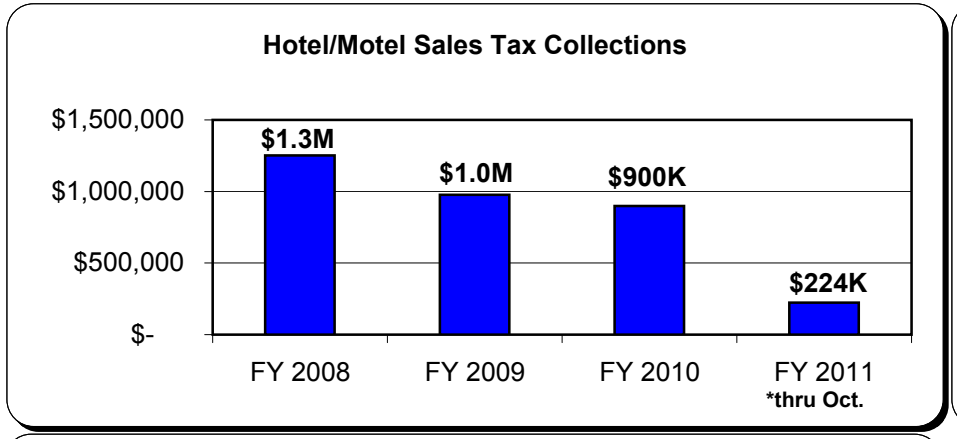
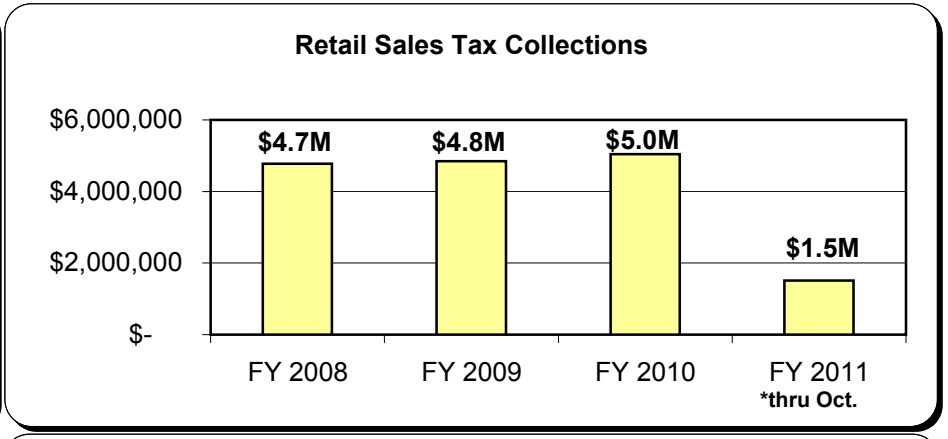


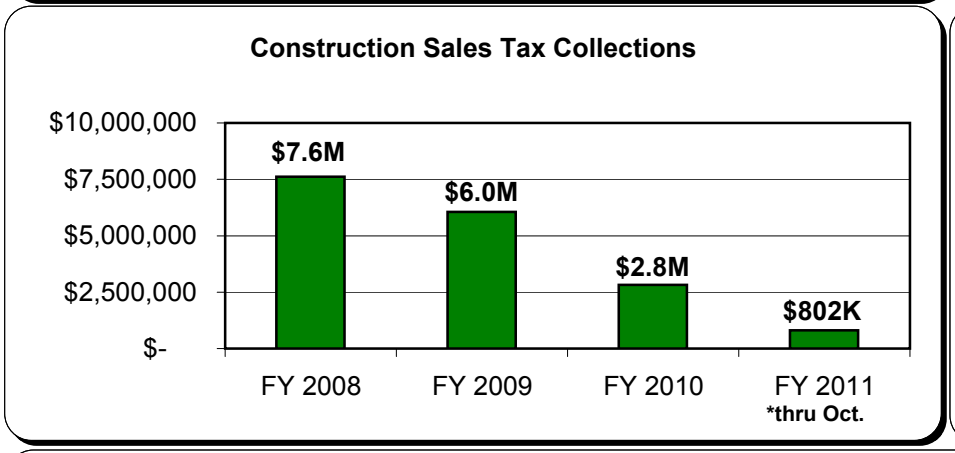


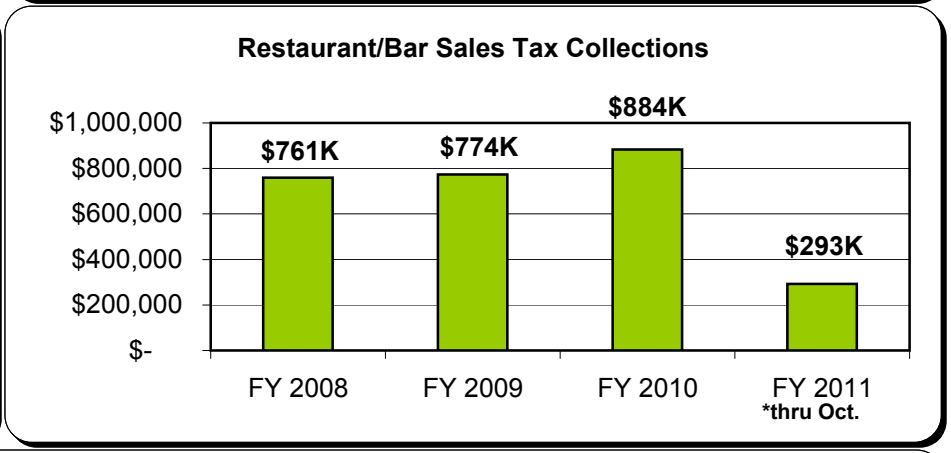
Town of Oro Valley
Financial Dashboard
Historical Annual Totals

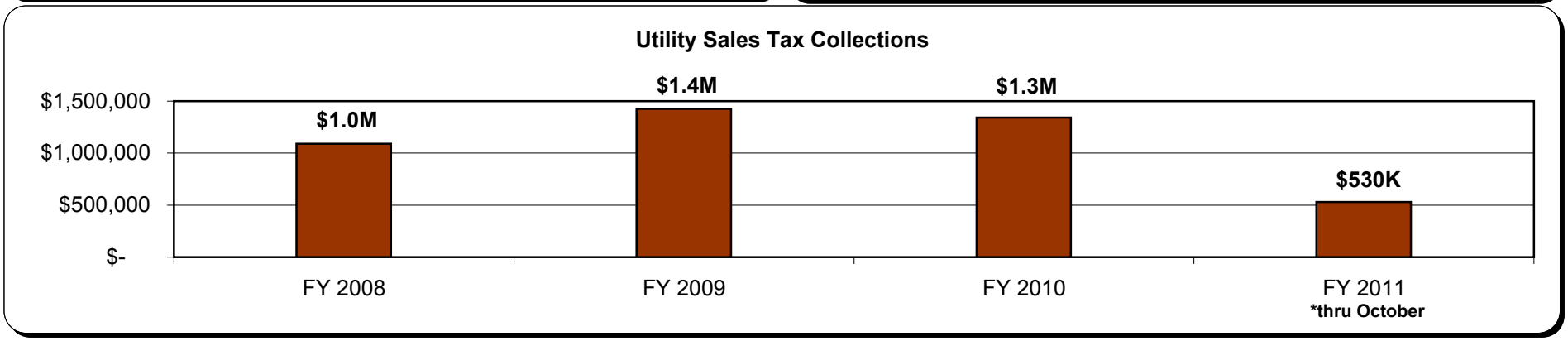
ATTACHMENT F











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Historical Annual Totals

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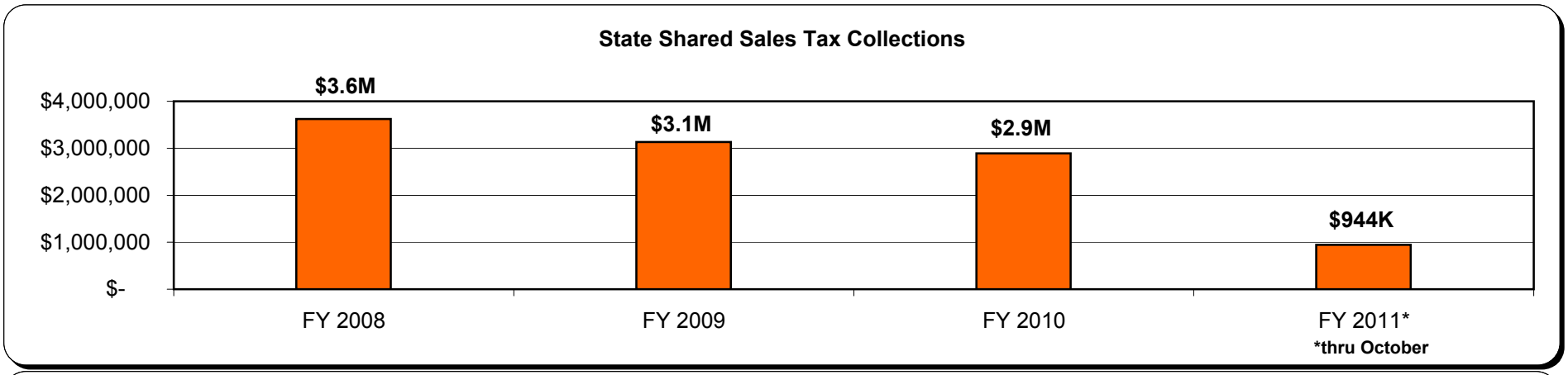

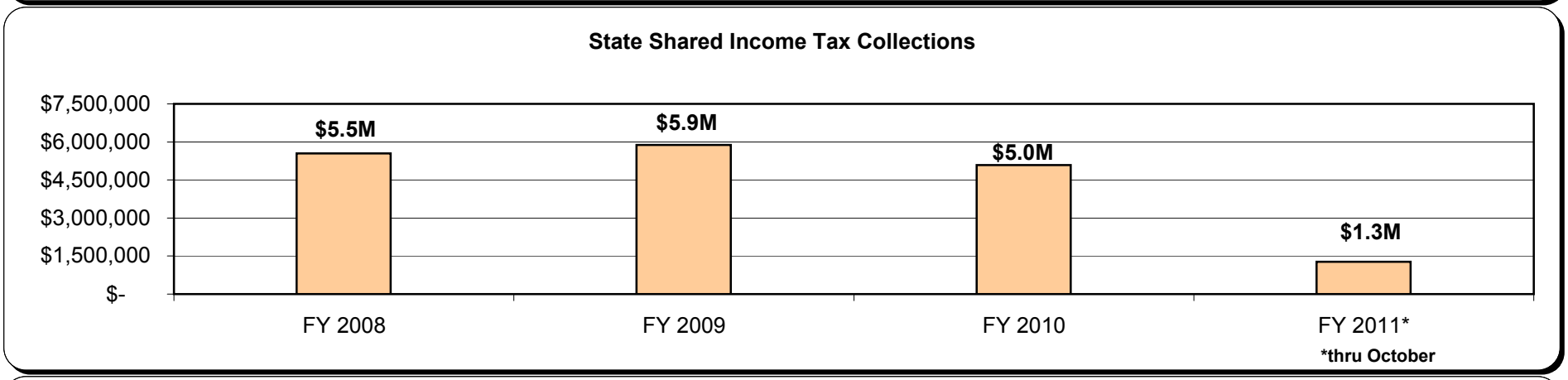

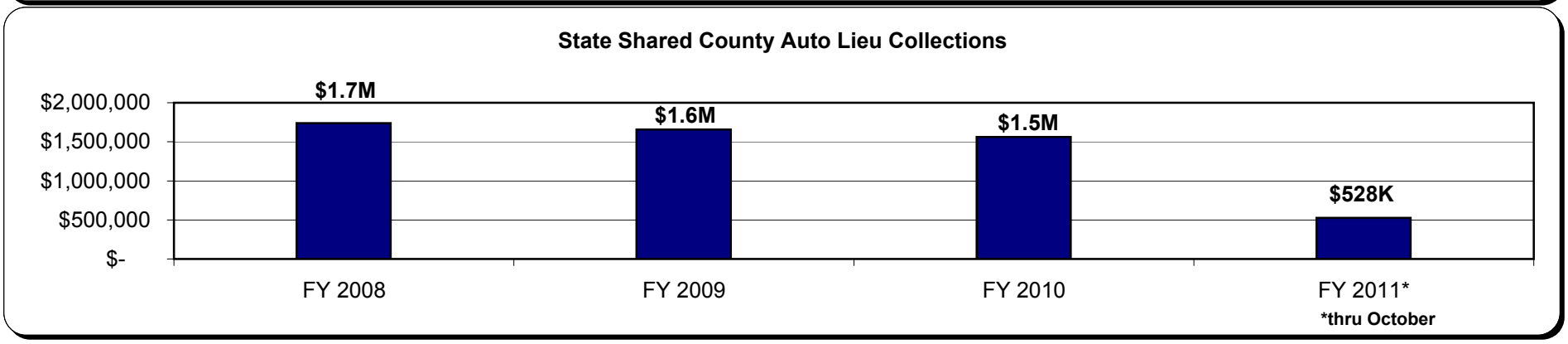

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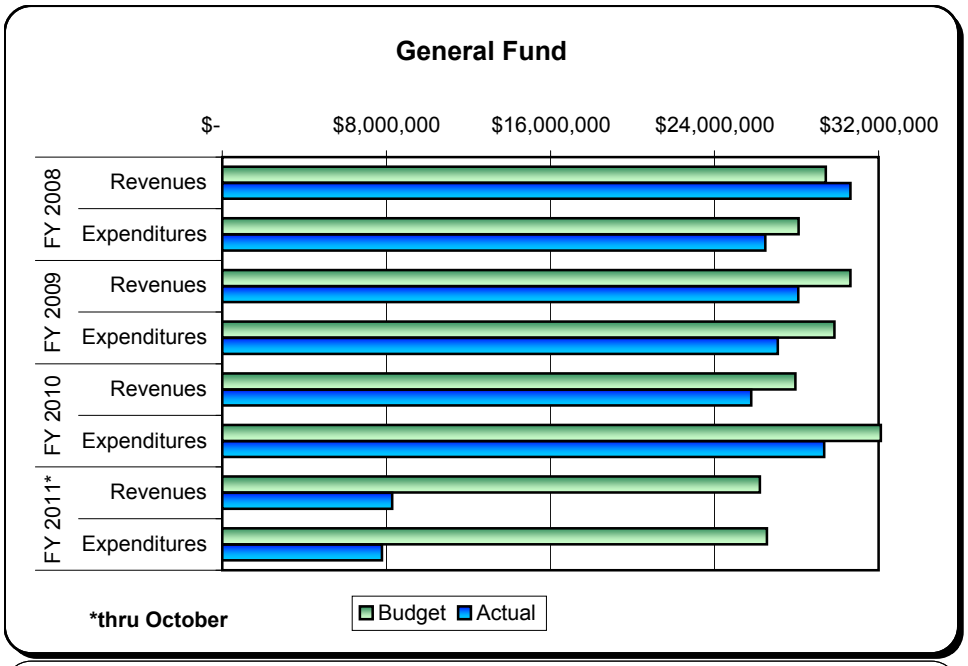

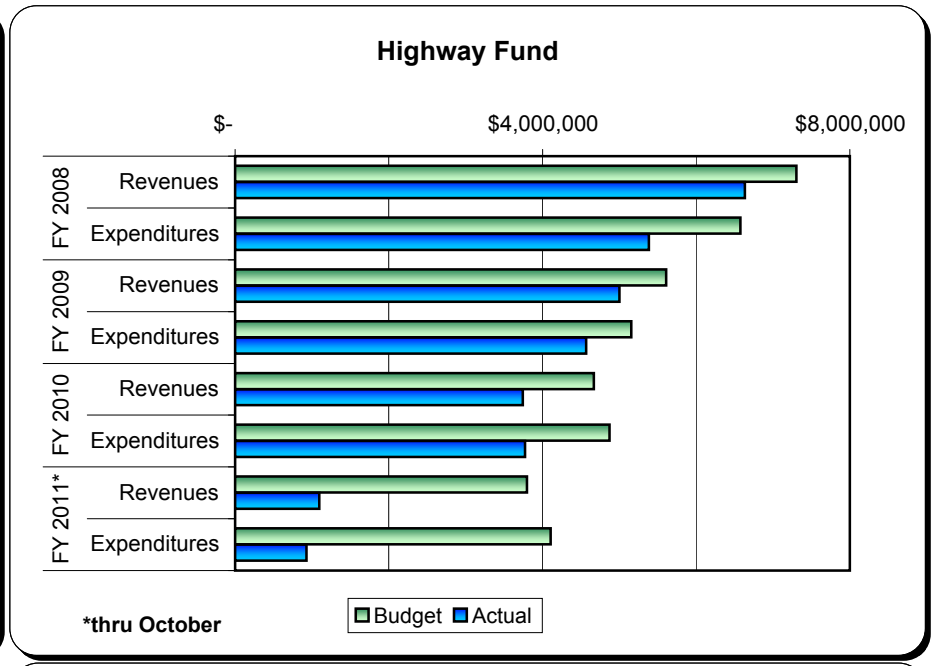

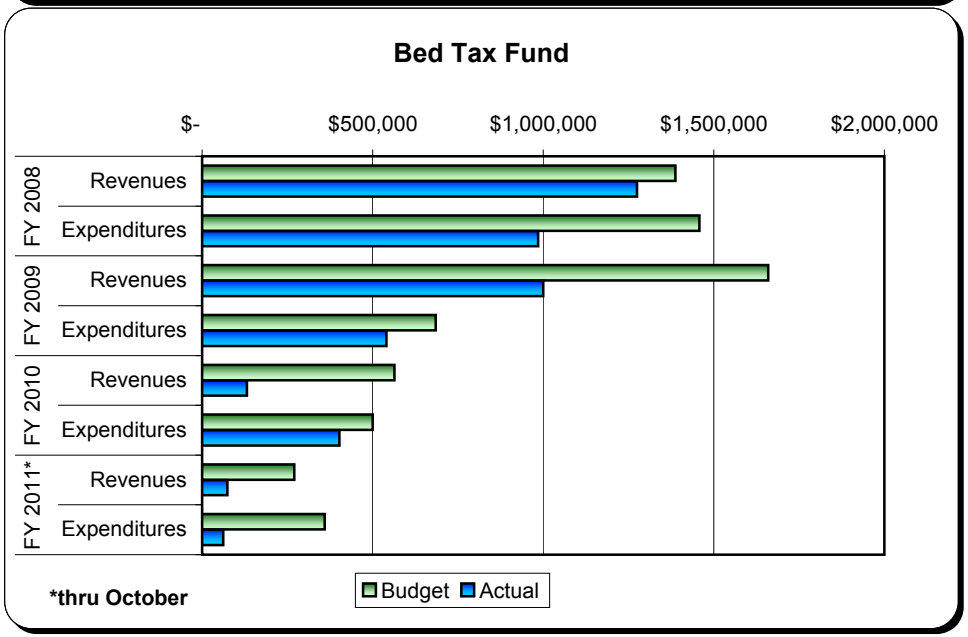

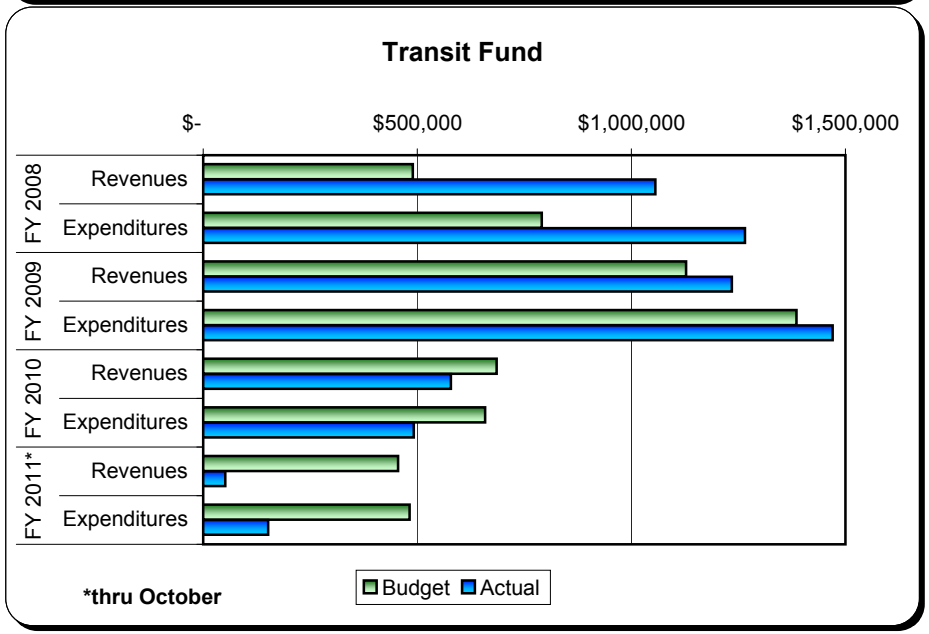

Town of Oro Valley
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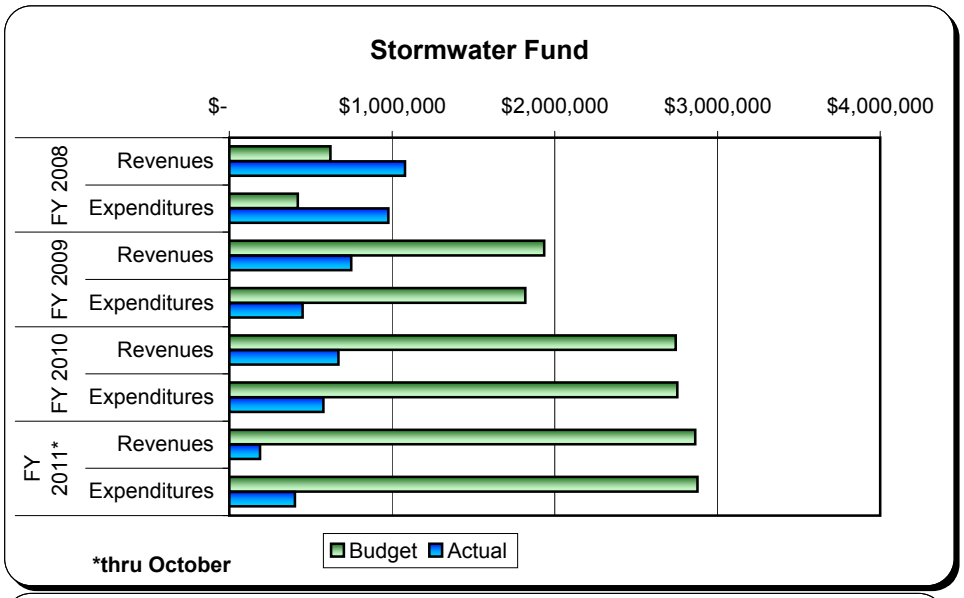
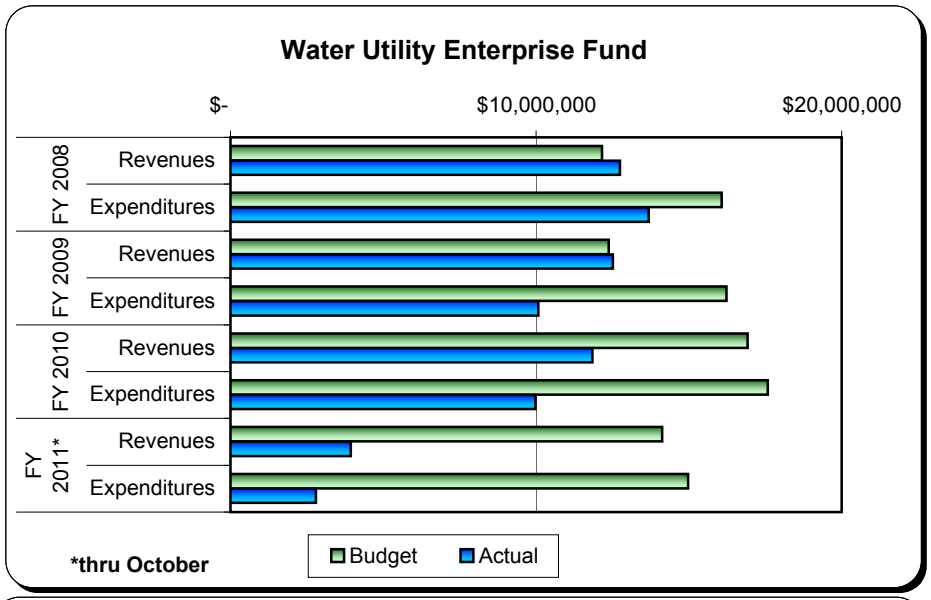
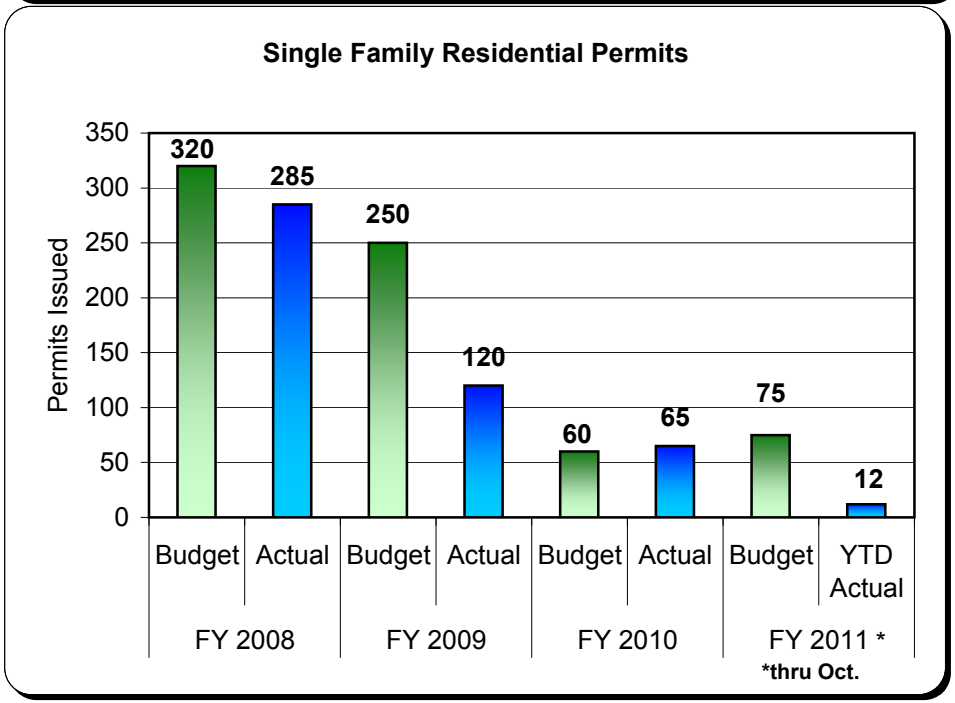
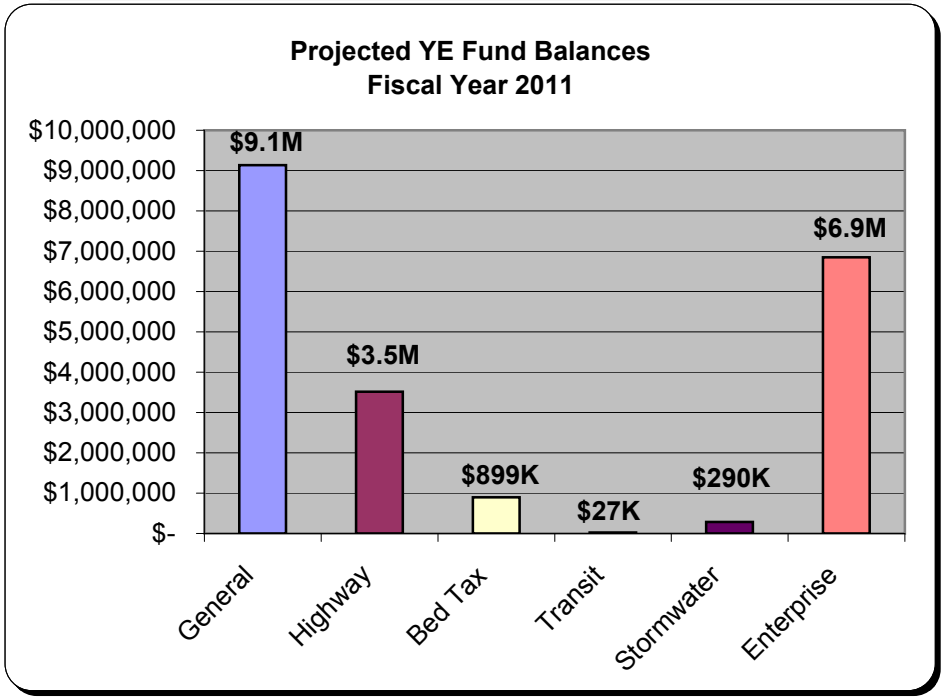
Historical Annual Totals

ATTACHMENT F









Item #: 1. D.

TC Regular Session
Date: 12/01/2010
Development & Infrastructure Services, Permitting Division October 2010 Reports

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Information

Subject

Development & Infrastructure Services Department Permitting Division October 2010 Reports

Summary

Discussion

Fiscal Impact

Attachments

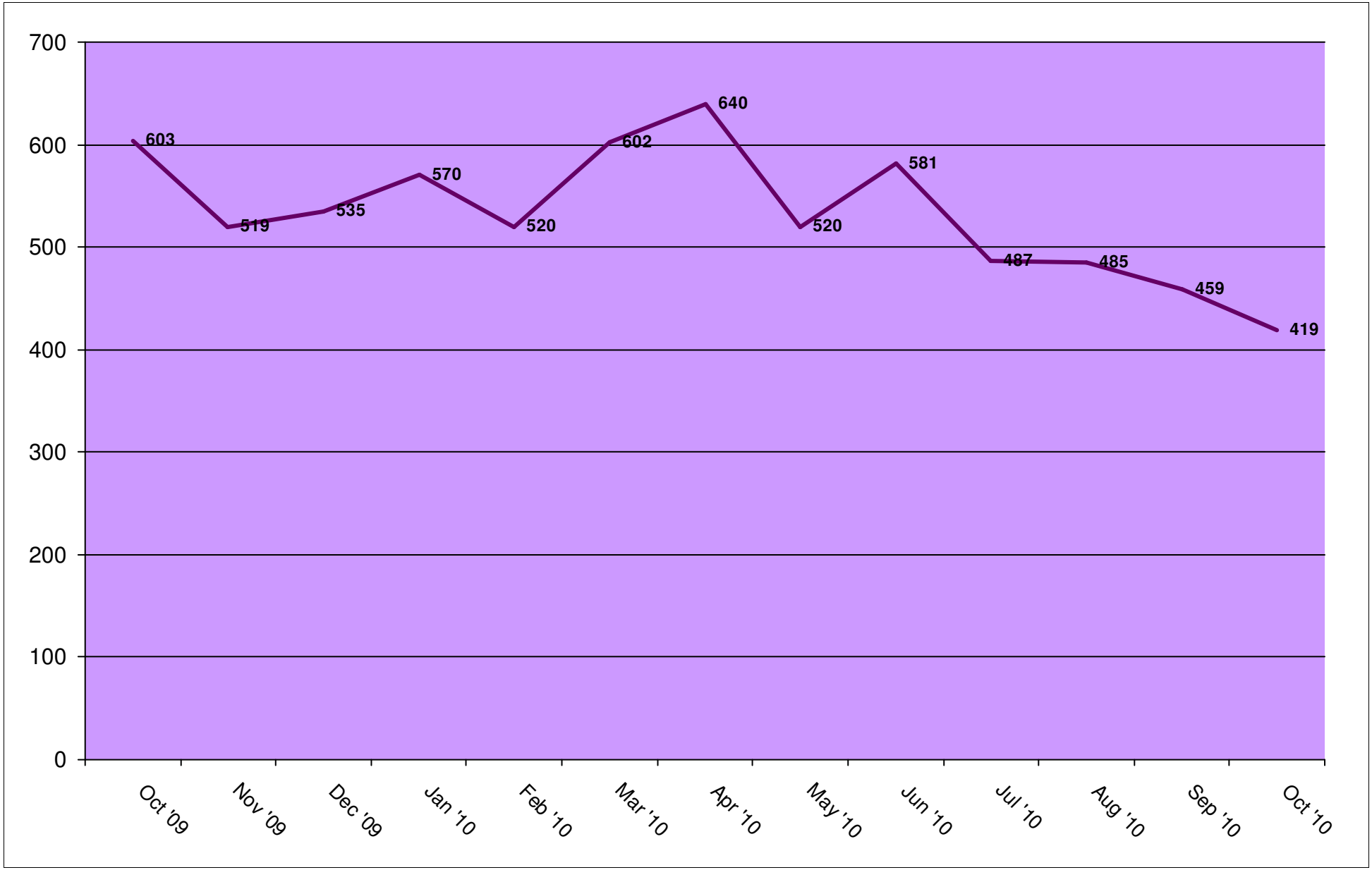
Link: Activity Report
Link: Customer Chart
Link: Permit Activity
Link: Plan Review Chart
Link: Inspection Activity
Link: Revenue chart

Development and Infrastructure Services Department
Permitting Division
Building Permits Monthly Activity Reports - October 2010

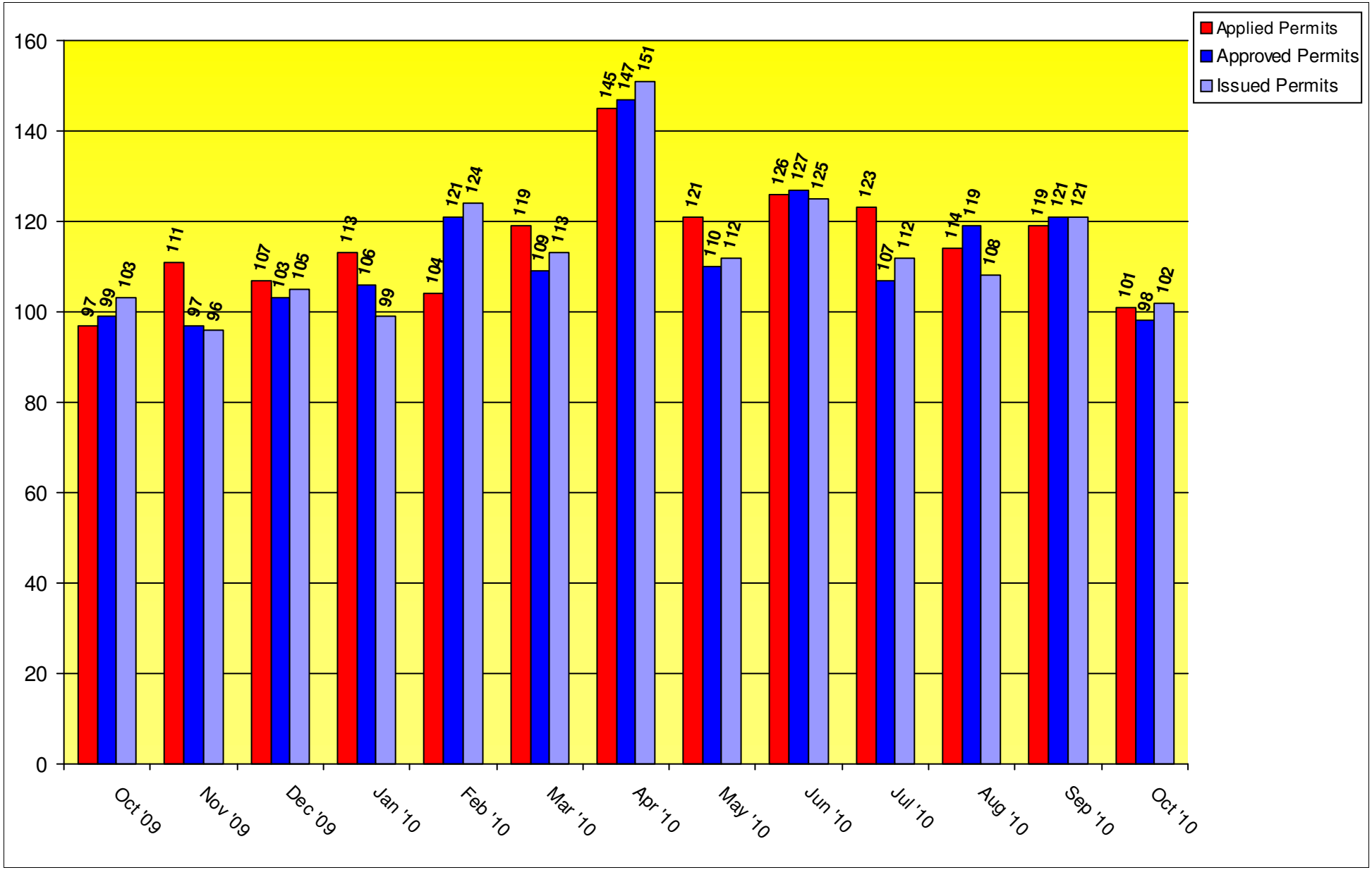
		CURRENT MONTH			PREV MONTH		SAME MONTH ONE YEAR AGO		CUMULATIVE LAST FISCAL YEAR 2009/10		CUMULATIVE THIS FISCAL YEAR 2010/11	
	CLASS	October-2010			September-2010		October-2009		*(Revised 7/09)*			
DESCRIPTION	CODE	PERMITS	VALUATION	REVENUES	PERMITS	REVENUES	PERMITS	REVENUES	PERMITS	REVENUES	PERMITS	REVENUES
SFR Detached	0101	3	$2,191,189	$23,592	4	$23,439	4	$12,039	21	$76,005	12	$86,774
SFR Attached	0102											
Res Pools	0329	5	$53,708	$1,676	5	$1,258	7	$2,133	26	$9,432	21	$6,703
Revisions/Alter/Addit	0434	7	$82,787	$2,477	8	$7,913	11	$3,881	53	$27,194	33	$23,928
Res Walls	0434				1	$220					1	$220
Garage/Carport Encl	0438	3	$433,666	$6,994	2	$1,249	3	$5,313	4	$6,545	5	$8,243
Misc Residential		38	$1,800	$1,254	66	$3,155	39	$1,090	212	$6,673	210	$8,186
Model Plans									4	$8,370		
Multi-Family Res.												
Res Demo									2	$451	1	$137
Subtotal Residential Permits		**56**	**$2,763,150**	**$35,993**	**86**	**$37,234**	**64**	**$24,456**	**322**	**$134,670**	**283**	**$134,191**
Condos > 5 units	0105											
Commercial Shell												
Hotels or Motels	0213						1	$72,658	1	$72,658		
Social or Recreation	0318											
Churches, Temples	0319											
IndstPlnts/PublicWks	0320						1	$1,181	3	$2,108		
Pkg/Grgs/Ramada/Maint	0321											
Service Stations/Washes	0322											
Hospitals/Clinics	0323											
Offices/Banks/Proff/Rest	0324											
Schools	0326						1	$120	1	$120		
Stores	0327											
Commercial Pools	0329				1	$659					1	$659
TI's & Comm Reno	0437	5	$158,242	$5,930	4	$7,189	4	$8,587	16	$29,974	15	$35,842
CommAlter/Revisions	0328	2	$33,000	$1,206	2	$4,740	6	$1,879	13	$6,230	11	$27,663
Misc Commercial		5	$40,000	$1,681	2	$160	1	$89	11	$17,141	13	$2,745
CommerDemo												
Subtotal Commercial Permits		**12**	**$231,242**	**$8,817**	**9**	**$12,748**	**14**	**$84,514**	**45**	**$128,231**	**40**	**$66,909**
Signs		16	$0	$3,066	12	$2,010	20	$3,030	68	$13,050	55	$10,197
Total Residential & Commercial Permits		**84**	**$2,994,392**	**$47,876**	**107**	**$51,992**	**98**	**$112,000**	**435**	**$275,951**	**378**	**$211,297**
Resid. Impact Fees				$18,234		$24,312		$24,813		$127,533	0	$72,936
Comm. Impact Fees										$73,148	0	$0
Total Dev Imp Fees				**$18,234**		**$24,312**		**$97,961**		**$200,682**	**0**	**$72,936**

**** Revenues / Fees represent the total cost of the permits issued, and is not a representation of actual revenues within a given month.***

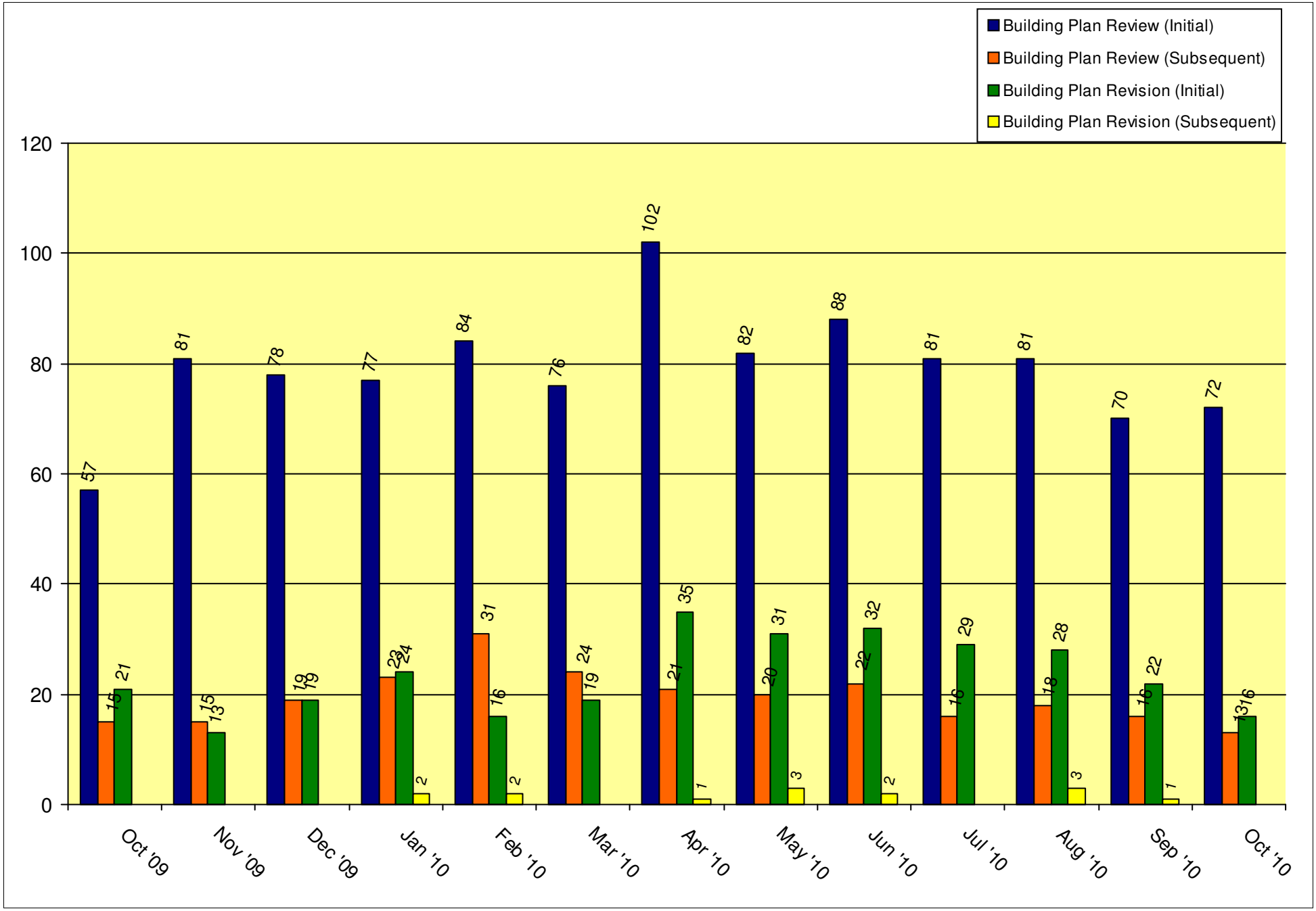
Development Services Customers for October 2009 thru October 2010



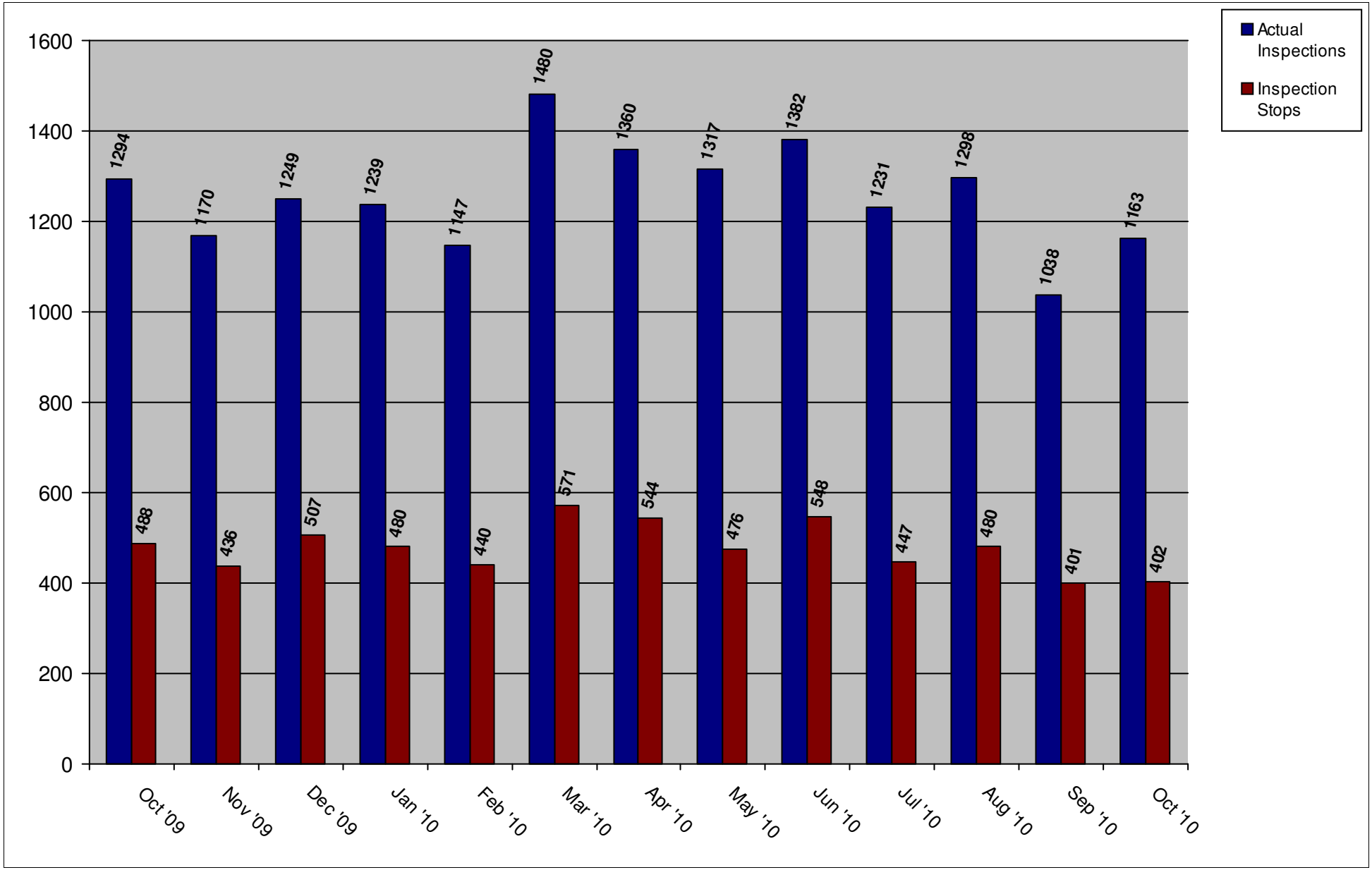
Building Permit Activity for October 2009 thru October 2010



Building Plan Review Activity for October 2009 thru October 2010

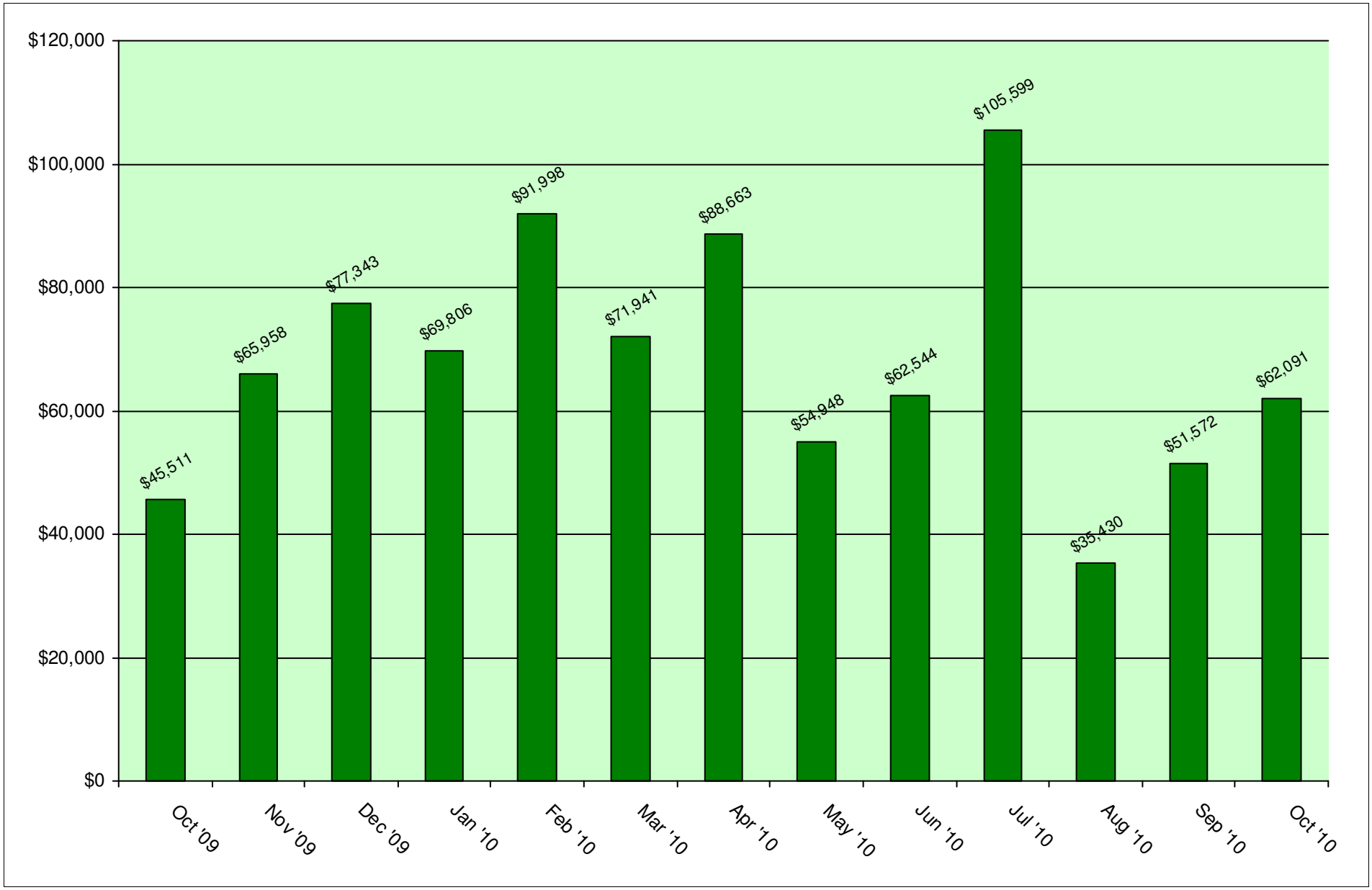


Building Inspection Activity for October 2009 thru October 2010



Building Revenue for October 2009 thru October 2010

(Does not include Impact Fees, Engineering Fees, Zoning Fees, Books, Copies or APA Deposits)



Item #: 1. E.

TC Regular Session
Date: 12/01/2010

Requested by:	Paul Keesler, Development Review Division Manager
Submitted By:	Paul Keesler, Development Infrastructure Services
Department:	Development Infrastructure Services

Information

SUBJECT:

Resolution No. (R)10-83 Authorizing and Approving a Drainage and Maintenance Easement Between the Town of Oro Valley and In-N-Out Burger, Inc.

SUMMARY:

This easement will provide a means to mitigate two drainage ponding issues that have emerged for the In-N-Out Burger Restaurant at the Oro Valley Marketplace. The easement provides In-N-Out Burger Inc. the ability to conduct minor drainage maintenance by grading new drainage paths on the adjacent Town-owned parcel to better distribute standing water.

DISCUSSION:

The original drainage design for the In-N-Out Burger Restaurant discharges a portion of storm water generated onsite through two first flush outlet basins located in the drive-thru lane. This discharge flows west into the neighboring mesquite bosque, property that is owned by the Town. All construction improvements associated with this flow, including catch basins with first flush pollutant removal measures, discharge pipes, associated grading and drainage armoring are solely contained on the In-N-Out parcel.

Since In-N-Out was issued a certificate of occupancy and opened for business September 20, 2010, the drive-thru discharge points have not functioned as anticipated due to the existing grade of the mesquite bosque and a slow rate of infiltration to dissipate the water entering the area. The water leaves the discharge points at the edge of the In-N-Out property and ponds without flowing out or infiltrating in an acceptable amount of time.

This easement grants In-N-Out Burger Inc. remedial maintenance grading along the eastern portion of the Town's mesquite bosque to allow the drainage to dissipate and reach a lower elevation point allowing improved distribution of water throughout the existing vegetation. These drainage improvements will require a Type 2 grading permit issued by the Town. All grading efforts will be permit regulated and will not allow any disturbance of the established mesquite trees during the construction to create the new drainage.

Refer to **Exhibit "A"** for the easement legal description and the corresponding metes & bounds delineation of the area to be encompassed within.

Refer to **Exhibit "B"** for a location map.

Refer to **Exhibit "C"** for a sketch of the defined areas of the easement set over an aerial photograph for a visual representation.

FISCAL IMPACT:

No fiscal impact to the Town is anticipated in granting this easement.

CONCLUSION/RECOMMENDATION:

This easement provides both a means of mitigating an existing drainage ponding issue as well as increased distribution of water within the mesquite bosque. Staff recommends approval of this resolution authorizing and approving a drainage and maintenance easement between the Town of Oro Valley and In-N-Out Burger, Inc.

SUGGESTED MOTION:

I move to approve Resolution No. (R) 10-83, Authorizing and Approving a Drainage and Maintenance Easement Between the Town of Oro Valley and In-N-Out Burger, Inc.

Attachments

Link: Resolution R10-83

Link: Exhibit A

Link: Exhibit B

Link: Exhibit C

RESOLUTION NO. (R) 10-83

A RESOLUTION FO THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING A DRAINAGE AND MAINTENANCE EASEMENT BETWEEN THE TOWN OF ORO VALLEY AND IN-N-OUT BURGER, INC.

WHEREAS, the Town of Oro Valley is a political subdivision of the State of Arizona vested with all associated rights, privileges and benefits and is entitled to the immunities and exemptions granted municipalities and political subdivisions under the Constitution and laws of the State of Arizona and the United States; and

WHEREAS, the Town owns a certain parcel of land as recorded in the Office of the Pima County Recorder in Docket 11873, Page 337; and

WHEREAS, the Town desires to convey to In-N-Out Burger, Inc. a perpetual right-of-way easement, attached hereto as Exhibit "A" and incorporated herein by this reference, for drainage and maintenance services; and

WHEREAS, it is in the best interest of the Town to convey to In-N-Out Burger, Inc. the right-of-way easement for drainage and maintenance of said easement.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley that the Drainage and Maintenance Easement between the Town of Oro Valley and In-N-Out Burger, Inc., attached hereto as Exhibit "A" and incorporated herein by this reference, is hereby authorized and approved.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona, this 1st day of December, 2010.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

EXHIBIT “A’

AFTER RECORDED RETURN TO:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE AND MAINTENANCE EASEMENT

This Easement is made between the Town of Oro Valley, a municipal corporation (the "Grantor") and In-N-Out Burger, Inc. (the "Grantee").

WITNESSETH

That the Grantor, for and in consideration of One ($1.00) Dollar, and other valuable consideration to the Grantee, the receipt whereof is hereby acknowledged, does hereby convey unto the Grantee a perpetual right-of-way easement for drainage and maintenance services, said easement being in, on, over and across the described parcel of land, situate in the County of Pima, State of Arizona, to-wit:

See EXHIBIT "A" attached hereto and made a part hereof.

DATED this _____ day of _____, 2010.

TOWN OF ORO VALLEY
GRANTOR

_____
Dr. Satish I. Hiremath

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

EXHIBIT "A"

September 13, 2010
WLB No.185050-VE01-1003
W:\LEGALS\185050\Nh04\OVM\In-N-Out Drainage.doc
N:185050VE001\In N Out Burger\Exhibit\Drainage Easement_New.dwg

The WLB Group Inc.

LEGAL DESCRIPTION
ORO VALLEY MARKETPLACE
DRAINAGE EASEMENTS FOR IN-N-OUT BURGER

A portion of that certain parcel of land granted to the Town of Oro Valley by deed recorded in the office of the Pima County Recorder in Docket 11873, Page 337, and lying within Section 5, Township 12 South, Range 14 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

North Easement:

COMMENCING at the most Westerly corner of Lot 28 of the final plat for Oro Valley Marketplace (as shown on Sheet 12 thereof), recorded in the office of the Pima County Recorder, in Book 64 of Maps and Plats, Page 42, and lying within Section 5, Township 12 South, Range 14 East, Gila and Salt River Meridian, Pima County, Arizona;

THENCE N 23°06'54" E, along the Westerly line of said Lot 28, a distance of 64.62 feet, to the **True Point of Beginning**;

THENCE N 40°13'52" W, 14.25 feet;

THENCE S 83°28'35" W, 27.70 feet;

THENCE N 03°41'39" W, 0.51 feet;

THENCE N 78°49'09" E, 26.15 feet;

THENCE N 50°24'26" E, 3.58 feet;

THENCE N 19°10'51" E, 28.39 feet;

THENCE N 24°15'52" E, 26.39 feet;

THENCE N 31°22'10" E, 14.32 feet;

THENCE N 00°31'33" W, 5.59 feet;

THENCE N 21°08'24" E, 10.40 feet;

THENCE N 39°05'41" E, 5.27 feet;

The WLB Group Inc.

THENCE N 17°49'41" E, 4.99 feet;

THENCE N 33°50'38" E, 11.59 feet;

THENCE N 04°16'51" E, 7.41 feet;

THENCE N 30°56'00" E, 6.01 feet;

THENCE N 48°46'37" E, 7.52 feet to a point on the west line of Lot 27;

THENCE S 41°13'23" E, along the West line of said Lot 27 a distance of 12.12 feet to the most westerly point common to Lots 27 and 28;

THENCE S 23°06'54" W, along the West line of said Lot 28 a distance of 131.38 feet to the **POINT OF BEGINNING**.

South Easement:

Returning to the point of **COMMENCEMENT**;

THENCE S 30°49'54" E, along the Westerly line of said Lot 28 a distance of 66.94 feet to the **True Point of Beginning**;

THENCE continue S 30°49'54" E, along said west line a distance of 12.00 feet;

THENCE S 59°10'06" W, 10.00 feet;

THENCE N 30°49'54" W, 12.00 feet;

THENCE N 59°10'06" E, 10.00 feet to the **POINT OF BEGINNING**.

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
12214
JACK A.
BUCHANAN
DATE SIGNED 9-13-10
Arizona U.S.A.
EXPIRES 3/31/2011
(INDICATES RENEWAL DATE)

Prepared by:
THE WLB GROUP, INC.

Jack A. Buchanan
JAB: jaw

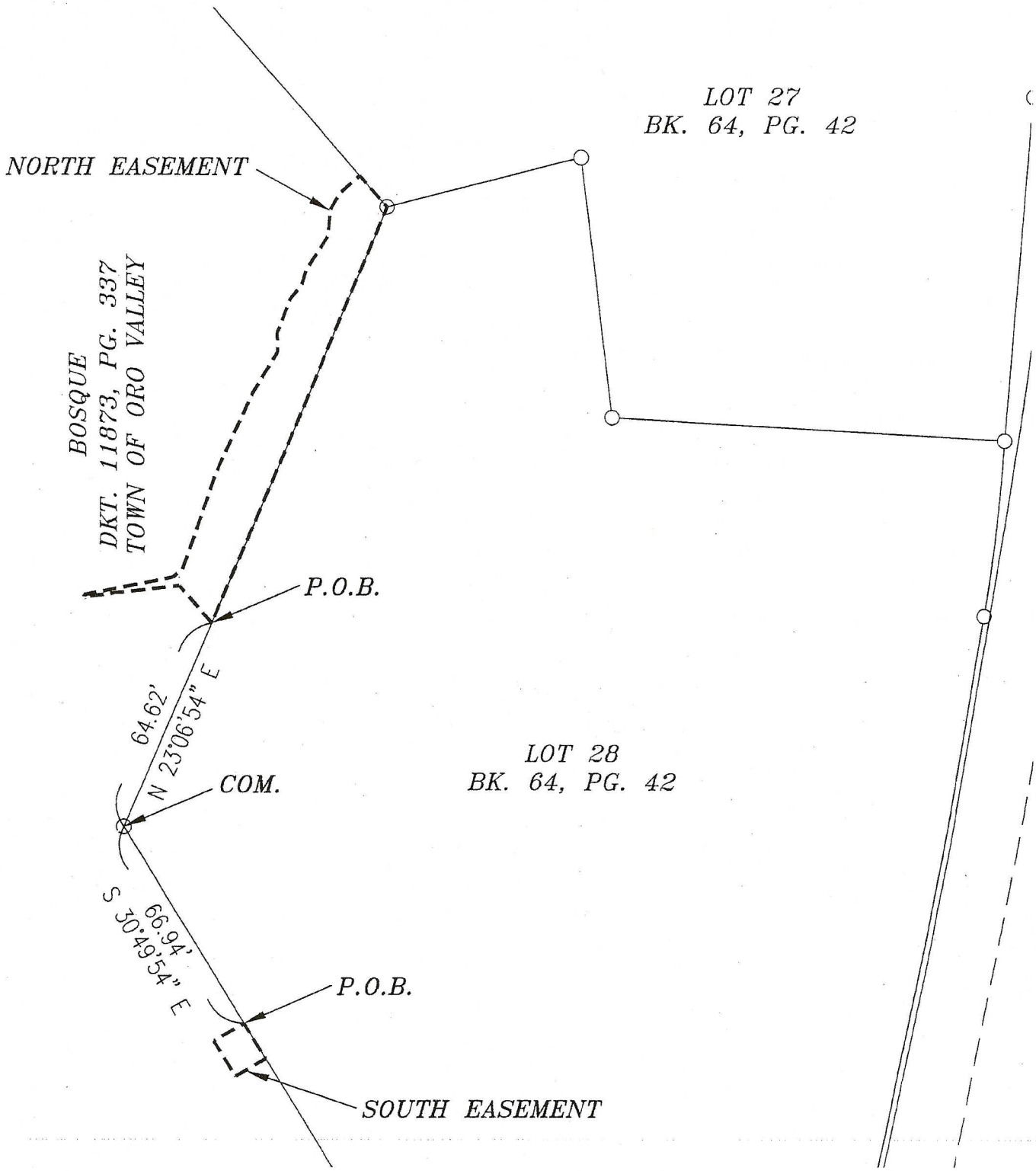


EXHIBIT TO ACCOMPANY DESCRIPTION OF DRAINAGE EASEMENT FOR IN-N-OUT BURGER
WITHIN
THE TOWN OF ORO VALLEY
SECTION 5, T. 12 S., R. 14 E., G.S.R.M., ORO VALLEY, PIMA COUNTY, ARIZONA

1"=20'

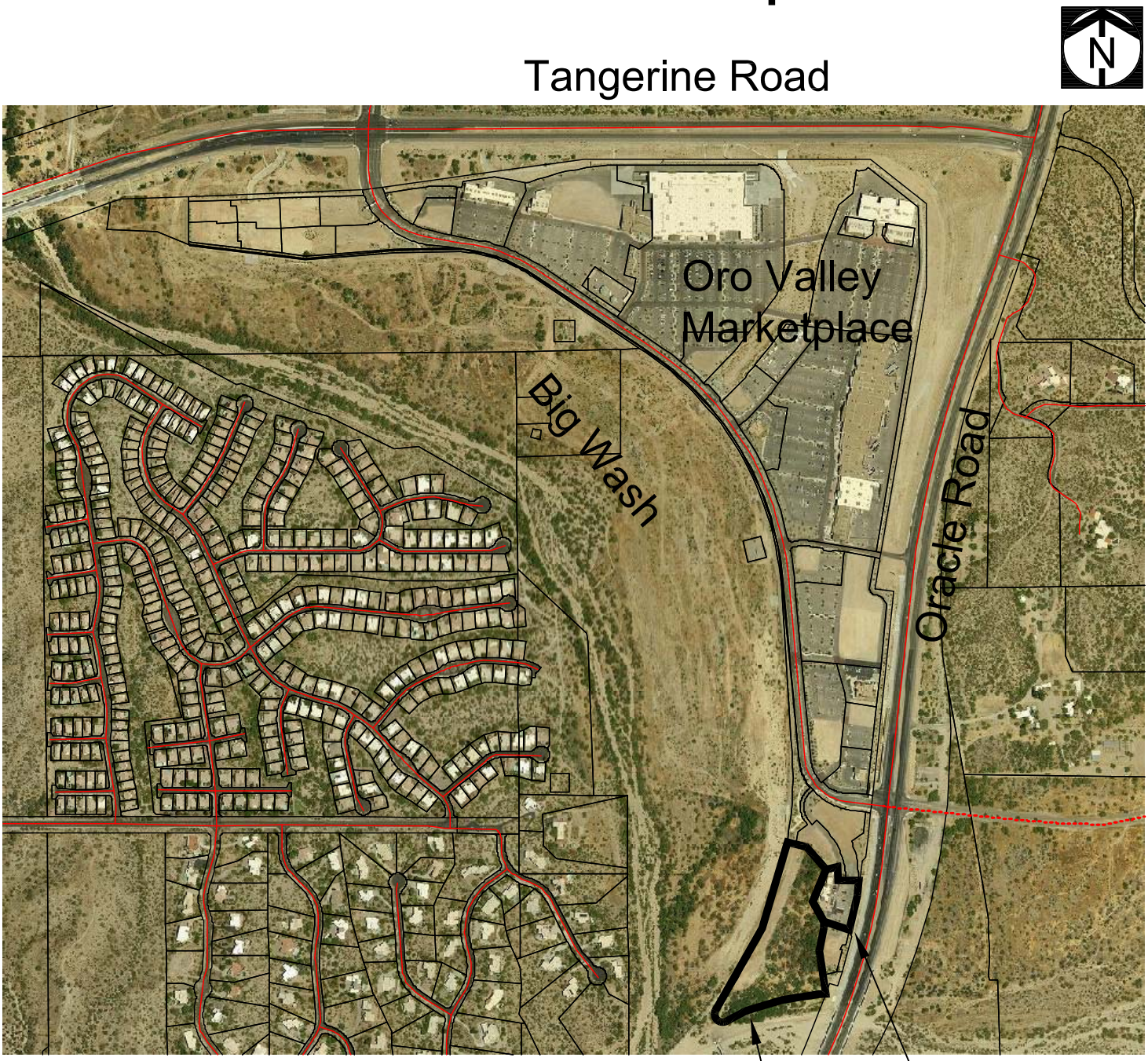
The WLB Group Inc. WLB

1/1

WLB# project No. 185050VE01-1003X

N:\185050VE001\In N Out Burger\Exhibit\Drainage Easement_New.dwg Plotted: Sep. 13, 2010

Exhibit "B"
Location Map



Town of Oro Valley
Mesquite Bosque
Parcel

In-N-Out Burger
Restaurant Site

Exhibit "C"
Easement Definition

Item #: 1. F.

TC Regular Session

Date: 12/01/2010

Requested by:	Daniel G. Sharp, Police Chief	**Submitted By:**	Colleen Muhr, Police Department
Department:	Police Department		

Information

SUBJECT:

Resolution No. (R)10-84 Authorizing and Approving a Subgrantee Agreement between the Town of Oro Valley and the Arizona Department of Homeland Security to Fund Overtime and Mileage Under the Operation Stonegarden Program

SUMMARY:

The Town of Oro Valley wishes to enter into a Subgrantee Agreement with the Arizona Department of Homeland Security and the United States Customs and Border Protection for the benefit of the citizens of the Town of Oro Valley and the State of Arizona.

DISCUSSION:

Grant application was made to work in a regional partnership with other local law enforcement agencies and the U.S. Border Patrol Tucson Sector to reduce crime and improve quality of life for the residents and visitors of Oro Valley. This grant will use targeted deployments of officers and canine units to impact the flow of smugglers bringing humans and illegal contraband, and possible terrorists who intend to cause harm or commit crimes against this nation.

FISCAL IMPACT:

Fiscal Impact is $51,671.00 received by the Town through grant funding which is available through March, 2012.

CONCLUSION/RECOMMENDATION:

Approval is recommended.

SUGGESTED MOTION:

I move to adopt Resolution No. (R) 10-84, Authorizing and Approving a Subgrantee Agreement Between the Town of Oro Valley and the Arizona Department of Homeland Security to for the Purpose of Funding Overtime and Mileage Reimbursement Under the Operation Stonegarden Program.

Attachments

Link: Resolution 10-84 AZDOHS

Link: Subgrantee Agreement

RESOLUTION (R) 10-84

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING A SUBGRANTEE AGREEMENT BETWEEN THE TOWN OF ORO VALLEY AND THE ARIZONA DEPARTMENT OF HOMELAND SECURITY TO FUND OVERTIME AND MILEAGE UNDER THE OPERATION STONEGARDEN PROGRAM

WHEREAS, The Town of Oro Valley is a municipal corporation within the State of Arizona and is vested with all the rights, privileges and benefits and entitled to the immunities and exemptions granted to municipalities and political subdivisions under the Laws of the State of Arizona; and

WHEREAS, the Arizona Department of Homeland Security requires participating jurisdictions to enter into a Subgrantee Agreement to receive the funds granted under the Operation Stonegarden Program; and

WHEREAS, the Town of Oro Valley's allocation under the grant is a maximum of $51,671.00 which will be used to fund overtime and mileage under the Operation Stonegarden Program for deployments with the U.S. Department of Homeland Security Bureau of Customs and Border Protection; and

WHEREAS, it is in the best interest of the Town of Oro Valley to enter into the Subgrantee Agreement (attached hereto as Exhibit "A") in order to receive the funds which will be used to fund overtime and mileage under the Operation Stonegarden Program for deployments with the U.S. Department of Homeland Security Bureau of Customs and Border Protection.

NOW THEREFORE BE IT RESOLVED by the Mayor and Town Council of the Town of Oro Valley, Arizona, that:

1. The Subgrantee Agreement between the Town of Oro Valley, for the benefit of the Oro Valley Police Department and the Arizona Department of Homeland Security, attached hereto as Exhibit "A" and incorporated herein by this reference, to fund overtime and mileage under the Operation Stonegarden Program for deployments with the U.S. Department of Homeland Security Bureau of Customs and Border Protection is hereby authorized and approved.

2. The Mayor and other administrative officials of the Town of Oro Valley are hereby authorized to take such steps as are necessary to execute and implement the terms of the Subgrantee Agreement.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona this 1st day of December, 2010.

TOWN OF ORO VALLEY, ARIZONA

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____

Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____

Tobin Rosen, Town Attorney

Date: _____

EXHIBIT “A”

SUBGRANTEE AGREEMENT

10-AZDOHS-HSGP- 777409-02

Enter Grant Agreement Number above (e.g., 777xxx-xx)

Between

The Arizona Department of Homeland Security
And

Oro Valley Police Department

Enter the Name of the Subrecipient Agency Above

WHEREAS, A.R.S. § 41-4254 charges the Arizona Department of Homeland Security (AZDOHS) with the responsibility of administering funds.

THEREFORE, it is agreed that the AZDOHS shall provide funding to the

Oro Valley Police Department

Enter the Name of the Subrecipient Agency Above

(subrecipient) for services under the terms of this Grant Agreement.

I. PURPOSE OF AGREEMENT

The purpose of this Agreement is to specify the responsibilities and procedures for the subrecipient's role in administering homeland security grant funds.

II. TERM OF AGREEMENT, TERMINATION AND AMENDMENTS

This Agreement shall become effective on October 1, 2010 and shall terminate on September 30, 2011. The obligations of the subrecipient as described herein will survive termination of this agreement.

III. DESCRIPTION OF SERVICES

The subrecipient shall provide the services for the State of Arizona, Arizona Department of Homeland Security as approved in the grant application titled "FFY 2010 Operation Stonegarden Program Award for Overtime and Mileage"

Enter Title of Application

and funded at $51,671.00 (as may have been modified by the award letter).

Enter Funded Amount above

IV. MANNER OF FINANCING

The AZDOHS shall:

a) Provide up to $51,671.00 to the subrecipient for services provided under Paragraph III.

Enter Funded Amount above

b) Payment made by the AZDOHS to the subrecipient shall be on a reimbursement basis only and is conditioned upon receipt of proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by the AZDOHS, to be submitted by the subrecipient. A listing of acceptable documentation can be found at www.azdohs.gov. Payments will be contingent upon receipt of all reporting requirements of the subrecipient under this Agreement.

V. FISCAL RESPONSBILITY

It is understood and agreed that the total amount of the funds used under this Agreement shall be used only for the project as described in the application. Any modification to quantity or scope of work must be preapproved in writing by AZDOHS. Therefore, should the project not be completed, the subrecipient shall reimburse said funds directly to the AZDOHS immediately. If the project is completed at a lower cost than the original budget called for, the amount reimbursed to the subrecipient shall be for only the amount of dollars actually spent by the subrecipient in accordance with the approved application. For any funds received under this Agreement for which expenditure is disallowed by an audit exemption or otherwise by the AZDOHS, the State, or Federal government, the subrecipient shall reimburse said funds directly to the AZDOHS immediately.

VI. FINANCIAL AUDIT/PROGRAMATIC MONITORING

The subrecipient agrees to terms specified in A.R.S. § 35-214 and § 35-215.

a) In addition, in compliance with the Federal Single Audit Act (31 U.S.C. par. 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), the subrecipient must have an annual audit conducted in accordance with OMB Circular #A-133 ("Audits of States, Local Governments, and Non-profit Organizations") if the subrecipient expends more than $500,000 from Federal awards. If the subrecipient has expended more than $500,000 in Federal dollars, a copy of the subrecipient's audit report for the previous fiscal year must be submitted to the AZDOHS for review within thirty (30) days of signing this Agreement.

b) Subrecipients will be monitored periodically by the AZDOHS staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and onsite monitoring visits. Monitoring can involve aspects of the work involved under this contract including but not limited to the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed.

VII. APPLICABLE FEDERAL REGULATIONS

The subrecipient must comply with the grant guidance Office of Management and Budget (OMB) Circulars Code of Federal Regulations (CFR) and other Federal guidance including but not limited to:

a) 44 CFR Chapter 1, Federal Emergency Management Agency, Department of Homeland Security at http://www.access.gpo.gov/nara/cfr/waisidx_07/44cfrv1_07.html.

b) 2 CFR 225 Cost Principles for State, Local & Indian Tribal Governments (formerly OMB), at http://www.access.gpo.gov/nara/cfr/waisidx_07/2cfr225_07.html.
Cost Principles: 2 CFR Part 225, State and Local Governments; 2 CFR Part 220, Educational Institutions; 2 CFR Part 230, Non-Profit Organizations; Federal Acquisition Regulation Sub-part 31.2, Contracts with Commercial Organizations.
OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, at http://www.whitehouse.gov/omb/circulars/a133/a133.html.

c) 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (formerly OMB Circular A-102), at http://149.168.212.15/mitigation/Library/44_CFR-Part_13.pdf. U.S. Department of Homeland Security Authorized Equipment List (AEL), at https://www.rkb.mipt.org/ael.cfm 2 CFR Part 215, Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.

d) 28 CFR applicable to grants and cooperative agreements, including Part II, Applicability of Office of Management and Budget Circulators; Part 18, Administrative Review Procedure; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence System Operating Policies; Part 42, Non-discrimination Equal Employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; and Part 66, Uniform Administrative Requirements for Grants and Co-operative Agreements to State and Local Government.

Included within the above mentioned guidance documents are provisions for the following:

NIMSCAST
The subrecipient agrees to complete the National Incident Management System Compliance Assistance Support Tool (NIMSCAST) and remain in compliance.

Environmental Planning and Historic Preservation
The subrecipient shall comply with all applicable Federal, State, and local environmental and historic preservation (EHP) requirements and shall provide any information requested by FEMA to ensure compliance with applicable laws including: National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898).Subrecipient shall not undertake any project having the potential to impact EHP resources without the prior approval of AZDOHS/FEMA, including but not limited to communications towers, physical security enhancements, new construction, and modifications to buildings that are 50 years old or greater. Subrecipient must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the subrecipient must ensure monitoring of ground disturbance and if any potential archeological resources arc discovered, the subrecipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Construction activities shall not be initiated prior to the full environmental and historic preservation review.

Consultants/Trainers/Training Providers
Billings for consultants/trainers/training providers must include at a minimum: a description of services; dates of services; number of hours for services performed; rate charged for services; and, the total cost of services performed. Consultant/trainer/training provider costs must be within the prevailing rates, must be obtained under consistent treatment with the procurement policies of the subrecipient and 44 CFR Chapter 1, Part 13 and shall not exceed the maximum of $450 per day per consultant/trainer/training provider unless prior written approval is granted by the AZDOHS. In addition to the per day $450 maximum amount, the consultant/trainer/training provider may be reimbursed

reasonable travel, lodging, and per diem not to exceed the state rate. Itemized receipts are required for lodging and travel reimbursements. The subrecipient will not be reimbursed costs other than travel, lodging, and per diem on travel days for consultants/trainers/training providers.

Contractors/Subcontractors
The subrecipient may enter into written subcontract(s) for performance of certain of its functions under the contract in accordance with terms established in the OMB Circulars, Code of Federal Regulations, DHS Guidance and DHS Program Guide. The subrecipient agrees and understands that no subcontract that the subrecipient enters into with respect to performance under this Agreement shall in any way relieve the subrecipient of any responsibilities for performance of its duties. The subrecipient shall give the AZDOHS immediate notice in writing by certified mail of any action or suit filed and prompt notice of any claim made against the subrecipient by any subcontractor or vendor which in the opinion of the subrecipient may result in litigation related in any way to the Agreement with the AZDOHS.

Personnel and Travel Costs
All grant funds expended for personnel, travel, lodging, and per diem must be consistent with the subrecipient's policies and procedures and must be applied uniformly to both federally financed and other activities of the agency. At no time will the subrecipient's reimbursement(s) exceed the State rate established by the Arizona Department of Administration, General Accounting Office Travel Policies: http://www.gao.state.gov.

Procurement
The subrecipient shall comply with all internal agency procurement rules/policies and must also comply with Federal procurement rules/policies as outlined in section VII and all procurement must comply with substantially with Arizona State procurement code and rules. The Federal intent is that all Homeland Security Funds are awarded competitively. The subrecipient shall not enter into a Sole or Single Source procurement agreement, unless prior written approval is granted by the AZDOHS.

Training
The subrecipient agrees that any grant funds used for training must be in compliance with grant guidance. All training must be approved through the ADEM/AZDOHS training request process prior to execution of training contract(s).

Nonsupplanting Agreement
The subrecipient shall not use funds to supplant State or Local funds or other resources that would otherwise have been made available for this program/project. Further, if a position created by a grant is filled from within, the vacancy created by this action must be filled within thirty (30) days. If the vacancy is not filled within thirty (30) days, the subrecipient must stop charging the grant for the new position. Upon filling the vacancy, the subrecipient may resume charging for the grant position.

E-Verify
Compliance requirements for A.R.S. § 41-4401—immigration laws and E-Verify requirement.

a) The subrecipient warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program).

b) A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the subrecipient may be subject to penalties up to and including termination of the Agreement.

c) The AZDOHS retains the legal right to inspect the papers of any employee who works on the Agreement to ensure that the subrecipient is complying with the warranty under paragraph (a) above.

Property Control

Effective control and accountability must be maintained for all property. The subrecipient must adequately safeguard all such property and must assure that it is used solely for authorized purposes as described in the guidance and application. The subrecipient shall exercise caution in the use, maintenance, protection and preservation of such property.

Terms used in this sub-part have the following meaning (see also Reclamation Supplement to Federal Property Management Regulations, Part 60 Property Accountability, Sub-part 114S-60.4 Classification of Property).

a) Nonexpendable property is property which has a continuing use, is not consumed in use, is of a durable nature with an expected service life of one or more years, has an acquisition cost of $300 or more, and does not become a fixture or lose its identity as a component of other equipment or plant.

b) At the time when the final request for reimbursement is submitted, the subrecipient must file with the AZDOHS a copy of the Property Control Record Form listing all such property acquired with grant funds. The subrecipient agrees to be subject to equipment monitoring and auditing by state or federal authorized representatives for verification of information.

c) Equipment shall be used by the subrecipient in the program or project for which it was acquired as long as needed, whether or not the program or project continues to be supported by federal grant funds. When use of the property for project activities is discontinued, the subrecipient shall request in writing disposition instructions from the AZDOHS before actual disposition of the property. Theft, destruction, or loss of property shall be reported to the AZDOHS immediately. An equipment/capital asset list shall be maintained for the entire scope of the program or project for which it was acquired. All equipment having an acquisition cost of $5,000 (Five Thousand Dollars) or more per unit and/or a useful life of more than one year shall be included in the equipment/capital asset list.

Allowable Costs

The allowability of costs incurred under this agreement shall be determined in accordance with the general principles of allowability and standards for selected cost items as set forth in the applicable OMB Circulars, Code of Federal Regulations, authorized equipment lists and guidance documents referenced above.

a) The subrecipient agrees that grant funds are not to be expended for any indirect costs that may be incurred by the subrecipient for administering these funds.
b) The subrecipeint agrees that grant funds are not to be expended for any Management and Administrative (M&A) costs that may be incurred by the subrecipient for administering these funds unless explicitly applied for and approved in writing by the AZDOHS and shall be in compliance with Grant Guidance.

VIII. DEBARMENT CERTIFICATION

The subrecipient agrees to comply with the Federal Debarment and Suspension regulations as outlined in the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions."

IX. FUNDS MANAGEMENT

The subrecipient must maintain funds received under this Agreement in separate ledger accounts and cannot mix these funds with other sources. The subrecipient must manage funds according to applicable Federal regulations for administrative requirements, costs principles, and audits.

The subrecipient must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained are:

- Financial Management
- Procurement
- Personnel
- Property
- Travel

A system is adequate if it is 1) written; 2) consistently followed – it applies in all similar circumstances; and 3) consistently applied – it applies to all sources of funds.

X. REPORTING REQUIREMENTS

Regular reports by the subrecipient shall include:

a) Programmatic Reports
The subrecipient shall provide quarterly programmatic reports to the AZDOHS within fifteen (15) working days of the last day of the quarter in which services are provided. The subrecipient shall use the form provided by the AZDOHS to submit quarterly programmatic reports. The report shall contain such information as deemed necessary by the AZDOHS. The subrecipient shall use the Quarterly Programmatic Report Format template, which is posted at www.azdohs.gov. If the scope of the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report should be marked as final and should be inclusive of all necessary and pertinent information regarding the project as deemed necessary by the AZDOHS. Quarterly programmatic reports shall be submitted to the AZDOHS until the entire scope of the project is completed

b) Quarterly reports are due:
January 15 (period October 1– December 31)
April 15 (period January 1 – March 31)
July 15 (period April 1 – June 30)
October 15 (period July 1 – September 30)

c) Financial Reimbursements
The subrecipient shall provide as frequently as monthly but not less than quarterly requests for reimbursement. Reimbursements shall be submitted with the Reimbursement Form provided by the AZDOHS staff. The subrecipient shall submit a final reimbursement for expenses received and invoiced prior to the end of the termination of this Agreement no more than forty-five (45) days after the end of the Agreement. Requests for reimbursement received later than the forty-five (45) days after the Agreement termination will not be paid. The final reimbursement request as submitted shall be marked FINAL, and include a copy of the Property Control Form.

All reports shall be submitted to the contact person as described in Paragraph XXXVIII, NOTICES, of this Agreement.

XI. ASSIGNMENT AND DELEGATION

The subrecipient may not assign any rights hereunder without the express, prior written consent of both parties.

XII. AMENDMENTS

Any change in this Agreement including but not limited to the Description of Services and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representative of the subrecipient and the AZDOHS.

Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of the subrecipient's compensation if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding sentence. The subrecipient expressly and explicitly understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

XIII. OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, all services under this Agreement shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

XIV. AGREEMENT RENEWAL

This Agreement shall not bind nor purport to bind the AZDOHS for any contractual commitment in excess of the original Agreement period.

XV. RIGHT TO ASSURANCE

If the AZDOHS in good faith has reason to believe that the subrecipient does not intend to, or is unable to perform or continue performing under this Agreement, the AZDOHS may demand in writing that the subrecipient give a written assurance of intent to perform. If the subrecipient fails to provide written assurance within the number of days specified in the demand, the AZDOHS at its option, may terminate this Agreement.

XVI. CANCELLATION FOR CONFLICT OF INTEREST

The AZDOHS may, by written notice to the subrecipient, immediately cancel this Agreement without penalty or further obligation pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement

on behalf of the State or its subdivisions (unit of Local Government) is an employee or agent of any other party in any capacity or a consultant to any other party to the Agreement with respect to the subject matter of the Agreement. Such cancellation shall be effective when the parties to the Agreement receive written notice from the AZDOHS, unless the notice specifies a later time.

XVII. THIRD PARTY ANTITRUST VIOLATIONS

The subrecipient assigns the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to subrecipient toward fulfillment of this Agreement.

XVIII. AVAILABILITY OF FUNDS

Every payment obligation of the AZDOHS under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If the funds are not allocated and available for the continuance of this Agreement, the AZDOHS may terminate this Agreement at the end of the period for which funds are available. No liability shall accrue to the AZDOHS in the event this provision is exercised, and the AZDOHS shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph, including purchases and/or contracts entered into by the subrecipient in the execution of this Agreement.

XIX. FORCE MAJEURE

If either party hereto is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

XX. PARTIAL INVALIDITY

Any term or provision of this Agreement that is hereafter declared contrary to any current or future law, order, regulation, or rule, or which is otherwise invalid, shall be deemed stricken from this Agreement without impairing the validity of the remainder of this Agreement.

XXI. ARBITRATION

In the event of any dispute arising under this Agreement, written notice of the dispute must be provided to the other party within thirty (30) days of the events giving the rise to the dispute. The subrecipient agrees to terms specified in A.R.S. § 12-1518.

XXII. GOVERNING LAW AND CONTRACT INTERPRETATION

a) This Agreement shall be governed and interpreted in accordance with the laws of the State of Arizona.

b) This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms in this document.

c) Either party's failure to insist on strict performance of any term or condition of the Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object.

XXIII. ENTIRE AGREEMENT

This Agreement and its Exhibits constitute the entire Agreement between the parties hereto pertaining to the subject matter hereof and may not be changed or added to except by a writing signed by all parties hereto in conformity with Paragraph X, REPORTING REQUIREMENTS; provided; however, that the AZDOHS shall have the right to immediately amend this Agreement so that it complies with any new legislation, laws, ordinances, or rules affecting this Agreement. The subrecipient agrees to execute any such amendment within ten (10) business days of its receipt. All prior and contemporaneous agreements, representations, and understandings of the parties, oral, written, pertaining to the subject matter hereof, are hereby superseded or merged herein.

XXIV. RESTRICTIONS ON LOBBYING

The subrecipient shall not use funds made available to it under this Agreement to pay for, influence, or seek to influence any officer or employee of a State or Federal government.

XXV. LICENSING

The subrecipient, unless otherwise exempted by law, shall obtain and maintain all licenses, permits, and authority necessary to perform those acts it is obligated to perform under this Agreement.

XXVI. NON-DISCRIMINATION

The subrecipient shall comply with all State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including the Americans with Disabilities Act, in accordance with A.R.S. title 41, Chapter 9, Article 4 and Executive Order2009-09.

XXVII. SECTARIAN REQUESTS

Funds disbursed pursuant to this Agreement may not be expended for any sectarian purpose or activity, including sectarian worship or instruction in violation of the United States or Arizona Constitutions.

XXVIII. SEVERABILITY

The provisions of this Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Agreement.

XXIX. ADVERTISING AND PROMOTION OF AGREEMENT

The subrecipient shall not advertise or publish information for commercial benefit concerning this Agreement without the written approval of the AZDOHS.

XXX. OWNERSHIP OF INFORMATION, PRINTED AND PUBLISHED MATERIAL

The AZDOHS reserves the right to review and approve any publications funded or partially funded through this Agreement. All publications funded or partially funded through this Agreement shall recognize the AZDOHS and the U.S. Department of Homeland Security. The U.S. Department of Homeland Security and the AZDOHS shall have full and complete rights to reproduce, duplicate, disclose, perform, and otherwise use all materials prepared under this Agreement.

The subrecipient agrees that any report, printed matter, or publication (written, visual, or sound, but excluding press releases, newsletters, and issue analyses) issued by the subrecipient describing programs or projects funded in whole or in part with Federal funds shall contain the following statement:

"This document was prepared under a grant from U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of the U.S. Department of Homeland Security."

The subrecipient also agrees that one copy of any such publication, report, printed matter, or publication shall be submitted to the AZDOHS to be placed on file and distributed as appropriate to other potential sub-recipients or interested parties. The AZDOHS may waive the requirement for submission of any specific publication upon submission of a request providing justification from the subrecipient.

The AZDOHS and the subrecipient recognize that research resulting from this Agreement has the potential to become public information. However, prior to the termination of this Agreement, the subrecipient agrees that no research-based data resulting from this Agreement shall be published or otherwise distributed in any form without express written permission from the AZDOHS and possibly the U.S. Department of Homeland Security. It is also agreed that any report or printed matter completed as a part of this agreement is a work for hire and shall not be copyrighted by the subrecipient.

XXXI. CLOSED-CAPTIONING OF PUBLIC SERVICE ANNOUNCEMENTS

Any television public service announcement that is produced or funded in whole or in part by the subrecipient shall include closed captioning of the verbal content of such announcement.

XXXII. INDEMNIFICATION

To the extent permitted by law, each party (as indemnitor) agrees to indemnify, defend and hold harmless the other party (as indemnitee) from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as claims) arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

XXXIII. TERMINATION

a) All parties reserve the right to terminate the Agreement in whole or in part due to the failure of the subrecipient or the grantor to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses and permits or to make satisfactory progress in performing the Agreement. The staff of either party shall provide a written thirty (30) day advance notice of the termination and the reasons for it.

b) If the subrecipient chooses to terminate the contract before the grant deliverables have been met then the AZDOHS reserves the right to collect all reimbursements distributed to the subrecipient.

c) The AZDOHS may, upon termination of this Agreement, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Agreement. The subrecipient shall be liable to the AZDOHS for any excess costs incurred by the AZDOHS in procuring materials or services in substitution for those due from the subrecipient.

XXXIV. CONTINUATION OF PERFORMANCE THROUGH TERMINATION

The subrecipient shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

XXXV. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this Agreement or any of its provisions.

XXXVI. COUNTERPARTS

This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one agreement.

XXXVII. AUTHORITY TO EXECUTE THIS AGREEMENT

Each individual executing this Agreement on behalf of the subrecipient represents and warrants that he or she is duly authorized to execute this Agreement.

XXXVIII. SPECIAL CONDITIONS

a) The subrecipient must comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit requirements

b) The subrecipient acknowledges that U.S. Department of Homeland Security and the AZDOHS reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use, for Federal government purposes: (a) the copyright in any work developed under an award or sub-award; and (2) any rights of copyright to which a subrecipient purchases ownership with Federal support. The subrecipient shall consult with the AZDOHS regarding the allocation of any patent rights that arise from, or are purchased with, this funding.

c) The subrecipient agrees that, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: **"Purchased with funds provided by the U.S. Department of Homeland Security."**

d) The subrecipient agrees to cooperate with any assessments, state/national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this agreement.

e) The subrecipient is prohibited from transferring funds between programs (State Homeland Security Program, Urban Area Security Initiative, Citizen Corps Program, Operation Stonegarden, and Metropolitan Medical Response System).

XXXIX. NOTICES

Any and all notices, requests, demands, or communications by either party to this Agreement, pursuant to or in connection with this Agreement shall be in writing be delivered in person or shall be sent to the respective parties at the following addresses:

Arizona Department of Homeland Security
1700 West Washington, Suite 210
Phoenix, AZ 85007

The subrecipient shall address all programmatic notices relative to this Agreement to the appropriate the AZDOHS staff; contact information at www.azdohs.gov.

The subrecipient shall submit reimbursement requests relative to this Agreement to the appropriate the AZDOHS staff; contact information at www.azdohs.gov

The AZDOHS shall address all notices relative to this Agreement to:

Commander Jason Larter
Enter Title, First & Last Name above
Oro Valley Police Department
Enter Agency Name above
11000 N. La Canada Drive
Enter Street Address
Oro Valley, AZ 85737
Enter City, State, ZIP

XXXX. IN WITNESS WHEREOF

The parties hereto agree to execute this Agreement.

FOR AND BEHALF OF THE

Oro Valley Police Department
Enter Agency Name above

Authorized Signature above
Dr. Satish I. Hiremath
Print Name & Title above

Enter Date above

FOR AND BEHALF OF THE

Arizona Department of Homeland Security

Gilbert M. Orrantia
Director

Date

(Please be sure to complete and mail two original documents to the Arizona Department of Homeland Security.)

FOR AND BEHALF OF THE

Town of Oro Valley Police Department

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Town Rosen, Town Attorney

Date: _____

Item #: 1. G.

TC Regular Session

Date: 12/01/2010

Requested by:	Daniel G. Sharp, Police Chief	**Submitted By:**	Colleen Muhr, Police Department
Department:	Police Department		

Information

SUBJECT:

Resolution No. (R)10-85 Authorizing and Approving a Subgrantee Agreement Between the Town of Oro Valley and the Arizona Department of Homeland Security to Fund the Purchase of Binoculars and Thermal Imaging/Night Vision Equipment Under the Operation Stonegarden Program

SUMMARY:

The Town of Oro Valley wishes to enter into a Subgrantee Agreement with the Arizona Department of Homeland Security and the United States Customs and Border Protection for the benefit of the citizens of the Town of Oro Valley and the State of Arizona.

DISCUSSION:

Grant application was made to request funds to acquire equipment necessary for targeted deployments. Approval of this Subgrantee Agreement will allow the Town of Oro Valley Police Department to purchase the latest technology to include six (6) binoculars and six (6) thermal imaging/night vision equipment to aid in detection and surveillance during night time hours.

FISCAL IMPACT:

FY 2010/2011 = $35,496 currently budgeted.

CONCLUSION/RECOMMENDATION:

Approval is recommended.

SUGGESTED MOTION:

I move to adopt Resolution No. (R) 10-85, Authorizing and Approving a Subgrantee Agreement Between the Town of Oro Valley and the Arizona Department of Homeland Security to Fund the Purchase of Binoculars and Thermal Imaging/Night Vision Equipment under the Operation Stonegarden Program.

Attachments

Link: Resolution 10-85

Link: Subgrantee Agreement

RESOLUTION (R) 10-85

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING A SUBGRANTEE AGREEMENT BETWEEN THE TOWN OF ORO VALLEY AND THE ARIZONA DEPARTMENT OF HOMELAND SECURITY TO FUND THE PURCHASE OF BINOCULARS AND THERMAL IMAGING/NIGHT VISION EQUIPMENT UNDER THE OPERATION STONEGARDEN PROGRAM

WHEREAS, The Town of Oro Valley is a municipal corporation within the State of Arizona and is vested with all the rights, privileges and benefits and entitled to the immunities and exemptions granted to municipalities and political subdivisions under the Laws of the State of Arizona; and

WHEREAS, the Arizona Department of Homeland Security requires participating jurisdictions to enter into a Subgrantee Agreement to receive the funds granted under the Operation Stonegarden Program; and

WHEREAS, the Town of Oro Valley's allocation under the grant is a maximum of $35,496.00 which will be used to fund the purchase of binoculars and thermal imaging/night vision equipment under the Operation Stonegarden Program for deployments with the U.S. Department of Homeland Security Bureau of Customs and Border Protection; and

WHEREAS, it is in the best interest of the Town of Oro Valley to enter into the Subgrantee Agreement (attached hereto as Exhibit "A") in order to receive the funds which will be used to fund the purchase of binoculars and thermal imaging/night vision equipment under the Operation Stonegarden Program for deployments with the U.S. Department of Homeland Security Bureau of Customs and Border Protection.

NOW THEREFORE BE IT RESOLVED by the Mayor and Town Council of the Town of Oro Valley, Arizona, that:

1. The Subgrantee Agreement between the Town of Oro Valley, for the benefit of the Oro Valley Police Department and the Arizona Department of Homeland Security, attached hereto as Exhibit "A" and incorporated herein by this reference, to fund the purchase of binoculars and thermal imaging/night vision equipment under the Operation Stonegarden Program for deployments with the U.S. Department of Homeland Security Bureau of Customs and Border Protection is hereby authorized and approved.

2. The Mayor and other administrative officials of the Town of Oro Valley are hereby authorized to take such steps as are necessary to execute and implement the terms of the Subgrantee Agreement.

PASSED AND ADOPTED by the Mayor and Town Council of the Town of Oro Valley, Arizona this 1st day of December, 2010.

TOWN OF ORO VALLEY, ARIZONA

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____

Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____

Tobin Rosen, Town Attorney

Date: _____

EXHIBIT “A”

SUBGRANTEE AGREEMENT

10-AZDOHS-HSGP- 777409-03

Enter Grant Agreement Number above (e.g., 777xxx-xx)

Between

The Arizona Department of Homeland Security
And

Oro Valley Police Department

Enter the Name of the Subrecipient Agency Above

WHEREAS, A.R.S. § 41-4254 charges the Arizona Department of Homeland Security (AZDOHS) with the responsibility of administering funds.

THEREFORE, it is agreed that the AZDOHS shall provide funding to the

Oro Valley Police Department

Enter the Name of the Subrecipient Agency Above

(subrecipient) for services under the terms of this Grant Agreement.

I. PURPOSE OF AGREEMENT

The purpose of this Agreement is to specify the responsibilities and procedures for the subrecipient's role in administering homeland security grant funds.

II. TERM OF AGREEMENT, TERMINATION AND AMENDMENTS

This Agreement shall become effective on October 1, 2010 and shall terminate on September 30, 2011. The obligations of the subrecipient as described herein will survive termination of this agreement.

III. DESCRIPTION OF SERVICES

The subrecipient shall provide the services for the State of Arizona, Arizona Department of Homeland Security as approved in the grant application titled "FFY 2010 Operation Stonegarden Program Award for Equipment"

Enter Title of Application

and funded at $ 35,496.00 (as may have been modified by the award letter).

Enter Funded Amount above

IV. MANNER OF FINANCING

The AZDOHS shall:

a) Provide up to $ 35,496.00 to the subrecipient for services provided under Paragraph III.

Enter Funded Amount above

b) Payment made by the AZDOHS to the subrecipient shall be on a reimbursement basis only and is conditioned upon receipt of proof of payment and applicable, accurate and complete reimbursement documents, as deemed necessary by the AZDOHS, to be submitted by the subrecipient. A listing of acceptable documentation can be found at www.azdohs.gov. Payments will be contingent upon receipt of all reporting requirements of the subrecipient under this Agreement.

V. FISCAL RESPONSBILITY

It is understood and agreed that the total amount of the funds used under this Agreement shall be used only for the project as described in the application. Any modification to quantity or scope of work must be preapproved in writing by AZDOHS. Therefore, should the project not be completed, the subrecipient shall reimburse said funds directly to the AZDOHS immediately. If the project is completed at a lower cost than the original budget called for, the amount reimbursed to the subrecipient shall be for only the amount of dollars actually spent by the subrecipient in accordance with the approved application. For any funds received under this Agreement for which expenditure is disallowed by an audit exemption or otherwise by the AZDOHS, the State, or Federal government, the subrecipient shall reimburse said funds directly to the AZDOHS immediately.

VI. FINANCIAL AUDIT/PROGRAMATIC MONITORING

The subrecipient agrees to terms specified in A.R.S. § 35-214 and § 35-215.

a) In addition, in compliance with the Federal Single Audit Act (31 U.S.C. par. 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), the subrecipient must have an annual audit conducted in accordance with OMB Circular #A-133 ("Audits of States, Local Governments, and Non-profit Organizations") if the subrecipient expends more than $500,000 from Federal awards. If the subrecipient has expended more than $500,000 in Federal dollars, a copy of the subrecipient's audit report for the previous fiscal year must be submitted to the AZDOHS for review within thirty (30) days of signing this Agreement.

b) Subrecipients will be monitored periodically by the AZDOHS staff, both programmatically and financially, to ensure that the project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related program criteria are being met. Monitoring will be accomplished through a combination of office-based reviews and onsite monitoring visits. Monitoring can involve aspects of the work involved under this contract including but not limited to the review and analysis of the financial, programmatic, performance and administrative issues relative to each program and will identify areas where technical assistance and other support may be needed.

VII. APPLICABLE FEDERAL REGULATIONS

The subrecipient must comply with the grant guidance Office of Management and Budget (OMB) Circulars Code of Federal Regulations (CFR) and other Federal guidance including but not limited to:

a) 44 CFR Chapter 1, Federal Emergency Management Agency, Department of Homeland Security at http://www.access.gpo.gov/nara/cfr/waisidx_07/44cfrv1_07.html.

b) 2 CFR 225 Cost Principles for State, Local & Indian Tribal Governments (formerly OMB), at http://www.access.gpo.gov/nara/cfr/waisidx_07/2cfr225_07.html.
Cost Principles: 2 CFR Part 225, State and Local Governments; 2 CFR Part 220, Educational Institutions; 2 CFR Part 230, Non-Profit Organizations; Federal Acquisition Regulation Sub-part 31.2, Contracts with Commercial Organizations.
OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, at http://www.whitehouse.gov/omb/circulars/a133/a133.html.

c) 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (formerly OMB Circular A-102), at http://149.168.212.15/mitigation/Library/44_CFR-Part_13.pdf. U.S. Department of Homeland Security Authorized Equipment List (AEL), at https://www.rkb.mipt.org/ael.cfm 2 CFR Part 215, Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.

d) 28 CFR applicable to grants and cooperative agreements, including Part II, Applicability of Office of Management and Budget Circulators; Part 18, Administrative Review Procedure; Part 20, Criminal Justice Information Systems; Part 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence System Operating Policies; Part 42, Non-discrimination Equal Employment Opportunities Policies and Procedures; Part 61, Procedures for Implementing the National Environmental Policy Act; Part 63, Floodplain Management and Wetland Protection Procedures; and Part 66, Uniform Administrative Requirements for Grants and Co-operative Agreements to State and Local Government.

Included within the above mentioned guidance documents are provisions for the following:

NIMSCAST
The subrecipient agrees to complete the National Incident Management System Compliance Assistance Support Tool (NIMSCAST) and remain in compliance.

Environmental Planning and Historic Preservation
The subrecipient shall comply with all applicable Federal, State, and local environmental and historic preservation (EHP) requirements and shall provide any information requested by FEMA to ensure compliance with applicable laws including: National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898).Subrecipient shall not undertake any project having the potential to impact EHP resources without the prior approval of AZDOHS/FEMA, including but not limited to communications towers, physical security enhancements, new construction, and modifications to buildings that are 50 years old or greater. Subrecipient must comply with all conditions placed on the project as the result of the EHP review. Any change to the approved project scope of work will require re-evaluation for compliance with these EHP requirements. If ground disturbing activities occur during project implementation, the subrecipient must ensure monitoring of ground disturbance and if any potential archeological resources arc discovered, the subrecipient will immediately cease construction in that area and notify FEMA and the appropriate State Historic Preservation Office. Construction activities shall not be initiated prior to the full environmental and historic preservation review.

Consultants/Trainers/Training Providers
Billings for consultants/trainers/training providers must include at a minimum: a description of services; dates of services; number of hours for services performed; rate charged for services; and, the total cost of services performed. Consultant/trainer/training provider costs must be within the prevailing rates, must be obtained under consistent treatment with the procurement policies of the subrecipient and 44 CFR Chapter 1, Part 13 and shall not exceed the maximum of $450 per day per consultant/trainer/training provider unless prior written approval is granted by the AZDOHS. In addition to the per day $450 maximum amount, the consultant/trainer/training provider may be reimbursed

reasonable travel, lodging, and per diem not to exceed the state rate. Itemized receipts are required for lodging and travel reimbursements. The subrecipient will not be reimbursed costs other than travel, lodging, and per diem on travel days for consultants/trainers/training providers.

Contractors/Subcontractors
The subrecipient may enter into written subcontract(s) for performance of certain of its functions under the contract in accordance with terms established in the OMB Circulars, Code of Federal Regulations, DHS Guidance and DHS Program Guide. The subrecipient agrees and understands that no subcontract that the subrecipient enters into with respect to performance under this Agreement shall in any way relieve the subrecipient of any responsibilities for performance of its duties. The subrecipient shall give the AZDOHS immediate notice in writing by certified mail of any action or suit filed and prompt notice of any claim made against the subrecipient by any subcontractor or vendor which in the opinion of the subrecipient may result in litigation related in any way to the Agreement with the AZDOHS.

Personnel and Travel Costs
All grant funds expended for personnel, travel, lodging, and per diem must be consistent with the subrecipient's policies and procedures and must be applied uniformly to both federally financed and other activities of the agency. At no time will the subrecipient's reimbursement(s) exceed the State rate established by the Arizona Department of Administration, General Accounting Office Travel Policies: http://www.gao.state.gov.

Procurement
The subrecipient shall comply with all internal agency procurement rules/policies and must also comply with Federal procurement rules/policies as outlined in section VII and all procurement must comply with substantially with Arizona State procurement code and rules. The Federal intent is that all Homeland Security Funds are awarded competitively. The subrecipient shall not enter into a Sole or Single Source procurement agreement, unless prior written approval is granted by the AZDOHS.

Training
The subrecipient agrees that any grant funds used for training must be in compliance with grant guidance. All training must be approved through the ADEM/AZDOHS training request process prior to execution of training contract(s).

Nonsupplanting Agreement
The subrecipient shall not use funds to supplant State or Local funds or other resources that would otherwise have been made available for this program/project. Further, if a position created by a grant is filled from within, the vacancy created by this action must be filled within thirty (30) days. If the vacancy is not filled within thirty (30) days, the subrecipient must stop charging the grant for the new position. Upon filling the vacancy, the subrecipient may resume charging for the grant position.

E-Verify
Compliance requirements for A.R.S. § 41-4401—immigration laws and E-Verify requirement.

a) The subrecipient warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program).

b) A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the subrecipient may be subject to penalties up to and including termination of the Agreement.

c) The AZDOHS retains the legal right to inspect the papers of any employee who works on the Agreement to ensure that the subrecipient is complying with the warranty under paragraph (a) above.

Property Control

Effective control and accountability must be maintained for all property. The subrecipient must adequately safeguard all such property and must assure that it is used solely for authorized purposes as described in the guidance and application. The subrecipient shall exercise caution in the use, maintenance, protection and preservation of such property.

Terms used in this sub-part have the following meaning (see also Reclamation Supplement to Federal Property Management Regulations, Part 60 Property Accountability, Sub-part 114S-60.4 Classification of Property).

a) Nonexpendable property is property which has a continuing use, is not consumed in use, is of a durable nature with an expected service life of one or more years, has an acquisition cost of $300 or more, and does not become a fixture or lose its identity as a component of other equipment or plant.

b) At the time when the final request for reimbursement is submitted, the subrecipient must file with the AZDOHS a copy of the Property Control Record Form listing all such property acquired with grant funds. The subrecipient agrees to be subject to equipment monitoring and auditing by state or federal authorized representatives for verification of information.

c) Equipment shall be used by the subrecipient in the program or project for which it was acquired as long as needed, whether or not the program or project continues to be supported by federal grant funds. When use of the property for project activities is discontinued, the subrecipient shall request in writing disposition instructions from the AZDOHS before actual disposition of the property. Theft, destruction, or loss of property shall be reported to the AZDOHS immediately. An equipment/capital asset list shall be maintained for the entire scope of the program or project for which it was acquired. All equipment having an acquisition cost of $5,000 (Five Thousand Dollars) or more per unit and/or a useful life of more than one year shall be included in the equipment/capital asset list.

Allowable Costs

The allowability of costs incurred under this agreement shall be determined in accordance with the general principles of allowability and standards for selected cost items as set forth in the applicable OMB Circulars, Code of Federal Regulations, authorized equipment lists and guidance documents referenced above.

a) The subrecipient agrees that grant funds are not to be expended for any indirect costs that may be incurred by the subrecipient for administering these funds.
b) The subrecipeint agrees that grant funds are not to be expended for any Management and Administrative (M&A) costs that may be incurred by the subrecipient for administering these funds unless explicitly applied for and approved in writing by the AZDOHS and shall be in compliance with Grant Guidance.

VIII. DEBARMENT CERTIFICATION

The subrecipient agrees to comply with the Federal Debarment and Suspension regulations as outlined in the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions."

IX. FUNDS MANAGEMENT

The subrecipient must maintain funds received under this Agreement in separate ledger accounts and cannot mix these funds with other sources. The subrecipient must manage funds according to applicable Federal regulations for administrative requirements, costs principles, and audits.

The subrecipient must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained are:

- Financial Management
- Procurement
- Personnel
- Property
- Travel

A system is adequate if it is 1) written; 2) consistently followed – it applies in all similar circumstances; and 3) consistently applied – it applies to all sources of funds.

X. REPORTING REQUIREMENTS

Regular reports by the subrecipient shall include:

a) Programmatic Reports
The subrecipient shall provide quarterly programmatic reports to the AZDOHS within fifteen (15) working days of the last day of the quarter in which services are provided. The subrecipient shall use the form provided by the AZDOHS to submit quarterly programmatic reports. The report shall contain such information as deemed necessary by the AZDOHS. The subrecipient shall use the Quarterly Programmatic Report Format template, which is posted at www.azdohs.gov. If the scope of the project has been fully completed and implemented, and there will be no further updates, then the quarterly programmatic report for the quarter in which the project was completed will be sufficient as the final report. The report should be marked as final and should be inclusive of all necessary and pertinent information regarding the project as deemed necessary by the AZDOHS. Quarterly programmatic reports shall be submitted to the AZDOHS until the entire scope of the project is completed

b) Quarterly reports are due:
January 15 (period October 1– December 31)
April 15 (period January 1 – March 31)
July 15 (period April 1 – June 30)
October 15 (period July 1 – September 30)

c) Financial Reimbursements
The subrecipient shall provide as frequently as monthly but not less than quarterly requests for reimbursement. Reimbursements shall be submitted with the Reimbursement Form provided by the AZDOHS staff. The subrecipient shall submit a final reimbursement for expenses received and invoiced prior to the end of the termination of this Agreement no more than forty-five (45) days after the end of the Agreement. Requests for reimbursement received later than the forty-five (45) days after the Agreement termination will not be paid. The final reimbursement request as submitted shall be marked FINAL, and include a copy of the Property Control Form.

All reports shall be submitted to the contact person as described in Paragraph XXXVIII, NOTICES, of this Agreement.

XI. ASSIGNMENT AND DELEGATION

The subrecipient may not assign any rights hereunder without the express, prior written consent of both parties.

XII. AMENDMENTS

Any change in this Agreement including but not limited to the Description of Services and budget described herein, whether by modification or supplementation, must be accomplished by a formal Agreement amendment signed and approved by and between the duly authorized representative of the subrecipient and the AZDOHS.

Any such amendment shall specify: 1) an effective date; 2) any increases or decreases in the amount of the subrecipient's compensation if applicable; 3) be titled as an "Amendment," and 4) be signed by the parties identified in the preceding sentence. The subrecipient expressly and explicitly understands and agrees that no other method of communication, including any other document, correspondence, act, or oral communication by or from any person, shall be used or construed as an amendment or modification or supplementation to this Agreement.

XIII. OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, all services under this Agreement shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

XIV. AGREEMENT RENEWAL

This Agreement shall not bind nor purport to bind the AZDOHS for any contractual commitment in excess of the original Agreement period.

XV. RIGHT TO ASSURANCE

If the AZDOHS in good faith has reason to believe that the subrecipient does not intend to, or is unable to perform or continue performing under this Agreement, the AZDOHS may demand in writing that the subrecipient give a written assurance of intent to perform. If the subrecipient fails to provide written assurance within the number of days specified in the demand, the AZDOHS at its option, may terminate this Agreement.

XVI. CANCELLATION FOR CONFLICT OF INTEREST

The AZDOHS may, by written notice to the subrecipient, immediately cancel this Agreement without penalty or further obligation pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement

on behalf of the State or its subdivisions (unit of Local Government) is an employee or agent of any other party in any capacity or a consultant to any other party to the Agreement with respect to the subject matter of the Agreement. Such cancellation shall be effective when the parties to the Agreement receive written notice from the AZDOHS, unless the notice specifies a later time.

XVII. THIRD PARTY ANTITRUST VIOLATIONS

The subrecipient assigns the State of Arizona any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to subrecipient toward fulfillment of this Agreement.

XVIII. AVAILABILITY OF FUNDS

Every payment obligation of the AZDOHS under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If the funds are not allocated and available for the continuance of this Agreement, the AZDOHS may terminate this Agreement at the end of the period for which funds are available. No liability shall accrue to the AZDOHS in the event this provision is exercised, and the AZDOHS shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph, including purchases and/or contracts entered into by the subrecipient in the execution of this Agreement.

XIX. FORCE MAJEURE

If either party hereto is delayed or prevented from the performance of any act required in this Agreement by reason of acts of God, strikes, lockouts, labor disputes, civil disorder, or other causes without fault and beyond the control of the party obligated, performance of such act will be excused for the period of the delay.

XX. PARTIAL INVALIDITY

Any term or provision of this Agreement that is hereafter declared contrary to any current or future law, order, regulation, or rule, or which is otherwise invalid, shall be deemed stricken from this Agreement without impairing the validity of the remainder of this Agreement.

XXI. ARBITRATION

In the event of any dispute arising under this Agreement, written notice of the dispute must be provided to the other party within thirty (30) days of the events giving the rise to the dispute. The subrecipient agrees to terms specified in A.R.S. § 12-1518.

XXII. GOVERNING LAW AND CONTRACT INTERPRETATION

a) This Agreement shall be governed and interpreted in accordance with the laws of the State of Arizona.

b) This Agreement is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms in this document.

c) Either party's failure to insist on strict performance of any term or condition of the Agreement shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object.

XXIII. ENTIRE AGREEMENT

This Agreement and its Exhibits constitute the entire Agreement between the parties hereto pertaining to the subject matter hereof and may not be changed or added to except by a writing signed by all parties hereto in conformity with Paragraph X, REPORTING REQUIREMENTS; provided; however, that the AZDOHS shall have the right to immediately amend this Agreement so that it complies with any new legislation, laws, ordinances, or rules affecting this Agreement. The subrecipient agrees to execute any such amendment within ten (10) business days of its receipt. All prior and contemporaneous agreements, representations, and understandings of the parties, oral, written, pertaining to the subject matter hereof, are hereby superseded or merged herein.

XXIV. RESTRICTIONS ON LOBBYING

The subrecipient shall not use funds made available to it under this Agreement to pay for, influence, or seek to influence any officer or employee of a State or Federal government.

XXV. LICENSING

The subrecipient, unless otherwise exempted by law, shall obtain and maintain all licenses, permits, and authority necessary to perform those acts it is obligated to perform under this Agreement.

XXVI. NON-DISCRIMINATION

The subrecipient shall comply with all State and Federal equal opportunity and non-discrimination requirements and conditions of employment, including the Americans with Disabilities Act, in accordance with A.R.S. title 41, Chapter 9, Article 4 and Executive Order2009-09.

XXVII. SECTARIAN REQUESTS

Funds disbursed pursuant to this Agreement may not be expended for any sectarian purpose or activity, including sectarian worship or instruction in violation of the United States or Arizona Constitutions.

XXVIII. SEVERABILITY

The provisions of this Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Agreement.

XXIX. ADVERTISING AND PROMOTION OF AGREEMENT

The subrecipient shall not advertise or publish information for commercial benefit concerning this Agreement without the written approval of the AZDOHS.

XXX. OWNERSHIP OF INFORMATION, PRINTED AND PUBLISHED MATERIAL

The AZDOHS reserves the right to review and approve any publications funded or partially funded through this Agreement. All publications funded or partially funded through this Agreement shall recognize the AZDOHS and the U.S. Department of Homeland Security. The U.S. Department of Homeland Security and the AZDOHS shall have full and complete rights to reproduce, duplicate, disclose, perform, and otherwise use all materials prepared under this Agreement.

The subrecipient agrees that any report, printed matter, or publication (written, visual, or sound, but excluding press releases, newsletters, and issue analyses) issued by the subrecipient describing programs or projects funded in whole or in part with Federal funds shall contain the following statement:

"This document was prepared under a grant from U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of the U.S. Department of Homeland Security."

The subrecipient also agrees that one copy of any such publication, report, printed matter, or publication shall be submitted to the AZDOHS to be placed on file and distributed as appropriate to other potential sub-recipients or interested parties. The AZDOHS may waive the requirement for submission of any specific publication upon submission of a request providing justification from the subrecipient.

The AZDOHS and the subrecipient recognize that research resulting from this Agreement has the potential to become public information. However, prior to the termination of this Agreement, the subrecipient agrees that no research-based data resulting from this Agreement shall be published or otherwise distributed in any form without express written permission from the AZDOHS and possibly the U.S. Department of Homeland Security. It is also agreed that any report or printed matter completed as a part of this agreement is a work for hire and shall not be copyrighted by the subrecipient.

XXXI. CLOSED-CAPTIONING OF PUBLIC SERVICE ANNOUNCEMENTS

Any television public service announcement that is produced or funded in whole or in part by the subrecipient shall include closed captioning of the verbal content of such announcement.

XXXII. INDEMNIFICATION

To the extent permitted by law, each party (as indemnitor) agrees to indemnify, defend and hold harmless the other party (as indemnitee) from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as claims) arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

XXXIII. TERMINATION

a) All parties reserve the right to terminate the Agreement in whole or in part due to the failure of the subrecipient or the grantor to comply with any term or condition of the Agreement, to acquire and maintain all required insurance policies, bonds, licenses and permits or to make satisfactory progress in performing the Agreement. The staff of either party shall provide a written thirty (30) day advance notice of the termination and the reasons for it.

b) If the subrecipient chooses to terminate the contract before the grant deliverables have been met then the AZDOHS reserves the right to collect all reimbursements distributed to the subrecipient.

c) The AZDOHS may, upon termination of this Agreement, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Agreement. The subrecipient shall be liable to the AZDOHS for any excess costs incurred by the AZDOHS in procuring materials or services in substitution for those due from the subrecipient.

XXXIV. CONTINUATION OF PERFORMANCE THROUGH TERMINATION

The subrecipient shall continue to perform, in accordance with the requirements of the Agreement, up to the date of termination, as directed in the termination notice.

XXXV. PARAGRAPH HEADINGS

The paragraph headings in this Agreement are for convenience of reference only and do not define, limit, enlarge, or otherwise affect the scope, construction, or interpretation of this Agreement or any of its provisions.

XXXVI. COUNTERPARTS

This Agreement may be executed in any number of counterparts, copies, or duplicate originals. Each such counterpart, copy, or duplicate original shall be deemed an original, and collectively they shall constitute one agreement.

XXXVII. AUTHORITY TO EXECUTE THIS AGREEMENT

Each individual executing this Agreement on behalf of the subrecipient represents and warrants that he or she is duly authorized to execute this Agreement.

XXXVIII. SPECIAL CONDITIONS

a) The subrecipient must comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit requirements

b) The subrecipient acknowledges that U.S. Department of Homeland Security and the AZDOHS reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and authorize others to use, for Federal government purposes: (a) the copyright in any work developed under an award or sub-award; and (2) any rights of copyright to which a subrecipient purchases ownership with Federal support. The subrecipient shall consult with the AZDOHS regarding the allocation of any patent rights that arise from, or are purchased with, this funding.

c) The subrecipient agrees that, when practicable, any equipment purchased with grant funding shall be prominently marked as follows: **"Purchased with funds provided by the U.S. Department of Homeland Security."**

d) The subrecipient agrees to cooperate with any assessments, state/national evaluation efforts, or information or data collection requests, including, but not limited to, the provision of any information required for the assessment or evaluation of any activities within this agreement.

e) The subrecipient is prohibited from transferring funds between programs (State Homeland Security Program, Urban Area Security Initiative, Citizen Corps Program, Operation Stonegarden, and Metropolitan Medical Response System).

XXXIX. NOTICES

Any and all notices, requests, demands, or communications by either party to this Agreement, pursuant to or in connection with this Agreement shall be in writing be delivered in person or shall be sent to the respective parties at the following addresses:

Arizona Department of Homeland Security
1700 West Washington, Suite 210
Phoenix, AZ 85007

The subrecipient shall address all programmatic notices relative to this Agreement to the appropriate the AZDOHS staff; contact information at www.azdohs.gov.

The subrecipient shall submit reimbursement requests relative to this Agreement to the appropriate the AZDOHS staff; contact information at www.azdohs.gov

The AZDOHS shall address all notices relative to this Agreement to:

Commander Jason Larter
Enter Title, First & Last Name above
Oro Valley Police Department
Enter Agency Name above
11000 N. La Canada Drive
Enter Street Address
Oro Valley, AZ 85737
Enter City, State, ZIP

XXXX. IN WITNESS WHEREOF

The parties hereto agree to execute this Agreement.

FOR AND BEHALF OF THE

Oro Valley Police Department
Enter Agency Name above

Authorized Signature above
Dr. Satish I. Hiremath
Print Name & Title above

Enter Date above

FOR AND BEHALF OF THE

Arizona Department of Homeland Security

Gilbert M. Orrantia
Director

Date

(Please be sure to complete and mail two original documents to the Arizona Department of Homeland Security.)

FOR AND BEHALF OF THE

Town of Oro Valley Police Department

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Town Rosen, Town Attorney

Date: _____

Item #: 1. H.

TC Regular Session

Date: 12/01/2010

Submitted By: David Parker, Development Infrastructure Services

Department: Development Infrastructure Services

Information

SUBJECT:

Resolution No. (R)10-86 Authorizing and Approving an Amendment to the Intergovernmental Agreement Between the Town of Oro Valley and the Pima County Regional Flood Control District Extending the IGA for the Lomas de Oro Wash Channelization Project and the Oro Valley Estates Drainage Improvement Project (Phase II) an Additional Year to December 31, 2011

SUMMARY:

The subject IGA was originally executed between Pima County and Oro Valley in November 2009 with an expiration date of December 31, 2010. Due to delays in the Lomas De Oro Wash Channelization Project, this IGA needs to be extended for one year. The project was advertised for bid on November 19, 2010 but will not be completed prior to the original expiration date. The Pima County Regional Flood Control District concurs with this extension.

DISCUSSION:

The subject IGA was established to fund two Stormwater projects within Oro Valley. The first project for drainage improvements in the Oro Valley Estates Subdivision has been successfully completed within the time frame of the IGA and all reimbursements have been requested and received from Pima County. The second project is to provide the 10% local funding match for the $1.85 million FEMA Lomas De Oro Wash Channelization Project. Staff has been working diligently with the affected residents in the project area on issues relating to the granting of drainage easements to support the project. All issues have been resolved and approval of the required drainage easements are also on the Council agenda for approval tonight. Since resolving resident issues has taken longer than expected, a one year extension to this IGA is being requested. The project has been advertised for bid on November 19, 2010 and the estimated award date is December 17, 2010. The amended IGA is tentatively scheduled to be presented to the Board of Supervisors on December 14, 2010. The project's estimated completion date is May 16, 2011.

FISCAL IMPACT:

There will be no fiscal impact to the Town if the IGA extension is approved. If the IGA extension is not approved, the Town of Oro Valley will be required to provide the 10% local match share for the $1.85 million FEMA Lomas De Oro Wash Channelization Project.

CONCLUSION/RECOMMENDATION:

Staff recommends Council approval of the amended IGA extending the expiration date to December 31, 2011.

SUGGESTED MOTION:

I move to adopt Resolution No. (R) 10-86, Amending the IGA Between the Town of Oro Valley and the Pima County Regional Flood Control District Extending the IGA for the Lomas de Oro Wash Channelization Project and the Oro Valley Estates Drainage Improvement Project (Phase II) an Additional Year to December 31, 2011.

Attachments

Link: Resolution 10-86

Link: Amended IGA

RESOLUTION NO. (R) 10-86

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY AND THE PIMA COUNTY REGIONAL FLOOD CONTROL DISTRICT EXTENDING THE IGA FOR THE LOMAS DE ORO WASH CHANNELIZATION PROJECT AND THE ORO VALLEY ESTATES DRAINAGE IMPROVEMENT PROJECT (PHASE II) AN ADDITIONAL YEAR TO DECEMBER 31, 2011

WHEREAS, the Town of Oro Valley is a political subdivision of the State of Arizona vested with all associated rights, privileges and benefits and is entitled to the immunities and exemptions granted municipalities and political subdivisions under the Constitution and laws of the State of Arizona and the United States; and

WHEREAS, pursuant to A.R.S. § 11-952, the Town of Oro Valley is authorized to enter into or renew agreements for joint and cooperative action with other public agencies; and

WHEREAS, pursuant to A.R.S. § 48-3606(C)(3), the Pima County Regional Flood Control District ("District") is authorized to contract and join with any other flood control district, municipality, political subdivision or governmental agency in acquiring, constructing, maintaining and operating flood control works; and

WHEREAS, on October 21, 2009, Mayor and Council approved Resolution No. 09-69, approving an Intergovernmental Agreement between the Pima County Regional Flood Control District and the Town to set forth the terms and conditions for the construction of the Lomas de Oro Wash Channelization Project and the Oro Valley Estates Improvement Project (Phase II); and

WHEREAS, as the projects have been significantly delayed, the Town of Oro Valley and the Pima County Regional Flood Control District desire to extend the IGA for the Lomas De Oro Wash Channelization Project and the Oro Valley Estates Drainage Improvement Project (Phase II) an additional year to December 31, 2011

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, Arizona, that:

1. The Amendment to the Intergovernmental Agreement, attached hereto as Exhibit "A" and incorporated herein by this reference, between the Town of Oro Valley and the Pima County Regional Flood Control District to extend the IGA for the Lomas De Oro Wash Channelization Project and the Oro Valley Estates Drainage Improvement Project (Phase II) an additional year to December 31, 2011 is hereby authorized and approved.

2. The Mayor and any other administrative officials are hereby authorized to take such steps as necessary to execute and implement the terms of the Intergovernmental Agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona, this 1st day of December, 2010.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

_____
Date

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

_____
Date

EXHIBIT “A”

INTERGOVERNMENTAL AGREEMENT **No. 01-59-O-142465-1109** **Between the PIMA COUNTY FLOOD CONTROL DISTRICT AND THE TOWN OF ORO VALLEY** **PROJECT NAME: Lomas de Oros Wash Channelization Project and the Oro Valley Estates Drainage Improvement Plan** **Amendment Number: One (1)** **FUNDING:** Flood Control District: Tax Levy **District: 1**	(STAMP HERE)

ORIG. TERM: 11/24/2009 to 12/31/2010
AMENDED TERM: 11/24/2009 to 12/31/2011

ORIG. AMOUNT: $485,000.00
AMENDED AMOUNT: No Change

AMENDMENT No. 1

WHEREAS, the Flood Control District (District) and the Town of Oro Valley entered into an intergovernmental agreement to fund the Lomas de Oro Wash Channelization Project and the Oro Valley Estates Drainage Improvement Project (Phase II) ("the Project"), recorded at the Pima County Recorder, Docket 13691 Page 898, November 24, 2009, and

WHEREAS, the original term of the agreement was from November 24, 2009 to December 31, 2010, and

WHEREAS, the Town has completed the Oro Valley Estates Drainage Improvement Project (Phase II) but requires additional time to finish the Lomas de Oro Wash Channelization Project by extending the termination date of this contract to December 31, 2011,and

WHEREAS, the parties are authorized by A.R.S. § 11-952 to enter into or renew agreements for joint and cooperative action with other public agencies, and

WHEREAS, the District and the Town of Oro Valley agree that the term of the original agreement should be modified to extend the termination date on this agreement to December 31, 2011, and

WHEREAS, the Town has submitted invoices in the total amount of $250,357.86, leaving the sum of $234,642.14 available for completion of the project,

NOW, THEREFORE, Agreement Number 01-59-O-142465-1109 is hereby modified as follows:

CHANGE: SECTION 5. EFFECTIVE DATE AND DURATION OF AGREEMENT

From: "5.1 This agreement shall remain in effect during construction of the Project through completion of the final accounting, payments and certification by District, but in no event shall this agreement be effective beyond December 31, 2010."

To: "5.1 This agreement shall remain in effect during construction of the Project through completion of the final accounting, payments and certification by District, but in no event shall this agreement be effective beyond **December 31, 2011**."

This Amendment shall be effective upon execution of all parties.

All other provisions of the Agreement, not specifically changed by this Amendment, shall remain in full force and effect and shall be binding upon the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

TOWN OF ORO VALLEY

_____

Mayor Date

ATTEST:

_____

City Clerk Date

Approved as to form:

_____

City Attorney Date

PIMA COUNTY REGIONAL FLOOD CONTROL DISTRICT

_____

Chair, Board of Directors Date

ATTEST:

_____

Clerk of the Board Date

Approved as to form:

8 Nov 2010

Deputy County Attorney Date

Item #: 1. I.

TC Regular Session

Date: 12/01/2010

Submitted By: David Parker, Development Infrastructure Services

Department: Development Infrastructure Services

Information

SUBJECT:

Resolution No. (R)10-87 Authorizing and Approving Drainage Easements Between the Town of Oro Valley and Nine Homeowners Along Lomas de Oro Wash for the Federal Emergency Management Agency (FEMA) Channel Drainage Improvement Project

SUMMARY:

The Lomas De Oro Wash Channel Drainage Improvement Project includes the repair and mitigation of one half mile of channel banks along this wash and replacement of a wash dip crossing on Lucero Road with an all weather box culvert crossing. The existing drainage easement was established in 1967 and varies in width from 16 to 32 feet. Because this wash has meandered over time, the existing easement is no longer adequate for maintenance or for the construction of the proposed improvements. In order to support this project, the drainage easements are being revised to address the channel dimensions and improvements after the construction is complete. Nine (9) separate properties exist in the project area and new modified easements for each property were coordinated with, and signed by, each property owner. If approved by Council, the new drainage easements will be recorded prior to contract award on or about December 17, 2010.

DISCUSSION:

The Lomas De Oro Wash channelization project is in response to the damage that occurred in this wash, and at the wash crossing on Lucero Road , during the severe monsoon floods of 2006. Under a Presidential Disaster declaration, FEMA approved this $1,850,000 project to repair and improve the wash against future flooding events. The project will provide the residents of the Lomas De Oro Subdivision with a new all-weather crossing on Lucero Road and one-half mile of bank protection for the 100 year flood event. The project has been advertised for bid on November 17, 2010 and is anticipated to be awarded on December 17, 2010. Construction is scheduled to begin in mid January, 2011 and project completion is anticipated for May, 2011. All residents with properties within the construction area have been informed, concur with the project, and have signed new drainage easements required for the project.

FISCAL IMPACT:

There is no fiscal impact. Project costs are 100% reimbursable from the following funds: FEMA (75%), Arizona Department of Emergency Management (15%) and the Pima County Regional Flood Control District (10%). It is anticipated that Town maintenance efforts will be reduced upon completion of the project.

CONCLUSION/RECOMMENDATION:

Staff recommends Council approval of the revised drainage easements between the Town of Oro Valley and the nine affected homeowners in order to support the Lomas De Oro Wash Channel Drainage Improvement Project.

SUGGESTED MOTION:

I MOVE to adopt Resolution No. (R)10-87 Authorizing and Approving Drainage Easements Between the Town of Oro Valley and Nine Homeowners Along Lomas de Oro Wash for the Federal Emergency Management Agency (FEMA) Channel Drainage Improvement Project.

Attachments

Link: Drainage Eastments
Link: Resolution
Link: Project Index Sheet

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Albert L. Blankenship, Jr. and Rebecca A. Blankenship ("Grantors") do hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantors agree that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantors.

IN WITNESS WHEREOF, Grantors have executed this easement this 26 day of Oct., 2010.

GRANTORS

By: _____
Albert L. Blankenship, Jr.

By: Rebecca A. Blankenship
Rebecca A. Blankenship

OFFICIAL SEAL
CANDY BURNS
Notary Public - State of Arizona
PIMA COUNTY
My Comm. Expires Aug. 23, 2012

State of Arizona)
) ss.
County of Pima)

On this 26th day of October, 2010, Albert L. Blankenship, Jr. and Rebecca A. Blankenship, known to me to be the persons whose name are subscribed to the within instrument, personally appeared before me and acknowledged that they executed the same for the purposes contained.

Given under my hand and seal on October 26, 2010.

Candy Burns
Notary

My Commission Expires: _____

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GRANTEE

TOWN OF ORO VALLEY

_____

Satish I. Hiremath, Mayor

ATTEST:

_____

Kathryn E. Cuvelier, Town Clerk

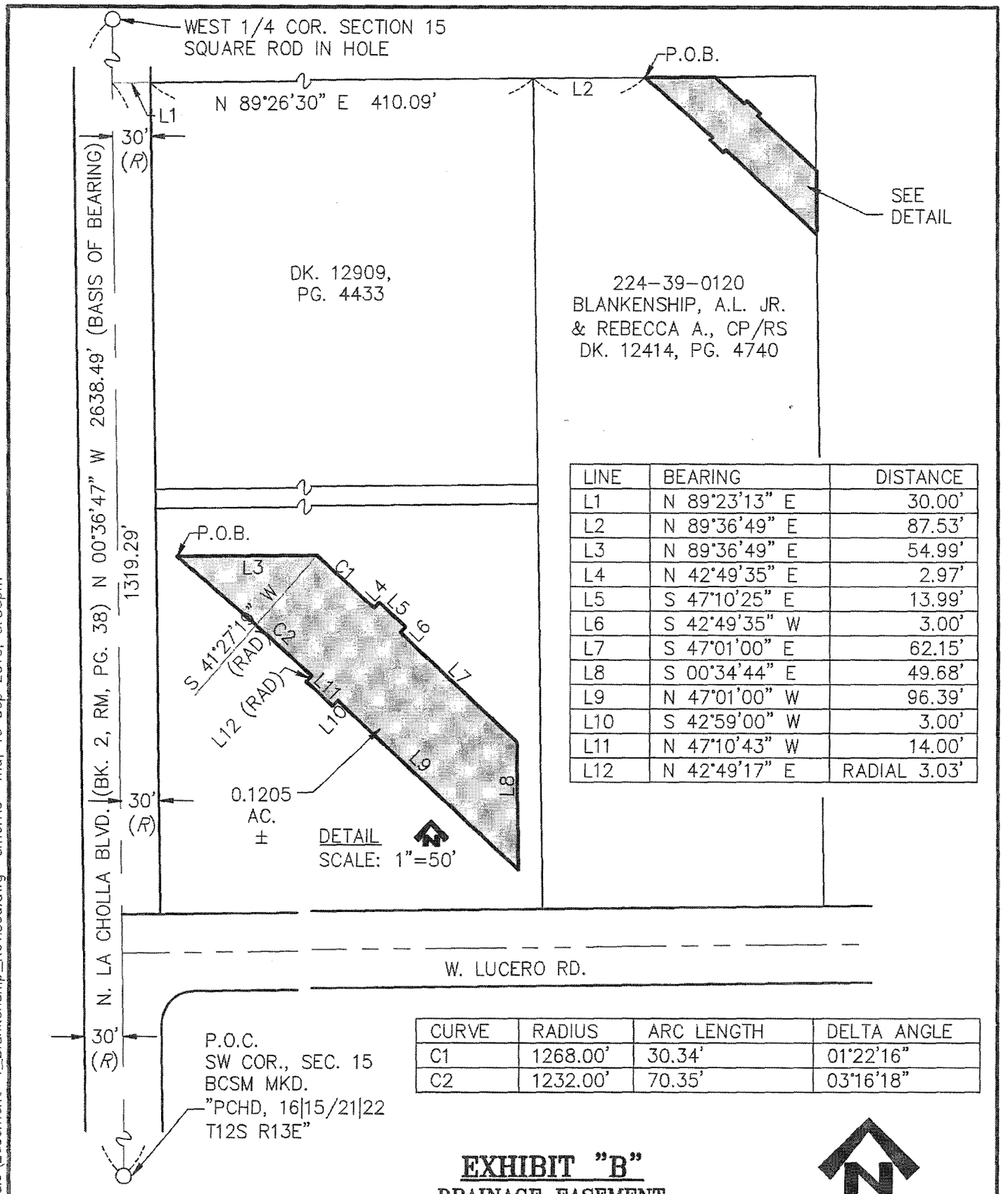
Date: _____

APPROVED AS TO FORM:

_____

Tobin Rosen, Town Attorney

Date: _____



LINE	BEARING	DISTANCE
L1	N 89°23'13" E	30.00'
L2	N 89°36'49" E	87.53'
L3	N 89°36'49" E	54.99'
L4	N 42°49'35" E	2.97'
L5	S 47°10'25" E	13.99'
L6	S 42°49'35" W	3.00'
L7	S 47°01'00" E	62.15'
L8	S 00°34'44" E	49.68'
L9	N 47°01'00" W	96.39'
L10	S 42°59'00" W	3.00'
L11	N 47°10'43" W	14.00'
L12	N 42°49'17" E	RADIAL 3.03'

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE
C1	1268.00'	30.34'	01°22'16"
C2	1232.00'	70.35'	03°16'18"

EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF THAT PROPERTY
DESCRIBED IN DK. 12414, PG. 4740
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA

SCALE: 1" = 100'

PSOMAS
800 E. Wetmore Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1290
www.psomas.com

06078-03

DATE: SEPTEMBER, 2010 ● DRAWN BY: SM

:\06078\03\Legals\Easement-4_Blankenship_Revised.dwg smorris Thu, 16 Sep 2010, 3:38pm

September 14, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of that parcel recorded in Docket 12414, Page 4740, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 1319.29 feet;

THENCE North 89 degrees 23 minutes 13 seconds East a distance of 30.00 feet to the northwest corner of that parcel recorded in Docket 12909, Page 4433, said point lying upon the easterly right of way of La Cholla Boulevard as shown on Book 2, Page 38 of Road Maps;

THENCE North 89 degrees 26 minutes 30 seconds East upon the north line of said parcel a distance of 410.09 feet to the northwest corner of that parcel recorded in Docket 12414, Page 4740;

THENCE upon the north line of said parcel, North 89 degrees 36 minutes 49 seconds East a distance of 87.53 feet to the **POINT OF BEGINNING.**

THENCE continue North 89 degrees 36 minutes 49 seconds East a distance of 54.99 feet to a point on the arc of a non-tangent curve, concave southwesterly, a radial line of said curve through said point bears South 41 degrees 27 minutes 19 seconds East;

THENCE upon said curve, to the right, having a radius of 1268.00 feet and a central angle of 01 degree 22 minutes 16 seconds, for an arc distance of 30.34 feet

THENCE North 42 degrees 49 minutes 35 seconds East a distance of 2.97 feet;

THENCE South 47 degrees 10 minutes 25 seconds East a distance of 13.99 feet;

THENCE South 42 degrees 49 minutes 35 seconds West a distance of 3.00 feet;

THENCE South 47 degrees 01 minutes 00 seconds East a distance of 62.15 feet to the east line of said parcel;

THENCE upon said east line, South 00 degrees 34 minutes 44 seconds East a distance of 49.68 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 96.39 feet;

THENCE South 42 degrees 59 minutes 00 seconds West a distance of 3.00 feet;

THENCE North 47 degrees 10 minutes 43 seconds West a distance of 14.00 feet;

THENCE North 42 degrees 49 minutes 17 seconds East a distance of 3.03 feet to a point on the arc of a non-tangent curve, concave southwesterly, a radial line of said curve through said point bears South 42 degrees 49 minutes 17 seconds West;

THENCE northwesterly upon said curve, to the left, having a radius of 1232.00 feet and a central angle of 3 degrees 16 minutes 18 seconds, for an arc distance of 70.35 feet to the **POINT OF BEGINNING**.

See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/16/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Charles K. Rex and Deanna Rex ("Grantors") do hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantors agree that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantors.

IN WITNESS WHEREOF, Grantors have executed this easement this 28 day of October, 2010.

GRANTORS

By: Charles K. Rex
Charles K. Rex

By: Deanna Rex
Deanna Rex

State of Arizona)
) ss.
County of Pima)

On this 28 day of October, 2010, Charles K. Rex and Deanna Rex, known to me to be the persons whose name are subscribed to the within instrument, personally appeared before me and acknowledged that they executed the same for the purposes contained.

Given under my hand and seal on October 28, 2010.

" OFFICIAL SEAL "
Carmen Ryan
Notary Public Arizona
Pima County
My Commission Expires 7/31/2014

Carmen Ryan
Notary

My Commission Expires: 7/31/2014

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GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

September 13, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of that parcel recorded in Docket 7513, Page 1386, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 1839.55 feet;

THENCE North 89 degrees 23 minutes 13 seconds East a distance of 30.00 feet to the northwest corner of that parcel recorded in Docket 8871, Page 2245, said point lying upon the easterly right of way of La Cholla Boulevard as shown on Book 2, Page 38 of Road Maps;

THENCE North 89 degrees 26 minutes 02 seconds East a distance of 140.97 feet upon the north line of said parcel to the **POINT OF BEGINNING**, being the northwest corner of that parcel recorded in Docket 7513, Page 1386;

THENCE upon the north line of said parcel, North 89 degrees 26 minutes 02 seconds East a distance of 31.91 feet;

THENCE South 29 degrees 55 minutes 57 seconds West a distance of 23.25 feet to a point of curvature, concave easterly;

THENCE southerly upon said curve, to the left, having a radius of 19.00 feet and a central angle of 40 degrees 07 minutes 55 seconds, for an arc distance of 13.31 feet;

THENCE South 10 degrees 11 minutes 58 seconds East a distance of 82.53 feet to a point of curvature, concave northeasterly;

THENCE southeasterly upon said curve, to the left, having a radius of 206.00 feet and a central angle of 41 degrees 17 minutes 07 seconds, for an arc distance of 148.44 feet to a point of reverse curvature, concave southwesterly;

THENCE southeasterly upon said curve, to the right, having a radius of 1270.00 feet and a central angle of 07 degrees 45 minutes 01 seconds, for an arc distance of 171.79 feet to a point of reverse curvature, concave northeasterly;

THENCE southeasterly upon said curve, to the left, having a radius of 1232.00 feet and a central angle of 08 degrees 03 minutes 17 seconds, for an arc distance of 173.20 feet to a point of reverse curvature, concave southwesterly;

THENCE southeasterly upon said curve to the right, having a radius of 1268.00 feet and a central angle of 03 degrees 14 minutes 40 seconds, for an arc distance of 71.80 feet to the south line of said parcel;

THENCE upon said south line, South 89 degrees 36 minutes 49 seconds West a distance of 27.46 feet to the southwest corner of said parcel;

THENCE upon a line common to that parcel recorded in Docket 8871, Page 2245 and Docket 7513, Page 1386, North 47 degrees 35 minutes 39 seconds West a distance of 378.47 feet to a point of curvature, concave northeasterly;

THENCE northwesterly upon said curve, to the right, having a radius of 339.20 feet and a central angle of 49 degrees 28 minutes 43 seconds, for an arc distance of 292.92 feet to the **POINT OF BEGINNING.**

See Exhibit attached hereto and made a part hereof.

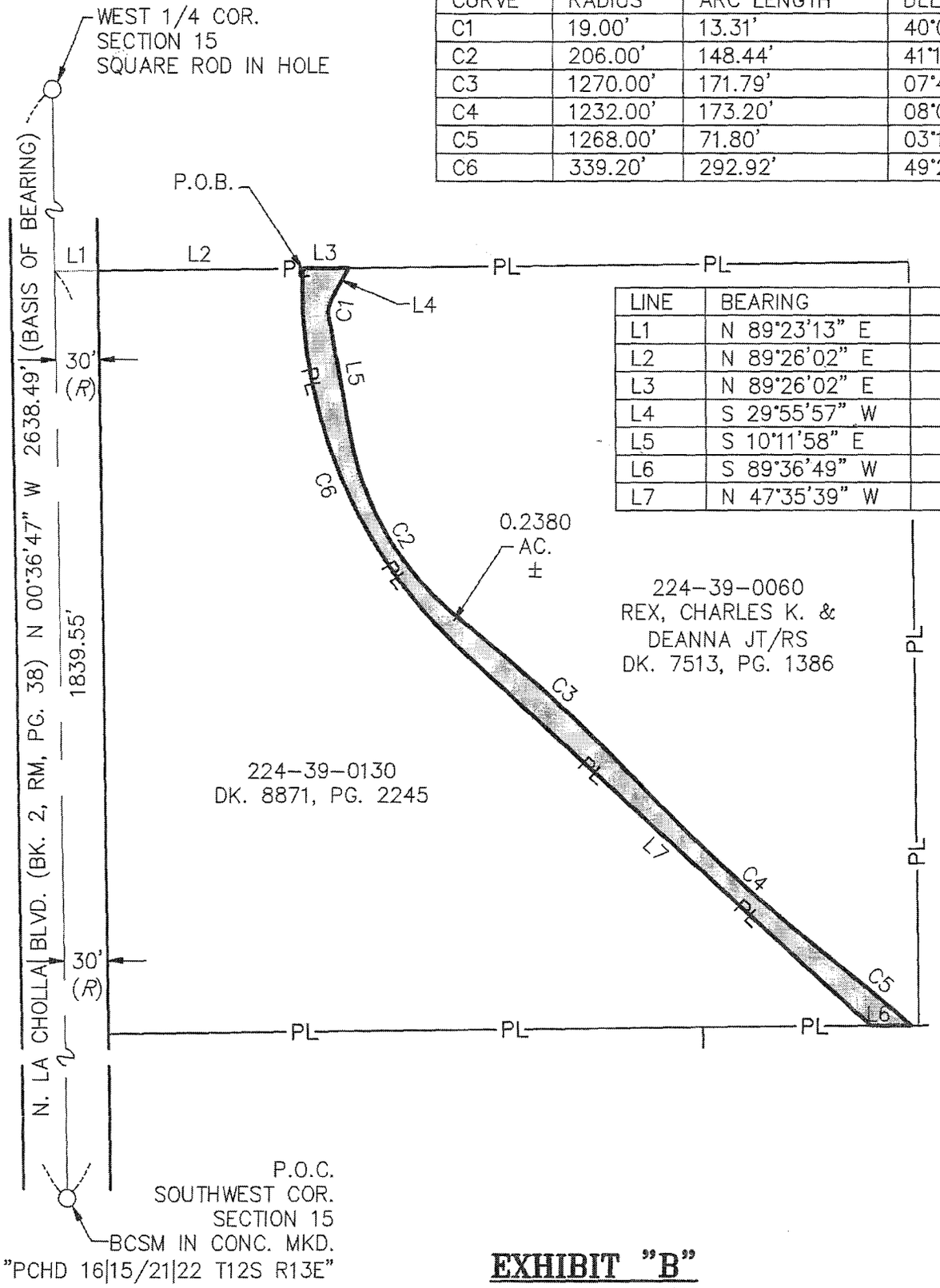
Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/16/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity

Patrick McGarrity, AZ. R.L.S. 49459

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE
C1	19.00'	13.31'	40°07'55"
C2	206.00'	148.44'	41°17'07"
C3	1270.00'	171.79'	07°45'01"
C4	1232.00'	173.20'	08°03'17"
C5	1268.00'	71.80'	03°14'40"
C6	339.20'	292.92'	49°28'43"



LINE	BEARING	DISTANCE
L1	N 89°23'13" E	30.00'
L2	N 89°26'02" E	140.97'
L3	N 89°26'02" E	31.91'
L4	S 29°55'57" W	23.25'
L5	S 10°11'58" E	82.53'
L6	S 89°36'49" W	27.46'
L7	N 47°35'39" W	378.47'

EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF THAT PARCEL
DESCRIBED IN DK. 7513, PG. 1386
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA
DATE: SEPTEMBER, 2010 • DRAWN BY: SM

SCALE: 1" = 100'

PSOMAS
800 E. Walmart Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1280
www.psomas.com

7TOV067803

:\06078\03\Legals\Easement-7_Rex_Revised.dwg smorris Thu, 16 Sep 2010, 3:29pm

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Edward A. Mendez ("Grantor") does hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantor agrees that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantor.

IN WITNESS WHEREOF, Grantors have executed this easement this 20 day of October, 2010.

GRANTOR

By: _____
Edward A. Mendez

State of Arizona)
) ss.
County of Pima)

On this 20 day of October, 2010, Edward A. Mendez, known to me to be the person whose name is subscribed to the within instrument, personally appeared before me and acknowledged that he executed the same for the purposes contained.

Given under my hand and seal on October 20, 2010.

"OFFICIAL SEAL"
Carmen Ryan
Notary Public Arizona
Pima County
My Commission Expires 7/31/2014

_____
Notary

My Commission Expires: July 31, 2014

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GRANTEE

TOWN OF ORO VALLEY

_____

Satish I. Hiremath, Mayor

ATTEST:

_____

Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____

Tobin Rosen, Town Attorney

Date: _____

September 14, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of Lot 16 as shown in Book 19 of Maps and Plats at Page 11 and recorded in Docket 9950, Page 1618, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 644.81 feet to the centerline intersection of Lucero Road as shown in Book 19 of Maps and Plats at Page 11;

THENCE upon the centerline of said Lucero Road, North 89 degrees 24 minutes 37 seconds East a distance of 659.82 feet;

THENCE perpendicular to said centerline, North 00 degrees 35 minutes 23 seconds West a distance of 29.73 feet to the northerly right-of-way of said Lucero Road and the southeast corner of that parcel recorded in Docket 12414, Page 4740, monumented by a 5/8 inch rebar;

THENCE upon the east line of said parcel, North 00 degrees 34 minutes 44 seconds West a distance of 520.33 feet to the most southerly corner of that parcel recorded in Docket 9950, Page 1618 and shown as Lot 16 in Book 19 of Maps and Plats at Page 11;

THENCE upon the west line of said Lot 16, North 00 degrees 34 minutes 44 seconds West a distance of 0.96 feet to the **POINT OF BEGINNING**.

THENCE continue upon the west line of said Lot 16, North 00 degrees 34 minutes 44 seconds West a distance of 2.95 feet;

THENCE South 47 degrees 01 minutes 00 seconds East a distance of 3.08 feet to the easterly line of said Lot 16;

THENCE upon said easterly line, South 50 degrees 49 minutes 37 seconds West a distance of 2.16 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 0.76 feet to the **POINT OF BEGINNING**.

See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/21/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459

LINE	BEARING	DISTANCE
L1	N 00°35'23" W	29.73'
L2	N 00°34'44" W	520.33'
L3	N 00°34'44" W	0.96'
L4	N 00°34'44" W	2.95'
L5	S 47°01'00" E	3.08'
L6	S 50°49'37" W	2.16'
L7	N 47°01'00" W	0.76'

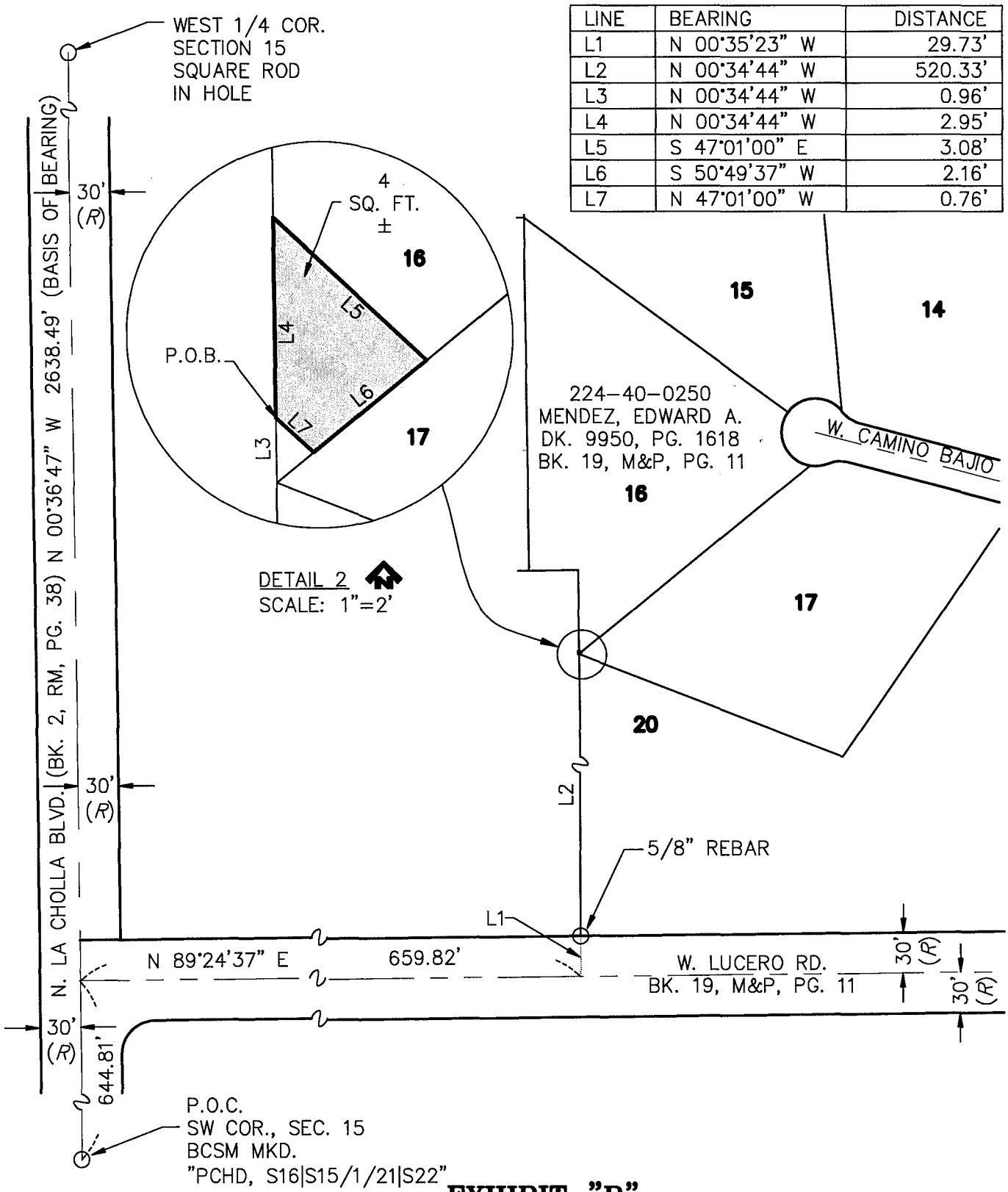

EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF LOT 16 OF LOMAS DE ORO
BOOK 19, M&P, PAGE 11, DK. 9950, PG. 1618
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA
DATE: SEPTEMBER, 2010 • DRAWN BY: SM

SCALE: 1" = 200'

PSOMAS
880 E. Wetmore Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1298
www.psomas.com

7T0V0607803

E:\06078\03\Legals\Easement-9_Mendez.dwg smorris Mon, 20 Sep 2010, 4:19pm

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Patrick C. Bush ("Grantor") does hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantor agrees that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantor.

IN WITNESS WHEREOF, Grantor has executed this easement this 21st day of October, 2010.

CHARISSA D MARTINEZ
Notary Public, State of Arizona
Pima County
My Commission Expires
July 12, 2014

GRANTOR

By: _____
Patrick C. Bush

State of Arizona)
) ss.
County of Pima)

On this 21st day of October, 2010, Patrick C. Bush, known to me to be the person whose name is subscribed to the within instrument, personally appeared before me and acknowledged that he executed the same for the purposes contained.

Given under my hand and seal on October 21, 2010.

_____
Notary

My Commission Expires: 07/12/2014

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GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

September 14, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of Lot 19 as shown in Book 19 of Maps and Plats at Page 11 and recorded in Docket 11866, Page 4194, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 644.81 feet to the centerline intersection of Lucero Road as shown in Book 19 of Maps and Plats at Page 11;

THENCE upon the centerline of said Lucero Road, North 89 degrees 24 minutes 37 seconds East a distance of 1105.00 feet;

THENCE perpendicular to said centerline, North 00 degrees 35 minutes 23 seconds West a distance of 29.86 feet to the **POING OF BEGINNING** upon the northerly right-of-way of said Lucero Road;

THENCE North 30 degrees 45 minutes 08 seconds West a distance of 69.63 feet;

THENCE North 57 degrees 19 minutes 02 seconds West a distance of 26.83 feet;

THENCE North 30 degrees 45 minutes 08 seconds West a distance of 59.57 feet;

THENCE North 58 degrees 59 minutes 07 seconds East a distance of 23.25 feet;

THENCE North 31 degrees 01 minutes 11 seconds West a distance of 52.81 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 37.71 feet to the westerly line of said parcel;

THENCE upon said westerly line, North 21 degrees 11 minutes 22 seconds East a distance of 4.99 feet;

THENCE South 47 degrees 01 minutes 00 seconds East a distance of 39.71 feet;

THENCE South 31 degrees 01 minutes 00 seconds East a distance of 216.70 feet to the northerly right-of-way of said Lucero Road;

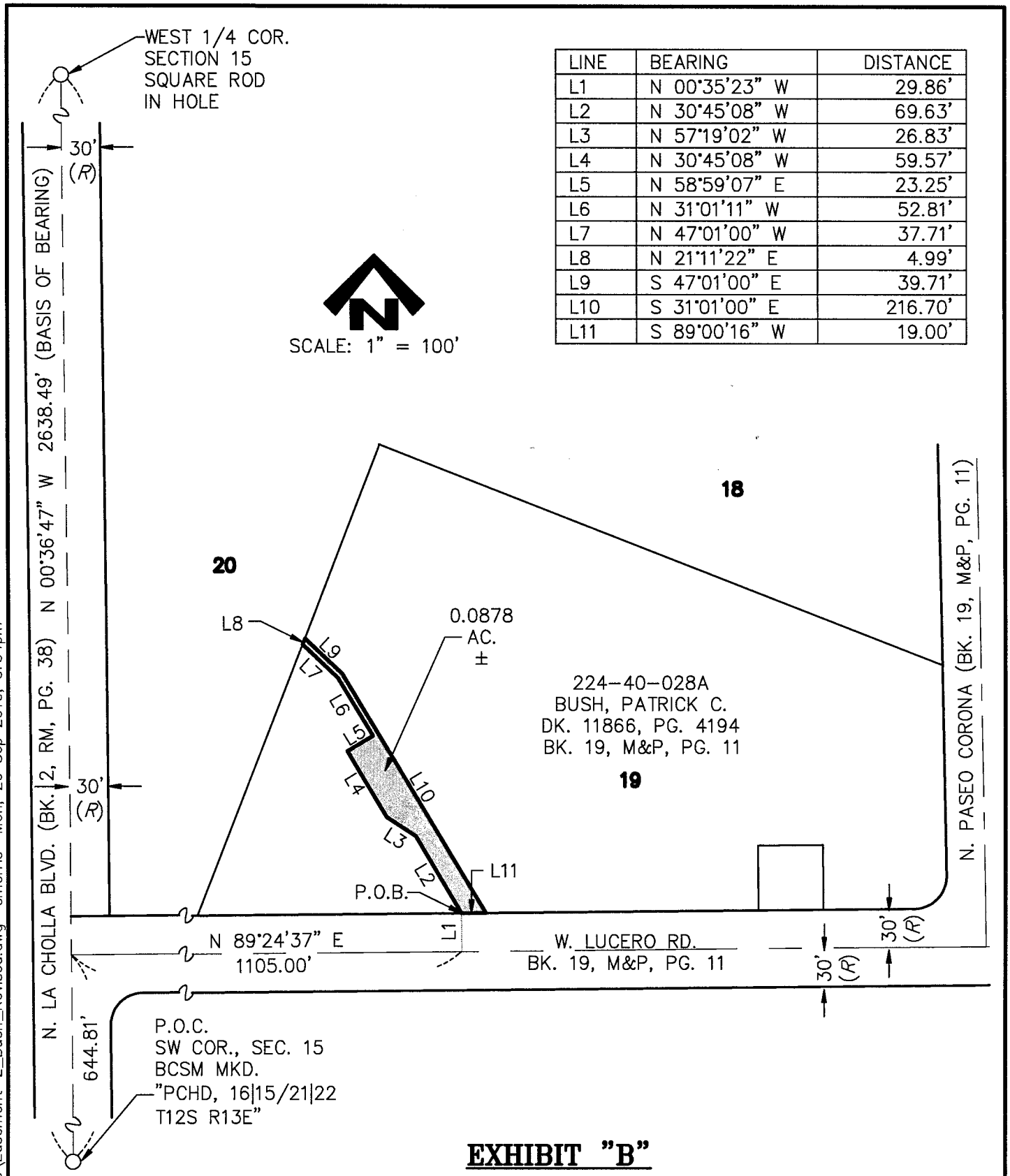
THENCE upon said right-of-way, South 89 degrees 24 minutes 22 seconds West a distance of 19.08 feet to the **POINT OF BEGINNING.**

See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/20/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459



LINE	BEARING	DISTANCE
L1	N 00°35'23" W	29.86'
L2	N 30°45'08" W	69.63'
L3	N 57°19'02" W	26.83'
L4	N 30°45'08" W	59.57'
L5	N 58°59'07" E	23.25'
L6	N 31°01'11" W	52.81'
L7	N 47°01'00" W	37.71'
L8	N 21°11'22" E	4.99'
L9	S 47°01'00" E	39.71'
L10	S 31°01'00" E	216.70'
L11	S 89°00'16" W	19.00'

EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF LOT 19 OF LOMAS DE ORO
BOOK 19, M&P, PAGE 11, DOCKET 11866, PAGE 4194
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA
DATE: SEPTEMBER, 2010 • DRAWN BY: SM

PSOMAS
800 E. Weldon Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1250
www.psomas-psomas.com

06078-03

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When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Brian K. Bryans and Margaret P. Bryans, Trustees ("Grantors") do hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel limited to drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the limited right to construct and maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantors agree that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantors.

IN WITNESS WHEREOF, Grantors have executed this easement this 12th day of October, 2010.

GRANTORS

CHARISSA D MARTINEZ
Notary Public, State of Arizona
Pima County
My Commission Expires
July 12, 2014

By: _____
Brian K. Bryans, Trustee

By: _____
Margaret P. Bryans, Trustee

State of Arizona)
) ss.
County of Pima)

On this 12th day of October, 2010, Brian K. Bryans and Margaret P. Bryans, Trustees, known to me to be the persons whose name are subscribed to the within instrument, personally appeared before me and acknowledged that they executed the same for the purposes contained.

Given under my hand and seal on October 12, 2010.

_____
Notary

My Commission Expires: July 12, 2014.

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GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

September 13, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of that parcel described in Docket 8871, Page 2245, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 1839.55 feet;

THENCE North 89 degrees 23 minutes 13 seconds East a distance of 30.00 feet to the northwest corner of said parcel, said point lying upon the easterly right of way of La Cholla Boulevard as shown on Book 2, Page 38 of Road Maps;

THENCE North 89 degrees 26 minutes 02 seconds East upon the north line of said parcel a distance of 96.83 feet to the **POINT OF BEGINNING.**

THENCE South 39 degrees 16 minutes 58 seconds East a distance of 34.05 feet to a point of curvature, concave southwesterly;

THENCE southeasterly upon said curve, to the right, having a radius of 23.50 feet and a central angle of 29 degrees 05 minutes 00 seconds, for an arc distance of 11.93 feet;

THENCE South 10 degrees 11 minutes 58 seconds East a distance of 84.10 feet to a point of curvature, concave northeasterly;

THENCE southeasterly upon said curve, to the left, having a radius of 242.00 feet and a central angle of 41 degrees 17 minutes 07 seconds, for an arc distance of 174.38 feet to a point of reverse curvature, concave southwesterly;

THENCE southeasterly upon said curve, to the right, having a radius of 1234.00 feet and a central angle of 07 degrees 45 minutes 01 seconds, for an arc distance of 166.92 feet to a point of reverse curvature, concave northeasterly;

THENCE southeasterly upon said curve, to the left, having a radius of 1268.00 feet and a central angle of 08 degrees 03 minutes 17 seconds, for an arc distance of 178.26 feet to a point of reverse curvature, concave southwesterly;

THENCE southeasterly upon said curve, to the right, having a radius of 1232.00 feet and a central angle of 01 degree 20 minutes 20 seconds, for an arc distance of 28.79 feet to the south line of said parcel;

THENCE upon said south line, North 89 degrees 36 minutes 49 seconds East a distance of 27.52 feet to the southeast corner of said parcel;

THENCE upon a line common to said parcel and that parcel recorded in Docket 7513, Page 1386, North 47 degrees 35 minutes 39 seconds West a distance of 378.47 feet to a point of curvature, concave northeasterly;

THENCE northwesterly upon said curve, to the right, having a radius of 339.20 feet and a central angle of 49 degrees 28 minutes 43 seconds, for an arc distance of 292.92 feet to the northeast corner of said parcel;

THENCE upon the north line of said parcel, South 89 degrees 26 minutes 02 seconds West a distance of 44.14 feet to the **POINT OF BEGINNING.**

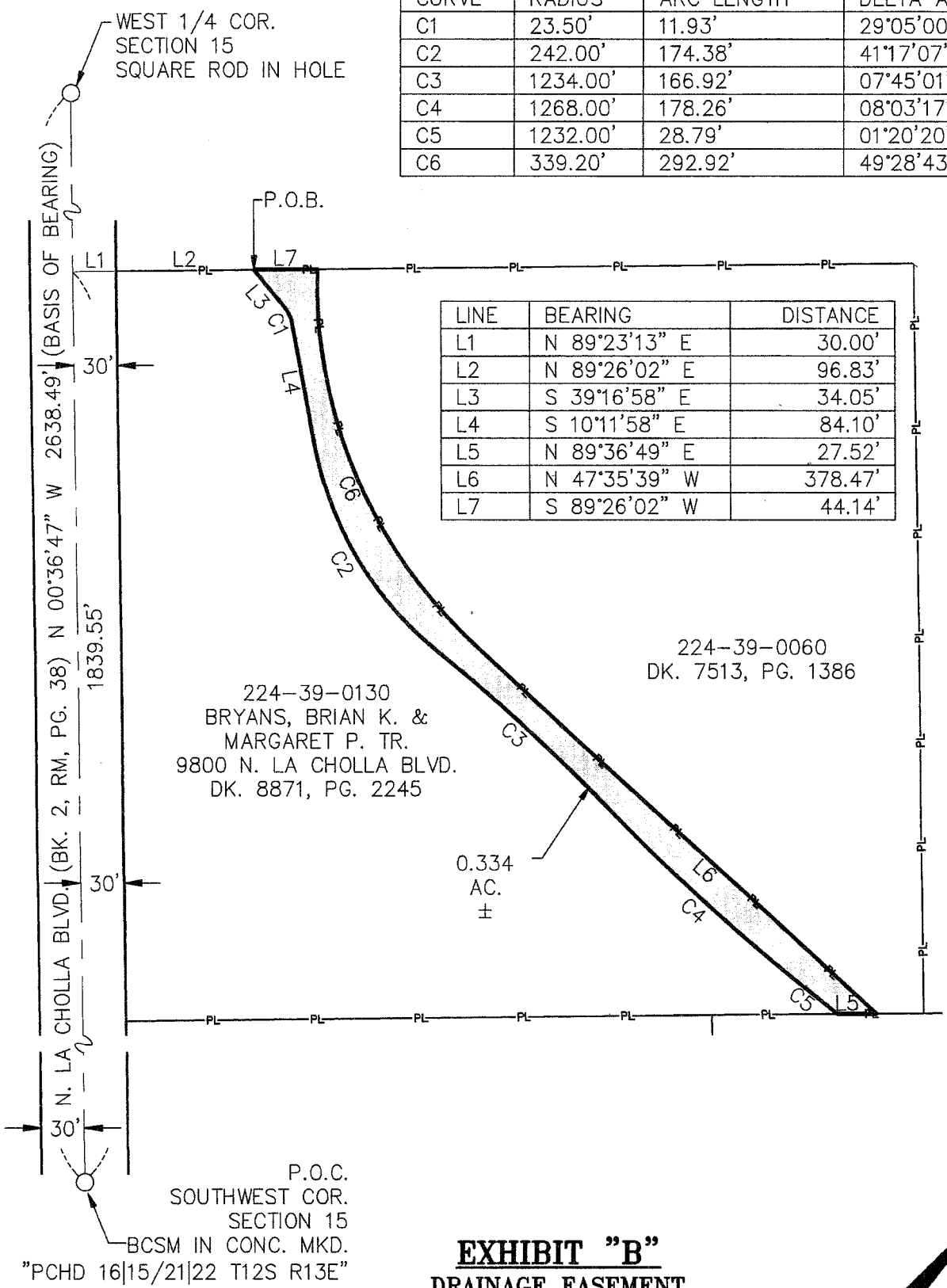
See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/16/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE
C1	23.50'	11.93'	29°05'00"
C2	242.00'	174.38'	41°17'07"
C3	1234.00'	166.92'	07°45'01"
C4	1268.00'	178.26'	08°03'17"
C5	1232.00'	28.79'	01°20'20"
C6	339.20'	292.92'	49°28'43"



LINE	BEARING	DISTANCE
L1	N 89°23'13" E	30.00'
L2	N 89°26'02" E	96.83'
L3	S 39°16'58" E	34.05'
L4	S 10°11'58" E	84.10'
L5	N 89°36'49" E	27.52'
L6	N 47°35'39" W	378.47'
L7	S 89°26'02" W	44.14'

EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF THAT PARCEL
DESCRIBED IN DK. 8871, PG. 2245
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA
DATE: SEPTEMBER, 2010 • DRAWN BY: SM

SCALE: 1" = 100'

PSOMAS
800 E. Wetmore Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1290
www.psomas.com

7TOV067803

:\06078\03\Legals\Easement-6_Bryans_Revised.dwg smorris Thu, 16 Sep 2010, 3:23pm

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Michael Polletta and Lisa Polletta ("Grantors") does hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantors agree that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantors.

IN WITNESS WHEREOF, Grantors have executed this easement this 4th day of October., 2010.

GRANTORS

By: M. Polletta
Michel Polletta

By: Lisa P. Polletta
Lisa Polletta

CHARISSA D MARTINEZ
Notary Public, State of Arizona
Pima County
My Commission Expires
July 12, 2014

State of Arizona)
) ss.
County of Pima)

On this 4th day of October, 2010, Michael Polletta and Or Polletta, known to me to be the persons whose names are subscribed to the within instrument, personally appeared before me and acknowledged that they executed the same for the purposes contained.

Given under my hand and seal on October 04., 2010.

Notary

My Commission Expires: July 12, 2014.

C:\Documents and Settings\dparker\My Documents\Lomas De Oro Easement Document - Polletta (3).doc

GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

September 14, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of Lot 20 as shown in Book 19 of Maps and Plats at Page 11 and recorded in Docket 12373, Page 4480, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 644.81 feet to the centerline intersection of Lucero Road as shown in Book 19 of Maps and Plats at Page 11;

THENCE upon the centerline of said Lucero Road, North 89 degrees 24 minutes 37 seconds East a distance of 659.82 feet;

THENCE perpendicular to said centerline, North 00 degrees 35 minutes 23 seconds West a distance of 29.73 feet to the northerly right-of-way of said Lucero Road and the southeast corner of that parcel recorded in Docket 12414, Page 4740, monumented by a 5/8 inch rebar;

THENCE upon the east line of said parcel, North 00 degrees 34 minutes 44 seconds West a distance of 520.33 feet to the northwest corner of that parcel recorded in Docket 12373, Page 4480 and shown in Book 19 of Maps and Plats at Page 11;

THENCE upon the northerly line of said parcel, South 68 degrees 34 minutes 22 seconds East a distance of 1.89 feet to the **POINT OF BEGINNING.**

THENCE South 68 degrees 34 minutes 22 seconds East a distance of 5.81 feet;

THENCE South 47 degrees 01 minutes 00 seconds East a distance of 439.51 feet to the easterly line of said parcel;

THENCE upon said easterly line, South 21 degrees 11 minutes 22 seconds West a distance of 4.86 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 258.90 feet;

THENCE North 32 degrees 58 minutes 50 seconds West a distance of 10.31 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 51.41 feet;

THENCE South 42 degrees 59 minutes 00 seconds West a distance of 3.00 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 14.00 feet;

THENCE North 42 degrees 59 minutes 00 seconds East a distance of 3.00 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 112.46 feet; to the **POINT OF BEGINNING**.

See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/20/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459

LINE	BEARING	DISTANCE
L1	N 00°35'23" W	29.73'
L2	N 00°34'44" W	520.33'
L3	S 68°34'22" E	1.89'
L4	S 68°34'22" E	5.81'
L5	S 47°01'00" E	439.51'
L6	S 21°11'22" W	4.86'
L7	N 47°01'00" W	258.90'
L8	N 32°58'50" W	10.31'
L9	N 47°01'00" W	51.41'
L10	S 42°59'00" W	3.00'
L11	N 47°01'00" W	14.00'
L12	N 42°59'00" E	3.00'
L13	N 47°01'00" W	112.46'

EXHIBIT "B-1"

DRAINAGE EASEMENT

A PORTION OF LOT 20 OF LOMAS DE ORO
BOOK 19, M&P, PAGE 11, DK. 12373, PG. 4480
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA
DATE: SEPTEMBER, 2010 • DRAWN BY: SM

PSOMAS
800 E. Wetmore Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1289
www.psomas.com

06078-03

S:\06078\03\Legals\Easement-3_Polletta_Revised.dwg mdaly Wed, 29 Sep 2010, 12:07pm

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Kenneth E. Johnson ("Grantor") does hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantor agrees that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantor.

IN WITNESS WHEREOF, Grantors have executed this easement this 6 day of OCTOBER, 2010.

GRANTOR

By: Kenneth E Johnson
Kenneth E. Johnson

State of Arizona)
) ss.
County of Pima)

CHARISSA D MARTINEZ
Notary Public, State of Arizona
Pima County
My Commission Expires
July 12, 2014

On this 6th day of OCTOBER, 2010, Kenneth E. Johnson, known to me to be the person whose name is subscribed to the within instrument, personally appeared before me and acknowledged that he executed the same for the purposes contained.

Given under my hand and seal on OCTOBER 06, 2010.

Notary

My Commission Expires: July 12, 2014

C:\Documents and Settings\dparker\Local Settings\Temporary Internet Files\OLK5\Drainage Easement - Johnson.doc

GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

September 14, 2010
Psomas # 7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of Lot 17 as shown in Book 19 of Maps and Plats at Page 11 and recorded in Docket 7317, Page 180, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15 bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet, being a square rod in a hole in the centerline of La Cholla Blvd.;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 644.81 feet to the centerline intersection of Lucero Road as shown in Book 19 of Maps and Plats at Page 11;

THENCE upon the centerline of said Lucero Road, North 89 degrees 24 minutes 37 seconds East a distance of 659.82 feet;

THENCE perpendicular to said centerline, North 00 degrees 35 minutes 23 seconds West a distance of 29.73 feet to the northerly right-of-way of said Lucero Road and the southeast corner of that parcel recorded in Docket 12414, Page 4740, monumented by a 5/8 inch rebar;

THENCE upon the east line of said parcel, North 00 degrees 34 minutes 44 seconds West a distance of 520.33 feet to the southwest corner of that parcel recorded in Docket 7317, Page 180 and shown in Book 19 of Maps and Plats at Page 11;

THENCE upon the west line of that parcel recorded in Docket 7317, Page 180, North 50 degrees 49 minutes 37 seconds East a distance of 0.70 feet to the **POINT OF BEGINNING**.

THENCE continue upon said west line, North 50 degrees 49 minutes 37 seconds East a distance of 2.16 feet;

THENCE South 47 degrees 01 minutes 00 seconds East a distance of 6.78 feet to the southerly line of said parcel;

THENCE upon said southerly line, North 68 degrees 34 minutes 22 seconds West a distance of 5.81 feet;

THENCE North 47 degrees 01 minutes 00 seconds West a distance of 1.66 feet to the **POINT OF BEGINNING**.

See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/20/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459

LINE	BEARING	DISTANCE
L1	N 00°35'23" W	29.73'
L2	N 00°34'44" W	520.33'
L3	N 50°49'37" E	0.70'
L4	N 50°49'37" E	2.16'
L5	S 47°01'00" E	6.78'
L6	N 68°34'22" W	5.81'
L7	N 47°01'00" W	1.66'

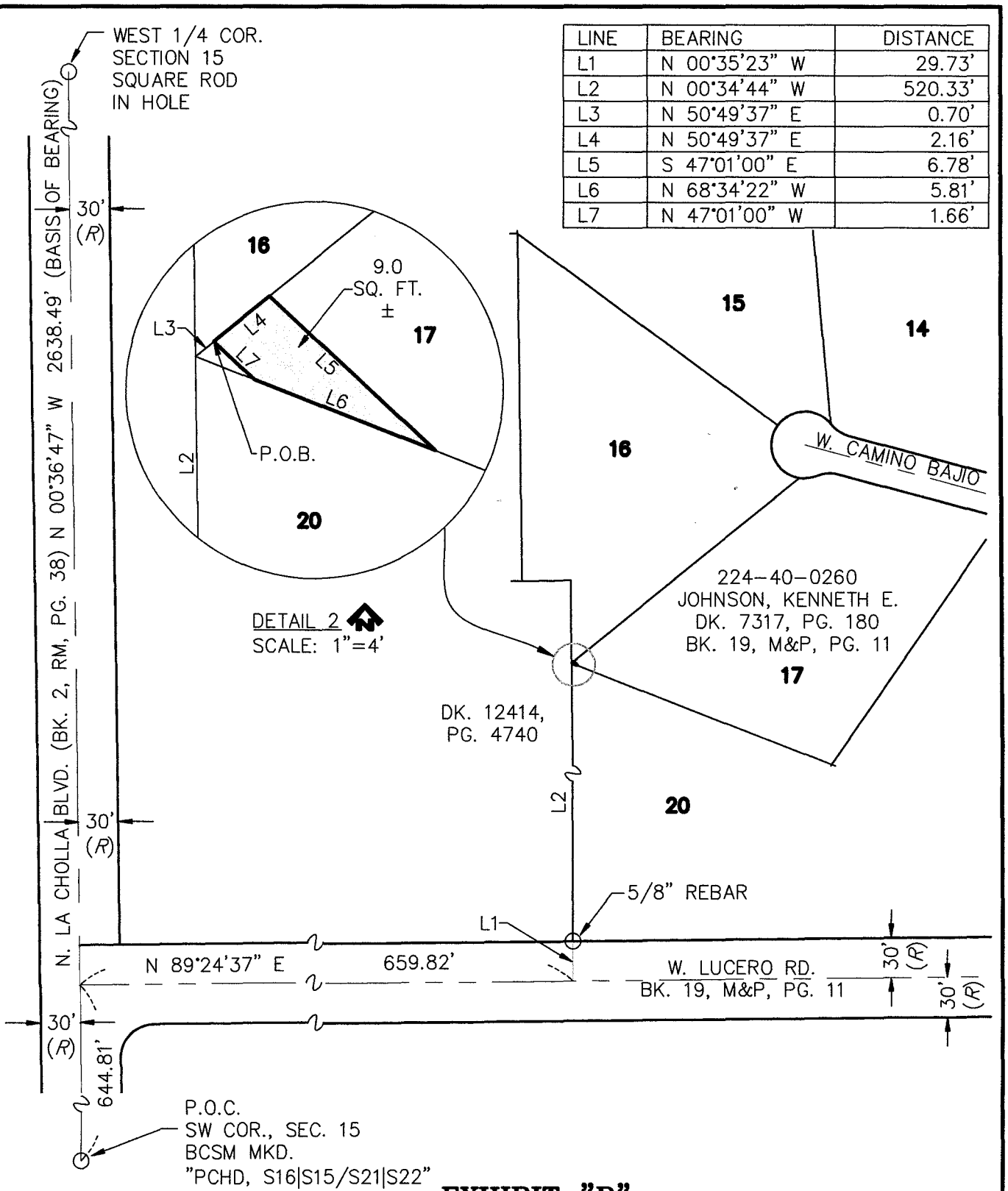


EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF LOT 17 OF LOMAS DE ORO
BOOK 19, M&P, PAGE 11, DK. 7317, PG. 180
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA
DATE: SEPTEMBER, 2010 • DRAWN BY: SM

SCALE: 1" = 200'

PSOMAS
800 E. Weldon Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1290
www.psomas.com

7TOV0607803

E:\06078\03\Legals\Easement-10_Johnson.dwg smorris Mon, 20 Sep 2010, 4:20pm

When recorded send to:
Joseph N. Andrews
Chief Civil Deputy Town Attorney
Town of Oro Valley
11000 N. La Canada Drive
Oro Valley, Arizona 85737

DRAINAGE EASEMENT

Paul F. Taylor and Hortensia M. Taylor ("Grantors") do hereby convey to the Town of Oro Valley, a municipal corporation of the State of Arizona ("Grantee"), an easement for the maintenance of a channel, including but not limited to, drainage improvements over and across the property described on the attached Exhibit "A" (the "Property").

The Grantee shall have the right to maintain improvements within the Property and to enter upon the Property for the purpose of maintaining the easement and its improvements located thereon.

Grantors agree that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantors.

IN WITNESS WHEREOF, Grantors have executed this easement this 13th day of July, 2010.

GRANTORS

By: _____
Paul F. Taylor

By: _____
Hortensia M. Taylor

"OFFICIAL SEAL"
Danielle Tanner
Notary Public-Arizona
Pima County
My Commission Expires 12/18/2010

State of Arizona)
) ss.
County of Pima)

On this 13th day of July, 2010, Paul F. Taylor and Hortensia M. Taylor, known to me to be the person whose name is subscribed to the within instrument, personally appeared before me and acknowledged that they executed the same for the purposes contained.

Given under my hand and seal on July 13, 2010.

_____
Notary

My Commission Expires: 12/18/2010

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GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

March 9, 2010
Psomas # 06078-03

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of that parcel described in Docket 9399, Page 278, Records of Pima County, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the south one-quarter corner of said Section 15, monumented by a brass disk, marked "US, GLO, 1913, S15|S22", from which the southwest corner of said section, monumented by a brass disk marked "PCHD, S16/S21|S15/S22" bears South 89 degrees 23 minutes 12 seconds West (basis of bearing for this legal description) a distance of 2639.22 feet;

THENCE upon the south line of the southwest one-quarter of said Section 15, South 89 degrees 23 minutes 12 seconds West a distance of 1319.61 feet to the west line of the southeast quarter of the southwest one-quarter of said Section 15;

THENCE upon said west line, North 00 degrees 37 minutes 06 seconds West a distance of 492.77 feet;

THENCE perpendicular to said west line, South 89 degrees 22 minutes 54 seconds West a distance of 17.38 feet to the **POINT OF BEGINNING**;

THENCE South 57 degrees 39 minutes 47 seconds West a distance of 67.23 feet;

THENCE North 36 degrees 40 minutes 59 seconds West a distance of 103.06 feet;

THENCE North 31 degrees 43 minutes 22 seconds West a distance of 85.99 feet to the southerly right-of-way of West Lucero Road as shown in Book 19 of Maps and Plats at Page 11;

THENCE upon said southerly right-of-way, North 89 degrees 24 minutes 37 seconds East a distance of 75.15 feet;

THENCE South 30 degrees 04 minutes 38 seconds East a distance of 44.53 feet;

THENCE South 38 degrees 51 minutes 22 seconds East a distance of 105.39 feet to the **POINT OF BEGINNING**.

See Exhibit B attached hereto and made a part hereof.

Containing 10,935 square feet of or 0.2386 acres of land, more or less.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 3/11/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity, AZ. R.L.S. 49459

LINE	BEARING	DISTANCE
L1	S 89°22'54" W	17.38'
L2	S 57°39'47" W	67.23'
L3	N 36°40'59" W	103.06'
L4	N 31°43'22" W	85.99'
L5	N 89°24'37" E	75.15'
L6	S 30°04'38" E	44.53'
L7	S 38°51'22" E	105.39'

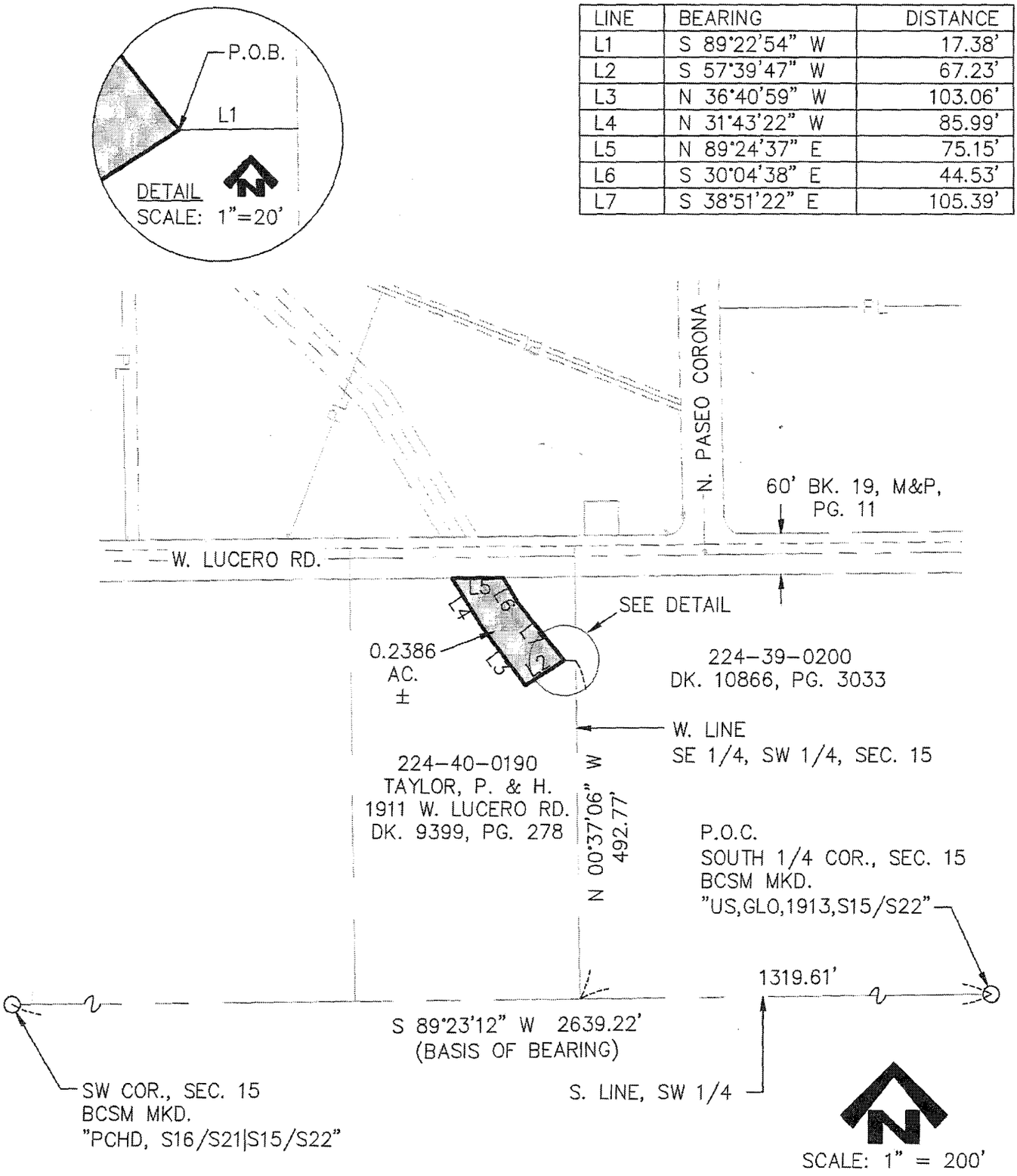


EXHIBIT "B"

DRAINAGE EASEMENT

A PORTION OF DK. 9399, PG. 278
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA

PSOMAS
800 E. Walmore Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1280
www.psomas-psomas.com

06078-03

DATE: MARCH, 2010 • DRAWN BY: SM

E:\06078\03\Legals\Easement-1.dwg smorris Thu, 11 Mar 2010, 11:01am

If at any time hereafter, said drainage-way easement is abandoned by Grantee, said parcel of property shall revert to the Grantors, or the successors in interest of the Grantors, and all right, title or claim existing by virtue of this instrument shall be extinguished.

Grantors agree that no buildings, structures, fences or trees shall be placed upon the Property and that the natural contours of the Property shall not be excavated, filled or altered without the prior written approval of the Grantee.

All grants, covenants and conditions of this easement shall inure to the benefit of and be binding upon the successors in interest to the Grantee and Grantors.

IN WITNESS WHEREOF, Grantors have executed this easement this 22 day of October, 2010.

GRANTORS

By: Ray Bauer
Ray Bauer

By: Sunya S. Bauer
Sunya S. Bauer

State of Arizona)
) ss.
County of Pima)

On this 22 day of October, 2010, Ray Bauer and Sunya S. Bauer, known to me to be the person whose name is subscribed to the within instrument, personally appeared before me and acknowledged that they executed the same for the purposes contained.
Given under my hand and seal on October 22, 2010.

Julie Smiley
Notary

My Commission Expires: August 15, 2011

Julie Smiley
Notary Public - Arizona
Pima County
My Commission Expires
August 15, 2011

GRANTEE

TOWN OF ORO VALLEY

_____
Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

September 28, 2010
Psomas #7TOV067803

EXHIBIT A
LEGAL DESCRIPTION
DRAINAGE EASEMENT

A portion of that parcel described in Docket 3435, Page 150, Records of Pima County, Arizona, located in the southwest one-quarter of Section 15, Township 12 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

COMMENCING at the southwest corner of Section 15, being a brass cap survey monument in concrete stamped "PCHD 16|15 / 21|22, T12S R13E, from which the west one-quarter corner of Section 15, being a square rod in a hole in the centerline of La Cholla Blvd, bears North 00 degrees 36 minutes 47 seconds West a distance of 2638.49 feet;

THENCE North 00 degrees 36 minutes 47 seconds West upon the west line of said southwest one-quarter a distance of 1839.55 feet;

THENCE North 89 degrees 23 minutes 13 seconds East a distance of 30.00 feet to the southwest corner of said parcel, said point lying upon the easterly right of way of La Cholla Boulevard as shown on Book 2, Page 38 of Road Maps;

THENCE upon the south line of said parcel, North 89 degrees 26 minutes 02 seconds East a distance of 96.83 feet to the **POINT OF BEGINNING**;

THENCE North 00 degrees 26 minutes 51 seconds West a distance of 18.00 feet;

THENCE North 88 degrees 18 minutes 08 seconds East a distance of 19.98 feet to a point on the arc of a non-tangent curve, concave to the southeast, a radial line of said curve through said point bears North 88 degrees 18 minutes 08 seconds East;

THENCE upon said curve, to the right, having a radius of 300.00 feet and a central angle of 40 degrees 14 minutes 27 seconds, for an arc distance of 210.70 feet to a point of reverse curvature, concave northwesterly;

THENCE upon said reverse curve, to the left, having a radius of 17.81 feet and a central angle of 43 degrees 30 minutes 31 seconds, for an arc distance of 13.52 feet;

THENCE North 04 degrees 57 minutes 57 seconds West a distance of 15.46 feet;

THENCE North 26 degrees 59 minutes 44 seconds East a distance of 18.20 feet;

THENCE South 62 degrees 28 minutes 44 seconds East a distance of 23.06 feet to a point on the arc of a non-tangent curve, concave westerly, a radial line of said curve through said point bears North 46 degrees 19 minutes 32 seconds West;

THENCE upon said curve, to the left, having a radius of 37.33 feet and a central angle of 52 degrees 51 minutes 04 seconds, for an arc distance of 34.43 feet to a line, radial to said curve;

THENCE upon said radial line, North 80 degrees 49 minutes 24 seconds East a distance of 6.50 feet to a point upon the arc of a curve, concave westerly and concentric with aforementioned curve;

THENCE upon said concentric curve, to the right, having a radius of 43.83 feet and a central angle of 30 degrees 04 minutes 40 seconds, for an arc distance of 23.01 feet to a point of cusp with a non-tangent curve, concave southeasterly, a radial line of said curve, through said point bears South 39 degrees 30 minutes 47 seconds East;

THENCE upon said curve, to the right, having a radius of 300.00 feet and a central angle of 04 degrees 28 minutes 54 seconds, for an arc distance of 23.47 feet to a line, radial to said curve;

THENCE upon said radial line, North 35 degrees 01 minutes 53 seconds West a distance of 1.50 feet to a point upon the arc of a curve, concave southeasterly and concentric with aforementioned curve;

THENCE upon said curve, to the right, having a radius of 301.50 feet and a central angle of 06 degrees 42 minutes 16 seconds, for an arc distance of 35.28 feet;

THENCE North 61 degrees 40 minutes 23 seconds East a distance of 98.80 feet to the north line of said parcel;

THENCE upon said north line, North 89 degrees 29 minutes 39 seconds East a distance of 77.50 feet;

THENCE South 61 degrees 40 minutes 23 seconds West a distance of 168.19 feet to a point of curvature, concave southeasterly;

THENCE upon said curve, to the left, having a radius of 264.00 feet and a central angle of 11 degrees 28 minutes 17 seconds, for an arc distance of 52.86feet;

THENCE South 62 degrees 41 minutes 42 seconds East a distance of 9.31 feet;

THENCE South 27 degrees 18 minutes 18 seconds West a distance of 18.45 feet;

THENCE South 76 degrees 35 minutes 01 seconds West a distance of 22.44 feet to a point of curvature, concave southeasterly;

THENCE upon said curve, to the left, having a radius of 19.84 feet and a central angle of 36 degrees 19 minutes 50 seconds, for an arc distance of 12.58 feet to a point of compound curvature, concave easterly;

THENCE upon said compound curve, to the left, having a radius of 263.76 feet and a central angle of 42 degrees 12 minutes 51 seconds, for an arc distance of 194.33 feet;

THENCE North 89 degrees 29 minutes 21 seconds East a distance of 19.74 feet;

THENCE South 01 degrees 25 minutes 11 seconds East a distance of 17.93 feet to the south line of said parcel;

THENCE upon said south line, South 89 degrees 26 minutes 02 seconds West a distance of 76.05 feet to the **POINT OF BEGINNING**.

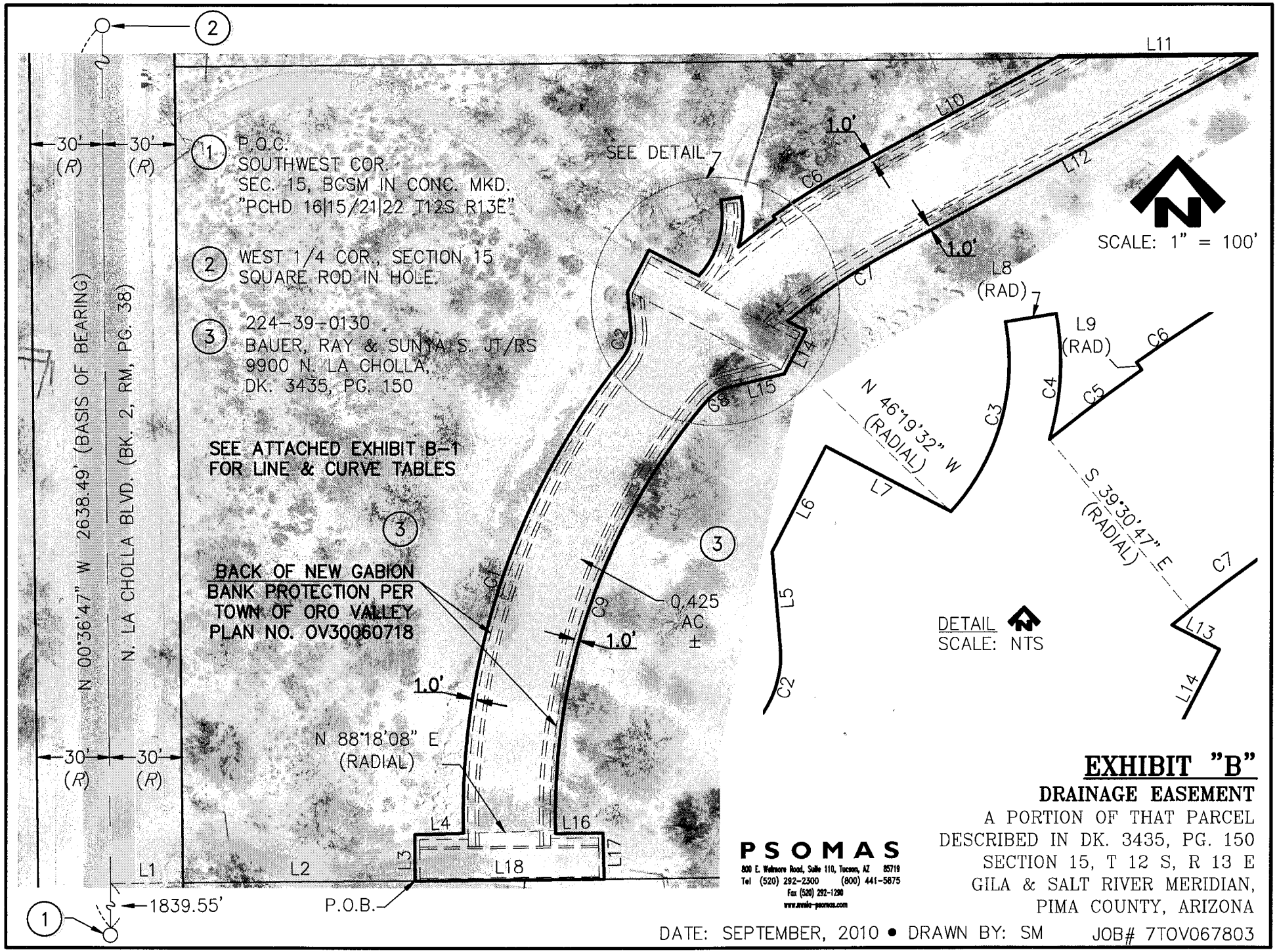
See Exhibit attached hereto and made a part hereof.

Prepared for and on behalf of:
Psomas

Registered Land Surveyor
CERTIFICATE NO.
49459
PATRICK
McGARRITY
Date Signed 9/28/10
ARIZONA U.S.A.
Expires 3/31/2012

Patrick McGarrity

Patrick McGarrity, AZ. R.L.S. 49459



C:\temp\Lomas\Easement-8_Bauer_Revised 2- Standard\Easement-8_Bauer_Revised.dwg mdaly Thu, 30 Sep 2010, 6:14am

LINE	BEARING	DISTANCE
L1	N 89°23'13" E	30.00'
L2	N 89°26'02" E	96.83'
L3	N 00°26'51" W	18.00'
L4	N 88°18'08" E	19.98'
L5	N 04°57'57" W	15.46'
L6	N 26°59'44" E	18.20'
L7	S 62°28'44" E	23.06'
L8	N 80°49'24" E	6.50'
L9	N 35°01'53" W	1.50'
L10	N 61°40'23" E	98.80'
L11	N 89°29'39" E	77.50'
L12	S 61°40'23" W	168.19'
L13	S 62°41'42" E	9.31'
L14	S 27°18'18" W	18.45'
L15	S 76°35'01" W	22.44'
L16	N 89°29'21" E	19.74'
L17	S 01°25'11" E	17.93'
L18	S 89°26'02" W	76.05'

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE
C1	300.00'	210.70'	40°14'27"
C2	17.81'	13.52'	43°30'31"
C3	37.33'	34.43'	52°51'04"
C4	43.83'	23.01'	30°04'40"
C5	300.00'	23.47'	04°28'54"
C6	301.50'	35.28'	06°42'16"
C7	264.00'	52.86'	11°28'17"
C8	19.84'	12.58'	36°19'50"
C9	263.76'	194.33'	42°12'51"

EXHIBIT "B-1"

DRAINAGE EASEMENT

A PORTION OF THAT PARCEL
DESCRIBED IN DK. 3435, PG. 150
SECTION 15, T 12 S, R 13 E
GILA & SALT RIVER MERIDIAN,
PIMA COUNTY, ARIZONA

PSOMAS
800 E. Wetmore Road, Suite 110, Tucson, AZ 85719
Tel (520) 292-2300 (800) 441-5875
Fax (520) 292-1290
www.www-psomas.com

DATE: AUGUST, 2010 • DRAWN BY: SM JOB# 7TOV067803

RESOLUTION NO. (R) 10-_____

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING DRAINAGE EASEMENTS BETWEEN THE TOWN OF ORO VALLEY AND NINE HOMEOWNERS ALONG LOMAS DE ORO WASH FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) CHANNEL DRAINAGE IMPROVEMENT PROJECT

WHEREAS, the Town of Oro Valley is a political subdivision of the State of Arizona vested with all associated rights, privileges and benefits and is entitled to the immunities and exemptions granted municipalities and political subdivisions under the Constitution and laws of the State of Arizona and the United States; and

WHEREAS, the Federal Emergency Management Agency (FEMA) approved a $1.85 million project along the Lomas De Oro Wash that includes repair and improvement of a one-half mile of channel banks along the wash; and

WHEREAS, the channel drainage improvement project along Lomas De Oro Wash is the result of damage that occurred during the monsoon floods in 2006; and

WHEREAS, the Town coordinated with the nine homeowners whose properties are along the one-half mile of channel banks in order for each homeowner to grant the Town a drainage easement which is required in order to repair and improve the channel banks along each property; and

WHEREAS, it is in the best interest of the Town to approve the Drainage Easements from the nine homeowners along the Lomas De Oro Wash in order allow the Town legal access to their properties to repair and improve the wash against future flooding events.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley that the Drainage Easements between the Town of Oro Valley and nine homeowners along the Lomas De Oro Wash, attached hereto as Exhibit "A" and incorporated herein by this reference, are hereby authorized and approved.

TOWN OF ORO VALLEY

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

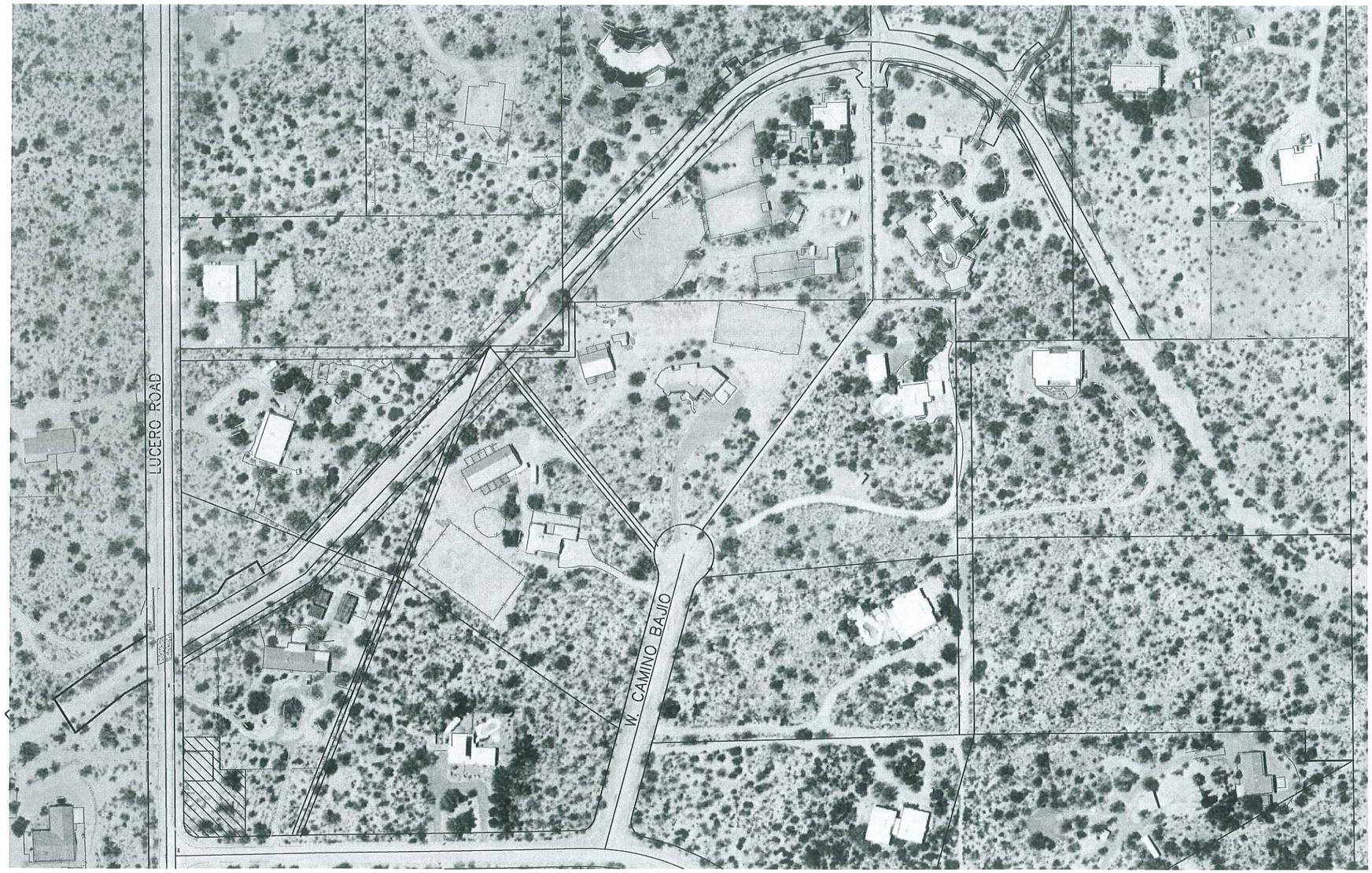
Date: _____

EXHIBIT “A’

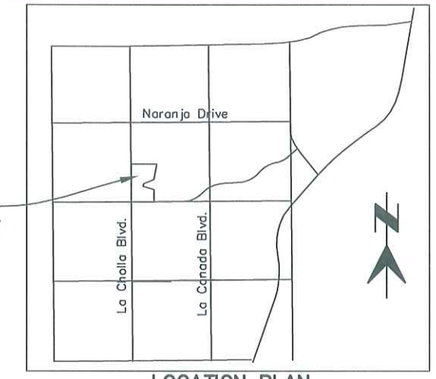
LOMAS DE ORO WASH

CHANNEL IMPROVEMENTS

JOB/ PROJECT # OV30060718



SHEET INDEX PLAN



LOCATION PLAN

Section 15, T12S R13E
G & SRB & M, PIMA COUNTY, ARIZONA
SCALE: 1"=1 MILE

N

SCALE: 1"=100'

ORO VALLEY ARIZONA FOUNDED 1974

TOWN OF ORO VALLEY COUNCIL

SATISH HIREMATH	MAYOR
WILLIAM GARNER	VICE MAYOR
JOHN HORNAT	MEMBER
BARRY GILLASPIE	MEMBER
LOU WATERS	MEMBER
MARY SNIDER	MEMBER
STEVE SOLOMON	MEMBER

CONTENTS

SHEET	DESCRIPTION
1	COVER SHEET
2	GENERAL NOTES AND SPECIFICATIONS
3	SURVEY CONTROL PLAN
4–5	TYPICAL SECTIONS AND DETAILS
6	NORTH DRIVEWAY DETAIL
7	SOUTH DRIVEWAY DETAIL
8–10	CHANNEL PLAN AND PROFILE
11–14	CROSS-SECTIONS
15–17	SWPPP PLAN SHEET

Two working days before you dig, CALL FOR THE BLUE STAKES
1-800-STAKE-IT
Blue Stake Center CALL COLLECT

SCALES:	HORIZ. 1"=100'
	VERT. N/A

DESIGNED:	MED/JO
DRAWN:	CE
CHECKED:	MED/KM
PROJ. ENG.:	MED

DATE 5/10 5/10 5/10 5/10

NO.	REVISION DESCRIPTION	DIV. ENGINEER	DATE

REGISTERED PROFESSIONAL ENGINEER (CIVIL) CERTIFICATE NO. 33984 MICHAEL E. DALY DATE SIGNED 5/5/10 ARIZONA U.S.A. EXPIRES 06/30

PSOMAS
800 E. Weltmore Road, Suite 110
Tucson, AZ 85719
(520) 292-2300 (520) 292-1290 fax
www.psomas.com

TOWN OF ORO VALLEY – PROJECT NO. OV30060718

PROJECT COVER SHEET FOR LOMAS DE ORO CHANNEL IMPROVEMENTS

Item #: 1. J.

TC Regular Session

Date: 12/01/2010

Requested by:	Kathryn Cuvelier, Town Clerk	**Submitted By:**	Kathryn Cuvelier, Town Clerk's Office
Department:	Town Clerk's Office		

Information

SUBJECT:

Amending the 2010 Town Council Liaison Assignments by adding Councilmember Mary Snider as an Alternate Liaison to the Parks & Recreation Advisory Board for Councilmember Barry Gillaspie

SUMMARY:

Councilmember Mary Snider has requested to serve as an alternate Liaison to Councilmember Gillaspie for the Parks & Recreation Advisory Board. Councilmember Gillaspie has given his second to this request.

DISCUSSION:

The Council Liaison Assignments were updated on July 7, 2010 and amended on October 20, 2010. In order to add Councilmember Snider as an alternate Liaison to Councilmember Gillaspie for the Parks & Recreation Advisory Board, it is necessary for the Mayor & Council to formally approve this request.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

N/A

SUGGESTED MOTION:

I MOVE to amend the Council Liaison Assignments by adding Councilmember Mary Snider as an Alternate Liaison to Councilmember Barry Gillaspie for the Parks & Recreation Advisory Board effective December 1, 2010 to June 30, 2011…… or I move that……..

Attachments

Link: Council Liaison Assignments

COUNCIL LIAISON ASSIGNMENTS
EFFECTIVE JULY 7, 2010 - JUNE 30, 2011
AMENDED OCTOBER 20, 2010 & *DECEMBER 1, 2010

Arts Review Commission	Lou Waters
Arroyo Grande Annexation Team	Barry Gillaspie
	Steve Solomon
	Satish Hiremath
Board of Adjustment	Barry Gillaspie
Development Review Board	Steve Solomon
Finance & Bond Committee	Bill Garner
Historic Preservation Commission	Steve Solomon
Parks & Recreation Advisory Board	Barry Gillaspie
*Parks & Recreation Advisory Board (alternate)	Mary Snider
Planning & Zoning Commission	Joe Hornat
Planning & Zoning Commission (alternate)	Barry Gillaspie
Stormwater Utility Commission	Satish Hiremath
Water Utility Commission	Barry Gillaspie
Water Utility Commission (alternate)	Joe Hornat
Outside Agencies	
Amphitheater School District	Mary Snider
Amphitheater School District (alternate)	Barry Gillaspie
Imagine Greater Tucson	Barry Gillaspie
	Lou Waters
Legislature; District 26	Joe Hornat
MTCVB	Mary Snider
Northern Pima County Chamber	Mary Snider
Northern Pima County Chamber (alternate)	Joe Hornat
Pima Association of Governments	Satish Hiremath
Pima Association of Governments (alternate)	Barry Gillaspie
Regional Transportation Authority	Satish Hiremath (PAG Representative is required to serve. No alternates allowed.)

Item #: 1. K.

TC Regular Session

Date: 12/01/2010

Submitted By: Jerene Watson, Town Manager's Office

Department: Town Manager's Office

Information

SUBJECT:

APPROVAL OF TOWN MANAGER'S ANNUAL PERFORMANCE GOALS

SUMMARY:

On November 17, 2010, the Town Council and Town Manager met to discuss the Town Manager's annual performance goals, which include the fiscal year action steps for the Town's current 2009 Strategic Plan. The performance goals and objectives were developed to reflect action steps and performance standards on organizational operations, financial management, Council relations, community relations, intergovernmental relations and professional development of the Town Manager.

DISCUSSION:

NA

FISCAL IMPACT:

NA

CONCLUSION/RECOMMENDATION:

Staff recommends approval of the FY2010/11 Town Manager Performance Goals

SUGGESTED MOTION:

I MOVE to approve the FY2010/11 Town Manager Performance Goals.

Attachments

Link: Attachment 1 - T Mgr Goal Setting

Link: Attachment 2 - T Mgr Goals Final

TOWN STRATEGIC PLAN
PERFORMANCE GOAL PLAN

October 1, 2010 - September 30, 2011

STRATEGIC PLAN FOCUS AREA A: Financial & Economic Sustainability

GOAL 1: MAINTAIN A BALANCED BUDGET

Strategy 1.1 Update and utilize the 5 year financial forecast model to continuously monitor the Town's short-term and long-term financial forecast.

Responsibility: Stacey Lemos

ACTIONS:

1.1.1 Develop monthly reports to Council on the status of revenues and expenditures with analysis of trends and projections for end of year budget picture.

1.1.2 Institute a monthly Financial Dashboard capturing revenue trends by sector through graphs and ensure its availability to the public as well as internal use by posting to the website.

1.1.3 Recommend at mid-year review the capacity to provide a cost-of-living raise to employees and an analysis of any corrective course of action to ensure a balanced budget.

1.1.4 Manage and operate departments within approved funding limits with contingency plans drafted in the event state shared revenues are swept from our budget.

Strategy 1.2 Communicate the cost of projects and services with program-based budgeting as part of an ongoing educational effort and informative format.

Responsibility: Stacey Lemos

ACTIONS:

1.2.1 Use the foundational performance measures for each department to establish a baseline for budgetary benchmarking and resource allocation decision-making.

1.2.2 Refine and adjust budget format for reader-friendly use in understanding sources of revenues and costs associated with programs.

1.2.3 Perform a cost allocation study to ensure appropriate cost recovery by the Town's general fund and highway fund for services provided to other Town funds.

1.2.4 Develop benchmark performance measures for each department that allow for analysis of the effectiveness of programs and services.

Strategy 1.3 Analyze programmatic, service delivery and personnel strategies across the organization for cost-savings and reductions.

Responsibility: Stacey Lemos

ACTIONS:

1.3.1 Maintain intent of the hiring freeze assumption and delay hiring into positions where feasible.

Responsibility: Betty Dickens

1.3.2 Implement consolidation plan for Development and Infrastructure Services and Parks, Recreation, Library & Cultural Resources through FY 2010/11 and benchmark performance measures to determine cost-savings.

Responsibility: Ainsley Legner, Suzanne Smith

1.3.3 Seek revenue-stretching opportunities such as grant-funded positions within approved staffing levels as a proactive measure so staffing does not fall below critical need levels

GOAL 2: DEVELOP A DIVERSE REVENUE STREAM

Strategy 2.1. Evaluate annexation opportunities that provide a positive cost/benefit to the Town.

Responsibility: Kevin Burke

ACTIONS:

2.1.1 Establish annexation team to put together an annexation strategy for near, mid and long-term annexation areas to present to Council in October 2010

2.1.2 Develop cost/benefit matrix on near-term annexation areas targeted for presentation to Council in March 2011.

2.1.3 Initiate annexation of Council-directed area(s) within this fiscal year.

Strategy 2.2 Present additional revenue source options for Council consideration during the FY 2011/12 budget process.

Responsibility: Stacey Lemos

ACTIONS:

2.2.1 Conduct continuous evaluation of Town's user fee policies.

2.2.2 Analyze and prepare a recommendation on an updated Parks and Recreation User Fee schedule in January 2011.

Responsibility: Ainsley Legner

2.2.3 Re-evaluate past options for revenue sources and present to Council at mid-year review.

2.2.4 Solicit and award cost allocation study for analysis of the Water Utility Department for potential increase in the General Fund from this Enterprise Fund.

Responsibility: Brian Garrity

2.2.5 Assure full participation in the U.S. Census Bureau's complete and accurate population count by working closely with the Bureau, the local community, and regional agencies such as the Pima Association of Governments to ensure public outreach, proactive education and marketing and reporting of results in February 2011.

Responsibility: Suzanne Smith

GOAL 3: ENSURE FINANCIAL RESOURCES ARE AVAILABLE TO SUPPORT THE EXPECTED LEVEL OF COMMUNITY SERVICES

Strategy 3.1 Determine and compile priorities, desires and possibilities through ongoing use of community surveys and forums

Responsibility: Stacey Lemos

ACTIONS:

3.1.1 Develop survey questions that appropriately measure community desires as applicable to each department.

Responsibility: Greg Caton

3.1.2 Develop and host an Economic Summit with key community leaders in October to gain understanding on what is working and what is not as a preliminary step in updating the Community and Economic Development Strategy (CEDS) in early 2011.

Responsibility: Amanda Jacobs

Strategy 3.2 Maintain contingency reserves in accordance with adopted Town policies

Responsibility: Stacey Lemos

ACTIONS:

3.2.1 Ensure recurring expenditures are not funded with contingency reserves or other one-time revenue sources.

Strategy 3.3 Continue to work with federal, state and regional agencies to secure funding for Town projects.

Responsibility: Jerene Watson, Kevin Burke

ACTIONS:

3.3.1 Develop and maintain a capital improvement program.

Responsibility: Stacey Lemos

3.3.2 Actively participate in the Pima Association of Governments (PAG)/Regional Transportation Authority (TIP) process.

Responsibility: Craig Civalier

GOAL 4: CULTIVATE BUSINESS RELATIONSHIPS, OPPORTUNITIES AND ENVIRONMENT

Strategy 4.1 Encourage the attraction, expansion and retention of diverse employment, retail and tourism opportunities.

Responsibility: Amanda Jacobs

ACTIONS:

4.1.1 Participate in regional goodwill/trouble-shooting efforts of city/town/county managers to reach out to large employers to ensure the corporate needs are understood and acted upon for the economic benefit of the region.

Responsibility: Jerene Watson

4.1.2 Schedule routine one-on-one meetings with developers, outside entities such as Tucson Museum of Art, C-Path, University of Arizona leaders, etc. and economic development partners to meet with the Mayor and/or Council and Manager to encourage business development within the Town.

Responsibility: Jerene Watson, Amanda Jacobs

4.1.3 Support activities and efforts of Mayor and Councilmembers in their community outreach to meet with business and civic leaders in goodwill calls, speaking engagements and presentations through facilitation and staff support in preparation activities.

Responsibility: Greg Caton

4.1.4 Evaluate incentive opportunities for high-paying, professional level jobs.

Responsibility: Greg Caton

4.1.5 Continue business retention and expansion site visits with Northern Pima County Chamber of Commerce and expand site visits to include a Councilmember as part of the team.

4.1.6 Continue to streamline and improve the review and permitting process to promote business development while maintaining community standards.

Responsibility: Suzanne Smith

4.1.7 Develop a concierge customer service program to enhance responsiveness to the development community to be implemented in the second half of the fiscal year.

Responsibility: Suzanne Smith

4.1.8 Continue Adopt a Business Program to promote safety and develop positive business relationships.

Responsibility: Danny Sharp

Strategy 4.2 Collaborate with community business leaders and regional economic development partners on partnership opportunities and collaborative projects.

Responsibility: Jerene Watson, Amanda Jacobs

ACTIONS:

4.2.1 Promote local businesses through programs such as Shop Oro Valley, Business Navigator, Buy Local, coupon or promotional activities.

4.2.2 Observe procurement practices that provide Oro Valley businesses all opportunities to compete for Town business and that promote the ideals of the Shop Oro Valley campaign.

Responsibility: Brian Garrity

4.2.3 Conduct routinely scheduled meetings with regional economic development partners to encourage idea exchange and communication and promote Oro Valley as a place to do business.

4.2.3 Maintain membership and active participation in Tucson Regional Economic Opportunities (TREO), Metropolitan Tucson Convention & Visitors Bureau (MTCVB), Metropolitan Pima Alliance (MPA), Northern Pima County Chamber of Commerce (NPCCC) and Arizona Association of Economic Developers (AAED) to keep abreast of developing needs and trends in economic development and marketing of the Town.

STRATEGIC PLAN FOCUS AREA B: Quality of Life & Environmental Sustainability

GOAL 1: PRESERVE OPEN SPACE AND PROTECT ENVIRONMENTALLY SENSITIVE LANDS

Strategy 1.1 Monitor and collaborate with other entities as appropriate on: land use, open space, water, public safety, transportation, information technology and economic development to ensure that growth and development within the Town's planning boundaries have a positive impact on quality of life.

Responsibility: Suzanne Smith

ACTIONS:

1.1.1 Partner with state and local jurisdictions to advance environmental issues through committees and task forces that are active this year such as the Pima County-Tucson Regional Water study and Neighborhood Electric Vehicle (NEV) initiative.

Responsibility: David Williams

1.1.2 Communicate to and educate the business and residential communities and the public on environmentally sensitive lands and the importance of preserving open space.

Responsibility: David Williams

Strategy 1.2 Coordinate and secure funding, either solely or in concert with other public or private entities, to identify and protect environmentally sensitive lands and open space.

Responsibility: Stacey Lemos

ACTIONS:

1.2.1 Actively represent the Town's interests in the development of future county bond packages, reporting on and tracking expenditures of existing county bond funds.

Responsibility: Ainsley Legner

1.2.2 Continue to work with federal, state and regional agencies to secure funding for Town environmental and open space projects.

Responsibility: Suzanne Smith

GOAL 2: CULTIVATE AND SUSTAIN ARCHAEOLOGICAL AND HISTORIC RESOURCES

Strategy 2.1 **Coordinate and secure funding, either solely or in concert with other public or private entities, to identify, acquire and manage archaeological, historic, cultural, library, parks and recreational assets as may be necessary to sustain, expand and diversify them.**

Responsibility: Ainsley Legner

ACTIONS:

2.1.1 Actively represent the Town's interests in the development of future county bond packages, coaching citizen representative on the committee, and monitoring the expenditure of existing county bond funds.

2.1.2 Seek grants through public and private sources for the acquisition and management of archaeological, historic, cultural, library, parks and recreation assets in the Town planning area.

Responsibility: Kevin Burke

GOAL 3: PROVIDE DIVERSE EDUCATIONAL, INFORMATIONAL AND RECREATIONAL OPPORTUNITIES

Strategy 3.1 **Develop and maintain archaeological, historic, cultural, library, parks and recreational assets.**

Responsibility: Ainsley Legner

ACTIONS:

3.1.1 Initiate Library Intergovernmental Agreement (IGA) discussions in January 2011 to the benefit of the Town.

Responsibility: Greg Caton

3.1.2 Provide management and cultural resource guidance and administrative support to the Historic Preservation Committee.

3.1.3 Provide educational, informational and recreational opportunities through Parks, Recreation, Library and Cultural Resources department joint programming, shared staff and equipment, and cross-training.

3.1.4 Parks, Recreation, Library and Cultural Resources department to coordinate with outside agencies to leverage Town resources.

3.1.5 Utilize volunteers as applicable to provide educational, informational and recreational opportunities.

3.1.6 Initiate the process for national accreditation of the PRL&CR department through the Commission for Accreditation of Parks and Recreation Agencies (CAPRA).

3.1.7 Undertake an aquatics facility feasibility study during winter of 2011 and prepare recommendation for Council based on the findings of the study for use in FY2011/12 budget.

3.1.8 Explore and prepare recommendation to Council on uses of donated funds within Naranja Park that include archery and disc golf.

3.1.9 Coordinate rehabilitation work at Steam Pump Ranch with requirements of National Registry and State Historic Preservation Office to ensure timely, responsible completion of construction by January 2011.

Responsibilities: Ainsley Legner, Suzanne Smith

Strategy 3.2 Support cultural opportunities and events.

Responsibility: Ainsley Legner

ACTIONS:

3.2.1 Provide cultural opportunities through local and regional performing and visual arts groups.

3.2.2 Explore and expand event opportunities with local and national special event coordinators and the MTCVB.

Responsibility: Ainsley Legner, Amanda Jacobs

3.2.3 Develop and implement a Special Events Permit process to create a one-stop, streamlined procedure that facilitates the customer needs and planning activities.

Responsibility: Kathi Cuvelier

GOAL 4: MAINTAIN A SAFE COMMUNITY WHERE RESIDENTS FEEL SECURE

Strategy 4.1 Maintain an efficient and effective local criminal justice system.

Responsibility: Tobin Rosen

ACTIONS:

4.1.1 Continue to ensure that prosecutions are undertaken based upon the underlying merits of the case.

4.1.2 Revisit plea standards annually to ensure that cases may be disposed of within acceptable guidelines.

4.1.3 Maintain the professional integrity and continuing education of prosecutors and staff.

4.1.4 Coordinate with the Magistrate Court and Police Department on code changes and matters that inter-relate with the Prosecutor's office.

Strategy 4.2 Maintain an emergency response and business continuity plan to maintain essential services and deal with catastrophic events.

Responsibility: Danny Sharp

ACTIONS:

4.2.1 Maintain a Police Department Business Continuity Plan through KUV Consultants that includes annual review and update of the plan bi-annually.

4.2.2 Maintain a Water Utility Department Business Continuity Plan and periodic refresher training for employees.

Responsibility: Philip Saletta

4.2.3 Maintain an Information Technology Department Business Continuity Plan and periodic refresher training for employees.

Responsibility: Kevin Verville

4.2.4 Integrate the multi-department business continuity plans into a master emergency response plan for the organization in FY 2010/11

4.2.5 Partner with emergency managers and other regional entities on training and planning within Pima County to prepare for large scale emergencies.

4.2.6 Develop a proposal on the town-wide implementation of an Office of Emergency Management/ Homeland Security initiative involving key personnel and resources.

4.2.7 Conduct multiple, annual training opportunities for employees in the discipline of emergency management and incident command systems per federal mandates and orient elected officials to their roles through training sessions and exercises.

Strategy 4.3 Maintain public-safety citizen and community-involvement and educational programs.

Responsibility: Danny Sharp

ACTIONS:

4.3.1 Oversee the Citizen Volunteer Assistance Patrol (CVAP) program and its services, reporting annually on its effectiveness through use of survey feedback and public comment cards.

4.3.2 Conduct at least one Citizen Police Academy in the fiscal year to promote understanding and confidence by the public in the operations and strategic planning of the Police Department

4.3.3 Hold community awareness events in the Fall 2010 such as National Night Out and Investigate OVPD.

STRATEGIC PLAN FOCUS AREA C: Community Infrastructure

GOAL 1: ENSURE APPROPRIATE MUNICIPAL FACILITIES TO MEET SERVICE DEMANDS AND STAFFING NEEDS

Strategy 1.1 Develop and implement comprehensive strategic and operational plans for municipal facilities and infrastructure.

Responsibility: Craig Civalier

ACTIONS:

1.1.1 Update 5-year Capital Improvement Plan (CIP) to include all facility and infrastructure projects and available funding sources.

Responsibility: Stacey Lemos

1.1.2 Initiate development of a parks and recreation master plan.

Responsibility: Ainsley Legner

Strategy 1.2 Ensure infrastructure is maintained and replaced/upgraded to meet the community's short and long-term needs.

Responsibility: Craig Civalier

ACTIONS:

1.2.1 Provide continued support and oversight in the implementation and adherence to Town Occupational Safety and Health policies and procedures to ensure employee Safety during any / all phases of infrastructure maintenance.

Responsibility: Betty Dickens

1.2.2 Utilize the Cartegraph program to track and analyze facilities maintenance activities.

1.2.3 Assess future needs by tracking maintenance history and Town growth.

1.2.4 Continue and update the pavement management program.

1.2.5 Effectively utilize equipment and staff to maximize roadway and drainage maintenance activities.

Strategy 1.3 Partner with regional jurisdictions to cooperate in the development and maintenance of quality infrastructure.

Responsibility: Craig Civalier

ACTIONS:

1.3.1 Coordinate and secure funding, either solely or in concert with other public or private entities, for the development of community infrastructure.

Responsibility: Stacey Lemos

1.3.2 Work with regional partners in planning the Tangerine and Magee roads and La Cholla Blvd. roadway improvement projects.

1.3.2 Work with Arizona Department of Transportation (ADOT) on the design of roadway improvements and wildlife crossings along SR-77 Oracle Road.

Strategy 1.4 Maintain a high-speed data network to meet information storage and data management needs to provide timely and accurate information.

Responsibility: Kevin Verville

ACTIONS:

1.4.1 Plan and budget for equipment and adhere to an equipment replacement schedule to keep the organization current and operative to ensure standout customer service to the public.

1.4.2 Continue to implement network upgrades and infrastructure improvements to ensure the fastest data transmission speeds across all segments of our organizational local area network (LAN).

1.4.3 Monitor network performance to minimize vulnerabilities and downtime for a high-performing service delivery outcome.

1.4.4. Complete the Disaster Recovery plan for the Town's information system and distribute the plan to officials in FY 2010/11.

GOAL 2: MAINTAIN AND ACQUIRE SUFFICIENT WATER RESOURCES TO ENSURE THAT THE COMMUNITY HAS AN ADEQUATE WATER SUPPLY

Strategy 2.1 Provide a high quality potable water supply, promote water conservation and foster regional cooperation for water development.

Responsibility: Philip Saletta

ACTIONS:

2.1.1 Provide continued sampling and monitoring of the water system for water quality, flow and pressure in order to meet or exceed all regulatory requirements.

2.1.2 Respond to customer's questions and concerns.

2.1.3 Continue to promote the water conservation program, provide water audits and assist with enforcement of the landscape code.

2.1.4 Continue to work cooperatively with the Northwest Water Providers, Tucson Water and other regional and statewide water agencies and water providers.

Strategy 2.2 Maintain an assured water supply designation by planning and developing a renewable water supply (e.g., Central Arizona Project (CAP) and reclaimed water), providing a high quality potable water supply, promoting water conservation and fostering regional cooperation for water development.

Responsibility: Philip Saletta

ACTIONS:

2.2.1 Meet all regulatory requirements for our Assured water Supply.

2.2.2 Operate the existing reclaimed water system to reduce groundwater usage.

2.2.3 Update plans for near-term (interim delivery "wheeling"of our CAP Water through the Tucson Water System) and permanent delivery of our CAP water through either direct treatment and delivery or recharge and recovery with updated costs and timelines for CAP water delivery.

STRATEGIC PLAN FOCUS AREA D: Leadership and Communication

GOAL 1: BUILD TRUST THROUGH EFFECTIVE PUBLIC OUTREACH AND COMMUNICATION

Strategy 1.1 Communicate information to residents and help promote community pride and a feeling of accessibility to local government information and activities.

Responsibility: Greg Caton, Mary Davis

ACTIONS:

1.1.1 Develop and implement a "Peek Behind the Curtain" program of citizen-friendly presentations on programs and departmental service delivery.

1.1.2 Continue to produce the *Oro Valley VISTA,* our monthly community publication.

1.1.3 Implement non-traditional media sources such as social media Twitter and Facebook to provide public education and outreach for all markets.

1.1.4 Conduct a biennial community survey to identify levels of citizen expectations and satisfaction with Town services and quality of life indicators considering the National Citizens Survey tool.

1.1.5 Develop elected officials' speaking schedules. Provide staff support for Council on Your Corner and Speakers Bureau events for officials and staff monthly throughout the year.

1.1.6 Coach and assist departments in preparing communications and coordinate special events, public meetings and other forums that relate to key projects.

Strategy 1.2 Provide customers with opportunities to become involved in, engaged in and knowledgeable about the role of local government.

Responsibility: Mary Davis

ACTIONS:

1.2.1 Continue to respond to community issues and concerns through the Constituent Services office with a standard response time within 24 hours (3 business days).

1.2.2 Host an annual HOA forum in October 2010 that allows the Town to educate this stakeholder group on Town policies, programs and services.

GOAL 2: CREATE AN ENVIRONMENT CONDUCIVE TO EFFECTIVE DIALOGUE AMONG THE COUNCIL, STAFF, AND COMMUNITY

Strategy 2.1 Ensure a comprehensive internal communications program.

Responsibility: Greg Caton

ACTIONS:

2.1.1 Increase office time availability of Communications Administrator to better serve elected officials and the organizational needs.

Responsibility: Mary Davis

2.1.2 Ensure all activities and major issues are communicated clearly to Town management and Council through a system of notification.

2.1.3 Provide written communications support for speeches, letters, articles and ceremonial remarks to the Council, town manager and department directors.

Responsibility: Mary Davis

2.1.4 Continue the monthly internal Communications Roundtable to engage representatives from each department in communications planning for all internal news, events and opportunities.

2.1.5 Promote and design internal, organizational communication tools such as employees Brown Bag forums with the Manager and create interesting, useful information in the monthly newsletter, *Talk of the Town.*

Responsibility: Mary Davis

2.1.6 Provide coaching and education for staff in public speaking/presentations, media training and related areas.

Responsibility: Betty Dickens

2.1.7 Provide employees with appropriate tools and guidelines so that organizational standards are followed regarding brand management and communication.

Responsibility: Mary Davis

Strategy 2.2 Attract, retain, and develop talented employees.

Responsibility: Betty Dickens

ACTIONS:

2.2.1 Develop and implement New Employee Orientation program by February 2011.

2.2.2 Develop and implement a standardized volunteer / intern program across the organization by March 2011.

2.2.3 Negotiate benefits plan for employees for presentation to Council by end of March 2011.

2.2.4 Implement NEOGOV software system to move the hiring process from a manual system into an electronic database in third quarter FY2010/11.

2.2.5 Update and implement classification and compensation strategy by June 2011.

Strategy 2.3 Encourage and develop customer service, leadership skills and opportunities

Responsibility: Betty Dickens

ACTIONS:

2.3.1 Develop and implement employee satisfaction survey tool by January 2011; develop and implement strategies to address survey results and trends by April 2011.

2.3.2 Schedule customer service training seminars for the organization throughout FY 2010/11.

2.3.3 Implement employee-driven suggestions program by March 2011; develop and implement basic team and process improvement tools and techniques training program.

2.3.4 Develop and conduct organization-wide training needs assessment; develop and implement training plan by June 2011.

2.3.5 Assess performance management program; research/benchmark, develop and implement performance management training and development program to all staff by July 2011.

Strategy 2.4 Maintain consistency in personnel codes and policy implementation.

Responsibility: Jerene Watson

ACTIONS:

2.4.1 Ensure that lines of communication and decision making authority are defined and followed.

2.4.2 Develop and implement assessment strategy to review and update policies and procedures; develop and implement management and employee training programs.

Responsibility: Betty Dickens

GOAL 3: IMPROVE INTERGOVERNMENTAL RELATIONSHIPS

Strategy 3.1 Collaborate in local, regional, state and federal government affairs.

Responsibility: Jerene Watson

ACTIONS:

3.1.1 Develop the state and federal legislative agenda for the Town to be presented to Council in early January 2011.

3.1.2 Foster working relationships with colleagues at the regional, state, and federal levels to represent and advance the interests and projects of the Town, such as Steam Pump Ranch financing, water delivery infrastructure, energy efficiency funding.

3.1.3 Provide intergovernmental liaison (IG) duties, acting in concert with the League of Arizona Cities and Towns, to seek legislative solutions that benefit the Town and the region.

Responsibility: Kevin Burke

3.1.4 Find meaningful ways to promote regionalism and partnerships to facilitate the Town Council's policy direction, such as participating in Imagine Greater Tucson, collaborating with MPA and other regional groups. *Responsibility: Kevin Burke*

TOWN OF ORO VALLEY GOAL SETTING
TOWN MANAGER GOAL AND PERFORMANCE OBJECTIVES
FY 2010/11

November 17, 2010

GOAL 1: PROVIDES EFFECTIVE LEADERSHIP OF THE ORGANIZATION'S OPERATIONAL AND FINANCIAL MANAGEMENT (Productivity/ Accomplishments of the Organization)		
		Organizational & Financial Management will be considered effective when a majority of the conditions have been successfully met.
Rating	**RESPONSIBILITY**	**PERFORMANCE STANDARD**
Exceeds Standards *(performance above reasonable expectations)* ☐ **Satisfactory** *(performance rates a level of reasonable expectations)* ☐ **Needs Improvement** *(performance has areas that are below general expectations)* ☐	• Leads the organization in developing and implementing policies, services and programs established by past and current decisions of the Council • Initiates and reports on long planning to maintain fiscal health and long-term sustainability of town resources in accordance with set policies • Plans and organizes the preparation of an annual budget with documentation that conforms to guidelines adopted by the Council. • Facilitates responses to public requests and complaints or areas of concerns brought to the attention of the Council and staff • Encourages innovation and initiates productivity and process improvements • Recruits, leads, directs and coaches staff members into high-performing team • Designs processes, provides leadership on big issues or crises, and maintains order, professionalism and confidence during difficult lifecycles of the organization	*a. A long-range, strategic plan is currently in operation and is reviewed biennially with the Council and management team for affirmation or adjustment* *b. Annual operational plans are carried out by staff with responsibilities assigned for execution* ***(see Attachment 1)*** *c. Budget preparation and management is fiscally sound, thorough and effective* *d. Financial analysis is continuous with cost-effective measures persistently pursued and reporting timely and understandable* *e. Well-qualified, promising persons are recruited and appropriately placed, contributing to a high retention rate* *f. Personnel and program evaluations are inter-related with the strategic planning process and designed to hold staff accountable for results* *g. Manager is strategic in crisis management and displays maturity and judgment in effective leadership*
Comments, Observations, Commendations or Suggestions for Improvements:		

TOWN MANAGER GOAL SETTING & PERFORMANCE OBJECTIVES FY2010/11		
GOAL 2: PROVIDES OVERALL POSITIVE INTERPERSONAL COMMUNICATION AND SUPPORTIVE RELATIONSHIPS WITH THE COUNCIL		
		Mayor/Council relations will be considered effective when a majority of the conditions have been successfully met.
Rating	**RESPONSIBILITY**	**PERFORMANCE STANDARD**
Exceeds Standards *(performance above reasonable expectations)* ☐ **Satisfactory** *(performance rates a level of reasonable expectations)* ☐ **Needs Improvement** *(performance has areas that are below general expectations)* ☐	• Is equally available and accessible to all members of the Council and doesn't play favorites and takes direction from the Council as a whole • Maintains a high level of communication and personal relationship with Council with an openness to feedback • Values honesty, is trustworthy and respects confidences in dealing with all elected officials • Establishes and maintains a system of reporting to Council of current plans and activities of the organization and staff • Assists Council in fielding issues and concerns of the public or media • Provides complete staff work that includes planning and organizing with recommendations and options	*a. Adequate information is provided to Council to make decisions through written and verbal reports and presentations that state options and recommendations clearly in the most comprehensive manner possible* *b. Communications are timely and made in a forthright and open manner to all Council weekly or (text and phone contact available 24/7, biweekly meetings, Town Council Reports, broadcast email, Council Communications, white papers, summits, retreats, etc.)* *c. Responses to requests are made promptly* *d. Communications on organizational and staff activities occur weekly to all Council via email (Council Foreword)* *e. Council is offered the assistance of staff to write and review remarks, Power Points, rehearse presentations and interview questions* *f. A system is in place to report constituent concerns, inquiries and resolutions (bi-weekly Const. Serv. Office report)*
Comments, Observations, Commendations or Suggestions for Improvements:		

TOWN MANAGER GOAL SETTING & PERFORMANCE OBJECTIVES FY2010/11		
GOAL 3: PROMOTES POSITIVE PUBLIC AND PERSONAL COMMUNITY RELATIONS IN THE ROLE OF A LEADER IN THE TOWN		
		Community and public relations will be considered effective when a majority of the conditions have been successfully met.
Rating	**RESPONSIBILITY**	**PERFORMANCE STANDARD**
Exceeds Standards *(performance above reasonable expectations)* ☐ **Satisfactory** *(performance rates a level of reasonable expectations)* ☐ **Needs Improvement** *(performance has areas that are below general expectations)* ☐	• Engenders customer satisfaction as a core value of the organization, models an attitude of helpfulness, courtesy, respect and sensitivity to public perception as a foundation to the customer service delivery standard for employees • Establishes a network of community relationships and maintains an image of the Town with the community that represents service, partnership, vitality and professionalism • Establishes and maintains a liaison with private, non-governmental agencies, organizations and groups involved in the life of the Town and areas that relate to services or activities of the Town • Plans, organizes and maintains training of employees in interpersonal and customer service skills for use by phone, internet or in person • Employs cutting edge technology to maximize public information dissemination on city programs and services	*a. Town communications and publications are varied and well-received by residents and employees* *b. Feedback solicited and received from community leadership, stakeholders and the public is generally positive* *c. The Town's image is one of a positive leadership force among its peers in the region and the credibility of the manager is seen as an asset* *d. Media relations are timely and credible and include meetings with local print journalists* *e. The Manager is seen as responsive and accessible to the public and values the citizen voice, ideas or concerns* *f. The community is aware of key messages and Council's vision through continuous education and public outreach efforts* *g. Reaches out to restore the Town's reputation when community relationships have been broken*
Comments, Observations, Commendations or Suggestions for Improvements:		

TOWN MANAGER GOAL SETTING & PERFORMANCE OBJECTIVES FY2010/11		
GOAL 4: PROMOTES EFFECTIVE INTERGOVERNMENTAL RELATIONSHIPS		
		Intergovernmental relations will be considered effective when a majority of the conditions have been successfully met.
Rating	**RESPONSIBILITY**	**PERFORMANCE STANDARD**
Exceeds Standards *(performance above reasonable expectations)* ☐ **Satisfactory** *(performance rates a level of reasonable expectations)* ☐ **Needs Improvement** *(performance has areas that are below general expectations)* ☐	• Effectively represents the town with outside agencies, serving on regional boards, committees and working groups • Maintains effective and cooperative relationships with Pima County, city of Tucson, towns of Marana and Sahuarita and the Amphitheater School District • Provides leadership and experience in coordination of the state and federal legislative agendas and lobbying efforts • Promotes exchanging ideas and partnerships that will strengthen the business and intergovernmental outcomes in the region. • Creates forums for exchange among elected officials and other entities to discuss intergovernmental strategies and needs	*a. Active with municipal and professional organizations such as the Northern Pima County Chamber, TREO, MTCVB, OV Business Club, ICS, Holiday Parade Committee, representing the interests of the Town* *b. Is knowledgeable of regional and statewide issues and contributes to solutions and cooperative efforts, called upon to participate as a leader* *c. Opinion of the Town is positive from leadership in surrounding jurisdictions, statewide officials and congressional members* *d. Manager includes other employees in opportunities to learn the art of intergovernmental relations, coaching and training staff on intergovernmental milieu and effective strategies and protocols* *e. Involved in guiding strategies on important intergovernmental efforts like State Land annexation, federal appropriation requests and regional transportation needs*
Comments, Observations, Commendations or Suggestions for Improvements:		

TOWN MANAGER GOAL SETTING & PERFORMANCE OBJECTIVES FY2010/11		
GOAL 5: MAINTAINS EFFORTS FOR PROFESSIONAL AND PERSONAL DEVELOPMENT		
		Professional and personal competencies will be considered effective when a majority of the conditions have been successfully met.
Rating	**RESPONSIBILITY**	**PERFORMANCE STANDARD**
Exceeds Standards *(performance above reasonable expectations)* ☐ **Satisfactory** *(performance rates a level of reasonable expectations)* ☐ **Needs Improvement** *(performance has areas that are below general expectations)* ☐	• Maintains awareness of the value of professional and personal development and actively pursues growth opportunities • Demonstrates imaginative or new leadership initiatives within the organization, in community settings and the regional partnerships • Exhibits desire and ability to build a cohesive management team • Effective in verbal communication and decisive leadership with a philosophy of collaboration and inclusion • Maintain the standards of ethics and credentialing for the city management profession	*a. Management techniques show evidence of change, challenging the way things have been done, valuing innovation, teamwork, integrity, courage and ethics* *b. Operational objectives throughout the organization are interspersed with challenges to grow into the next level of a high-performing organization and move toward a learning culture* *c. Employees find the manager is approachable and the organization has been introduced to tools for self-directed teams and change management to garner trust and high morale* *d. Seeks learning opportunities at annual national and state conferences and forums to keep abreast of trends and innovations in local government*
Comments, Observations, Commendations or Suggestions for Improvements:		

Item #: 2.

TC Regular Session

Date: 12/01/2010

Requested by:	Stacey Lemos, Finance Director	**Submitted By:**	Stacey Lemos, Finance
Department:	Finance		

Information

SUBJECT:

PRESENTATION AND TOWN COUNCIL ACCEPTANCE OF THE TOWN'S FINANCIAL AUDIT FOR FISCAL YEAR ENDED JUNE 30, 2010

SUMMARY:

The certified public accounting firm of Heinfeld, Meech & Co., P.C. has completed the financial audit of the Town for fiscal year ended June 30, 2010. The audit was conducted in accordance with generally accepted auditing standards and the auditors have rendered an opinion that the Town's general purpose financial statements fairly present the Town's financial position as of June 30, 2010.

It is also important to note that there were no audit deficiencies or concerns presented to management during the audit to necessitate the issuance of a separate Management Letter.

Mr. Corey Arvizu CPA, Partner, and Mr. Jim Rebenar CPA, Manager, with the firm of Heinfeld, Meech & Co., P.C. would like to present an overview of the audit to the Council this evening and answer any questions the Council may have.

DISCUSSION:

The following is an overview of the Town's financial operations for the fiscal year ended June 30, 2010:

- At June 30, 2010 the General Fund's unreserved/undesignated fund balance was $11,904,429 which decreased by $4,036,009, or 25%, compared to last fiscal year (page 30). This was primarily due to the defeasance of the 2000, 2001 and 2003 bonds.
- General Fund revenues were below budget by $2,243,058 primarily related to local sales taxes ($1.4 million), intergovernmental ($322K), licenses, fees and permits ($259K) and investment earnings ($171K) (page 62).
- General Fund expenditures were below budget by $1.9 million (excluding contingency reserves of $10.5 million). This was due primarily to staffing reductions and vacancies and departmental operations cost savings (page 62).
- The Highway Fund's fund balance was $4,195.968, which decreased slightly by $31,338 (page 63).
- The Townwide Roadway Development Impact Fees Fund's fund balance was $2,272,359, which increased slightly by $7,078 (page 70).

The following is the financial position of the Oro Valley Water Utility at June 30, 2010:

- Net income of $2,376,976 and capital contributions of $362,273 increased retained earnings by $2,739,249. Total net assets at year end totaled $53,738,040 (page 35).

More detail on the Town's financial statements can be found in the attached draft Comprehensive Annual Financial Report (CAFR) (**ATTACHMENT A**). Once approved and finalized, the CAFR will be submitted to the Government Finance Officers Association (GFOA) for their Excellence in Financial

Reporting award program for the 17th year in a row.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

Staff recommends acceptance of the financial audit for the fiscal year ended June 30, 2010.

SUGGESTED MOTION:

I move to accept the Town's financial audit for the fiscal year ended June 30, 2010.

or

I move...

Attachments

Link: Attachment A Draft CAFR 2010

TOWN OF ORO VALLEY, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

DRAFT

11000 North La Canada Drive – Oro Valley, Arizona 85737-7015

TOWN OF ORO VALLEY, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Prepared by:

Finance Department

Stacey Lemos, CPA
Finance Director

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TOWN OF ORO VALLEY, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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TOWN OF ORO VALLEY, ARIZONA
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TOWN OF ORO VALLEY, ARIZONA
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INTRODUCTORY SECTION

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Report Date

Honorable Mayor, Members of Town Council and
Citizens of the Town of Oro Valley, Arizona:

State law mandates that cities publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Oro Valley, Arizona (Town) for the fiscal year ended June 30, 2010.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town's financial statements for the fiscal year ended June 30, 2010, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Oro Valley's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE TOWN

The Town of Oro Valley was incorporated in 1974. It is located in northeastern Pima County and has a land area of 34.85 square miles. The Town's current population is estimated at 43,521.

The Town of Oro Valley operates under the Council-Manager form of government. Policymaking and legislative authority is vested in the Town Council, which consists of a Mayor and six Council Members. Council Members are elected to four-year staggered terms. The citizens of Oro Valley elect the Mayor. The Council, from among its members, selects the Vice-Mayor. The Town Council is responsible, among other things, for the adoption of local ordinances, budget adoption, the development of citizen advisory committees, the hiring and removal of the Town Manager, the Police Chief, Town Attorney and Town Magistrate. The Town Manager is responsible for implementation of the policies of the Town Council. The Town Manager appoints all other department heads except those mentioned above under Town Council responsibilities.

The Town of Oro Valley provides a full range of services including police protection; the construction and maintenance of streets and related infrastructure; the provision of water services; public transportation services; recreational activities, a public library and cultural events. In addition to general government activities, the governing body is financially accountable for the Municipal Property Corporation; therefore, this activity is included in the reporting entity. Additional information in regards to the Municipal Property Corporation can be found in Note 1 in the notes to the basic financial statements.

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As with all cities in the State of Arizona, the Town of Oro Valley is required to comply with Article IX, Section 20 (1) of the Arizona Constitution, which sets limits on the Town's legal budget capacity. The Town currently operates under the Alternative Expenditure Limitation – Home Rule Option. This option allows the Town Council to establish the budgetary limits locally, rather than being restricted by the State-imposed expenditure limitation. The voters must authorize this option every four years. It was last authorized by the citizens of Oro Valley in March of 2010.

The annual operating budget serves as the foundation for the Town's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual operating budget approved by the Town Council. The Town's proposed operating budget is presented to the Town Council for review throughout the budget cycle starting in January and tentatively approved in June or July. The Town Council is required to hold a public hearing on the proposed budget and to adopt the final budget by no later than the second Monday in August. The Town Manager, subject to Town Council approval, may at any time transfer various unencumbered appropriation balances or portions thereof between a department or activity. The adopted budget cannot be amended in any way without Town Council approval.

MAJOR INITIATIVES AND ACCOMPLISHMENTS FOR THE YEAR

Oro Valley's current Strategic Plan follows four focus areas:

- Financial and Economic Sustainability
  Council and management are focused on efforts to stimulate local economic development, strengthen business retention and improve the business climate of the Town to improve business attraction.

- Quality of Life and Environmental Sustainability
  The Town is making considerable strides towards clean energy and energy efficiency with town-wide upgrades to facilities and the issuance of Clean Renewable Energy Bonds to finance the installation of solar photovoltaic panels as covered parking.

- Community Infrastructure
  The Town's energy efficiency upgrades allow for improvements to Town facilities with zero fiscal impact to the Town. This is a self-sustaining capital improvement project that involves smart one-time use of contingency reserves to be recouped with energy savings. To address current and future transportation demands, the widening of Lambert Lane will commence in FY 2010-11 with bonds that will be repaid with Pima Association of Governments (PAG) regional funding. Oro Valley continues to pursue delivery of Central Arizona Project (CAP) water to the town and continues investigating the most economical way to achieve that.

- Leadership and Communication
  Town will continue to communicate with residents through its monthly Town newsletter, *The Oro Valley Vista*, which is produced electronically and posted on the Town's website. Something new in the way of communication is our financial dashboard. This provides a snapshot of the Town's financial condition, and is posted on the Town Finance Department's website on a monthly basis.

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The following are some of the highlights and accomplishments of the Town during the fiscal year:

Town Council

Approved energy efficiency project funding

- Approved resources conservation measures including residential gray water and solar-ready ordinances
- Approved $3.4M loan from the State Water Infrastructure Finance Authority (WIFA) for water utility improvements
- Initiated Granicus video streaming of all Council Chamber meetings

Town Clerk

- Implementation of Agenda Quick software program to automate Council agenda and packet preparation

Town Manager

- Secured the groundbreaking of BASIS Charter School
- Expanded businesses in Oro Valley Marketplace and other commercial and office districts
- Completed the Steam Pump Ranch Historical Gardens project
- Performed energy audit and began implementation of energy efficiency plans

Police

- Dispose-A-Med program became a national model and has guided other organizations seeking to develop prescription medicine disposal programs
- School Resource Office CSI program continues to gain notoriety through statewide regional competitions.
- Received $55,170 in funding through the application of grants, which were used to provide services to the community and equipment for the staff

Planning & Zoning

- Steam Pump Ranch listed on National Register of Historic Places
- Completed Environmentally Sensitive Lands ordinance
- Developed Town Energy Efficiency Conservation Strategy

Parks & Recreation

- Implemented new ramada reservation process, increasing revenues and enhancing customer service
- Obtained grants from Arizona Department of Transportation (ADOT) and Regional Transportation Authority (RTA) for Canada Del Oro Shared Use Path Final Phase
- Obtained funding for Calle Concordia Bike Lane project through RTA funding

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Public Works

- Crack sealed 100 lane miles of paved streets
- Completed surface treatments of roads in several subdivisions
- Received $485K from Pima County Regional Flood Control District for two drainage improvement projects
- Completion of Hardy/Northern roundabout intersection

Water Utility

- Reduced annual debt service payments by early defeasance of 1999 and 2001 bonds
- Installed additional water system security features and updated the Emergency Response plan
- Received WIFA loan to finance $3,403,000 in capital improvements
- The Utility took 4,000 water quality samples with all results meeting federal, state, and local water quality regulations

ECONOMIC CONDITIONS AND OUTLOOK

The Town continues to be heavily reliant on local sales taxes, as well as state-shared sales and income taxes. The State's ominous budget crisis predicts continued declines in state-shared revenues for the Town and will weigh significantly on the Town's fiscal condition. In FY 2009-10, the State permanently eliminated Local Transportation Assistance Funds (LTAF), which the Town relied upon to support its local transportation system, Coyote Run. Council approved an increased subsidy from the Town's General Fund to preserve local transportation service levels in FY 2010-11 and will continue to work with our regional transportation partners to find a solution for continuing this valuable service to our community in future years.

As the Town approaches build out, residential and commercial construction will continue to decline. Single family residential permits have dropped precipitously from 422 in FY 2004-05 to 75 budgeted for FY 2010-11 and resulted in double-digit decreases in construction sales taxes over the last two years.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

Local Economy.

The Town continues to provide services and programs without a property tax to fund operations. One reason why construction sales tax is going down is due to the completion of an 800,000 square foot commercial shopping center in FY 2008-09, the Oro Valley Marketplace. However, a silver lining appears as a result of the increase in retail opportunities, with steady year-over-year increases in retail sales tax collections over the past 36 months.

The Town is anticipating future growth in its bio-science sector with expansion not only among our international pharmaceutical corporate citizens, but the arrival of a research outgrowth of the University of Arizona, BIO5 Oro Valley. These jobs may add to Oro Valley's higher median income base and generate increased local demand in our housing industry and retail sectors. Coupled with this clean-industry and research sector growth has been the realization that the Town must facilitate competitive public education offerings to complement our community values and lifestyle amenities. To this end, our officials have worked hard the past two years to draw nationally recognized K-12 programs and can now boast the International Baccalaureate program offered in one of our high schools by Amphitheater School District and the nationally acclaimed public charter school, BASIS Oro Valley.

A continuing priority for the Town Council is the potential annexation of 9,100 acres (14 square miles) of State Trust Land to the north of Oro Valley, referred to as the Arroyo Grande Annexation. After making progress towards the annexation in FY 2008-09, the process is currently hampered by the State's budget crisis and the staffing reductions made in the State Land Department. Officials will make every effort to keep the process moving forward. Additionally, an annexation team has been charged with exploring new opportunities for Town boundary expansions that make economic sense.

Long-term financial planning.

The Home Rule option was approved by voters in 2010, allowing the Town to set its budget limits locally, rather than by the State at an artificially low rate, utilizing all available resources for providing services to the community. Balancing resources against our residents' expectations for services will be an ongoing challenge because we have chosen not to have a property tax and rely heavily on other funding sources that can fluctuate dramatically. This fact will continue to be a decisive driver of future policy and service-level decisions. Finding ways to reduce or wipe out structural budget deficits caused by an excess of recurring expenditures over incoming revenues is critical for continued financial sustainability. To assist in the decision-making process, performance measures implemented in the FY 2010-11 budget will allow our elected officials to make data-driven decisions with regard to future service levels and program delivery, decisions that will become more critical with fewer resources in the future.

The next several years will likely be focused on increased attention to local economic development utilizing re-engineered and innovative approaches. Preserving strong contingency reserves within all of our Town funds is a philosophical and operational cornerstone. We will continue to communicate the Town's budget performance to our residents and the Mayor and Town Council on a monthly basis. Frequent updates of the Town's five-year financial forecast are planned as well as continuing to foster a learning culture by utilizing our employees in an Employee Budget Focus team, Innovations Team or Solutions Squads in order to maintain a proactive, rather than reactive, approach in addressing the dynamic economic climate.

AWARDS AND ACKNOWLEDGMENTS

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Award. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Oro Valley for its comprehensive annual financial report for the year ended June 30, 2009. This was the sixteenth consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

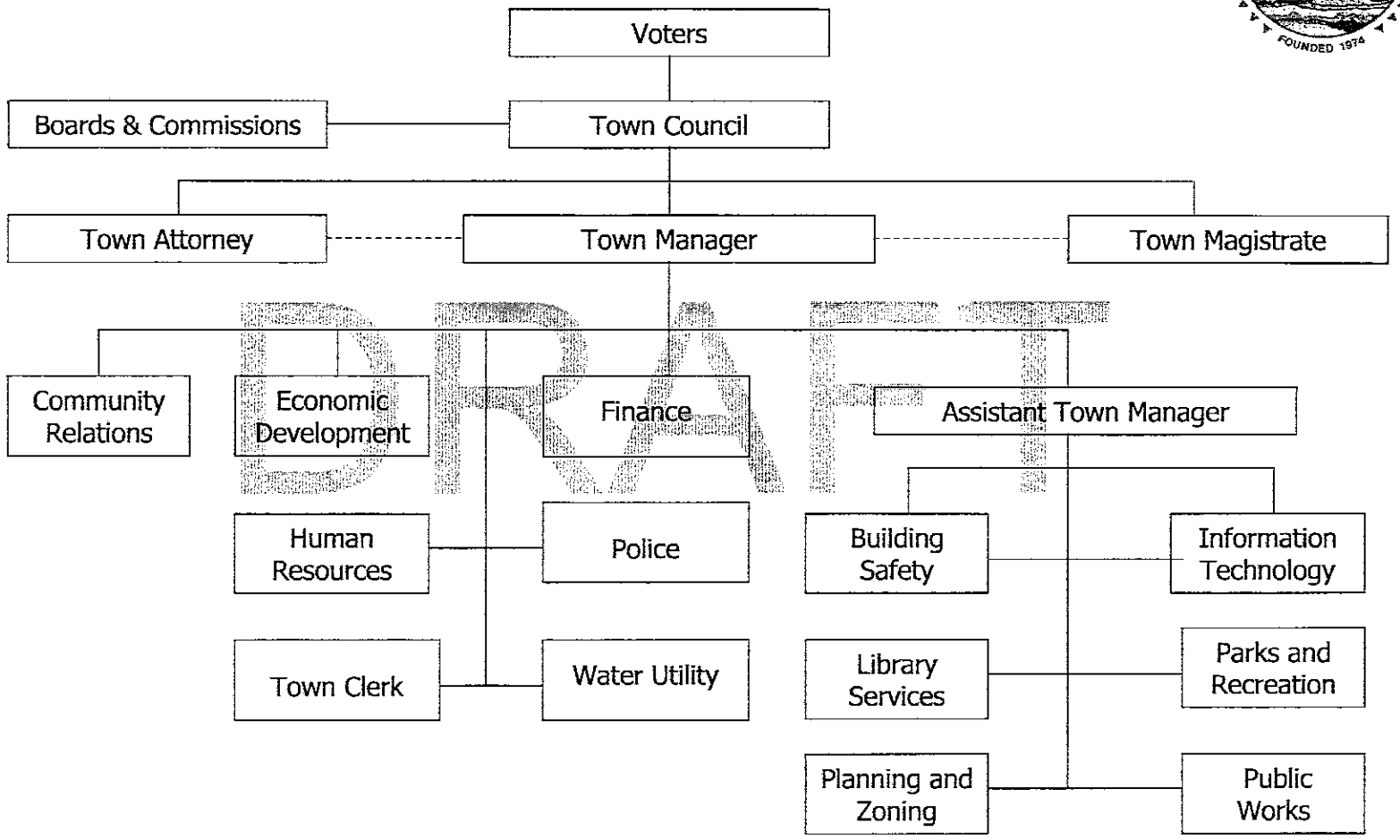
Acknowledgments. The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department who assisted and contributed in its preparation. We thank the Mayor and members of the Town Council for their interest and support in planning and conducting the financial affairs of the Town in a responsible and progressive manner.

Respectfully submitted,

Jerene Watson
Town Manager

Stacey Lemos, CPA
Finance Director

Town of Oro Valley Organization Chart
FY 2009 - 2010



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TOWN OF ORO VALLEY, ARIZONA
LIST OF TOWN OFFICIALS

ELECTED OFFICIALS

Mayor	Dr. Satish Hiremath
Vice-Mayor	Mr. William Garner
Council Member	Mr. Barry Gillaspie
Council Member	Mr. Joe Hornat
Council Member	Ms. Mary Snider
Council Member	Mr. Steve Solomon
Council Member	Mr. Lou Waters

DEPARTMENT HEADS

Town Manager	Jerene Watson
Finance Director	Stacey Lemos, CPA
Human Resources Director	Betty Dickens
Town Engineer	Craig Civalier
Town Clerk	Kathryn E. Cuvelier
Magistrate	George Dunscomb
Town Attorney	Tobin Rosen
Water Utility Director	Philip Saletta
Chief of Police	Daniel G. Sharp
Planning and Zoning Director	Vacant
Building Safety Director	Suzanne Smith
Parks and Recreation Director	Ainsley A. Legner
Information Technology Director	Kevin Verville

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Oro Valley Arizona

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009

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A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Town Council
Town of Oro Valley, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Oro Valley, Arizona (Town), as of and for the year ended June 30, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Oro Valley, Arizona, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated **Report Date** on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 and budgetary comparison information on pages 62 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements as a whole. The accompanying supplementary information such as the introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

Report Date

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)

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TOWN OF ORO VALLEY, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010

As management of the Town of Oro Valley, Arizona (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

The financial statements which follow the Management's Discussion and Analysis provide those significant key financial highlights for 2009-10 as follows.

- The Town's total net assets of governmental activities decreased $917,126 to $153.3 million and business-type activities increased $3.2 million to $55.8 million representing 73 percent and 27 percent respectively, of the total net assets of $209.1 million.

- General revenues from governmental activities accounted for $23.6 million in revenue, or 63 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for $13.8 million or 37 percent of total governmental activities revenues. The Town had $16.4 million of program revenues and $72,244 in general revenues related to business-type activities.

- The Town had $38.3 million in expenses related to governmental activities, a decrease of 2 percent from the prior fiscal year. The Town had $13.3 million in expenses related to business-type activities a decrease of 5 percent from the prior fiscal year.

- Among major funds, the General Fund had $25.7 million in revenues, which primarily consisted of sales taxes and intergovernmental revenues. The total expenditures of the General Fund were $25.5 million. The General Fund's fund balance decreased from $15.9 million to $11.9 million, due primarily to a transfer of fund balance to the Municipal Debt Service Fund for the defeasance of revenue bonds.

- The Highway User Revenue Fund, had $3.8 million in revenues, which primarily consisted of intergovernmental revenues. The total expenditures of the Highway User Revenue Fund were $3.6 million.

- The Municipal Debt Service Fund's fund balance increased $1.8 million to $1.9 million due primarily to transfers in of $9.2 million for the defeasance of revenue bonds. Total expenditures for the Municipal Debt Service Fund were $7.5 million.

- The Townwide Roadway Development Impact Fee Fund had $4.4 million in revenues, which primarily consisted of intergovernmental revenues. The total expenditures of the Townwide Roadway Development Impact Fee Fund were $4.4 million.

- The Water Fund operating revenues of $14.4 million exceeded operating expenses of $10.1 million. The change in net assets of $2.7 million was due to operating income of $4.2 million and capital contributions from line extension agreements of $362,273.

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OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

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In the government-wide financial statements the Town's activities are presented in the following categories:

- **Governmental activities** – Most of the Town's basic services are included here, such as general government, public safety, highways and streets, and culture and recreation. Sales taxes, intergovernmental, and charges for services finance most of these activities.

- **Business-type activities** – The services provided by the Town included here are water and stormwater utilities. The services are primarily financed through user fees and charges.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Highway User Revenue, Municipal Debt Service, Oracle Road Debt Service, and Townwide Roadway Development Impact Fees Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

Proprietary funds. The Town of Oro Valley maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Oro Valley uses enterprise funds to account for its Oro Valley Water Utility and Stormwater Utility. The Town uses an internal service fund to account for its fleet maintenance services. Because these services predominately benefit governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's budget process. The Town adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Fund as required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by $209.1 million as of the current fiscal year end.

The largest portion of the Town's net assets (76 percent) reflects its investment in capital assets (e.g., land, buildings and improvements, improvements other than buildings, infrastructure, vehicles, machinery and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the Town's net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	2010 Governmental Activities	2009 Governmental Activities	2010 Business-type Activities	2009 Business-type Activities	2010 Total	2009 Total
Current and other assets	$ 30,638,869	$ 39,513,022	$ 27,124,402	$ 28,435,788	$ 57,763,271	$ 67,948,810
Capital assets, net	141,309,940	143,325,108	91,505,866	91,683,772	232,815,806	235,008,880
Total assets, net	171,948,809	182,838,130	118,630,268	120,119,560	290,579,077	302,957,690
Current and other liabilities	8,120,707	6,291,123	6,413,489	6,011,823	14,534,196	12,302,946
Long-term liabilities	10,556,342	22,358,121	56,428,637	61,501,003	66,984,979	83,859,124
Total liabilities	18,677,049	28,649,244	62,842,126	67,512,826	81,519,175	96,162,070
Invested in capital assets, net of related debt	127,712,057	120,515,962	31,383,715	28,212,750	159,095,772	148,728,712
Restricted	9,580,610	7,537,331			9,580,610	7,537,331
Unrestricted	15,979,093	26,135,593	24,404,427	24,393,984	40,383,520	50,529,577
Total net assets	$ 153,271,760	$ 154,188,886	$ 55,788,142	$ 52,606,734	$ 209,059,902	$ 206,795,620

The Town's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that have had an impact on the Statement of Net Assets.

- The addition of $2.6 million in business-type activities capital assets through improvements to to the existing water system.
- The addition of $5.1 million in governmental activities capital assets, including $4.4 million for infrastructure. Additions to infrastructure assets consisted of $2.2 million for street improvements and $2.2 million in contributed capital from developers for subdivisions.
- The decrease of $9.2 million in governmental activities long-term debt was due mainly to the defeasance of the 2000, 2001 and 2003 Refunding Revenue Bonds.
- The decrease of $4.7 million in business-type activities long-term debt was due mainly to the defeasance of the 1999 and 2001 Revenue Bonds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net assets. The Town's total revenues for the current fiscal year were $53.9 million. The total cost of all programs and services was $51.6 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	2010 Governmental Activities	2009 Governmental Activities	2010 Business-type Activities	2009 Business-type Activities	2010 Total	2009 Total
Revenues:						
Program revenues:						
Charges for services	$ 2,547,309	$ 3,149,867	$ 16,064,022	$ 16,844,741	$ 18,611,331	$19,994,608
Operating grants and contributions	4,728,050	5,392,667			4,728,050	5,392,667
Capital grants and contributions	6,514,602	1,781,571	362,273	3,697,229	6,876,875	5,478,800
General revenues:						
Sales taxes	12,970,865	15,376,408			12,970,865	15,376,408
Franchise taxes	509,285	506,685			509,285	506,685
Impact fees	584,113	441,020			584,113	441,020
Unrestricted state shared revenues	9,462,46	10,676,796			9,462,464	10,676,796
Investment earnings	95,625	113,995	72,244	128,083	167,869	242,078
Total revenues	37,412,313	37,439,009	16,498,539	20,670,053	53,910,852	58,109,062
Expenses:						
General government	9,950,053	9,936,639			9,950,053	9,936,639
Public safety	13,730,593	15,019,980			13,730,593	15,019,980
Highways and streets	9,353,689	9,481,040			9,353,689	9,481,040
Culture and recreation	3,527,949	3,806,555			3,527,949	3,806,555
Interest on long-term debt	1,767,155	954,645			1,767,155	954,645
Water			12,830,137	13,495,124	12,830,137	13,495,124
Stormwater drainage			486,994	494,166	486,994	494,166
Total expenses	38,329,439	39,198,859	13,317,131	13,989,290	51,646,570	53,188,149
Change in net assets	$ (917,126)	$ (1,759,850)	$ 3,181,408	$ 6,680,763	$ 2,264,282	$ 4,920,913

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Total revenues decreased $4.2 million, or 7 percent, primarily due to a reduction in collections in local sales taxes, building permit fees, and state income tax. The decrease of $2.4 million in sales tax was largely due to a decline in construction sales tax collections. Building permit fees decreased by $428,000 primarily due to a decline in commercial building activity, and state income tax decreased by $799,000 due to current economic conditions. An increase in capital grants of $1.4 million was primarily due to $2.7 million received from the Pima Association of Governments for the payment of principal and interest on the Arizona Department of Transportation (ADOT) HELP Loan.

Expenses decreased $1.5 million primarily due to staffing reductions and vacancies and savings in operations and maintenance costs in all Town departments.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

Governmental and Business-type activities. The following table presents the cost of the 7 major Town functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and Town's taxpayers by each of these functions.

	2010		2009	
Governmental Activities	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
General government	$ 9,950,053	$ (7,508,064)	$ 9,936,639	$ (6,900,795)
Public safety	13,730,593	(12,852,342)	15,019,980	(14,442,958)
Highways and streets	9,353,689	363,309	9,481,040	(3,536,920)
Culture and recreation	3,527,949	(2,775,226)	3,806,555	(3,039,436)
Interest on long-term debt	1,767,155	(1,767,155)	954,645	(954,645)
Total	$38,329,439	$(24,539,478)	$ 39,198,859	$(28,874,754)
Business-type Activities				
Water	$12,830,137	$ 2,668,920	$ 13,495,124	$ 6,300,191
Stormwater drainage	486,994	440,244	494,166	252,489
Total	$13,317,131	$ 3,109,164	$ 13,989,290	$ 6,552,680

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- The cost of all governmental activities this year was $38.3 million. The decrease of $869,420 from the prior year was due primarily to the reduction in operational costs in public safety and increased intergovernmental grant revenues.
- The cost of all business-type activities this year was $13.3 million. The decrease of $672,159 from the prior year was primarily due to the reduction of operational costs in the water utility.
- Federal and State governments, developer contributions, and charges for services subsidized certain governmental programs and business-type programs with revenues of $30.2 million.
- Net cost of governmental activities of $24.5 million was financed by general revenues, which are made up of primarily sales taxes and state shared revenues of $22.4 million.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

The financial performance of the Town as a whole is reflected in its governmental funds. As the Town completed the year, its governmental funds reported a combined fund balance of $23.6 million, a decrease of $7.4 million due to the $6.3 million payment to bond escrow agent for the defeasance of revenue bonds.

The General Fund is the principal operating fund of the Town. The decrease in fund balance of $4.0 million in the General Fund for the fiscal year to $11.9 million, was due primarily to the transfer of fund balance to the Municipal Debt Service Fund for the defeasance of revenue bonds.

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The fund balance of the Highway User Revenue Fund showed a decrease of $31,338 to $4.2 million for the current fiscal year.

The fund balance of the Municipal Debt Service Fund showed an increase of $1.8 million to $1.9 million due to transfers in for the defeasance of revenue bonds.

The Townwide Roadway Fund showed an increase of $7,078 to $2.3 million for the current fiscal year.

Proprietary funds. Net assets of the Enterprise Funds at the end of the year amounted to $55.8 million. The increase of $3.2 million from the prior fiscal year was primarily due to operating income of $4.5 million.

BUDGETARY HIGHLIGHTS

There were no amendments to the Town of Oro Valley's fiscal year 2009-10 operating and capital budget. A schedule showing the original and final budget amounts compared to the Town's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant variances are summarized as follows:

- The unfavorable variance of $2.2 million in revenues was a result of a decline in construction sales tax, commercial building permit fees, and state income tax.

- The favorable variance of $1.9 million in expenditures was a result of salary savings and operational cost savings in all departments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the Town had invested $232.8 million in capital assets (net of accumulated depreciation), including buildings, facilities, vehicles, computers, equipment, and infrastructure assets. This amount represents a net decrease of $2.2 million from last year, primarily due to depreciation of the Town's assets. Total depreciation expense for the year was $9.9 million.

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The following schedule presents capital asset balances for the fiscal years ended June 30, 2010 and June 30, 2009.

Governmental Activities	As of June 30, 2010	As of June 30, 2009
Land	$ 18,878,468	$ 18,878,468
Infrastructure	143,835,153	139,428,821
Buildings and improvements	19,962,664	19,871,218
Machinery, equipment, and vehicles	9,147,800	8,954,814
Construction in progress	3,913,137	3,569,261
Less: Accumulated depreciation	(54,427,282)	(47,377,474)
Total	$ 141,309,940	$143,325,108

CAPITAL ASSETS AND DEBT ADMINISTRATION (Concl'd)

Business-type Activities	As of June 30, 2010	As of June 30, 2009
Land	$ 2,410,660	$ 2,410,660
Water rights	8,534,490	8,534,490
Water system	98,839,269	97,496,342
Stormwater system	1,044,302	1,028,602
Equipment and vehicles	3,411,001	3,264,268
Construction in progress	1,699,004	613,499
Less: Accumulated depreciation	(24,432,860)	(21,664,089)
Total	$ 91,505,866	$ 91,683,772

Additional information on the Town's capital assets can be found in Note 4.

Debt Administration. At year end, the Town had $72.3 million in long-term debt outstanding, $6.8 million due within one year. The following table presents a summary of the Town's outstanding long-term debt for the fiscal years ended June 30, 2010 and June 30, 2009.

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	Governmental Activities	
	2010	2009
Revenue bonds	$ 4,939,750	$ 11,449,146
Special assessment bonds	3,145,000	3,360,000
Loan payable	5,513,133	8,000,000
Total	$ 13,597,883	$ 22,809,146

	Business-type Activities	
	2010	2009
Revenue bonds	$ 52,305,500	$ 57,575,854
Loan payable	6,305,650	5,788,122
Capital leases	123,883	107,046
	$ 58,735,033	$ 63,471,022

State statutes currently limit the amount of general obligation debt a Town may issue to 20 percent of its total assessed valuation for water, sewer, lights, open space preserves, parks, playgrounds and recreational facilities. The current debt limitation for the Town is $138.8 million.

The Town of Oro Valley has a bond rating of "AA-" rating from Standard & Poor's and an "A+" rating from Fitch on outstanding revenue bonds.

Additional information on the Town's long-term debt can be found in Notes 5 through 9.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for the Town of Oro Valley is currently 6.2%. Pima County's and the State of Arizona's unemployment rates are 8.7% and 9.7%, respectively.

- The Town's secondary assessed valuation for the current year is $693,924,598, an increase of 1% over last fiscal year.

- Single family residential (SFR) building permits issued in this fiscal year totaled 65, as compared to 120 SFR building permits issued last fiscal year. Projections for SFR building permits are 75 for fiscal year 2010-11.

The adopted combined operating and capital expenditure budget for fiscal year 2010-11 totals $116.2 million, a decrease of 4.4% over last year's budget of $121.5 million. This decrease is attributed to the continued economic downturn causing a further drop in our major revenue sources: local sales taxes, state-shared revenues and residential and commercial permit fees. Emphasis was placed on streamlining service delivery, increasing operating efficiencies, and improving the structural balance of the Town's budget by reducing recurring expenditures to align with continued revenue reductions.

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CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance Department, Town of Oro Valley, Arizona, 11000 North La Cañada Drive, Oro Valley, Arizona 85737.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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TOWN OF ORO VALLEY, ARIZONA
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 24,529,378	$ 21,963,048	$ 46,492,426
Taxes receivable	871,726		871,726
Accounts receivable	423,479	2,348,906	2,772,385
Intergovernmental receivable	1,247,379		1,247,379
Special assessments	3,145,000		3,145,000
Loans receivable		122,000	122,000
Prepaid items	5,506		5,506
Total current assets	30,222,468	24,433,954	54,656,422
Noncurrent assets:			
Deferred bond charges	416,401	2,690,448	3,106,849
Capital assets, non-depreciable	22,791,605	12,644,154	35,435,759
Capital assets, depreciable (net)	118,518,335	78,861,712	197,380,047
Total noncurrent assets	141,726,341	94,196,314	235,922,655
Total assets	171,948,809	118,630,268	290,579,077
LIABILITIES			
Current liabilities:			
Accounts payable	2,042,164	559,665	2,601,829
Accrued wages and benefits	724,026	89,892	813,918
Intergovernmental payable	319,527	841,512	1,161,039
Interest payable		1,269,105	1,269,105
Unearned revenue	139,168		139,168
Customer deposits payable	216,952	180,189	397,141
Compensated absences	1,218,900	114,290	1,333,190
Capital leases payable		88,491	88,491
Loans payable	3,000,000	768,815	3,768,815
Special assessment bonds	225,000		225,000
Revenue bonds	234,970	2,501,530	2,736,500
Total current liabilities	8,120,707	6,413,489	14,534,196
Noncurrent liabilities:			
Compensated absences	343,791	58,876	402,667
Capital leases payable		35,392	35,392
Loans payable	2,513,133	5,536,835	8,049,968
Special assessment bonds	2,920,000		2,920,000
Deferred bond premium	74,638	993,564	1,068,202
Revenue bonds	4,704,780	49,803,970	54,508,750
Total non-current liabilities	10,556,342	56,428,637	66,984,979
Total liabilities	18,677,049	62,842,126	81,519,175
NET ASSETS			
Invested in capital assets, net of related debt	127,712,057	31,383,715	159,095,772
Restricted for:			
Public safety	472,183		472,183
Highways and streets	4,345,686		4,345,686
Capital outlay	2,771,997		2,771,997
Debt service	1,929,635		1,929,635
Other	61,109		61,109
Unrestricted	15,979,093	24,404,427	40,383,520
Total net assets	$ 153,271,760	$ 55,788,142	$ 209,059,902

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The notes to the financial statements are an integral part of this statement.

TOWN OF ORO VALLEY, ARIZONA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities
Primary Government					
Governmental activities:					
General government	$ 9,950,053	$ 2,261,815	$ 135,163	$ 45,011	$ (7,508,064)
Public safety	13,730,593	28,785	849,466		(12,852,342)
Highway and streets	9,353,689	137,436	3,109,971	6,469,591	363,309
Culture and recreation	3,527,949	119,273	633,450		(2,775,226)
Interest on long-term debt	1,767,155				(1,767,155)
Total governmental activities	38,329,439	2,547,309	4,728,050	6,514,602	(24,539,478)
Business-type activities:					
Water	12,830,137	15,136,784		362,273	
Stormwater drainage	486,994	927,238			
Total business-type activities	13,317,131	16,064,022		362,273	
Total primary government	$ 51,646,570	$ 18,611,331	$ 4,728,050	$ 6,876,875	(24,539,478)

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General revenues:	
Taxes:	
Sales taxes	12,970,865
Franchise taxes	509,285
Impact fees	584,113
Unrestricted state shared revenues	9,462,464
Investment earnings	95,625
Total general revenues	23,622,352
Changes in net assets	(917,126)
Net assets, beginning of year	154,188,886
Net assets, end of year	$153,271,760

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets	
Business-type Activities	Totals
$	$ (7,508,064)
	(12,852,342)
	363,309
	(2,775,226)
	(1,767,155)
	(24,539,478)
2,668,920	2,668,920
440,244	440,244
3,109,164	3,109,164
3,109,164	(21,430,314)
	12,970,865
	509,285
	584,113
	9,462,464
72,244	167,869
72,244	23,694,596
3,181,408	2,264,282
52,606,734	206,795,620
$ 55,788,142	$209,059,902

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FUND FINANCIAL STATEMENTS

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TOWN OF ORO VALLEY, ARIZONA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2010

	General Fund	HURF	Municipal Debt Service
ASSETS			
Cash and cash equivalents	$ 11,846,102	$ 4,647,289	$ 1,917,911
Taxes receivable	871,726		
Accounts receivable	338,060	40,407	
Intergovernmental receivable	544,958	244,247	
Special assessments			
Prepaid items	5,506		
Total assets	$ 13,606,352	$ 4,931,943	$ 1,917,911
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 570,961	$ 669,600	$
Accrued wages and benefits	635,519	66,375	
Intergovernmental payable	319,527		
Deferred revenue	139,168		
Customer deposits payable	36,748		
Total liabilities	1,701,923	735,975	
Fund balances:			
Unreserved:			
Undesignated	11,904,429	4,195,968	1,917,911
Unreserved reported in:			
Special revenue funds			
Capital projects funds			
Total fund balances	11,904,429	4,195,968	1,917,911
Total liabilities and fund balances	$ 13,606,352	$ 4,931,943	$ 1,917,911

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The notes to the financial statements are an integral part of this statement.

Oracle Road Debt Service	Townwide Roadway Development Impact Fees	Non-Major Governmental Funds	Total Governmental Funds
$ 11,724	$ 2,475,606	$ 3,576,479	$ 24,475,111
			871,726
		45,012	423,479
	458,174		1,247,379
3,145,000			3,145,000
			5,506
$ 3,156,724	$ 2,933,780	$ 3,621,491	$ 30,168,201
$	$ 660,475	$ 92,602	$ 1,993,638
		16,391	718,285
			319,527
3,145,000			3,284,168
	947	179,257	216,952
3,145,000	661,422	288,250	6,532,570
11,724	2,272,358		20,302,390
		1,672,555	1,672,555
		1,660,686	1,660,686
11,724	2,272,358	3,333,241	23,635,631
$ 3,156,724	$ 2,933,780	$ 3,621,491	$ 30,168,201

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TOWN OF ORO VALLEY, ARIZONA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010

Total governmental fund balances		**$ 23,635,631**
Amounts reported for *governmental activities* in the Statement of Net Assets are different because:		
Capital assets used in governmental acitivities are not financial resources and therefore are not reported in the funds.		
Governmental capital assets	$ 195,737,222	
Less accumulated depreciation	(54,427,282)	141,309,940
Special assessments receivable are not available to pay for current period expenditures and therefore are not reported in the funds.		3,145,000
Deferred items related to the issuance of bonds are amortized over the life of the associated issuance in the government-wide statements but not reported in the funds.		
Deferred bond charges	416,401	
Deferred bond premium	(74,638)	341,763
Long-term liabilites are not due and payable in the current period and therefore are not reported in the funds.		
Special assessment bonds	(3,145,000)	
Revenue bonds	(4,939,750)	
Loans payable	(5,513,133)	
Compensated absences	(1,562,691)	(15,160,574)
Net assets of governmental activities		**$ 153,271,760**

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The notes to the financial statements are integral part of this statement.

TOWN OF ORO VALLEY, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010

	General Fund	HURF	Municipal Debt Service
Revenues:			
Sales taxes	$ 12,043,584	$ 801,570	$
Franchise taxes	509,285		
Impact fees			
Special assesments			
Intergovernmental	10,725,866	2,886,453	
Licenses, fees & permits	1,055,270	53,141	
Fines, forfeitures & penalties	202,144		
Charges for services	913,638		
Contributions and donations	59		
Investment earnings	62,200	8,692	107
Other	183,552	14,478	
Total revenues	25,695,598	3,764,334	107
Expenditures:			
Current -			
General government	8,912,829		
Public safety	12,919,307		
Highway and streets		2,972,645	
Culture and recreation	3,157,369		
Capital outlay	558,416	594,755	
Debt service -			
Principal retirement			699,010
Interest and fiscal charges			465,950
Payment to bond escrow agent			6,279,112
Bond issuance costs			26,550
Total expenditures	25,547,921	3,567,400	7,470,622
Excess (deficiency) of revenues over expenditures	147,677	196,934	(7,470,515)
Transfers in			9,240,679
Transfers out	(4,183,686)	(228,272)	
Total other financing sources (uses)	(4,183,686)	(228,272)	9,240,679
Changes in fund balances	(4,036,009)	(31,338)	1,770,164
Fund balances, beginning of year	15,940,438	4,227,306	147,747
Fund balances, end of year	$ 11,904,429	$ 4,195,968	$ 1,917,911

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The notes to the financial statements are an integral part of this statement.

Oracle Road Debt Service	Townwide Roadway Development Impact Fees	Non-Major Governmental Funds	Total Governmental Funds
$	$	$ 125,711	$ 12,970,865
			509,285
	341,034	243,079	584,113
368,152			368,152
	4,059,901	268,529	17,940,749
			1,108,411
		409,887	612,031
		51,817	965,455
			59
	16,311	8,315	95,625
	18,000		216,030
368,152	4,435,246	1,107,338	35,370,775
		539,949	9,452,778
		59,984	12,979,291
		502,911	3,475,556
			3,157,369
	1,728,168	308,426	3,189,765
215,000	2,486,867		3,400,877
152,497	213,133		831,580
			6,279,112
			26,550
367,497	4,428,168	1,411,270	42,792,878
655	7,078	(303,932)	(7,422,103)
		772,000	10,012,679
		(5,600,721)	(10,012,679)
		(4,828,721)	
655	7,078	(5,132,653)	(7,422,103)
11,069	2,265,280	8,465,894	31,057,734
$ 11,724	$ 2,272,358	$ 3,333,241	$ 23,635,631

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TOWN OF ORO VALLEY, ARIZONA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010

Net changes in fund balances - total governmental funds		**$ (7,422,103)**
Amounts reported for *governmental activities* in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Expenditures for capital assets	$ 2,847,944	
Less current year depreciation	(7,119,650)	(4,271,706)
Capital assets contributed by developers to the Town are not recorded in the governmental funds as they do not provide current financial resources but are recognized in the Statement of Activities as program revenues.		2,256,538
Special assessment revenues in the Statement of Activities do not provide current financial resources and therefore are not reported as revenues in the governmental funds.		(215,000)
Repayment of debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.		
Loan principal retirement	2,486,867	
Revenue bond principal retirement	6,509,396	
Special assessment bond principal retirement	215,000	9,211,263
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Amortization of deferred charges	(440,299)	
Compensated absences	(35,819)	(476,118)
Change in net assets in governmental activities		**$ (917,126)**

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The notes to the financial statements are integral part of this statement.

TOWN OF ORO VALLEY, ARIZONA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	Enterprise Funds			Governmental Activities: Internal Service Fund
	Water	Non-Major Enterprise Fund	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	$ 21,510,553	$ 452,495	$ 21,963,048	$ 54,267
Accounts receivable	2,097,199	251,707	2,348,906	
Loans receivable	122,000		122,000	
Total current assets	23,729,752	704,202	24,433,954	54,267
Noncurrent assets:				
Deferred bond charges	2,690,448		2,690,448	
Capital assets, non-depreciable	12,418,272	225,882	12,644,154	
Capital assets, depreciable (net)	77,474,594	1,387,118	78,861,712	
Total noncurrent assets	92,583,314	1,613,000	94,196,314	
Total assets	116,313,066	2,317,202	118,630,268	54,267
LIABILITIES				
Current liabilities:				
Accounts payable	428,043	131,622	559,665	48,526
Accrued wages and benefits	81,422	8,470	89,892	5,741
Intergovernmental payable	841,512		841,512	
Interest payable	1,269,105		1,269,105	
Customer deposits payable	180,189		180,189	
Compensated absences	112,227	2,063	114,290	
Capital leases payable		88,491	88,491	
Loans payable	768,815		768,815	
Revenue bonds	2,501,530		2,501,530	
Total current liabilities	6,182,843	230,646	6,413,489	54,267
Noncurrent liabilities:				
Compensated absences	57,814	1,062	58,876	
Capital leases payable		35,392	35,392	
Loans payable	5,536,835		5,536,835	
Deferred bond premium	993,564		993,564	
Revenue bonds	49,803,970		49,803,970	
Total non-current liabilities	56,392,183	36,454	56,428,637	
Total liabilities	62,575,026	267,100	62,842,126	54,267
NET ASSETS				
Invested in capital assets, net of related debt	31,281,716	101,999	31,383,715	
Unrestricted	22,456,324	1,948,103	24,404,427	
Total net assets	$ 53,738,040	$ 2,050,102	$ 55,788,142	$

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The notes to the financial statements are an integral part of this statement.

TOWN OF ORO VALLEY, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Enterprise Funds			Governmental Activities: Internal Service Fund
	Water	Non-Major Enterprise Fund	Total	
Operating revenues:				
Charges for services	$ 14,365,400	$ 744,944	$ 15,110,344	$ 864,159
Other	1,804		1,804	7,509
Total operating revenues	14,367,204	744,944	15,112,148	871,668
Operating expenses:				
Costs of sales and services	7,174,921	425,023	7,599,944	871,668
Depreciation and amortization	2,965,790	56,764	3,022,554	
Total operating expenses	10,140,711	481,787	10,622,498	871,668
Operating income	4,226,493	263,157	4,489,650	
Nonoperating revenues (expenses):				
Impact fees	475,973		475,973	
Intergovernmental		182,294	182,294	
Connection fees	293,607		293,607	
Investment earnings	70,329	1,915	72,244	
Interest expense	(2,689,426)	(5,207)	(2,694,633)	
Total nonoperating revenues (expenses)	(1,849,517)	179,002	(1,670,515)	
Income before capital contributions and transfers	2,376,976	442,159	2,819,135	
Capital contributions	362,273		362,273	
Changes in net assets	2,739,249	442,159	3,181,408	
Total net assets, beginning of year	50,998,791	1,607,943	52,606,734	
Total net assets, end of year	$ 53,738,040	$ 2,050,102	$ 55,788,142	$

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The notes to the financial statements are an integral part of this statement.

TOWN OF ORO VALLEY, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Enterprise Funds			Governmental Activities
	Water	Non-Major Enterprise Fund	Total	Internal Service Fund
Increase (Decrease) in Cash and Cash Equivalents				
Cash flows from operating activities:				
Cash received from customers	$ 14,144,242	$ 574,681	$ 14,718,923	871,668
Cash payments to suppliers for goods and services	(4,685,029)	(127,662)	(4,812,691)	(683,470)
Cash payments to employees for services	(2,384,928)	(211,917)	(2,596,845)	(133,931)
Net cash provided by operating activities	7,074,285	235,102	7,309,387	54,267
Cash flows from noncapital and related financing activities:				
Connection fees	293,607		293,607	
Grants received		182,294	182,294	
Net cash provided by noncapital financing activities	293,607	182,294	475,901	
Cash flows from capital and related financing activities:				
Development impact fees	475,973		475,973	
Acquisition of capital assets	(1,940,117)	(182,212)	(2,122,329)	
Proceeds from loans	1,062,307		1,062,307	
Principal paid on long-term debt	(3,152,769)	(89,425)	(3,242,194)	
Payment to bond escrow agent	(2,784,364)		(2,784,364)	
Interest on long-term debt	(2,804,001)	(5,207)	(2,809,208)	
Net cash used for capital and related financing activities	(9,142,971)	(276,844)	(9,419,815)	
Cash flows from investing activities:				
Investment income	95,777	2,438	98,215	
Net cash provided by investing activities	95,777	2,438	98,215	
Net increase (decrease) in cash and cash equivalents	(1,679,302)	142,990	(1,536,312)	54,267
Cash and cash equivalents, beginning of year	23,189,855	309,505	23,499,360	
Cash and cash equivalents, end of year	$ 21,510,553	$ 452,495	$ 21,963,048	$ 54,267
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating income	$ 4,226,493	$ 263,157	$ 4,489,650	$
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	2,965,790	56,764	3,022,554	
Change in assets and liabilities:				
Increase in accounts receivable	(272,112)	(170,263)	(442,375)	
Increase in accounts payable	103,314	85,945	189,259	48,526
Increase (decrease) in accrued payroll and employee benefits	(12,598)	2,001	(10,597)	5,741
Increase (decrease) in compensated absences payable	14,248	(2,502)	11,746	
Increase in deposits held for others	49,150		49,150	
Total adjustments	2,847,792	(28,055)	2,819,737	54,267
Net cash provided by operating activities	$ 7,074,285	$ 235,102	$ 7,309,387	$ 54,267

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The notes to the financial statements are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Oro Valley, Arizona have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the Town's accounting policies are described below.

A. Reporting Entity

The Town is a municipal entity governed by an elected mayor and council. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations and so data from these units are combined with data of the Town, the primary government. The blended component units presented have a June 30 year end.

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The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The Town is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, component units combined with the Town for financial statement presentation purposes, and the Town, are not included in any other governmental reporting entity. Consequently, the Town's financial statements include the funds of those organizational entities for which its elected governing body is financially accountable.

Blended Component Unit – The financial reporting entity presented in these financial statements consists of the Town and one blended component unit. This component unit, discussed below, is included in the Town's reporting entity because of the significance of its operational relationship or financial relationship with the Town. The component unit is governed by a board, substantially or wholly, comprised of the Town's elected council. Separate financial statements are not prepared for the component unit on a stand-alone basis.

The Town of Oro Valley Municipal Property Corporation's (MPC) Board of Directors consists of the three members which are appointed by the Town of Oro Valley Town Council. The MPC, a non-profit corporation incorporated under the laws of the State of Arizona, was originally formed for the purpose of assisting the Town in obtaining financing for acquiring the Cañada Hills and Rancho Vistoso water companies. The Town has a contractual obligation for the repayment of the Municipal Property Corporation's Municipal Facilities Revenue Bonds, Series 2003, 2005, and 2007. The activity of the 2003 MPC is reported in the applicable water enterprise fund and the activity of the Series 2005 and 2007 MPC is reported in the applicable water enterprise and governmental funds. All related receivables and payables between the Town and the MPC have been eliminated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) present financial information about the Town as a whole. The reported information includes all of the nonfiduciary activities of the Town and its component units. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the Town. Governmental activities normally are supported by sales taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Sales taxes, unrestricted state shared revenues, investment income and other items not included among program revenues are reported instead as general revenues.

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Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and the major individual enterprise fund are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales taxes, franchise taxes, licenses and permits, charges for services, special assessments and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Miscellaneous revenue is not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenue arise when resources are received by the Town before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

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The Council adopts the budget at the fund level as a total amount of expenditures. Financial control is administered by fund, with budgetary control for operating performance regulated at the departmental level, e.g., finance, economic development, police, and parks and recreation.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

The Town reports the following major governmental funds.

General Fund – This fund accounts for all financial resources of the Town, except those required to be accounted for in other funds.

Highway User Revenue Fund – This fund is used to account for the Town's share of motor fuel tax revenues.

Municipal Debt Service Fund – This fund accounts for the payments of debt service on the Municipal Property Corporation Revenue Bonds of 2003 Refunding, 2005 and 2007 Refunding.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Oracle Road Debt Service Fund – This fund accounts for the special assessment collections and payment of the outstanding Oracle Road bond issue.

Townwide Roadway Development Impact Fees Fund – This fund accounts for the collection and capital expenditures of the Townwide Roadway Development Impact Fees.

The Town reports the following major proprietary fund.

Water Fund – This fund accounts for the costs to operate, construct and finance the Town's water system.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

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Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service fund are charges to user departments for fleet maintenance services. The principal operating revenues of the Town's enterprise fund are charges to customers for water and stormwater drainage services. Operating expenses for these funds include the cost of sales and services, depreciation, and amortization. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

For purposes of the Statement of Cash Flows, the Town considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at June 30, 2010 were cash in bank and investments held by the County and State Treasurers.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

All trade receivables are shown net of an allowance for uncollectibles.

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements. Prepaid items are recorded as expenses when consumed in the government-wide and fund financial statements.

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H. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of $5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Certain capital assets of the Town are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50
Improvements other than buildings	20-30
Infrastructure	20-50
Vehicles	4-6
Machinery and equipment	7-20

I. Compensated Absences

The Town's employee annual and sick leave policies generally provide for granting annual and sick leave with pay. Full-time employees accrue annual leave based on the number of years employed. Employees who terminate employment shall be paid in a lump sum. Full-time employees accumulate sick leave at the rate of one work day per month. Part-time employees whose normal week is twenty hours or more receive sick leave at half the rate of full-time employees. Once an employee has exceeded 480 hours of accrued sick leave, one half of the sick leave balance in excess of the 480 hours shall be paid to the employee upon separation from employment. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide financial statements. A liability for these amounts, including related benefits, is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

J. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities and proprietary fund type statement of net assets.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for expenditures or are legally restricted by outside parties for use for a specific purpose.

L. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

M. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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NOTE 2 – CASH AND INVESTMENTS

A.R.S. authorize the Town to invest public monies in obligations of the U.S. Government and its agencies, obligations of the State and certain local government subdivisions, interest-bearing savings accounts and certificates of deposit, collateralized repurchase agreements, certain obligations of U.S. corporations, and certain other securities. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the Town's investments.

The State Treasurer's pools are external investment pools, the Local Government Investment Pool (Pool 5) and Local Government Investment Pool-Government (Pool 7), with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The activity and performance of the pools are reviewed monthly by the State Board of Investment. The fair value of each participant's position in the State Treasurer investment pools approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. No regulatory oversight is provided for the County Treasurer's investment pool and that pool's structure does not provide for shares.

NOTE 2 – CASH AND INVESTMENTS (Concl'd)

Custodial Credit Risk – Deposits. Custodial Credit risk is the risk that in the event of bank failure the Town's deposits may not be returned to the Town. The Town does not have a deposit policy for custodial credit risk. At year end, the carrying value of the Town's deposits was $545,090 and the bank balance was $430,963. At year end, the Town's deposits were entirely covered by Federal depository insurance.

At year end, the Town's investments consisted of the following.

Investment Type	Maturities	Fair Value
Money Market – U.S. Treasuries	Less than one year	$ 5,328,816
County Treasurer's investment pool	177 days average	537,493
State Treasurer's investment pool 5	22 days average	38,331,034
State Treasurer's investment pool 7	29 days average	1,744,889
Total		$45,942,232

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Interest Rate Risk. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The Town has no investment policy that would further limit its investment choices. As of year end, the Town's investment in the State and County Treasurers' investment pools did not receive a credit quality rating from a national rating agency. All of the investments in the State Treasurer's investment pool 7 were rated AAA by Standard and Poor's. For investments in the State Treasurer's investment pool 5, 88% of the securities were rated AAA, AGY, A+, or A1 by Standard and Poor's.

Custodial Credit Risk – Investments. The Town's investment in the State and County Treasurer's investment pools represents a proportionate interest in the pool's portfolio; however, the Town's portion is not identified with specific investments and is not subject to custodial credit risk.

NOTE 3 – RECEIVABLES

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements with the exception of due from governmental entities. Due from governmental entities, net of allowance for uncollectibles, as of year end for the Town's individual major funds in the aggregate, were as follows.

	General Fund	Highway User Revenue Fund	Townwide Roadway Development Impact Fees Fund
Due from Federal government	$ 219,638	$	$
Due from State government	325,320	244,247	
Due from other governments			458,174
Net due from governmental entities	$ 544,958	$ 244,247	$ 458,174

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows.

	Unavailable	Unearned
Prepaid developer fees (General Fund)	$	$ 139,168
Special assessments (Oracle Road Debt Service Fund)	3,145,000	
Total deferred revenue for governmental funds	$ 3,145,000	$ 139,168

NOTE 4 – CAPITAL ASSETS

A summary of capital asset activity for the fiscal year ended June 30, 2010 follows.

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	$ 18,878,468	$	$	$ 18,878,468
Construction in progress	3,569,261	2,047,007	1,703,131	3,913,137
Total capital assets, not being depreciated	22,447,729	2,047,007	1,703,131	22,791,605
Capital assets, being depreciated:				
Infrastructure	139,428,821	4,406,332		143,835,153
Buildings and improvements	19,871,218	91,446		19,962,664
Machinery, equipment, and vehicles	8,954,814	262,828	69,842	9,147,800
Total capital assets being depreciated	168,254,853	4,760,606	69,842	172,945,617
Less accumulated depreciation for:				
Infrastructure	(38,319,083)	(5,469,619)		(43,788,702)
Buildings and improvements	(4,091,355)	(460,037)		(4,551,392)
Machinery, equipment, and vehicles	(4,967,036)	(1,189,994)	(69,842)	(6,087,188)
Total accumulated depreciation	(47,377,474)	(7,119,650)	(69,842)	(54,427,282)
Total capital assets, being depreciated, net	120,877,379	(2,359,044)		118,518,335
Governmental activities capital assets, net	$ 143,325,108	$ (312,037)	$ 1,703,131	$ 141,309,940

Business-Type Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	$ 2,410,660	$	$	$ 2,410,660
Water rights	8,534,490			8,534,490
Construction in progress	613,499	1,165,254	79,749	1,699,004
Total	11,558,649	1,165,254	79,749	12,644,154
Capital assets, being depreciated:				
Water system	97,496,342	1,342,927		98,839,269
Stormwater system	1,028,602	15,700		1,044,302
Equipment and vehicles	3,264,268	146,733		3,411,001
Total capital assets being depreciated	101,789,212	1,505,360		103,294,572
Less accumulated depreciation for:				
Water system	(19,908,664)	(2,494,717)		(22,403,381)
Stormwater system	(32,211)	(20,834)		(53,045)
Equipment and vehicles	(1,723,214)	(253,220)		(1,976,434)
Total accumulated depreciation	(21,664,089)	(2,768,771)		(24,432,860)
Total capital assets, being depreciated, net	80,125,123	(1,263,411)		78,861,712
Business-type activities capital assets, net	$ 91,683,772	$ (98,157)	$ 79,749	$ 91,505,866

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NOTE 4 – CAPITAL ASSETS (Concl'd)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	$ 457,915
Public Safety	695,609
Highways and streets	5,614,644
Culture and recreation	351,482
Total depreciation expense – governmental activities	$7,119,650
Business-type activities:	
Water	$2,712,007
Stormwater	56,764
Total depreciation expense – business-type activities	$2,768,771

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Construction Commitments – As of June 30, 2010, the Town was involved in several construction projects. The estimated cost to complete the construction projects is $28.6 million.

NOTE 5 – LOANS PAYABLE

The Town received an $8,000,000 loan from the Arizona Department of Transportation (ADOT) for streets projects. The loan payable at June 30, 2010, is presented below.

Governmental activities:	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
ADOT HELP Loan	3.50%	7/30/10-12	$ 5,513,133	$3,000,000
Total			$ 5,513,133	$3,000,000

Principal and interest payments on the governmental activities loans payable at June 30, 2010 are summarized as follows.

		Governmental Activities	
Year ending June 30:		Principal	Interest
	2011	$ 3,000,000	$
	2012	513,133	105,724
	2013	2,000,000	63,940
Total		$ 5,513,133	$ 169,664

NOTE 5 – LOANS PAYABLE (Concl'd)

The Town received two loans from the Water Infrastructure Finance Authority of Arizona for water system projects. The Town also received loan financing for water rights from the Central Arizona Water Conservation Town (CAWCD) to be paid back over five years. The loans payable at June 30, 2010 are presented below.

Business-type activities:	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
WIFA Loan, 2007	2.04%	7/1/10-24	$ 4,154,412	$ 173,144
WIFA Loan, 2009	2.75%	7/1/10-18	1,184,306	124,457
CAWCD Loan	5.20%	12/1/10-11	966,932	471,214
Total			$ 6,305,650	$ 768,815

Principal and interest payments on the business-type activities loans payable at June 30, 2010 are summarized as follows.

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		Business-type Activities	
Year ending June 30:		Principal	Interest
	2011	$ 768,815	$ 170,197
	2012	803,388	142,140
	2013	318,081	107,106
	2014	328,844	97,541
	2015	339,973	87,658
	2016-20	1,626,741	298,862
	2021-25	1,315,221	150,713
	2026-28	804,587	22,933
Total		$ 6,305,650	$ 1,077,150

NOTE 6 – BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding revenue and refunding bonds. The bonds are both callable and noncallable with interest payable semiannually. Taxes and Impact Fees are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:					
Revenue Bonds, 2005	$ 4,164,050	3.13-4.75%	7/1/10-25	$ 3,584,500	$ 167,500
Refunding Revenue Bonds, 2007	1,389,180	4.25-5.00%	7/1/10-26	1,355,250	67,470
Total				$ 4,939,750	$ 234,970

Annual debt service requirements to maturity on revenue and refunding bonds for governmental activities at year end are summarized as follows.

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	Governmental Activities	
Year ending June 30:	Principal	Interest
2011	$ 234,970	$ 199,244
2012	179,820	192,013
2013	186,910	184,416
2014	194,000	176,108
2015	204,440	168,600
2016-20	1,355,830	694,518
2021-25	1,996,090	335,439
2026-29	587,690	18,953
Total	$ 4,939,750	$ 1,969,291

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Business-type activities:					
Revenue Bonds, 2003	$ 31,750,000	3.25-5.00%	7/1/10-28	$ 26,487,500	$1,355,000
Refunding Revenue Bonds, 2003	10,225,080	3.13-5.00%	7/1/10-19	8,032,750	266,500
Revenue Bonds, 2005	2,050,950	3.13-4.75%	7/1/10-25	1,765,500	82,500
Refunding Revenue Bonds, 2007	16,420,820	4.25-5.00%	7/1/10-26	16,019,750	797,530
Total				$ 52,305,500	$2,501,530

NOTE 6 – BONDS PAYABLE (Concl'd)

Annual debt service requirements to maturity revenue and refunding bonds for business-type activities at year end are summarized as follows.

		Business-type Activities	
Year ending June 30:		Principal	Interest
	2011	$ 2,501,530	$ 2,315,565
	2012	2,370,180	2,231,020
	2013	2,536,840	2,131,609
	2014	2,128,500	2,026,368
	2015	2,535,310	1,931,432
	2016-20	14,566,920	7,786,489
	2021-25	15,873,910	4,126,583
	2026-29	9,792,310	790,689
Total		$ 52,305,500	$23,339,755

During the current fiscal year, the Town deposited $7,460,466 in an irrevocable trust with an escrow agent for the defeasance of outstanding revenue bonds related to the governmental and business-type activities Revenue Bonds Series 2000, 2001, and the governmental activities portion of the Revenue Refunding Bonds Series 2003. As a result, the revenue bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide statements.

Pledged revenues – governmental activities. The Town has pledged future sales (excise) tax revenues to repay outstanding revenue bonds and refunding revenue bonds of $4.9 million as of June 30, 2010. Proceeds from the original bond issuances, including those subsequently refunded, provided financing for land acquisition and facility construction. The bonds are paid solely from the Town's sales taxes and are payable through 2027. Total annual principal and interest payments for all sales tax revenue bonds are expected to require less than 5% of gross revenues. The total principal and interest to be paid on the bonds is $6.9 million. The current total sales tax revenues were $12.2 million and the total principal and interest paid on the bonds was $1.2 million, or 10% of gross revenues.

Pledged revenues – business-type activities. The Town has pledged future water revenues to repay outstanding revenue bonds and refunding revenue bonds of $52.3 million as of June 30, 2010. Proceeds from the original bond issuances, including those subsequently refunded, provided financing for the construction and improvements to the Town's water systems and infrastructure. The bonds are paid solely from water utility revenues and are payable through 2029. Total annual principal and interest payments for all water revenue bond issuances are expected to require approximately 25% of gross revenues. The total principal and interest to be paid on the bonds is $75.6 million. The current total customer gross revenues were $15.1 million and the total principal and interest paid on the bonds was $4.8 million or 32% of gross revenues.

NOTE 7 – SPECIAL ASSESSMENT BONDS

Special assessment bonds year end consisted of the following outstanding bonds. The bonds are both callable and noncallable with interest payable semiannually. Special assessments from the Oracle Road Debt Service Fund are used to pay bonded debt.

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:					
Special assessments debt	$3,945,000	4.20-5.00%	1/1/10-21	$ 3,145,000	$ 225,000
Total				$ 3,145,000	$ 225,000

Annual debt service requirements to maturity on special assessment bonds at year end are summarized as follows.

		Governmental Activities	
Year ending June 30:		Principal	Interest
	2011	$ 225,000	$ 141,202
	2012	235,000	129,701
	2013	250,000	117,578
	2014	260,000	105,867
	2015	270,000	94,602
	2016-20	1,550,000	271,327
	2021	355,000	8,431
Total		$ 3,145,000	$ 868,708

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NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

The business-type activities of the Town have acquired a street sweeper and dump truck under the provisions of long-term lease agreements classified as a capital leases. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Stormwater Fund are used to pay the capital lease obligations.

The assets capitalized and acquired through capital leases are as follows.

	Business-type Activities
Asset:	
Machinery, equipment, and vehicles	$ 307,648
Less: Accumulated depreciation	37,184
Total	$ 270,464

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows:

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Year Ending June 30:	Business-type Activities
2011	$ 94,632
2012	37,173
Total minimum lease payments	131,805
Less: amount representing interest	7,922
Present value of minimum lease payments	$ 123,883
Due within one year	$ 88,491

NOTE 9 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the current fiscal year was as follows.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds payable	$ 11,449,146	$	$ 6,509,396	$ 4,939,750	$ 234,970
Special assessments payable	3,360,000		215,000	3,145,000	225,000
Loan payable	8,000,000		2,486,867	5,513,133	3,000,000
Compensated absences payable	1,526,872	1,497,920	1,462,101	1,562,691	1,218,900
Governmental activity long-term liabilities	$ 24,336,018	$ 1,497,920	$10,673,364	$ 15,160,574	$ 4,678,870

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Revenue bonds payable	$ 57,575,854	$	$ 5,270,354	$ 52,305,500	$ 2,501,530
Loan payable	5,788,122	1,184,307	666,779	6,305,650	768,815
Capital lease payable	107,046	106,262	89,425	123,883	88,491
Compensated absences payable	161,420	175,505	163,759	173,166	114,290
Business-type activities long-term liabilities	$ 63,632,442	$ 1,466,074	$ 6,190,317	$ 58,908,199	$ 3,473,126

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NOTE 10 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, several funds had negative cash balances.

Interfund transfers:

	Transfers in		
Transfers out	Municipal Debt Service Fund	Non-Major Governmental Funds	Total
General Fund	$ 3,411,686	$ 772,000	$ 4,183,686
HURF Fund	228,272		228,272
Non-Major Governmental Funds	5,600,721		5,600,721
Total	$ 9,240,679	$ 772,000	$10,012,679

Transfers were made from the General Fund to subsidize the Public Transportation and Pima County Bond Projects Funds. Transfers were made from the General, Highway User Revenue and Municipal Building Funds to the Municipal Debt Service Fund to make the required principal and interest payments on outstanding bonded indebtedness, and for the defeasance of the 2000, 2001, and 2003 Revenue Bonds.

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NOTE 11 – CONTINGENT LIABILITIES

Compliance – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures/expenses that may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

NOTE 12 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Town's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the Town is a participating member. The limit for basic coverage is for $2,000,000 per occurrence on a claims made basis. Excess coverage is for an additional $10,000,000 per occurrence on a follow form, claims made basis. The aggregate limit is also $10,000,000. No significant reduction in insurance coverage occurred during the year and no settlements exceeded insurance coverage during any of the past three fiscal years.

NOTE 12 – RISK MANAGEMENT (Concl'd)

The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the Pool to meet its expected financial obligations. The Pool has the authority to assess its members additional premiums should reserves and annual premiums be insufficient to meet the Pool's obligations.

The Town is insured by Arizona Municipal Workers Compensation Pool for potential worker related accidents.

NOTE 13 – RETIREMENT PLAN

Plan Descriptions – The Town contributes to the three plans described below. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits.

The *Arizona State Retirement System* (ASRS) administers a cost-sharing multiple-employer defined benefit pension plan; a cost-sharing multiple employer defined benefit health insurance premium plan; and a cost-staring, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The *Public Safety Personnel Retirement System* (PSPRS) administers agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five-member board, known as The Fund Manager, and 162 local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The *Corrections Officer Retirement Plan* (CORP) administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers certain employees of the State of Arizona's Department of Corrections and Department of Juvenile Corrections, and county employees whose primary duties require direct inmate contact. The CORP is governed by The Fund Manager of PSPRS and the participating local boards according to the provisions of A.R.S. Title 38, Chapter 5, Article 6.

NOTE 13 – RETIREMENT PLAN (Cont'd)

Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by writing or calling the applicable plan.

ASRS	PSPRS/CORP
P.O. Box 33910	3010 E. Camelback Road Suite 200
Phoenix, AZ 85012-0250	Phoenix, AZ 85016
(602) 240-2200 or (800) 621-3778	(602) 255-5575

Funding policy – The Arizona State Legislature establishes and may amend active plan members' and the Town's contribution rates.

Cost-sharing plans – The Arizona State Legislature establishes and may amend active plan members' and the Town's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.40 percent (9.00 percent for retirement and 0.4 percent for long-term disability) of the members' annual covered payroll and the Town was required by statute to contribute at the actuarially determined rate of 9.40 percent (8.34 percent for retirement, 0.66 percent for health insurance premium, and 0.4 percent for long-term disability) of the members' annual covered payroll.

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The Town's contributions for the current and two preceding years, all of which were equal to the required contributions, were as follows.

Year ending June 30:	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
2010	$ 949,928	$ 75,174	$ 45,560
2009	996,346	119,711	62,350
2008	936,503	122,153	58,168

Agent plan – For the current fiscal year, active PSPRS and CORP members were required by statute to contribute 7.65 and 7.96 percent of the members' annual covered payroll, and the Town was required to contribute at the actuarially determined rate of 14.88 and 9.52 percent. The health insurance premium portion of the contribution rate was actuarially set at 0.55 percent of covered payroll for PSPRS and 0.36 percent for CORP.

NOTE 13 – RETIREMENT PLAN (Cont'd)

Actuarial methods and assumptions – The contribution requirements for the year ended June 30, 2010 were established by the June 30, 2008 actuarial valuations, and those actuarial valuations were based on the following actuarial methods and assumptions. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. The required schedule of funding programs which follows provides multi-year trend information that shows whether the actuarial value of the plans' assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

	PSPRS	CORP
Actuarial valuation date	June 30, 2008	June 30, 2008
Actuarial cost method	Projected unit credit	Projected unit credit
Actuarial assumptions:		
Investment rate of return	8.5%	8.5%
Projected salary increases	5.5% - 8.5%	5.5% - 8.5%
Inflation rate	5.0%	5.0%
Amortization method	Level percent closed for unfunded actuarial liability, open for excess	Level percent closed for unfunded actuarial liability, open for excess
Remaining amortization	28 years for unfunded actuarial accrued liability, 20 years for excess	28 years for unfunded actuarial accrued liability, 20 years for excess
Asset valuation method	Smoothed market value	Smoothed market value

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Annual Pension/OPEB Cost – The Town's pension/OPEB cost for the agent plans for the current fiscal year end and related information follows.

	PSPRS		CORP	
	Pension	Health Insurance	Pension	Health Insurance
Annual pension/OPEB cost	$ 846,785	$ 31,299	$ 42,532	$ 1,608
Contributions made	846,785	31,299	42,532	1,608

NOTE 13 – RETIREMENT PLAN (Cont'd)

Trend Information – Information for each of the agent plans as of most recent actuarial valuations follows.

Oro Valley Police Plan:

Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
Pension			
2009	$1,005,600	100%	-0-
2008	577,551	100	-0-
2007	478,027	100	-0-
Health Insurance			
2009	77,502	100	-0-
2008	59,146	100	-0-

Oro Valley ACORP Dispatchers:

Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
Pension			
2009	$57,404	100%	-0-
2008	36,214	100	-0-
2007	35,184	100	-0-
Health Insurance			
2009	5,447	100	-0-
2008	6,126	100	-0-

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NOTE 13 – RETIREMENT PLAN (Cont'd)

Funding Progress – An analysis of funding progress for each of the agent plans as of the most recent actuarial valuations follows. For this valuation, which was prior to the implementation of GASB Statement No. 45, the pension and health insurance benefit amounts were aggregated. In future years these benefits will be disaggregated and reported separately.

Oro Valley Police Plan

Pension

Valuation Date June 30,	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
2009	$15,727,624	$20,322,658	$(4,595,034)	77.4%	$5,951,423	77.21%
2008	13,644,758	18,167,094	(4,522,336)	75.1	5,856,015	77.23
2007	11,996,669	16,700,207	(4,703,538)	71.8	5,306,795	88.63

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Health Insurance

Valuation Date June 30,	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ([a-b]/c)
2009	-0-	$628,965	$(628,965)	0.0%	$5,951,423	10.57%
2008	-0-	563,998	(563,998)	0.0%	5,856,015	9.63
2007	-0-	568,235	(568,235)	0.0%	5,306,795	10.71

NOTE 13 – RETIREMENT PLAN (Concl'd)

Oro Valley ACORP Dispatchers:

Pension

Valuation Date June 30,	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll [a-b]/c)
2009	$1,082,181	$1,581,254	$(499,073)	68.4%	$604,184	82.60%
2008	1,026,134	1,594,642	(568,508)	64.3%	729,262	77.96
2007	960,316	1,278,537	(318,221)	75.1%	639,247	49.78

Health Insurance

Valuation Date June 30,	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Liability (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll [a-b]/c)
2009	-0-	$54,580	$(54,580)	0.0%	$604,184	9.03%
2008	-0-	71,711	(71,711)	0.0	729,262	9.83
2007	-0-	33,414	(33,414)	0.0	639,247	5.23

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NOTE 14 – SUBSEQUENT EVENT

On July 22, 2010, the Town issued $2.4 million in Clean Renewable Energy Bonds (CREBS) to fund the construction of a covered parking structure with integrated solar panels.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
(REQUIRED SUPPLEMENTARY INFORMATION)

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TOWN OF ORO VALLEY, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Sales taxes	$ 13,418,740	$ 12,043,584	$ (1,375,156)
Franchise taxes	475,000	509,285	34,285
Intergovernmental	11,047,556	10,725,866	(321,690)
Licenses, fees & permits	1,313,890	1,055,270	(258,620)
Fines, forfeitures & penalties	286,603	202,144	(84,459)
Charges for services	1,039,137	913,638	(125,499)
Contributions and donations		59	59
Investment earnings	232,730	62,200	(170,530)
Other	125,000	183,552	58,552
Total revenues	27,938,656	25,695,598	(2,243,058)
Expenditures:			
Current -			
General government	10,672,675	8,912,829	1,759,846
Public safety	13,639,734	12,919,307	720,427
Culture and recreation	3,162,880	3,157,369	5,511
Capital outlay		558,416	(558,416)
Total expenditures	27,475,289	25,547,921	1,927,368
Excess (deficiency) of revenues over expenditures	463,367	147,677	(315,690)
Other financing sources (uses):			
Transfers out	(2,030,637)	(4,183,686)	(2,153,049)
Total other financing sources (uses)	(2,030,637)	(4,183,686)	(2,153,049)
Change in fund balances	(1,567,270)	(4,036,009)	(2,468,739)
Fund balances, July 1, 2009	1,567,270	15,940,438	14,373,168
Fund balances, June 30, 2010	$	$ 11,904,429	$ 11,904,429

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See accompanying notes to this schedule.

TOWN OF ORO VALLEY, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - HURF
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Sales taxes	$ 1,899,884	$ 801,570	$ (1,098,314)
Intergovernmental	2,656,128	2,886,453	230,325
Licenses, fees & permits		53,141	53,141
Investment earnings		8,692	8,692
Other	112,392	14,478	(97,914)
Total revenues	4,668,404	3,764,334	(904,070)
Expenditures:			
Current -			
Highway and streets	6,921,832	2,972,645	3,949,187
Capital outlay	1,384,893	594,755	790,138
Total expenditures	8,306,725	3,567,400	4,739,325
Excess (deficiency) of revenues over expenditures	(3,638,321)	196,934	3,835,255
Other financing sources (uses):			
Transfers out	(431,305)	(228,272)	203,033
Total other financing sources (uses)	(431,305)	(228,272)	203,033
Change in fund balances	(4,069,626)	(31,338)	4,038,288
Fund balances, July 1, 2009	4,069,626	4,227,306	157,680
Fund balances, June 30, 2010	$	$ 4,195,968	$ 4,195,968

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See accompanying notes to this schedule.

TOWN OF ORO VALLEY, ARIZONA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2010

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The adopted budget of the Town is prepared on the modified accrual basis of accounting.

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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OTHER MAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL

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TOWN OF ORO VALLEY, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - MUNICIPAL DEBT SERVICE
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Investment earnings	$ 2,000	$ 107	$ (1,893)
Total revenues	2,000	107	(1,893)
Expenditures:			
Debt service -			
Principal retirement	700,867	699,010	1,857
Interest and fiscal charges	467,188	465,950	1,238
Payment to bond escrow agent		6,279,112	(6,279,112)
Bond issuance costs	26,620	26,550	70
Total expenditures	1,194,675	7,470,622	(6,275,947)
Excess (deficiency) of revenues over expenditures	(1,192,675)	(7,470,515)	(6,277,840)
Other financing sources (uses):			
Transfers in	1,034,297	9,240,679	8,206,382
Total other financing sources (uses)	1,034,297	9,240,679	8,206,382
Change in fund balances	(158,378)	1,770,164	1,928,542
Fund balances, July 1, 2009	158,378	147,747	(10,631)
Fund balances, June 30, 2010	$	$ 1,917,911	$ 1,917,911

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TOWN OF ORO VALLEY, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - ORACLE ROAD DEBT SERVICE
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Special assesments	$ 367,203	$ 368,152	$ 949
Total revenues	367,203	368,152	949
Expenditures:			
Debt service -			
Principal retirement	271,961	215,000	56,961
Interest and fiscal charges	192,899	152,497	40,402
Total expenditures	464,860	367,497	97,363
Change in fund balances	(97,657)	655	98,312
Fund balances, July 1, 2009	97,657	11,069	(86,588)
Fund balances, June 30, 2010	$	$ 11,724	$ 11,724

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TOWN OF ORO VALLEY, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - TOWNWIDE ROADWAY DEVELOPMENT IMPACT FEES
YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Impact fees	$ 1,051,549	$ 341,034	$ (710,515)
Intergovernmental	5,919,487	4,059,901	(1,859,586)
Investment earnings		16,311	16,311
Other	74,679	18,000	(56,679)
Total revenues	7,045,715	4,435,246	(2,610,469)
Expenditures:			
Capital outlay	3,710,453	1,728,168	1,982,285
Debt service -			
Principal retirement	5,339,413	2,486,867	2,852,546
Interest and fiscal charges	457,605	213,133	244,472
Total expenditures	9,507,471	4,428,168	5,079,303
Change in fund balances	(2,461,756)	7,078	2,468,834
Fund balances, July 1, 2009	2,461,756	2,265,280	(196,476)
Fund balances, June 30, 2010	$	$ 2,272,358	$ 2,272,358

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NON-MAJOR GOVERNMENTAL FUNDS

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TOWN OF ORO VALLEY, ARIZONA
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2010

	Special Revenue	Capital Projects	Total Non-Major Governmental Funds
ASSETS			
Cash and cash equivalents	$ 1,954,781	$ 1,621,698	$ 3,576,479
Accounts receivable		45,012	45,012
Total assets	$ 1,954,781	$ 1,666,710	$ 3,621,491
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 86,578	$ 6,024	$ 92,602
Accrued wages and benefits	16,391		16,391
Customer deposits payable	179,257		179,257
Total liabilities	282,226	6,024	288,250
Fund balances:			
Unreserved:			
Undesignated	1,672,555	1,660,686	3,333,241
Total fund balances	1,672,555	1,660,686	3,333,241
Total liabilities and fund balances	$ 1,954,781	$ 1,666,710	$ 3,621,491

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TOWN OF ORO VALLEY, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2010

	Special Revenue	Capital Projects	Total Non-Major Governmental Funds
Revenues:			
Sales taxes	$ 125,711	$	$ 125,711
Impact fees		243,079	243,079
Intergovernmental	223,518	45,011	268,529
Fines, forfeitures & penalties	409,887		409,887
Charges for services	51,817		51,817
Investment earnings	8,315		8,315
Total revenues	819,248	288,090	1,107,338
Expenditures:			
Current -			
General government	510,639	29,310	539,949
Public safety	59,984		59,984
Highway and streets	502,911		502,911
Capital outlay	34,935	273,491	308,426
Total expenditures	1,108,469	302,801	1,411,270
Excess (deficiency) of revenues over expenditures	(289,221)	(14,711)	(303,932)
Other financing sources (uses):			
Transfers in	302,000	470,000	772,000
Transfers out		(5,600,721)	(5,600,721)
Total other financing sources (uses)	302,000	(5,130,721)	(4,828,721)
Change in fund balances	12,779	(5,145,432)	(5,132,653)
Fund balances, beginning of year	1,659,776	6,806,118	8,465,894
Fund balances, end of year	$ 1,672,555	$ 1,660,686	$ 3,333,241

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NON-MAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specified purposes.

Revegetation Assurances – accounts for monies received from developers to help ensure developments are properly revegetated to Town standards.

State Seizures and Forfeitures – accounts for state police seizures and forfeitures received by the Town.

Federal Seizures and Forfeitures – accounts for federal police seizures and forfeitures received by the Town.

Bed Tax – accounts for the collection of the 6 percent bed tax revenues which funds projects for parks and recreation, economic development and Naranja Town Site developments.

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Public Transportation – accounts for the operation of the Town's public transportation system.

Impound Fee – accounts for the collection of administrative fees for processing vehicles impounded by the Oro Valley police department.

TOWN OF ORO VALLEY, ARIZONA
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	Revegetation Assurances	State Seizures and Forfeitures	Federal Seizures and Forfeitures	Bed Tax
ASSETS				
Cash and cash equivalents	$ 240,366	$ 207,221	$ 281,431	$ 1,054,083
Total assets	$ 240,366	$ 207,221	$ 281,431	$ 1,054,083
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$	$ 16,099	$ 370	$ 64,355
Accrued wages and benefits				183
Customer deposits payable	179,257			
Total liabilities	179,257	16,099	370	64,538
Fund balances:				
Unreserved:				
Undesignated	61,109	191,122	281,061	989,545
Total fund balances	61,109	191,122	281,061	989,545
Total liabilities and fund balances	$ 240,366	$ 207,221	$ 281,431	$ 1,054,083

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Public Transportation	Impound Fee	Totals
$ 168,232	$ 3,448	$ 1,954,781
$ 168,232	$ 3,448	$ 1,954,781
$ 5,705	$ 49	$ 86,578
12,809	3,399	16,391
		179,257
18,514	3,448	282,226
149,718		1,672,555
149,718		1,672,555
$ 168,232	$ 3,448	$ 1,954,781

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TOWN OF ORO VALLEY, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010

	Revegetation Assurances	State Seizures and Forfeitures	Federal Seizures and Forfeitures
Revenues:			
Sales taxes	$	$	$
Intergovernmental			
Fines, forfeitures & penalties		122,760	231,917
Charges for services			
Investment earnings	(4,571)	2,770	3,132
Total revenues	(4,571)	125,530	235,049
Expenditures:			
Current -			
General government			
Public safety		39,900	20,084
Highway and streets			
Capital outlay		17,738	13,173
Total expenditures		57,638	33,257
Excess (deficiency) of revenues over expenditures	(4,571)	67,892	201,792
Other financing sources (uses):			
Transfers in			
Total other financing sources (uses)			
Change in fund balances	(4,571)	67,892	201,792
Fund balances, beginning of year	65,680	123,230	79,269
Fund balances, end of year	$ 61,109	$ 191,122	$ 281,061

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Bed Tax	Public Transportation	Impound Fee	Totals
$ 125,711	$	$	$ 125,711
	223,518		223,518
		55,210	409,887
	51,817		51,817
5,777	1,207		8,315
131,488	276,542	55,210	819,248
415,429		95,210	510,639
			59,984
	502,911		502,911
	4,024		34,935
415,429	506,935	95,210	1,108,469
(283,941)	(230,393)	(40,000)	(289,221)
	302,000		302,000
	302,000		302,000
(283,941)	71,607	(40,000)	12,779
1,273,486	78,111	40,000	1,659,776
$ 989,545	$ 149,718	$	$ 1,672,555

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TOWN OF ORO VALLEY, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010

	Revegetation Assurances		
	Budget*	Actual	Variance - Positive (Negative)
Revenues:			
Sales taxes	$	$	$
Intergovernmental			
Fines, forfeitures & penalties			
Charges for services			
Investment earnings		(4,571)	(4,571)
Other			
Total revenues		(4,571)	(4,571)
Expenditures:			
Current -			
General government			
Public safety			
Highway and streets			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures		(4,571)	(4,571)
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Change in fund balances		(4,571)	(4,571)
Fund balances (deficits), July 1, 2009		65,680	65,680
Fund balances, June 30, 2010	$	$ 61,109	$ 61,109

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*The Revegetation Assurances Fund was included in the Town's budget, however, the budget was -0-.

State Seizures and Forfeitures			Federal Seizures and Forfeitures		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
$	$	$	$	$	$
178,000	122,760	(55,240)	279,000	231,917	(47,083)
	2,770	2,770		3,132	3,132
178,000	125,530	(52,470)	279,000	235,049	(43,951)
331,607	39,900	291,707	167,001	20,084	146,917
147,419	17,738	129,681	109,535	13,173	96,362
479,026	57,638	421,388	276,536	33,257	243,279
(301,026)	67,892	368,918	2,464	201,792	199,328
(301,026)	67,892	368,918	2,464	201,792	199,328
301,026	123,230	(177,796)	(2,464)	79,269	81,733
$	$ 191,122	$ 191,122	$	$ 281,061	$ 281,061

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(Continued)

TOWN OF ORO VALLEY, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Continued)

	Bed Tax		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Sales taxes	$ 550,181	$ 125,711	$ (424,470)
Intergovernmental			
Fines, forfeitures & penalties			
Charges for services			
Investment earnings		5,777	5,777
Other	13,512		(13,512)
Total revenues	563,693	131,488	(432,205)
Expenditures:			
Current -			
General government	1,992,528	415,429	1,577,099
Public safety			
Highway and streets			
Capital outlay			
Total expenditures	1,992,528	415,429	1,577,099
Excess (deficiency) of revenues over expenditures	(1,428,835)	(283,941)	1,144,894
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Change in fund balances	(1,428,835)	(283,941)	1,144,894
Fund balances (deficits), July 1, 2009	1,428,835	1,273,486	(155,349)
Fund balances, June 30, 2010	$	$ 989,545	$ 989,545

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Public Transportation			Impound Fee		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
$	$	$	$	$	$
188,544	223,518	34,974			
			60,000	55,210	(4,790)
	51,817	51,817			
	1,207	1,207			
194,900		(194,900)			
383,444	276,542	(106,902)	60,000	55,210	(4,790)
			100,000	95,210	4,790
651,164	502,911	148,253			
5,210	4,024	1,186			
656,374	506,935	149,439	100,000	95,210	4,790
(272,930)	(230,393)	42,537	(40,000)	(40,000)	
302,000	302,000				
(100,973)		100,973			
201,027	302,000	100,973			
(71,903)	71,607	143,510	(40,000)	(40,000)	
71,903	78,111	6,208	40,000	40,000	
$	$ 149,718	$ 149,718	$	$	$

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TOWN OF ORO VALLEY, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Totals		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Sales taxes	$ 550,181	$ 125,711	$ (424,470)
Intergovernmental	188,544	223,518	34,974
Fines, forfeitures & penalties	517,000	409,887	(107,113)
Charges for services		51,817	51,817
Investment earnings		8,315	8,315
Other	208,412		(208,412)
Total revenues	1,464,137	819,248	(644,889)
Expenditures:			
Current -			
General government	2,092,528	510,639	1,581,889
Public safety	498,608	59,984	438,624
Highway and streets	651,164	502,911	148,253
Capital outlay	262,164	34,935	227,229
Total expenditures	3,504,464	1,108,469	2,395,995
Excess (deficiency) of revenues over expenditures	(2,040,327)	(289,221)	1,751,106
Other financing sources (uses):			
Transfers in	302,000	302,000	
Transfers out	(100,973)		100,973
Total other financing sources (uses)	201,027	302,000	100,973
Change in fund balances	(1,839,300)	12,779	1,852,079
Fund balances (deficits), July 1, 2009	1,839,300	1,659,776	(179,524)
Fund balances, June 30, 2010	$	$ 1,672,555	$ 1,672,555

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NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for the purchase or construction of major capital facilities which are not financed by the general, enterprise, or special revenue funds.

Capital Asset Replacement – accounts for revenues dedicated for the routine replacement of Town vehicles, computers, and other equipment.

General Impact Fees – accounts for the collection of development impact fees charged for new residential and nonresidential growth to be used for future general government facilities, vehicles, equipment, and other necessary general government infrastructure needed as a result of new growth.

Pima County Bond Projects – accounts for the revenues and expenditures for historic preservation capital improvements funded by grants and from Pima County bond funds.

Municipal Building Fund – accounts for the bond proceeds issued to acquire land and construct the public works facility.

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TOWN OF ORO VALLEY, ARIZONA
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2010

	Capital Asset Replacement	General Impact Fees	Pima County Bond Projects	Totals
ASSETS				
Cash and cash equivalents	$ 499,639	$ 367,145	$ 754,914	$ 1,621,698
Accounts receivable			45,012	45,012
Total assets	$ 499,639	$ 367,145	$ 799,926	$ 1,666,710
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$	$	$ 6,024	$ 6,024
Total liabilities			6,024	6,024
Fund balances:				
Unreserved:				
Undesignated	499,639	367,145	793,902	1,660,686
Total fund balances	499,639	367,145	793,902	1,660,686
Total liabilities and fund balances	$ 499,639	$ 367,145	$ 799,926	$ 1,666,710

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TOWN OF ORO VALLEY, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Capital Asset Replacement	General Impact Fees	Pima County Bond Projects
Revenues:			
Impact fees	$	$ 243,079	$
Intergovernmental			45,011
Total revenues		243,079	45,011
Expenditures:			
Current -			
General government			29,310
Capital outlay			55,653
Total expenditures			84,963
Excess (deficiency) of revenues over expenditures		243,079	(39,952)
Other financing sources (uses):			
Transfers in			470,000
Transfers out			
Total other financing sources (uses)			470,000
Change in fund balances		243,079	430,048
Fund balances, beginning of year	499,639	124,066	363,854
Fund balances, end of year	$ 499,639	$ 367,145	$ 793,902

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Municipal Building	Totals
$	$ 243,079
	45,011
	288,090
	29,310
217,838	273,491
217,838	302,801
(217,838)	(14,711)
	470,000
(5,600,721)	(5,600,721)
(5,600,721)	(5,130,721)
(5,818,559)	(5,145,432)
5,818,559	6,806,118
$	$ 1,660,686

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TOWN OF ORO VALLEY, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010

	Capital Asset Replacement		
	Budget*	Actual	Variance - Positive (Negative)
Revenues:			
Impact fees	$	$	$
Intergovernmental			
Investment earnings			
Total revenues			
Expenditures:			
Current -			
General government			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Change in fund balances			
Fund balances, July 1, 2009		499,639	499,639
Fund balances, June 30, 2010	$	$ 499,639	$ 499,639

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*The Capital Asset Replacement Fund was included in the Town's budget, however, the budget was -0-.

General Impact Fees			Pima County Bond Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
$ 443,959	$ 243,079	$ (200,880)	$	$	$
			633,515	45,011	(588,504)
443,959	243,079	(200,880)	633,515	45,011	(588,504)
679,705		679,705	495,587	29,310	466,277
			941,007	55,653	885,354
679,705		679,705	1,436,594	84,963	1,351,631
(235,746)	243,079	478,825	(803,079)	(39,952)	763,127
			470,000	470,000	
			470,000	470,000	
(235,746)	243,079	478,825	(333,079)	430,048	763,127
235,746	124,066	(111,680)	333,079	363,854	30,775
$	$ 367,145	$ 367,145	$	$ 793,902	$ 793,902

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TOWN OF ORO VALLEY, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Municipal Building		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Impact fees	$	$	$
Intergovernmental			
Investment earnings	15,295		(15,295)
Total revenues	15,295		(15,295)
Expenditures:			
Current -			
General government			
Capital outlay	5,868,462	217,838	5,650,624
Total expenditures	5,868,462	217,838	5,650,624
Excess (deficiency) of revenues over expenditures	(5,853,167)	(217,838)	5,635,329
Other financing sources (uses):			
Transfers in			
Transfers out		(5,600,721)	(5,600,721)
Total other financing sources (uses)		(5,600,721)	(5,600,721)
Change in fund balances	(5,853,167)	(5,818,559)	34,608
Fund balances, July 1, 2009	5,853,167	5,818,559	(34,608)
Fund balances, June 30, 2010	$	$	$

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Totals		
Budget	Actual	Variance - Positive (Negative)
$ 443,959	$ 243,079	$ (200,880)
633,515	45,011	(588,504)
15,295		(15,295)
1,092,769	288,090	(804,679)
1,175,292	29,310	1,145,982
6,809,469	273,491	6,535,978
7,984,761	302,801	7,681,960
(6,891,992)	(14,711)	6,877,281
470,000	470,000	
	(5,600,721)	(5,600,721)
470,000	(5,130,721)	(5,600,721)
(6,421,992)	(5,145,432)	1,276,560
6,421,992	6,806,118	384,126
$	$ 1,660,686	$ 1,660,686

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STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the Town's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the Town's ability to generate property revenue.

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Debt Capacity

These schedules present information to help the reader evaluate the Town's current levels of outstanding debt as well as assess the Town's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the Town's financial activities take place and to help make comparisons with other school districts.

Operating Information

These schedules contain information about the Town's operations and various resources to help the reader draw conclusions as to how the Town's financial information relates to the services provided by the Town.

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TOWN OF ORO VALLEY, ARIZONA
NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	$ 21,188,015	$ 30,546,282	$ 92,541,223	$ 107,413,486	$ 106,644,847	$ 115,177,344	$ 120,515,962	$ 127,712,057
Restricted	2,303,550	3,958,033	15,360,660	8,919,398	8,326,731	14,072,781	7,537,331	9,580,610
Unrestricted	13,828,711	19,248,712	15,394,707	15,063,081	23,571,109	26,698,611	26,135,593	15,979,093
Total governmental activities net assets	$ 37,320,276	$ 53,753,027	$ 123,296,590	$ 131,395,965	$ 138,542,687	$ 155,948,736	$ 154,188,886	$ 153,271,760
Business-type activities								
Invested in capital assets, net of related debt	$ 3,745,153	$ (14,913,572)	$ 546,602	$ 7,240,791	$ 15,534,043	$ 21,274,023	$ 28,212,750	$ 31,383,715
Restricted	3,575,789	3,492,488	2,310,980	2,331,001	-	-	-	-
Unrestricted	10,262,534	33,107,781	24,499,050	22,958,536	23,252,747	24,651,948	24,393,984	24,404,427
Total business-type activities net assets	$ 17,583,476	$ 21,686,697	$ 27,356,632	$ 32,530,328	$ 38,786,790	$ 45,925,971	$ 52,606,734	$ 55,788,142
Primary government								
Invested in capital assets, net of related debt	$ 24,933,168	$ 15,632,710	$ 93,087,825	$ 114,654,277	$ 122,178,890	$ 136,451,367	$ 148,728,712	$ 159,095,772
Restricted	5,879,339	7,450,521	17,671,640	11,250,399	8,326,731	14,072,781	7,537,331	9,580,610
Unrestricted	24,091,245	52,356,493	39,893,757	38,021,617	46,823,856	51,350,559	50,529,577	40,383,520
Total primary government net assets	$ 54,903,752	$ 75,439,724	$ 150,653,222	$ 163,926,293	$ 177,329,477	$ 201,874,707	$ 206,795,620	$ 209,059,902

Source: Town of Oro Valley Finance Department
Note: 2002-03 was the Town of Oro Valley, Arizona's first year to prepare government-wide financial statements.

TOWN OF ORO VALLEY, ARIZONA
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General government	$ 5,592,498	$ 5,971,319	$ 5,997,864	$ 7,162,732	$ 7,529,245	$ 9,080,766	$ 9,936,639	$ 9,950,053
Public Safety	9,013,391	9,520,219	10,309,453	11,155,542	12,352,671	14,347,250	15,019,980	13,730,593
Highways and streets	2,613,170	2,850,172	4,789,234	5,732,026	7,757,276	7,292,972	9,481,040	9,353,689
Culture and recreation	2,352,445	2,566,173	2,631,306	3,014,341	3,375,314	3,644,973	3,806,555	3,527,949
Interest on long-term debt	564,798	456,107	653,331	805,123	996,336	987,074	954,645	1,767,155
Total governmental activities/expenses	20,136,302	21,363,990	24,381,188	27,869,764	32,010,842	35,353,035	39,198,859	38,329,439
Business-type activities:								
Water	9,025,235	8,957,988	9,642,592	10,438,869	11,446,958	12,676,275	13,495,124	12,830,137
Stormwater drainage	104,948	45,551	271,469	111,695	74,235	177,673	494,166	486,994
Total business-type activities expenses	9,130,183	9,003,539	9,914,061	10,550,564	11,521,193	12,853,948	13,989,290	13,317,131
Total primary government expenses	$ 29,266,485	$ 30,367,529	$ 34,295,249	$ 38,420,328	$ 43,532,035	$ 48,206,983	$ 53,188,149	$ 51,646,570
Program Revenues								
Governmental activities:								
Fees, Fines and Charges for Services:								
General government	$ 2,991,105	$ 3,902,024	$ 3,784,049	$ 4,013,368	$ 3,291,983	$ 3,830,060	$ 2,835,884	$ 2,261,815
Public Safety	-	-	-	-	229,546	69,256	83,279	28,785
Highways and streets	121,484	170,543	396,602	183,842	122,124	211,088	119,847	137,436
Culture and recreation	-	-	-	-	121,358	73,149	110,857	119,273
Operating grants and contributions	3,512,097	3,675,674	4,216,642	4,558,864	4,893,869	5,619,003	5,392,667	4,728,050
Capital grants and contributions	1,520,898	13,437,638	13,834,121	3,994,640	8,321,691	10,264,829	1,781,571	6,514,602
Total governmental activities program revenues	8,145,584	21,185,879	22,231,414	12,750,714	16,980,571	20,067,385	10,324,105	13,789,961
Business-type activities:								
Charges for services:								
Water	10,360,720	11,917,546	11,951,413	14,038,391	13,617,336	16,803,950	16,098,086	15,136,784
Stormwater Utility	75	-	14,710	21,401	125	357,602	746,655	927,238
Operating grants and contributions	297,500	-	-	-	-	-	-	-
Capital grants and contributions	1,856,151	840,096	2,934,747	628,501	3,066,170	3,567,083	3,697,229	362,273
Total business-type activities program revenues	12,534,446	12,757,642	14,900,870	14,688,293	16,683,631	20,728,635	20,541,970	16,426,295
Total primary government program revenues	$ 20,680,030	$ 33,943,521	$ 37,132,284	$ 27,439,007	$ 33,664,202	$ 40,796,020	$ 30,866,075	$ 30,216,256

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	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenues								
Governmental activities	$ (11,990,718)	$ (178,111)	$ (2,149,774)	$ (15,119,050)	$ (15,030,271)	$ (15,285,650)	$ (28,874,754)	$ (24,539,478)
Business-type activities	3,404,263	3,754,103	4,986,809	4,137,729	5,162,438	7,874,687	6,552,680	3,109,164
Total primary government net expenses	$ (8,586,455)	$ 3,575,992	$ 2,837,035	$ (10,981,321)	$ (9,867,833)	$ (7,410,963)	$ (22,322,074)	$ (21,430,314)
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes:								
Sales taxes	$ 5,876,309	$ 7,924,855	$ 9,536,791	$ 12,455,609	$ 16,873,630	$ 17,168,998	$ 15,376,408	$ 12,970,865
Franchise taxes	341,489	371,697	402,482	435,428	478,175	516,652	506,685	509,285
Impact fees	885,371	1,189,848	1,547,819	1,098,977	1,038,217	910,741	441,020	584,113
Unrestricted state revenue sharing	3,161,005	2,845,866	2,935,615	3,343,471	4,473,305	5,544,763	5,886,132	5,086,953
Unrestricted state sales tax revenue sharing	2,322,772	2,686,614	2,958,376	3,432,007	3,744,864	3,621,016	3,134,789	2,891,386
Unrestricted auto lieu tax revenue sharing	1,307,305	1,374,464	1,395,094	1,541,560	1,726,149	1,738,875	1,655,875	1,484,125
Special assessements	-	-	5,433,301	-	-	-	-	-
Investment earnings (loss)	(244,770)	281,518	557,238	991,151	1,471,641	1,590,654	113,995	95,625
Special item - Loss on sale of fixed assets	(30,525)	-	-	-	-	-	-	-
Transfers	-	(64,000)	(91,194)	(79,778)	69,813	1,600,000	-	-
Total governmental activities	13,618,956	16,610,862	24,675,522	23,218,425	29,875,794	32,691,699	27,114,904	23,622,352
Business-type activities:								
Investment earnings (loss)	(50,977)	285,118	591,932	956,189	1,163,837	864,494	128,083	72,244
Transfers		64,000	91,194	79,778	(69,813)	(1,600,000)	-	-
Total business-type activities	(50,977)	349,118	683,126	1,035,967	1,094,024	(735,506)	128,083	72,244
Total primary government	$ 13,567,979	$ 16,959,980	$ 25,358,648	$ 24,254,392	$ 30,969,818	$ 31,956,193	$ 27,242,987	$ 23,694,596
Change in Net Assets								
Governmental activities	$ 1,628,238	$ 16,432,751	$ 22,525,748	$ 8,099,375	$ 14,845,523	$ 17,406,049	$ (1,759,850)	$ (917,126)
Business-type activities	3,353,286	4,103,221	5,669,935	5,173,696	6,256,462	7,139,181	6,680,763	3,181,408
Total primary government	$ 4,981,524	$ 20,535,972	$ 28,195,683	$ 13,273,071	$ 21,101,985	$ 24,545,230	$ 4,920,913	$ 2,264,282

Source: Town of Oro Valley Finance Department
Note: 2002-03 was the Town of Oro Valley, Arizona's first year to prepare government-wide financial statements.

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TOWN OF ORO VALLEY, ARIZONA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	$ 349,243	$ 333,285	$ 354,091	$ 7,172	$ 112	$ 7,267	$ -	$ -	$ -	$ -
Unreserved	10,877,620	10,063,909	8,087,246	9,377,367	11,744,160	14,356,224	18,477,706	16,666,388	15,940,438	11,904,429
Total general fund	$ 11,226,863	$ 10,397,194	$ 8,441,337	$ 9,384,539	$ 11,744,272	$ 14,363,491	$ 18,477,706	$ 16,666,388	$ 15,940,438	$ 11,904,429
All Other Governmental Funds										
Reserved	$ -	$ -	$ 5,079	$ 17,912	$ 36,076	$ 80,624	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	2,340,508	2,251,914	2,100,204	2,720,472	3,856,925	4,439,573	4,891,095	5,534,192	5,887,082	5,868,523
Capital projects funds	18,536,471	15,107,510	5,438,128	10,573,180	10,972,912	4,985,836	4,520,718	15,396,024	9,071,398	3,933,044
Debt service funds	929,802	793,433	176,514	314,301	403,332	280,055	245,208	263,478	158,816	1,929,635
Total all other governmental funds	$ 21,806,781	$ 18,152,857	$ 7,719,925	$ 13,625,865	$ 15,269,245	$ 9,786,088	$ 9,657,021	$ 21,193,694	$ 15,117,296	$ 11,731,202

Source: Town of Oro Valley Finance Department

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TOWN OF ORO VALLEY, ARIZONA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	$ 6,429,157	$ 6,674,725	$ 6,217,798	$ 8,296,552	$ 9,939,273	$ 12,891,037	$ 17,351,805	$ 17,685,650	$ 15,883,093	$ 13,480,150
Intergovernmental	8,328,908	12,991,454	11,786,746	23,990,005	25,339,848	16,773,215	18,405,713	21,863,875	17,616,213	17,940,749
Fines and forfeitures	333,755	316,339	307,570	463,150	326,427	462,246	429,458	391,921	413,720	612,031
Licenses and permits	1,776,265	1,430,157	1,784,568	2,536,576	2,524,484	2,433,264	2,368,851	2,792,684	1,507,930	1,108,411
Charges for services	387,657	549,440	633,406	823,287	880,582	942,676	1,026,921	1,040,694	1,066,376	965,455
Contributions and donations	3,785	-	37,331	30,251	-	97,327	19,171	249,999	1,000	59
Special assessments	3,089,032	2,412,888	885,371	-	1,547,819	-	189,820	193,023	367,539	368,152
Impact fees	-	-	-	1,189,848	1,488,301	1,098,977	1,038,217	910,741	441,020	584,113
Investment earnings	1,757,232	875,361	(244,770)	281,518	557,238	991,151	1,471,641	1,590,654	113,995	95,625
Other revenues	172,726	150,444	178,376	229,411	458,034	325,428	135,261	555,790	233,123	216,030
Total revenues	$ 22,278,517	$ 25,400,808	$ 21,586,396	$ 37,840,598	$ 43,062,006	$ 36,015,321	$ 42,436,858	$ 47,275,031	$ 37,644,009	$ 35,370,775
Expenditures										
General government	7,256,772	6,055,062	6,698,052	5,800,477	5,676,217	9,988,956	7,019,030	8,767,496	9,586,029	9,452,778
Public safety	7,347,742	8,586,634	8,796,643	9,426,215	10,069,128	11,636,915	11,808,799	13,549,170	14,289,423	12,979,291
Highways and streets	2,924,119	3,144,676	8,892,630	17,193,322	21,727,223	13,773,561	3,768,851	4,107,871	3,848,725	3,475,556
Culture and recreation	1,193,846	1,474,667	2,394,212	2,540,949	2,640,777	3,868,249	3,109,228	3,324,066	3,416,305	3,157,369
Capital Outlay	3,628,630	8,094,752	-	-	-	-	10,662,190	13,090,313	11,332,914	3,189,765
Debt Service										
Principal retirement	1,120,000	1,596,456	516,960	541,290	2,559,190	2,856,595	1,077,813	3,403,102	938,900	3,400,877
Interest and fiscal charges	616,880	932,124	564,798	426,472	589,725	731,358	921,205	907,658	1,034,061	831,580
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	6,279,112
Bond Issuance costs	800,879	-	-	93,415	251,327	107,897	28,868	-	-	26,550
Total expenditures	24,888,868	29,884,401	27,862,695	36,022,140	43,533,587	42,963,531	38,395,984	47,149,676	44,446,357	42,792,878
Excess of revenues over (under) expenditures	$ (2,610,351)	$ (4,483,593)	$ (6,276,299)	$ 1,818,458	$ (471,581)	$ (6,948,210)	$ 4,040,874	$ 125,355	$ (6,802,348)	$ (7,422,103)

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	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)										
Premium on bonds issued	-	-	-	-	-	-	25,719	-	-	-
Proceeds from sale of bonds	12,671,460	-	-	-	-	-	-	-	-	-
Proceeds from loan	-	-	1,716,000	-	-	-	-	-	-	-
Issuance of long-term loan payable	-	-	-	5,000,000	4,030,033	-	-	8,000,000	-	-
Issuance of refunding debt	-	-	-	5,572,700	-	-	1,389,180	-	-	-
Payment to bond escrow agent	-	-	-	(5,478,016)	-	-	(1,540,438)	-	-	-
Issuance of long-term debt	-	-	-	-	-	4,164,050	-	-	-	-
Transfers in	1,943,504	1,155,104	1,328,148	1,182,168	1,105,422	1,248,569	2,927,754	8,447,951	1,950,898	10,012,679
Transfers out	(1,943,504)	(1,155,104)	(1,328,148)	(1,246,168)	(1,196,616)	(1,328,347)	(2,857,941)	(6,847,951)	(1,950,898)	(10,012,679)
Total other financing sources (uses)	12,671,460	-	1,716,000	5,030,684	3,938,839	4,084,272	(55,726)	9,600,000	-	-
Net change in fund balances	$ 10,061,109	$ (4,483,593)	$ (4,560,299)	$ 6,849,142	$ 3,467,258	$ (2,863,938)	$ 3,985,148	$ 9,725,355	$ (6,802,348)	$ (7,422,103)
Debt service as a percentage of noncapital expenditures	12.92%	10.56%	4.45%	5.06%	14.09%	13.41%	7.27%	12.51%	5.88%	26.38%

Source: Town of Oro Valley Finance Department

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TOWN OF ORO VALLEY, ARIZONA
PRINCIPAL EMPLOYERS
JUNE 30, 2010
(UNAUDITED)

	2010			2001		
Employer	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Ventana Medical Systems	803	1	5.26%			
Amphitheater Public Schools	577	2	3.78%	175	5	1.30%
Oro Valley Hospital	549	3	3.60%			
Hilton El Conquistador Golf & Tennis Resort	400	4	2.62%	500	1	3.72%
Town of Oro Valley	367	5	2.40%	277	2	2.06%
Wal-Mart Supercenter	321	6	2.10%			
Fry's Food & Drug Store	279	7	1.83%	214	4	1.59%
Home Depot	140	8	0.92%	121	7	0.90%
Long Realty	126	9	0.83%			
Target	121	10	0.79%	130	6	0.97%
El Conquistador Country Club				250	3	1.86%
Vanguard Automation				110	8	0.82%
Securplane				110	9	0.82%
Oro Valley Country Club				95	10	0.71%
Total	3,683		24.13%	1,982		14.75%

Source: Principal Employers Arizona Workforce Informer

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TOWN OF ORO VALLEY, ARIZONA
PRINCIPAL SALES TAXPAYERS
CURRENT YEAR AND FIVE YEARS AGO
(UNAUDITED)

		Fiscal Year 2010			Fiscal Year 2005		
Taxpayer	Business Type	Sales Tax Payments	Rank	Percentage of Total Sales Tax Payments	Sales Tax Payments	Rank	Percentage of Total Sales Tax Payments
Taxpayer A	Accomodation	$ 1,046,296	1	8.59%	$ 1,086,800	1	11.66%
Taxpayer B	Utility	920,820	2	7.56%			
Taxpayer C	Retail Trade	742,217	3	6.09%			
Taxpayer D	Construction	531,528	4	4.36%			
Taxpayer E	Retail Trade	517,781	5	4.25%	584,705	3	6.27%
Taxpayer F	Retail Trade	432,374	6	3.55%	532,775	4	5.72%
Taxpayer G	Retail Trade	282,149	7	2.32%	221,823	5	2.38%
Taxpayer H	Retail Trade	263,176	8	2.16%			
Taxpayer I	Construction	246,060	9	2.02%			
Taxpayer J	Utility	243,979	10	2.00%			
Taxpayer K	Construction				727,681	2	7.81%
Taxpayer L	Construction				214,447	6	2.30%
Taxpayer M	Construction				179,052	7	1.92%
Taxpayer N	Retail Trade				162,693	8	1.75%
Taxpayer O	Retail Trade				157,634	9	1.69%
Taxpayer P	Construction				123,461	10	1.32%
Total		$ 5,226,380		42.90%	$ 3,991,071		42.82%

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Source: Arizona Department of Revenue
Note: 2005 is the first fiscal year of available data of sales tax payments by business type

TOWN OF ORO VALLEY, ARIZONA
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Construction	$ 2,913	$ 2,779	$ 1,978	$ 3,014	$ 3,594	$ 5,602	$ 6,895	$ 7,038	$ 5,143	$ 2,110
Manufacturing	2	6	4	29	137	165	181	280	230	230
Transportation, Warehousing, Communications & Utilities	32	55	101	50	116	91	226	1,279	1,632	1,554
Wholesale Trade	13	61	31	46	54	56	58	69	54	75
Retail Trade	1,763	1,877	2,086	2,722	2,942	3,229	3,665	4,017	4,264	4,544
Restaurants, Bars & Lodging	1,082	1,250	1,354	1,556	1,888	2,392	2,720	2,775	2,333	2,283
Finance, Insurance & Real Estate	73	45	62	101	142	155	859	496	324	381
Services	257	258	285	393	379	262	313	312	322	378
All Other	(3)	42	50	(13)	68	197	167	337	896	627
Cable Franchise	263	302	342	372	402	435	478	517	507	509
Total	$ 6,395	$ 6,675	$ 6,293	$ 8,270	$ 9,722	$ 12,584	$ 15,562	$ 17,120	$ 15,705	$ 12,691
Town sales tax rate*	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

Source: Arizona Department of Revenue

*Note:
3% Additional Bed Tax Effective September 1, 2001
4% Construction Sales Tax Effective May 1, 2004
6% Additional Bed Tax Effective January 1, 2006
2% Utility Sales Tax Effective April 1, 2007

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TOWN OF ORO VALLEY, ARIZONA
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Town of Oro Valley Sales Tax	Town of Oro Valley Bed Tax	Town of Oro Valley Construction Sales Tax	Town of Oro Valley Utility Sales Tax	Pima County
2001	2.00%	3.00%	2.00%	0.00%	5.60%
2002	2.00%	3.00%	2.00%	0.00%	5.60%
2003	2.00%	3.00%	2.00%	0.00%	5.60%
2004	2.00%	3.00%	4.00%	0.00%	5.60%
2005	2.00%	3.00%	4.00%	0.00%	5.60%
2006	2.00%	6.00%	4.00%	0.00%	6.10%
2007	2.00%	6.00%	4.00%	2.00%	6.10%
2008	2.00%	6.00%	4.00%	2.00%	6.10%
2009	2.00%	6.00%	4.00%	2.00%	6.10%
2010	2.00%	6.00%	4.00%	2.00%	7.10%

Source: Arizona Department of Revenue

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TOWN OF ORO VALLEY, ARIZONA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Governmental Activities					Business-Type Activities						
Fiscal Year	Capital Leases	Certificates of Participation	Loan Payable	Excise Tax Bonds	Special Assessment Bonds	Revenue Bonds	Notes Payable	Capital Leases	Loan Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2001	$ -	$ 4,500,000	$ -	$ 13,372,532	$ -	$ 35,571,738	$ -	$ -	$ -	$ 53,444,270	5.45%	$ 1,799
2002	-	4,340,000	-	11,936,076	-	34,720,989	4,869,000	-	-	55,866,065	4.82%	1,641
2003	-	4,170,000	1,716,000	6,594,116	-	38,155,744	4,328,100	-	-	54,963,960	4.21%	1,475
2004	-	610,000	6,716,000	9,734,132	-	65,625,010	-	-	-	82,685,142	6.08%	2,193
2005	-	420,000	4,803,100	9,413,909	3,945,000	64,222,360	-	-	-	82,804,369	5.67%	2,106
2006	-	215,000	2,604,143	13,173,254	3,945,000	64,437,008	-	-	-	84,374,405	5.48%	2,098
2007	-	-	2,500,000	12,891,148	3,760,000	61,568,852	-	-	-	80,720,000	4.81%	1,897
2008	-	-	8,000,000	12,183,046	3,565,000	59,586,954	-	-	5,731,766	89,066,766	5.02%	2,040
2009	-	-	8,000,000	11,449,146	3,360,000	57,575,854	-	107,046	5,788,122	86,280,168	4.72%	1,975
2010	-	-	5,513,133	4,939,750	3,145,000	52,305,500	-	123,883	6,305,650	72,332,916	3.86%	1,662

Source: Town of Oro Valley Finance Department and U.S. Census Bureau

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TOWN OF ORO VALLEY, ARIZONA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2010
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Pima County	$ 420,261,000	7.05%	$ 29,628,401
Pima County Community College District	25,881,294	7.05%	1,824,631
Amphitheater Unified School Distrist No. 10	59,870,000	39.48%	23,636,676
Town of Oro Valley	13,597,883	100.00%	13,597,883
Total direct and overlapping debt			$ 68,687,591

Source: Pima County, Pima County Community College District and Amphitheater Unified School District No. 10.
(1) Proportion applicable to the Town of Oro Valley, Arizona, is computed on the ratio of secondary assessed valuation for 2009-10.

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TOWN OF ORO VALLEY, ARIZONA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limit	$ 57,378,681	$ 66,881,032	$ 76,608,850	$ 84,941,970	$ 93,101,081	$ 108,807,180	$ 120,435,053	$ 151,537,994	$ 178,543,952	$ 180,420,396
Total net debt applicable to limit	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Legal debt margin	$ 57,378,681	$ 66,881,032	$ 76,608,850	$ 84,941,970	$ 93,101,081	$ 108,807,180	$ 120,435,053	$ 151,537,994	$ 178,543,952	$ 180,420,396
Total net debt applicable to the limit as a percentage of debt limt	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Town of Oro Valley Finance Department

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TOWN OF ORO VALLEY
CALCULATION OF LEGAL DEBT MARGIN
JUNE 30, 2010
(UNAUDITED)

Net secondary assessed valuation		$ 693,924,598
Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds		
Debt limit - 20% of secondary net assessed valuation		$ 138,784,920
Debt applicable to limit		
General obligation bonds outstanding	$ -	
Less amount set aside for repayment of debt	-	
Net debt applicable to limit		-
20% legal debt margin		$ 138,784,920
All other general obligation bonds		
Debt Limit - 6% of secondary net assessed valuation		41,635,476
Debt applicable to limit		
General obligation bonds outstanding	$ -	
Less amount set aside for repayment of debt	-	
Net debt applicable to limit		-
All other general obligation bonds debt margin		41,635,476
Total legal debt margin		$ 180,420,395

Source: Pima County Assessor's Office

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TOWN OF ORO VALLEY, ARIZONA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

Water Utility Revenue Bonds

Fiscal Year	Gross Revenues	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
2001	$ 8,330,951	$ 1,683,544	$ 1,926,914	$ 3,610,458	2.31
2002	9,435,130	1,768,040	2,173,192	3,941,232	2.39
2003	10,380,720	1,578,040	2,395,359	3,973,399	2.61
2004	12,202,664	1,478,710	2,650,195	4,128,905	2.96
2005	12,544,928	1,473,710	2,949,409	4,423,119	2.84
2006	14,989,621	1,907,362	2,888,226	4,795,588	3.13
2007	14,810,173	2,336,330	2,552,081	4,888,411	3.03
2008	17,668,212	1,981,898	2,452,583	4,434,481	3.98
2009	16,223,544	2,011,100	2,784,444	4,795,544	3.38
2010	15,207,113	2,485,990	2,689,427	5,175,417	2.94

Governmental Revenue Bonds

Fiscal Year	Gross Revenues	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
2001	$ 15,220,985	$ 140,000	$ 65,935	$ 205,935	73.91
2002	16,268,695	486,456	320,846	807,302	20.15
2003	16,435,018	346,960	320,599	667,559	24.62
2004	19,837,894	361,290	386,228	747,518	26.54
2005	21,011,720	456,290	433,108	889,398	23.62
2006	25,018,727	452,638	415,640	868,278	28.81
2007	14,287,963	788,670	642,711	1,431,381	9.98
2008	14,529,809	708,102	501,150	1,209,252	12.02
2009	13,447,862	733,900	486,372	1,220,272	11.02
2010	12,169,295	699,010	933,536	1,632,546	7.45

Certificates of Participation

Fiscal Year	Gross Revenues	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
2001	$ 15,220,985	$ 155,000	$ 253,322	$ 408,322	37.28
2002	16,268,695	160,000	245,938	405,938	40.08
2003	16,435,018	170,000	237,994	407,994	40.28
2004	19,837,894	180,000	15,768	195,768	101.33
2005	21,011,720	190,000	26,690	216,690	96.97
2006	25,018,727	205,000	16,566	221,566	112.92
2007	14,287,963	-	-	-	0.00
2008	14,529,809	-	-	-	0.00
2009	13,447,862	-	-	-	0.00
2010	12,169,295	-	-	-	0.00

Special Assessment

Fiscal Year	Gross Revenues	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
2001	$ -	$ -	$ -	$ -	0.00
2002	-	-	-	-	0.00
2003	-	-	-	-	0.00
2004	-	-	-	-	0.00
2005	-	-	-	-	0.00
2006	-	-	176,967	176,967	0.00
2007	379,840	185,000	186,828	371,828	0.00
2008	365,810	195,000	177,577	372,577	0.98
2009	367,539	205,000	248,429	453,429	0.81
2010	368,152	215,000	152,203	367,203	1.00

Source: Town of Oro Valley Finance Department

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TOWN OF ORO VALLEY, ARIZONA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2001	29,700	$ 980,992,800	33,030	2.0%
2002	34,050	1,158,413,770	34,021	2.0%
2003	37,260	1,305,649,691	35,042	2.9%
2004	37,700	1,360,700,031	36,093	2.6%
2005	39,310	1,461,373,787	37,176	2.5%
2006	40,215	1,539,868,259	38,291	3.0%
2007	42,551	1,678,195,258	39,440	2.6%
2008	43,651	1,773,226,205	40,623	3.0%
2009	43,694	1,828,222,176	41,841	5.1%
2010	43,521	1,875,613,105	43,097	6.2%

Source: US Census Bureau, Arizona Employment statistics and Pima Association of Governments

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TOWN OF ORO VALLEY, ARIZONA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Full-time Equivalent Employees as of June 30									
Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Administration										
Town Clerk	4.00	4.60	4.60	4.60	4.50	4.50	4.00	4.00	4.00	4.00
Town Manager	8.10	8.50	8.10	6.00	6.00	5.00	4.00	4.00	3.00	3.00
Human Resources	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	2.50	3.00
Economic Development	1.40	1.40	2.25	2.25	2.00	2.00	2.00	2.00	2.00	1.00
Finance	7.00	9.00	9.00	8.00	7.50	7.50	7.50	7.50	7.50	6.00
Information Systems	8.00	7.00	8.00	5.00	4.00	4.00	2.00	2.00	2.00	2.50
Legal	7.00	10.00	10.25	10.25	10.25	6.25	8.00	9.00	9.00	7.00
Community Development										
Building Safety	13.00	16.00	18.00	17.00	16.00	16.00	17.00	17.00	17.00	17.00
Community Development Admin.	0.00	0.00	0.00	0.00	4.00	4.00	4.00	4.00	4.00	4.00
Planning & Zoning	13.00	16.00	16.00	14.00	13.50	13.50	13.50	14.00	14.50	16.50
Parks and Recreation	27.50	27.60	28.10	27.00	20.80	20.80	20.30	20.30	20.30	15.50
Library	18.50	18.70	19.40	19.30	19.43	14.00	14.00	14.00	14.00	3.00
Police										
Civilians	30.70	33.00	34.00	34.00	29.00	28.00	29.00	29.00	26.00	32.00
Officers	97.90	102.40	108.00	105.00	96.00	92.00	88.00	74.00	74.00	68.00
Magistrate Court	9.00	9.00	8.50	8.50	8.50	8.50	7.50	7.50	7.50	7.50
Public Works	47.70	52.90	56.10	53.13	54.00	51.50	28.50	33.00	33.00	32.50
Water Utility	35.00	36.30	35.50	35.50	34.00	34.00	33.00	33.00	32.00	28.00
Total	331.80	356.40	369.8	353.53	332.48	314.55	285.30	277.30	272.30	250.50

Source: Town of Oro Valley Finance Department

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TOWN OF ORO VALLEY, ARIZONA
WATER UTILITY REVENUES BY USER TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Residential	Commerical	Irrigation	Irrigation Reclaimed	Construction	Construction Reclaimed	Turf	Turf Reclaimed	Wholesale/ Unmetered	Total
2001	$ 4,513,444	$ 402,707	$ 537,148	$ -	$ 285,503	$ -	$ 933,629	$ -	$ 47,235	$ 6,719,666
2002	5,529,185	494,372	682,995	-	245,267	-	1,168,697	-	-	8,120,516
2003	6,004,443	500,836	686,857	-	199,075	-	1,156,792	-	51,296	8,599,299
2004	6,396,018	499,034	751,420	-	253,128	-	1,140,124	-	53,346	9,093,070
2005	6,758,806	515,989	833,179	-	401,095	-	1,200,402	-	-	9,709,471
2006	7,227,509	614,474	921,364	-	368,784	-	940,753	670,968	1,235	10,745,087
2007	7,187,885	614,404	978,556	1,555	542,879	-	680,833	1,015,709	-	11,021,820
2008	7,511,067	667,910	1,146,222	796	652,446	1,630	666,558	1,039,969	-	11,686,598
2009	7,573,960	749,019	1,093,852	9,007	349,994	3,757	265,413	1,389,783	-	11,434,785
2010	8,040,762	902,432	1,152,529	14,240	222,447	720	354,308	1,383,592	-	12,071,031

Source: Town of Oro Valley Water Utility Department

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TOWN OF ORO VALLEY, ARIZONA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Burglaries	38	52	69	94	124	97	112	125	125	120
Citations (traffic)	5,636	5,237	8,195	9,413	8,660	8,203	8,183	7,497	9,256	6,736
* Investigations	7,751	6,350	4,719	3,788	4,216	5,106	6,656	6,892	917	732
Total Arrests	2,314	2,011	2,156	2,184	2,076	2,053	2,236	2,254	2,478	2,176
Thefts	368	432	448	572	580	568	575	577	528	567
Public Works										
Street resurfacing (miles)	3.0	16.4	14.0	8.0	17.3	5.4	7.7	10.5	53.4	14.8
Parks and Recreation										
Recreation Programs Held Annually	5	16	21	23	30	38	42	46	46	40
Months of Public Pool Operations	10	10	10	10	10	10	10	10	10	12
Parks Maintenance Man-Hours Worked	13,520	13,520	13,520	13,520	13,520	13,520	15,600	17,472	16,288	16,120
Library										
Collection volume	N/A	65,000	70,000	75,000	80,000	86,000	90,000	96,000	95,750	100,142
Water										
New connections	787	507	470	533	377	508	367	346	196	68
Total connections	15,068	15,575	16,045	16,578	16,955	17,463	17,830	18,177	18,373	18,441
Transit										
Total route miles	154,167	180,087	167,313	177,283	190,609	165,202	165,202	175,841	163,964	138,752
Passengers	11,000	13,524	12,486	13,991	15,937	14,387	14,858	16,908	17,101	15,573

Source: Town of Oro Valley Finance Department

* In January 2008, the method for compiling "Investigations" changed

DRAFT

TOWN OF ORO VALLEY, ARIZONA
WATER RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Year	Base Rate monthly	Tier 1 per 1,000	Tier 2 per 1,000	Tier 3 per 1,000	Tier 4 per 1,000	GPF per 1,000
2001	$ 11.25	$ 1.78	$ 2.08	$ 2.31	N/A	N/A
2002	12.00	1.90	2.35	3.00	N/A	N/A
2003	12.00	1.90	2.35	3.00	N/A	N/A
2004	12.30	1.92	2.55	3.25	N/A	$ 0.21
2005	12.65	1.98	2.68	3.58	N/A	0.21
2006	12.65	1.98	2.68	3.58	N/A	0.21
2007	13.25	2.08	2.81	3.76	N/A	0.25
2008	13.25	2.08	2.81	3.76	$ 5.00	0.40
2009	13.91	2.18	2.95	3.95	5.25	0.55
2010	14.19	2.20	2.99	4.03	5.38	0.75

DRAFT

Source: Town of Oro Valley Water Utility

TOWN OF ORO VALLEY, ARIZONA
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	2	2	2	3	3	3	2	2	2	3
Patrol units	66	78	83	93	103	105	105	113	109	108
Public works										
Streets (miles)	156.9	167.5	175.7	182.7	188.0	191.3	201.9	220.1	220.1	214.0
Streetlights	147	163	163	171	187	187	193	218	253	272
Traffic signals	5	7	7	8	10	10	15	16	16	18
Parks and recreation										
Acreage	47	87	87	87	87	300	300	300	300	374
Playgrounds	2	2	2	2	2	2	2	2	2	2
Baseball/softball diamonds	7	7	7	7	7	7	7	7	7	7
Water										
Wells	24	25	25	21	22	22	22	19	22	18
Storage capacity (MG)	11	13	14	16	17	17	17.5	18	19	19
Booster capacity	23	24	26	29	28	28	28	27	27	26
Transit										
Transit vans	8	8	8	8	9	9	9	9	9	9

DRAFT

Source: Town of Oro Valley Finance Department

Item #: 3.

TC Regular Session

Date: 12/01/2010

Requested by:	Kathryn Cuvelier, Town Clerk	**Submitted By:**	Mike Standish, Town Clerk's Office
Department:	Town Clerk's Office		

Information

SUBJECT:

PUBLIC HEARING DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 12 (RESTAURANT) LIQUOR LICENSE FOR NOBLE HOPS GASTROPUB LOCATED AT 1335 W. LAMBERT LANE #101

SUMMARY:

An application by Mr. Aric Mussman has been submitted for a Series 12 (Restaurant) Liquor License for Noble Hops Gastropub located at 1335 W. Lambert Lane #101.

DISCUSSION:

In accordance with Section 4-201 of the Arizona Revised Statutes, the application was posted for 20 days commencing October 15, 2010 on the premises of the applicant's property. No protests were received during that time period. The Oro Valley Police Department has conducted a background investigation on the applicant and has no objection to the approval of the Series 12 Liquor License. (Series 12 Liquor License Description: Allows the holder of a restuarant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food).

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

Staff recommends approval of this liquor license to the Arizona State Liquor Board for the following reasons:

1. No protest to this license have been received.

2. The necessary background investigation was conducted by the Police Department.

3. The Police Department has no objections to the approval of the Series 12 Liquor License.

SUGGESTED MOTION:

I MOVE to recommend approval of the issuance of the Series 12 Liquor License to the Arizona State Liquor Board for Mr. Aric Mussman for the Noble Hops Gastropub located at 1335 W. Lambert Lane #101, Oro Valley, AZ 85737.

Attachments

Link: Liquor License

Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

SEP 22'10AM10:39 TOV

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 **This application is for a:**

- ☐ MORE THAN ONE LICENSE
- ☐ INTERIM PERMIT ***Complete Section 5***
- ☒ NEW LICENSE ***Complete Sections 2, 3, 4, 13, 14, 15, 16***
- ☐ PERSON TRANSFER (Bars & Liquor Stores ONLY) ***Complete Sections 2, 3, 4, 11, 13, 15, 16***
- ☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY) ***Complete Sections 2, 3, 4, 12, 13, 15, 16***
- ☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREE ***Complete Sections 2, 3, 4, 9, 13, 16*** (fee not required)
- ☐ GOVERNMENT ***Complete Sections 2, 3, 4, 10, 13, 15, 16***

SECTION 2 **Type of ownership:**

- ☐ J.T.W.R.O.S. ***Complete Section 6***
- ☐ INDIVIDUAL ***Complete Section 6***
- ☐ PARTNERSHIP ***Complete Section 6***
- ☐ CORPORATION ***Complete Section 7***
- ☒ LIMITED LIABILITY CO. ***Complete Section 7***
- ☐ CLUB ***Complete Section 8***
- ☐ GOVERNMENT ***Complete Section 10***
- ☐ TRUST ***Complete Section 6***
- ☐ OTHER (Explain) _____

SECTION 3 **Type of license and fees** **LICENSE #(s):** 12104071

1. Type of License(s): Series 12

2. Total fees attached: $ (Department Use Only)

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 **Applicant**

1. Owner/Agent's Name: Mr. / Ms. Mussman (Last) Aric (First) P1058398 Kaiser (Middle)
(Insert one name ONLY to appear on license)

2. Corp./Partnership/L.L.C.: Mussman Brothers LLC B1044794
(Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: Noble Hops Gastropub B1044794
(Exactly as it appears on the exterior of premises)

4. Principal Street Location: 1335 W. Lambert Lane #101 (Do not use PO Box Number) Oro Valley (City) Pima (County) 85737 (Zip)

5. Business Phone: pending Daytime Contact: 5204446557

6. Is the business located within the incorporated limits of the above city or town? ☒YES ☐NO

7. Mailing Address: 1335 W. Lambert Lane #101 (City) Oro Valley (State) AZ (Zip) 85737

8. Price paid for license only bar, beer and wine, or liquor store: Type _____ $_____ Type _____ $_____

DEPARTMENT USE ONLY

Fees:	Application	Interim Permit	Agent Change	Club	Finger Prints $	TOTAL OF ALL FEES
	100				96.00	196.00

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? ☒YES ☐NO

Accepted by: M.C Date: 9/16/10 Lic. # 12104071

July 2010

***Disabled individuals requiring special accommodation, please call (602) 542-9027.**

'10 SEP 16 Liq. Lic. PM 4:02

Oro Valley POLICE

DANIEL G. SHARP
CHIEF OF POLICE

TO: Mike Standish Deputy Town Clerk

FROM: Daniel G. Sharp D/C [illegible] for Chief Sharp.

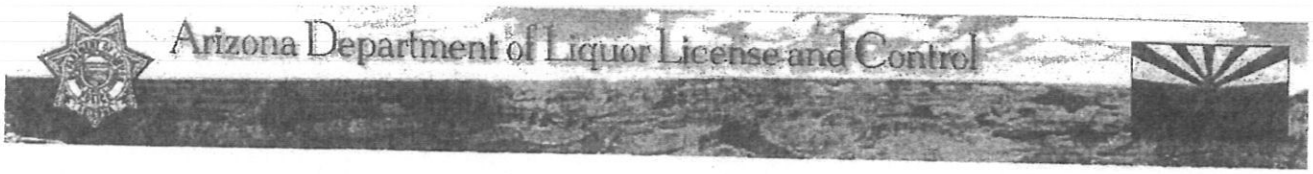
DATE: 18 November 2010

RE: Background Investigation, Application for Liquor License
Noble Hops Gastropub
1335 W. Lambert Lane #101

On 18 November, 2010, the Oro Valley Police Department completed the standard background check on Noble Hops Gastropub and Owners/Agents Aric Mussman, Joshua Mussam, Suzanne Kuth and Richard Wagner.

The Oro Valley Police Department has no objections to the issuing of a liquor license to Noble Hops Gastropub at 1335 W. Lambert Lane #101.

11000 N. La Cañada Drive • Oro Valley, AZ 85737
Phone 520-229-4900 • Fax 520-229-4979 • www.ovpd.org



License Types: Series 12 Restaurant License

Non-transferable
On-sale retail privileges

Note: Terms in **BOLD CAPITALS** are defined in the glossary.

PURPOSE:

Allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

An applicant for a restaurant license must file a copy of its restaurant menu and Restaurant Operation Plan with the application. The Plan must include listings of all restaurant equipment and service items, the restaurant seating capacity, and other information requested by the department to substantiate that the restaurant will operate in compliance with Title 4.

The licensee must notify the Department, in advance, of any proposed changes in the seating capacity of the restaurant or dimensions of a restaurant facility.

A restaurant licensee must maintain complete restaurant services continually during the hours of selling and serving of spirituous liquor, until at least 10:00 p.m. daily, if any spirituous liquor is to be sold and served up to 2:00 a.m.

On any original applications, new managers and/or the person responsible for the day-to-day operations must attend a basic and management training class.

A licensee acting as a **RETAIL AGENT**, authorized to purchase and accept **DELIVERY** of spirituous liquor by other licensees, must receive a certificate of registration from the Department.

A **PREGNANCY WARNING SIGN** for pregnant women consuming spirituous liquor must be posted within twenty (20) feet of the cash register or behind the bar.

A log must be kept by the licensee of all persons employed at the premises including each employee's name, date and place of birth, address and responsibilities.

Bar, beer and wine bar, and restaurant licensees must pay an annual surcharge of $20.00. The money collected from these licensees will be used by the Department for an auditor to review compliance by restaurants with the restaurant licensing provisions of ARS 4-205.02.

AVERAGE APPROVAL TIME: Sixty-five (65) to one-hundred five (105) days.

PERIOD OF ISSUANCE: One (1) year with option to renew.

FEES: Non-refundable application fee: $100.00
Fingerprint fee per card: Contact Department
Interim Permit fee: $100.00

Upon approval:
Final fees (full year): $2,000.00
Final fees (half year): $1,750.00
Annual renewal fee (includes **SURCHARGE**): $585.00

ARIZONA STATUTES AND REGULATIONS:

ARS 4-119, 4.201, 4-202, 4-203, 4-205.02, 4-205.06, 4-209(B)(12), 4-209(D)(12), 4-209(J), 4-213, 4-222, 4-261; Rule R19-1-214, R19-1-231.

Copyright 2007 - Arizona Department of Liquor License & Control - Privacy Policy - Accessibility
800 W. Washington 5th floor; Phoenix, AZ 85007 - 400 W. Congress #521; Tucson, AZ 85701

News & Events

2007 Liquor License Drawing Entry Form

Item #: 4.

TC Regular Session

Date: 12/01/2010

Requested by:	Stacey Lemos, Finance Director	**Submitted By:**	Stacey Lemos, Finance
Department:	Finance		

Information

SUBJECT:

DISCUSSION AND POSSIBLE ACTION REGARDING A REQUEST FOR AUTHORIZATION TO USE GENERAL FUND CONTINGENCY RESERVE FUNDS FOR CITIZEN SATISFACTION SURVEY

SUMMARY:

Included in the Town Manager's Recommended Budget for FY 2010/11 was $25,000 to conduct a town-wide citizen satisfaction survey, similar to the citizen survey that was performed for the Town in 2008 by Marketing Intelligence. When the final budget was adopted, these funds were removed from the budget by the Town Council. Staff is requesting Council consideration to reauthorize General Fund contingency reserves in an amount not to exceed $20,000 to perform a citizen satisfaction survey this fiscal year to provide important data that can be used for decision-making in the areas of program planning, budgeting, goal setting, priority setting, service improvements and enhanced constituent communication.

DISCUSSION:

As mentioned above, the last Town citizen survey was conducted in 2008 by Marketing Intelligence. Since that time, the Town has implemented a program and performance-based budget, incorporating more meaningful performance measures into the program budgets to measure efficiencies and effectiveness of program delivery. One of the key means of gauging the effectiveness of any program or service delivered by the Town is to measure the level of citizen satisfaction toward those programs or services. As a result, many of the Town's adopted performance measures in this year's budget refer to the results of a citizen survey to be conducted during the fiscal year.

If funds are authorized to perform a survey this fiscal year, it is recommended that the Town use the National Citizen Survey (NCS) tool. The National Citizen Survey is a turnkey service provided by the International City/County Managers Association (ICMA) and has been used by local governments in 41 states, including 13 cities/towns in Arizona, over the past ten years to gather information on citizen satisfaction with services. The NCS has been designed to complement the work of ICMA's Center for Performance Measurement (CPM) and can be used to transmit survey results to the CPM along with other performance measurement data that can be used in benchmarking with other communities.

The basic turnkey service offered by the NCS costs $9,900 and includes all phases of the mailed survey administration: creating the survey and survey documents, random selection of 1,200 unique addresses, printing, mailing, data entry and analysis and creating a report of results. The estimated timeframe to complete the NCS is approximately 17 weeks from start to finish. Therefore, if the survey process is initiated by January, completed results would be expected in April, which would still allow time for incorporation of those results into the FY 2011/12 budget.

In addition to the basic service, the NCS also offers additional options at various cost levels, including the comparison of results to prior survey results, an expanded mailing option, the addition of one open-ended question, phone data collection (instead of mail data collection) and on-site presentation of results to the Town Council. By providing a survey budget of not to exceed $20,000, there is flexibility to include some of these additional options over and above the basic service, and yet not exceed the $25,000 original budget request that was included in the Town Manager's Recommended Budget.

FISCAL IMPACT:

The fiscal impact involves the one-time use of General Fund contingency reserves of up to $20,000.

CONCLUSION/RECOMMENDATION:

Staff recommends use of contingency reserve funds of up to $20,000 for a citizen satisfaction survey to be completed this fiscal year.

SUGGESTED MOTION:

I move to approve the use of General Fund contingency reserves not to exceed $20,000 for a citizen satisfaction survey.

Or

I move...

Item #: 5.

TC Regular Session

Date: 12/01/2010

Requested by:	Stacey Lemos, Finance Director	**Submitted By:**	Stacey Lemos, Finance
Department:	Finance		

Information

SUBJECT:

PRESENTATION AND DIRECTION TO STAFF REGARDING LIBRARY INTERGOVERNMENTAL AGREEMENT (IGA) NEGOTIATIONS WITH PIMA COUNTY

SUMMARY:

The current Library operations IGA between the Town of Oro Valley (Town) and the Pima County Free Library District (District) was entered into in 2007 and runs through June 30, 2012 with provisions for renewal for additional five year terms. Staff is requesting Council direction on how to proceed with the IGA renewal negotiations as we approach the final fiscal year covered under the existing IGA.

DISCUSSION:

The existing Library IGA (**ATTACHMENT A**) was entered into in 2007 and provides for the Town to operate the library as an affiliate of the Pima County library system. Under the IGA, the Town operates the library using Town staff. The District provides collection development services, courier and circulation services and technology support. The District provides annual financial contributions to the Town of 50% of the eligible shared operating expenses as defined in the IGA. The remainder of the operating expense of the library is a General Fund obligation of the Town. For the current fiscal year, the adopted budget for the library is $1,159,028, with budgeted reimbursement from the District of $577,781 and the General Fund portion as $581,247.

Current Ownership of Library Facility

Under IGAs entered into in 1999 and 2004 for the original construction and later expansion of the library, the Town and County agreed that the Town would own 50% of the library facility, the County would own 50% of the library facility, and the Town would own the land underlying the facility. The 2004 IGA covering the expansion of the library also prohibits either party from disposing of or encumbering their interests in the library for twenty five years following project completion, except that either party may convey its interest to the other party.

Library IGA Negotiation Options

Various options are available to consider with regard to negotiating a new library IGA with the District within the next 18 months:

- Status Quo - Maintain current terms of IGA and renew for additional five years
- Seek increased cost sharing from District greater than 50%
- Turn over library operations to District

The sections below discuss some of the main issues for consideration associated with each option above. A table has also been prepared as **ATTACHMENT B** which summarizes the information for each of these options.

Maintain Status Quo

This option would entail maintaining the existing terms and conditions in the current IGA and seeking

renewal for another five-year term. Staff would recommend negotiating more favorable terms for the Town in the event of termination of the IGA. The IGA has a rather one-sided early termination provision in Section III that provides that in the event of early termination of the IGA, the Town must remit to the District 50% of the replacement value of the current library collection and computer hardware and software. This represents a substantial amount of money (estimated at $1 million) that the district would likely expect in any turnover negotiation.

The IGA is very clear on what the County will reimburse the Town for in the operation of the Library:

Eligible (for reimbursement) expenditures include 50% of the following: Personnel, Outside Professional Services, Equipment Repair and Maintenance, Rentals, Public Liability Insurance, Telecommunications, Advertising, Printing and Binding, Travel and Training (up to $2,500), Memberships and Subscriptions, Non-capitalized Equipment, Collection Materials, Postage, Office Supplies, Miscellaneous other Operating Costs and Utilities.

Those expenditures that are Non-Eligible (for reimbursement) include: Building Repair and Maintenance, Grounds Repair and Maintenance, Volunteer Recognition expenses, Software Maintenance and Licensing, Capital Improvements to facility, Landscaping, Food or drink for staff or volunteers, and salaries, raises, and other income adjustments to the extent that such exceed the percentages provided to Pima County employees for the same fiscal year.

Under this option, the Town would continue to maintain 100% ownership of the land underlying the library building and share the ownership of the building 50/50 with the County.

Seek Increased Cost Sharing from District Greater than 50%

This option would entail following the recommended negotiation points outlined above in the Status Quo section and seeking to increase the County's share of reimbursement from the library district taxes above the current level of 50%. This would result in providing some relief to the Town's General Fund and allow for a greater share of library district property taxes paid by Oro Valley property owners to return to the Town. Oro Valley property owners paid approximately $2.4 million in County library district property taxes last fiscal year.

If this were the preferred option to consider, staff would also seek to negotiate inclusion of more of the non-eligible expenses in the reimbursable category.

Turnover Library Operations to County

This option has been explored in great detail by previous Town Councils and entails turning over the operations of the library to the Pima County Library District for operation as the City of Tucson did with their libraries several years ago. This option is much more complicated than the above options and would require negotiations in the following areas:

Turnover date - the date when Town operation of the library would cease and the District would begin full operation of the library.

Personnel transfer—the mechanics of transferring all of the existing Town employees who work in the library into the County's personnel and retirement systems. These issues are complex and were addressed in depth in turnover IGA between the City and the County. The Town's HR Director would need to be involved in this aspect of the negotiations.

Turnover financing—would the County and the District insist upon the Town providing financing during any portion of the period leading up to and/or following the transfer of the library from Town operation to County operation? The City of Tucson agreed to such post-turnover financing in its turnover agreement. The County may use a similar blueprint with the Town.

Assignment of contracts and personal property—this is fairly routine, but would nonetheless need to be addressed.

IT issues—issues with those portions of the Town's computer system that are physically located at the Library as well as those portions of the Town's IT system that serve the library would need to be addressed during the negotiations. The IT Director would need to be involved in that aspect of the negotiations.

Facility ownership/lease issues—if it is the Town's desire to own the entire library facility following termination of the IGA and turnover of the library operations to the District, this issue would need to be negotiated. Since the County expended bond funds in both the construction and expansion of the library, the County may insist upon being reimbursed for all or a portion of these funds as a condition of conveying its 50% interest in the building to the Town. Assuming the Town is successful in obtaining ownership of the County's 50% interest in the building, the facility would need to be leased to the District for the duration of the District's operation of the library. Issues inherent in the lease would include responsibility for facility maintenance, insurance and utilities, as well as expansion or renovation of the building and its physical and mechanical elements. Use of the building by outside groups would also need to be addressed in the context of the lease.

If it is the Town's desire to sell the County its 100% ownership share of the underlying land and its 50% ownership share of the building, this obviously depends on whether the County would be a willing buyer. If so, the Town would likely request reimbursement of the Town's portion of costs associated with purchasing the land in 1996 and original construction and expansion of the library through use of Oro Valley bond funds, General Funds and Friends of the Library donations totalling approximately $4.2 million. How this amount compares to the actual market value of a municipal library facility in today's real estate market is unknown.

Friends of the OVPL—how would the turnover affect the ability of the Friends to operate their bookshop and continue their semi-annual book sales? This needs to be specifically addressed in the negotiations and agreement.

Significant cash outlay - it is unknown for certain whether the Town would be required to pay the County 50% of the replacement value of the library collection materials and computer hardware and software in a turnover scenario. If so required, this cost would approximate $1 million. Additionally, the County contributed $2.0 million in bond funds toward the original construction of the library in 2001 and another $1.1 million in bond funds toward its expansion in 2005, for a total of $3.1 million in County bond funds. Therefore, a turnover of library operations to the County could potentially require the Town to pay the County from $3 - $4 million in order to buyout the County's 50% share of the building.

Ultimately, the total cost savings to the Town post-turnover would be approximately $600,000.

2009 Library Review Committee Recommendations

In February 2009, the Town Council appointed a citizen-based Library Review Committee to evaluate library operations options. All of the options mentioned above were explored by the task force, and ultimately, the task force recommended that Oro Valley maintain management of the library's operations, rather than a turnover to Pima County. A copy of the Library Review Committee Executive Summary presented to Council in June 2009 is included as **ATTACHMENT C**.

FISCAL IMPACT:

The fiscal impact of the upcoming library IGA negotiations depends upon the option(s) chosen.

Maintain Status Quo - under this option, assuming the library's annual budget remains approximately $1.2 million, the County would continue to reimburse the Town approximately $600,000 from County library district taxes, and the Town's General Fund would pay for the balance of approximately $600,000.

Seek Increased Reimbursement from County above 50% - under this option, the Town would seek greater reimbursement from the County and less funding from the Town's General Fund. Reasonable cost sharing percentages could range from 60% County/40% Town to 75% County/25% Town, resulting in reduced expenditures from the Town's General Fund ranging from $120,000 to $300,000 annually.

Turnover Library Operations to County - the fiscal impact of this option is largely dependent upon the terms of the turnover and resolution of ownership of the library land and facility. If the Town were to buyout the County's 50% ownership of the building and be required to pay the County for 50% of the replacement value of the collection materials and computer hardware and software, the required cash outlay could approximate $3 - $4 million. If the Town desired to sell its 100% ownership interest in the land and its 50% ownership in the building to the County, the Town would likely require the County payment of approximately $4.2 million. The eventual annual operating cost savings to the Town in a turnover scenario would be approximately $600,000 annually, but would take a period of years before the Town would realize that.

CONCLUSION/RECOMMENDATION:

Due to the past community response to library turnover discussions held by prior Town Councils and the complicated nature of the negotiations associated with a potential turnover of library operations to the County, staff recommends a combination of maintaining the status quo while seeking more favorable terms in the areas of the IGA already outlined above, along with seeking increased reimbursement from the County greater than 50%.

SUGGESTED MOTION:

I move to direct staff to begin library IGA renewal negotiations with the Pima County Library District seeking terms and conditions more favorable to the Town of Oro Valley and increased cost reimbursement above the current 50% of eligible library expenditures.

or

I move...

Attachments

Link: ATTACHMENT A-Library IGA

Link: ATTACHMENT B-Library IGA Negot Options

Link: ATTACHMENT C-Library Rev Commtte Summary

CONTRACT
NO. 01-66-0-14/0125-0707
AMENDMENT NO.
This number must appear on all invoices, correspondence and documents pertaining to this contract

Intergovernmental Agreement

Between

Pima County Free Library District and the Town of Oro Valley

For Provision and Payment for Library Services

This Intergovernmental Agreement ("Agreement") is entered into by and between Pima County Public Library and the Town of Oro Valley pursuant to the authority provided under A.R.S. § 11-951 *et seq.*

Recitals

A. WHEREAS District and Town may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S. § 11-951 *et seq.*; and

B. WHEREAS District is authorized by A.R.S. § 11-901 *et seq.*, and § 48-3901 *et seq.* to establish and maintain free libraries; and

C. WHEREAS, Town operates and maintains a free public library in Oro Valley, Arizona; and

D. WHEREAS, the Town Library was built in part with Pima County General Obligation Bond funds, and the Town has agreed to make the Library available to all residents of Pima County on the same terms and conditions as residents of the Town; and

E. WHEREAS, District has been paying a portion of the operating costs of the Library pursuant to Intergovernmental Agreement No. 01-66-0-135568-0704 between Pima County Free Library District and the Town of Oro Valley ; and

F. WHEREAS, District and Town agree that it is in the best interests of the inhabitants of Pima County to continue to affiliate in order to provide library services throughout the County; and

G. WHEREAS, District is willing to continue to provide funding for a portion of the operating costs of Town's Library.

NOW, THEREFORE, District and Town, agree as follows:

AGREEMENT

I. Definitions.

A. "Annual District Contribution" means the amount that District will contribute to the operations of Library. This contribution shall not exceed 50 % of Eligible Shared Expenditures and shall not, under any circumstances, exceed the Maximum District Contribution.

B. "District" means the Pima County Public Library, a body politic and corporate and political subdivision of the State of Arizona. District operates and maintains all libraries in Pima County, except affiliate or privately operated libraries.

C. "District Revenues" means all customer fees, dues, and fines collected by or owing to Library.

D. "Eligible Shared Operating Expenditures" means all approved expenditures for collection development and direct services set forth in III(B)(1) and (2) actually made by Town, or by District on behalf of Library, during the term of this Agreement for the operation of the Library. Eligible Shared Operating Expenditures shall also include actual expenses for staff travel and training up to $2,500.00. Expenditures made for the following activities and operations are not Eligible Shared Operating Expenditures: (1) capital improvements to facilities or other real or personal property; (2) maintenance of the library building, plant, and parking lot; (3) landscaping and grounds keeping and maintenance: (4) travel and training in excess of $2,500.00; (5) any and all food and drink for patrons, staff, or volunteers; (6) volunteers events and special events; (7) legal challenges or other liabilities including those associated with Town's Internet filtering policy and operations; (8) costs associated with the purchase, maintenance and operation of RFID programs and associated equipment, hardware and software; (9) indirect costs associated with the operations and maintenance of the Library; (10) salaries, raises and other income adjustments to the extent that such exceed the percentages provided to Pima County employees for the same fiscal year; and (11) expenditures funded by Library revenues.

E. "Library" means the Oro Valley Public Library located at 1305 W. Naranja Drive, Oro Valley, Arizona 85737. The Library shall be governed by the Town of Oro Valley which shall retain responsibility for hiring, disciplining, and firing all employees, maintaining the Library building and grounds and for defending its practices pursuant to policies and procedures developed by the Library or Town.

F. "Library Revenues" means grants, donations, or awards received by Town specifically for those Library expenditures.

G. "Maximum Annual District Contribution" means the maximum amount that District will provide to Town to cover Eligible Shared Operating Expenditures. The Maximum

Annual District Contribution shall be as set forth in Article V. Financing, Paragraph A. The Maximum Annual District Contribution shall not increase by more than one percent (1%) of the prior fiscal year's maximum contribution for each subsequent year during the term of this Agreement.

H. "RFID" means the Radio Frequency Identification system hardware and software used by Library to track library materials.

I. "Town" means the Town of Oro Valley, a municipal corporation of the State of Arizona.

II. Term and Renewal. This Agreement shall be effective on July 1, 2007 through June 30, 2012 and shall be recorded with the Pima County Recorder following execution by both parties. This agreement may be renewed for additional five-year terms, upon written amendment signed by both parties.

III. Termination.

A. Either party may terminate this Agreement at the end of a Fiscal Year by providing written notice of the intent to terminate no less than 120 days prior to the end of the fiscal year.

B. In the event of such termination, Town shall remit to District 50% of replacement value of the then current collection and computer hardware and software. All personal property of District shall be returned to the District. Such funds shall be remitted and such equipment shall be returned within 60 days of the effective date of the termination.

IV. Scope.

A. Town shall:

1. Provide free library services to all residents of Pima County on the same terms and conditions as are applicable to Town residents.

2. Follow conditions or restrictions that District imposes with respect to loans of books, materials or equipment to the extent possible to insure operational uniformity throughout the system.

3. Collect fines, fees, and reimbursement from patrons who lose or damage library books, materials or equipment, using District circulation policies and procedures. All such monies collected shall be remitted to District by the 10th day of the month following the month collected.

4. With the exception of Internet filtering, comply with District's Policies governing confidentiality, circulation, reference, interlibrary loan and system-wide programs to

the extent possible to insure operational uniformity throughout the system as such policies are adopted by the District Board of Directors and as may be amended from time to time. Town shall follow associated procedures and guidelines established to implement the policies. District will provide a full and complete set of such policies within 10 days of final approval by the Pima County Public Library Board of Directors. The policies will be attached and incorporated into this IGA as **Exhibit A**. Any amendments to a District policy are incorporated into this Agreement and shall not require an amendment to be effective. Internet use shall be implemented by Town pursuant to Town's Internet use policy **Exhibit B**.

5. Respond to intra-library and interlibrary loan requests from District and other libraries.

6. Purchase, install and maintain additional furnishings required by the library for future fiscal years.

7. Own the Town's web links, all on-site telecommunication, and computer hardware and software.

8. By June 30, 2009, assure that all telecommunications, and computer hardware and software are compatible with District's systems and that all computer hardware supported by District is replaced when the warranty expires. (Town understands and agrees that District shall have no responsibility for upgrading, maintaining or servicing any hardware or software that is either incompatible with District equipment or that has an expired warranty.)

9. Purchase, maintain and operate RFID programs and all associated equipment, hardware and software.

10. Make any modifications at the Oro Valley Public Library, which are needed to accommodate equipment, including providing adequate electrical wiring, and assist District in connecting the local equipment to the system.

11. Use District's on-line computer system to provide library system functions.

12. Use District's Internet gateway for public Internet access.

13. Assure that appropriate Town Library staff regularly attend District system-wide meetings and training opportunities.

14. Offer appropriate input into the collection development process.

15. At Town's option, participate in floating collections.

B. District shall provide collection development, outside professional (direct) and indirect services as set forth below.

1. Collection Development:

   a. Coordinate the Collection Development process, including selection, acquisition and cataloging of library materials for addition to the collection of Town's library.

   b. Follow Town library profile, as submitted by Town, in the acquisition of appropriate materials.

   c. Seek Town input throughout the year regarding collection development.

   d. Base the extent of collection development on Town's budget allocation for library materials.

   e. Provide access to databases such as:

      i. On-line homework help.
      ii. Genealogical resources.
      iii. Business information.
      iv. Over 400 full-text magazines and newspapers, including the Wall Street Journal and the New York Times.
      v. On-line archives of the Arizona Daily Star and Tucson Citizen.

   f. Utilize District purchasing power and negotiated discounts for the purchase of materials. District Collections Development librarians will negotiate with vendors, train Library staff on the use of on-line ordering processes, and manage collection development activities.

2. Outside Professional (Direct) Services:

   a. Provide courier service between Town library and District libraries each weekday, except holidays, to ensure that books and other materials are available to be borrowed and easily returned by all residents of Pima County.

   b. Provide circulation services including, but not limited to, sending out holds, overdue and fine notices, servicing collection agency accounts and supplying library card applications and cards for issuance by Town library.

   c. Provide public copier and computer printer services for library customers.

   d. Technology Support:

      i. Provide telecommunications (not voice), including connection to the District network T-1 line.

ii. Provide computer technology support services including: upgrades, network troubleshooting and connectivity, circulation system access, firewalls and other security deemed appropriate by District for 30 computers that will be designated for staff computers or public-use computers. These support services will not be provided for RFID or for any hardware or software that is either incompatible with District equipment or that has an expired warranty. Support services for Internet filtering will be provided only to the extent set forth below.

iii. Provide computer technology support services for internet filtering only as set forth in **Exhibit C.**

iv. Provide hardware and software necessary to enable electronic reservations and printing for the public.

v. Provide a help desk for all District-supported automation systems. Help desk services will be provided Monday through Saturday during normal library hours.

vi. Provide automation services to include: access to the Innovative Interfaces, Inc. Millennium software and associated modules for library materials circulation and for collection access through an integrated catalog. District will provide: Millennium back-up, coordination of uploads of module releases, and automation security.

vii. Obtain and maintain an on-line computer system, library central site hardware and software, web links, library catalog and library circulation database and patron database.

viii. Provide periodic back-up of the Library system, coordinate and load software releases and maintain system security.

ix. Provide Town library with online library service modules for circulation, library catalog, database maintenance, management information, serials, and acquisition of materials.

x. Provide standard computer training, database preparation, and ongoing installation assistance.

3. Indirect services to Oro Valley residents:

   a. Access to all District libraries and library programs.

   b. Ability to request over 1.5 million items in the District's materials collection.

c. Access to e-books and downloadable audio/video.

d. Ability to submit and receive Inter-library loan requests.

4. Indirect services to Library:

a. Process Inter-library Loan requests.

b. Provide Library staff with the opportunity to participate in planning District-wide programs such as the Summer Reading Program and One Book Arizona and provide materials for such programs.

c. Catalog records via OCLC/Amigos for all items in Town Library's collection.

d. Provide cataloger and support staff to purge records and maintain bib records and to provide authority control and holdings information.

e. Train Town Library staff on automation, databases and offer other continuing professional development opportunities.

f. Process invoices, pay bills and manage accounts for acquisitions.

g. Provide administrative support to the extent District deems appropriate.

V. Financing.

A. The Maximum Annual District Contribution shall not exceed the following amounts:

FY 2007-08 (July 1, 2007 through June 30, 2008):	$ 613,944.00
FY 2008-09 (July 1, 2008 through June 30, 2009):	$ 620,083.00
FY 2009-10 (July 1, 2009 through June 30, 2010):	$ 626,284.00
FY 20010-11 (July 1, 2010 through June 30, 2011):	$ 632,547.00
FY 20011-12 (July 1, 2011 through June 30, 2012):	$ 638,872.00

B. Town shall complete the itemized Eligible Shared Operating Expenditure Quarterly Report in the form attached as **Exhibit D**. Town shall certify that the Report accurately reflects the Library's expenditures in each line and category of the Report.

C. The Report shall be submitted to District no later than 15 days after the end of each quarter, except the final Quarterly Report for each fiscal year shall be submitted no later than August 30 of the following fiscal year.

D. District shall review the submitted Report and make the appropriate adjustments as follows:

1) Add costs of purchasing and processing materials (see **Exhibit E**);

2) Add cost of professional services set forth in Art. III (B)(2) (see **Exhibit F**);

3) Credit for fines and fees collected;

4) Adjust personnel salary, wages, and benefits to District levels; and,

5) Adjust for expenditures excluded from Eligible Shared Operating Expenditures.

E. District will remit 50% of this adjusted Eligible Shared Operating Expenditure to Town. Only allowed Eligible Shared Operating Expenditures shall be reimbursed. District reserves right to request supporting documentation necessary to determine the eligible shared operating expenses.

F. District will remit the allowed quarterly Eligible Shared Operating expenditure no later than 30 days after the Quarterly Report is received from Town. Under no circumstances shall the total payments from District to Town for any fiscal year exceed the Maximum Annual District Contribution for such year.

G. District shall explain the reason for the objection to any line items on the Quarterly Report and shall withhold the amounts associated with those line items until the Parties can resolve the objection

VI. Operational Cooperation.

A. Either party may request a meeting of appropriate administrators and personnel to discuss issues related to Library operations or this Agreement. Parties shall cooperate to resolve differences expeditiously and amicably.

B. Any notice required by this Agreement and regarding operations shall be provided to the following persons:

DISTRICT:

Nancy Ledeboer, Library Director
Pima County Public Library
101 N. Stone Avenue
Tucson, AZ 85701

Chuck H. Huckelberry
County Administrator Pima County
130 W. Congress, 10th Floor
Tucson, AZ 85701

TOWN:

Library Administrator
Oro Valley Public Library
305 W. Naranja
Oro Valley, AZ 85737

Oro Valley Town Manager
Oro Valley Town Administration
11000 N. La Cañada Drive
Oro Valley, AZ 85737

Lori Godoshian, Clerk of the Board
Pima County Board of Supervisors
130 W. Congress, 5th Floor
Tucson, Arizona 85701

Oro Valley Town Clerk
Oro Valley Town Administration
11000 N. La Cañada Drive
Oro Valley, AZ 85737

VII. **Audit Rights.** District shall have the right to audit Town's books, records and documents relating to the operation of the Library and to use of funds provided pursuant to this Agreement. Town shall cooperate with such an audit. Any inconsistencies between the Annual District Contribution and Eligible Shared Operating Expenditures discovered by the audit shall be resolved as appropriate to meet the terms of this Agreement.

VIII. **Indemnification**.

A. Each party (as 'indemnitor') agrees to indemnify, defend and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, cost, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers.

B. Town agrees to indemnify, defend and hold harmless District and Pima County from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) arising out of Town's Internet Filtering Policy in its current form (attached as **Exhibit B**) and as may be amended from time to time.

IX. **Compliance with Laws**. The parties shall comply with all federal, state and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Agreement. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement and any disputes hereunder. Any action relating to this Agreement shall be brought in an Arizona court in Pima County. Any changes in the governing laws, rules and regulations during the terms of this Agreement shall apply but do not require an amendment. This Agreement and all obligations upon District or Town arising therefore shall be subject to any limitations imposed by budget law or regulation.

X. **Non-Discrimination**. The parties shall not discriminate against any District or employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin in the course of carrying out their duties pursuant to this Agreement. The parties shall comply with the provisions of Executive

Order 75-5, as amended by Executive Order 99-4, which is incorporated into this Agreement by reference, as if set forth in full herein.

XI. **ADA**. The parties shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. If Town is carrying out government programs or services on behalf of District, then Town shall maintain accessibility to the program to the same extent and degree that would be required of the District under 28 CFR Sections 35.130, 35.133, 35.149 through 35.151, 35.160, 35.161 and 35.163. Failure to do so could result in the termination of this Agreement.

XII. **Severability**. If any provision of this Agreement, or any application thereof to the parties or any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this Agreement which can be given effect, without the invalid provision or application and to this end the provisions of this Agreement are declared to be severable.

XIII. **Conflict of Interest**. This contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated herein reference.

XIV. **Non-Appropriation.** Not withstanding any other provision in this Agreement, this Agreement may be terminated if for any reason the District Board of Directors or the Town Council does not appropriate sufficient monies for the purpose of maintaining this Agreement. In the event of such cancellation, District or Town, respectively shall have no further obligation to the other party under this Agreement except for payment for expenses incurred prior to cancellation.

XV. **Legal Authority.** Neither party warrants to the other its legal authority to enter into this Agreement. If a court, at the request of a third person, should declare that either party lacks authority to enter into this agreement, or any part of it, then the Agreement, or parts of it affected by such order, shall be null and void, and no recovery may be had by either party against the other for lack of performance or otherwise.

XVI. **Worker's Compensation.** Each party shall comply with the notice of A.R.S. § 23-1022 (E). For purposes of A.R.S. § 23-1022, each party shall be considered the primary employer of all personnel currently or hereafter employed by that party, irrespective of the operations of protocol in place, and said party shall have the sole responsibility for the payment of Worker's Compensation benefits or other fringe benefits of said employees.

XVII. **No Joint Venture**. It is not intended by this Agreement to, and nothing contained in this AGREEMENT shall be construed to, create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between District and any Town employees, or between Town and any District employees. Neither party shall be liable for any debts, accounts, obligations or other liabilities whatsoever of

the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.

XVIII. **No Third Party Beneficiaries**. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the maintenance of public facilities different from the standard of care imposed by law.

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XIX. **Entire Agreement**. This document constitutes the entire Agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Agreement shall not be modified, amended, altered or extended except through a written amendment signed by the parties and recorded with the Pima County Recorder.

In Witness Whereof, District has caused this Intergovernmental Agreement to be executed by the Chairman of its Board of Directors, upon resolution of the Board and attested to by the Clerk of the Board, and Town has caused this Intergovernmental Agreement to be executed by its Mayor upon resolution of its Town Council and attested to by:

PIMA COUNTY PUBLIC LIBRARY

Chairman, Board of Directors OCT 09 2007

ATTEST:

Pima County Clerk of the Board

TOWN OF ORO VALLEY

Town Manager

ATTEST:

Oro Valley Town Clerk

INTERGOVERNMENTAL AGREEMENT DETERMINATION

The foregoing Intergovernmental Agreement between the Pima County Public Library and the Town of Oro Valley has been reviewed pursuant to A.R.S. § 11-952 by the undersigned counsel, who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Intergovernmental Agreement represented by the undersigned.

PIMA COUNTY:

Deputy County Attorney

Town of Oro Valley:

Town Attorney

List of Exhibits

Exhibit A: Pima County Public Library Policies governing circulation, reference, interlibrary loan and system-wide programs

Exhibit B: Oro Valley Public Library Internet Filtering Policy

Exhibit C: Computer technology support services for Internet filtering

Exhibit D: Eligible Shared Operating Expenditure Quarterly Report Form

Exhibit E: Baker and Taylor Services

Exhibit F: District Costs

EXHIBIT A

EXHIBIT A

District will provide a full and complete set of its confidentiality, circulation, reference, interlibrary loan and system-wide programs policies within 10 days of final approval by the Pima County Public Library Board of Directors. Such policies will automatically be incorporated into and become a part of this Agreement without need for an amendment.

EXHIBIT B

ORO VALLEY PUBLIC LIBRARY INTERNET ACCESS POLICY

Town of Oro Valley Public Library offers public access to the World Wide Web as an integral part of its research and information services. Library users may use the Internet for educational and informational purposes.

The Internet provides access to diverse resources from many countries and cultures that may not be found in the Library's collections. However, because the Internet is a vast and unregulated medium, the Library has limited control over information, images, and commentary available through the Internet and is not responsible for the accuracy, authority, or timeliness of the content. Further, the Library cannot protect users from information and images that they might find offensive or disturbing.

The library uses filtering technology on all computers with Internet access. Patrons 17 years of age or older are given a choice of an Internet session with a basic filter or one that has additional filtering. The intent of the basic option is to block websites that are considered to be pornographic. The intent of the additional filtering is to block websites that are not appropriate for children. If a patron wishes to access a site that is blocked by filtering software, that patron may request Library staff to unblock the site.

Parents and legal guardians have the responsibility to oversee their child's exposure to and use of the Internet. Parents and children are encouraged to seek guidance from Library staff, visit www.netsmartz.org (National Center for Missing and Exploited Children), and visit the "Kids" section on the Library's website regarding sites of interest to children.

Town of Oro valley Public Library reminds users that computers are located in public areas shared by people of all ages and backgrounds. Internet users must be considerate and respectful of other library users, and especially mindful of children in the Library, particularly when accessing information or images others may find offensive. Library user information is kept confidential in agreement with the Town of Oro Valley Public Library and state law.

User Responsibilities

All users of the Internet are expected to use this resource in a manner consistent with the purposes for which it is provided and according to the guidelines established by the Library. Responsible use of the Internet includes:

- Refraining from illegal or unethical use, including violation of federal, state (ARS 13-3508, 13-3506, 13-3507, 13-3501), or local laws and regulations;
- Using the Library's Internet resources for educational and informational purposes;

- Respecting intellectual property rights by making only authorized copies of copyrighted or licensed software or data on the Internet;
- Respecting the privacy of others by not misrepresenting oneself as another user, by not attempting to modify or gain access to files, passwords, or data belonging to others; and by not seeking disallowed access to any computer system via the Internet;
- Refraining from damaging or altering the configuration of the equipment to access the Internet or the software or data residing on the Internet; and
- Refraining from the deliberate propagation of destructive processes such as computer "worms", "viruses", and "trojan horses".

Failure to comply with these regulations may result in the loss of Library privileges, up to and including permanent trespass from all Town of Oro Valley Public Library facilities.

EXHIBIT C

Exhibit C

Pima County Public Library
Internet Access Support Services for
the Oro Valley Public Libraries

District filtering policy[1]:

Pima County Public Library ("District") assigns one of three different levels (child, teen or adult) of Internet access to each customer. The available access is determined by age of the user as authenticated through District's Millennium program. Under District policy, adult users will have the option and ability to disable the filter to obtain unfiltered access.

Filtering services to Library:

District will assign Oro Valley Public Library ("Library") public computers a specific range of Internet protocol addresses. Internet access from Library public computers will be through these addresses. The addresses will be configured to block the disabling option for unfiltered access.

Library customers will see the "disable filters" option on the Internet access screens. However, the option will not be functional.

Library staff will be given a password which will allow staff to disable the filters on public computers at any time. When the password is used, the filter will be disabled for a one hour increment. District will change the password at regular intervals as deemed necessary by District.

Library responsibility:

Library shall be solely responsible for:

- Providing customers with Library's Internet Policy
- Developing procedures for the provision of unfiltered access
- Responding to customer inquiries regarding disabling Internet filters

Disclaimer:

District is not responsible for Library's policies or procedures regarding the access to the Internet on Library public computers and accepts no responsibility for the contents of Library policy or for Library staff determinations regarding when to allow or deny unfiltered Internet access.

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[1] The District filtering policy will be instituted upon completion of District technical programming and network conversion projects.

EXHIBIT D

Exhibit D

Pima County Public Library
Eligible Shared Expenditures

Eligible Shared Expenditure Quarterly Report	[redacted]	[redacted]	[redacted]
Personnel			
Salaries & Wages	[redacted]	680,975 $	340,488
Group Insurance	[redacted]	44,498	22,249
Social Security/Medicare	[redacted]	49,594	24,797
ASRS	[redacted]	41,927	20,964
Worker's Compensation	[redacted]	1390	695
Other Employee Benefits	[redacted]	330	165
	[redacted]	818,714	409,357
Contracts/Services			
Outside Professional Services	[redacted]	90,138	45,069
Equipment Repair & Maintenance	[redacted]	100	50
Building Repair & Maintenance	[redacted]	0	0
Grounds Repair & Maintenance	[redacted]	0	0
Rentals	[redacted]	4,300	2,150
Public Liability Insurance	[redacted]	4,000	2,000
Telecommunications	[redacted]	4,200	2,100
Advertising	[redacted]	200	100
Printing & Binding	[redacted]	1,400	700
Travel & Training	[redacted]	2,500	1250
Memberships & Subscriptions	[redacted]	1,555	778
Non-Capitalized Equipment	[redacted]	2,400	1,200
Volunteer Recognition Ceremony	[redacted]	0	0
Collection Materials and Subs.	[redacted]	204,000	102,000
Software Maintenance & Licensing	[redacted]	0	0
	[redacted]	314,793	157,397

Supplies					
Postage		1,585	$ 793		
Office Supplies		7,846	3,923		
Miscellaneous Other Operating		5,850	2,925		
Program Supplies		0	0		
		15,281	7,641		
Utilities					
Water & Sewage		2,000	$ 1,000		
Waste Disposal Fees		2,100	1,050		
Natural Gas & Electricity		75,000	37,500		
		79,100	39,550		
Capital Outlay					
Minor Assets		0	0		
Improvements					
Equipment					
		0	0		
Total		1,227,888	$ 613,944		

Eligible Shared Operating expenditure will not include any and all cost associated with: Internet filtering; radio frequency identification tags (RFID); programs and services that exceed District program and service standards; indirect services provided to Town by District; and salaries and raises for Town library employees in excess of the salaries and raises received by District library employees.

EXHIBIT E

Pima County Public Library
Baker & Taylor Services
Exhibit E

Contract Attachments 6, 7, 8 and 9, copies of which are attached hereto and incorporated herein by reference, provide detailed information regarding discounts offered per category, category definitions, and cataloging and processing per unit pricing. Discounts are applied to the publisher's list price at the time of shipment. Additional clarification has been provided below some items.

1.0 PURCHASED PRINT MATERIALS

1.1	**Hardcover** (Includes Adult, Young Adult and Juvenile fiction, non-fiction and picturebooks)		
1.1.1	Percentage Discount from Cover Price (Category I and II)	Trade	46.10%
1.1.2	Percentage Discount from Cover Price (Categories IX and XI)*,**	Non-Trade	11.00%*,**
1.2	**Quality Paperback** (Includes fiction and non-fiction appealing to all ages)		
1.2.1	Percentage Discount from Cover Price (Category III and IV)	Trade	42.00%
1.2.2	Percentage Discount from Cover Price (Categories IX and XI)*,**	Non-Trade	11.00%*,**
1.3	**Mass Market Paperback** (Includes fiction and non-fiction appealing to all ages)		
1.3.1	Percentage Discount from Cover Price (Category V)	Trade	42.00%
1.3.2	Percentage Discount from Cover Price (Category V)	Non-Trade	42.00%
1.4	**Paperback Prebound** (Includes fiction and non-fiction appealing to all ages)		
1.4.1	Percentage Discount from Cover Price (Categories III, IV, and V)	Trade	42.00%
1.4.2	Percentage Discount from Cover Price (Categories III, IV, and V)	Non-Trade	11.00%*,**
1.4.3	BTBound Titles - Percentage Discount from B&T's Advertised List Price		25.00%
1.4.4	Demco Turtleback (Invoiced at B&T net Advertised Catalog Price)		0%
	(See Item 6.0 below for Prebinding prices.)		
1.5	**Reinforced Editions** (Includes fiction and non-fiction appealing to all ages)		
1.5.1	Percentage Discount from Cover Price (Categories VI and VII)	Trade	25.00%
1.5.2	Percentage Discount from Cover Price (Categories VI and VII)	Non-Trade	25.00%
1.6	**Foreign Language** (Includes fiction and non-fiction appealing to all ages)		
1.6.1	Percentage Discount from Cover Price (Categories I and II)	Trade	46.10%
1.6.2	Percentage Discount from Cover Price (Categories IX and XI)*,**	Non-Trade	11.00%*,**

These are discounts for Domestic foreign language titles (the majority of foreign language material supplied through B&T). Hardcover discounts have been listed above. Foreign Language paperback will receive discounts offered for Category III, IV, or V. Discounts will vary by title, based on the categories as described in Contract Attachments 6, 7, 8 and 9. The library can review the discount for each title through Title Source. Please see Category X on Contract Attachments 7 and 8 for Imported Editions discount information.

1.7	**Large Print** (Includes fiction and non-fiction appealing to all ages)		
1.7.1	Percentage Discount from Cover Price (Categories I and II)	Trade	46.10%
1.7.2	Percentage Discount from Cover Price (Categories IX and XI)*,**	Non-Trade	11.00%*,**

Those books will receive the same discount as popular trade editions. Hardcover discounts have been listed above. Large print paperback will receive discounts offered for Category III, IV, or V. Some large print editions may be discounted as outlined in Contract Attachment 7, Category IX or XI. The library can review the discount for each title through Title Source. Discounts are based on the categories as described in Contract Attachments 6, 7, 8 and 9.

1.8	**Comics and Graphic Novels** (Appealing to Young Adults and Juveniles)		
1.8.1	Percentage Discount from Cover Price (Categories III and IV)	Trade	42%
1.8.2	Percentage Discount from Cover Price (Categories IX and XI)*,**	Non-Trade	11.00%*,**

* Titles which receive minimal publisher discount will be invoiced at publisher's list price.
** Titles where Baker & Taylor receives no discount from the publisher or prepayment is required by the publisher or publishers whose titles have limited demand and/or non-commercial publishers will be invoiced at list price plus $4.95/unit service charge.

1.9	**Series (Continuations)** (Includes titles for reference and circulating collections appealing to Adults, Young Adults & Juveniles)		
1.9.1	Percentage Discount from Cover Price*	Trade	46.10%
1.9.2	Percentage Discount from Cover Price*	Non-Trade	11.00%*,**

Pricing for Continuations will be the same as outlined for Firm Order Materials. Hardcover discounts have been listed above. Trade paperback will receive discounts offered for Category III, IV, or V. Refer to Contract Attachments 6, 7, 8 and 9 for discounts per category and category definitions.

1.10	**Government Documents**		
1.10.1	Percentage Discount from Cover Price (Category IX)	Trade	11.00%*,**
1.10.2	Percentage Discount from Cover Price (Category IX)	Non-Trade	11.00%*,**

Government documents will not have a trade or non-trade distinction.

1.11	**Replica Book**		
1.11.1	Percentage Discount From B&T Net Advertised Catalog Price		5.00%

2.0 PURCHASED NON-PRINT MATERIALS

2.1 Sound Cassettes - Spoken Word, Abridged

2.1.1	Percentage Discount from Cover Price (Category XII)	Trade	46.10%
2.1.2	Percentage Discount from Cover Price (Category IX, XI)*,**	Non-Trade	11.00%*, **

Approximately 83% of Spoken Word Audio Materials purchased fall into Category XII. The remainder of Spoken Word Materials will be classified as Category I., VII., VIII., IX., or XI. The library can review the discount for each title on their selection lists or through Title Source. Discounts are based on the categories as described in Contract Attachments 6, 7, 8 and 9.

2.2 Sound Cassettes - Spoken Word, Unabridged

2.2.1	Percentage Discount from Cover Price (Category XII)	Trade	46.10%
2.2.2	Percentage Discount from Cover Price (Category IX, XI)*,**	Non-Trade	11.00%*, **

Approximately 83% of Spoken Word Audio Materials purchased fall into Category XII. The remainder of Spoken Word Materials will be classified as Category I., VII., VIII., IX., or XI. The library can review the discount for each title on their selection lists or through Title Source. Discounts are based on the categories as described in Contract Attachments 6, 7, 8 and 9.

* Titles which receive minimal publisher discount will be invoiced at publisher's list price.
** Titles where Baker & Taylor receives no discount from the publisher or prepayment is required by the publisher or publishers whose titles have limited demand and/or non-commercial publishers will be invoiced at list price plus $4.95/unit service charge.

2.3 Compact Discs - Music

2.3.1	Percentage Discount from Cover Price	Trade	26.30%
2.3.2	Percentage Discount from Cover Price	Non-Trade	26.30%

2.4 Compact Discs - Spoken Word, Abridged

2.4.1	Percentage Discount from Cover Price (Category XII)	Trade	46.10%
2.4.2	Percentage Discount from Cover Price (Category IX, XI)*,**	Non-Trade	11.00%*, **

Approximately 83% of Spoken Word Audio Materials purchased fall into Category XII. The remainder of Spoken Word Materials will be classified as Category I., VII., VIII., IX., or XI. The library can review the discount for each title on their selection lists or through Title Source. Discounts are based on the categories as described in Contract Attachments 6, 7, 8 and 9.

2.5 Compact Discs - Spoken Word, Unabridged

2.5.1	Percentage Discount from Cover Price (Category XII)	Trade	46.10%
2.5.2	Percentage Discount from Cover Price (Category IX, XI)*,**	Non-Trade	11.00%*, **

Approximately 83% of Spoken Word Audio Materials purchased fall into Category XII. The remainder of Spoken Word Materials will be classified as Category I., VII., VIII., IX., or XI. The library can review the discount for each title on their selection lists or through Title Source. Discounts are based on the categories as described in Contract Attachments 6, 7, 8 and 9.

2.6 Digital Videodiscs (Feature films, educational, how-to, etc.)

2.6.1	Percentage Discount from Cover Price	Trade	29.00%
26.20	Percentage Discount from Cover Price	Non-Trade	29.00%

2.7 Kits (Multi-part and mixed media)

2.7.1	Percentage Discount from Cover Price	Trade	See Note
2.7.2	Percentage Discount from Cover Price	Non-Trade	See Note

Baker & Taylor supplies book and tape or CD kits. These kits will receive the discount associated with the book category.

* Titles which receive minimal publisher discount will be invoiced at publisher's list price.
** Titles where Baker & Taylor receives no discount from the publisher or prepayment is required by the publisher or publishers whose titles have limited demand and/or non-commercial publishers will be invoiced at list price plus $4.95/unit service charge.

3.0 CATALOGING SERVICES (Unit of service for pricing is 'each')

3.1	Editing of existing records based on a bibliographic utility (customized MARC)	$ *
3.2	Creation of original records	$ *
3.3	"Generic" MARC	$0.25/unit - non CLS
3.4	CIP Upgrades	$0.20/unit - non CLS
3.5	Print -Fully Shelf Read Materials (See Contract Attachment 6)	$3.60/unit**
3.6	Music CD/DVD-Fully Shelf Read Materials (See Contract Attachment 6)	$8.50/unit
3.7	Spoken Word Audio on CD or Cassette	$5.60/unit

The pricing outlined for CLS services in items 3.5 and 3.6 is a blended unit price based on the volume of material to be ordered, processing components requested, and the complexities of the library's cataloguing requirements. Our unit price is all inclusive of the services requested by the library including, but not limited to cataloging, processing, and project management. This price does not include the Kapco or Vinabind process. Should the library choose not to utilize the CLS services as outlined and choose instead to use an a la carte processing without customized cataloging, the per unit pricing in items 3.3, 3.4, 4.1.0 - 4.1.10 and 4.2 - 4.3.13 will apply.

4.0	**PROCESSING SERVICES** (Unit of service for pricing is 'each')	
4.1	Books for the Circulating Collection	
4.1.1	Mylar Cover on Dust Cover	$0.60/unit
4.1.2	Dust Cover Taped on Book	$0.65/unit
4.1.3	Barcode	$0.10/unit
4.1.4	Barcode Protector (when applicable	$0.05/unit
4.1.5	Property Label	$0.10/unit
4.1.6	Radio Frequency Identification Tags (RFID)	$0.75/unit
4.1.7	Anti-theft Device	$0.45/unit
4.1.8	Call Number Label	$0.10/unit
4.1.9	Shelf Location Label	$0.10/unit
4.1.10	Label Protector (when applicable)	$0.05/unit
4.2	**As For Circulating Book** (Plus two (2) Reference Stickers)	$0.20/unit
4.3	**Media**	
4.3.1	Replacement of Original Case	$1.50/unit
4.3.2	Creation of Title Page from Package	$0.50/unit
4.3.3	Barcode	$0.10/unit
4.3.4	Property Label	$0.10/unit
4.3.5	Radio Frequency Identification Tags (RFID)	$0.75/unit
4.3.6	Anti-theft Device with Overlay (all locations)	$0.45/unit
4.3.7	Call Number Label	$0.10/unit
4.3.8	Shelf Location Label	$0.10/unit
4.3.9	Label Protector (when applicable)	$0.05/unit
4.3.10	Intentionally Blank Labels (recordings in sets)	$0.10/unit
4.3.11	Label for Pieces in Set	$0.10/unit
4.3.12	Closed Caption Label (appropriate videos only)	$0.10/unit
4.3.13	"Espanol" Label (appropriate videos only)	$0.10/unit
5.0	**STANDING ORDER SERVICES**	
5.1	Print-Fully Shelf Read Materials (See Contract Attachment 6) *Shelf Ready Service is available for Continuation Services Materials.	$3.60*

Should the library choose not to utlize the CLS services as outlined in this proposal and choose instead to use an a la carte processing without customized cataloging, the per unit pricing in items 3.3, 3.4, 4.1.2 - 4.1.10 and 4.2 - 4.3.13 will apply.

6.0	**PRE-BINDING SERVICES** (Unit of service for pricing is 'each')	
6.1	KlearKote or Other Equivalent Clear Plastic, Permanently Bonded to the Cover	$ 1.99 **(Kapco)
6.2	Vinabind, DuraLam or Equivalent	$ 4.75 **(Vinabind)

**The $1.99 (Kapco) or $4.75 (Vinabind) prebinding fees are in addition to the per unit cost listed in Item 3.5 for paperback materials.

7.0	**APPLIED DIRECT SERVICE FEE to Third-Party-Supplied Materials**	$3.00
8.0	**RUSH DELIVERY CHARGE** (Overnight (24 hour) Delivery) * * 24-hour turn around is only available for unprocessed material orders that are received prior to 12pm PST. The Library will have to order product only rush material on a separate account and it will be charged for materials ordered for rush delivery.	$0.25/unit
9.0	**UNLIMITED ACCESS** to *Title Source*	NoCharge

EXHIBIT F

Exhibit F

Pima County Public Library
Professional Services

Services	2007-08 Costs	Comments
a. Courier Services		
Personnel Costs:	$5,490.00	FY 08 personel costs of 3 drivers divided by 23 locations
Fleet	$5,670.00	Mileage to/from TOV-NAN, x 5 days x 52 wks x fleet rate 1.585
b. Copier Services	$4,200.00	$350 per month
c. Circulation Services		
Annual Fees	$6,670.00	5.8% of the Library's annual fee $115,000
d. Technology Support		
30 Computers	$23,757.30	$791.91 per computer costs
4% Lib Tech Personnel	$15,496.00	Annual costs 387,402
T1 network	$4,128.00	$344 per month
PC Reservation Lic	$4,143.00	based on monthly lease pymt of $345.30
County IT Network support	$20,000.00	Per County IT/Finance charges
Total	$89,554.30	x 50% ÷ 4 qtrs = $ 11,194.28

TOWN OF ORO VALLEY
LIBRARY IGA NEGOTIATION OPTIONS
ATTACHMENT B

Issues for Consideration	**Status Quo**	**Reimbursement Over 50%**	**Library Turnover to County**
Annual TOV Operating Budget Impact (assumes annual library budget of $1.2M)	TOV General Fund contribution = approx. $600K County reimbursement = approx. $600K	Cost sharing options: 60% County ($720K) / 40% TOV ($480K) 65% County ($780K) / 35% TOV ($420K) 70% County ($840K) / 30% TOV ($360K) 75% County ($900K) / 25% TOV ($300K)	Potential for phase-out of TOV funding portion over several years post-turnover – similar to City of Tucson turnover agreement Ultimately, would result in TOV General Fund savings of $600K/yr.
Staffing Impact	Library employees remain as TOV employees	Library employees remain as TOV employees	TOV employees would transition to County employees
Facility/Land Ownership	100% TOV ownership of land; 50/50 ownership of building with County	100% TOV ownership of land; 50/50 ownership of building with County	Either Town buys out County's 50% portion of bldg and leases back to County or County buys Town portion of bldg and land for full ownership
Impact on Friends of the OVPL	No impact	No impact	Unknown – ability for Friends to operate bookshop and hold book sales would need to be addressed in negotiations
Estimated Lump Sum Payments	N/A	N/A	Potentially $3 - $4 million to County for building and collection, hardware/software Potentially $4.2 million to Town from County for Town's portion of land and building

Library Review Committee Report June 2009
Executive Summary

In February 2009, the Oro Valley Council appointed a citizen Library Review Committee to research the pros and cons of turning the operation of the Oro Valley Library over to the County. The incentive to make a turnover is to transfer the un-reimbursed operating library costs to the County Library District as did Tucson in 2006. If a turnover is not appropriate, the Committee was asked to determine what other options should be considered regarding funding of the Library operating costs which are not reimbursed by the County.

Summary of Findings

Importance of the Library To the Town

- Over 20,000 people are registered Oro Valley Public Library card holders. Library customers make 700-1,000 personal visits per day to the Library.

- The Oro Valley Library is an important element in what makes the Town a good place to live. This was demonstrated in the 2008 Town sponsored survey to determine how well the Town was meeting residents' needs and expectations.

- The Library was ranked #1 in terms of satisfaction with the service provided and #4 in terms of overall importance of Town provided services (excluding Fire and Schools) and ahead of 13 other services in the survey performed for the Town in 2008.

Financial Findings

- Oro Valley's investment in the library is $5.4 million, including $181,000 from the Friends of the Oro Valley Library. Of this $2.75 million was for land and construction with the balance for furniture, shelving and book inventory. The County, through sale of bonds has contributed $3.1 million, not including interest on the bonds - all for construction.

- The IGAs clearly establish that Oro Valley owns 100% of the land and 50% of the building with the County owning the remaining 50% of the building.

- The IGA with the County runs to 2012. It provides for 50% reimbursement of library "costs eligible for reimbursement" to the Town. The remaining costs are about $700,000/year, which are funded from the Town's General Fund. The total cost of operation before reimbursement is approximately $1.3 million.

- In addition there are four more years of debt repayment on the Oro Valley bonds used for the building construction. This amounts to about $181,000/year.

Library Review Committee Report June 2009
Executive Summary

- In FY 08/09, Oro Valley property owners paid $2.3 million in property taxes to the County for the Library District. In addition they will pay additional property taxes for the County bond debt repayment used for many projects, one of which was the Oro Valley construction and subsequent expansion. County officials have been unable to determine how much of these taxes are associated with the library.

- In FY 09/10 the Oro Valley property tax for the library district will be reduced to about $1.8 million because of the Board of Supervisors' decision to substantially reduce the district's reserve fund. The County Administrator, in his transmittal letter of April 27, 2009 to the Board of Supervisors, says "it is anticipated that the rate will be required to increase in future years."

Legal Considerations

- Oro Valley property owners cannot escape the Library District Property tax nor the property tax to repay the County bonds.

- Oro Valley can impose a property tax up to $0.15/$100 of assessed value for library purposes. Based upon Oro Valley's secondary valuation for tax year 2009, this tax would raise $1 million at the maximum rate. To raise only the $700,000 being funded from the General Fund would require a tax rate of $0.110. Since Oro Valley currently has no property tax, voter approval would be required.

- Neither the statutes nor court cases have determined whether the property tax under this statute would be a secondary or a primary tax. If it is determined to be a "primary" tax, future increases would be limited to 2% per year plus new growth. As far as can be determined, no other municipality in the state has utilized this funding method.

- The IGA under which County bond funds were used to help construct the library limits the building use to a library and limits policies which affect other Oro Valley Library users differently than that imposed by other County libraries.

- Charging non Pima County residents to use the Oro Valley library has been suggested as a way to create a revenue stream to partially offset the un-reimbursed expenses. However, the IGA requires such income to be deducted from the "costs that are reimbursable". (Ref – Section V Financing, page 8 of the IGA), thus negating any benefit to Oro Valley.

- There is currently an unresolved difference of opinion between County lawyers and Town lawyers as to whether Oro Valley is a participant in the Library district. This issue may become significant during the next IGA renegotiation.

- The County Board of Supervisors has the sole authority for setting the Library District tax levy each year. These taxes are "secondary" and thus not subject to the 2% per year limits. These taxes cannot be used for other County expenses. Although a strict interpretation of the statutes would require the levy to be set

high enough to completely fund the needs of the district, the boards in 12 of 15 counties do not meet this mandate. Pima County comes close now that they have taken back library operation from Tucson, except for Oro Valley which is not fully funded.

- In 2008 legislation was proposed to limit year to year increases of special district taxes, such as the library and fire districts, to the same 2% limitation that exists for primary property taxes. Even though the legislation did not pass, Maricopa County supervisors adopted a policy to limit their library tax increases to no more than 2%.

- In the past, Pima County Supervisors have likewise been reluctant to raise the library tax sufficiently to fully fund the libraries. Although they have done so as a result of Tucson's pull out of library operation, they continue to resist fully funding Oro Valley's Library.

- Only one of the five County Supervisors is accountable to Oro Valley voters.

- According to www.LibraryTechnology.org, there are 203 public libraries in Arizona excluding school, college and law libraries. Of these, only 67 are identified as County District Libraries. Presumably these 67 are 100% or nearly 100% funded by the respective districts. The other 136 are presumably primarily funded from city or town general funds. With the current economic recession, these cities and towns are going to be actively interested in seeking increased financial support from the Library Districts.

Why Tucson Withdrew From Library Operations

- Many years of trying, unsuccessfully to improve the 50% reimbursement for operation of County and City libraries
- Increasing Library cost to General Fund, with additional libraries being built and planned by County outside the City
- Deteriorating performance of libraries due to lack of funding
- Turnover to County had everything to gain and nothing to lose

Why Only 50% Reimbursement For Oro Valley

- When Oro Valley opened, Tucson was still operating all the other libraries in the County – thus treating everyone the same
- Oro Valley had agreed to the 50% in the construction IGA (Page 8, Section 7.2)

Library Review Committee Report June 2009
Executive Summary

Impact of Turnover

- Supervisors have informally indicated that a Turnover "will cost Oro Valley". This has been interpreted to mean that they will want to apply the Tucson turnover model which required Tucson to pay the county $12 million spread over 3 years for the right to withdraw from operating the libraries. This may equate to around $1 million for an Oro Valley Turnover.
- Another possible turnover cost to the Town could be the termination clause in the current IGA which calls for payment of 50% of the value of the books and audio materials to the County if the IGA is terminated. We have been informed by one Pima County Library official that this termination penalty would be waived if we made a turnover. The cost of fully applying this termination penalty, if not waived, is estimated to be approximately $1 million.
- Implementation of the Pima county collections policy would result in the loss of approximately 20,000 volumes per year to the Oro Valley Public Library collection, because the materials would not be returned to the Oro Valley Public Library.
- County may want to renegotiate ownership issues.
- The extensive Town use of the Library computer lab for training may no longer be available, requiring rental of offsite facilities.
- After the initial payoff, the General Fund would benefit to the extent of $600-650,000/year. This is the net after providing alternate facilities for computer training and adding the work that is now performed by Library employees for the benefit of other departments to other Town employees.
- The library hours might be extended, including Sundays.
- Friends of the Oro Valley Library support could be substantially reduced. Most of the current leadership has indicated that they would resign. They feel that their efforts would be discounted.
- Other issues to be renegotiated may include facility maintenance, landscaping, employee transfer and technology support.

Other Funding Methods

- Increase General Fund tax revenue with any one or a combination of taxes that are within Council authority to change such as utility tax, sales tax or rental tax. Such an increase should be justified by avoiding cuts in spending on services which are a lower priority as identified in the 2008 survey.
- Add a special property tax as allowed by statute for library support or a general primary property tax. Either option will require a public vote since it will be the first property tax for the Town. Given the Town's bias against property tax, this is unlikely to be successful.
- Renegotiate the IGA to improve the reimbursement rate. To the extent this is successful, it will improve the General Fund without any added burden on Oro Valley residents.
- Consider the long-term pursuit to change the state statutes to allow a municipality to be exempt from the County Library District tax if it withdraws and sets up its

own Library District. This has the double advantage of improving the General Fund and reducing property taxes for Oro Valley property owners.

- Clarify enforcement of the state statutes to require the County Library District to fully fund all the public libraries in the County. While this would improve the General Fund, it provides no property tax relief to Oro Valley property owners.

Recommendations

- Maintain Oro Valley Management of the Library - DO NOT Pursue a Turnover

- Increase General Fund revenues, through a form of bridge financing based on a utility or similar tax that does not require a public vote. The term would coincide with the expiration of the IGA in 2012.

- Improve the reimbursement rate through open discussions with the County Administrator and the Board of Supervisors in advance of the expiration of the IGA on June 30, 2012.

- Explore further with other cities and towns the idea of changing the state statutes to facilitate a Municipal Library District or require the County Library District to fully (100%) fund all the public libraries in the County that are a member of the district.

Item #: 6.

TC Regular Session
Date: 12/01/2010
Requested by: Betty Dickens, Human Resources Director
Submitted By: Betty Dickens, Human Resources
Department: Human Resources

Information

SUBJECT:

RESOLUTION NO. (R)10-81 REPEALING TOWN OF ORO VALLEY PERSONNEL POLICY NUMBER 25, ADVISORY BOARD FOR ORO VALLEY EMPLOYEES (ABOVE), AND PERSONNEL POLICY NUMBER 27, ANNUAL EMPLOYEE FORUM, OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL REGARDING EMPLOYEE RELATIONS, REPLACING THESE WITH ADMINISTRATIVE DIRECTIVE 33 WHICH PROVIDES A FRAMEWORK FOR EXPANDED EMPLOYEE VOICE (CONTINUED FROM 11/17/10)

SUMMARY:

The resolution before Council **(Attachment 1)**, repeals Policies 25 and 27 of the Town Personnel Policies and Procedures Manual. The intent of this action is to remove policies that have not advanced "employee voice" within the organization, clearing the way for implementation of a new approach to providing self-determination and opportunity for employee initiatives within the work-place environment.

The Innovations Team, as outlined in Administrative Directive (AD) 33, provides a framework that will enable employees at all levels of the organization to have a direct impact on employee work life and organizational issues and develop and implement new business models and best practices that can be applied in everyday operations and planning activities. This is a bottom-up approach to addressing organizational issues. AD 33 also provides opportunity on an as-requested basis for the Council to host exchanges with employees.

DISCUSSION:

The desire to empower employees at all levels to create direct changes, improved efficiencies, and bring forward creative ideas, suggestions, and solutions to be applied toward organizational work place issues is the vision behind the Innovations Team. Repealing Policies 25 & 27 from the Personnel Rules and replacing the concepts from these policies with an Administrative Directive allows the freedom for employees to self-determine work place conditions that includes the opportunity for dialogue between the Council and employees.

Personnel Policies and Procedures
POLICY 25 - Advisory Board for Oro Valley Employees (ABOVE):
(from Policy 25) "Meeting on a periodic basis, the ABOVE will be asked to consider and analyze “quality of work life” questions from an employee perspective. Subsequent to their study and discussion, the ABOVE will provide suggestions to Town Management on the issues that they have considered. It must be stressed that the ABOVE is not intended to assume any of the roles or functions of the Grievance Review Board. Individual complaints or grievances will not be considered as actionable items by the ABOVE." **(See Attachment 2)**

POLICY 27 - Annual Employee Forum:
(From Policy 27) "The Town of Oro Valley is committed to the development and continuation of harmonious and cooperative relationships with all of its employees. It is the purpose of this policy to provide a framework for ongoing interactions that are conducive to granting employees an opportunity to

communicate suggestions and views regarding areas that significantly impact their working conditions with the Town of Oro Valley." **(See Attachment 3)**

Over the past fifteen years, Policies 25 and 27 have not been fully effective in leading to the intended employee benefits, and at times have been counter-productive to efforts to create a positive, open and innovative organizational culture.

POLICY18 - Grievance Procedures:
(From Policy 18) "The Town of Oro Valley maintains that an employee should have an opportunity when appropriate and practical, to present work-related complaints, and to appeal management decisions and other matters materially and substantively affecting his or her employment, through defined grievance procedures, unless specifically excluded from this policy as outlined in Section 4." **(See Attachment 4)**

Neither the resolution before Council, or Administrative Directive 33, will have any affect on grievance procedures as defined in Policy 18.

TOWN COUNCIL POLICY 2 - Council / Staff Relations:
The purpose of this policy is to foster successful Council/staff relationships to insure that the Council and staff work as a team in order to accomplish the goals and objectives set by the Council. In addition, Personnel Policy 11 allows for due process of any formal personnel disciplinary procedure, following the chain of command practices of most organizations. It outlines the rights and responsibilities of employees and supervisors and requires consultation and guidance from the Human Resources Director. **(See Attachment 5)**

Within our Town Code, the Council-Manager form of government provides authority to the Town Manager with the oversight and responsibility for employee work-life issues and the personnel system. Personnel matters are handled within the day-to-day operational environment and supervisory systems as with any large organization, guided within legal guidelines to protect employees and their rights. Councils have desired to hear directly from employees and have entertained that informally and in formal settings, which have included the Employee Forums. All employees retain the right to speak before Council in a public setting or have private discussions on matters that are not directly personnel-related, but the intent of this new approach is to put responsibility for change where it can truly work; i.e., with the employees and management team.
<u>Administrative Directive 33</u>
In response to a challenge by the Town Manager in December 2009, 21 employees from across the organization volunteered to meet as the Innovations Team steering committee with the Human Resource Director providing guidance and support for the work of the team. The steering committee has developed a new framework for enabling employee voice and capitalizing on the collective ideas, experience and perspectives of our diverse and talented staff. **(See Attachment 6)**

Key components of the Innovations Team framework:

FIRST LOOK TEAM: Functions as the central hub of the Innovations Team. Is responsible for initial intake and final distribution of employee innovation project proposals, ideas and challenge resolutions.

INNOVATION TEAM SQUADS: These employee teams may be formed for a specific project or task or may be a standing team to address proposals and ideas related to an operational topic. Squads will address issues such as employee work life, organizational operations, technology, finance and budget, and professional development. Each squad will be formed only when needed.

Process:
1. The First Look Team will hold regular meetings to review project proposals submitted by employees which can come forward via email or hard copy.
2. Approved proposals will be assigned to a squad for consideration.
3. Employees who wish to work on any issue, idea or problem will be recruited via email / Intranet

announcement of the opportunity and hard copy postings of the call for interested employees on all bulletin boards.
4. Squads will meet to take action on project proposals.
5. Squad recommendations will be submitted to the First Look Team, at which point resolution may occur at the employee level, or be presented to the Town Manager and Management Team, and at times may require Council consideration and/or action.

The Intranet, an internal electronic bulletin board, will be the primary tool used by the Innovations Team for communication across the organization.

The Innovations Team approach will allow solutions from employees representing all levels of the organization. An annual employee satisfacton survey, use of a 360 degree survey instrument, and regular brown bag breakfast / lunch exchanges with the Town Manager and directors will provide additional options for the "employee's voice" that work within the context of our Town Code and are appropriate to the Council-Manager form of government. Annual or bi-annual employee forums with the Town Manager and /or the Town Council are also a tool that will be explored for interest by employees if that is desired as a complement to the self-directed team approach. Conversely, Council will have the option of asking for exchanges with employees.

Each of these programs will have built-in means of circular communication with the employees to provide regular updates and ways to address process improvement or organizational needs. The Innovation Team squads will be integral in addressing organization-wide issues that surface, thus empowering employees in the decision-making process towards change. This "employee voice" effort will also provide Town management the input, justification and resources to make fact-based decisions, and where appropriate, move recommendations to Council for action.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

Staff recommends adoption of Resolution No. (R) 10-81, repealing Personnel Policies 25 and 27. This action is a positive step toward effecting an open and innovative organizational culture.

Administrative Directive 33 provides a framework that will enable employees at all levels of the organization to have a direct impact on employee work life and organizational issues and develop and implement new business models and best practices that can be applied in everyday operations and planning activities.

SUGGESTED MOTION:

I MOVE to adopt Resolution No. (R)10-81 as presented, repealing Personnel Policy Number 25 and Personnel Policy Number 27 which are covered in Administrative Directive 33.

OR

I MOVE to adopt Resolution No. (R)10-81, with the following amendments or changes...

Attachments

Link: Attachment 1 - Resolution No. (R) 10-81

Link: Attachment 2 - Policy 25

Link: Attachment 3 - Policy 27
Link: Attachment 4 - Policy 18
Link: Attachment 5 - Town Council Policy 2
Link: Attachment 6 - Draft AD 33

RESOLUTION NO. (R) 10-_____

A RESOLUTION OF THE TOWN OF ORO VALLEY, ARIZONA, REPEALING THE TOWN OF ORO VALLEY PERSONNEL POLICY NUMBER 25, ADVISORY BOARD FOR ORO VALLEY EMPLOYEES (ABOVE), AND PERSONNEL POLICY NUMBER 27, ANNUAL EMPLOYEE FORUM, OF THE PERSONNEL POLICIES AND PROCEDURES MANUAL REGARDING EMPLOYEE RELATIONS

WHEREAS, the Town of Oro Valley is a political subdivision of the State of Arizona vested with all associated rights, privileges and benefits and is entitled to the immunities and exemptions granted municipalities and political subdivision under the Constitution and laws of the State of Arizona and the United States; and

WHEREAS, on April 21, 1999, the Mayor and Council adopted Ordinance No. (O) 99-25, "The Town of Oro Valley Personnel Policies and Procedures Code"; and

WHEREAS, on May 16, 2007, the Town repealed Ordinance No. (O) 99-35 and adopted the Town of Oro Valley Personnel Policies and Procedures Manual pursuant to Resolution No. (R) 07-60; and

WHEREAS, the Town desires to repeal two (2) personnel polices regarding employee relations, Policy 25, Advisory Board for the Oro Valley Employees (ABOVE), and Policy No. 27, Annual Employee Forum, of the Town of Oro Valley Personnel Policies and Procedures Manual.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Oro Valley, that Personnel Policy No. 25, Advisory Board for Oro Valley Employees (attached hereto as Exhibit "A"), and Personnel Policy Number 27, Annual Employee Forum (attached hereto as Exhibit "B"), of the Town of Oro Valley Personnel Policies and Procedures Manual" are hereby repealed.

BE IT FURTHER RESOLVED that if any portion of the manual is found to not be enforceable by a court of competent jurisdiction, that portion shall be declared severable and the remainder of the manual will remain in full force and effect.

PASSED AND ADOPTED by Mayor and Town Council, the Town of Oro Valley, Arizona, this ____ day of _____, 2010.

TOWN OF ORO VALLEY

_____

Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

POLICY 25 ADVISORY BOARD FOR ORO VALLEY EMPLOYEES

The Town of Oro Valley is interested in granting employees an opportunity to provide valuable input on key issues affecting the quality of their work-life with the Town. While the decision making process remains vested in the elected officials of the Town, the role of the Advisory Board for Oro Valley Employees (ABOVE) is to receive input and feedback from fellow employees, and provide suggestions to the decision-makers.

Mission: Meeting on a periodic basis, the ABOVE will be asked to consider and analyze "quality of work life" questions from an employee perspective. Subsequent to their study and discussion, the ABOVE will provide suggestions to Town Management on the issues that they have considered. It must be stressed that the ABOVE is not intended to assume any of the roles or functions of the Grievance Review Board. Individual complaints or grievances will not be considered as actionable items by the ABOVE.

Membership: The ABOVE will be comprised of an employee selected from among each department. In addition, it will be decided by each department to open the meetings to a representative from each division within the department. All meetings of the ABOVE must have representation from each Town department. Employees will be selected on a volunteer basis based upon the following criteria:

(1) Their ability and willingness to serve in this capacity.
(2) Their interpersonal skills and willingness to communicate and share ideas.
(3) Their ability to best reflect the interests and concerns of their work group.

The ABOVE will nominate and elect from among their membership a Chair, Vice-Chair, and Recording Secretary. The term of office for each of these positions shall be six (6) months with the exception of the Recording Secretary, whose position and duties will revolve among the entire membership for each meeting. The Chair (or Vice-Chair if the Chair is not available) will serve as the facilitator for the ABOVE. The Chair will be responsible for the organization and flow of each meeting, including the preparation of the agenda. The Vice-Chair will hold the office and responsibilities of the Chair if the Chair is unable to attend a meeting. The Recording Secretary will be responsible for recording the minutes of each meeting. The Recording Secretary will be expected to forward the draft minutes to each member on the ABOVE roster. After the minutes have been accepted by the ABOVE, the Recording Secretary will forward the final version of the minutes to all members, as well as to the Information Technology Division for posting on the intranet.

Agenda: Meetings should be conducted utilizing pre-established agendas. Group members wishing to put items on the agenda should contact the Chair prior to the meetings in order to provide input. The agenda must be finalized, distributed to each member listed on the ABOVE roster, and posted on the intranet one week prior to the next scheduled meeting. The primary emphasis of the ABOVE is to concentrate on "quality of work-life" issues. These may include compensation and benefits issues, proposed revisions to existing personnel policies/procedures, proposed programs aimed at enhancing the quality of the working environment at the Town of Oro Valley, etc.

Members of ABOVE should solicit feedback from other employees within their work group regarding agenda items for discussion. They should remember that dissenting opinions are extremely valuable to tempering the end product, as well as providing insight into the feelings of the entire workforce regarding issues.

Process: Consensus is desirable in most situations; however, a "majority rules" philosophy will be taken in finalizing recommendations from the ABOVE to Town Management. While dissent should be acknowledged and differing viewpoints respected, in most instances the ABOVE will be faced with developing a majority opinion as opposed to reaching consensus.

As the ABOVE facilitator, the Chair will provide input to Town Management on ABOVE recommendation or proposals.

POLICY 27 ANNUAL EMPLOYEE FORUM

The Town of Oro Valley is committed to the development and continuation of harmonious and cooperative relationships with all of its employees. It is the purpose of this policy to provide a framework for ongoing interactions that are conducive to granting employees an opportunity to communicate suggestions and views regarding areas that significantly impact their working conditions with the Town of Oro Valley.

SECTION 1. Annual Employee Forum

Annual Employee Forum(s) are an opportunity for individual employees; employee groups; or representatives of employees or employees groups (herein referred to collectively as "employees") to recommend or propose changes to compensation plans, benefit plans, or address other issues which significantly affect employee working conditions. The Employee Forum(s) will be scheduled as a study Session before a Town Council Sub-Committee made up of a maximum of (3) three Council Members. Up to (4) four separate Employee Forum(s), which would allow for the varied employee shifts will be scheduled no later than the second week of November of each year. Employee questions and recommendations will be tracked during the Employee Forum(s) in order for the Town Council to provide the Advisory Board of Oro Valley Employees (ABOVE) group with a status report prior to February 15 of the fiscal year to allow each department adequate time to prepare budget requests if necessary.

SECTION 2. Reprisals

No employee, group of employees, or representatives of any groups of employees will be subject to reprisals, threats, or disciplinary action as the result of their participation in these meetings with liaisons of the Town Council.

SECTION 3. Nothing in this policy shall be deemed to negate, preclude, or be inconsistent with the Town of Oro Valley Personnel Policies with regard to the Grievance Review Process and applied to Town employees.

SECTION 4. No agreements resulting from any meeting with the Town Council shall be deemed to negate any agreed upon terms of employment or working conditions that other employees may have negotiated previously or separately.

POLICY 18 GRIEVANCE PROCEDURES

The Town of Oro Valley maintains that an employee should have an opportunity when appropriate and practical, to present work-related complaints, and to appeal management decisions and other matters materially and substantively affecting his or her employment, through defined grievance procedures, unless specifically excluded from this policy as outlined in Section 4.

SECTION 1. An appropriate grievance is defined as an employee's disagreement concerning any interpretation or application of work-related policy by management. Examples of actions which may be causes of grievances under this policy are:

A. Unfair application of Town guidelines, policies, or procedures to the material and substantial detriment of an employee;

B. Treatment considered unfair by an employee, such as coercion, reprisal, harassment, or intimidation;

C. Alleged discrimination because of race, national origin, sex, handicap or veteran status, age, religion, or sexual orientation; and

D. Improper or unfair administration of employee benefits or conditions of employment, such as vacations, fringe benefits, promotions, retirement, holidays, or seniority.

E. Suspension without pay, demotion or dismissal, in which event the grievance procedure shall begin with Step 2, Appeal to the Assistant Town Manager, as set forth below.

Employees must notify the Town within fourteen (14) calendar days, (in accordance with Section 3 of this policy), of any grievance appropriate for handling under this policy. The grievance procedure is the sole internal remedy for employees with appropriate grievances.

Employees are not penalized for proper use of the grievance procedure; however, they may not abuse the procedure by raising grievances in bad faith, solely for the purpose of delaying other disciplinary action, for purposes of harassment, or by repeatedly raising grievances that reasonable judgment would deem have no merit.

SECTION 2. Informal Grievance Procedure: An employee who has a problem or complaint should first try to resolve it through discussion with their immediate supervisor. If, after this discussion, the employee does not believe the problem has been satisfactorily resolved, the employee should discuss it with the Department Head and/or the Human Resources Director (or designee). Every effort should be made to find an acceptable solution by informal means at the lowest possible level of supervision. If an acceptable solution is not reached through the informal procedure within 30 calendar days of the initial disclosure to their immediate supervisor, a formal grievance may be pursued in accordance with Section 3 of this policy.

SECTION 3. Formal Grievance Procedure: Although the grievance procedure has three (3) steps, grievances may be resolved at any step in the process. Grievances are to be processed until: (a) the employee is satisfied; (b) the employee does not file a timely appeal (as defined), or (c) until the right of appeal is exhausted. A decision becomes binding on all parties whenever an employee does not file a timely appeal, or when a decision is made in the final step and the right of appeal no longer exists. Employees who feel they have an appropriate grievance should proceed as follows:

A. Step One, Written Complaint: Within fourteen (14) calendar days of the incident, or being made aware of the incident; or within fourteen (14) calendar days of the close of the "Informal Grievance Procedure" as described above the employee shall bring the grievance to the attention of the Department Head in the form of a written complaint. The complaint should include a statement of the grievance, any prior (informal) action taken to try to remedy the problem, and any resolution, remedy or outcome sought by the employee. The Department Head shall investigate the grievance, attempt to resolve it and give a written decision to the employee within fourteen (14)

calendar days of having received it. If the grievance involves the Department Head or a disciplinary action taken by the Supervisor or Department Head, the employee should proceed immediately to Step Two.

B. Step Two, Appeal to Assistant Town Manager: If the employee is not satisfied with the Department Head's decision, he/she may appeal it to the Assistant Town Manager. Such an appeal must be submitted in writing to the Assistant Town Manager within fourteen (14) calendar days of the supervisor's decision. The appeal must include copies of the original written complaint (if applicable) and any documentation the employee wishes the Assistant Town Manager to consider. The Assistant Town Manager shall confer with others as required, investigate the appeal, and communicate a decision in writing to all concerned parties within fourteen (14) calendar days. In order to properly track and account for the response, the Assistant Town Manager's decision shall be sent by certified mail, with return receipt, to the employee's personal mailing address.

C. Step Three Appeal to the Town Manager via Administrative Review: If the employee is not satisfied with the decision of the Assistant Town Manager, he/she may request an administrative review to an outside Administrative Review Officer. To do so, within 14 calendar days from receipt of the Assistant Town Manager's decision (as reflected on the return receipt from the post office), the employee must submit all previous correspondence and documentation concerning the matter, along with a written request for administrative review and any additional statements or documentation he/she would like considered in the review to the Human Resources Director. The documentation will be forwarded to the Town Attorney.

An independent Administrative Review Officer (ARO) will be chosen from a list of five (5) potential AROs complied by The Human Resources Director (or designee). Potential AROs shall be attorneys, arbitrators or former judges who are experienced in conducting hearings. If the parties cannot agree on an ARO from the list provided, each shall have the opportunity to exercise two (2) preemptory strikes and the remaining name shall be appointed the ARO for the matter.

The ARO shall order a hearing to be held not more than forty-five (45) days from the day the request for grievance is submitted to the Human Resources Director. Not less than twenty (20) days prior to the hearing date, the employee shall submit to the ARO, and disclose to the Town Attorney, a position statement setting for the arguments, potential witnesses and evidence they anticipate will be introduced at the hearing. All documentation that the employee intends to present or rely upon for the administrative hearing shall be attached to the position statement. Not less than ten (10) days prior to the administrative hearing, the Town Attorney shall submit to the ARO, and disclose to the employee, a responding position statement including potential witnesses and evidence to be introduced or relied upon during the administrative hearing.

Upon written request of either party, the ARO shall have the power to compel the attendance of witnesses or the production of documents pursuant to A.R.S. § 12-2212 (or any successor statute). Requests must be made of the ARO no later than ten (10) days prior to the hearing date. The Town shall make Town employees available at the hearing so long as such requests are made not less than seven (7) days before the hearing.

The employee may have an attorney represent him/her at the hearing. The employee bears the burden of proof that the Town's actions were contrary to Town policy or law, or were otherwise unfounded or wrongful. The hearing shall proceed as follows:

1. Employee's opening statement
2. Town's opening statement
3. Employee's presentation of witnesses, including cross examination by the Town
4. Town's presentation of witnesses, including cross examination by the employee
5. Rebuttal witnesses and/or evidence as may be determined appropriate by the ARO
6. Town's closing statement
7. Employee's closing statement

Technical rules of evidence generally do not apply other than privileges recognized by Arizona law. The ARO has the discretion to make relevancy determinations and apply other rules of evidence as deemed appropriate to facilitate the introduction of credible and relevant information and the timely completion of the hearing process. In addition, the ARO may limit the scope of the hearing to those issues, which in his/her determination are relevant and

resolvable within the confines of the grievance process. The hearing shall be recorded and the record may be transcribed upon request. The party requesting transcription shall be responsible for any costs incurred.

Within twenty (20) days from the completion of the hearing, the ARO shall issue a written recommendation to the Town Manager, including a statement of facts and conclusions based on the evidence presented. Copies of the written recommendation shall be sent to the Town Attorney, Human Resources Director and the Employee. The Town Manager shall, within ten (10) days from receiving the ARO's recommendation, issue a final decision on the grievance. The Town Manager's decision is final and there are no additional appeals available through the Town's grievance process.

Upon request, the ARO may extend the deadlines herein for good cause shown.

At all steps in the process, information concerning an employee's grievance is to be held in the strictest confidence as may be allowed by state law. Supervisors, Department Heads and others are cautioned that they must investigate and discuss grievances only with those individuals who have a "need to know", and/or who supply information necessary to the investigation.

Time spent by current employees in grievance discussions with management, or in investigating the grievance, is considered time worked, for pay purposes.

SECTION 4. The following are <u>excluded from grievance consideration</u>:

A. Any matter on which the Town is without authority to act.

B. The evaluation of an employee's performance.

C. Content or structure of Classification or Pay Plans, or benefit programs. Individual compensation is not a grievable issue.

D. Extension of an introductory period.

E. In the case of police officers, selection, assignment and/or reassignment to special positions by the Chief of Police.

F. Matters involving municipal finance or budgetary issues.

G. Any matters specifically reserved to the discretion of management, including scheduling, assignment of additional duties to a particular position, and other operational policy and procedural matters.

SECTION 5. <u>Grievance Procedure Rules</u>:

A. The time limits specified in any step of the grievance process may be extended to a definite date by written agreement of the parties involved, or by the Human Resources Director, or in the case of Administrative Review by the ARO, upon written request demonstrating good cause.

B. Employees may request the assistance of other parties in preparing and presenting an appeal at any level of review, and reasonable amounts of work time (as determined by the appropriate Department Head/Town Manager or designee) may be spent in conferring about and presenting the appeal. If legal counsel is retained by the employee grievant, all costs and attorney fees are the sole responsibility of the employee and will under no circumstances be paid by the Town.

C. Appeals which are negated or resolved through the failure of the grievant to pursue further cannot be reinstated. Once grievance procedures are completed appeals are not subject to further review within the confines of this internal process.

Policy No. 2

TOWN COUNCIL POLICY

Date Adoption 08/15/90

Date of Revision 01/06/99
REAFFIRMED 04/20/05

TITLE: COUNCIL/STAFF RELATIONSHIPS

I. Purpose and Need for Policy

The purpose of this policy is to foster successful Council/staff relationships to insure that the Council and staff work as a team in order to accomplish the goals and objectives set by the Council.

II. Policy

It is the policy of the Council to establish appropriate guidelines for Council/staff relations to insure that the requests of staff by council members are:

1. Handled thoroughly and expeditiously.
2. Handled at the appropriate organizational level.
3. Handled with regard to the most efficient use of Town resources.

III. Procedure to Accomplish Policy

The Council should give instructions to the Town's staff in a manner according to the principles of the council/manager system. For example, assignments should be directed to the Town Manager and should originate from a consensus directive of the Council, not with individual Council members. Council members should contact staff directly only when the purpose is to communicate information; e.g., to report on conditions, describe a problem or request information. Council members should not contact staff with special project requests or utilize large blocks of staff time in order to pursue individual areas of interest.

Meetings with staff should be arranged in advance, when practicable, through the Town Manager's Office. The Council should realize that only so much work can be undertaken at one time and should set clear priorities.

The Council should show personal and professional respect for staff, and a staff member should never be reprimanded in public. If a problem arises, the Council should alert the manager who can then handle the situation quickly and privately.

The Council should also respect the staff's administrative and technical expertise. Although it may not choose to accept a staff recommendation, there is no need to be harshly critical of the recommendation or to engage in personal attacks on staff in order to justify selecting another course.

IV. Responsibility and Authority

Council members shall be responsible for selecting the most appropriate method, consistent with this policy, of communicating with staff.

The Town Manager shall be responsible for maintaining and monitoring an administrative system that accomplishes the stated purpose of this policy.

APPROVED BY A MAJORITY OF THE TOWN COUNCIL

Mayor

DATE: 4/21/05

ADMINISTRATIVE DIRECTIVE

SUBJECT	NUMBER	PAGE
Innovations Team	**33**	**1 of 3**
	ISSUE DATE **November 18, 2010**	

D R A F T

I. MISSION

The Employee Innovations Team (I-Team) is a cross-functional group of Town employees formed to call upon the collective ideas, expertise and paradigm breaking perspectives of our staff to help guide the Town into the future. This group will be presented with ideas and issues that address employee work-life as well as operational challenges or needs related to budget and finance, technology, processes, and services that require systematic and innovative solutions. The team will develop and implement new business models and best-practices that can be applied in our day to day operations and planning activities.

II. STRUCTURE

As shown in the attached diagram, the Innovations Team is a overarching framework which will consist of many Squads, or project teams, that flow from a central hub. The First Look Team will function as the central hub of the Innovations Team and will be responsible for initial intake and final distribution of employee innovation project proposals, ideas and challenge resolutions.

The Town Manager and Executive Management Team will solicit employee volunteers and select seven representatives to serve as the First Look Team. A Director "Champion" or designee will be asked to advise and provide support to the First Look Team and to each Squad that is a part of the Innovations Team.

Squad guidelines and criteria:

- May be created by the First Look Team or recommended by the Town Manager.
- Should consist of a manageable number of volunteer members.
- Members will be drawn from a combination of at least one frontline non-supervisory employee, one supervisory level employee, and a mid-level manager.

- May be formed for a specific project or task with a defined timeframe or may be a standing team with the appropriate structure to address proposals and ideas related to an operational topic (e.g., safety and risk management, communications roundtable, subweb editors, etc.)
- Employees from any department or division that may be impacted by the proposal will be encouraged to participate.
- All employees involved with the Innovations Team will be expected to complete an I-Team leadership training and development program administered by the Human Resources department.
- Will have a Director-champion assigned in order to provide management-level authority for those areas that might need approval and can be resolved at the squad level without going up the chain of command
- Will have a Squad Lead who is responsible for the administrative work and a schedule for the team to complete its assignment.

Innovations Team squads will address issues such as employee work life, organizational operations, technology, and professional development. An employee Lead will coordinate the work of each Squad. The names and roles of each Innovations Team squad will be determined by the membership, but may include Squads such as a “Solutions Squad” to address Town Council driven issues or those of a time-sensitive nature, a “Geek Squad” to address technology issues, a “Lightning Team” to provide a quick and innovative response, or a “Peacock Squad” to address employee ideas and suggestions.

III. PROCESS

The First Look Team will hold regularly scheduled meetings to review and assign project proposals submitted. The First Look Team, upon review, may:

- APPROVE a proposal and assign it to a Squad for consideration
- RETURN a proposal to the proposer for refinement and resubmission
- TAKE NO ACTION on a proposal and respond in writing to the project requestor

INITIAL INTAKE

Proposals approved by the First Look Team will be assigned to a standing or newly created Squad for further consideration.

SQUAD RESOLUTION

Squads will submit final recommendations or resolutions to the First Look Team. A special meeting of the First Look Team may be called at any time for the purpose of reviewing Squad recommendations. Recommendations and resolutions will be considered and further action taken by the members present on a case by case basis.

FINAL DISPOSITION

Depending on the nature of the proposal or issue under consideration, a Squad may facilitate employee resolution of an issue or develop recommendations for presentation to the Town Manager and Executive Management Team. A response is expected to return to the First Look Team within 30 days.

The First Look Team should provide the organization a quarterly report summarizing the actions and successes of the Innovations Team via the Intranet.

IV. EMPLOYEE / COUNCIL EXCHANGE

Annual or bi-annual employee exchanges with the Town Manager and /or the Town Council are a tool that will be explored for interest by employees if desired as a complement to the self-directed team approach. The Town Council may also request to host exchanges with employees as desired.

V. AMENDMENTS

Guidelines and procedures will be adopted as necessary to provide for continuous improvement and to fulfill the mission of the Innovations Team.

VI. ATTACHMENTS

Innovations Team Diagram
Innovations Team Proposal Form

AUTHORIZED:

_____
Town Manager

Item #: 7.

TC Regular Session

Date: 12/01/2010

Submitted By: Kevin Burke, Town Manager's Office

Department: Town Manager's Office

Information

SUBJECT:

RESOLUTION NO. (R)10-88 AMENDING THE APPENDICES TO THE TOWN COUNCIL PARLIAMENTARY RULES AND PROCEDURES AND CODE OF CONDUCT TO UPDATE THE APPOINTMENT PROCESS AND TERM LIMIT PROVISIONS RELATING TO TOWN OF ORO VALLEY VOLUNTEERS

SUMMARY:

The Town of Oro Valley has eleven standing advisory boards, commissions and committees comprised of volunteer citizens appointed by the Mayor and Council. Board and commission members serve in an advisory capacity to the Council, promoting transparency in local government and encouraging public participation in the affairs of the Town. The primary function of the boards, commissions and committees that are established under the Town Code is to process detailed and technical information relating to a particular subject matter and make recommendations regarding these issues to the Council.

Boards and committees are created under the authority of Oro Valley Town Code Article 3-6-1, which provides:

The town council may create from time to time advisory boards of three, five, or seven members who are residents of the town for the purpose of examining areas dealing with subject matters as defined by the council by board name and council designation of areas for board study. The board shall submit recommendations for the council's information and possible action.

The remainder of Article 3-6 sets out details regarding appointment, terms, and powers and duties of various boards and committees, including the Art Review Commission (ARC) and Parks and Recreation Advisory Board (PRAB). Additional provisions regarding advisory boards are contained in elsewhere in the Town Code, the Oro Valley Zoning Code Revised (OVZCR), and the Appendices of the Town Council Parliamentary Rules and Procedures. **See Attachment 1**.

Because boards and commissions are created by Town Council action, they may be reformed, terminated or otherwise changed by action of the Mayor and Councilmembers. A majority vote of the governing body would be necessary to amend the operations of any advisory board.

DISCUSSION:

After the most recent election, the Mayor and Councilmembers expressed concerns regarding the specific role and performance of several advisory boards. Staff had already begun the task of identifying process improvements in the Development and Infrastructure Services department that had the potential to alter or even eliminate the role of the Development Review Board (DRB). In addition to the DRB, the Town Council felt that PRAB, ARC, and the Finance & Bond Committee should be evaluated as well.

The following timeline outlines the board and commission evaluation process:

September 1, 2010

In Regular Session the Town Council voted unanimously to direct the Town Manager to bring forward proposals for the modernization of four public bodies, PRAB, ARC, the Finance & Bond Committee, and the DRB.

September 3, 2010
The Mayor and Councilmembers were provided a brief overview of relevant code sections defining the scope, powers and duties with which each board or commission is charged. **See Attachment 2**.

September 9, 2010
Staff delivered the Board and Commission Modernization Action Plan to the Town Council. The proposal developed by the Town Manager included four phases: A Town Council Work Session, Working Group meetings for each of the four advisory boards, presentation of recommendations to Council, and final Council action. **See Attachment 3**.

September 21, 2010
A Town Council Work Session was held to review the scope, powers and duties of the four boards and commissions. The Mayor and Councilmembers created the following Working Groups for each board:

Finance & Bond Committee: Mayor Hiremath, Vice-Mayor Garner, Councilmember Hornat

Parks & Recreation Advisory Board: Mayor Hiremath, Councilmembers Gillaspie and Snider

Art Review Commission: Vice-Mayor Garner, Councilmembers Waters and Solomon

Development Review Board: Councilmembers Gillaspie, Waters and Solomon

October 5, 2010
1st Finance and Bond Committee Working Group meeting. Mayor Hiremath, Vice-Mayor Garner and Councilmember Hornat discussed recommendations developed by Interim Assistant Town Manager / Finance Director Stacey Lemos. Working Group members provided unanimous support for staff recommendations and directed staff to invite Finance and Bond Committee members to a second Working Group meeting. Upon receiving the staff recommendations, several appointed members expressed their support, but declined to attend the Working Group meeting. As a result, the second meeting was cancelled and staff was directed to bring back final recommendations for Town Council consideration and possible action.

October 11, 2010
1st Development Review Board Working Group meeting. Councilmembers Gillaspie, Waters and Solomon discussed recommendations developed by Development and Infrastructure Services (DIS) Director Suzanne Smith. Staff recommended disbanding both the DRB and the ARC, replacing them with a new advisory board with revised duties. Working Group members expressed general support for the recommendations, but elected to defer to the ARC Working Group before proceeding.

October 12, 2010
1st Art Review Commission Working Group meeting. Vice-Mayor Garner and Councilmembers Waters and Solomon discussed the aforementioned recommendations from DIS Director Suzanne Smith. Working Group members expressed general support for the recommendations, and elected to combine the DRB and ARC Working Groups for further discussion. Vice-Mayor Garner volunteered to withdraw from the Working Group provided that his concerns regarding the makeup of the revised board were addressed by staff.

October 12, 2010
1st Parks and Recreation Advisory Board Working Group meeting. Mayor Hiremath and Councilmembers Gillaspie and Snider discussed recommendations developed by Parks, Recreation, Library and Cultural Resources Director Ainsley Legner. Working Group members provided unanimous support for staff recommendations and directed staff to invite PRAB members to a second Working Group meeting.

November 1, 2010
2nd Development Review Board / Art Review Commission Working Group meeting. Councilmembers Gillaspie, Waters and Solomon discussed revised staff recommendations regarding the creation of a new advisory board, tentatively called the Conceptual Design Review Board (CDRB). Working Group members provided additional input regarding the composition of the board, the conceptual design review process, and the elements of the conceptual design review, and directed staff to bring back final recommendations for Town Council consideration and possible action.

November 3, 2010
2nd Parks and Recreation Advisory Board Working Group meeting. Mayor Hiremath and Councilmember Snider discussed staff recommendations with appointed members of the board and directed staff to bring back final recommendations for Town Council consideration and possible action.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

Specific staff recommendations for the DRB, ARC, PRAB, and the Finance & Bond Committee are contained in action items A, B, and C of this Agenda item. In addition, staff also recommends changes to 1) Oro Valley Town Code Article 3-6 Advisory Boards, and 2) Appendices of the Town Council Parliamentary Rules and Procedures.

1) Staff recommends amending Article 3-6-4 to state that all advisory boards shall conduct meetings in accordance with Roberts Rules of Order AND Town Council Parliamentary Rules and Procedures and Code of Conduct. Other changes are proposed to eliminate inconsistencies between the Town Code and organizational operations. These changes would be made by ordinance of the Town Council. Staff recommends that this change be implemented concurrent with changes to the Town Code being recommended under Action items B and C. **See Attachment 4**.

2) Staff recommends amending Appendices "B", "C", and "D" of the Town Council Parliamentary Rules and Procedures and Code of Conduct. **Attachment 4** also contains a redline version of the Appendices showing the proposed amendments. In Appendix "B", significant changes are proposed for the Criteria for Appointment and Reappointment, Evaluation Process, and Training requirements.

Specifically, the requirement that all volunteers complete 16 hours of training per term is proposed for elimination, and the requirement that the board Chair or Vice-Chair submit a written evaluation of each volunteer's performance is also proposed for elimination.

These proposed changes will reduce the burden on Town Clerk staff related to providing training opportunities for volunteers. All volunteers are still required to complete the Community Academy offered by the Town and are encouraged to seek other training opportunities, for which the Town will provide logistical and financial support.

Other minor changes to the Appendices are proposed in the spirit of "modernization" of the boards and commission. For example, references to the Citizen Planning Institute are amended to refer to the Community Academy, and the procedure for advertising vacant positions is amended to include the use of social media. Additionally, Appendix "C" is proposed for elimination, as its relevant provisions have been incorporated into Appendix "B". Appendix "D" then becomes Appendix "C".

Resolution No. (R) 10-88, is included as **Attachment 5.** Staff recommends approval of this resolution, implementing the proposed changes to the Appendices of the Town Council Parliamentary Rules and Procedures and Code of Conduct.

SUGGESTED MOTION:

I MOVE to adopt Resolution No. (R)10-88, Authorizing and Approving Amendments to the Appendices of the Town Council Parliamentary Rules and Procedures and Code of Conduct. I further MOVE to direct staff to initiate the recommended revisions to Town Code Article 3-6 Advisory Boards.

Attachments

Link: Attachment 1

Link: Attachment 2

Link: Attachment 3

Link: Attachment 4

Link: Resolution 10-88

Item #: 7. A.

TC Regular Session

Date: 12/01/2010

Submitted By: Kevin Burke, Town Manager's Office

Department: Town Manager's Office

Information

SUBJECT:

DISCUSSION AND POSSIBLE ACTION REGARDING THE FINANCE AND BOND COMMITTEE

SUMMARY:

The Council working group formed to evaluate the Finance and Bond Committee was in agreement with the staff recommendation to dissolve the Finance and Bond Committee as a standing advisory board, and to establish ad hoc task force(s) to evaluate budget and finance-related topics and provide recommendations to the Town Council on an as needed basis.

DISCUSSION:

The Council working group established to review the Finance and Bond Committee was comprised of Mayor Hiremath, Vice-Mayor Garner, and Councilmember Hornat. The working group met with staff October 5, 2010 to evaluate the Finance and Bond Committee's current scope and duties and to review the staff recommendation regarding the committee (included as **Attachment A)**. The group discussed the fact that many of the duties of the Finance and Bond Committee are duplicate functions already performed by the Town Council, such as review of the proposed annual budget, review of the monthly financial reports, and review of the annual audit. Also discussed was the fact that Finance Department staffing levels are down almost 25% from prior years with no dedicated administrative support staff; therefore, resources to support the Committee have been stretched very thin.

The staff recommendation in Attachment A was also provided to the members of the Finance and Bond Committee, who were invited to attend a subsequent meeting with the Council working group October 22, 2010. Committee members Dan Toth and Bob Harris indicated their support of the staff recommendation and tendered their resignations from the Committee. Committee Vice-Chair Peter Lamm has also indicated his support of the staff recommendation and has agreed to finish out his term, which expires December 31, 2010. Due to lack of attendance, the working group meeting scheduled for October 22 was cancelled.

In conclusion, the working group agreed that in lieu of a standing committee, separate ad hoc, citizen-based task force(s) could be formed as needed in the future to evaluate budget and finance-related topics and provide recommendations to the Town Council. Staff discussed the possibility of the future creation of an Investment Advisory Committee to review the investment practices of the Town and ensure compliance with the Town's adopted investment policy. This is a concept that Finance staff is still exploring in terms of committee make-up and scope, and staff will bring this idea back to Council at a future date.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

Staff recommends dissolving the Finance and Bond Committee as a standing Council-appointed advisory board. There are no references to the Finance and Bond Committee in the Town Code; therefore, this recommendation may be implemented through a simple motion of the Town Council.

SUGGESTED MOTION:

I MOVE to dissolve the Finance and Bond Committee as a standing Council-appointed advisory board.

Attachments

Link: Attachment A - Finance and Bond Recommendation Memo

ATTACHMENT A

M E M O R A N D U M

DATE: October 5, 2010

TO: Honorable Mayor and Town Council

FROM: Stacey Lemos, Finance Director

RE: Finance and Bond Committee Recommendation

The Finance and Bond Committee (FBC) was created by the Town Council in 1999 as a citizen's advisory committee to the Council to review the following:

- Actual revenues and expenditures of the Town compared to budgeted amounts
- Expenditures of long-term bond proceeds
- Annual independent financial audit of the Town

The FBC typically meets quarterly on the last Monday of the month following each calendar quarter end (i.e. January, April, July, October), but at times, has had monthly meetings to work on special assigned tasks from the Town Council.

Over the last few years, many of the functions performed by the FBC have duplicated functions already performed by the Town Council, such as review of the budget versus actual revenue and expenditure reports. The FBC scope calls for this to occur on a quarterly basis, while the Town Council is already provided this information on a monthly basis. This is also the case with the review and approval of the annual audit, which comes before the Town Council in November/December of each year with a presentation by the Town's independent auditor.

One FBC scope area that will change greatly is the review of proceeds from long-term debt issuances. With the significant effort recently approved to defease a large portion of our outstanding bonds, the only remaining activity related to our existing outstanding debt is the routine payment of required principal and interest.

Another scope area is review of the Town Manager's Recommended Budget. All FBC members receive a copy of the Recommended Budget and have been invited to attend the budget study sessions and are welcome to present comments and suggestions to the Council with regard to the budget.

Finally, with Finance Department staffing levels down almost 25% from prior years with no dedicated administrative support staff, the resources to support the functions of the FBC have been stretched very thin. In fact, some of the regular quarterly meetings have been cancelled in

the past because staff are heavily involved in the budget process and with Council study sessions.

RECOMMENDATION

Staff recommends termination of the Finance and Bond Committee as a standing committee, and instead, recommends establishing separate task force(s), as needed, to evaluate revenue and budget-related topics to provide recommendations to the Town Council.

cc: Jerene Watson, Town Manager
Kevin Burke, Assistant to the Town Manager

Article 3-6
ADVISORY BOARDS

Sections:

3-6-1 Creation and Duties
3-6-2 Term of Office and Membership
3-6-3 Extension of Term of Advisory Board
3-6-4 Officers Designated, Meetings, and Rules of Procedure
3-6-5 Limitation of Authority
3-6-6 Liaison
3-6-7 Powers and Duties of the Parks and Recreation Advisory Board
3-6-8 Oro Valley Water Utility Commission
3-6-9 Art Review Commission

3-6-1 Creation and Duties

The town council may create from time to time advisory boards of three, five, or seven members who are residents of the town for the purpose of examining areas dealing with subject matters as defined by the council by board name and council designation of areas for board study. The board shall submit recommendations for the council's information and possible action.

3-6-2 Term of Office and Membership

Such boards shall be created for terms not exceeding two years which terms may be shortened, ended, or extended by action of the council. Members of the board shall serve at the pleasure of the council for a term not exceeding two years. Any vacancy shall be filled by the council for an unexpired term. Members shall serve without compensation and shall be residents of the town and not members of any other town body.

3-6-3 Extension of Term of Advisory Board

In the event the board sends a letter of intent of desire to continue to the town council three months prior to its expiration date, the council shall consider an extension of the term. In the event of extension of a board's time, the council shall advertise for other board members to volunteer for positions on the board and additionally consider existing board members should they send to the council letters of intent as to their desire to remain on the board.

3-6-4 Officers Designated, Meetings, and Rules of Procedure

The board shall elect its own officers annually and may conduct its meetings in accordance with Roberts Rules of Order as may be amended by the council for the use of all commissions and boards and shall adhere to all open meetings laws of the State of Arizona. Board meetings shall be regularly scheduled, legally noticed, and held once a month. Special meetings may be called by the chair with at least 24 hours notice or by any three board members with at least 48 hours notice under the same conditions as set forth for the mayor and council under Section 2-4-2 of the Oro Valley Town Code. Agendas shall be posted and meeting minutes taken and both shall be filed with the town clerk.

3-6-5 Limitation of Authority

Advisory boards shall not have authority to commit the Town of Oro Valley to any agreements with public or private organizations or discuss financial arrangements.
(95-11, Amended, 03/01/1995)

3-6-6 Liaison

The town manager or his designee from the town staff shall serve as an ex-officio non-voting member of the board to facilitate reports to the council and shall attend such meeting as he/she deems necessary or as a function of the board's agenda.

3-6-7 Powers and Duties of the Parks and Recreation Advisory Board

1. To act in an advisory capacity to the Town Council in matters pertaining to parks and recreation, parks design, open space and trail use (prior to the review comments being submitted to other Boards, Commissions or the Council). The Board's powers shall be limited to an advisory role with the Parks and Recreation Director and/or the Town Council and shall not provide directions to Town Employees regarding the activities of staff, parks operations or recreation programs.

2. As with any Board, Commission or Committee, all requests for use of any Town Staff time and resources must be approved by the Town Manager or his designee.

3. Give advice to the Town Council and Parks and Recreation Director for general priorities at budget time for those items (other than administrative functions as determined by the Town Manager and the Department Head) relating to park development and recreation programs. This involves a yearly review and update of the five.year plan for park land acquisition and capital improvements as prepared by the Parks and Recreation Director.

4. Give due attention and study to the recreation, open space, trails and park services as they affect the residents of Oro Valley.

5. Make policy recommendations, keeping in mind that the final adoption of the policy is the prerogative of the Council.

6. Make initial contact for soliciting funds after being so directed and approved to do so by the Town Council; again keeping in mind that the Council makes the final determination for any acceptance or rejection in these areas.

7. Interact with the Town of Oro Valley Arts Advisory Board on all matters relating to parks and recreation matters in regards to areas of mutual concern.

(95-30, Amended, 05/17/1995; 95-30, Amended, 05/17/1995)

3-6-8 Oro Valley Water Utility Commission

The Oro Valley Water Utility Commission is created and defined by Article 15-4. It will operate in accordance with all provisions of Article 15-4 and the Water Policies as adopted by Town Council.

(98-04, Amended, 01/21/1998)

3-6-9 Art Review Commission

A. There is hereby established an Art Review Commission (ARC) for the Town of Oro Valley.

B. The ARC shall consist of seven (7) members that shall be appointed by and serve at the pleasure of the Council for two (2) year terms.

C. ARC members shall be residents of the Town of Oro Valley and shall, preferably, have an art, architecture or landscape architecture background and/or experience.

D. ARC members shall serve without compensation; however, members may be reimbursed for actual expenses incurred in connection with their duties upon authorization or ratification by the Commission and approval of the expenditures by the Council.

E. ARC shall review all proposals for public art, as required by the Oro Valley Zoning Code Revised, and make recommendations to the Council regarding the proposed artwork.

((O)08-17, Added, 09/03/08)

APPENDIX "B" – amended

APPOINTMENT PROCESS
OF TOWN OF ORO VALLEY VOLUNTEERS
TO
BOARDS, COMMISSIONS, COMMITTEES
ADVISORY BOARDS AND TASK FORCES

In accordance with Oro Valley Town Code Section 2-4-8, the Mayor and Council may create any Town Board, Commission, Committee, Advisory Boards, or Task Force ("Board"), standing or special, as it deems necessary. Therefore, the process surrounding appointments to a Board should be streamlined in order to facilitate a quick and courteous appointment as follows:

Advertising: post in newspaper, Town web page, and Town Hall.

Application: volunteers must complete an application to be considered for appointment to a Board, which is submitted to the Town Clerk. If the volunteer is not selected, the application remains in a database for 2 years, which is reviewed when any vacancies occur depending upon interest of the volunteer as stated in the application. Those members wanting to be considered for reappointment must send a letter to the staff representative indicating their interest in reappointment and include any information that would supplement their application which is on file with the Town Clerk.

Interview Committee: Following an interview of volunteer applications, the interview committee makes a determination, and then forwards their recommendation for appointment/reappointment to the Board before the Mayor& Council for determination at a regular Town Council meeting. The Interview Committee Panel consists of Council Liaison, Board Chair (or Vice-Chair if term of the Chair is due to expire), and Department Head (or Division Manager) responsible for staff support to that particular Board.

Notification:

New Volunteer Recommended for Appointment: Prospective appointment is forwarded a copy of the Council Communication naming those volunteers recommended for appointment along with a personal letter notifying the prospective appointee of the Council meeting date at which they shall be recommended for appointment.

New Volunteer Not Recommended for Appointment: The volunteer not chosen for appointment is forwarded the Council Communication naming those volunteers recommended for appointment along with an explanation that their volunteer application will be kept on file for 2 years.

Current Volunteer Not Recommended for Reappointment: The volunteer not recommended for reappointment is forwarded the Council Communication naming those

volunteers recommended **for** appointment along with notification from the Council Liaison sitting on the Interview Committee explaining the decision surrounding the recommendation.

Criteria for Appointment: 1)Availability 2) Residency of 1 year, and 3) Completion or commitment to complete the Citizen Planning Institute (if applicable) and other Board training workshops offered throughout term.

Criteria for Reappointment: 1) Minimum Performance and Attendance 2) Personal Relations and Participation, and 3) Growth and Improvement, including Board training in addition to the completion of the Citizen Planning Institute (if applicable) within the volunteer's 2-year term.

Terms: Appointments shall be made for 2-year terms (or 3-year terms when applicable), and volunteer shall continue service until reappointed or replaced. Upon successful completion of one term (see evaluation process), the volunteer may be considered for reappointment without a formal interview with the interview committee panel. If the volunteer does not wish to be considered for reappointment, the position becomes open to other applicants.

Term Limits: no volunteer shall serve more than 2 consecutive terms, either 2-year terms (4 consecutive year maximum) or 3-year terms (6 consecutive years maximum) depending upon the Board. Once a volunteer has completed the maximum number of terms on a Board the volunteer may not be eligible for appointment to that Board for a period of 1 year following completion of their term.

Concurrent Office: no volunteer shall serve on more than one Standing Board at any time. A standing Board is that Board appointed by the Council for an unspecified duration and has regularly scheduled meetings.

Town Employee: Town Employees shall not serve on any standing Board with the exception of the Grievance Review Board.

Attendance: A vacancy shall be deemed to have occurred upon three (3) consecutive unexcused absences, or as determined by the individual Board Bylaws.

Evaluation Process: Chair or Vice-Chair, depending on whose term is set to expire, shall submit to the Council Liaison a one (1) page evaluation of a volunteer's performance during their term at least sixty (60) days prior to the expiration of that volunteer's term.

Training: Training is mandated for all new volunteers and those seeking reappointment. These individuals shall commit to the completion of a total of sixteen (16) hours of training per term (in addition to the Citizen Planning Institute) offered by the Town of Oro Valley onsite and/or through outside sources, while the Town shall commit to providing the logistics and payment of any and all training workshops. Both Chairs and

Vice-Chairs are encouraged to attend an "advanced training" workshop focusing on meeting management, conflict/dispute resolution, parliamentary procedures, and Board member coordination offered by the Town. The "advanced training" is open to all volunteers. Four hour training seminars will be offered bi-annually (at a minimum). Every effort will be made to conduct the training seminars in August and in February.

Amended 1/21/04 by Resolution No. (R)04-03

APPENDIX "C"

APPOINTMENT PROCESS IN RELATION TO TERM LIMITS OF TOWN OF ORO VALLEY VOLUNTEERS TO BOARDS, COMMISSIONS, COMMITTEES, ADVISORY BOARD AND TASK FORCES

In accordance with Oro Valley Town Code Section 2-4-8, the Mayor and Council may create any Town Board, Commission, Committee, or Task Force ("Board"), standing or special, as it deems necessary. Therefore, Appendix "B" was appended to the town Council Parliamentary Rules and Code of Conduct to clarify the appointment policy and Appendix "C" is appended to further clarify or delineate term limits for all current Board volunteers.

In relation to "term limits," appointments shall be made for two-year terms, and a volunteer may continue service until reappointed or replaced, and no volunteer may serve more than two consecutive two-year terms (four consecutive years maximum). Once a volunteer has completed the maximum number of terms on a Board, the volunteer may not be eligible for appointment to that Board for a period of one year following completion of their current term.

Scenario 1: If a current Board volunteer was initially appointed to a Board, and has already served on that Board for more than four consecutive years, the Board volunteer will have already served the maximum number of years on that Board. The volunteer's term limit will expire at the conclusion of their current appointed term.

Scenario 2: If a current Board volunteer is serving a two-year term on a Board, the volunteer may apply for reappointment and may expect to serve another two years with that Board for up to four consecutive years.

Scenario 3: If a current board volunteer was appointed to a Board to fill a vacancy, then the volunteer completes the term of that vacancy without penalty. If the Board volunteer chooses to apply for service to that Board, then the term limit of two consecutive two-year terms (four consecutive years maximum) does not include any time served while completing the term due to a vacancy.

Adopted 11/20/02

APPENDIX D

CONSIDERATIONS FOR SERVICE ON TOWN OF ORO VALLEY BOARDS, COMMISSIONS, COMMITTEES AND OTHER VOLUNTEER PUBLIC BODIES

Introduction: Members of Town boards, commissions, committees and other volunteer public bodies ("appointed public bodies") are appointed by the Town Council. Council Members are the constituents of the members of the various appointed public bodies in that such members have been authorized to act as the agents of the Council for the limited purposes relating to each such appointed public body. With the exception of the members of the Board of Adjustment, these members serve at the pleasure of the Council. Board of Adjustment members are appointed for two-year terms, and may be removed by Council for "neglect of duty, inefficiency, or misconduct in office." OVZCR 21.6.D.

1. The general purpose of the appointed public bodies is to serve the interests of the Town, as a whole, in accordance with the overall direction established by the Council. It is expected that appointed members will act consistently with this general principle. Each appointee is also expected to act within the scope of his or her authority, and act consistently with the Town Codes, ordinances, resolutions, policies and procedures and applicable federal and state law including specifically the Open Meeting Law, Public Records Law and the laws concerning conflicts of interest and financial disclosure.

2. Certain boards, commissions, committees and other volunteer public bodies primarily advise the Council concerning general matters of interest to the community at large. An example of this type of appointed public body is the Parks and Recreation Advisory Board. Other boards, commissions, committees and other volunteer public bodies regularly handle contested cases. A "contested case" is a matter or proceeding before a Town board, commission or boards, commissions, committees and other volunteer public bodies in which legal interests, rights, duties or privileges of one or more specific parties are addressed by a decision or recommendation of that appointed public body. An example of this is the Planning and Zoning Commission. In certain instances appointed public bodies are part of the Town proceedings for the establishment or setting rates and fees. Appointees involved in contested cases or participating in rate or fee setting proceedings, in particular, are expected to act in careful regard of their responsibilities and these guidelines.

3. It is expected that an appointee will avoid the appearance of partiality or unfairness as a decision-maker in any matter before the public body of which he or she is a member. Among the actions that may assist an appointee in avoiding the appearance of partiality or unfairness are:

- Treating all public participants with the same degree of politeness and formality before and during a meeting, including breaks, to avoid the impression that some participants may expect special treatment.
- Not meeting with a party or a particular side concerning a "contested case" outside of the meeting of the public body to avoid the impression that certain parties have the privilege of special access to promote their particular interests

before the public body. Generally, public meetings are the proper venue for members of a public body to gather information upon which to base a decision.

- Waiting until all the facts are presented to the appointed public body before passing public judgment as an individual member. The official record upon which a decision or recommendation may appropriately be based is the record of public proceedings, not simply one's personal back-ground knowledge.
- An appointee removing himself or herself from any particular proceeding of the appointed public body relating to a matter in which the appearance of impartiality and fairness has been compromised by activities and/or public statements of the appointee.

4. It is expected that an appointee who disagrees with fellow public officials, decisions of the Town Council, Town administration, the decisions of his or her own public body or the decisions of other boards, commissions, committees and other volunteer public bodies will do so constructively, based on facts, consistent with applicable law, and avoiding personal attacks, misleading statements or unsupported accusations.

5. It is expected that an appointee will respect the proceedings of other appointed public bodies by:

- Addressing members and staff during the meeting through the person who is chairing the meeting, avoiding the use of first names.
- First identifying whether he or she is appearing as a private citizen or is appearing officially on behalf of the public body of which he or she is a member.
- Avoiding lecturing members of a sister board, commission, committee or other volunteer public body on their responsibilities and authority as members of that public body.
- Not disrupting the proceedings of another public body by approaching the dais or staff desk area while the public body is in session, unless invited to do so by the person chairing the meeting.
- First raising any questions or concerns about the decisions or proceedings of another public body with staff or the chairperson.

6. It is expected that an appointee will be considerate of the fact that the elected Council Members are ultimately responsible for setting Town policy and directing its implementation. An appointee may be opposed to a course of action or decision by Council, or implementation of the same, and still continue to serve as a member of his or her public body. In the event, however, that an appointee wishes to actively and publicly oppose a course of action or decision by Council, or the implementation of the same, then it is expected that the appointee will resign rather than act in public opposition to the administration he or she has been appointed to serve.

Adopted by (R)05-119, 12-7-05.

Memorandum

To: Mayor and Councilmembers

From: Kevin Burke, Assistant to the Town Manager

CC: Jerene Watson, Town Manager; Stacey Lemos, Interim Assistant Town Manager; Tobin Rosen, Town Attorney; Kathi Cuvelier, Town Clerk

SUBJ: Boards and Commissions Overview

Date: September 3, 2010

At the September 1, 2010 Regular Session, the Town Council voted unanimously to direct the Town Manager to bring forward proposals for the modernization of four public bodies, the Parks & Recreation Advisory Board (PRAB), the Art Review Commission (ARC), the Finance & Bond Committee, and the Development Review Board (DRB). The following overview of relevant code sections defining the scope, powers and duties with which each board or commission is charged is intended to serve as a foundation for further review.

Oro Valley Town Code Article 3-6-1 states:

> The town council may create from time to time advisory boards of three, five, or seven members who are residents of the town for the purpose of examining areas dealing with subject matters as defined by the council by board name and council designation of areas for board study. The board shall submit recommendations for the council's information and possible action.

The Town Code states that boards are to be created for terms not exceeding two years, although terms may be shortened, ended or extended by action of the council. The Parks & Recreation Advisory Board, Art Review Commission, and Finance & Bond Committee were created pursuant to Article 3-6. The full text of Article 3-6 – Advisory Boards is attached.

<u>Parks and Recreation Advisory Board</u>
Pursuant to Article 3-6-7, the Parks & Recreation Advisory Board consists of seven members who act in an advisory capacity to the Parks and Recreation Director and/or the Town Council in matters pertaining to parks and recreation, parks design, open space and trail use. The PRAB is specifically prohibited from providing direction to Town employees, and all requests for use of staff time must be approved by the Town Manager or her

designee. Article 3-6-7, which was last amended in 1995, provides a more specific description of the PRAB scope of work.

Art Review Commission

Pursuant to Article 3-6-9, the Art Review Commission consists of seven members who, preferably, have an art, architecture, or landscape architecture background. The ARC scope of work includes the review of all proposals for public art, and making recommendations to the Council regarding the proposed artwork as required by the OVZCR, sections 21.8 and 27.3. The full text of OVZCR Sections 21.8 and 27.3 is attached.

Finance and Bond Committee

The Finance & Bond Committee was created in 1999 pursuant to Article 3-6. The Committee is composed of five members and advises the Town Council on budgetary issues and reviews expenditures from long-term debt issuances for conformity to the intended uses of the funds. The Council adopted rules and operating procedures for the board are attached. Most recently updated in 2008, this document provides a more specific definition of the scope, powers and duties of the board.

Development Review Board

The Development Review Board was established pursuant to Article 3-5 – Planning and Zoning. The Board consists of five to seven members and is intended to promote harmonious, safe, attractive, and compatible development by reviewing all aspects of proposed development. As defined in Section 21.5 of the OVZCR, the board is specifically assigned to review subdivision plats and development plans in accordance with Chapter 26 of the OVZCR, as well as all proposed architecture, landscape plans, and grading plans. Modifying the scope, powers and duties of the DRB will require extensive changes to both the Town Code and the Zoning Code. Those code sections related to the establishment of the DRB are attached.

Attachments:

- Article 3-6 – Advisory Boards
- ARC Code Sections
- FBC Rules and Operating Procedures
- DRB Code Sections

Memorandum

To:	Mayor and Councilmembers
From:	Kevin Burke, Assistant to the Town Manager
CC:	Jerene Watson, Town Manager; Stacey Lemos, Interim Assistant Town Manager; Department Directors
SUBJ:	Boards & Commissions Modernization Action Plan
Date:	September 9, 2010

At the September 1, 2010 Regular Session, the Town Council voted unanimously to direct the Town Manager to bring forward proposals for the modernization of four public bodies, the Parks & Recreation Advisory Board (PRAB), the Art Review Commission (ARC), the Finance & Bond Committee, and the Development Review Board (DRB). On September 3, 2010 the Mayor and Councilmembers were provided a brief overview of relevant code sections defining the scope, powers and duties with which each board or commission is charged.

The following memorandum and attached documents provide a plan of action for the Council, working together with staff and town volunteers, to undertake the modernization of these boards and commissions. The plan targets December 2010 for final Council action on this issue in order to facilitate the appointment of new board and commission members to terms beginning January 2011.

The proposal developed by the Town Manager includes four phases:

I. The process begins with a Town Council work session, currently scheduled for Tuesday September 21, 2010 from 3:00 to 5:00 pm. At the work session the Town Council will review the scope, powers and duties of the four boards and commissions and create a working group for each. The makeup of these working groups will be discussed at the work session. The Mayor and Councilmembers may volunteer to serve on one or more working group depending on their area of interest.

II. The second phase consists of a series of 2 or 3 working group meetings for each board and commission, facilitated by senior Town staff. At the first meetings the working group members and staff will conduct a SWOC (strengths, weaknesses, opportunities and challenges) analysis and discuss the historical performance of the

board. This meeting may result in draft revised expectations for the board. At the second meetings the working group members, current board and commission members and staff will conduct a similar SWOC analysis and further revise Council expectations for the board. A third, optional meeting may be held at the discretion of working group members.

III. Upon completion of the working group meetings, staff will compile the findings for presentation to the Town Council in a Study Session, currently scheduled for November 10, 2010. At this time the Town Council may wish to provide direction to staff to prepare recommendations for formal action by the Council.

IV. The Council may take formal action regarding boards and commissions at the November 17, 2010 Regular Session, or the December 1, 2010 Regular Session. This schedule allows the Council to make appointments to reconstituted boards and commissions prior to the expiration of existing terms of appointment at the end f the calendar year.

As the Town proceeds with the Boards & Commissions Modernization Action Plan, Council consideration of the following questions may aid the decision-making process:

- How best to define Council expectations for boards and commissions?
- How can boards and commissions provide relevant recommendations to the Council?
- How can the Council measure the performance of boards and commissions?
- What are Councilmembers' workload expectations? Desired workload?
- How can boards and commissions aid the Council in meeting these expectations?
- What expectations does the public hold regarding public participation?
- How can boards and commissions be employed to facilitate public participation?
- In what areas are public input required or desired by the Council? Not required?
- What opinions does staff hold regarding the boards and commissions? Public opinions?

Attachments:

Meeting Schedule
Board & Commission Comparison
SWOC Analysis template

Article 3-6
ADVISORY BOARDS

Sections:
3-6-1 Creation and Duties
3-6-2 Term of Office and Membership
~~3-6-3 Extension of Term of Advisory Board~~
3-6-4 Officers Designated, Meetings, and Rules of Procedure
3-6-5 Limitation of Authority
3-6-6 Liaison

3-6-1 Creation and Duties

The town council may create from time to time advisory boards of three, five, or seven members who are residents of the town for the purpose of examining areas dealing with subject matters as defined by the council by board name and council designation of areas for board study. The board shall submit recommendations for the council's information and possible action.

3-6-2 Term of Office and Membership

~~Such boards shall be created for terms not exceeding two years which terms may be shortened, ended, or extended by action of the council.~~ Members of the board shall serve at the pleasure of the council for a term not exceeding ~~two~~ THREE years. Any vacancy shall be filled by the council for an unexpired term. Members shall serve without compensation and shall be residents of the town and not members of any other town body.

3-6-3 ~~Extension of Term of Advisory Board~~

~~In the event the board sends a letter of intent of desire to continue to the town council three months prior to its expiration date, the council shall consider an extension of the term. In the event of extension of a board's time, the council shall advertise for other board members to volunteer for positions on the board and additionally consider existing board members should they send to the council letters of intent as to their desire to remain on the board.~~ (RESERVED)

3-6-4 Officers Designated, Meetings, and Rules of Procedure

The board shall elect its own officers annually and ~~may~~ SHALL conduct its meetings in accordance with Roberts Rules of Order AND TOWN COUNCIL PARLIAMENTARY RULES AND PROCEDURES AND CODE OF CONDUCT as may be amended by the council for the use of all commissions and boards and shall adhere to all open meetings laws of the State of Arizona. Board meetings shall be regularly scheduled, legally noticed, and held once a month. Special meetings may be called by the chair with at least 24 hours notice or by any three board members with at least 48 hours notice under the same conditions as set forth for the mayor and council under Section 2-4-2 of the Oro Valley Town Code. Agendas shall be posted and meeting minutes taken and both shall be filed with the town clerk.

3-6-5 Limitation of Authority

Advisory boards shall not have authority to commit the Town of Oro Valley to any agreements with public or private organizations or discuss financial arrangements.
(95-11, Amended, 03/01/1995)

3-6-6 Liaison

The town manager or his designee from the town staff shall serve as an ex-officio non-voting member of the board to facilitate reports to the council and shall attend such meeting as he/she deems necessary or as a function of the board's agenda.

APPENDIX "B" – amended

APPOINTMENT PROCESS
OF TOWN OF ORO VALLEY VOLUNTEERS
TO
BOARDS, COMMISSIONS, COMMITTEES
ADVISORY BOARDS AND TASK FORCES

In accordance with Oro Valley Town Code Section 2-4-8, the Mayor and Council may create any Town Board, Commission, Committee, Advisory Boards, or Task Force ("Board"), standing or special, as it deems necessary. Therefore, the process surrounding appointments to a Board should be streamlined in order to facilitate ~~a quick~~ AN EFFICIENT and courteous appointment as follows:

Advertising: ~~p~~POST CALLS FOR APPLICANTS AT TOWN HALL, in THE LOCAL newspaper, ON THE Town web page, and ~~Town Hall~~ OTHER APPROPRIATE ELCTRONIC FORMATS, INCLUDING TOWN-SANCTIONED SOCIAL MEDIA.

Application: ~~v~~Volunteers must complete an application to be considered for appointment to a Board, which is submitted to the Town Clerk. If the volunteer is not selected, the application remains in a database for 2 years, which is reviewed when any vacancies occur depending upon interest of the volunteer as stated in the application. Those members wanting to be considered for reappointment must send a letter to the staff representative indicating their interest in reappointment and include any information that would supplement their application which is on file with the Town Clerk.

Interview Committee: Following an interview of volunteer applications, the interview committee makes a determination, and then forwards their recommendation for appointment/reappointment to the Board before the Mayor& Council for determination at a regular Town Council meeting. The Interview Committee Panel consists of Council Liaison, Board Chair (or Vice-Chair if term of the Chair is due to expire), and Department ~~Head~~ DIRECTOR (or Division Manager) responsible for staff support to that particular Board.

Notification:

New Volunteer Recommended for Appointment: Prospective appointment is forwarded a copy of the Council Communication naming those volunteers recommended for appointment along with a personal letter notifying the prospective appointee of the Council meeting date at which they shall be recommended for appointment.

New Volunteer Not Recommended for Appointment: The volunteer not chosen for appointment is forwarded the Council Communication naming those volunteers recommended for appointment along with an explanation that their volunteer application will be kept on file for 2 years.

Current Volunteer Not Recommended for Reappointment: The volunteer not recommended for reappointment is forwarded the Council Communication naming those volunteers recommended **for** appointment along with notification from the Council Liaison sitting on the Interview Committee explaining the decision surrounding the recommendation.

Criteria for Appointment: 1)Availability ~~2) Residency of 1 year~~, and ~~3~~2) Completion or commitment to complete the ~~Citizen Planning Institute~~ COMMUNITY ACADEMY ~~(if applicable) and other Board training workshops offered throughout term~~.

Criteria for Reappointment: 1) Minimum Performance and Attendance, AND ~~2) Personal Relations and Participation, and 3~~2) ~~Growth and Improvement, including~~ Board training in addition to the completion of the ~~Citizen Planning Institute~~ COMMUNITY ACADEMY ~~(if applicable)~~ within the volunteer's 2-year term.

Terms: Appointments shall be made for 2-year terms (or 3-year terms when applicable), and THE volunteer shall continue service until reappointed or replaced. Upon successful completion of one term ~~(see evaluation process),~~ the volunteer may be considered for reappointment without a formal interview with the interview committee panel. If the volunteer does not wish to be considered for reappointment, the position becomes open to other applicants.

Term Limits: ~~n~~No volunteer shall serve more than 2 consecutive terms, either 2-year terms (4 consecutive year maximum) or 3-year terms (6 consecutive years maximum) depending upon the Board. Once a volunteer has completed the maximum number of terms on a Board the volunteer may not be eligible for appointment to that Board for a period of 1 year following completion of their term.

APPOINTMENT OF A MEMBER TO COMPLETE THE REMAINING PORTION OF AN UNEXPIRED TERM OF A FORMER MEMBER SHALL NOT BE COUNTED AGAINST THE TERM LIMITS ESTABLISHED BY THIS SECTION FOR THE NEWLY APPOINTED MEMBER.

Concurrent Office: ~~n~~No volunteer shall serve on more than one Standing Board at any time. A standing Board is that Board appointed by the Council for an unspecified duration and has regularly scheduled meetings.

Town Employee: Town Employees shall not serve on any standing Board with the exception of the ~~Grievance Review Board~~ CONCEPTUAL DESIGN REVIEW BOARD.

Attendance: A vacancy shall be deemed to have occurred upon three (3) consecutive unexcused absences, or as determined by the individual Board ~~Bylaws~~ RULES AND PROCEDURES.

~~**Evaluation Process:** Chair or Vice-Chair, depending on whose term is set to expire, shall submit to the Council Liaison a one (1) page evaluation of a volunteer's~~

~~performance during their term at least sixty (60) days prior to the expiration of that volunteer's term.~~

Training: ~~Training is mandated for a~~All new volunteers and those seeking reappointment~~. These individuals~~ shall commit to the completion of ~~a total of sixteen (16) hours of training per term (in addition to~~ the ~~Citizen Planning Institute~~ COMMUNITY ACADEMY~~)~~ offered by the Town of Oro Valley, AND ARE ENCOURAGED TO SEEK OUT ADDITIONAL TRAINING OPPORTUNITIES SUCH AS CONFERENCES, SEMINARS AND WORKSHOPS RELEVANT TO THE SUBJECT MATTER OR DISCIPLINE OF THEIR RESPECTIVE BOARD. ~~onsite and/or through outside sources, while t~~The Town shall ~~commit~~ MAKE EVERY EFFORT to provid~~ing~~E the logistics and payment ~~of~~ FOR any and all training workshops ATTENDED BY THE VOLUNTEER. THE TOWN CLERK SHALL MONITOR COMPLIANCE WITH VOLUNTEER TRAINING REQUIREMENTS. ~~Both Chairs and Vice-Chairs are encouraged to attend an "advanced training" workshop focusing on meeting management, conflict/dispute resolution, parliamentary procedures, and Board member coordination offered by the Town. The "advanced training" is open to all volunteers. Four hour training seminars will be offered bi-annually (at a minimum). Every effort will be made to conduct the training seminars in August and in February.~~

Amended 1/21/04 by Resolution No. (R)04-03

~~APPENDIX "C"~~

~~APPOINTMENT PROCESS~~
~~IN RELATION TO TERM LIMITS~~
~~OF TOWN OF ORO VALLEY VOLUNTEERS~~
~~TO~~
~~BOARDS, COMMISSIONS, COMMITTEES,~~
~~ADVISORY BOARD AND TASK FORCES~~

~~In accordance with Oro Valley Town Code Section 2-4-8, the Mayor and Council may create any Town Board, Commission, Committee, or Task Force ("Board"), standing or special, as it deems necessary. Therefore, Appendix "B" was appended to the town Council Parliamentary Rules and Code of Conduct to clarify the appointment policy and Appendix "C" is appended to further clarify or delineate term limits for all current Board volunteers.~~

~~In relation to "term limits," appointments shall be made for two-year terms, and a volunteer may continue service until reappointed or replaced, and no volunteer may serve more than two consecutive two-year terms (four consecutive years maximum). Once a volunteer has completed the maximum number of terms on a Board, the volunteer may not be eligible for appointment to that Board for a period of one year following completion of their current term.~~

~~Scenario 1: If a current Board volunteer was initially appointed to a Board, and has already served on that Board for more than four consecutive years, the Board volunteer will have already served the maximum number of years on that Board. The volunteer's term limit will expire at the conclusion of their current appointed term.~~

~~Scenario 2: If a current Board volunteer is serving a two-year term on a Board, the volunteer may apply for reappointment and may expect to serve another two years with that Board for up to four consecutive years.~~

~~Scenario 3: If a current board volunteer was appointed to a Board to fill a vacancy, then the volunteer completes the term of that vacancy without penalty. If the Board volunteer chooses to apply for service to that Board, then the term limit of two consecutive two-year terms (four consecutive years maximum) does not include any time served while completing the term due to a vacancy.~~

Adopted 11/20/02

APPENDIX ~~D~~"C"

CONSIDERATIONS FOR SERVICE ON TOWN OF ORO VALLEY BOARDS, COMMISSIONS, COMMITTEES AND OTHER VOLUNTEER PUBLIC BODIES

Introduction: Members of Town boards, commissions, committees and other volunteer public bodies ("appointed public bodies") are appointed by the Town Council. Council Members are the constituents of the members of the various appointed public bodies in that such members have been authorized to act as the agents of the Council for the limited purposes relating to each such appointed public body. With the exception of the members of the Board of Adjustment, these members serve at the pleasure of the Council. Board of Adjustment members are appointed for two-year terms, and may be removed by Council for "neglect of duty, inefficiency, or misconduct in office." OVZCR 21.6.D.

1. The general purpose of the appointed public bodies is to serve the interests of the Town, as a whole, in accordance with the overall direction established by the Council. It is expected that appointed members will act consistently with this general principle. Each appointee is also expected to act within the scope of his or her authority, and act consistently with the Town Codes, ordinances, resolutions, policies and procedures and applicable federal and state law including specifically the Open Meeting Law, Public Records Law and the laws concerning conflicts of interest and financial disclosure.

2. Certain boards, commissions, committees and other volunteer public bodies primarily advise the Council concerning general matters of interest to the community at large. An example of this type of appointed public body is the Parks and Recreation Advisory Board. Other boards, commissions, committees and other volunteer public bodies regularly handle contested cases. A "contested case" is a matter or proceeding before a Town board, commission or boards, commissions, committees and other volunteer public bodies in which legal interests, rights, duties or privileges of one or more specific parties are addressed by a decision or recommendation of that appointed public body. An example of this is the Planning and Zoning Commission. In certain instances appointed public bodies are part of the Town proceedings for the establishment or setting rates and fees. Appointees involved in contested cases or participating in rate or fee setting proceedings, in particular, are expected to act in careful regard of their responsibilities and these guidelines.

3. It is expected that an appointee will avoid the appearance of partiality or unfairness as a decision-maker in any matter before the public body of which he or she is a member. Among the actions that may assist an appointee in avoiding the appearance of partiality or unfairness are:

- Treating all public participants with the same degree of politeness and formality before and during a meeting, including breaks, to avoid the impression that some participants may expect special treatment.
- Not meeting with a party or a particular side concerning a "contested case" outside of the meeting of the public body to avoid the impression that certain parties have the privilege of special access to promote their particular interests

before the public body. Generally, public meetings are the proper venue for members of a public body to gather information upon which to base a decision.

- Waiting until all the facts are presented to the appointed public body before passing public judgment as an individual member. The official record upon which a decision or recommendation may appropriately be based is the record of public proceedings, not simply one's personal back-ground knowledge.
- An appointee removing himself or herself from any particular proceeding of the appointed public body relating to a matter in which the appearance of impartiality and fairness has been compromised by activities and/or public statements of the appointee.

4. It is expected that an appointee who disagrees with fellow public officials, decisions of the Town Council, Town administration, the decisions of his or her own public body or the decisions of other boards, commissions, committees and other volunteer public bodies will do so constructively, based on facts, consistent with applicable law, and avoiding personal attacks, misleading statements or unsupported accusations.

5. It is expected that an appointee will respect the proceedings of other appointed public bodies by:

- Addressing members and staff during the meeting through the person who is chairing the meeting, avoiding the use of first names.
- First identifying whether he or she is appearing as a private citizen or is appearing officially on behalf of the public body of which he or she is a member.
- Avoiding lecturing members of a sister board, commission, committee or other volunteer public body on their responsibilities and authority as members of that public body.
- Not disrupting the proceedings of another public body by approaching the dais or staff desk area while the public body is in session, unless invited to do so by the person chairing the meeting.
- First raising any questions or concerns about the decisions or proceedings of another public body with staff or the chairperson.

6. It is expected that an appointee will be considerate of the fact that the elected Council Members are ultimately responsible for setting Town policy and directing its implementation. An appointee may be opposed to a course of action or decision by Council, or implementation of the same, and still continue to serve as a member of his or her public body. In the event, however, that an appointee wishes to actively and publicly oppose a course of action or decision by Council, or the implementation of the same, then it is expected that the appointee will resign rather than act in public opposition to the administration he or she has been appointed to serve.

Adopted by (R)05-119, 12-7-05.

RESOLUTION NO. (R) 10-88

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING THE APPENDICES TO THE *TOWN COUNCIL PARLIAMENTARY RULES AND PROCEDURES AND CODE OF CONDUCT* TO UPDATE THE APPOINTMENT PROCESS AND TERM LIMIT PROVISIONS RELATING TO TOWN OF ORO VALLEY VOLUNTEERS

WHEREAS, the Town of Oro Valley is a political subdivision of the State of Arizona vested with all associated rights, privileges and benefits and is entitled to the immunities and exemptions granted municipalities and political subdivisions under the Constitution and laws of the State of Arizona and the United States; and

WHEREAS, on February 7, 1996, the Council originally adopted the Town Council Policies & Procedures, which were created for use by the Council to set standards and procedures for the conduct of public meetings of the Council; and

WHEREAS, on February 16, 2000, the Council re-enacted the Town Council Policies & Procedures by resolution in order to revise and/or supplement the document from time to time; and

WHEREAS, on September 19, 2001, the Town Council Policies and Procedures were revised and re-titled as "Town Council Parliamentary Rules & Procedures and Code of Conduct; and

WHEREAS, Appendices "B", "C" and "D" to the Town Council Policies and Procedures pertain to the Town's appointment process, terms of office, and considerations for service on Town boards, commissions, committees and other volunteer public bodies; and

WHEREAS, the general purpose of appointed public bodies is to serve the interests of the Town in accordance with the overall direction established by Council and to act consistently with this general principle; and

WHEREAS, combining Appendices "B" and "C" to update the Appointment Process of Town of Oro Valley Volunteer and Term Limits of Town of Oro Valley Volunteers, attached hereto as Appendix "B" and incorporated by this reference, is just and appropriate and is found to be in the best interest of the Town.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the Council of the Town of Oro Valley, Arizona, that the adoption of the revised Appendix "B", Appointment Process of Town of Oro Valley Volunteers to Boards, Commissions, Committees, Advisory Boards and Task Forces, attached hereto and incorporated herein by this reference, with additions in ALL CAPS and deletions in ~~strikethrough~~ text, is hereby authorized and approved.

PASSED AND ADOPTED by Mayor and Town Council, the Town of Oro Valley, Arizona, this 1st day of December, 2010.

TOWN OF ORO VALLEY

_____
Dr. Satish I. Hiremath, Mayor

ATTEST:

_____
Kathryn E. Cuvelier, Town Clerk

Date: _____

APPROVED AS TO FORM:

_____
Tobin Rosen, Town Attorney

Date: _____

Item #: 7. B.

TC Regular Session

Date: 12/01/2010

Submitted By: Kevin Burke, Town Manager's Office

Department: Town Manager's Office

Information

SUBJECT:

DISCUSSION AND POSSIBLE ACTION REGARDING THE PARKS AND RECREATION ADVISORY BOARD (PRAB)

SUMMARY:

At the September 1, 2010 Regular Session, the Town Council voted unanimously to direct the Town Manager to bring forward proposals for the modernization of four public bodies, which included the Parks and Recreation Advisory Board (PRAB). At the subsequent September 21, 2010 Council Work Session, a working group, supported by senior staff members, was formed with the following Council members: Mayor Hiremath, Councilmember Gillaspie and Councilmember Snider.

On October 12, 2010, this PRAB Working Group met to discuss recommendations developed by Parks Recreation Library and Cultural Resources Director Ainsley Legner. Working Group members provided unanimous support for staff recommendations and directed staff to invite PRAB members to the second Working Group meeting.

On November 3, 2010, the PRAB Working Group discussed staff recommendations with appointed members of the board and directed staff to bring back final recommendations for Town Council consideration and possible action.

DISCUSSION:

PRAB has initiated, supported and/or implemented a number of meaningful projects since it was created by the Town Council in 1995. At the onset, the Board focused primarily on open space, trail issues and park design. With the decline of development in Oro Valley and the decrease in funding for new parks, the role of the Board has changed. The Board's most recent significant contributions to programs and services for the public include:

• Vocal support for the department, including new projects and initiatives, parks, recreation, aquatics, trails, programs, activities, and special events.
• Service as ambassadors for the department at special events and activities and providing volunteer assistance.
• Review of ideas, proposals, programs and special events proposed by staff, members of the public, outside agencies and other organizations and provide recommendations.
• Bringing forward issues, projects and program ideas related to parks, recreation, aquatics, open space and trails for consideration. Providing recommendations to staff and Town Council.
• Review of the annual Capital Improvement Program and providing recommendations.
• Bringing forward funding opportunities or ideas as applicable.

In the future, should the Town construct new parks, PRAB participation would be meaningful as a "Parks Planning Advisory Committee." Additionally, PRAB would serve as the advisory body for development of a Town-wide parks and recreation master plan.

FISCAL IMPACT:

N/A

CONCLUSION/RECOMMENDATION:

Staff recommends the following changes to the Town Code, as well as the PRAB meeting format and schedule:

• Revise Section 3-6-7, #6 and #7 of the Town Code **(See Attachment A)**.

• Eliminate “Board and Commission Liaison Reports.” Currently, PRAB members are assigned to attend (or listen to online) the meetings of other boards and committees, such as Finance and Bond, Planning and Zoning and Development Review Board. Then, at the PRAB meetings, members report to the rest of the Board on actions taken and future items of interest. This is time consuming and does not support the core functions of the board.

• Eliminate the “Update on Development Review Committee Meetings.” Currently, staff provides a report on any private development that involves parks, trails or other recreational amenities. This agenda item does not result in any action on the part of the board and is not directly related to the powers and duties of the Board.

• Hold regular quarterly meetings that are focused on the powers and duties delegated to PRAB in the Town Code. Special meetings may be scheduled as needed to address issues or projects assigned by Town Council that require additional time and consideration by the Board. Future meeting agendas will be structured to focus on the core functions of the Board, which will decrease the administrative support required.

Because of the nature and function of this board, no change is recommended in the board composition and criteria for appointment. Parameters for board appointment, as set forth by the Town Council in the Appendices to the Parliamentary Rules and Procedures, will be used to select volunteers.

SUGGESTED MOTION:

I MOVE to direct staff to initiate revisions to Town Code Article 3-6 Advisory Boards, and to implement recommended changes to the Parks and Recreation Advisory Board meeting format and schedule, as shown in Attachment A.

Attachments

Link: Attachment A

Parks Recreation Library & Cultural Resources Department

MEMORANDUM

DATE: October 12, 2010

TO: Mayor and Councilmembers

FROM: Ainsley Legner, PRL& CR Director

CC: Jerene Watson, Town Manager; Stacey Lemos, Interim Assistant Town Manager; Kevin Burke, Assistant to the Town Manager

SUBJECT: Parks & Recreation Advisory Board Recommendation

Powers and Duties

The Parks & Recreation Advisory Board (PRAB) was created by the Town Council in 1995. As outlined in Section 3-6-7 of the Oro Valley Town Code, PRAB was created to advise the Town Council with regard to the following:

- Parks and recreation
- Parks design
- Open space
- Trail use
- General priorities for the budget and capital improvements
- Policy recommendations
- Solicitation of funds as directed by Town Council
- Interaction with the Oro Valley Arts Advisory Board

With the exception of the last two bullets, all of these duties are still applicable. During the past twelve years, PRAB has never solicited funds, and there has

been limited interaction with the Arts Advisory Board (now the Arts Review Commission.) Staff recommends removal of these two items from the code.

Accomplishments

The Parks & Recreation Advisory Board has initiated, supported and/or implemented a number of meaningful projects. Examples include:

- Historic Preservation Commission (HPC) – developed a proposal and gained approval from Town Council for the formation of the HPC.
- Interpretive Signage – initiated the development of interpretive signage for James D. Kriegh Park, finding volunteers to assist with photos, artwork, wording and locations.
- Assisted and encouraged the Sonoran Desert Flyers in their efforts to secure a location to fly their model airplanes at Naranja Park.

At the onset, the Board focused primarily on open space, trail issues and park design. With the decline of development in Oro Valley and a decrease in funding for new parks, the role of the Board has changed. Recently, the Board has made significant contributions to programs and services for the public. Examples include:

- Provide vocal support for the department, including new projects and initiatives, parks, recreation, aquatics, trails, programs, activities, and special events.
- Serve as ambassadors for the department at special events and activities and provide volunteer assistance.
- Review ideas, proposals, programs and special events proposed by staff, members of the public, outside agencies and other organizations. Provide recommendations to staff and Town Council as applicable.
- Bring forward issues, projects and program ideas related to parks, recreation, aquatics, open space and trails for consideration. Provide recommendations to staff and Town Council.
- Review the annual Capital Improvement Program and provide recommendations.
- Bring forward funding opportunities or ideas as applicable.

In the future, should the Town construct new parks, PRAB participation would be meaningful in the following areas:

- Serve as members of the “Parks Planning Advisory Committee” during the master planning and park development process.
- Serve as the advisory body for development of a Town-wide parks master plan.

Recommendations

Staff recommends the following changes to the Town Code, as well as to the PRAB meeting format and schedule:

- Revise Section 3-6-7, #6 and #7 of the Town Code (see Attachment).

- Eliminate "Board and Commission Liaison Reports." Currently, PRAB members are assigned to attend (or listen to online) the meetings of other boards and committees, such as Finance and Bond, Planning and Zoning and Development Review Board. Then, at the PRAB meetings, members report to the rest of the Board on actions taken and future items of interest. This is time consuming and does not support the core functions of the board.

- Eliminate the "Update on Development Review Committee Meetings." Currently, staff provides a report on any private development that involves parks, trails or other recreational amenities. This agenda item does not result in any action on the part of the board and is not directly related to the powers and duties of the Board.

- Hold regular quarterly meetings that are focused on the powers and duties delegated to PRAB in the Town Code. Special meetings may be scheduled as needed to address issues or projects assigned by Town Council that require additional time and consideration by the Board. Future meeting agendas will be structured to focus on the core functions of the Board, which will decrease the administrative support required.

In summary, staff recommends the following:

1. Elimination of Section 3-6-7, #6 and #7 of the Town Code.
2. Elimination of "Board and Commission Liaison Reports"
3. Elimination of "Update on Development Review Committee Meetings"
4. Implementation of regular quarterly meetings
5. Utilization of special meetings on an as needed basis

ATTACHMENT:

Revised Town Code Section 3-6-7

3-6-7 Powers and Duties of the Parks and Recreation Advisory Board

1. To act in an advisory capacity to the Town Council in matters pertaining to parks and recreation, parks design, open space and trail use (prior to the review comments being submitted to other Boards, Commissions or the Council). The Board's powers shall be limited to an advisory role with the Parks and Recreation Director and/or the Town Council and shall not provide directions to Town Employees regarding the activities of staff, parks operations or recreation programs.

2. As with any Board, Commission or Committee, all requests for use of any Town Staff time and resources must be approved by the Town Manager or his designee.

3. Give advice to the Town Council and Parks and Recreation Director for general priorities at budget time for those items (other than administrative functions as determined by the Town Manager and the Department Head) relating to park development and recreation programs. This involves a yearly review and update of the five year plan for park land acquisition and capital improvements as prepared by the Parks and Recreation Director.

4. Give due attention and study to the recreation, open space, trails and park services as they affect the residents of Oro Valley.

5. Make policy recommendations, keeping in mind that the final adoption of the policy is the prerogative of the Council.

~~6. Make initial contact for soliciting funds after being so directed and approved to do so by the Town Council; again keeping in mind that the Council makes the final determination for any acceptance or rejection in these areas.~~

~~7. Interact with the Town of Oro Valley Arts Advisory Board on all matters relating to parks and recreation matters in regards to areas of mutual concern.~~

(95-30, Amended, 05/17/1995; 95-30, Amended, 05/17/1995)

Item #: 7. C.

TC Regular Session

Date: 12/01/2010

Requested by: Suzanne Smith, Director DIS

Submitted By: Suzanne Smith, Development Infrastructure Services

Department: Development Infrastructure Services

Information

SUBJECT:

DISCUSSION AND POSSIBLE ACTION REGARDING THE DEVELOPMENT REVIEW BOARD AND ART REVIEW COMMISSION

SUMMARY:

At the September 1, 2010 Regular Session, the Town Council voted unanimously to direct the Town Manager to bring forward proposals for the modernization of four public bodies, which included the Development Review Board (DRB) and the Art Review Commission (ARC). At the subsequent September 21, 2010 Council Work Session, working groups, supported by senior staff members, were formed with the following Council members:

DRB: Council members Gillaspie, Solomon and Waters
ARC: Council members Garner, Solomon and Waters

At the conclusion of each Working Group's first meeting, it was agreed that the current public bodies, ARC and DRB, should be disbanded and a new board, the Conceptual Design Review Board (CDRB), should be created. This new board would consolidate the current DRB and ARC like functions, and more importantly:

- Streamline the development process
- Enhance the effectiveness of residents' input to improve "community fit"
- Increase the ability to achieve more "getting to shovel ready" projects

The shift to a conceptual design review process, occurring early in the design process when the opportunity for change is more likely, and prior to the applicant making a significant design investment, has gained broad support from the Council working groups, the development community, businesses and staff.

The primary duties of the new CDRB would be as follows:

- Conceptual Site Plan (formerly known as Development Plan) - Review and recommendation to Town Council for approval
- Conceptual Architecture - Review and recommendation to Town Council for approval
- Conceptual Art - Review and recommendation to Town Council for approval
- Conceptual Master Sign Program and Non-conforming Signs - Review and approval

DISCUSSION:

Need for Change and History

Due to the near build-out status of the Town, coupled with the on-going downturn in the national economy, changes to the existing development review and approval process are needed. Over the past three years, the Town has actively improved review and approval processes for project development and building construction. The goals focused on becoming more user-friendly and reducing overall time for permit issuance, while maintaining the high development standards defined by the community. At the April 7, 2010 Council meeting staff presented four (4) options for streamlining the development review and building construction approval process **(Attachment 1 - Options Summary)**. The options addressed possible changes to the role of the Development Review Board (DRB) and Town Council in the review and approval process. Council directed staff to conduct public meetings and return to Council by the first meeting in September 2010.

From June to August 2010, staff conducted eight (8) public meetings and presentations to various groups, including the Northern Pima County Chamber of Commerce (NPCCC), Metropolitan Pima Alliance (MPA), Southern Arizona Home Builders Association (SAHBA) Technical Committee, the Town's DRB (Study Session item), developers, architects/engineers, businesses and residents of the community. In summary, the majority of Oro Valley residents in attendance preferred, and the DRB formally recommended, Option B (wherein staff would assume the majority of DRB recommendation and approval responsibilities). The NPCCC and the SAHBA Technical Committee recommended Option D (wherein staff would assume all DRB recommendation and approval responsibilities and Mayor & Council items not statutorily required to be approved). MPA, and the majority of the businesses, developers, and architects/engineers that attended the meetings also preferred Option D, although most stated Option C was acceptable.

Development Review Board

The DRB is intended to promote harmonious, safe, attractive, and compatible development. The DRB currently reviews subdivision plats and development plans, including site planning and the relationship of the development to the surrounding environment and the community. The DRB also reviews all proposed architecture, landscape plans and grading plans. DRB consists of seven members.

DRB was initiated with the adoption of our Zoning Code in 1981, when the town was in a rapid growth mode with mostly vacant land, minimal surrounding development for context, few residential neighborhoods and a population of less than 2,000. The Town has undergone tremendous change since the formation of the DRB and today the town is nearing build-out. Most vacant land will be developed as infill, surrounded by neighbors

In November 2009, Council approved the Public Participation Ordinance (PPO) to enhance neighborhood public involvement and promote transparency. This process corresponds to our current build-out status, is more appropriate for citizen involvement in the process, is time efficient and facilitates development that is a better fit for the community. The PPO requires two neighborhood meetings at each stage of the development review process prior to the applicant making a formal submittal. These meetings inform neighboring community members on the review and approval process for the project, applicable zoning and development requirements and the project's design elements. The neighborhood meetings allow community comments to be considered prior to the applicant formally submitting the application to the Town for review and approval.

Art Review Commission

The 1% for Public Art Program was established in 1997. In 1998 the zoning code was amended to create the Public Art Review Committee. The rules and operating procedures for the Public Art Review Committee were revised and the committee's name was changed to the Art Review Commission (ARC) in 2008. ARC is intended to evaluate the aesthetic value of public artwork, including privately owned public artwork, and facilitate the integration of artwork into publicly accessible spaces and the infrastructure of the community. The ARC reviews requests for public artwork approval including the design of artwork, qualifications of the artist, and the location, installation and setting of the artwork. ARC consists of seven members.

Currently, art submittals are required to be reviewed and approved by the ARC two separate times. The first review is of conceptual design, including location, and the second is at the final design stage. The zoning code requires that final artwork design be approved prior to issuing a building permit. In addition, the zoning code requires that the artwork be completed, installed and accepted prior to issuing a final certificate of occupancy for the associated building project.

Working Group Results

Based on the feedback received during the public outreach process and further review, the DRB and ARC Working Groups agreed that the existing public bodies should be disbanded and a new board, the Conceptual Design Review Board (CDRB), should be created. This new board would:

• Consolidate the public bodies' like functions
• Streamline the development process
• Enhance the effectiveness of resident input to improve “community fit”
• Provide for review very early in the design process, at the conceptual design phase, prior to the applicant making a significant design investment and when the opportunity for change is more likely
• Increase the ability to achieve more “getting to shovel ready” projects

The new CDRB’s focus would be at the beginning of a project, at the conceptual design phase, and include the review of: 1) Conceptual Site Plan (formerly known as Development Plan), including residential subdivision layout; 2) Conceptual Architecture, including basic building form, façade treatments, architectural features, entry vignettes, building materials and colors; and 3) Conceptual Art, including design and location.

These three inter-related elements (site plan, architecture, and art) would be reviewed together at a single meeting by the CDRB for recommendation to Town Council for approval. Following Town Council approval, staff would assume responsibility for review and approval of the detailed design for compliance with the approved conceptual elements.

The CDRB would also be responsible for the review and approval of the Conceptual Master Sign Program and Non-conforming Signs. A table has been created, using the same format as the earlier Options Summary for streamlining the development process, to indicate the proposed process changes with the new board **(Attachment 2 - Proposed Process Reconfiguration)**.

CDRB Composition

The working Group proposed a CDRB consisting of five regular (voting) members and two ex-officio staff members. The Planning Division Manager would be the non-voting Chair of the Board, and the Economic Development Manager would be the non-voting Vice Chair. These staff members are recommended in order to maintain consistency and continuity on the Board, and to provide Town policy and code expertise.

At least three (3) regular members shall be currently or previously practicing in the field of art, architecture, landscape architecture, planning, engineering, development, construction, or otherwise qualified by a design background, training, or experience. One (1) regular member, with the above experience, may be a non-resident of the Town. All regular members are voting members and shall serve a maximum of two (2) three-year terms.

Further definition of the CDRB, the process steps, and review elements are provided in **Attachment 3 - Conceptual Design Review Board**. In addition, visual representations of what conceptual site plans, architecture, art and signage would consist of are included as **Attachment 4 - Conceptual Design Examples**.

FISCAL IMPACT:

The Town and applicants will realize savings in the following areas:

- A reduction in staff (non-exempt) costs, facility usage, and board meal service costs due to the corresponding reduction in number of boards and board after hours meetings (overtime costs or compensatory time)
- Printing and reproduction costs for Town and applicant
- Consultant and submittal costs for applicant

CONCLUSION/RECOMMENDATION:

Staff recommends consolidating the like functions of the ARC and DRB into a new board, Conceptual Design Review Board (CDRB). This will reduce the number of times a project must seek approval from a public body. Reviewing projects earlier in the design process will streamline the development review process and reduce the overall time required for development to occur. This will also create the ability to achieve more "getting to shovel ready" projects, and enhance the effectiveness of resident input to improve "community fit". These positive changes will be an inducement to business to develop in Oro Valley and ultimately increase revenue by stimulating new development. This proposed change is community and business-focused, and will provide sustainable development practices and fiscal stability for years to come.

Duties of the CDRB should include:

- Conceptual Site Plan (formerly known as Development Plan) - Review and recommendation to Town Council for approval.
- Conceptual Architecture - Review and recommendation to Town Council for approval
- Conceptual Art – Review and recommendation to Town Council for approval
- Conceptual Master Sign Program and Non-conforming Signs - Review and approval

The CDRB membership should consist of five regular voting members and two non-voting staff members. At least three (3) regular voting members shall be currently or previously practicing in the field of art, architecture, landscape architecture, planning, engineering, development, construction, or otherwise qualified by a design background, training, or experience. One (1) regular member, with the above experience, may be a non-resident of the Town. The Planning Division Manager would be the non-voting Chair of the Board, and the Economic Development Manager would be the non-voting Vice Chair. In addition, it is recommended that the Chair and/or Vice Chair become voting members should it be necessary due to lack of quorum or a tie.

The current Design Guidelines should be updated and transformed into Design Standards that are definitive, but not overly restrictive, and incorporated into the Zoning Code for greater consistency in project requirements.

These positive changes will be an inducement to business to develop in Oro Valley and ultimately increase revenue by stimulating new development. The recommendation is community- and business-focused, and will provide sustainable development practices and fiscal stability.

Action / Implementation Process

1. Revise Zoning and Town Code to affect the above recommendation.

• Initiate code revisions	December 2010 - February 2011
• Planning and Zoning Commission	February – March 2011
• Town Council	March – April 2011

2. Advertise, interview and appoint new CDRB members.

• Create CDRB "job description" and criteria	December 2010 – January 2011
• Advertise and Interview applicants	February 2011

- Town Council March – April 2011

3. Disband DRB and ARC upon adoption of revised Zoning and Town Code.

   - Town Council March – April 2011

4. Create Design Standards

   - Initiate standards In progress - February 2011
   - Review draft with technical committee March – April 2011
   - Finalize standards April – May 2011
   - Planning and Zoning Commission May – June 2011
   - Town Council June – July 2011

SUGGESTED MOTION:

I MOVE to create the Conceptual Design Review Board, with duties and composition as outlined in Attachment 3, and direct staff to initiate revisions to the Town Code and Zoning Code to effect this result. I further move to disband the operation of the Development Review Board and Art Review Commission and terminate the current members of each of these respective public bodies effective upon adoption of Town Code and Zoning Code revisions implementing the Conceptual Design Review Board.

Attachments

Link: Attachment 1 - Options Summary

Link: Attachment 2 - Proposed Process Reconfiguration

Link: Attachment 3 - Conceptual Design Review Board

Link: Attachment 4 - Conceptual Design Examples

Options Summary

	Document Type	Current Process		Revised Streamlined Process					
		OPTION A		OPTION B		OPTION C		OPTION D	
		RECOMMENDING BODY	APPROVAL BODY	RECOMMENDING BODY	APPROVAL BODY	RECOMMENDING BODY	APPROVAL BODY	RECOMMENDING BODY	APPROVAL BODY
1	General Plan Amendment	P&Z	Mayor & Council	No Change	No Change	No Change	No Change	No Change	No Change
2	Rezoning	P&Z	Mayor & Council	No Change	No Change	No Change	No Change	No Change	No Change
3	OVZCR Text Amendments	P&Z	Mayor & Council	No Change	No Change	No Change	No Change	No Change	No Change
4	New Planned Area Developments (PAD's)	P&Z	Mayor & Council	No Change	No Change	No Change	No Change	No Change	No Change
5	PAD Amendments	P&Z	Mayor & Council	No Change	No Change	No Change	No Change	No Change	No Change
6	Development Plans	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor & Council
7	Preliminary Plats	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor & Council
8	Landscape Plans/NPPO	Staff	DRB	N/A	Staff replaces DRB	N/A	Staff replaces DRB	N/A	Staff replaces DRB
9	Alternative Parking Analysis	Staff	DRB	N/A	Staff replaces DRB	N/A	Staff replaces DRB	N/A	Staff replaces DRB
10	Final Plats	Staff	Mayor & Council	No Change	No Change	No Change	No Change	No Change	No Change
11	Final Plats - Scriveners Error	N/A	Staff	No Change	No Change	No Change	No Change	No Change	No Change
12	Signs - Permanent - Code Compliant	Staff	DRB	N/A	Staff replaces DRB	N/A	Staff replaces DRB	N/A	Staff replaces DRB
13	Signs - Permanent - Not - Code Compliant	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	Staff replaces DRB	No Change
14	Signs - Temporary	N/A	Staff	No Change	No Change	No Change	No Change	No Change	No Change
15	Signs - PAD Exemptions	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor & Council
16	Signs - Comprehensive Sign Package	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor and Council
17	Conditional Use Permits (CUP's)	P&Z	Mayor & Council	No Change	No Change	No Change	No Change	Staff replaces P&Z	P&Z replaces Mayor & Council
See Note 1	**18 Architecture - Model Homes**	**Staff**	**DRB**	**No Change**	**No Change**	**N/A**	**Staff replaces DRB**	N/A	Staff replaces DRB
See Note 1	**19 Architecture - Custom Homes, Additions**	**Staff**	**DRB**	**No Change**	**No Change**	**N/A**	**Staff replaces DRB**	N/A	Staff replaces DRB
See Note 1	**20 Architecture - Commercial**	**Staff**	**DRB**	**No Change**	**No Change**	**N/A**	**Staff replaces DRB**	N/A	Staff replaces DRB
21	Grading Exceptions	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor & Council
22	Communication Facility - Tier 1	N/A	Staff	No Change	No Change	No Change	No Change	No Change	No Change
23	Communication Facility - Tier 2	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor & Council
24	Communication Facility - Major	DRB	Mayor & Council	Staff replaces DRB	No Change	Staff replaces DRB	No Change	N/A	Staff replaces Mayor & Council
25	Variances	Staff	BOA	No Change	No Change	No Change	No Change	No Change	No Change
26	Time Extensions	Staff	Mayor & Council	No Change	No Change	No Change	No Change	N/A	Staff replaces Mayor & Council
		Staff, DRB, P&Z, BOA and Mayor & Council maintain their current recommendation and approval responsibilities		Staff assumes **most DRB** recommendation & approval responsibilities. **DRB is renamed to Design Review Board and reviews architecture only**		Staff assumes **all DRB** recommendation & approval responsibilities. **DRB is eliminated**		Staff assumes **all DRB** recommendation & approval responsibilities. Staff assumes most approval responsibilities by Mayor & Council not directed by State statute. **DRB is eliminated**	

Revised Process Color Legend

No Suggested Process Change

Suggested Change in Process

Note 1 - This area represents the only difference in recommendation and approval responsibilities between options B & C

Proposed Process Reconfiguration

	Process Document Type	Current Process		Proposed Process	
		RECOMMENDING BODY	APPROVAL BODY	RECOMMENDING BODY	APPROVAL BODY
1	General Plan Amendment	P&Z	Mayor & Council	No Change	No Change
2	Rezoning	P&Z	Mayor & Council	No Change	No Change
3	OVZCR Text Amendments	P&Z	Mayor & Council	No Change	No Change
4	New Planned Area Developments (PAD's)	P&Z	Mayor & Council	No Change	No Change
5	PAD Amendments	P&Z	Mayor & Council	No Change	No Change
6	***Conceptual Site Plans*** (f.k.a. Development Plans) including Residential Subdivsions	DRB	Mayor & Council	CDRB	No Change
7	***Conceptual*** Architecture - Commercial	Staff	DRB	CDRB	Mayor & Council
8	***Conceptual*** Architecture - Model Homes	Staff	DRB	No Change	No Change
9	***Conceptual*** Architecture - Custom Homes, Additions	Staff	DRB	N/A	Staff
10	***Conceptual*** Art	Staff	ARC	CRDB	Mayor & Council
11	Preliminary Plats	DRB	Mayor & Council	Staff	Staff
12	Landscape Plans/NPPO	Staff	DRB	N/A	Staff
13	Alternative Parking Analysis	Staff	DRB	N/A	Staff
14	Final Plats	Staff	Mayor & Council	No Change	No Change
15	Final Plats - Scriveners Error	N/A	Staff	No Change	No Change
16	Signs - Permanent - Code Compliant	Staff	DRB	N/A	Staff
17	Signs - Permanent - Non Code Compliant	DRB	Mayor & Council	Staff	CDRB
18	Signs - Temporary	N/A	Staff	No Change	No Change
19	Signs - PAD Exemptions	DRB	Mayor & Council	Staff	CDRB
20	Signs - Master Sign Program	DRB	Mayor & Council	Staff	CDRB
21	Conditional Use Permits (CUP's)	P&Z	Mayor & Council	No Change	No Change
22	Grading Exceptions	DRB	Mayor & Council	Staff	No Change
23	Communication Facility - Tier 1	N/A	Staff	No Change	No Change
24	Communication Facility - Tier 2	DRB	Mayor & Council	CDRB	No Change
25	Communication Facility - Major	DRB	Mayor & Council	CDRB	No Change
26	Variances	Staff	BOA	No Change	No Change
27	Time Extensions	Staff	Mayor & Council	No Change	No Change

Revised Process Color Legend

No Suggested Process Change

Suggested Change in Process

Current recommendation and approval esponsibilities of Staff, DRB, P&Z, ARC, BOA, and Mayor & Council

DRB and ARC are disbanded and a new board, Conceptual Design Review Board (CDRB), is created to perform the combined and revised duties noted above

CONCEPTUAL DESIGN REVIEW BOARD (CDRB)

Disband the current Architectural Review Commission (ARC) and Development Review Board (DRB) and create one new board, **Conceptual Design Review Board (CDRB)**, with the following duties:

- Conceptual Site Plan (formerly known as development plan) - Review and recommendation to Town Council for approval.
- Conceptual Architecture (Option B of the Options Summary) - Review and recommendation to Town Council for approval
- Conceptual Art – Review and recommendation to Town Council for approval
- Conceptual Master Sign Program and Non-conforming Signs - Review and approval

The Conceptual Site Plan, Architecture and Art shall be submitted for review and recommendation to Town Council for approval at the same CDRB meeting. Staff assumes all other recommendation and approval responsibilities formerly reviewed and approved by the DRB and ARC. Appeals of CDRB decisions shall be heard by Town Council.

CDRB shall consist of five regular (voting) members and two ex-officio staff members. The Planning Division Manager shall serve as the non-voting Chair of the Board, and the Economic Development Manager shall serve as the non-voting Vice Chair. All regular members are voting members and shall serve a maximum of two (2) three-year terms.

At least three (3) regular members shall be currently or previously practicing in the field of art, architecture, landscape architecture, planning, engineering, development, construction, or otherwise qualified by a design background, training, or experience. One (1) regular member with the above experience may be a non-resident of the Town. Meetings shall be held twice monthly, on the 2nd and 4th Tuesday at 4:00 p.m.

CONCEPTUAL DESIGN REVIEW PROCESS STEPS

1. Pre-Application Meeting

2. Neighborhood Meeting(s)
    a. Conceptual design review elements are required for meetings
    b. Project timeline

3. Submittal of Conceptual Design Review Elements

4. Internal staff review and DRC

5. Submittal to CDRB
    a. Conceptual Site Plan, Architecture, and Art for review and recommendation to Town Council for approval
    b. Master Sign Program for review and approval. (Note - Master Sign Program may be a separate submittal at a different time.)

6. Submittal to Council
    a. Approval of Conceptual Site Plan (formerly Development Plan), Architecture, and Art
        i. All Conceptual Design Review Elements included in attachment to Council item

CONCEPTUAL DESIGN REVIEW ELEMENTS

1. **Conceptual Site Plan** (formerly known as Development Plan)
    - Site layout including:
        - All Buildings (roof plan with mechanical screening shown) and other structures including trash enclosures
        - Site access and general circulation (public and service noted)
        - Parking layout and loading/unloading areas
        - Drive thru(s)
        - Dimensioned buffer yard
        - Dimensioned building setbacks, required and actual
        - Pedestrian gathering area (as needed or if code req'd)
        - Landscape (include legend)
        - Art location(s)
        - All site signage (monument, entry, etc.) location
        - Existing grade line (2 to 10 foot intervals, depending on topography)
    - Data including:
        - Building (each)
            - square footage
            - maximum building height (top of parapets / ridgeline)
            - storey
            - use
            - anticipated finish floor elevation
        - Site
            - FAR
            - Parking spaces, required and actual
            - Lighting standard height

2. Conceptual Architecture

a. Site / Building Cross Sections (2 minimum)
- Overall topography in relationship to neighboring property
- Existing grade line
- Building(s) with floor elevation and heights (roof, parapet, screen, architectural feature)

b. Conceptual Building Design
- Overall building composition
- Façade design elements
- Entry, building, and other structures vignettes
- Architectural features
- Building materials
- Building color palette (ranges or options)

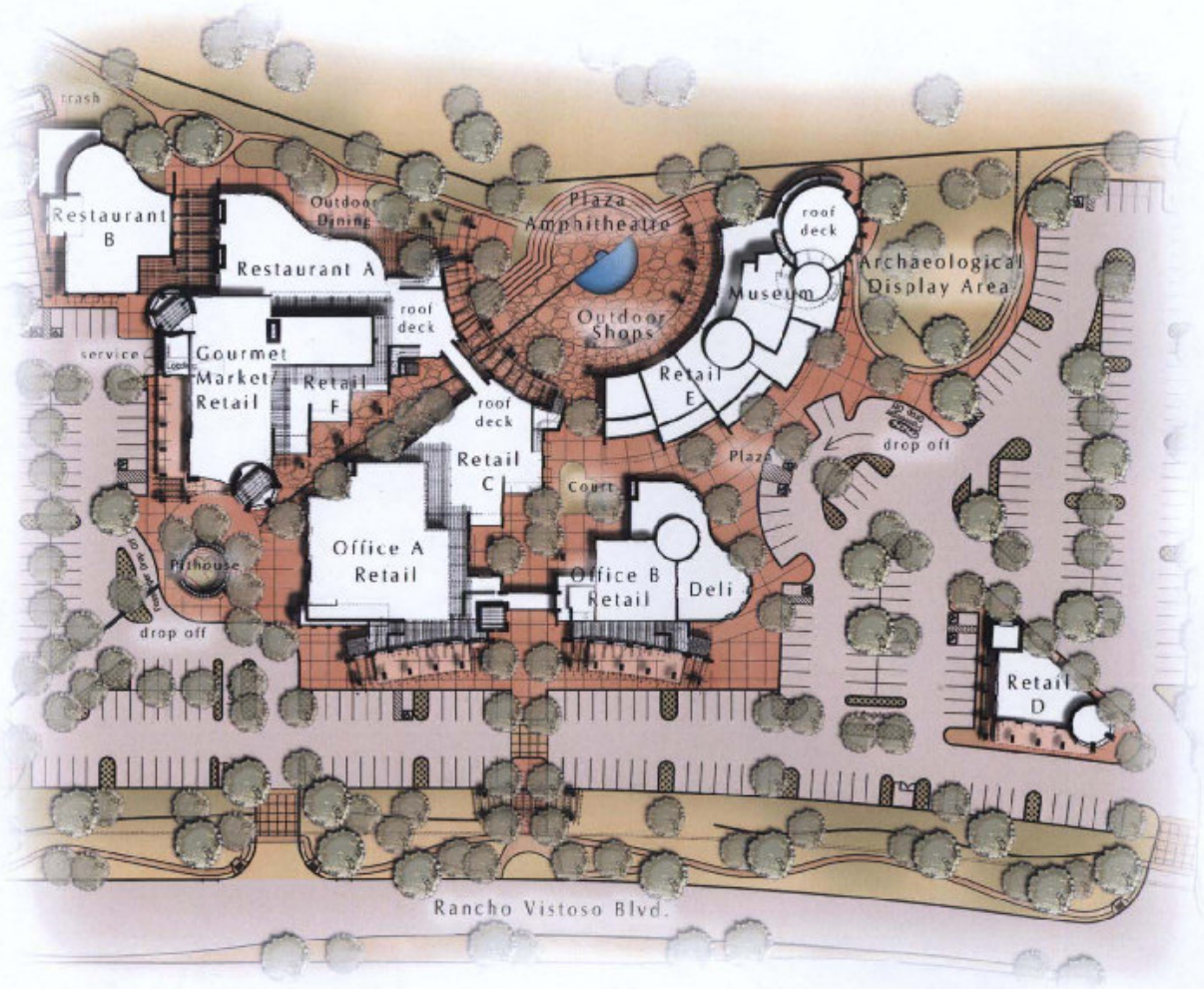
3. **Conceptual Art**
   - Narrative description and concept purpose statement.
   - Artist information and background
   - Conceptual design
   - Materials
   - Color palette (ranges or options)
   - Location (shown on Conceptual Site Plan)

4. **Master Sign Program or Non-conforming Signs**
   - Types of Signs (wall mounted, freestanding, etc.) and sign construction (pan channel, cabinet, flat cut out, etc.) w/ elevation vignettes
   - Materials
   - Color palette (ranges or options), include faces, returns, and trim
   - Illumination type (halo, internal, etc.) and color of illumination
   - Size of signs. Determine square footage, height and length
   - Locations (shown on Conceptual Site Plan and building elevations/vignettes), note front only, front & back, three or four sides.
   - Consider if logos and trademarks will be regulated

Attachment C – Conceptual Design Examples

Site Plan and Architecture for
The Plaza at Vistoso Town Center

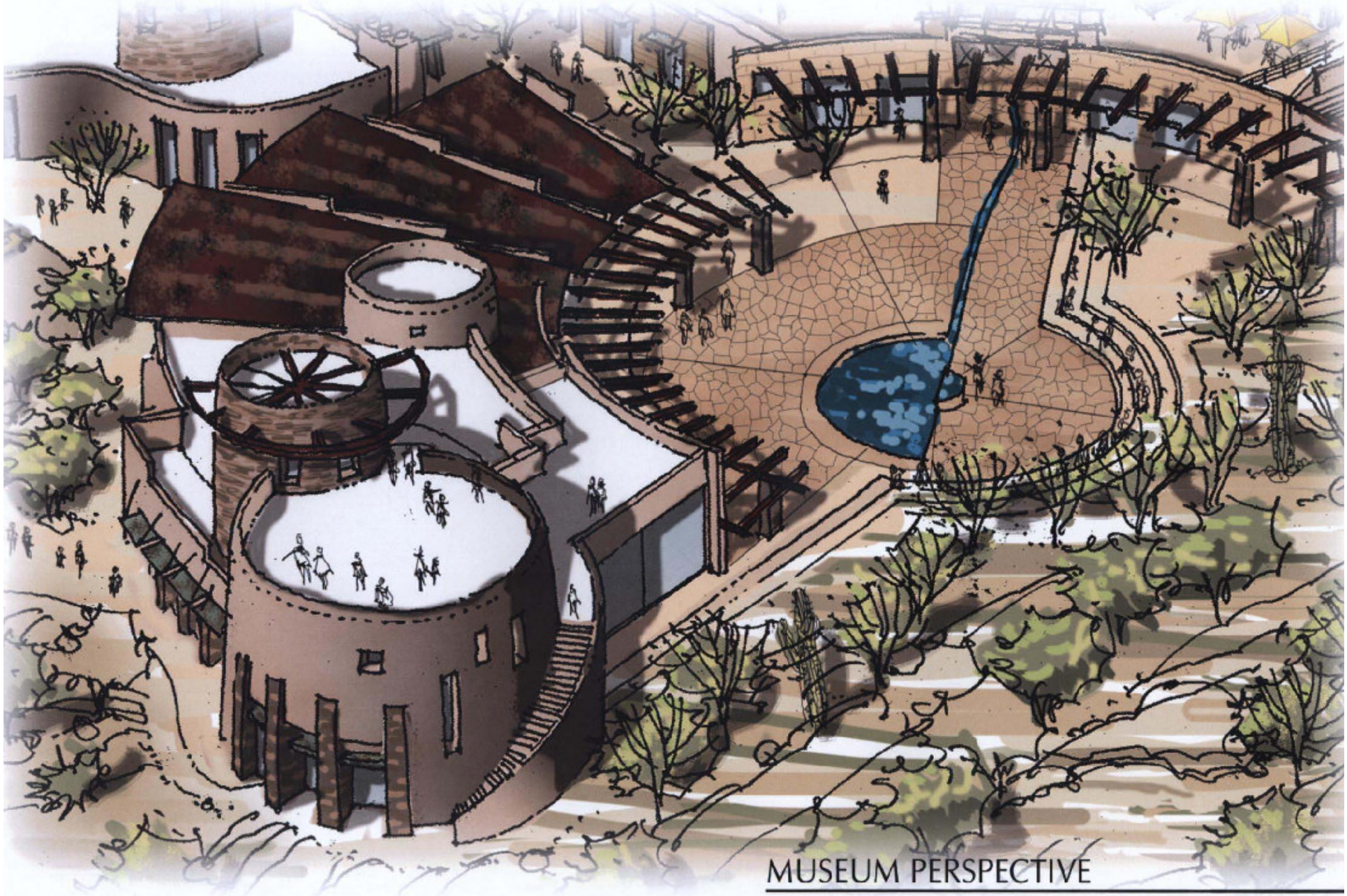
The Estates
Open Space
The Retreats
Archaeological Display Area
The Lofts
Trail
Honey Bee Village Archaeological Preserve
The Courtyards
Archaeological Display Area
Open Space
The Plaza
Rancho Vistoso Blvd.
Moore Road
MASTER PLAN



Site Analysis

Total Site	413,830 Sq. Ft. (9.5 acres)
Food Service	
Restaurant A	7,800 Sq. Ft
Restaurant B	6,860 Sq. Ft.
Deli Style Restaurant	4,225 Sq. Ft.
Sub-total	18,885 Sq. Ft.
Gourmet Market / Retail	
1st Floor	8,050 Sq. Ft.
Office / Retail A	
1st Floor	8,595 Sq. Ft.
2nd Floor	7,725 Sq. Ft.
Office / Retail B	
1st Floor	2,860 Sq. Ft.
2nd Floor	2,860 Sq. Ft.
Office / Retail C	
1st Floor	5,815 Sq. Ft.
Office / Retail D	
1st Floor	3,550 Sq. Ft.
Office / Retail E	
1st Floor	3,000 Sq. Ft.
Office / Retail F	
1st Floor	7,360 Sq. Ft.
Museum	
Exhibit Area	11,000 Sq. Ft.
Museum / Office	5,800 Sq. Ft.
Total Area Proposed	85,500 Sq. Ft.
Parking	
Stalls Proposed	341 spaces
Trash Locations	4 spaces
Loading / Service	5 spaces

NORTHWEST BIRD'S EYE PERSPECTIVE



MUSEUM PERSPECTIVE

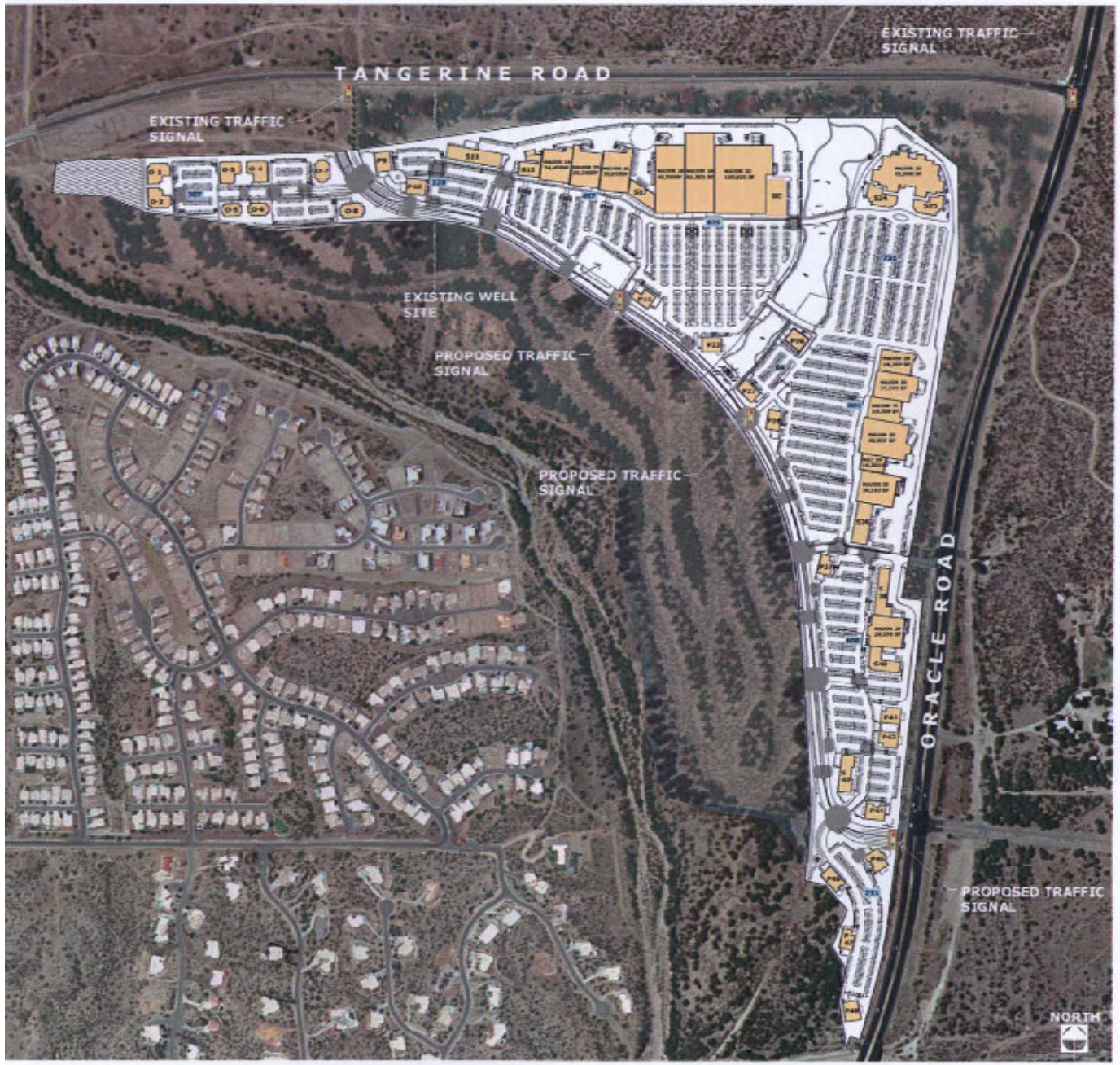
STREET PERSPECTIVE

PEDESTRIAN ENTRY PERSPECTIVE

PEDESTRIAN CORRIDOR PERSPECTIVE

Attachment C – Conceptual Design Examples

Site Plan and Architecture for
Oro Valley Marketplace

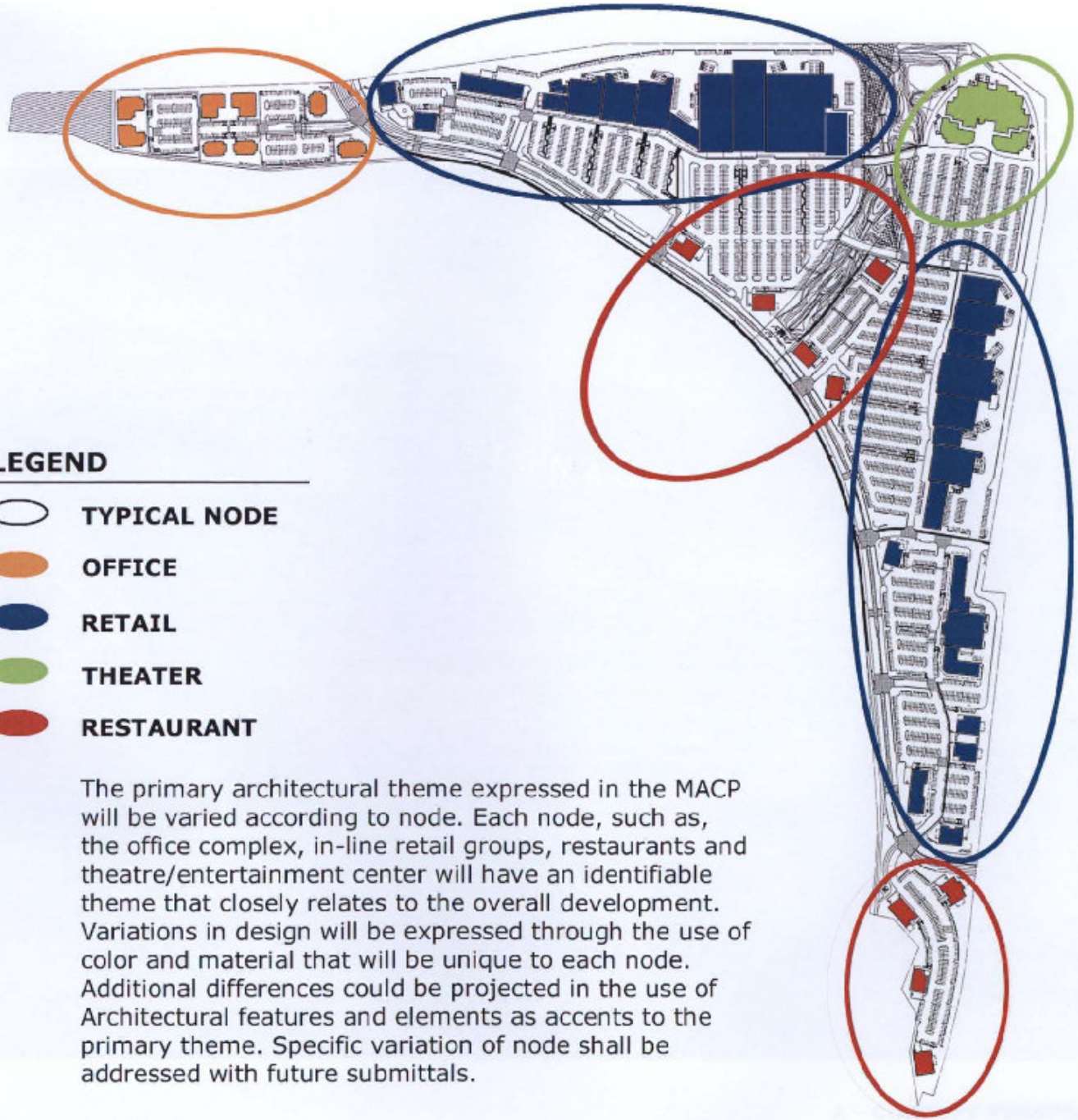


SITE PLAN

Burlini/Silberschlag, Ltd.
Architects & Planners, AIA
TEL: 520-323-1996 FAX: 520-323-2091

ORO VALLEY MARKETPLACE
SWC OF TANGERINE RD. & ORACLE RD.
ORO VALLEY, ARIZONA
06-108S
03-21-06

VESTAR DEVELOPMENT CO.
Vestar



LEGEND

- TYPICAL NODE
- OFFICE
- RETAIL
- THEATER
- RESTAURANT

The primary architectural theme expressed in the MACP will be varied according to node. Each node, such as, the office complex, in-line retail groups, restaurants and theatre/entertainment center will have an identifiable theme that closely relates to the overall development. Variations in design will be expressed through the use of color and material that will be unique to each node. Additional differences could be projected in the use of Architectural features and elements as accents to the primary theme. Specific variation of node shall be addressed with future submittals.

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NODE PLAN

MAY 2 4 2006

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06-0103
03-21-06

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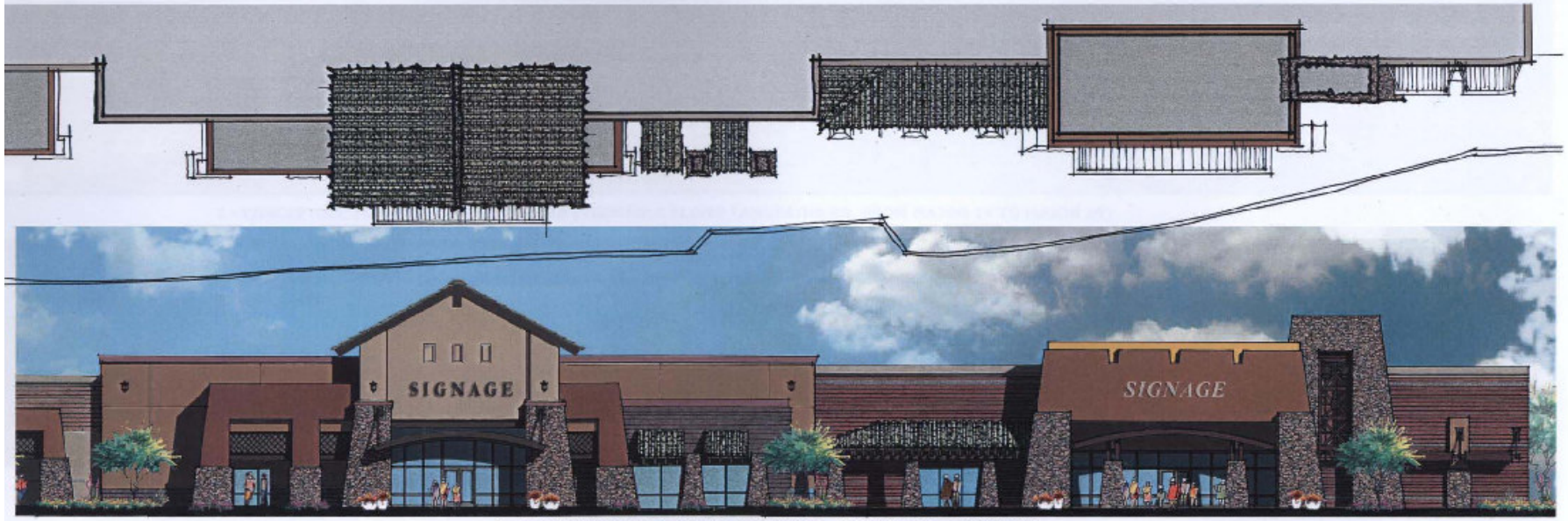
A - CONCEPT PERSPECTIVE - MAJOR TENANT

1 - ARCHITECTURAL CONCEPT ELEVATION -IN-LINE MAJOR TENANTS



1 - ARCHITECTURAL CONCEPT ELEVATION -IN-LINE MAJOR TENANTS

CONCEPT ELEVATIONS - INLINE

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06-1085
03-21-06

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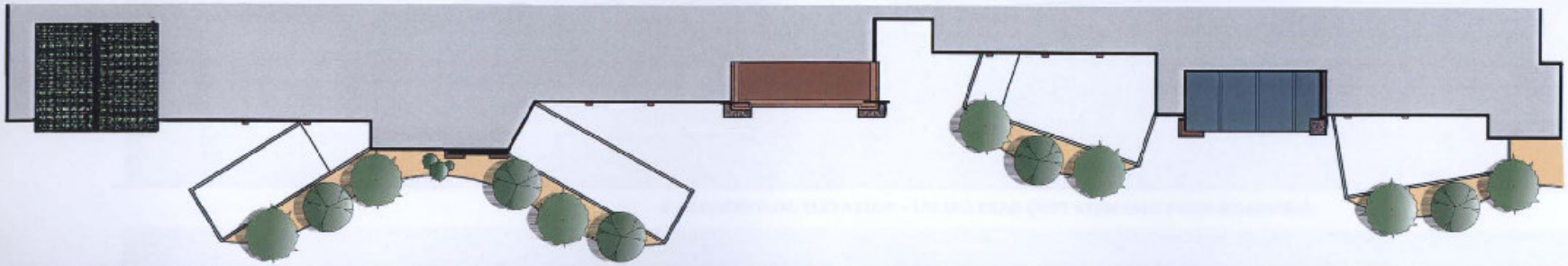
2 - CONCEPTUAL ELEVATION - INLINE REAR (VIEWABLE ALONG TANGERINE RD. FROM MAJOR 14 TO MAJOR 20)



2 - CONCEPTUAL ELEVATION - INLINE REAR (VIEWABLE ALONG TANGERINE RD. FROM MAJOR 14 TO MAJOR 20)

2 - CONCEPTUAL ELEVATION - INLINE REAR (VIEWABLE ALONG TANGERINE RD. FROM MAJOR 14 TO MAJOR 20)

CONCEPTUAL ELEVATIONS - INLINE REAR (VIEWABLE FROM TANGERINE RD.)

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Architects & Planners, AIA
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ORO VALLEY MARKETPLACE
SWC OF TANGERINE RD. & ORACLE RD.
ORO VALLEY, ARIZONA
04-1085
03-21-05

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7 - ARCHITECTURAL CONCEPT ELEVATION TYPICAL SHOPS FRONT

8 - ARCHITECTURAL CONCEPT ELEVATION TYPICAL SHOPS SIDE

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Architects & Planners, AIA
TEL: 520-323-1996 FAX: 520-323-2091

ORO VALLEY MARKETPLACE
SWC OF TANGERINE RD. & ORACLE RD.
ORO VALLEY, ARIZONA
05-105
03-21-06

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CONCEPTUAL ELEVATIONS - SHOPS

9 - ARCHITECTURAL CONCEPT ELEV. TYPICAL SHOPS FRONT

10 - ARCHITECTURAL CONCEPT ELEV. TYPICAL SHOPS SIDE

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Architects & Planners, AIA
TEL: 520-323-996 FAX: 520-323-209

ORO VALLEY MARKETPLACE
SWC OF TANGERINE RD. & ORACLE RD.
ORO VALLEY, ARIZONA
06-1085
03-21-06

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CONCEPTUAL ELEVATIONS - SHOPS

B - CONCEPT PERSPECTIVE - THEATER/ENTERTAINMENT

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Architects & Planners, AIA
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ORO VALLEY MARKETPLACE
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03-21-06

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PEDESTRIAN LEVEL LIGHT FIXTURE

Vestar
VESTAR
DEVELOPMENT CO.

ORO VALLEY MARKETPLACE

SWC OF TANGERINE RD. & ORACLE RD.
ORO VALLEY, ARIZONA
06-1085
03-21-06

Burlini/Silberschlag, Ltd.
Architects & Planners, AIA
TEL: 520-323-1996 FAX: 520-323-2091

VISTOSO STONE

STONE A

VISTOSO STONE

STONE B

VISTOSO STONE

STONE C

DE5201
RATTAN BASKET
LRV 27

DEC776
COURTYARD GREEN
LRV 25

DE6129
RUSTIC TAUPE
LRV 47

DE6137
TAN PLAN
LRV 35

DE6111
S'MORES
LRV 23

DE6083
BADLANDS SUNSET
LRV 16

DE6122
DRY CREEK
LRV 55

DE6132
BIG STONE BEACH
LRV 16

DE6138
DARK SEPIA
LRV 26

DEC738
TRAVERTINE
LRV 55

DE6202
COCONUT SHELL
LRV 20

DE6076
WANDERING ROAD
LRV 16

DE6074
FRONTIER LAND
LRV 37

DE6075
WOOD LAKE
LRV 24

PRIMARY E.I.F.S. COLORS

DEA188
BLACK BAY
LRV 7

DEA176
IRON RIVER
LRV 8

DE6014
DARK CHOCOLATE
LRV 7

DEC756
WEATHERED BROWN
LRV 8

DE6399
MOLASSES
LRV 7

ACCENT COLORS

DE5823
MICA CREEK
LRV 20

DE6019
BOHEMIAN JAZZ
LRV 21

DE5934
BAY FOG
LRV 30

DE5298
BUTTERSCOTCH SYRUP
LRV 38

DE5209
CINNABAR
LRV 22

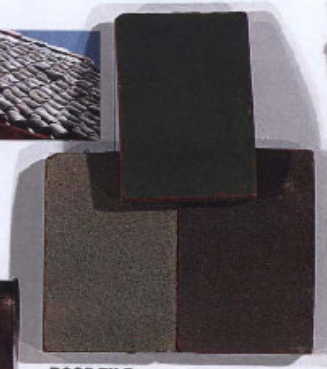
DE5153
IRON ORE
LRV 16

#NA2-1531-25-09
DRYVIT COLOR
BRIGHT BLUE
LRV 12

HIGHLIGHT COLORS

NATURALLY WEATHERED COPPER

METAL ROOF
•
PATINA GREEN



ROOF TILE
OLD SAGUARO BLEND by M.C.A.

CLIFFSIDE BROWN

COLORED CONCRETE

AUTUMN
by SUPERLITE

COCOA BROWN
by SUPERLITE

HARVEST BROWN
by SUPERLITE

PLUM
by SUPERLITE

PLUM
by TRENDSTONE

PEBBLE BEACH
by TRENDSTONE

MASONRY

COLOR / MATERIAL PALETTE 23

Burlini/Silberschlag, Ltd.
Architects & Planners, AIA
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ORO VALLEY MARKETPLACE
SWC OF TANGERINE RD. & ORACLE RD.
ORO VALLEY, ARIZONA
06-1065
06-15-06

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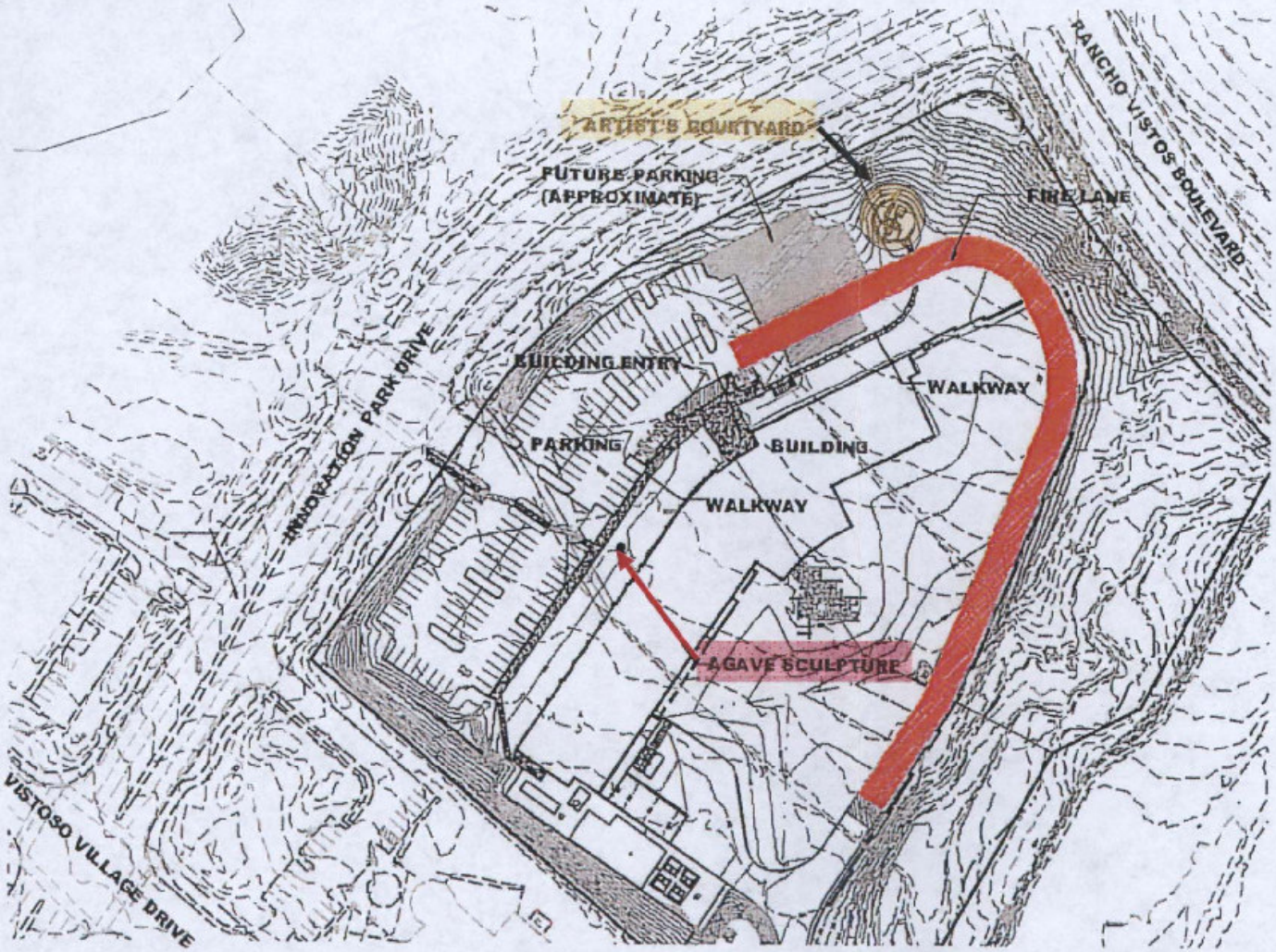
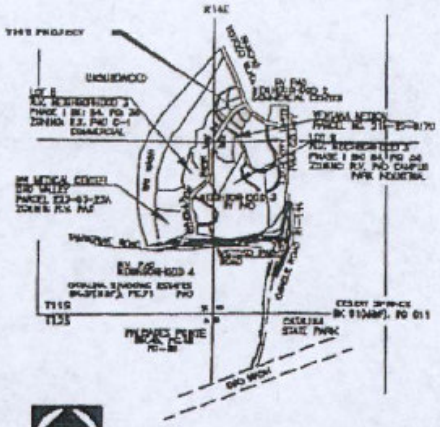
Vestar

Attachment C – Conceptual Design Examples

Art for
sanofi aventis





LOCATION MAP

OWNER/DEVELOPER

SANOFI-AVENTIS
1580 E. HANLEY BOULEVARD
TUCSON, AZ 85737
ATTN: BETH KOCH

The WLB Group WLB

0' 100' 200'

SCALE 1"=100'

TUCSON RESEARCH CENTER

ART PROJECT OVERVIEW

SANOFI AVENTIS

LOTS 9 AND 10

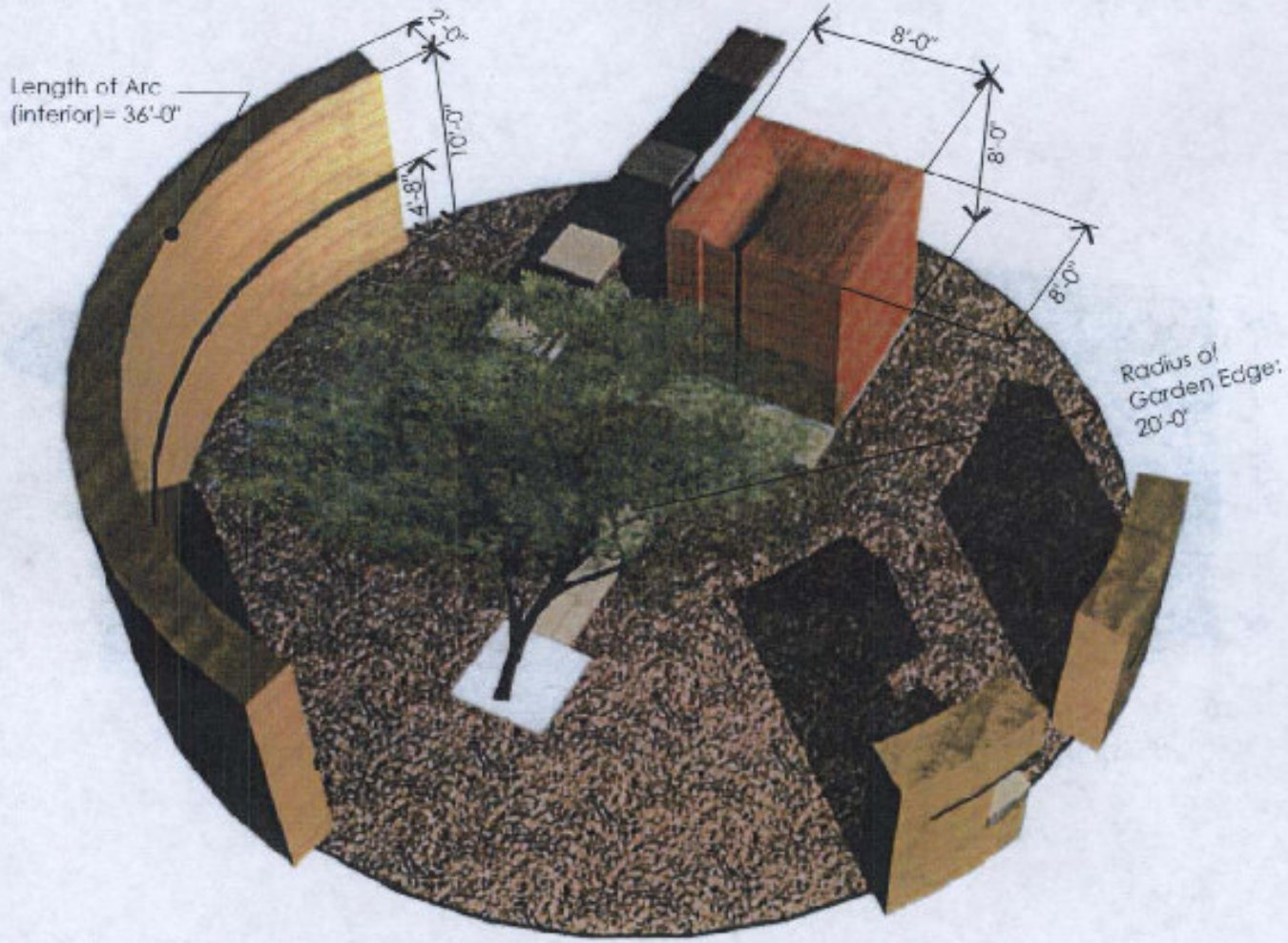
SECTION 29, T. 11 S., R. 14 E., G.S.R.M.,
TOWN OF ORD VALLEY, PIMA COUNTY, ARIZONA

WLB# project No. 185050-RS-001

view towards main entry
sanofi aventis - Oro Valley AZ
KLING STUBBINS
WLB

sanofi aventis - Oro Valley AZ

rsp KLING STUBBINS WLB



Submittal of

Outdoor Public Art for

Sanofi-Aventis

Design/Artist: Rebecca Thompson

Pendulum Studios
rebecca@thomsonsculpture.com
520.341.0922

11.21.08

consulting: atelierprojects
[illegible]
Tucson AZ 85730

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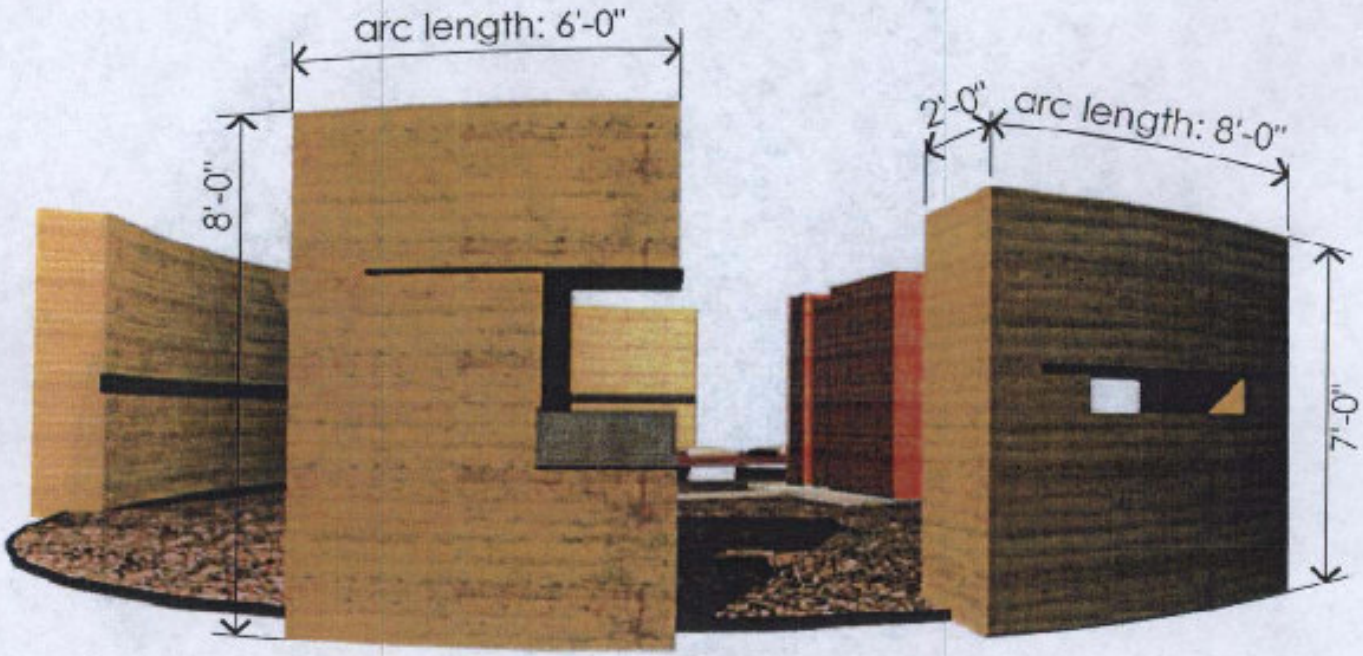

Submittal of

Outdoor Public Art for

Sanofi-Aventis

Design/Artist: Rebecca Thompson

Pendulum Studios
rebeccathompsonsculpture.com
520.240.0922

1.21.08

consulting: digital[illegible]
p.o. box 14.66
Tucson AZ 85732

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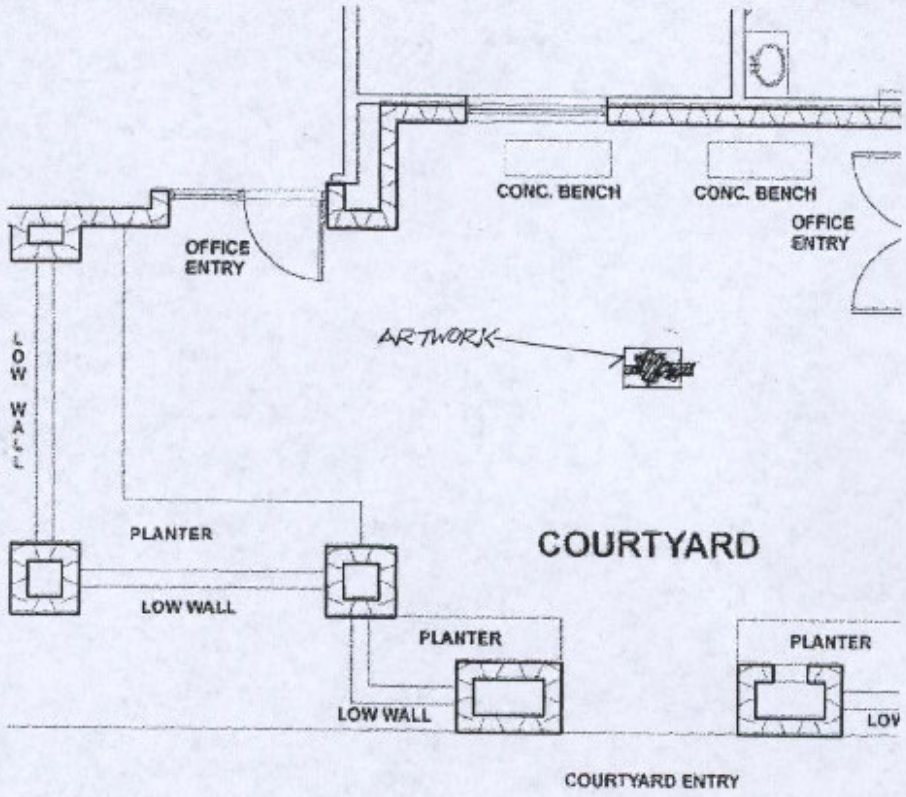
Attachment C – Conceptual Design Examples

Art for
Linaker Orthodonics


CONC. BENCH
CONC. BENCH
OFFICE ENTRY
OFFICE ENTRY
ARTWORK
LOW WALL
PLANTER
COURTYARD
LOW WALL
PLANTER
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LOW
COURTYARD ENTRY

Paul Orzech Sculpture Studio
3210 East 23rd Street Tucson, AZ 85713
Paul@paulorzech.com 520.981.6957 www.paulorzech.com

Sculptures Dimensions:

~60" high x 18"' x 22"

Sculpture Material:

Welded Stainless Steel

Base Dimensions:

~ 38" high by 40" by 27.5"

Base Material:

Concrete with stone facing

Total Height:

96"

Mounting:

4- 1/2 inch stainless Steel nuts and all-thread 6 inches long with concrete epoxy

Front View

Sculpture Stainless Steel Sample:

Base Stone Facing Sample:

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Sculptures Dimensions:

~60" high x 18"' x 22"

Sculpture Material:
Welded Stainless Steel

Base Dimensions:
~ 38" high by 40" by 27.5"

Base Material:
Concrete with stone facing

Total Height:
96"

Mounting:
4- 1/2 inch stainless Steel nuts and all-thread 6 inches long with concrete epoxy

Side View- Left

Sculpture Stainless Steel Sample:

Base Stone Facing Sample: