

**AGENDA
ORO VALLEY TOWN COUNCIL
REGULAR SESSION
March 7, 2012
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

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.

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

- A. Minutes - September 7, 2011
- B. Appointments to the Historic Preservation Commission
- C. Resolution No. (R)12-12 Authorizing and approving an Intergovernmental Agreement with Golder Ranch Fire District for Radio Repeater Equipment at Water Plant 16
- D. Resolution No. (R)12-13, Authorizing the execution and delivery of a Purchase Agreement, a Trust Agreement, an Obligation Purchase Agreement and a Continuing Disclosure Certificate; Approving an Official Statement; Approving the Sale, Execution and Delivery of Excise Tax Revenue Obligations, Series 2012, Evidencing a Proportionate Interest of the Owners thereof in a Purchase Agreement between the Town of Oro Valley, Arizona, and a Trustee, and the Sale Thereof to the Purchaser thereof; Authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and Declaring an Emergency

REGULAR AGENDA

1. RESOLUTION NO. (R)12-14, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY, THE PIMA COUNTY FREE LIBRARY DISTRICT AND PIMA COUNTY FOR THE TRANSFER OF THE ORO VALLEY PUBLIC LIBRARY FROM AN AFFILIATE LIBRARY TO A BRANCH LIBRARY
2. REINSTATEMENT OF THE MARCH 21, 2012 REGULAR SESSION TOWN COUNCIL MEETING
3. REQUEST FOR APPROVAL OF CONCEPTUAL SITE PLAN, CONCEPTUAL ARCHITECTURE, AND CONCEPTUAL PUBLIC ARTWORK FOR LA FITNESS, A PROPOSED INDOOR RECREATION/FITNESS CENTER LOCATED AT THE NORTHEAST CORNER OF ORACLE ROAD AND HARDY ROAD
4. PUBLIC HEARING: ORDINANCE NO. (O)12-04, AMENDING THE ORO VALLEY ZONING CODE REVISED, CHAPTER 28, SIGNS, SECTION 28.7.A., ADDING NEW SUBSECTION 28.7.A.6. COMMUNITY EVENT SIGN; AND AMENDING SECTION 28.9.A., PROHIBITED PERMANENT AND TEMPORARY SIGNS, AND SECTION 28.6.B.1., BANNER; REPEALING ALL RESOLUTIONS, ORDINANCES AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH; PRESERVING THE RIGHTS AND DUTIES THAT HAVE ALREADY MATURED AND PROCEEDINGS THAT HAVE ALREADY BEGUN THEREUNDER
5. DISCUSSION AND POSSIBLE ACTION REGARDING FUNDING FOR NEW RESTROOM FACILITY AT STEAM PUMP RANCH

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: 2/29/12 at 5:00 PM by 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 Town Clerk's Office between the hours of 8:00 a.m. – 5:00 p.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 Mayor.

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.



Town Council Regular Session

Item # A.

Meeting Date: 03/07/2012

Requested by: Julie Bower, Town Clerk

Submitted By:

Tracey Gransie, Town
Clerk's Office

Department: Town Clerk's Office

Information

SUBJECT:

Minutes - September 7, 2011

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

N/A

BACKGROUND OR DETAILED INFORMATION:

N/A

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to (approve, approve with the following changes) the September 7, 2011 minutes.

Attachments

9 7 11

**MINUTES
ORO VALLEY TOWN COUNCIL
REGULAR SESSION
SEPTEMBER 7, 2011
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CAÑADA DRIVE**

REGULAR SESSION

CALL TO ORDER

Mayor Hiremath called the meeting to order at 6:00 PM.

ROLL CALL

PRESENT: Satish Hiremath, Mayor
Mary Snider, Vice Mayor
Bill Garner, Councilmember
Barry Gillaspie, Councilmember
Joe Hornat, Councilmember
Steve Solomon, Councilmember
Lou Waters, Councilmember

PLEDGE OF ALLEGIANCE

Boy Scout Troop 222 led the audience in the Pledge of Allegiance.

UPCOMING MEETING ANNOUNCEMENTS

Interim Town Manager Greg Caton reviewed the upcoming meetings.

COUNCIL REPORTS

Councilmember Solomon announced that the Transit subcommittee had met with the Regional Transportation Authority (RTA) and users regarding Coyote Run. He stated that the most promising option was to subcontract with the RTA and to have the town provide the transportation, drivers, etc.

Vice Mayor Snider reported that several Councilmembers had attended the Arizona Parks and Recreation Association Awards Banquet, and that the town had received a Community award in recognition of the Christina Taylor-Green statue located in James D. Kriegh Park which had been made from World Trade Center materials.

Councilmember Garner gave an update on a recent federal judge decision that had been made to reinstate the Local Transportation Assistance Fund which had been swept and that the town may see their share of those funds.

Councilmember Waters said that the Lambert Lane speed limit was reduced to 25 mph because of construction. He also stressed that the walkway was closed during construction but was not scheduled for elimination.

DEPARTMENT REPORTS

Town Clerk Julie Bower announced that the artist on display in the Council Chambers was Kathryn Pastryk, an Oro Valley resident who specialized in acrylics and watercolors.

Ms. Bower also announced that the candidate handbooks for the spring 2012 Council election were available to the public.

Development and Infrastructure Services (DIS) Director Suzanne Smith concurred that the multi-use path along Lambert Lane was still in existence during the construction and that a sidewalk would be added to the North side of the road for pedestrians. She added that phase I of the pavement management program for the Lambert Lane project went out to bid and that the lowest bidder was about \$20K under budget.

Chief Sharp mentioned that the area schools had participated in the annual Shop-with-A-Teacher that afternoon, which was sponsored by the Oro Valley Fraternal Order of Police, and that the Golder Ranch Fire Department (GRFD) had also participated. He explained that the event was a partnership with Target and that they provided \$250 per school to offset classroom expenses.

Councilmember Hornat asked if the Lambert Lane walkway was closed for use, and DIS Director Smith confirmed that it would be closed for the duration of the project, which was about 19 months.

Interim Town Manager Greg Caton conveyed that the town's home page would be updated frequently with information regarding the Lambert Lane project.

Mr. Caton also introduced the new Communications Administrator, Misti Nowak.

ORDER OF BUSINESS

Mayor Hiremath announced that the agenda would stand as posted.

CALL TO AUDIENCE

Mary Modaff, a volunteer for Therapeutic Riding of Tucson (TROT), announced that TROT was an organization that used horses for rehabilitation therapy and that they were interested in opening an equine-assisted services facility at Steam Pump Ranch.

Bill Adler, Oro Valley citizen, stated that the General Plan amendments that were going forward provided an opportunity for the Council to spend time with Town staff to understand the five required criteria outlined in the Zoning code for General Plan approval.

PRESENTATIONS

1. Proclamation Recognizing September 2011 as National Emergency Preparedness Month

Mayor Hiremath read the proclamation which recognized September, 2011 as National Emergency Preparedness Month in Oro Valley.

2. Presentation of National Purchasing Institute (NPI) Achievement of Excellence in Procurement Award to Brian Garrity, C.P.M., CPPB, Procurement Administrator

Mayor Hiremath presented an Achievement of Excellence in Procurement Award from the National Purchasing Institute to Oro Valley Procurement Administrator Brian Garrity, which he received for the fourth year in a row.

3. Presentation of Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting to Mary Rallis, CPA, Accounting Supervisor and Linda Ragsdale, CPA, Senior Accountant

Mayor Hiremath presented a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association to Mary Rallis and Linda Ragsdale in the Oro Valley Finance Department for the Town's comprehensive annual reporting, which the town received for the 17th year in a row.

Next, Vice Mayor Snider referenced the first proclamation and thanked Dick Tracy, Chairman of the Oro Valley Citizens Corps Council, for his volunteerism and noted that he was the town's liaison to the County's Citizen Corp Council as well.

Councilmember Garner referenced information provided in the Informational Items and asked Chief Sullivan for the call breakdown report from the Mountain Vista Fire Department.

CONSENT AGENDA

Consent Agenda items (B), (D), (F), (G), (J) were pulled at the request of Council.

- A. Minutes - April 27, May 4, May 18, June 1, June 15, July 6, July 20 2011
- C. Procurement Division Quarterly Report - April 1, 2011 through June 30, 2011
- E. Metropolitan Tucson Convention and Visitors Bureau Quarterly Report: April 1, 2011 - June 30, 2011
- H. DIS Transit Division Report - July 2011
- I. Approval of a Final Plat Resubdivision of San Jose Plaza, Lot 4
- K. Resolution No. (R)11-56 Authorizing and approving a drainage easement acquisition agreement between the Town of Oro Valley and Danny J. and Donna Lynn Hughes for a portion of Parcel 224-27-299B for the Lambert Lane Project between La Canada Drive and Pusch View Lane
- L. Resolution No. (R)11-57 Authorizing and approving a Slope Easement Acquisition Agreement between the Town of Oro Valley and Frank and Sherry Greth for a portion of Parcel 224-27-2890 for the Lambert Lane Project between La Canada Drive and Pusch View Lane
- M. Resolution No. (R)11-58 Authorizing and approving a license agreement between the Town of Oro Valley and Evergreen-Steam Pump, L.L.C. for the National Night Out Event
- N. Resolution No. (R)11-59 Authorizing and approving an amendment to the Town Financial and Budgetary Policies, adding a new Section C.5, authorizing signatures on checks

MOTION: A motion was made by Mayor Hiremath and seconded by Vice Mayor Snider to approve Consent Agenda items (A), (C), (E), (H), (I), (K), (L), (M), and (N).

MOTION carried, 7-0.

B. Fiscal Year 2010/11 Year-End Financial Update (PULLED FOR DISCUSSION BY COUNCILMEMBER GARNER)

Councilmember Garner noted Attachment B and the asterisked energy efficiency upgrades. He asked the Finance Director how much of the deficit was equated to the Town's solar project.

Ms. Lemos answered that none of the deficit amounts were attributable to the solar project. She explained that those amounts were for the energy efficiency upgrades that included a new HVAC unit, light fixture replacements, window films, and other building improvements that were paid for out of the contingency funds.

Councilmember Garner then referenced bullet point two under the General Fund Revenues and noted that the budget came in at 6.6% under, and asked if it had been readjusted monthly. Ms. Lemos confirmed that her department kept tabs on the Ventana project and tracked those projections accordingly. She also agreed that a large majority of the deficit included the Ventana project.

Councilmember Garner's final question was on bullet point three under General Fund Expenditures and he asked for an explanation regarding Attachment B and why the Parks, Recreation, Library, and Cultural Resources (PRLCR) Department went over-budget by 2.4%.

Ms. Lemos replied that the PRLCR Department went over by \$70K because of the replacement of a water line meter at James D. Kriegh Park. She explained that as a result the meter measured the real water being used. In addition, there was a larger payout to contractors for the recreation programs.

Councilmember Garner commended the departments that came in at budget and helped the town's bottom line.

Councilmember Solomon thanked all the departments because their workloads had increased, customer service feedback was fantastic, and he gave kudos to all the employees.

MOTION: A motion was made by Councilmember Garner and seconded by Councilmember Waters to approve Consent Agenda item (B).

MOTION carried, 7-0.

D. Economic Development Division Quarterly Report: April 1, 2011 - June 30, 2011 (PULLED FOR DISCUSSION BY COUNCILMEMBER HORNAT)

Councilmember Hornat inquired about the site visit information, and asked that the Economic Development Administrator look into the five businesses that

specifically had signage concerns, and report back to Council on whether or not there was an issue that needed to be resolved.

MOTION: A motion was made by Councilmember Hornat and seconded by Vice Mayor Snider to approve Consent Agenda item (D).

MOTION carried, 7-0.

F. Police Department Statistics - June 2011 (PULLED FOR DISCUSSION BY COUNCILMEMBER WATERS)

Councilmember Waters complimented the Police Department for cracking the burglary ring in Oro Valley. He questioned Chief Sharp on whether the department was equipped to perform the numerous dark house checks that were being requested.

Chief Sharp responded that the dark house checks were performed by the Citizen Volunteer Assistants Program (CVAP) members who felt rewarded for the job that they did in the community, and that after a recent influx there were about 90 volunteers altogether.

Councilmember Waters asked if there were enough vehicles to complete the checks and the Chief responded that there were enough, but that a vehicle was down in June because of a transmission problem.

Councilmember Hornat asked why the CVAP hours were down with so many dark house checks, and the Chief replied that the loss of a vehicle caused the volunteers to be down by 30% in June.

MOTION: A motion was made by Councilmember Waters and seconded by Vice Mayor Snider to approve Consent Agenda item (F).

MOTION carried, 7-0.

G. DIS Permitting Division Reports - July 2011 (PULLED BY COUNCILMEMBER HORNAT)

Councilmember Hornat questioned the spreadsheet which listed the cumulative figures for the last fiscal year because they were too low.

Development and Infrastructure Services (DIS) Department Director Suzanne Smith concurred that it was difficult to understand. She explained that the figures that were listed were only for July, 2010/11 because that was the only month that would be compared to the current month's report for July, 2011/12.

Councilmember Hornat then pointed out the DIS Chart of Customers and asked who they referenced and Ms. Smith responded that those were walk-in's that came to the DIS counter for some sort of assistance.

MOTION: A motion was made by Councilmember Hornat and seconded by Councilmember Gillaspie to approve Consent Agenda item (G).

MOTION carried, 7-0.

J. Resolution No. (R)11-55 Authorizing and approving a task force agreement between the Drug Enforcement Administration ("DEA") and the Town of Oro Valley ("Town") for the participation of two Oro Valley police officers in the High Intensity Drug Trafficking Area (HIDTA) Pima County/Tucson Metro Counter Narcotics Alliance (CNA) Task Force and one police officer in the Pima County HIDTA Investigative Task Force (PCHITF). (PULLED BY COUNCILMEMBER GARNER)

Councilmember Garner referenced item #7 of the contract which talked about the overtime rate being paid at a GS-12, Step 1, Federal employee rate. He pointed out that the agreement was for two years at a cap of approximately \$4300, and asked if that amount was for two years or based on an annual basis.

Chief Sharp replied that the contract was based on a cycle basis which is a federal fiscal year, and that in addition to the overtime cap the Department could use seizure money for full reimbursement for overtime for the positions.

Councilmember Garner added that the Police Department was down three full-time officers and did not feel that Oro Valley had the luxury of supplying officers out of the town. He stated that the officers for the contract were deputized as Federal officers so the citizens were paying taxes to Oro Valley as well as federal taxes to support the program.

In response to the Finance Director's comment that the Drug Enforcement Agency (DEA) paid full reimbursement for the officers, Councilmember Solomon stated that Oro Valley would not have the capacity for the officers if they were not funded by the DEA. He noted that it was not a double taxation and that the officers received specialty training from the DEA with an education provided for by the federal government.

Chief Sharp discussed the different positions that the officers would hold which included the dismantling of racketeering organizations, mid-high level enforcement of suppliers and drug cartels, and street level narcotics. He expounded on the training the officers would receive such as RICO statutes, forfeitures, surveillance methods, and other contemporary ways of handling crimes.

Councilmember Waters asked if the Community Action Team (CAT) squad would be affected negatively by the assignment of police officers to the special task force.

Chief Sharp replied that the CAT squad's job was to address community issues such as burglaries, and that they were not an undercover narcotics unit. He added that they assisted with:

- Traffic issues
- When the first day of school convened
- Quality of life issues
- Other neighborhood concerns

Councilmember Hornat questioned why the contract stated on page one that it was for two years, but the term of the agreement was effective until September 30, 2012.

Chief Sharp reiterated that there were overlapping cycles so that there was always funding, and that the contracts would always come back to Council for the renewal.

Vice Mayor Snider stressed that participation on the task forces demonstrated a region-wide approach to law enforcement which allowed Oro Valley officers to glean expertise from area officers they worked with.

Councilmember Gillaspie confirmed that paragraph #7 does not mean that Oro Valley was responsible for the salary and benefits, but only for setting the rate of pay for the officers. He also confirmed that the availability of funds, up to the limit in overtime hours, would be the overtime cap as discussed.

Chief Sharp agreed that there was a cap, but that there was a provision in the contract which allowed the officers to utilize seizure funds.

Councilmember Garner questioned the number of sworn officers on the force and asked if the amount was 97.

Chief Sharp agreed that there were 97 sworn officers and that of those, seven officers were on a task force.

MOTION: A motion was made by Vice Mayor Snider and seconded by Councilmember Solomon to approve Consent Agenda item (J).

MOTION carried, 6-1 with Councilmember Garner opposed.

REGULAR AGENDA

1. PUBLIC HEARING - DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 10 (BEER & WINE STORE) LIQUOR LICENSE FOR QUIKTRIP #1475 LOCATED AT 11045 N. ORACLE ROAD

Town Clerk Julie Bower reviewed the applicant's information, and stated that no protests had been received and that the Police Department had no objections to the approval of the license.

Mayor Hiremath opened the public hearing. No comments were received and Mayor Hiremath closed the public hearing.

MOTION: A motion was made by Councilmember Waters and seconded by Councilmember Gillaspie to recommend the approval of the issuance of the Series 10 Liquor License to the Arizona Department of Liquor Licenses and Control for Mr. Troy DeVos for QuikTrip #1475 located at 11045 N. Oracle Road, Oro Valley, AZ, 85737.

MOTION carried, 7-0.

2. PUBLIC HEARING - DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 10 (BEER AND WINE STORE) LIQUOR LICENSE FOR GIANT #617 LOCATED AT 8080 N. ORACLE ROAD

Town Clerk Julie Bower reviewed the applicant's information for a transfer of ownership, and stated that no protests had been received and that the Police Department had no objections to the approval of the license.

Mayor Hiremath opened the public hearing. No comments were received and Mayor Hiremath closed the public hearing.

Councilmember Hornat asked if Mr. Burton was the owner/operator or an officer of the Corporation. Mr. Burton clarified that he was a Resident Agent and a representative for the company.

MOTION: A motion was made by Vice Mayor Snider and seconded by Councilmember Garner to approve the issuance of the Series 10 Liquor License to the Arizona Department of Liquor Licenses and Control for Mr. Roger Burton for Giant #617 located at 8080 N. Oracle Road, Oro Valley, AZ, 85737.

MOTION carried, 7-0.

3. PUBLIC HEARING - DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 12 (RESTAURANT) LIQUOR LICENSE FOR AMARSI RISTORANTE LOCATED AT 12152 N. RANCHO VISTOSO BLVD. #170

Town Clerk Julie Bower reviewed the applicant's information for a transfer of ownership, and stated that no protests had been received and that the Police Department had no objections to the approval of the license.

Mayor Hiremath opened the public hearing. No comments were received and Mayor Hiremath closed the public hearing.

MOTION: A motion was made by Councilmember Gillaspie and seconded by Vice Mayor Snider to approve the issuance of the Series 12 Liquor License to the Arizona Department of Liquor Licenses and Control for Mr. Karim Hamdan for Amarsi Ristorante located at 12152 N. Rancho Vistoso Boulevard #170, Oro Valley, AZ, 85755.

MOTION carried, 7-0.

4. PUBLIC HEARING - DISCUSSION AND POSSIBLE ACTION REGARDING AN APPLICATION FOR A SERIES 12 (RESTAURANT) LIQUOR LICENSE FOR CARLOTA'S AUTHENTIC MEXICAN CUISINE LOCATED AT 10420 N. LA CANADA DR. #170

Town Clerk Julie Bower reviewed the applicant's information for a new application, and stated that no protests had been received and that the Police Department had no objections to the approval of the license.

Mayor Hiremath opened the public hearing. No comments were received and Mayor Hiremath closed the public hearing.

MOTION: A motion was made by Councilmember Hornat and seconded by Vice Mayor Snider to approve the issuance of the Series 12 Liquor License to the Arizona Department of Liquor Licenses and Control for Ms. Ana Perez for Carlota's Authentic Mexican Cuisine located at 10420 N. La Canada Dr. #170, Oro Valley, Arizona, 85737.

MOTION carried, 7-0.

5. DISCUSSION AND POSSIBLE ACTION REGARDING AN AMENDMENT TO THE STEAM PUMP VILLAGE MASTER SIGN PROGRAM

Planning Division Manager David Williams presented information on the Steam Pump Village Master Sign Program (MSP) and the proposal for an amended wall

sign and service station/fuel sign. He then reviewed the key differences of the proposed MSP versus the Oro Valley Zoning Code.

Councilmember Garner inquired as to why the proposed sign size was now 55 sq. feet when at the Conceptual Design Review Board (CDRB) meeting the sign size was 50 sq. feet.

Mr. Williams responded that the applicant came back after the (CDRB) meeting and submitted their sign permit for 5 sq. feet more than they were asking for, which did not violate any Code provision or noticing requirement.

Vice Mayor Snider asked from where exactly the extra 5 sq. feet came from, and Mr. Williams replied that the way Oro Valley did their calculations, the framing around the lettering was included also.

Councilmember Gillaspie commented that he did not think a 72% increase of sign size, just because of speed, was justified based on the information supplied, and asked for an explanation.

Mr. Gil Alexander, member of the Conceptual Design Review Board, explained that most of their meeting discussion was on the height of the sign and not on the speed.

Mr. Williams remarked further that there were no specific standards that stated that signs should not be bigger, but that historically the town did not support bigger signs.

Mr. Williams summarized the request for amendment and noted that it was permitted by the Zoning Code and that the CDRB had recommended the approval for 50 sq. feet with two additional conditions.

Councilmember Waters mentioned that the CDRB did not have a good explanation of why the Council should accept a 72% increase in size and asked if a bright red illuminated sign was necessary.

Mr. Williams answered that he was concerned that the sign was double the size of what was normally allowed, but staff only had the Sign Code in place for recommending a denial.

Councilmember Hornat asked if this was the applicant's standard sign size and Mr. Williams confirmed that it was.

Councilmember Gillaspie asked the applicant what their standard sign size was in Tucson, and Mayor Hiremath asked the applicant to come to the podium.

Keri Silvyn, representative for Steam Pump Village and the Quik Trip, pointed out that the Master Sign Program within Steam Pump Village had a standard monument sign size of 50 sq. feet. She stated that the City of Tucson did not account for white space behind lettering when they did their wall sign calculations, so each individual letter was calculated. Ms. Silvyn also noted that the gas sign would be placed below the grade of the street.

Councilmember Garner inquired as to whether the applicant was amenable to putting a frame around the sign, and the applicant signaled that he would frame the red area.

Mr. Wooten from Quik Trip came to the podium and stated that the green diesel lettering was an insert and that there was nothing electronic on the sign.

Councilmember Gillaspie reiterated that the policy issue at hand was the approval of a sixth additional monument sign/fuel sign.

Councilmember Hornat asked if the illuminated sign would face the back of the wash because it was four-sided.

Ms. Silvyn noted that the amendment pertained to the distribution of the signs so that a single tenant could have a sign on all four sides of the building, and a multi-tenant could have signs on three sides of the building. The Sign Code exception would still be in force pertaining to trails.

MOTION: A motion was made by Councilmember Hornat and seconded by Councilmember Solomon to approve the amendment to the Steam Pump Village Master Sign Program, subject to the conditions in Exhibit "A."

Exhibit "A"

Conditions of Approval

Steam Pump Village Master Sign Program Amendment

OV311-004

1. Section VI.A.14.b, *Colors*, shall indicate that various Plexiglas letters and logo colors may utilize the approved Master Sign Program (MSP) colors as well as corporate sign or logo colors as defined by the MSP. No fluorescent or iridescent colors shall be permitted.
2. Section IV, *Prohibited Signs*, shall include a provision that "A-frame" signs are prohibited unless expressly permitted by Chapter 28 of the Oro Valley Zoning Code.

MOTION carried, 7-0.

6. DISCUSSION AND POSSIBLE ACTION REGARDING AN AMENDMENT TO THE SHOPS AT ORO VISTA MASTER SIGN PROGRAM

Planning and Zoning Division Manager David Williams explained that the case was similar to the previous item, but only involved one amendment for two additional wall sign colors for the Noble Hops Restaurant and Bar. Mr. Williams stated that there was only one approved color for wall signs in the development, and reviewed other signs in the center. He then summarized the proposed amendment and informed the Council that the Conceptual Design Review Board has recommended approval subject to conditions.

MOTION: A motion was made by Vice Mayor Snider and seconded by Councilmember Gillaspie to approve The Shops at Oro Vista Master Sign Program amendment, subject to the condition in Attachment 2.

Attachment 2

Condition of Approval

The Shops at Oro Vista Master Sign Program Amendment
OV307-002A

1. The background color to wall signs utilizing colors PMS 410C and PMS 433C shall be identical to the main building wall color of the retail center.

MOTION carried, 7-0.

FUTURE AGENDA ITEMS

Councilmember Waters moved to have staff prepare a future agenda item to discuss recreational facilities and opportunities with the possible inclusion of a skate park in Oro Valley, to the Regular Session meeting on November 2, 2012, seconded by Councilmember Gillaspie.

Vice Mayor Snider directed staff to prepare a future agenda item in the establishment of a Youth Advisory Commission for Oro Valley, seconded by Councilmember Waters.

CALL TO AUDIENCE

John Musolf, Oro Valley resident, suggested that the Town hold a study session for residents to understand how items became a Consent Agenda item versus a Regular Agenda item.

ADJOURNMENT

MOTION: A motion was made by Councilmember Waters and seconded by Vice Mayor Snider to adjourn the meeting at 7:34 PM.

MOTION carried, 7-0.

Prepared by:

Tracey L. Gransie
Assistant to the Town Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular session of the Town of Oro Valley Council of Oro Valley, Arizona held on the 7th day of September 2011. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2012.

Julie K. Bower, MMC
Town Clerk



Town Council Regular Session

Item # B.

Meeting Date: 03/07/2012

Submitted By: Julie Bower, Town Clerk's Office

Department: Town Clerk's Office

Information

SUBJECT:

Appointments to the Historic Preservation Commission

RECOMMENDATION:

The selection committee for the Historic Preservation Commission recommends the following appointments:

Marilyn Lane for a term expiring 12/31/2014

Susannah Myerson for a term expiring 12/31/2014

EXECUTIVE SUMMARY:

The selection committee conducted interviews.

BACKGROUND OR DETAILED INFORMATION:

Boards and Commissions in various areas of interest have been organized for residents to take an active role in their Town Government. The service and dedication of the board and commission members is invaluable and helps keep Oro Valley a community of excellence.

The applications of the prospective new board members are attached.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to (approve or deny) the following appointments to the Historic Preservation Commission:

Marilyn Lane for a term expiring 12/31/2014

Susannah Myerson for a term expiring 12/31/2014

Attachments

HPC Applications



DEC 29 11PM 2011 TOV

ORO VALLEY VOLUNTEER APPOINTMENT APPLICATION

Dear Oro Valley Citizen:

We appreciate your interest in the Town of Oro Valley. This informational form, when completed, will allow us to quickly process your application by assisting us in understanding how we can best use your talents and experience. A list describing the Town's Boards and Commissions is attached for your reference. Information reflecting the procedures surrounding the appointment process to Boards is also attached. Your application will remain on file for two years from the date of receipt. We thank you kindly for volunteering to serve the Town!

Please note: No volunteer shall serve on more than one standing Board at any time.

Return this application to the Town Clerk's Office, 11000 N. La Cañada Drive, Oro Valley, Arizona 85737.

Name LANE Marilyn Jean Ms.
Last First Middle Suffix

Address 11420 N. Scioto Ave Oro Valley, AZ. 85737
Street City State Zip

Home Phone (520) 229-1480 Business Phone _____ Cellular Phone (520) 907-0906

Number of Years in Oro Valley 11 Email Address MloveLane@aol.com

Signature Marilyn Lane Date 12-26-11

Please indicate the board or commission you wish to join: Historic Preservation Commission

Please list your volunteer services in Oro Valley and with other organizations including any boards or commissions on which you have served: (board/commission, civic, educational, cultural, social, etc.) Docent AZ. State Museum.
Gover, Saaca, President Co. Assoc. for G.Ed, Consultant in Education, USA+
Internationally, Ed. Foundation, Campbell, Ca, Volunteer of Year, Campbell Ca,
Kiwanis, International Presenter on Education, Self Dev, & Leadership.

How does your previous volunteer service prepare you for the board or commission appointment for which you have applied? Please describe an issue considered at a meeting of the Board or Commission for which you are applying.

My extensive travel (over 30 countries) my training and volunteer work as
an ASM docent, my education in anthropology and continuing interest and
work in history of culture and my experience and expertise in writing
and speaking have prepared me for service on this commission.

Have you attended the Community Academy or CPI? No What Year? _____ If not, are you willing to attend? Yes.

Briefly describe your educational/vocational background.
B.A. English, M.A. Ed. Teaching and Adm. Credentials, teacher 2-8, adjunct
professor Santa Clara University, Consultant in Ed. over 20 countries.
Published author, minor in anthropology.

IF DESIRED, ADDITIONAL INFORMATION MAY BE ATTACHED
www.orovalleyaz.gov

CURRICULUM VITAE
MARILYN LANE
EDUCATOR AND CHILD ADVOCATE

Marilyn Lane is an educational consultant and immediate past president of the California Association for the Gifted. She received a Bachelor's Degree with Honors in English from California State University East Bay and a Master of Arts degree and an administrative credential from California State University at San Jose. She has been a classroom teacher, a library media coordinator, and teacher of the gifted. Her administrative positions include Director of GATE in an international school, elementary school principal, and Coordinator of Gifted Services. Marilyn is an international consultant in gifted education and "Creating Caring School Environments." She has been teaching certification classes in differentiation and gifted education in various counties in California. She has also been an adjunct professor at Santa Clara University.

Ms. Lane volunteers her time and talents on boards and community services. She has been president of the California Center for Self-Esteem and currently serves on the advisory board for the National Council for Self-Esteem and the International Council for Self-Esteem. She is the author of articles on giftedness and social studies curriculum. She has co-authored a book on parenting, and is currently writing a book on grandparenting. She continues to present at numerous conferences both here and abroad. She divides her time between her home in Arizona and her summer home in northern California. She has four grown children and four grandchildren and enjoys spending time with her family. Reading, writing, and traveling are her favorite pastimes.



FEB 2012 9:00 AM

ORO VALLEY VOLUNTEER APPOINTMENT APPLICATION

Dear Oro Valley Citizen:

We appreciate your interest in the Town of Oro Valley. This informational form, when completed, will allow us to quickly process your application by assisting us in understanding how we can best use your talents and experience. A list describing the Town's Boards and Commissions is attached for your reference. Information reflecting the procedures surrounding the appointment process to Boards is also attached. Your application will remain on file for two years from the date of receipt. We thank you kindly for volunteering to serve the Town!

Please note: No volunteer shall serve on more than one standing Board at any time.

Return this application to the Town Clerk's Office, 11000 N. La Cañada Drive, Oro Valley, Arizona 85737.

Name Myerson Susannah C.
Last First Middle Suffix

Address 10169 N. Pitching Wedge Oro Valley, AZ 85737
Street City State Zip

Home Phone 615-3792 Business Phone 797-4000 Cellular Phone 309-5855

Number of Years in Oro Valley 11 Email Address SCMyerson@gmail.com

Signature [Signature] Date 2-1-12

Please indicate the board or commission you wish to join: Historic Preservation

Please list your volunteer services in Oro Valley and with other organizations including any boards or commissions on which you have served: (board/commission, civic, educational, cultural, social, etc.)

Parks + Rec Board - served for 5 years

Board Member of Early Childhood Education Group

How does your previous volunteer service prepare you for the board or commission appointment for which you have applied? Please describe an issue considered at a meeting of the Board or Commission for which you are applying.

In my time on PRAB we often had issues that overlapped with HPC, such as plans for Steam Pump Ranch.

Have you attended the Community Academy or CPI? YES What Year? Not sure (sorry!) If not, are you willing to attend? _____

Briefly describe your educational/vocational background.

B.S. Economics, Master of Public Administration

Work as Director of Strategic Planning for Watermark Retirement Communities

IF DESIRED, ADDITIONAL INFORMATION MAY BE ATTACHED
www.orovalleyaz.gov



Town Council Regular Session

Item # C.

Meeting Date: 03/07/2012

Submitted By: Kevin Verville, Information
Technology

Department: Information Technology

Information

SUBJECT:

Resolution No. (R)12-12 Authorizing and approving an Intergovernmental Agreement with Golder Ranch Fire District for Radio Repeater Equipment at Water Plant 16

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

This Intergovernmental Agreement seeks to enhance emergency communications and collaboration between the Town of Oro Valley and Golder Ranch Fire District by co-location of emergency radio equipment on Water Plant 16 (La Reserve). The Golder Ranch Fire Board approved this IGA on February 14, 2012.

BACKGROUND OR DETAILED INFORMATION:

This additional VHF medical response repeater will dramatically improve radio communications in the Canyon del Oro River basin area that Golder Ranch Fire District serves, improving the health, safety, and welfare of Oro Valley residents. All equipment and installation will be provided by Golder Ranch Fire District.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to (approve or deny) Resolution No. (R)12-12, Authorizing and Approving an Intergovernmental Agreement between Golder Ranch Fire District and the Town of Oro Valley for Radio Repeater Equipment at Water Plant 16.

Attachments

Reso 12-12

IGA - Radio Equipment

RESOLUTION NO. (R)12-12

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA AUTHORIZING AND APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY AND GOLDER RANCH FIRE DISTRICT FOR LOCATION OF RADIO REPEATER EQUIPMENT AT THE TOWN'S WATER PLANT 16

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. § 11-951, *et seq.*, the Town of Oro Valley is authorized to enter into intergovernmental agreements for joint and cooperative action; and

WHEREAS, pursuant to A.R.S. § 48-801 and A.R.S. § 11-951, *et seq.*, the Golder Ranch Fire District ("District") is authorized to enter into intergovernmental agreements for joint and cooperative action; and

WHEREAS, the Town and the District desire to enter into an intergovernmental agreement to locate the District's radio repeater and associated equipment at the Town's Water Plant 16; and

WHEREAS, locating the radio repeater and associated equipment at the Town's Water Plant 16 will improve radio communications in the Canyon del Oro River basin area that the District serves, improving the health, safety and welfare of the Town's residents; and

WHEREAS, it is in the best interest of the Town to enter into the Intergovernmental Agreement with the District, attached hereto as Exhibit "A" and incorporated herein by this reference, to set forth the terms and conditions for the location of the radio repeater and associated equipment at the Town's Water Plant 16.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL of the Town of Oro Valley, Arizona that:

1. The Intergovernmental Agreement between the Town of Oro Valley the Golder Ranch Fire District, attached hereto as Exhibit "A" and incorporated herein by this reference, in order to set forth the terms and conditions for the location of a radio repeater and associated equipment at the Town's Water Plant 16, is hereby approved.
2. The Mayor of the Town of Oro Valley and 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 Town Council of the Town of Oro Valley, Arizona this 7th day of March, 2012.

TOWN OF ORO VALLEY

Dr. Satish I. Hiremath, Mayor

ATTEST:

Julie K. Bower, Town Clerk

Date: _____

APPROVED AS TO FORM:

Tobin Rosen, Town Attorney

Date: _____

EXHIBIT “A”

INTERGOVERNMENTAL AGREEMENT

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE TOWN OF ORO VALLEY
AND
GOLDER RANCH FIRE DISTRICT
FOR RADIO REPEATER AT WATER PLANT 16**

This Intergovernmental Agreement ("Agreement") is entered into this ____ day of March, 2012 by and between the Town of Oro Valley, a body politic of the State of Arizona (the "Town") and the Golder Ranch Fire District (the "District"), collectively referred to as the parties.

RECITALS

- A. The Town has authority to enter this Agreement pursuant to A.R.S. 9-240 et. seq and 11-951 et. Seq. The District has authority to enter this Agreement pursuant to A.R.S. 48-801 et. seq and 11-951 et. seq.
- B. The parties enter this Agreement for the purpose of locating the District's radio repeater and associated equipment (the "radio equipment") at Water Plant 16, 2520 E. Ponticello, Oro Valley (the "Water Plant"). The location of the radio equipment at the Water Plant is illustrated on the attached Exhibit A.
- C. The parties have each determined that this Agreement is in the best interests of each and is entered into for the further purposes of promoting safety and welfare of the Town and District through the use of emergency radio communications.
- D. The Town and District each desire the location of the radio equipment at the Water Plant upon the terms and conditions set forth in this Agreement.

For valuable consideration, including the mutual promises and conditions set forth in this Agreement, the parties agree as follows:

- 1. Recitals. The Recitals set forth above are incorporated into the terms and conditions of this Agreement.
- 2. Responsibilities of the District. It is the responsibility of the District to install, operate and maintain the radio equipment at the District's expense at the Water Plant. The radio equipment shall remain the property of the District.
 - a. The District will carry out its obligations to operate and maintain the radio equipment with appropriately trained personnel as mutually acceptable to the Town.
 - b. The District will obtain the approval of the Town prior to scheduling the installation of the radio equipment.
 - c. The District shall operate the radio equipment in a manner that shall not cause radio frequency (RF) interference to the Town of Oro Valley Water Utility's current or future radio control systems. If it is determined that District radio equipment is causing interference, the interference promptly shall be remedied or the Agreement

- will be subject to termination pursuant to paragraph 9 below.
- d. In the event that authorized District personnel require access to the Water Plant to repair or maintain the proper operation of the radio equipment, the parties shall arrange mutually acceptable access.
 - e. The District, through its respective governing body, officers and employees, agrees to take such actions as may be necessary or reasonably required to carry out its obligations pursuant to this Agreement with reasonable promptness.
3. Responsibilities of the Town. It is the responsibility of the Town to provide reasonable access to the District for the installation, operation and maintenance of the radio equipment at the Water Plant.
 - a. The Town will provide all authorizations in a prompt and timely manner and will not unreasonably withhold any authorization or approval contemplated by this Agreement.
 - b. The Town will provide a reasonable electric power supply consistent with the regular use of the radio equipment, at no cost to the District.
 - c. The Town, through its respective governing body, officers and employees, agrees to take such actions as may be necessary or reasonably required to carry out its obligations pursuant to this Agreement with reasonable promptness.
 4. Authorized Personnel. Authorized personnel for the District will be the District Information Technology Manager (IT Manager) and or the District Communications Officer or such person as the Fire Chief may designate. Authorized personnel for the Town will be to the Water Production Facilities – Superintendent or his designee. Each party will give prompt notice to the other of any change in personnel as related to this Agreement.
 5. Third Party Access. It may become necessary at times that the District requires a third party such as specialized vendors or technicians from another district to assist in troubleshooting or repairs to District owned radio equipment. All third party members will be escorted at all times by authorized personnel of the District and the Town of Oro Valley Water Utility.
 6. Financial Resources. Each party acknowledges that it has adequate resources within its current budget to carry out the terms of this Agreement.
 7. Insurance. The parties agree that they shall maintain for the duration of this Agreement policies of public liability insurance covering all their obligations undertaken in the implementation of this Agreement providing bodily injury limits of not less than one million dollars for any person and not less than one million dollars for any one occurrence and property damage liability to a limit of not less than one million dollars.
 8. Indemnification.
 - A. By District. District shall indemnify, defend, and hold harmless, the Town, its

officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands or damages of any kind or nature arising out of this Agreement which are attributed to any action or omission of the District, its agents, employees, or anyone acting under its direction, control or on its behalf, unless such actions are due solely to the negligence of the Town. The District's obligations pursuant to this section shall survive the termination, cancellation or expiration of this Agreement.

B. By Town. The Town shall indemnify, defend and hold harmless the District, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands or damages of any kind or nature arising out of this Agreement which are attributed to any action or omission of the Town, its agents, employees or anyone action under its direction, control or on its behalf, unless such action are due solely to the neglect of the District. The Town's obligations pursuant to this section shall survive the termination or cancellation or expiration of this Agreement.

9. Term of the Agreement. This Agreement shall remain in effect for 24 months and shall renew automatically unless otherwise terminated. This agreement may be terminated by either party upon 30-days written notice. Upon termination, the parties shall provide a reasonable time for the District to remove its radio equipment.
10. Mutually Negotiated Terms. This Agreement has been mutually negotiated by the parties.
11. 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. Venue for any action relating to this Agreement shall be in Pima County, Arizona. To the extent legally applicable, the parties agree to use arbitration as provided by A.R.S. 12-1518 to resolve disputes arising out of this Agreement. Any changes in the governing laws, rules and regulations during the terms of this Agreement shall apply but do not require an amendment.
12. Non-Discrimination. The parties shall not discriminate against any 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 duties pursuant to this Agreement.
13. Severability. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue to be valid and enforceable to the full extent permitted by law.
14. Conflict of Interest. This Agreement is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511.
15. Non-Appropriation. Notwithstanding any other provision in this Agreement, this Agreement may be terminated if for any reason either the Town or the District does not appropriate sufficient monies for the purpose of maintaining this Agreement. In the event of such

cancellation, the Town shall not have any further obligation to the District and District shall have no further obligation to Town other than to cooperate in the recovery their respective property.

16. 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 such party shall have the sole responsibility of the payment of Worker's Compensation benefits or other fringe benefits of said employees.
17. No Joint Venture. This Agreement does not create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between Town and any District employees, or between the District and any Town employees. No party shall be liable for any debts, accounts, obligations or other liabilities whatsoever of any other party, including (without limitation) any other party's obligation to withhold Social Security and income taxes for itself or any of its employees.
18. No Third Party Beneficiaries. Nothing in the provisions of this Agreement is intended to create duties or obligation to or rights in third parties not parties to this Agreement, or affect the legal liability of any party to the Agreement by imposing any standard of care different from the standard of care imposed by law.
19. Notice. Any and all notices, requests and/or demands made upon a party pursuant to or in conjunction with this Agreement shall be delivered in person and deemed delivered upon receipt or by U.S. Mail and deemed given five business days following depositing in the mail, first class postage prepaid to:

The Town:
The Town of Oro Valley
Attn: Town Manager
11000 N. La Canada Drive
Oro Valley, AZ 85737

With a copy to:
Town of Oro Valley
Attn: Water Utility Director
11000 N. La Canada Drive
Oro Valley, AZ 85737

With a copy to:
Tobin Rosen, Town Attorney
11000 N La Canada Drive
Oro Valley, AZ 85737

The District:
Golder Ranch Fire District
Attn: Fire Chief
3885 East Golder Ranch Drive
Tucson, AZ 85739

With a copy to:
Donna Aversa
7440 N. Oracle Road, Building #2
Tucson, AZ 85737

20. Amendments. This Agreement contains the entire Agreement between the parties. No change or addition is to be made to this Agreement except by a written amendment executed by the Town and the District.

21. Authority. By their signatures below, each party represents that it has obtained approval of its governing body at a duly noticed public meeting.

The "Town"
The Town of Oro Valley

The "District"
Golder Ranch Fire District

By: _____
Dr. Satish I. Hiremath, Mayor

by: _____
Its: Chairperson

Attest:

Julie K. Bower, Clerk

Its Clerk

The foregoing Intergovernmental Agreement between the Golder Ranch Fire District and the Town of Oro Valley has been reviewed pursuant to A.R.S. § 11-952 by the undersigned, who have determined that it is in the 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.

Approved as to form:

Tobin Rosen, Town

Attorney for the District



Town Council Regular Session

Item # D.

Meeting Date: 03/07/2012

Requested by: Stacey Lemos

Submitted By:

Stacey Lemos, Finance

Department: Finance

Information

SUBJECT:

Resolution No. (R)12-13, Authorizing the execution and delivery of a Purchase Agreement, a Trust Agreement, an Obligation Purchase Agreement and a Continuing Disclosure Certificate; Approving an Official Statement; Approving the Sale, Execution and Delivery of Excise Tax Revenue Obligations, Series 2012, Evidencing a Proportionate Interest of the Owners thereof in a Purchase Agreement between the Town of Oro Valley, Arizona, and a Trustee, and the Sale Thereof to the Purchaser thereof; Authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution; and Declaring an Emergency

RECOMMENDATION:

Staff recommends approval of Resolution No. (R)12-13.

EXECUTIVE SUMMARY:

At the December 7, 2011 regular Council Meeting, the Town Council directed staff to establish funding for and implement phases 1 and 3 of the Oro Valley Municipal Pool Feasibility Study. The total estimated construction budget for this project is \$3.45 million consisting of the following funding sources:

- Parks and Recreation Impact Fees cash reserve balance of \$400,000
- Bed Tax fund cash reserves of \$500,000 (current total balance is approximately \$840,000)
- New excise tax revenue obligations of \$2.55 million

This item requests Council approval of the resolution to authorize the issuance of the excise tax revenue obligations outlined above. Also on file with the Town Clerk are the following standard documents supporting the issuance of the obligations:

- Draft Preliminary Official Statement (also attached hereto)
- Purchase Agreement
- Trust Agreement
- Obligation Purchase Agreement
- Continuing Disclosure Certificate
- Issuance Financing Calendar (also attached hereto)

Once approved, these documents will be finalized by the financing team in preparation for bond rating discussions with Standard & Poor's and distribution to prospective investors. The expected closing date on the bonds is targeted for the end of March or first week of April.

The Town's financing team consists of Town Finance Department staff; Gust Rosenfeld, PLC as special counsel; Stone & Youngberg, a Division of Stifel Nicolaus as underwriter; and Greenberg Traurig, LLP as underwriter's counsel. Mr. Mark Reader, Managing Director of Stone & Youngberg, and Mr. Scott Ruby, Esq., of Gust Rosenfeld, PLC, will be present at the meeting to answer any specific questions regarding

the bond issuance.

BACKGROUND OR DETAILED INFORMATION:

The new excise tax revenue obligation proceeds of \$2.55 million, in addition to the other local funding sources outlined above, will be used to fund improvements and expand the existing Oro Valley Municipal Pool facility to allow the Town to host large scale swim meets and other special events resulting in increased economic benefits to the Town.

Phases 1 and 3 of the Oro Valley Municipal Pool Feasibility Study, completed in March 2011, include requisite Americans with Disabilities Act (ADA) improvements, as well as enhancements such as a splash pad, raised deck, improved and expanded locker rooms, additional shaded deck space, a new gutter system, timing system with scoreboard, along with a new 6-lane lap pool.

The Town is currently in negotiations with Swaim Associates for project design services, and proposals for Construction Manager at Risk are due to the Town on February 27, 2012. It is anticipated that the Town will close on the bond sale by the end of March or early April, so that all funding sources are available with sufficient time prior to the groundbreaking of the project. To facilitate this, the attached resolution includes an emergency clause which makes the resolution immediately effective to allow the financing team the flexibility to go to market with these obligations at the appropriate time to secure the most favorable interest rates.

FISCAL IMPACT:

The debt service on these bonds has been estimated at approximately \$235,000 per year for 15 years based on an estimated interest rate of 4.25% used for planning purposes. This interest rate is not locked in until bonds are sold, and current interest rates are at historically low levels. Therefore, the actual debt service may be lower depending upon market conditions on the day of sale. The annual debt service payments on these obligations will be paid with the Town's bed tax revenues and have no impact on the Town's General Fund.

SUGGESTED MOTION:

I move to approve Resolution No. (R)12-13.

Attachments

Reso 12-13

Prelim Official Stmt

Financing Calendar

RESOLUTION NO. (R)12-13

RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT, A TRUST AGREEMENT, AN OBLIGATION PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE; APPROVING AN OFFICIAL STATEMENT; APPROVING THE SALE, EXECUTION AND DELIVERY OF EXCISE TAX REVENUE OBLIGATIONS, SERIES 2012, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN A PURCHASE AGREEMENT BETWEEN THE TOWN OF ORO VALLEY, ARIZONA, AND A TRUSTEE, AND THE SALE THEREOF TO THE PURCHASER THEREOF; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND DECLARING AN EMERGENCY.

WHEREAS, the Town of Oro Valley, Arizona (the "Town"), desires to finance the aquatic facility improvement project at the James D. Kriegh Park described on Exhibit A hereto (the "Project") through the execution and delivery of not to exceed \$2,600,000 Excise Tax Revenue Obligations, Series 2012 (the "Obligations"), by a Trustee (the "Trustee") pursuant to a Trust Agreement to be dated on or after April 1, 2012 (the "Trust Agreement") between the Trustee and the Town, evidencing a proportionate interest of the owners thereof in a Purchase Agreement to be dated on or after April 1, 2012 (the "Purchase Agreement"), between the Trustee and the Town; and

WHEREAS, a proposal will be received from Stone & Youngberg, a Division of Stifel Nicolaus & Company Incorporated (the "Purchaser") for the purchase of the Obligations; and

WHEREAS, the Town Clerk has presented to the Mayor and Council at this meeting (i) the proposed form of the Purchase Agreement; (ii) the proposed form of the Trust Agreement; (iii) the proposal of the Purchaser to purchase the Obligations in the form of an Obligation Purchase Agreement (the "Obligation Purchase Agreement"); (iv) the proposed form of a Continuing Disclosure Certificate to be dated on or after April 1, 2012 (the "Undertaking"); and (v) a preliminary form of the Official Statement relating to the Obligations (the "Preliminary Official Statement");

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

Section 1. Determination of Need. It is hereby found and determined that the financing of the Project pursuant to the terms of the Purchase Agreement, the Trust Agreement and the Obligation Purchase Agreement is in the best interest of and in furtherance of the purposes of the Town and in the public interest.

Section 2. Terms of Obligations. The Town hereby approves the execution and delivery of the Obligations, as hereinafter described, by the Trustee. The Obligations shall be executed in the aggregate principal amount of not to exceed \$2,600,000. The Obligations shall be in the denomination of \$5,000 of principal amount or any integral multiples thereof, shall be dated the date of their initial execution and delivery, and shall bear interest from such date payable on January 1 and July 1 of each year, commencing January 1, 2013, and shall be fully registered without coupons as provided in the Trust Agreement. The Obligations shall bear interest at the rates per annum set forth in the Obligation Purchase Agreement but not exceeding an average net interest cost of 5% and shall mature on July 1 in any or all of the years no earlier than 2013 and no later than 2027.

The forms, terms, interest rates, maturity dates, maturity amounts and provisions of the Obligations and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Trust Agreement.

Section 3. Award to Purchaser. The Obligations are hereby awarded to the Purchaser pursuant to the Obligation Purchase Agreement.

Section 4. Authorize Final Approval. The Mayor, any Council Member, the Town Manager or Finance Director are each authorized to approve the final interest rates, maturity dates, maturity amounts, purchase price and redemption provisions and cause the same to be set forth in the documents. The form, terms and provisions of the Purchase Agreement, the Trust Agreement, the Obligation Purchase Agreement and the Undertaking in the form of such documents (including the exhibits thereto) presented at this meeting are hereby approved, with such final provisions, insertions, deletions and changes as shall be approved by the Mayor, any Council Member, the Town Manager or Finance Director, the execution of such document being conclusive evidence of such approval, and the Mayor, any Council Member, the Town Manager or Finance Director and the Clerk are hereby authorized and directed to execute and deliver, where applicable, or approve the Purchase Agreement, the Trust Agreement, the Obligation Purchase Agreement and the Undertaking.

Section 5. Bond Insurance. The Mayor, any Council Member, the Town Manager or Finance Director and Clerk are hereby authorized and directed to purchase municipal bond insurance, surety bonds or other credit enhancement as may be deemed appropriate and beneficial by the Mayor, any Council Member, the Town Manager or Finance Director to pay or cause to be paid all premiums attendant thereto and to enter into any obligations or agreements on behalf of the Authority to repay amounts paid thereon by the providers thereof.

Section 6. Official Statement. The Preliminary Official Statement is deemed "final" for all purposes of Section 240.15c2-12, General Rules and Regulations, Securities Exchange Act of 1934, and is hereby authorized and approved in substantially the form presented at this meeting, and the distribution of the Preliminary Official Statement is hereby authorized and approved. The Town will cause a final official statement (the "Official Statement") in substantially the form of the Preliminary Official Statement to be prepared and distributed with the Obligations upon initial issuance. The Mayor, any Council Member, the Town Manager and Finance Director are each authorized to approve, execute and deliver the Official Statement on behalf of the Town and the execution by such officer shall be deemed conclusive evidence of such

approval. The Town authorizes the use by the Purchaser of copies of the Preliminary Official Statement and the Official Statement in connection with the public offering and sale of the Obligations.

Section 7. Selection of Trustee; Trustee Action. The Town Manager or his designee or Finance Director or her designee shall select a bank or trust company to act as Trustee. The Town hereby requests the Trustee so selected to take any and all action necessary in connection with the execution and delivery of the Purchase Agreement, the Trust Agreement, the Obligation Purchase Agreement, the execution, delivery and sale of the Obligations and the acquisition of the Project.

Section 8. Pledge of Excise Taxes. Pursuant to the Purchase Agreement and the Trust Agreement, the Town shall pledge all its unrestricted excise, transaction, franchise, privilege and business taxes, state-shared sales and income taxes, fees for licenses and permits, bed and rental taxes and state revenue-sharing, now or hereafter validly imposed by the Town or contributed, allocated and paid over to the Town and not earmarked by the contributor for a contrary or inconsistent purpose ("Excise Taxes") to the payments and other amounts to come due under the Purchase Agreement and the Trust Agreement. The Town's obligation to make any payments under the Purchase Agreement or the Trust Agreement does not constitute an obligation of the Town or the State of Arizona, or any of its political subdivisions, for which the Town or the State of Arizona, or any of its political subdivisions, is obligated to levy or pledge any form of ad valorem property taxation nor does the obligation to make Payments or any other payments under the Purchase Agreement or the Trust Agreement constitute an indebtedness of the Town or of the State of Arizona or any of its political subdivisions within the meaning of the Constitution of the State of Arizona or otherwise. The pledge will be on a parity with certain outstanding pledges of such Excise Taxes as described in the Trust Agreement.

Section 9. Buyer to Maintain Coverage of Two Times Debt Service. Pursuant to the Purchase Agreement, the Town will covenant and agree that the Excise Taxes which it presently imposes will continue to be imposed in each fiscal year so that the amount of Excise Taxes, all within and for the next preceding fiscal year of Town, shall be equal to at least two (2) times the Annual Debt Service Requirement (as defined in the Trust Agreement) payable under the Purchase Agreement, and under any Outstanding Parity Obligations, for the current Bond Year (as defined in the Trust Agreement). The Town will further covenant and agree that if such receipts for any such fiscal year shall not equal at least two (2) times such Annual Debt Service Requirement for such Bond Year, or if at any time it appears that the current fiscal year's receipts will not be sufficient to meet the current Bond Year's actual Annual Debt Service Requirement, the Town will either impose new Excise Taxes or will increase the rates of such taxes currently imposed in order that (i) the current Fiscal Year's receipts will be sufficient to meet the current Bond Year's Annual Debt Service Requirement and (ii) the then current fiscal year's receipts will be equal to at least two (2) times the next succeeding Bond Year's Annual Debt Service Requirement.

Section 10. Resolution Irrepealable. After any of the Obligations are delivered by the Trustee to the Purchaser thereof upon receipt of payment therefor, this resolution shall be and remain irrepealable until the Obligations and the interest and premium, if any, thereon shall have been fully paid, cancelled and discharged.

Section 11. Execution of Documents and Other Proceedings. The Mayor and the Clerk and the officers of the Town, on behalf of the Town, are each hereby authorized and directed, without further order of the Council, to execute and deliver such certificates, proceedings and agreements as may be necessary or convenient to be executed and delivered on behalf of the Town, to evidence compliance with, or further the purposes of, all the terms and conditions of this resolution.

The Mayor and Council hereby authorize the Town Manager, or his or her designee, and Finance Director, or his or her designee, to represent and act for the Town in all matters pertaining to the Town's tax-exempt bonds, as may be necessary to comply, on a continuing basis, with the Internal Revenue Service, Securities Exchange Commission and other governmental entities requests, reporting requirements and post issuance compliance policies and matters.

Section 12. Qualified Tax-Exempt Obligations. In the event the Bonds qualify as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code, the Mayor and the Finance Director are each hereby authorized and directed, without further order of the Council, to execute and deliver a certification as part of the closing certificates, that it is reasonably anticipated that the aggregate amount of qualified tax-exempt obligations (as defined in Section 265(b)(3)(B) of the Code) which will be issued for or by the Town in the current calendar year will not exceed \$10,000,000.

Section 13. Severability. If any section, paragraph, clause or phrase of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or phrase shall not affect any of the remaining provisions of this resolution.

Section 14. Waiver of Inconsistency. All orders, resolutions and ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order, resolution or ordinance or any part thereof.

Section 15. Timely Delivery. The immediate need for the proceeds of the Obligations to satisfy the Town's obligations regarding timely payment of the acquisition cost of certain property, the exigencies of the municipal bond market, and the need for an early closing to secure the most favorable interest rates on the Obligations require that the Obligations be issued and delivered as soon as possible.

Section 16. Emergency. Therefore, the immediate effectiveness of this resolution is necessary for the preservation of the peace, health and safety of the Town, an emergency is declared to exist, and this resolution shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona, this 7th day of March, 2012.

Dr. Satish I. Hiremath, Mayor

ATTEST:

Julie K. Bower, Town Clerk

Date: _____

I hereby certify that the above and foregoing Resolution No. (R)12-13 was duly passed by the Mayor and Council of the Town of Oro Valley, Arizona, at a regular meeting held on March 7, 2012, and that a quorum was present thereat.

Julie K. Bower, Town Clerk

APPROVED AS TO FORM:

Tobin Rosen, Town Attorney

Date: _____

EXHIBIT A

THE PROJECT

Aquatic Facility Improvement Project at the James D. Kriegh Park

Improvements to municipal pool including improvements to gutter system, addition of six-lane, 25 yard lap pool, scoreboard and timing system, shaded bleacher area and additional shade structure throughout, interactive splash pad and remodeling restrooms and changing rooms and such other capital improvements that benefit the Town incurred after the issuance of the Obligations as may be authorized by the Finance Director.

NEW ISSUE BOOK-ENTRY-ONLY

RATING: See "RATING" herein.

In the opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Special Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the Town, as mentioned under "TAX EXEMPTION" herein, interest income on the portion of each Payment and Prepayment, if any, made by the Town under the Purchase Agreement and denominated as and comprising interest income pursuant to the Purchase Agreement and received by the Owners of the Obligations is excluded from gross income for federal income tax purposes and is exempt from Arizona income taxes. Such interest income is not an item of preference to be included in computing the alternative minimum tax of individuals or corporations; however, such interest income must be taken into account for federal income tax purposes as an adjustment to alternative minimum taxable income for certain corporations, which income is subject to the federal alternative minimum tax. See "TAX EXEMPTION," "ORIGINAL ISSUE DISCOUNT" and "ORIGINAL ISSUE PREMIUM" herein.

\$2,550,000*

TOWN OF ORO VALLEY, ARIZONA
EXCISE TAX REVENUE OBLIGATIONS, SERIES 2012

DRAFT II
2/28/12

Dated: Date of Initial Delivery

Due: July 1, as shown on the inside front cover page

The Town of Oro Valley, Arizona Excise Tax Revenue Obligations, Series 2012 (the "Obligations") are being executed and delivered pursuant to a Trust Agreement to be dated as of April 1, 2012* (the "Trust Agreement"), between the Town of Oro Valley, Arizona (the "Town"), and _____, as trustee (the "Trustee"), in order to provide funds to acquire, construct and install the Project (as defined herein) and to pay costs of issuance of the Obligations. The Obligations will be in fully-registered form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository for the Obligations. Purchases of the Obligations initially will be made in book-entry form in the book-entry-only system of DTC only through DTC participants in the amount of \$5,000 of principal due on a specific maturity date or any integral multiple thereof. Purchasers will not receive certificates representing their beneficial interests in the Obligations. DTC will be responsible for distributing the principal and interest payments to its direct and indirect participants who will, in turn, be responsible for distribution of such amounts to the beneficial owners of the Obligations.

The Obligations will mature on the dates and in the principal amounts and will bear interest at the rates all as set forth on the inside front cover page. Interest on the Obligations will accrue from the date of initial delivery and will be payable semiannually on January 1 and July 1 of each year, commencing January 1, 2013*, until maturity or prior redemption.

SEE INSIDE FRONT COVER PAGE FOR MATURITY SCHEDULE

The Town and DTC each reserve the right to discontinue the use of the book-entry-only system at any time. Utilization of the book-entry-only system will affect the method and timing of payment of the Obligations and the method of transfer of the Obligations. So long as the book-entry-only system is in effect, a single fully registered bond for each maturity of the Obligations will be registered in the name of Cede & Co., as nominee of DTC, through the Trustee. So long as the book-entry-only system is in effect and Cede & Co. is the registered owner of the Obligations, all references herein to owners of the Obligations will refer to Cede & Co. and not the Beneficial Owners. See APPENDIX G – "BOOK-ENTRY-ONLY SYSTEM."

The Obligations are subject to optional redemption prior to their stated maturity dates. See "THE OBLIGATIONS – Redemption Provisions" herein.

The Obligations will be payable from purchase payments (the "Payments") and prepayments, if any (the "Prepayments"), to be made by the Town pursuant to a Purchase Agreement, to be dated as of April 1, 2012*, between the Trustee, as seller, and the Town, as purchaser. The Payments and the Prepayments, together with amounts due with respect to Existing Parity Obligations and Additional Parity Obligations (both as defined herein) will be payable solely from a pledge of, and secured by a first lien on, the Excise Taxes (as defined herein) received by the Town, generally consisting of all excise, transaction, franchise, privilege and business taxes, state-shared sales and income taxes, fees for licenses and permits, bed and rental taxes and state-shared revenue-sharing which the Town presently or in the future validly imposes or receives from other entities and which are not earmarked by the contributor for a contrary or inconsistent purpose, such as motor vehicle fuel taxes. The Obligations are not secured by the Project. See "SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS" herein.

THE OBLIGATIONS WILL NOT BE GENERAL OBLIGATIONS OF THE TOWN, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF AND WILL NOT CONSTITUTE AN INDEBTEDNESS OF THE TOWN WHEN COMPUTING ITS LIMIT IMPOSED BY CONSTITUTIONAL OR STATUTORY PROVISIONS OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE TOWN, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF NOR A LIABILITY OF THE TOWN, THE STATE OF ARIZONA OR ANY POLITICAL SUBDIVISION THEREOF FOR PAYMENT OF THE OBLIGATIONS OTHER THAN FROM THE SOURCES PLEDGED THEREFOR.

The Obligations are offered when, as and if executed and delivered and received by the underwriter identified below (the "Underwriter"), subject to the approving opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Special Counsel, as to validity and tax exemption as described above. Certain matters will be passed upon for the benefit of the Underwriter by Greenberg Traurig, LLP, Phoenix, Arizona. It is expected that the Obligations will be available for delivery on or about April 5, 2012*.

This cover page contains certain information for convenience of reference only. It is not a summary of material information with respect to the Obligations. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision with respect to the Obligations.

* Subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$2,550,000*
TOWN OF ORO VALLEY, ARIZONA
EXCISE TAX REVENUE OBLIGATIONS, SERIES 2012

MATURITY SCHEDULE*
Base CUSIP®⁽¹⁾ No. _____

Maturity Date (July 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP® ⁽¹⁾ No.
2013	\$ 100,000	%	%	
2014	130,000			
2015	140,000			
2016	145,000			
2017	150,000			
2018	155,000			
2019	160,000			
2020	170,000			
2021	175,000			
2022	185,000			
2023	190,000			
2024	200,000			
2025	210,000			
2026	215,000			
2027	225,000			

* *Subject to change.*

⁽¹⁾ *Copyright© 2012, CUSIP Global Services. CUSIP®, a registered trademark of the American Bankers Association, CUSIP Data provided by the Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. All rights reserved. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services Bureau. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Obligations. The Town and the Underwriter are not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Obligations or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Obligations as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Obligations.*

TOWN OF ORO VALLEY, ARIZONA

TOWN COUNCIL

Dr. Satish I. Hiremath, *Mayor*
Lou Waters, *Vice-Mayor*
William Garner, *Councilmember*
Barry Gillaspie, *Councilmember*
Joseph Hornat, *Councilmember*
Mary Snider, *Councilmember*
Steve Solomon, *Councilmember*

TOWN ADMINISTRATIVE OFFICERS

Greg Caton, *Interim Town Manager*
Stacey Lemos, *Finance Director*
Julie Bower, *Town Clerk*
Tobin Rosen, Esq., *Town Attorney*
Paul Keesler, P.E., *Development and Infrastructure Services Director*
Ainsley Legner, *Parks, Recreation, Library & Cultural Resources Director*

PROFESSIONAL SERVICES

Special Counsel Gust Rosenfeld P.L.C.
Underwriter’s Counsel..... Greenberg Traurig, LLP
Trustee _____

REGARDING THIS OFFICIAL STATEMENT

No dealer, broker, salesperson or other person has been authorized by the Town of Oro Valley, Arizona (the "Town") or Stifel, Nicolaus & Company, Incorporated, dba Stone & Youngberg, a Division of Stifel Nicolaus (the "Underwriter") to give any information or to make any representations other than those contained in this Official Statement, which includes the cover page, inside cover page and appendices hereto, and, if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the Town's Excise Tax Revenue Obligations, Series 2012 (the "Obligations") by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth in this Official Statement has been obtained from the Town, the Arizona Department of Revenue, the Assessor and Treasurer of Pima County, Arizona, and other sources that are considered to be accurate and reliable and customarily relied upon in the preparation of similar official statements, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the Town or the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

The presentation of information, including tables of receipts from taxes and other sources, shows recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the Town. All information, estimates and assumptions contained herein are based on past experience and on the latest information available and are believed to be reliable, but no representations are made that such information, estimates and assumptions are correct, will continue, will be realized or will be repeated in the future. To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are "forward looking statements" that must be read with an abundance of caution and that may not be realized or may not occur in the future. Information other than that obtained from official records of the Town has been identified by source and has not been independently confirmed or verified by the Town or the Underwriter and its accuracy cannot be guaranteed. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made pursuant hereto will, under any circumstances, create any implication that there has been no change in the affairs of the Town or any of the other parties or matters described herein since the date hereof.

In connection with this offering, the Underwriter may allow concessions or discounts from the initial public offering prices to dealers and others, and the Underwriter may overallocate or engage in transactions intended to stabilize the prices of the Obligations at levels above those which might otherwise prevail in the open market in order to facilitate their distribution. Such stabilization, if commenced, may be discontinued at any time.

The Obligations will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Obligations for sale.

The Town will undertake to provide continuing disclosure as described in this Official Statement under the caption "CONTINUING DISCLOSURE" and in APPENDIX F – "FORM OF CONTINUING DISCLOSURE CERTIFICATE," all pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

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OFFICIAL STATEMENT

\$2,550,000*

TOWN OF ORO VALLEY, ARIZONA EXCISE TAX REVENUE OBLIGATIONS, SERIES 2012

INTRODUCTORY STATEMENT

This Official Statement, which includes the cover page, inside cover page and appendices hereto, has been prepared to provide information in connection with the execution and delivery of \$2,550,000* principal amount of Town of Oro Valley, Arizona Excise Tax Revenue Obligations, Series 2012 (the "Obligations") as described herein. The Obligations will be payable solely from the Payments (as hereinafter defined), and prepayments applied towards the prepayment of the Payments, in whole or in part (the "Prepayments"), if any, to be made by the Town of Oro Valley, Arizona (the "Town"), as the purchase price for certain the acquisition, construction and installation of the aquatic facility improvements at the James D. Kriegh Park (the "Project"), as more fully described under "THE PROJECT," pursuant to a Purchase Agreement, to be dated as of April 1, 2012* (the "Purchase Agreement"), between the buyer, and _____ (the "Trustee" or "Seller"), as seller. The Obligations will be executed and delivered pursuant to the Trust Agreement, to be dated as of April 1, 2012* (the "Trust Agreement"), between the Town and the Trustee. All of the seller's interest under the Purchase Agreement, including, without limitation, the right to receive and collect from the Town under the Purchase Agreement (the "Payments") and the right to enforce the payment of Payments, will be held by the Trustee for the benefit of the registered owners of the Obligations and all obligations issued on a parity therewith. See APPENDIX D – "SUMMARIES OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS" herein.

In general, the Town will be required under the Purchase Agreement to pay the Payments for the Project which are equal to the principal and interest payable with respect to the Obligations. The Payments will be payable from a pledge of, and secured by a first lien on, the Excise Taxes (as defined herein) on a parity with the \$31,670,000 aggregate principal amount outstanding of Town of Oro Valley Municipal Property Corporation Excise Tax Revenue Refunding Bonds, Series 2003 (the "2003 Bonds"), Town of Oro Valley, Arizona Excise Tax Revenue Obligations, Series 2005 (the "2005 Obligations"), Town of Oro Valley Municipal Property Corporation Excise Tax Revenue Refunding Bonds (the "2007 Bonds") and Town of Oro Valley Excise Tax Revenue Obligations, Series 2010 (Federally Taxable – New Clean Renewable Energy Bonds – Direct Payment) (the "2010 Obligations" and, collectively with the 2003 Bonds, the 2005 Obligations, the 2007 Bonds, the "Existing Parity Obligations") and any additional parity obligations that may be issued in the future as provided in the Purchase Agreement ("Additional Parity Obligations" and, together with the Obligations and the Existing Parity Obligations, the "Parity Obligations"). See "EXCISE TAXES" and "SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS" herein.

The offering of the Obligations is made only by this Official Statement, which supersedes any other information or materials used in connection with the offering or sale of the Obligations. Accordingly, prospective purchasers of the Obligations should read this entire Official Statement before making an investment decision.

This Official Statement contains financial and other information derived from the Town's records, except for information expressly attributed to other sources. The presentation of historical information, including tables of receipts from taxes and other revenues, is intended to show recent historical information and is not to be construed as a projection or indication of future or continuing trends in the financial position or other affairs of the Town. No representation is made that past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future.

* *Subject to change.*

The achievement of certain results or other expectations contained in “forward-looking” statements in this Official Statement involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Town does not plan to issue any updates or revisions to those “forward-looking” statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

For definitions of certain words used in this Official Statement, and denoted by initial capital letters, see APPENDIX D – “SUMMARIES OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS.”

Descriptions of the authorization, purpose and terms of the Obligations and summaries of certain provisions of the Purchase Agreement and the Trust Agreement are included in this Official Statement. Such descriptions and summaries are not comprehensive or definitive, and all summaries of and references to the Purchase Agreement and the Trust Agreement appearing herein are qualified by reference to the full text of such documents. References herein to the Obligations are qualified by reference to the form thereof as set forth in the Trust Agreement. Copies of the full texts of the Purchase Agreement and the Trust Agreement are available for inspection at the office of the Trustee, _____, Attention: _____.

THE OBLIGATIONS

General Provisions

The Trustee will prepare, execute and deliver the Obligations in the aggregate principal amount of \$2,550,000* evidencing undivided proportionate ownership interests in the Payments and, if any, the Prepayments. The Obligations will be dated as of the date of their initial delivery and will mature on the dates and will bear interest at the rates per annum shown on the inside front cover page hereof payable January 1 and July 1 of each year (each an “Interest Payment Date”), commencing January 1, 2013*.

The Obligations will initially be registered only in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York (“DTC”), under the book-entry-only system described in APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM” (the “Book-Entry-Only System”). Beneficial ownership interests in the Obligations may be purchased through direct and indirect participants of DTC in amounts of \$5,000 of principal due on a specified maturity date or integral multiples thereof. See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM.”

So long as the Book-Entry-Only System is in effect, payment of principal, interest and premium, if any, will be made by electronic funds transfer to DTC for payment by DTC through DTC participants to beneficial owners of the Obligations (the “Owners” or “Beneficial Owners”).

Interest with respect to the Obligations will accrue from the dated date of the Obligations, or from the most recent Interest Payment Date to which interest has been paid or duly provided. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

See “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT” and “ORIGINAL ISSUE PREMIUM” herein for a discussion of the treatment of the interest on the Obligations for federal income tax purposes.

* *Subject to change.*

Redemption Provisions*

Optional Redemption. The Obligations maturing on or before July 1, 20__ will not be subject to redemption prior to their stated maturity. The Obligations maturing on or after July 1, 20__, will be subject to redemption prior to their stated maturity, in whole or in part, on any date on or after July 1, 20__ from such maturities as may be selected by the Town and by lot within any maturity by such methods as may be selected by the Trustee, from Prepayments made at the option of the Town, at a redemption price equal to the principal amount of the Obligations or portions thereof to be redeemed, together with accrued interest to the date fixed for redemption, but without premium.

Notice of Redemption. If the Book-Entry-Only System is in effect, the Trustee will send notice of redemption to DTC in the manner required by DTC. If the Book-Entry-Only System is not in effect, the Trustee will send notice of redemption by first class mail to the Owners of Obligations to be redeemed, at least thirty (30) days, but not more than sixty (60) days prior to the redemption date. Notice of redemption will also be sent to the Municipal Securities Rulemaking Board (the "MSRB"), currently through MSRB's Electronic Municipal Market Access system, by the method required by the MSRB, but no defect in said further notice or record nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

Such notice must specify: (i) that the Obligations or a designated portion thereof will be redeemed, (ii) the date of redemption, (iii) the place or places where the redemption will be made, and (iv) in the case of each Obligation called only in part, the portion of the principal thereof which is to be redeemed. Such notice will further state that if, on the specified redemption date, moneys for redemption of all said Obligations to be redeemed, together with interest to the date of redemption, will be held by the Trustee, then, from and after such date of redemption, interest with respect to the Obligations so called shall cease to accrue and become payable.

If moneys for the payment of the redemption price and accrued interest are not held in separate accounts by the Town or by a Trustee prior to sending notice of redemption, such redemption will be conditional on such moneys being so held on or prior to the date set for redemption and if not so held by such date, the redemption will be cancelled and be of no force and effect. The notice of redemption will describe the conditional nature of the redemption. If a conditional redemption notice has been given and moneys sufficient to redeem all the Obligations or portions thereof called for redemption is not held in separate accounts by the Town or by a Trustee on the day set for redemption, then such redemption will be cancelled and be of no force and effect.

Partial Redemption of Obligations. Upon surrender of any Obligation redeemed in part only, the Trustee is required to execute and deliver to the registered Owner thereof, at the expense of the Town, a new Obligation or Obligations in an amount equal to the aggregate principal amount of the unredeemed portion of the Obligations surrendered and of the same interest rate and of the same maturity.

THE PROJECT

The Project will consist of the expansion of the current Town Municipal Pool facilities and other related improvements located at James D. Kriegh Park, a 17-acre property located within the limits of the Town to accommodate present and future needs of the Town. Included in the scope of the Project are design and development of architectural and engineering plans and specifications, production of bid documents, all construction and development costs, construction management, and the purchase of fixtures, equipment and furnishings. The Project will include improvements to gutter system, addition of six-lane, 25 yard lap pool, scoreboard and timing system, shaded bleacher area and additional shade structure throughout, interactive splash pad and remodeling restrooms and changing rooms.

No part of the Project will constitute security for payment of the Obligations. In the event of a default under the Trust Agreement or the Purchase Agreement, neither the Trustee nor the Owners of the Obligations will have any recourse to the Project.

* *Subject to change.*

SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS

General

The Obligations will be payable, together with the Existing Parity Obligations and any Additional Parity Obligations, from and secured by a pledge of and first lien on, Excise Taxes. The Obligations will be special revenue obligations, payable solely from the Payments and, if any, the Prepayments, received by the Trustee from the Town under the Purchase Agreement, and amounts from time to time deposited in the funds created under the Trust Agreement, and investment earnings on such funds (except for any investment earnings that are required to be rebated to the United States of America (the "United States") in order to continue the exclusion of the interest payable with respect to the Obligations from gross income for federal income tax purposes). See APPENDIX D – "SUMMARIES OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS." The Trustee will hold its right, title and interest in the Purchase Agreement for the benefit of the Owners of the Obligations pursuant to the Trust Agreement.

THE OBLIGATIONS WILL NOT BE GENERAL OBLIGATIONS OF THE TOWN, THE STATE OF ARIZONA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF AND DO NOT AND WILL NOT CONSTITUTE AN INDEBTEDNESS OF THE TOWN WHEN COMPUTING ITS LIMIT IMPOSED BY CONSTITUTIONAL OR STATUTORY PROVISIONS OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE TOWN, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF NOR A LIABILITY OF THE TOWN, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF FOR PAYMENT OF THE OBLIGATIONS OTHER THAN FROM THE SOURCES PLEDGED THEREFOR.

Covenant to Maintain Debt Service Coverage

In the Purchase Agreement, the Town will covenant and agree that the Excise Taxes that it presently imposes will continue to be imposed so that the amount of Excise Taxes received, all within and for the next preceding fiscal year, shall be equal to at least two (2.0) times the total debt service requirements in the current fiscal year for all outstanding Parity Obligations. The Town will further covenant and agree that if receipts for any fiscal year shall not equal two (2.0) times such debt service requirements for such fiscal year, or it at any time it appears that the current fiscal year's receipts will not be sufficient to meet such fiscal year's actual debt service requirements, it will, to the extent permitted by law, either impose new Excise Taxes or increase the rates of such taxes currently imposed in order that (i) the current fiscal year's receipts will be sufficient to meet all such current fiscal year's debt service requirements and (ii) the then current fiscal year's receipts will be equal to at least two (2.0) times the next succeeding fiscal year's debt service requirements. See "EXCISE TAXES" herein.

Reserve Fund

The Trust Agreement will establish a reserve fund to secure payment of the Obligations (the "Reserve Fund"), but provides that no deposits need to be made into the Reserve Fund if the Excise Taxes collected for the preceding fiscal year are at least two and one-half (2.5) times the highest aggregate debt service requirements on all Parity Obligations for the current or any future fiscal year. In the event that the Excise Taxes collected for the preceding fiscal year are less than two and one-half (2.5) times the highest aggregate debt service requirements on all Parity Obligations for the current fiscal year, the Town shall deposit into the Reserve Fund, on each Interest Payment Date, one-tenth (1/10th) of highest aggregate debt service requirements on any Parity Obligations, except any for which a separate reserve fund is established or for which no reserve fund is required, until the amount in the Reserve Fund equals the Reserve Fund Requirement.

Additional Parity Obligations

Trust Agreement Provisions. The Town may issue one or more series of Additional Parity Obligations under the Trust Agreement. At the time of issuance of Additional Parity Obligations, the Town must enter into an amendment to the Purchase Agreement or new lease or purchase agreement which will provide the additional payments necessary to pay the additional debt service on the Additional Parity Obligations.

Purchase Agreement Provisions. The Town will covenant in the Purchase Agreement not to further encumber the Excise Taxes on a basis equal to the lien enjoyed by the Purchase Agreement, so long as the Purchase Agreement remains unpaid or unprovided for, whether under the Trust Agreement or otherwise, unless the Excise Taxes collected in the next preceding fiscal year shall have amounted to at least two (2.0) times the highest combined Payments to be made for any succeeding twelve (12) months under the Purchase Agreement and any payments to be made on any other Parity Obligations then outstanding and any obligations then proposed to be secured by a pari passu pledge of the Excise Taxes.

Junior Lien Obligations

Neither the Trust Agreement nor the Purchase Agreement will restrict the Town's ability to issue or incur obligations which are secured by Excise Taxes on a basis junior and subordinate to the lien and pledge of Excise Taxes to the Obligations and other Parity Obligations.

EXCISE TAXES

Pursuant to the Purchase Agreement, the Town’s pledge of excise taxes to the payment of Payments includes the Town’s unrestricted excise, transaction, franchise (“Franchise Taxes”), privilege and business taxes, state-shared sales (“State-Shared Sales Taxes”) and state-shared income taxes (“State-Shared Income Taxes” and together with the State-Shared Sales Taxes, the “State-Shared Revenues”), fees for licenses and permits, bed and rental taxes and state revenue-sharing, now or hereafter validly imposed by the Town or contributed, allocated and paid over to the Town and not earmarked by the contributor for a contrary or inconsistent purpose, such as motor vehicle fuel taxes (“Excise Taxes”). NO ASSURANCES CAN BE GIVEN THAT THE AMOUNT OF STATE-SHARED SALES TAXES OR STATE-SHARED INCOME TAXES WILL NOT BE REDUCED OR ELIMINATED BY THE LEGISLATURE OF THE STATE IN THE FUTURE. The major categories of such revenues are discussed more fully below.

Town Sales and Franchise Taxes

Town Sales Taxes. Town Sales Taxes are levied by the Town upon persons on account of their business activities within the Town. The amount of taxes due are calculated by applying the tax rate against the gross proceeds of sales or gross income derived from the business activities shown in the table hereafter. Town Sales Taxes are collected by the Arizona Department of Revenue and remitted to the Town on a monthly basis.

**TABLE 1
TOWN TRANSACTION PRIVILEGE (SALES) TAX RATES BY CATEGORY**

Category	Rate
Mining – nonmetal	2.0%
Utilities	4.0
Communications	2.0
Transporting	2.0
Private (rail) car	2.0
Pipeline	2.0
Publication	2.0
Job printing	2.0
Restaurants and bars	2.0
Amusement	2.0
Personal property rental	2.0
Contracting – prime	2.0
Retail	2.0
Severance – metalliferous mining	2.0
Contracting – owner builder	4.0
Hotel/Motel	6.0
Construction contracting	4.0

Source: Arizona Department of Revenue.

Franchise Taxes. Cities and towns in the State have exclusive control over public rights-of-way dedicated to the municipality and may grant franchise agreements to and impose Franchise Taxes on utilities using those rights-of-way. A franchise may be granted only with voter approval, with the exception of cable television franchises which due to federal law do not require voter approval. The term of voter approved franchises is limited to 25 years. The Town has granted franchises to, and imposed Franchise Taxes on, cable television franchises.

TABLE 2 shows the actual amounts for fiscal years 2006/07 through and including 2010/11 and the budgeted amounts for fiscal year 2011/12 of Town Sales and Franchise Taxes collected by industry classification.

TABLE 2
TOWN SALES AND FRANCHISE TAX COLLECTIONS
BY INDUSTRY CLASSIFICATION
(\$000s omitted)

Industry Classification	Audited					Budgeted (b)
	Fiscal Year 2006/07	Fiscal Year 2007/08	Fiscal Year 2008/09	Fiscal Year 2009/10	Fiscal Year 2010/11	Fiscal Year 2011/12
Construction	\$ 6,895	\$ 7,038	\$ 5,143	\$ 2,110	\$ 1,707	\$ 2,200
Manufacturing	181	280	230	230	266	230
Transportation, communication and util	226	1,279(c)	1,632(c)	1,554(c)	1,534(c)	2,853(d)
Wholesale trade	58	69	54	75	93	95
Retail trade	3,665	4,017	4,264	4,544	4,720	4,668
Restaurant, bars and lodging	2,720	2,775	2,333	2,283	2,314	2,296
Finance, insurance and real estate	859	496	324	381	324	265
Services	313	312	322	378	417	390
All other	167	337	896	627	102	70
Cable franchise tax	478	517	507	509	515	500
Total	\$ 15,562	\$ 17,120	\$ 15,705	\$ 12,691	\$ 11,992	\$ 13,567

(a) *Figures are presented on the cash basis of accounting per the Arizona Department of Revenue Standard Industry Summary Local Taxes Collection Reports for all classifications except cable franchise. Cable franchise taxes are presented on the modified accrual basis of accounting.*

(b) *Budgeted figures provided by the Town. Such budgeted figures are “forward-looking” statements and should be analyzed with an abundance of caution and are not intended as statements or representations of fact or certainty; no representation is made as to the correctness of such estimates or that they will be realized. SUCH BUDGETED FIGURES MUST BE VIEWED WITH AN ABUNDANCE OF CAUTION. Actual figures may vary significantly from budgeted figures shown here.*

(c) *Includes 2.0% utilities tax effective April 1, 2007.*

(d) *Includes increase in utilities tax to 4.0%, effective August 1, 2011.*

Source: Finance Department of the Town.

State-Shared Revenues

From time to time bills are introduced in the State Legislature to make changes in the formula to allot the State-Shared Revenues. The Town cannot determine whether any such measures will become law or how such measures might affect the revenues that comprise the State-Shared Revenues. In addressing State budgetary deficiencies, the Governor and members of the State Legislature have occasionally proposed certain adjustments that would reduce the distribution of the State-Shared Revenues to cities, towns and counties. The Town cannot determine whether such measures will become law in the future or how they might affect the State-Shared Revenues.

In addition, initiative measures may be circulated from time to time seeking to place on the ballot changes in State law which repeal or modify the State-Shared Revenues. The Town cannot predict if any such initiative measures

will ever actually be submitted to the electors, what form the measures might take or the outcome of any such election.

State-Shared Income Taxes. Under current State law, Arizona cities and towns are preempted from imposing a local income tax. However, cities and towns are entitled by statutory formula to receive typically 15.0% of the net revenues of the State’s personal and corporate income tax collections for the two fiscal years prior to the current fiscal year. Distribution of such funds is made monthly based on the proportion of each city’s or town’s population to the total population of all incorporated cities and towns in the State as determined by the latest census. Reduced economic activity or reductions in the statutory formula share could adversely affect the Town’s revenues.

State-Shared Sales Taxes. Pursuant to statutory formula, cities and towns in Arizona receive a portion of the State-levied transaction privilege (sales) tax. The State transaction privilege (sales) tax is levied against the same categories of business activity as the Town’s transaction privilege (sales) tax with the exception of food sales, which the State exempts from tax. As TABLE 4 indicates, the rate of taxation by the State varies among the different types of business activities taxed, with the most common effective rate being subject to the hereinafter described distribution share being 6.60% of the amount or volume of business transacted.

Under current State law, the aggregate amount distributed to all Arizona cities and towns is equal to 25.0% of the “distribution share” of revenues attributable to each category of taxable activity. The allocation of each city and town of the revenues available to all cities and towns is based on their population relative to the aggregate population of all cities and towns as shown by the latest decennial or special census. State-levied transaction privilege (sales) taxes are collected by the State and are distributed monthly to cities and towns.

**TABLE 3
TAXABLE ACTIVITIES, TAX RATES AND DISTRIBUTION SHARE**

Taxable Activities	State Transaction Privilege (Sales) Tax Rates				
	State Tax Rate	Distribution Base	0.60% Education Tax Rate (a)	1.00% Temporary Tax Rate (b)	Combined Tax Rate
Transporting	5.000%	20.00%	0.60%	1.00%	6.600%
Utilities	5.000	20.00	0.60	1.00	6.600
Telecommunications	5.000	20.00	0.60	1.00	6.600
Pipeline	5.000	20.00	0.60	1.00	6.600
Private car line	5.000	20.00	0.60	1.00	6.600
Publication	5.000	20.00	0.60	1.00	6.600
Job printing	5.000	20.00	0.60	1.00	6.600
Prime contracting	5.000	20.00	0.60	1.00	6.600
Owner builder sales	5.000	20.00	0.60	1.00	6.600
Amusement	5.000	40.00	0.60	1.00	6.600
Restaurant	5.000	40.00	0.60	1.00	6.600
Personal property rental	5.000	40.00	0.60	1.00	6.600
Retail (excluding food sales)	5.000	40.00	0.60	1.00	6.600
Transient lodging	5.500	50.00	N/A	1.00	6.500
Mining - non-metal, oil/gas	3.125	32.00	N/A	N/A	3.125
Commercial lease	0.000	53.33	N/A	N/A	0.000
Severance - metalliferous mining	2.500	80.00	N/A	N/A	2.500
Use tax utilities	5.000	20.00	0.60	1.00	6.600
Jet fuel use tax	(c)	40.00	N/A	N/A	(c)

N/A = Not applicable.

- (a) Represents the State transaction privilege (sales) tax rate approved by voters of the State in November 2000 (the “Education Tax”) on certain of the categories of business activity at six-tenths of one percent (0.6%). **The Education Tax collections are dedicated exclusively to education and are not distributed to the Town or pledged to the payment of debt service with respect to the Obligations.** The effective dates for the Education Tax are June 1, 2001 through June 30, 2021.
- (b) Represents the State transaction privilege (sales) tax rate approved by voters of the State in May 2010 (the “Temporary Tax”) on certain of the categories of business activity at one percent (1.0%). **Two-thirds of the Temporary Tax collections are dedicated exclusively to primary and secondary education and the remaining one-third is dedicated exclusively to health and human services and public safety purposes. The Temporary Tax collections are not distributed to the Town or pledged to the payment of debt service with respect to the Obligations.** The effective dates for the Temporary Tax are June 1, 2010 through May 31, 2013.
- (c) Does not include \$0.0305 per gallon State tax on the retail sale of jet fuel, which tax is only levied on the first ten million gallons sold to each purchaser in each calendar year.

Source: Arizona Revised Statutes, Arizona Department of Revenue and the Arizona Secretary of State.

Actual and Projected Collections

TABLE 4 sets forth the Town’s actual Excise Tax collections for fiscal year 2006/07 through and including 2010/11 and the budgeted collections for fiscal year 2011/12.

**TABLE 4
HISTORICAL AND PROJECTED EXCISE TAX COLLECTIONS**

Category	Audited (a)					Budgeted (b)
	Fiscal Year 2006/07	Fiscal Year 2007/08	Fiscal Year 2008/09	Fiscal Year 2009/10	Fiscal Year 2010/11	Fiscal Year 2011/12
Town sales and Franchise Taxes (c)	\$ 17,352	\$ 17,686	\$ 15,883	\$ 12,553	\$ 11,576	\$ 12,401
Licenses and permits	2,369	2,793	1,508	1,055	1,013	1,127
Fines	215	250	286	202	196	190
State-Shared Sales Taxes	3,745	3,621	3,135	2,899	3,024	3,103
State-Shared Income Taxes	4,473	5,545	5,886	5,087	3,835	3,462
Total	<u>\$ 28,154</u>	<u>\$ 29,895</u>	<u>\$ 26,698</u>	<u>\$ 21,797</u>	<u>\$ 19,644</u>	<u>\$ 20,282</u>

- (a) Figures are presented on the cash basis of accounting per the Arizona Department of Revenue Standard Industry Summary Local Taxes Collection Reports for all classifications except cable franchise. Cable franchise taxes are presented on the modified accrual basis of accounting.
- (b) Budgeted figures provided by the Town. **Such budgeted figures are “forward-looking” statements and should be analyzed with an abundance of caution and are not intended as statements or representations of fact or certainty; no representation is made as to the correctness of such estimates or that they will be realized. SUCH BUDGETED FIGURES MUST BE VIEWED WITH AN ABUNDANCE OF CAUTION.** Actual figures may vary significantly from budgeted figures shown here.
- (c) Includes one-time sales tax audit recovery revenues.

Source: Finance Department of the Town.

ESTIMATED DEBT SERVICE REQUIREMENTS AND COVERAGE

The following table illustrates the pledged Excise Taxes for fiscal year 2010/11, the combined outstanding debt service on the Existing Parity Obligations, the estimated debt service on the Obligations and the projected Excise Tax debt service coverage for fiscal years 2011/12 through and including 2026/27. *Projections of Excise Taxes and debt service coverage are “forward-looking” statements which may not be realized and must be viewed with an abundance of caution.* See “SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS”.

TABLE 5
ESTIMATED DEBT SERVICE REQUIREMENTS AND COVERAGE (a)

Fiscal Year	Pledged Excise Taxes (b)	Combined Outstanding Debt Service (c)	The Obligations		Estimated Combined Debt Service*	Projected Excise Tax Debt Service Coverage (e)
			Principal*	Estimated Interest (d)		
2010/11	\$ 19,643,970					
2011/12		\$ 2,815,769			\$ 2,815,769	6.98x
2012/13		2,809,835	\$ 100,000	\$ 134,265(f)	3,044,100	6.45x
2013/14		3,132,365	130,000	104,125	3,366,490	5.84x
2014/15		3,302,543	140,000	98,600	3,541,143	5.55x
2015/16		3,292,517	145,000	92,650	3,530,167	5.56x
2016/17		3,283,593	150,000	86,488	3,520,081	
2017/18		2,993,556	155,000	80,113	3,228,669	
2018/19		2,989,237	160,000	73,525	3,222,762	
2019/20		3,515,491	170,000	66,725	3,752,216	5.24x
2020/21		2,629,130	175,000	59,500	2,863,630	
2021/22		2,627,705	185,000	52,063	2,864,767	
2022/23		2,621,457	190,000	44,200	2,855,657	
2023/24		2,610,072	200,000	36,125	2,846,197	
2024/25		2,614,769	210,000	27,625	2,852,394	
2025/26		2,214,133	215,000	18,700	2,447,833	
2026/27		175,874	225,000	9,563	410,436	
		<u>\$ 43,628,044</u>	<u>\$ 2,550,000</u>			

* Subject to change.

(a) Prepared by the Underwriter.

(b) Represents the actual Excise Tax collections for fiscal year 2010/11.

(c) Represents outstanding gross debt service on the Existing Parity Obligations. Interest is without reduction for the federal interest subsidy payments related to the 2010 Obligations.

(d) Interest is estimated at 4.25%.

(e) Projected coverage for fiscal years 2011/12 and thereafter are determined using pledged fiscal year 2010/11 Excise Taxes. The Purchase Agreement provides that the Town shall not encumber the Excise Taxes on a basis equal to the first lien pledge unless the Excise Taxes in the next preceding fiscal year shall have

amounted to at least two (2) times the highest combined Payments to be made for any succeeding period and any payments to be made on any Parity Obligations outstanding or proposed to be secured by a parri passu pledge of Excise Taxes. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS.”

- (f) *The first interest payment on the Obligations will be due on January 1, 2013*. Thereafter, interest payments will be made semiannually on July 1 and January 1 until the final maturity or prior redemption of the Obligations.*

SOURCES AND USES OF FUNDS

Sources of Funds

Par amount	\$2,550,000.00*
Net Original Issue Premium / Discount (a)	_____
Total Sources of Funds	\$ _____

Uses of Fund

Acquisition and Construction Fund	\$ _____
Delivery Costs Fund	_____
Total Uses of Fund	\$ _____

* *Subject to change.*

- (a) *Net of Underwriter’s compensation.*

TOWN GENERAL FUND

TABLE 6 sets forth the Town’s general fund revenues, expenditures, other financing sources and uses, excess of revenues and other sources over expenditures and other uses, and beginning and ending general fund balances for the fiscal years indicated. Figures for fiscal years 2006/07 through and including 2010/11 are taken from the audited financial statements of the Town which are prepared using generally accepted accounting principles. Figures for fiscal year 2011/12 are budgeted figures as provided by the Finance Department of the Town. ***Budgeted figures are “forward-looking” statements that may not be realized and should be viewed with an abundance of caution.*** Historical trends should not be used to indicate future trends.

**TABLE 6
TOWN OF ORO VALLEY, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN GENERAL FUND BALANCE**

	Audited (a)					Budgeted (b)
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
FUND BALANCE AT BEGINNING OF YEAR	\$ 14,080,635	\$ 18,477,706	\$ 16,666,388	\$ 15,940,438	\$ 11,904,429	\$ 9,561,226
REVENUES						
Taxes	\$ 13,550,372	\$ 13,795,333	\$ 12,969,425	\$ 12,552,869	\$ 11,575,674	\$ 12,401,316
Intergovernmental grants and aid	11,234,763	11,773,977	11,858,767	10,725,866	9,960,865	9,872,457
Fines and forfeitures	215,500	294,577	341,438	202,144	195,993	190,000
Licenses and permits	2,328,450	2,761,145	1,482,735	1,055,270	1,013,392	1,126,894
Charges for services	965,134	983,094	1,011,182	913,638	875,881	1,237,851
Contributions and donations	-	-	1,000	59	15,000	-
Investment earnings	791,301	744,393	226,270	62,200	29,305	22,000
Other	114,632	276,611	193,665	183,552	255,605	157,500
TOTAL REVENUES	<u>\$ 29,200,152</u>	<u>\$ 30,629,130</u>	<u>\$ 28,084,482</u>	<u>\$ 25,695,598</u>	<u>\$ 23,921,715</u>	<u>\$ 25,008,018</u>
ADJUSTMENTS						
Operating transfer in	\$ -	\$ -	\$ -	\$ -	\$ 616,338	\$ 1,125,926
Operating transfer out	(1,625,640)	(5,959,581)	(1,721,266)	(4,183,686)	(178,682)	(223,352)
TOTAL FUNDS AVAILABLE FOR EXPENDITURES	<u>\$ 41,655,147</u>	<u>\$ 43,147,255</u>	<u>\$ 43,029,604</u>	<u>\$ 37,452,350</u>	<u>\$ 36,263,800</u>	<u>\$ 35,471,818</u>
EXPENDITURES						
Current						
General government	\$ 6,416,623	\$ 7,992,477	\$ 8,925,224	\$ 8,912,829	\$ 9,415,109	\$ 7,470,198
Public safety	11,737,901	13,511,713	14,200,797	12,919,307	11,784,077	11,992,896
Culture and recreation	3,052,171	3,291,775	3,382,023	3,157,369	3,031,520	6,174,881
Capital outlay	1,970,746	1,684,902	581,122	558,416	1,025,956	452,617
TOTAL EXPENDITURES	<u>\$ 23,177,441</u>	<u>\$ 26,480,867</u>	<u>\$ 27,089,166</u>	<u>\$ 25,547,921</u>	<u>\$ 25,256,662</u>	<u>\$ 26,090,592</u>
FUND BALANCE AT END OF YEAR	<u>\$ 18,477,706</u>	<u>\$ 16,666,388</u>	<u>\$ 15,940,438</u>	<u>\$ 11,904,429</u>	<u>\$ 11,007,138</u>	<u>\$ 9,381,226</u>

(a) *Although these figures are taken from audited financial statements, this table has not been audited. For further information, refer to the actual audited annual financial statements for the Town. The most recent audited financial statements for the Town are included in this Official Statement as APPENDIX C – “TOWN OF ORO VALLEY, ARIZONA – AUDITED ANNUAL GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011.”*

(b) *Budgeted figures provided by the Town. Such budgeted figures are “forward-looking” statements and should be analyzed with an abundance of caution and are not intended as statements or representations of fact or certainty; no representation is made as to the correctness of such estimates or that they will be realized. SUCH BUDGETED FIGURES MUST BE VIEWED WITH AN ABUNDANCE OF CAUTION. Actual figures may vary significantly from budgeted figures shown here.*

The Town has budgeted approximately \$9.4 million in contingency/reserve for 2011/12 that is not reflected in the figures shown above. The amount is subject to change.

Source: The Finance Department of the Town.

RATING

Standard & Poor's Financial Services, LLP ("S&P"), has assigned the rating of "___" to the Obligations. Such rating reflects only the views of S&P. An explanation of the significance of a rating assigned by S&P may be obtained from S&P at 55 Water Street, New York, New York 10004. Any such rating may be revised downward or withdrawn entirely by S&P, if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Obligations. The Town has covenanted in its continuing disclosure undertaking to provide notice of any rating changes. (See "CONTINUING DISCLOSURE.")

LITIGATION

Representatives of the Town will certify that no litigation or administrative action or proceeding is pending or, to the best of their knowledge, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Obligations or contesting or questioning the proceedings and authority under which the Obligations have been authorized and are to be issued, secured, sold, executed or delivered, or the validity of the Obligations.

TAX EXEMPTION

In the opinion of Gust Rosenfeld, P.L.C., Phoenix, Arizona, Special Counsel ("Special Counsel"), under existing laws, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the Town described below, the portion of each Payment and Prepayment, if any, made by the Town under the Purchase Agreement and denominated and comprising interest income pursuant to the Purchase Agreement and received by the owners of the Obligations will be excluded from gross income for federal income tax purposes and will be exempt from Arizona income taxes. The opinion of Special Counsel will be dated as of the date of delivery of the Obligations. A form of such opinion is included as APPENDIX E – "FORM OF APPROVING LEGAL OPINION" attached hereto.

The Internal Revenue Code of 1986, as amended (the "Code") imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Purchase Agreement from gross income for federal income tax purposes, including a requirement that the Town rebate to the federal government certain of its investment earnings with respect to the Obligations. The Town has covenanted to comply with the provisions of the Code relating to such matters. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Purchase Agreement being included as gross income for federal income tax purposes, under certain circumstances, from the date of delivery. The Obligations do not provide for an adjustment in the interest rate in the event of taxability and the event of taxability does not cause an acceleration of principal of the Obligations. The opinion of Special Counsel assumes continuing compliance with such covenants.

The Code also imposes an "alternative minimum tax" upon certain corporations and individuals. A taxpayer's "alternative minimum taxable income" ("AMTI") is its taxable income with certain adjustments. Such interest income is not an item of tax preference to be included in the AMTI of individuals or corporations.

Notwithstanding the preceding sentence, one of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess (if any) of the corporation's "adjusted current earnings" over the corporation's AMTI for the taxable year (determined without regard to such adjustment for excess book income and the alternative tax net operating loss deduction). A corporation's "adjusted current earnings" includes all tax-exempt interest, including the portion of each Payment and Prepayment, if any, made by the Town under the Purchase Agreement and denominated as and comprising interest income pursuant to the Purchase Agreement received by the owners of the Obligations for federal income tax purposes.

Although Special Counsel will render an opinion that, as of delivery of the Obligations, interest income on the Purchase Agreement will be excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Purchase Agreement may otherwise affect a Beneficial Owner's federal tax liability. Certain taxpayers may experience other tax consequences. Taxpayers who become Beneficial Owners of the Obligations,

including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain subchapter S corporations, individuals who receive Social Security or Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax-exempt obligations, should consult their tax consultants as to the applicability of such tax consequences to the respective Beneficial Owner. The nature and extent of these other tax consequences will depend upon the Beneficial Owner's particular tax status and the Beneficial Owner's other items of income or deduction. Special Counsel expresses no opinion regarding any such other tax consequences.

The Purchase Agreement and the Obligations will not be "private activity bonds" within the meaning of Section 141 of the Code.

From time to time, there are legislative proposals in Congress which, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Obligations. For example, on February 13, 2012, President Obama proposed a budget for federal fiscal year 2012 that calls for a 28% across-the-board cap on the value of tax preferences, including the exclusion of interest income on State and local bonds. If enacted, a value cap on the exclusion of interest on State and local bonds would, among other things, result in additional federal income tax for tax years beginning after 2012 on taxpayers that own tax-exempt bonds or obligations, including the Obligations, if they have incomes above certain thresholds. It cannot be predicted whether or in what form any such proposal might be enacted, or whether, if enacted it would apply to obligations (such as the Obligations) issued prior to enactment. Prospective purchasers should consult with their own tax advisors regarding any legislative proposals arising from President Obama's proposed 2012 Budget of the U.S. Government and any other pending or proposed federal income tax legislation.

ORIGINAL ISSUE DISCOUNT

The initial public offering price of the Obligations maturing on July 1, 20__ through and including July 1, 20__ (collectively, the "Discount Obligations"), will be less than the respective amounts payable at maturity. As a result, the Discount Obligations will be considered to be issued with original issue discount. The difference between the initial public offering price (the "Issue Price") of the Discount Obligations, and the amount payable at maturity or the payment date, as applicable, of the Discount Obligations will be treated as "original issue discount." With respect to a Beneficial Owner who purchases a Discount Obligation in the initial public offering at the Issue Price and who holds the Discount Obligation to maturity, or the payment date, as applicable, the full amount of original issue discount will constitute interest income which is not includible in the gross income of the Beneficial Owner of the Discount Obligation for federal income tax purposes and Arizona income tax purposes and that Beneficial Owner will not, under present federal income tax law and present Arizona income tax law, realize a taxable capital gain upon payment of the Discount Obligation at maturity or the payment date, as applicable.

The original issue discount on each of the Discount Obligations is treated for federal income tax purposes and Arizona income tax purposes as accreting daily over the term of such Discount Obligation on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on January 1 and July 1 (with straight-line interpolation between compounding dates). The amount of original issue discount accreting each period will be added to the Beneficial Owner's tax basis for the Discount Obligation. The adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Obligation. An initial Beneficial Owner of a Discount Obligation who disposes of the Discount Obligation prior to maturity should consult his or her tax advisor as to the amount of the original issue discount accreted over the period held and the amount of taxable gain or loss upon the sale or disposition of the Discount Obligation prior to maturity.

The Code contains certain provisions relating to the accretion of original issue discount in the case of subsequent Beneficial Owners of the Discount Obligations. Beneficial Owners who do not purchase the Discount Obligations in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of the ownership of Discount Obligations.

A portion of the original issue discount that accretes in each year to a Beneficial Owner of a Discount Obligation may result in certain collateral federal income tax consequences as described in "TAX EXEMPTION" herein.

Beneficial Owners of Discount Obligations in states other than Arizona should consult their own tax advisors with respect to the state and local taxes.

ORIGINAL ISSUE PREMIUM

The initial public offering price of the Obligations maturing on July 1, 20__ through and including July 1, 20__ (collectively, the “Premium Obligations”) will be greater than the amount payable on such Premium Obligations at maturity or the payment date, as applicable. An amount equal to the difference between the initial public offering price of a Premium Obligation (assuming that a substantial amount of the Premium Obligations of that maturity will be sold to the public at such price) and the amount payable at maturity, or the payment date, as applicable constitutes premium to the initial Beneficial Owner of such Premium Obligations. The basis for federal income tax purposes of a Premium Obligation in the hands of such initial Beneficial Owner must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Obligation. The amount of premium which is amortizable each year by an initial Beneficial Owner is determined by using such Beneficial Owner’s yield to maturity. Beneficial Owners of the Premium Obligations should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Obligations for federal income tax purposes and with respect to the state and local tax consequences of owning Premium Obligations.

UNDERWRITING

The Obligations will be purchased by the Underwriter at the aggregate purchase price of \$_____ (the “Obligations Purchase Price”), pursuant to an “Obligation Purchase Agreement” entered into between the Town and the Underwriter. If the Obligations are sold to produce the yields shown on the inside front cover page hereof, the compensation of the Underwriter will be \$_____. The Obligation Purchase Agreement provides that the Underwriter will purchase all of the Obligations so offered if any are purchased. The Underwriter may offer and sell the Obligations to certain dealers (including dealers depositing Obligations into unit investment trusts) and others at yields lower or prices higher than the public offering yields or prices stated on the inside front cover page hereof. The initial offering yields or prices set forth on the inside front cover page hereof may be changed, from time to time, by the Underwriter.

POLITICAL DONATIONS

To the best knowledge of appropriate representatives thereof, the Underwriter and Special Counsel have not made political contributions to any person who currently holds a seat on the Council of the Town with respect to their election to that seat.

RELATIONSHIP AMONG PARTIES

Special Counsel has and continues to represent the Underwriter with respect to financings other than for the Town and will continue to do so if requested in the future. Special Counsel has also previously acted as bond counsel with respect to other obligations underwritten by the Underwriter and will continue to do so if requested in the future. Greenberg Traurig, LLP, as counsel to the Underwriter (“Counsel to the Underwriter”) has represented the Underwriter with respect to the financings other than for the Town and will continue to do so if requested in the future. Counsel to the Underwriter acts as bond counsel for various municipal entities for which the Underwriter may provide financial advisor or consulting services or act as underwriter.

CONTINUING DISCLOSURE

The Town, as the “obligated person” with respect to the Obligations, has covenanted for the benefit of certain owners of the Obligations to provide certain financial information and operating data relating to the Town by not later than February 1 in each year commencing February 1, 2013 (the “Annual Reports”), and to provide notice of the occurrence of certain listed events (the “Notices”). The Annual Reports, any Notices and any other documentation or information required to be filed by such covenants will be filed by the Town with the MSRB through the MSRB’s EMMA system, all as described in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the “Rule”). A failure by the Town to comply with any of such covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Obligations in the secondary market. A failure by the Town to comply with any of such covenants could adversely affect the Obligations and specifically their market price and marketability. The Town has been and is currently in material compliance with its existing continuing disclosure requirements.

AUDITED FINANCIAL STATEMENTS

The financial statements of the Town as of June 30, 2011, and for its fiscal year then ended, which are included as APPENDIX C of this Official Statement, have been audited by Heinfeld, Meech & Co., P.C., as stated in their opinion which appears in APPENDIX C. The Town neither requested nor obtained the consent of Heinfeld, Meech & Co., P.C. to include their report and Heinfeld, Meech & Co., P.C. has performed no procedures subsequent to rendering their opinion on the financial statements.

LEGAL MATTERS

Legal matters relating to the validity of the Obligations under Arizona law, and with regard to the tax-exempt status of the interest thereon (see “TAX EXEMPTION”) will be prepared by Special Counsel. The signed legal opinion of Special Counsel dated and premised on the law in effect only as of the date of original delivery of the Obligations, will be delivered to the Underwriter at the time of original delivery of the Obligations.

Special Counsel has provided the information under the headings “THE OBLIGATIONS,” “SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS,” “EXCISE TAXES,” “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT,” “ORIGINAL ISSUE PREMIUM” and “CONTINUING DISCLOSURE” (excluding any information pertaining to compliance with prior undertakings) and in APPENDIX D – “SUMMARIES OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS,” APPENDIX E – “FORM OF APPROVING LEGAL OPINION” and APPENDIX F - “FORM OF CONTINUING DISCLOSURE CERTIFICATE,” in each case, as it fairly and accurately summarized the matters purported to be summarized therein. Special Counsel has not examined or attempted to examine or verify any of the financial or statistical statements or data contained in this Official Statement and will also express no opinion with respect thereto.

Certain legal matters will be passed upon for the Underwriter by the Counsel to the Underwriter.

The various legal opinions to be delivered concurrently with the delivery of the Obligations express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

CERTIFICATION CONCERNING OFFICIAL STATEMENT

The closing documents will include a certificate confirming that, to the best knowledge, information and belief of the Town's Interim Town Manager, the description and statements contained in this Official Statement are, at the time of issuance of the Obligations, true, correct and complete in all material respects and do not contain an untrue statement of a material fact, or omit to state a material fact required to be stated therein in order to make the statements, in light of the circumstances under which they are made, not misleading. In the event this Official Statement is supplemented or amended, the foregoing confirmation will also encompass such supplements or amendments.

TOWN OF ORO VALLEY, ARIZONA

By: _____
Mayor

**TOWN OF ORO VALLEY, ARIZONA
GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

The following information regarding the Town is provided for background information only. No representation is made as to the relevance of the data to the repayment of the Obligations. The Obligations will be payable solely from Payments and Prepayments, if any, to be paid by the Town under the Purchase Agreement which will be secured by Excise Taxes as described under the heading “SECURITY FOR AND SOURCES OF PAYMENT OF THE OBLIGATIONS.”

General

The Town incorporated in 1974 and is located in northwestern Pima County, Arizona (the “County”). The Town is approximately six miles north of the city limits of the City of Tucson, Arizona (“Tucson”). A rural area 30 years ago, it is now a part of the Tucson Metropolitan area. The Town covers an area of approximately 35 square miles and is located at an elevation of 2,600 feet at the base of the Catalina Mountains. The following table illustrates population statistics for the Town, the County and the State.

POPULATION STATISTICS

	<u>Town of Oro Valley</u>	<u>Pima County</u>	<u>State of Arizona</u>
2011 Estimate (a)	41,153	986,081	6,438,178
2010 Census	41,011	980,263	6,392,017
2000 Census	29,700	843,746	5,130,632
1990 Census	6,670	666,957	3,665,339
1980 Census	1,489	531,443	2,716,546
1970 Census	581	351,667	1,775,399

(a) Estimate as of July 1, 2011.

Source: Arizona Department of Commerce, Population Statistics Unit and the U.S. Census Bureau.

Municipal Government and Organization

The Town government operates under the Council-Manager form of government. Policymaking and legislative authority are vested in the Town Council, which consists of a Mayor and six Councilmembers. Councilmembers are elected to four-year staggered terms. The Mayor is directly elected by the qualified voters of the Town and the Vice-Mayor is selected by the Council from among its members. The Town Council is responsible, among other things, for the adoption of local ordinances, budget adoption, the development of citizen advisory committees and the hiring of the Town Manager. The Town Manager is responsible for implementation of the policies of the Town Council. The Town Manager appoints all department heads except the Chief of Police, Town Attorney and Magistrate.

Employment and Employers

The Town's economy is linked closely with that of Tucson. Due to the Town's proximity to Tucson, the majority of the residents of the Town commute to the Tucson metropolitan area for employment. The tables hereafter illustrate several of the major employers within the Town, followed by tables of the major manufacturing employers and non-manufacturing employers of Tucson.

MAJOR EMPLOYERS Town of Oro Valley, Arizona

<u>Employer</u>	<u>Description</u>	<u>Approximate Number of Employees</u>
Ventana Medical Systems Inc.	Healthcare	1,300
Amphitheater Public Schools	Education	675
Hilton El Conquistador Golf & Tennis Resort	Resort	485
Oro Valley Hospital	Healthcare	470
Town of Oro Valley	Government	325
Fry's Food & Drug Store	Retail	260
Wal-Mart Supercenter	Retail	250
Target	Retail	125
Kohls	Retail	100
Sanofi-Aventis	Pharmaceuticals	75

Source: Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2011 of the Town.

**MAJOR INDUSTRIAL EMPLOYERS
Tucson Metropolitan Area**

Employer	Service/Sector	Approximate Number of Employees
Raytheon Missile Systems	Missiles and components	10,500
ASARCO Inc.	Copper and metal mining	2,260
International Business Machines Corp. (IBM Corporation)	Software	1,350
General Dynamics Information and Technology	Military and defense components	1,070
Eurofresh, Inc.	Natural resources and mining	1,050
Ventana Medical Systems Inc.	Medical equipment	1,010
Honeywell	Aerospace products	630
Bombardier Aerospace	Aircraft maintenance and service center	630
Northrop Grumman Corp.	Military and defense components	390
Texas Instruments	Semiconductors	350
Kalil Bottling Co.	Bottling	335
Universal Avionics Systems Corp.	Avionics systems	325
Sargent Controls & Aerospace	Military aerospace components	260
Farmers Investment Co.	Mining and agriculture	250
Pepsi-Cola Bottling Co. of Tucson	Bottling	190
Coca-Cola Bottling Co.	Bottling	180

Source: *Arizona Daily Star – Star 200*, April 2011.

**MAJOR NON-MANUFACTURING EMPLOYERS
Tucson Metropolitan Area**

<u>Employer</u>	<u>Service/Sector</u>	<u>Approximate Number of Employees</u>
The University of Arizona	Education	10,480
State of Arizona	Government	8,870
Davis-Monthan Air Force Base	Military	8,460
Wal-Mart Stores, Inc.	Retail	7,310
Tucson Unified School District	Education	6,710
Pima County	Government	6,400
U.S. Army Intelligence Center & Fort Huachuca	Military	6,225
Carondelet Health Network	Healthcare	4,960
City of Tucson	Government	4,930
Tohono O'odham Nation	Tribal government	4,350
U.S. Border Patrol	Government law enforcement	3,670
Fry's Food & Drug Stores	Retail grocery	3,100
TMC Healthcare	Healthcare	2,970
Pima Community College	Education	2,340
Southern Arizona VA Health Care System	Healthcare	2,210
Sunnyside Unified School District	Education	2,145
Citi	Call Center	2,000
Amphitheater Unified School District	Education	1,925
Northwest Health System	Healthcare	1,760
U.S. Postal Service	Government mail delivery	1,900
Pascua Yaqui Tribe	Tribal government	800

Source: *Arizona Daily Star – Star 200*, April 2011.

According to the “2011, FY10 Davis-Monthan AFB Economic Impact Analysis,” released by the Public Affairs Office of the 355th Wing (the “Department”), the Base had a total economic impact on the surrounding community of over \$1.0 billion in fiscal year 2010. The military and civilian personnel employed both on and off the Base constituted an annual gross payroll of over \$482.7 million. The Department further indicates that approximately 7,100 employees were employed in a military capability by the Base, in addition to approximately 2,470 civilian employees in fiscal year 2010.

The following table illustrates annual unemployment averages for the Town, Tucson, the County, the State and the United States.

UNEMPLOYMENT AVERAGES

<u>Calendar Year</u>	<u>Town of Oro Valley</u>	<u>City of Tucson</u>	<u>Pima County</u>	<u>State of Arizona</u>	<u>United States of America</u>
2011	5.9%	9.2%	8.4%	9.3%	8.9%
2010	6.3	9.9	9.0	10.0	9.6
2009	5.8	9.1	8.7	9.1	9.3
2008	3.9	6.1	5.6	5.9	5.8
2007	2.5	4.0	3.7	3.8	4.6

Source: Arizona Office of Unemployment and Population Statistics, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Construction

The following charts illustrate a building permit summary for residential and non-residential construction and new housing starts for the Town.

**VALUE OF BUILDING PERMITS
Town of Oro Valley, Arizona
(\$000s omitted)**

<u>Calendar Year</u>	<u>Residential</u>	<u>Commercial and Industrial</u>	<u>Other</u>	<u>Total</u>
2011 (a)	\$ 18,913	\$ 17,621	\$ 1,711	\$ 38,245
2010	27,847	11,673	9,454	48,974
2009	25,740	12,458	2,137	40,335
2008	75,390	40,851	N/C	116,241
2007	87,800	70,829	13,940	172,569
2006	89,356	23,787	126	113,269

N/C = Some communities do not collect dollar valuations.

(a) Data through September 2011.

Source: Realty Studies, W.P. Carey School of Business, Arizona State University Polytechnic campus. Note that the data is obtained from county and municipal divisions which issue such permits. Construction is valued on the basis of estimated cost, not on market price or value of construction at the time the permit is issued. The issuance of a building permit does not necessarily mean that construction will commence immediately or at all.

NEW HOUSING PERMITS
Town of Oro Valley, Arizona

<u>Calendar Year</u>	<u>Total New Single-Family Housing Permits</u>
2011 (a)	36
2010	56
2009	66
2008	227
2007	346
2006	354

(a) *Data as through September 2011.*

Source: Realty Studies, W.P. Carey School of Business, Arizona State University Polytechnic campus. Note that data is obtained from county and municipal divisions which issue such permits. The issuance of a building permit does not necessarily mean that construction will commence immediately or at all.

Education

The University of Arizona (the “University”) was established in 1885 and is the oldest institution of higher education in the State. The University is also one of the largest employers in Tucson. The University has 18 colleges offering over 130 bachelor degree programs, 143 masters programs, 115 doctoral programs and three professional programs. The University had approximately 39,240 students enrolled for the fall 2011 semester. This enrollment includes students in continuing education programs, interns and residents, post-doctoral programs and on-campus non-credit students.

Also located within the Tucson metropolitan area are several campuses of the Pima County Community College District. Pima County Community College District offers two-year academic, vocational and technical programs. The fall 2011 semester enrollment was approximately 18,410 full-time students.

Tourism

The Metropolitan Convention and Visitors Bureau estimated that approximately 4 million visitors contribute approximately \$3 billion dollars to the area. The Tucson metropolitan area also attracts a significant number of vacationers and conventioners. Some recreational and sightseeing attractions within driving distance of Tucson include the Arizona-Sonora Desert Museum, Kitt Peak National Observatory, Mission San Xavier del Bac, Mount Lemmon, Organ Pipe Cactus National Monument, Saguaro National Park and Sabino Canyon. The following table illustrates the approximate number of visitors to the Organ Pipe Cactus National Monument and Saguaro National Park in the years indicated.

NUMBER OF VISITORS

<u>Calendar Year</u>	<u>Organ Pipe Cactus National Monument</u>	<u>Saguaro National Park</u>
2011	1,299,370	2,973,705
2010	1,069,282	3,000,277
2009	1,316,431	2,826,470
2008	1,507,705	2,739,181
2007	1,609,809	2,847,311

Source: The National Park Service Public Use Statistics Office, United States Department of the Interior.

Below is a partial list of the larger hotels and motels in the Tucson metropolitan area, based upon number of units.

HOTELS AND MOTELS Tucson Metropolitan Area

<u>Hotel/Motel Name</u>	<u>Number of Units</u>
JW Marriott Starr Pass Resort & Spa	575
The Westin La Paloma Resort & Spa	487
Hilton El Conquistador Golf & Tennis Resort	428
Loews Ventana Canyon Resort	398
Holiday Inn Airport	301
Radisson Suites Tucson	299
Doubletree Hotel Tucson at Reid Park	287
Hotel Tucson City Center Conference Suite Resort	267
Marriott University Park Hotel	250
Ritz-Carlton Dove Mountain	250
Westward Look Resort	244
Hilton Tucson East	232
Viscount Suites Hotel	216
Sheraton Tucson Hotel & Suites	216
Embassy Suites Hotel – Tucson International Airport	204
Omni	128

Source: *The Book of Lists 2011*, Inside Tucson Business.

Transportation

Industry, business and residents benefit from the transportation network available to the metropolitan Tucson area. Rail, air and highway facilities are developed throughout the area.

The Tucson metropolitan area is traversed by Interstates 10 and 19, as well as United States Highways 86, 89 and 93. Interstate 10 connects Tucson with Phoenix, Arizona, to the north and Los Angeles, California, to the west. Interstate 19 provides access to Nogales, Arizona, and Mexico to the south and United States Highway 86B connects with the direct route to the Gulf of California vacation areas. The Southern Pacific Railroad, as well as interstate motor freight services supplied by many carriers, facilitate the transportation of area products and supplies. Inter-city transportation service is provided by Greyhound-Trailways.

Tucson International Airport (the "TIA") provides local, regional and transcontinental air service through a number of major airlines. The TIA employs nearly 17,000 people with a payroll of \$800 million and an estimated 10,000 people work in the airport area. TIA estimates the combined impact of the TIA and aviation-related activities on local payrolls and expenditures is approximately \$1 billion.

AIRLINES SERVING TUCSON INTERNATIONAL AIRPORT

Alaska Airlines	Delta/Northwest Airlines	Sun Country Airlines
American Airlines	Frontier Airlines	United Airlines
Continental Airlines	Southwest Airlines	U.S. Airways / Lufthansa

Source: Tucson Airport Authority.

NUMBER OF PASSENGERS ARRIVING AND DEPARTING TUCSON INTERNATIONAL AIRPORT

<u>Calendar Year</u>	<u>Arrivals</u>	<u>Departures</u>	<u>Total</u>
2011	1,826,213	1,831,986	3,658,199
2010	1,869,837	1,870,838	3,740,675
2009	1,816,675	1,820,783	3,637,458
2008	2,109,175	2,116,694	4,225,869
2007	2,206,897	2,223,008	4,429,905

Source: Tucson Airport Authority.

**TOWN OF ORO VALLEY, ARIZONA
FINANCIAL DATA**

**Current Year Statistics (Fiscal Year 2011/12)
Town of Oro Valley, Arizona**

General Obligation Bonds Outstanding	None
Excise Tax Revenue Obligations Outstanding and to be Outstanding	\$ 34,220,000* (a)
Water Revenue Obligations Outstanding	30,868,694
Improvement District Bonds Outstanding	2,920,000
Primary Assessed Valuation	618,973,953 (b)
Secondary Assessed Valuation	629,340,548 (b)
Estimated Net Full Cash Value	5,428,492,256 (c)

The Town's preliminary fiscal year 2012/13 secondary assessed valuation is estimated at \$592,761,968, a decrease of approximately 5.8% from the fiscal year 2011/12 secondary assessed valuation. The Town's preliminary fiscal year 2012/13 primary assessed valuation is estimated at \$589,160,533, a decrease of approximately 4.8% from the fiscal year 2011/12 primary assessed valuation. The Town's preliminary fiscal year 2012/13 estimated net full cash value is estimated at \$5,119,446,676, a decrease of approximately 5.7% from the fiscal year 2011/12 estimated net full cash value. Although the final official valuations are not expected to differ materially from the estimated valuations, the valuations are subject to positive or negative adjustments until approved by the Board of Supervisors of the County no later than August 20, 2012.

* Subject to change.

(a) Includes the Obligations.

(b) State property taxes are divided into two categories: primary and secondary. Secondary property taxes are those taxes and assessments imposed to pay principal and interest on bonded indebtedness and certain other obligations, those imposed for special districts other than school districts and those imposed to exceed a budget, expenditure or tax limitation pursuant to voter approval. Primary property taxes are all ad valorem taxes other than secondary property taxes. Annual increases in the valuation of certain types of property for primary property tax purposes and the amount of primary property taxes which may be levied in any year are subject to certain limitations. These limitations do not apply with respect to secondary property taxes. See "PROPERTY TAXES – Ad Valorem Taxes -- Property Tax Assessment Ratios" for the method of determination of such categories.

(c) Estimated net full cash value is the total market value of the property less net exempt property within the Town.

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, Property Tax Rates and Assessed Values, Arizona Tax Research Association and Assessor of the County.

**General Obligation Bonds Outstanding
Town of Oro Valley, Arizona**

Total General Obligation Bonds Outstanding	<u>None</u>
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**Excise Tax Revenue Bonds Outstanding and to be Outstanding
Town of Oro Valley, Arizona**

<u>Issue Series</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Balance Outstanding and to be Outstanding</u>
2003	\$15,750,000	Refunding	7/1/2019	\$ 8,110,000
2005	6,215,000	Purchase land, construct municipal operations center	7/1/2025	4,845,000
2007	17,810,000	Refunding	7/1/2026	16,395,000
2010	2,445,000	Solar projects	7/1/2027	<u>2,320,000</u>
Total Excise Tax Revenue Obligations Outstanding				\$ 31,670,000
Plus: The Obligations (a)				<u>2,550,000*</u>
Net Excise Tax Revenue Obligations Outstanding and to be Outstanding				<u>\$ 34,220,000*</u>

* *Subject to change.*

(a) *Includes the Obligations.*

**Water Revenue Obligations Outstanding
Town of Oro Valley, Arizona**

<u>Issue Series</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Balance Outstanding</u>
2003	\$ 31,750,000	Water system improvements	7/1/2028	\$ 22,610,000
2007 (a)	6,000,000	Water system improvements	7/1/2027	5,108,555
2009 (a)	3,403,000	Water system improvements	7/1/2029	<u>3,150,139</u>
Total Water Revenue Obligations Outstanding				<u>\$ 30,868,694</u>

(a) *Represents funds borrowed under Loan Agreements with the Water Infrastructure Finance Authority of Arizona.*

Improvement District Bonds Outstanding (a)
Town of Oro Valley, Arizona

<u>Issue Series</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Balance Outstanding</u>
2005	\$3,945,000	Oracle Road improvements	7/1/2021	<u>\$ 2,920,000</u>
Total Improvement District Bonds Outstanding				<u>\$ 2,920,000</u>

(a) Secured by special assessments levied on the Oracle Road Improvement District.

Other Indebtedness
Town of Oro Valley, Arizona

<u>Item</u>	<u>Payment Amount</u>	<u>Final Payment Date</u>
Copy machine	\$ 3,677	June 30, 2012
Toro mower	14,545	August 10, 2012

RETIREMENT SYSTEM

Retirement Benefits

The Town’s employees are covered by the Arizona State Retirement System (“ASRS”), a cost-sharing, multiple employee defined benefit plan. The ASRS has reported increases in its unfunded liabilities. The most recent annual reports for the ASRS may be accessed at: <https://www.azasrs.gov/web/FinancialReports.do>. The board for the ASRS has adopted contribution rates for fiscal year 2012 and 2013. For fiscal year 2011/11, the Town’s annual contribution was 9.85% of payroll amounts. The Town’s annual contribution for fiscal year 2011/12 is 10.10% of payroll amounts. The Town’s annual contribution for fiscal year 2012/12 is expected to be 10.48% of payroll amounts. The Town is current on its contributions to the ASRS. The increase in the ASRS’s unfunded liabilities is expected to result in increased contributions by the Town and its employees, however the specific effects cannot be determined at this time. See Note 14 in Appendix C – “TOWN OR ORO VALLEY, ARIZONA – AUDITED GENERAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011” for further discussion of the Town’s retirement plan.

Additionally, recently enacted State legislation also made changes to how the ASRS operates, which includes, effective July 1, 2011, requiring employers to pay an alternative contribution rate for retired ASRS employees that return to work, changing the age at which an employee can retire without penalty based upon years of service, limiting permanent increases in retirement benefits and establishing a Defined Contribution and Retirement Study Committee (as defined in the legislation) that will review the feasibility and cost to changing the current defined benefit plan to a defined contribution plan.

The contribution split to ASRS effective July 1, 2011 (explained above) was challenged by the Arizona Education Association, the American Federation of State, County and Municipal Employees, and the American Federation of Teachers. These groups filed a lawsuit on July 14, 2011 on behalf of seven plaintiffs alleging that the shift in contribution levels cannot be applied to employees who are already participating in the System under a theory that it violates the Arizona Constitution and contract law. On February 1, 2012, the Maricopa County Superior Court ruled that the law changing the contribution split that current members of the ASRS make to their pension fund is

unconstitutional. It is unknown at this time if the ASRS will appeal the decision. Currently the State legislature is considering House Bill 2264, which would return the ASRS to the previous funding system of a 50-50 split between the State and the members of ASRS. It is unknown at this time whether House Bill 2264 or similar law will become law.

The Town also contributes to the Public Safety Personnel Retirement System (the "PSPRS"), an agent multiple-employer, public employee retirement system that acts as a common investment and administrative agent to provide retirement and death and disability benefits for public safety personnel who are regularly assigned hazardous duty in the employ of the State or a political subdivision, such as Town, thereof. The PSPRS has reported increases in its unfunded liabilities. The most recent annual reports for the PSPRS may be accessed at: http://www.psprs.com/sys_psprs/AnnualReports/cato_annual_rpts_psprs.htm. The effect of the increase in the PSPRS's unfunded liabilities on the Town, or on the Town's and its employees' future annual contributions to the PSPRS, cannot be determined at this time. For the fiscal year ended June 30, 2011, the Town's contribution was 15.63% of payroll amounts, with the health insurance premium portion of the contribution rate set at 0.65%.

The Town also contributes to the Correctional Officers Retirement Plan (the "CORP"), a multiple-employer defined benefit pension plan that covers certain full-time state, county and municipal detention officers. The CORP is governed by a five-member board (the "Fund Manager") according to the Arizona Revised Statutes, Title 38, Chapter 5, Article 5. Benefits are established by State statute and generally provide retirement, death, disability, survivor and health insurance premium benefits. The Corrections Officer Retirement Plan ("CORP") has also reported increases in its unfunded liabilities. The CORP has reported increases in its unfunded liabilities. The most recent annual reports for the CORP may be accessed at: http://www.psprs.com/sys_corp/AnnualReports/cato_annual_rpts_corp.htm. The effect of the increase in the CORP's unfunded liabilities on the Town, or on the Town's and its employees' future annual contributions to the CORP, cannot be determined at this time. For the fiscal year ended June 30, 2011, the Town's contribution was 7.96% of payroll amounts, with the health insurance premium portion of the contribution rate set at 0.37%.

Other Post-Employment Retirement Benefits

Beginning with the fiscal year that commenced on July 1, 2008, the Town was required to implement Government Accounting Standards Board Statement Number 45, *Accounting by Employers for Post-Employment Benefits Other than Pensions* ("GASB 45"), which requires reporting the actuarially accrued cost of post-employment benefits, other than pension benefits ("OPEB"), such as health and life insurance for current and future retirees. GASB 45 requires that such benefits be recognized as current costs over the working lifetime of employees, and to the extent such costs are not pre-funded, GASB 45 will require the reporting of such costs as a financial statement liability.

The Town does not offer OPEBs. The Town employees, their spouses and survivors may, however, be eligible for certain retiree health care benefits under health care programs provided by the State. Employees on long-term disability and their spouses may also qualify for retiree health care benefits through the State. It is expected that substantially all the Town employees that reach normal or early retirement age while working for the Town will become eligible for such benefits. Currently, such retirees may obtain the health care benefits offered by the State by paying the applicable health care insurance premium; such plan is available to all participants, whether retired or not, in the State's health care program. It is not the responsibility of the Town to fund such costs.

APPENDIX C

**TOWN OF ORO VALLEY, ARIZONA –
AUDITED ANNUAL GENERAL PURPOSE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011**

SUMMARIES OF SELECT PROVISIONS OF PRINCIPAL DOCUMENTS

The following is a summary of certain provisions of the Purchase Agreement and the Trust Agreement that are not described elsewhere in this Official Statement. These summaries do not purport to be comprehensive and reference should be made to the Purchase Agreement and the Trust Agreement for a full and complete statement of their provisions. All capitalized terms not defined in this Official Statement shall have the meaning set forth in the Trust Agreement.

DEFINITIONS

For the purpose of the following summaries of the Purchase Agreement and the Trust Agreement, these words and phrases have the following meanings:

“**Acquisition and Construction Fund**” means that special trust fund designated “Town of Oro Valley 2012 Project Acquisition and Construction Fund” established and administered by the Trustee.

“**Arbitrage Rebate Fund**” means fund created by the Trustee and designated the “Arbitrage Rebate Fund” in the event the Town is required to rebate any earnings and profits from the investments of the Obligations.

“**Bond Year**” means the Fiscal Year.

“**Business Day**” means a day of the year other than Saturday, Sunday or a day on which banks in the State of Arizona are authorized by law or executive order to close or on which the New York Stock Exchange is closed.

“**Buyer**” means the Town.

“**Buyer Representative**” means the Town Manager or Finance Director or any other person authorized by the Town Manger or the Town Council of the Buyer to act on behalf of the Buyer.

“**Delivery Costs Fund**” means the special trust fund designated “Town of Oro Valley 2012 Project Delivery Costs Fund” established and administered by the Trustee.

“**Event of Default**” means an event of default under the Purchase Agreement or under any Parity Obligations.

“**Independent Counsel**” means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of Buyer or Trustee.

“**Maximum Annual Debt Service Requirement**” means the greatest Annual Debt Service Requirement required to be paid in any Bond Year ending then or thereafter on or under the Outstanding Parity Obligations and Obligations.

“**Moody’s**” means Moody’s Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by Buyer by notice to Trustee.

“**Outstanding**”, when used as of any particular time with respect to Obligations, means all Obligations theretofore executed and delivered by Trustee, except:

- (1) Obligations theretofore cancelled by Trustee or surrendered to Trustee for cancellation;

- (2) Obligations for the payment of which funds or noncallable United States Obligations in the necessary amount shall have theretofore been deposited with a Depository Trustee; and
- (3) Obligations in lieu of or in exchange for which other Obligations shall have been executed and delivered by Trustee.

When used with respect to Parity Obligations, Outstanding means all such Parity Obligations except: those which have been cancelled or surrendered for cancellation; those for which payment or redemption has been irrevocably provided for with funds or noncallable United States Obligations in the necessary amount and all other actions have been taken as required under the authorizing documents for the payment thereof; and those in lieu of or in exchange for which other Parity Obligations shall have been executed and delivered pursuant to the authorizing documents.

“Owner” or any similar term, when used with respect to a Parity Obligation or Obligation, means the person or entity in whose name such Parity Obligation or Obligation shall be registered.

“Payment Fund” means that special fund designated “Town of Oro Valley 2012 Project Payment Fund” established and administered by the Trustee.

“Permitted Investments” means those provided for in the Trust Agreement.

“Reserve Fund Guaranty” shall mean a letter of credit, surety bond or similar arrangement representing the irrevocable obligation of the Reserve Fund Guarantor to pay to the Trustee upon request made by the Trustee for up to an amount stated therein for application as provided in the Trust Agreement.

“Reserve Fund Requirement” means, if the Reserve Fund is required to be funded, an amount equal to Maximum Annual Debt Service on the Obligations and any Parity Obligations for which a separate reserve fund is not established unless for which no reserve fund is required. During the 5-year build up of the Reserve Fund, if funding of the Reserve Fund is required, the Reserve Fund Requirement on any date shall be that portion of the Reserve Fund Requirement which was required to have been deposited by such date. If the Reserve Fund is not required to be funded, the Reserve Fund Requirement is \$0.00.

“Seller” means Trustee in its trust capacity as Seller under the Purchase Agreement.

“State” means the State of Arizona.

“United States Obligations” means any bonds or other obligations which are direct obligations of or fully guaranteed as to timely payment of principal, interest and any premium by the United States of America (including Refcorp Strips).

“Value at Market” or **“Market Value”** means:

- (a) For the purpose of determining the amount in any fund, all Permitted Investments credited to such fund shall be valued at fair market value determined by the Trustee based on accepted industry standards and from accepted industry providers. Accepted industry providers shall include but are not limited to pricing services provided by Financial Times Interactive Data Corporation or Bank of America Merrill Lynch;
- (b) As to certificates of deposit and bankers’ acceptances: the face amount thereof, plus accrued interest thereon; and
- (c) As to any investment not specified above: the value thereof established by prior agreement among the Buyer and the Trustee.

PURCHASE AGREEMENT

Term and Payments. For the purpose of financing and causing the construction and installation of the Project by Buyer, Seller sells to Buyer and Buyer buys from Seller, the Project.

Buyer agrees to make purchase payments to Seller as follows:

On the tenth (10th) day of each month commencing _____ 10, 2012, the Town shall pay to the Trustee in the following order of priority the following amounts solely from Excise Taxes for deposit into the Payment Fund:

First: the following amounts: (i) 1/6th of the next forthcoming rental payment allocated to interest on the Obligations (except that, with respect to the first rental payment, the monthly amount shall be 1/___ of the amount of such payment allocated to interest), and (ii) 1/12th of the next maturing rental payment allocated to principal on the Obligations (except that, with respect to the first principal payment, the monthly amount shall be 1/___ of the amount of such payment allocated to principal);

Second: 100% of any monthly payment, 1/6th of any semiannual payment and 1/12th of any annual payment next due (or such other fraction necessary to provide the amount of such payment when due) to (a) the provider of any Reserve Fund Guaranty under the terms of the Reserve Fund Guaranty to reimburse such provider for amounts advanced under the Reserve Fund Guaranty and interest thereon, and (b) the Trustee to return the Reserve Fund to the Reserve Fund Requirement;

Third: 100% of any monthly payment, 1/6th of any semiannual payment and 1/12th of any annual payment due pursuant to the Purchase Agreement to the Trustee or such other person described in the Purchase Agreement.

When all of the above transfers have been made for the month, the remaining Excise Taxes not required to be transferred as set forth may be used for any lawful purpose of the Town, including debt service payments on any obligations secured by a lien and pledge on Excise Taxes subordinate to the lien and pledge of Excise Taxes securing the Obligations (as well as amounts payable pursuant to the Continuing Disclosure Certificate with respect to the Obligations). Buyer's obligation to make such payments shall be limited to payment from Excise Taxes pledged to the payment thereof by Buyer. The obligations of Buyer to make the payments from the sources described and to perform and observe the other agreements shall be absolute and unconditional and shall not be subject to any defense or any right of set-off, abatement, counterclaim, or recoupment. The Purchase Agreement may not be terminated by Buyer for any reason whatsoever.

Pledge of Excise Taxes, Limited Obligations. Buyer pledges its Excise Taxes for the payment of the purchase price and all other amounts payable under the Purchase Agreement. The pledge is on a parity with the pledge of and lien on such Excise Taxes for the Existing Parity Obligations. In order to secure payment of the Existing Parity Obligations, the Buyer has created a separate and special fund which shall contain only Excise Taxes and shall not contain any other moneys of the Buyer, this fund is known as the "Oro Valley Excise Tax Fund" (the "Excise Tax Fund"). The Excise Tax Fund is and shall continue to be funded solely and only from the Excise Taxes received by the Buyer and from no other source. Under no circumstances shall moneys be deposited from the Buyer's general fund to the Excise Tax Fund. The Excise Tax Fund may be reduced to zero in each month after the following amounts have been paid in the following priority: (1) amounts required to be transferred to the applicable trustee for the applicable payment fund for the Existing Parity Obligations, the Obligations and any other Parity Obligations have been transferred; (2) amounts owing to any provider of a Reserve Fund Guaranty or similar surety pursuant to any reimbursement agreement have been paid; and (3) amounts required to be deposited into any applicable reserve fund have been deposited. All payments to be made pursuant to the Purchase Agreement shall be made from the Excise Tax Fund. If at any time the moneys in the Excise Tax Fund are not sufficient to make all of the deposits and transfers required by the Purchase Agreement, the Existing Parity Obligations or any other Parity Obligations, the moneys in the Excise Tax Fund shall be distributed between the Purchase Agreement, the Existing Parity Obligations and any other Parity Obligations on a pro rata basis without regard to the existence of a reserve fund, a cash funded reserve fund or a Reserve Fund Guaranty or similar surety. Any deficiency in the Excise Tax Fund shall be made up from the first moneys thereafter received and available for such transfers under the terms of the Purchase Agreement, and the transfer of any such sum or sums to said fund or accounts as may be necessary to make up any such deficiency shall be in addition to the then current transfers required to be made pursuant hereto.

Buyer's obligation to make payments of any amounts due under the Purchase Agreement, including amounts due after default or termination, is limited to payment from Excise Taxes and shall in no circumstances constitute a general obligation of, or a pledge of the full faith and credit of, Buyer, the State of Arizona, or any of its political subdivisions, or require the levy of, or be payable from the proceeds of, any ad valorem taxes.

Parity Obligations. So long as the Obligations remain outstanding, Buyer shall not further pledge or encumber the Excise Taxes on a basis senior to the lien of the Purchase Agreement or on a parity therewith except upon compliance with the requirements therefor set out in the Trust Agreement.

Representations, Warranties and Covenants. Buyer represents, warrants and covenants that it has the power to enter into the Purchase Agreement, that the Purchase Agreement is a lawful, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, and has been duly authorized, executed and delivered by Buyer; that all required procedures for execution and performance of the Purchase Agreement, have been or will be complied with in a timely manner; that all payments will be paid when due out of funds which are legally available for such purposes.

Providing for Payment; Optional Prepayment.

- (a) Buyer may not prepay the principal component of any payment under the Purchase Agreement in full or in part prior to _____. On _____, 20__, and on any date thereafter, Buyer may fully or partially prepay the principal component of future payments. All partial prepayments of principal will be credited against principal payments coming due in the order of payment directed by Buyer. Prepayments must be made in minimum increments of principal equal to \$5,000 or any integral multiple thereof.
- (b) When a partial prepayment is made, interest shall cease to accrue from the prepayment date with respect to the principal amount so prepaid
 - (1) by paying the Payment as and when due at its scheduled due date or optional prepayment date;
 - (2) by depositing, in trust, at or before maturity or optional prepayment date, money which, together with the amounts then on deposit with Seller and available for such payment is fully sufficient to make, or cause to be made, the Payment; or
 - (3) by depositing, in trust, any noncallable United States Obligations, in such amount as shall be certified by a national firm of certified public accountants acceptable to both Trustee and Buyer, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit with Trustee and available for such payment, to make, or cause to be made, such payment as and when the same becomes due and payable at maturity or optional prepayment date.

Remedies upon Default.

- (a) Upon:
 - (i) the nonpayment of the whole or any part of any Payment at the time when the same is to be paid as provided in the Purchase Agreement or the Trust Agreement,
 - (ii) the violation by the Buyer of any other covenant or provision of the Purchase Agreement or the Trust Agreement, and such violation shall continue for a period of twenty (20) days after written notice to Buyer,
 - (iii) Any representation or warranty under the Purchase Agreement which is untrue in any material respect and which is not made true within twenty (20) days of written notice to Buyer;
 - (iv) the unauthorized assignment or transfer of the Purchase Agreement;

- (v) the insolvency of the Buyer, Buyer's acquiescence in the appointment of a receiver or trustee for Buyer or for a substantial part of its property, the appointment of a receiver or trustee for Buyer or for a substantial part of its property, or any proceeding under any bankruptcy or insolvency law to take advantage of, or to impose, as the case may be, any law for the relief of debtors or creditors, including a petition for reorganization or a proceeding for dissolution or liquidation; and
- (b) If such default has not been cured, then the Seller may pursue any of the following, which shall not preclude Seller from concurrently or separately electing or exercising any other remedy not inconsistent therewith:
 - (i) enforce the Purchase Agreement by appropriate legal or other action to collect all amounts due or accruing hereunder or under the Trust Agreement and to cause Buyer to pay or perform its obligation hereunder or under the Trust Agreement when and as the same shall be required to be paid or performed hereunder or thereunder, and for damages for the breach of this Agreement and the Trust Agreement, which damages shall be the amounts payable hereunder at the times herein set forth without acceleration plus the reasonable costs of collection, including reasonable attorneys' fees.
 - (ii) pursue any other remedy at law or in equity and all other remedies permitted under the Trust Agreement.
- (c) Seller, upon the bringing of a suit to collect the payments in default, may as a matter of right, without notice and without giving bond to Buyer or anyone claiming under Buyer:
 - (i) have a receiver appointed of all the Excise Taxes which are so pledged for the payment of amounts due under the Purchase Agreement, with such powers as the court making such appointment shall confer; and Buyer irrevocably consents to such appointment, and
 - (ii) seek and obtain injunctive relief.
- (d) The obligation to make Payments is not subject to acceleration and such Payments may not be made immediately due and payable for any reason.
- (e) Trustee shall have no right to interfere with Buyer's ownership, possession or use of the Project and shall have no lien thereon.

Assignment and Sublease. Without the prior written consent of Seller, Buyer shall not assign, transfer, pledge or hypothecate or otherwise dispose of the Purchase Agreement, or any interest therein,

Buyer Appointed Agent for Seller. Buyer is appointed agent for Seller in acquiring the Project.

Tax Covenants. Buyer will neither take nor fail to take any action, which action or failure to act is within its power and authority and would result in interest income on the Purchase Agreement or the Obligations to become subject to inclusion in gross income for federal income tax purposes under either laws existing on the date of execution of the Purchase Agreement or such laws as they may be modified or amended or tax laws later adopted.

If the amounts held in the Arbitrage Rebate Fund are insufficient to make all payments required by Section 148(f)(3) of the code or any succeeding sections, Buyer shall make up the insufficiency.

Conflict of Interest. A.R.S. Section 38-511 provides that Buyer may, within three years after its execution, cancel any contract, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Buyer is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. In addition, Buyer may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Buyer from any other party to the contract arising as a result of the contract.

TRUST AGREEMENT

Acquisition Fund and Payment of Costs. Moneys in the Acquisition Fund shall be expended only for costs of the Project. Trustee shall pay from the Acquisition Fund the costs of the Project upon receipt of a payment request form certified to by a Buyer Representative. Trustee shall also apply moneys in the Acquisition Fund to reimburse Buyer for costs incurred or advanced by Buyer upon receipt of a reimbursement request form certified by a Buyer Representative.

Should any shortfall or deficiency occur in either the Delivery Costs Fund or the Acquisition Fund, Buyer shall pay such amounts to Trustee.

Amounts in the Acquisition Fund shall be used to pay principal and interest on the Obligations if sufficient funds are otherwise unavailable therefor when due.

On the acquisition of the Project, all remaining moneys in the Acquisition Fund shall be transferred to the Payment Fund and applied by Trustee to the Payments on the next succeeding Payment Date.

Delivery Costs Fund. Amounts in the Delivery Costs Fund shall be disbursed for delivery costs upon receipt of a certificate requesting disbursement executed or approved by a Buyer Representative.

On the earlier of _____, 2012, or when all delivery costs have been paid, Trustee shall transfer any amounts remaining in the Delivery Costs Fund to the Payment Fund or the Acquisition Fund as directed by Buyer, and the Delivery Costs Fund shall be closed.

Purchase Payments by Buyer. Subject to the limitation to Excise Taxes, Buyer shall be required to make Payments as set forth in the Purchase Agreement.

Payment Fund. Trustee shall establish the Payment Fund. So long as any Obligations are Outstanding, Buyer shall have no beneficial right or interest in the Payment Fund or the moneys deposited therein, except only as provided in the Trust Agreement. There shall be deposited in the Payment Fund all Payments received. All amounts in the Payment Fund shall be used and withdrawn solely for the purpose of paying the principal of and interest and redemption premiums, if any, with respect to the Obligations.

Pledge. Payments and all other amounts due under the Purchase Agreement are payable from a pledge of, and secured by a lien on, the Excise Taxes as may be necessary for their prompt and punctual payment. Said pledge of, and said lien on, the Excise Taxes is irrevocably made and created by Buyer pursuant to the Purchase Agreement for the prompt and punctual payment of amounts due under the Purchase Agreement according to its terms, and to create and maintain the funds as specified therein and in the Trust Agreement. None of the Obligations shall be entitled to priority or distinction one over the other in the application of the Excise Taxes pledged to the payment thereof. All of the Obligations and Parity Obligations are coequal as to the pledge of and lien on the Excise Taxes pledged for the payment thereof and share ratably, without preference, priority or distinction, as to the source or method of payment from Excise Taxes or security therefor.

Protection of Lien. Trustee and Buyer agree not to make or create or suffer to be made or created any assignment or lien having priority or preference over the assignment and lien upon the interests granted by the Trust Agreement or any part thereof. Trustee and Buyer agree that no obligations the payment of which is secured by a superior or equal claim on or interest in property or revenues pledged hereunder will be issued by either in lieu of, or upon transfer of registration or exchange of any Obligation as provided herein except for Parity Obligations.

Investments Authorized. Moneys held by Trustee shall be invested and reinvested to the maximum extent practicable in Permitted Investments having the highest yield reasonably obtainable. Permitted Investments credited to any fund shall be valued at Market Value.

Arbitrage Covenant. Buyer will make no use of the proceeds of the Obligations or other moneys which would cause the obligations of Buyer under the Purchase Agreement to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Internal Revenue Code of 1986, as amended.

Tax Covenants. Buyer will neither take nor fail to take any action, which action or failure to act is within its power and authority and would result in interest income on the Purchase Agreement or the Obligations to become subject to inclusion in gross income for federal income tax purposes.

In the event the Buyer is required to rebate any earnings and profits from the investment of the Obligations, Trustee shall establish a separate "Arbitrage Rebate Fund" funded with earnings and profits from the investment of the Obligation proceeds on an annual basis. Buyer must compute, or engage professionals to compute, the exact amount of earnings which need to be deposited into the Arbitrage Rebate Fund no later than 30 days after each anniversary of the Obligation issuance.

In the event there are insufficient moneys in the Arbitrage Rebate Fund to make a payment when due, Buyer shall pay to Trustee from Excise Taxes or other money lawfully available therefor the amount necessary to provide Trustee with an amount sufficient to make such payment when due.

Liability and Protection of Trustee. The recitals of facts, covenants and agreements in the Trust Agreement and in the Obligations contained shall be taken as statements, covenants and agreements of Buyer, and Trustee assumes no responsibility for the correctness of the same, or makes any representations as to the validity or sufficiency of the Trust Agreement or of the Obligations nor shall Trustee incur any responsibility in respect thereof, other than in connection with the duties or obligations in the Trust Agreement or Obligations assigned to or imposed upon them, respectively.

Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificates, statements, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Trust Agreement, and Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. Trustee shall not be bound to recognize any person as an Owner of any Obligation or to take any action at his request unless such Obligation shall be deposited with Trustee and satisfactory evidence of the ownership of such Obligation shall be furnished to Trustee. Trustee may consult with counsel, who may be counsel to Buyer with regard to legal questions and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith in accordance therewith.

Whenever Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action, such matter (unless other evidence in respect thereof be specifically prescribed) shall be deemed to be conclusively proved and established by the certificate of Buyer Representative and such certificate shall be full warranty to Trustee for any action taken or suffered under the provisions of the Trust Agreement upon the faith thereof, but in its discretion Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Trustee may become the Owner of the Obligations with the same rights it would have if it were not Trustee; may acquire and dispose of other bonds or evidence of indebtedness of Buyer with the same rights it would have if it were not Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Obligations, whether or not such committee shall represent the Owners of the majority in principal amount of the Obligations then Outstanding.

Trustee shall not be answerable for the default or misconduct of any attorney, agent, or receiver selected by it with reasonable care. Trustee shall not be answerable for the exercise of any discretion or power under the Trust Agreement or for anything whatever in connection with the funds and accounts established thereunder, except only for its own willful misconduct or negligence.

No provision in the Trust Agreement shall require Trustee to risk or expend its own funds or otherwise incur any financial liability in the performance of any of its duties.

Trustee shall not be deemed to have notice of any default, except a payment default, unless Trustee has actual notice thereof or is specifically notified in writing of such default by Buyer or the Owners of at least twenty-five percent (25%) in aggregate principal amount of the Obligations then Outstanding.

Removal of Trustee. Buyer (but only if no Event of Default has occurred and is continuing) or the owners of a majority in aggregate principal amount of all Obligations Outstanding, by written directive, at any time and for any reason, may remove Trustee and any successor thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of Arizona, having a combined capital (exclusive of borrowed capital) and surplus of at least Fifty Million Dollars (\$50,000,000) and subject to supervision or examination by Federal or State authority.

Trustee may resign by giving written notice to Buyer. Upon receiving such notice of resignation, Buyer shall promptly appoint a successor trustee. In the event that Buyer does not appoint a successor trustee within 30 days, the resigning Trustee may petition the appropriate court having jurisdiction to appoint a successor trustee.

Amendments Permitted. The Trust Agreement and the Purchase Agreement may be modified or amended upon written consent of the Owners of a majority in aggregate principal amount of the Obligations then Outstanding, exclusive of Obligations disqualified. Obligations owned or held by or for the account of Buyer or by any person directly or indirectly controlled by, or under direct or indirect common control with Buyer (except any Obligations held in any pension or retirement fund) shall not be deemed Outstanding for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding Obligations, and shall not be entitled to vote upon, consent to, or take any other action provided for in the Trust Agreement. No such modification or amendment shall (1) extend or have the effect of extending the fixed maturity of any Obligation or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof or reducing any premium payable upon the redemption thereof, without the express consent of the Owner of such Obligation, or (2) reduce or have the effect of reducing the percentage of Obligations required for the affirmative vote or written consent to an amendment or modification of the Purchase Agreement, or (3) modify any of the rights or obligations of Trustee without its written assent thereto.

The Trust Agreement and the Purchase Agreement may be modified or amended, without the consent of any such Owners, but only to (1) provide for the additions, supplements or deletions with respect to the Project, (2) add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power reserved to Trustee or Buyer, (3) to cure, correct or supplement any ambiguous or defective provision contained therein, (4) in regard to questions arising thereunder, as the parties thereto may deem necessary or desirable and which shall not adversely affect the interests of the Owners of the Obligations.

Procedure for Amendment. A copy of the supplemental agreement requiring consent of Obligation Owners, together with a request to the Obligation Owners for their consent thereto, shall be mailed by Trustee to each Owner of an Obligation at his address as set forth on the Obligation registration books, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as provided in the Trust Agreement.

Such supplemental agreement shall not become effective except upon written consent of the Owners of a majority in principal amount of the Obligations then Outstanding (exclusive of Obligations disqualified) and notice shall have been mailed. The consent of an Owner of an Obligation shall be effective only if accompanied by proof of ownership of the Obligations for which such consent is given. Any such consent shall be binding upon the Owner of the Obligation giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with Trustee prior to the date when the notice has been mailed.

If Owners of the required percentage of Obligations file their consents to such supplemental agreement, Trustee shall mail a notice to the Owners stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Obligations and will be effective (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto).

Covenants. Buyer will perform all obligations and duties imposed on it under the Purchase Agreement.

Buyer will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be an Event of Default under the Purchase Agreement. Buyer will observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by Buyer, including its right to exist and carry on business as a political subdivision.

Limitation of Liability. Except for the payment of Payments from Excise Taxes when due in accordance with the Purchase Agreement and the performance of the other covenants and agreements of Buyer contained in the Purchase Agreement, Buyer shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Obligations with respect to the Trust Agreement, or the terms, execution, delivery or transfer of the Obligations, or the distribution of Payments to the Owners by Trustee.

Buyer shall have no obligation or liability to any of the other parties or to the Owners of the Obligations with respect to the performance by Trustee.

If it does so in good faith, Trustee shall be absolutely protected in relying upon an opinion of Independent Counsel, which shall be made available to other parties on request or on a verified certificate of any party.

Remedy on Default, Acceleration.

Upon an Event of Default, during the continuance of the Event of Default, the Trustee may and, upon request of Owners of twenty-five percent in aggregate amount of Obligations, and indemnified to its satisfaction shall exercise one or more of the following remedies:

- (i) Proceed to protect and enforce its rights and the rights of holders of the Obligations by a suit or suits in equity or law;
- (ii) Upon bringing suit to enforce any of its rights (a) have a receiver appointed and (b) seek and obtain injunctive relief.
- (iii) There is no right to accelerate the maturities of the Obligations (other than as provided for optional redemption), to declare any Payment not then past due immediately due and payable, or to interfere with the Buyer's ownership, possession or use of the Project.

Application of Funds. All moneys received by Trustee pursuant to any right given or action taken upon default shall be applied by Trustee in the order following upon presentation of the several Obligations, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the costs and expenses of Trustee and of the Obligation Owners in declaring such Event of Default; and

Second, to the payment of the whole amount then owing and unpaid with respect to the Obligations for principal and interest, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Obligations, then to the payment of such principal and interest, without preference or priority of any installment of interest over any other installment of interest, or any interest over any other principal or principal over interest, ratably to the aggregate of such principal and interest.

Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, Trustee in its discretion may, and upon the written request of the Owners of a majority in aggregate principal amount of the Obligations then Outstanding, and upon being indemnified to its satisfaction therefor, shall proceed to protect or enforce its rights or the rights of the Owners of Obligations by a suit in equity or action at law for the specific performance of any covenant or agreement contained in the Trust Agreement.

Power of Trustee to Control Proceedings. In the event that Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, whether upon its own discretion or upon the request of the Owners of a majority in aggregate principal amount of the Obligations then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Obligations, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; provided, however, that Trustee shall not discontinue, withdraw, compromise or settle, or otherwise dispose of, any litigation pending at law or in equity, without the consent of a majority in aggregate principal amount of the Obligations Outstanding.

Limitation on Obligation Owner's Right to Sue. No Owner of any Obligation shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Trust Agreement, unless (a) such Owner shall have previously given to Trustee written notice of the occurrence of an Event of Default; (b) the Owners of at least a majority in aggregate principal amount of all the Obligations then Outstanding shall have made written request upon Trustee to exercise its powers or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to Trustee reasonable indemnity; and (d) Trustee shall have refused or omitted to comply with such request for a period of 60 days.

Defeasance. If and when all outstanding Obligations shall be paid and discharged in any one or more of the following ways:

- (a) by payment of the principal of, interest and redemption premiums (if any) with respect to all Obligations Outstanding, as and when the same become due and payable;
- (b) by depositing, in trust, at or before maturity, money which, together with the amounts then on deposit in the Payment Fund is fully sufficient to pay or cause to be paid all Obligations Outstanding, including all principal and interest;
- (c) by depositing, in trust, any noncallable United States Obligations in such amount as shall be certified by a national firm of certified public accountants acceptable to both Trustee and Buyer, as being fully sufficient, together with the interest to accrue thereon and moneys then on deposit in the Payment Fund together with the interest to accrue thereon, to pay and discharge all Obligations (including all principal and interest) at their respective maturity dates; notwithstanding that any Obligations shall not have been surrendered for payment, all obligations of Trustee and Buyer with respect to all outstanding Obligations shall cease and terminate, except only the obligation of Trustee to pay or cause to be paid, from funds deposited pursuant to paragraphs (b) and (c) above to the Owners of the Obligations not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraphs (b) or (c), the Obligations shall continue to represent direct and proportionate interests of the Owners thereof in such Payments.

Conflict of Interest. A.R.S. Section 38-511 provides that Buyer may, within three years after its execution, cancel any contract, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Buyer is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. In addition, Buyer may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of Buyer from any other party to the contract arising as a result of the contract.

Governing Law. The Trust Agreement shall be construed and governed in accordance with the laws of the State of Arizona.

FORM OF APPROVING LEGAL OPINION

_____, 2012

_____,
as Trustee

Ladies and Gentlemen:

We have examined the proceedings relating to the execution and delivery by _____ (the "Trustee") of \$2,550,000* aggregate principal amount of Excise Tax Revenue Obligations, Series 2012 (the "Obligations") dated April 5, 2012* pursuant to a Trust Agreement dated as of April 1, 2012* (the "Trust Agreement"), between the Trustee and the Town of Oro Valley, Arizona (the "Town"). Each of the Obligations represents a participating interest in obligations of the Town under a Purchase Agreement dated as of April 1, 2012* (the "Purchase Agreement"), between the Trustee, as seller, and the Town, as buyer, under which the Trustee has contracted to acquire, construct and install aquatic facility improvements at the James D. Kriegh Park (collectively, the "Project"), and the Town has agreed to acquire the Project from the Trustee by purchase, with payments over the period from the date hereof to _____. The payments under the Purchase Agreement are secured by certain excise tax revenues pledged pursuant to the Purchase Agreement and the Trust Agreement. We have also examined a form of the Obligations.

Based upon such examination, we are of the opinion that, under the law existing on the date of this opinion:

1. The Obligations, Trust Agreement and Purchase Agreement are legal, valid, binding and enforceable in accordance with their respective terms, except that the binding effect and enforceability thereof are subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting the rights of creditors generally, and except to the extent that the enforceability thereof may be limited by the application of general principles of equity.

2. The obligations of the Town under the Purchase Agreement and the Obligations are payable from and are secured by a pledge of and lien on the Excise Taxes (as defined in the Purchase Agreement), as provided in the Purchase Agreement and the Trust Agreement. The Purchase Agreement and the Trust Agreement create the lien they purport to for such purpose. The Obligations are issued on a parity with certain outstanding obligations of the Town with respect to the lien on Excise Taxes, including the Existing Parity Obligations (as defined in the Trust Agreement). Additional obligations may be issued in the future on a parity with the Obligations with respect to the lien on Excise Taxes.

3. Under existing laws, regulations, rulings and judicial decisions, the portion of each Payment made by the Town under the Purchase Agreement and denominated as and comprising interest pursuant to the Purchase Agreement and received by the owners of the Obligations is excluded from gross income for the purpose of calculating federal income taxes and is exempt from State of Arizona income taxes. Interest income on the Purchase Agreement is not an item of tax preference to be included in computing alternative minimum tax of individuals or corporations; however, such interest income must be taken into account for federal income tax purposes as an adjustment to alternative minimum taxable income for certain corporations, which income is subject to federal alternative minimum tax. Neither the Purchase Agreement nor the Obligations are private activity bonds within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"). We express no opinion regarding other federal tax consequences arising with respect to either the Purchase Agreement or the Obligations.

* *Subject to change.*

The Code imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Purchase Agreement from gross income for federal income tax purposes, including a requirement that the Town rebate to the federal government certain of the investment earnings with respect to the Purchase Agreement. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Purchase Agreement received by the owners of the Obligations being included as gross income for federal income tax purposes from the date of issuance of the Obligations. The Town has covenanted to comply with the restrictions, conditions and requirements of the Code necessary to preserve the tax-exempt status of the interest income on the Purchase Agreement received by the owners of the Obligations. For purposes of this opinion, we have assumed continuing compliance by the Town with such restrictions, conditions and requirements.

We express no opinion as to the exemption from federal or State of Arizona state income taxation of any other amounts paid under the Purchase Agreement, whether under any option of the Buyer to prepay the purchase price of the Project or otherwise.

As to questions of fact material to our opinion, we have relied upon, and assumed due and continuing compliance with the provisions of, the proceedings and other documents, and have relied upon certificates, covenants and representations furnished to us without undertaking to verify the same by independent investigation, including, without limitation, those with respect to causing interest on the Obligations to be and remain excluded from gross income for federal income tax purposes.

GUST ROSENFELD P.L.C.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$2,550,000*

TOWN OF ORO VALLEY, ARIZONA
EXCISE TAX REVENUE OBLIGATIONS, SERIES 2012

CONTINUING DISCLOSURE CERTIFICATE
(CUSIP Base No. _____)

This Continuing Disclosure Certificate (the “*Disclosure Certificate*”) is undertaken by the Town of Oro Valley, Arizona, an Arizona political subdivision (the “*Town*”) in connection with the issuance of the Town’s \$2,550,000* principal amount of Excise Tax Revenue Obligations, Series 2012 (the “*Obligations*”). In consideration of the initial sale and delivery of the Obligations, the Town covenants as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is for the benefit of the Obligationholders and in order to assist the Participating Underwriter in complying with the Rule (as defined herein).

Section 2. Definitions. Any capitalized term used herein shall have the following meanings, unless otherwise defined herein:

“*Annual Report*” shall mean the annual report provided by the Town pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Dissemination Agent*” shall mean the Town, or any person designated in writing by the Town as the Dissemination Agent.

“*EMMA*” shall mean the Electronic Municipal Market Access system and the EMMA Continuing Disclosure Service of MSRB, or any successor thereto approved by the United States Securities and Exchange Commission, as a repository for municipal continuing disclosure information pursuant to the Rule.

“*Listed Events*” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“*MSRB*” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“*Obligationholder*” shall mean any registered owner or beneficial owner of the Obligations.

“*Official Statement*” shall mean the final official statement dated _____, relating to the Obligations.

“*Participating Underwriter*” shall mean any of the original underwriters of the Obligations required to comply with the Rule in connection with offering of the Obligations.

“*Resolution*” shall mean the resolutions authorizing the issuance and sale of the Obligations.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*Special Counsel*” shall mean Gust Rosenfeld P.L.C. or such other nationally recognized bond counsel as may be selected by the Town.

* Subject to change.

Section 3. Provision of Annual Reports.

(a) The Town shall, or shall cause the Dissemination Agent to, not later than February 1 of each year (the “*Filing Date*”), commencing February 1, 2013, provide electronically to MSRB, in a format prescribed by the MSRB, an Annual Report for the fiscal year ending on the preceding June 30 which is consistent with the requirements of Section 4 of this Disclosure Certificate. Should the Town’s fiscal year change to something other than July 1 to June 30, then the Annual Report will be provided not later than seven (7) months after the end of such fiscal year. Currently, filings are required to be made with EMMA. Notice of any such change in the Town’s fiscal year will be filed with EMMA. Not later than fifteen (15) business days prior to such Filing Date, the Town shall provide the Annual Report to the Dissemination Agent (if other than the Town).

(b) If, the Town is unable or, for any reason, fails to provide electronically to EMMA an Annual Report by the Filing Date required in subsection (a), the Town shall promptly send a notice to EMMA in substantially the form attached as *Exhibit A* not later than such Filing Date.

(c) If the Town’s audited financial statements are not submitted with the Annual Report and the Town fails to provide to EMMA a copy of its audited financial statements within 30 days of receipt thereof by the Town, then the Town shall promptly send a notice to EMMA in substantially the form attached as *Exhibit B*.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date(s) for providing the Annual Report and audited financial statements the proper address of EMMA, and

(ii) if the Dissemination Agent is other than the Town, file a report or reports with the Town certifying that the Annual Report and audited financial statements, if applicable, have been provided pursuant to this Disclosure Certificate, stating the date such information was provided.

Section 4. Content of Annual Reports.

(a) The Annual Report may be submitted as a single document or as separate documents comprising a package, and may incorporate by reference other information as provided in this Section, including the audited financial statements of the Town; provided, however, that if the audited financial statements of the Town are not available at the time of the filing of the Annual Report, the Town shall file unaudited financial statements of the Town with the Annual Report and, when the audited financial statements of the Town are available, the same shall be submitted to EMMA within 30 days of receipt by the Town.

(b) The Town’s Annual Report shall contain or incorporate by reference the following:

(i) Type of Financial and Operating Data to be Provided:

(A) Subject to the provisions of Section 4(a) hereof, annual audited financial statements for the Town.

(B) Annually updated financial information and operating data of the type contained in Tables 2 and 4 of the Official Statement.

(C) In the event of an amendment pursuant to Section 8 hereof not previously described in an Annual Report, an explanation, in narrative form, of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided and, if the amendment is made to the accounting principles to be followed, a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles, including a qualitative discussion of the differences, and the impact on the presentation and, to the extent feasible, a quantitative comparison.

(ii) Accounting Principles Pursuant to Which Audited Financial Statements Shall Be Prepared: The audited annual financial statements shall be prepared in accordance with generally accepted accounting principles and state law requirements as are in effect from time to time. A more complete description of the accounting principles currently followed in the preparation of the Town's audited annual financial statements is contained in Note 1 of the audited financial statement included within the Official Statement.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Town or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The Town shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

This Section 5 shall govern the giving of notices by the Town of the occurrence of any of the following events with respect to the Obligations. The Town shall in a timely manner, not in excess of ten business days after the occurrence of the event, provide notice of the following events with EMMA:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service (the "IRS") of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Obligations, or other events affecting the tax status of the Obligations;
- (7) Modifications to rights of Obligationholders, if material;
- (8) Obligation calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Obligations, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the Town;
- (13) The consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

Note to paragraph (12) above: For the purposes of the event identified in paragraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town.

Section 6. Termination of Reporting Obligation. The Town's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Obligations. Such termination shall not terminate the obligation of the Town to give notice of such defeasance or prior redemption.

Section 7. Dissemination Agent. From time to time, the Town may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment. Notwithstanding any other provision of this Disclosure Certificate, the Town may amend this Disclosure Certificate if:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature or status of the Town, or the type of business conducted;

(b) This Disclosure Certificate, as amended, would, in the opinion of Special Counsel, have complied with the requirements of the Rule at the time of the primary offering of the Obligations, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Obligationholders, as determined by Special Counsel.

Notice of any amendment to the accounting principles shall be sent within 30 days to EMMA.

Section 9. Filing with EMMA. The Town shall, or shall cause the Dissemination Agent to, electronically file all items required to be filed with the MSRB in a format prescribed by the MSRB. Currently, filings are required to be made with EMMA.

Section 10. Additional Information. If the Town chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Town shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Town to comply with any provision of this Disclosure Certificate any Obligationholder may seek specific performance by court order to cause the Town to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the Town to comply with this Disclosure Certificate shall be an action to compel performance and such failure shall not constitute a default under the Obligations or the resolution authorizing the Obligations.

Section 12. Compliance by Town. The Town hereby covenants to comply with the terms of this Disclosure Certificate. The Town expressly acknowledges and agrees that compliance with the undertaking contained in this Disclosure Certificate is its sole responsibility and the responsibility of the Dissemination Agent, if any, and that such compliance, or monitoring thereof, is not the responsibility of, and no duty is present with respect thereto for, the Participating Underwriter, Special Counsel or the Town's financial advisor.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Town, the Dissemination Agent, the Participating Underwriters and Obligationholders, and shall create no rights in any other person or entity.

Section 14. Governing Law and Interpretation of Terms. This Disclosure Certificate shall be governed by the law of the State of Arizona and any action to enforce this Disclosure Certificate must be brought in an Arizona state court. The terms and provisions of this Disclosure Certificate shall be interpreted in a manner consistent with the interpretation of such terms and provisions under the Rule and the federal securities law.

Date: _____, 2012

TOWN OF ORO VALLEY, ARIZONA

By _____
Its _____

**EXHIBIT A
NOTICE OF FAILURE TO FILE**

Name of Issuer: Town of Oro Valley, Arizona
Name of Obligation Issue: \$2,550,000* Excise Tax Revenue Obligations, Series 2012
Dated Date of Obligations: [Closing Date] CUSIP: _____

NOTICE IS HEREBY GIVEN that the Town has not provided a Comprehensive Annual Financial Report with respect to the above-named Obligations as required by Section 3(a) of the Disclosure Certificate dated _____. The Issuer anticipates that the Comprehensive Annual Financial Report will be filed by _____.

Dated: _____

TOWN OF ORO VALLEY, ARIZONA

By _____
Its _____

**EXHIBIT B
NOTICE OF FAILURE TO FILE AUDITED FINANCIAL STATEMENTS**

Name of Issuer: Town of Oro Valley, Arizona
Name of Obligation Issue: \$2,550,000* Excise Tax Revenue Obligations, Series 2012
Dated Date of Obligations: [Closing Date] CUSIP: _____

NOTICE IS HEREBY GIVEN that the Town failed to provide its audited financial statements with its Comprehensive Annual Financial Report or, if not available, within 30 days of receipt as required by Section 4(a) of the Disclosure Certificate dated _____ with respect to the above-named Obligations. The Issuer anticipates that the audited financial statements for the fiscal year ended June 30, ____ will be filed by _____.

Dated: _____

TOWN OF ORO VALLEY, ARIZONA

By _____
Its _____

* *Subject to change.*

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Obligations. The Obligations will be executed and delivered as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Obligation will be executed and delivered for each maturity of the Obligations, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agents. DTC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s rating of: “AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Obligations on DTC’s records. The ownership interest of each actual purchaser of each Obligation (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Obligations, except in the event that use of the book-entry system for the Obligations is discontinued.

To facilitate subsequent transfers, all Obligations deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Obligations with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Obligations; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Obligations may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Obligations, such as redemptions, tenders, defaults, and proposed

amendments to the Obligation documents. For example, Beneficial Owners of Obligations may wish to ascertain that the nominee holding the Obligations for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Obligations within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Obligations unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the Obligations and the redemption price of any Obligation will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Obligations and the redemption price of any Obligations will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Obligations at any time by giving reasonable notice to the Town or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Obligation certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Obligation certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

TOWN OF ORO VALLEY, ARIZONA
EXCISE TAX REVENUE OBLIGATIONS, SERIES 2012
(AQUATIC FACILITY IMPROVEMENT PROJECT)
Financing Calendar - Revised

January 2012						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February 2012						
S	M	T	W	TH	F	S
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

March 2012						
S	M	T	W	TH	F	S
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April 2012						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Date	Event	Responsible Party
Week of January 30 th	Draft Resolution and Legal Documents distributed to financing team for use in preparing the initial draft Preliminary Official Statement ("POS").	GR
Week of February 13 th	Initial draft POS distributed to financing team for review and comments.	GT, S&Y
Week of February 20 th h	Credit rating conference call with Standard & Poor's.	Town, S&Y
February 21 st	Due diligence conference call to discuss POS disclosure.	Town, GR, S&Y, GT
February 28 th	Documents due to the Town for March 7 th Town Council packets, including substantially final POS, Obligation Purchase Agreement, Resolution and related legal documents.	GR, GT, S&Y
February 28 th	Forward credit rating and insurance application.	Town, S&Y
March 7 th	Town Council considers a Resolution authorizing the issuance of the Obligations and granting authority to the Interim Town Manager or Finance Director to approve the final terms and conditions of the issue.	Town, S&Y, GR
On or Before March 9 th	Receive credit rating and bond insurance quote.	Town, S&Y
March 9 th	Distribute and place on-line the POS to prospective investors. Initiate pre-pricing activities.	S&Y
Week of March 12 th or 19 th	Forward the real time order monitor to the Town. Underwrite/market the bonds and execute the Obligation Purchase Agreement.	S&Y, Town, GR, GT
April 5 th	Closing. Proceeds deposited with trustee.	All Parties

Team:

Town	-	Town of Oro Valley, Arizona – Issuer
GR	-	Gust Rosenfeld P.L.C. – Bond Counsel
S&Y	-	Stone & Youngberg LLC – Underwriter
GT	-	Greenberg Traurig, LLP – Underwriter's Counsel
Trustee, Registrar/Paying Agent	-	TBD



Town Council Regular Session

Item # 1.

Meeting Date: 03/07/2012

Requested by: Jane Peterson

Submitted By:

Jane Peterson, Parks
Recreations Library CR

Department: Parks Recreations Library CR

Information

SUBJECT:

RESOLUTION NO. (R)12-14, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY, THE PIMA COUNTY FREE LIBRARY DISTRICT AND PIMA COUNTY FOR THE TRANSFER OF THE ORO VALLEY PUBLIC LIBRARY FROM AN AFFILIATE LIBRARY TO A BRANCH LIBRARY

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

The current IGA between the Town and Pima County expires on June 30, 2012. Attached for Council consideration is the draft IGA that is a result of meetings with Pima County representatives and interested stakeholders. This IGA changes the operation of the Oro Valley Public Library from an affiliate library to a branch library within the Pima County library system. The IGA will take effect July 1, 2012 and includes a transfer date of January 1, 2013. Pima County will take financial responsibility for the Library beginning July 1, 2012.

BACKGROUND OR DETAILED INFORMATION:

In 1997 Pima County decided to build a new library somewhere in the Northwest. Originally the site chosen was near Ironwood Ridge High School. Environmental issues concerning the pygmy owl surfaced, so the Town Council expressed a preference to have the library located on the Town's campus. An advisory committee began the process of designing and building the library.

It was decided that the relationship between the Town and Pima County for operation of the library would be as an "affiliate" because the Town wanted to staff the library with Town of Oro Valley employees and wanted some control over the collection. The Oro Valley library would share training and circulation software with the county.

The Library was completed in the summer of 2002 and opened on August 17, 2002.

The total cost to run the Library for a year is approximately 1.2 million dollars not including in-kind services provided by other Town departments such as maintenance, janitorial, and IT support. Under the current IGA between the Town and Pima County, the Town receives reimbursement of 50% of all "eligible" expenses from Pima County, which equals approximately \$600,000 per year. Pima County collects \$2.2 million dollars in Library District taxes from Oro Valley property owners, which makes the total contribution from Oro Valley taxpayers approximately \$2.8 million dollars.

The current IGA expires on June 30, 2012. The Town opened negotiations with Pima County late in the

fall of 2011. Originally the Town sought greater reimbursement, however this was not successful. Seeking a solution, Town officials began to negotiate an IGA that included transfer of the operation of the Library to Pima County as a branch library but also would maintain the character of the library as unique to the Town.

The Mayor and the Interim Town Manager met twice with the Friends of the Oro Valley Public Library to discuss this proposal and to hear suggestions. A public meeting was held on February 21, 2012 with Town and Pima County officials in attendance to hear public comments and answer concerns. Meetings were held with the library staff throughout the process to garner suggestions and address issues. The resulting IGA incorporates provisions to address the concerns of stakeholders, including the Friends of the Oro Valley Public Library and the Oro Valley Historical Society.

FISCAL IMPACT:

Starting July 1, 2012, Pima County will assume all costs to run the library. The Town will pay the County the amount of the accrued vacation time of each transferring employee, up to the County maximums, at the transferring employee's rate of pay as of the transfer date. This amount is estimated at \$50,000, which is listed in the budget each year as a liability for potential pay-out. Transfer of the library operations to the County will result in recurring savings to the General Fund of approximately \$600,000 annually.

SUGGESTED MOTION:

I MOVE to (approve or deny) RESOLUTION NO. (R)12-14 APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY, THE PIMA COUNTY FREE LIBRARY DISTRICT AND PIMA COUNTY FOR THE TRANSFER OF THE ORO VALLEY PUBLIC LIBRARY FROM AN AFFILIATE LIBRARY TO A BRANCH LIBRARY

Attachments

Reso 12-14

Library IGA

RESOLUTION NO. (R)12-14

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF ORO VALLEY AND PIMA COUNTY FREE LIBRARY DISTRICT, PIMA COUNTY FOR THE TRANSFER OF THE ORO VALLEY PUBLIC LIBRARY FACILITIES AND OPERATIONS TO THE PIMA COUNTY FREE LIBRARY DISTRICT

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. § 11-951, *et seq.*, the Pima County Free Library District (“District”) and the Town may contract for services and enter into agreements with for joint and cooperative action with other public agencies; and

WHEREAS, pursuant to A.R.S. § 48-3901 *et seq.*, the District is authorized to establish and maintain free libraries; and

WHEREAS, the Town maintains and operates a free public library in accordance with the practices, standards and commitments made under previous intergovernmental agreements with Pima County and the Pima County Free Library District; and

WHEREAS, the Town and the District desire to transfer the Oro Valley Public Library facilities and operations to the District; and

WHEREAS, it is in the best interest of the Town to enter into the Intergovernmental Agreement, attached hereto as Exhibit “A” and incorporated herein by this reference, with the District to transfer the Oro Valley Public Library into the public library system in Pima County.

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

1. The Intergovernmental Agreement, attached hereto as Exhibit “A” and incorporated herein by this reference, between the Town of Oro Valley and the Pima County Free Library District to transfer the operation of the Oro Valley Public Library to the Pima County Free Library District is hereby approved.
2. That the Mayor and 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 Town Council of the Town of Oro Valley, Arizona, this 7th day of March, 2012.

TOWN OF ORO VALLEY

Dr. Satish I. Hiremath, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie K. Bower, Town Clerk

Tobin Rosen, Town Attorney

Date

Date

EXHIBIT “A”

INTERGOVERNMENTAL AGREEMENT

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE PIMA COUNTY FREE LIBRARY DISTRICT,
PIMA COUNTY AND THE TOWN OF ORO VALLEY
FOR THE TRANSFER OF THE ORO VALLEY PUBLIC LIBRARY FACILITIES
AND OPERATIONS TO THE PIMA COUNTY FREE LIBRARY DISTRICT**

This Intergovernmental Agreement is entered into by and between the Pima County Free Library District, a special taxing district of Pima County; Pima County, a political subdivision of the State of Arizona; and, the Town of Oro Valley, a municipal corporation of the State of Arizona.

Recitals

- A. The Pima County Free Library District was established pursuant to A.R.S. § 11-901 *et seq.* and exercises its powers and duties pursuant to A.R.S. § 48-3901 *et seq.*
- B. The Pima County Free Library District has the authority to levy a county free library district secondary property tax sufficient to fund a public library system in unincorporated Pima County and the incorporated cities and towns therein.
- C. The Pima County Free Library District currently operates a library system made up of the main library in downtown Tucson and twenty-five (25) branch libraries located throughout Pima County.
- D. The Town of Oro Valley operates the Oro Valley Public Library in accordance with the practices, standards and commitments made under an intergovernmental agreement with Pima County and the Pima County Free Library District.
- E. A.R.S. § 11-903 authorizes any incorporated city or town in the County to become a part of a library district.
- F. The Town of Oro Valley and the Pima County Free Library District agree that it is in the best interest of all Pima County residents, including the residents of Oro Valley, that the public library system in Pima County include the Oro Valley Public Library.
- G. The Pima County Free Library District shall, therefore, operate and manage the Oro Valley Public Library as a branch library to allow for equitable access to all current and future library locations in Pima County and to provide the broadest range of library services possible to the residents of Pima County.

GLOSSARY

“Agreement”	This Intergovernmental Agreement
“County”	Pima County
“District”	Pima County Free Public Library District
“District Library System”	The main library and all branch libraries operated by the Pima County Free Library District pursuant to A.R.S. § 11- 901
“Effective Date”	July 1, 2012

“Friends”	Friends of the Oro Valley Public Library, Inc., a private non-profit corporation organized under the laws of Arizona
“Interim Period”	July 1, 2012 through December 31, 2012.
“Lease”	The separate lease agreement between Pima County, Pima County Free Public Library District and Town of Oro Valley setting forth the terms and conditions for the occupation and operation of the Premises by District
“Services IGA”	Intergovernmental Agreement between Pima County, Pima County Free Public Library District, and Town of Oro Valley regarding the payment for and provision of library services at the Oro Valley Public Library; County Contract No. 12000000000000000896 (formerly 01-66-O-140125-0707)
“OVPL”	Oro Valley Public Library, a stand-alone structure on the multi-use municipal campus of the Town of Oro Valley
“PCFM”	Pima County Facilities Management
“Pima County Public Library”	Pima County Free Library District
“Premises”	Building, fixtures and all personal property in the building located at 1305 West Naranja Drive in Oro Valley, Arizona
“Town”	Town of Oro Valley
“Transfer Date”	January 1, 2013

AGREEMENT

IN CONSIDERATION of the various promises and obligations made and undertaken herein, the parties agree as follows:

1. Purpose. The purpose of this Agreement is to set forth the terms and conditions for the orderly and timely transfer of OVPL operations to District including the transfer of OVPL staff to the employ of County.
2. Library Operations.
 - 2.1 Transfer of Operation from Town to District. From and after 12:01 a.m. on the Transfer Date, District shall operate the OVPL, which will become part of the District Library System. Until the Transfer Date, Town shall continue to operate the OVPL in accordance with the practices, standards and commitments made between County, District and Town in the Services IGA, and in compliance with all terms of this Agreement. The Services IGA shall remain in full force and effect and is not superseded by this Agreement until the Transfer Date, or unless required to act in compliance with this Agreement.
 - 2.2 Use of County Policies. On and after the Transfer Date, OVPL operations shall be governed by the District Board of Directors and be subject to that Board’s policies,

direction, and control. Further, Pima County personnel, finance and other general rules, policies and procedures shall apply. Library staff employed by Town during the Interim Period may, pursuant to the terms and conditions set forth in Section 6 below, transfer to the employ of County.

- 2.3 Name of the Library. The name of the facility shall remain the Oro Valley Public Library. District may not change the name without the approval of Town.
- 2.4 Hours of Operation. On and after the Transfer Date, District will operate OVPL as a full service library. Subject to annual budget approval by the Pima County Board of Supervisors, full service libraries are open seven days a week and four evenings per week. All District libraries are closed on official County holidays.
- 2.5 Library Collections. District agrees that the Heritage Collection and the local Author's Collection are unique, special collections established and purchased by the Friends and that items in these collections shall be so designated and may circulate to other District library branches but shall be returned to the special collections at OVPL. District agrees that books purchased by the Friends for use in the general collection may be marked as purchased by the Friends and shall circulate to other District library branches, but these books shall be returned to the general collections at OVPL.
- 2.6 Library Programs. Pursuant to District policy, OVPL shall continue to operate public programs that meet the needs and interests of the local community. Staff will organize, promote and support local programs. Local program presenters shall not be obligated to provide programs at other branches.
- 2.7 Volunteer Program. The volunteer program at OVPL shall continue following the transfer. Pursuant to District policy, volunteers shall have library access and perform their tasks under the supervision of District.

3. Finance and Funding.

- 3.1 Funding of Oro Valley Library for 2011-2012 Fiscal Year. For FY 2011-12 (July 1, 2011 through June 30, 2012), Town and District will jointly pay the Eligible Shared Operating Costs of the Oro Valley Public Library as defined and established in the Services IGA.
- 3.2 Funding after the Effective Date. Except as otherwise specified herein, District shall be responsible for funding one-hundred percent (100%) of OVPL operations, including employee salaries and benefits, on and after the Effective Date, subject to the provisions of Sections 12.4 and 19.

4. Disclosure. Town and District staff shall cooperate to identify the specific records needed in order to effectuate the orderly transition of OVPL operations from Town to District. At a minimum, Town shall furnish District with the following, as soon as reasonably possible, or as specifically set forth herein, **but no later than April 15, 2012:**

- 4.1. A complete inventory of the building, specialized equipment, furnishings, fixtures, and other personal property necessary to the management and operation of the OVPL,

including information necessary for GASB-34 reporting and underwriting of property insurance.

4.2. Financial statements with full disclosure of:

4.2.1. Total assets associated with or dedicated to the operation or improvement of OVPL, including, but not limited to:

4.2.1.1. Revenue/accounts receivable;

4.2.1.2. Capital assets;

4.2.1.3. Any and all accrual accounts associated with the budget for the operation of OVPL; and

4.2.1.4. Any other accounts or assets, such as grant funds, trusts or donations received.

4.2.2. Liabilities, both contingent and accrued.

4.2.3. Short and long-term indebtedness, including bonded indebtedness, if any.

4.3. Statements regarding pending claims or litigation or any other events materially and adversely affecting operations or the financial condition of OVPL.

4.4. A full listing, and copies, of all outstanding contracts connected with OVPL operations and/or the Premises, the terms of which extend beyond the Transfer Date, including, but not limited to: liens, deeds, software license agreements, maintenance and construction agreements, supply contracts, cost sharing agreements, and rooftop use agreements. **This information must be provided to District as soon as possible, but no later than April 1, 2012.**

4.5. Any licenses, permits, leases, occupancy agreements, or other agreements, that are currently in place giving any third party the right to use or occupy on a regular basis (whether or not continuous, and whether or not exclusive) any portion of the Premises.

4.6. Copies of any and all as-built plans as well as any reports that have been generated regarding the condition of the Premises, such as mold, asbestos, environmental, ADA non-compliance or deficiencies, or engineering reports.

4.7. Any and all documentation in Town's possession regarding the operations and maintenance of the Premises, including, but not limited to:

4.7.1. Documentation regarding the major mechanical systems and structural condition (including roof) of the Premises, including, but not limited to: service schedules, warranties, and defects or substandard functioning. **This information must be provided to PCFM as soon as possible and not later than April 1, 2012.**

4.7.2. Copies of any and all Accident, Vandalism, and Security Reports associated with the Premises. **This information must be provided to Pima County Risk Management by April 1, 2012.**

- 4.7.3. Copies of any and all reports, notices, or other information related to: mold issues; custodial chemical usage; trip hazards and the like; and any and all ADA complaints regarding access to and use of the Premises. **This information must be provided to Pima County Risk Management and PCFM as soon as possible, but no later than April 1, 2012.**
- 4.7.4. Any other documents or information in the possession of Town that a reasonable person would deem to be material to District as if District were actually purchasing and thereafter operating and maintaining the Premises.
- 4.8. Personnel information **must be provided to District as soon as possible, but no later than April 1, 2012.** Personnel information shall include all of the following:
 - 4.8.1. An organizational chart for the library, disclosing:
 - 4.8.1.1. Each position in the library, identified by job title and position number.
 - 4.8.1.2. The name of the individual occupying each position, if filled; if vacant, note that it is vacant.
 - 4.8.1.3. Pay rate for each employee.
 - 4.8.2. A description of the duties and salary range of each job title.
 - 4.8.3. A complete list of all employees, showing:
 - 4.8.3.1. Name.
 - 4.8.3.2. Current title.
 - 4.8.3.3. Pay rate on August 1, 2011.
 - 4.8.3.4. Date of hire.
 - 4.8.3.5. Date in job classification.
 - 4.8.3.6. Accrued vacation leave hours.
 - 4.8.3.7. Accrued sick leave hours.
 - 4.8.3.8. Part-time or full-time status.
 - 4.8.3.9. Hours worked per pay period.
 - 4.8.3.10. Status (regular, temporary, intermittent).
 - 4.8.3.11. If an employee is on leave, the date the leave started, the type of leave, and the circumstances associated with the leave.

4.8.3.12. Probationary status for OVPL employees on probation with probation start date.

4.8.3.13. A list of employees who intend to retire prior to the Transfer Date.

5. Audit Rights. District shall have the right to audit the books of Town relating to OVPL.

6. Personnel. After the Transfer Date, Pima County shall, through an Agreement with the District, provide, at the District's cost, staffing for operation of the District Library System. Subject to the terms and conditions set forth below, County shall accept for employment any and all Oro Valley Library employees who voluntarily leave Town employment, effective as of the Transfer Date, to become County employees (the "Transferring Employees"), except for the employees who have indicated an intent to retire prior to the Transfer Date.

6.1 Transfer to County Employment.

6.1.1 *Application Materials*. Each Transferring Employee shall submit a completed Pima County Application for Employment and other hiring papers required by County, at the time set by County, which must not be later than August 1, 2012. Failure of a Transferring Employee to submit the required documents shall be, at the County's discretion, just cause for denying the transfer.

6.1.2 *Timing*. Except as set forth below, employment by the County (and resignation from Town employment in order to become a Transferring Employee) shall be effective as of 12:01 a.m. on the Transfer Date, provided that all actions necessary for the transition have at that time been taken.

6.2 Classification & Pay.

6.2.1 *Job Placement/Salaries & Wages*. Each Transferring Employee shall be placed in the County job classification that, in the reasonable judgment of the County Human Resources Director, with the approval of the County Administrator, most closely fits such employee's current job duties, and shall, subject to Section 6.2.4, receive salary/wages (base pay) equivalent to what the Transferring Employee was earning at the Town as of July 1, 2012.

6.2.2 *Library Pages*. Under Town personnel policy, OVPL Pages are permanent, part time employees. Therefore these Pages shall be treated as Transferring Employees under Section 6.2.1 of this Agreement. After the transfer new pages will be hired pursuant to District policy.

6.2.3 *Voluntary Change in Job Position*. Employees who wish to continue working within the library system in positions that are not comparable to their previous Town positions, or in non-library County positions, will be required to compete under the County Merit System Rules, will be considered entry level (if hired), and shall not be Transferring Employees under this Agreement.

6.2.4 *Salary Increases*. Town shall not increase the wage or salary of any library employee after January 1, 2012 except if a regular increase is provided to all

Town employees pursuant to Town employment ordinances. Transferring Employees who meet the requirements for a pay adjustment made by the Board of Supervisors for eligible County employees shall be granted the pay adjustment awarded to eligible county employees for fiscal year 2013-2014.

- 6.2.5 *Subsequent Change in Status.* If at a later date a Transferring Employee is demoted, either voluntarily or involuntarily, or the pay grade of the Transferring Employee's position/job classification is reduced, the Transferring Employee shall be subject to a pay reduction in accordance with Pima County's Merit System Rules and Personnel Policies and any County Administrative Procedures or directives that apply to all other County employees of the grade to which the Transferring Employee is reduced. County shall not in bad faith demote a Transferring Employee, or reduce such Employee's duties or position, or reduce the pay grade of a job classification, for the purpose of justifying a salary/wage reduction.
- 6.2.6 *Subsequent Transfer or Promotion.* Transferring Employees will not involuntarily be transferred to work at a different library location. Transferring Staff, including library management, will be eligible for promotion within the District, but such employee must be willing and able to move to another District branch to be eligible to compete for a promotion. District agrees that it will notify OVPL staff of all publicly advertised District job openings during the Interim Period.
- 6.3 *Probation.* Competitive hire and initial hire probation requirements of the Pima County Employee Merit System are hereby waived for Transferring Employees, except that any Transferring Employee who is on probationary status with Town on the Transfer Date will continue to be on probation under the County Merit System for the remaining term of such employee's probation set by Town when hired.
- 6.4 *New Employee Status.* Transferring Employees shall be deemed to be new County employees for all purposes except as specifically set forth herein.
 - 6.4.1 *Leave Accrual Rates.* Transferring Employees shall accrue sick and vacation leave at the normal County service time rate based on total years of service with both the Town and the County. Years of service shall be computed on full time employment basis, and shall be adjusted proportionately downward for any part time service (for example, if an employee worked half time for ten years—as determined by the employee's Official Personnel File--the employee would be credited with five years of service).
 - 6.4.2 *FMLA.* FMLA entitlements of Transferring Employees are governed by 29 C.F.R. §825.107 as follows: 1) a Transferring Employee's eligibility for FMLA will be based on combined Town/County service time and 2) any Transferring Employee who is on FMLA at the time of the transition will have a total of 12 workweeks of FMLA leave based on the start date of the FMLA while employed by the Town.

- 6.4.3 *Benefits.* Transferring Employees shall receive the standard County new employee benefit package and shall pay the standard County employee contribution. Each Transferring Employee shall be eligible for County benefits as of the Transfer Date, *provided that he or she completes the proper documentation with the County accurately and in a timely manner.*
- 6.4.4 *Seniority.* Transferring Employees shall have seniority within the library system based on their combined Town/County service time. However, in the event that a Transferring Employee transfers from the library system to another County department, seniority shall be based on that employee's service time with the County only.
- 6.5 *Accrued Leave.*
- 6.5.1 *Transfer of Leave.* Each Transferring Employee's accrued vacation and sick leave will be transferred to the County, except that accrued leave may not exceed County maximums (240 hours of vacation time, and 1,920 hours of sick leave). Compensatory time shall not be transferred.
- 6.5.2 *Funding of Transferred Vacation Leave.* The Town shall, on or before the Transfer Date, pay the County an amount sufficient to pay for the accrued vacation time of each Transferring Employee, up to the County maximums, at the Transferring Employee's rate of pay as of the Transfer Date.
- 6.5.3 *Funding of Transferred Sick Leave.* If a Transferring Employee retires from County employment or dies during County employment within two years after the Transfer Date, the Town shall pay the County fifty percent (50%) of the amount required to pay the retiring/deceased employee for any sick leave that has been accrued and that is converted to vacation leave and paid to the employee upon retirement (or to the employee's estate).
- 6.5.4 *Payments.* These payments shall be in addition to any other sums to be paid by the Town hereunder.
- 6.6 *Personnel Files.* Town employee personnel files (including the official, departmental, medical, benefits, retirement and any other personnel files) shall remain property of the Town and shall not be transferred to the County or the District. Town agrees to maintain the official personnel files for all Transferring Employees in accordance with the Town's record retention schedule. Town agrees to allow access to these personnel files to the County's Human Resources Director, the Library District Director, and the County Administrator during normal business hours in accordance with the Town Administrative Directive on access to employment records.
7. *Contracts and License Agreements.*
- 7.1. *Assignment of Contracts and License Agreements.* The Parties acknowledge that Town will have contracts and license agreements necessary for the operation of the OVPL the terms of which will extend beyond the Transfer Date. Town shall assign to District the Town's rights and obligations under any and all of such contracts and agreements for which District requests assignment.

- 7.1.1. The assignments of such contracts and agreements shall be effective on the Transfer Date.
 - 7.1.2. **On or before April 15, 2012**, Town shall deliver to District all assignments, together with any required consents from the other parties to the contracts, necessary to effectuate the transfers.
 - 7.2. *Interim Contracting*. The Parties acknowledge that Town may, in the normal course of business, have the need to enter into contracts and license agreements to ensure that OVPL business operations continue uninterrupted until the Transfer Date. Therefore, from and after the Effective Date, Town shall take the following steps for any contract or license agreement entered into for the operation of the OVPL during the Interim Period:
 - 7.2.1. *District Consent*. Town will obtain District's consent prior to entering into the contract or license agreement.
 - 7.2.2. *Consent to Assignment*. If District has consented to the contract or license agreement, Town shall use best efforts to include a provision permitting assignment of the contract or license agreement to District or County as of the Transfer Date. Such provision shall ensure that the assignment occurs without the necessity of obtaining the consent or approval of the contractor.
 - 7.2.3. *Procurement of Goods and Services*. Town shall work with County and District to conduct procurement of any goods and services according to County procurement standards, policies, ordinances and rules.
8. Ownership Interests. The Parties acknowledge that County and Town have previously entered into intergovernmental agreements through which County provided bond funds for construction of the building, its expansion, and some furnishings. Pursuant to those agreements, the Parties hold ownership interests in the library facility as follows:
 - 8.1. *August 16, 1999 intergovernmental agreement*. County owns 50% of the project facilities funded under that agreement,
 - 8.2. *January 11, 2005 intergovernmental agreement*. County owns 50 % of the completed 25,000 square foot library; furnishings, fixtures and equipment; and computers funded under that agreement.
 - 8.3. Town owns the remaining fifty percent (50%) of the original and expanded library facility and owns one hundred percent (100%) of the land underlying the building.
9. Lease of Premises. The Parties shall enter into a separate lease agreement, in a mutually acceptable form, for the use of the Premises by District. The lease shall contain, at a minimum, the following terms and conditions:
 - 9.1. *Term/Amendment*. The lease shall be effective on the Transfer Date and shall be for an initial term of fifty (50) years commencing on the Transfer Date. The lease shall be reviewed by the Parties on an annual basis and modifications shall be made, if necessary, to reflect changes in costs and responsibilities. Amendment of the lease shall not necessitate amendment of this Agreement.

- 9.2. Premises/Parking Lot/Common Areas: District shall lease from Town the entire Premises. District shall also have the right to utilize the parking lots to the north, south and the west of the Premises and the common areas of the Oro Valley municipal campus on a non-exclusive basis.
- 9.3. Rent. District shall pay no rent for the Premises. District's agreement to operate the Premises as part of the District Library System shall be sufficient consideration for the lease.
- 9.4. Signs. District may letter the doors and windows of the building and, at its option and cost, replace public signage, or affix District's standard signs and plaques to existing signs for the Premises, provided that any sign erected complies with Town sign codes and requirements.
- 9.5. Keys/Security. District may elect to change the key system to be in compliance with existing key system for District facilities. District will, provide access to the key system to Town for the purpose of maintenance and any services, such as janitorial, obtained from or provided by Town.
- 9.6. Maintenance. Maintenance of the OVPL shall be as set forth in Section 11. Town will, no less than annually, provide PCFM with copies of all required inspections and certifications related to any boilers, elevators and backflow preventers in the building.
- 9.7. Utilities. Utility accounts for operation of the Premises (excluding exterior and parking lot lighting) will be transferred from Town's responsibility to District responsibility by the Transfer Date of this Agreement. Utility accounts include, but are not limited to: electric; gas; water and sewer; trash collection; and telephone. District reserves the right to negotiate rates with utility companies.
- 9.8. Termination. After the Transfer Date, the lease may be terminated at any time by either party with six months advance notice. In the event that Town terminates the lease, Town shall reimburse District in the amount of District's actual costs of structural or non-structural improvements, equipment, and fixtures made during District's tenancy of the Premises and 50% of all funds paid by District during the Interim Period. Town shall also assume, at its own expense, any existing contracts or license agreements between District and vendors associated with District's operation of OVPL.
- 9.9. Use of the Premises. The Premises subject to the lease shall be used primarily for the operation of a public library, but may, at the sole discretion of District, also be used for normal library-related and ancillary purposes such as community group activities, meetings, and special events. Town shall have the ability to reserve space in the library on a priority basis for a reasonable number of special events up to one year in advance. District may refuse to allow a Town special event on the Premises if, in the judgment of the District, the event would unreasonably interfere with the primary use of the Premises as a public library. District shall comply with all applicable laws in its use of the Premises, and shall not interfere with the quiet enjoyment of neighboring properties.

9.10. Improvements to Premises.

9.10.1. *Improvements made and paid for by District.* When District chooses to make, at District expense, modifications to the Premises, District will obtain Town's approval as follows:

9.10.1.1. No Town approval shall be required for non-structural modifications to the Premises.

9.10.1.2. Town shall have the right to approve any exterior design changes or expansions of the OVPL building.

9.10.1.3. Town approval, as required herein, may be withheld only if Town reasonably concludes that the submitted plans and specifications do not meet applicable codes or building standards, would result in damage to the structural soundness of the facility, or are inconsistent with Town's use of the Oro Valley municipal campus.

9.10.2. *Improvements made and paid for by Town.* Should Town wish to make improvements to the Premises, either structural or non-structural, Town shall consult with PCFM and obtain District and County approval prior to undertaking any improvements to the Premises. Town shall be responsible for the costs of any such improvements.

9.10.3. *Notice; Standards.* Regardless of whether Town's approval is required, District shall notify Town before any modifications with an estimated cost of more than five thousand dollars (\$5,000.00) are undertaken and shall furnish copies of as-built plans upon completion of the modifications. Any modifications to the building shall comply with Town's construction standards.

9.10.4. *Major Improvements; Conveyance.* Prior to District's construction or installation of any improvements estimated to cost the lesser of **\$2,000,000.00** or 50% of the value of the Premises, the Parties shall make a determination of the ownership interest, if any, to be retained by Town and negotiate the conveyance of the Town's right, title, or interest to the Premises (excluding the ground) to District. Upon such conveyance, the Parties shall execute a ground lease to allow for the continued and uninterrupted operation of the OVPL along with the continued use of the associated parking lots and other common areas on the Oro Valley municipal campus.

9.11. Assignment/Subletting. District shall not assign its interest in the lease and shall not sublease the entire Premises, provided that District may sublet portions of the Premises, and may enter into license agreements for exclusive or non-exclusive use of a portion of the Premises, provided that the use is a library or related use.

9.12. Maintenance and Janitorial costs. To assure maintenance and operations are consistent with the Oro Valley multi-use campus, the following provisions shall apply:

- 9.12.1. *Parking Lots, Landscaping and Common Areas:* Town shall cover the maintenance repair costs for the parking lots, landscaping and common areas as set forth in Paragraph 11.4.
 - 9.12.2. *Maintenance & Repairs of Premises.* District and Town shall cover the maintenance and repair costs for the interior, exterior and physical plant systems of the Premises, excluding major improvements as set forth in Subparagraph 9.10.4, as set forth in Section 11.
 - 9.12.3. *Utilities.* The responsibility for the payment of utility costs shall be as set forth in Paragraph 9.7.
 - 9.12.4. *Insurance/Casualty:* District shall insure the Premises, and shall use any insurance proceeds, in the event of a casualty, to repair or rebuild the building, except that if the building is damaged to such an extent that the cost of repair/rebuilding would exceed 60% of the building's value prior to the casualty, District may elect not to rebuild, in which event the portion of the insurance proceeds identified for demolition shall be paid to Town for clean-up of the library site and the lease of the Premises shall terminate. District shall use the remainder of the proceeds to build a new library or expand an existing library within one mile of the town limits of Oro Valley, to the extent that property for this use is available and affordable.
10. Initial Facility Repairs.
 - 10.1. District shall complete a building assessment prior to the Transfer Date. Prior to the Transfer Date, Town will be responsible for: completing any repairs to HVAC, electrical, plumbing or mechanical systems; correcting any roof or structural deficiencies; and, fixing any other equipment or deficiencies identified by District. Town's responsibility includes correcting any ADA compliance issues that may be identified.
 - 10.2. Phone System. In order to connect the OVPL phones to the District's phone system, District shall make all necessary alterations to the existing phone system, including, but not limited to: installation of routers, switches and cables.
 11. Maintenance, Repair, and Janitorial Services after the Transfer Date. Town will maintain and repair the Premises (including the interior, exterior and physical plant systems of the building), the parking lots, landscaping and common areas, subject to the following:
 - 11.1. Annual Premises Assessment.
 - 11.1.1. On or about January 2 of each calendar year, Town, District, and PCFM shall conduct a comprehensive walk-thru inspection of the Premises and evaluate the maintenance and upkeep needs for the upcoming fiscal year.
 - 11.1.2. After the annual evaluation, the Parties shall develop an Annual Premises Allowance to cover the costs of anticipated maintenance, repairs or replacements, and janitorial services for the upcoming fiscal year. The Annual Premises Allowance shall also include a contingency for emergency needs.

11.2. Provision of Services. Subject to the Annual Premises Allowance, Town shall provide all maintenance, repairs and janitorial services for the Premises.

11.2.1. Town will provide a single point of contact and phone number for staff assigned to OVPL to report maintenance problems and repair needs. This number must be equipped with voice mail and must be regularly monitored by the appropriate person or person(s) twenty-four (24) hours per day, seven (7) days per week. District shall reimburse Town quarterly for all Town expenditures pursuant to this Section.

11.2.2. Town shall maintain the capability to respond to emergency building maintenance needs twenty-four (24) hours per day, seven (7) days per week.

11.2.3. Except for an emergency, Town shall work with District and PCFM to schedule maintenance and repair activities, in order to minimize disruption of OVPL activities.

11.2.4. District and Town shall establish the specific terms for Town's provision of janitorial services in a separate agreement.

11.3. Payment for Services.

11.3.1. Provided that Town has made all repairs required under Section 10.1, District shall, as established in the Annual Premises Allowance, assume the financial responsibility for all repairs, maintenance and janitorial services for the Premises.

11.3.2. For any maintenance, repair or replacement activity that costs more than \$5,000.00, Town will consult with PCFM to determine whether more favorable pricing can be obtained for the project.

11.3.3. The costs of any maintenance or repairs, in excess of **\$2,000,000.00**, shall be handled as set forth in Subparagraph 9.10.4.

11.4. Town will, at its expense, be responsible for the maintenance and repair of the parking lots, landscaping and common areas surrounding the Premises.

11.5. District reserves the right to renegotiate the arrangements for maintenance, repair and janitorial services at any time.

12. Information Technology.

12.1. Data Network. District shall conduct an assessment of the data network serving OVPL. Town will cooperate in providing access to information regarding the current network connections, network equipment, cable runs and the like. District will be responsible for connecting the OVPL computer system to the District's network. In order to ensure high speed and wireless access at OVPL, District shall also make all necessary alterations to the existing network, including, but not limited to: installation of routers, switches and cables. Within 90 days of the Transfer Date District shall notify Town of any computer, telephone, security and other Town-installed equipment that is no longer

needed by the District and Town shall have the right to recover and remove that equipment.

- 12.2. E-mail. The email system for OVPL shall convert to the County's e-mail system on or before the Transfer Date. Town shall, for six (6) months after the Transfer Date, forward OVPL and staff e-mails from the Town's to the County's system.
- 12.3. Computer Support Services. District shall conduct an evaluation of the hardware and computer support services at OVPL. District will provide all computer support for library computing no later than the Transfer Date and for so long as District operates the OVPL.
- 12.4. Computer Purchases. Either Party may purchase new computer equipment and software during the Interim period. Neither District nor County will be responsible for the costs of computer equipment and software purchased by Town during the Interim Period, unless such purchase has been approved by the Pima County Information Technology Department.
- 12.5. Website. District shall include the OVPL as a District branch library on the District website.
13. Personal Property Transfers. Except as provided in Section 12.1, all personal property used in connection with the operation of the OVPL shall be conveyed to the District, free of charge, as of the Transfer Date. Personal property includes, but is not necessarily limited to: library books and inventory; accounts receivable; accrual accounts or trust funds; any grant funds awarded in connection with library operation or facilities, along with the associated grant agreements; any funds that have been donated to Town for library operation or facilities; financial and other books and records (or copies thereof); furniture; fixtures; computers and computer servers and related equipment; software assets; and, any other equipment or fixtures used by Town for OVPL operations. Town shall deliver to District, by the Transfer Date, any and all bills of sale, registrations, licenses and other documents reasonably necessary to legally effectuate this transfer on the Transfer Date. Any property subject to a purchase money lien may be conveyed subject to the lien, but the amount of the lien and any loan agreements shall be provided to District on or before the deadline set forth in Section 4. If necessary, Town shall obtain the consent of lienholders to the transfer. Notwithstanding this Section, **on or before April 15, 2012**, Town shall provide a schedule of furniture or fixtures and equipment which has been purchased and donated as memorials by Friends and other local individuals and organizations which shall remain in the OVPL.
14. Additional Details. The Parties acknowledge that the transition of OVPL will be a complex process, and that not all details of that process can be agreed upon at this time. The County Administrator and Town Manager shall work together, and shall direct staff to work together, in good faith to effectuate the intent of this Agreement.
15. Friends of the Oro Valley Library and Oro Valley Historical Society. District will work with the Friends and the Oro Valley Historical Society and will support their activities on behalf of the library, so long as such activities are not in conflict with District policies, procedures or programs. District retains the right to determine whether or not to support any proposed activity. District shall allocate 1,000 square feet of space for the Friends Book Shop and shall

provide use of the meeting room, leisure reading area and hallways twice per year for book sales and for other events designed to raise funds for the OVPL. OVHS shall retain the right to display two dedicated display cases in the OVPL. If the Friends or the OVHS become inactive or the groups' activities conflict with District policies this allocation and support may be withdrawn.

16. General Provisions.

16.1. Indemnification. 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 negligent or intentionally wrongful act, omission, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

16.2. 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.

16.3. Non-Discrimination. The Parties agree to comply with all provisions and requirements of Arizona Executive Order 2009-09, including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website:

http://www.azgovernor.gov/dms/upload/EO_2009_09.pdf

This provision is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, Sponsor shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

16.4. Americans with Disabilities Act. 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.

16.5. 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.

- 16.6. 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 by reference.
- 16.7. Non-Appropriation. Notwithstanding any other provision in this Agreement, this Agreement may be terminated if for any reason the governing body of one any of the parties does not appropriate sufficient monies for the purpose of maintaining this Agreement.
- 16.8. 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.
- 16.9. Workers' 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 Workers' Compensation benefits or other fringe benefits of said employees.
- 16.10. 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 (including Transferred Employees) 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.
17. Notices/Approvals. Any notice required or permitted to be given under this Agreement shall be in writing and shall be served by personal delivery, certified mail, or by facsimile transmission (with an automatically generated transmission confirmation page) as follows, or to such other address as a party shall designate in a notice complying with this Section:

County and District:

County Administrator
130 W. Congress St.
Tucson, Arizona 85701

Town:

Town Manager
11000 N. La Canada Drive
Oro Valley, Arizona 85737

With a copy to:

Clerk of the Board
130 W. Congress St.
Tucson, Arizona 85701

Town Attorney
11000 N. La Cañada Drive
Oro Valley, Arizona 85737

Whenever in this Agreement the approval of District or of County is required, this shall mean the written approval of the County Administrator or designee. Whenever in this agreement the approval of Town is required, this shall mean the written approval of the Town Manager or designee.

18. Term. This Agreement shall be effective on July 1, 2012 provided that the Agreement is executed by all Parties and shall be in effect until all the actions to be taken by the Parties hereunder have been taken and the purpose of the Agreement fulfilled. After the Interim Period and consistent with the terms of the lease for the Premises, either party may terminate this Agreement with six (6) months advance notice. The Parties' on-going relationships shall be governed by the lease agreement that will be executed pursuant to this Agreement, the Services IGA, and other agreements that the Parties may enter into after the Effective Date.
19. Termination of the Agreement during the Interim Period. In the event that Town terminates the Agreement prior to the Transfer Date, Town shall:
 - 19.1. Assume responsibility for one-hundred percent (100%) of the operations of the library on and after the termination date; and
 - 19.2. Reimburse District and County for fifty percent (50%) of all funds paid to Town pursuant to Section 3.2. The terms for payment of such reimbursement shall be determined by the Parties prior to the termination date.

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20. 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 shall not effect the validity of subsequent agreements between the parties that are necessary to effectuate the terms of this Agreement, and are referenced herein (such as leases, supplemental agreements and plans, IT support agreement, data network sharing agreement, etc.). 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 whichever is appropriate.

THIS AGREEMENT MAY BE SIGNED IN COUNTERPARTS.

**PIMA COUNTY &
PIMA COUNTY FREE LIBRARY DISTRICT:**

TOWN OF ORO VALLEY:

Ramón Valadez, Chair,
Board of Supervisors and
Board of Directors

Satish Hiremath, Mayor
Town of Oro Valley

Date: _____

Date: _____

ATTEST:

ATTEST:

Robin Brigode
Clerk of the Board

Julie K. Bower
Town Clerk

Date: _____

Date: _____

INTERGOVERNMENTAL AGREEMENT DETERMINATION

The foregoing Intergovernmental Agreement between Pima County, the Pima County Free Library District and the Town of Oro Valley has been reviewed pursuant to A.R.S. § 11-952 by the undersigned, each of whom has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the party represented by the him/her.

**PIMA COUNTY & PIMA COUNTY
FREE LIBRARY DISTRICT:**

TOWN OF ORO VALLEY:

Karen S. Friar, Deputy County Attorney

Tobin Rosen, Town Attorney



Town Council Regular Session

Item # 2.

Meeting Date: 03/07/2012

Submitted By: Julie Bower, Town Clerk's Office

Department: Town Clerk's Office

Information

SUBJECT:

REINSTATEMENT OF THE MARCH 21, 2012 REGULAR SESSION TOWN COUNCIL MEETING

RECOMMENDATION:

N/A

EXECUTIVE SUMMARY:

At the February 1, 2012 regular meeting, because there was no business scheduled, Council voted to cancel the March 21, 2012 regular meeting.

In the event that Council is unable to finish the discussion and take possible action on the library intergovernmental agreement with Pima County, Council may wish to reinstate the March 21st regular meeting.

BACKGROUND OR DETAILED INFORMATION:

N/A

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to (approve or deny) the reinstatement of the March 21st Regular Session Town Council Meeting.



Town Council Regular Session

Meeting Date: 03/07/2012

Requested by: Karen Berchtold

Item # 3.

Submitted By:

Karen Berchtold,
Development Infrastructure
Services

Department: Development Infrastructure Services

Information

SUBJECT:

REQUEST FOR APPROVAL OF CONCEPTUAL SITE PLAN, CONCEPTUAL ARCHITECTURE, AND CONCEPTUAL PUBLIC ARTWORK FOR LA FITNESS, A PROPOSED INDOOR RECREATION/FITNESS CENTER LOCATED AT THE NORTHEAST CORNER OF ORACLE ROAD AND HARDY ROAD

RECOMMENDATION:

At the January 24, 2012 meeting, the Conceptual Design Review Board (CDRB) voted to recommend approval of the three components of the Conceptual Design Package for LA Fitness:

- Conceptual Site Plan subject to the conditions shown in Attachment 1, Part I
- Conceptual Architecture subject to the conditions shown in Attachment 1, Part II.
- Conceptual Public Artwork subject to the condition shown in Attachment 1, Part III.

The staff report to the CDRB is included as Attachment 2; and the CDRB draft minutes are included as Attachment 3.

EXECUTIVE SUMMARY:

The applicant requests approval of a Conceptual Site Plan (Attachment 4), Conceptual Architecture (Attachments 5 & 6), and Conceptual Public Artwork (Attachment 7). This project entails development of a 45,000 square foot indoor recreation/fitness center on an approximately 8.5 acre parcel. Access is provided from two new driveways on Oracle Road and Hardy Road. A grading exception was approved by the CDRB in support of this project.

BACKGROUND OR DETAILED INFORMATION:

SITE CONDITIONS:

- Zoning is C-1 Commercial District
- Site is 8.5 acres
- Proposed use is fitness center/indoor recreation
- The property is currently vacant and undeveloped
- The site slopes downward from the northeast to the southwest corner, resulting in a grade change of 51 feet
- The site is located in the Oracle Road Scenic Overlay District (ORSCOD)

PROPOSED IMPROVEMENTS:

- One-story, 45,000 square foot building

- Proposed height: 25 feet with a 10 foot high architectural element. Allowed height: 25 feet. Architectural elements may exceed the building height limitation by no more than ten feet, subject to approval by the CDRB
- 271 parking spaces

Conceptual Landscape Plan includes:

- Ten foot wide landscape area around building
- Thirty foot wide landscape buffer with six foot high screen wall and retaining walls at east property line adjacent to neighborhood
- Thirty foot wide landscape buffer at southern property line adjacent to Hardy Road
- Open space areas at the rear and northeast corner of the site
- Landscaped, shaded seating area at the southwest corner of building
- 100 foot wide vegetation preservation zone along Oracle Road per ORSCOD

Conceptual Site Plan:

Due to the change in topography on the site, the Conceptual Site Plan utilizes terracing and retaining walls to accommodate the building pad and parking areas. The amount of cut and fill proposed for the site exceeds the Town's Grading Ordinance requirements. The applicant requested a Grading Exception, which was approved with conditions by the CDRB at its January 24, 2012 meeting. The conditions include requirements to help mitigate impact to neighbors to the east, and to make the graded and terraced areas of the site appear more natural. The Grading Exception Conditions of Approval are included as Attachment 8.

The CDRB found that with the incorporation of the conditions in Attachment 1, Part I, the Conceptual Site Plan will be in substantial conformance with the Design Principles and applicable Design Standards, and has recommended approval.

Conceptual Architecture:

The applicant submitted a Conceptual Architecture design to the CDRB that included a 25 foot high building with a 10 foot high architectural element. Per the Zoning Code, architectural elements may exceed building height by no more than ten feet, subject to approval by the CDRB. At the second neighborhood meeting, the applicant proposed a compromise: a five foot high brick architectural element, which was supported by neighbors. The CDRB approved the five foot high brick architectural element for the architectural design, not the original 10 foot high feature. The architectural element approved by CDRB is included as Attachment 9.

The CDRB found that with the incorporation of the conditions in Attachment 1, Part II, the Conceptual Architecture will be in substantial conformance with the Design Principles and applicable Design Standards, and has recommended approval.

Conceptual Public Artwork:

The CDRB found that with the incorporation of the condition that a drawing indicating the location of the public artwork must be provided, the Conceptual Public Artwork will be in substantial conformance with the Zoning Code Section 27.3.H. Review Criteria and applicable Design Standards, and has recommended approval.

PUBLIC NOTIFICATION AND COMMENT:

Notice has been provided to property owners within 300 feet of the property, and within an extended area to the north, east, and south of the site.

Neighborhood meetings were held on June 21, 2011 and October 27, 2011. Approximately 40 residents attended the first meeting, and approximately 20 residents attended the second meeting. At the first meeting, neighbors expressed a number of concerns regarding the proposal. The primary concern was with the finished floor elevation of the building. Subsequently, the applicant made a number of changes to the Conceptual Site Plan and Conceptual Architecture to address neighborhood concerns, which were presented at the second neighborhood meeting. A list of the neighborhood concerns with the applicant's response/agreed upon solution is provided in Attachment 10. Letters from neighbors are provided in Attachment 11.

At the second meeting, the applicant presented an architectural concept that included a 25 foot high building with a 5 foot high brick architectural element. This concept was supported by neighbors.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

CONCEPTUAL SITE PLAN:

I MOVE to (approve, approve with conditions, or deny) the Conceptual Site Plan for LA Fitness located at the northeast corner of Oracle Road and Hardy Road, subject to the conditions in Attachment 1, Part I.

CONCEPTUAL ARCHITECTURE:

I MOVE to (approve, approve with conditions, or deny) the Conceptual Architecture for LA Fitness located at the northeast corner of Oracle Road and Hardy Road, subject to the conditions in Attachment 1, Part II.

CONCEPTUAL PUBLIC ARTWORK:

I MOVE to (approve, approve with conditions, or deny) the Conceptual Public Artwork for LA Fitness located at the northeast corner of Oracle Road and Hardy Road, subject to the condition in Attachment 1, Part III.

Attachments

Attachment 1 - Conditions of Approval

Attachment 2 - CDRB Staff Report

Attachment 3 - Draft CDRB minutes

Attachment 4 - Conceptual Site Plan and Conceptual Landscape Plan

Attachment 5 - Conceptual Architecture Part I

Attachment 6 - Conceptual Architecture Part II

Attachment 7 - Conceptual Public Artwork

Attachment 8 - Grading Exception Conditions of Approval

Attachment 9 - Architectural Element Approved by CDRB

Attachment 10 - LA Fitness Neighborhood Meeting Issues and Concerns

Attachment 11 - Neighbors' Comment Letters

Conditions of Approval

LA Fitness Conceptual Design Package

Oro Valley Town Council

March 7, 2012

Part I: CONCEPTUAL SITE PLAN

Engineering:

1. Address all redlined comments within the Conceptual Site Plan and Conceptual Landscape Plan.
2. Provide a revised Traffic Impact Assessment that addresses comments in February 14, 2012 letter.
3. Sheet 2: Provide a turn around area at the end of the dead end parking lot near the southeast corner of the building. A striped out parking space can be utilized to satisfy this requirement.
4. For the Final Site Plan, the easternmost access point to the site on Hardy Road shall be removed from the Plan because it is not required for emergency access.
5. Provide a transit pull-out along the northbound Oracle Road right-of-way adjacent to this project. This will provide access from the regional transit system to onsite amenities. Please note that all improvements within the Oracle Road right-of-way require ADOT approval.
6. Provide a means for two future vehicular cross access points on the north property line of the project to access the parcel to the north, if necessary. These access points are to line up with the provided access points from the Pulte Building development (OV#1201-01) to the north. (Zoning Code Sec. 27.7.H.1.c.)
7. Address staff comments (information items) in January 27, 2012 CDRB approval letter.

Planning:

1. Conceptual Site Plan must be revised to show the updated location of the public artwork.
2. Conceptual Site Plan must be revised to address staff comments in January 6, 2012 letter, which includes the following Zoning Code requirements:
 - A passenger drop off area must be provided.
 - A pedestrian area with benches and shading must be provided. Benches must function in concert with landscape design to achieve shading, or structural solution may be provided.
 - A forty-two inch high, masonry wall and/or depressed parking, or combination, must be provided for the parking spaces facing Hardy Road.
 - Confirm that landscaped area requirement is met for western building elevation.
 - Indicate location of Class 1 and Class 2 bicycle parking.
3. For the final Landscape Plan, plant types will be selected that include color, visual interest, and height.
4. For the Improvement Plans and Final Landscape Plan, the channel along Hardy Road shall be designed to preserve existing vegetation to the greatest extent feasible.

5. For the Final Site Plan, a six foot high screen wall with view panels located in the middle of a thirty foot wide landscape buffer will be provided at the eastern property boundary.
6. Wall-mounted lighting will be ten feet high or lower, and pole-mounted lighting within 150 feet of residential property must be fifteen feet high or lower, with cut-off fixtures.
7. The refuse container must be relocated to the northwest corner of the northern parking lot.
8. Mitigate any on-site occurrences of Buffelgrass by Town-accepted measures.
9. Retaining wall material must match the material of the main building.
10. In the buffer at the eastern property line, a row of trees shall be provided on the east side of the screen wall spaced 15 feet on center.
11. Address staff comments (information items) in January 27, 2012 CDRB approval letter.

Part II: CONCEPTUAL ARCHITECTURE

1. Details must be provided for six foot high screening of refuse areas.
2. Specify cornice material on materials sheet.
3. The rooftop mechanical equipment shall be clustered and screened. A plan depicting the view of the rooftop mechanical equipment from the adjacent neighborhood, with required screening must be submitted for review and approval of staff.
4. The architectural element is limited to the alternative five foot high, brick architectural element previously proposed by LA Fitness. This element was approved by the CDRB.
5. The vertical wall plane articulation elements from the northern elevation will be added to the eastern elevation of the building to meet Design Standard 2.2.D.1.
6. Additional shading must be added to the western elevation to meet Design Standard 2.2.D.1.f. using 24" or larger box trees. 24" or larger salvaged trees from the site are acceptable.

Part III: CONCEPTUAL PUBLIC ARTWORK

1. A drawing indicating the location of public artwork must be provided.

TOWN OF ORO VALLEY

CONCEPTUAL DESIGN REVIEW BOARD

MEETING DATE: January 24, 2012

TO: CONCEPTUAL DESIGN REVIEW BOARD

FROM: David A. Williams, AICP, Planning Division Manager

SUBJECT: Conceptual Site Plan, Conceptual Architecture, and Conceptual Public Artwork for LA Fitness, a 45,000 square foot indoor recreation/fitness center located on the northeast corner of Oracle Road and Hardy Road, OV1211-08, OV1311-15, and OV512-01.

SUMMARY:

This project entails development of an indoor recreation/fitness center. Access to the site is provided from two new driveways: one on Oracle Road, and one on Hardy Road.

This review includes Conceptual Site Plan, Conceptual Architecture, and Conceptual Public artwork. The Conceptual Design Review Board (CDRB) review is focused on the fundamental elements of the design, including: site layout; circulation; parking; landscape concept; and conceptual grading and drainage information. The information that is provided must be sufficient to demonstrate that the design concept is achievable, and improve community fit.

The applicant has submitted a request for a grading exception, and the grading exception is required to improve both community fit and site design. The property is located in the Oracle Road Scenic Corridor Overlay District (ORSCOD), a designated scenic corridor with additional zoning requirements. Two neighborhood meetings were held, and the outcome of those meetings is discussed in more detail in Section II.

This report contains staff analysis, proposed conditions of approval and suggested motions for the Conceptual Site Plan, Conceptual Architecture, and Conceptual Public Artwork. The Conceptual Design Principles in Section 22.9.D.5 of the Zoning Code are utilized as primary guidance for Staff and CDRB evaluation of the applications. The Addendum A Design Standards are used as secondary guidance, as appropriate.

SECTION I: BACKGROUND

Site Conditions

- Zoning is C-1 Commercial
- Site is 8.5 acres
- Proposed use is fitness center/indoor recreation
- The property is currently vacant and undeveloped
- The site slopes from the northeast to the southwest corner, resulting in a grade change of 51 feet
- A locally designated floodplain extends across the southwest portion of the site

Proposed Improvements

- One-story, 45,000 square foot building
- Proposed height:
 - 25 foot high building with a 10 foot high architectural element

- Allowed height:
 - 25 feet
 - Architectural elements may exceed building height requirement by no more than ten (10) feet, subject to approval by the CDRB
- The project meets the ORSCOD setback requirements (60 foot minimum and 4:1 setback to height) and C-1 Commercial district setback requirements. The following setbacks are proposed:
 - Front: 295 feet
 - Rear: 85 feet
 - Side: (north) 200 feet
 - Side: (south) 105 feet
- 271 parking spaces
- 100 foot significant vegetation preservation zone along Oracle Road
- The Conceptual Landscape Plan includes:
 - Native Plant Salvage and Preservation
 - Ten foot wide landscape area around building
 - Thirty foot buffer with six foot high screen wall and retaining walls at east property line
 - Thirty foot wide buffer at eastern property line
 - Open space areas at the rear and at the northeast corner
 - Landscaped, shaded seating area at the southwest corner of building
 - Drainage improvements include a series of interconnected retention basins to handle the drainage from an existing drainage channel. The basins are located at the south property line adjacent to Hardy Road

Approvals to Date

- April 2008: Town Council conditionally approved a Development Plan and Landscape Plan for Palisades of Oro Valley, a commercial development at the site.
- March 2004: Town Council conditionally approved a Master Development Plan and Specific Development Plan for Eckerd’s Drug Store at the site.

Surrounding Land Uses

Direction	Zoning	Land Use
North	C-1 Commercial	Vacant parcel
South	R-6 Multi-family Residential and C-1 Commercial	Circle K convenience store/gas station, vacant parcel, Sunnyslope Apartments, and single-family homes
East	R1-36, Single Family Residential	Existing single family homes
West	R-6 Multi-family Residential	Overlook at Pusch Ridge Apartments

SECTION II: CONCEPTUAL SITE PLAN

A. Oro Valley Zoning Code Conceptual Site Design Principles, Section 22.9.D.5.a.

The Conceptual Site Plan is in substantial conformance with all applicable Zoning Code requirements, including the following Conceptual Site Design Principles (see Attachment 2). Following are key Design Principles (*in italics*), followed by staff evaluation of how the site design addresses the principles:

1. *Building orientation: the location, orientation and size of structures shall promote a complementary relationship of structures to one another.*

This proposed development includes only one building, so there is not an opportunity to establish relationships between structures on the site. The relationship between the proposed building and other structures in the area must be evaluated; notably, the homes to the east. The finished floor elevation of the proposed building has been lowered which will reduce the visual impact to these homes and promote a more complementary relationship between the proposed building and the homes. Additional reduction in finished floor elevation of two feet has been requested by the neighbors immediately adjacent to the east. See Section B., Design Standards, Land Use Transition, below.

2. *Drainage/grading: site grading shall minimize impacts on natural grade and landforms and provide for subtle transitions of architectural elements to grade. Significant cuts and fills in relation to natural grade shall be avoided or minimized to the extent practical given property constraints.*

The site slopes significantly from the northeast down to the southwest. The proposed 45,000 square foot building is a one-story structure that is designed to occupy a flat area of approximately one acre. During the neighborhood meeting process, the applicant was asked if a floor plan that is designed for different elevations could be considered. Such a split-level floor plan would provide for a more gradual transition between building and grade. The applicant noted that such a design cannot be accommodated by the building program for this indoor fitness center.

During project development, the applicant developed several different grading designs. The design was improved to reduce the amount of cut and fill. This grading design was presented and discussed extensively during the neighborhood meeting process. In order to develop this proposed concept, a grading exception is required. The cut that is required for this concept includes two six foot retaining walls at the rear of the site, and eight to twelve feet of fill with 3-4 foot high retaining walls at the front of the site in an existing drainage area. This extent of cut and fill is considered to be significant; however, in relation to the grading exception, staff concluded that the proposed grading will strike a critical balance between the needs of the proposed development, the desires of the closest neighbors, and Zoning Code requirements. Additional provisions have been incorporated to mitigate the visual impact of the retaining walls. Specifically, the front parking area is terraced so that parking is provided at three different levels, with retaining walls that will be visually mitigated by landscaping. This creates a stepped design to more closely follow the natural contours of the site. At the southwest corner of the site, there is an existing wash where fill is required to establish a more level area that can accommodate a parking area. At the rear of the site, the retaining walls include four foot wide terraces that will be landscaped. The visual impact of and mitigation for the proposed grading design is discussed in more detail in the staff report for the grading exception.

3. *Connectivity: strengthen the usability and connectivity of the pedestrian environment internally and externally by enhancing access to the public street system, transit, adjoining development and pedestrian and bicycle transportation routes. Where appropriate, buildings and uses should provide access to adjacent open space and recreational areas.*

A comprehensive pedestrian network is provided within the project site. Pedestrian connections are provided from all parking areas to the building's main entry way at the western elevation. A paved, meandering sidewalk will be provided along Oracle Road and Hardy Road, with pedestrian connections provided from the sidewalks to the on-site pedestrian facilities. The sidewalk along Oracle Road provides access to an existing transit stop. There are no adjacent open spaces or recreational resources in the vicinity of the site.

B. Addendum A Design Standards

The following Design Standards are particularly relevant to this project:

Section 2.1.A.1. Land Use Transitions. Use of transition in grade to reduce the overall scale of the development on less intense land uses.

This proposed commercial site directly abuts a single-family residential area to the east. During the neighborhood meeting process, much discussion focused on the proposed finished floor elevation and height of the building pad, and potential impacts to these neighbors' views. As noted under the discussion of Conceptual Design Principle 2. above, the building occupies a large, flat area of approximately one acre, which reduces the potential for using grade changes to reduce the scale of the development. Following the first neighborhood meeting, the finished floor elevation of the building was lowered by two feet. Neighbors proposed that the building grade be lowered by two or more additional feet beyond what is currently proposed, which would lessen impact to neighbors' views. The applicant considered this request and determined that the additional construction and earthwork would be too costly to implement.

- *Section 2.1.A. 4. Land Use Transitions. Outdoor activities that produce noise, light, dust, smoke, or odors shall not be placed in proximity to residentially-zoned property.*

To address neighborhood concerns, a minimal amount of parking is provided at the rear of the site, and the area to the rear of the building is designated as open space. This feature was incorporated by the applicant to respond to neighbors' concerns regarding potential noise and light impacts from parking in the rear. A six foot high screen wall with view panels located in the middle of a thirty foot wide landscape buffer at the eastern property boundary was requested by neighbors. In addition, at the neighborhood meetings, the applicant agreed that wall-mounted lighting would be ten feet or lower, and pole-mounted lighting within 150 feet of residential property must be fifteen feet or lower, with cut-off fixtures. Conditions have been added to Attachment 1 to address these items.

- *Section B.2.a. Plot significant view corridors during initial planning to identify primary vistas of the Catalina and Tortolita mountain ranges.*

The site is located in the Oracle Road Scenic Corridor. The 300 foot scenic corridor is defined on the Site Plan, and the building has been located outside of the scenic corridor. The applicant provided an analysis of the development in the Oracle Road Scenic Corridor, and also depicted the proposed development in the corridor (See View Preservation Plan, *Attachment 2*). The analysis indicates that the building does impact the view of foothills of the Catalina Mountains, but does not impact primary vistas of the Catalina Mountain range located to the east and northeast of the project site.

- *Section 2.3.B. Landscape Themes and Character. Landscaping shall enhance visual character and provide amenities for pedestrians.*

The Landscape Plan will incorporate the following:

- Preserve existing vegetation along Oracle Road;
- Utilize salvaged native specimen plants;
- Provide landscaping around the building and at main entryway;
- Use trees and plant materials to create shade for pedestrians in parking areas; and
- Provide buffers at the east and south property lines.

In addition, there are retaining walls at the east and southwest portions of the property. Landscaping will be used in terrace plantings, as well as at the base of retaining walls. Plant types should be selected that include color, visual interest, and height, in order to create focal points and help define pedestrian circulation. A condition has been added to Attachment 1.

The Conceptual Landscape Plan depicts entirely new landscaping along Hardy Road. The neighbors expressed a preference to have native vegetation along the Hardy Road right-of-way retained to the greatest extent feasible. This will require sensitive design of the new drainage way along Hardy Road. A condition has been added to Attachment 1.

- Section 2.1.D.1.c. *Large parking fields shall be broken up into smaller areas through the use of building placement, landscaping, pedestrian walkways, and grade transitions.*

The parking areas to the west (front) and north of the building are terraced and separated with 3-4 foot retaining walls. Landscaping is proposed above the wall to shield views of cars. The grade changes and landscaping will break up the large parking area into smaller areas.

- Section 2.2.J.1.b. Refuse enclosures and service areas shall be located away from residential areas in a manner to reduce visibility of these areas from adjoining streets and property.

The refuse container is located adjacent to the neighborhood to the east. The refuse container should be located further away from the neighborhood; the northwest corner of the northern parking lot is a preferred location. A condition has been added to Attachment 1.

C. Other Zoning Code Requirements

The Conceptual Site Plan was reviewed for compliance with Zoning Code requirements. The applicant must demonstrate compliance with the following:

Off-Street Parking:

- A passenger drop off area must be provided. (Section 27.7.G.4.e.) A condition has been added to Attachment 1.

Conceptual Landscaping:

- A pedestrian area is required, and may be met by providing shaded seating area in a landscaped area (Section 23.8.C.3.). The benches need to function in concert with the landscape design to provide shading. Alternatively, a structural solution may be provided. A condition has been added to Attachment 1.
- A forty-two inch high decorative masonry wall and/or depressed parking, or combination, must be provided for the parking spaces facing Hardy Road. (Section 27.6.C.5.b.xi.) A condition has been added to Attachment 1.
- Building must have a ten foot wide landscape area on all four sides, and it is not clear how this requirement will be met at the western elevation. A condition has been added to Attachment 1.

D. Engineering Division Comments

Drainage:

Existing runoff is conveyed through the site in an east to west direction, mostly by natural drainage swales and overland sheet flow. The site is currently undeveloped with natural desert landscape and drains to a culvert that crosses beneath Oracle Road near the southwest corner of the project boundary.

The drainage system for the proposed development shall be designed to meet the requirements of the Town's Drainage Criteria Manual and Floodplain Ordinance. The developer will design and construct an off-site channel along Hardy Road to collect and re-route off-site drainage to the existing Oracle Road culvert. On-site storm water runoff will be conveyed to a number of detention basins located along the southern boundary of the site. The detention basins will attenuate storm water discharge so that there is no increase in peak flow or negative impacts to downstream areas. The use of rainwater harvesting basins and first flush treatment will be incorporated into the final design in accordance with Town requirements. First flush treatment is designed to capture sediment, debris, trash, oils, and grease within runoff discharging from parking areas and access drives.

Grading:

A Type 2 Grading Permit will be required for construction of building pads, drainage structures, utilities, parking areas, and all other elements requiring grading on the project site. The grading represented within the Conceptual Site Plan does not fully meet the requirements of the Town Zoning Code (Section 27.9, Grading). A request for a grading exception has been concurrently submitted for this project to exceed the cut and fill limitations of the Grading Ordinance.

Traffic:

The proposed development will utilize two access driveways; one along Oracle Road and one along Hardy Road. The driveway along Oracle Road will be limited to right-in/out traffic movements while the Hardy Road driveway is intended to be full access. A traffic impact analysis will be prepared to determine the necessary off-site improvements to Oracle Road and Hardy Road to accommodate the traffic generated by this development. Off-site improvements are likely to consist of Oracle Road widening to accommodate a right-turn lane, Hardy Road widening to accommodate a two-way left turn lane, and re-timing of the signalized intersection for westbound left turns from Hardy Road. Furthermore, a transit pull-out along Oracle Road is a condition of the Grading Exception request to be provided by the developer. Accommodations for future on-site cross access driveway connections with the adjacent parcel to the north are also being provided.

All required off-site roadway improvements shall be the responsibility of the developer. All constructed improvements within the Hardy Road right-of-way shall require a right-of-way permit issued from the Town Engineer's office. All constructed improvements within the Oracle Road right-of-way will require a separate permit issued from the Arizona Department of Transportation.

PUBLIC NOTIFICATION AND COMMENT:

Public notice was provided consistent with Town-adopted noticing procedures, which includes the following:

- Notification of residents in Shadow Mountain Estates East and Sunnyslope
- Posting at Town Hall and website
- All registered HOA's

Neighborhood meetings were held on June 21, 2011 and October 27, 2011. Approximately forty residents attended the first meeting, and approximately twenty residents attended the second meeting. Seven additional comments were forwarded to staff. A list of neighborhood concerns with the applicant's response/agreed upon solution is provided as Attachment 3.

CONCLUSION/RECOMMENDATION:

Based on a review of relevant standards, staff finds that the Conceptual Site Plan is in substantial conformance with the Zoning Code, Design Principles and applicable Design Standards, with the Conditions in Attachment 1. The proposed development is adequately screened from the homes to the south by a six foot high screen

wall and landscaping. During the neighborhood meeting process, the applicant revised the plan to address the majority of the neighbors' concerns. The major, unresolved concern for adjacent neighbors is the finished floor elevation of the building. Staff supports additional lowering of the finished floor elevation; however, staff also recognizes the applicant's development cost implications. Given the challenging topography of the site and the adjustments that have been made to the Conceptual Site Plan, staff concludes that a reasonable balance has been achieved between accommodating development and promoting a complementary relationship with the adjacent homes to promote neighborhood compatibility. Staff recommends approval of the Conceptual Site Plan subject to the Conditions of Approval (Attachment 1, Part I).

SUGGESTED MOTION:

The CDRB may wish to consider one of the following suggested motions:

I move to approve the Conceptual Site Plan for LA Fitness with the Conditions in Attachment 1, Part I, finding that:

- The Conceptual Site Plan meets the applicable Conceptual Site Design Principles.
- The Conceptual Site Plan has sufficiently addressed the neighborhood issues and concerns to improve community fit.

OR

I move to deny the Conceptual Site Plan for LA Fitness, finding that:

- The proposal does not meet the design principles, specifically _____.
- The design has not sufficiently addressed substantive neighborhood issues and concerns, including: _____.

SECTION III: CONCEPTUAL ARCHITECTURE

The proposed building is a 45,000 square foot, twenty-five foot high, one-story building. The building surface is composed of both rough and smooth textured concrete block in three different earth tones. The front entry is framed by a brick veneer massing element, topped by a ten foot high, metal crown-shaped architectural element. The roof parapet is finished with white cornice trim, and white shade devices are provided at windows.

A. Oro Valley Zoning Code Conceptual Architectural Design Principles, Section 22.9.D.5.b.

Following are the Design Principles (*in italics*) followed by staff evaluation of how the architecture conforms and responds to the principles:

1. *Design: building architectural design shall be appropriate for the climate and characteristics of the Sonoran Desert, including indigenous and traditional textures, colors, and shapes found in and around Oro Valley. All development shall maintain and strengthen the high quality of design exemplified in Oro Valley through project creativity and design excellence.*

The architectural design is contemporary and utilizes materials that are consistent with the Territorial architectural style. The design utilizes a series of differing horizontal elements interspersed with vertical elements. The cornice and trim help to break up the extensive façade. The materials include roughly textured block, an appropriate texture for the Oracle Road Scenic Corridor.

2. *Scale, height and mass: building scale, height and mass shall be consistent with the town-approved intensity of the site, designated scenic corridors, and valued mountain views. Buildings shall be*

designed to respect the scale of adjoining areas and should mitigate the negative and functional impacts that arise from scale, bulk and mass.

The building is located in the Oracle Road Scenic corridor. The building scale is comparable in size to the Pulte Office Building (approximately 41,000 square feet); however, the Pulte Building is 30 feet high. The proposed LA Fitness building is of a much larger scale than the single family homes and apartments in the vicinity. The building scale and mass is mitigated by the use of horizontal elements, particularly the cornice and trim. The Oracle Road Scenic Overlay District architectural requirements note that "richer earth tone or geologic textures are preferred." The architectural design incorporates brick and block in both smooth and rough textures, in earth tone colors, which is consistent with this principle.

The proposed design includes a twenty-five foot high building with a ten foot high, metal architectural element. The ten foot high architectural element is not consistent with the designated scenic corridor, and the height of the architectural element poses additional impact to neighbors' views. At the second neighborhood meeting, the applicant presented a version of the design that incorporated a five foot high brick architectural element. The five foot high brick architectural element was supported by neighbors and staff.

The maximum building height in the C-1 Commercial District is twenty-five feet. As noted in the Zoning Code, "Architectural elements may exceed this limitation by no more than ten (10) feet, subject to approval by the CDRB." A condition to revise the architectural element to a five foot high, brick element has been added to Attachment 1.

3. *Façade articulation: all building facades shall be fully articulated, including variation in building massing, roof planes, wall planes, and surface articulation. Architectural elements including, but not limited to; overhangs, trellises, projections, awnings, insets, material, and texture shall be used to create visual interest that contribute to a building's character.*

All facades incorporate building massing; however, the middle portion of the eastern façade has a large, blank expanse that requires additional wall plane articulation. Surface articulation is provided by windows and cut-outs in the massing elements. Additional variation in the roof parapet is required to meet this standard. These requirements are discussed under B. Addendum A Design Standards, below.

4. *Screening: building design and screening strategies shall be implemented to conceal the view of loading areas, refuse enclosures, mechanical equipment, appurtenances, and utilities from adjacent public streets and neighborhoods.*

The mechanical units are located on the building roof and must be screened by building form where possible, or by clustered screening. The drawing that is provided of the rooftop view is not adequate to evaluate the view of the mechanical equipment from the adjacent neighborhood, and does not include the required screening around clusters of mechanical equipment. The drawing does indicate that the rooftop is proposed to be painted a medium earth tone color that will help the rooftop to recede from view. The screening of the rooftop mechanical equipment must be addressed to the satisfaction of the CDRB. A revised drawing demonstrating and detailing adequate screening of the rooftop mechanical equipment is required. A condition is added to Attachment 1.

Refuse areas must be screened with a 6-foot opaque screen painted to match the buildings. The design does not include details for this screening. A condition has been added to address this requirement.

B. Addendum A Design Standards

The following Design Standards are relevant to this project:

- 2.2.B.2. *Parapets shall contain varied rooflines and/or incorporation of sloped roof elements. Parapets shall incorporate design elements, including pre-cast elements, projecting cornices, lentils and caps.*

The roof should be designed to incorporate variation in the parapet profile in accordance with this standard. A condition has been added to Attachment 1 to require that additional parapet variation be added to all elevations.

- 2.2.D.1. *Moderate development to reduce apparent scale and mass. Consistent roof plane variation, wall plane articulation and consistent architectural treatment is required on all exterior facades to reduce scale and mass and provide visual interest. . .*

Additional articulation should be added to the wall on the eastern elevation to meet this standard. A condition has been added to Attachment 1.

- 2.2.D.1.f. *Ground level facades that face public streets and/or primary parking areas shall have one-story pedestrian-scale features on at least 2/3 of the horizontal length of the side of a building. Features may include windows, entry areas, arcades and/or overhangs (awnings, trellis, etc).*

The front (west) elevation is the primary pedestrian area at this building. The architectural design for the west elevation includes shade devices at windows. However, the western exposure of this elevation merits additional shading. Staff suggests a shaded colonnade or other architectural enhancement. A condition has been added to Attachment 1 for additional shading along the western elevation.

- 2.2.E.3. *Primary colors should be used judiciously and as accents only.*

According to this standard, the use of white as an accent is acceptable; however, a Light Reflectivity Value for the paint selection should be specified to minimize glare to the extent feasible, while still maintaining the color as an accent. A condition has been added to Attachment 1.

- Section 2.2.E12, *At least three (3) substantially different materials shall be utilized on all facades of the building.*

The west façade incorporates two shades of split face block, a third shade of smooth block, and two shades of brick veneer, in similar shades but a different pattern from the block. The north, east, and south facades incorporate two shades of split face block, a third shade of smooth block, and stucco. All facades incorporate cornice and trim; the cornice material is not specified, but its appearance is distinct from the other materials. Staff concludes the above standard is met.

CONCLUSION/RECOMMENDATION:

The Conceptual Architecture is not yet in substantial conformance with the Conceptual Design Principles and Design Standards. Any recommendation for approval should be subject to conditions requiring specific modifications:

- The ten foot high crown architectural element shall be revised to a five foot high brick element.
- Rooftop screening shall be implemented/confirmed to conceal the view of mechanical equipment from adjacent neighbors.

- The roof shall be designed to incorporate variation in the parapet profile.
- Additional articulation shall be provided on the eastern elevation wall.
- Additional shading should be added on the western elevation.

SUGGESTED MOTION:

The CDRB may wish to consider one of the following suggested motions:

I move to approve the Conceptual Architecture for LA Fitness subject to the Conditions in Attachment 1, Part II, finding that with the conditions:

- The Conceptual Architecture meets the applicable Conceptual Design Review Principles.
- The Conceptual Architecture has sufficiently addressed substantive neighborhood issues and concerns, thereby improving community fit.

OR

I move to deny the Conceptual Architecture for LA Fitness, finding that:

- The Conceptual Architecture does not meet the applicable design Review Principles including: _____.
- The Conceptual Architecture does not sufficiently address substantive neighborhood issues and concerns, including: _____.

SECTION IV: PUBLIC ARTWORK

The proposed public artwork is a fifteen foot high metal sculpture titled “Go Figure.” The piece is comprised of three six-sided, curved, quadrangular shapes with flared ends. The material is stainless steel, and two of the shapes would be heat-colored to blue and bronze hues. The sculpture sits atop a cylindrical metal base. According to the applicant’s narrative, the shape evokes an hourglass figure. The narrative further notes the shapes are intended to be independent, yet interconnected; the evocation of a connected mind, body, and spirit is suggested.

The artwork is located in the pedestrian area at the southwest corner of the building.

A. Oro Valley Zoning Code Revised, Section 27.3.H. Review Criteria.

Following are the Section 27.3.H. Review Criteria (*in italics*) followed by staff evaluation of how the public artwork conforms and responds to the criteria:

1. Public art should serve as a distinctive and integral element in the overall design of a project or development.

The public artwork is fifteen feet high. In the context of this large building, the work will be visible to most visitors entering the front entrance of the center. The blue and bronze colors will help the artwork to stand out from the building.

2. Public art should relate to the context and character of the project. Where appropriate, public art may employ themes associated with the activities within the development.

The public artwork is an abstract figure. The applicant notes that the polished, colored stainless forms will be an appropriate counterpoint to the textured building surfaces. The applicant's narrative indicates that the sculpture is intended to evoke an uplifting theme. The "Mind/Body/Spirit" reference relates to the proposed use: physical fitness.

3. Public art should relate to the historical, cultural or natural context of the project area, the neighborhood or the Town.

The proposed sculpture does not specifically reference these themes.

4. Public art shall not include corporate advertising elements of a business including colors, graphics, logos, or other representations of corporate identity.

An on-line search indicates that the proposed design includes some elements that are similar to the LA Fitness corporate logo. The logo colors are navy blue and gold (see Attachment 6).

5. Public art shall be designed to prevent hazards to the public. Durability and safety of materials shall be considered including potential areas of excessive wear or damage, which shall be mitigated.

The applicant's narrative notes that the artwork will be structurally sound and connected to the base, and that the material is extremely durable.

6. Potential obstructions, including landscape materials at maturity or future construction, shall be considered when locating public art.

The public artwork location is not included in the landscape plan. A condition has been added to add the public artwork to the plan. It appears that some plant materials, such as trees, may need to be repositioned to afford optimal view of the sculpture from the building entry and pedestrian area.

7. Public art shall be original and not duplicate existing artwork in the Town and shall conform to community standards.

The artists' description notes that this is a unique piece of art commissioned for this project.

B. Addendum A Design Standards

- Design Standard 2.2.G.1. *Public art shall be integrated into the overall design of the project and shall be located in areas of high visibility and use such as courtyards, seating areas, and along public roadways.*

The proposed sculpture is proposed to be relocated from the southeast corner of the site to the southwest corner of the western building façade, where it will be visible to many visitors. There is limited pedestrian area around the building, and the art is integrated with the overall design. The public artwork meets the standard of being located in an area of high visibility and use. A condition is added to Attachment 1 to update the revised public artwork location on the Site Plan.

CONCLUSION/RECOMMENDATION:

The proposed Conceptual Artwork is an original, freestanding sculpture. The updated location in the pedestrian area at the southwest corner of the building is acceptable. The Conceptual Public Artwork is in substantial conformance with several Zoning Code Review Criteria and Design Standards. Any recommendation for approval should be subject to the conditions in Attachment 1, Part III.

SUGGESTED MOTION:

The CDRB may wish to consider one of the following suggested motions:

I move to approve the Conceptual Public Artwork for LA Fitness with the Conditions in Attachment 1, Part III, finding that the proposed Conceptual Public Artwork meets the applicable Zoning Code Review Criteria.

OR

I move to deny the Conceptual Public Artwork for LA Fitness, finding that:

- The artwork does not meet the design criteria due to the inclusion of design elements that are similar to the LA Fitness logo.
- Other: _____.

Attachments:

1. Conditions of Approval
2. Conceptual Site Plan & Conceptual Landscape Plan
3. Neighborhood Meeting: Issues and Concerns
4. Conceptual Architecture
5. Conceptual Public Artwork
6. LA Fitness Logo

Project Manager: Karen Berchtold, AICP, Senior Planner

David Williams, AICP, Planning Division Manager

cc: Greg Gill
Jorge Calderon
Steve Haney

**Attachment 1
Conditions of Approval
LA Fitness Conceptual Design Review**

Part I: Conceptual Site Plan (OV1211-08)

Engineering:

1. Address all redlined comments within the Conceptual Site Plan and Conceptual Landscape Plan.
2. Provide a Traffic Impact Analysis (TIA) for this project. The original TIA that was created for the Eckerd Development dated June 2003 is no longer valid for this proposal. At a minimum, the following information is required to be updated for the TIA for review prior to the Town Council hearing:
 - Site plan to match proposed layout
 - Traffic volumes
 - Capacity calculations
 - Trip generation and distribution
 - Left- and right-turn analyses for the proposed driveways and existing left-turn pockets.
3. An updated TIA is required before Town staff can approve the proposed location of the Hardy Road access driveway connection. The access drive intersection with Hardy Road may need to shift further east so that adequate space is provided to accommodate the two required back-to-back left-turn storage lanes along Hardy Road.
4. Sheet 2: Provide a turn around area at the end of the dead end parking lot near the southeast corner of the building. A striped out parking space can be utilized to satisfy this requirement.

Planning:

1. Conceptual Site Plan must be revised to show the updated location of the public artwork.
2. Conceptual Site Plan must be revised to address staff comments in January 6, 2012 letter, which includes the following Zoning Code requirements:
 - A passenger drop off area must be provided.
 - A pedestrian area with benches and shading must be provided. Benches must function in concert with landscape design to achieve shading, or structural solution may be provided.
 - A forty-two inch high, masonry wall and/or depressed parking, or combination, must be provided for the parking spaces facing Hardy Road.
 - Confirm that requirement for ten foot wide landscaping is met for western building elevation.
4. For the final Landscape Plan, plant types will be selected that include color, visual interest, and height.
5. For the Improvement Plans and Final Landscape Plan, the channel along Hardy Road shall be designed to preserve existing vegetation to the greatest extent feasible.
6. For the Final Site Plan, a six foot high screen wall with view panels located in the middle of a thirty foot wide landscape buffer will be provided at the eastern property boundary.
7. Wall-mounted lighting will be ten feet high or lower, and pole-mounted lighting within 150 feet of residential property must be fifteen feet high or lower, with cut-off fixtures.
8. The refuse container must be relocated to the northwest corner of the northern parking lot.
9. Prior to review by Town Council, any outstanding agency comments must be addressed.

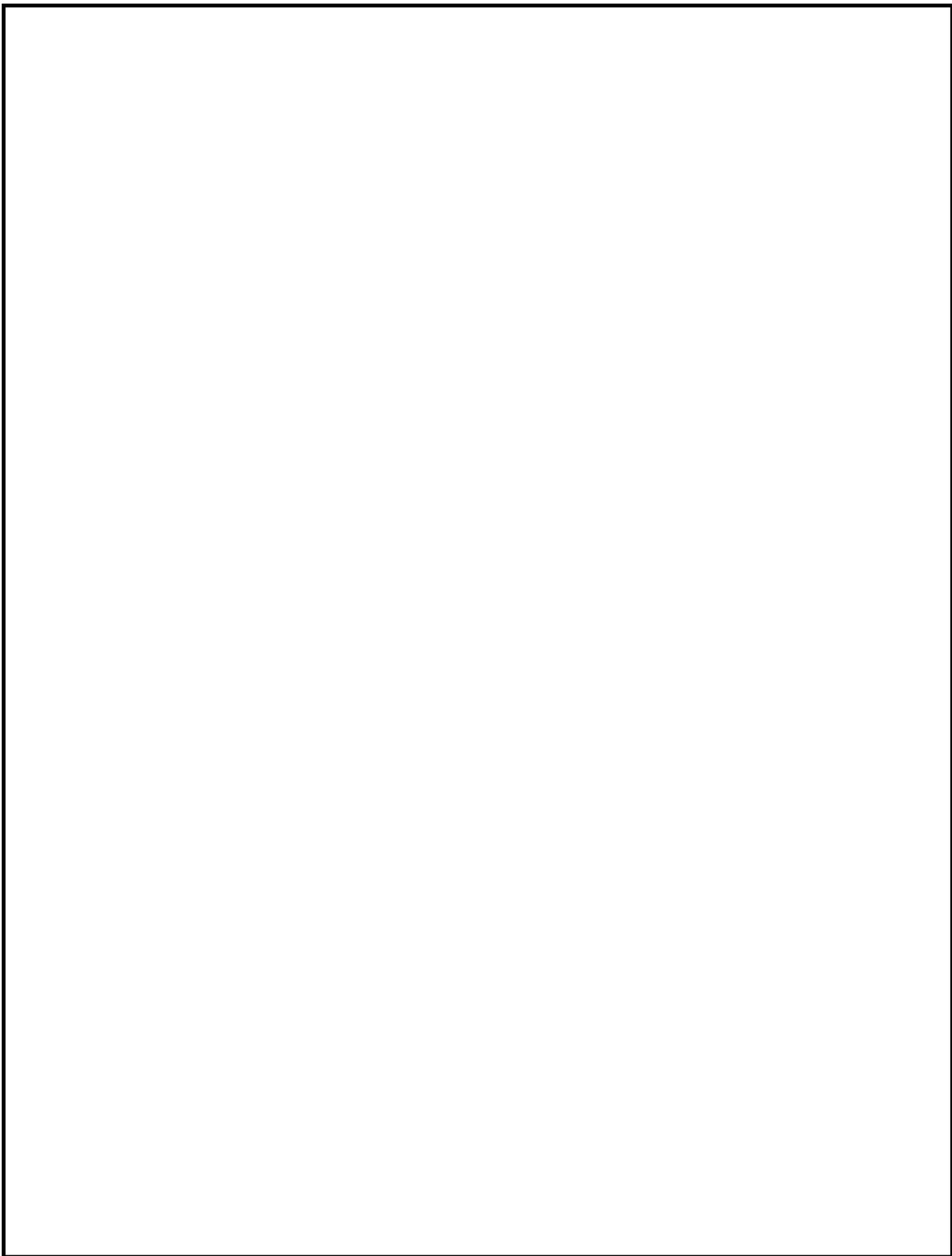
Part II: Conceptual Architecture (OV1311-15)

1. Details must be provided for six foot high screening of refuse areas.
2. Specify cornice material on materials sheet.
3. A plan depicting the view of the rooftop mechanical equipment from the adjacent neighborhood, with required screening to conceal the equipment must be submitted for review and approval of staff.

4. The architectural element must be revised to a maximum five foot high, brick architectural element.
5. Additional wall plane articulation must be added to the eastern elevation of the building to meet Design Standard 2.2.D.1.
6. Additional variation in parapet height must be added to all elevations to meet Design Standard 2.2.B.2.
7. Additional shading must be added to the western elevation to meet Design Standard 2.2.D.1.f.
8. The Light Reflectivity Value of the white accent paint must be provided.

Part III: Conceptual Public Artwork (OV512-001)

1. A drawing indicating the location of public artwork must be provided.



**MINUTES
ORO VALLEY CONCEPTUAL DESIGN REVIEW BOARD
REGULAR SESSION
JANUARY 24, 2012
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CAÑADA DRIVE**

CALL TO ORDER AT OR AFTER 6:00 P.M.

Vice Chair Lockett called the meeting to order at 6:03 p.m.

ROLL CALL

PRESENT: Vice Chair Richard Lockett
Member Richard Eggerding
Member Kit Donley
Member Rachel Childers
Member Nathan Basken
Member David Atler
Member Gil Alexander

ABSENT: Chair Dino Sakellar
Member Harold Linton

ALSO PRESENT: Mary Snider, Vice Mayor
Barry Gillaspie, Councilmember
Steve Solomon, Councilmember
Joe Hornat, Councilmember
Lou Waters, Councilmember

PLEDGE OF ALLEGIANCE

Vice Chair Lockett led the audience in the Pledge of Allegiance.

CALL TO AUDIENCE -

Vice Chair Lockett opened and closed the Call to the Audience with no speakers.

REGULAR AGENDA

Vice Chair Lockett reordered the items on the agenda as follows:

- Grading exception for LA Fitness, item 2
- Conceptual Site Plan, Conceptual Architecture and Conceptual Public Art Work for LA Fitness, item 1
- Planning Manager's Update, item 3

2. [Grading exception for LA Fitness, located on the northeast corner of Oracle Road and Hardy Road.](#)

Steve Haney, of Kimley-Horn and Associates, Inc., representing LA Fitness, made the applicant's presentation which included a brief overview of the site plan and parking requirements.

Karen Berchtold, Senior Planner, presented information on the Applicant's request; grading ordinance; context map; preliminary grading design; public input; findings; and recommendation.

Vice Chair Lockett opened the public hearing:

The following people were opposed to the application:

Jennifer Gillaspie, Oro Valley resident.

MOTION: A motion was made by Member Gil Alexander and seconded by Member Kit Donley approve the Grading Exception for LA Fitness subject to the Conditions in Attachment 1, adding additional trees be placed on the east buffer spacing of 15 feet on center.

Vice Chair Lockett offered a friendly amendment to have the applicant provide a demand study to confirm whether 271 parking spaces necessary, which was denied by Member Alexander. Member Alexander deemed appropriate to discuss during agenda item one Conceptual Design.

MOTION carried, 7-0.

1. [Conceptual Site Plan, Conceptual Architecture and Conceptual Public Art Work for LA Fitness, located on the northeast corner of Oracle Road and Hardy Road.](#)

Steve Haney, of Kimley-Horn and Associates, Inc., representing LA Fitness, made the applicant's presentation which included a brief overview of the Preliminary Site Plan.

Jorge Calderon, of Robert Kubicek Architects, representing LA Fitness, made the applicant's presentation which included architecture of building; exterior elevation; and public artwork; artwork section.

Jennifer Gillaspie, Oro Valley resident, spoke in opposition to the crown feature, height of the light pole in the parking lot and traffic impact to the neighborhood.

Jill Jones, Oro Valley resident, spoke in opposition the crown feature.

Ellen Zank, Oro Valley resident, spoke in opposition to the crown feature.

Karen Berchtold, Senior Planner, presented information on the Applicant's request; Conceptual Site Plan; Context Map, Public Participation Process; Neighborhood Concerns; Conceptual Landscape Plan; Addendum "A" Design Standards; Building Principals; Summary/Recommendation.

David Williams, Planning Manager, recommended adding to the Conceptual Site Plan Planning Conditions; restriction to the pole lights to be twelve foot in height; retaining wall material to match the main building; Conceptual Site Plan Engineering Conditions; left in right out only from Oracle Road.

MOTION: A motion was made by Member David Adler and seconded by Member Richard Eggerding approve the Conceptual Site Plan for LA Fitness with the Conditions in Attachment 1, Part I, and the additional conditions one through four provided by staff.

Member Alexander offered a friendly amendment to add that luminary levels within a hundred and fifty feet of the east property line be minimal that are compliant to the adopted building code. Accepted by Member David Adler, and Member Richard Eggerding.

MOTION carried, 7-0.

Karen Berchtold, Senior Planner, presented information on the Applicant's request; Conceptual Architecture; Public Input; Addendum A Design Standards; Summary/Recommendation; Recommended Conditions.

MOTION: A motion was made by Member Nathan Basken and seconded by Member Gil Alexander approve the Conceptual Architecture for LA Fitness subject to the Conditions in Attachment 1, Part II, excluding number six and eight.

David Williams, Planning Manager, suggested an amendment to modify number seven of the Conditions of Approval to specify 24 inch box trees or salvaged. Accepted by Member Nathan Basken, and Member Gil Alexander.

Member David Adler offered a friendly amendment to add clustering of the mechanical equipment in groups of four and provide screening. Carry the vertical elements from the northern elevation to the east elevation. Accepted by Member Nathan Basken and Member Gil Alexander.

MOTION carried, 7-0.

Karen Berchtold, Senior Planner, presented information on the Applicant's request; Conceptual public Art Review; Public Artwork Location; Conceptual Artwork Analysis; Summary/Recommendation; Conditions.

MOTION: A motion was made by Member Richard Eggerding and seconded by Member Rachel Childers approve the Conceptual Public Artwork for LA Fitness with the

Conditions in Attachment 1, Part III, finding that the proposed Conceptual Public Artwork meets the applicable Zoning Code Review Criteria.

MOTION carried, 7-0.

3. [Planning Manager's Update \(Informational Only\)](#)

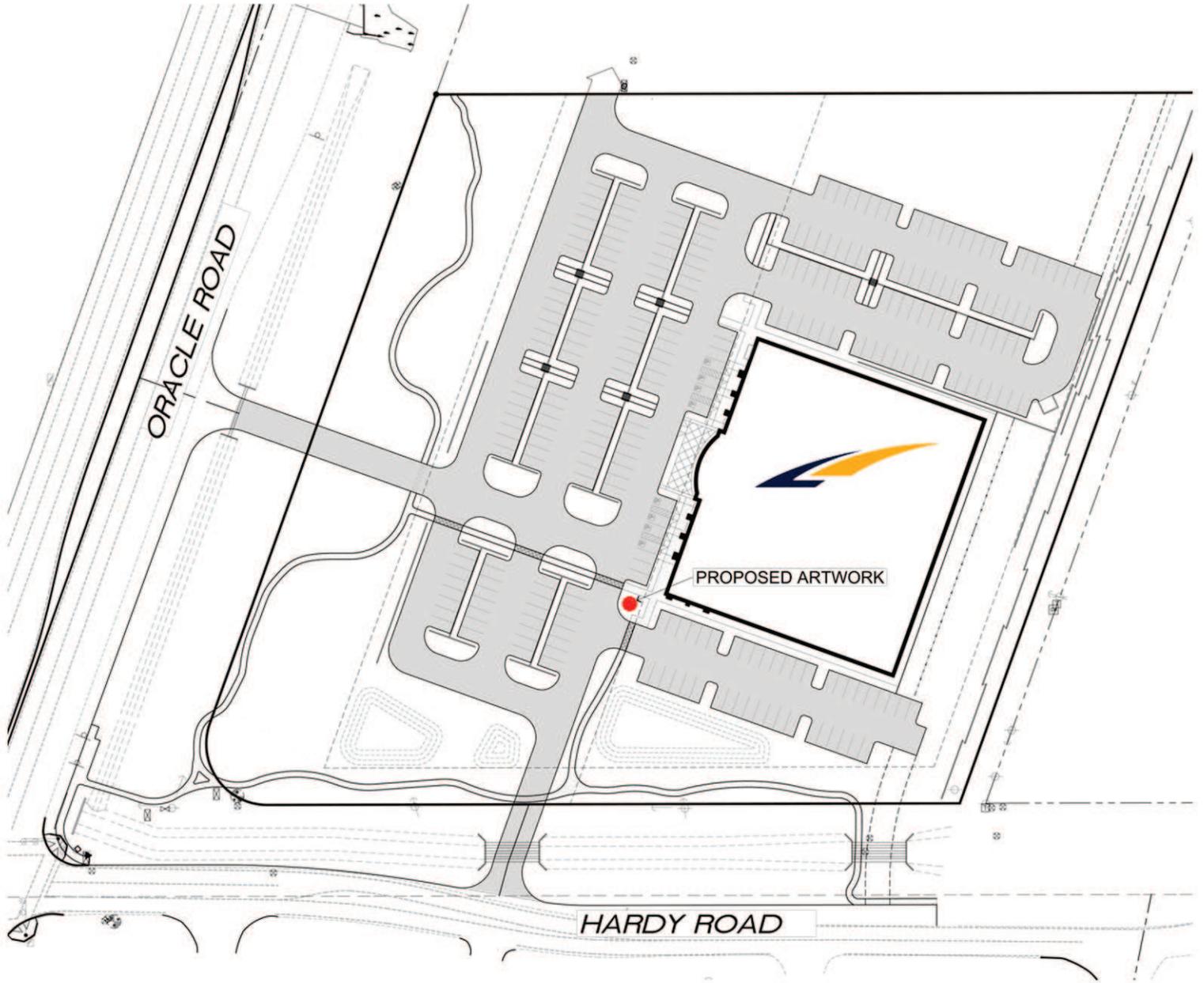
Mr. Williams updated the Board on the Neighborhood Meeting for Steam Pump Village Apartments; small group Community Outreach Forum; change in board meeting minutes.

ADJOURNMENT

MOTION: A motion was made by Member Richard Eggerding and seconded by Member Gil Alexander adjourn the Conceptual Design Review Board meeting at 8:48 p.m.

MOTION carried, 7-0.

DRAFT



“Site Plan”

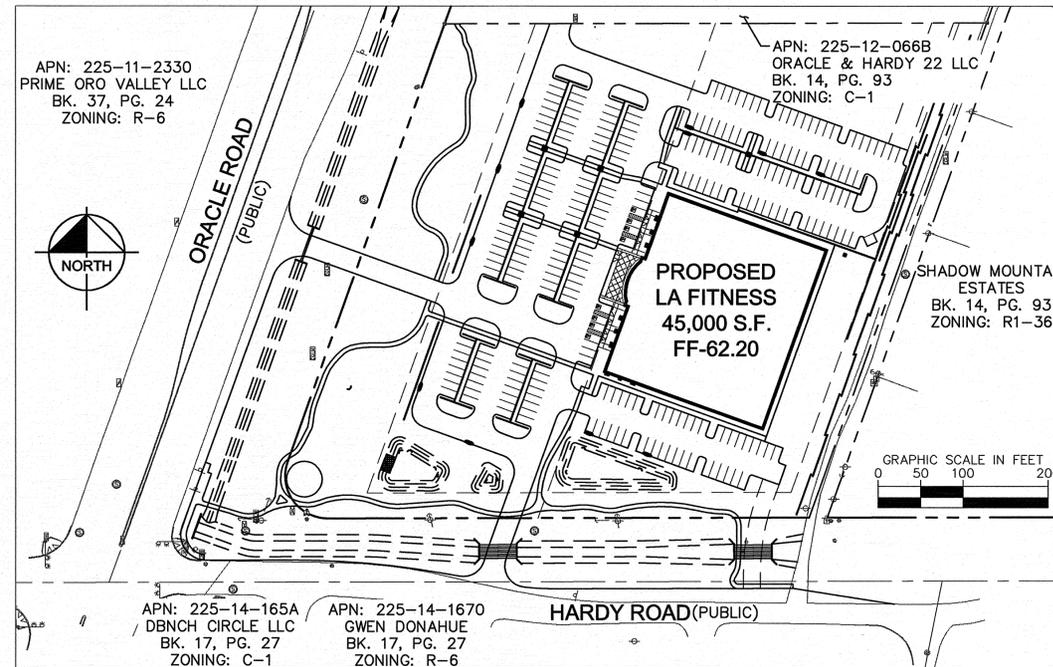
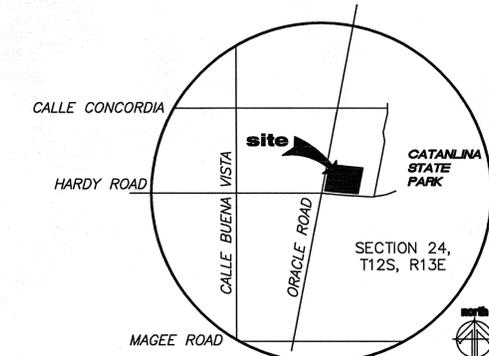
 **LA | FITNESS.** - Palisades of Oro Valley

NEC Oracle Road(State Route 77) and Hardy Road

CONCEPTUAL SITE PLAN

LA FITNESS at PALISADES OF ORO VALLEY

OV1211-08



LEGEND

- PROPOSED DRAINAGE FLOW
- PROPOSED SPOT ELEVATION
- PROPOSED MAJOR CONTOUR
- PROPOSED MINOR CONTOUR
- PROPERTY LINE
- RIGHT OF WAY LINE
- EXISTING EASEMENT
- STREET CENTERLINE
- EXISTING WATER MAIN
- EXISTING SEWER MAIN
- EXISTING OVERHEAD POWER
- PROPOSED STORM DRAIN
- EXISTING STORM DRAIN
- EXISTING SEWER MANHOLE
- PROPOSED FIRE HYDRANT
- EXISTING FIRE HYDRANT
- FIRE DEPARTMENT CONNECTION
- PROPOSED CATCH BASIN

APPROVAL BLOCK	
TOWN CLERK	SIGNATURE
PLANNING DIVISION MANAGER	SIGNATURE
TOWN ENGINEER	SIGNATURE
ORO VALLEY WATER UTILITY DIRECTOR	SIGNATURE

REFERENCE CASE NUMBERS	
GENERAL PLAN AMENDMENTS	_____
REZONING	_____
VARIANCES	_____
CONDITIONAL USE PERMITS	_____
FINAL PLATS	_____
ANNEXATIONS	_____

CONCEPTUAL SITE PLAN

DEVELOPMENT NAME:
LA FITNESS at PALISADES OF ORO VALLEY

BRIEF LEGAL DESCRIPTION:
THE SOUTH 619.02' OF BLOCK A, SHADOW MOUNTAIN ESTATES-EAST BOOK 14 PAGE 93, SECTION 24, TOWNSHIP 12 SOUTH, RANGE 13 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PIMA COUNTY, ARIZONA.

SCALE: 1" = 40'

CONTOUR INTERVAL: 1'-0"

DATE: 11-30-2011

TOWN OF ORO VALLEY CASE NUMBER:
#OV1211-08

SHEET 1 OF 2

Kimley-Horn
and Associates, Inc. © 2011
7878 North 16th Street, Suite 300
Phoenix, Arizona 85020 (602) 944-5500



NEC HARDY ROAD AND ORACLE ROAD
PRELIMINARY SITE
PLAN COVER SHEET
ORO VALLEY, ARIZONA

PROJECT No.
091129008

SCALE (H): 1"=40'

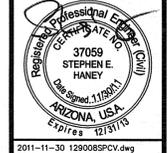
SCALE (V): NONE

DRAWN BY: TMJ

DESIGN BY: TMJ

CHECK BY: STM

DATE: 11/30/2011



CV
1 OF 2 SHEETS

SITE PLAN NOTES

- A. GENERAL NOTES**
- REFER TO THE SITE DATA TABLE HEREON FOR PROJECT INFORMATION.
 - ASSURANCES FOR SITE IMPROVEMENTS, LANDSCAPING, AND RE-VEGETATION BONDS MUST BE POSTED PRIOR TO ISSUANCE OF GRADING PERMITS.
- B. PLANNING GENERAL NOTES**
- MAXIMUM ALLOWED BUILDING HEIGHT: 25' PLUS 10' TOWER
PROPOSED BUILDING HEIGHT: 25' PLUS 10' TOWER
 - THE PROJECT IS DESIGNED TO MEET THE SPECIFIC OVERLAY ZONE(S) CRITERIA FOR ORACLE ROAD SCENIC CORRIDOR DISTRICT (ORSCD).
 - THE PROJECT IS NOT LOCATED WITHIN A SIGNIFICANT RESOURCE AREA (SRA).
 - THE PROJECT DOES NOT INCLUDE PROPERTY WITHIN IDENTIFIED RIPARIAN HABITAT WITHIN THE 100-YEAR FLOODPLAIN.
 - REFER TO SITE DATA TABLE HEREON FOR OPEN SPACE, LANDSCAPING, AND SETBACK INFORMATION.
 - NO AREAS WITHIN THIS PROJECT ARE PROPOSED TO BE DESIGNATED AS COMMON SPACE OR OPEN SPACE.
 - EXISTING ZONING IS C-1.
 - ALL PUBLIC ART REQUIREMENTS MUST BE MET PRIOR TO FINAL CERTIFICATE OF OCCUPANCY ISSUANCE, PER ORO VALLEY ZONING CODE REVISED SECTION 27.3.
 - ALL SIGNAGE AND LIGHTING TO BE ADDRESSED AS PART OF A SEPARATE REVIEW AND APPROVAL PROCESS.
- C. ENGINEERING GENERAL NOTES**
- DESIGN VEHICLE FOR PARKING LOT MANEUVERING IS SU-30 TRUCK, PER GOLDER RANCH FIRE DISTRICT.
 - ALL NEW PUBLIC ROADS WITHIN AND ADJACENT TO THIS PROJECT WILL BE CONSTRUCTED IN ACCORDANCE WITH APPROVED PLANS. SEPARATE PUBLIC IMPROVEMENT AND CONSTRUCTION PLANS WILL BE SUBMITTED TO THE TOWN ENGINEER'S OFFICE FOR REVIEW AND APPROVAL.
 - ANY RELOCATION OR MODIFICATION OF EXISTING UTILITIES AND/OR PUBLIC IMPROVEMENTS NECESSITATED BY THE PROPOSED DEVELOPMENT WILL BE AT NO EXPENSE TO THE PUBLIC.
- D. DRAINAGE GENERAL NOTES**
- DEVELOPER WILL COVENANT TO HOLD TOWN OF ORO VALLEY, ITS SUCCESSORS AND ASSIGNS, HARMLESS IN THE EVENT OF FLOODING.
 - DRAINAGE WILL NOT BE ALTERED, DISTURBED OR OBSTRUCTED WITHOUT THE APPROVAL OF THE ORO VALLEY TOWN COUNCIL.
 - DRAINAGE STRUCTURES MUST BE CONSTRUCTED AND INSTALLED ACCORDING TO TOWN STANDARDS AND PAID FOR BY THE DEVELOPER. ALL DRAINAGE STRUCTURES MUST BE DESIGNED TO CONVEY A Q100 FLOW.
 - ALL DRAINAGE FACILITIES WILL BE CONSTRUCTED ACCORDING TO APPROVED PLANS PRIOR TO THE ISSUANCE OF ANY CERTIFICATES OF OCCUPANCY FROM THE BUILDING OFFICIAL FOR ALL AFFECTED BUILDINGS.
 - A PROPERTY OWNER'S ASSOCIATION WILL BE FORMED TO ACCEPT RESPONSIBILITY FOR MAINTENANCE, CONTROL, SAFETY AND LIABILITY OF PRIVATE DRAINAGEWAYS, DRAINAGE EASEMENTS AND COMMON AREAS.
- E. ORO VALLEY WATER GENERAL NOTES**
- THIS DEVELOPMENT MUST COMPLY WITH THE ORO VALLEY WATER UTILITY SPECIFICATIONS MANUAL DURING ALL PHASES OF CONSTRUCTION.
 - THIS PROJECT WILL BE SERVED BY ORO VALLEY WATER UTILITY WHICH HAS BEEN DESIGNATED AS HAVING AN ASSURED 100-YEAR WATER SUPPLY BY THE DIRECTOR OF WATER RESOURCES. ANY AND ALL WELLS MUST BE ABANDONED PER ADWR REGULATIONS.
 - A LINE EXTENSION AGREEMENT MUST BE IN PLACE PRIOR TO ANY WORK ON THE WATER INFRASTRUCTURE BEFORE THIS PROJECT BEGINS.
 - ALL METERS SHALL HAVE A BACKFLOW PROTECTION DEVICE INSTALLED ON THE CUSTOMER SIDE OF THE METER.
 - ALL FIRE SERVICES SHALL HAVE A BACKFLOW PROTECTION DEVICE INSTALLED ON THEM.
- F. WASTEWATER GENERAL NOTES**
- PROJECT IS IN CONFORMANCE WITH SECTION J, WASTEWATER, OF THE PIMA COUNTY DEVELOPMENT PLAN REQUIREMENTS AS REFERENCED IN 18.71.030.A.
- G. GENERAL UTILITY NOTES**
- SHOULD AN EASEMENT BE IN CONFLICT WITH ANY PROPOSED BUILDING LOCATION, VACATION OF THE EASEMENT IS TO OCCUR PRIOR TO ISSUANCE OF BUILDING PERMITS.
- H. GOLDER RANCH FIRE GENERAL NOTES**
- FIRE HYDRANTS CONNECTED TO AN APPROVED WATER SUPPLY OF 1500 GPM FOR FIRE PROTECTION MUST BE INSTALLED AND IN SERVICE PRIOR TO COMBUSTIBLE MATERIAL DELIVERY TO THE SITE. TEMPORARY CONSTRUCTION OFFICE TRAILERS ARE CONSIDERED COMBUSTIBLE MATERIAL.
 - APPROVED FIRE APPARATUS ACCESS ROADS MUST BE INSTALLED AND IN SERVICE PRIOR TO COMBUSTIBLE MATERIAL DELIVERY TO THE SITE.

SITE PLAN NOTES (CONT'D)

- APPROVED AUTOMATIC SPRINKLER SYSTEMS IN NEW BUILDINGS AND STRUCTURES SHALL BE PROVIDED THROUGHOUT ALL GROUP A, S, E, F, H, I, M, R, AND S OCCUPANCIES FOR EVERY FACILITY, BUILDING OR PORTION OF A BUILDING HEREAFTER CONSTRUCTED WITHIN OR MOVED INTO THE JURISDICTION. APPROVED AUTOMATIC SPRINKLER SYSTEMS SHALL BE PROVIDED THROUGHOUT ALL ONE- AND TWO-FAMILY DWELLINGS AND TOWNHOUSES USED AS MODEL HOMES WITH SALES OR CONSTRUCTION OFFICES, AND ONE- AND TWO-FAMILY DWELLINGS AND TOWNHOUSES WHICH EXCEED 3,600 SQUARE FEET IN FIRE-FLOW CALCULATION AREA HEREAFTER CONSTRUCTED WITHIN OR MOVED INTO THE JURISDICTION.
- TEMPORARY STREET SIGNS MUST BE INSTALLED AT EACH STREET INTERSECTION WHEN CONSTRUCTION OF NEW ROADWAYS ALLOWS PASSAGE OF VEHICLES. ALL STRUCTURES UNDER CONSTRUCTION MUST BE CLEARLY IDENTIFIED WITH AN APPROVED ADDRESS.
- THE INSTALLATION OF TRAFFIC CONTROL SIGNALING DEVICES AND/OR ELECTRICALLY OPERATED GATES ON FIRE APPARATUS ACCESS ROADS SHALL INCLUDE PREEMPTIVE CONTROL EQUIPMENT COMPATIBLE WITH THE FIRE DEPARTMENT'S EXISTING SYSTEM.

L. PARKS AND RECREATION GENERAL NOTES

- TRAIL EASEMENT IS A "PERMANENT NON-MOTORIZED PUBLIC RECREATION EASEMENT" GRANTED TO THE TOWN.

J. PERMITTING DIVISION - BUILDING CODES

- THE FOLLOWING CODES AND STANDARDS SHALL BE APPLICABLE TO THIS DEVELOPMENT:
 - 2006 INTERNATIONAL CODES WITH LOCAL AMENDMENTS
 - 2005 NATIONAL ELECTRICAL CODE
 - 1998 AMERICAN DISABILITIES ACT ACCESSIBILITY GUIDELINES
 - 2006 GOLDER RANCH FIRE DISTRICT STANDARDS AND FORMS
 - 2008 TOWN OF ORO VALLEY POOL CODE
 - 2003 PC/COT STANDARD SPECIFICATIONS & DETAILS FOR PUBLIC IMPROVEMENTS
 - 2010 TOWN OF ORO VALLEY DRAINAGE CRITERIA MANUAL
 - 2004 TOWN OF ORO VALLEY SUBDIVISION STREET STANDARDS AND POLICIES MANUAL
 - TOWN OF ORO VALLEY ZONING CODE, CURRENT REVISED
 - ORO VALLEY TOWN CODE, CURRENT REVISED

SITE DATA TABLE

AREA OF SUBJECT PROPERTY LOCATION:	8.5 ACRES (GROSS AND NET) NORTHEAST CORNER OF ORACLE ROAD AND HARDY ROAD C-1 COMMERCIAL DISTRICT 225-12-065A
EXISTING ZONING:	25 FT. (NOTE: ARCHITECTURAL FEATURES SUCH AS TOWERS MAY EXCEED BUILDING HEIGHT BY 10 FT. SUBJECT TO CDRB APPROVAL)
PARCEL NUMBER:	25 FT. WITH 35 FT. TOWER
MAXIMUM ALLOWABLE BUILDING HEIGHT:	45,000 SF
PROPOSED BUILDING HEIGHT:	FITNESS CENTER/INDOOR ASSEMBLY (A-3)
PROPOSED BUILDING AREA:	IIB, SPRINKLERED
PROPOSED USE:	20%
RECREATION OCCUPANCY TYPE:	53% (INCLUDING LANDSCAPE BUFFER)
CONSTRUCTION TYPE:	28.5% (EXCLUDING LANDSCAPE BUFFER)
MINIMUM OPEN SPACE:	0.30
PROVIDED OPEN SPACE:	0.12
PROVIDED OPEN SPACE:	270 SPACES
PROVIDED OPEN SPACE:	271 SPACES
MAX. FLOOR AREA RATIO (FAR):	
PROPOSED FAR:	
REQUIRED PARKING:	
PROPOSED PARKING:	
LANDSCAPE BUFFERS:	
SIDE (HARDY ROAD):	30 FEET REQUIRED
REAR (R1 DISTRICT):	15 - 40 FEET REQUIRED (BUFFER YARD TYPE 'B')
IMPERMEABLE SURFACES:	221,454 S.F.

PROJECT DIRECTORY:

DEVELOPER:
LA FITNESS INTERNATIONAL, LLC
2600 MICHELSON DRIVE, SUITE 300
IRVINE, CA 92612
CONTACT: GREG GILL
PHONE: (949) 255-7296
FAX: (949) 255-7429
EMAIL: ggill@afitness.com

ARCHITECT:
ROBERT KUBICEK ARCHITECTS & ASSOCIATES INC.
2233 EAST THOMAS ROAD
PHOENIX, ARIZONA 85016
CONTACT: JORGE CALDERON
PHONE: (602) 955-3900
FAX: (602) 955-0496
E-MAIL: jcalderon@rkaa.com

CIVIL ENGINEER:
KIMLEY-HORN AND ASSOCIATES INC.
7878 NORTH 16TH STREET, SUITE 300
PHOENIX, ARIZONA 85020
CONTACT: STEVE HANEY
PHONE: (602) 944-5500
FAX: (602) 944-7823
E-MAIL: steve.haney@kimley-horn.com

PARKING, LOADING, AND BICYCLE STORAGE CALCULATIONS

PAD/LOT NUMBER	PROPOSED USE	SQUARE FOOTAGE	PARKING RATIO	TOTAL PARKING		TOTAL HANDICAP PARKING		LOADING ZONE RATIO	TOTAL LOADING ZONES		BIKE PARKING CLASS I		BIKE PARKING CLASS II	
				REQUIRED	PROVIDED	REQUIRED	PROVIDED		REQUIRED	PROVIDED	REQUIRED	PROVIDED	REQUIRED	PROVIDED
	HEALTH CLUB	45,000 S.F.	6/1,000	270	271	7	8		0	0	2	2	12	15

DATE: 11/30/2011 11:26am
 DRAWN BY: TMJ
 DESIGN BY: TMJ
 CHECK BY: STM
 PROJECT NO.: 091129008
 SCALE (H): 1"=40'
 SCALE (V): NONE
 SHEET 1 OF 2
 2011-11-30 12:00:08PM
 CV
 1 OF 2 SHEETS



CONCEPTUAL
LANDSCAPE PLAN

10-21-2011



McCloskey • Peltz, Inc.
LANDSCAPE ARCHITECTS

McCloskey ♦ Peltz, Inc.

L A N D S C A P E R C H I T E C T S

One West Elliot, Suite 110
Tempe, Arizona 85284-1310 Phone:
(480)838-7774 Fax: (480)831-
1774 Email: dpmpi@mindspring.com

Landscape Concept Narrative for LA Fitness Oro Valley, AZ

Native Plant Preservation

All healthy native plant species protected under Arizona Law and Oro Valley Ordinances will be either preserved in place or salvaged and reused as part of the site revegetation effort.

Site Landscape Revegetation & Restoration

The Site Landscape Revegetation & Restoration shall utilize, primarily, native plant species with a heavier focus on species that are indigenous to the site and adjacent natural desert. Where allowed under Oro Valley ordinances some desert adapted species may be utilized as supplement to the native plant palette for special uses or function such as enhanced screening, pedestrian safety issues or unique micro-climate conditions within restricted planting areas adjacent to the building.

The primary tree species will be native species such as: ***Foothill Palo Verde, Blue Palo Verde, Native Mesquite, Ironwood, Desert Willow and (native adapted) Thorn-less Hybrid Palo Verde*** in parking and pedestrian traffic areas where thorns may be of concern.

The planting design will be sensitive to the sloped conditions in terms of erosion protection/prevention. Storm water (drainage) channels and site retention areas shall be treated as semi riparian habitat and will be revegetated with native species that are indigenous to semi-riparian desert habitats.

Native seed mixes will be utilized to re-establish native grasses, wildflowers and forbs.

Landscape Buffers will be heavily landscaped with both trees and shrubs to maximize visual buffering of the building from adjacent residential properties. Native Mesquite and Ironwood will be utilized as the backbone of the landscape buffer and will be supplemented with taller shrub species such as ***Acacia, Chuparosa, Creosote, Jojoba, Sage, Tecoma***, etc. as allowed by “**Oro Valley Landscape Guidelines Addendum C: Native Plant List**”

Landscape (soil) surfaces will be stabilized with Decomposed Granite or a combination utilizing a more naturalized “Desert Pavement” surfacing. In area of higher storm water velocity and flow concentrations, a larger aggregate (rip rap) cover may be necessary to prevent erosion.

Landscape Irrigation

Drip Irrigation System

The Site Landscape Irrigation will be designed as much as possible to be a temporary (Drip) system with the capability of having significant portions of the system water demands reduced as plants become established or become sustainable from natural precipitation.

Water Harvesting

Water Harvesting techniques will be or incorporated into the site through the grading and drainage system design and landscape treatments to encourage collection and preservation of natural precipitation and controlled saturation of plant root zones.

Context Plan



sheet
of
job

design
drawn
check

LA Fitness at the NEC Oracle Road and Hardy Road



RKAA
Architects And Associates, Inc.

2233 East Thomas Road
Phoenix, AZ 85016-3474
(602) 955-3900 Phone
(602) 955-0498 Fax
www.rkaa.com



1



2





3



4





5



6





7



8

sheet
of
job
design
drawn
check

LA Fitness at the NEC Oracle Road and Hardy Road



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9



10





11



12

sheet
of
job

design
drawn

check

LA Fitness at the NEC Oracle Road and Hardy Road



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13



14





15



16





17



18

sheet
of
job

design
drawn

check

LA Fitness at the NEC Oracle Road and Hardy Road



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19



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22





23



24

sheet
of
job

design
drawn

check

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25



26





27



28





View Preservation Plan

 **LA | FITNESS** - Palisades of Oro Valley

NEC Oracle Road(State Route 77) and Hardy Road



Design Narrative - LA Fitness Oro Valley, Arizona

Architectural character description

The architectural design character of the exterior architectural design of LA Fitness represents a unique blend of current contemporary commercial design with a hint of Arizona vernacular. Shapes, colors, textures and materials selected for the project are both consistent and aesthetically compatible with the neighboring architecture and landscape design. The project's visual elements draw on a vocabulary of simplified detail and traditional forms. A theme of blended forms and integrated materials with soft natural earth tone colors provides a relaxed and informal elegance.

Further interest is provided by variations in the design and height of the parapet lines. The facades of the building are proportioned to reflect the volumes and uses of the interior space yet provide a comfortable human scale with the use of canopies and building projections. The combination of natural colored split face and smooth face decorative masonry, textured stucco, and painted metal canopies are visually attractive and low maintenance. To reduce the visual impact on the neighbors to the east provisions have been made to blend the building into the natural landscape such as the use of a tan colored roof material and cutting the building into the grade to meet the building height restrictions.

Summary

The proposed project is a state of the art fitness center which incorporates thoughtful design features to integrate into the community and will provide the community with a needed service establishment without negatively impacting the existing community.

*2233 East Thomas Road
Phoenix, AZ 85016 - 3474
(602) 955-3900 Phone
(602) 955-0496 Fax
www.rkaa.com*

Principals:

Robert W. Kubicek, AIA

Harvey G. Unti, AIA

Jorge A. Calderon, Assoc. AIA

David J. Gibson, V.P.

Kathleen D. Rieger, V.P.



"View Looking Northeast"



"View Looking North"



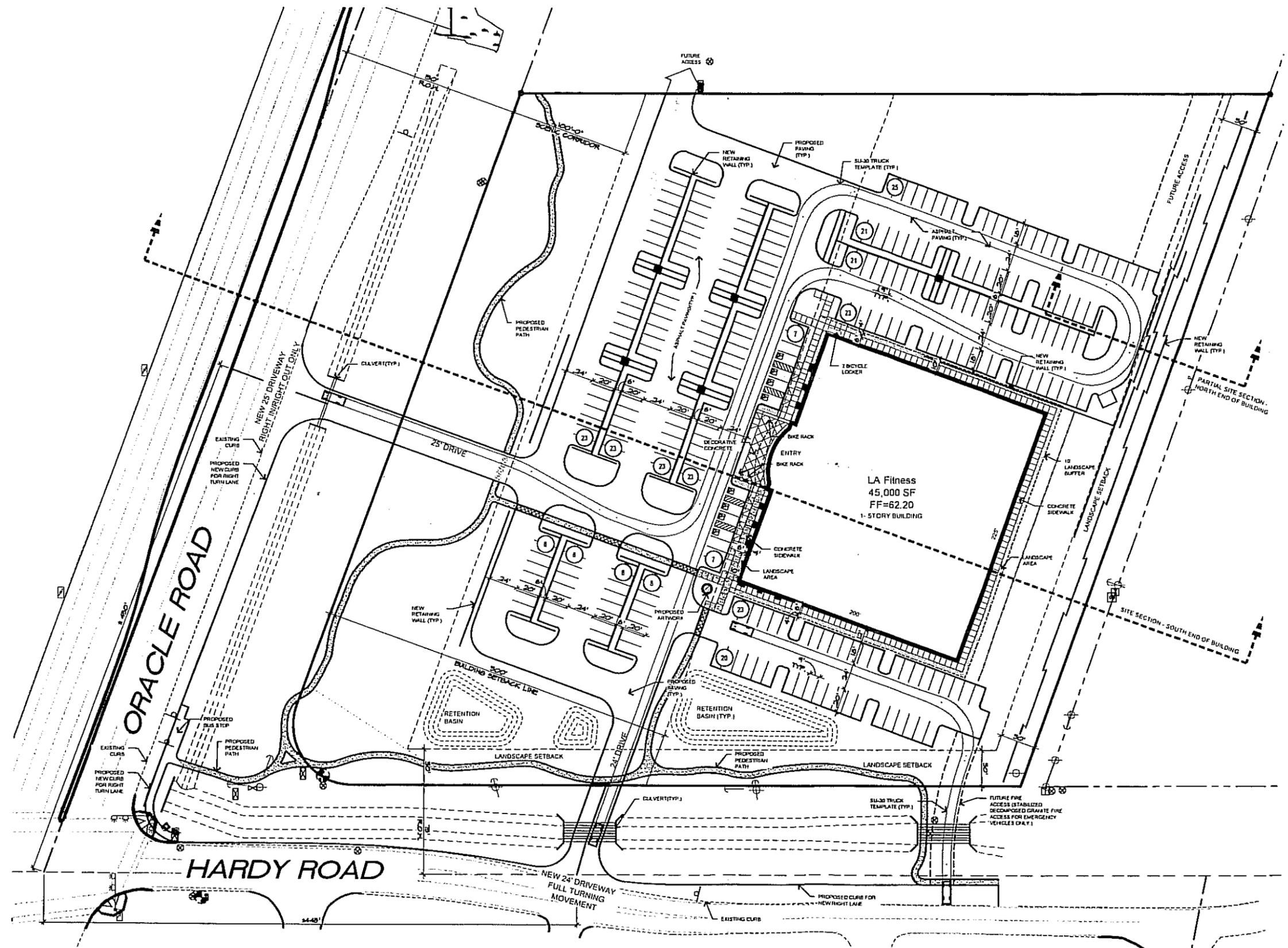
"View Looking East"

 **LA | FITNESS** - Palisades of Oro Valley

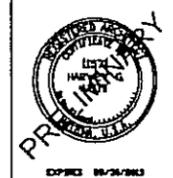
NEC Oracle Road(State Route 77) and Hardy Road

THIS SITE PLAN HAS BEEN PREPARED WITHOUT THE AID OF A SURVEY. ALL PROPERTY BOUNDARIES AND DIMENSIONS ARE APPROXIMATE. THIS DRAWING IS TO BE USED FOR CONCEPTUAL PURPOSES ONLY AND IT IS NOT TO BE THE BASIS FOR ANY LEGALLY BINDING OCCUPATION.

CONCEPTUAL ARCHITECTURAL DESIGN PLAN
 SCALE: 1" = 40'-0"
 0 40' 80' 120'



- REFERENCE CASE NUMBERS _____
 GENERAL PLAN AMENDMENTS _____
 REZONING _____
 VARIANCES _____
 CONDITIONAL USE PERMITS _____
 FINAL PLATS _____
 ANNEXATIONS _____



CONCEPTUAL ARCHITECTURAL DESIGN PLAN

DEVELOPMENT NAME:
 LA FITNESS at PALISADES OF ORO VALLEY

BRIEF LEGAL DESCRIPTION:
 THE SOUTH 619.02' OF BLOCK A, SHADOW MOUNTAIN ESTATES-EAST BOOK 14 PAGE 93, SECTION 24, TOWNSHIP 12 SOUTH, RANGE 13 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PIMA COUNTY, ARIZONA.

SCALE: 1" = 40'
 CONTOUR INTERVAL: 1'-0"
 DATE: 01-11-2012
 TOWN OF ORO VALLEY CASE NUMBER:
 #OV1211-08

ROBERT KURIAEK
 Architects And Associates, Inc.
 2233 East Thomas Road
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 (602) 955-0468 Fax
 www.kaa.com





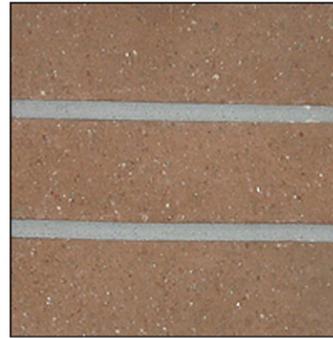
concrete block - Superlite Block
smooth face color 'sedona red'



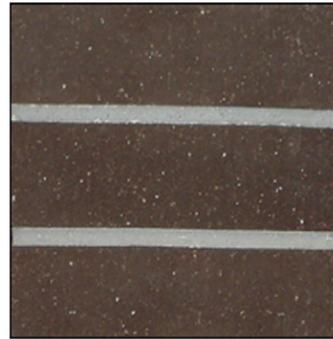
concrete block - Superlite Block
split face color 'bone'



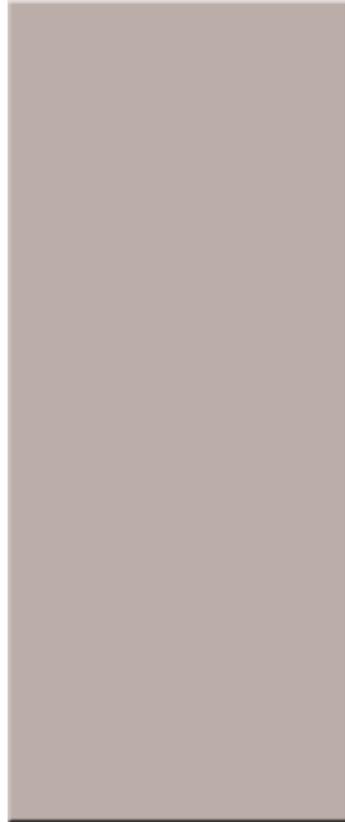
concrete block - Superlite Block
split face color 'cocoa brown'



brick veneer -
Phoenix Brickyard
color #79



brick veneer -
Phoenix Brickyard
color #80



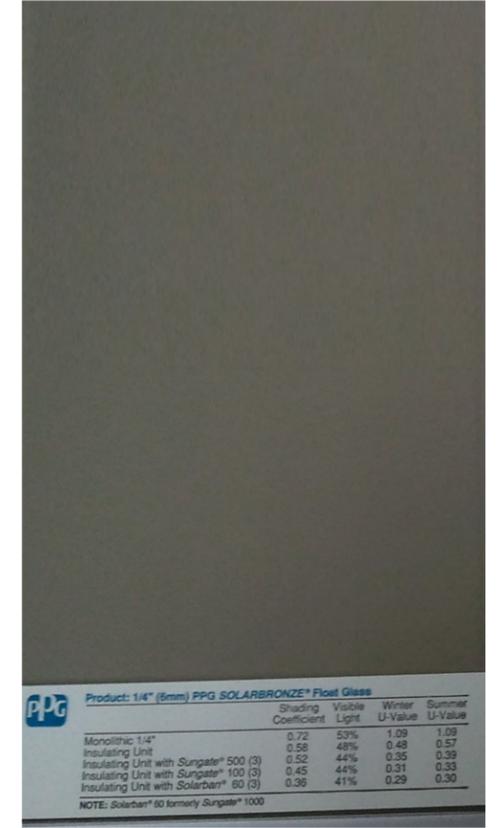
Paint - Glidden Color
'Beachcomber' A1788
LRV: 58



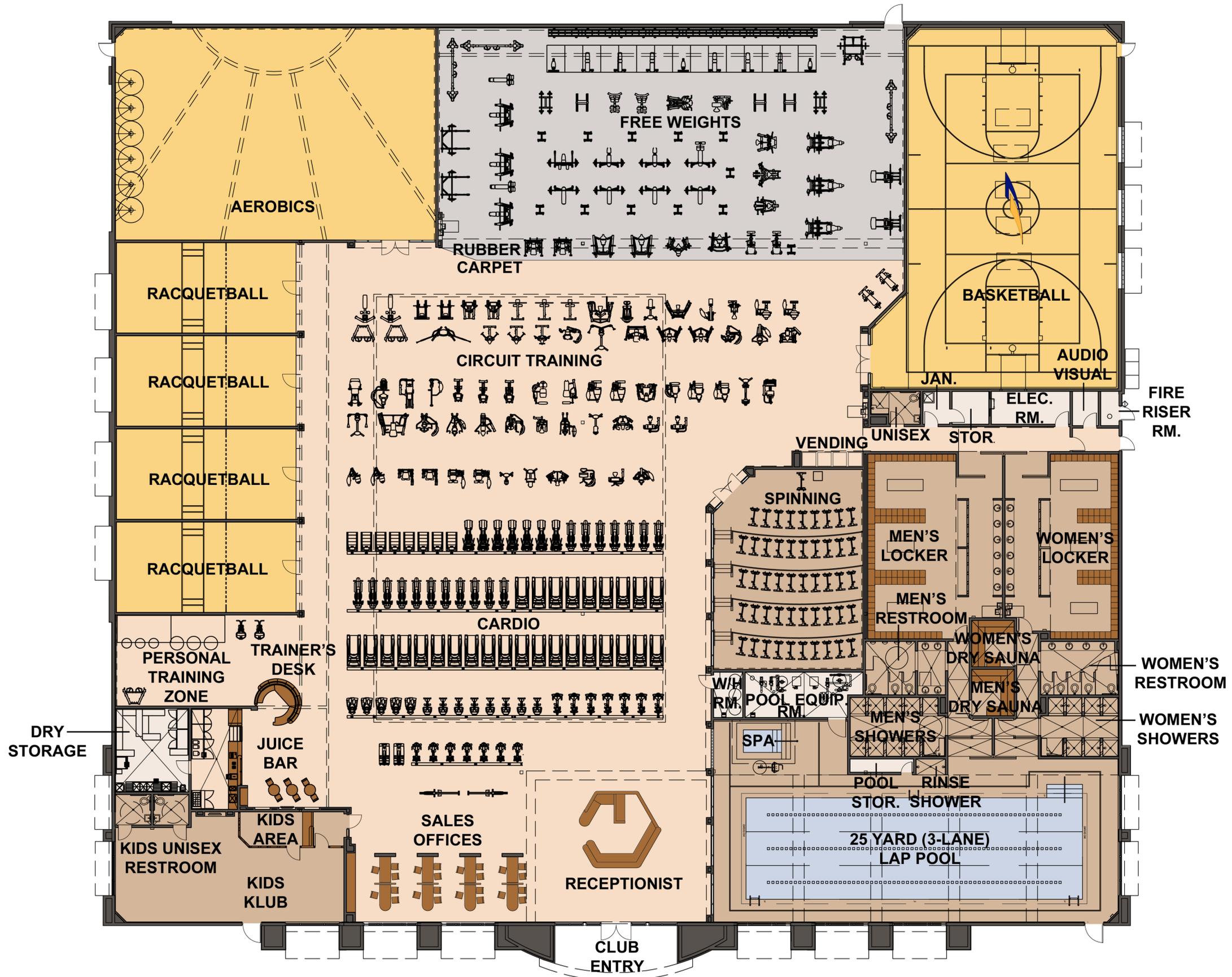
Paint - Glidden Color
'Noah's Ark' A1734
LRV: 27

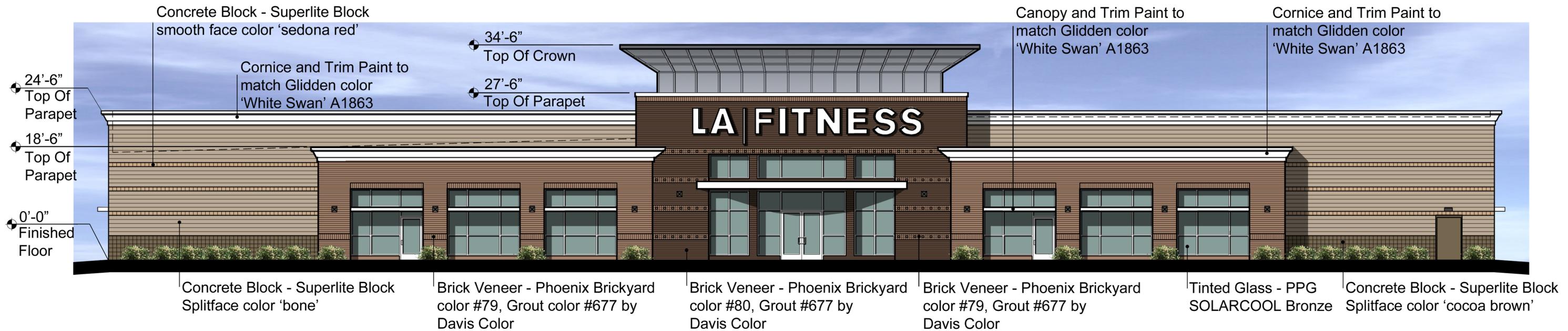
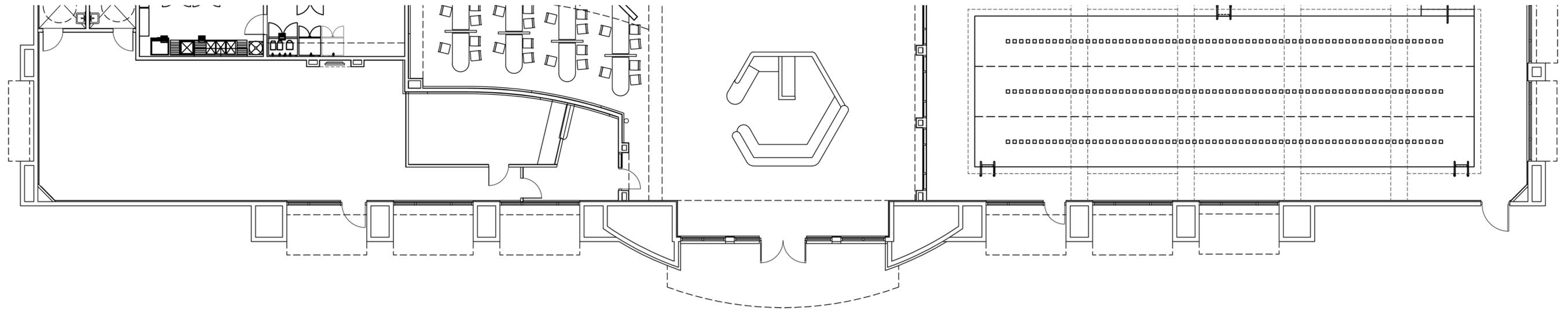


Roof Membrane
"Duro-Last" Color: Tan
LRV: 37

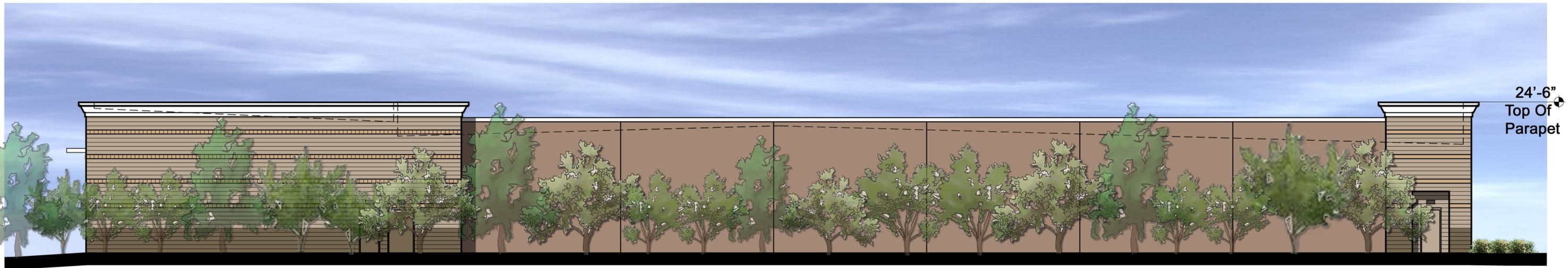


glazing - PPG Solarcool -
Solarbronze Glass

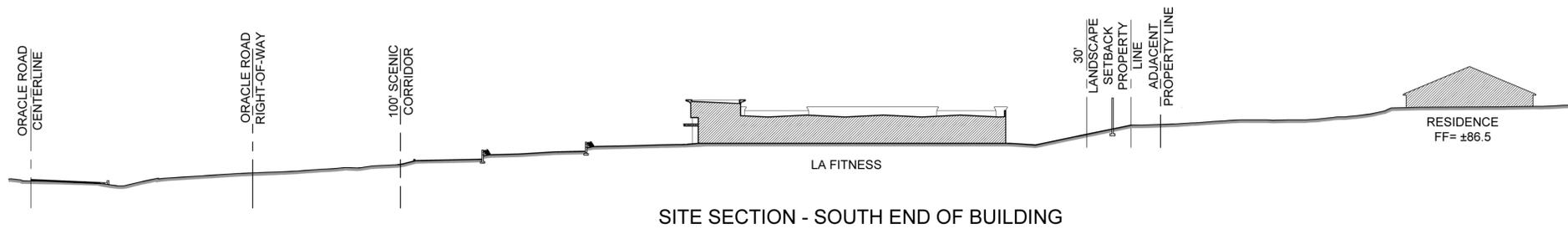




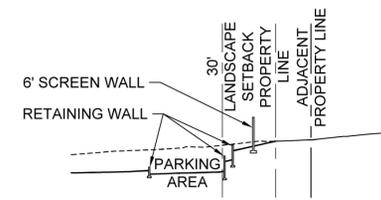
West Elevation



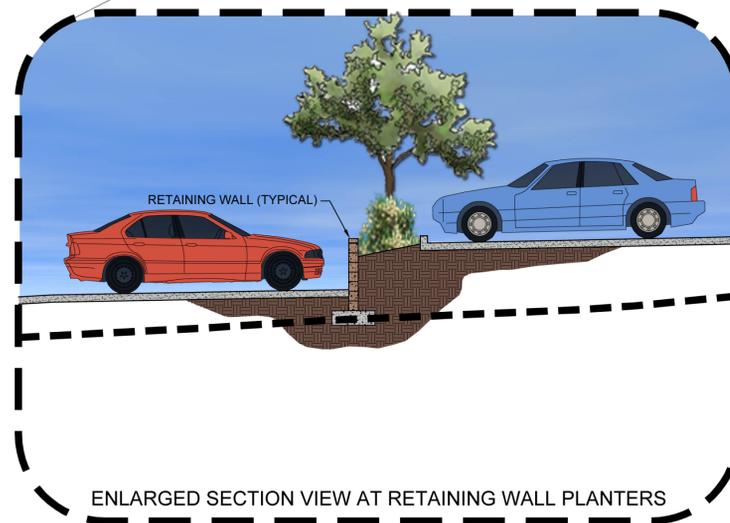
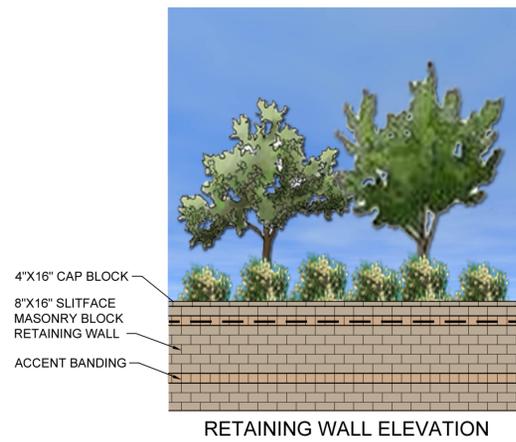
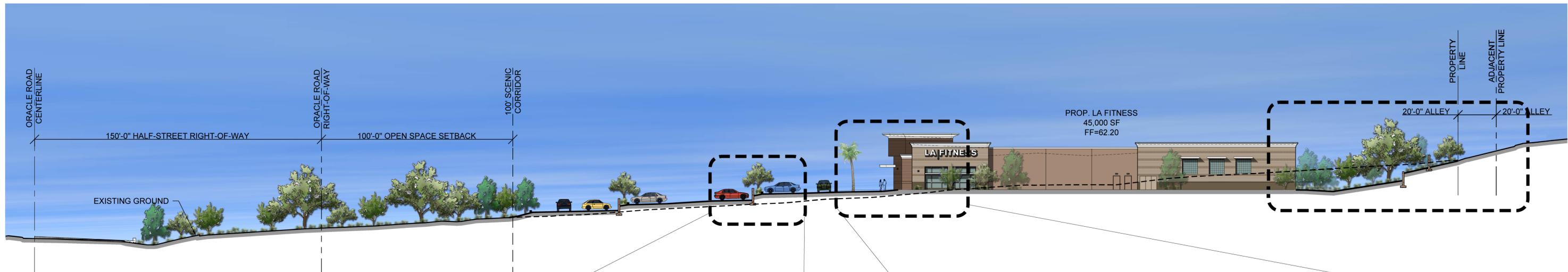
East Elevation

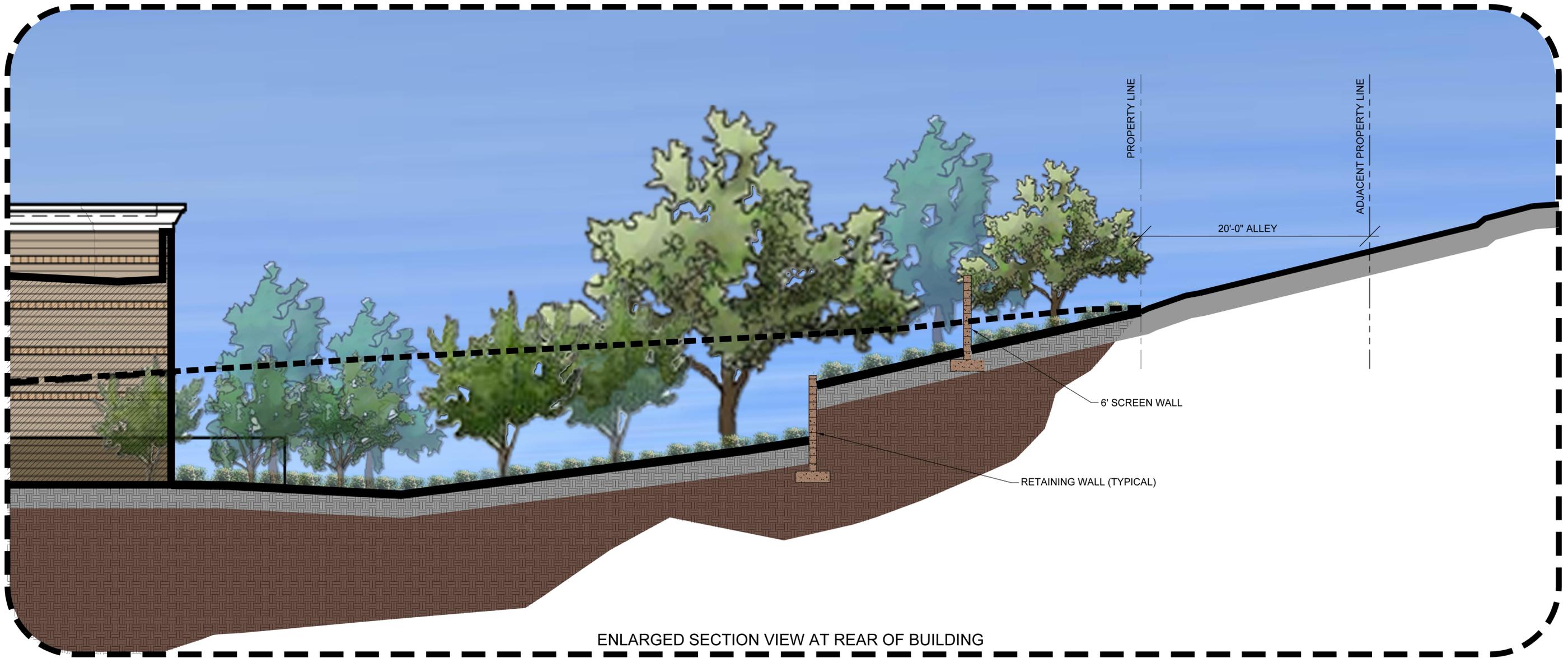


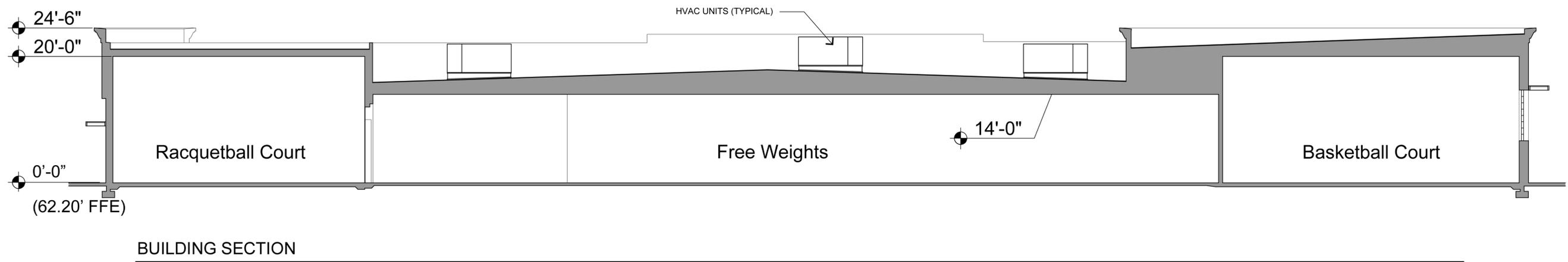
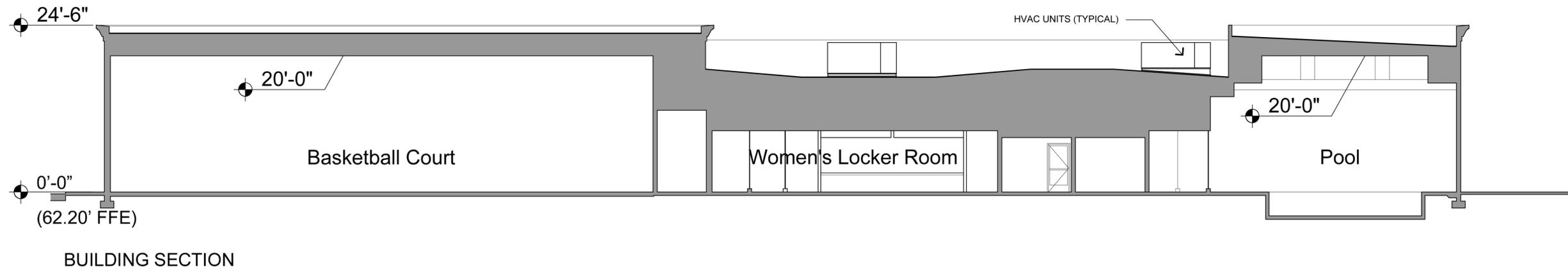
SITE SECTION - SOUTH END OF BUILDING



PARTIAL SITE SECTION - NORTH END OF BUILDING









View of North West Corner



View of South East Corner



View of North East Corner



View of Entry Rotunda



View of Entry Rotunda

 **LA|FITNESS** - Palisades of Oro Valley

NEC Oracle Road (State Route 77) and Hardy Road



"View Looking Northeast"



"View Looking North"



"View Looking East"



Palisades Oro Valley - Public Art Submittal

NEC Oracle Road (State Route 77) and Hardy Road



4.1 ORO VALLEY CONCEPTUAL PUBLIC ART DESIGN APPLICATION

Public artwork is one of the three primary elements of the Conceptual Design Review submittal and is a required element of private and public construction projects in Oro Valley as specified in the Oro Valley Zoning Code Revised. Please review Oro Valley Zoning Code Revised Section 27.3 to learn of all public art requirements.

Review of art work entails the following two stages:

- Conceptual Design Review
- Final design, including certification upon installation.

Conceptual review of public artwork must be reviewed by the Conceptual Design Review Board (CDRB) and approved by the Town Council.

Conceptual review includes review of the artist qualifications, conceptual artwork design and artwork public art review (Stage 2) by Town Staff. Please note that a separate application is required for final public art.

CONCEPTUAL PUBLIC ART DESIGN APPLICATION

Date: 1/3/12 Project Number: OV1211-08
Office Use Only

Project Name: L A Fitness- Oro Valley

Project Location /Address: NEC Oracle & Hardy Oro Valley, AZ

Project Parcel #: Portions of Block "A", Shadow Mountain Estates- East

Applicant:  Greg Gill
Please print and sign name

E-mail: gregg@lafitness.com Contact Person: Greg Gill

Phone Number: L A Fitness International, LLC 949-633-9934
Company Cell

Company Address: 2600 Michelson Drive Suite 300 Irvine, CA 92612
Street State Zip

Property Owner: Hardy Oracle Group, LLC Attn: George Larsen

Property Owner Address:

6298 E. Grant Road, Suite 100 Tucson, AZ 85712

Property Owner Phone: 520-296-0200

Street

State

Zip

E-mail: george@larsenbaker.com

- **Submittal will not be accepted if an electronic version of all submittal material in PDF format is not included.**

Artist Name:

Chris O'Rourke **Phone:** 702-858-5494

Artist Address:

5700 W. Centennial Parkway, Las Vegas, NV 89131

LA Fitness Public Art Public Submittal

1. Narrative Description of the Project & Proposed Art

Project description

LA Fitness is proposing to develop approximately eight and a half acres at the vacant northeast corner of Hardy and Oracle Roads for a new health club. Approximately one and a half acres will remain as native undisturbed vegetation. LA Fitness will be a single story 45,000 square foot facility which will include an aerobics area, cardiovascular area, strength training, indoor three lane lap pool, full size basketball court, 4 racquetball courts, spinning room, juice bar, both men's and women's showers/ locker rooms and a Kids Klub (onsite child care to be used while parent is using the facility).

LA Fitness Background

In an industry often equated with fad and fashion, LA Fitness has steadily increased its presence by focusing on the one lifelong benefit valued by everyone: good health. Born in Southern California in 1984, LA Fitness continues to seek innovative ways to enhance the physical and emotional wellbeing of our increasingly diverse membership base.

Architectural character description

The architectural design character of the exterior architectural design of the fitness center represents a unique blend of current contemporary commercial design with a hint of Arizona vernacular. Shapes, colors, textures and materials selected for the project are both consistent and aesthetically compatible with the neighboring architecture and landscape design. The project's visual elements draw on a vocabulary of simplified detail and traditional forms. A theme of blended forms and integrated materials with soft natural earth tone colors provides a relaxed and informal elegance.

Further interest is provided by variations in the design and height of the parapet lines. The facades of the building are proportioned to reflect the volumes and uses of the interior space yet provide a comfortable human scale with the use of canopies and building projections. The combination of natural colored split face and smooth face decorative masonry, textured stucco, and painted metal canopies are visually attractive and low maintenance. To reduce the visual impact on the neighbors to the east provisions have been made to blend the building into the natural landscape such as the use of a tan colored roof material and cutting the building into the grade to meet the building height restrictions.

Artist Selection: Process

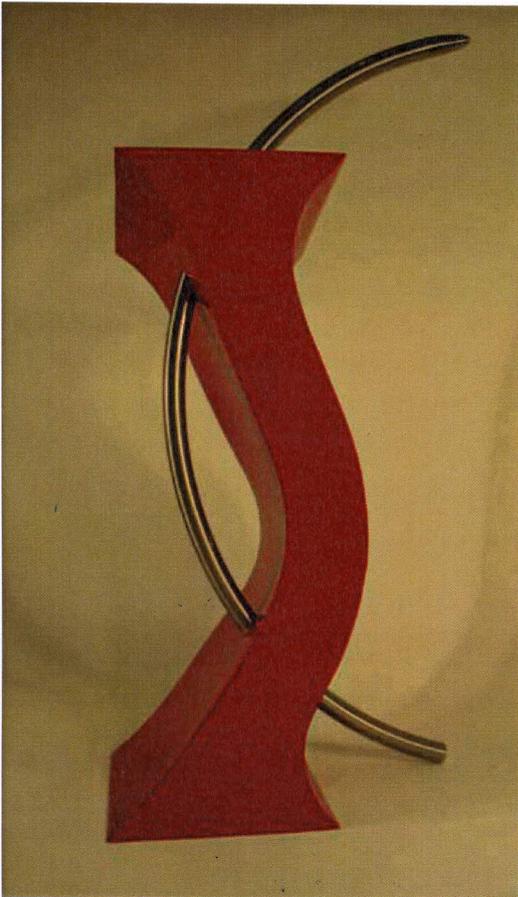
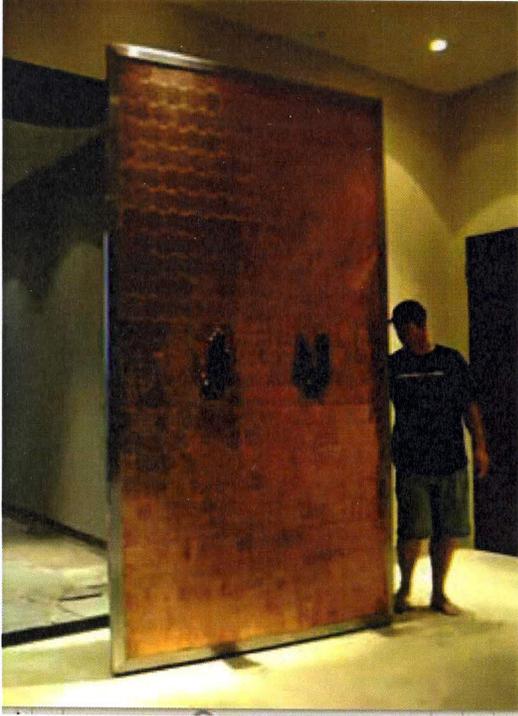
In selecting the artist/piece of art, we placed emphasis on originality, the ability to withstand the Arizona climate as well as complement both the project and the natural landscape of the surrounding region. Our request was for a vertical, three-dimensional piece of art depicting either fitness or nature. More specifically a piece of sculpture was requested in the genre of either modern, animal forms, nature inspired forms, abstract or botanical themes. We were seeking a solution that complimented the architecture of the building while maintaining a palette of natural colors. Preferred materials included: Steel, Bronze, Natural Materials, Metal, Wood, Ceramic, Stone, Concrete, Cast Stone, Plaster and other natural and durable low maintenance materials.

Artist Selection: Chris O'Rourke

While there were many fine submittals eventually we were drawn to and selected Chris O'Rourke, a metal sculptor based in Las Vegas. We were drawn to the originality, beauty and permanence that is emblematic of his work. In Chris' words: "the choice to construct and create using metal as my medium reflects a desire to create something derived of the earth from minimal materials. My fabrication process – creating shapes, cutting, bending, finishing and welding the final patinas and colorations – is something that I develop and refine constantly and consciously. Every detail of the conception, design and construction of the work is thoroughly explored through deliberate effort. When creating, I am usually striving for non-objective abstract forms that do not resemble anything at all. Then I start to contemplate the possibility of a human being, able to create something that is completely devoid of human reference."

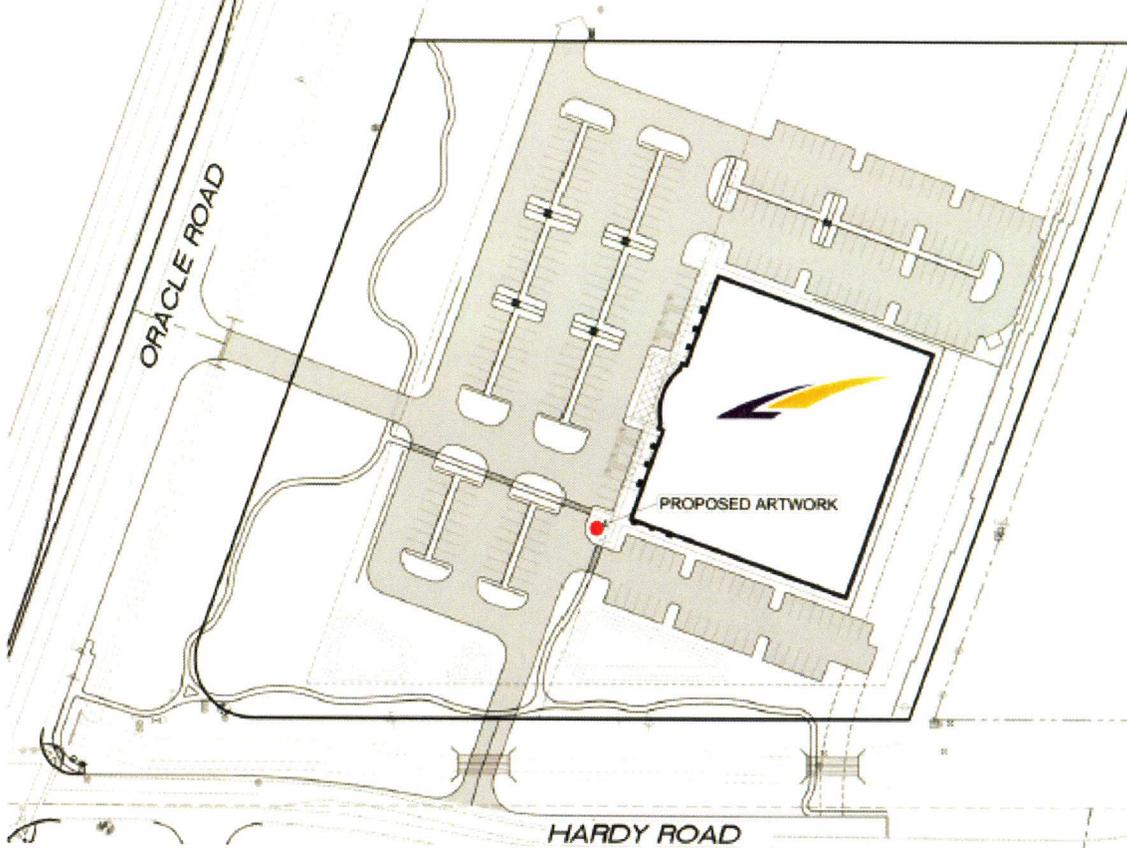
Chris further notes "that he finds it intriguing that a work of art could be no more nor less than the object itself. His goal is to create works that exude a living presence, to leave an impression of one's just having met someone, someone not likely to be forgotten". Examples of Chris' work are included below and on the following page.





#2 Location of Artwork

Originally, our preconception was that the artwork should be located near the corner of Oracle and Hardy as a welcoming gesture to the community. Subsequently, in reviewing location options with the artist, we have joint concerns that the art piece large enough to effectively "anchor" the corner location. Rather than cater to 'windshield' viewing we believe a location more integral to the project is preferred. We believe the quality of the artwork deserves a location where it can be readily viewed and touched by both members and onlookers. For this reason, it has been located central to the building entry where the two entry converge as depicted below.





"View Looking North"



"View Looking East"



Above are images illustrating how the freestanding artwork is integrated with the building design. While the location has been selected, the final setting/material palette including landscaping, hardscape, lighting and furniture is still being designed. For this reason, the images above are place holders as the artist, architect and landscape finalize the design.

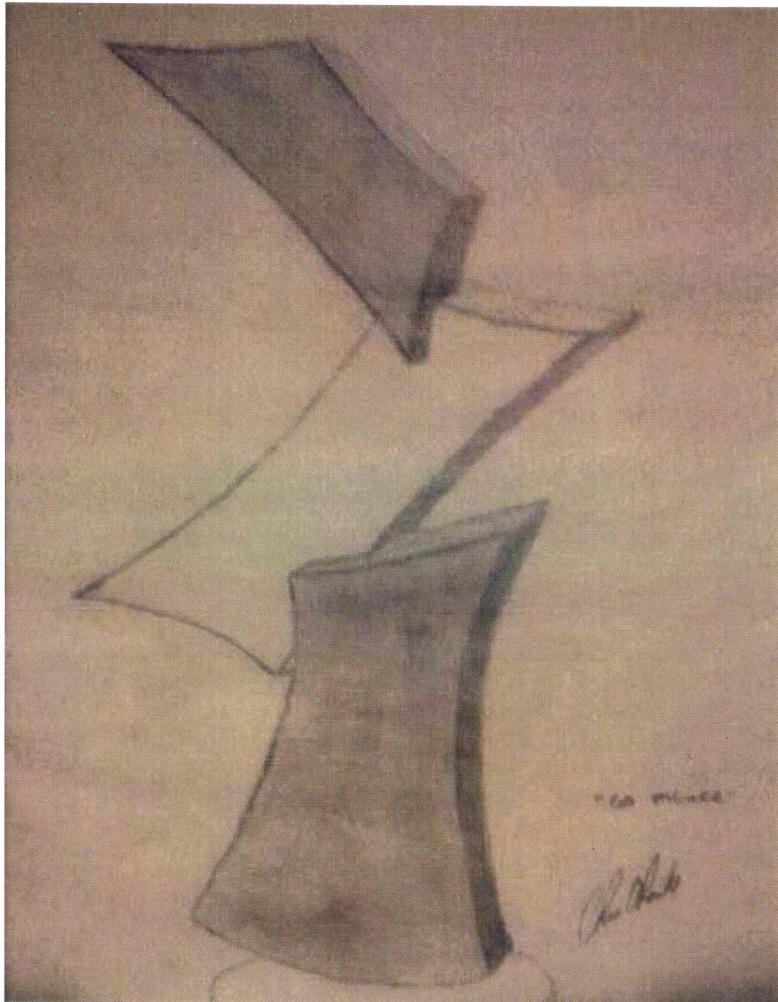
#3 Typical Art Characteristics

The art piece "Go Figure" is comprised of three six-sided, radiused, curved quadrangle shapes with flared ends...with a slender mid section to evoke the shape on an hourglass figure. The piece will be made of stainless steel with two of the elements heat-colored to create natural, blue and bronze hues. The fifteen foot tall piece will sit atop a base of similar material. As playful as its name, the three slender forms will ascend playfully along a single axis, seemingly independent, yet deeply connected; a distinct mind, body and spirit...all belonging to a single organism and reaching upward in symphony toward a perfected state of being.

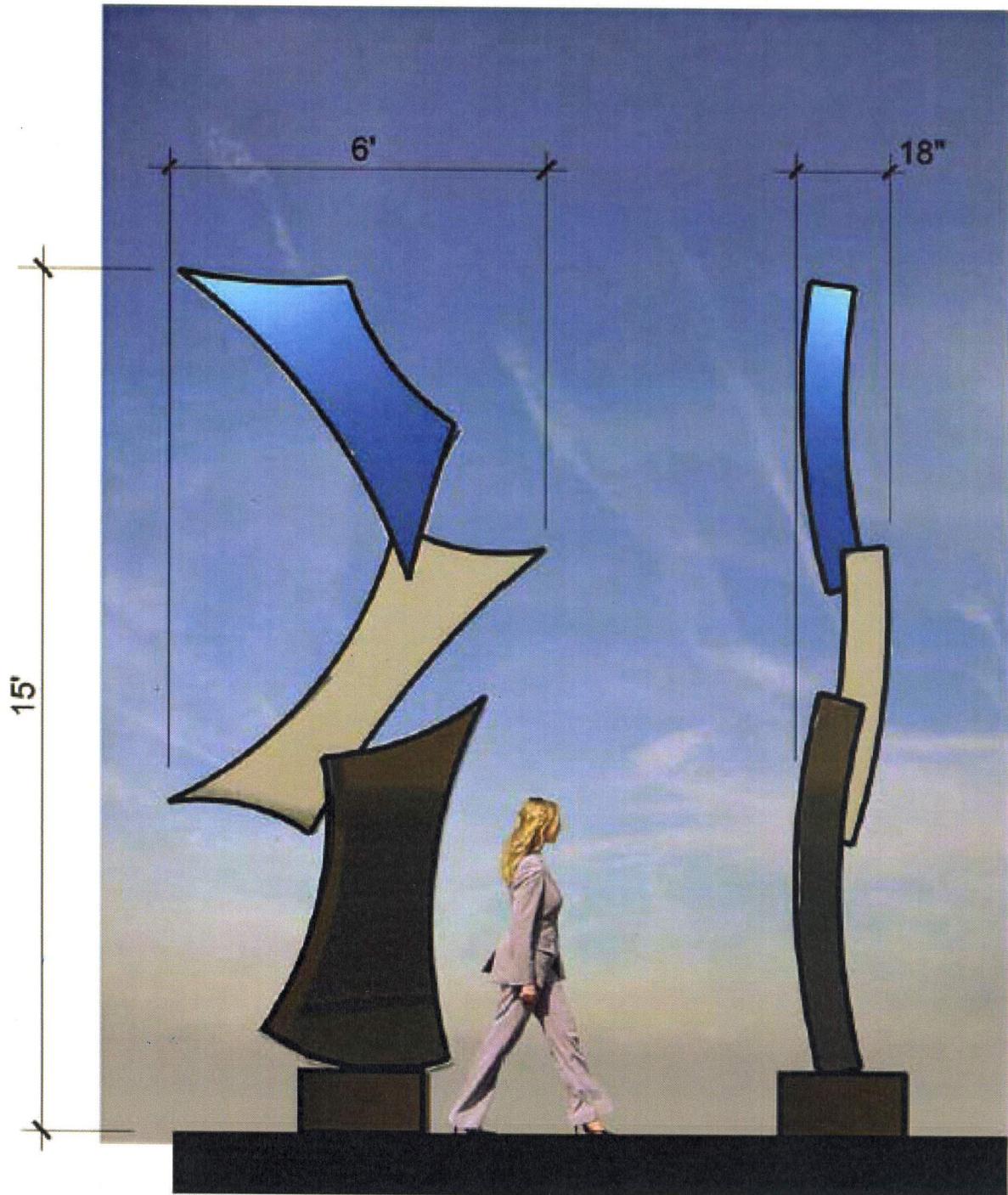
Since it's difficult to convey the rich color and subtle reflections with our rendering software, we are including the images below illustrating stainless steel some of which is colored and heat treated. They are generic and not Chris' work.



Chris' rendering of "Go Figure" is below left; our architect's rendered version is on the right.

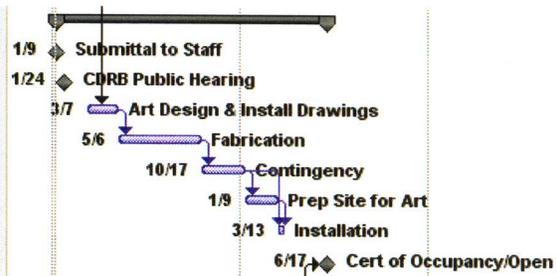


Below is an enlarged, colored, 2D drawing illustrating "Go Figure" including dimensions.



#4 Implementation Schedule

Public Art Schedule	442 days	Mon 1/9/12	Mon 6/17/13
Submittal to Staff	0 days	Mon 1/9/12	Mon 1/9/12
CDRB Public Hearing	0 days	Tue 1/24/12	Tue 1/24/12
Art Design & Install Drawings	60 days	Wed 3/7/12	Sat 5/5/12
Fabrication	150 days	Sun 5/6/12	Tue 10/16/12
Contingency	60 days	Wed 10/17/12	Tue 1/8/13
Prep Site for Art	45 days	Wed 1/9/13	Tue 3/12/13
Installation	10 days	Wed 3/13/13	Tue 3/26/13
Cert of Occupancy/Open	0 days	Mon 6/17/13	Mon 6/17/13



#5 Valuation

Building Construction	\$4,000,000
Site Construction	\$1,500,000
Sub Total	\$5,500,000
Contingency	\$300,000
Total	\$5,800,000
Art Fee Gross (1% Total Const)	\$58,000
Admin Fee - SAACA (5% Total)	-\$2,900
Admin Fee - LA Fitness + Arch Rendering	-\$2,100
Art Cost	\$53,000

#6 Compliance with Zoning Code Review Criteria

- "Go Figure" is distinctive and will be integrated into the overall project development
- The natural and heat colored stainless steel forms will complement the earthen materials used in the building. The polished surfaces will be an appropriate counterpoint to the textured building finishes.
- The artwork does not possess any corporate advertising elements relating to LA Fitness.
- The artwork will be structurally sound and appropriately connected to the base. The stainless steel material is extremely durable. Durability and safety of materials shall be considered including potential areas of excessive wear or damage, which shall be mitigated.
- Care has been taken that mature landscaping will not obstruct views to the art.
- "Go Figure" is an original piece of art commissioned for this project.

#7 Installation of the Artwork

The design, engineering and construction of this sculpture will include an integral structural element that will withstand most foreseeable forces of nature, including floods, high winds and earthquakes. The sculpture will be freestanding and ground lit during nighttime operating hours. The artist will participate fully in each step of the development, fabrication and installation of the sculpture. As an artist and metal fabricator, Chris O'Rourke will be onsite to ensure that attention to detail will be paramount in every step of the process.

#8 Artist Biography

Education and Awards

Dana Hills High School, Dana Point Ca. Received scholarship to trade school.
Universal Technical Institute, Phoenix Az. Mechanical and Electrical Certificate.
Awarded Best of Class Honors 8 times out of 12.

Bibliography and publications

March 2001. "Look Ma, No Chrome," Easy Rider Magazine.
June 21 2008. "Iron It Out," Las Vegas Review Journal.
June 23 2009. "Art That's Made to Last," Las Vegas Centennial View
May 6, 2010. "The Arts District," City Life Las Vegas.

Exhibitions

Sept 2001 Home Show, Cashman Field, Las Vegas NV
May 2003 Michael Wardle Gallery, Arts Factory, Las Vegas NV
Jan 2005 First Friday Art Festival, Las Vegas NV
Dec 2005 First Friday, Funk House, Las Vegas NV
April 2010 Indian Wells Fine Arts Festival, Palm Springs CA
April 2010 Boulder City Fine Arts Festival, Boulder City NV
*1st place Metal Sculpture Category
April 2010 Wine and Art Walk at Turnberry, Las Vegas NV
May 2010 Duarte Pop-Up Gallery, Holsum Lofts, Las Vegas NV
Aug 2010 Sculpture Invitational, Loveland Colorado
Sept 2010 Duarte Pop-Up Gallery, Holsum Lofts, Las Vegas NV
Nov 2010, Thunderbird Artists Show, Carefree AZ

Galleries and Collections

Renee Taylor Galleries, Telaquepaque Center, Sedona AZ
Wilmington Hospital Sculpture Garden, Wilmington, North Carolina

Related Work Experience/Professional Experience

CO Creations. Artist-owned studio specializing in the design and production of commissioned pieces for private purchase, the interior design industry, and public sculpture projects

Schuff Steel. Sept 2002-Feb 2003. Structural steel construction for the Local 433. Projects included the addition to the Sands Expo and Convention Center.

Onics. July 2001-Sept 2002. Steel and aluminum structure and artistic design for interior and exterior casino signs



“Go Figure”

 **LA | FITNESS** - Palisades of Oro Valley

NEC Oracle Road(State Route 77) and Hardy Road

Conditions of Approval

LA Fitness: Request for Grading Exception Oro Valley Conceptual Design Review Board January 24, 2012

Engineering:

1. All cut or fill areas exceeding six feet from existing grade shall be terraced with a minimum of four feet of landscaped bench area between successive retaining walls or graded slopes.

Planning:

1. The area where the 4:1 graded slope at the retaining walls at the northeast corner of the site meets the existing contours along the northern property line shall be blended and landscaped to look as natural as possible.
2. For the terracing and retaining walls at the rear and front of the site, a screen of native vegetation of sufficient height must be provided to screen view of the walls from the roadways and neighborhood to the greatest extent possible.
3. For the Improvement Plans and Final Landscape Plan, the channel in the Hardy Road right-of-way shall be designed to preserve existing vegetation to the greatest extent feasible.
4. Plantings shall be retained and added along the southern property to integrate walls with landscaping.
5. For the Final Site Plan, a six foot high screen wall with view panels located in the middle of a thirty foot wide landscape buffer will be provided at the eastern property boundary.
6. Provide a dense vegetative buffer that incorporates additional plantings beyond code requirements on both sides of the six foot screen wall in the thirty foot buffer at the east property line. In addition to required buffer plantings, a row of trees shall be provided on the east side of the screen wall at a spacing of every 15 feet on center.
7. The architectural element must be revised to a maximum five foot high, brick architectural element, as presented at the second neighborhood meeting (see Action Letter for Conceptual Architecture for clarification).

LA Fitness Conceptual Architecture



Architectural Design approved by CDRB with five foot high, brick architectural element

**LA Fitness:
Neighborhood Meeting for Conceptual Site Plan**

Issues and Concerns

The following issues and concerns were identified at the first neighborhood meeting on June 21, 2011. At the second meeting on October 27, 2011, the applicant presented a revised site plan and provided responses to the issues and concerns.

Issue/Concern	Applicants response/ Agreed upon solution
<p>Building Location and Layout</p> <ul style="list-style-type: none"> • Considered pros and cons of moving building closer to Oracle Road, with more parking in rear. When neighbors asked if they wanted to see the building moved forward, there was not a consensus to support that. • Use split level floor plan? 	<ul style="list-style-type: none"> • The building is in the same west-east location. Building is now positioned further to the south. • Applicant: split level floor plan cannot be accommodated by the building program.
<p>Pad Elevation/Building Height</p> <ul style="list-style-type: none"> • Can building and rear parking area be lowered by another two more feet? Other neighbors requested that it be lowered by 12-15 feet. • Staff asked applicant to explore lowering building an additional two feet. • Would like to see site poles to demonstrate building height. 	<ul style="list-style-type: none"> • Applicant lowered the building by two feet. • Applicant agreed to provide story poles. Storey poles were provided on the site to indicate top of building and architectural feature.
<p>Traffic</p> <ul style="list-style-type: none"> • Concern about cut-through traffic on N. Riviera • Can access onto Hardy Road be eliminated? 	<ul style="list-style-type: none"> • Applicant: open to recommended signing/marketing/reasonable movement restrictions to address traffic concern. • Access onto Hardy Road is needed due to signal there.
<p>Lighting</p> <p>Concerned about lighting impact, particularly at night. Lighting should be softer, directed downward.</p> <p>Neighbors to east: lighting within 130 feet of project line shall not exceed lesser of 10 feet high or code.</p>	<ul style="list-style-type: none"> • Applicant: Will be no need for lighting behind building. Will provide 15 foot high poles within 150 feet of residential area, cut off fixtures.
<p>Parking</p> <ul style="list-style-type: none"> • Want to see no parking at rear of building due to noise, lighting concerns. • Staff: want parking to meet but not exceed 	<ul style="list-style-type: none"> • Most parking at rear of building eliminated and replaced with landscaped area.

code requirements. <ul style="list-style-type: none"> Provide terracing in front parking lot with landscape screen (staff). 	<ul style="list-style-type: none"> Parking will meet but not exceed code. Parking in front lot is terraced.
Eastern edge treatment <ul style="list-style-type: none"> Do not provide slope edge treatment like at Pulte site. Provide dense, vegetated 30 foot buffer, 6 foot high wall 	<ul style="list-style-type: none"> Four foot terracing required for grading exception. <p>30 foot landscaped buffer will be provided. Site retaining walls will undulate, on average 20-24 feet from property line.</p>
Architecture Do not like metal crown architectural feature.	Crown replaced with new architectural feature. Total height of architectural feature is five feet; building height is 30 feet.
Crime What is the crime rate at other LA Fitness facilities?	Applicant: infrequent car break ins at other LA Fitness facilities are on par with other commercial projects.
Water Booster Site Concern about view of water booster site	OV Water Utility withdrew this request.
Hours of operation Concern about late hours of operation.	Applicant agreed to close facility at 11:00 pm.
Refuse storage Located near rear of property.	Applicant stated this may be revised, if necessary.
Wildlife Access Walls/fencing include gaps that should be made impermeable.	No response noted in meeting summary. Staff will discuss with applicant.
<u>Letter from neighbors to north:</u> Staff should review all conditions from previous DP approval for the site, which included natural drainage area. <ol style="list-style-type: none"> Building height at rear of southeast building not to exceed 21 feet at southeast corner Drainage/rainwater harvesting channel with rock riprap 30 foot dense vegetative buffer east of wall with 6 foot high screen wall Mitigation of buffel grass Sidewalk on south side of project All cuts exceeding six feet have minimum four foot landscaped terrace Landscape and architectural plans brought to TC for review, possible action Non-reflective colored roof Provide enhanced landscaping in strategic areas (east side buffer yard) Positioning and screening of rooftop 	<ol style="list-style-type: none"> The proposed building height is 25 feet. If drainage, would be passive or rainwater harvesting basin. Applicant proposes 20-24 foot vegetated buffer to east and solid wall with view panels Elimination of buffelgrass can be added as a condition Sidewalk will be provided along Hardy Road. Four foot terracing is a requirement for a grading exception. Conceptual Architecture requires Town Council approval Non-reflective roof is a code requirement

<p>mechanical on south building. 11. Avoid excessive slopes in parking lot 12. Provide shielded lighting, lighting should only be viewed from Oracle Road.</p>	<p>9. Proposed landscape buffer to meet code requirements. 10. Screening rooftop mechanical from view is a code requirement. 11. Parking lot slopes meet ADA requirements. 12. 15 foot high lighting will be provided within 150 feet of residential areas.</p>
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Unresolved Issues and Concerns:

Pad Elevation/Building Height:

In regard to this concern, the applicant has cited their concerns about the additional engineering and construction costs, as well as the costs for earth removal, that would be entailed by lowering the building pad further.

Berchtold, Karen

From: Mel Holsinger [mel@proselfstorage.com]
Sent: Wednesday, May 25, 2011 12:33 PM
To: jcalderon@rkaa.com
Cc: Berchtold, Karen
Subject: LA Fitness Public Meeting

added to email

Mr. Calderon & Ms. Berchtold,

My wife and I are home owners residing at 8720 N. Newport Pl, 85704 and will be unable to attend the public meeting. However, I would like to be on record in support of the proposed development for the LA Fitness Center.

We believe that this will not adversely impact our neighborhood and that it is a well run and operated business that should be welcomed into our community with open arms

We support this development.

Thank you

Mel and Tracy Holsinger

Mel Holsinger, President
Professional Self Storage Management, LLC
Direct Line (520) 319-2164

From: azpaco57@comcast.net
Sent: Wednesday, June 15, 2011 11:46 AM
To: Berchtold, Karen
Subject: Proposed LA Fitness at Oracle/Hardy
Wednesday, June 15, 2011

Karen Berchtold and members of the Development Planning Review Committee

My name is Matthew Frantz. I am an Oro Valley resident living at 645 E. Rimrock Place in the Rancho Catalina neighborhood. We are the neighborhood with the boundaries of east Magee along Oracle and Hardy. When we were annexed several years ago, our concern was that our neighborhood does not have an access street to Magee and we were told that trying to make a left hand turn from our neighborhood onto south bound Oracle was illegal if we had to stop in the median area. Therefore our only lighted intersection access to southbound Oracle is at the light at Hardy. Our neighbor is a very quiet community however on any given school day and business day, the intersection at Oracle and Hardy is extremely busy. The Circle K is a popular place for business vehicles and many consumers who are not familiar with our neighborhood. Often they will pull out without seeing us coming westbound on Hardy even though they have an obligation to stop. Trying to make a left-hand turn from Hardy onto Oracle can be a challenge with traffic coming northbound on Hardy and the short time the light remains green. Having an LA Fitness on the corner will only compound the traffic congestion in the morning and will increase the traffic flow at all times during the day. Is there or will there be a limit to the number of parking spots that will be approved? I am sure that the proposal to allow LA Fitness has already been approved and is moving forward. As a resident of Oro Valley since 1996, I have seen the growth along North Oracle and would be thrilled to have the property remain desert and undeveloped. Being realistic, I would hope the committee has and will continue to look at the increased traffic this will cause in our neighborhood. Will the committee consider a left-hand turn arrow be added to the light at Oracle and Hardy to help ease traffic flow? I appreciate you listening and reading my concerns with this development proposal.

Sincerely

Matthew Frantz

*subject to
answer*

Berchtold, Karen

From: Elliott, Dave [dave.elliott@honeywell.com]
Sent: Wednesday, June 22, 2011 8:57 AM
To: Berchtold, Karen
Subject: LA Fitness

Hi Karen,

I just came across the article in the Explorer about the proposed LA Fitness for Oro Valley. I have been hoping for one of these to come to Oro Valley for years. I am a little surprised that they did not propose a site in the Oro Valley Marketplace. In the article it states that there was a meeting scheduled for last night. How did it go and does it look like the project has the green light?

Best Regards,
David Elliott

Berchtold, Karen

From: Williams, David
Sent: Wednesday, June 22, 2011 10:18 AM
To: Berchtold, Karen
Cc: Daines, Chad
Subject: FW: Neighborhood Meeting

See Bill's comments below regarding LA Fitness.
I agree with his points. Let's discuss soon.

David A. Williams, AICP
520.229.4807 360.5790 (cell)

From: StFatha@aol.com [mailto:StFatha@aol.com]
Sent: Wednesday, June 22, 2011 9:59 AM
To: Williams, David
Subject: Re: Neighborhood Meeting

My use of the word, "pad" is not Planned Area Development, but as the code uses it reference the place where building construction is intended. My interpretation of this provision is that the principal building must be 50,000 square feet. I don't believe additional buildings are planned for the property, and so LA Fitness is the only, and principle, building, but is smaller than required. However, as I said during my interview, my main concern is with the grading exception, and to achieve a lower profile from both the west and the east. Very similar to the approach I recommended for St Mark's church. The additional value for LA Fitness and the neighbors is the shielding of headlights from the recessing of the building and rear parking.

The St Marks recommendation never received consideration largely because nobody knew where the recommendation originated...it wasn't signed and there was no indication that staff had feelings with regard to it. Too bad.

I hope the sight poles can be put up soon; notification of the neighbors and another meeting to get the reaction. I think a second sketch of the development plan with the additional grading showing the recession of the rear parking would also be a good presentation for the 2nd meeting. I also think the Water Utility needs to weigh in on deeper grading of their booster station for sound and sight buffering. Bill

In a message dated 6/22/2011 9:03:10 A.M. US Mountain Standard Time, dwilliams@orovalleyaz.gov writes:

I checked last night- Grading waivers will be recommended by staff and acted on by Council under the new process.

I'm not sure I get your question on the pad provision. Are you asserting that the main building is a pad? Maybe I need to check but I thought the code reads one pad per 50,000 sq. ft. of main building.

The old development plan seemed to misinterpret ORSCOD in at least two ways I believe- one regarding frontage and the other regarding the setback for conv. uses to residential areas.

David A. Williams, AICP
520.229.4807 360.5790 (cell)

From: StFatha@aol.com [mailto:StFatha@aol.com]
Sent: Wednesday, June 22, 2011 6:15 AM
To: Williams, David
Cc: Berchtold, Karen
Subject: Neighborhood Meeting

David

08/05/2011

I continue to be interested in compliance with the free standing "pad" provision of the Oracle Scenic Corridor code. At some point, a detailed explanation - not for my benefit - should be provided. This was contentious with the earliest development plan, as I acknowledged in my interview, and was wrongly decided in my opinion. It still applies to the current development plan, and still lacks compliance.

Bill

=

From: Williams, David
Sent: Friday, June 24, 2011 10:27 AM
To: Berchtold, Karen
Subject: FW: L A Fitness Meeting

Please add to your notes and suggestions. I think these are pretty good comments.

David A. Williams, AICP
520.229.4807 360.5790 (cell)

From: DOROTHY MONTGOMERY [mailto:mont113@mindspring.com]
Sent: Friday, June 24, 2011 9:41 AM
To: Williams, David
Subject: L A Fitness Meeting

First, you did a good job facilitating a meeting at which the majority could not have what they wanted – LA Fitness to go away.

I probably should not have brought up the proposed ownership of the booster station. I know why Oro Valley wants and should reserve that area. While this part of Oro Valley is within Tucson Water Utility service area, from time to time there has been talk of it being transferred to Oro Valley. If that happens, the booster station will be needed. Before the area was integrated into the main Tucson system, there were outages even with the storage tank at the end of Hardy (which cannot be replaced since there is a house there now). Until Oro Valley needs to construct the booster, whoever develops the property should be required protect the vegetation in that area.

As to loading zones, the applicant is correct that they may not need any for semis, but I see a need for one for smaller delivery trucks. Some examples are pool chemicals, repaired or replacement exercise machines, cleaning supplies, and lindens (assuming they are not washed onsite).

If any additional meetings public meetings were decided on after I left, please advise me.

DOROTHY MONTGOMERY
mont113@mindspring.com

JUL 22 2011

LA FITNESS DEVELOPMENT PLAN

Neighbor Considerations

July 9, 2011

Submitted to David Williams, Town of Oro Valley Planning Director

**Mr. David Williams
Planning Director**

**Town of Oro Valley
11000 N La Canada Drive
Oro Valley, AZ 85737**

Dear Mr. Williams:

We are writing you summarize our concerns and considerations that we would like the Town of Oro Valley to consider and implement in its regulation of the proposed LA Fitness for the corner of Hardy and Oracle roads. We are the citizens most directly affected by the proposed development, living immediately adjacent to the east of the site. All of our homes will directly view the development and be impacted by its activities. We write these concerns to the Town in hopes that the staff, review board and the Town Council will be responsive and give us fair consideration. As a founding neighborhood of Oro Valley we seek reasonable actions for the protection of our property rights that we hope will be acceptable to the developers and LA Fitness.

We do not oppose the LA Fitness and believe it will be reasonable use for the site. Below we delineate design concerns and issues that we would hope to have incorporated in the design.

Grading Waiver

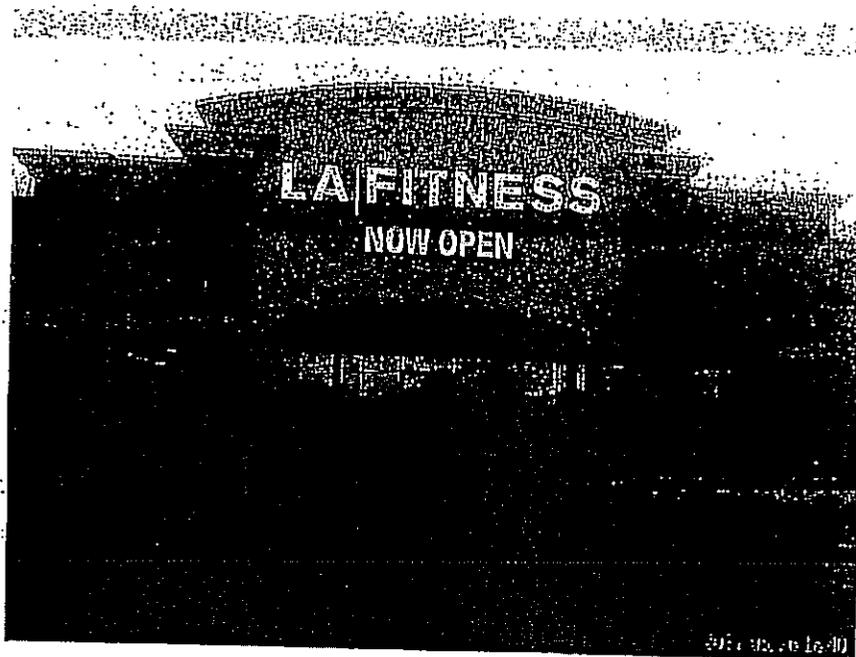
It is our understanding that the developer intends to seek a grading waiver and that the maximum cut allowed by the grading waiver is approximately six to eight feet. We oppose the allowance of parking in the rear of the building and we will support additional cutting.

In order to protect views, we will support much deeper cuts; perhaps, 12 to 15 feet for example. We realize that deeper cuts may create other complications for the developer but such cuts would substantially assist in preserving views and property values. We ask that the Town's staff pursue maximizing the cuts with the developers.

Building Height

We recognize the building will be restricted to 25 feet in height but that an additional 10 feet is allowed for architectural features.

We oppose the proposed rotunda feature that adds approximately 10 additional feet to the building and will certainly block views of the Tortolitas and Picacho Peak. The picture taken below is of one of La Fitnesses' newest buildings in southern Tucson. Please note that it lacks the rotunda feature.



Buffers

Buffering our residences from the proposed development is crucial for our support and in an effort to be a good neighbor. Promises made relative to the Pulte building for buffering the east never materialized and we are very concerned that the development provide a robust buffer and vegetative screen on the east side of the property.

At the neighborhood meeting the developer stated that they were providing a 30 foot natural buffer in or to the west of the eastern most property line. We appreciate this consideration and would like it made a condition of the development.

We also request that the developer provide a solid wall, 6 feet in height, 5 to 10 feet inside of the property line on the east. This placement of the wall will allow for external canopy trees and shrubs to screen the wall and the development. A wall will also provide a security feature for children and others that could accidentally walk or ride over the cliff that will be created.

We request that the vegetation in the entire buffer area be as dense as possible and that new canopy trees be planted with transplanted trees to assure a successful buffer. We also request that plants in the buffer area be placed on irrigation for 3 to 5 years to assure that they will survive.

If drainage is to be constructed to meet engineering requirements, we request that a naturalistic rock riprap be used in place of a concrete-lined structure.

Our biggest fear is that the developer starts construction and then stops before it is completed and we are left with a big pile of dirt or an empty building. There are similar situations in at least two nearby parcels on Oracle. In order to ensure that the neighborhood is not left with an eyesore or other environmental consequences all landscaping, screening and drainage in the buffer area should be installed at the time the grading is performed.

Lighting

We recognize that lighting will need to conform to Oro Valley standards that include dark sky considerations. We also realize that past Council decisions do not necessarily apply to this property, but given the nature of the proposed development we believe that previous restrictions should be acceptable and that they will work with this development. Specifically, we request that:

" lighting within 130 feet of the east property line shall not exceed the lesser of 10 feet in height or maximum allowed by code"

We believe this request to be reasonable and consistent with past conditions, especially if the rear of the building is not used for parking.

Because of our elevated view of the property from our back yards where we commonly recreate and relax, we ask that the Town consider minimizing the height of the lighting beyond the 130 foot boundary, for example 12 foot poles.

Traffic Concerns

This proposed development will be a stimulus for increased cut through traffic in our neighborhood. It is important to realize that the connection of Riviera Drive to Calle Concordia and Hardy Road to the Sunnyslope subdivision and areas south will be conduits for individuals that want to avoid Oracle traffic to reach LA Fitness. CDO High School is connected to Calle Concordia and it is quite reasonable to expect cut through traffic from the High school to this development. The hill from Riviera Drive to Hardy is substantial and has been the focus of substantial safety issues related to speeding.

We respectfully request that the Town prohibit access from Hardy road and that the Town determine the appropriate traffic calming devices and employ them for Riviera and Hardy roads. Riviera Drive has no sidewalks and pedestrians routinely jog and walk this street and they could be subject to injury from increased cut through traffic.

Hours of Operation

We oppose operation of the facility until midnight. We respectfully request that the development be restricted to 11:00 p.m. as was offered for consideration by the developer.

Water Facilities

The Town of Oro Valley Water Department has requested dedication of property on the southeastern portion of the land for a water facility. We

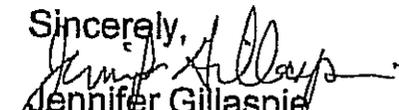
oppose this proposed taking from the property owner and we remind the Town that this neighborhood, exclusive of the proposed LA Fitness, is within the Tucson Water service area. We therefore, believe that there is no need for this requirement. Oro Valley water can accomplish its needs if and when it purchases assets from Tucson water and we are part of the Oro Valley water system. A site adjacent to the storage facility may be more appropriate.

Miscellaneous

The previous development plan required that a sidewalk be constructed along Hardy Road on the south side of the property. We request this be included to assist residents and commuters with access to the property.

Thank you for your attention to these concerns.

Sincerely,


Jennifer Gillaspie


Jill Jones


Elen Zank

- xc. Mayor & Council
- Lynda Koepfer, Executive Assistant to the Mayor & Council
- Greg Caton, Town Manager
- Suzanne Smith, DIS Director

Berchtold, Karen

From: Mel Holsinger [mel@proselfstorage.com]
Sent: Tuesday, October 25, 2011 9:24 AM
To: 'Greg Gill'
Cc: 'Jorge Calderon'; Berchtold, Karen
Subject: LA Fitness

Dear Karen, Greg & Jorge,

I and my wife am a home owner located at 8720 N. Newport Pl, My home is to the northeast of the proposed site. I have observed the poles installed, I have walked the property to get a feel for the layout, I have viewed it from my front porch which is my primary view overlooking Oracle Road and Hardy Road and the remainder of Oro Valley & Tucson and I have observed it from the road and alley behind the proposed site.

My intention was to attend tonight's meeting however I have to be out of town at that time.

However, I would like to go on record that we believe that LA Fitness has done a very professional layout; I believe that their proposed business will benefit our community and I do not find any height or setback issues objectionable. The building to the west of their proposed building appears to be higher and it has been around for a while.

My wife Tracy and I would like to be on record as "in support of this project"

Thank you

Mel Holsinger, President
Professional Self Storage Management, LLC
Direct Line (520) 319-2164

10/28/2011

Berchtold, Karen

From: Peggy Greene [peggygreene34@msn.com]

Sent: Saturday, January 21, 2012 11:17 AM

To: Berchtold, Karen

Subject: RE: Link to January 24, 2012 CDRB meeting: Conceptual Design Review of Proposed LA Fitness

Thank you, Karen. I was hoping La Fitness' building could be lowered so that it did not impede the view of the houses behind it. Phillip and I cannot attend the meeting on the 24th because we are leaving town on the 22nd and will not return until the 30th. We are still very much interested since this is so close to our home, and we are still concerned about the traffic impact on to Hardy Road since this is our only direct access to any point South of our house in Sunnyslope.

Sincerely,

Margaret L. Greene

Peggy Greene, Scribbles and Clicks.com
Tucson, AZ
520-548-5987



Town Council Regular Session

Item # 4.

Meeting Date: 03/07/2012

Requested by: David Williams

Submitted By:

Chad Daines,
Development Infrastructure
Services

Department: Development Infrastructure Services

Information

SUBJECT:

PUBLIC HEARING: ORDINANCE NO. (O)12-04, AMENDING THE ORO VALLEY ZONING CODE REVISED, CHAPTER 28, SIGNS, SECTION 28.7.A., ADDING NEW SUBSECTION 28.7.A.6. COMMUNITY EVENT SIGN; AND AMENDING SECTION 28.9.A., PROHIBITED PERMANENT AND TEMPORARY SIGNS, AND SECTION 28.6.B.1., BANNER; REPEALING ALL RESOLUTIONS, ORDINANCES AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH; PRESERVING THE RIGHTS AND DUTIES THAT HAVE ALREADY MATURED AND PROCEEDINGS THAT HAVE ALREADY BEGUN THEREUNDER

RECOMMENDATION:

The Planning and Zoning Commission voted to recommend approval of the proposed amendment as provided as Attachment 1.

EXECUTIVE SUMMARY:

This amendment is intended to allow for community event signs to provide directional information for community yard sales and other community-wide events.

Background colors for temporary banners are presently limited to white and beige. Local organizations and businesses seek flexibility to allow additional colors as acceptable background colors for banner signs.

On December 6, 2011, the Planning and Zoning Commission initiated a Zoning Code amendment to establish standards for community event signs and to amend the standards for temporary banner signs. These amendments were considered by the Planning and Zoning Commission on January 3, 2012 and February 7, 2012. Discussion focused on the number and duration of community events, and the size and height of signs in relation to traffic safety. At the conclusion of the public hearing, the Commission voted to recommend approval of the amendment.

BACKGROUND OR DETAILED INFORMATION:

Community Event Signs

Homeowner and neighborhood associations typically represent large areas comprised of numerous homes. In the case of master planned communities such as Rancho Vistoso, thousands of homes are represented by numerous homeowner associations. It is common for community associations to conduct community events such as annual meetings, special events and community-wide yard sales several times a year. The proposed amendment provides directional and limited informational signs for community yard sales and other community wide events.

Proposed Amendment / HOA Comments

The proposed amendment is provided as Attachment 1. The amendment was distributed to all homeowner associations in Oro Valley for review and comment at the direction of the Planning and Zoning Commission. Comments received from homeowner associations are provided as Attachment 2. The concerns expressed by homeowner associations include:

- Increasing the number of events from 4 to 12 times per year
- Allowing displays longer than 3 days per event
- Increasing the size and height of signs to accommodate an existing sign already purchased by an association
- Prevention of the concentration of many signs at one intersection or street frontage

The amendment provides a broad definition of Community Event Signs to allow directional and limited information for all special events within the community, including community-wide yard sales. Qualifying community associations include homeowner associations, neighborhood associations, or property owners whom represent a majority of property owners within a development. In areas without an active association, property owners who provide evidence of representation of a majority of property owners (through signed petitions) will be able to obtain a permit for community event signs.

The original draft amendment limited sign displays to 4 events per year and 3 days per event. The Planning and Zoning Commission recommended increasing the number of events and duration based on homeowner association input. The recommended amendment allows display of signs 12 times per calendar year, 5 continuous days per event.

The proposed sign area is limited to 5 square feet in area and 30 inches in height. The proposed area and height restrictions are based on the fact that these signs will be placed in the right-of-way and within the sight visibility triangle (SVT) at street intersections. Anything located within a SVT is required by engineering standards to be less than 30 inches in height or taller than 72 inches in height to accommodate driver visibility of approaching traffic. Therefore, engineering staff has recommended the height of community signs remain at 30 inches in size and consistent with other commercial signs permitted in the right-of-way. Associations wishing to display larger signs can do so outside the right-of-way.

The signs may be located in the public right-of-way, within or immediately adjacent to the development and are subject to the same location requirements as Off-Site Real Estate Signs. The location requirements prohibit signs in the median and sidewalks. The location requirements provide setbacks from the pavement based on the speed of the roadway and are provided as Attachment 3 for reference.

Temporary Banner Signs – Proposed Amendment

As previously stated, the Sign Code currently restricts the background banner sign color to white and beige. The proposed amendment would permit any color of background, lettering and images, except for fluorescent or iridescent colors. These amendments will allow for greater flexibility for temporary banner signs and respond to input from the business community. A local church submitted a letter requesting amendment to other banner sign provisions (Attachment 4). The Commission did not recommend any of the requested additional changes to the banner sign provisions beyond the color changes outlined above.

General Plan Consistency

The Community Design Element of the General Plan provides guidance regarding the proposed amendment to the Sign Code. The preamble statement provides the following language: *Increased commercial activity has added signage throughout the Town. Signage controls have to balance citizens concerns about increasing level of signage with the needs of businesses to attract customers.* Policy

2.1.10 further provides: *The Town shall create standards for signage to provide information and direction to allow businesses to attract and maintain customers with the least intrusive signage possible.* The Commission's recommendation was based on a finding that the proposed amendment was consistent with the above General Plan language and policy.

Commission Discussion / Action

The Commission originally continued this item in order to obtain homeowner association input. The Commission focused on the number of events, duration, size and height of the proposed community event signs. As noted above, the Commission ultimately recommended increasing the number of events and duration of sign displays. There was considerable discussion regarding the limitations imposed by sight visibility triangles at intersections and the engineering recommendation to limit the height and area of these signs as outlined above based on traffic safety considerations and for consistency with other sign types allowed in the right-of-way. One Commissioner felt that the size and height of the signs should be increased and another Commissioner felt that the amendment did not address the larger issue of illegal yard sale signs. The Draft PZC Minutes are provided as Attachment 5.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

I MOVE to adopt Ordinance No. (O)12-04, AMENDING THE ORO VALLEY ZONING CODE REVISED, CHAPTER 28, SIGNS, to establish standards for community event signs and to amend the standards for temporary banner signs as recommended by the Planning and Zoning Commission and provided as Attachment 1.

OR

I MOVE to deny Ordinance No. (O)12-04, AMENDING THE ORO VALLEY ZONING CODE REVISED, CHAPTER 28, SIGNS, finding that the amendment is not warranted at this time and

Attachments

Ord 12-04

Attachment 2 - Homeowner Association Responses

Attachment 3 - Locational Requirements

Attachment 4 - Letter from Canyon de Oro Baptist Church

Attachment 5 - Draft PZC Minutes February 7, 2012

ORDINANCE NO. (O)12-04

AN ORDINANCE OF THE TOWN OF ORO VALLEY, ARIZONA, AMENDING THE ORO VALLEY ZONING CODE REVISED, CHAPTER 28, SIGNS, SECTION 28.7.A., ADDING NEW SUBSECTION 28.7.A.6. COMMUNITY EVENT SIGN; AND AMENDING SECTION 28.9.A., PROHIBITED PERMANENT AND TEMPORARY SIGNS, AND SECTION 28.6.B.1., BANNER; REPEALING ALL RESOLUTIONS, ORDINANCES AND RULES OF THE TOWN OF ORO VALLEY IN CONFLICT THEREWITH; PRESERVING THE RIGHTS AND DUTIES THAT HAVE ALREADY MATURED AND PROCEEDINGS THAT HAVE ALREADY BEGUN THEREUNDER

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 March 13, 1981, the Mayor and Council approved Ordinance (O)81-58, which adopted that certain document entitled “Oro Valley Zoning Code Revised (OVZCR); and

WHEREAS, the amendment to Chapter 28, Signs, adds new Subsection 28.7.A.6. that establishes standards for community event signs; and

WHEREAS, the amendment to Chapter 28, Signs, Section 28.9.A. amends the standards for event signs; and

WHEREAS, the amendment to Chapter 28, Section 28.6.B.1. amends the colors allowed for banners; and

WHEREAS, the Planning and Zoning Commission reviewed the proposed amendments to Chapter 28, Signs, Sections 28.7.A., Permitted Temporary Signs on Public Property, 28.9.A. and 28.6.B.1, Banner at a duly noticed public hearings on January 3, 2012 and February 7, 2012 in accordance with State Statutes and recommended approval to the Town Council; and

WHEREAS, the Oro Valley Town Council has considered the proposed amendments to Chapter 28, Signs, Section 28.7.A., Permitted Temporary Signs on Public Property, Section 28.9.A. and Section 28.6.B.1, Banner and the Planning and Zoning Commission’s recommendation and finds that they are consistent with the Town's General Plan and other Town ordinances.

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

SECTION 1. Chapter 28, Signs, Section 28.7.A., Permitted Temporary Signs on Public Property, Section 28.9.A., Prohibited Permanent and Temporary Signs and Section 28.6.B.1, Banner, attached hereto as Attachment “1”, are hereby amended with additions being shown in ALL CAPS and deletions being shown in ~~strikethrough~~ text.

SECTION 2. All Oro Valley Ordinances, Resolutions, or Motions and parts of Ordinances, Resolutions, or Motions of the Council in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof .

PASSED AND ADOPTED by the Mayor and Council of the Town of Oro Valley, Arizona this 7th day of March, 2012.

TOWN OF ORO VALLEY

Dr. Satish I. Hiremath, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie K. Bower, Town Clerk

Tobin Rosen, Town Attorney

Date: _____

Date: _____

ATTACHMENT 1

Note: Uppercase font denotes new text, strikethrough font denoted text to be deleted.

Chapter 28 Signs

...

Section 28.7.A. Permitted Temporary Signs on Public Property

...

6. COMMUNITY EVENT SIGN

- A. DEFINITION: A SIGN DISPLAYED BY A COMMUNITY ASSOCIATION TO ADVERTISE A COMMUNITY EVENT WITHIN THAT COMMUNITY. COMMUNITY EVENT SHALL MEAN AN EVENT, ACTIVITY, OR MEETING CONDUCTED BY A HOMEOWNERS' ASSOCIATION, COMMUNITY ASSOCIATION OR MAJORITY OF RESIDENTS WITHIN A SUBDIVISION OR DEFINED GEOGRAPHICAL AREA.
- B. COMMUNITY ASSOCIATIONS, FOR THE PURPOSE OF THIS SUBSECTION SHALL BE LIMITED TO HOMEOWNERS ASSOCIATIONS, NEIGHBORHOOD ASSOCIATIONS, OR PROPERTY OWNER(S) WHICH FORMALLY REPRESENT A MAJORITY OF THE PROPERTY OWNERS WITHIN A SUBDIVISION OR DEFINED GEOGRAPHICAL AREA.
- C. QUANTITY: THE NUMBER OF SIGNS ALLOWED IS BASED ON THE NUMBER OF INTERSECTIONS OR CHANGES OF DIRECTION OF SUBDIVISION STREETS, AS APPROVED AND DEEMED NECESSARY BY THE PLANNING AND ZONING ADMINISTRATOR AND TOWN ENGINEER.
- D. AREA OF SIGN: A MAXIMUM OF FIVE (5) SQUARE FEET PER SIGN.
- E. HEIGHT: A MAXIMUM OF THIRTY (30) INCHES ABOVE GRADE.
- F. LOCATION: SIGNS ARE PERMITTED ON HOA OR OTHER PRIVATE PROPERTY. SIGNS ARE PERMITTED IN THE TOWN RIGHT-OF-WAY IN ACCORDANCE WITH THE PROVISIONS OF SECTION 28.7.A.3.E. AND WITH THE APPROVAL OF THE TOWN ENGINEER. NO SIGN MAY BE PLACED IN A LOCATION THAT CREATES A PUBLIC SAFETY HAZARD AS DETERMINED BY THE TOWN ENGINEER. SIGNS MAY BE PLACED WITHIN THE

DEVELOPMENT, OR THE IMMEDIATELY ADJACENT RIGHT-OF-WAY.

- G. DURATION: NO MORE THAN TWELVE (12) EVENTS PER COMMUNITY PER CALENDAR YEAR,. FIVE (5) CONTINUOUS DAYS PER EVENT.
- H. SIGNS SHALL NOT BE HAND DRAWN AND SHALL BE PROFESSIONAL.

...

Section 28.9.A. Prohibited Permanent and Temporary Signs

...

- 1. A-frame signs, other than as specified in Section 28.7.A.3 and SECTION 28.7.A.6;

...

- 7. Garage sale signs, EXCEPT AS PROVIDED BY SECTION 28.7.A.6;

Section 28.6.B.1. Banner

a.ii.c). ~~Background color shall be white or beige.~~ BANNER LETTERING, IMAGES AND BACKGROUND COLORS MAY BE ANY COLOR, INCLUDING BLACK OR WHITE, EXCEPT FLORESCENT OR IRIDESCENT COLORS.

...

Chad,

I don't have a problem with most of the restrictions except:

1.) I believe the number of signs should be further restricted to " a maximum of 2 per entry street into the association community, with a total maximum of 8 for the entire association community." This would prevent all eight signs from being placed at one location and creating a cluttered look. A community like ours (The Highlands) could then use only 2 signs since we have only one entrance, but the larger communities could have 2 signs at up to 4 entrances, or 1 each at up to 8 entrances (if any community has that many entrance streets). An A-frame sign would constitute 2 signs if signage is on both sides, or 1 sign if only one side has signage.

2.) Since we recently spent several hundred dollars on a new professionally printed sign that is larger than 5 sq. ft. and taller than 30" (ours is 24" wide x 44" high; built on a former highway barricade A-frame), I would like to see a grandfather clause and/or a variance permit to cover existing oversized signs.

Thanks, Linc Keilman - Board President at The Highlands

Mr. Daines,

Thank you for the opportunity to provide input regarding the community event signs proposal.

Due to the large number of functions and events that Sun City Vistoso has, it would be our preference to have signs for a greater number of events than are being proposed. As a result, signs for twelve events per year would be preferred and it would be preferable that we be allowed to leave the signs out for a longer period of time on occasion. All other parameters of the proposal are acceptable.

Again, thank you for this opportunity to provide input.

Bob Mariani, MCM, CMCA, AMS, PCAM
General Manager
[Sun City Vistoso Community Assoc.](#)

Attachment 2

Chad,

I know that I am a day late with my suggestions, but here goes.

I don't think that 8 signs per community maximum works for each community - that is too cookie cutter for the variation in community size. My suggestion is to create the following related to the number of signs allowed for community events

>100 homes - 4 signs

100-250 homes - 6 signs

250-500 homes - 8 signs

500-1000 homes - 12 signs

1000-2500 homes - 20 signs

<2500 homes - not to exceed 40 signs

or something similar that would allow larger communities with a ton of acreage to cover the ability to place more signage and ensure coverage.

Otherwise, the other areas of the proposed Code seem ok, but I am wondering if 30" height restriction on an A-Frame will work, for example I know that Vistoso already owns some that are 48" tall, the 30" rule makes the signs very small and hard to see when driving past at 25-30 miles per hour.

Thank you for your consideration.

Sincerely,

Jena Carpenter, CAAM, CMCA, AMS | Association Manager

Attachment 2

Attachment 3
OV 711-009
Off Site Real Estate Signs Location Requirements
(Community Event Signs subject to same requirements)
Page 1 of 2

Section 28.7.A.3. Off Site Real Estate Signs

e. Location

. . .

- i. An off-site sign in the right-of-way shall not be located:
 - a) Within a median.
 - b) In any area that may cause or create a hazard on a sidewalk, multi-use path or pedestrian access ramp.
 - c) Where any sight distances or Town approved “clear zones” are obscured, as determined by the Town Engineer.
- ii. Signs located in public right-of-way shall be placed as follows, or as directed by Town Engineer.
 - a) Streets with a posted speed limit of greater than twenty-five (25) miles per hour:
 - i) Where no sidewalk or multi-use path exists along the street, a minimum of ten (10) feet from the paved surface of the roadway.
 - ii) For locations with sidewalk or multi-use path along the street, sign shall be placed no closer to the street than the edge of the walk/path farthest from the street unless there is adequate distance between the street and walk/path to maintain a ten (10) foot setback for the sign from the edge of roadway pavement.
 - iii) Closer placement to the pavement requires pre-approval by Town Engineer based on sign construction type and stability of sign in windy and inclement weather. A-frame signs do not qualify for closer placement.
 - iv) No signs may be placed in the right-of-way of Oracle Road or the eastern portion of Tangerine Road within one

Attachment 3
OV 711-009
Off Site Real Estate Signs Location Requirements
(Community Event Signs subject to same requirements)
Page 2 of 2

thousand (1,000) feet west of the intersection of Rancho Vistoso Boulevard and First Avenue without approval from the Arizona Department of Transportation.

- iii. Streets with posted speed of twenty-five (25) miles per hour or less:
 - a) Where no sidewalk or multi-use path exists along the street, signs shall be placed a minimum of five (5) feet from the paved surface of the roadway.
 - b) For locations with sidewalk or multi-use path along the street, sign shall be placed no closer to the street than the edge of said walk/path farthest from the street.
 - c) Closer placement to the pavement than listed above requires pre-approval by the Town Engineer based on site conditions.

Chad –

I attached the banner ‘proof’ that you requested – and the following are a few notes regarding the banner regulations you are working on...

Banner ‘frames’ – One of the challenges we have with banners is the wind we experience here in OV. Over the years we have used a system that works well in dealing with the stresses the wind puts onto the banner, poles, etc. Adding a frame will add weight to the banner, which will add to the stress – and may cause some damage to the poles, etc. I realize the attempt of OV is to keep banners looking good and not to ‘slump’, but I believe this issue is something to leave for the businesses (and us as a church) to deal with. I request that the council consider dropping the requirement for banner frames. I know there will always be some who don’t care – or don’t think about it, but I want our banners to look good – professional, and communicate clearly. The banners we put up represent our church – and I want it to be a good representation. Lastly, banners are already expensive enough and by putting other requirements on the display of banners increases everyone’s cost of doing business – which is always a hardship, especially in this economy.

Special Event Banners – I really like the addition of the ‘special event’ banner clause in the regulations. This will help us a great deal in promoting various events. OV currently has a 3-day limit on special event banners. I request that this be extended to a 7 or 10 day period. As a business (or a church), a special event needs to be communicated with the public before it actually occurs (i.e. “Week After Christmas Sale”). Notifying potential customers of the upcoming sale is vital so they can plan to participate, in addition to having signage during the sale. A 3-day window only allows for signage during the sale/event – not leading up to it. A 7 or 10 day window for signage would be much better – allowing for the advertising to be as effective as possible (In advertising/marketing, frequency is a key component – people usually need to hear / see the add multiple times for it to be effective.).

Banner colors – I request that OV would allow the businesses/churches to choose what color(s) on their banners best suit their advertising needs. Not only do the businesses have specific reasons for the colors they choose, but limiting the colors puts a heavy administrative and enforcement burden on OV.

Banner size – The current banner size (16 square feet) works for us – but if it were any smaller, we would have problems due to the distance between Oracle Road and our banner. There is about 100’ from Oracle Road to our banner, and the letters on a banner need to be 8” or larger to be easily read from the road.

I hope this helps with the process Chad – thanks again for taking the time to meet with us yesterday.

Have a great day!

Pastor Steve

Sr. Pastor

Canyon Del Oro Baptist

www.cdobaptist.org

**MINUTES
ORO VALLEY PLANNING AND ZONING COMMISSION
REGULAR SESSION
FEBRUARY 7, 2012
ORO VALLEY COUNCIL CHAMBERS
11000 N. LA CAÑADA DRIVE**

CALL TO ORDER AT OR AFTER 6:00 P.M.

Chair Swope called the meeting to order at 6:00 p.m.

ROLL CALL

PRESENT:

Robert E. Swope, Chair
Don Cox, Vice Chair
John Buette, Commissioner
D. Alan Caine, Commissioner
Bill Leedy, Commissioner
Mark Napier, Commissioner
William Rodman, Commissioner

PLEDGE OF ALLEGIANCE

Chair Swope led the audience in the Pledge of Allegiance.

CALL TO THE AUDIENCE

There were no speaker requests.

COUNCIL LIAISON COMMENTS

Councilmember Hornat had no comments.

REGULAR AGENDA

1. **Review and/or approval of the November 15, 2011, Planning and Zoning Commission meeting minutes.**

Chair Swope requested a correction on Commissioner LaMaster's name on the vote for agenda item 2.

MOTION: A motion was made by Vice Chair Cox and seconded by Commissioner Buette to approve the November 15, 2011, Planning and Zoning Commission meeting minutes as amended.

MOTION carried, 6-0 with Commissioner Rodman abstaining.

2. **Public Hearing: Zoning Code Amendment to Chapter 28 regarding community event signs and banner signs.**

Chad Daines, Principal Planner, presented the following:

- Amendment Requests
- Community Event Signs Background and Examples
- Amendment proposal
- HOA/Community Association Review
- Summary of Association Comments
- Staff Comments
- Definition of Community Events
- Amended Code Language
- Banner Sign Colors
- Current Banner Color and Non-Compliant Banners
- General Plan Policies
- Recommendation

Chair Swope opened the public hearing.

Gil Alexander, Oro Valley resident, commented on informational signs and sign duration.

Bill Adler, Oro Valley resident, commented on community events, permanent yard sale signs and enforcement.

Chair Swope closed the public hearing.

MOTION: A motion was made by Commissioner Caine and seconded by Commissioner Leedy to recommend approval of a Zoning Code Amendment to Chapter 28 Signs to establish standards for community event signs and to amend the standards for banner signs as provided on Attachment 1, as modified by the amended staff copy distributed at tonight's meeting.

A friendly amendment was made by Commissioner Rodman to allow 5 continuous days per event and 12 events per community per calendar year. Commissioners' Caine and Leedy accepted the friendly amendment.

MOTION: A motion was made by Commissioner Caine and seconded by Commissioner Leedy to recommend approval of a Zoning Code Amendment to Chapter 28 Signs to establish standards for community event signs and to amend the standards for banner signs as provided on Attachment 1, as modified by the amended staff copy distributed at tonight's meeting and to include the

friendly amendment made to allow 5 continuous days per event and 12 events per community per calendar year.

**Attachment 1 Sign Code Amendment
OV 711-009
Page 1 of 2**

Community Event Signs ADD the following subsection:

Section 28.7.A. Permitted Temporary Signs on Public Property

6. COMMUNITY EVENT SIGN

A. DEFINITION: A SIGN DISPLAYED BY A COMMUNITY ASSOCIATION TO ADVERTISE A **SPECIAL COMMUNITY** EVENT WITHIN THAT COMMUNITY. **COMMUNITY EVENT SHALL MEAN AN EVENT, ACTIVITY, OR MEETING CONDUCTED BY A HOMEOWNERS' ASSOCIATION, COMMUNITY ASSOCIATION OR MAJORITY OF RESIDENTS WITHIN A SUBDIVISION OR DEFINED GEOGRAPHICAL AREA.**

B. COMMUNITY ASSOCIATIONS, FOR THE PURPOSE OF THIS SUBSECTION SHALL BE LIMITED TO HOMEOWNERS ASSOCIATIONS, NEIGHBORHOOD ASSOCIATIONS, OR PROPERTY OWNER(S) WHICH FORMALLY REPRESENT A MAJORITY OF THE PROPERTY OWNERS WITHIN A DEVELOPMENT. **SUBDIVISION OR DEFINED GEOGRAPHICAL AREA.**

C. QUANTITY: THE NUMBER OF SIGNS ALLOWED IS BASED ON THE NUMBER OF INTERSECTIONS OR CHANGES OF DIRECTION OF SUBDIVISION STREETS, AS APPROVED AND DEEMED NECESSARY BY THE PLANNING AND ZONING ADMINISTRATOR AND TOWN ENGINEER. ~~THE MAXIMUM NUMBER OF SIGNS PER EVENT EXCEED EIGHT (8) SIGNS.~~

D. AREA OF SIGN: A MAXIMUM OF FIVE (5) SQUARE FEET PER SIGN.

E. HEIGHT: A MAXIMUM OF THIRTY (30) INCHES ABOVE GRADE.

F. LOCATION: SIGNS ARE PERMITTED ON HOA OR OTHER PRIVATE PROPERTY. SIGNS ARE PERMITTED IN THE TOWN RIGHT-OF-WAY IN ACCORDANCE WITH THE PROVISIONS OF SECTION 28.7.A.3.E. AND WITH THE APPROVAL OF THE TOWN ENGINEER. NO SIGN MAY BE PLACED IN A LOCATION THAT CREATES A PUBLIC SAFETY HAZARD AS DETERMINED BY THE TOWN ENGINEER. SIGN MAY BE PLACED WITHIN THE DEVELOPMENT, OR THE IMMEDIATELY ADJACENT RIGHT-OF-WAY.

**Attachment 1 Sign Code Amendment
OV 711-009
Page 2 of 2**

G. DURATION: NO MORE THAN FOUR (4) EVENTS PER COMMUNITY PER CALENDAR YEAR. THREE (3) CONTINUOUS DAYS PER EVENT.

H. SIGNS SHALL NOT BE HAND DRAWN AND SHALL BE PROFESSIONALLY DESIGNED. IN APPEARANCE.

Community Event Signs (con't)

AMEND the following subsections:

Section 28.9.A. Prohibited Permanent and Temporary Signs

1. A-frame signs, other than as specified in Section 28.7.A.3 and SECTION 28.7.A.6;
7. Garage sale signs, EXCEPT AS PROVIDED BY SECTION 28.7.A.6;

Banner Signs

AMEND the following subsection:

Section 28.6.B.1. Banner

a.ii.c). ~~Background color shall be white or beige.~~ BANNER LETTERING, IMAGES AND BACKGROUND COLORS MAY BE ANY COLOR, INCLUDING BLACK OR WHITE, EXCEPT FLORESCENT OR IRIDESCENT COLORS.

MOTION carried, 5-2 with Vice Chair Cox and Commissioner Napier opposed.

3. [Planning Division Manager Update \(Informational Only\)](#)

David Williams, Planning Division Manager, updated the Commission on the following:

- Neighborhood meeting for the proposed Encantada at Steam Pump
- Community Outreach Forum
- Placement of A-frame signs
- Rancho de Plata Rezoning
- Public Art Conservation Program
- Planning and Zoning Work Plan and General Plan Energy Element

4. [Future Agenda Items](#)

Mr. Williams announced that the Planning and Zoning Commission Rules and Procedures would be on the next agenda.

ADJOURNMENT

MOTION: A motion was made by Commissioner Leedy and seconded by Commissioner Rodman to adjourn the meeting at 6:54 p.m.



Town Council Regular Session

Item # 5.

Meeting Date: 03/07/2012

Requested by: Ainsley Legner

Submitted By:

Ainsley Legner, Parks
Recreations Library CR

Department: Parks Recreations Library CR

Information

SUBJECT:

DISCUSSION AND POSSIBLE ACTION REGARDING FUNDING FOR NEW RESTROOM FACILITY AT STEAM PUMP RANCH

RECOMMENDATION:

Staff recommends approval.

EXECUTIVE SUMMARY:

The Steam Pump Ranch Master Plan, adopted in 2008, identifies the need for restroom facilities in order for the site to be opened to the general public. A restroom feasibility study, completed in December 2011, identified two viable options (see attachment 1). The preferred option, a pre-fabricated restroom building kit, could be developed on the site using available Recreation In-Lieu Fees. These fees are specifically collected and designated for trail and recreation improvements. The recommended placement of the new restroom is adjacent to the existing CDO Linear Path and would serve path users as well as visitors to Steam Pump Ranch. When the Ranch is eventually opened to the public on a regular basis, the Ranch parking area will also serve as a trail head for the CDO Linear Path.

The restroom feasibility study provided an estimated total installation cost of \$166,348, which included a standard contractor erected pre-fab kit and all site utilities. However, Town staff will perform the majority of the site work, including water and sewer line installation and underground electrical work. Additionally, while a specific design for the pre-fabricated restroom has not been finalized, staff research identified set in place, pre-manufactured units at a significantly lower cost than the original estimate. The updated cost estimate for the restroom construction is \$100,188 (see attachment 2). This is significantly lower than the estimate provided in the restroom feasibility study. There will be some additional fees such as Pima County Wastewater Connection and miscellaneous contractor help for such things as electrical tie-in. In all, the total project cost should be approximately \$100K.

A brochure depicting the modular restroom unit is included as attachment 3.

BACKGROUND OR DETAILED INFORMATION:

Steam Pump Ranch is currently in the "pre-opening phase" as identified in the Steam Pump Ranch Master Plan. In this phase, the goal is to stabilize the site and threatened structures, to restore the Pusch Ranch House and to prepare the site for future investment. These goals have been accomplished.

To move closer to the "opening phase" as identified in the Master Plan, a permanent restroom facility must be constructed. The goal of this phase is to develop a Town heritage park facility that is regularly open to the public. Specifically, to allow for ongoing tours of the newly renovated Pusch Ranch House, several criteria must be satisfied to obtain a Certificate of Occupancy. Accessible restroom facilities are

one of the primary items required. Other required items, construction of adequate parking and installation of fire suppression infrastructure, are completed or are currently underway.

FISCAL IMPACT:

The restroom facility is estimated to cost \$100,188, and will be funded by available Recreation In-Lieu Fees. The accumulated balance of Recreation In-Lieu Fees is \$185,240. Currently, these unspent funds have been rolled over from year to year within the General Fund contingency reserve balance. It is recommended that the Town Council approve the reallocation of these funds from General Fund contingency into a separate new fund within the budget to account for future collections and expenditures of these specific revenues.

SUGGESTED MOTION:

I MOVE to (approve or deny) funding for the construction of a new restroom facility at Steam Pump Ranch utilizing Recreation In-Lieu Fees for \$100,188 or less. I also MOVE to reallocate the current balance of Recreation In-Lieu fees in the amount of \$185,240 from the General Fund contingency reserves into a separate budgetary fund.

Attachments

Restroom Feasibility Study

Updated Cost Estimate

Modular Restroom Brochure



RESTROOM FEASIBILITY STUDY

STEAM PUMP RANCH

DECEMBER 23, 2011

INDEX

PROJECT

- 1 Location Map
- 2 Aerial Photograph
- 3 Summary

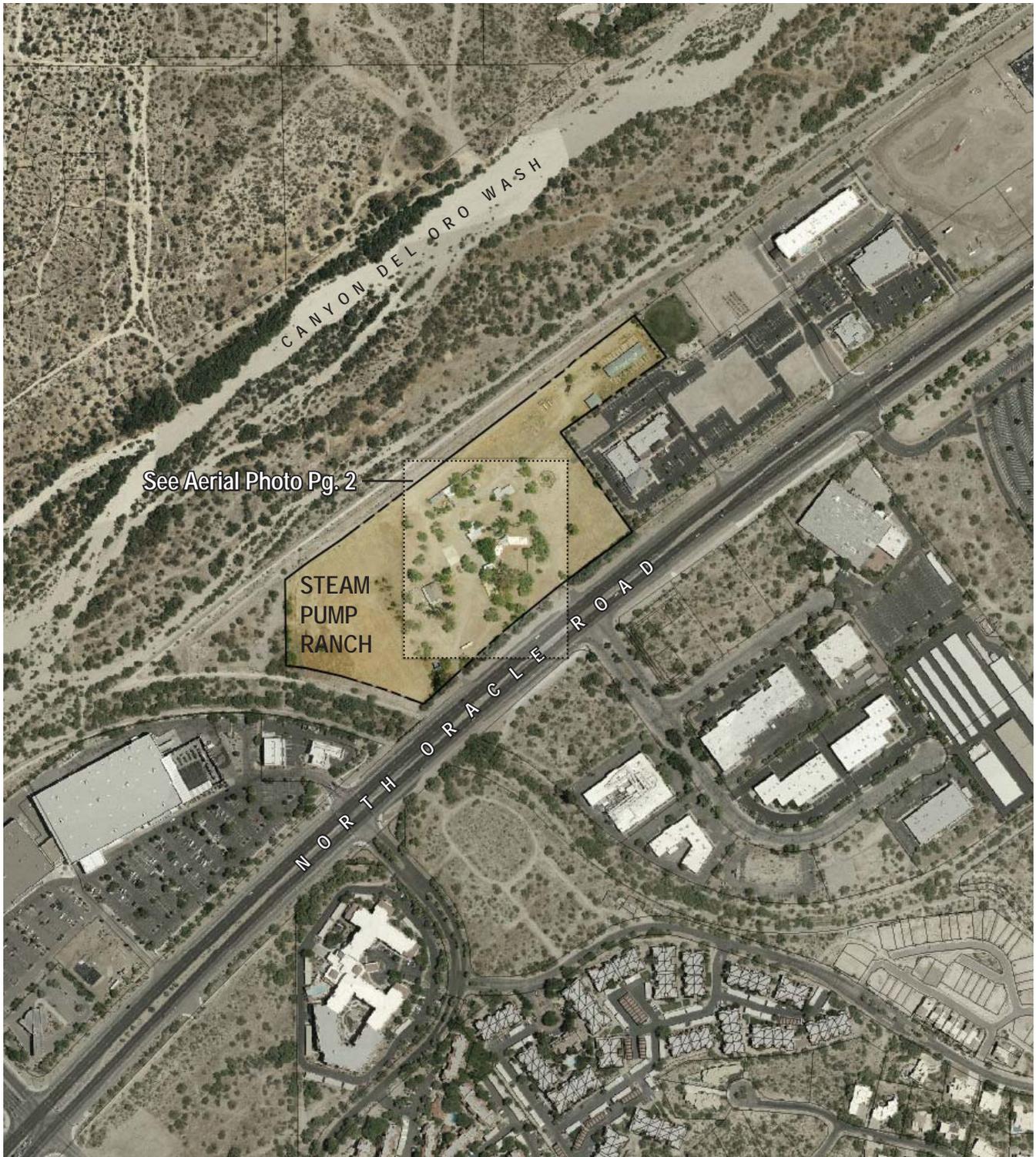
OPTION 1 - BUNK HOUSE

- 4 Project Scope
- 6 Construction Cost Analysis
- 7 Site / Utility Plan
- 8 Floor Plan
- 10 Structural Analysis

OPTION 2 - BUILDING KIT

- 13 Project Scope
- 14 Construction Cost Analysis
- 15 Site / Utility Plan
- 16 Floor Plan & Elevations

LOCATION MAP



AERIAL PHOTOGRAPH
OPTIONS 1 & 2



SUMMARY

	OPTION 1 BUNK HOUSE	OPTION 2 BUILDING KIT
GROSS FLOOR AREA	340 SF	110 SF
SCHEDULE	7 Months	5 Months
BUILDING COST	\$53,672	\$100,000
SITE COST	\$26,130	\$20,980
GC OH, P, TAX, BOND	\$27,931	\$30,245
CONTINGENCY	\$16,160	\$15,123
CONSTRUCTION COST	\$123,893	\$166,348



View of chicken coop looking east.

OPTION 1 PROJECT SCOPE
RENOVATION OF SOUTH BUNK HOUSE

SITE / UTILITIES

- A. Water: The main water line runs parallel to the north-east property line with a shut-off valve located on the driveway between the Steam Pump Ranch and the Steam Pump Village Retail Center. An existing 2 inch water line runs south-west through the property with an unknown termination point, and it will be extended approximately 500 ft. to the proposed restroom location.
- B. Sewer: An existing 8" PVC sewer line runs parallel to the northwest property line within the 50 ft. utility easement. An approximately 250 ft. of 4 inch private sewer line provided from the proposed location to the existing manhole number 4115-04.
- C. Electric power: There is no electrical power to the existing bunkhouse. It is proposed to provide power through an underground line from an existing power pole located approximately 300 ft. west of the structure,
- D. Accessibility: An exterior concrete slab around the structure will be installed to provide ADA access from the existing parking.



Water connection on north property line.



Existing sewer along west property line.



Existing power pole for electrical connection.

OPTION 1 PROJECT SCOPE RENOVATION OF SOUTH BUNK HOUSE

BUILDING

The bunkhouse located directly east of the Leiber House is proposed to be renovated as a toilet facility.

The existing bunkhouse is a 350 sq. ft. mud adobe structure, and is currently unoccupied. The exterior adobe walls are deteriorated and in poor condition, the exterior windows and entry door frames are damaged by termites.

The existing roof structure is in good condition, and it appears that a new roofing has been installed recently.

This option is proposing to renovate the existing structure to allocate two single user toilets. The exterior walls need to be renovated by removing the existing stucco finish, restore and stabilize the adobe walls with blocks fabricated on site, and refinish the exterior surfaces with cement stucco. The existing fenestrations will be treated with new windows and the existing door will be replaced. A couple of new doors will be installed to provide access to the proposed restrooms. A new porch will be added, consisting of an attached wood framed structure to the north of the building with a steel deck roof covering. Also an exterior concrete slab at the storage and restroom entries will be provided for accessibility.

The bunkhouse interior will be rehabilitated to allocate two ADA accessible restrooms and a storage room. The interior of the structure is in poor condition, and the concrete slab is fractured and unsettled. For the proposed use the existing slab will be replaced with a new concrete slab and all the interior will be gutted. The perimeter walls are to be furred out with steel framing with batt insulation, and it will support the load of the existing roof structure. The interior partitions consist of steel frame, batt insulation and gypsum board finish, the ceilings will be framed and finished with gypsum board. The interior floor finish is the exposed colored concrete, a ceramic tile wainscot of 5 feet high will be applied to the wet walls of the restrooms.



South bunk house looking west.



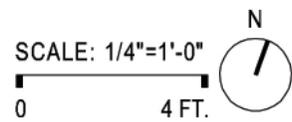
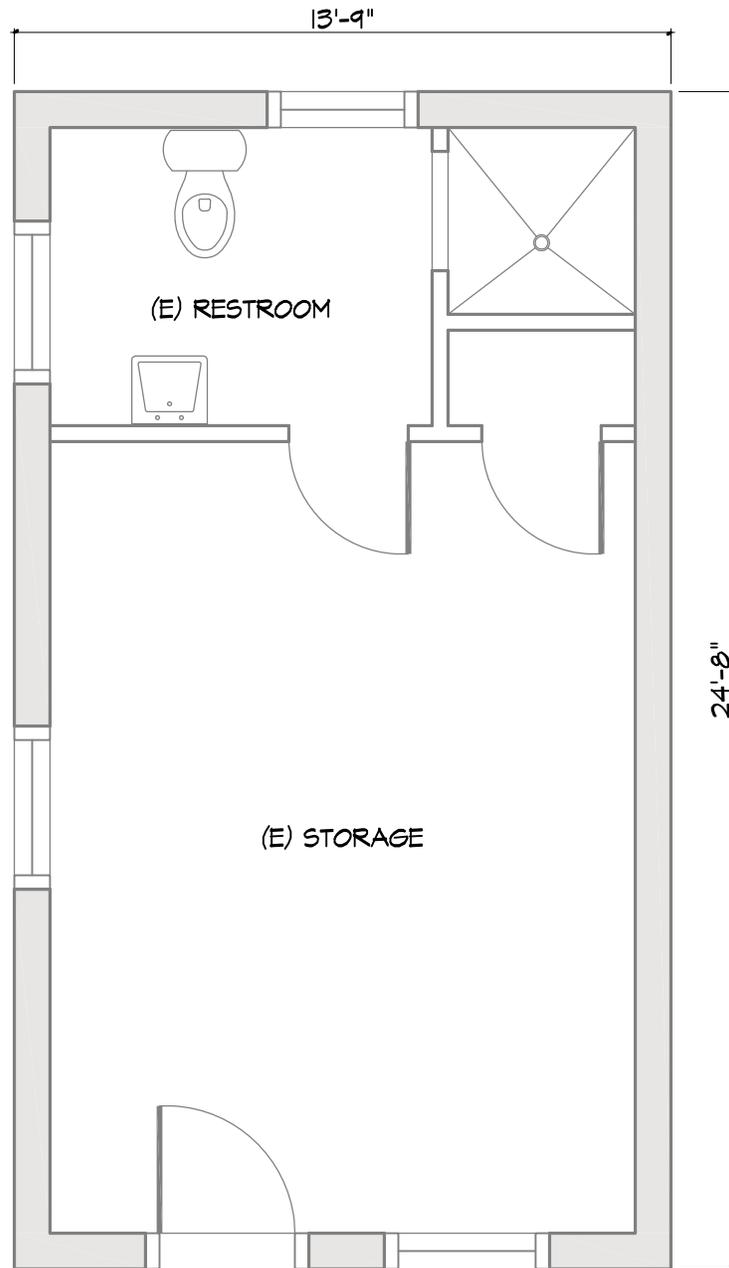
Bunk house condition above ceiling.



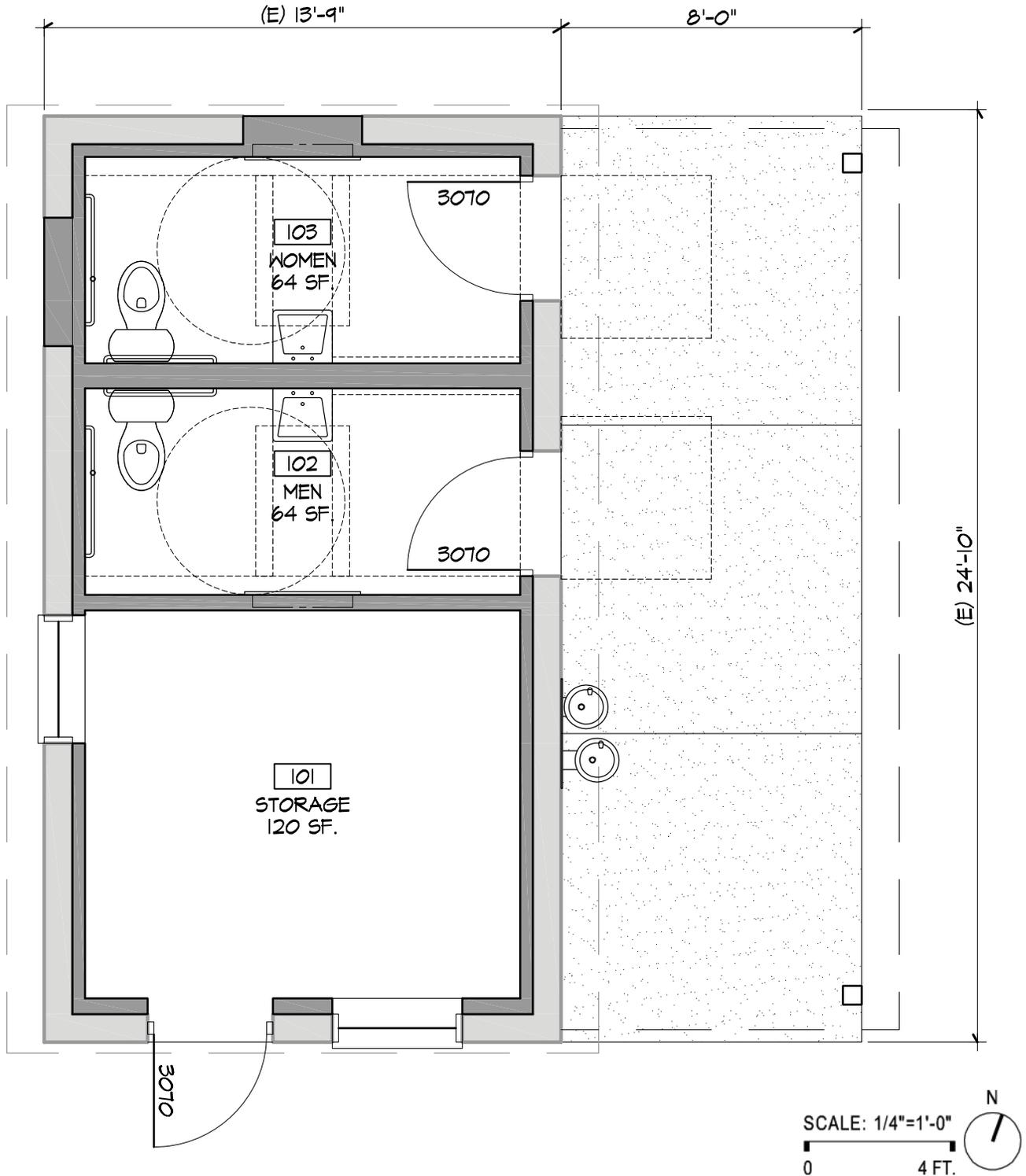
OPTION 1 CONSTRUCTION COST ANALYSIS
RENOVATION OF SOUTH BUNK HOUSE

Div.	Item	Qty.	Unit	Unit Cost	Subtotal
1.01	Site - Concrete sidewalk w/ integral color	330	SF	8.00	\$2,640.00
1.02	Site - 2" PVC Water line	490	LF	16.00	\$7,840.00
1.03	Site - Backflow preventer	1	LS	2,000.00	\$2,000.00
1.04	Site - 4" sewer line	255	LF	30.00	\$7,650.00
1.05	Site - Electrical underground	300	LF	20.00	\$6,000.00
	Subtotal				\$26,130.00
2.01	Demolition - Concrete Slab	285	SF	5.00	\$1,425.00
2.02	Demolition - Interior Partitions 9' Ht	23	LF	5.00	\$115.00
2.03	Demolition - Plumbing Fixtures & Piping	3	EA	200.00	\$600.00
2.04	Demolition - Framed ceiling	285	SF	0.85	\$242.25
2.05	Demolition - Windows	4	EA	150.00	\$600.00
2.06	Demolition - Electrical	1	LS	500.00	\$500.00
2.07	Demolition - Stucco finish	1	LS	1,000.00	\$1,000.00
3.01	4" Concrete Slab w/ int. color & 4" base	300	SF	7.00	\$2,100.00
3.02	Concrete Toe-down	71	LF	50.00	\$3,550.00
4.01	Adobe restoration	695	SF	2.50	\$1,737.50
5.01	Metal Stud Framing	820	SF	5.00	\$4,100.00
5.02	Miscellaneous structural steel	1	LS	1,000.00	\$1,000.00
5.03	Steel Deck (Porch)	215	SF	5.00	\$1,075.00
5.04	Toilet grab bars	6	EA	40.00	\$240.00
6.01	Rough carpentry	1	LS	1,000.00	\$1,000.00
6.02	Wood Framing (Porch)	215	SF	15.00	\$3,225.00
6.03	Plywood sheathing	215	SF	5.00	\$1,075.00
7.01	Walls insulation	825	SF	1.00	\$825.00
7.02	Roof insulation	280	SF	1.10	\$308.00
8.01	Windows	3	EA	1,000.00	\$3,000.00
8.02	Door and Frame	3	EA	1,200.00	\$3,600.00
9.01	Sand float stucco finish	695	SF	4.00	\$2,780.00
9.02	Gypsum Wall Board Walls	850	SF	4.75	\$4,037.50
9.03	Gypsum Wall Board Ceiling	260	SF	2.50	\$650.00
9.04	Exterior Paint	695	SF	1.20	\$834.00
9.05	Interior Paint	1,110	SF	1.00	\$1,110.00
9.06	Ceramic Tile Base	20	LF	2.50	\$50.00
9.07	Ceramic Tile 5ft. ht. Wainscot	162	SF	6.50	\$1,053.00
10.01	ADA signage	1	LS	300.00	\$300.00
10.02	Toilet Accessories	1	LS	750.00	\$750.00
22.01	Plumbing - Water closet	2	EA	1,300.00	\$2,600.00
22.02	Plumbing - Lavatories	2	EA	1,100.00	\$2,200.00
22.03	Plumbing - Water Fountain	1	EA	1,500.00	\$1,500.00
22.04	1500 Tank Water Heater	1	EA	500.00	\$500.00
23.01	Exhaust Fans	285	SF	4.00	\$1,140.00
16.01	Electrical	285	SF	10.00	\$2,850.00
	Subtotal				\$53,672
	Subtotal Site & Buiding				\$79,802
	General Contractor GC, OH & P, Tax, Bonds & Ins. @			35%	\$27,931
	Contingency @			15%	\$16,160
	Construction Total				\$123,893

OPTION 1 EXISTING FLOOR PLAN
RENOVATION OF SOUTH BUNK HOUSE



OPTION 1 FLOOR PLAN
RENOVATION OF SOUTH BUNK HOUSE

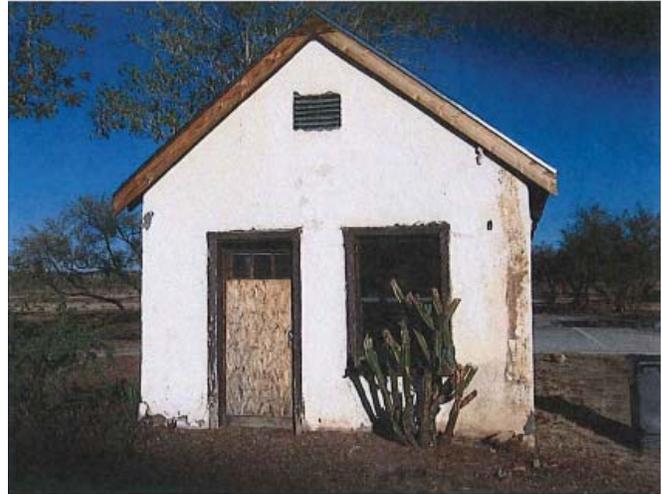


OPTION 1 STRUCTURAL ANALYSIS RENOVATION OF SOUTH BUNK HOUSE

GENERAL

The following report contains Schneider Structural Engineers professional opinions regarding the general structural integrity of the (2) existing adobe structures located on the Steampump Ranch property. The purpose of this review is to study the feasibility of converting these structures to restroom buildings.

As requested, we visually reviewed the structure at the location referenced above. The site visit was performed on November 23, 2011. A Schneider Structural representative, David N. Gibbens, arrived at the site at about 8:30 a.m. and left the site at about 10:15 a.m. The structure is a wood framed roof, mud and straw adobe masonry walled single story structure with an unreinforced interior concrete slab.



East elevation

OBSERVATIONS

The following items were observed and/or issues discussed:

1. The mud adobe walls are in relatively poor condition with some regions, all near the grade level, where the adobe blocks have disintegrated. It is noted, and expected for a building of this age, that the walls all have some degree of tilt and they are slightly out-of plumb
2. Headers for adobe wall openings were noted to be of wood which was common at the time of construction. The structural wood lintels which were visible appeared to be in acceptable condition while the mullions/bucks for the existing windows were eaten by termites.
3. The wood roof framing appeared to be in acceptable condition with the rafter's consisting of rough sawn 2x6's and the ceiling cross ties either as 2x4 nominal cross ties or rough sawn 2x6's.



North elevation

STRUCTURAL ANALYSIS, CONT. RENOVATION OF SOUTH BUNK HOUSE

4. The floor slabs are in poor conditions, completely cracked up, and are differentially settling.
5. There are trees planted within a foot of these building walls which appear to be causing some movement and/or upheaval to the walls.

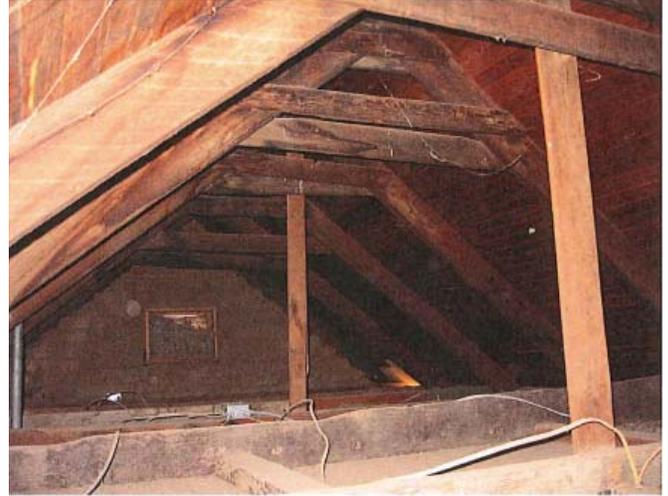
Option A:

Based on the generally acceptable condition of the superstructure, we would recommend that these buildings be salvaged by performing the following:

1. Repair the exterior adobe walls by replacing deteriorated adobe areas. Repoint and/or reapply adobe mortar where mortar has deteriorated. This work should be performed by an adobe restoration expert. Stabilize the adobe and replaster as required to seal the adobe from water damage.
2. Remove exterior trees that are within 5' of the exterior envelope. If this is not performed then root upheaval causing wall damage will continue.
3. Remove and replace the entire interior concrete slab. Provide a 4" aggregate base course; hand compacted, below a new 4" thick concrete slab reinforced with 4 lbs/ cubic yard of macrofibers.

Option B:

If the authority having jurisdiction determines that converting these existing buildings to restrooms constitutes a change of occupancy and therefore this triggers that these building



Interior rafter view.;



Existing intact wood header with termite damage.

STRUCTURAL ANALYSIS, CONT. RENOVATION OF SOUTH BUNK HOUSE

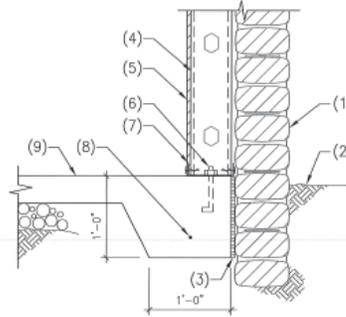
comply with current codes then we recommend the following:

1. Repair and stabilize the exterior adobe walls by repointing and/or reapplying adobe mortar as needed. Replacing currently collapsed wall regions is not necessary structurally, but may be desirable architecturally.
2. Remove exterior trees that are within 5' of the exterior envelope. If this is not performed then root upheaval causing wall damage will continue.
3. Build an interior steel stud bearing wall, with a new reinforced concrete slab and footing. This will be built on the inside face of the existing adobe walls and will be designed to support the roof structure in place. See sketches SK1 and SK2 attached for details of this construction.
4. Remove and replace the entire interior concrete slab. Provide a 4" aggregate base course, hand compacted, below a new 4" thick concrete slab reinforced with 4lbs/cubic yard of macrofibers.

Schneider Structural Engineers services have been performed with the appropriate care and judgment that can be reasonably expected from similar professionals in this area. The opinions noted in this report are based upon limited visual observations only. No calculations or physical testing was performed to determine the structural adequacy or code compliance of the structure. Schneider Structural Engineers does not express or imply any warranty of the structure, nor do we guarantee that we have observed all areas of the existing structure or identified all deficiencies. Certain assumptions regarding existing conditions have been made which cannot be verified without expending additional sums of money or damaging additional portions of the building.

NOTES:

1. EXISTING ADOBE WALL.
2. FINISHED GRADE.
3. EXPANSION JOINT MATERIAL.
4. (2) 400S162-33 STUDS (BACK TO BACK) ALIGNED BELOW EXISTING CROSS TIES AND RAFTERS.
5. 1/2" GYPSUM WITH #8 SCREWS AT 4" O.C. EDGE AND INTERIOR.
6. 1/2" DIA. ANCHOR BOLTS AT 48" O.C.
7. 400T125-33 SILL TRACK.
8. (1) #4 CONTINUOUS.
9. 4" CONCRETE SLAB ON GRADE.

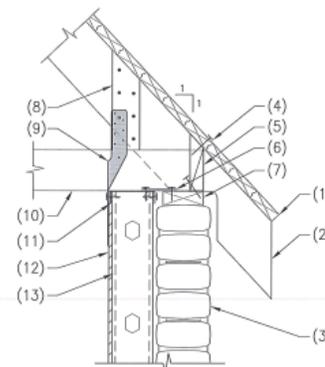


SK1 FOUNDATION CONNECTION - STEEL STUD BEARING WALL
SCALE: NOT TO SCALE 111555-SK1-SK1

		Steampump Ranch Restroom Conversion Tucson, Arizona	
PROJECT: 111555 ENGINEER: DNG DRAWN: MPG DATE: 11/30/11		sheet reference -	
revisions number date comment		SK1	

NOTES:

1. EXISTING WOOD DECK.
2. EXISTING RAFTER.
3. EXISTING ADOBE WALL.
4. 16d NAILS THROUGH DECK AT 12" O.C.
5. 2x BLOCKING WITH 16d TOENAILS AT 8" O.C.
6. (2) SIMPSON LTP5 PER BAY FROM EXISTING TOP PLATE TO CONTINUOUS STEEL TOP TRACK.
7. EXISTING WOOD TOP PLATE.
8. 2x4 SQUASH BLOCK ALIGNED ABOVE STUD WALL. CONNECT TO FACE OF EXISTING RAFTER WITH (6) 16d NAILS, CLINCHED.
9. SIMPSON HTS20 STRAP FROM BLOCKING TO DOUBLE STUD.
10. EXISTING CROSS TIE.
11. 400T150-33 CONTINUOUS TOP TRACK.
12. 1/2" GYPSUM WITH #8 SCREWS AT 4" O.C. EDGE AND INTERIOR.
13. ALIGN (2) 400S162-33 (BACK TO BACK) BELOW EXISTING CROSS TIE.



SK2 TOP CONNECTION - STEEL AND BEARING WALL
SCALE: NOT TO SCALE 111555-SK2-SK2

		Steampump Ranch Restroom Conversion Tucson, Arizona	
PROJECT: 111555 ENGINEER: DNG DRAWN: MPG DATE: 11/30/11		sheet reference -	
revisions number date comment		SK2	

OPTION 2 PROJECT SCOPE BUILDING KIT RESTROOM FACILITY

SITE / UTILITIES

- A. Water: The main water line runs parallel to the north-east property line with a shut-off valve located on the driveway between the Steam Pump Ranch and the Steam Pump Village Retail Center. An existing 2 inch water line runs south-west through the property with an unknown termination point, and will be extended approximately 500 ft. to the proposed restroom location.
- B. Sewer: An existing 8" PVC sewer line runs parallel to the northwest property line within the 50 ft. utility easement. An approximately 35 ft. of 4 inch private sewer line provided from the proposed location to the existing manhole number 4115-04.
- C. Electric power: It is proposed to provide power through an underground line from an existing power pole located approximately 200 ft. east of the proposed location.
- D. Accessibility: A 5 ft. wide color concrete walkway approximately 175 ft. long will be installed from the existing parking lot to the proposed location to provide accessibility.

BUILDING

A 110 Sq. Ft. prefabricated toilet facility kit is proposed to be installed northwest of the existing pad, just outside the 50 ft. utility easement. The 2 single user toilet kit includes full steel reinforced concrete foundations and meet all ADA accessibility guidelines.

The structure finishes will match the style of the existing buildings on site. Exterior walls will be finished with stucco over concrete block and covered with a steel metal deck.



Proposed location of building kit.

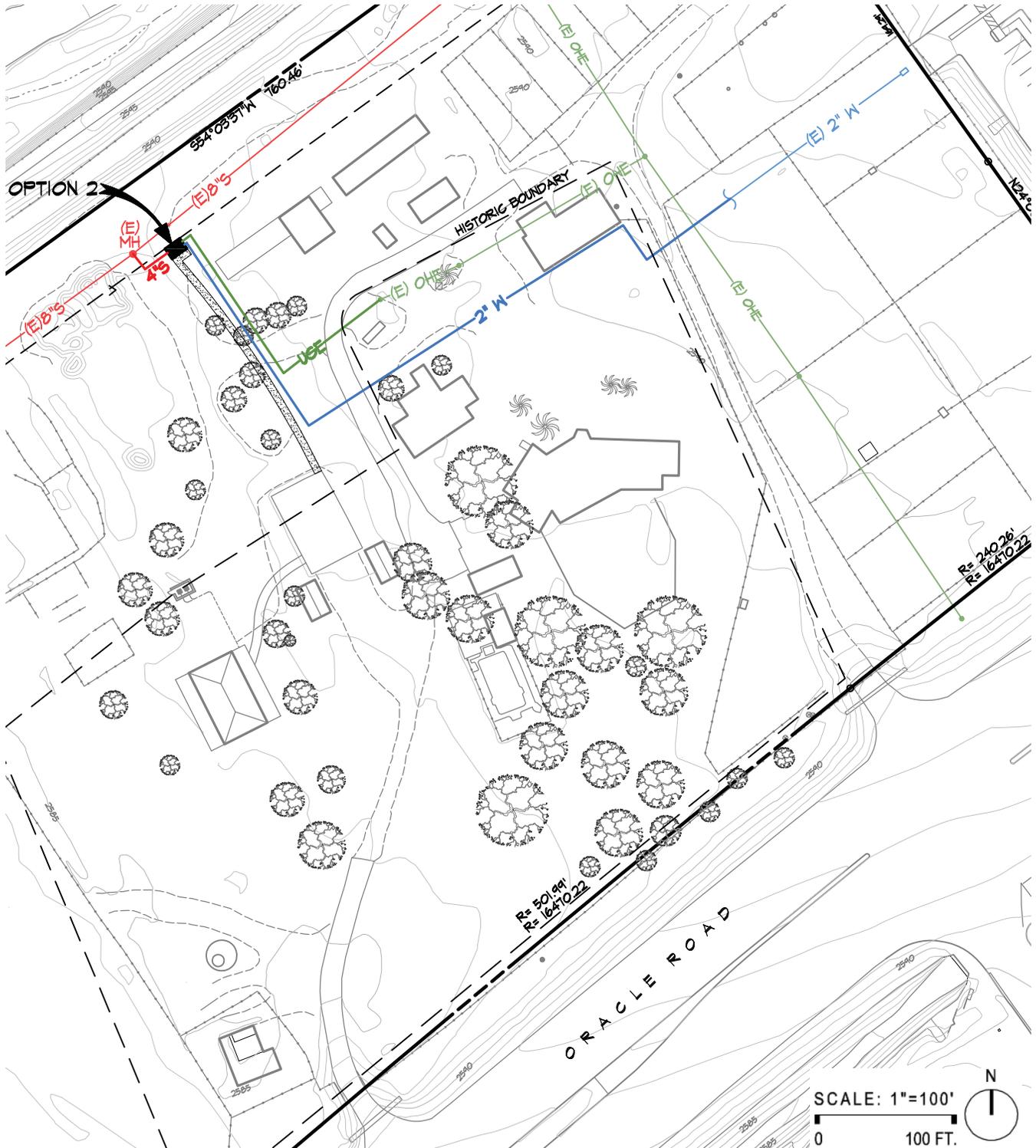


Example of building kit restroom.

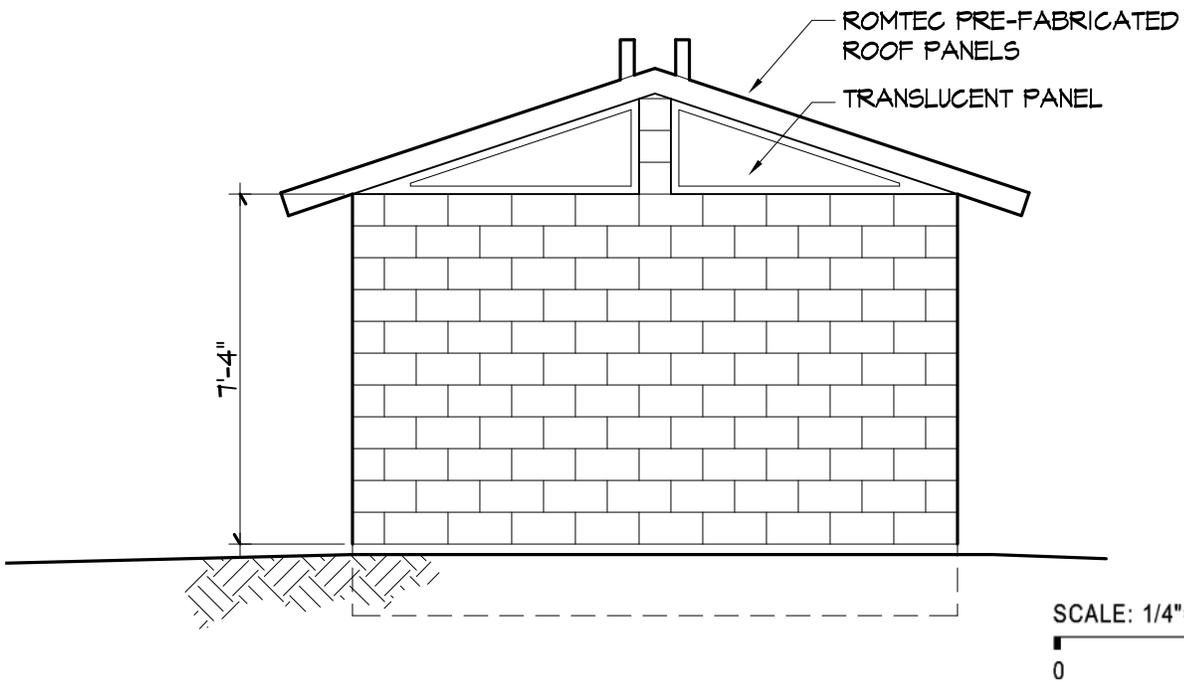
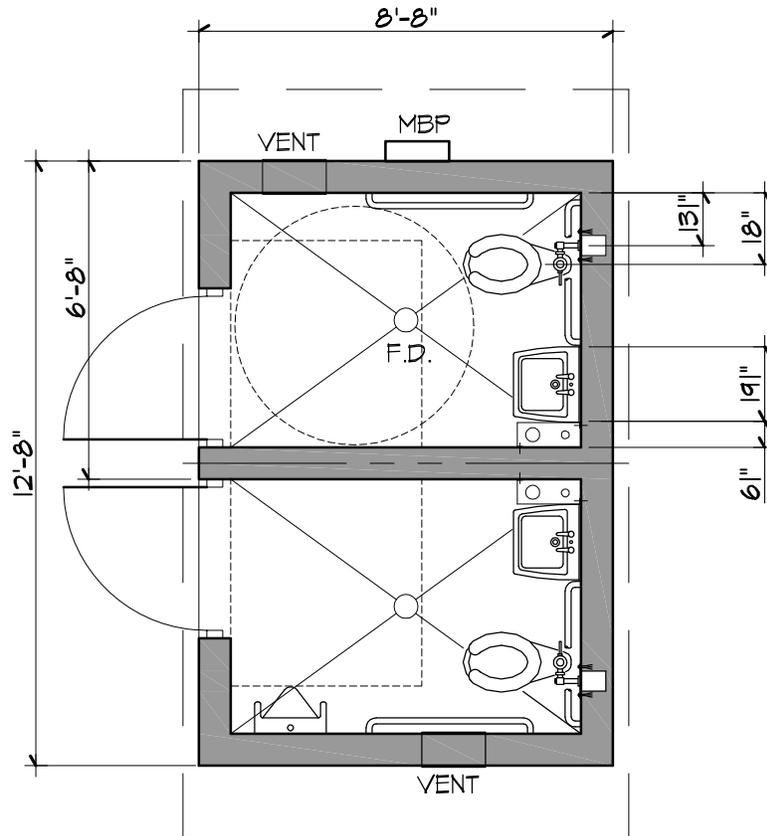
OPTION 2 CONSTRUCTION COST ANALYSIS
BUILDING KIT RESTROOM FACILITY

Div.	Item	Qty.	Unit	Unit Cost	Subtotal
1.01	Site - Concrete sidewalk w/ integral color	925	SF	8.00	\$7,400.00
1.02	Site - 2" Water line	530	LF	16.00	\$8,480.00
1.03	Site - Backflow preventer	1	LS	2,000.00	\$2,000.00
1.04	Site - 4" sewer line	35	LF	30.00	\$1,050.00
1.05	Site - Electrical underground	205	LF	10.00	\$2,050.00
	Subtotal				\$20,980.00
2.01	Prefabricated Restroom-Kit	1	EA	100,000.00	\$100,000.00
	Subtotal				\$120,980
	General Contractor GC, OH & P, Tax, Bonds & Ins. @			25%	\$30,245
	Contingency @			10%	\$15,123
	Construction Total				\$166,348
	Total				\$166,348

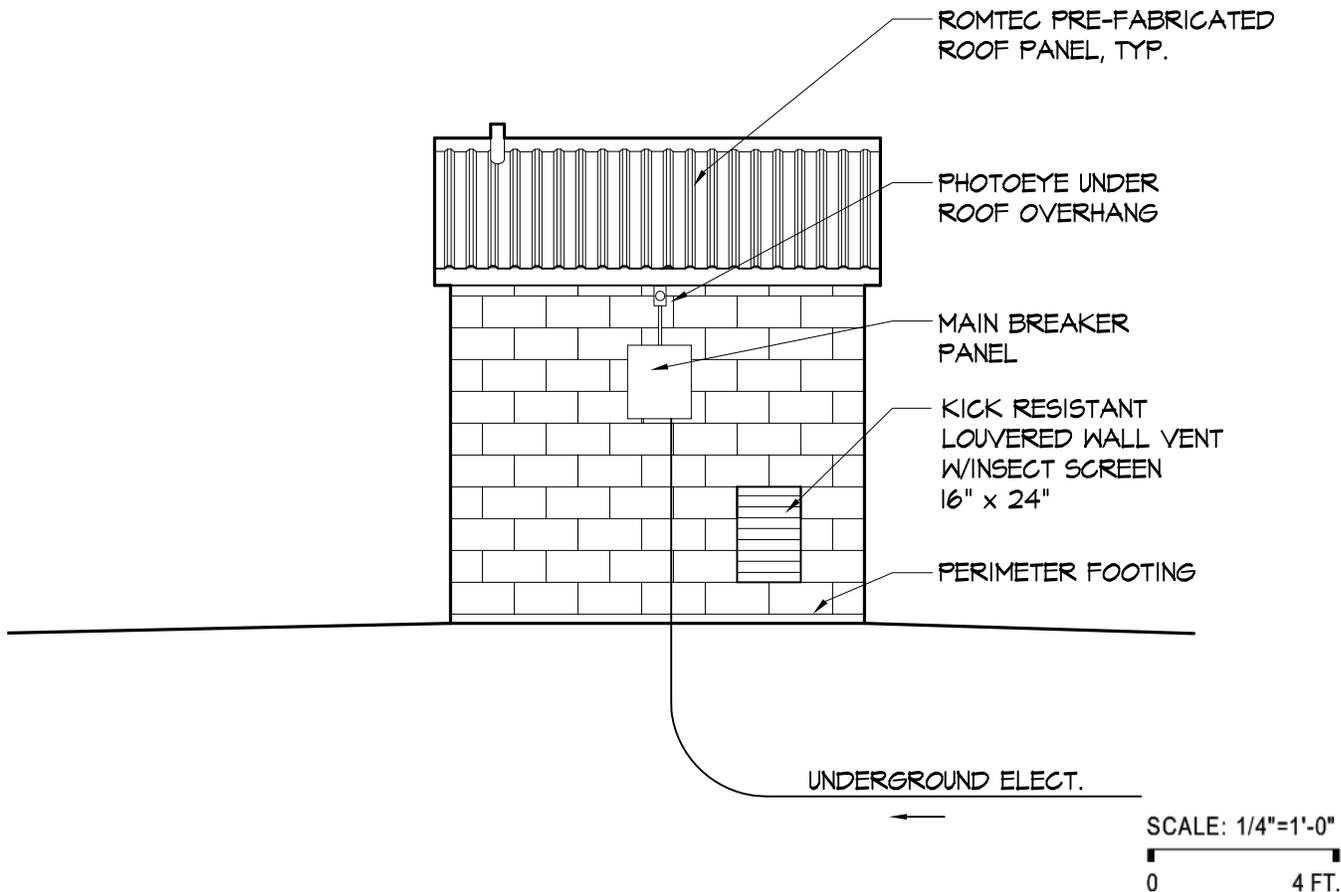
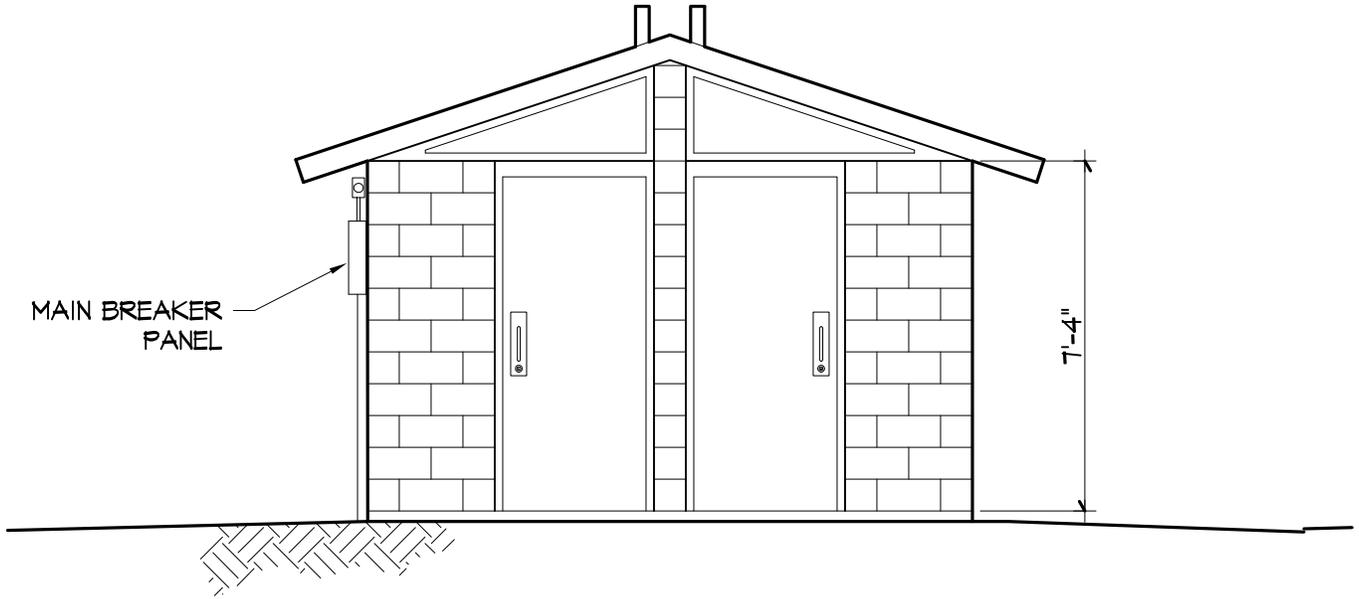
**OPTION 2 SITE/UTILITY PLAN
BUILDING KIT RESTROOM FACILITY**



OPTION 2 FLOOR PLANS & ELEVATIONS
BUILDING KIT RESTROOM FACILITY



OPTION 2 FLOOR PLANS & ELEVATIONS
BUILDING KIT RESTROOM FACILITY



Restroom Facility - Updated Cost Estimate

Div.	Item	Qty.	Unit	Unit Cost	Subtotal
1.01	Site - Concrete sidewalk w/ integral color	100	SF	8	\$ 800.00
	Site - Foundation Prep.	1	LS	2,000	\$ 2,000.00
1.02	Site - 2" Water line	300	LF	10	\$ 3,000.00
	Site - 8" Water line	300	LF	35	\$ 10,500.00
1.03	Site - Backflow preventer				N/A
1.04	Site - 4" sewer line	35	LF	30	\$ 1,050.00
1.05	Site - Electrical underground	205	LF	10	\$ 2,050.00
	Site Subtotal				\$ 6,900.00
2.01	Prefabricated Restroom-Kit	1	EA	64,780	\$ 64,780.00
	Subtotal				\$ 91,080.00
	General Contractor GC, OH & P, Tax, Bonds & Ins. @ 25%				N/A
	Contingency @ 10%				\$ 9,108.00
	Total Construction Cost				\$ 100,188.00

Prefabricated Park Facilities

Modular Connections' prefabricated concrete facilities are perfect for projects requiring restrooms, concessions, storage, pool houses and other stand-alone buildings.

Our buildings are factory built inside a 72,000ft² NPCA Certified production facility, assuring the highest level of quality. Once your building is complete, it will be shipped via flatbed to the job-site and offloaded with a local crane onto your prepared site.

The benefits of using our sustainable building method include fast delivery, cost savings, minimal site work, relocatable, low maintenance, storm resistant, highly vandal-resistant & a 50+ year life span.

Quick Facts

- Solid Reinforced Concrete Construction: 4" Walls, 4" Roof and 8" Floor Slab
- Architectural Finishes Cast-In Exterior with Unlimited Color Choices
- Secondary 24 Gauge Standing Seam Metal Roof and Fascia
- Pre-Engineered and Code Compliant
- 150 MPH Wind Load Standard
- Pre-Assembled, Pre-Plumbed & Pre-Wired
- Gravel or Concrete Foundation



10' x 18' Men's / Women's ADA Restroom & Rear Access Utility w/ Front Porch & Simulated Lap Siding



Interior Options Such as HVAC, Finished Walls with Insulation, Ceramic Tile Flooring, Fixtures & Accessories Pre-Installed



12' x 18' Men's / Women's ADA Restroom with Vestibule, Delivered and Offloaded by Modular Connections, LLC



Give us a call today for a free estimate.

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1090 Industrial Blvd, Bessemer, AL 35022

www.ModularConnections.com

Sales@ModularConnections.com





10' x 18' Men's / Women's ADA Restroom Offloading onto Prepared Site



14' x 36' Restroom & Concession Facility with HVAC and Site -Built Wood Frame Awning



12' x 26' Men's / Women's ADA Restroom with Standard Flat Roof, Installed



Give us a call today for a free estimate.
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