

**\*AMENDED (3/26/15, 2:00 PM)**  
**AGENDA**  
**ORO VALLEY TOWN COUNCIL**  
**REGULAR SESSION**  
**April 1, 2015**  
**ORO VALLEY COUNCIL CHAMBERS**  
**11000 N. LA CAÑADA DRIVE**

**REGULAR SESSION AT OR AFTER 4:30 PM**

**CALL TO ORDER**

**ROLL CALL**

~~**\*EXECUTIVE SESSION** - Pursuant to ARS 38-431.03(A)(1) personnel matters—Town Magistrate's annual performance review and Town Manager's annual performance review and pursuant to ARS 38-431.03 (A)(3) for consultation with their attorneys and pursuant to ARS 38-431.03 (A)(7) for purchase of real property regarding the contracts for purchase of the El Conquistador Country Club and related amenities—~~

Pursuant to A.R.S 38-431.03(A)(1) personnel matters - Town Magistrate's annual performance review and Town Manager's annual performance review and pursuant to A.R.S. Sections 38-431.03(A)(3), 38-431.03(A)(4) and 38-431.03(A)(7) in order to receive legal advice and in order to consider its position and instruct the Town Attorney and designated representatives regarding communications and the Town's position relating to the El Conquistador Country Club land purchase, contract negotiations regarding same and pending litigation involving Arrett & Lamonna v. Oro Valley

**REGULAR SESSION AT OR AFTER 6:00 PM**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**UPCOMING MEETING ANNOUNCEMENTS**

**COUNCIL REPORTS**

**DEPARTMENT REPORTS**

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

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

**INFORMATIONAL ITEMS**

1. Councilmember's Garner & Zinkin - NLC Congressional City Conference Trip Report

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

## **PRESENTATIONS**

1. Presentation of \$15,000 in support of the Children's Museum of Oro Valley

## **CONSENT AGENDA**

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

- A. Minutes - March 18, 2015
- B. Appointment to the Parks & Recreation Advisory Board (PRAB)
- C. Resolution No. (R)15-26, authorizing the Intergovernmental Transportation Funding Agreement between the Regional Transportation Authority of Pima County and the Town of Oro Valley for improvements to La Cholla Boulevard: Overton Road to Tangerine Road

## **REGULAR AGENDA**

1. CONSIDERATION AND ACCEPTANCE OF THE ORO VALLEY WATER UTILITY COMMISSION ANNUAL REPORT, DATED APRIL 2015
2. RESOLUTION NO. (R)15-25, APPROVING THE PARKS & RECREATION DEPARTMENT STRATEGIC FACILITIES PLAN
3. PRESENTATION AND APPROVAL OF THE NARANJA PARK PROGRAMMING AND CONCEPTUAL DESIGN
4. DISCUSSION AND POSSIBLE DIRECTION REGARDING PERSONNEL POLICY 14 - OVERTIME
5. DISCUSSION AND POSSIBLE DIRECTION REGARDING A PROPOSAL FOR A BENEFITS COMMITTEE OR ACTUARY COMMITTEE FOR THE TOWN'S SELF-FUNDED INSURANCE
6. DISCUSSION AND POSSIBLE DIRECTION REGARDING ZONING REQUIREMENTS FOR SIGN BRIGHTNESS
7. DISCUSSION AND POSSIBLE DIRECTION REGARDING POSSIBILITIES OF PAYING BACK GENERAL FUND CONTINGENCY

**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: 3/25/15 at 5:00 p.m. by mrs

AMENDED AGENDA POSTED: 3/26/15 at 5:00 p.m. by mrs

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

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

### ***INSTRUCTIONS TO SPEAKERS***

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

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

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

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

**Thank you for your cooperation.**



**Town Council Regular Session**

**Item # 1.**

**Meeting Date:** 04/01/2015

**Submitted By:** Arinda Asper, Town Manager's Office

---

**Information**

**Subject**

Councilmember's Garner & Zinkin - NLC Congressional City Conference Trip Report

---

**Attachments**

Councilmember's Garner & Zinkin NLC Congressional City Conference Trip Report

---



Office of the Town Council

**Trip Report**

**Purpose:** 2015 National League of Cities Congressional City Conference

**Date:** March 8 – 11, 2015

**Location:** Marriott Wardman Park Hotel  
Washington, D.C.

**Attendees:** Councilmember Bill Garner  
Councilmember Mike Zinkin

**Summary:**

The National League of Cities (NLC) 2015 Congressional City Conference is an annual legislative forum that brings together more than 2,000 elected and appointed city leaders to focus on the federal policy issues that are important to local governments. In addition to providing opportunities to learn about innovative practices implemented at the local level, the conference connected city leaders from across the country with NLC - the organization that members of Congress, the White House, and federal agencies look to for solutions to addressing the nation's most pressing challenges. The Conference offered city leaders from across the country a unique opportunity to gain valuable insights into and influence actions in Washington that impact local communities, and to learn of available federal programs, funding opportunities and resources.

Key federal policy issues addressed at the conference included:

- Using federal tax credits and bond financing for community and economic development
- Workforce development strategies for local officials
- Telecommunications opportunities and impacts
- Federal programs and opportunities for local government
- Ongoing changes in immigration reform
- Environmental regulations and city planning decisions

Councilmember Zinkin has been appointed to the NLC 2015 Community and Economic Development Steering Committee. Letter of appointment, additional notes and conference schedule are attached.

Report submitted to the Town Clerk on March 23, 2015

Bill Garner  
Councilmember

Mike Zinkin  
Councilmember



2015 Officers

President

Ralph E. Becker  
Mayor  
Salt Lake City, Utah

First Vice President

Melodee Colbert-Kean  
Councilmember  
Joplin, Missouri

Second Vice President

Matt Zone  
Councilmember  
Cleveland, Ohio

Past President

Christopher B. Coleman  
Mayor  
Saint Paul, Minnesota

Chief Executive Officer/  
Executive Director  
Clarence E. Anthony

Deputy Executive  
Director  
Antoinette A. Samuel

January 20, 2015

Dear Community and Economic Development Steering Committee member:

On behalf of the National League of Cities (NLC), I am writing to congratulate you on your appointment to the 2015 Community and Economic Development Steering Committee. Your experience and commitment will bring great value to NLC, communities around the country and the efforts of the committee. Your term begins with the receipt of this notification and concludes at the adjournment of the 2015 Congress of Cities in Nashville, Tenn., in November.

This year's committee leadership team consists of Chair Mike Wojcik, councilmember, Rochester, Minn. and Vice Chair(s) Craig Thurmond, mayor, Broken Arrow, Okla. and Johnny DuPree, mayor, Hattiesburg, Miss. The NLC staff contact for your committee is Michael Wallace. Mike can be reached directly at 202-626-3025 or by e-mail at [Wallace@nlc.org](mailto:Wallace@nlc.org). All of us at NLC look forward to working with you in this capacity this year.

I hope you are already planning to attend NLC's Congressional City Conference March 7-11, 2015, at the Marriott Wardman Park Hotel in Washington, D.C., and to join us for important committee meetings that will take place during the conference. Your participation at these meetings is important as the committee will begin developing a work plan for the year. To assist you in preparing for the meetings, NLC will e-mail meeting materials and room locations in early March. Optional events may take place before the committee meetings, and we will send you that information as soon as it is available.

To register for the Congressional City Conference, click [here](#).

Finally, attached is a hometown press release, which I encourage you to personalize and share with your local media. If you have any questions regarding media relations, please contact Thomas Martin at [martin@nlc.org](mailto:martin@nlc.org).

Again, congratulations on your appointment and I look forward to working with you next year.

Sincerely,

Ralph E. Becker  
President  
National League of Cities

## NLC 2015 Congressional City Conference Supplemental Notes

The National League of Cities University now has a FREE course available online in Foreclosures. This course can be accessed from the National League of Cities' web site [www.nlc.org](http://www.nlc.org). Please contact me for help to get to the course, if needed. There will soon be another free course available called "Advocacy 101" (or something like that). I encourage all, staff and elected, to look at the available course and take it. It does not have to be completed on the day you start, therefore can be taken at your leisure.

As I have reported in the past, the tax-free status of Municipal Bonds remains one of the NLC legislative priorities. Through the Arizona League, we had the opportunity to have a "give and take" with both Senators McCain and Flake. In discussions with Sen. McCain, I was assured that he felt this proposal would go nowhere. This was very reassuring.

Both Senators McCain and Flake are aware of the problem with the sales tax "loophole" provided by online sales. They both felt that the new bill, The Marketplace Fairness Act of 2015, which was recently introduced by last week by a bipartisan group of senators had a good chance of passing the Senate. This same bill passed in 2013 and did not get through the House.

Mike Zinkin  
Councilmember  
Town of Oro Valley



# NATIONAL LEAGUE OF CITIES CONGRESSIONAL CITY CONFERENCE

MARCH 7-11, 2015 | WASHINGTON, D.C.

## *Preliminary Conference Schedule*

*Main Conference Events: Monday, March 9– Tuesday, March 10  
(note times are subject to change)*

### **Monday, March 9**

7:30 a.m. – 9:00 a.m. Celebrate Diversity Breakfast\*  
9:00 a.m. – 10:30 a.m. Opening General Session  
10:45 a.m. – 12:15 p.m. Concurrent Workshops  
1:45 p.m. – 3:15 p.m. Concurrent Workshops  
3:30 p.m. – 5:00 p.m. General Session  
5:15 p.m. – 6:30 p.m. State League Caucuses and Receptions  
Constituency and Special Group Meetings/Events\*

### **Tuesday, March 10**

8:45 a.m. – 10:15 a.m. Concurrent Workshops  
10:30 a.m. – Noon Concurrent Workshops  
12:30 p.m. – 2:00 p.m. General Session and Lunch  
2:00 p.m. – 5:00 p.m. Delegates' Pre-scheduled Capitol Hill Visits  
5:15 p.m. – 6:30 p.m. State League Caucuses and Receptions  
6:30 p.m. – 7:30 p.m. The Capitol Steps

### **Wednesday, March 11**

All-Day-Delegates' Pre-scheduled Capitol Hill Visits

### **Pre-conference Activities:**

#### **Saturday, March 7**

9:00 p.m. – 5:00 p.m. NLC University Seminars\*  
5:30 p.m. – 7:00 p.m. Constituency and Special Group Meetings/Events\*

#### **Sunday, March 8**

8:30 a.m. – Noon NLC Board of Directors Meeting  
NLC Advisory Council Meeting  
9:00 p.m. – 5:00 p.m. NLC University Seminars\*  
1:30 p.m. – 4:00 p.m. Policy and Advocacy Committee Meetings/Events\*  
5:15 p.m. – 7:00 p.m. Constituency and Special Group Meetings  
5:30 p.m. – 6:45 p.m. Orientation to NLC for First Time Attendees

*\* Additional fees may apply*



**Town Council Regular Session**

**Item # 1.**

**Meeting Date:** 04/01/2015

---

**Information**

**Subject**

Presentation of \$15,000 in support of the Children's Museum of Oro Valley

**Summary**

Chief Sharp and the entire Oro Valley Police Department are pleased to present \$15,000 in funding to the Children's Museum Oro Valley. The Children's Museum Oro Valley completed and submitted a community organization application for funding assistance from the Oro Valley Police Department's Pima County Anti-Racketeering Funds; which was determined to meet the federal and state guidelines for community program support.

---



**Town Council Regular Session**

**Item # A.**

**Meeting Date:** 04/01/2015

**Requested by:** Julie Bower **Submitted By:** Mike Standish, Town Clerk's Office

**Department:** Town Clerk's Office

---

**Information**

**SUBJECT:**

Minutes - March 18, 2015

**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 March 18, 2015 minutes.

---

**Attachments**

3/18/15 Draft Minutes

---

**MINUTES  
ORO VALLEY TOWN COUNCIL  
REGULAR SESSION  
March 18, 2015  
ORO VALLEY COUNCIL CHAMBERS  
11000 N. LA CANADA DRIVE**

**REGULAR SESSION AT OR AFTER 5:00 PM**

**CALL TO ORDER**

Vice Mayor Waters called the meeting to order at 5:00 p.m.

**ROLL CALL**

**PRESENT:**

Lou Waters, Vice Mayor  
Brendan Burns, Councilmember  
Joe Hornat, Councilmember  
Mary Snider, Councilmember  
Mike Zinkin, Councilmember

**EXCUSED:**

Satish Hiremath, Mayor  
Bill Garner, Councilmember

**EXECUTIVE SESSION** - Pursuant to ARS 38-431.03(A)(1), 38-431.03(A)(3) and 38-431.03(A)(4) in order to receive legal advice and consider its position and instruct the Town Attorney regarding the Town's position in pending litigation relating to communications about the El Conquistador Country Club purchase, contract negotiations regarding same and pending litigation involving Arrett & Lamonna v. Oro Valley and Merens filing

**MOTION:** A motion was made by Councilmember Zinkin and seconded by Councilmember Snider to go into Executive Session at 5:01 p.m. pursuant to ARS 38-431.03(A)(1), 38-431.03(A)(3) and 38-431.03(A)(4) in order to receive legal advice and consider its position and instruct the Town Attorney regarding the Town's position in pending litigation relating to communications about the El Conquistador Country Club purchase, contract negotiations regarding same and pending litigation involving Arrett & Lamonna v. Oro Valley and Merens filing.

**MOTION** carried, 5-0.

**REGULAR SESSION AT OR AFTER 6:00 PM**

**CALL TO ORDER**

Vice Mayor Waters called the meeting to order at 6:00 p.m.

## **ROLL CALL**

**PRESENT:** Lou Waters, Vice Mayor  
Brendan Burns, Councilmember  
Joe Hornat, Councilmember  
Mary Snider, Councilmember  
Mike Zinkin, Councilmember

**EXCUSED:** Satish Hiremath, Mayor  
Bill Garner, Councilmember

## **PLEDGE OF ALLEGIANCE**

Staff Sergeant Ethan Estey, member of the Arizona Army National Guard, led the audience in the Pledge of Allegiance.

## **UPCOMING MEETING ANNOUNCEMENTS**

Communications Administrator Misti Nowak announced the upcoming Town meetings and events.

## **COUNCIL REPORTS and Spotlight on Youth**

Councilmember Snider recognized Desaray Horner, 8th Grader at Coronado K-8, for setting a good example for her peers and being an inspiration to everyone around her.

Vice Mayor Waters reported that the Town Council attended the Naranja Park ribbon cutting ceremony on Saturday, March 14th, celebrating the new multi-sport fields and dog park.

## **DEPARTMENT REPORTS**

Parks and Recreation Director Kristy Diaz-Trahan reported that the AZ Distance Classic would be held on Sunday, March 22nd at 6:30 a.m.

## **ORDER OF BUSINESS**

Vice Mayor Waters said the agenda would stand as posted.

## **CALL TO AUDIENCE**

Staff Sergeant Ethan Estey said he was an Arizona Army National Guard recruiter recently assigned to the Town of Oro Valley and his mission was to play an active role in the community and assist in any way possible.

Oro Valley resident Shirl Lamonna said that her motives for opposing the proposed apartments at Tangerine and Rancho Vistoso Roads were previously misrepresented. Ms. Lamonna clarified that her reasons for opposition to the apartments were due to increased traffic and safety issues, increased class sizes at schools, unproven market demand for apartments, the need to retain commercial zoning for future services for the community and the inconsistency with Oro Valley's General Plan vision, goals and policies.

## **CONSENT AGENDA**

- A. Minutes - March 4, 2015
- D. Resolution No. (R)15-21, approving a financial participation agreement between the Town of Oro Valley and the Children's Museum Oro Valley
- E. Resolution No. (R)15-22, revision to the Stone Canyon II Final Plat for Lot 167 located at 1063 W. Tortolita Mountain Circle within Rancho Vistoso, Neighborhood 11, by removing a portion of the designated "no-build area" and allowing encroachment into 25% or greater slopes with appropriate mitigation as enabled in the Rancho Vistoso Planned Area Development
- F. Resolution No. (R)15-23, authorizing and approving an archery Shooting Range Development Grant Agreement between the Arizona Game & Fish Department and the Town of Oro Valley in the amount of \$5,000 for the purchase of materials to construct a shade canopy at the Naranja Park archery range

**MOTION:** A motion was made by Councilmember Snider and seconded by Councilmember Burns to approve Consent Agenda items (A) and (D)-(F).

**MOTION** carried, 5-0.

## **B. Fiscal Year 2014/15 Financial Update through January 2015**

Councilmember Zinkin requested clarification regarding the Fiscal Year 2014/15 Financial Update through January 2015.

Finance Director Stacey Lemos answered Councilmember Zinkin's questions.

**MOTION:** A motion was made by Councilmember Zinkin and seconded by Councilmember Burns to accept item (B).

**MOTION** carried, 5-0.

## **C. Request for approval of a Final Plat for Block 3 of the Maracay at Vistoso subdivision, located on the northwest corner of the Pebble Creek Drive and**

## La Canada Drive intersection

Councilmember Hornat introduced Paul Oland and his daughter.

**MOTION:** A motion was made by Councilmember Hornat and seconded by Councilmember Snider to accept item (C).

**MOTION** carried, 5-0.

## REGULAR AGENDA

### 1. DISCUSSION AND POSSIBLE ACTION REGARDING A REQUEST FOR APPROVAL OF A PROPOSED CONCEPTUAL SITE PLAN, LANDSCAPE PLAN, AND USE OF THE RECREATION AREA IN-LIEU FEE OPTION FOR A 3-LOT SUBDIVISION LOCATED NORTH OF DESERT SKY ROAD, APPROXIMATELY ONE-QUARTER MILE WEST OF ORACLE ROAD

Senior Planner Michael Spaeth presented item #1 and outlined the following:

- Location Map
- Recreation Area
- Public Participation
- Summary and Recommendation

Ken Perry, representative for Perry Engineering, introduced himself and was present to answer questions.

The following individual spoke on item #1.

Oro Valley resident Carmel Bellamy

In response to Ms. Bellamy, applicant Tom Baily said that he would like to start the project as soon as he could.

**MOTION:** A motion was made by Councilmember Zinkin and seconded by Councilmember Snider to approve the requested Conceptual Site Plan, Landscape Plan and Recreation Area In-lieu Fee for the proposed 3-lot subdivision, subject to the condition listed in Attachment 1, finding that the request is consistent with the Design Review Principles and Standards of the Zoning Code.

Attachment 1  
Condition of Approval

### Planning Condition

1. Revise the Recreation Area In-lieu Fee proposal to the correct amount of \$8,022.00.

**MOTION** carried, 5-0.

**2. RESOLUTION NO. (R)15-24, APPROVING A ONE-TIME PAYMENT TO THE ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS) TO ADDRESS THE INCREASING UNFUNDED LIABILITY OF THE PLAN**

Ms. Lemos presented item #2 and outlined the following:

- Overview of PSPRS Pension Plan
- Impact of Senate Bill 1609
- Oro Valley Unfunded Liability
- Oro Valley Unfunded Liability (Debt) History
- FY 2015/16 Employer Contributions

Discussion ensued amongst Council and staff regarding item #2.

**MOTION:** A motion was made by Councilmember Snider and seconded by Councilmember Hornat to approve Resolution No. (R)15-24, approving a one-time payment in the amount of \$300,000 to the Public Safety Personnel Retirement System in order to reduce the increased unfunded liability of the plan.

**MOTION** carried, 5-0.

**3. DISCUSSION AND POSSIBLE DIRECTION REGARDING TOPICS FOR A FUTURE STUDY SESSION ON SENIOR CARE USES**

Town Manager Greg Caton summarized the timeline of events that led to the placement of this item on tonight's agenda.

Principal Planner Chad Daines presented item #3 and outlined the following:

- Exterior to Building Topics
- Interior to Building Topics
- Possible Guidelines

Councilmember Zinkin said he would like to see different requirements for different senior care uses (i.e. Independent Living, Assisted Living, Memory Care etc.)

Councilmember Burns said he would like to review different requirements for different size facilities.

Councilmember Hornat said he was comfortable with utilizing the state standards and/or International Codes for interior regulations but Council should have purview over the outside of the building in each of the different categories of senior care. Councilmember Hornat further stated that he preferred to use the C.U.P. process for approval.

Councilmember Snider said that the interior regulations should be governed by the state standards and/or International Codes and that she would prefer to review exterior issues.

Councilmember Burns said he liked the C.U.P. approval process as well and that he would like to look at some interior topics but not necessarily safety related issues.

Vice Mayor Waters agreed that each category of senior care uses should have its own regulations.

Councilmember Snider and Vice Mayor Waters agreed that the Town should receive input not only from residents at senior care facilities, but management as well.

The Council agreed that an on-site study session would be beneficial.

### **FUTURE AGENDA ITEMS**

Councilmember Zinkin requested a future agenda item to be placed on the April 1st Council agenda to discuss possibilities for paying back General Fund contingencies, seconded by Councilmember Burns.

### **CALL TO AUDIENCE**

No comments were received.

### **ADJOURNMENT**

**MOTION:** A motion was made by Councilmember Snider and seconded by Councilmember Zinkin to adjourn the meeting at 7:18 p.m.

**MOTION** carried, 5-0.

Prepared by:

---

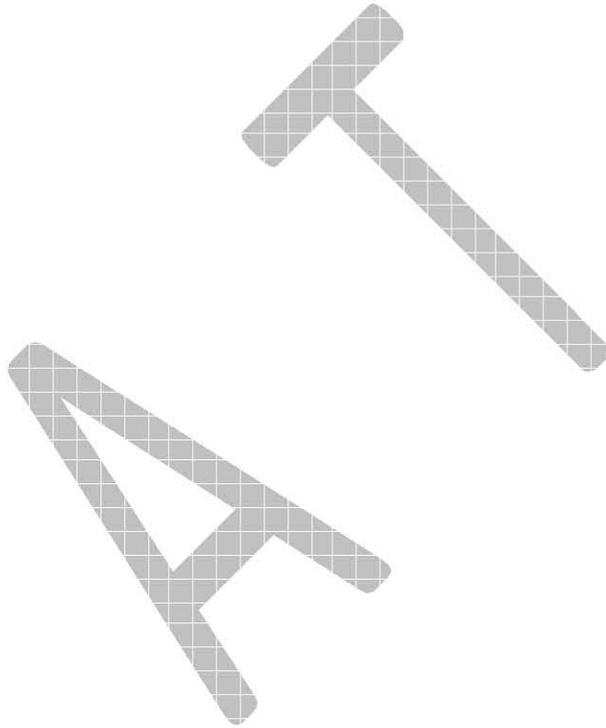
Michael Standish, CMC  
Deputy Town Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular session of the Town of Oro Valley Council of Oro Valley, Arizona held on the 18<sup>th</sup> day of March, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

---

Julie K. Bower, MMC  
Town Clerk





**Town Council Regular Session**

Item # **B.**

**Meeting Date:** 04/01/2015  
**Submitted By:** Julie Bower, Town Clerk's Office  
**Department:** Town Clerk's Office

---

**Information**

**SUBJECT:**

Appointment to the Parks & Recreation Advisory Board (PRAB)

**RECOMMENDATION:**

The selection committee for the PRAB recommends the appointment of Betty Danker for a term expiring December 31, 2015.

**EXECUTIVE SUMMARY:**

A vacancy occurred on the board due to the resignation of Jack Stinnett. Interviews of applicants were conducted by the selection committee. Ms. Danker's application is attached.

**BACKGROUND OR DETAILED INFORMATION:**

The seven-member PRAB acts in an advisory capacity to the Council in matters pertaining to parks and recreation, parks design, open space and trail use.

**FISCAL IMPACT:**

N/A

**SUGGESTED MOTION:**

I MOVE to (approve/deny) the appointment of Betty Danker to the Parks and Recreation Advisory Board for a term expiring December 31, 2015. This partial term shall not count against the appointee's term limits.

---

**Attachments**

Application

---



**boards or commissions on which you have served : (board/commission , civic, educational, cultural, social, etc.)**

---

I have been a volunteered with Boy Scouts of America, PTA at Oro Valley and Naperville IL schools, Involved with Marching Band and AYSO soccer and baseball (long time ago) I have volunteered in the past for March of Dimes, Relay for Life, Junior Welfare Association and Newcomers Club. I have volunteered for several golf tournaments, including the WGC Accenture. I am a past employee of the El Conquistador Golf Shop and Naperbrook Golf Course, a division of Naperville Parks and Rec and I'm currently employed at the Oro Valley Country Club in the golf shop. I have also served as a Board member on my HOA.

**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.**

---

I feel I could give some valuable insight in regards to golf and help answer questions on how things "work" I'm a hard worker and very dedicated in helping make Oro Valley a great place to live and work.

**Briefly describe your educational/vocational background.**

---

I graduated from Longmont High School in Colorado and began a career in the Savings and Loan industry, in which I held a variety of position starting from a part time teller to a regional manager. After several relocations due to my husbands career advancements, we decided to settle in Oro Valley and I began working in the hospitality industry, which lead me to the golf industry. I've always been very focused on customer service and volunteer work.

**Have you attended the Community Academy or CPI?**

---

Yes  No

2005?

---

If yes, what year?

**If no, are you willing to attend?**

---

Yes  No

---

Please attach any additional documents here

Please read the information contained in Appendices "B" and "C" of the Parliamentary Rules and

Procedures before continuing.

[Appendix "B" - Appointment Process](#)

[Appendix "C" - Volunteer Consideration](#)

**Please Agree with the Following Statement**

---

**By clicking this box, I certify that I have read the information contained in Appendices "B" and "C" of the Parliamentary Rules and Procedures.**

---

I Agree \*



## Town Council Regular Session

Item # **C.**

**Meeting Date:** 04/01/2015  
**Requested by:** Paul Keesler  
**Submitted By:** Aimee Ramsey, Development Infrastructure Services  
**Department:** Development Infrastructure Services

---

### Information

#### **SUBJECT:**

Resolution No. (R)15-26, authorizing the Intergovernmental Transportation Funding Agreement between the Regional Transportation Authority of Pima County and the Town of Oro Valley for improvements to La Cholla Boulevard: Overton Road to Tangerine Road

#### **RECOMMENDATION:**

Staff recommends approval.

#### **EXECUTIVE SUMMARY:**

On May 16, 2006, the residents of Pima County approved a \$2.1 billion Regional Transportation Authority (RTA) transportation plan to be funded by a one-half cent increase in the sales tax. The La Cholla Boulevard widening project from Magee Road to Tangerine Road is one of the approved projects in the RTA plan.

The project consists of widening approximately five (5) miles of La Cholla Boulevard from a two-lane roadway to a four-lane arterial desert parkway between Magee Road and Tangerine Road. The segment from Magee Road to Overton Road was recently completed (constructed) by Pima County Department of Transportation. This IGA will provide funds to design the final segment from Overton Road to Tangerine Road.

#### **BACKGROUND OR DETAILED INFORMATION:**

The La Cholla Boulevard corridor is one of Oro Valley's main arterials. As a result, this widening project is supported in both the long range Regional Transportation Plan (RTP) and the Regional Transportation Authority (RTA) plan. The main purpose of the project is to improve La Cholla Boulevard to provide capacity for future traffic demands, improve traffic safety and operations, reduce congestion, and increase mobility.

The project spans across two jurisdictions, approximately 2.5 miles in Pima County and 2.5 miles in the Town of Oro Valley for a total length of 5 miles. The RTA plan calls for this project to be completed in two phases, but the phasing was not specified. Pima County Department of Transportation and the Town of Oro Valley Development and Infrastructure Services Department agreed that Magee Road to Overton Road would be the logical limits for phase one as it allows for the bridging of the Cañada Del Oro Wash at-grade crossing. Phase two would be from Overton Road to Tangerine Road. Pima County Department of Transportation recently completed the construction of phase one, approximately 1.5 miles in length.

At this time, Pima County has removed La Cholla Boulevard as one of its top roadway priorities, but it remains Oro Valley's top priority due to its heavy use by motorists. In mid-2014, the RTA and staff

entered into discussion as to the feasibility of funding phase two, approximately 3.5 miles in length, and assigning the lead agency to Oro Valley in order to continue to move forward on the final stages of design. As lead agency, the Town of Oro Valley will be the lead for the completed project from design to construction. A financial plan and budget will be developed during the design phase. Although the Town will take responsibility for keeping the project within its allocated budget, the project's design financing comes from the RTA.

The design phase of this project is tentatively scheduled to last approximately 17 months. The IGA is scheduled for consideration and approval by the RTA Board on March 26, 2015.

**FISCAL IMPACT:**

The RTA will provide all of the funding for the design. The total estimated design cost is expected to be \$2,000,000, and may span two fiscal years. However, the total capacity (expenditures we will pay the consultant(s) as well as revenue received from the RTA as reimbursement to pay said consultants) for the design phase is included in the Development & Infrastructure Services Department budget request for FY 2015/16. This is done in case the design and timeline can be accelerated and completed in one fiscal year.

The current conceptual design exhibits a \$5,000,000 gap between anticipated total project cost of \$30,000,000 and total available funding of \$25,000,000. The purpose of this design phase is to evaluate the project to eliminate the funding gap. This may be accomplished through various means such as modification of scope or elimination of conceptual elements that are not essential for the function of the desert parkway.

After the design is complete, and scoped within available budget funding, the project will move into the construction phase. The RTA will provide considerable funding for the construction, which the Town and Pima County will supplement with dedicated impact fees, as depicted in Exhibit A (attached). Per the RTA plan, the Town of Oro Valley has committed \$800,000 of impact funds and will be used towards the construction cost.

The breakdown of total project funding responsibilities are as follows:

- The RTA - \$23,000,000
- Pima County - \$1,000,000
- Oro Valley - \$800,000

**SUGGESTED MOTION:**

I MOVE to (approve / deny) Resolution No. (R)15-26, authorizing the Intergovernmental Transportation Funding Agreement between the Regional Transportation Authority of Pima County and the Town of Oro Valley for design of improvements to La Cholla Boulevard.

---

**Attachments**

(R)15-26 RTA La Cholla Improvements

Agreement

Exhibit A

---

**RESOLUTION NO. (R)15-26**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, AUTHORIZING AND APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY AND THE TOWN OF ORO VALLEY FOR DESIGNING IMPROVEMENTS TO LA CHOLLA BLVD FROM OVERTON ROAD TO TANGERINE ROAD**

**WHEREAS**, the Town of Oro Valley and the Regional Transportation Authority (RTA) may contract for services and enter into agreements with one another for joint or cooperative action pursuant to A.R.S. 11-952; and

**WHEREAS**, the Town is authorized by A.R.S. § 9-240(B)(3) to design, maintain, control and manage public roads within the boundaries of the Town; and

**WHEREAS**, A.R.S. § 48-5301, *et seq.* authorizes the Authority to act as a regional taxing authority for the purpose of funding multi-modal transportation operations and improvements identified in the Regional Transportation Plan (“the Plan”) approved by the voters at the special election held in Pima County, Arizona on May 16, 2006; and

**WHEREAS**, a Regional Transportation Fund was established by the Arizona Legislature pursuant to A.R.S. § 48-5307 to be the repository for those funds collected for the purpose of funding the transportation projects identified in the Plan; and

**WHEREAS**, the Authority is authorized by A.R.S. §§ 48-5304 (16) and 48-5308 to administer and distribute the regional transportation funds to the members of the Authority and to sell bonds in furtherance of that purpose to fund those projects or programs identified in the Plan; and

**WHEREAS**, the Town desires to design a four lane desert parkway along the La Cholla Blvd alignment from Overton Road to Tangerine Road for the amount of \$2,000,000.00; and

**WHEREAS**, the design of a four lane desert parkway along the La Cholla Blvd alignment from Overton Road to Tangerine Road is one of the transportation projects included in the Plan or is eligible for funding as part of a categorical program included in the Plan; and

**WHEREAS**, the Town of Oro Valley will be responsible for the design and construction of the project; and

**WHEREAS**, it is in the best interest of the Town of Oro Valley to enter into the Intergovernmental Agreement, attached hereto as Exhibit “A”, with the Regional Transportation Authority of Pima County for the design of a four lane desert parkway along the La Cholla Blvd alignment from Overton Road to Tangerine Road for the amount of \$2,000,000.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Town of Oro

Valley, Arizona that the Intergovernmental Agreement, attached hereto as Exhibit "A", by and between the Regional Transportation Authority and the Town of Oro Valley is hereby approved.

**NOW, BE IT FURTHER RESOLVED** that the Mayor and any other administrative officials of the Town of Oro Valley are hereby authorized to take such steps as are necessary to execute and implement the terms of the Intergovernmental Agreement.

**PASSED AND ADOPTED** by the Mayor and Town Council of the Town of Oro Valley, Arizona this 1<sup>st</sup> day of April, 2015.

**TOWN OF ORO VALLEY**

\_\_\_\_\_  
Dr. Satish I. Hiremath, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Julie K. Bower, Town Clerk

\_\_\_\_\_  
Tobin Sidles, Legal Services Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**INTERGOVERNMENTAL TRANSPORTATION FUNDING AGREEMENT  
BETWEEN  
THE REGIONAL TRANSPORTATION AUTHORITY OF PIMA COUNTY  
AND  
TOWN OF ORO VALLEY  
FOR  
IMPROVEMENTS TO  
LA CHOLLA BLVD: OVERTON ROAD TO TANGERINE ROAD**

This Agreement (hereinafter “the Agreement”) is entered into by and between the Regional Transportation Authority of Pima County (“RTA” or “the Authority”), a special taxing district formed pursuant to Title 48 Chapter 30 of the Arizona Revised Statutes (A.R.S.), and Town of Oro Valley, a body politic and corporate of the State of Arizona (“the Lead Agency”) pursuant to A.R.S. § 11-952.

**RECITALS**

- A. A.R.S. § 48-5301, et seq., authorizes the Authority to act as a regional taxing authority for the purpose of funding multi-modal transportation operations and improvements identified in the Regional Transportation Plan (“the Plan”) approved by the voters at the special election held in Pima County, Arizona, on May 16, 2006.
- B. The governing board of the Authority is composed of representatives of each member of the regional council of governments in accordance with A.R.S. § 48-5303.
- C. Pursuant to A.R.S. § 48-5304 (12), the governing board of the Authority has sole authority to implement the elements of the Plan.
- D. Pursuant to A.R.S. § 48-5304 (13), the governing board of the Authority shall coordinate the implementation of the Plan among the local jurisdictions.
- E. A Regional Transportation Fund was established by the Arizona Legislature per A.R.S. § 48-5307 to be the repository for those funds collected for the purpose of funding the transportation projects identified in the Plan.
- F. The Authority is authorized by A.R.S. §§ 48-5304 (16) and 48-5308 to administer and distribute the regional transportation funds to the members of the Authority and to sell bonds in furtherance of that purpose to fund those projects or programs identified in the Plan.
- G. The Lead Agency is authorized by A.R.S. § 11-251 (4) to design, maintain, control and manage public roads within the Lead Agency’s jurisdictional boundaries.
- H. The Lead Agency may have a legal contract with one or more jurisdictions within Pima County empowering the Lead Agency to perform roadway and other improvements outside the Lead Agency’s jurisdictional boundaries.
- I. The Lead Agency and the Authority wish to cooperate in the design of improvements to the La Cholla Blvd: Overton Road to Tangerine Road (“the Project”).

- J. The Project is one of the transportation projects included in the Plan or is eligible for funding as part of a categorical program included in the Plan.
- K. The Authority intends to fund the Project under the terms and conditions contained in this Agreement and has entered into this Agreement for that purpose.
- L. It is the policy of the Authority to require that a lead agency be identified and an intergovernmental agreement (IGA) be approved and entered into by the Authority and the lead agency before requests for funding reimbursement or payment can be processed by the Authority.
- M. Town of Oro Valley has been identified as the Lead Agency for the Project and will be responsible for all aspects of project implementation including, but not limited to, planning, project management, risk management, design, for the Project.
- N. The RTA's Administrative Code will control all payments and other procedures unless otherwise specified herein.
- O. The Authority and the Lead Agency may contract for services and enter into agreements with one another for joint and cooperative action pursuant to A.R.S. § 11-951, et seq.

NOW, THEREFORE, the Town of Oro Valley and Authority, pursuant to the above and in consideration of the matters and things set forth herein, do mutually agree as follows:

**AGREEMENT**

- 1. Purpose.** The purpose of this Agreement is to set forth the responsibilities of the parties for the design, of the Project and to address the legal and administrative matters among the parties.
- 2. Project.** The Project consists of Improvements to La Cholla Blvd from Overton Road to Tangerine Road (RTA #4) as more fully depicted in the attached Exhibit A, including the following:
  - a) Detailed project scope.
  - b) Project budget and cost breakdown of items eligible for reimbursement by the Authority including any proposed billing of staff time directly attributable to Project.
  - c) Total amount of RTA funding allowed for the Project plus a breakdown of any other regional, local, federal or state funding available.
  - d) Estimated construction start date.
  - e) Identification of the Lead Agency's duly authorized representative for signing and submitting payment requests.
  - f) Projected timeline.
- 3. Effective Date; Term.** This Agreement shall become effective upon filing a fully executed original with the office of the Pima County Recorder and shall continue in effect until all improvements constructed pursuant to this Agreement are completed, all eligible reimbursement payments to the Lead Agency are concluded, and all warranties applicable to the Project have expired.

#### **4. Responsibilities of the Lead Agency.**

- a) The Lead Agency shall be responsible for the design, of the Project in accordance with this Agreement and all applicable public roadway, traffic signal, and street lighting design and construction standards. Design Standards are federal, state, county or municipal standards for engineering, traffic, safety or public works facilities design. Examples of Design Standards include the American Association of State Highway and Transportation Officials and Federal Highway Administration standards for highway engineering and construction, the Pima County/City of Tucson Standard Specifications for Public Improvements, the Pima County Roadway Design Manual, the Pima County Department of Transportation /City of Tucson Department of Transportation Pavement Marking Design Manual, and Pima County and municipal design guidelines for roadway lane widths and level of drainage protection.
- b) If consultants or contractors are employed to perform any portion of the Project, the Lead Agency shall be responsible for the contracts for design of the Project and shall select the consultants and contractors to be used on the Project. The Lead Agency shall immediately provide to the Authority copies of any and all contract documents and related materials upon request by the Authority. The Lead Agency shall retain the usual rights of the owner of a public contract including the authority to approve changes and make payments. However, any changes to the Project which would result in the final project cost deviating, by ten or more percent, from the Authority's budget amount for the Project, must be approved by the Authority in advance of those changes being made, regardless of the fact that the Authority will not be paying for them.
- c) The final cost of the Project shall be that amount necessary to complete the Project including any unanticipated work incorporated into the Project by change orders and amendments executed by the Lead Agency. The Lead Agency shall be responsible for all Project costs in excess of the RTA funds contributed to the Project.
- d) The Lead Agency will be responsible for assuming all risks associated with the Project except those that are assigned to another agency or jurisdiction that has agreed to that assumption.
- e) The Lead Agency shall require its contractors performing any portion of the Project to name the Authority as additional insured and additional indemnitee with respect to insurance policies for general liability, automobile liability and defects in design in all of the Lead Agency's contracts for the Project. The Lead Agency shall also require its contractors to name the Authority as an additional beneficiary in any performance and payment related assurances posted for the Project.
- f) Monthly, the Lead Agency shall be responsible for preparing and submitting to the Authority reimbursement requests (invoices). Said requests shall be signed by a duly authorized representative of the Lead Agency and shall include sufficient background information documenting payments made to contractors, vendors or any other eligible costs identified in this Agreement or the RTA's Administrative Code. The Lead Agency must retain and certify all vendor receipts, invoices and any related Project records as needed and ensure that they are available for review for a minimum of five (5) years after final payment is made unless otherwise specified herein.

- g) The Lead Agency shall be responsible for submitting a status report describing its progress and adherence to the Project scope, schedule and budget. Progress reports shall be submitted to the RTA monthly.
- h) The Lead Agency shall adhere to the RTA Administrative Code, including the requirements for a Project Charter (where applicable), a Project Closeout Meeting (Roadway Element Projects) and reimbursement limits.
- i) The Lead Agency shall indemnify, defend, and hold RTA and any other funding providers harmless from any and all claims, demands, suits, actions, proceedings, loss cost, and damages of every kind and description, including any reasonable attorneys' fees and/or litigation expenses, which may be brought or made against RTA and any other funding providers, and any of their officers, directors and employees, or any person, regardless of who makes the claim, to the extent they result from the negligent or wrongful acts of the Lead Agency or its contractors, or any of their employees, agents, representatives, or sub-contractors, in connection with or incidental to the performance of this IGA. The indemnity provided in this section shall survive termination of this IGA.

#### **5. Responsibilities of Authority.**

- a) Upon receipt of reimbursement requests, the Authority shall convey to the Lead Agency RTA funds in the amount specified in Exhibits on a reimbursement basis unless otherwise specified herein. All payments and reimbursements shall follow the policies outlined in the RTA's Administrative Code.
- b) Reimbursements will generally be based on the Project schedules established by the Lead Agency and contained in Exhibits.
- c) The RTA staff will review all payment requests to confirm that the request is for reimbursement of costs incurred by the Lead Agency for the Project. If the Authority determines that additional information is needed, the Lead agency will be notified of the request for additional information within five business days of the receipt of the invoice by RTA.
- d) Upon approval of the request by RTA, the invoice will be processed for payment within ten working days of the invoice submittal.
- e) RTA shall provide all necessary cooperation and assistance to its fiscal agent to process all payment requests from the Lead Agency.

**6. Termination.** Either party may terminate this Agreement for material breach of the Agreement by the other party. Prior to any termination under this paragraph, the party allegedly in default shall be given written notice by the other party of the nature of the alleged default. The party said to be in default shall have forty-five days to cure the default. If the default is not cured within that time, the other party may terminate this Agreement. Any such termination shall not relieve either party from liabilities or costs already incurred under this Agreement.

**7. Non-assignment.** Neither party to this Agreement shall assign its rights under this Agreement to any other party without written permission from the other party to this Agreement.

**8. Construction of Agreement.**

- a) Entire agreement. This instrument 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. Any exhibits to this Agreement are incorporated herein by this reference.
- b) Amendment. This Agreement may be modified, amended, altered or changed only by written agreement signed by both parties.
- c) Construction and interpretation. All provisions of this Agreement shall be construed to be consistent with the intention of the parties as expressed in the Recitals hereof.
- d) Captions and headings. The headings used in this Agreement are for convenience only and are not intended to affect the meaning of any provision of this Agreement.
- e) Severability. In the event that any provision of this Agreement or the application thereof is declared invalid or void by statute or judicial decision, such action shall have no effect on other provisions and their application, which can be given effect without the invalid or void provision or application, and to this extent the provisions of the Agreement are severable. In the event that any provision of this Agreement is declared invalid or void, the parties agree to meet promptly upon request of the other party in an attempt to reach an agreement on a substitute provision.
- f) This Agreement is subject to the provisions of A.R.S. § 38-511.

**9. Ownership of Improvements.** Ownership and title to all materials, equipment and appurtenances installed pursuant to this Agreement shall automatically vest in the Lead Agency upon completion of the Project.

**10. Legal Jurisdiction.** Nothing in this Agreement shall be construed as either limiting or extending the legal jurisdiction of the Lead Agency or the Authority.

**11. No Joint Venture.** It is not intended by this Agreement to, and nothing contained in this Agreement shall be construed to, create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between the Lead Agency and any Authority employees, or between Authority and any Lead Agency employees. Neither party shall be liable for any debts, accounts, obligations nor other liabilities whatsoever of the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.

**12. No Third Party Beneficiaries.** Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care different from the standard of care imposed by law.

**13. Compliance with Laws.** The parties shall comply with all applicable federal, state and local laws, rules, regulations, standards and executive orders, without limitation to those designated within this Agreement.

- a) **Anti-Discrimination.** Neither party shall discriminate against any employee or client of either party 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 the duties pursuant to this Agreement. Both parties shall comply with applicable provisions of Executive Order 75-5, as amended by Executive Order 2009-09 of the Governor of Arizona, which are incorporated into this Agreement by reference as if set forth in full herein, including the provisions of A.R.S. ' 41-1463.
- b) **Americans with Disabilities Act.** This Agreement is subject to 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.

**14. Waiver.** Waiver by either party of any breach of any term, covenant or condition herein contained shall not be deemed a waiver of any other term, covenant or condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.

**15. Force Majeure.** A party shall not be in default under this Agreement if it does not fulfill any of its obligations under this Agreement because it is prevented or delayed in doing so by reason of uncontrollable forces. The term "uncontrollable forces" shall mean, for the purpose of this Agreement, any cause beyond the control of the party affected, including but not limited to failure of facilities, breakage or accident to machinery or transmission facilities, weather conditions, flood, earthquake, lightning, fire, epidemic, war, riot, civil disturbance, sabotage, strike, lockout, labor dispute, boycott, material or energy shortage, casualty loss, acts of God, or action or non-action by governmental bodies in approving or failing to act upon applications for approvals or permits which are not due to the negligence or willful action of the parties, order of any government officer or court (excluding orders promulgated by the parties themselves), and declared local, state or national emergency, which, by exercise of due diligence and foresight, such party could not reasonably have been expected to avoid. Either party rendered unable to fulfill any obligations by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch.

**16. Notification.** All notices or demands upon any party to this Agreement shall be in writing, unless other forms are designated elsewhere, and shall be delivered in person or sent by mail addressed as follows:

The Authority:  
Farhad Moghimi, Executive Director  
1 E. Broadway, Ste. 401  
Tucson, AZ 85701

Town of Oro Valley:  
Paul Keesler, DIS Director/Town Engineer  
11000 N La Cañada Drive  
Oro Valley, AZ 85737

**17. Remedies.** Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or in equity or by virtue of this Agreement.



**ATTORNEY CERTIFICATION**

The foregoing Agreement by and between the Regional Transportation Authority of Pima County and Town of Oro Valley has been reviewed pursuant to A.R.S. Section 11-952 by the undersigned who have determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement.

**Regional Transportation Authority of Pima County:**

\_\_\_\_\_  
Thomas Benavidez, Attorney for the Authority

\_\_\_\_\_  
Date

**Town of Oro Valley:**

\_\_\_\_\_  
Tobin Sidles, Legal Services Director

\_\_\_\_\_  
Date

# Regional Transportation Authority of Pima County

Exhibit: **A**      Item: **1**      RTA Resolution: **2015-**

1 . **TIP Project Number:** **87.03**      **RTA Ballot:** **04**      **RTA Project ID:** **04\_b**

2 . **Sponsor:** **Oro Valley**

3 . **RTA Plan Element:** **I Roadway**

4 . **RTA Plan Sub-Element (If Applicable):**

5 . **Project Name:** **La Cholla Blvd. - Tangerine to Overton**

<b>6 . Work Phase Covered by the Exhibit:</b>	<b>Planning/Design:</b>	\$ 2,000,000
	<b>Right of Way:</b>	
	<b>Construction:</b>	
	<b>Operations:</b>	

**7 . Project Manager Information (person responsible for Status Reports):**

Name:	Jose Rodriguez		
Mailing Address	11000 N. La Cañada Drive		
City, ST Zipcode	Oro Valley	AZ	85704
Telephone Number:	(520) 229-4872		
Fax Number:	(520) 742-1022		
Email Address:	<a href="mailto:jrodriguez@orovalleyaz.gov">jrodriguez@orovalleyaz.gov</a>		

**8 . Authorized Representative(s) (will sign & submit pay requests):**

Name:	Aimee Ramsey		
Mailing Address	11000 N. La Cañada Drive		
City, ST Zipcode	Oro Valley	AZ	85704
Telephone Number:	(520) 229-4874		
Fax Number:	(520) 742-1022		
Email Address:	<a href="mailto:aramsey@orovalleyaz.gov">aramsey@orovalleyaz.gov</a>		

Name:	Lynn Garcia		
Mailing Address	11000 N. La Cañada Drive		
City, ST Zipcode	Oro Valley	AZ	85704
Telephone Number:	(520) 229-4875		
Fax Number:	(520) 742-1022		
Email Address:	<a href="mailto:lgarcia@orovalleyaz.gov">lgarcia@orovalleyaz.gov</a>		

**9 . Narrative Description of Project Scope, including improvements to be made and project intent (discuss how project will address problematic areas):**

This project is for design ONLY of the La Cholla Blvd. corridor from Overton to Tangerine. It is anticipated that this will be a 17 month long project, which will end with construction documents and accurate cost projections for the build portion of this roadway enhancement.

**10 . Total maximum amount of Authority funding allowed for the Project or Project Component, under this Exhibit:**

\$ 2,000,000

# Regional Transportation Authority of Pima County

Exhibit: **A**      Item: **1**      RTA Resolution: **2015-**

**11 . Total maximum amount of Authority funding allowed for the Project or Project component to-date, including this exhibit. (If this is an amendment to an existing contract, please give the requested amended total.**

	\$ 2,000,000
--	--------------

**12 . Project Budget by Funding Source, Total Project Funding Expected by Phase.**

Planning/Design =  
 Right of Way =  
 Construction =  
 Operations =  


---

**Total =**

RTA	Non-RTA	Total
\$ 6,600,000	\$ -	\$ 6,600,000
\$ 3,000,000	\$ -	\$ 3,000,000
\$ 32,633,000	\$ 6,100,000	\$ 38,733,000
\$ -	\$ -	\$ -
<hr style="width: 100%;"/>	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
\$ 42,233,000	\$ 6,100,000	\$ 48,333,000

**13 . Project Budget by Funding Source, This Exhibit:**

Planning/Design =  
 Right of Way =  
 Construction =  
 Operations =  


---

**Total =**

RTA	Non-RTA	Total
\$ 2,000,000	\$ -	\$ 2,000,000
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
<hr style="width: 100%;"/>	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
\$ 2,000,000	\$ -	\$ 2,000,000

**14 . Funding Sources (current year dollars):**

RTA  
 STP  
 12.6% Funds  
 2.6% Funds  
 Impact Fees - Pima County  
 Bond Funds  
 General Fund  
 Fare Box Revenue  
 FTA Funds  
 Other (Oro Valley Impact Fees)  
**Total Funding Sources:**

Total Funding Required	Total Funding, This Exhibit
\$ 42,233,000	\$ 2,000,000
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ 5,300,000	\$ -
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ -	\$ -
\$ 800,000	\$ -
<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
\$ 48,333,000	\$ 2,000,000

**15 . Estimated completion date of work funded by this IGA, and duration:**

6/30/2017

**Regional Transportation Authority of Pima County**  
**Town of Oro Valley**  
**Exhibit A – Item 2**

**Scope of work:**

The Town of Oro Valley will oversee the final design and construction of the La Cholla Boulevard Roadway Improvements project from Overton Road to Tangerine Road, approximately 3.2 miles in length. Oro Valley will hire a qualified firm to provide roadway planning and engineering design services. The roadway improvements will include but are not be limited to: widening the existing roadway from two lanes to four lanes, turning lanes at intersections and cross streets, landscaped median, multi-use lanes, storm culverts, sidewalks, right-of-way acquisitions, utility relocations and coordination, environmental mitigation, and Specifications & Estimate (PS&E) documents for construction.

**Project Funds:**

The total project funding for the La Cholla Boulevard from Magee Road to Tangerine Road as approved in the Regional Transportation Authority Plan (project No. 4) is \$48,333,000. \$42,233,000 from the Regional Transportation Authority (RTA), \$5,300,000 from Pima County (PC) and \$800,000 from the Town of Oro Valley (OV). The total available funding for the final phase of La Cholla Boulevard from Overton Road to Tangerine Road is approximately \$25,000,000. \$23,200,000 from the RTA, \$1,000,000 PC, and \$800,000 from OV.

**Project Cost:**

The total project cost for the final phase of La Cholla Boulevard from Overton Road to Tangerine Road is approximately \$30,000,000. \$2,000,000 for planning and design, \$21,000,000 for construction, \$2,500,000 for construction administration, \$3,600,000 for right-of-way, \$750,000 for utility relocation, and \$150,000 for environmental mitigation.

<b>La Cholla Boulevard, Overton Road to Tangerine Road COST ESTIMATE ( 3.2 Miles in length)</b>	
<b>Construction Cost</b>	\$21,000,000.00
<b>12% Construction Management =</b>	\$2,500,000.00
<b>10% Engineering and Planning =</b>	\$2,000,000.00
<b>Environmental Mitigation =</b>	\$150,000.00
<b>Right-of-Way</b>	\$3,600,000.00
<b>Utility Relocation</b>	\$750,000.00
<b>Total Project Cost* =</b>	<b>\$30,000,000.00</b>

\*Cost estimate from preliminary work performed by URS. Project construction depended on available Regional Transportation Authority Funding availability.



**TOWN OF ORO VALLEY  
DEVELOPMENT AND INFRASTRUCTURE SERVICES DEPARTMENT**

La Cholla Blvd - Tangerine Road to Overton

3/3/2015

**Contracts - IGA Development with RTA**

Saturday, March 07, 2015 Thursday, March 26, 2015 IGA Development/Approval RTA Board  
 Wednesday, April 01, 2015 IGA Development/Approval OV Town Council

**Selection of Design Firm**

Tuesday, March 03, 2015 Saturday, March 14, 2015 Scope of Work Statement Qualification  
*probable* Saturday, March 21, 2015  
 Saturday, March 21, 2015 Saturday, April 18, 2015 Consultants Response  
 Tuesday, April 21, 2015 Saturday, May 09, 2015 Panel Review  
 Tuesday, May 12, 2015 Saturday, May 16, 2015 Panel Evaluations and selection of firms  
 Tuesday, May 19, 2015 Saturday, May 30, 2015 Interview selected Design Firms - award  
 Tuesday, June 02, 2015 Saturday, June 06, 2015 **Select and Negotiate Price**

**Actual Design**

Tuesday, June 23, 2015 Wednesday, December 21, 2016 **Begin Design and implement timeline provided**  
*probable* Tuesday, June 20, 2017

**Construction Begins July 1 2017**



## Town Council Regular Session

Item # **1.**

**Meeting Date:** 04/01/2015  
**Requested by:** Philip Saletta      **Submitted By:** Philip Saletta, Water  
**Department:** Water

---

### Information

#### **SUBJECT:**

CONSIDERATION AND ACCEPTANCE OF THE ORO VALLEY WATER UTILITY COMMISSION ANNUAL REPORT, DATED APRIL 2015

#### **RECOMMENDATION:**

The Water Utility Commission and Staff recommend Council accept the report.

#### **EXECUTIVE SUMMARY:**

Pursuant to Oro Valley Town Code Article 15-4-5, the Water Utility Commission is to render an annual report to the Town Council. As a result, the Water Utility Commission Annual Report, dated April 2015, is attached for Council's review and consideration.

This report is the Commission's 19th annual report and includes information on the activities and accomplishments of the Water Utility, identifying water-related matters and issues facing the Town currently and in the future. The Water Utility Commission reviewed and approved the report on March 9, 2015.

#### **BACKGROUND OR DETAILED INFORMATION:**

The Water Utility Commission Annual Report, dated April 2015, includes the following information:

- Delivered 2.28 billion gallons of potable water and 719 million gallons of reclaimed water
- Responded to 34,387 customer contacts
- Water Quality - 13th year in a row with no violations - Prepared Consumer Confidence Report
- Water Conservation Program - 564 students participated in our Youth Water Conservation Education Program - 113 water audits were performed for our customers
- Installed an additional 4,067 new meters in 2014 under the Advanced Metering Infrastructure Project
- Recharged 9,000 acre feet of our Central Arizona Project water
- Increased delivery of our Central Arizona Project water from 1,500 acre feet per year to 2,000 acre feet per year through the Tucson Water system
- Water Distribution staff installed potable and reclaimed water lines at Naranja Park
- A change in water rates was recommended in 2014 resulting in slightly lower water bills for the majority of our customers
- New water development impact fees were approved and implemented
- Fitch Ratings affirmed the Utility's AA- bond rating with a stable outlook

#### **FISCAL IMPACT:**

NA

**SUGGESTED MOTION:**

I MOVE to (accept or not accept) the Water Utility Commission Annual Report, dated April 2015.

---

**Attachments**

**2015 WUC ANNUAL REPORT**

---



**ORO VALLEY WATER UTILITY  
COMMISSION  
ANNUAL REPORT  
APRIL 2015**



**TOWN OF ORO VALLEY  
WATER UTILITY COMMISSION ANNUAL REPORT  
APRIL 2015**

**TABLE OF CONTENTS**

	Page
About the Water Utility Commission .....	1
Executive Summary .....	3
Customer Service Section .....	9
Meters Operations Section .....	11
Water Quality .....	12
Current Water Supply .....	15
Water Resource Planning and Management .....	20
Water Conservation Program.....	23
Production Division and Distribution Division .....	26
Security and Emergency Response Plan.....	30
Engineering and Planning Division .....	31
Financial Highlights.....	36

**Appendices**

- A.** Utility Statistics
- B.** Capital Improvement Program
- C.** Acronyms and Glossary

**TOWN OF ORO VALLEY  
WATER UTILITY COMMISSION  
ANNUAL REPORT 2015**

**ORO VALLEY TOWN COUNCIL**

Satish I. Hiremath, D.D.S., Mayor  
Lou Waters, Vice Mayor  
Brendan Burns, Councilmember  
William Garner, Councilmember  
Joe Hornat, Councilmember  
Mary Snider, Councilmember  
Mike Zinkin, Councilmember

**ORO VALLEY WATER UTILITY COMMISSION**

Rick Davis, Chair  
Rick Reynolds, Vice Chair  
Javier Arriaga, Commissioner  
Anne Campbell, Commissioner  
Winston Tustison, Commissioner  
Shanna Weagle, Commissioner

**TOWN STAFF**

Greg Caton, Town Manager  
Philip C. Saletta, P.E., Water Utility Director  
David Ruiz, Engineering Division Manager  
Shirley Seng, Water Utility Administrator

Special recognition to OVWU staff that provided graphics, data, photos and their time to assist in the preparation of this report:

Karn Boyce  
Jeff Kane  
Skip Kyle  
Charles Soper

Iris L. Chaparro  
George Kendrick  
Mark Moore  
Adam Pence

Robert Jacklitch  
Mary C. Kobida  
Carolyn Schneider

## **ABOUT THE WATER UTILITY COMMISSION**

In March of 1996 the Oro Valley Town Council (Mayor and Council) created the Oro Valley Water Utility Commission (Commission) to act as the official advisory body to the Mayor and Council. The first Commission was appointed in October of 1996. The Commission is composed of five to seven members appointed by the Mayor and Council. Commission members serve a term of three years, and are limited to a maximum of two successive terms. The Commission makes recommendations to Council on items such as water policies, water rates and fees, renewable water supplies and water conservation.

The Commission meets the second Monday of each month to discuss and review matters pertaining to the Water Utility. The Commission welcomes the public to attend its meetings. In addition to the regular Commission meetings, there were several meetings conducted by three standing Subcommittees: the Finance Subcommittee, the Conservation Subcommittee and the Water Resources Subcommittee.

Notable actions taken by the Commission in 2014 include:

- Election of officers
- Recommendation for acceptance of the Annual Report
- Recommendation for an increase in water rates and fees
- Recommendation for a decrease in the groundwater preservation fees
- Recommendation for an offer to purchase long-term storage credits
- Recommendation to apply for 2017 Hoover power reallocation

Notable issues that will be addressed in 2015 include:

- Continued planning for long-term CAP water delivery
- Review of water rates analysis and developing a Preferred Financial Scenario
- Review of reclaimed water IGA
- Review possible acquisition of Groundwater Extinguishment Credits
- Review of cash reserve policy and the Groundwater Preservation Fees

The Commission and staff would like to thank and acknowledge Robert Milkey, Elizabeth Shapiro, and Richard Verlaque for their dedication and service on the Water Utility Commission through December of 2014.

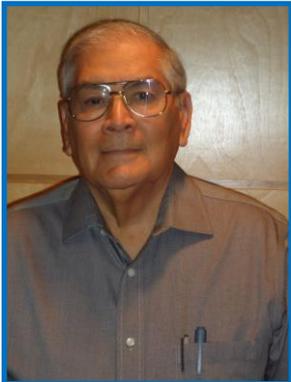
**WATER UTILITY COMMISSION 2015**



**Richard Davis, Chair**



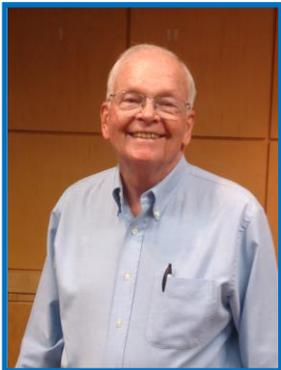
**Richard Reynolds, Vice Chair**



**Javier Arriaga, Commissioner**



**Anne Campbell, Commissioner**



**Winston Tustison, Commissioner**



**Shanna Weagle, Commissioner**

# EXECUTIVE SUMMARY

## TOWN OF ORO VALLEY WATER UTILITY COMMISSION ANNUAL REPORT APRIL 2015

This report is intended as a resource for both the Council and the public. The goals of the report are to fulfill Town-mandated reporting requirements as well as to provide clear information on the ways the Utility operates and ensures present and future availability and delivery of quality water. It includes topics on customer service, water quality, water supply, water resource planning, conservation and capital improvements. This report covers information and activities primarily for calendar year (CY) 2014 ending on December 31, 2014. However, some information is only as of fiscal year ending June 30, 2014 and is noted as such in the report.

### OVERVIEW OF THE TOWN OF ORO VALLEY WATER UTILITY

The Town of Oro Valley Water Utility was established in 1996 as a municipally-owned self-supporting enterprise that is overseen by the Town Council. It is financially separate from the Town's General Fund. Revenues are generated from rates and fees and no tax dollars are used to fund the Utility.

The Utility's primary goal is to provide a safe and reliable water supply for our community. It operates two potable water systems: one serving the Oro Valley Water Service Area (OVWSA) and one serving customers outside Town boundaries in the Countryside Water Service Area (CSWSA). The Utility also operates a non-potable reclaimed water system for irrigation purposes.

The Utility is organized into the following main Divisions: Administration Division which includes the Customer Service Section and the Meter Operations Section, the Engineering and Planning Division, the Production Division and the Distribution Division. Currently there are 37 full-time employees and one part-time employee at the Utility.

The following describes some of the Utility's resources and infrastructure as of December 31, 2014:

#### **Resources:**

Groundwater Supply (Assured Water Supply):	13,384 acre feet per year
Reclaimed Water:	2,227 acre feet per year
Effluent Water:	1,773 acre feet per year
CAP Water Allocation:	10,305 acre feet per year
Long Term Storage Credits:	11,248 acre feet
Groundwater Allowance Account:	14,150 acre feet

**Infrastructure:**

Water Distribution Storage Reservoirs:	19
Potable Water Reservoir Capacity:	11,600,000 gallons
Reclaimed Water Reservoir Capacity:	1,500,000 gallons
Potable Water Mains:	350.2 miles
Reclaimed Water Mains	13.8 miles
Potable Water Booster Stations:	25
Reclaimed Water Booster Stations:	2
Operating Wells:	22

In 2014, the Utility had 19,107 customer connections serving a population of 41,884. Approximately 2.284 billion gallons (7,010 acre feet) of potable water was delivered to our customers. In addition, approximately 719 million gallons (2,206 acre feet) of reclaimed water was delivered.

**CUSTOMER SERVICE SECTION**

In 2014 the Utility experienced a 1.01% growth rate in customer connections, with 191 new meters installed. Customer service staff responded to 34,387 customer contacts, averaging 138 contacts per day. Technology such as computer tablets and advanced metering software are used to improve communication and increase efficiencies. Customer Service processed 227,317 bills, collecting a total of \$25.5 million which includes billing and collection for Pima County Wastewater Reclamation and the Town of Oro Valley Storm Water Utility. Payments were posted as follows:

- Oro Valley Water Utility \$15,971,000
- Pima County Wastewater Reclamation \$ 8,768,000
- Town of Oro Valley Storm Water Utility \$ 761,000

**METER OPERATIONS SECTION**

During 2014, the meter operations team completed Phase II and began Phase III of the Utility’s Advanced Metering Infrastructure (AMI) project and meter replacement program. Phase III is expected to be completed in July of 2015. The final phase, Phase IV, is expected to be complete in March of 2016. The new meters provide more accurate measurements of water, automate meter readings, increase customer service capabilities and can help customers better manage their water.

## **WATER QUALITY SECTION**

For the thirteenth consecutive year, the Utility is proud to report that it did not experience any water quality violations. In 2014 the Utility received 1,360 analytical results for required water sampling and operational data.

Over the course of a year the Utility collects hundreds of water samples from approximately 19 “point of entry” sites. These sites include groundwater wells, reservoirs and pumping stations. The Utility also samples from 58 sampling stations on our water system as required by the Arizona Department of Environmental Quality. Our water quality was in compliance with all standards established by federal and state agencies.

The Utility remains up-to-date with testing protocol and in 2015 expects to phase in five proposed and pending regulations related to monitoring rules. As a precaution against bacterial growth, the Utility continues to disinfects its water source by adding sodium hypochlorite solution at a level of 0.2 to 0.8 parts per million. In addition, the Utility continues its Backflow Prevention Program-installing, testing, repairing and replacing equipment that keeps the water supply safe from contaminants that could be introduced into the distribution system through backflow or back pressure from customer plumbing systems or internal processes.

## **CURRENT WATER SUPPLY**

Oro Valley currently delivers water from three sources of supply: groundwater, Central Arizona Project (CAP) water and reclaimed water. Groundwater is pumped from wells in the aquifer below the water service areas and delivered through the potable water distribution systems. In CY 2014, the Utility pumped 5,612 acre feet (1.83 billion gallons) of groundwater from its wells: the Oro Valley Water Service Area (OVWSA) wells produced 5,029 acre feet (1.64 billion gallons) and the Countryside Water Service Area (CSWSA) wells produced 583 acre feet (190 million gallons). The total pumped from our wells was 381 acre feet (124.15 million gallons) less than in 2013. This reduction is due to the continued and additional delivery of CAP water as well as continued use of reclaimed water and water conservation efforts.

In 2014, groundwater declined in the Oro Valley aquifer, but less in CY 2014 than in CY 2013. Well water levels in OVWSA declined an average of 1.58 feet in CY 2014 compared to 2.76 feet in CY 2013. Water levels in CSWSA rose an average of 0.70 feet in CY 2014 compared to an average decline of 2.21 feet in CY 2013.

Reclaimed water is delivered through a separate reclaimed water distribution system that supplies irrigation for golf courses, athletic fields, parks and construction. In 2014, the Utility delivered 2,206 acre feet of reclaimed water. The reclaimed water system was extended to deliver reclaimed water to Naranja Park.

Central Arizona Project (CAP) water is delivered to the Utility’s potable water system through the Tucson Water Distribution System. In 2013, our CAP water delivery totaled 1,530 acre feet.

An additional 500 acre feet was developed in 2014, raising the Utility's CAP water delivery capacity to 2,000 acre feet. In 2014, the Utility delivered 1,828 acre feet (595.54 million gallons) of CAP water. The Utility also uses CAP water indirectly by storing it at various recharge facilities to obtain groundwater storage credits within the Tucson Active Management Area. In 2014, the volume stored increased to 9,000 acre feet; in 2013 the Utility stored 7,000 acre feet. In 2014, some of these credits were used to replace groundwater depletions and the remainder were stored as Long-Term Storage Credits for future use.

## **WATER RESOURCE PLANNING AND MANAGEMENT**

The Utility plans to reduce water demands through conservation efforts and increase supply through further development of renewable sources to preserve groundwater and serve growth. An additional 1,500 acre feet of CAP water will be developed for delivery of potable water to serve new growth in the next 10 years. The Utility will continue to look for opportunities to expand the customer base of the reclaimed water system. Over the next several years, the Utility also plans to continue purchasing all of its CAP water (10,305 acre feet), to deliver to our customers and storing the remainder to build up Long Term Storage Credits. It is anticipated that an additional 10,000 acre feet could be stored in our Long-Term Storage Credit accounts over the next four to five years. If current drought conditions in the Colorado River Basin persist and no other action is taken, projections suggest that CAP deliveries to municipal water providers may be reduced in the 2026 to 2030 time frame. If our CAP deliveries are reduced in the future, the Utility plans to use these Long-Term Storage Credits and also utilize some of the water that has been stored by the Arizona Water Banking Authority.

## **WATER CONSERVATION**

An important component of resource planning for the Utility is the Water Conservation Program. This program saves our customers money, serves the community's stated environmental conservation values and stretches existing water supplies by reducing average customer water demand. The Utility primarily encourages water conservation by informing and educating our customers. Specifically in 2014,

- 564 students participated in our Youth Water Conservation Education Program for elementary schools in Oro Valley
- 113 customer water audits were performed. These on-site reviews identify specific ways the customer can reduce water use. According to data based on audits performed in 2013, the average water savings was 14.5% in the first year after the audit
- AquaHawk is now available to those customers with AMI meters as an online service that shows hourly water use and will send personalized alerts to help customers better manage daily water use and detect leaks
- Community outreach activities such as speaking engagements, conservation presentations at homeowner associations and participation at other community events. These include National Night Out, a local wellness fair and the Oro Valley Water Harvesting Tour

## **PRODUCTION DIVISION AND DISTRIBUTION DIVISION**

The Production Division staff continues to be proactive in the implementations of facility upgrades and a preventative maintenance program; 49 facility sites are maintained and evaluated annually to determine necessary upgrades. They are also responsible for the installation and maintenance of security devices; baseline security installations are complete.

In 2014 they responded to more after-hours calls (675, up from 359 in 2013) and completed more work hours related to assigned work orders (5,342, up from 4,772 in 2013). Other notable highlights in 2014 include building 22 site chlorine storage sheds, deactivating two wells, changing-out all well and booster air relief valves and constructing parking areas at the reclaimed water reservoir site.

Distribution Division staff are responsible for the operation and maintenance of 350.2 miles of potable water mains, 13.8 miles of reclaimed water mains for a combined total of 364 miles of water mains. There are 2,147 fire hydrants and 7,844 valves on the water distribution system. Special projects in 2014 include the installation of water mains and conduit for cable at Naranja Park, installation of the water service and fire service lines at the Wellness Clinic, installation of the water service line for a drinking fountain and the installation of a water meter and by-pass valve for delivery of CAP water to the Countryside Water Service Area.

## **SECURITY AND EMERGENCY RESPONSE PLAN**

In 2014 Utility personnel, with the assistance of a security consultant, reviewed, refined and updated its security program, Emergency Response Plan and the Business Continuity Plan. Emergency response training classes and exercises were also completed by Utility staff. In 2014 the Utility installed 45 new hydrant defenders and locks to protect the water system.

## **ENGINEERING AND PLANNING DIVISION**

In 2014, the Utility inspected and approved 14 new development projects, 4 capital projects and 6 projects constructed by Utility personnel. The completion of these new development projects together with capital projects added approximately 4.5 additional miles of pipeline to the existing potable water distribution system. In 2014, two design projects began. One for a new potable main on Lambert Lane west of La Cañada and the other for relocation of portions of the reclaimed water main on Tangerine Road. Several construction projects were continued, completed and/or started, including a valve replacement project, a CAP interconnect project on Calle Buena Vista, a system connection project on Glover Road, a potable water main installation on Naranja Road, improvements and upgrades at Countryside Well CS2 and an extension of the reclaimed water line on Naranja Road.

## **FINANCIAL HIGHLIGHTS, WATER RATES AND FEES**

The Utility continues to be fiscally sound. It met all revenue requirements, exceeded the debt service coverage ratio requirements and maintained adequate cash reserves. On April 9, 2014, Fitch Ratings affirmed the Utility's AA- bond rating with a stable outlook.

The Water Utility Commission and Town Staff annually review and develop recommendations for water revenue requirements, water rates and fee structures. In 2014, recommendations regarding water rates, fees and charges were provided in the Water Rates Analysis Report. The recommendations included a slight increase in the water commodity rates and a slight decrease in the groundwater preservation fee. Both of these water rate recommendations were approved by Council on January 7, 2015.

New water impact fees were developed in accordance with statutory requirements and approved by Council on April 2, 2014. The new impact fees became effective on July 1, 2014. The water impact fees will fund expansion of the water delivery system and will be collected to ensure that growth pays its fair share.

## **CONCLUSION**

The Oro Valley Water Utility Commission is proud to serve the Mayor and Council of the Town of Oro Valley and its residents and customers. We are pleased to present this Annual Report to the Mayor and Council for their consideration.

Any questions regarding this report should be directed to Philip Saletta, Director, Oro Valley Water Utility at 229-5010. Additional information for the Oro Valley Water Utility can also be found on the Town website at [www.orovalleyaz.gov/Town\\_Government/WaterUtility](http://www.orovalleyaz.gov/Town_Government/WaterUtility).

## CUSTOMER SERVICE

Customer service responsibilities range from handling a payment to responding to questions or problems related to billing, opening or closing an account, water quality or pressure and flow problems. Customer Service Representatives (CSRs) work closely with field personnel to respond in a timely manner to customer concerns. CSRs are generally the first and sometimes the only contact our customers may have with the Utility. Providing professional and courteous service is paramount to the successful operations of the Water Utility. In 2014, Customer Service staff received numerous compliments from our customers thanking them for the high quality level of service.

Customer Service personnel include CSRs and Utility Operators. This staff is responsible for meter reading, meter installation, billing, collection and customer service for 19,107 water service connections serving 41,884 residents. The Utility has grown over the past year and in 2014 an additional 191 meters were installed for a growth rate of 1.01%. Over 5,439 customer accounts were changed in 2014 primarily due to opening and closing of accounts for new move-ins and winter residents.

In 2014 the Utility delivered:

- 2.284 billion gallons (7,010 acre feet) of potable water
- 719 million gallons (2,206 acre feet) of reclaimed water for irrigation to five golf courses and a school athletic field.
- Combined total of 3.003 billion gallons (9,216 acre feet) of water delivered and billed to our customers.

The Customer Service Division mailed and processed 227,317 bills and 11,534 delinquent notices to our customers during calendar year 2014. The Customer Service Division responds to customer concerns that arise from the operation and management of the water system and in 2014 responded to 34,387 customer contacts averaging 138 contacts per day.

Customer Service generates monthly bills for the Water Utility, Pima County Regional Wastewater Reclamation Department and the Town's Storm Water Utility. The Water Utility is separate from the Oro Valley Storm Water Utility as well as from Pima County Wastewater Utility and only bills and collects for those entities under existing agreements. In 2014, the Utility collected a total of \$25,500,000 and posted payments as follows:

- Oro Valley Water Utility \$15,971,000
- Pima County Wastewater Reclamation \$ 8,768,000
- Town of Oro Valley Storm Water Utility \$ 761,000

In 2014 the Water Utility began collecting donations for the Youth Roundup Program sponsored by the Parks Department. Donations are accomplished by "rounding up" their water bill to the nearest dollar amount, donating a specific amount monthly or a one-time donation. The Water Utility also collects taxes on water use that are imposed by the State of Arizona and the Town of Oro Valley. These taxes are distributed to the State, Pima County and the Town. The Water Utility receives all of its revenues from water rates and fees and does not receive any funding from taxes.

The customer account information on the Water-on-the-Web site includes the ability to view the current water bill, a two year history of billing, payments and water usage information.

Customers may also pay their water bill online from this website. The Utility provides convenient alternative payment methods for our customers. During 2014, the Utility received \$2.29 million in credit card payments. Payment options are listed below:

- Credit cards
  - By telephone using a toll free number
  - Online at the Water-on-the-Web site
  - In person at the Utility office
- Automated Clearing House (ACH)
  - The bill amount is automatically transferred from the customer's bank account to the Utility's bank account on the bill due date.
- Electronic Funds Transfer
  - A bank to bank transfer of funds to pay their bill when requested by the customer through their own online banking services on the date of their choice.

The Utility also offers a “paperless” E-bill feature. After the bill has been generated, the customer receives an electronic notification that their current water bill is available on the Water-on-the-Web site. Utility customers may request e-billing on the Utility's website.

The FlexNet, software associated with the Advanced Metering Infrastructure (AMI) project is a valuable tool that enables Customer Service staff to view customer consumption data and accurately determine high water use on their computers while communicating directly with the customer in person or on the telephone.

Where AMI equipment is installed, FlexNet software continues to facilitate the monitoring of leaks on a daily basis. Utility staff provides early leak notification to our customers that conserves water by reducing the amount of water wasted by leaks and also saves our customers money. This new technology monitors water use on an hourly basis, can trigger alerts and allows for better utilization of resources with the least amount of waste. Since the installation of AMI, the lost and unaccounted for water has decreased from as high as 9.86 % to 5.16%.

AquaHawk, the customer web portal launched in 2013, utilizes the water usage data from FlexNet. Once a customer is enrolled in this on-line service, they are able to view their individual water use on an hourly, daily, weekly or monthly basis. Customers can tailor personal notifications based on their individual preferences and receive alerts by e-mail, text or telephone. The web portal is available for customers once their meters are replaced with AMI equipment.

As the Customer Service Division looks to the future they will continue to use new technology to streamline procedures and increase efficiencies. Utilizing computer tablets, staff electronically sends and distributes work orders, service requests, and new and closed account paperwork from the office to field staff. Employing this technology has reduced staff travel time, wear and tear on vehicles and gasoline and has resulted in higher efficiency and productivity.

Utility statistics including meter installations, the number of customer contacts, and water deliveries for CY 2014 may be found in **Appendix A**.

## METERS OPERATIONS

During 2014, the meter operations team continued with Phase II and Phase III of the AMI project and meter replacement program in the Oro Valley Water service area. The meter operations team worked closely with external contractors and took the lead role in organizing, planning, and scheduling work. The contractor is responsible for replacing all residential meters ranging in sizes from 5/8-inch through 1-inch. Meters staff are responsible for installation of commercial and irrigation meters and the programming of smartpoint transceivers. Remaining phases of the project will be completed as shown in the table below.

Service Area	Number of Meters	Date Completed	Estimated Completion Date
Countryside	2,244	12/31/11	
Oro Valley Ph. I	2,477	06/30/13	
Oro Valley Ph. II	4,067	08/31/14	
Oro Valley Ph. III	5,374		06/30/15
Oro Valley Ph. IV	4,950		03/31/16

The AMI and meter replacement program provides for more accurate measurements of water usage and also assures that the volume of water used and billed is accurate. Additionally, using AMI technology provides increases customer service with accurate and complete water use information. With AMI software, Utility staff and customers can review water use history on an hourly, daily, weekly and monthly basis. This is extremely valuable in assisting our customers. Utility staff are able to troubleshoot potential leaks, usage from irrigation systems and overall water consumption at the home. Experiencing the benefits and efficiencies gained by using AMI, meter operations staff is excited about expansion of this technology throughout the Oro Valley Water Service Area.

The AMI and meter replacement program will continue to provide human resource and technological benefits in the future to increase productivity. AMI technology provides an opportunity to use existing human resources more efficiently by eliminating the need for labor intensive manual meter reading. The meters team will be able to redirect their focus and capabilities to other areas of responsibility including customer work orders, meter box cleaning, angle meter stop repairs, meter testing procedures, new meter installations and assisting the Water Distribution Division.

The technological advancement with the AMI project prompted the Water Utility to incorporate the use of computer tablets. These tablets provided the meter operations team new capabilities that include the ability to generate or close work orders, receive and send reports, view real time customer usage and verify delinquent account payments in the field. The team will operate more efficiently and increase productivity by significantly reducing travel time since there will no longer be a need to return to a central location to get the required information.

## WATER QUALITY

There is a complex and extensive framework of regulatory requirements and sampling methodology in place to ensure clean, safe drinking water is served by every public water system in Arizona. Protection of drinking water quality starts with an assessment of the drinking water source quality and continues through regulations that govern water system design and construction. Finally, drinking water quality is assured through scheduled tests required of all public water systems for a wide variety of potential contaminants. As a result of these regulations and continued testing, drinking water supplies in Oro Valley and in many areas throughout the United States are among the cleanest and safest in the world.



### *Water Quality Testing*

The Water Utility operates two separate potable water systems. The Oro Valley Water Service Area (OVWSA) that has a Public Water System Number of AZ0410164. It also operates a potable system that is not located within the Town boundaries, known as the Countryside Water Service Area (CSWSA) that has a Public Water System Number of AZ0410175.

In 2014 the Utility received 1,360 analytical results for required water sampling and operational data. Over the course of a year the Utility collects hundreds of water samples from approximately 19 “point of entry” sites. These sites include groundwater wells, reservoirs and pumping stations. The Utility also samples from 58 sampling stations required by the Arizona Department of Environmental Quality (ADEQ). These stations are located in neighborhoods throughout the water distribution system specifically selected to represent the water quality that is delivered to our customers. The Utility has an additional twenty-nine sampling stations that can be used during emergencies and to meet future testing requirements. Water samples are taken from 50 private residences within the Oro Valley area and tested for lead and copper. The Utility provides all water quality testing results to ADEQ and works closely with that agency to ensure all Federal and State standards are met. The website for ADEQ is [www.azdeq.gov](http://www.azdeq.gov). The Town’s water system is in full compliance with all State and Federal regulations.

The Utility’s state-certified water operators are responsible for the health and safety of our customers. The operators meet this responsibility by maintaining a daily vigilance over the system’s production, distribution, and water quality.

The Water Utility has 19 water operators that are licensed by ADEQ and attend continuing education and training through Personal Development Hours required by ADEQ.

Drinking water standards are regulations that the Environmental Protection Agency (EPA) sets to control the level of contaminants in the nation's drinking water. These standards are part of the Safe Drinking Water Act's "multiple barrier" approach to drinking water protection which includes, assessing and protecting drinking water sources; protecting wells and collection systems; making sure water is treated by qualified operators; ensuring the integrity of distribution systems and making information available to the public on the quality of their drinking water. Community water suppliers throughout the country are required to provide an annual water quality report to their customers. The OVWSA and the CSWSA Consumer Confidence Reports are annually distributed to all customers. The report is also available in the Utility's office and on the website.

Detection of a contaminant in drinking water does not necessarily represent a threat to public health. Due to current technology, water utilities are now able to detect extremely low levels of contaminants in drinking water. All drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants and are well below the MCL (Maximum Contaminant Level) required by EPA. Oro Valley's groundwater contains naturally occurring dissolved minerals and organic compounds, which have been leached from the rock, sediments, and plant materials through which the water traveled.

Other contaminants that may be present in source water are microbial contaminants, such as viruses and bacteria. The Utility disinfects its water source by adding sodium hypochlorite at a level of 0.2 to 0.8 parts per million as a precaution against bacterial growth. The Total Coliform bacteria group is used as an indicator to more closely monitor the distribution system for possible unwanted bacteria. During 2014, the Utility collected 696 samples for analysis of Total Coliform bacteria, all samples were negative for bacteria. This is a direct result of a successful disinfection program, effective system monitoring, proficient sampling methods, and routine maintenance.

Water hardness is also tested and is a measurement of the concentration of calcium and magnesium. During CY 2014, the hardness levels in Oro Valley range from 1.8 to 9.0 grains per gallon. On average our water quality is in the soft to moderately hard range, which is considered acceptable.

The Utility is in compliance with all Disinfectants and Disinfection By-Products Rules. The Utility's also meets the Ground Water Rule requirement for disinfection and the EPA's rules for lead and copper.

Proposed and Pending USEPA Regulations:

- Third Unregulated Contaminant Monitoring Rule 2015      Currently sampling February
- Revised Total Coliform Rule      January 2015
- Fourth Unregulated Contaminant Monitoring Rule      January 2015
- Revised Long-Term Lead and Copper Rule      September 2015
- Carcinogenic Volatile Organic Chemicals Rule      2015
- Epichlorohydrin and Acrylamide      TBD

Oro Valley is a growing community in an arid environment. The future of drinking water quality will require continued attention by everyone involved with water supply for the community. Water quality compliance requirements will continue to increase in both complexity and cost, requiring the support and resources needed to ensure regulatory compliance and to provide a safe and reliable water supply to our customers.

## **BACKFLOW PREVENTION PROGRAM**

Backflow prevention is an important component of water quality. The Town of Oro Valley Water Utility implemented the Backflow Prevention Program in response to requirements set forth in the Arizona State Drinking Water Regulations. The Backflow Prevention Program is administered in accordance with the Town of Oro Valley Ordinance No. (O) 07-21, ADEQ Administrative Code, section R18-4-B115, the International Plumbing Code and the guidelines of the University of Southern California Foundation for Cross Connection Control and Hydraulic Research.

The Backflow Prevention Program is designed to protect the public water system from high risk service connections which include, but are not limited to, commercial, fire and irrigation. By state statute single family residences are exempt unless a known hazard exists on the premises.

There are 1,452 backflow prevention assemblies under the program that are located in our water service areas. The Utility is required to notify each customer on an annual basis to have each active assembly tested. An initial notification letter is mailed followed by a second and final letter. The backflow prevention assemblies must also be tested if they are replaced, relocated or repaired. Test data must be kept by the Water Utility for 3 years and all assemblies are surveyed on a 3 year cycle. The backflow assemblies that are owned by the Town and in service are maintained, tested and inspected by the Water Utility Backflow Prevention Section.

The following are some of the major activities and accomplishments that were performed by the Backflow Prevention Section in 2014:

- 197 backflow assemblies owned by the Town of Oro Valley were tested
- 76 repairs on in-ground and construction water backflow prevention assemblies
- 127 permits for new and replacement backflow prevention assemblies

The program works to keep the water supply safe from contaminants that could be introduced into the distribution system through backflow, back siphoning or back pressure from our customers plumbing systems or internal processes.

## **CURRENT WATER SUPPLY**

The Town has Developed Water Resources and Undeveloped Water Resources. Developed Water Resources are those sources of water supply that have infrastructure in place to deliver the water directly. These directly delivered supplies are sometimes referred to as “wet” water. Undeveloped Water Resources are those sources of water supply that do not have infrastructure developed to deliver them directly at this time. These undeveloped supplies are reserved for future use. The undeveloped supplies can also be stored as groundwater credits. These credits can be used indirectly through recovery wells in accordance with state regulations to replace groundwater depletions. The use of these credits to replace groundwater usage is referred to as “paper” water when the infrastructure to produce the groundwater is not located near to where the credits are stored.

### **Developed Water Resources**

- **Groundwater: 13,384 acre feet per year**
- **CAP Water: 2,000 acre feet per year**
- **Reclaimed water: 2,227 acre feet per year**

The Town of Oro Valley has a groundwater supply of 13,384 acre feet per year based on its Designation of Assured Water Supply (DAWS) from ADWR. Under our DAWS, for each calendar year, our groundwater pumping cannot exceed this amount. We pump significantly less than this amount annually. Regardless of the amount of groundwater pumped we are required to replace or replenish the total amount pumped under Arizona Department of Water Resources regulations. This replacement/replenishment can occur anywhere within the Tucson Active Management Area, which is a state-regulated groundwater basin in Southern Arizona. Development of our renewable water supplies has reduced our replacement requirements and has decreased our groundwater level declines protecting and preserving our aquifer.

The two ways the Utility can meet its replacement/replenishment obligation are to recover our stored long-term storage credits and replace our groundwater depletions or to pay the Central Arizona Groundwater Replenishment District (CAGRDR) to replace or replenish our groundwater depletions. The Town has a Member Service Area Agreement with CAGRDR that was approved by Resolution (R) 97-06. Through this agreement, the Utility has paid CAGRDR to meet all or part of its replacement/replenishment obligations in the past. However, over the last two years the Utility replaced all of its obligations since all of our wells have been permitted as recovery wells and we have utilized our groundwater storage credits to meet all of our replacement/replenishment obligations. This has eliminated the need to make costly payments to CAGRDR for replenishment. The Utility plans to continue storing more CAP water to meet its annual replacement/replenishment obligations and also increase its long-term storage credits. It is less expensive for the Utility to buy CAP water and then store and recover it than to pay CAGRDR to replenish groundwater for us. However, we will still remain a Member Service Area with CAGRDR to keep that replacement/replenishment option available into the future.

The Water Utility operates in two water service areas: the Oro Valley Water Service Area (OVWSA) and the Countryside Water Service Area (CSWSA).

The table below provides the total water delivery capacities and water demands for both water service areas. The maximum daily usage occurred on June 27, 2014 for the OVWSA and on June 29, 2014 for the CSWSA.

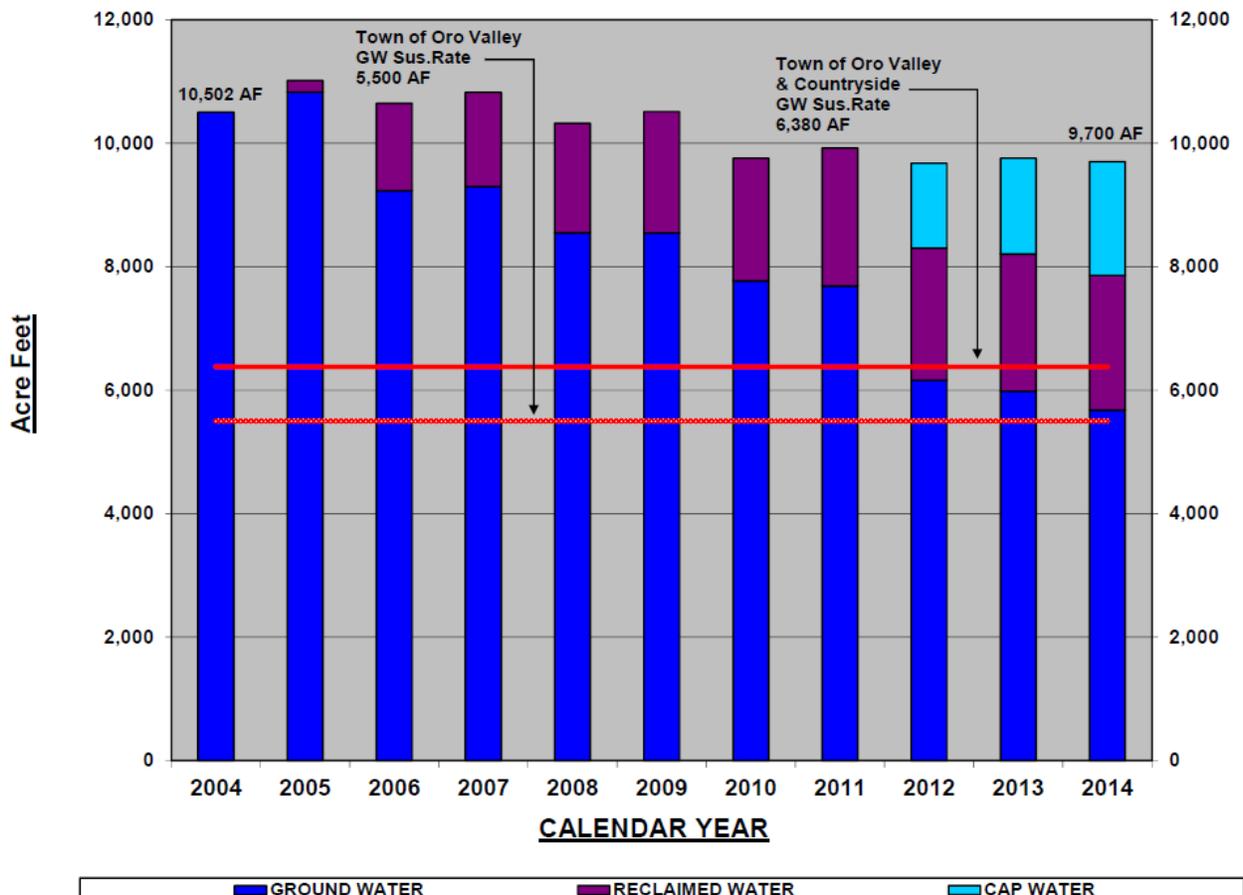
Water Service Area	Well Capacity (MGD)*	CAP Capacity (MGD)	Average Demand (MGD)	Maximum Demand (MGD)
Oro Valley (OVWSA)	13.44	1.77	5.83	8.25
Countryside (CSWSA)	2.23	0.94	0.65	0.79

\*MGD = million gallons per day

In 2014, Oro Valley pumped 5,612 acre feet of groundwater from our wells and aquifer. This total is 381 acre feet less groundwater pumping than 2013 due to our use of CAP water, reclaimed water, and water conservation. The wells in the Oro Valley Water Service Area produced 5,029 acre feet and the wells in the Countryside Water Service Area produced 583 acre feet.

The following table graphs water usage from 2004 through 2014 depicting our reduction of overall water use, reduction of groundwater usage and increase use of our renewable reclaimed and CAP water.

**TOTAL ANNUAL WATER PRODUCTION**



The following table lists all production wells, the amount of groundwater pumped and their water level changes as measured in January of 2015:

### Well Water Level Change Summary

WELL #	Annual Pumped Acre - Feet	1 YEAR CHANGE 2015	5 YEAR CHANGE 2010 to 2015	5 YEAR AVERAGE 2010 to 2015
CS-1	278	-0.6	-9.8	-2.0
CS-2	305	2.0	-11.3	-2.3
C-4	56	-3.4	-11.8	-2.4
C-5	292	-2.0	-6.9	-1.4
C-6	334	-1.6	-3.6	-0.7
C-7	75	1.5	-8.7	-1.7
C-8	283	0.2	-7.8	-1.6
C-9	450	-0.8	-8.2	-1.6
D-1	75	-1.9	-1.8	-0.4
D-4	52	-4.4	-17.7	-3.5
D-5	1	-0.8	-1.9	-0.4
D-6	295	-1.3	-6.9	-1.4
D-7	179	0.8	-5.5	-1.1
D-8	324	-1.8	-24.1	-4.8
D-9	527	-3.4	-16.8	-3.4
E-1B	345	-2.5	NA	NA
E-2	260	-1.8	-3.6	-0.7
E-3	71	0.9	-3.0	-0.6
E-5B	256	-1.1	-0.8	-0.2
E-6B	366	-3.8	-1.5	-0.3
E-7B	264	-4.4	-6.2	-1.2
F-1	523	0.0	-5.5	-1.1

Groundwater studies indicate that the Oro Valley aquifer has a sustainable groundwater production rate of approximately 5,500 acre feet per year for the OVWSA and 880 for the CSWSA. In 2014, Oro Valley pumped 471 acre feet less than the sustainable groundwater production rate for the OVWSA wells and 297 acre feet less than the sustainable groundwater production rate for the CSWSA wells. In the OVWSA, the average annual well water level decline for the last 5 years is 1.50 feet and for calendar year 2014 there was an average well water level decline of 1.58 feet. For wells in the CSWSA, the average annual well water level decline for the last 5 years is 2.11 feet and for calendar year 2014 there was an average well water level rise of 0.70 feet. For all wells, water level changes in CY 2014 varied from a rise of 2.0 feet to a decline of 4.4 feet.

It is important to note that groundwater levels in our area are impacted by our pumping and the pumping from other nearby wells. Natural recharge from precipitation can also impact water levels annually and seasonally.

The continued use of our renewable water resources in 2014 has reduced our reliance on groundwater. The use of reclaimed water since October of 2005 has helped to reduce the impact on the Oro Valley aquifer. The Town of Oro Valley currently has a reclaimed water supply of 2,227 acre feet per year as designated in our Assured Water Supply. In 2014, the Utility delivered 2,206 acre feet of reclaimed water. The reclaimed water system supplies irrigation for five golf courses, athletic fields at one elementary school and Naranja Park.

In 2014, the Utility extended the term of the Reclaimed Water Intergovernmental Agreement with Tucson Water for an additional year through October of 2015. This extension will allow for time to evaluate if interruptible reclaimed water service from Tucson Water is feasible. The Reclaimed IGA will also be reviewed for any other potential changes.

Groundwater pumping was further reduced this year through the continued delivery of our CAP water under a wheeling agreement with Tucson Water. This intergovernmental agreement (IGA) currently allows for the nominal delivery of 2,000 acre feet per year of our CAP water. In 2014, the Utility delivered 1,828 acre feet of our CAP water under the wheeling agreement and through the connections to the Tucson Water system.

Future development of these renewable water resources will further reduce our groundwater production. This diversification of our supply has benefited our aquifer by preserving and protecting our groundwater.

The Town currently has undeveloped water resources that consist of our CAP water allocation, Long-Term Groundwater Storage Credits, Groundwater Allowance Account and effluent water.

#### **Undeveloped Water Resources**

- **Central Arizona Project (CAP) Water:** **8,305 acre feet per year**
- **Long-Term Storage Credits:** **11,248 acre feet**
- **Groundwater Allowance Account:** **14,150 acre feet**
- **Effluent Water:** **1,773 acre feet per year**

Development of our reclaimed water system and our CAP water provide renewable “wet water” supplies to our community reducing groundwater use. The Long-Term Groundwater Storage Credits are used indirectly through recovery wells as “paper water” credits that offset groundwater usage. In 2014 using these renewable supplies and credits eliminated any obligations to the CAGR and protected and preserved our groundwater.

The Town currently has a total allocation of CAP water in the amount of 10,305 acre feet per year under a Municipal and Industrial (M&I) subcontract with Central Arizona Water Conservation District (CAWCD). Of this amount, 2,000 acre feet are developed under the IGA with Tucson. The remaining 8,305 acre feet of our CAP M&I subcontract water is critical to the Town to store credits and for future water supply.

After use in the reclaimed water system, the remaining amount of undeveloped wastewater effluent is used for obligations to Pima County and for the Southern Arizona Water Rights Settlement Act (SAWRSA) obligations.

In 2014, an additional 500 acre feet of our CAP water was developed to further reduce our reliance on groundwater and to protect and preserve our aquifer. At this point there is no infrastructure in place to directly deliver or directly recover the remaining amount of our CAP water. The infrastructure to deliver our remaining CAP water will be developed based upon our water demands, aquifer conditions and new growth.

The Utility has obtained permits to store CAP water at various recharge facilities. In 2014, a total of 9,000 acre feet of our CAP water was stored at the locations and in the amounts listed below:

- Kai Farms 4,000 acre feet
- Lower Santa Cruz Replenishment Project 2,000 acre feet
- Central Avra Valley Storage and Recovery Project 2,000 acre feet
- Pima Mine Road Recharge Project 1,000 acre feet

The Utility will continue to recharge CAP water for our recovery wells and to build long-term storage credits until such time that our CAP water is needed for future delivery.

In addition to our long-term storage credits, our Groundwater Allowance Account (GWA) must be used wisely and carefully managed over the next several years. Additional purchases of Groundwater Extinguishment Credits will be evaluated and considered in the future to increase the balance of the Groundwater Allowance Account.

Under our Designation of Assured Water Supply, we are required to comply with the Third Management Plan in the Tucson Active Management Area. In 2014, we have been in compliance with all the requirements under our DAWS and fully expect to meet all the requirements in 2015.

## **WATER RESOURCE PLANNING AND MANAGEMENT**

The Water Utility continues its water resource planning efforts to assure a safe and reliable water supply for our customers. Water resource planning will involve technical, financial, legal, political, institutional and environmental issues. Involving the public will be a key aspect of a successful program for future water supply. Water resource planning will involve investigating alternatives for future water supply and delivery and will include the following:

- Water Conservation (see page 24)
- Groundwater development
- Reclaimed water system expansion
- CAP water planning and development
- Long-Term Storage Credits

### **Groundwater Development**

Future groundwater development is included in the Fifteen Year Capital Projects Program for the potable water system improvements. The demand on our wells has been significantly reduced due to use of reclaimed water for irrigation and the delivery of our CAP water through the Tucson Water system. The use of reclaimed and CAP water preserves and protects our aquifer and valuable groundwater.

All groundwater depletions must be replaced through the use of our recovery wells, our Groundwater Allowance Account and/or our Long-Term Storage Credits. We are no longer reliant on the Central Arizona Groundwater Replenishment District (CAGR) for replenishment.

Our aquifer has benefited from the development of our renewable water and our well water levels are declining less.

### **Reclaimed Water**

The use of reclaimed water for turf irrigation has a beneficial impact on the Town's aquifer. The Utility will continue to look for opportunities to expand the customer base of the reclaimed water system for turf irrigation. In addition, non-turf irrigation uses such as landscape irrigation, construction water, dust control and street cleaning uses may also be served with reclaimed water to help reduce demands on the groundwater aquifer. The Development and Infrastructure Service Department is currently using reclaimed water for street cleaning and other approved maintenance purposes. This saves the Town both water and money. In 2014, the reclaimed water system was extended to deliver reclaimed water to Naranja Park for irrigation of athletic fields.

### **Central Arizona Project Water**

The Town has executed an Intergovernmental Agreement (IGA) with the City of Tucson to deliver a portion of the Town's CAP water wheeled through the Tucson Water system via a connection to the Oro Valley Water Utility system. Phase I of the IGA with Tucson allows for up to 2,000 acre feet per year of Oro Valley's CAP water to be delivered (wheeled) through the Tucson Water system.

This is a mutually beneficial project in that Tucson Water (TW) uses its excess capacity and receives revenues that shares in operations and maintenance costs. Oro Valley benefits in that it receives “wet” water deliveries of renewable CAP water and reduces its reliance on groundwater and the Central Arizona Groundwater Replenishment District. In 2014, an additional capacity of 500 acre feet per year was added for a total delivery capacity of 2,000 acre feet per year of our CAP water.

Oro Valley’s CAP water is delivered from the CAP canal to Tucson Water’s recharge facilities at the Central Avra Valley Storage and Recovery Project and/or the Southern Avra Valley Storage and Recovery Project. The water is then pumped into the Tucson Water distribution system and then delivered to the Oro Valley water system near Naranja and Shannon through TW’s Naranja Reservoir and Booster Station.

In 2014, an additional 400 acre feet per year of our CAP water delivery capacity was added to the south end of the Oro Valley Water Service Area through a pipeline connection between TW and OVWU on Calle Buena Vista south of Calle Concordia. An additional 100 acre feet per year of our CAP water delivery also was added to the Countryside Water Service Area on Camino de Oeste just north of Linda Vista Blvd.

Up to an additional 2,000 acre feet of our CAP water can be developed under the IGA with City of Tucson subject to approval by to the respective Councils. As part of our long-term planning an additional 1,500 acre feet of renewable CAP water will be developed for new growth in the next 10 years. This will increase our total renewable CAP water deliveries to 3,500 acre feet per year. The cost for this future development of our renewable CAP water for new growth was included in the Infrastructure Improvements Plan for the determination of the Alternative Water Resources Development Impact Fee.

This development of a portion of our CAP water through the Tucson Water IGA provides financial benefit to our customers in that it defers significant expense to develop a major capital project. Oro Valley Water Utility will continue to plan for the development of the remaining portion of our CAP water. Long-term plans for recharge and recovery and/or treatment and direct delivery of our CAP water will be developed to determine the best alternative and plan for delivering our CAP water in the future.

The Town of Oro Valley is committed to the use and future delivery of our CAP water to meet the demands of new growth. We will continue to work regionally to deliver our CAP water to our community.

### **Long-Term Storage Credits**

The Water Utility will increase its Long-Term Storage Credits by purchasing all of its CAP water over the next several years. The portion of CAP water not used for direct delivery or for recovery wells will build up our accounts for future water delivery. It is anticipated that an additional 10,000 acre feet could be stored in our Long-Term Storage Credit accounts over the next four to five years. In addition to our storage accounts, the Arizona Water Banking Authority is storing water in the Tucson Active Management Area on behalf of Municipal and Industrial CAP water subcontractors to protect against drought and shortages on the Colorado River.

## **Colorado River**

The Colorado River basin has experienced extended drought due to decreased precipitation and snowpack. This has decreased flow in the river creating significant declines in the water levels in Lake Mead and Lake Powell. These reservoirs supply water to the Central Arizona Project, other water projects in the lower basin states of Arizona, California and Nevada. In addition these reservoirs also provide required water deliveries to Mexico. In 2007, shortage guidelines were approved by the Secretary of the Interior and accepted by all seven states within the Colorado River basin. Those guidelines specify three different water levels in Lake Mead associated with a Tier 1, Tier 2, and Tier 3 shortages. In addition, the guidelines specify the shortage sharing and associated reductions of deliveries to each state for each of the tiers.

A Tier 1 shortage of CAP water is now predicted to occur in 2017. A Tier 1 shortage will not reduce the quantity of CAP water delivered to municipal water providers within the Central Arizona Project. Water deliveries from the CAP canal to Agricultural users will be curtailed.

In accordance with the 2007 guidelines, a Tier 1 shortage will be declared when Lake Mead water levels are at an elevation of 1,075 feet. This elevation of 1,075 is expected to occur in 2017 and a declaration of shortage would occur initiating the implementation of the shortage sharing guidelines.

The 2007 shortage sharing guidelines outline further reductions in delivery of Colorado River water to the lower basin states if and when higher-tier shortages are declared. As such, if the drought persists and no action is taken, it is expected that a portion of CAP deliveries to municipal water providers could be reduced in the 2026 to 2030 time frame. Any CAP water deliveries would be replaced with CAP water previously stored underground.

Over the last decade, the Arizona Water Banking Authority (AWBA) has taken steps for the state to guard against the impacts of drought and shortage by storing water underground. A significant amount of water has been stored underground and this water will be made available to municipal water providers to mitigate any curtailments of CAP water deliveries to municipal water users.

In addition to the AWBA storing water, Oro Valley Water Utility continues to store its CAP water and build up its long-term storage credits. This water will also be available to mitigate any curtailments of CAP water deliveries.

The Arizona Department of Water Resources and the Central Arizona Project are currently in discussions with the other Colorado River Basin states to investigate opportunities to keep water in Lake Mead to prevent a shortage from occurring or reduce the amount of a potential shortage.

The above actions combined with a diverse water portfolio can reduce the impacts of drought and shortages. In addition, reducing demands through conservation and better water management can help to preserve water supplies for the future.

## **WATER CONSERVATION PROGRAM**

Water conservation is an important factor in balancing our current and future water supply needs. Climate and the demands on our water supply place a significant impact on our water resources. Combine the state's arid climate with persistent drought conditions and the importance of managing our water resources effectively becomes even greater. The Utility recognizes the complexity and importance of sustained reliability.

The Water Conservation Program is an important element in the overall water resource management efforts of the Utility. The following are services we provide to educate and inform our customers through the Conservation Program.

### ➤ **AquaHawk Alerting**



AquaHawk Alerting is a free service for Oro Valley Water Utility customers that will assist them in efficiently managing their water usage and lowering their monthly bills. The AquaHawk program is multidimensional. It allows us to serve our customers at an operational level by direct contact from office or field staff depending on the severity of the high water use. It also allows customers to be proactive in monitoring their water use. In the past, customers were alerted to a water problem typically upon receiving their water bill. With AquaHawk, the customer is notified of high use within 72 hours of the actual usage.

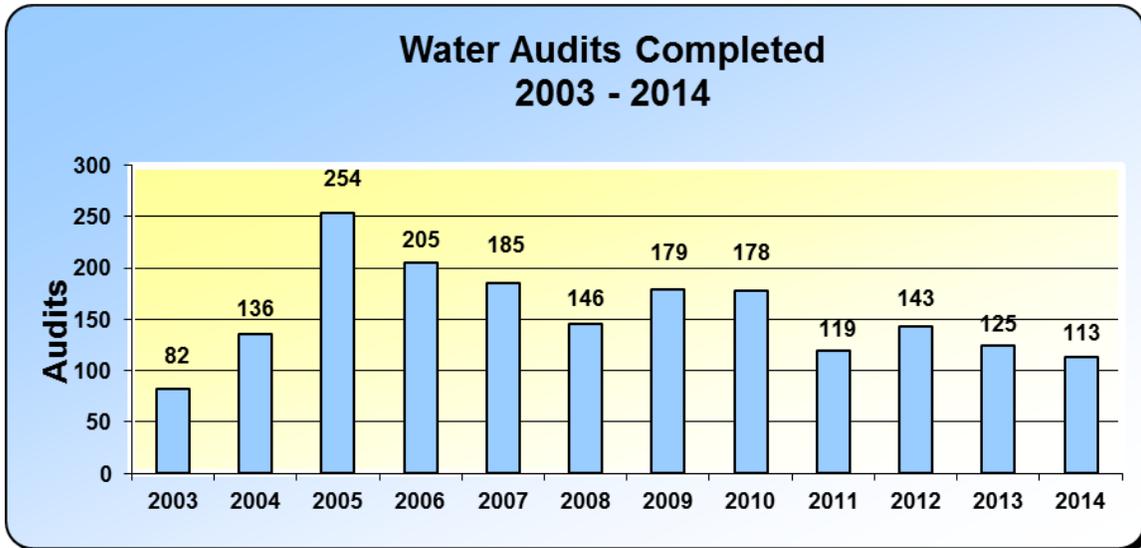
The features and benefits of AquaHawk Alerting include:

- Timely leak alerts that can be sent to a cell phone, home phone or email
- Reduction of water loss
- Water use monitoring to identify problems quickly
- Water expense monitoring

### ➤ **Water Audits**

Water audits are the assessment of water use both inside and outside the home or business and include residential, commercial, and neighborhood common areas. Water audits are provided free of charge to utility customers.

- 113 audits were performed in 2014
- 1,865 audits have been performed since the program began in 2003
- Water savings of 14.5% in the first year after the audit for audits performed in 2013



➤ **Conservation Resources**

A wide variety of conservation literature is available to Oro Valley customers at no cost and is offered at the library and our main office. In addition to traditional literature, the Utility provides public outreach efforts with the following:

- Oro Valley Water Education Booklet for children
- Water-Wise Landscaping for Southern Arizona CD
- Water Ways Newsletter posted on our web site

➤ **Youth Water Conservation Education Program**

As part of our water conservation education efforts, the Water Utility, with the help of Environmental Education Exchange developed a youth water conservation education program for Oro Valley schools called Conservation Kids. Conservation Kids is an interdisciplinary program that has been specifically designed for first through third grade learners and focuses on the water cycle, water supply, and water conservation in Oro Valley and the Tucson Basin. This program meets state education requirements. In 2014, 564 students were reached by this program.



To view the Conservation Kids video go to the following website:

[http://www.youtube.com/watch?feature=player\\_embedded&v=2zDNYEHTNA](http://www.youtube.com/watch?feature=player_embedded&v=2zDNYEHTNA)

➤ **Community Outreach**

Conservation staff participated in the following community outreach opportunities:

- Speaking Engagements
  - Sun City Governmental Affairs
  - Conservation training at various regional water providers
- Water Conservation Program presentation at Homeowner Associations (HOA)
  - Puerto Perdiz HOA
  - Villages of La Canada HOA
  - Carmel Pointe HOA
- Participation and attendance at other events
  - Annual HOA Forum
  - National Night Out
  - Sun City Health and Wellness Fair
  - Oro Valley Water Harvesting Tour

➤ **Incentives**

The current incentive program includes irrigation system rain sensors which are sold at a reduced rate to our customers. It also includes low-flow shower heads and low-flow sink aerators at no cost to our customers.

- 672 rain sensors have been sold to date
- A Rain Sensor Installation Guide is distributed by the Utility and is also available on our website. The Guide is available in English and Spanish.

## **WATER UTILITY OPERATIONS - PRODUCTION AND DISTRIBUTION**

All Production Division and Distribution Division personnel are operators licensed and certified by the Arizona Department of Environmental Quality (ADEQ). The operators have the direct responsibility to operate the water system(s) according to the regulations and rules set forth by the EPA (40CFR141) and ADEQ (Arizona Administrative Code Title 18). Water systems are classified by the level of operator certification required by ADEQ. Operator certifications are classified into one of four grades with Grade 1 being entry level and Grade 4 being the most advanced. For more information please visit the ADEQ website at [www.azdeq.gov](http://www.azdeq.gov).

Production and Distribution personnel work very closely to address any water system problems. The Production and Distribution Divisions also provide on-call staffing to respond to water system problems 24-hour 7 days per week. This on-call staffing utilizes a tiered level after-hours response protocol that is in accordance with the developed Emergency Response Plan.

### **Production Division**

Water Utility personnel in the Production Division are responsible for the operation and maintenance of the wells, booster pumps and reservoirs on two potable water distribution systems and the booster pumps, metering stations and reservoir on the reclaimed water delivery system. There are a total of 49 sites that are maintained by the Production Facilities staff.

The two potable water systems are chlorinated systems controlled and monitored by the Production Facilities Division. Chlorine dosage rates and residuals are monitored on a daily basis. The potable system located within the Town of Oro Valley Water Service Area (OVWSA) is a Grade IV Water Distribution and a Grade II Water Treatment system and currently delivers water to twenty pressure zones and a consecutive system located at La Cholla Air Park. The Public Water System Number for the OVWSA system is AZ0410164. The potable system that is not located within the Town boundaries, known as the Countryside Water Service Area (CSWSA), is a Grade III Water Distribution system that currently delivers water to a single pressure zone at the Countryside development. The Public Water System Number is AZ0410175 for CSWSA.

The groundwater production capacity within the OVWSA is currently 13.435 million gallons per day (9330 GPM) with a storage capacity of 10.6 million gallons. The groundwater production capacity within the CSWSA is currently 2.23 million gallons per day (1548 GPM) with a storage capacity of 0.90 million gallons. The CAP delivery capacity into the OVWSA system is 1.8 million gallons per day (1250 GPM). The CAP delivery capacity into the CSWSA system is 0.094 million gallons per day (65 GPM).

The Production Facility Staff continues to be proactive in the implementation of facility upgrades and a preventive maintenance program. Facility sites are evaluated annually to determine necessary upgrades to ensure continued effective operation of the facilities.

The following are some of the major activities and accomplishments of the Production Facilities Division in CY 2014:

- Maintained disinfection injection pumps and tested disinfection residuals daily at well site injection points on systems AZ0410164 and AZ0410175.
- Performed mechanical and general maintenance at 18 wells, 27 booster stations and 19 storage tanks including follow-up electrical preventative maintenance.
- Performed the annual groundwater level survey and prepared the report.
- Assisted with seven reservoir exterior and interior inspections.
- Assisted with the well monitoring capital project and quarterly reports.
- Competently operated the potable and reclaimed systems utilizing the SCADA system.
- Responded to after-hours calls totaling 675 work hours.
- Completed 5342 work hours related to assigned work orders.
- Performed SCADA network system maintenance on forty-four Remote Terminal Units, two Master Controllers, two Human Machine Interfaces, and two Network Servers.
- Assisted with the install of new SCADA HMI software.
- Performed daily chlorine tests and routine site checks.
- Maintained operational balance for CAP water delivery to the 10-164 and 10-175 systems.
- Continued meter replacement program with the installation of 13 ultrasonic flow meters.
- Assisted Engineering with Energy Efficiency Program.
- Performed and assisted with the installations specified by the Energy Efficiency Program.
- Electrical preventative maintenance cataloging of all production sites.
- Assisted with the interior recoat of the 800K Countryside reservoir.
- Built 22 site chlorine storage sheds.
- Installed 5 air temperature transmitters.
- Install pump 6 at reclaimed water booster.
- Deactivated well D5.
- Deactivated well C7, Linda Vista booster and storage.
- Assist with TW CAP Buena Vista commissioning.
- Set up communications and regulated blending at well D9 for TW CAP Buena Vista.
- Change-out of all well and booster air relief valves.
- Constructed parking areas at the reclaimed water reservoir site.

The Supervisory Control and Data Acquisition (SCADA) system is continuously updated, improved and programmed to streamline operational control, data trending, and alarm annunciation. The SCADA system, a centralized industrial network, currently monitors and controls all potable and reclaimed system facility sites. Utility staff monitors and operates all water systems via the SCADA system on a twenty four hour seven day a week (24/7) basis. The SCADA system has been upgraded with the latest Factory Talk View SE and Win 911 alarm software. XL Reporter report generation software has also been updated. Staff has been working with the Town of Oro Valley IT department to harden the SCADA security and secure HMI access. Production facilities staff is also responsible for the installation and maintenance of security devices at the Utility's facilities. All baseline security installations are now complete.

## **Distribution Division**

Utility personnel in the Distribution Division are responsible for the operation and maintenance of 350.2 miles of potable water mains, 13.8 miles of reclaimed water mains for a combined total of 364 miles of water mains. There are 22,147 fire hydrants and 7,844 valves on the water distribution system. The staff conducts maintenance programs and repairs that keep the distribution system functioning properly and efficiently minimizing problems that are inherent to water distribution systems.

Documentation of maintenance and replacement of hydrants; pressure reducing valves, and air release valves are collected in a database. A valve exercising program that helps monitor equipment and develop maintenance cycles has been established. The program provides information and equipment history data that facilitate a proactive replacement program.

The Distribution Division also has significant direct customer contact and responds to customers regarding water quality and pressure or flow related problems in the field. The Distribution staff continues to provide a high level of professional performance and courteous service to our customers. The Division works closely with Customer Service and responds to complex customer work orders such as high/low pressure complaints, water quality, service line breaks, hydrant repairs, system pressure regulating valves, system air relief valves and system flushing.

Repair of water line leaks are always treated as an emergency and are repaired quickly to minimize impacts to our customers. The Distribution staff has also taken on more construction responsibilities by repairing more main line and service line breaks. The Division also is responsible for bluestaking all underground water mains. The Division is responsible for maintaining 32 pressure reducing valves, 796 air relief valves and 893 drain valve assemblies.

The following are some of the major activities and accomplishments that were performed by the Distribution Facilities Division in CY 2014:

- Maintained, replaced and/or repaired 68 fire hydrants
- Flow tested 60 fire hydrants to assure fire protection
- Performed 108 tests and/or repairs for the maintenance and operation of the 22 pressure reducing valves
- Maintained, replaced and/or repaired 27 air relief valves
- Maintained, replaced and/or repaired 2 drain valve assemblies
- Performed 3,929 bluestakes for underground pipeline and facilities locations
- Responded to and repaired 3 water pipeline break
- Responded to 249 customer inquiries in the field
- Responded to and repaired 5 service line breaks
- Responded to 124 after hour call outs
- Installed 45 new hydrant defenders
- Maintained 1,150 water valves/Replaced 6 main line valves

## **Special Projects constructed by the Distribution Division**

### **Naranja Park Project**

- Installed 1,919 Feet of 8-inch potable water main consisting of two 2-inch services and 1 fire hydrant.
- Installed 1,869 Feet of 12-inch reclaimed water main.
- Installed 268 Feet of 8-inch reclaimed water main.
- Installed 1,867 Feet of 2-inch conduit for communications cable.



**Naranja Park Pipe Installation**

### **Wellness Clinic**

- Installed 72 Feet of 4-inch fire service line.
- Installed 41 Feet of 1-inch water service line.

### **Drinking Fountain on Tangerine Road**

- Installed 34 Feet of 1-inch water service line.

### **Countryside CAP Project**

- Installed 8-inch water valve by-pass and 2-inch water meter for CAP water.

## **SECURITY AND EMERGENCY RESPONSE**

Under current Federal guidelines, water operations personnel are considered first responders. Though primarily mandated by State rules with public health responsibilities, water operators also have a public safety responsibility with relevance to the water systems they are charged with operating. First response staff and vehicles are placed in an after hours position to directly respond to an emergency in order to minimize any impact on the water system. Production Facilities and Distribution Facilities staffs coordinate their response actions and will respond with an appropriate level of personnel to mitigate the problem. Any facilities security situations also directly involve the Oro Valley Police Department as a first response action.

In 2014, Utility personnel, with the assistance of a security consultant, reviewed, refined and updated the security program, Emergency Response Plan, and the Business Continuity Plan (BCP). The ERP and BCP are currently up to date regarding the Utility operational or response situations, contact information and procedures. The changes are designed to protect and “harden” the facilities against potential threats from the acts of people who wish to do harm to the residents of Oro Valley.

In 2014, under the security program, a series of training classes and exercises were made available and completed by the Utility Staff. This training is done on an annual basis as per the guidelines from the Department of Homeland Security, FEMA, and the EPA. A town-wide security training table-top exercise involving Water Utility personnel was conducted this year by the Oro Valley Police Department. Operations personnel also receive emergency management courses provided by ADEQ. The Utility will continue to implement the elements defined in the VA, ERP and the BCP as well as those that may be identified through the course of business.

The hydrant lock program continues to be implemented through the new development process and all hydrants within Oro Valley systems are protected from illegal entry and use. In 2014, 45 new hydrant defenders and locks were installed. Security features, which include perimeter fencing, security walls, warning signage, motion sensors, and cameras at all active production facilities, were inspected to maintain integrity.

The Water Utility also has the equipment and capability to test water samples under a first response scenario. A continuing program has been initiated to chemically characterize (“fingerprint”) the water produced. This will help identify anomalies during a suspected event involving water quality. These baseline data are taken on a monthly basis.

The Utility is kept abreast of local, regional and national security issues via weekly situation reports provided by Water Information Sharing and Analysis Center (Water ISAC). The Utility is also a member of the Arizona Water/Wastewater Agency Response Network (AZWARN) which mutually cooperates with other water and wastewater providers in an emergency.

## **ENGINEERING AND PLANNING DIVISION**

The Engineering and Planning Division is responsible for planning and managing the design, construction and inspection of all new water infrastructures for the Town of Oro Valley as well as planning for the delivery of new water resources to the Town. New water infrastructure is constructed both through the Water Utility's capital improvement program and through the new development process whereby the developer builds and finances projects that are then conveyed to the Water Utility.

### **Geographic Information System (GIS)**

The GIS section is responsible for managing and maintaining a Geographic Information System data base on all existing water system infrastructure in coordination with the Information Technology Department. Maps produced by GIS staff facilitate Operations and Planning and Engineering. In the development and implementation of our Energy Efficiency Program, GIS plays a very instrumental role by providing the baseline information for our recently calibrated distribution system model. The model will also interface with SCADA and the meter billing system to more accurately determine the amount and location of system demands.

### **New Development**

The New Development Section is responsible for facilitating development by reviewing and approving water improvement plans for proposed new developments. In 2014, the New Development Section reviewed and approved 9 water improvement plans submitted by developers for construction. In addition, 14 plans, some of which were approved in a previous year, were constructed, inspected, approved as-built and placed into service. The completion of these New Development projects together with Capital projects added approximately 4.5 additional miles of pipeline to the existing potable water distribution system.

### **Construction Inspection**

All new development and capital projects are inspected during construction for conformance with the approved design as well as material and installation standards. The Water Utility has two full time Construction Inspectors and when needed, utilize the services of a consultant inspector to assist when specialized inspections are required. In 2014, our inspectors inspected and approved 14 new development projects constructed by developers, 4 Water Utility capital projects constructed by a contractor and 6 projects constructed by Water Utility personnel.

## **CAPITAL PROJECTS**

The Engineering and Planning Division manages the design and construction of capital projects identified in the capital improvement program and annual operating budget. These projects are designed to improve efficiencies to existing facilities and improve service levels. These capital projects are described below.

### **Design Projects**

- Engineering design of a new 12-inch potable main on Lambert Lane west of La Cañada. This is part of the Oro Valley Roadway Improvement project that widens the road to four lanes. The design will be completed by June of 2015. Construction is expected to start January 2016.
- Engineering design for the existing 24-inch Reclaim Main on Tangerine Road. This is part of the RTA Road Improvement project from I-10 to the Town of Oro Valley. Tangerine Road will be widened to four lanes. Multiple box culvert and drainage structures will be installed that are conflicting with the existing reclaim main. Design is expected to be complete by June of 2015. Construction is expected to start January 2016.

### **Construction Projects**

#### **Valve Replacement Program**

Replaced existing air release valves (ARV), drain valve assemblies and adjust valve boxes in the Copper Creek subdivision. This is expected to be complete by June of 2015

#### **CAP Interconnect Project**



Construction was completed on the CAP interconnect on Calle Buena Vista to serve customers in the Oro Valley water service area, and another connection on Camino De Oeste near Linda Vista for the Countryside water service area. Tucson Water is wheeling our CAP allocation delivering 400 acre feet per year to the Oro Valley water service area and 100 acre feet per year to the Countryside water service area.

**CAP Connection on Calle Buena Vista**

## **System Connection Project**



A 12-inch pipeline connection between two existing potable 12-inch mains on Glover Road was installed to improve system reliability, water quality and reduce pressure fluctuations.

**System Connection Glover Road**

## **Naranja 12-Inch Water Main Crossing**

A 12-inch potable water main was installed across Naranja Road just west of La Cholla Blvd. This project was completed in February of 2015. This pipeline will deliver water from a proposed future CAP water booster station to blend and improve system water quality. This pipeline crossing was installed in coordination with the Development Infrastructure Services Department road improvement project to save costs for future road cutting and repaving.



**Naranja Road 12-Inch Water Main Crossing**

### **Countryside Water Main Replacement**

Construction will start February 2015 to install over 3,000 feet of 12-inch water main between Well CS1 and CS2 at the Countryside water service area to replace an existing and older undersized main. This project will reduce pressure loss and increase energy efficiency which will reduce pumping costs and conserve energy. Project completion is expected to be in June of 2015.

### **Wall Improvement and Upgrade at Countryside Well CS2**



An existing chain link fence was removed and replaced with a block stucco wall at well CS2 on Hartman lane and completed on June of 2014. This project improved both security and aesthetics at the site.

**Wall Improvement Well CS2**

### **Naranja Road 12 – Inch Reclaimed Water Extension**

A new 12-inch reclaimed water line was installed along Naranja Road to serve the newly constructed athletic fields at Naranja Park. The new reclaimed water line was connected to the existing 12-inch reclaimed water line 500-feet east of La Cañada Drive on the north side of Naranja Road and extended approximately 3,300-feet to the entrance of the park. This new pipeline will also allow for future extension and expansion of the reclaimed water system.



**12-Inch Reclaimed Water Extension**

**Future Projects:**

Capital improvement projects planned for FY 2015-16 include the following:

- AMI Meter Replacement Phase 4 (Final)
- Hydro-pneumatic Tank Replacement
- Steel Tank Safety Improvements
- Reservoir Water Quality Improvements for 5 reservoirs
- Main Valve Replacement Program
- Energy Efficiency Booster Station Upgrade Program
- Design of 12-Inch Main Relocation on West Lambert Lane
- System Connection Upgrades
- Tangerine Road Potable Water Main Extension
- Tangerine Road 24-Inch Reclaimed Water Main Relocation

The capital projects for existing system improvements FY 2015-16 are planned to be cash funded. It is proposed that projects in future years will be cash funded and/or debt financed through loan or bond proceeds.

Please see **Appendix B** for the 15-Year Capital Project Program.

## FINANCIAL HIGHLIGHTS

The Utility is financially sound and continues to manage its revenues, control expenditures and reduce debt. A bond rating review for the Utility was performed and issued by Fitch Ratings, Inc. on April 9, 2014. Fitch affirmed a bond rating of AA- with a stable outlook for the Utility. The rating indicated that financial performance of the Utility has been steady and favorable, marked by sound debt service coverage and high liquidity ratios. The Utility has refunded bonds over the last several years but still has an above average debt burden. The Water Utility and Finance Department will continue to review outstanding bonds to look for opportunities to reduce debt.

### Revenues and Expenditures

The Utility's revenue consists of potable and reclaimed water sales, groundwater preservation fees, miscellaneous service fees and charges, water development impact fees and interest income. The Water Utility has three funds:

- **The Operating Fund** provides funding for the Water Utility administration and operations as well as existing system improvements. The sources of revenue for this fund are water sales and service related charges. The Groundwater Preservation Fees are accounted for within this fund; however, the funds are dedicated to pay for debt or capital costs related to renewable water resources.
- **The Potable Water System Development Impact Fee Fund (PWSDIF)** provides funding for expansion related projects for new growth. The source of revenue for this fund is potable water development impact fees. These fees are paid at the time a meter is purchased. The funds collected ensure that the system expansion is paid for by new development.
- **The Alternative Water Resources Development Impact Fee Fund (AWRDIF)** provides funding for the development of renewable sources of water supply and any infrastructure required for delivery of those resources. The source of revenue for this fund is alternative water resources development impact fees. These fees are paid by new development for that portion of renewable water supply and infrastructure attributed to new growth.

The following table contains the actual revenue billed for FY 2013-14 for all funds within the Utility:

<b>Revenue Source</b>	<b>Amount Billed (FY 13-14)</b>
Potable Water Sales:	
Residential	\$ 7,880,702
Commercial	\$ 898,412
Irrigation	\$ 1,148,497
Turf	\$ 122,453
Construction	\$ 284,857
Reclaimed Water Sales:	
Turf	\$ 1,609,273
Construction	\$ 815
Irrigation	\$ 187,622
Misc. Service Fees & Charges	\$ 716,142
Groundwater Preservation Fees	\$ 2,598,639
<b>Total Enterprise Fund</b>	<b>\$15,447,412</b>
Alternative Water Resources Development Impact Fees	\$ 2,376,682
Development Impact Fees Potable Water System	\$ 1,413,047
Interest Income (Loss)	\$ 114,219
<b>Total All Funds for FY 2013-14</b>	<b>\$19,351,360</b>

The budgeted expenditures (excluding depreciation and amortization) for the Operating Fund are compared to the actual expenditures for FY 2013-14 in the following table:

<b>Expenditures</b>	<b>Budget FY 2013-14</b>	<b>Actual Spent FY 2013-14</b>	<b>Difference Under Budget</b>	<b>Percentage Under Budget</b>
Personnel	\$ 2,688,464	\$ 2,640,661	( \$ 47,803)	2 %
O&M	\$ 6,084,961	\$ 5,452,992	( \$ 631,969)	10 %
Capital	\$ 2,654,750	\$ 2,412,438	( \$ 242,312)	9 %
<b>Totals</b>	<b>\$11,428,175</b>	<b>\$10,506,091</b>	<b>( \$ 922,084)</b>	<b>8 %</b>

The Utility's O&M expenditures were under budget as a result of CAGR savings resulting from the efficient management of our water resources and not being able to purchase Groundwater Extinguishment Credits. Capital expenditures were also less than budgeted due to reductions in some of the capital projects.

### **Outstanding Debt**

The following table is a summary of the outstanding debt and the annual debt service payments (principal and interest) for all funds within the Utility:

<b>Fund</b>	<b>Bond Series</b>	<b>Outstanding Debt As of 12/31/14</b>	<b>Debt Service Payments FY 2014-15</b>	<b>Maturity Dates of Bonds / Loans</b>
Operating	2005	\$ 1,324,950	\$ 152,516	07/01/2025
Operating	2007	\$14,770,440	\$ 1,255,948	07/01/2026
Operating (WIFA)	2008	\$ 3,235,942	\$ 316,526*	07/01/2027
Operating (WIFA)	2009	\$ 1,777,300	\$ 149,368	07/01/2029
Operating	2012	\$ 4,417,910	\$ 582,284	07/01/2028
Operating	2012	\$ 8,052,849	\$ 1,061,372*	07/01/2028
Operating	2013	\$ 4,935,000	\$ 1,046,558	07/01/2019
Operating (WIFA)	2014	\$ 1,832,196	\$ 405,961	07/01/2029
PWSDIF	2012	\$ 2,484,241	\$ 327,424	07/01/2028
<b>Totals</b>		<b>\$42,830,828</b>	<b>\$ 5,297,957</b>	

The debt service payments with the asterisk (\*) notation are for the reclaimed water delivery system and are paid with revenues from Groundwater Preservation Fees. The debt for the reclaimed water system was originally accounted for in the Alternative Water Resources Development Impact Fee fund and was transferred to the Operating fund in 2014.

### **Water Rates and Development Fees**

The functions and duties of the Commission include annually reviewing and developing recommendations for water revenue requirements, water rates and fee structures. The Commission evaluates staff recommendations based on an annual water rates analysis to ensure the recommendations meet Town policies and bond covenants. The Utility bases its financial analysis on the American Water Works Association Cash Needs Approach.

The financial analysis for 2014 resulted in a recommendation to decrease the Groundwater Preservation Fees (GPF) and increase the commodity rates. These changes were offsetting and resulted in a slight decrease to monthly water bills for the majority of the utility's customers. There was a slight increase for the higher water use residential customers. This is consistent with conservation pricing through a tiered rate structure. Other fees and charges that were increased include the meter installation fees and landlord/tenant security deposits. The Town Council approved the new rates on January 7, 2015.

To meet the state statutory requirements regarding development impact fees, CH2M HILL performed an impact fee analysis on the Utility's Alternative Water Resources Development Impact Fee and Potable Water System Development Impact Fee. The revised impact fees were adopted by the Town Council on April 2, 2014 and became effective on July 1, 2014.

Based on the impact fee analysis, the revenue from the GPF is now being accounted for within the Operating Fund. This revenue is dedicated to paying for debt and capital costs related to renewable water resources. As such, the debt for the reclaimed water delivery system was also transferred to the Operating Fund.

All current water rates, fees and charges including impact fees are available to view on the Town website at [http://www.ovalleyaz.gov/Town\\_Government/WaterUtility/Water\\_Rates\\_and\\_Fees.htm](http://www.ovalleyaz.gov/Town_Government/WaterUtility/Water_Rates_and_Fees.htm)



# **TOWN OF ORO VALLEY WATER UTILITY COMMISSION**

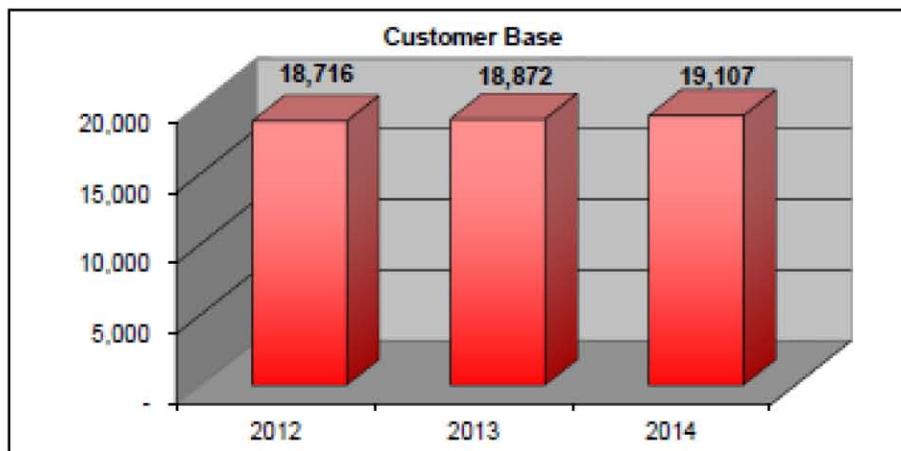
## **2015 ANNUAL REPORT**

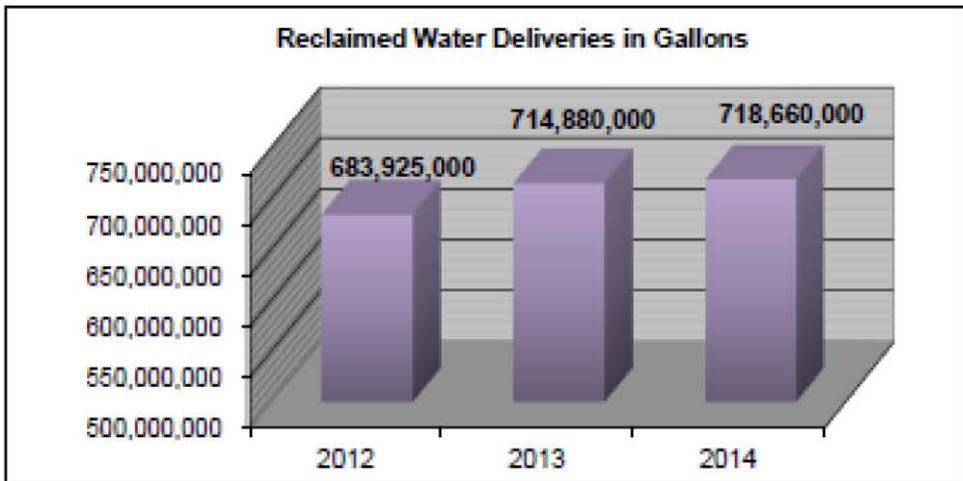
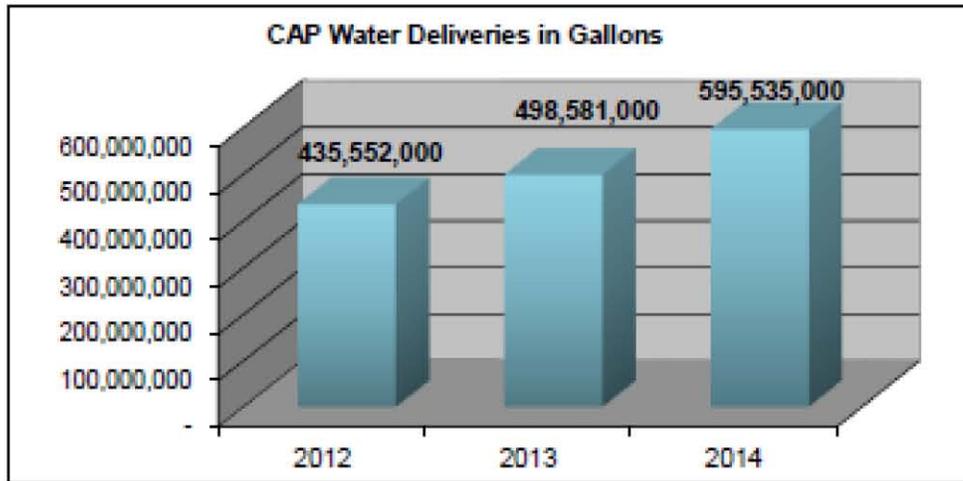
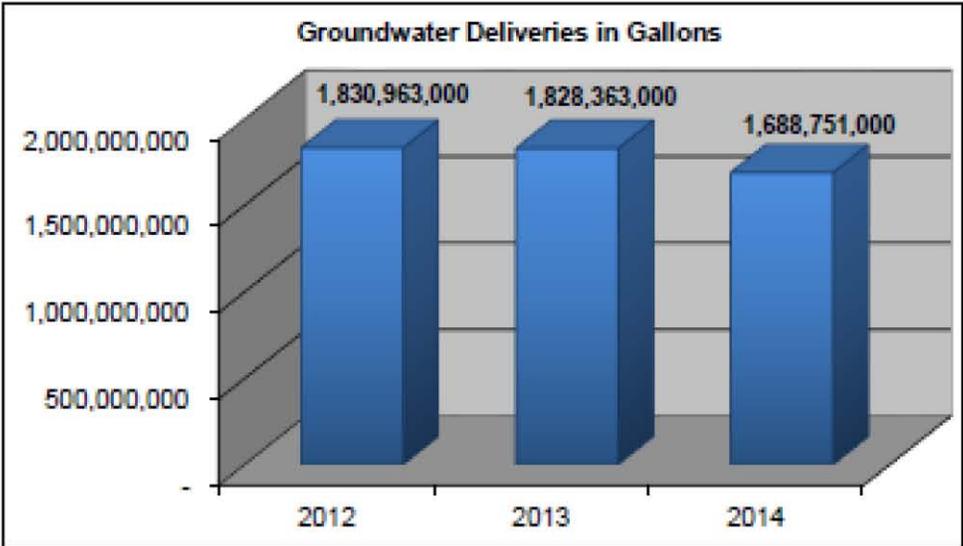
---

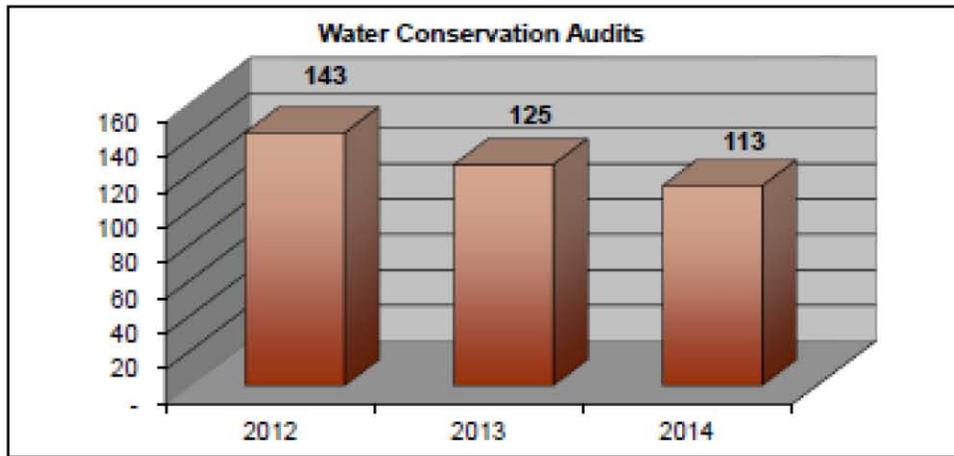
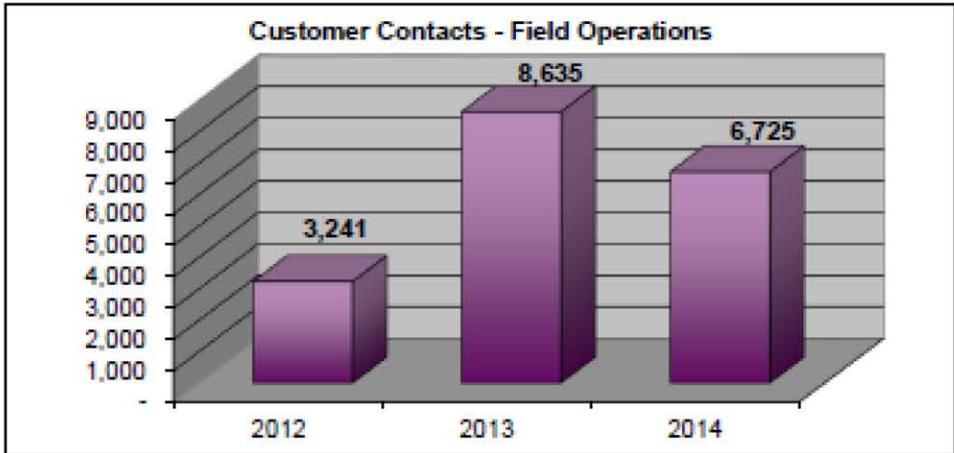
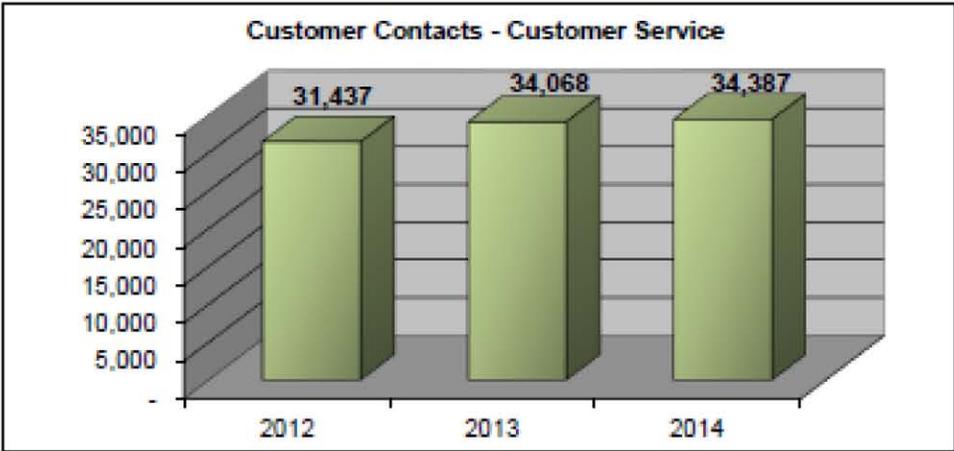
### **APPENDIX A**

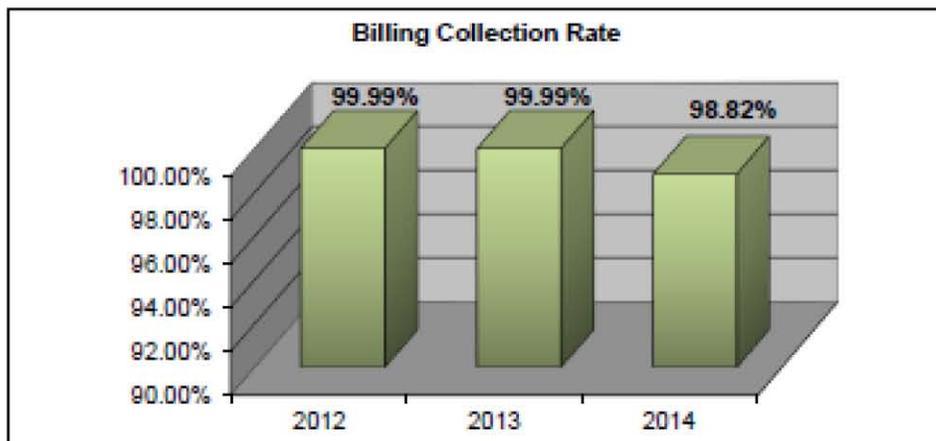
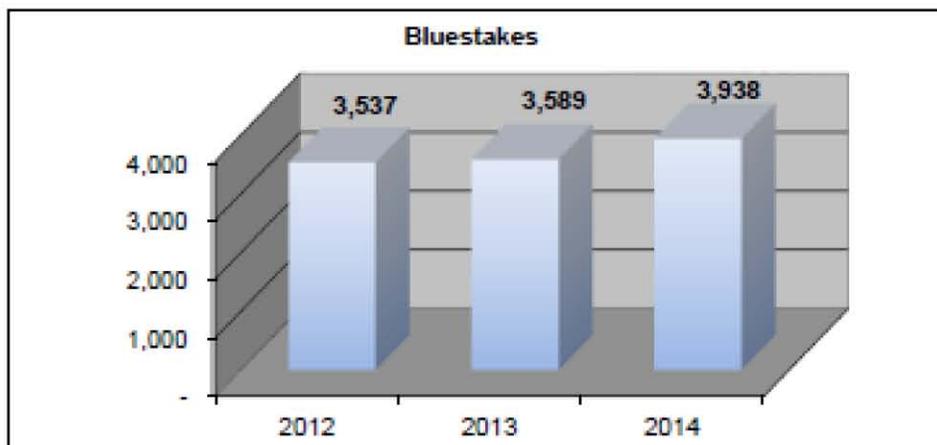
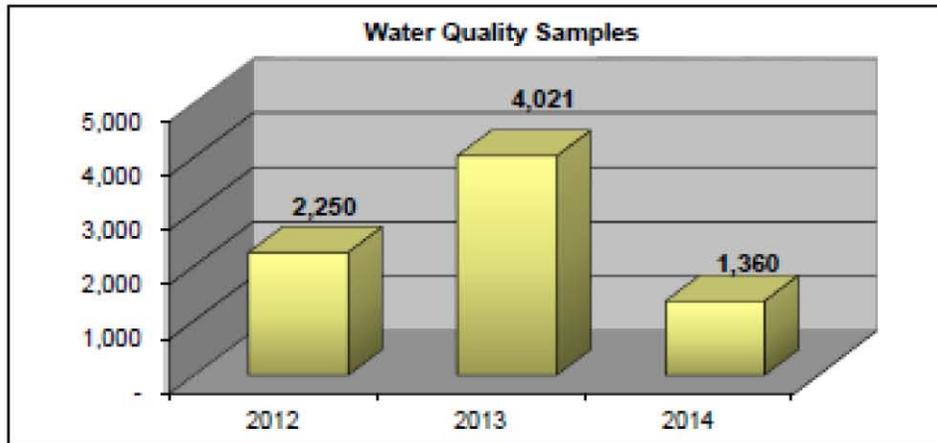
### **UTILITY STATISTICS**

<b>YEAR</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Customer Base	18,716	18,872	19,107
Potable Water Deliveries in Gallons			
Groundwater	1,830,963,000	1,828,363,000	1,688,751,000
CAP water	435,552,000	498,581,000	595,535,000
Total Potable Water Deliveries	2,266,515,000	2,326,944,000	2,284,286,000
Reclaimed Water Deliveries in Gallons	683,925,000	714,880,000	718,660,000
Bluestakes	3,537	3,589	3,938
Customer Contacts			
Customer Service	31,437	34,068	34,387
Field Operations	3,241	8,635	6,725
Water Conservation-Audits	143	125	113
Water Quality Samples	2,250	4,021	1,360
Billing Collection Rate	99.99%	99.99%	98.82%

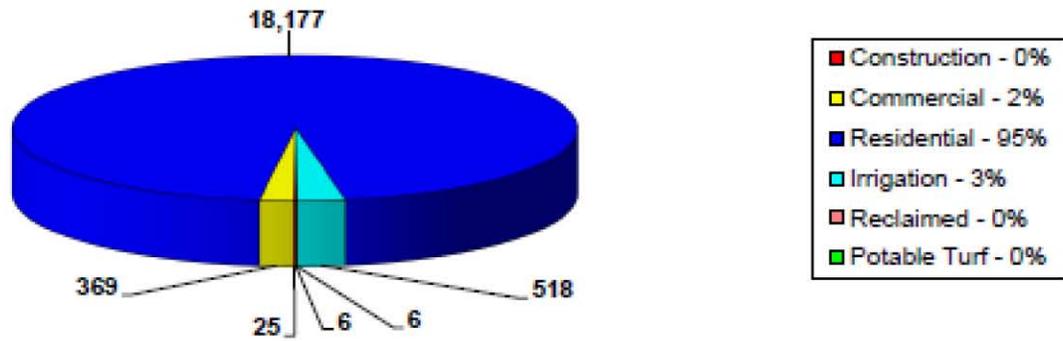




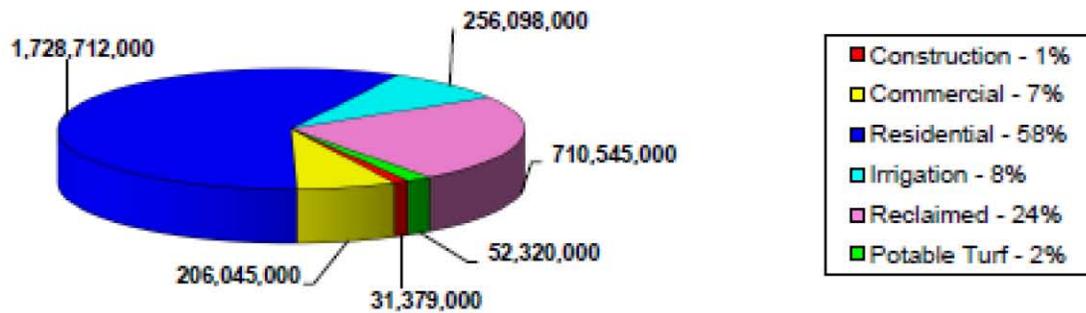




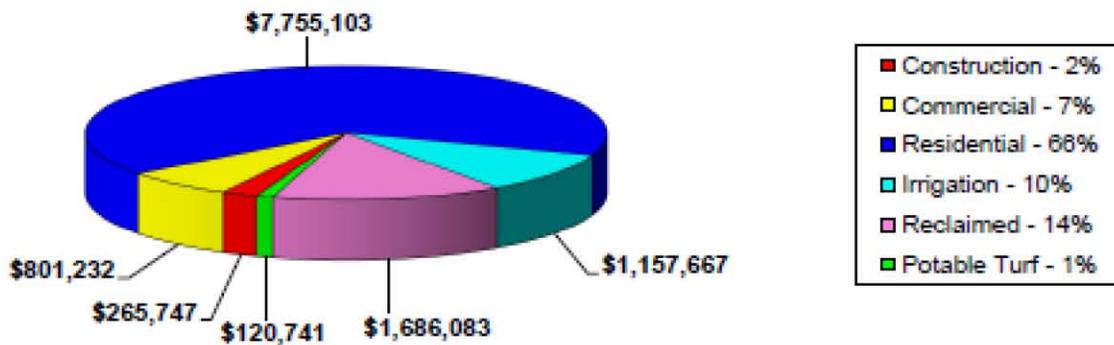
### Accounts By User Type As of December 31, 2014



### Gallons Sold By User Type January - December 2014



### Revenue By User Type January - December 2014





# **TOWN OF ORO VALLEY WATER UTILITY COMMISSION**

## **2015 ANNUAL REPORT**

---

### **APPENDIX B**

### **FIFTEEN - YEAR CAPITAL IMPROVEMENT PROGRAM**

Project No.	Project Name	2016-2018	2018-2017	2017-2018	2018-2018	2018-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2026	2026-2028	2028-2027	2027-2028	2028-2028	2029-2030	16 Year Total
<b>Wells</b>																	
1	Steam Pump Drill and Construct					\$ 700,000	\$ 900,000										\$ 1,600,000
2	Steam Pump - Solar 10,000 Watt System						\$ 50,000										\$ 50,000
3	Well Meter Replacement							\$ 200,000							\$ 50,000		\$ 250,000
4	Well E2 Upgrade		\$ 100,000														\$ 100,000
5	D Zone Well Replacement			\$ 700,000	\$ 900,000					\$ 700,000	\$ 1,000,000				\$ 700,000	\$ 1,000,000	\$ 5,000,000
6	Hydro pneumatic Tank Replacement	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000												\$ 200,000
7	Replace Well Pumps		\$ 75,000		\$ 75,000		\$ 100,000		\$ 100,000		\$ 100,000		\$ 100,000		\$ 100,000		\$ 650,000
	<b>Subtotal</b>	<b>\$ 60,000</b>	<b>\$ 225,000</b>	<b>\$ 760,000</b>	<b>\$ 1,025,000</b>	<b>\$ 700,000</b>	<b>\$ 1,060,000</b>	<b>\$ 200,000</b>	<b>\$ 100,000</b>	<b>\$ 700,000</b>	<b>\$ 1,100,000</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 860,000</b>	<b>\$ 1,000,000</b>	<b>\$ 7,860,000</b>
<b>Reservoirs</b>																	
8	Ei Con Storage - Operational Improvements			\$ 50,000													\$ 50,000
9	Steel Tank Safety Railings	\$ 80,000															\$ 80,000
10	Water Quality System Improvement	\$ 60,000	\$ 60,000	\$ 70,000													\$ 190,000
11	Big Wash Reservoir Coating		\$ 100,000														\$ 100,000
	<b>Subtotal</b>	<b>\$ 140,000</b>	<b>\$ 160,000</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 420,000</b>
<b>Boosters</b>																	
12	Energy Efficiency Booster Upgrades	\$ 100,000															\$ 100,000
13	Deer Run Booster PRV Installation		\$ 40,000														\$ 40,000
14	High Mesa E and F Zone Bstr. Enhancements					\$ 50,000											\$ 50,000
15	Deer Run D and E Zone Booster Station							\$ 200,000	\$ 1,300,000								\$ 1,500,000
16	Replace Crimson Canyon Booster Station						\$ 250,000										\$ 250,000
17	Hydro pneumatic (HP) Tank Replacement		\$ 60,000	\$ 60,000	\$ 60,000												\$ 180,000
18	Reclaimed Bstr. & Pump Replacements		\$ 200,000														\$ 200,000
	<b>Subtotal</b>	<b>\$ 100,000</b>	<b>\$ 300,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 1,300,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,320,000</b>
<b>Mains</b>																	
19	W. Lambert Ln. 12" Main Relocation (DIS)	\$ 450,000															\$ 450,000
20	Tangerine Potable Main Extension (DIS) RTA	\$ 80,000															\$ 80,000
21	Relocate 3 PRV'S CV Area		\$ 100,000														\$ 100,000
22	System Connection Upgrades	\$ 100,000															\$ 100,000
23	Rancho Verde Hydrants		\$ 200,000														\$ 200,000
24	Main Valve Replacements	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000												\$ 250,000
25	La Cholla - Lambert to Tangerine (RTA)						\$ 100,000	\$ 1,000,000									\$ 1,100,000
26	24 inch Reclaim Main Tangerine (DIS) RTA	\$ 350,000	\$ 700,000														\$ 1,050,000
27	Ei Con. Patio Homes & Casitas Main REPL				\$ 100,000	\$ 1,300,000											\$ 1,400,000
28	Ei Con Tennis Club - La Canada Main Repl.					\$ 600,000											\$ 600,000
29	Linda Vista Citrus Tracts Main Repl. (note 1)						\$ 250,000	\$ 250,000	\$ 250,000								\$ 750,000
30	Pusch Ridge Estates Main Repl.									\$ 500,000	\$ 500,000						\$ 1,000,000
31	Monte Del Oro Main Repl.										\$ 600,000	\$ 600,000					\$ 1,200,000
32	Rancho Verde Main Repl.												\$ 800,000	\$ 800,000			\$ 1,600,000
33	Rancho Felix Main Repl.													\$ 800,000			\$ 800,000
	<b>Subtotal</b>	<b>\$ 1,080,000</b>	<b>\$ 1,060,000</b>	<b>\$ 60,000</b>	<b>\$ 160,000</b>	<b>\$ 1,900,000</b>	<b>\$ 350,000</b>	<b>\$ 1,250,000</b>	<b>\$ 250,000</b>	<b>\$ 600,000</b>	<b>\$ 1,100,000</b>	<b>\$ 600,000</b>	<b>\$ 800,000</b>	<b>\$ 800,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,880,000</b>
<b>Structures &amp; Walls</b>																	
34	Wall Upgrades and Improvements				\$ 75,000					\$ 100,000				\$ 100,000			\$ 275,000
	<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 75,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 275,000</b>
<b>Meters &amp; Equipment</b>																	
35	AMI Meter Replacement - Oro Valley	\$ 1,800,000															\$ 1,800,000
36	SCADA server and monitors				\$ 50,000					\$ 50,000					\$ 50,000		\$ 150,000
37	SCADA Legacy Replacement				\$ 100,000					\$ 100,000					\$ 100,000		\$ 300,000
38	Instrumentation Replacement							\$ 250,000									\$ 250,000
39	Golf Course Metering Stations Modifications				\$ 50,000												\$ 50,000
	<b>Subtotal</b>	<b>\$ 1,800,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 160,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 160,000</b>	<b>\$ -</b>	<b>\$ 2,660,000</b>
<b>Vehicles</b>																	
40	Replacement Vehicles - Meter Operations		\$ 45,000				\$ 75,000	\$ 50,000				\$ 80,000	\$ 55,000				\$ 305,000
41	Distribution Vehicles	\$ 33,000	\$ 70,000		\$ 50,000		\$ 50,000		\$ 70,000		\$ 80,000		\$ 80,000		\$ 70,000		\$ 503,000
42	Production Vehicles - Three per George K.	\$ 145,000		\$ 70,000		\$ 70,000		\$ 75,000		\$ 75,000		\$ 50,000		\$ 50,000			\$ 535,000
43	Director Vehicle		\$ 35,000							\$ 40,000							\$ 75,000
44	Pool Vehicles		\$ 25,000		\$ 25,000							\$ 30,000		\$ 30,000			\$ 110,000
45	Construction Equipment - Backhoe & Trailer														\$ 140,000		\$ 140,000
46	On Call Service Truck		\$ 90,000									\$ 110,000					\$ 200,000
	<b>Subtotal</b>	<b>\$ 178,000</b>	<b>\$ 285,000</b>	<b>\$ 70,000</b>	<b>\$ 75,000</b>	<b>\$ 70,000</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ 70,000</b>	<b>\$ 75,000</b>	<b>\$ 120,000</b>	<b>\$ 270,000</b>	<b>\$ 135,000</b>	<b>\$ 80,000</b>	<b>\$ 210,000</b>	<b>\$ -</b>	<b>\$ 1,888,000</b>
<b>Total Existing System Improvements</b>		<b>\$ 3,348,000</b>	<b>\$ 2,000,000</b>	<b>\$ 1,060,000</b>	<b>\$ 1,685,000</b>	<b>\$ 2,720,000</b>	<b>\$ 1,776,000</b>	<b>\$ 1,825,000</b>	<b>\$ 820,000</b>	<b>\$ 2,825,000</b>	<b>\$ 2,320,000</b>	<b>\$ 870,000</b>	<b>\$ 1,035,000</b>	<b>\$ 1,780,000</b>	<b>\$ 1,210,000</b>	<b>\$ 1,000,000</b>	<b>\$ 26,984,000</b>

Oro Valley Water Utility  
 Proposed Capital Projects Program  
 Prepared: December 2, 2013  
 Revised: January 23, 2015

Existing System - Reclaimed Water Improvements

Project No.	Project Name	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	15 Year Total	
<b>Booster Pumps</b>																		
1	New Metering Station Hilton 9-hole GC									\$ 250,000							\$ 250,000	
Subtotal										\$ 250,000							\$ 250,000	
<b>Reservoirs</b>																		
Subtotal																		\$ -
<b>Mains</b>																		
2	12-inch Main Ext./Riverfront Park/7,000 FT.						\$ 1,100,000											\$ 1,100,000
3	12-inch Main Ext./Hilton 9-hole GC/2.75 Miles								\$ 300,000	\$ 2,900,000								\$ 3,200,000
4	12-inch Main Ext./Pusch Ridge HS/5,280 FT.												\$ 100,000	\$ 924,000				\$ 1,024,000
5	12-inch Main Ext./James Krieg Park/2,640 FT.												\$ 60,000	\$ 462,000				\$ 522,000
Subtotal		\$ -	\$ -				\$ 1,100,000		\$ 300,000	\$ 2,900,000			\$ 160,000	\$ 1,386,000				\$ 5,846,000
Total Reclaimed Water Capital Improvements		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -	\$ 300,000	\$ 3,150,000	\$ -	\$ -	\$ -	\$ 160,000	\$ 1,386,000	\$ -		\$ 6,096,000

Oro Valley Water Utility  
Proposed Capital Projects Program  
Prepared: December 2, 2013  
Revised: January 23, 2015

Alternative Water Resources Development Impact Fee Fund  
CAP Water Improvements

Project No.	Project Name	Category	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	15 Year Total
1	CAP La Cholla D-E Blending Booster Stn	CAP				\$ 700,000												\$ 700,000
2	CAP Wheeling TW Naranja 1000 AF/Yr	CAP			\$ 400,000	\$ 400,000												\$ 800,000
3	24" pipe Naranja/ La Cholla/Tangerine	CAP				\$ 1,600,000	\$ 1,200,000											\$ 2,800,000
4	TW Naranja Booster Station Upgrade	CAP				\$ 1,200,000												\$ 1,200,000
5	E-C PRV Naranja Reservoir	CAP					\$ 100,000											\$ 100,000
6	TW Oasis Booster Station Upgrades	CAP				\$ 30,000	\$ 100,000											\$ 130,000
7	TW 12" Pipe	CAP				\$ 80,000	\$ 800,000											\$ 880,000
8	TW 16" Pipe Oasis Rd.	CAP				\$ 100,000	\$ 1,000,000											\$ 1,100,000
9	Wheeling TW Naranja 500 AF/Year	CAP						\$ 400,000	400,000									\$ 800,000
10	24" pipe La Cholla/Tangerine to La Cana	CAP								\$ 2,500,000								\$ 2,500,000
11	Steam Pump C-D Booster Station	CAP							\$ 1,200,000									\$ 1,200,000
12	Blg Wash D-E Booster Station	CAP								\$ 800,000								\$ 800,000
13	Inlet/Outlet Mod. at Allied Signal Res.	CAP								\$ 50,000								\$ 50,000
	5,000 AF/Year	CAP											\$ 500,000					\$ 500,000
15	16" pipe 1st Ave Tangerine	CAP											\$ 1,500,000	\$ 1,500,000	\$ 700,000			\$ 3,700,000
16	PRV Feed to E Zone Tangerine/La Can.	CAP											\$ 50,000					\$ 50,000
17	PRV Feed to E Zone Tangerine/1st. Ave	CAP											\$ 50,000					\$ 50,000
18	E-F Booster Station La Canada Res.	CAP											1,400,000					\$ 1,400,000
19	Lower Santa Cruz R&R (1,500 AFY)	CAP								\$ 900,000								\$ 900,000
20	3-Recovery Wells & Delivery to WTP	CAP											4,000,000	500,000				\$ 4,500,000
21	Water Treatment RR, Chlorination	CAP								\$ 200,000	1,200,000	1,000,000						\$ 2,400,000
22	Delivery, Storage, A-C Bstr, C-E Bstr	CAP								\$ 3,000,000	13,000,000	10,000,000	10,000,000					\$ 36,000,000
	9,500 AF/Year (completion 2029-2030)	CAP																\$ -
	Lower Santa Cruz R&R (4,500 AFY)	CAP																\$ -
23	7 - Recovery Wells	CAP											\$ 500,000	\$ 500,000	\$ 5,000,000			\$ 6,000,000
24	Water Treatment and RO	CAP												\$ 1,000,000	\$ 5,000,000			\$ 6,000,000
25	Concentrate Management	CAP												\$ 3,000,000	\$ 5,000,000	\$ 5,000,000		\$ 13,000,000
26	16" pipe Naranja/ La Cholla to Reservoir	CAP												\$ 300,000	\$ 2,000,000			\$ 2,300,000
<b>Total Alternative Water Capital Improvements</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 400,000</b>	<b>\$ 4,110,000</b>	<b>\$ 3,200,000</b>	<b>\$ 400,000</b>	<b>\$ 1,500,000</b>	<b>\$ 3,350,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,100,000</b>	<b>\$ 21,700,000</b>	<b>\$ 17,000,000</b>	<b>\$ 27,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 89,860,000</b>

Carollo CAP Delivery Cost Study 2011  
CH2MHILL CAP Water Distribution & Delivery Study 2011

Oro Valley Water Utility  
 Proposed Capital Projects Program  
 Prepared: December 2, 2013  
 Revised: January 23, 2015

Potable Water System Development Impact Fee Fund  
 Expansion Related Improvements

Project No.	Project Name	Category	2014-2016	2016-2018	2018-2017	2017-2018	2018-2018	2018-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2026	2026-2028	2028-2027	2027-2028	2028-2028	16 Year Total
1	Property Acquisition	Potable						\$ 500,000										\$ 500,000
3	Booster Station	Potable							\$ 150,000	\$ 300,000								\$ 450,000
2	1.0 MG Reservoir	Potable							\$ 150,000	\$ 1,000,000	\$ 500,000							\$ 1,650,000
4	New 16" Pipe Main	Potable								\$ 150,000	\$ 1,500,000							\$ 1,650,000
	Arroyo Grande State Land																	
5	N. Oracle Reservoir Property Acquisition	Potable											\$ 250,000					\$ 250,000
6	16" N. Oracle F-Zone Main	Potable												\$ 300,000	\$ 3,000,000			\$ 3,300,000
7	N. Oracle 1.0MG F-Zone Reservoir	Potable													\$ 250,000	\$ 1,500,000	\$ 1,000,000	\$ 2,750,000
8	N. Oracle H-Zone Booster Station	Potable													\$ 150,000	\$ 600,000		\$ 750,000
9	12" Sun City H-Zone Main	Potable													\$ 150,000	\$ 1,000,000	\$ 500,000	\$ 1,650,000
10	16" G-Zone Main	Potable														\$ 200,000	\$ 2,000,000	\$ 2,200,000
11	E. Tortolita Property Acquisition	Potable													\$ 250,000			\$ 250,000
12	Chalk Creek Property Acquisition	Potable														\$ 200,000		\$ 200,000
13	E. Tortolita 2.0MG G-Zone Reservoir	Potable														\$ 250,000	\$ 2,000,000	\$ 2,250,000
14	G-H Zone Booster Station	Potable														\$ 150,000	\$ 400,000	\$ 550,000
15	Chalk Creek 0.5 MG H-Zone Reservoir	Potable														\$ 150,000	\$ 1,000,000	\$ 1,150,000
16	16" H-Zone Main	Potable														\$ 200,000	\$ 2,000,000	\$ 2,200,000
17	16" Chalk Creek H-Zone Main	Potable													\$ 100,000	\$ 100,000	\$ 1,000,000	\$ 1,200,000
	Forecast beyond 2028																	
18	State Land 0.5MG I - Zone Reservoir	Potable																
19	State Land Property Acquisition	Potable																
20	I - Zone Interconnect	Potable																
21	K&J Zone Booster Station	Potable																
<b>Total Expansion Related Capital Improvements</b>			<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ 300,000</b>	<b>\$ 1,450,000</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 300,000</b>	<b>\$ 3,900,000</b>	<b>\$ 4,350,000</b>	<b>\$ 9,900,000</b>	<b>\$ 22,950,000</b>				

B-4

CH2MHILL CAP Water Distribution & Delivery Study 2011  
 Westland Potable Master Plan 2006



# **TOWN OF ORO VALLEY WATER UTILITY COMMISSION**

## **2015 ANNUAL REPORT**

---

### **APPENDIX C**

### **ACRONYMS AND GLOSSARY**

## ACRONYMS

<b>ACH</b>	Automated Clearing House (automatic payment program)
<b>ADEQ</b>	Arizona Department of Environmental Quality
<b>ADWR</b>	Arizona Department of Water Resources
<b>AF</b>	Acre-Feet
<b>AMI</b>	Advanced Metering Infrastructure
<b>AWBA</b>	Arizona Water Banking Authority
<b>AWS</b>	Assured Water Supply
<b>AWWA</b>	American Water Works Association
<b>AWRDIF</b>	Alternative Water Resources Development Impact Fee
<b>AZWARN</b>	Arizona Water and Wastewater Agency Response Network
<b>BCP</b>	Business Continuity Plan
<b>CAGRD</b>	Central Arizona Groundwater Replenishment District
<b>CAP</b>	Central Arizona Project
<b>CAVSRP</b>	Central Avra Valley Storage and Recovery Project
<b>CAWCD</b>	Central Arizona Water Conservation District
<b>CCR</b>	Consumer Confidence Reports
<b>CPP</b>	Capital Projects Program
<b>CSWSA</b>	Countryside Water Service Area
<b>CY</b>	Calendar Year
<b>DAWS</b>	Designation of Assured Water Supply
<b>EPA</b>	Environmental Protection Agency
<b>ERP</b>	Emergency Response Plan
<b>FEMA</b>	Federal Emergency Management Act
<b>FY</b>	Fiscal Year
<b>GIS</b>	Geographic Information System
<b>GPF</b>	Groundwater Preservation Fee
<b>GPM</b>	Gallons per Minute
<b>GWA</b>	Groundwater Allowance Account
<b>IGA</b>	Intergovernmental Agreement
<b>IOC</b>	Inorganic Compound
<b>ISAC</b>	Information Sharing and Analysis Center
<b>LSCRRP</b>	Lower Santa Cruz Replenishment Project
<b>LTSC</b>	Long-Term Storage Credit
<b>MGD</b>	Million Gallons per Day
<b>MCL</b>	Maximum Contaminate Level
<b>M&amp;I</b>	Municipal and Industrial
<b>OVWSA</b>	Oro Valley Water Service Area
<b>PDEQ</b>	Pima County Department of Environmental Quality
<b>PWSDIF</b>	Water Resources Development Impact Fee
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>WaterCASA</b>	Water Conservation Alliance of Southern Arizona
<b>WOW</b>	Water on the Web

## GLOSSARY

**Aquifer** – An underground layer of water-bearing permeable rock or unconsolidated materials (gravel, sand, or silt) from which groundwater can be extracted using a water well.

**Central Avra Valley Storage and Recovery Project** - An approved Underground Storage Facility operated by Tucson Water located in the Tucson Active Management Area located approximately one mile west of Sandario Road and just south of Mile Wide Road, in the Avra Valley, Pima County, Arizona.

**Colorado River Basin** – The drainage basin of the **Colorado River** located in the Southwestern United States and northwest Mexico. The 1,450-mile (2,330 km) river drains an expansive, arid watershed that encompasses parts of seven U.S. (Wyoming, Colorado, Utah, New Mexico, Arizona and California) and two Mexican states (Sonora and Baja). Rising in the central Rocky Mountains in the U.S., the river flows generally southwest across the Colorado Plateau and through the Grand Canyon before reaching Lake Mead on the Arizona–Nevada line, where it turns south toward the international border at Yuma, Arizona. After entering Mexico, the Colorado approaches the large Colorado River Delta where it naturally empties into the Gulf of California.

**Developed Water Resources** – Water resources and supply that are owned by a water provider for which infrastructure has been constructed to deliver the water directly to a water service area. For Oro Valley Water Utility this includes a portion of our groundwater rights, CAP water allocation and reclaimed water. Undeveloped water resources are those water supplies that do not have associated infrastructure but used indirectly by transfer or exchange, such as a portion of our Long-Term Storage Credits.

**Effluent** – Generally refers to wastewater that is treated and discharged to a natural water course. For Oro Valley Water Utility its effluent is treated at facilities owned and operated by Pima County. This treated wastewater effluent is the source of Oro Valley’s reclaimed water

**Fifteen Year Capital Projects Plan** – A long-term plan for the future development of water related projects to develop and deliver water supply to our community. It includes existing system improvements and expansion related projects to meet future demands for both the potable water system(s) and the reclaimed water system.

**Groundwater** – The water located in an aquifer beneath Earth's surface in soil pore spaces and in the fractures of rock formations. The depth at which soil pore spaces or fractures and voids in rock become completely saturated with water is called the water table.

**Groundwater Extinguishment Credits** – Credits that are generated when a grandfathered groundwater right is extinguished or retired and never be used again. The credits are issued a certificate from the Arizona Department of Water Resources. Ownership of the credits can be transferred from the owner to another entity within the same Active Management Area.

**Infrastructure Improvements Plan (IIP)** – A plan required that identifies projects that will be built for new growth and development within a governmental jurisdiction. An IIP is required to be developed for the inclusion of associated costs when calculating development impact fees.

**Kai Farms** – An approved Groundwater Savings Facility located at a farm near Redrock, Arizona that Oro Valley Water Utility uses to build up storage credits by selling a portion of our CAP water to the farm for irrigation use. Credits are built up because the farm uses our CAP water and does not use groundwater for irrigation. The groundwater not used becomes a credit to Oro Valley Water Utility for future use.

**Lake Mead** – The largest water storage reservoir in the United States with a capacity of 25,900,000 acre feet. It is located on the Colorado River about 24 mi southeast of Las Vegas, Nevada. Hoover Dam forms the lake and provides hydro-electric power.

**Lake Powell** – A water storage reservoir located on the Colorado River near Page, Arizona with a capacity of 24,300,000 acre feet. Glen Canyon Dam forms the lake and provides hydro-electric power.

**Long-Term Groundwater Storage Credit** – A credit for storing CAP water or wastewater effluent that is accrued when this water is delivered to and recharged into an approved underground water storage facility. Once the water is recharged and stored and a deduction is made for losses to the aquifer, it becomes a credit that can be used in the future either by direct delivery or used as credits to replace groundwater pumped from recovery wells.

**Lower Santa Cruz Replenishment Project** – An approved Underground Storage Facility operated by the Central Arizona Project located in the Tucson Active Management Area near Marana, Arizona.

**“Paper” Water** – A term used to describe water that is not directly delivered and is recovered through credits. Recovery of these credits occurs through pumping from permitted recovery wells in a location that is of more than one mile from the recharge and storage facility where the credits were originally stored.

**Pima Mine Road Recharge Project** – An approved Underground Storage Facility operated by the Central Arizona Project located in the Tucson Active Management Area near Sahuarita, Arizona.

**Tucson Active Management Area** – One of five Active Management Areas in Arizona established under the 1980 Groundwater Code to manage groundwater usage through the Assured water Supply Program.

**“Wet” Water** – A term used to describe water that is directly delivered from a source of supply such as directly off of a canal or from recovery wells that are located within one mile of recharge and storage facilities where the recovered credits were originally stored.



## Town Council Regular Session

Item # **2.**

**Meeting Date:** 04/01/2015  
**Requested by:** Kristy Diaz-Trahan  
**Submitted By:** Kristy Diaz-Trahan, Parks and Recreation  
**Department:** Parks and Recreation

---

### Information

#### **SUBJECT:**

RESOLUTION NO. (R)15-25, APPROVING THE PARKS & RECREATION DEPARTMENT STRATEGIC FACILITIES PLAN

#### **RECOMMENDATION:**

The Parks & Recreation Advisory Board (PRAB) unanimously approved the Parks & Recreation Department Strategic Facilities Plan at their March 10, 2015 regular meeting. Staff agrees and recommends approval as presented.

#### **EXECUTIVE SUMMARY:**

The Naranja Park programming elements were presented to Council at the October 1, 2014 meeting. During that discussion, Council requested that staff develop a comprehensive plan that creates strategic direction for future park development throughout the parks system. As a result, staff developed the Strategic Facilities Plan by utilizing community surveys, community meeting feedback, and statistically-valid survey information, which were all gathered in the summer of 2014. Staff also worked closely with members of the PRAB to finalize the document, which was approved at the March 10, 2015 PRAB meeting.

#### **BACKGROUND OR DETAILED INFORMATION:**

During the October 1, 2014 Council meeting regarding the Naranja Park Program & Conceptual Design Update and programming elements presentation, Council recognized that some of the elements from the community outreach efforts were not specifically identified. As a result, Council requested that staff develop a comprehensive plan to identify "place holder" locations of such elements for future park development.

Consequently, staff worked cooperatively with members of the PRAB using community feedback to develop the Strategic Facilities Plan, which consists of three distinct sections and are noted as follows:

1. Definitions – Park Types
  - a. Traditional Parks
    - i. Neighborhood Parks
    - ii. Community Parks
    - iii. Regional Parks and Park Preserves
    - iv. Privately-Owned Parks and Recreation Facilities
  - b. Specialized Fields and Centers
    - i. Youth Athletic Fields/Complexes
    - ii. Community Athletic Complex/Facility
  - c. Natural Open Space Parks

- d. Special Use Parks
- e. Trails, Multi-use Trails, Linear Parks and Trailheads
- 2. Current Inventory and Conditions in Oro Valley Parks
  - a. Traditional Parks
    - i. Neighborhood Parks
      - 1. Greenock Park
      - 2. "Bosque" Park
    - ii. Community Parks
      - 1. James D. Kriegh Park
      - 2. Cañada del Oro Riverfront Park
    - iii. Regional Parks
      - 1. Naranja Park
    - iv. Privately-owned Parks and Recreation Facilities
  - b. Natural Open Space Parks
    - i. Honeybee Canyon Park
    - ii. West Lambert Lane Park
  - c. Special Use Park
    - i. Steam Pump Ranch Historic Park
  - d. Trails, Multi-use Trails, Linear Parks, and Trailheads
    - i. Trails
    - ii. Shared-use Paths
    - iii. Trailheads
- 3. Strategic Facilities Direction
  - a. Traditional Park Facilities Priorities
    - i. Focus on Constituent Needs
    - ii. Park Amenities
    - iii. Consolidate Large User Groups
    - iv. National Standards
  - b. Tourism Emphasis
    - i. Sports Tourism
    - ii. Historic and Cultural Tourism
    - iii. Eco-tourism
  - c. Park Facility Acquisitions
  - d. Collaboration and Partnerships

The plan's first draft was presented to PRAB at its January 20, 2015 regular meeting, resulting in unanimous support with some minor revisions which include parking and access, as well as adding a map of all parks in Oro Valley to include private/HOA-owned facilities.

The plan's final draft was presented to PRAB at its March 10, 2015 regular meeting, resulting in unanimous support.

**FISCAL IMPACT:**

N/A

**SUGGESTED MOTION:**

I MOVE to (approve or deny) Resolution No. (R)15-25, approving the Parks & Recreation Department Strategic Facilities Plan as presented.

---

**Attachments**

(R)15-25 Parks & Rec. Strategic Facilities Plan  
Strategic Facilities Plan

---



**RESOLUTION NO. (R)15-25**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF ORO VALLEY, ARIZONA, ADOPTING THE PARKS AND RECREATION DEPARTMENT'S STRATEGIC FACILITIES PLAN**

**WHEREAS**, the Town wishes to create a Strategic Facilities Plan to better reflect the direction for future park development throughout the Town's park system; and

**WHEREAS**, the Plan was developed with the aid of community surveys, community feedback, and survey information gathers in the summer of 2014; and

**WHEREAS**, on March 10, 2015, the Parks and Recreation Advisory Board recommended approval for the Strategic Facilities Plan; and

**WHEREAS**, the Mayor and Council believe that the adoption of the Plan is in the best interest of the Town and will help promote the health, safety and welfare of the Town.

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

**SECTION 1.** That certain document entitled "Parks and Recreation Strategic Facilities Plan", attached hereto as Exhibit "A" and incorporated herein by this reference, is hereby adopted.

**SECTION 2.** If any section, subsection, sentence, clause, phrase, or portion of this resolution or any part of the Parks and Recreation Strategic Facilities Plan adopted herein 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 1<sup>st</sup> day of April, 2015.

**TOWN OF ORO VALLEY**

---

Dr. Satish I. Hiremath, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Julie K. Bower, Town Clerk

\_\_\_\_\_  
Tobin Sidles, Legal Services Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# **EXHIBIT “A”**

## STRATEGIC FACILITIES PLAN FOR PARKS AND RECREATION FOR THE TOWN OF ORO VALLEY

Since its founding in 1974, the Town of Oro Valley has planned, developed and built a number of recreation facilities for its residents. The Parks and Recreation Department has managed and maintained these Town facilities, and has continued to develop innovative programming that appeals to residents and visitors of all ages and abilities. The Department's core Mission Statement is "To enhance the quality of life for all Oro Valley residents by providing exceptional community facilities and programs for all ages."

Since its inception, Parks and Recreation has produced several reports to guide the development of parks and facilities within the Town, including the Parks, Open Space and Trails Plan (1999), the Trails Task Force Report (2002), the Naranja Park Master Plan (2002; updated in 2007), the Steam Pump Ranch Master Plan (2008) and participated in several regional plans, including the Pima County River Parks Plan (1996) and the Eastern Pima County Trails Master Plan Update (1989, 1996 and 2010). In addition, the goals and objectives of the Department relating to providing facilities and services to the public have been critical elements in the Town's General Plans and Strategic Plans.

However, as the Town continues to experience population growth and a shifting demographic base, it has become evident that an update to the Oro Valley Parks and Recreation Master Plan is needed. As a precursor to an updated Master Plan (which will begin in 2015), the Department was directed by the Town Council to present, in writing, the Town of Oro Valley's Parks and Recreation plans for its facilities in both the short-term and the long-term time periods. This report will present a solid foundation for the upcoming Parks and Recreation Master Plan, as well as providing information to Town leaders, staff, and residents about current parks and future needs for facilities. By working closely with the Parks and Recreation Advisory Board (PRAB), the Parks and Recreation Department will be able to enhance and supplement the Town's recreation offerings to residents and visitors.

In the preparation of the Strategic Facilities Plan, the overarching Departmental Planning Philosophy has been: "to develop future plans which incorporate the community's values and needs while having the capacity to facilitate, promote, and enhance economic development and tourism as the Town grows."

### DEFINITIONS – PARK TYPES

"Contemporary parks and open space planning focuses on creating systems that respond to local values, needs, and circumstances" (Steiner & Butler, 2012). In each system, these parks, open spaces, and other facilities are placed into distinct classifications that reflect their individual function as well as how the entire system can be seen as a whole to function collectively. The number and type of facilities within each classification can be utilized to evaluate the current inventory, in order to ensure a balance of facilities in terms of structure, as well as in order to meet the needs of residents within the existing and future financial restrictions and opportunities.

The typical classification of parks includes:

#### 1. Traditional Parks

A. Neighborhood Parks: 2 to 15 acres with 1/2 mile user radius. These parks are the backbone of the park system in most communities. They serve a recreational and social purpose, with an emphasis on informal recreation. They may include such

facilities as play apparatus, multi-use courts, family picnic areas, and open space areas.

B. Community Parks: 15 – 40 acres with a 3-mile user radius. These parks are designed to provide centralized recreation facilities for a major portion of the Town with amenities capable of accommodating large groups, and including facilities such as tennis courts, multi-use courts, playing fields, and picnic areas, as well as perhaps preserving unique landscape features and open spaces. This type of park may also include a community center building.

C. Regional Parks and Park Preserves: 200-plus acres with a 5+ mile radius or a one (1) hour driving time. These parks may be very large in scope (several thousand acres) if they are dedicated solely to natural resource conservation. Regional parks generally have a large service area that may include several (or many) jurisdictions; these parks are generally associated with larger urban areas, and are utilized to meet large-scale community recreation needs.

E. Privately owned parks and recreation facilities - The size of these facilities varies, depending on ownership. Although they are privately owned, they still contribute to a community's parks facilities inventory, as they do offer recreational opportunities for some residents.

## 2. Specialized Fields and Centers

A. Youth Athletic Fields/Complexes – Size varies, with 20 acres or more being most desirable. These fields consolidate programmed youth athletic fields and facilities to fewer strategically located sites throughout a community. They may also include some neighborhood facilities.

B. Community Athletic Complex/Facility – may be as small as 20 acres, but over 80 acres in size is optimal. This consolidates both programmed adult and youth fields and facilities into a limited number of sites in the community, and may include tournament-level facilities.

3. Natural Open Space Parks – the size of these parks varies, depending on the type of landscape or feature that is to be preserved for the public, as well as the opportunities available from a budgetary perspective. These are primarily lands that are set aside for preserving natural resources, landscapes, and open space. Often these types of parks can feature some passive use parks amenities, such as benches or trails.
4. Special Use Parks – these parks fall into a “Special Use” category, which may also encompass facilities oriented toward single-purpose uses. This category may also include historical and nature parks, nature centers, campgrounds, and golf courses, as well as historic and cultural sites.

5. Trails, multi-use trails, linear parks, trailheads – these types of facilities offer different recreational opportunities for residents and thus vary in size. Trails can be of different surfaces and focused for varied users (hikers, mountain bikers, equestrian users). Multi-use trails and linear parks are often used for connecting a community, providing both recreational opportunities as well as for non-motorized transportation. Trailheads offer access to both rural and urban parks and trails, connect urban areas with recreational opportunities, and provide a focused gathering place.

#### CURRENT INVENTORY AND CONDITIONS IN ORO VALLEY PARKS

The Town of Oro Valley's current parks inventory consists of the following facilities. A brief assessment of each facility's current condition is also provided.

##### 1. Traditional Parks

- A. Neighborhood Parks – The Town has two of these facilities at the present time. However, there are many privately owned and managed parks within the Town limits.
  1. Greenock Park (Figure 1) is a small park (4.76 acres) located adjacent to Oracle Road. It has several benches and an art component, and is used primarily as a trailhead. While there is plenty of parking for visitors, it is not paved and does not offer any other facilities such as restrooms. It also does not have any signage, and access to a nearby trail can be very tricky (and the trail is owned by a nearby Homeowner's Association and Pima County Flood Control).
  2. "Bosque" Park (name has not yet been approved; shown in Figure 2) – a 1.76-acre park that was recently acquired as part of a development agreement. The park is located as part of the Encantada at Steam Pump Village apartment complex. It is a new, passive use park that contains a short trail segment, as well as benches. It does not have any restroom facilities, although some are located nearby. It provides an important access point to the CDO Shared Use Path.
- B. Community Parks – these parks have been the workhorses of the Oro Valley Parks system for years.
  1. James D. Kriegh Park (Figure 3) – This 19-acre park was the first park developed within the Town limits. It contains amenities such as baseball and softball fields, racquetball, a birding trail, a dog park, restrooms, ramadas and playgrounds. This park is heavily used throughout the year. The athletic fields are booked an average of 85-90% all year round; the ramadas are extremely busy in the cooler months. While the park has received upgrades within the past several years, including new shade structures and an accessible playground, it continues to need replacement

of aging infrastructure. Within the park limits is also located the Oro Valley Aquatic Center, a state-of-the-art facility that opened in 2013. In addition to offering regular programming, the Aquatic Center has been a revenue source and an economic driver for the Town by hosting high-profile swimming competitions.

2. Canada del Oro (CDO) Riverfront Park (Figure 4) – The 22-acre park is also an active-use park which features a basketball court, a tennis courts, a paved walking path, a performance stage, soccer and softball fields, an equestrian staging area, as well as restrooms, ramadas and playgrounds. Similar to James D. Kriegh Park, the fields and ramadas receive extensive use and are often completely booked, resulting in a complicated scheduling and reservation process to try to accommodate all potential users.

C. Regional Parks

1. Naranja Park (Figure 5) – This 213-acre park is the largest park to date in the Oro Valley system. In 2006, a Master Plan for the property was completed that included many different parks facilities, including a performing arts component as well as athletic fields. The bond to build the park as initially planned was rejected by the Town residents. Since that time, a trail system has been established, as well as three archery ranges. The Sonoran Desert Flyers also use the property for their temporary remote controlled airplane field. In 2014, construction on the park infrastructure for water and electrical systems was started with amenities to include two lighted multipurpose athletic fields, a dog park, and associated parking; these facilities are expected to open in early 2015. An update to the Naranja Park Master Plan will be completed in 2015 in conjunction with a survey of residents; the results of the study are expected to guide the future development of the park.

- D. Privately owned parks and recreation facilities – There are a multitude of privately owned parks and recreation facilities within the Town limits. These include small neighborhood parks that are owned and maintained by the Homeowner's Associations, as well as several recreation centers that are available to residents in the Rancho Vistoso/Sun City area. In addition, there are several fitness centers within Town limits, both national chains as well as several with local ownership. Although these privately owned facilities are not owned or managed by the Town, they do offer residents other recreational opportunities. Most (if not all) require a membership fee or other qualifications to utilize their facilities or programs.

2. Natural Open Space Parks

1. Honeybee Canyon Park (Figure 6) is a 75-acre park located within the Rancho Vistoso area. Acquired several years ago from Pima County, the

passive-use park contains an extensive trail system, petroglyphs, as well as ramadas and restrooms. Trail signage is needed to improve the visitor experience at the park.

2. West Lambert Lane Park (Figure 7) is a 40-acre passive use park that features trails and a parking area only. There are no other amenities, including restrooms. The original plan for the park included the expansion of the park to the east, as well as the construction of several other tennis courts and associated facilities, but those plans were abandoned in a re-evaluation of the park in the last ten years.
3. Special Use Parks – Steam Pump Ranch Historic Park (Figure 8) is a 16-acre property that demonstrates the history of Oro Valley through the preservation of the historic Ranch and its associated facilities. Since being purchased by the Town, the property has undergone extensive cleanup and rehabilitation. It is used for Town special events such as festivals, as well as monthly Second Saturdays events that showcase the historic aspects of the Ranch in coordination with the weekly Farmer’s Market and other activities. While the property has received funding from the Town, Pima County, the state, and other grant resources, a substantial amount of funding is still needed to complete the vision of the Ranch as espoused by the Steam Pump Ranch Master Plan document. Currently, an update to the existing Steam Pump Ranch Master Plan is underway; and an updated Building Assessment of the Ranch structures, funded through a State Historic Preservation Office grant program, was completed in early 2015.
4. Trails, multi-use trails, linear parks, and trailheads (Figure 9) - Within the Town’s limits are 55 miles of trails, and 21 miles of shared use paths and linear parks. The Town’s shared use path system is a popular recreation facility, as users can travel from one end of Town to the other without encountering vehicular traffic. The system is planned to be extended into Catalina State Park, along Naranja Drive, and along Big Wash in the future. It is also scheduled to be connected to Pima County’s extensive Loop system in 2015.

The Town has three formal trailheads within the Town limits. The Linda Vista Trailhead provides access to the Pusch Ridge area of the Catalina Mountains. The equestrian trailhead in CDO Riverfront Park provides access for horses into the CDO Wash, but it is not frequently used. The Town also owns a trailhead parcel close to the Stone Canyon development at the north end of Town, but it has no legal access and is not expected to be a viable trailhead in the near future. Funding for improvements to the Linda Vista Trailhead and for access to the trailhead near Stone Canyon has been proposed for a potential future Pima County bond issue.

#### STRATEGIC FACILITIES DIRECTION

After analyzing the current facility inventory and its condition, the Parks and Recreation Department, in conjunction with the Parks & Recreation Advisory Board, has developed the following recommendations for the future growth and use of the Town’s parks and facilities. The Town’s Parks system met most of

the needs of the residents in the past, but the changing demographic mix within the Town has requested both additional facilities to supplement those already existing, as well as new facility types that are not currently available. The Department will strive to meet and exceed existing Town Zoning Code requirements for new Town-owned parks and amenities, including accessible facilities and equipment, connections to transit and other multimodal options, and sustainable infrastructure, while at the same time encouraging private park builders to do the same.

1. Traditional park facilities priorities:

A. Focus on constituent needs

The recent (Summer 2014) survey of residents that was conducted as part of the Naranja Park Plan Update process gathered opinions of needed recreation facilities for the Town in general, as well as Naranja Park specifically. Among the most requested amenities were: playgrounds/play structures; ramadas/picnic areas; paved walking paths; youth baseball and Little League fields; and indoor court facilities. In addition to the survey results, the requests of "power" user groups (frequent users) were solicited. The Department has been very responsive in addressing the immediate recreation needs of the community; in building the new multisport fields and dog park at Naranja Park, the Town responded to the many requests of park users and its own usage statistics and staff observation to establish these facilities.

B. Park amenities

Several of the existing parks need to have essential facilities constructed or rehabilitated. These include restrooms and signage, both of which are critical and enhance the user experience. The Department has been exploring the possibilities of more ecofriendly restroom facilities in order to lessen the impact on the environment as well as to provide a more aesthetically pleasing facility. Signage is a crucial component of park amenity upgrades. While several of the newer parks have interpretive signage, the majority of the parks do not. Directional and interpretive signage is needed at the remainder of the parks, and upgrades may be necessary for the existing signs. A comprehensive park signage plan should also be developed and included in the Parks and Recreation Master Plan in order to provide a consistent branding for all Town recreational facilities. All future amenities and facilities should meet or exceed the Town's green infrastructure policies and goals for long-term environmental sustainability.

C. Consolidate large user groups

Currently, the use of the athletic fields within the Town's two current active use parks (James D. Kriegh and CDO Riverfront) is fractured and puts added stress on users, as well as on the maintenance staff. For example, there are softball fields at both parks; a family with children of differing ages could be shuttling between two parks for both practices and games, making it extremely inconvenient. In addition, the maintenance requirements for the types of fields at both parks mean that often staff needs to make changes such as moving outfield fences, and rotating fields to allow them to "rest."

These periods of non-field use often result in unhappy teams who are forced to practice or play their games elsewhere.

The Department will be implementing a dedicated consolidation plan for the fields in the parks that will cluster uses to maximize the uses and efficiency of the parks. Feedback from the community and from the power user groups of the parks has consistently stated the need for additional multisport fields (such as for soccer and lacrosse) within the Town. These fields are identified in the Naranja Park Programming & Conceptual Design update.

Once the improvements to Naranja Park are completed, fields at James D. Kriegh Park will be converted to Little League baseball fields. The structure of Little League baseball within the Oro Valley area has resulted in two separate leagues based on geography; the northern region (Oro Valley Little League) and the southern region (CDO Little League), but their practice and games facilities are often spread throughout the area. The plan for the fields at James D. Kriegh Park will allow CDO Little League baseball to consolidate in this area. In the future, additional Little League fields will be built at Naranja Park to accommodate the ballplayers from the Oro Valley Little League.

At CDO Riverfront Park, the soccer fields will be converted to softball fields; Naranja Park improvements will also include a Senior Softball field. The Town's single heavily used tennis court may be converted to an additional basketball court with the potential acquisition of the El Conquistador Golf and Tennis resort property, which contains 31 additional tennis courts for public use.

While this consolidation plan for park uses will result in dedicated parks for certain types of activities, it is the goal of the Department to ensure that there is a net gain of fields during and after the transition, rather than a loss in capacity.

D. Use of National Standards

The Parks and Recreation Department will utilize existing National Recreation and Park Association standards for the provision of parks facilities (measured in acres per 1,000 residents) to assess the current Oro Valley park inventory. This analysis, in conjunction with GIS mapping of existing parks, will allow any gaps to be identified; this will also provide information for future targeted acquisition of parcels for parks.

## 2. Tourism Emphasis

In addition to its primary purpose of meeting the recreational and programming needs of its residents, the Town has placed an additional emphasis on tourism as a revenue source for the future. The Department must be cognizant of this additional focus in determining the mix of facilities for the future, as bed tax revenues play an integral part in providing funding for Departmental goals in the absence of a property tax on residents.

A. Sport tourism - Over the past few years, the Town has been successfully marketed as a destination for athletes. In addition to National events in Duathlon and Swimming, the Town has hosted state and regional championships and events at its facilities, including

the new Oro Valley Aquatic Center. Visit Tucson and the Oro Valley Chamber of Commerce continue to market the Town as a place to compete as well as a popular destination for bicycling and running training and events. In order to continue this trend, the Department will continue to maintain and rehabilitate (when needed) facilities that will ensure that the sports tourism base continues to grow. In addition, with the construction of additional fields and facilities at Naranja Park in the future and the possible acquisition of the El Conquistador facilities, it will be possible to attract more tournaments to the Town.

B. Historic and cultural – The Town will continue to seek funding for Steam Pump Ranch to rehabilitate its buildings and the property. It is anticipated that, in the future, the site will be open to the public on a daily basis. Several partnerships have been discussed that may offer the Department the opportunity to improve the property and increase visitors. The Ranch is expected to become a revenue generator with more outside events such as weddings taking place; the property has already been utilized by several groups for festivals and smaller gatherings.

C. Eco-tourism – The Town's scenic features can be used in the future as a marketing tool to attract visitors to the area. With the plethora of hiking and biking trails within the region, including in Catalina State Park, a greater emphasis should be placed on increasing the number of eco-tourists to the Town. The Department has made a significant start in this area by hosting the "Move Across" hiking challenge each year, which has attracted visitors from around the state to experience the beauty of the area.

### 3. Park Facility Acquisitions

The Town must continue to be vigilant in assessing the potential opportunities for the expansion of its park system. Many of these opportunities may appear in a manner which requires a timely response, such as in the case of new development plans or a property sale. Trail easements and bicycle facilities can often be obtained (including funding and building) by developers through the development review process. This process can also ensure that important connections are made between existing and future recreation facilities, as well as providing an opportunity for expansion of the existing system.

Assessment of possible acquisitions should evaluate several criteria, including location, access and amenities that may be provided. The location of a potential property should continue to balance the existing park system – several parks should not be clustered next to each other, but should provide more recreational opportunities for more residents. Careful consideration should be made in evaluating the current and future access of residents to all types of facilities – including HOA private parks, school and church recreational areas, and private facilities – in order to meet the nationally recommended park standards as well as to identify gaps in the Oro Valley park system. Figure 10 shows the location of the private parks located within Town limits.

Legal access to a potential property is needed to ensure viability - the trailhead near Stone Canyon is inaccessible to the public, therefore it is not a current asset to the

system. In addition to legal access, new facilities should be assessed for their ease of access by the public, through ensuring connections to transit, bicycling and pedestrian routes, and by providing adequate parking.

Amenities are critical in the acquisition of a property – providing a new and/or needed amenity adds additional value to the overall park system. Evaluating the physical, structural, and programming changes (and associated costs) that will be required before a facility or amenity can be used must be part of the careful screening process prior to any acquisition.

As part of the acquisition process, the Department should also consider the current and future needs of the community as obtained by statistically valid surveys or other opinion-gathering methods. While surveys may guide development and acquisition of parks and facilities in the near and short-term future, the community's needs and desires may change over time. Periodic surveys should be undertaken to ensure that the Department is meeting the needs of the community.

#### 4. Collaboration and partnerships

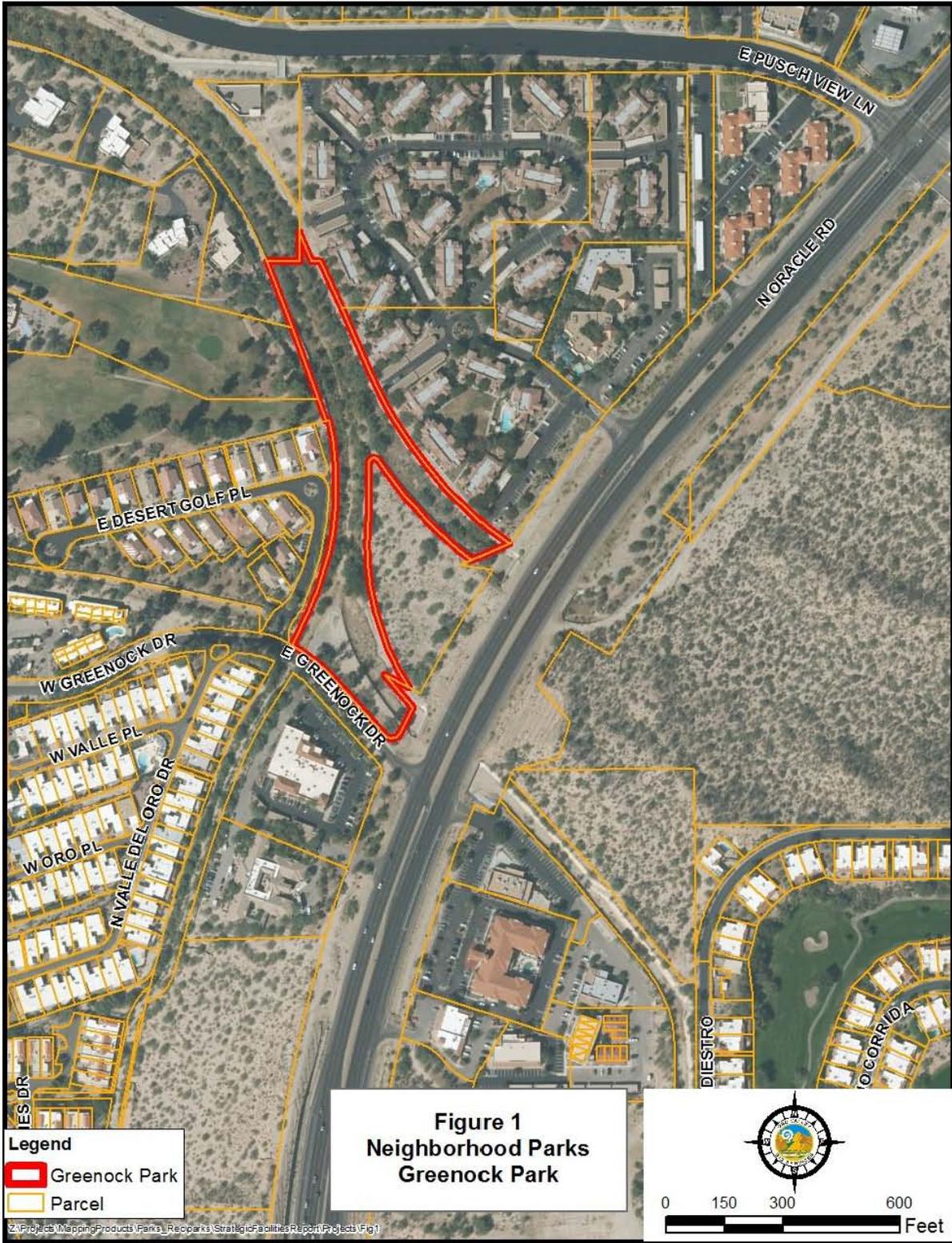
A. Government and quasi-government groups - The Parks and Recreation Department has a solid history of working with other jurisdictions and government agencies to provide services to the residents. These include the collaboration with the Town of Marana and Catalina State Park for the MOVE Across event as well as using the Park for youth camps. These partnerships are crucial in utilizing scarce resources, as well as expanding the audience base for programs. The Department and the Town have also been fortunate to receive funding for programs and facilities from regional, state, and federal funding agencies to build facilities and establish programs. Although government funding has become rarer in the last few years, it is imperative that the Department continue to seek both outside funding and partnerships to leverage existing funding in providing services to residents.

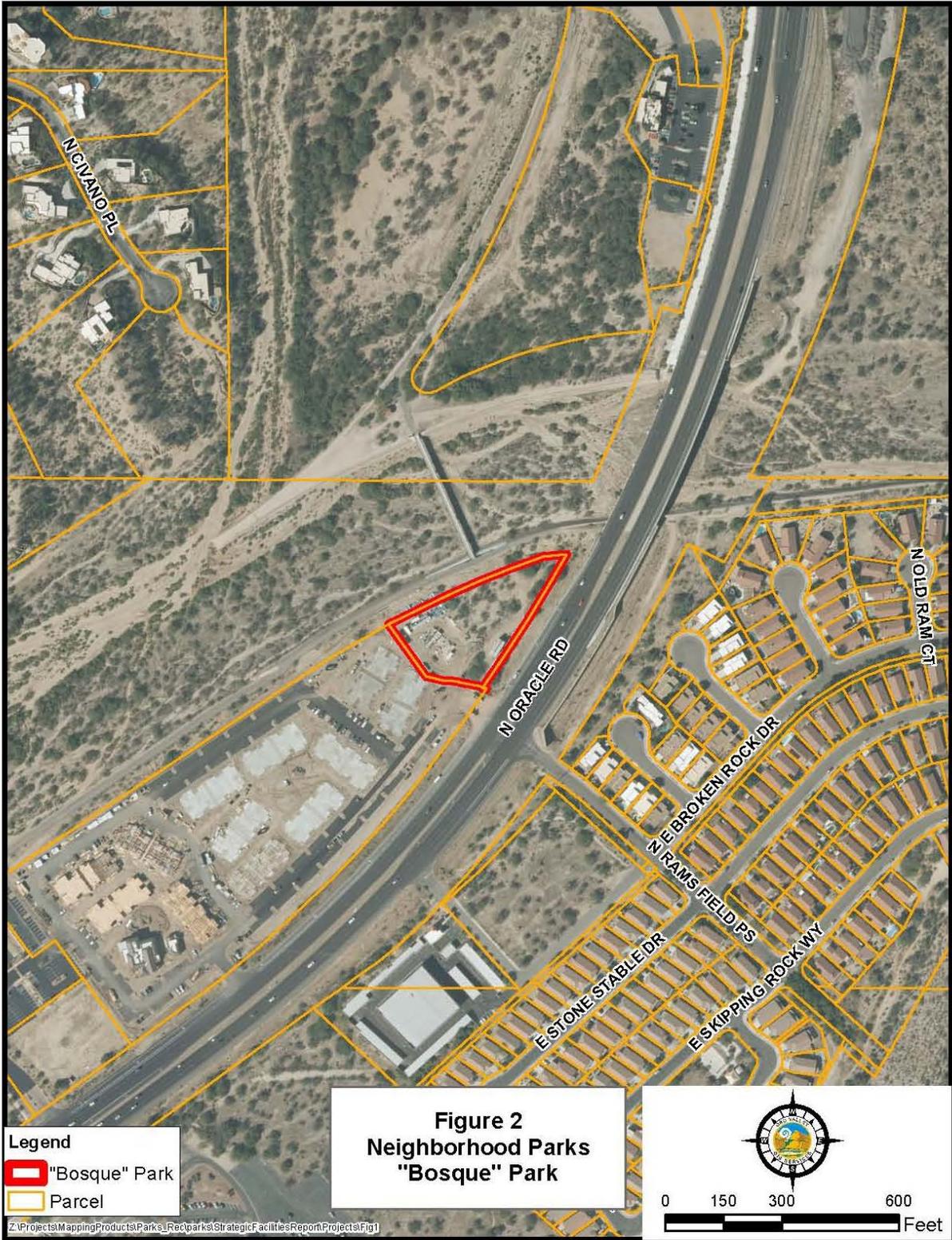
B. Non-profits - Non-profits can be an important source of funding through their programs for allocating sports funding and providing expertise in programming and for equipment purchases. However, their most important role may be as a partner in initiating new programs. The Oro Valley Historical Society has been instrumental in assisting with the Steam Pump Ranch property, conducting tours and educational sessions for the public, as well as offering other programs. The Pusch View Archers were instrumental in providing a grant for the archery ranges at Naranja Park, and members of the archery community offered their expertise for the development of the archery ranges.

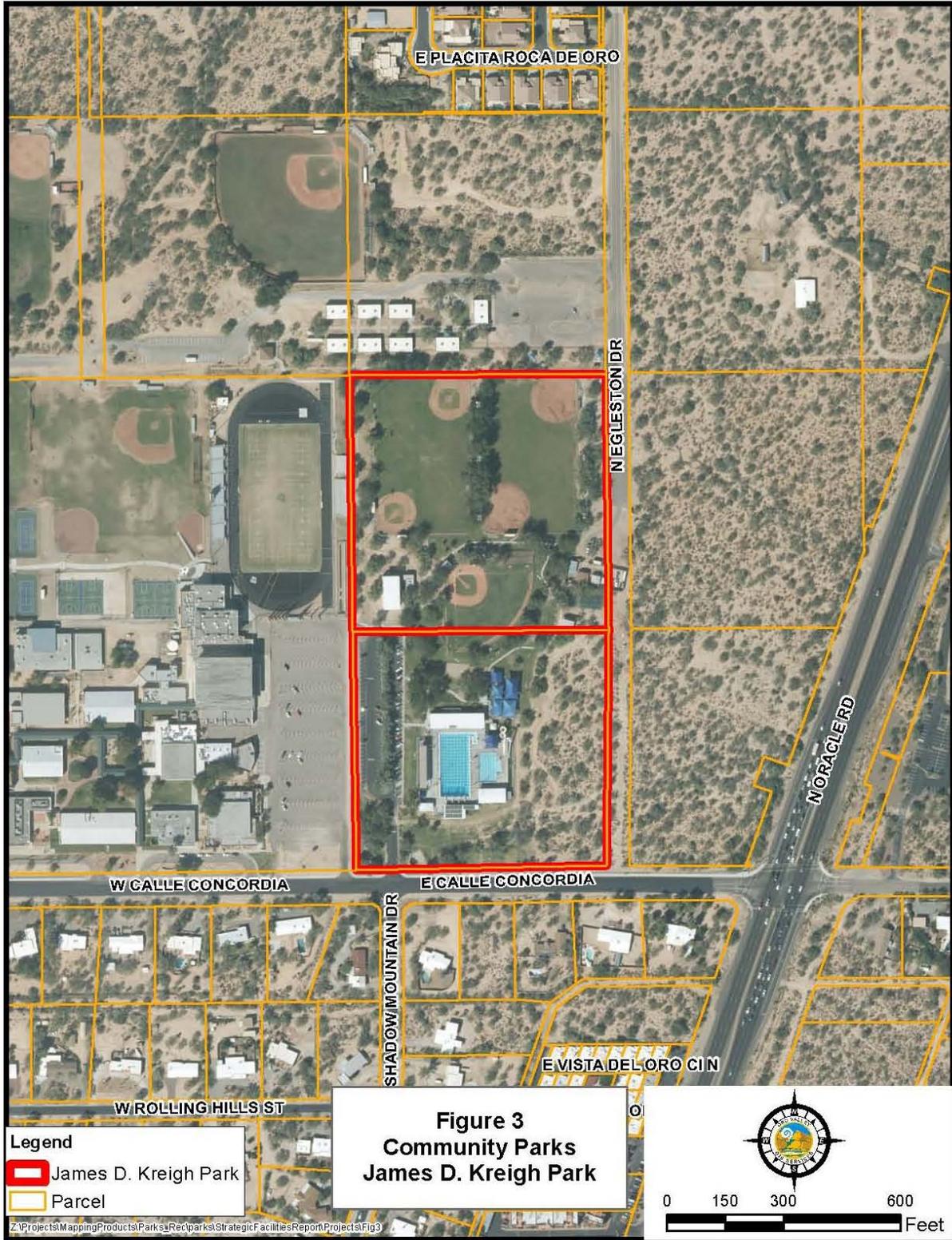
C. Local organizations – Local organizations and businesses are often an overlooked resource. In conjunction with the Town's Economic Development Manager, the Department has been able to secure funding (cash or in-kind goods or services) from local businesses for special events and programs. Additionally, several businesses (such as Wal Mart) have made significant monetary contributions to the Parks and the Aquatic Center.

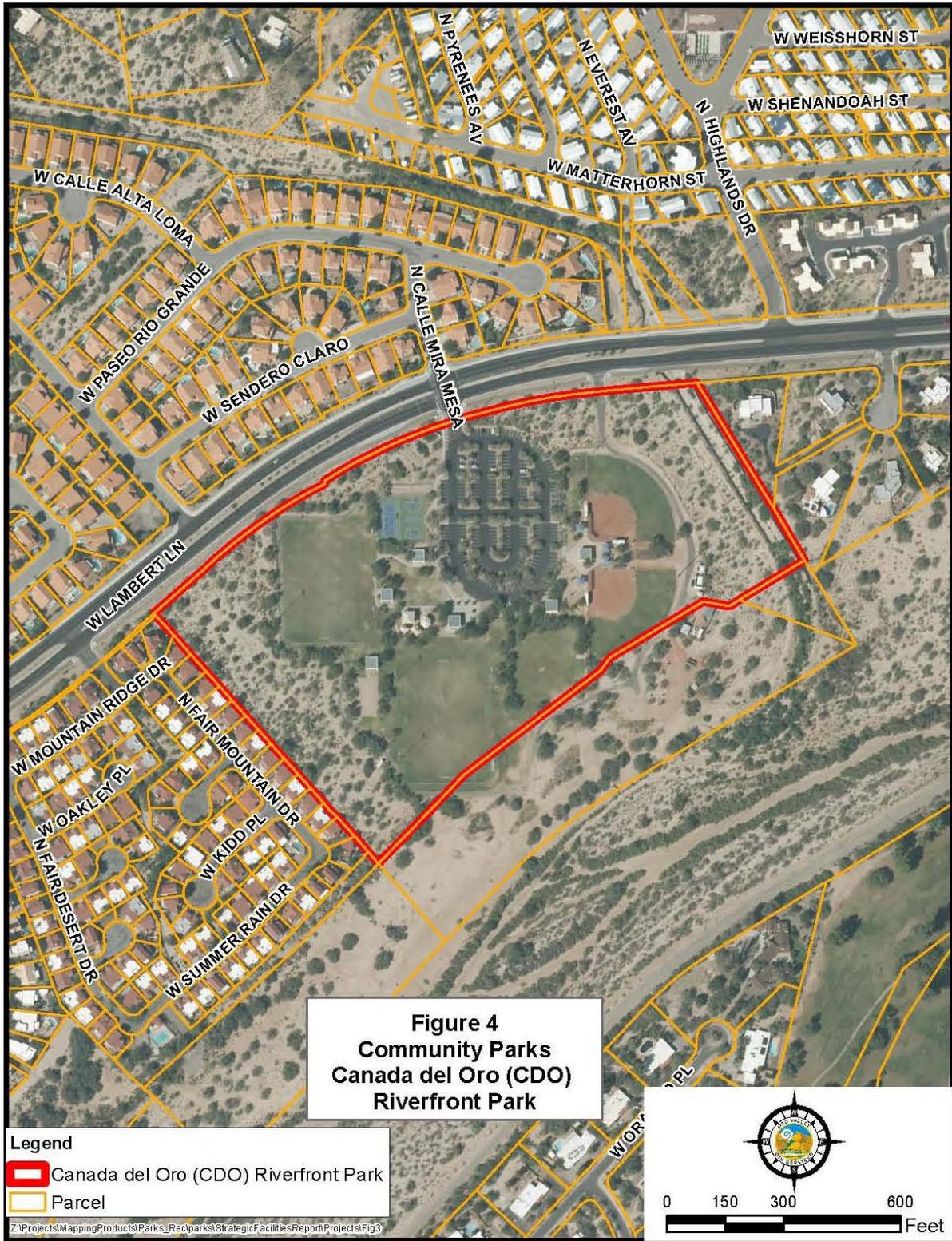
## Summary

The Town of Oro Valley's Parks and Recreation Department, in conjunction with members of PRAB, developed this Strategic Facilities Plan to address the current and future recreation needs of its residents. These needs will be gathered through continued and regular feedback from residents, to include a statistically valid survey to be taken every five years. Through the careful consideration of residents, user groups, staff, and Town officials, it is anticipated that this plan will address the requirements of all users through a plan that emphasizes a net gain in facilities, while building capacity for tourism opportunities through the continued building of partnerships and funding relationships in the community.



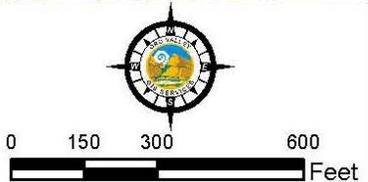


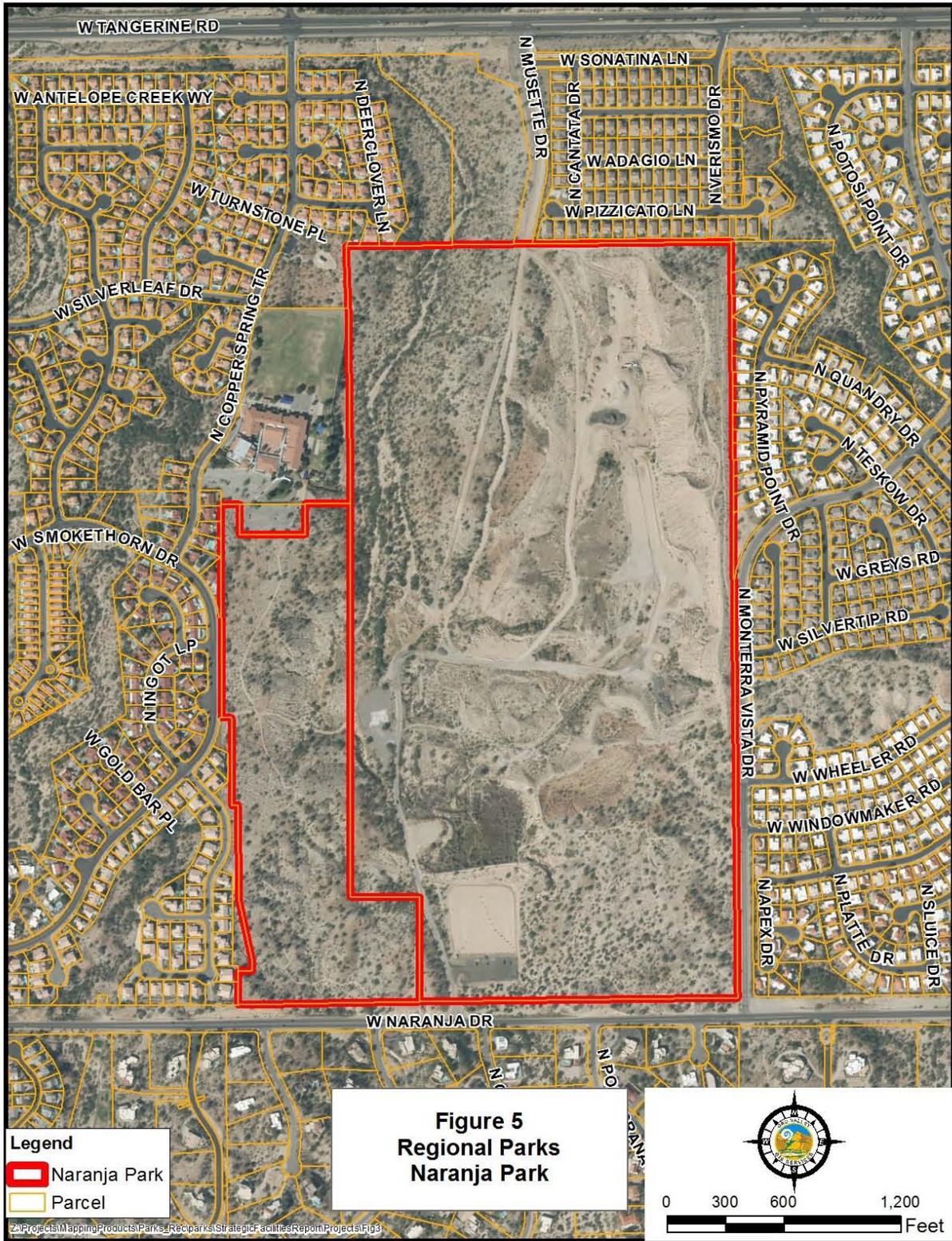


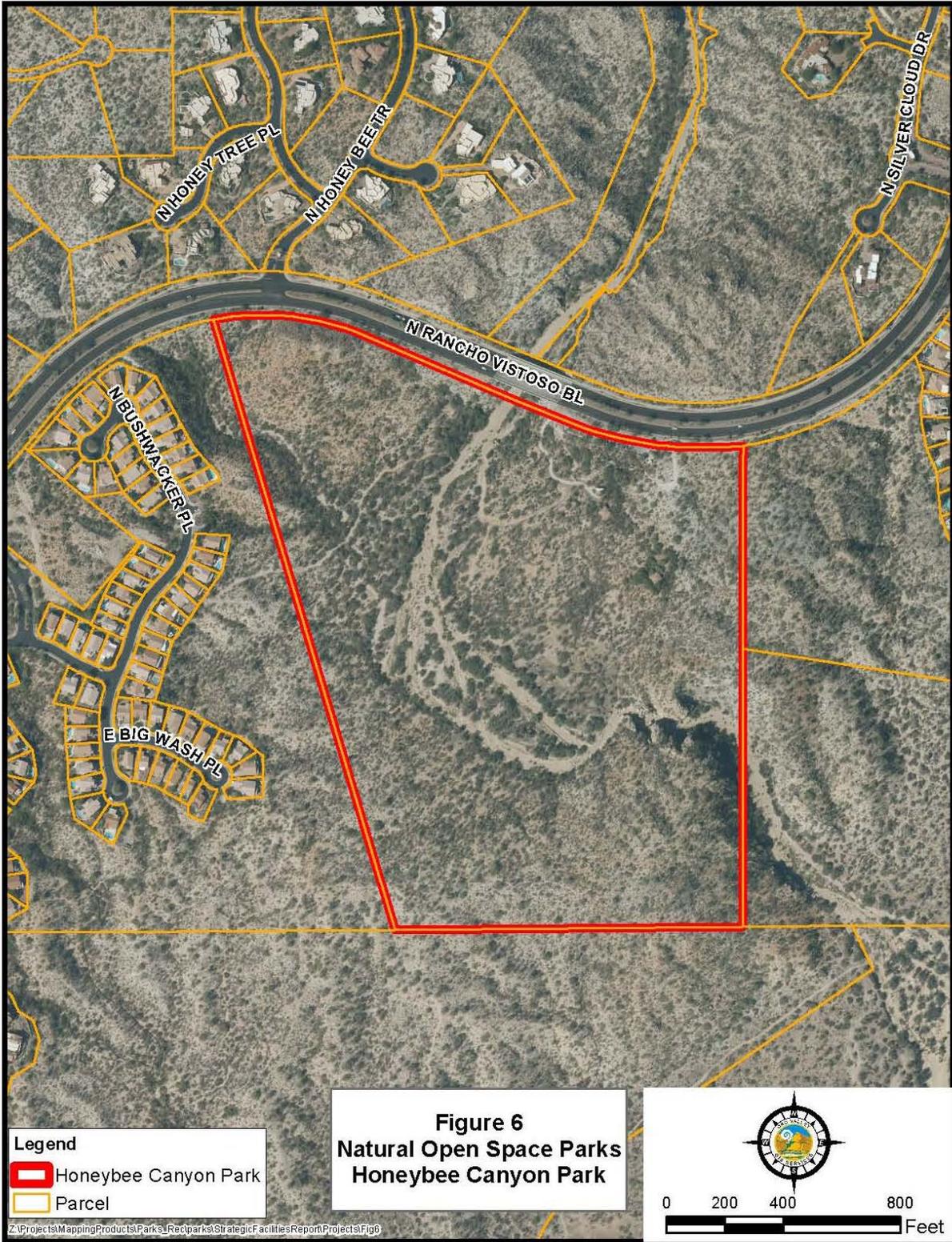


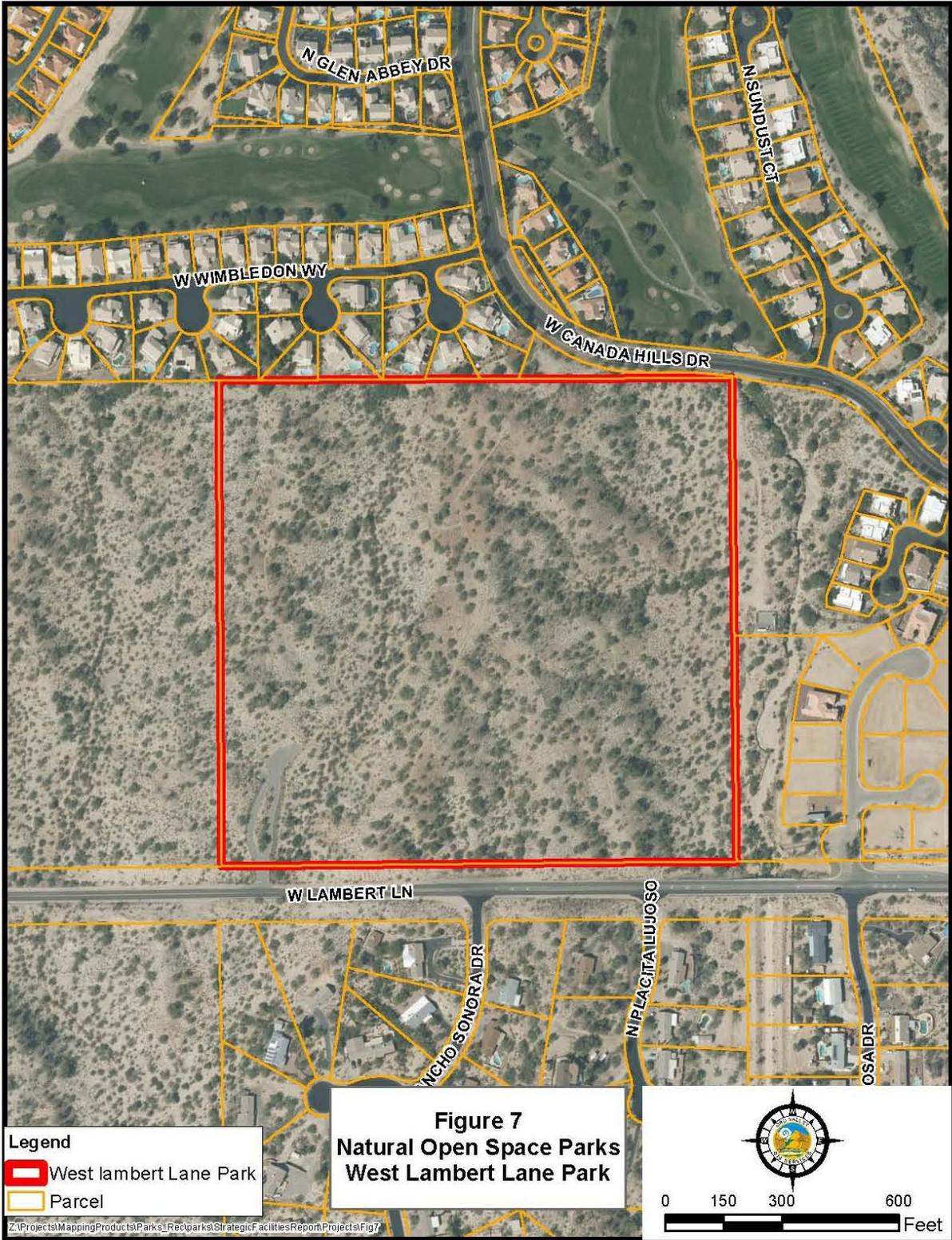
**Figure 4**  
**Community Parks**  
**Canada del Oro (CDO)**  
**Riverfront Park**

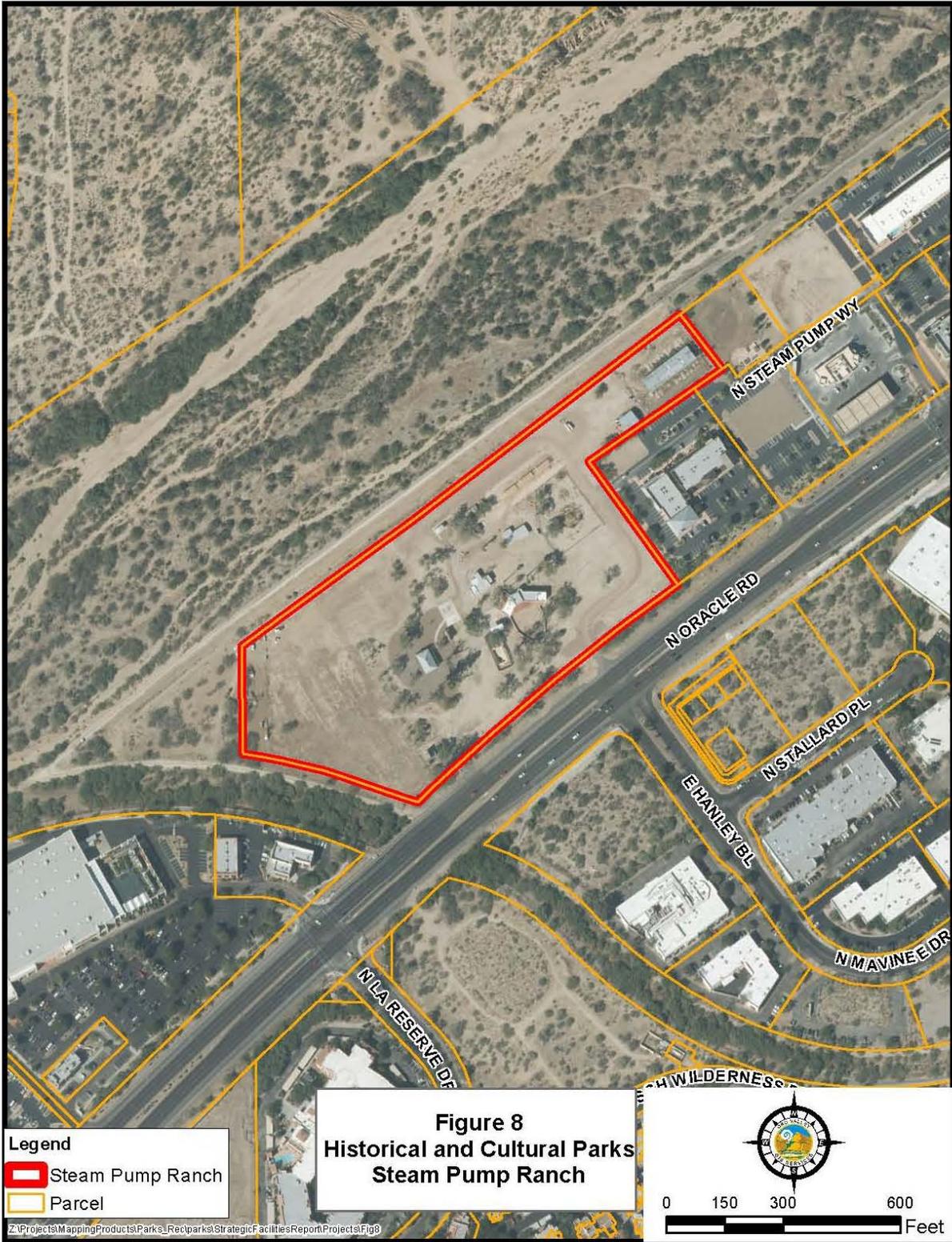
**Legend**  
▬ Canada del Oro (CDO) Riverfront Park  
▬ Parcel

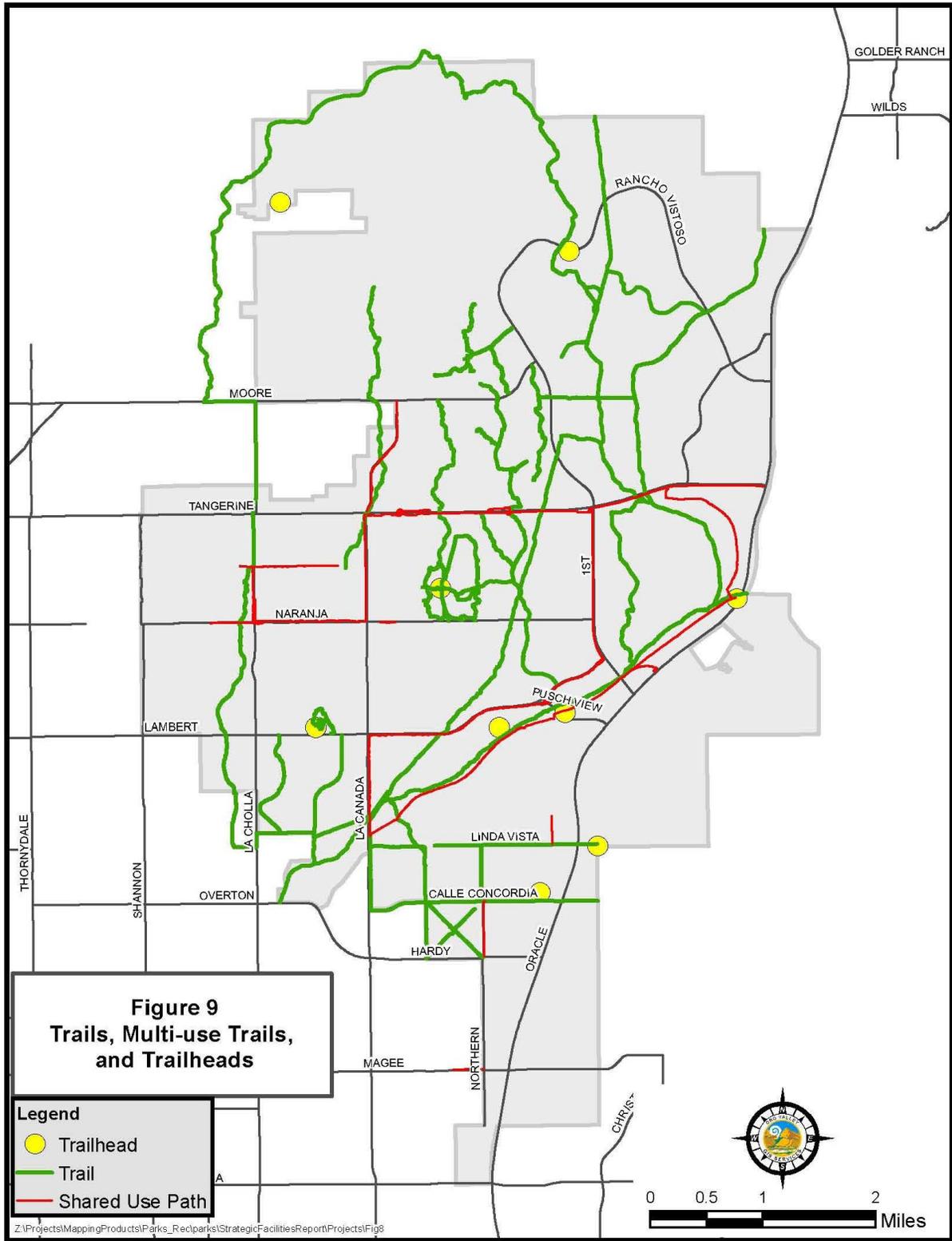


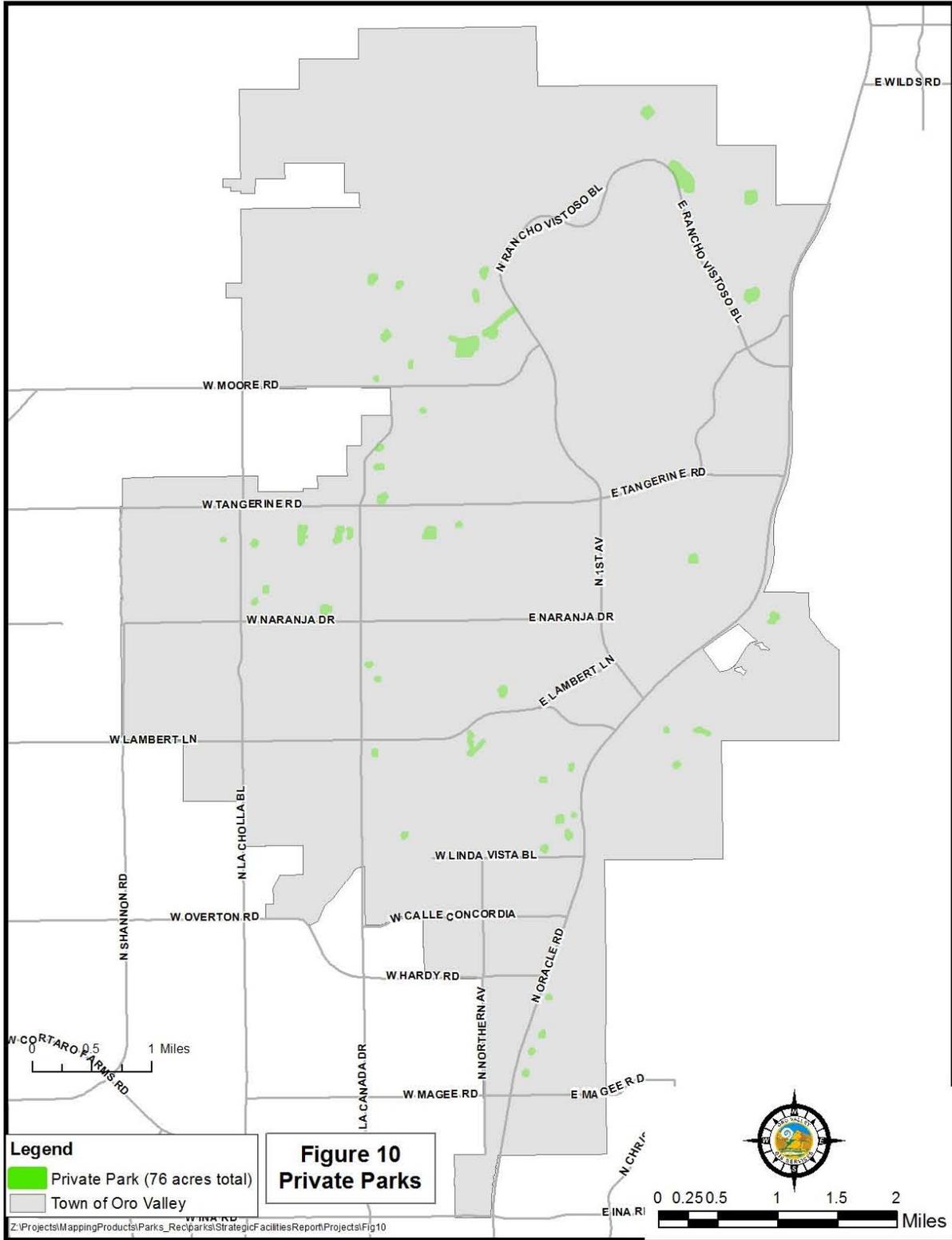














## Town Council Regular Session

Item # **3.**

**Meeting Date:** 04/01/2015  
**Submitted By:** Kristy Diaz-Trahan, Parks and Recreation  
**Department:** Parks and Recreation

---

### Information

#### **SUBJECT:**

PRESENTATION AND APPROVAL OF THE NARANJA PARK PROGRAMMING AND CONCEPTUAL DESIGN

#### **RECOMMENDATION:**

The Parks & Recreation Advisory Board (PRAB) unanimously approved the updated Naranja Park Conceptual Design at its December 9, 2014 regular meeting. Staff agrees and recommends Council approval as presented.

#### **EXECUTIVE SUMMARY:**

The PRAB unanimously approved the Naranja Park Master Concept Plan (presented by Consultants McGann & Associates) at its December 9, 2014 meeting.

The amenities within the plan include the following:

- Ramadas, restrooms and general group use area
- Eight (8) lighted multi-sport fields (two already constructed)
- Dog park (already constructed)
- Bike/skate park
- Event center
- Playground
- Splash pad
- Community lawn
- Bicycle staging area
- Outdoor performance area
- Four (4) baseball fields
- Park maintenance facilities
- Parking/circulation

#### **BACKGROUND OR DETAILED INFORMATION:**

One of the 2013 Town of Oro Valley Strategic Plan action items stated "initiate an update of the Naranja Park Master Plan Programming & Concept Design document." As a result, this project was funded by Council as part of the 2013/14 fiscal year budget.

Proposals were solicited for the update in December 2013, and the final contract was awarded to McGann & Associates in March 2014. The scope of the project included community outreach/data collection, facility programming, and conceptual design with an emphasis on being fiscally responsible.

An initial Open House was held on June 5, 2014, and a statistically valid telephone survey of 301 Oro

Valley residents was conducted later that month. Information was provided and opinions were sought from residents at Town events such as the 4<sup>th</sup> of July Celebration, Oro Valley Farmer's Market, and the 'Put Me In Coach' event, as well as an on-line feedback survey form. Workshops were held with additional user groups (sport field users, historic/arts/cultural users, etc.) and the Town's Youth Advisory Council.

Based on the outreach efforts, McGann & Associates presented their findings and program element recommendations to the PRAB on September 18, 2014. The PRAB unanimously approved the elements which were later presented to and approved by Town Council at its October 1, 2014 regular meeting.

Based on the programming element approvals and the recently acquired facilities (tennis courts, community and recreation center, etc.), Town staff directed McGann and Associates to revise the plan for Naranja Park to reflect these changes.

The PRAB unanimously approved these elements at its December 9, 2014, meeting. As a result, the revised Naranja Park Plan includes:

- A total of eight (8) multi-sport fields with lights
- User storage facility
- Outdoor performance space/amphitheater
- Playgrounds and splash pad
- Picnic areas with ramadas
- General-use area with large ramada
- Skate/bike park
- Bicycle staging area
- Food service vending area(s)
- Expand existing trail system
- Existing archery ranges
- Four (4) new Little League baseball fields
- Municipal operations area
- Event center (footprint)

**FISCAL IMPACT:**

There is no fiscal impact as part of this conceptual design, as the impact will be included in the final document.

**SUGGESTED MOTION:**

I MOVE to (approve or deny) the Naranja Park Programming & Conceptual Design as presented.

---

**Attachments**

Conceptual Design

---



**NARANJA PARK MASTER PLAN CONCEPT**  
 NARANJA PARK MASTER PLAN UPDATE





**Town Council Regular Session**

**Item # 4.**

**Meeting Date:** 04/01/2015  
**Requested by:** Councilmember Zinkin & Councilmember Garner  
**Submitted By:** Julie Bower, Town Clerk's Office  
**Department:** Town Clerk's Office

---

**Information**

**SUBJECT:**

DISCUSSION AND POSSIBLE DIRECTION REGARDING PERSONNEL POLICY 14 - OVERTIME

**RECOMMENDATION:**

N/A

**EXECUTIVE SUMMARY:**

Councilmember Zinkin and Councilmember Garner have requested that the item be placed on the agenda for discussion.

**BACKGROUND OR DETAILED INFORMATION:**

N/A

**FISCAL IMPACT:**

N/A

**SUGGESTED MOTION:**

I MOVE to \_\_\_\_\_

---



**Town Council Regular Session**

**Item # 5.**

**Meeting Date:** 04/01/2015  
**Requested by:** Councilmember Garner & Councilmember Zinkin  
**Submitted By:** Julie Bower, Town Clerk's Office  
**Department:** Town Clerk's Office

---

**Information**

**SUBJECT:**

DISCUSSION AND POSSIBLE DIRECTION REGARDING A PROPOSAL FOR A BENEFITS COMMITTEE OR ACTUARY COMMITTEE FOR THE TOWN'S SELF-FUNDED INSURANCE

**RECOMMENDATION:**

N/A

**EXECUTIVE SUMMARY:**

Councilmember Garner and Councilmember Zinkin have requested that the item be placed on the agenda for discussion.

**BACKGROUND OR DETAILED INFORMATION:**

N/A

**FISCAL IMPACT:**

N/A

**SUGGESTED MOTION:**

I MOVE to \_\_\_\_\_

---



**Town Council Regular Session**

**Item # 6.**

**Meeting Date:** 04/01/2015  
**Requested by:** Councilmember Zinkin & Councilmember Garner  
**Submitted By:** Julie Bower, Town Clerk's Office  
**Department:** Town Clerk's Office

---

**Information**

**SUBJECT:**

DISCUSSION AND POSSIBLE DIRECTION REGARDING ZONING REQUIREMENTS FOR SIGN BRIGHTNESS

**RECOMMENDATION:**

N/A

**EXECUTIVE SUMMARY:**

Councilmember Zinkin and Councilmember Garner have requested that the item be placed on the agenda for discussion.

**BACKGROUND OR DETAILED INFORMATION:**

N/A

**FISCAL IMPACT:**

N/A

**SUGGESTED MOTION:**

I MOVE \_\_\_\_\_

---



**Town Council Regular Session**

**Item # 7.**

**Meeting Date:** 04/01/2015  
**Requested by:** Councilmember Zinkin & Councilmember Burns  
**Submitted By:** Julie Bower, Town Clerk's Office  
**Department:** Town Clerk's Office

---

**Information**

**SUBJECT:**

DISCUSSION AND POSSIBLE DIRECTION REGARDING POSSIBILITIES OF PAYING BACK  
GENERAL FUND CONTINGENCY

**RECOMMENDATION:**

N/A

**EXECUTIVE SUMMARY:**

Councilmember Zinkin and Councilmember Burns have requested the item be placed on the agenda for discussion.

**BACKGROUND OR DETAILED INFORMATION:**

N/A

**FISCAL IMPACT:**

N/A

**SUGGESTED MOTION:**

I MOVE \_\_\_\_\_

---