



MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING
NOTICE AND AGENDA

11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, October 1, 2019, at or after 7:00 PM

Ed Honea, Mayor
Jon Post, Vice Mayor
David Bowen, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
John Officer, Council Member
Roxanne Ziegler, Council Member

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Marana Town Council and to the general public that the Town Council will hold a meeting open to the public on October 1, 2019, at or after 7:00 PM located in the Council Chambers of the Marana Municipal Complex, 11555 W. Civic Center Drive, Marana, Arizona.

ACTION MAY BE TAKEN BY THE COUNCIL ON ANY ITEM LISTED ON THIS AGENDA. Revisions to the agenda can occur up to 24 hours prior to the meeting. Revised agenda items appear in *italics*.

As a courtesy to others, please turn off or put in silent mode all electronic devices.

Meeting Times

Welcome to this Marana Town Council meeting. Regular Council meetings are usually held the first and third Tuesday of each month at 7:00 PM at the Marana Municipal Complex, although the date or time may change and additional meetings may be called at other times and/or places. Contact the Town Clerk or watch for posted agendas for other meetings. This agenda may be revised up to 24 hours prior to the meeting. In such a case a new agenda will be posted in place of this agenda.

Speaking at Meetings

If you are interested in speaking to the Council during the Call to the Public or Public Hearings, you must fill out a speaker card (located in the lobby outside the Council Chambers) and deliver it to the Town Clerk prior to the convening of the meeting.

All persons attending the Council meeting, whether speaking to the Council or not, are expected to observe the Council rules, as well as the rules of politeness, propriety, decorum and good conduct. Any person interfering with the meeting in any way, or acting rudely or loudly will be removed from the meeting and will not be allowed to return.

Accessibility

To better serve the citizens of Marana and others attending our meetings, the Council Chambers are wheelchair and handicapped accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Town Clerk at (520) 382-1999. Requests should be made as early as possible to arrange the accommodation.

Agendas

Copies of the agenda are available the day of the meeting in the lobby outside the Council Chambers or online at www.maranaaz.gov under Agendas and Minutes. For questions about the Council meetings, special services or procedures, please contact the Town Clerk, at (520) 382-1999, Monday through Friday from 8:00 AM to 5:00 PM.

This Notice and Agenda Posted no later than 24 hours prior to the meeting, at the Marana Municipal Complex, 11555 W. Civic Center Drive, the Marana Operations Center, 5100 W. Ina Road, and at www.maranaaz.gov under Agendas and Minutes.

REGULAR COUNCIL MEETING

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE

APPROVAL OF AGENDA

CALL TO THE PUBLIC

At this time any member of the public is allowed to address the Town Council on any issue within the jurisdiction of the Town Council, except for items scheduled for a Public Hearing at this meeting. The speaker may have up to three minutes to speak. Any persons wishing to address the Council must complete a speaker card located outside the Council Chambers and deliver it to the Town Clerk prior to the commencement of the meeting. Individuals addressing a meeting at the Call to the Public will not be provided with electronic technology capabilities beyond the existing voice amplification and recording capabilities in the facilities. Pursuant to the Arizona Open Meeting Law, at the conclusion of Call to the Public, individual members of the Council may respond to criticism made by those who have addressed the Council, and may ask staff to review the matter, or may ask that the matter be placed on a future agenda.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

PRESENTATIONS

CONSENT AGENDA

The Consent Agenda contains items requiring action by the Council which are generally routine items not requiring Council discussion. A single motion and affirmative vote will approve all items on the Consent Agenda, including any resolutions or ordinances. Prior to a motion to approve the Consent Agenda, any Council member may remove any item from the Consent Agenda and that item will be discussed and voted upon separately.

- C1 Relating to Procurement; approving a change order to the Pavex Corp. construction contract for the Airport Rehabilitation of Taxiways, Tie Downs, Helicopter Pad, and Terminal Apron (AP025) in the amount of \$169,917.97; authorizing the transfer of appropriations if necessary for the change order; and authorizing the Town Manager or designee to execute the necessary documents to effectuate the change order (Steve Miller)
- C2 Resolution No. 2019-095: Relating to Finance; approving the update to the Town of Marana Investment Policy (Yiannis Kalaitzidis)
- C3 Resolution No. 2019-096: Relating to Personnel; approving and adopting amendments to the Town's Personnel Policies and Procedures, revising Chapter 3 - Classification and Compensation, Chapter 4 - Employment Benefits and Leaves, Chapter 6 - Performance Management and Employee Development, and Chapter 8 - Termination of Employment (Curry Hale)
- C4 Resolution No. 2019-097: Relating to Administration; authorizing the transfer of up to \$70,000 in budgeted expenditure authority in park impact fees from the Parks Department Master Plan project (PK028) to the Santa Cruz SUP at CalPortland Project (PK023) in the fiscal year 2019-2020 budget for the acquisition of real property along the Santa Cruz shared use path adjacent to CalPortland (Yiannis Kalaitzidis)
- C5 Resolution No. 2019-098: Relating to Administration; authorizing the transfer of up to \$125,000 in budgeted expenditure authority of General Funds from the Parks Master Plan project (PK028) to the Honea Heights Park project (PK024) in the fiscal year 2019-2020 budget for unanticipated costs (Yiannis Kalaitzidis)

- C6 Approval of the Council Study Session Meeting Summary Minutes of September 17, 2019 and the Regular Council Meeting Summary Minutes of September 10, 2019 (Cherry Lawson)

LIQUOR LICENSES

- L1 Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding a new series #12 restaurant liquor license application submitted by Travis Harley Miller on behalf of Serial Grillers, located at 5560 W. Cortaro Farms Road Marana, Arizona 85742.

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

- A1 Resolution No. 2019-099: Relating to the Police Department; approving and authorizing the Town Manager to execute grant agreement number: GFR AZ911-20-007T between the State of Arizona, acting through the Arizona Department of Administration, Office of Grants and Federal Resources (GFR) and the Town of Marana, acting as System Administrator for the Pima County 9-1-1 System, for grant funding for the Arizona 9-1-1 Program Text-to-9-1-1 Services Fund (Jane Fairall)

ITEMS FOR DISCUSSION / POSSIBLE ACTION

- D1 Relating to Development and Public Works; update, discussion, and possible direction regarding public and private projects and development applications on the Town's [Marana Current and Proposed Projects](#) internet site (Jason Angell)
- D2 Relating to Legislation and Government Actions; discussion and possible action regarding all pending state, federal, and local legislation/government actions and on recent and upcoming meetings of the other governmental bodies (Jamsheed Mehta)

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

- E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

- E2 Executive session pursuant to A.R.S. § 38-431.03(A)(4) to consider the Council's position and instruct the Town's attorneys regarding negotiations for the amendment or enforcement of the Villages of Tortolita Development Agreement recorded in the Pima County Recorder's office on April 16, 2018 at Sequence 20181060069 and in the Pinal County Recorder's office on April 17, 2018 at Fee Number 2018-028230.
- E3 Executive session pursuant to A.R.S. § 38-431.03(A)(4) to consider the Council's position and instruct the Town's attorneys regarding settlement discussions to resolve litigation in Mandarinina v. Town of Marana, Pima County Superior Court case number C20161982, and Town of Marana v. Mandarinina, Pima County Superior Court case number C20184425.

FUTURE AGENDA ITEMS

Notwithstanding the mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

ADJOURNMENT



Council-Regular Meeting

C1

Meeting Date: 10/01/2019

To: Mayor and Council

Submitted For: Steve Miller, Airport Manager

From: Dan Grossman, CIP Process Analysis

Date: October 1, 2019

Strategic Plan Focus Area:
Not Applicable

Subject: Relating to Procurement; approving a change order to the Pavex Corp. construction contract for the Airport Rehabilitation of Taxiways, Tie Downs, Helicopter Pad, and Terminal Apron (AP025) in the amount of \$169,917.97; authorizing the transfer of appropriations if necessary for the change order; and authorizing the Town Manager or designee to execute the necessary documents to effectuate the change order (Steve Miller)

Discussion:

Marana Town Code Section 3-4-7(B)(4) provides that Town Council approval is necessary for change orders that individually or cumulatively exceed \$50,000.

The budget for fiscal year 2019-2020 was adopted on June 18, 2019. The Airport Rehabilitation of Taxiways, Tie Downs, Helicopter Pad, and Terminal Apron (AP025) project was properly included within the Town of Marana's FY2020 Capital Improvement Plan. The final, revised budget amount for the project is \$6,758,371.00.

The Town and Pavex Corp. entered into a construction contract in the amount of \$4,676,686.00 to construct the project.

The Town has processed four previous change orders to the Pavex Corp. construction contract totaling \$403,377.86, bringing the total current construction contract amount to \$5,080,063.86.

The following construction activity is the result of unknown conditions under the asphalt, a change in subgrade stabilization, and additional items that are outside the

scope of the original purchase order. These additional items will require a change order in the amount of \$169,917.97.

1. Upon removal of the asphalt pavement unknown conditions were found that were outside the original construction contract. In various locations hard subgrade has been encountered; this subgrade will require pulverization and is outside the original construction contract requirements.
2. Removal on an existing building foundation; and miscellaneous removals (such as a septic tank and concrete).
3. The original plans included adjusting the pull boxes to the new pavement grades or leaving them at existing grades and placing new pavement around them. Upon removal of the existing pavement, the pull boxes were found to be damaged and were not adequate to support traffic in areas where they are subject to aircraft and ground vehicle wheel loads.
4. The contract originally specified that lime treatment was to be used to stabilize the subgrade; however, this approach has been found to be unsatisfactory. This change order deducts the corresponding items for lime treatment in the base bid (Terminal) and Alternate 1 (General Aviation Parking Area) and adds new items for more robust treatment - cement treated subgrade. Cement treated subgrade was further required on the south side of Building 87, which did not originally have provisions for subgrade stabilization, due to poor soils. Lastly, the change order provides for removal of an existing slab of concrete pavement that was deteriorated and replacement with asphalt paving.
5. Pavement near a hangar (Building 76) has been determined to be severely distressed. This area is outside the bounds of the original scope of work.
6. New aircraft tie-down chains are needed to replace existing tie-downs that are missing or have become unserviceable.
7. Upon removal of the asphalt pavement and aggregate base in phase C1, a layer of hard subgrade, not evident on the geotechnical boring logs, was discovered. This material appeared to be existing lime- or cement-treated subgrade and could not be graded satisfactorily. As a result, the contractor was required to pulverize it to a smaller gradation in order to perform grading activity.
8. Replacement of an unmarked utility conduit south of Building 104.
9. Re-grading the area south of Building 87 after replacement of a utility line by Southwest Gas.
10. Additional scope resulting from changes to the grading plans.
11. Removing concrete from the foundations of several hangar buildings that interfered with the limits of the work zone.

This change order will bring the construction contract to a total of \$5,249,981.83. At the close of the project, staff will be requesting reimbursement from the FAA of its 91.06% portion, in the amount of \$154,727.30 and ADOT's 4.47% portion, in the amount of \$7,595.33.

Financial Impact:

Fiscal Year: 2020

Budgeted Yes
Y/N:
Amount: \$169,917.97

This change order will be funded with Airport Capital Funds, GL Account #52592000-8015-AP025.

Staff Recommendation:

Staff recommends approval of the change order.

Suggested Motion:

I move to approve a change order to the Pavex Corp. contract for the Airport Rehabilitation of Taxiways, Tie Downs, Helicopter Pad, and Terminal Apron project (AP025) in the amount of \$169,917.97; to authorize the transfer of appropriations if necessary for the change order; and to authorize the Town Manager or designee to execute the necessary documents to effectuate the change order.

Attachments

No file(s) attached.



Council-Regular Meeting

C2

Meeting Date: 10/01/2019

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: October 1, 2019

Strategic Plan Focus Area:

Community, Progress & Innovation

Strategic Plan Focus Area Additional Info:

Community Principle Statement 1: We will maintain a safe and well-managed community.

Innovation Principle Statement 3: We will support an efficient and effective business model focused on service delivery by aligning our organizational culture and internal processes and procedures to reflect industry best practices.

Subject: Resolution No. 2019-095: Relating to Finance; approving the update to the Town of Marana Investment Policy (Yiannis Kalaitzidis)

Discussion:

Staff is requesting approval of an update to the Town's Investment Policy to modernize language, clarify requirements, and to better align the Town's policy with Arizona Revised Statutes, peer cities and towns, and Government Finance Officers Association (GFOA) best practices. Proposed changes will also enhance the portfolio's diversification and yield.

If approved, this will be the first update to the Town's Investment Policy since February 15, 2000, when it was approved by Resolution No. 2000-17. State law has changed since the last update to include additional allowable investment types such as corporate bonds and notes and commercial paper.

The proposed policy maintains the Town's existing investment philosophy and objectives while expanding and updating several topics including standards of care, delegation of authority, authorized financial institutions, brokers/dealers and depositories, suitable and authorized investments and investment parameters, and reporting. To attain the Town's objectives, the policy allows only certain fixed income

securities, recommends diversification in the portfolio composition, and imposes maturity limitations.

The following are the essential areas covered in the recommended policy update:

- Investment philosophy and objectives – design and manage an investment portfolio with the objective of attaining a market rate of return while safeguarding the Town's funds through an appropriate level of diversification and allowing for sufficient liquidity to meet all ongoing cash requirements
- Investment authority – Town Council maintains responsibility for the investment policy and the portfolio and authorizes the Finance Director to manage the investment program under the direction of the Town Manager
- Authorized investments – list of authorized investments is updated to allow for inclusion of all investment types allowed under state statute
- Investment guidelines and compliance – established to mitigate credit risk and market risk in the Town's portfolio
- Reporting – establishes periodic reporting to Council and Town management

The policy applies to all activities with regard to investing the Town's financial assets of all funds, including those of the newly created self-insurance trust funds for medical and dental benefits.

The Town's investment advisor, PFM, is in support of the recommended policy update as described above.

A copy of the proposed update to the policy is attached. A minor change was made to the proposed policy presented to Council on September 10. Banker's acceptance securities were removed from the policy as the securities are not available in the market.

Staff Recommendation:

Staff recommends adoption of Resolution No. 2019-095, approving the updated Town of Marana Investment Policy.

Suggested Motion:

I move to adopt Resolution No. 2019-095, approving the updated Town of Marana Investment Policy.

Attachments

Resolution No. 2019-095
Updated Investment Policy

MARANA RESOLUTION NO. 2019-095

RELATING TO FINANCE; APPROVING THE UPDATE TO THE TOWN OF MARANA INVESTMENT POLICY

WHEREAS the Town of Marana Investment Policy was adopted in February 2000 by Resolution No. 2000-17; and

WHEREAS Town staff has proposed an update to the Investment Policy to modernize language and clarify requirements, to enhance the portfolio's diversification and yield, to better align the policy with peer cities and towns and Government Finance Officers Association best practices, and to take advantage of elements now allowed under Arizona Revised Statutes; and

WHEREAS the Mayor and Council of the Town of Marana find that this resolution is in the best interests of the Town of Marana and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, that the updated Town of Marana Investment Policy attached as Exhibit A to this resolution is hereby adopted, and the Town Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms and objectives of the updated policy.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 1st day of October, 2019.

Mayor Ed Honea

ATTEST:

APPROVED AS TO FORM:

Cherry L. Lawson, Town Clerk

Frank Cassidy, Town Attorney



Investment Policy

10/1/2019

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TOWN OF MARANA INVESTMENT POLICY

I. Introduction

The intent of the Investment Policy of the Town of Marana is to define the parameters within which funds are to be managed. In methods, procedures, and practices, the policy formalizes the framework for the Town of Marana investment activities that must be exercised to ensure effective and judicious fiscal and investment management of the Town of Marana funds. The guidelines are intended to be broad enough to allow the Investment Officer to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

II. Governing Authority

The investment program shall be operated in conformance with federal, state, and other legal requirements, including those outlined in Arizona Revised Statutes Title 35, Chapter 2, Article 2.1.

III. Scope

This policy applies to activities of the Town of Marana, including funds held in Trust by the Town, such as the Self-Insurance Trust funds, with regard to investing the financial assets of all funds. In addition, funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the state of Arizona. The covered funds, and any new funds created by the Town of Marana, unless specifically exempted by the Town Council of the Town of Marana and this policy, are defined in the Town of Marana Comprehensive Annual Financial Report.

Except for funds in certain restricted and special funds, the Town of Marana commingles its funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

IV. General Objectives

The primary objectives, in priority order, of investment activities shall be:

A. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal will be to mitigate credit risk and interest rate risk through diversification of security types, issuers, and maturity dates.

B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating cash requirements that may be reasonably anticipated.

C. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints of safety and liquidity needs.

V. Standards of Care

A. Prudence

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures and this Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The “prudent person” standard states that,

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

B. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall adhere to the conflict of interest law set forth in A.R.S. Title §38-501 through §38-511 and shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the Town of Marana.

C. Delegation of Authority and Responsibilities

1. Governing Body

The governing body (Town Council) will retain ultimate fiduciary responsibility for the portfolios. The governing body will receive quarterly reports, designate Investment Officers, and periodically review the Investment Policy, making any changes necessary by adoption.

2. **Investment Officers**

Authority to manage the investment program is granted to the Finance Director under the direction of the Town Manager, hereinafter referred to as Investment Officer, and gives the Investment Officer the right to delegate all or part of this investment authority.

Responsibility for the operation of the investment program is hereby delegated to the Investment Officer who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this Investment Policy. Officers will prepare investment reports and other special reports as may be deemed necessary.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

3. **Investment Adviser**

The Town of Marana may engage the services of one or more external investment managers to assist in the management of the Town's investment portfolio in a manner consistent with the Town's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy and to use their own approved broker dealer list. Such managers must be registered under the Investment Advisers Act of 1940.

VI. Authorized Financial Institutions, Broker/Dealers, and Depositories

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

A. Authorized Financial Institutions

The Investment Officer shall determine which financial institutions are authorized to provide investment services to the Town of Marana. Institutions eligible to transact investment business with the Town of Marana include:

1. Primary government dealers as designated by the Federal Reserve Bank;
2. Nationally or state-chartered banks;
3. The Federal Reserve Bank; and,
4. Direct issuers of securities eligible for purchase.

Selection of financial institutions and broker/dealers authorized to engage in transactions with the Town of Marana shall be at the sole discretion of the Town of Marana.

A periodic review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Investment Officer.

B. Broker/Dealers

All broker/dealers who desire to become qualified for investment transactions must supply the following:

1. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
2. Proof of FINRA certification
3. Proof of state registration
4. Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
5. Certification of having read and understood and agreeing to comply with the Town of Marana Investment Policy.
6. Evidence of adequate insurance coverage.

If the Town of Marana uses the services of an investment advisor, then the advisor's approved broker/dealer list and process for monitoring may be used in place of the list above.

C. Depositories

All financial institutions who desire to become depositories must supply the following:

1. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
2. Proof of state registration
3. Evidence of adequate insurance coverage

D. Competitive Transactions

1. The Investment Officer shall obtain competitive bid information on all purchases of investment instruments purchased on the secondary market. A competitive bid can be executed through a bidding process involving at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
2. If the Town is offered a security for which there is no readily available competitive offering on the same specific issue, then the Investment Officer shall document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.
3. If the Town hires an investment adviser to provide investment management services, the adviser must provide documentation of competitive pricing execution on each transaction. The investment adviser will retain documentation and provide upon request.

VII. Safekeeping and Custody

A. Delivery versus Payment

All trades of marketable securities will be executed (cleared and settled) on a delivery versus payment (DVP) basis to ensure that securities are deposited in the Town of Marana safekeeping institution prior to the release of funds.

B. Third-Party Safekeeping

Securities will be held by an independent third-party safekeeping institution selected by the Town of Marana. All securities will be evidenced by safekeeping receipts in the Town of Marana name. The safekeeping institution shall annually provide a copy of its most recent report on internal controls—Service Organization Control Reports (formerly 70, or SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16.

C. Internal Controls

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town of Marana are protected from loss, theft, or misuse.

The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum:

1. Control of collusion;
2. Separation of transaction authority from accounting and recordkeeping;
3. Custodial safekeeping;
4. Clear delegation of authority to subordinate staff members;
5. Written confirmation of transactions for investments and wire transfers;
6. Dual authorizations of wire transfers;
7. Staff training; and,
8. Review, maintenance and monitoring of security procedures both manual and automated.

The external auditor shall provide an annual independent review to assure compliance with state law, policies, and procedures.

VIII. Suitable and Authorized Investments

A. Investment Types and Credit Guidelines

The following investments will be permitted by this policy and are those defined by state and local law where applicable. If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment by the Town of Marana until this Policy has been amended and the amended version adopted by the governing body. Permitted securities include:

1. **U.S. Treasury and other government obligations** that carry the full faith and credit guarantee of the United States for the payment of principal and interest;
2. **Federal Agency or U.S. government sponsored enterprises (GSE) obligations**, issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.;
3. **Federally insured time deposits (Non-negotiable certificates of deposit)** in state or federally chartered banks, savings and loans, or credit unions, provided that the amount per institution is limited to the maximum covered under federal insurance;
4. **Time deposits (Non-negotiable certificates of deposit)** in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with state law;
5. **Negotiable certificates of deposit (NCDs)** issued by a nationally or state-chartered bank or savings and loan association. Securities must be rated in the highest short-term or three highest long-term ratings categories by a NRSRO: A-1/P-1, A-/A3, or equivalent;
6. **Commercial paper** rated in the highest tier (e.g., A1, P1, F1, or higher) by a NRSRO. All commercial paper must be issued by corporations organized and doing business in the United States;
7. **Fully collateralized repurchase agreements** collateralized in compliance with this Policy, governed by a SIFMA Master Repurchase Agreement, and with a maximum maturity of one hundred eighty days. Capital project funds may be invested in a single flex repurchase agreement with a maximum stated maturity that shall be matched to the expenditure plan;
8. **Bonds, debentures, notes or other evidences of indebtedness** that are denominated in United States dollars and carry at a minimum an "AA-" the equivalent or better rating, at the time of purchase, from at least two NRSROs.
9. **Bonds or other evidences of indebtedness** of this state, county or incorporated cities, towns, or school districts which carry as a minimum "AA-" rating or its equivalent by a NRSRO;
10. **SEC registered money market mutual funds, Funds must have the highest fund rating by all NRSROs who rate the fund (e.g., AAAm/Aaa-mf, or the equivalent);** and,
11. **Local government investment pools established by the state treasurer pursuant to A.R.S §35-326.**

B. Investment Downgrade

If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Investment Officer shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Investment Officer will apply the general objectives of safety, liquidity, yield, and legality to make the decision.

C. Collateralization

Where allowed or required by state law and in accordance with state law, full collateralization will be required on all demand deposit accounts, including checking accounts and negotiable and non-negotiable certificates of deposit.

1. Authorized Collateral

Acceptable collateral for bank deposits and repurchase agreements shall include only:

- a) A bond executed by a surety company that is approved by the treasury department of the United States and authorized to do business in this state. The bond shall be approved as to form by the legal advisor of the treasurer.
- b) Securities or instruments of the following character:
 - (1) Obligations of the U.S. Government, its agencies and GSEs,
 - (2) Obligations of any state, city, county, or authority rated at least “AA-” by two nationally recognized statistical rating organizations.

2. **Required Collateral**

Per the statutory requirements of ARS § 35-323, collateral of at least 102% of the deposit amount in excess of federally insured limits must be delivered to the Collateral Agent prior to the settlement of funds.

IX. Investment Parameters

A. Mitigating Credit Risk in the Portfolio

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The Town of Marana shall mitigate credit risk by adopting the following:

1. **Diversification**

It is the policy of the Town of Marana to diversify its investment portfolios. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or class of securities, assets in all Town of Marana funds shall be diversified by maturity, issuer, and class of security. Diversification strategies shall be determined and revised periodically by the Investment Officer for all funds.

Sector	Quality Criteria	Maturity Limit	Asset Class Limit	Portfolio Issuer Limit
U.S. Treasury and other government obligations	Full faith and credit of U.S.	Up to 60 months	100%	Unlimited
Federal Agency or U.S. government sponsored enterprises (GSE) obligations	S&P: AA-MDY: Aa3 Fitch: AA-	Up to 60 months	100%	Up to 25%
Federally insured time deposits	Within the current FDIC insurance limit	Up to 60 months	100%	Within the current FDIC insurance limit
Time deposits	S&P: A-MDY: A3 Fitch: A-	Up to 30 months	100%	Lesser of 5% or \$5mm

Sector	Quality Criteria	Maturity Limit	Asset Class Limit	Portfolio Issuer Limit
Negotiable certificates of deposit	S&P: A- MDY: A3 Fitch: A-	Up to 30 months	50%	Lesser of 5% or \$5mm
Commercial paper	S&P: A1 MDY: P1	Up to 270 days	50%	Lesser of 5% or \$5mm
Fully collateralized repurchase agreements	Collateralized by US Treasury Agencies and Agency MBS	Up to 180 Days	25%	Up to 20%
Bonds, debentures, notes or other evidences of indebtedness that are denominated in US dollar	S&P: AA- MDY: Aa3 Fitch: AA-	Up to 60 months	40%	Lesser of 5% or \$5mm
Bonds or other evidences of indebtedness of this State or political subdivisions	S&P: AA- MDY: Aa3- Fitch: AA-	Up to 60 months	25%	Lesser of 5% or \$5mm
Money market mutual funds	S&P: AAAm MDY: Aaa Fitch: AAAmmf	Up to 90 days WAM	20%	10%
Local government investment pools	N/A	Up to 90 days WAM	100%	Unlimited

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

B. Mitigating Market Risk in the Portfolio

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The Town of Marana recognizes that, over time, longer-term/core portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The Town of Marana shall mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The Town of Marana further recognizes that certain types of securities, including variable rate securities, securities with principal pay downs prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The Town of Marana, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

1. The Town of Marana shall maintain a minimum of three months of budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements;

2. The maximum percent of callable securities in the portfolio shall be 15%;
3. The maximum stated final maturity of individual securities in the portfolio shall be five years;
4. Liquidity funds will be held in the State Pool or in money market instruments maturing one year and shorter;
5. Longer term/Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between one day and five years and will be only be invested in higher quality and liquid securities; and,
6. The duration of the portfolio shall at all times be approximately equal to the duration (plus or minus 10%) of a Market Benchmark Index selected by the Town of Marana based on the Town of Marana investment objectives, constraints and risk tolerances. The Town's current Benchmark shall be documented in an agreement.
 - i) Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made.

X. Performance Evaluation

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmarks shall have a similar weighted average maturity and credit profile as the portfolio. Return comparisons of the portfolio to the market benchmark will be calculated on a monthly basis. When comparing the performance of the Town's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.

XI. Reporting

A. Quarterly & Annual Report

The Investment Officer shall submit quarterly and annual reports to the Town Manager and Town Council showing the make-up of the investment portfolio and return for the period. The report should also contain sufficient information to permit an informed outside reader to evaluate the compliance of the investment program with this policy. Internal investment reports will be produced on a monthly basis

B. Annual Audit

Management shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

XII. Policy Considerations

A. Approval of Investment Policy

The Investment Policy and any modifications to the policy shall be formally approved and adopted by the Town Council of the Town of Marana

B. Exemption

Any investment currently held that does not meet the guidelines of this policy shall be temporarily exempted from the requirements of this policy. Investments must come in conformance with the policy within six months of the policy's adoption or the governing body must be presented with a plan through which investments will come into conformance.

C. Annual Policy Review

The Investment Policy shall be reviewed at least annually within 120 days of the end of the fiscal year to ensure its consistency with the overall objectives of preservation of principal, liquidity, and yield, and its relevance to current law and financial and economic trends.

D. Amendments

Any changes to this policy must be approved by the Investment Officer and any other appropriate authority, as well as the individuals charged with maintaining internal controls.

XIII. Glossary

US Treasury Obligation Direct obligations of the United States Treasury whose payment is guaranteed by the United States. (State Statute Note)

GSE – Agency Obligations US Government Agencies, Government Sponsored Enterprises (*GSEs*), Corporations or Instrumentalities of the US Government—Federal Instrumentality Securities include, but are not limited to, Federal National Mortgage Association (*FNMA*), the Federal Home Loan Mortgage Corporation (*FHLMC*), Federal Home Loan Banks (*FHLB*), and the Federal Farm Credit Bureau (FFCB). (State Statute)

Commercial Paper Commercial Paper that is rated A1/P1 and has long-term bonds which have a minimum rating of AA- by Standard and Poor's and Aa3 by Moody's.

Repurchase Agreements An agreement with an approved broker/dealer that provides for sell and simultaneous purchase of an allowable collateral security. The difference in the sales and purchase price is the earning rate on the agreement. A master repurchase agreement must be in place with the approved broker/dealer.

Corporate Indebtedness Corporate Indebtedness that has a minimum long-term debt rating of A- rated by Standard and Poor's and a A3 rating by Moody's or equivalent rating by any nationally recognized statistical rating organization.

Local Government Investment Pool State treasurer's local short-term investment fund up to the statutory limit per state statute

Certificates of Deposit/Bank Deposit/Savings Accounts

Time deposit open accounts, certificates of deposit, and savings accounts in insured institutions as defined in State Statute, in credit unions as defined in State statute or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state. [State Statute lawfully issued debt obligations of the agencies and instrumentalities of the State of Arizona and its political subdivisions that have a long-term rating of A- or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization.]



Council-Regular Meeting

C3

Meeting Date: 10/01/2019

To: Mayor and Council

From: Curry C. Hale, Human Resources Director

Date: October 1, 2019

Strategic Plan Focus Area:
Progress & Innovation

Subject: Resolution No. 2019-096: Relating to Personnel; approving and adopting amendments to the Town's Personnel Policies and Procedures, revising Chapter 3 - Classification and Compensation, Chapter 4 - Employment Benefits and Leaves, Chapter 6 - Performance Management and Employee Development, and Chapter 8 - Termination of Employment (Curry Hale)

Discussion:

This item proposes revisions to the Town's Personnel Policies and Procedures as follows:

1. Chapter 3 - Classification and Compensation is amended to add Policy 3-12 "Employee Disbursements". This policy change will give the Town authority to make disbursements to employees through direct deposit, rather than by check. This policy change is consistent with Council's previous amendment to the Personnel Policies to authorize employee pay checks being paid by direct deposit.
2. Chapter 4, Section 4-10-3 "Employee Assistance Program" is amended to add short-term temporary employees as employees who can receive services through the Town's Employee Assistance Program.
3. Chapter 6, Section 6-1-1 "Initial Evaluation Period" proposes the initial evaluation period be increased from six months to twelve months for all Town employees, with the exception of the Police Department employees. This change will allow cyclical classification to be evaluated during their peak seasons. Additionally, the amendment proposes that all Police Department employees required to begin their employment with the town by attending a police academy will have an initial evaluation increased from 16 months to 20 months to allow for additional time to conduct field training.

4. Chapter 8, Section 8-4-3 "Compensation and Benefits" proposes that if an employee is re-employed within nine months, the employee's vacation accrual rate will be restored to the same rate of accrual the employee had at the time of resignation. Currently, the policy allows for reinstatement of the same vacation accrual rate if the employee is re-employed within six months. This policy change is consistent with the current policy allowing for sick leave and MTO leave balances being restored if re-employment occurs within nine months.

Staff Recommendation:

Staff recommends approval and adoption of amendments to the Town's Personnel Policies and Procedures, revising Chapter 3 - Classification and Compensation, Chapter 4 - Employment Benefits and Leaves, Chapter 6 - Performance Management and Employee Development, and Chapter 8 - Termination of Employment.

Suggested Motion:

I move to adopt Resolution No. 2019-096, approving and adopting amendments to the Town's Personnel Policies and Procedures, revising Chapter 3 - Classification and Compensation, Chapter 4 - Employment Benefits and Leaves, Chapter 6 - Performance Management and Employee Development, and Chapter 8 - Termination of Employment.

Attachments

Resolution No. 2019-096

Exhibit A

Exhibit B

Exhibit C

Exhibit D

MARANA RESOLUTION NO. 2019-096

RELATING TO PERSONNEL; APPROVING AND ADOPTING AMENDMENTS TO THE TOWN'S PERSONNEL POLICIES AND PROCEDURES, REVISING CHAPTER 3 - CLASSIFICATION AND COMPENSATION, CHAPTER 4 - EMPLOYMENT BENEFITS AND LEAVES, CHAPTER 6 - PERFORMANCE MANAGEMENT AND EMPLOYEE DEVELOPMENT, AND CHAPTER 8 - TERMINATION OF EMPLOYMENT

WHEREAS Chapter 3-3 of the Marana Town Code provides that the Town Council may adopt personnel policies, rules, and regulations that follow the generally accepted principles of good personnel administration and which may be modified or changed from time to time; and

WHEREAS the Town Council adopted Personnel Policies and Procedures via Town of Marana Ordinance 99.12 and Resolution 99-38 on May 18, 1999; and

WHEREAS the Council finds that adoption of the amendments to the Town's Personnel Policies and Procedures as set forth in this resolution is in the best interests of the Town and its employees.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, as follows:

SECTION 1. Chapter 3 of the Town's Personnel Policies and Procedures, entitled "Classification and Compensation", is hereby amended as set forth in Exhibit A attached to this resolution, with additions shown with double underlining.

SECTION 2. Section 4-10-3 of the Town's Personnel Policies and Procedures, entitled "Employee Assistance Program", is hereby amended as set forth in Exhibit B attached to and incorporated by this reference in this resolution, with deletions shown with ~~strikeouts~~ and additions shown with double underlining.

SECTION 3. Section 6-1-1 of the Town's Personnel Policies and Procedures, entitled "Initial Evaluation Period", is hereby amended as set forth in Exhibit C attached to and incorporated by this reference in this resolution, with deletions shown with ~~strikeouts~~ and additions shown with double underlining.

SECTION 4. Section 8-4-3 of the Town's Personnel Policies and Procedures, entitled "Compensation and Benefits", is hereby amended as set forth in Exhibit D attached to and incorporated by this reference in this resolution, with deletions shown with ~~strikeouts~~ and additions shown with double underlining.

SECTION 5. All ordinances, resolutions, or motions and parts of ordinances, resolutions, or motions of the Council in conflict with the provisions of this resolution are hereby repealed, effective as of the effective date of this resolution.

SECTION 6. The Town's manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the aforementioned amendments.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 1st day of October, 2019.

Mayor Ed Honea

ATTEST:

APPROVED AS TO FORM:

Cherry L. Lawson, Town Clerk

Frank Cassidy, Town Attorney



CHAPTER 3

CLASSIFICATION AND COMPENSATION

[NO REVISIONS TO POLICIES 3-1 THROUGH 3-11]

POLICY 3-12 EMPLOYEE DISBURSEMENTS

All other disbursements made by the Finance Department to Town employees shall be through direct deposit.



CHAPTER 4

EMPLOYMENT BENEFITS AND LEAVES

[NO REVISIONS TO POLICIES 4-1 THROUGH 4-9]

POLICY 4-10 GROUP BENEFITS

The Town of Marana provides group benefits coverage as determined by the Town Council for eligible employees. The Human Resources Department is responsible for implementation and administration of all group benefits and insurance plans.

[No revisions to Sections 4-10-1 through 4-10-2]

Section 4-10-3 Employee Assistance Program

- A. The Town provides an employee assistance program (EAP) to all regular full- and part-time classified and unclassified employees, including those serving in an initial evaluation period, ~~and~~ term-limited temporary employees, and short-term temporary employees.
- B. When an employee voluntarily seeks assistance from the EAP, confidentiality is maintained. The Town will not be informed that help has been sought unless the employee requests that the information be released.
- C. When stress or personal problems interfere with job performance, the Town will encourage and may require participation in the EAP in any of the following circumstances:
 - 1. When job-related and consistent with business necessity;
 - 2. As part of an employee work improvement plan or development plan; or
 - 3. To deal with job-related performance issues.
- D. When participation is required, the EAP provider will maintain confidentiality and will only verify that the employee has participated as required by the Town.
- E. Use of the employee assistance program may be a condition of continued employment if the Town's drug and alcohol abuse policy is violated.
- F. No employee will have his or her employment or promotional opportunities jeopardized solely by participation in the EAP, nor will participation in the EAP protect the employee from disciplinary action for substandard performance or misconduct.



CHAPTER 4

EMPLOYMENT BENEFITS AND LEAVES

[No revisions to Section 4-10-4]

[NO REVISIONS TO POLICIES 4-11 THROUGH 4-16]



CHAPTER 6

PERFORMANCE MANAGEMENT AND EMPLOYEE DEVELOPMENT

POLICY 6-1 PERFORMANCE MANAGEMENT

The Town Manager shall establish a performance management program that relies on a system of establishing goals, strategies and performance benchmarks for the organization and identifying how individual and team efforts contribute to the overall achievement of Town strategic objectives. At a minimum, the performance management program will link to Town-wide goals and strategies, set appropriate expectations, share ongoing and timely feedback, and provide opportunities for coaching. The Human Resources Director shall be responsible for ensuring implementation of an employee performance management system in accordance with this policy.

Section 6-1-1 Initial Evaluation Period

- A. The initial evaluation period is a period of time constituting the final step in the screening process for appointment to a regular full- or part-time classified position.
- B. Except as otherwise set forth in this section, the following employees shall serve in an initial evaluation period:
 1. All full- and part-time employees hired in a classified position.
 2. All full- and part-time employees laterally transferred to a classified position in a different classification title or in a different department than the employee was in prior to transfer.
 3. All full- and part-time employees demoted or promoted from one classified position to another.
- C. The duration of the initial evaluation period shall be as follows:
 1. For employees in all departments except the Police Department, ~~six~~ 12 months from the date of hire, transfer, demotion or promotion.
 2. For all Police Department employees except those specified in subparagraph 3 below, 12 months from the date of hire, transfer, demotion or promotion.
 3. For newly hired Police Department employees who will begin their employment with the Town by attending a police academy, ~~16~~ 20 months from the date of hire.
- D. Notwithstanding the provisions of this section, the following employees will not be required to complete an initial evaluation period:
 1. An employee who is demoted, promoted or transferred due to a reclassification of a position and who has been performing the duties of the reclassified position for ~~six~~ 12 months or longer prior to the reclassification.



CHAPTER 6

PERFORMANCE MANAGEMENT AND EMPLOYEE DEVELOPMENT

2. An employee who is laterally transferred or demoted if the employee has previously completed an initial evaluation period in the same classification and in the same department.
 3. An employee who is laterally transferred or demoted if the lateral transfer or demotion is due to a Town-initiated reorganization or restructuring.
- E. Employees who are required to complete an initial evaluation period pursuant to this section will not be considered finally appointed to a full- or part-time classified position until successful completion of the initial evaluation period.
1. Successful completion of the initial evaluation period is evidenced by a performance assessment which must be completed and reviewed at least two weeks prior to the date that the employee's initial evaluation period is scheduled to conclude.
 2. Notwithstanding the two-week time frame discussed in this paragraph, managers and supervisors shall review and discuss performance deficiencies with employees as soon as possible to allow the employee the opportunity to correct the deficiencies prior to the completion of the initial evaluation period.
- F. Employees serving in an initial evaluation period are at-will employees as defined in these Personnel Policies and Procedures. As such, during the initial evaluation period, employment may be terminated at any time, with or without cause.
1. The decision to terminate employment shall be made by the employee's Department Head or the chain of authority above the level of Department Head, where applicable, after consultation with and approval by the Human Resources Director.
 2. The employee must be notified in writing that he or she has failed to successfully complete the initial evaluation period prior to the conclusion of the initial evaluation period. If the employee is not notified of unsuccessful completion prior to the conclusion of the initial evaluation period, the employee will be considered to have successfully completed the initial evaluation period.
 3. The decision to terminate employment during the initial evaluation period is not subject to appeal under the personnel action review procedures set forth in [Chapter 5](#) of these Personnel Policies and Procedures
- G. Notwithstanding that an employee serving an initial evaluation period as a lateral transfer or due to a promotion is an at-will employee, the employee who does not successfully complete the initial evaluation period in a transfer or promotion may be restored to his or her former position. Such restoration is not mandatory, but is optional at the discretion of the Town and within the limits of available authorized positions.
1. If an employee is restored to his or her former position, restoration shall include restoration of the employee's former pay and all other benefits to which he or she would have been entitled if the transfer or promotion had not occurred, except that



CHAPTER 6

PERFORMANCE MANAGEMENT AND EMPLOYEE DEVELOPMENT

any compensatory time that was paid out to an employee who transferred or promoted into an exempt position will not be restored if the employee returns to a non-exempt position.

- H. The Human Resources Department is responsible for maintaining records of employee appointments and promotions and the duration of initial evaluation periods. Department heads or the chain of authority above the level of Department Head, where applicable, are responsible for ensuring that training, informal feedback about performance, and formal performance assessments are completed in a timely manner during the initial evaluation period.

[No revisions to Sections 6-1-2 and 6-1-3]

[NO REVISIONS TO POLICIES 6-2 THROUGH 6-4]



CHAPTER 8

TERMINATION OF EMPLOYMENT

[NO REVISIONS TO POLICIES 8-1 THROUGH 8-3]

POLICY 8-4 RE-EMPLOYMENT

[No revisions to Sections 8-4-1 through 8-4-2]

Section 8-4-3 Compensation and Benefits

- A. An employee re-employed in his or her former position or in another position will be subject to the compensation policies and practices for new hires regardless of the employee's previous compensation at the time of separation.
- B. Future performance pay increases for a re-employed employee will be in accordance with the performance management policies and procedures set forth in [Chapter 6](#) of these Personnel Policies and Procedures.
- C. An employee re-employed in his or her former position or another position within ~~six~~ nine months after the employee's resignation will accrue vacation leave at the same accrual rate as the employee accrued at the time of the employee's resignation. In addition, the employee's previous Town service time will be credited toward the employee's length of service for purposes of vacation leave accrual. However, the time between resignation and re-employment will not be credited toward the length of service for this purpose. The employee will not be required to serve the waiting period described in [Section 4-1-5](#) of these Personnel Policies and Procedures before using vacation.
- D. An employee re-employed in his or her former position or another position within nine months after the employee's resignation shall have his or her previous accumulated sick or MTO leave balance restored.
- E. Depending upon the provider and the plan, separation and re-employment may be considered a break in service for purposes of insurance benefits and the employee may be required to serve the required waiting period before receiving insurance benefits.

[No revisions to Sections 8-4-4 through 8-4-7]



Council-Regular Meeting

C4

Meeting Date: 10/01/2019

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: October 1, 2019

Strategic Plan Focus Area:

Not Applicable

Subject: Resolution No. 2019-097: Relating to Administration; authorizing the transfer of up to \$70,000 in budgeted expenditure authority in park impact fees from the Parks Department Master Plan project (PK028) to the Santa Cruz SUP at CalPortland Project (PK023) in the fiscal year 2019-2020 budget for the acquisition of real property along the Santa Cruz shared use path adjacent to CalPortland (Yiannis Kalaitzidis)

Discussion:

The budget for fiscal year 2019-2020 was adopted on June 18, 2019 and set the legal level of budgetary control at the department level for the General Fund and at the fund level for all other funds. Council approval is required for budgetary transfers between General Fund departments and between funds, and for any transfer of contingency. Further, per Town of Marana Code Title 3, separate Town Council approval is required where the purchase is authorized in the adopted budget but the funds exceed the budgeted amount by more than \$50,000.

The purpose of this item is to request authority to transfer funds budgeted within the same impact fee fund for a purchase that exceeds the budgeted amount. The following provides additional detail on those costs and the Santa Cruz SUP at CalPortland.

After a feasibility study and successful negotiation with CalPortland to determine the alignment of the Santa Cruz Shared Use Path located on the bank of the Santa Cruz river adjacent to the CalPortland cement plant, the Town will be required to purchase land from CalPortland for the construction of the Shared Use Path.

The cost of the land appraisal and the real property is estimated to be \$70,000. This real property expense was not anticipated in the fiscal year 2019-2020 budget. Therefore, additional budget will need to be transferred to the project to fund the real property

acquisitions. The Santa Cruz SUP at CalPortland project is scheduled for construction in fiscal year 2020-2021.

If approved, the expenditure described above will not increase the amount of overall budgeted expenditure capacity in the parks impact fee fund [3016].

Financial Impact:

Fiscal Year: 2020
Budgeted Y/N: Y
Amount: \$NA

The requested budget adjustment does not increase the overall expenditure amount in the parks impact fee fund [3016]. The transfer would only reallocate existing budgetary authority to other fund line item budgets.

Staff Recommendation:

Staff recommends approval of Resolution No. 2019-097; approving the transfer of up to \$70,000 in budgeted expenditure authority in park impact fees from the Parks Department Master Plan project (PK028) to the Santa Cruz SUP at CalPortland Project (PK023) for the acquisition of real property along the Santa Cruz shared use path adjacent to CalPortland in the fiscal year 2019-2020 budget.

Suggested Motion:

I move to adopt Resolution No. 2019-097, approving the transfer of up to \$70,000 in budgeted expenditure authority in park impact fees from the Parks Department Master Plan project (PK028) to the Santa Cruz SUP at CalPortland Project (PK023) in the fiscal year 2019-2020 budget for the acquisition of real property along the Santa Cruz shared use path adjacent to CalPortland.

Attachments

Resolution No. 2019-097

MARANA RESOLUTION NO. 2019-097

RELATING TO ADMINISTRATION; AUTHORIZING THE TRANSFER OF UP TO \$70,000.00 IN BUDGETED EXPENDITURE AUTHORITY IN PARK IMPACT FEES FROM THE PARKS DEPARTMENT MASTER PLAN PROJECT (PK028) TO THE SANTA CRUZ SUP AT CALPORTLAND PROJECT (PK023) IN THE FISCAL YEAR 2019-2020 BUDGET FOR THE ACQUISITION OF REAL PROPERTY ALONG THE SANTA CRUZ SHARED USE PATH ADJACENT TO CALPORTLAND

WHEREAS on June 18, 2019, the Town Council adopted the fiscal year 2019-2020 budgetary document and overall financial plan which set the legal level of budgetary control at the department level for the General Fund and at the fund level for all other funds; and

WHEREAS the Parks Department incurred unanticipated costs which could not be offset by savings within other budgetary line items; and

WHEREAS transferring amounts within the fiscal year 2019-2020 budget will not significantly impact the Park Impact Fees; and

WHEREAS reallocations of budgetary amounts between Capital Improvement Projects are necessary from time to time; and

WHEREAS the Council finds that the reallocations addressed by this resolution are in the best interest of the Town of Marana and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS:

SECTION 1. The transfer of up to \$70,000 of budgeted expenditure authority in park impact fees from the Parks Department Master Plan project (PK028) to the Santa Cruz SUP at CalPortland Project (PK023) in the fiscal year 2019-2020 budget is hereby approved.

SECTION 2. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of this resolution.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN
OF MARANA, ARIZONA, this 1st day of October, 2019.

Mayor Ed Honea

ATTEST:

APPROVED AS TO FORM:

Cherry L. Lawson, Town Clerk

Frank Cassidy, Town Attorney



Council-Regular Meeting

C5

Meeting Date: 10/01/2019

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: October 1, 2019

Strategic Plan Focus Area:

Not Applicable

Subject: Resolution No. 2019-098: Relating to Administration; authorizing the transfer of up to \$125,000 in budgeted expenditure authority of General Funds from the Parks Master Plan project (PK028) to the Honea Heights Park project (PK024) in the fiscal year 2019-2020 budget for unanticipated costs (Yiannis Kalaitzidis)

Discussion:

The budget for fiscal year 2019-2020 was adopted on June 18, 2019, and set the legal level of budgetary control at the department level for the General Fund and at the fund level for all other funds. Council approval is required for budgetary transfers between General Fund departments and between funds, and for any transfer of contingency.

The purpose of this item is to request a transfer between funds for a purchase that exceeds the amount budgeted for a project. The following provides additional detail on those costs and the Honea Heights Park project.

The Honea Heights Pocket Park was initially slated to be constructed on property owned by the St. Christopher Catholic Church, located at 12101 W Moore Rd, Marana, AZ 85653. After a period of time, the Town of Marana and the Church agreed that the park should be constructed at a different location. At this point, the Town decided to construct the park at the south end of White Avenue on Town-owned property.

Construction of the park at this location required additional work including geotechnical investigations, along with a park design which was conducted by McGann & Associates. This new location will require additional earthwork consisting of the import of material, as well as additional parking spaces and a new swing. Due to the more secluded location of this park, additional lighting will also be required in some areas after dark. Some of these features were not part of the original scope and thus not included in the original amount budgeted for this project.

Due to the increased scope necessary to construct the park at this location it will be necessary to increase the project budget by up to \$125,000. If approved, the total budgeted expenditure capacity available for the project from all funding sources in fiscal year 2019-2020 will increase from \$272,592 up to \$397,592.

Financial Impact:

Fiscal Year: 2020
Budgeted Y/N: Y
Amount: \$125,000

The requested budget adjustment moves budget authority in a total amount not to exceed \$125,000 from the General Fund to the Other Capital Projects fund [3800].

Staff Recommendation:

Staff recommends approval of Resolution No. 2019-098; approving the transfer of up to \$125,000 in budgeted expenditure authority of General Funds from the Parks Master Plan project (PK028) to the Honea Heights Park project (PK024) for unanticipated costs in the fiscal year 2019-2020 budget.

Suggested Motion:

I move to adopt Resolution No. 2019-098, authorizing the transfer of up to \$125,000 in budgeted expenditure authority of General Funds from the Parks Master Plan project (PK028) to the Honea Heights Park project (PK024) in the fiscal year 2019-2020 budget for unanticipated costs.

Attachments

Resolution No. 2019-098

MARANA RESOLUTION NO. 2019-098

RELATING TO ADMINISTRATION; AUTHORIZING THE TRANSFER OF UP TO \$125,000 IN BUDGETED EXPENDITURE AUTHORITY OF GENERAL FUNDS FROM THE PARKS MASTER PLAN PROJECT (PK028) TO THE HONEA HEIGHTS PARK PROJECT (PK024) IN THE FISCAL YEAR 2019-2020 BUDGET FOR UNANTICIPATED COSTS

WHEREAS on June 18, 2019, the Town Council adopted the fiscal year 2019-2020 budgetary document and overall financial plan which set the legal level of budgetary control at the department level for the General Fund and at the fund level for all other funds; and

WHEREAS the Parks Department incurred unanticipated costs which could not be offset by savings within other budgetary line items; and

WHEREAS transferring amounts within the fiscal year 2019-2020 budget will not significantly impact the General Fund; and

WHEREAS reallocations of budgetary amounts between Capital Improvement Projects are necessary from time to time; and

WHEREAS the Council finds that the reallocations addressed by this resolution are in the best interest of the Town of Marana and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, AS FOLLOWS:

SECTION 1. The transfer of up to \$125,000.00 in General Funds from the Parks Department Master Plan project (PK028) to the Honea Heights Pocket Park Project (PK024) in the fiscal year 2019-2020 budget is hereby approved.

SECTION 2. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of this resolution.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN
OF MARANA, ARIZONA, this 1st day of October, 2019.

Mayor Ed Honea

ATTEST:

APPROVED AS TO FORM:

Cherry L. Lawson, Town Clerk

Frank Cassidy, Town Attorney



Council-Regular Meeting

C6

Meeting Date: 10/01/2019

To: Mayor and Council

From: Cherry L. Lawson, Town Clerk

Date: October 1, 2019

Subject: Approval of the Council Study Session Meeting Summary Minutes of September 17, 2019 and the Regular Council Meeting Summary Minutes of September 10, 2019 (Cherry Lawson)

Attachments

Regular Council Meeting Summary Minutes, 09/17/2019

Study Session Meeting Summary Minutes, 9/10/2019



MARANA TOWN COUNCIL
REGULAR COUNCIL MEETING

11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers September 17, 2019, at or after 7:00 PM

Ed Honea, Mayor
Jon Post, Vice Mayor
David Bowen, Council Member
Patti Comerford, Council Member
Herb Kai, Council Member
John Officer, Council Member
Roxanne Ziegler, Council Member

SUMMARY MINUTES

CALL TO ORDER AND ROLL CALL

Mayor Honea called the meeting to order at 7:00 PM and directed the Clerk to call the roll. **Vice Mayor Jon Post; Council Members Dave Bowen, Patti Comerford, Herb Kai, Roxanne Ziegler and John Officer** were present. There was a quorum of council members present constituting a quorum.

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE: Led by the Boys Scout Troup #219

APPROVAL OF AGENDA

Council Member Kai moved and Council Member Ziegler seconded the motion to approve the agenda and removing Item D2 from the agenda. Motion passed, unanimously: 7-0 unanimously.

CALL TO THE PUBLIC

Jim Tripp, Marana resident, commented on the public comment period for the General Plan Make Marana 2040 requesting Council extend the public comment portion for an additional 30 days.

PROCLAMATIONS

MAYOR AND COUNCIL REPORTS: SUMMARY OF CURRENT EVENTS

Council Member Ziegler congratulated Town staff on the awards that they have received: Communications Department for the Cape Chase Adaptive Fun Run marketing design, and the Water Department for the 2019 Water Reuse Award. She stated that Council sees the accomplishments of the Town and commended staff.

Mayor Honea stated he visits some of the schools in the community. He went to Twin Peaks Elementary last Thursday; spent an hour, and will go to Quail Run as well. During his visit, he talked about what government does. He, **Town Manager Jamsheed Mehta**, **Economic Development Director Curt Woody** went to Sun Corridor meeting; lots going on in Southern Arizona.

MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS

Town Manager Jamsheed Mehta thanked you **Council Member Ziegler** for the kudos to Town staff. He explained Water is a national award, water champion for the water recharge project. American Public Works Association gave a national award for Tangerine Road. Marana Police Department received full accreditation from two state organizations. Communications Division received an award for marketing and design for Cape Chase Fun Run. Parks received a state award for the same fun run.

PRESENTATIONS

CONSENT AGENDA

Council Member Ziegler motion to approve the Consent Agenda, and Council Member Kai seconded the motion. The motion passed, 7-0 unanimously.

C1 Resolution No. 2019-088: Relating to Addressing; renaming the portion of Hidden Saguaro Trail located east of Saguaro Peaks Boulevard to Garnet Range Loop (Christen Bilow)

C2 Resolution No. 2019-089: Relating to Development; approving the 'Final Plat for Saguaro Bloom "7A", Lots 1-202, Blocks "7B" and "7C" (Future Residential) and Common Areas A (Drainage/Open Space) and "B" (Park),' located at the southeast corner of Lambert Lane and Saguaro Peaks Boulevard; and re-designating and reclassifying certain Town-owned drainageway and open space as right-of-way (Steven E. Vasquez)

C3 Resolution No. 2019-090: Relating to Parks and Recreation; approving and authorizing the Town Manager to execute a Tree Resource Enhancement and Engagement Program Grant Agreement (No. TREE 17-105) between the Arizona Department of Forestry and Fire Management and the Town of Marana for grant funding for the El Rio Preserve Riparian Restoration Project (Kristin Taft)

C4 Resolution No. 2019-091: Relating to Police Department; approving and authorizing the Chief of Police and the Town Manager to execute GOHS Contract Numbers 2020-PTS-030 and 2020-II-003 between the State of Arizona by and through the Governor's Office of Highway Safety (GOHS) and the Town of Marana for grant funding for DUI/Impaired Driving Enforcement Program, enforcement related materials and supplies, and STEP Enforcement Program (Kristin Taft)

C5 Resolution No. 2019-092: Relating to Municipal Court; approving the reappointment of Michael Aaron, Kenneth Bowman, Maria Felix, and Ronald Newman and the appointment of Frank Anjakos as magistrates pro tempore for the Marana Municipal Court (Laine Sklar)

C6 Resolution No. 2019-093: Relating to Development; approving a release of assurances for Del Webb at Dove Mountain VII Lots 455-553 subdivision and accepting public improvements for maintenance (Keith Brann)

C7 Resolution No. 2019-094: Relating to Utilities; approving and authorizing the Water Director to sign Amendment No. 2 to Resource Aggregation Contract No. 11 DSR 12215 among United States Department of Energy Western Area Power Administration, Town of Marana, Arizona Water Department, and Arizona Electric Power Cooperative, Inc. (Scott Schladweiler)

C8 Approval of the September 3, 2019 Regular Council Meeting Summary Minutes (Cherry L. Lawson)

LIQUOR LICENSES

Council Member Ziegler moved to approve and Council Member Bowen seconded the motion approving a recommendation to the Arizona Department of Liquor Licenses and Control regarding a new series 7 Beer and Wine bar liquor license application submitted by Brian Euaine Vance on behalf of Catalina Brewing Company located at 6918 N. Camino Martin Suite #120, Tucson, Arizona 85741. Motion passed: 7-0 unanimously.

L1 Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding a new series 7 Beer and Wine bar liquor license application submitted by Brian Euaine Vance on behalf of Catalina Brewing Company

located at 6918 N. Camino Martin Suite #120, Tucson, Arizona 85741 after proper posting has been completed (Cherry L. Lawson)

Vice Mayor Post moved to approve and Council Member Kai seconded the motion approving a recommendation to the Arizona Department of Liquor Licenses and Control regarding an Owner Transfer series #009 Liquor Store liquor license application submitted by Inder Preet Kaur on behalf of Arco AM/PM, located at 3825 W. Orange Grove Road, Tucson, Arizona 85741. Motion passed: 7-0 unanimously.

L2 Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding an Owner Transfer series #009 Liquor Store liquor license application submitted by Inder Preet Kaur on behalf of Arco AM/PM, located at 3825 W. Orange Grove Road, Tucson, Arizona 85741 (Cherry L. Lawson)

Vice Mayor Post moved to approve and Council Member Ziegler seconded the motion approving a recommendation to the Arizona Department of Liquor Licenses and Control regarding a new series #012 restaurant liquor license application submitted by Tyler Raymond Leveque on behalf of Baja Café, located at 3930 W. Ina Road, #322, Tucson, Arizona 85741. Motion passed: 7-0 unanimously.

L3 Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding a new series #012 restaurant liquor license application submitted by Tyler Raymond Leveque on behalf of Baja Cafe, located at 3930 W. Ina Road #322, Tucson, Arizona 85741 (Cherry L. Lawson)

BOARDS, COMMISSIONS AND COMMITTEES

COUNCIL ACTION

A1 PUBLIC HEARING: Ordinance No. 2019.020, Relating to Development, approving amendments to the Marana Main Street Specific Plan (Cynthia Ross)

[7:15 PM Minutes:] Mayor Honea opened the public hearing to receive public testimony.

Senior Planner Cynthia Ross provided a PowerPoint Presentation on this item as highlighted below. (*PowerPoint Presentation is on file in the Town Clerk's Office.*)

Project Information and Request

- Applicant: Bruce Call, AECM, PLLC
- Lot size: Approximately 28 acres
- Location: South of Marana Road and east of Sandario Road
- Amendment Request

- Allow for the development to additional businesses with drive-through facilities.
- Updated map exhibits to reflect current conditions
- A revised conceptual plan of lots in the Highway Support Commercial land use area
- Existing Drive-Through Locations
- Specific Plan Proposed Amendments:
 - Businesses with associated drive-through permitted on all lots in the Highway Support Commercial land use designation *without* the requirement of a conditional use permit.
 - Pharmacy business with associated drive-through window on Lot 3 *with* approval of a Conditional Use Permit.
- Lot 3 Drive-through Conditions of Approval
 - Main Street Commercial Lot 3 pharmacy business drive-through criteria:
 - The siting of the drive-through window must be located behind and screened by the principal building.
 - Stacking of cars shall not be permitted in an access driveway, and instead, the parking lot must be used for stacking.
 - Location and design of the access driveway shall minimize impacts on pedestrian activity.
 - The design precludes vehicular access conflicting with an existing or planned adjacent use.
 - The facility is located to minimize noise and odors.
- Evolution of Marana Main Street
 - Map is on file in the Town Clerk's Office

Bruce Call applicant for the project stated he appreciates efforts to bring this item forward.

[7:19 PM Minutes:]

Mayor Honea closed the Public Hearing.

Council Member Ziegler moved to approve and Council Member Kai second the motion approving Ordinance No. 2019.020, Relating to Development, approving amendments to the Marana Main Street Specific Plan. Motion passed: 7-0 unanimously.

ITEMS FOR DISCUSSION / POSSIBLE ACTION

D1 Relating to Floodplain Management; a presentation and possible direction regarding the findings from the second phase of the Town of Marana's northwest drainage study (Keith Brann)

Town Engineer Keith Brann provided a follow-up to the PowerPoint Presentation to the one given earlier in the year on the Northwest Drainage Project. The Town contracted with CMG Drainage to study the flood plain for Northwest Marana. That is everything from the Tortolita feeds and goes through the Central Arizona Project Canal (CAP), everything west of the CAP and north of Tangerine Road. The other side of the study was the run off from the Tucson Mountain as that water runs north from Saguaro Bloom up to and through the Marana Airport area. A concurrent study is being performed by the Pima County Flood Control District on the Santa Cruz River. They have a schedule and will have a future presentation before Council of their study. *(A copy of this presentation is available in the Town Clerk's Office.)*

Phase 1 Recap

- **Fy19 CIP project**
- **Detailed hydraulic study of NW Marana Existing conditions**
 - Stakeholder discussion of results February 2019
 - Council presentation March 2019
- **Hydraulic model to be used to model proposed projects**
- **Northwest Marana Drainage – East side**
- **48 Hour Time Lapse**
 - Marana Master Drainage Plan (East FLO-2D): Flow Depth
- **Northwest Marana Drainage – West side**

Phase 2 – Alternatives Analysis

- **Review and model major flood control infrastructure previously contemplated**
 - Barnett Channel
 - Marana Road Channel
 - Hardin Road Channel
- **Model CAP Canal near airport for breach scenario/potential LOMR**
- **Review and model minor problem areas:**
 - Marana Main Street
 - Various Dip Crossings
- **Barnett Channel – Cost and Benefit Area**
 - Right-of-way Acquisition
 - Excavation
 - Road Crossings
 - I-10 Improvements
 - UPRR Bridges
 - Major Utilities

- Selected Armoring
- Programming Cost Estimate \$30 million
- Benefitting Area 2,700 acres

- Marana Channel – Cost and Benefit Area
 - Right-of-way Acquisition
 - Excavation
 - Road Crossings
 - Sewer Trunkline
 - Selected armoring
 - Program Cost Estimate \$12 million
 - Benefitting Area 1,500 acres

- Hardin vs CMID 10.5 Channel – Cost and Benefit Area
 - Right-of-way Acquisition
 - Excavation
 - Road Crossings
 - Selected Armoring
 - Programming Cost Estimate \$10 million
 - Benefitting Area 900 acres

- Marana Airport – Floodplain Remapping
 - FEMA requires modeling
 - With both embankments
 - Without both embankments
 - With only one embankment failed

- Next Steps
 - Review results with stakeholders
 - Finalize Master Study Reports
 - Explore Funding Alternatives

 - Supplemental Services to be considered
 - Letter of Map Revision for Marana Airport

Mr. Brann explained the next steps in the process in the case of the Barnett Channel that it is too big for one development to take on. The Channel is one of those regional type of projects that only governments can do. They will look into investigating various funding alternatives such as FEMA grants and other sources of revenue. For the Marana Channel with it being a localized benefit, it may prove to be an improvement district type of funding scenario whereby the various types of commercial interest in that area can fund such a project. On the 10.5 channel that is smaller than Barnett, it blends the area between the two scenarios. Perhaps in the future, the Town may decide to fund the project or consider an improvement district.

The last item is to look at supplemental services that scope with a consultant who would be able to support. There is current budget capacity in the budget that the Town has with the consultant to fund a FEMA Letter for a Map Revision Study for the Marana Airport. He recommended the Town have this done to be able to promote economic development at the airport.

Mayor Honea inquired about the impact fees to cover the Barnett that affects the most acreage, asking whether there is sufficient acreage to recoup the \$30 million over a period of time. **Mr. Brann** responded stating it would take a long period of time as we have seen the impact of fee accounts have taken to recover. It is important to note that with impact fees, once you have them in place that is paying to recapture a cost of a piece of infrastructure already built, the impact fee can carry forward until it is paid off.

Vice Mayor Post stated with the Barnett Channel with a wide area of influence, and the Marana Channel he asked whether the landowners have to pay twice for each channel. **Mr. Brann** replied stating the Town would have to determine that through an alternate Impact Fee Study, but that it is possible. If you benefit from the Barnett Channel, and the only reason you can do a Marana Channel is because of Barnett, yes it is possible that landowners would pay for both. All of these alternatives as you head towards Barnett depends upon Barnett being in place. **Vice Mayor Post** stated none works without Barnett being in place. **Mr. Brann** stated that is correct. **Vice Mayor Post** stated if the Town should get Barnett given the amount, would that set Marana in place for a length of years. **Mr. Brann** replied yes as the Barnett Channel, based upon the pace of development, would lead the Town into one to two decades of growth potential based on the acreage of what is currently there. Also, not everything has been zoned in the Barnett Channel area as yet.

Vice Mayor Post inquired about the Barnett Channel drainage collection area asking whether it is the only two over-shoots from the CAP or the east side Tangerine Road as well. **Mr. Brann** responded stating the Barnett Channel would collect water that runs along the railroad. The general lay of the land is downfall slightly to the northwest – everything that runs along the railroad. Whatever does not make it through the various railroad coverts runs northwest does continue to run northwest along the railroad at I-10. The Barnett Channel would intercept that water as well, plus there is some water slightly north of Barnett that could be drained back towards the Barnett. However, sooner or later you would run out of elevation to bring that water back. **Vice Mayor Post** asked whether those areas are in the benefit area. **Mr. Brann** replied they would be in the benefit area. Also, the various developers on the east side of I-10 down towards the Tangerine Road area who would like to see the Barnett Channel in place, and look to drain their water to Barnett. They would have to look at various drainage studies to ensure they do not make the flood water additives to what is already coming through; the timing of the flow so that the water is not doubled in that area.

Council Member Ziegler asked what the Barnett Channel would look like, i.e. concrete form. **Mr. Brann** replied stating the Barnett Channel is a straight channel in many areas especially west I-10. The velocities are low enough that it is not fully armored it would see some armoring at road crossing locations where water comes out from I-10. Some areas would have to be landscaped and there would be a path along the top. He clarified stating the landscaping would not be in terms of turf, but rather hydroseeding and desert landscape. If there were to be any enhanced treatments, those would be along the top area.

Council Member Ziegler inquired about the airport referring to the Letter of Map Revision she asked what the Town's request would be. **Mr. Brann** stated in terms of what it provides that currently incorrectly classified at the airport as a floodplain, which could affect the building elevation in how they would construct. **Council Member Ziegler** asked whether the airport area is considered a floodplain. **Mr. Brann** stated the airport is mapped as a FEMA floodplain. Their analysis has shown that it should not be classified as a floodplain. The Town would like to pursue a Letter of Map Revision with FEMA to remove it from the floodplain. By moving in this direction, construction would not be limited to floodplain regulations of elevations. **Council Member Ziegler** asked whether there is so contention with the Town of Marana and FEMA if the Town feels that it is outside of a floodplain, and FEMA believes that it is. She asked whether **Mr. Brann** believes this situation can be mitigated. **Mr. Brann** stated it is a matter of old mapping. Many of the old flood maps were based off of USGF Quad Maps that had a 40' contour intervals. There is not much detail analysis that could be done at that level of detail. He explained the modern mapping process to Council.

Council Member Ziegler commented on the request for a tower at the Marana Airport asking whether that project request would be in jeopardy because FEMA thinks that the airport is located in a floodplain. **Mr. Brann** responded stating that would have been the case years ago under the previous presidential administration as there was an executive order prohibiting federal funds from being used in a FEMA designated floodplain. However, that declaration was removed, and would not impact it at this time. That is not to say that the declaration could not return, but it is not an issue today. It would affect the elevation of a tower being constructed.

Council Member Ziegler asked of **Town Manager Jamsheed Mehta** whether the Town can move forward with the Letter of Map Revision to FEMA. **Mr. Mehta** replied stating yes once the Town has produced a report that is within FEMA's expected format the Town will move forward with sending the report study and application to FEMA for its review and consideration.

Council Member Kai commented amount the \$30 million for the Barnett Channel and asked how much would be allocated west of Sanders Road. **Mr. Brann** stated he does not have that information available at this time; however, they could provide the cost-estimate of how the Town arrived at that amount to the Town Manager's Office.

Council Member Kai stated the Town would need to get the landowner involved so to understand how the project would benefit that particular landowner on the north side of Barnett Road. **Mr. Brann** stated there is no hurt in asking for the right-of-way up front. If the landowner is not willing to donate it, then the Town would have to purchase it.

Council Member Bowen inquired whether the Marana Channel could be funded through an improvement district. He asked whether Improvement District would rely on commercial interests, or include residential development as well. **Mr. Brann** stated they can include any property owner whether commercial or residential, that the Town's other Improvement District is Tangerine Farms Road from I-10 to Moore Road. There were commercial, industrial and residential in that improvement district. **Council Member Bowen** inquired as to where the most benefit would come from of the Marana Channel. **Mr. Brann** stated most benefit of the channel would be south of Marana Road based on the lay of the land to be able to drain to that channel. **Council Member Bowen**, he was interested in the span of business or entities who would be used to help fund the project, and how extensive it is. He asked would it lie all along the channel, and would all be included. **Mr. Brann** replied stating typically we would want to define the benefit area on who would benefit and then determine the benefit criteria as to how it is divided.

D2 Relating to Development and Public Works; update, discussion, and possible direction regarding public and private projects and development applications on the Town's Marana Current and Proposed Projects internet site (Jamsheed Mehta) ***Pulled from the agenda.***

D3 Relating to Legislation and Government Actions; discussion and possible action regarding all pending state, federal, and local legislation/government actions and on recent and upcoming meetings of the other governmental bodies (Jamsheed Mehta)

Mr. Mehta had no report to offer during this meeting.

EXECUTIVE SESSIONS

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

ADJOURNMENT

Mayor Honea moved and Council Member Bowen second the motion to adjourn the meeting. Meeting adjourned at 7:52 PM.

CERTIFICATION

I hereby certify that the foregoing are the true and correct minutes of the Marana Town Council meeting held on September 17, 2019. I further certify that a quorum was present.

Cherry L. Lawson, Town Clerk



**MARANA TOWN COUNCIL
STUDY SESSION**

**11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, September 10, 2019, at or after 6:00 PM**

Ed Honea, Mayor

Jon Post, Vice Mayor

David Bowen, Council Member

Patti Comerford, Council Member

Herb Kai, Council Member

John Officer, Council Member

Roxanne Ziegler, Council Member

SUMMARY MINUTES

CALL TO ORDER AND ROLL CALL

Mayor Honea called the meeting to order at 6:00 p.m. **Town Clerk Cherry Lawson** called the roll. All seven council members present constituting a quorum.

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE: Led by **Mayor Honea**.

APPROVAL OF AGENDA

Mayor Honea asked for approval of the agenda. *Council Member Ziegler motioned and Vice Mayor Post second the motion to approve the agenda. The motion passed 7-0, unanimously.*

DISCUSSION/DIRECTION/POSSIBLE ACTION

D1 Relating to Finance; presentation, discussion, and possible direction regarding a proposed update to the Town's Investment Policy (Yiannis Kalaitzidis)

Finance Director Yiannis Kalaitzidis, provided a PowerPoint Presentation overview of the proposed changes to the Town's Investment Policy (*PowerPoint Presentation is on file in the Town Clerk's Office*). He indicated that **Luke Snyder and Annette Gastone** Investment Advisors with PFM would assist with the presentation.

Proposed Policy Changes

- Investment Policy Update
 - Modernize language, clarify requirements, and align the policy with A.R.S. and best practices
 - Last updated February 2000
 - Proposed changes enhance the portfolio's diversification and total return
 - Essential areas covered in proposed policy:
 - Investment philosophy and objectives
 - Investment authority
 - Authorized investments
 - Investment guidelines and compliance
 - Reporting

Current Policy

- Objectives: Safety, Liquidity & Return
- Investments **only** include: U.S. treasuries & agencies, State LGIP funds
- Invests money in all of Town's funds
- Town Manager responsible for investment decisions

Proposed Policy

Objectives: Safety, Liquidity & Return (No Change)
 Investments include: Match AZ Revised Statutes 35-323
 Invests money in all of Town's funds, including newly created Self-Insurance Trust funds
 Finance Director is responsible for program under the direction of the Town Manager

- Investment Policy Recommendations

Investment Advisor Luke Snyder reviewed the Investment Policy Recommendations stating it is more about updating the policy to be in line with best practices, and that several of the changes being recommended are procedural as provided by GFOA. Most importantly keeping the policy in line with safety liquidity in terms of the objectives. Referring to the PowerPoint slide, the current policy allows for the treasury and federal agencies to allow several additional sectors as **Finance Director Yiannis Kalaitzidis** had indicated. These sectors we feel will improve the diversification of the portfolio and will likely improve the expected return of the portfolio going forward. The maximum maturity currently is three (3) years on the current policy and they are proposing increasing that limit to five (5) years for the sectors where it is permissible by state statute

that allows for more flexibility and more diversification in terms of maturities particularly in an environment where rates are likely to move lower.

Mr. Snyder explained PowerPoint slide the sector limit in the recommended policy are between 25% and 20 and 50%. If you compare that to state statute on the far left you'll notice that those limits are at 100%. The policy that is being proposed is more restrictive than the state statute and includes additional safeguards and diversification requirements for the town which is in line with what they think is prudent to manage a portfolio like the Town of Marana.

In reviewing some of these types of securities it would be allowable that is not currently allowable corporate securities are the primary sector that state statute allows for public entities to invest that they feel will add diversification, and return to the portfolio. There are some risks inherent risks with these securities, including credit risk. In market value risks; however, those risks can be managed. If you combine the corporate securities in the benefit of diversification with the total portfolio it can actually reduce the risk in some ways in the portfolio. They are proposing for the Town's policy that they invest AA or higher. State statute has a set just to pay for the rating but we are proposing to be more conservative with our investments, to limit as much as we can to exposure.

In looking at those rating ratings agencies is one component of the analysis, and one thought when investing in corporate securities--it is also important to look beyond the ratings agencies. PFM provides credit analysis where we are looking at these different sectors in the types of securities within the portfolio as another safeguard on Top of those ratings requirements.

Risks of Investing in Corporate Securities

- Credit/Default Risk
 - Risk that an issuer will be unable to meet its financial obligations
- Market Value Risks
 - Credit spread: risk of financial loss resulting from changes in credit spreads used in the mark-to-market of a fixed income product.
 - Downgrade: risk that a bond's price will decline due to a downgrade in its credit rating.
- Risks can be managed with the appropriate procedures, policies, and limitations in place.

Historical Default Rates

- Annual Corporate Default Rates by Letter Rating 2006 - 2017

Going Beyond Credit Ratings

Issuer Analysis

Macro Analysis

- Balance sheet analysis
- Earnings: actual and projections
- Asset quality and impairments
- Corporate governance
- Price movement of fixed income and equity securities
- Monitor credit default swap levels
- Trading volume
- Analysts' recommendations
- Industry trends
- Competitive environment
- Business cycle
- Regulatory environment
- Rating agency actions
- Sovereign credit developments

Sector Returns

- Historical Sector Annualized Returns from 2015 to 2019

Conclusion

- Proposed policy update allows for:
 - More investment sectors
 - Enhanced portfolio diversification
 - Greater level of analysis to manage risk
 - Potential for greater rate of return
 - Opportunity to modernize language, clarify requirements, and align the policy with A.R.S. and best practices.

Council Member Bowen asked whether the research for the portfolios managed by PFM is performed in house or outsourced. **Mr. Snyder** replied stating PFM uses a combination by using in house for research as well as hire consultants, and pay for research services like Bloomberg and Credit Analysis. **Council Member Bowen** asked **Mr. Snyder** for the length of time that he has been managing funds for municipalities, state agencies and entities. **Mr. Snyder** stated he had been managing municipal funds since 2010 that he has been with PFM for five years. PFM has been in operation for approximately 40 years. They work with a number of municipalities throughout the state. **Council Member Bowen** stated in general he is in favor of having other types of securities to... He referenced page 8 in the PowerPoint Presentation asking for clarification between columns A and B, asking whether the line is drawn from the right or left of the column is accurate. **Mr. Snyder** stated the line provided indicates the state statute requirement.

Council Member Ziegler ask why the line was being moved to be more conservative. **Mr. Snyder** replied stating this is a new sector for the Town to invest in, and believe that it is important to take steps to invest in these sectors so that **Finance Director Yiannis Kalaitzidis** and his team can become more comfortable with it, as well as to safeguard the portfolio. **Council Member Ziegler** asked whether there will be a time in the future where the portfolio will be reviewed once again. **Mr. Kalaitzidis** stated that within the policy, there is an item that request a review of the policy itself. This would be a periodic review, as the policy does not specifically state the frequency of the review; it can be

reviewed as often as needed. A review would also depend upon the changes within the market as well as what the Town will need for the policy to achieve.

Mr. Snyder stated this is something that PFM will recommend a period review of the investment policy, and is something that they would look at within two years at the very least.

Mayor Honea commented about the risks of the policy and ask whether the principle and the interest are at risk in these investments, or whether it is just the interest. **Mr. Snyder** replied stating most of the Town's investments neither of the two are at risk, because they are guaranteed by the government. **Mayor Honea** stated he was referring to new investments. **Mr. Snyder** stated both the interest and principle would be at risk with these new investments, depending upon the allocations.

Mayor Honea asked whether the amortized investments are spread over a large number of investments in the event one performs poorly and the others does not. **Mr. Snyder** stated that is exactly how it would work. Corporate securities have performed very well over the last three to five years, and believes that they will continue to perform well. Treasuries, agencies and other types of investment have not performed as well. **Mayor Honea** stated liquidity is important to the Town as sometimes an emergency event would occur where the Town needs to have access to its funds. He asked whether there is a severe penalty when you have to withdraw cash assets from the fund investment. **Mr. Kalaitzidis** stated the Town maintains an available cash flow balance that is monitored on a regular basis to ensure availability for the Town's needs. As the Town further moves forward and refines its investments, the Town will continue to monitor that to ensure that it does not happen, or is minimized as much as possible.

Mr. Kalaitzidis stated if that should happen in the future, it would very much depend upon market conditions. At times, the investment may cash in may be better priced than we initially purchase, and thus the Town may not lose money.

Council Member Ziegler asked for the value of the Town's portfolio as of this day. **Mr. Kalaitzidis** stated as of June 30, the value is approximately \$78 million in cash and investments.

D2 Relating to Development; presentation, discussion, and possible direction regarding the Town's subdivision requirements for private, common on-site recreation areas (Jason Angell)

Development Director Jason Angell provided a PowerPoint Presentation overview on Private, Common On-site Recreation Areas (*PowerPoint Presentation is on file in the Town Clerk's Office.*) Based on some recent discussions and development activity that the Town has seen as it is in the process of updating our Land Development Code which triggers a

review of all of the Town's Codes related to development. One area that they have received much feedback on is related to parks or private recreational space. From those comments and feedback, there is some interest in pursuing a change to the Town's existing Code requirements. The common number that is often heard is the 185 sq. ft. per single-family dwelling unit. Most recently, Council and Town staff attended a tour of communities in the Phoenix area. Though it was not the primary focus of that tour, part of that trip was to look at the different amenities within those communities, and staff did receive feedback from the Council as part of that.

Town staff put that all together as we move forward with the baseline research that has been done thus far. Our current code requirement states, that if a development has a 3 rack 3 residential units per acre or greater, and also has 50 dwelling units they are required to provide the recreational space as part of their subdivision. How that calculation is provided is based in three (3) different areas: apartments and condos are 100 square feet per unit townhomes or patio homes are 140 square feet per unit, and most common one is 185 square feet per single family dwelling unit.

It is noted in here, he is not sure whether Council has ever utilized this provision in the past as there is the language within our existing code that allows Council to accept a fee in lieu of. Rather than providing the park amenity within a subdivision you may accept a payment in lieu of that park space. There is also language that speaks to limitations. In essence, the Town will not take unsuitable or unusable property to be counted as park space. In that respect, Staff compiled information and did a comparison as to how we relate to the communities around and near Marana. *(The comparison table is available on file in the Town Clerk's Office.)* The table compared the following cities and towns to Marana: Oro Valley, City of Tucson, Sahuarita, Pima County and then we also went a little further out and a Queen Creek, Buckeye, and City of Maricopa.

The first five including ourselves use a flat square footage requirement. Queen Creek Buckeye in Maricopa use a percentage based upon the development area. In a couple of them even break it down into is it active recreation space or is it just open space. Staff look at how Marana relate to land development park standards. Do we have parks standards, yes Marana does. Some of these communities do not have park standards.

Standards in Park and Recreation Design Manual is something Marana does not have for private recreational spaces. **Parks and Recreation Director Jim Conroy** and his staff do have design requirements as they refer to for our public spaces, but not for the private spaces within a subdivision. One area of discussion that the Town has received feedback is to allow parks amenities to be incorporated into drainage areas within space. Marana have them within its community--Council has allowed for those, and the Code is silent on this. Although on the chart Marana has said no, all the other communities that staff has looked at do allow for amenities to be located within a drainage area. San Lucas and

Gladden Farms has some as well as other parks have amenities within those drainage areas.

When a trail is located adjacent to a park Marana requires a connection adjacent to a subdivision and requires a connection into the overall community trail. If you have trails within your subdivision there is no language that states developers are required to connect out to the public trail. Marana's Code does not have that provision. Many times we do, and there are times the developers have already planned for that as they see it as a benefit. When we do 100 lot subdivision how do we compare to the other communities? When you do the flat number, you can see that almost everyone with the exception of the City of Tucson, is more than double what we would get. For 100 lot subdivision, we would get less than 1/2 acre of property for a single family subdivision.

Oro Valley will get almost three (3) times as much as Marana, Sahuarita and Pima County will likely get more than double. In looking at calculating the recreational area of square footage, Marana could just adjust our existing numbers. If you want to stay with that practice when we say rather than the 185 sq. ft. for single family, and decide on 300, the Town could make those adjustments. The Town can also look at a sliding scale based upon densities. Rather than amending the Code by zoning district, Council need to keep in mind that many of the developments that are down here are done by a specific plan; the density is what we typically look at. Council could do a range and of a .5 rack to a two (2) rack that has X requirement, 2.1 to 5 has X and so on. You would do a scale based upon densities, and adjust the requirement throughout. Marana could do the percentage of development area. To do this you would take the gross or net area, and have a certain percentage of the overall development which would have to be dedicated towards open space. Then further define that in terms of a certain percentage having to be active open space.

Senior Planner Anita McNamara had researched Durham NC of which does a scoring system, they are not the only community. They do an ala carte approach to its park system; whereas they have different criteria, and different scoring that comes with each amenity. One could develop a certain scoring method that says for so many development units, you have to achieve so many points in recreational space. A park bench is going to get you minimal points. However, a pool, a pool house, a fitness facility, or a community facility is going will provide greater points. Therefore, you may be able to reduce the size of acreage that you have to dedicate towards recreational space, but your amenity could be that much more valuable that you provide in a development. **Ms. McNamara** reached out to Durham, NC and their staff indicated that was one of the things that push them to an ala carte approach. In Durham they were experiencing developers turning over green grass and adding a park bench and would then classify it as a park.

Fee In-lieu is a common practice that he has experienced in working with other communities, but it is used throughout the nation. Basically as indicated in Marana's Code, a developer can provide a fee at the Council's approval in lieu of having to create

that space. Council can then use those funds to improve the park facilities; however, Marana does have a Park Impact Fee. He stated if this is something Council wished to continue or expand, staff would work with **Town Attorney Frank Cassidy** to ensure impact fees and the fee in-lieu payment would not be in conflict.

Regardless of the path Council wish to travel, it is very important to have a design manual for the community. If Marana develops a manual that defines a pocket park, a neighborhood park, and a regional, it would provide the Town a greater position to start from. Those discussions would not need to be had during a Council Meeting. Rather, those can be conducted at a staff level, or at a Planning Commission level.

Next step, **Mr. Angell** ask whether Council would like to move forward with an update to the park requirements. If Council would like to move forward, is there an approach that you would much rather take, or a preference to updating the Code. He provided several examples, asked whether there is any interest in staff exploring them, including a design manual.

Staff will take the additional feedback from Council and move forward with this, also to include additional research, provide additional information, and bring back some basic framework to continue this conversation. Once staff has a sense of being on the right path, we will then go out and engage in public dialogue, and speak with Sahba builders to get their feedback. However, staff would seek direction from Council before moving forward.

Mayor Honea stated the current system stinks, because this Council set up those ordinances and resolutions. Marana is grossly inadequate in requirements for improved recreational space--whether it be trails or parks for new growth neighborhoods. Specific plans you can work with because they supersede zoning. In a specific plan you can request to have a big park. When you want your plan approved, it does not have to correspond to the Council. Many of the smaller builders are coming in and staff has determined that they meet the minimum requirement for improved amenities, which is grossly inadequate. From the comparisons that were on the bottom of the scale here open space an improved recreational amenities are two (2) completely different items. One of the things that he and **Vice Mayor Post** have talked about even on the two (2) rack, he wanted something about clustering of housing. Well you may use half the property leave, and left half of it as open space, but that does not constitute park and recreation amenity requirements.

Council Member Comerford stated she is surprise Marana has been doing this as long as it has. She commented about the message that needs to go out to local builders if you want to develop in Marana, you will have to pay for it. It is time that developers pay for what they get in Marana. Parks, utilities, and streets should not be developed at the expense of taxpayers and residents. Developers will be responsible for those costs.

Council Member Bowen inquired about the scoring system used in Durham, NC asking how it works whether it is percentage of gross, net or dedicated to buy down cost by the scoring method by the amount of amenities that are installed. **Mr. Angell** replied stating he does not have that study at hand; however from memory, it is based upon the number of units generates a point. **Council Member Bowen** stated he is in full support of **Mayor Honea** comments related to a tiered system or percentage system, although he does have some concerns related to the percentage based system. He is intrigued about the point system, but believes Council needs additional information as he thinks it may be a better system for Marana. He asked what the design manual would consist of: design amenities, shape of the park etc. **Mr. Angell** stated it would look at the different types of parks, label them by community, defined parks and set up the types of amenities the town would want as a baseline. Many design manuals that are created covers the gamut of parks. He stated **Mr. Conroy** and his staff have already begun with its Park Master Plan update, that it would be easy to incorporate a design manual and work with him and his staff to develop it.

Council Member Officer stated his likes the percentage based system, with some stipulations that the parks are developed first, no matter the size of the community to be developed. When the parks are created first, the builders will have an idea as to the cost for maintaining the park. Parks need to be maintained. When that does not occur, it affects the neighborhoods, and the HOA's does not maintain the parks.

Mayor Honea stated the Town needs to separate open space from improved amenity space. He spoke of the many developments that have been created within the Town, but that open space is not a recreational type facility for families and children. Open space for zoning is one thing, improved amenity space is another.

Council Member Ziegler stated she agrees with Council's comments about park space in Marana. She complimented Queen Creek and Chandler for its growth, developed park areas and community space. She stated Council needs to take a tour to Queen Creek and the Chandler areas to see the development that is occurring in those communities. She is unsure whether Council needs to change its ideology as to how it views parks and wondered whether it is the size of the Marana community. She is in support of Town staff creating a design manual for parks in the community. There needs to be some form of standardization to our park systems. **Mayor Honea** stated the problem that he sees is, the Town started mixing open space with parks.

Mr. Angell stated for clarification the Town codes have not been updated for some time. Town staff have gone back to view other developments that the Council has approved and through specific plans that have been approved for zoning and negotiated for additional park space, Marana does have other communities that have provided for more than the 185 sq. ft. per unit of space. Though it is not much more than that amount. Out

of the two or three developments that staff have reviewed out of a dozen, it would place Marana in line with the rest of the areas. Out of the developments that Council has approved, there had been a slight increase of 200 or 210 sq. ft. of open space, but not more than that. Some of the discussions that have taken place recently have placed 185 sq. ft. as the minimum space; Council is negotiating at the bottom while trying to increase upwardly. Town staff believes Marana's baseline should be much higher. He agrees with **Mayor Honea** that staff needs to do a better job at separating open space versus usable space from the overall park space as it will provide Council with the information it needs to make a decision.

Mayor Honea stated as members of Council had indicated, the Town needs some type of manual that the park can use with planning. Having a design manual with not only reduce the amount of work on Council, but equally as well with staff. Council needs some type of guidance on what park systems entails, and it is not a grassy area and a picnic table. Marana parks needs to be clearly defined.

Council Member Comerford stated there is one other area of concern whereby a developer who wishes to build a community and establishes several pocket parks. Perhaps there is a way to encourage them to build a larger park with amenities to get more points. If adding larger parks can be incorporated into the design manual based on points, percentage or other standards.

Council Member Officer reminisced back to when the Town began to work on its General Plan ten years ago and he was on the Parks and Recreation Commission. Back then, they brought in different park plans that other communities were already using. One of the challenges then was to determine whether Marana was to use a high standard, or approve what the Town had at that time. As we look towards design manual, the Town needs to set its standards high.

Council Member Ziegler stated staff should not reinvent a new manual, but rather borrow an existing communities and build from there. She asked whether the Town is receiving complaints from the residents related to our parks. **Mr. Angell** stated the Town is not necessarily receiving complaints from residents, but that staff does receive comments from time-to-time comparing one park to another community park.

Mayor Honea, he believes part of the problem that Marana is experiencing is that we are transitioning from a rural to urban community. With a rural Marana community, it was okay to have open spaces for hiking and movement. However with an urban-based community, residents want more density which requires the Town to look for more park space.

Vice Mayor Post stated he thinks there are two distinctly different areas of town, Twin Peaks and north Marana. When it comes to north Marana there have been great park

amenities done in drainage areas. He referenced the Gladden Farms communities stating the Town needs to divide the two areas where one area of town is permitted to use drainage areas correctly with amenities, as it should count. The Twin Peaks area becomes more difficult asking whether the Town should count park space as density in that area. A simple footbridge would get you to more space where a park could be built, that a road should not be built due to the cost of the bridge, however, one could access it with a footbridge. He asked whether that would count against density. **Mr. Angell** stated it would as those are private spaces. Typically when you perform density calculations, you would remove the dedicated portion of the development, or the unusable portion of the development. Then perform the density calculation. He stated the Town could look at removing that. **Vice Mayor Post** stated the Town should look at that as it could increase the potential density of park space in the Twin Peaks area. **Vice Mayor Post** stated now is the perfect time for the Town to look at what it would accept as a Town park. Once we accept a town park, the Town is then married to the maintenance of it forever. Marana needs to ensure that its standards are maintained at the highest level before we accept a park system.

Council Member Kai commented on the Twin Peaks area stating the cost of land is at a premium, and developers want to place more homes in that area. That is where the Council needs additional guidance, and a design manual would likely provide that to Council.

Council Member Ziegler asked whether Town staff will develop a design manual in house, as that would be the preferred method over subcontracting it out. **Mr. Angell** stated staff would develop it in-house, and thanked Council for its candid feedback as it would help in directing the staff towards the development of a design manual. The Town will look at other communities and consult with the Town Manager as it develops the manual and come back to Council with additional details before the creation of a draft document.

Council Member Bowen asked whether **Mr. Angell** had a set timeline for bringing the item back to Council for its review. **Mr. Angell** stated he did not, but will work to bring a draft back to Council very soon.

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

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ADJOURNMENT

Council Member Bowen motioned to adjourn the meeting, with a second provided by Council Member Officer. The motion passed 7-0, unanimously. The meeting adjourned at 7:10 p.m.

CERTIFICATION:

I hereby certify that the foregoing are the true and correct minutes for the Study Session Meeting of the Marana Town Council meeting held on September 10, 2019. I further certify that a quorum was present.

Cherry L. Lawson, Town Clerk



Council-Regular Meeting

L1

Meeting Date: 10/01/2019

To: Mayor and Council

Submitted For: Cherry L. Lawson, Town Clerk

From: Suzanne Sutherland, Executive Assistant to the Town Clerk

Date: October 1, 2019

Strategic Plan Focus Area:

Not Applicable

Subject: Relating to Liquor Licenses; recommendation to the Arizona Department of Liquor Licenses and Control regarding a new series #12 restaurant liquor license application submitted by Travis Harley Miller on behalf of Serial Grillers, located at 5560 W. Cortaro Farms Road Marana, Arizona 85742.

Discussion:

This application is for a series #12 restaurant liquor license at Serial Grillers, located at 5560 W. Cortaro Farms Road Marana, Arizona 85742.

Pursuant to state law, the application was posted at the premises where the business is to be conducted. The posted notice provided that residents within a one-mile radius from the premises may file written arguments in favor of or opposed to the issuance of the license with the Town Clerk's Office within 20 days of the posting. Any written arguments received by the Clerk's Office for or against the proposed liquor license are attached to this item and will be submitted to the Department of Liquor Licenses and Control (DLLC).

Town staff has reviewed this application to determine whether the applicant is in compliance with zoning, building and other legal requirements for the business. Additionally, the Marana Police Department has conducted a local background check.

The Town Council must enter an order recommending approval or disapproval of the application within 60 days after filing of the application. Pursuant to state statute, a

license will only be issued after a satisfactory showing of the capability, qualifications and reliability of the applicant and “in all proceedings before the town council, the applicant bears the burden of showing that the public convenience requires and that the best interests of the community will be substantially served by the issuance of a license.”

If the Council’s recommendation is for disapproval, the order must include an attachment stating the specific reasons for the recommendation of disapproval and including a summary of the testimony or other evidence supporting the recommendation.

If the Council enters an order recommending approval of the application, or makes no recommendation, then no hearing before the Arizona state liquor board will take place, unless the director of the DLLC, the liquor board or a resident within a one-mile radius from the premises requests a hearing. If the Council enters an order recommending disapproval of the application, or if the director, board or a resident within a one-mile radius from the premises requests a hearing, then the state board will hold a hearing regarding the application.

At the hearing, the state board will consider all evidence and testimony in favor of or opposed to the granting of the license. The decision of the board to either grant or deny an application will normally take place within 105 days after the application has been filed, unless the director of the DLLC deems it necessary to extend the time period.

Staff Recommendation:

Staff recommends that an order recommending approval be submitted to the DLLC for this liquor license application.

Suggested Motion:

OPTION 1: I move to adopt and submit to the DLLC an order recommending approval of a new series #12 restaurant liquor license application submitted by Travis Harley Miller on behalf of Serial Grillers, located at 5560 W. Cortaro Farms Road Marana, Arizona 85742.

OPTION 2: I move to adopt and submit to the DLLC an order recommending disapproval of a new series #12 restaurant liquor license application submitted by Travis Harley Miller on behalf of Serial Grillers, located at 5560 W. Cortaro Farms Road Marana, Arizona 85742.

Attachments

Application
Affidavit of Posting
Local Governing Body Recommendation
Descriptions of Common Liquor Licenses

TRAVIS HARLEY MILLER
WILLIAM LYNN MILLER

MEMBER
MEMBER

45.00
45.00

SERIAL GRILLERS 4 LLC - MEMBER

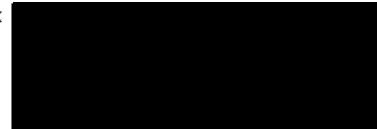
Name: WILLIAM LYNN MILLER
Gender: Male
Correspondence Address:



Phone:
Alt. Phone:
Email:

SERIAL GRILLERS 4 LLC - MEMBER

Name: TRAVIS HARLEY MILLER
Gender: Male
Correspondence Address:



Phone:
Alt. Phone:
Email: SERIALGRILLERS2012@GMAIL.COM

APPLICATION INFORMATION

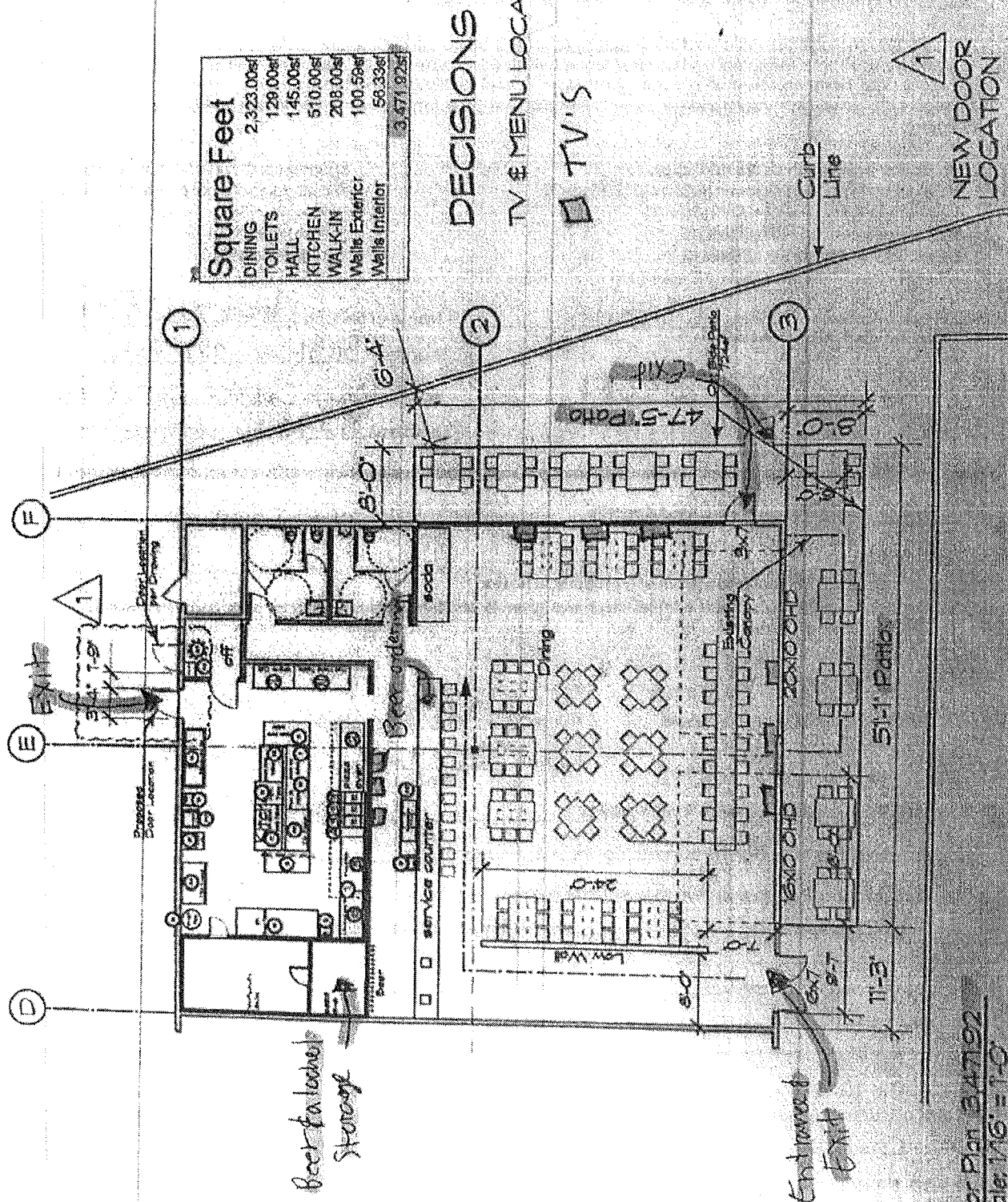
Application Number: 74219
Application Type: New Application
Created Date: 08/29/2019

QUESTIONS & ANSWERS

012 Restaurant

- 1) If you intend to operate the business while your application is pending you will need an interim permit pursuant to A.R.S. §4-203.01. Would you like to apply for an Interim Permit?
If yes, after completing this application, please go back to your Licensing screen, under New License Application choose "Interim Permit" from the drop-down window.
No
- 2) Have you submitted a questionnaire? Each person listed must submit a questionnaire and mail in a fingerprint card along with a \$22. processing fee per card.
Yes
- 5) Are you a tenant? (A person who holds the lease of a property; a lessee)
Yes
A Document of type LEASE is required.
- 6) Is there a penalty if lease is not fulfilled?
Yes
What is the penalty?
GUARANTEE OF FULL LEASE

- 7) Are you a sub-tenant? (A person who holds a lease which was given to another person (tenant) for all or part of a property)
No
- 8) Are you the owner?
No
- 9) Are you a purchaser?
No
- 10) Are you a management company?
No
- 11) Is the Business located within the incorporated limits of the city or town of which it is located?
Yes
- 12) What is the total money borrowed for the business not including the lease?
Please list lenders/people owed money for the business.
0
- 13) Have you provided a diagram of your premises?
Yes
- 14) Is there a drive through window on the premises?
No
- 15) If there is a patio please indicate contiguous or non-contiguous within 30 feet.
CONTIGUOUS
- 16) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
Yes
If yes, what is your estimated completion date?
1/1/2020
- 17) Have you provided a Restaurant Operation Plan form?
Yes
- 18) Have you provided a Records Required for Audit form?
Yes



Square Feet	
DINING	2,323.00sf
TOILETS	129.00sf
HALL	145.00sf
KITCHEN	510.00sf
WALK-IN	208.00sf
Walls Exterior	100.50sf
Walls Interior	56.33sf

SENSED

TV & MENU LOCATIONS

□ TV: 5

NEW DOOR
LOCATION



Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix, AZ, 85007-2934
www.azliquor.gov
(602) 542-5141

DLIC USE ONLY
Job #: 74219

RESTAURANT OPERATION PLAN

1. Name of restaurant (Please print): Serial Grillers 4, LLC

2. List equipment below by Make, Model, and Capacity: (PROVIDE THE FOLLOWING ITEMS ONLY, NO ATTACHMENTS)

Grill	
Oven	
Freezer	
Refrigerator	
Sink	
Dish Washing Facilities	Regency 91" 3 Comp. Sink, 17"x17"x12" w/ 2 drainboards
Food Preparation Counter (Dimensions)	
Other	

3. Attach a copy of your full menu including prices (examples: Breakfast, Lunch, Dinner, and Nonalcoholic beverages).

4. List the seating capacity for:

- a. Restaurant dining area of your premises: [96]
(Do not include patio seating)
- b. Bar area of your premises: [+ 10]
- c. Total dining and bar seating capacity of your premises: [= 106]

5. What Type of dinnerware and utensils are utilized within your restaurant?

☐ Reusable ☐ Disposable ☒ Both

6. Does your restaurant have a bar area that is distinct and separate from the dining area? ☐ YES ☒ No

(If yes, what percentage of the public floor space does this area cover?) _____ %

7. What percentage of your public premises is used primarily for restaurant dining?

(Do not include kitchen, bar, hi-top tables, or game area.) 70 %

8/22/2018

Page 1 of 2

Individuals requiring ADA accommodations call (602) 542-9027.

AMENDMENT



Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix, AZ, 85007-2934
www.azliquor.gov
(602) 542-5141

DLLC USE ONLY

Job #:

RESTAURANT OPERATION PLAN

1. Name of restaurant (Please print): Serial Grillers 4, LLC (AP)
2. List equipment below by Make, Model, and Capacity: (PROVIDE THE FOLLOWING ITEMS ONLY, NO ATTACHMENTS)

Grill	Turbo Air TAMG 36 - Gas Griddle
Oven	Middleby Marshall PS 360
Freezer	Galaxy CF16HC Commercial Chest Freezer - 15.9 cu. ft.
Refrigerator	Beverage-Air RB72HC-1S 75", 72 Cu. Ft
Sink	3 Comp. Sink, 15"x15"x15" Basin, 3 Handwash 15"x10"x6"
Dish Washing Facilities	Regency 38" 10" x 14" x 10" Bawls (AP)
Food Preparation Counter (Dimensions)	30" x 96" Prep Table
Other	

3. Attach a copy of your full menu including prices (examples: Breakfast, Lunch, Dinner, and Nonalcoholic beverages).
4. List the seating capacity for:
- a. Restaurant dining area of your premises: [100]
(Do not include patio seating)
- b. Bar area of your premises: [+ 10]
- c. Total dining and bar seating capacity of your premises: [= 110]
5. What Type of dinnerware and utensils are utilized within your restaurant?
- ☐ Reusable ☐ Disposable ☒ Both
6. Does your restaurant have a bar area that is distinct and separate from the dining area? ☐ YES ☒ No
(If yes, what percentage of the public floor space does this area cover?) _____ %
7. What percentage of your public premises is used primarily for restaurant dining?
(Do not include kitchen, bar, hi-top tables, or game area.) 80 (AP) %

8. Does your restaurant contain any games, televisions, or any other entertainment? ☒ YES ☐ No
(If yes, specify what types and how many [examples: 4-TV's, 2-Pool Tables, 1-Video Game, etc.]

10-TV's

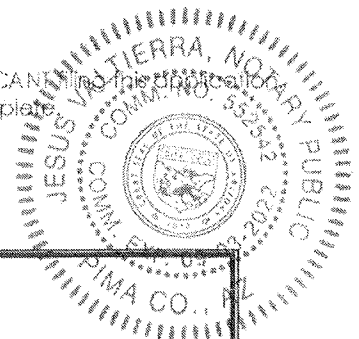
9. Do you have live entertainment or dancing? ☐ YES ☒ No
(If yes, what type and how often 8.5
example: DJ-2 x a week, Karaoke-2 x a month, Live Band-1 x a month, etc.)

10. Use space below to list how many employees for each position to fully staff your business.

Position	How many
Cooks	10
Bartenders	4
Hostesses	0
Managers	2
Servers	Ø
Other (Cashiers)	8
Other (Dishwasher)	2
Other ()	

I, TRAVIS HARVEY MURK, hereby declare that I am the APPLICANT in this application.
I have read this application and the contents and all statements true, correct and complete.

X [Signature]
(Signature of APPLICANT)



NOTARY	
State of <u>Arizona</u>	County of <u>Pima</u>
The foregoing instrument was acknowledged before me this <u>05</u> day of <u>August</u> , 20 <u>19</u>	
My Commission Expires on: <u>09/03/22</u>	Signature of Notary Public
Date	



Arizona Department of Liquor Licenses and
Control
800 W Washington 5th Floor
Phoenix, AZ 85007-2934
www.azliquor.gov
(602) 542-5141

RECORDS REQUIRED FOR AUDIT
Applies to Series 11 (Hotel/Motel W/Restaurant) & Series 12 (Restaurant) Only

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

In the event of an audit, you will be asked to provide to the Department any documents necessary to determine compliance with A.R.S. §4-205.02(G). Such documents requested may include however, are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises.
2. A list of **all** food and liquor vendors
3. The restaurant menu used during the audit period
4. A price list for alcoholic beverages during the audit period
5. Mark up figures on food and alcoholic products during the audit period
6. A recent, **accurate** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
7. Monthly Inventory Figures - beginning and ending figures for food and liquor
8. Chart of accounts (copy)
9. Financial Statements-Income Statements-Balance Sheets
10. General Ledger
 - A. Sales Journals/Monthly Sales Schedules
 - 1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
 - 2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
 - 3) Dated Guest Checks
 - 4) Coupons/Specials/Discounts
 - 5) Any other evidence to support income from food and liquor sales
 - B. Cash Receipts/Disbursement Journals
 - 1) Daily Bank Deposit Slips
 - 2) Bank Statements and canceled checks
11. Tax Records
 - A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
 - B. Income Tax Return - city, state and federal (copies)
 - C. Any supporting books, records, schedules or documents used in preparation of tax returns
12. Payroll Records
 - A. Copies of all reports required by the State and Federal Government
 - B. Employee Log (A.R.S. §4-119)
 - C. Employee time cards (actual document used to sign in and out each work day)
 - D. Payroll records for all employees showing hours worked each week and hourly wages

13. Off-site Catering Records (must be complete and separate from restaurant records)

- A. All documents which support the income derived from the sale of food off the license premises.
- B. All documents which support purchases made for food to be sold off the licensed premises.
- C. All coupons/specials/discounts

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

**REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH
A.R.S. §4-210(A)7 AND A.R.S. §4-205.02(G).**

A.R.S. §4-210(A)7

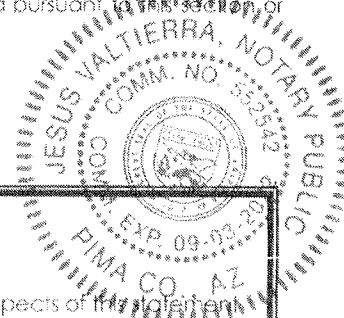
The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. §4-205.02(G)

For the purpose of this section:

- 1. "Restaurant" means an establishment which derives **at least forty percent (40%)** of its gross revenue from the sale of food
- 2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this article, or under any other license that has been issued for the premises pursuant to this article.

NOTARY	
I, (Print Full Name) <u>TRAVIS HARVEY MILLER</u>	have read and understand all aspects of the instrument
X (Signature) <u>[Signature]</u> Controlling Person / Agent	State of <u>Arizona</u> County of <u>Pima</u> the foregoing instrument was acknowledged before me this
My commission expires on: <u>09/03/22</u>	<u>05</u> of <u>August</u> 20 <u>17</u> Day Month Year
	<u>[Signature]</u> Signature of NOTARY PUBLIC



MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH RECORDS REQUIRED BY THE STATE



Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix, AZ 85007-2934
www.azliquor.gov
(602) 542-5141

AFFIDAVIT OF POSTING

Date of Posting: September 6, 2019 Date of Posting Removal: _____

Applicant's Name: Miller Travis Harley
Last First Middle

Business Address: 1546 W. Cortaro Farms Road Marana 85742
Street City Zip

License #: 74219

I hereby certify that pursuant to A.R.S. 4-201, I posted notice in a conspicuous place on the premises proposed to be licensed by the above applicant and said notice was posted for at least twenty (20) days.

Print Name of City/County Official Title Phone Number

Signature Date Signed

Return this affidavit with your recommendations (i.e., Minutes of Meeting, Verbatim, etc.) or any other related documents. If you have any questions please call (602) 542-5141 and ask for the Licensing Division.



Arizona Department of Liquor Licenses and Control
800 W Washington 5th Floor
Phoenix, AZ 85007-2934
www.azliquor.gov
(602) 542-5141

Local Governing Body Recommendation
A.R.S. § 4-201(C)

1. City or Town of: Town of Marana Liquor License Application #: 74219
(Circle one) (Arizona application #)
2. County of: Pima County City/Town/County #: LL2019-19
3. If licensed establishment will operate within an "entertainment district" as described in A.R.S. §4-207(D)(2),

(Name of entertainment district) (Date of resolution to create the entertainment district)
- A boundary map of entertainment district must be attached.
4. The Marana Town Council at a Regular meeting held on the 1st of
(Governing body) (Regular or special) (Day)
October, 2019 considered the application of Travis Harley Miller
(Month) (Year) (Name of applicant)
- for a license to sell spirituous liquor at the premises described in application 74219,
(Arizona liquor license application #)
- for the license series #: type #12 Restaurant as provided by A.R.S §4-201.
(i.e.: series #10: beer & wine store)

ORDER OF APPROVAL/DISAPPROVAL

IT IS THEREFORE ORDERED that the license APPLICATION OF Travis Harley Miller
(Name of applicant)
to sell spirituous liquor of the class and in the manner designated in the application, is hereby recommended
for _____
(Approval, disapproval, or no recommendation)

TRANSMISSION OF ORDER TO STATE

IT IS FURTHER ORDERED that a certified copy of this order be immediately transmitted to the State Department of Liquor, License Division, 800 W Washington, 5th Floor, Phoenix, Arizona.

Dated at _____ on _____, _____, _____
(Location) (Day) (Month) (Year)

(Printed name of city, town or county clerk)

(Signature of city, town or county clerk)

Department of Liquor Licenses and Control
Descriptions of Common Types of Liquor Licenses

Series 6 Bar

The bar (series 6) liquor license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows the holder both on- & off-sale retail privileges. This license allows a bar retailer to sell and serve all types of spirituous liquors, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A retailer with off-sale ("To Go") privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. A.R.S. § 4-206.01.F. states that after January 1, 2011, the off-sale privileges associated with a bar license shall be limited to no more than 30% of the total annual sales receipts of liquor by the licensee at that location. Payment must be made no later than the time of delivery. Off-sale ("To Go") package sales of spirituous liquor can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the ones provided for the bar. A hotel or motel with a Series 6 license may sell spirituous liquor in sealed containers in individual portions to its registered guests at any time by means of a minibar located in the guest rooms of registered guests. The registered guest must be at least twenty-one (21) years of age. Access to the minibar is by a key or magnetic card device and not furnished to a guest between the hours of 2:00 a.m. and 6:00 a.m.

Series 7 Beer and Wine Bar

The beer and wine bar (series 7) liquor license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows the holder both on- & off-sale retail privileges. This license allows a beer and wine bar retailer to sell and serve beer and wine (no other spirituous liquors), primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A retailer with off-sale ("To Go") privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. A.R.S. § 4-206.01.F. states that after January 1, 2011, the off-sale privileges associated with a bar license shall be limited to no more than 30% of the total annual sales receipts of liquor by the licensee at that location. Off-sale ("To Go") package sales can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the one provided for the bar. Payment must be made no later than the time of delivery.

Department of Liquor Licenses and Control
Descriptions of Common Types of Liquor Licenses

Series 9 Liquor Store

The liquor store (series 9) license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows a spirituous liquor store retailer to sell all types of spirituous liquors, only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. Series 9 (liquor store) licensees and applicants may apply for unlimited sampling privileges by completing the Sampling Privileges form.

Series 10 Beer and Wine Store

This non-transferable, off-sale retail privileges liquor license allows a retail store to sell beer and wine (no other spirituous liquors), only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with off-sale privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. Series 10 (beer and wine store) licensees and applicants may apply for unlimited sampling privileges by completing the Sampling Privileges form.

Series 11 Hotel/Motel

This non-transferable, on-sale retail privileges liquor license allows the holder of a hotel/motel license to sell and serve all types of spirituous liquor solely for consumption on the premises of a hotel or motel that has a restaurant where food is served on the premises. The restaurant on the licensed premises must derive at least forty percent (40%) of its gross revenue from the sale of food. The holder of this license may sell spirituous liquor in sealed containers in individual portions to its registered guests at any time by means of a minibar located in the guest rooms of registered guests. The registered guest must be at least twenty-one (21) years of age. Access to the minibar is provided by a key or magnetic card device and may not be furnished to a guest between the hours of 2:00 a.m. and 6:00 a.m.

Series 12 Restaurant

This non-transferable, on-sale retail privileges liquor license allows the holder of a restaurant license to sell and serve all types of spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Failure to meet the 40% food requirement may result in revocation of the license.



Council-Regular Meeting

A1

Meeting Date: 10/01/2019

To: Mayor and Council

From: Jane Fairall, Deputy Town Attorney

Date: October 1, 2019

Strategic Plan Focus Area:
Community

Strategic Plan Focus Area Additional Info:

Principle Statement 1: WE WILL MAINTAIN A SAFE AND WELL-MANAGED COMMUNITY.

Initiative 2: Provide a responsive community and service-oriented professional police department.

Subject: Resolution No. 2019-099: Relating to the Police Department; approving and authorizing the Town Manager to execute grant agreement number: GFR AZ911-20-007T between the State of Arizona, acting through the Arizona Department of Administration, Office of Grants and Federal Resources (GFR) and the Town of Marana, acting as System Administrator for the Pima County 9-1-1 System, for grant funding for the Arizona 9-1-1 Program Text-to-9-1-1 Services Fund (Jane Fairall)

Discussion:

Several public and private safety agencies in Pima County have established a 9-1-1 planning committee (the "Pima County 9-1-1 Committee" or "Pima 9-1-1"). The following agencies comprise the Pima 9-1-1: Marana Police Department, Oro Valley Police Department, Pima County Sheriff's Department, Tucson Police Department, Rural Metro, University of Arizona Police Department, and Valley Emergency Communications Center (serving the Drexel Heights and Green Valley Fire Districts, as well as fire and medical emergency calls for Arivaca, Corona de Tucson, Rincon Valley, and the Tohono O'odham - San Xavier District). The current Pima 9-1-1 System Manager is an employee of the Town (Sheila Blevins).

The Arizona Department of Administration, Office of Grants and Federal Resources (GFR) has requested that the Town of Marana, acting as the Pima 9-1-1 System Administrator, enter into the attached Grant Agreement to receive funds under the

Arizona 9-1-1 Grant Program for Text-to-9-1-1 deployment and recurring charges for up to five years of continued support for the Pima County 9-1-1 System. Pursuant to the agreement, the Town will submit an expenditure report regarding Text-to-9-1-1 services, including invoices for supporting documentation, on behalf of each of the listed Public Safety Answering Points (PSAPs) in its jurisdiction. GFR will pay the invoices directly to the providers on behalf of the PSAPs.

Additionally, the Town will work cooperatively with each of the PSAPs in Pima County to:

- Implement Text-to-9-1-1 services
- Establish policies, procedures, and agreements for the support of Text-to-9-1-1 emergency calls
- Implement a public education and outreach initiative regarding Text-to-9-1-1 services

The Grant Agreement has an initial term through June 30, 2020, but may be extended by the parties.

A copy of the Arizona Department of Administration Office of Grants and Federal Resources Arizona 9-1-1 Program Text-to-9-1-1 Implementation Plan is included in the Council packet for the Council's information.

Financial Impact:

The costs associated with the Text-to-9-1-1 deployment for the Pima 9-1-1 System are paid by the State of Arizona through the emergency telecommunication services revolving fund established by A.R.S. section 41-704. The Town, serving in the capacity of the Pima 9-1-1 System Administrator, submits expenditure reports to the state and the state pays vendors directly. The state has allocated \$118,200 for the Pima 9-1-1 System for Text-to-9-1-1 deployment for FY 2020. Any expenses of an individual PSAP that are not covered by the grant funds are the responsibility of the PSAP incurring them and are not the Town's responsibility.

Staff Recommendation:

Staff recommends approval of the grant agreement.

Suggested Motion:

I move to adopt Resolution No. 2019-099, approving and authorizing the Town Manager to execute grant agreement number: GFR AZ911-20-007T between the State of Arizona, acting through the Arizona Department of Administration, Office of Grants and Federal Resources (GFR) and the Town of Marana, acting as System Administrator for the Pima County 9-1-1 System, for grant funding for the Arizona 9-1-1 Program Text-to-9-1-1 Services Fund.

Attachments

Resolution No. 2019-099
Exhibit A - Grant Agreement
Arizona Text-to-9-1-1 Implementation Plan

MARANA RESOLUTION NO. 2019-099

RELATING TO THE POLICE DEPARTMENT; APPROVING AND AUTHORIZING THE TOWN MANAGER TO EXECUTE GRANT AGREEMENT NUMBER: GFR-AZ911-20-007T BETWEEN THE STATE OF ARIZONA, ACTING THROUGH THE ARIZONA DEPARTMENT OF ADMINISTRATION, OFFICE OF GRANTS AND FEDERAL RESOURCES (GFR) AND THE TOWN OF MARANA, ACTING AS SYSTEM ADMINISTRATOR FOR THE PIMA COUNTY 9-1-1 SYSTEM, FOR GRANT FUNDING FOR THE ARIZONA 9-1-1 PROGRAM TEXT-TO-9-1-1 SERVICES FUND

WHEREAS A.R.S. § 41-704 authorizes the Arizona Department of Administration, Office of Grants and Federal Resources (GFR) 9-1-1 Program to administer and disburse funds for “necessary or appropriate equipment or service for implementing and operating emergency telecommunication services through political subdivisions of this state”; and

WHEREAS as part of this authorization, GFR is tasked with oversight and coordination of state activities related to the administration of the Text-to-9-1-1 Services Fund; and

WHEREAS to be eligible to receive funds from the Text-to-9-1-1 Services Fund, a Public Safety Answering Point (PSAP) must obtain approval by the Arizona 9-1-1 Program prior to the initiation of a deployment project; and

WHEREAS GFR has agreed to provide funds to the Pima County 9-1-1 System, by and through the Marana Police Department (MPD) acting as System Administrator for the System, for the one-time costs for deployment of Text-to-9-1-1 and recurring charges for up to five years of continued support; and

WHEREAS the Town Council finds that it is in the best interests of the community to enter into a grant agreement with GFR to be eligible to receive the awarded grant funds on behalf of the Pima 9-1-1 System.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, as follows:

SECTION 1. The grant agreement between the Town of Marana, as Pima 9-1-1 System Administrator, and the State of Arizona by and through the Arizona Department of Administration, Office of Grants and Federal Resources (GFR), attached to and incorporated by this reference in this resolution as Exhibit A is hereby approved, and the Town Manager is hereby authorized and directed to execute it for and on behalf of the Town of Marana.

SECTION 2. The Town's Manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the grant agreement.

PASSED AND ADOPTED by the Mayor and Council of the Town of Marana, Arizona, this 1st day of October, 2019.

Mayor Ed Honea

ATTEST:

APPROVED AS TO FORM:

Cherry L. Lawson, Town Clerk

Frank Cassidy, Town Attorney

ARIZONA DEPARTMENT OF ADMINISTRATION
OFFICE OF GRANTS AND FEDERAL RESOURCES
Arizona 9-1-1 Program
GRANT AGREEMENT

GFR Grant Number: GFR-AZ911-20-007T

This grant agreement (“**Agreement**”) is between the Town of Marana, through the Marana Police Department (the “**Grantee**”), acting as the Pima County 9-1-1 System Administrator, and the State of Arizona, acting through the Arizona Department of Administration (“**ADOA**”), Office of Grants and Federal Resources (“**GFR**”) (sometimes individually, a “**Party**” or collectively, “**Parties**”).

I. PURPOSE OF THE AGREEMENT

GFR is tasked with oversight and coordination of State activities related to the administration of the Text-to-9-1-1 Services Fund. A.R.S. § 41-704 authorizes the Office of Grants and Federal Resources, 9-1-1 Program to administer and disburse funds for “necessary or appropriate equipment or service for implementing and operating emergency telecommunication services through political subdivisions of this state.”

To be eligible to receive funds from the Text-to-9-1-1 Services Fund, a Public Safety Answering Point (PSAP) must obtain approval by the Arizona 9-1-1 Program prior to the initiation of a deployment project. The Arizona 9-1-1 Program interprets eligible costs to include the cost of deployment of Text-to-9-1-1 and continued support of Text-to-9-1-1 services.

In this capacity, GFR has agreed to provide funds to the Pima County 9-1-1 System, by and through the Grantee, for the one-time costs for deployment of Text-to-9-1-1 and recurring charges for up to five (5) years of continued support (plus any applicable taxes). The GFR shall make payment directly to vendors on behalf of the Pima County 9-1-1 System, as identified in Paragraph IV, Section 2, Subsection a. of the Agreement.

II. BACKGROUND

The State of Arizona strongly encourages Public Safety Answering Points (“PSAPs”) to deploy Text-to-9-1-1 services in order to ensure that members of the public who are limited in their ability to use voice communications are able to communicate with PSAPs. Technological advances have made it possible to send and receive text messages to 9-1-1. There are now three ways that a PSAP can send and receive text messages: (1) an ESInet/IP Network Service Interface; (2) a web service; or (3) text to TTY. In 2014, the Federal Communications Commission implemented regulations requiring telephone companies to deliver text messages to PSAPs that request to receive them.

Regulations issued to implement the Americans with Disabilities Act require that a public entity “shall take appropriate steps to ensure that communication with . . . members of the public . . . with disabilities are as effective as communications with others.” 28 C.F.R. § 35.160(a). Accordingly, public entities must “furnish appropriate auxiliary aids and services where necessary to afford individuals with a disability . . . an equal opportunity to participate in, and enjoy the benefits of, a service, program, or activity of a public entity.” 28 C.F.R. § 35.160(b)(1). While Arizona PSAPs have historically met these requirements by providing TTY accessibility, new and emerging technologies and networks have expanded a PSAP’s ability to communicate with people who are deaf and hard of hearing, or who otherwise are limited in their ability to use voice communications.

III. GENERAL PROVISIONS

The Parties mutually agree as follows:

A. Scope of Work

1. GFR agrees that it is the intent of the Grantee is to provide services in support of Text-to-9-1-1.
2. The Grantee agrees that it shall maintain all records and materials related to Grantee activities subject to this AGREEMENT.
3. The Grantee and GFR shall make relevant personnel, including personnel hired or contracted by either Party, available for discussions and meetings with each other and/or trust entities, when requested by either Party. Each Party shall provide to the other Party; contact names, work addresses, telephone numbers, e-mail addresses, and any other relevant contact information available to each Party regarding personnel considered relevant by each Party to the activities subject to this AGREEMENT.

B. Method and Terms of Payment

The GFR shall disperse funds as identified in Paragraph IV, Section 2, Subsection a. of the AGREEMENT.

IV. OBLIGATIONS OF THE PARTIES

1. Responsibilities of the Grantee:

- a. Text-to-9-1-1 Services: The Grantee agrees to work with the PSAPs in its jurisdiction to implement Text-to-9-1-1 services as a result of this funding Agreement and for the completion of the service term. If any PSAP in the Grantee's jurisdiction fails to complete the service term, the PSAP failing to complete the term will be required to reimburse the Text-to-9-1-1 Services Fund for the remaining term of the service.
- b. Policy, Processes, and Agreements: The Grantee shall consult with the PSAPs in its 9-1-1 System to establish policies, procedures, and/or agreements for the support of Text-to-9-1-1 emergency calls.
- c. Public Education and Outreach: Educating the public regarding the capabilities and responsibilities of 9-1-1 is essential, especially when new services become available for their use. When Text-to-9-1-1 services are deployed, the Grantee shall work with the PSAPs in its 9-1-1 system to inform and educate the public about the services, how they work and what to do during an emergency. The Grantee agrees to work with the PSAPs in its jurisdiction to implement a public education and outreach initiative regarding Text-to-9-1-1 services. As Arizona Administrative Code, R2-1-403.19 requires, the 9-1-1 planning committee chairperson or designee shall implement a plan for a program of public information regarding 9-1-1 service at least 30 days before 9-1-1 service begins. Each PSAP or 9-1-1 region is encouraged to use the NENA messaging, "Call if you can, text if you can't," in its public education efforts. Public education resources can be found at:

1. FCC Text to 911- FAQ
2. NENA- SMS Text-to-9-1-1 Resources for PSAPs

d. Expenditure reporting: The Grantee, on behalf of each PSAP in its jurisdiction, must submit an expenditure report (including invoices for supporting documentation) through *eCivis* within fourteen (14) days of the Certificate of Acceptance with the Service Provider.

1. *eCivis* is the Sub-recipient Management tool, utilized by the Arizona Department of Administration, Office of Grants and Federal Resources, Arizona 9-1-1 Program Office for post award monitoring.

e. The Grantee agrees to submit all requests for reimbursements for PSAPs within its 9-1-1 system and requested in the grant application to GFR as provided in this Agreement.

2. Responsibilities of GFR:

a. Payment

1. This Agreement is for the initial one-time costs and recurring charges for five (5) years, beginning with the Start of Service Date as determined by the vendor agreement. The following costs for the service (plus any applicable taxes) will be paid by the State of Arizona with the Text-to-9-1-1 Services funds. This Agreement includes funding for the following PSAPs: Marana Police Department, Oro Valley Police Department, Pima County Sheriff's Department, Pima County Sheriff's Department-Ajo, Rural Metro Southwest Ambulance AMR, Tucson Public Safety Communications, University of Arizona Police Department, and Valley Emergency Communications.

APPROVED LINE ITEM PROGRAM BUDGET

Personnel	\$0.00
Fringe Benefits	\$0.00
Travel	\$0.00
Equipment	\$0.00
Supplies	\$0.00
Contractual/Outside Services	\$118,200
Construction	\$0.00
Other Costs	\$0.00
Total	\$118,200

2. It is agreed and understood that the total to be paid for by GFR under this Agreement shall not exceed \$118,200 in State funds.

3. Non-Authorized Funding: Funding is **NOT** approved for the following:

- a. Additional cost for changes needed as a result of regulatory mandates;
- b. Termination charges;
- c. Additional positions needed after initial allocation as identified in this Agreement;
- d. Additional costs as a result of adding new features/functionality;
- e. Late payment fees due to untimely submittal of invoices to the Arizona 9-1-1 Program Office;
- f. Replacement needs due to customer reasons;
- g. Any costs associated with a PSAP move or remodel; or
- h. Items in the Agreement identified as "optional" and/or with additional costs.

4. Funding through the Text-to-9-1-1 Services Fund does not constitute future funding eligibility through the Arizona 9-1-1 Program Office.

5. The GRANTEE authorizes the Arizona Department of Administration, Office of Grants and Federal Resources, Arizona 9-1-1 Program to make payment directly to the vendor for services provided under this Agreement on behalf of the Pima County 9-1-1 System.

b. Project Management: The Arizona 9-1-1 Program Office will provide project management for Text-to-9-1-1 projects. A County/9-1-1 jurisdiction may choose to manage the project itself; however, the associated costs will be borne by the County/9-1-1 jurisdiction. The rules and requirements stated in this document still apply.

c. Should a County/9-1-1 jurisdiction reject the rules and/or requirements stated in this document or within the Arizona 9-1-1 Text-to-9-1-1 Implementation Plan, the Arizona 9-1-1 Program Office will not provide project management support. Penalties, defined or not defined, fiscal and otherwise, will be borne by the County/9-1-1 jurisdiction.

V. EFFECTIVE DATE, TERM, TERMINATION, RENEWAL, AMENDMENT

A. Effective Date

This AGREEMENT shall become immediately effective upon execution of the AGREEMENT by GFR and the Grantee.

B. Term, Termination, Renewal

The initial term of this AGREEMENT shall begin on July 1, 2019 and terminate on June 30, 2020, unless terminated as provided herein, or extended. Either Party may terminate this AGREEMENT at any time by providing thirty (30) days written notice to the other Party. If this AGREEMENT is extended by mutual written consent of the Parties, all terms, conditions and provisions of the original AGREEMENT shall remain in full force and effect and apply during any extension period

C. Amendment

This AGREEMENT may be modified, altered, extended or amended only in writing and signed by, or on behalf of, both Parties.

VI. NOTICES

Any and all notices, requests or demands given or made upon the Parties hereto, pursuant to or in connection with this AGREEMENT, unless otherwise noted, shall be delivered in person, email, interagency mail, or by United States Postal Service, postage prepaid, to the Parties at their respective addresses as set forth immediately below:

A. If to the Office of Grants and Federal Resources:

Office of Grants and Federal Resources
100 North 15th Avenue, Suite 305
Phoenix, AZ 85007
Attention: Matthew Hanson

B. If to the GRANTEE:

Marana Police Department

11555 W. Civic Center Drive
Marana, AZ 85653
Attn: Mrs. Sheila Blevins

VII. ARBITRATION

This AGREEMENT is subject to arbitration to the extent required by A.R.S. § 12-1518, and any such proceeding shall be held in Maricopa County, Arizona.

VIII. NON-AVAILABILITY OF FUNDS

Every payment obligation of the Grantee and GFR under this AGREEMENT is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this AGREEMENT, either Party may terminate this AGREEMENT at the end of the period for which funds are available. No liability shall accrue to the Grantee, GFR or the State of Arizona in the event this provision is exercised, and the Grantee, GFR and the State of Arizona shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

IX. CANCELLATION FOR CONFLICT OF INTEREST

This AGREEMENT is subject to cancellation pursuant to Arizona Revised Statutes § 38-511, the provisions of which are herein incorporated by reference.

X. AUDIT OF RECORDS

Pursuant to Arizona Revised Statutes § 41-1351, the Grantee and GFR shall retain all data, books, and other records relating to this AGREEMENT. The Grantee is subject to all audit oversight policy and procedure established by GFR.

XI. GOVERNING LAW

This AGREEMENT is made under, and is to be construed in accordance with, the laws of the State of Arizona. In the event of litigation arising under, out of, or relating to, this AGREEMENT, GFR and the Grantee hereby stipulate to the exclusive jurisdiction and venue of the Maricopa County Superior Court in Phoenix, Arizona.

XII. ENTIRE AGREEMENT

This AGREEMENT contains the entire agreement and understanding of the Parties hereto. There are no representations or provisions other than those contained herein, and this AGREEMENT supersedes all prior agreements between the Parties, whether written or oral, pertaining to the same subject matter of this AGREEMENT.

XIII. INVALIDITY OF PART OF THIS AGREEMENT

The Parties agree that should any part of this AGREEMENT be held to be invalid or void, the remainder of the AGREEMENT shall remain in full force and effect and shall be binding upon the Parties.

XIV. COUNTERPARTS

This AGREEMENT may be executed in any number of duplicate originals or photocopies, all of which (once each Party has executed at least one such duplicate original or photocopy) will constitute one and the same document.

XV. INTERPRETATION

This AGREEMENT is not to be construed or interpreted for or against either of the Parties on the grounds of sole or primary authorship or draftsmanship.

XVI. PARAGRAPH HEADINGS

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

XVII. SIGNATURE AUTHORITY

- A. This grant Agreement is entered into and is effective as of the date executed by both Parties.
- B. By signing below, the signer certifies that the person has the authority to enter into this Agreement and read the foregoing and agrees to accept the provisions herein.
- C. All PARTIES to this Agreement acknowledge that signatures by electronic means are acceptable and legally binding.

IN WITNESS WHEREOF, the parties have made and executed the Agreement the day and year first above written.

FOR GRANTEE:

Authorized Signatory

Date

Printed Name and Title

Additional signature(s) if required by political subdivision

Date

Printed Name and Title

Date

Attest:

Clerk

Date

Note: If applicable, the Agreement must be approved by the appropriate county supervisory board or municipal council and appropriate local counsel (i.e. county or city attorney). Furthermore, if applicable, resolutions and meeting minutes must be forwarded to the GFR with the signed Agreement.

Approved as to form and authority to enter into Agreement (Excluding non-profits):

Legal counsel for GRANTEE

Date

Printed Name and Title

Statutory or other legal authority to enter into Agreement (Excluding non-profits):

Appropriate A.R.S., ordinance, or charter reference

FOR OFFICE OF GRANTS AND FEDERAL RESOURCES:

Matthew Hanson, Assistant Director
Arizona Department of Administration
Office of Grants and Federal Resources

Date



**Arizona Department of Administration
Office of Grants and Federal Resources
Arizona 9-1-1 Program**

**Text-to-9-1-1 Implementation Plan
August 2019**

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Background

In August 2014, the Federal Communications Commission (FCC) adopted an order requiring all wireless carriers and other providers of interconnected text messaging applications to deliver emergency texts to PSAPs that request them. As with wireless voice enhanced 9-1-1 service (Wireless Phase II), Text-to-9-1-1 service is treated as a requested service from public safety, generally a Public Safety Answering Point (PSAP), to the wireless carrier through the Request for Service process.

Per CFR 47 § 20.18 911 Service:

(iii) *Valid Request* means that:

(A) The requesting PSAP is, and certifies that it is, technically ready to receive 911 text messages in the format requested;

(B) The appropriate local or state 911 service governing authority has specifically authorized the PSAP to accept and, by extension, the covered text provider to provide, Text-to-9-1-1 service; and

(C) The requesting PSAP has provided notification to the covered text provider that it meets the foregoing requirements. Registration by the PSAP in a database made available by the Commission in accordance with requirements established in connection therewith, or any other written notification reasonably acceptable to the covered text provider, shall constitute sufficient notification for purposes of this paragraph.

The FCC cites multiple benefits of Text-to-9-1-1 services, including enhanced access for people with disabilities, alternative means of emergency communication, and availability and ease of use for the general public. The FCC encourages emergency call centers to begin accepting texts as text providers develop Text-to-9-1-1 capability, but it is up to each call center to decide on the particular method in which to implement and deploy Text-to-9-1-1 technology.

In August 2018, as a result of *Enos et.al. vs. Arizona*, the State of Arizona, 9-1-1 program has created a statewide implementation plan for deployment of Text-to-9-1-1 statewide. Per the stipulation, the State had made available \$1,362,964.85 to Arizona PSAPs to implement either an ESInet/IP Network Solution or a Web-Portal/Over-the-Top Solution. The Arizona Implementation Plan provides guidance to Arizona 9-1-1 Systems and PSAPs regarding Text-to-9-1-1 deployment.

How Interim Short Message Service (SMS) Text-to-9-1-1 Works

The interim text-to-9-1-1 solution will utilize the most commonly available texting technology, i.e., carrier native short message service (SMS) texting. Carrier native SMS is a feature provided by the carrier, and not a third-party texting or messaging application (app) that may be installed on the mobile device. A valid wireless subscriber with a text-capable phone and service plan, is able to send emergency SMS messages to a PSAP by dialing "9-1-1". Contrary to the delivery of a voice wireless enhanced 9-1-1 call, the interim solution will only process SMS messages via the carrier's native SMS; hence, only over their native cell tower network. The interim solution will not support non-initialized phones or a wireless subscriber who is roaming. A roaming subscriber who attempts to request a Text-to-9-1-1 service will receive a bounce-back message.

SMS texting is not real-time and delays may be experienced in sending and receiving text messages especially during times of congestion where a text can be delayed by minutes if not hours. As stated in the NENA Informational Document, INF-007.1-2013, *NENA Information Document for Handling Text-to-9-1-1 in the PSAP*,

"Text messages are not delivered to its recipient in the same manner as a voice call. Texting, and in particular SMS, was designed as a secondary service within a carrier's network while voice traffic remains the primary service. As a secondary service, it utilizes the carrier's signaling channels and other resources when they are not being used for voice calls, essentially storing the message until network resources are available, then forwarding the text message on to its recipient. This may cause a significant delay in the delivery of a Text-to-9-1-1 message to a PSAP. During periods of congestion, e.g. due to severe weather, a text message may be delayed by several minutes, or potentially hours. Additionally, PSAPs should be aware that texting is not a real-time two-way messaging service. When handling a 9-1-1 text message, communications can be delayed due to waiting for the message sender and PSAP call taker to acknowledge receipt of the message and respond."

Texts to 9-1-1 traverse a different part of the wireless carriers' network than a 9-1-1 voice call and may therefore provide slightly different location information. Text-to-911 is routed to a PSAP based on the centroid of the cell sector and will deliver initial location similar to Wireless Phase I location. While a more precise location may be available, it is carrier and/or vendor implementation specific and may not apply to all 9-1-1 requests. Standards are being addressed to support a new class of service (TEXT) to assist the dispatcher in determining the type of 9-1-1 call received.

I. 9-1-1 System/PSAP Implementation Guide

This section includes the following tasks that must be completed in order to deploy Text-to-9-1-1 services:

- Apply for funding
- Select technology platform
- Complete internal training
- Send required FCC notice
- Complete testing
- Complete public education

a. Funding

Funding was made available through the Arizona Department of Administration, Office of Grants and Federal Resources, 9-1-1 program on August 3, 2018. The Notice of Funding Availability (NOFA) outlines the requirements the PSAP or 9-1-1 System Administrator must complete to submit a grant application for funding from the Arizona Text-to-9-1-1 Grant Program. **A grant application must be submitted and approved before Text-to-9-1-1 services may begin.** The amount available is \$1,362,964.85 and up to \$2,362,965.00, contingent upon availability of funds. Grant applications will be accepted through July 3, 2021, unless funds are fully expended.

The grant application details can be found at: <https://az911.gov/text-9-1-1>

b. Technology Platform

The delivery of Text-to-9-1-1 services can be facilitated over three (3) types of networks: ESInet/IP Network Service Interface, Web Service or Text to TTY/TDD. While three options exist to receive Text-to-9-1-1 messages, per the 2018 stipulation, the statewide implementation plan only includes deployment through an ESInet/IP Network or Web Service/Over-the-Top.

i. ESInet/IP Network Service Interface

This option requires the PSAP to have both IP capable equipment and IP connectivity to the wireless service provider or to a Text Control Center (TCC) provider.

- Compatible with a full NG9-1-1 (i3 compliant) network.
- Delivers emergency requests for service over the 9-1-1 network.
- Allows for existing default and overflow protocols as well as logging solutions to be utilized consistent with other 9-1-1 calls.
- Allows for ALI display that contains information similar to a Wireless Phase I call today including the x/y coordinates of the cell site or sector centroid.
- Allows for emergency requests for service to be handled by the PSAP 9-1-1 customer premise equipment (CPE).

- Allows for the transfer of Text-to-9-1-1 requests to another text capable PSAP.

ii. Web Service/Over-the-Top (OTT) Solution

This option requires that a PSAP have IP connectivity, either provided by their local agency or over the public internet.

- This solution does not have connectivity with the existing 9-1-1 network.
- May require additional equipment to be purchased and monitored for incoming emergency requests for services.
 - While some solutions have the ability to utilize the existing PSAP equipment for the processing of text services, not all solutions are integrated and may require the monitoring of another window and/or monitor.
 - May not connect to existing logging solutions.
- Allows for ALI display that contains information similar to a Wireless Phase I call today including the x/y coordinates of the cell site or sector centroid.
- The ability to transfer should be discussed with the TCC provider as there may be limitations.

c. Training

i. PSAP:

Training of PSAP personnel is an important component of Text-to-9-1-1 deployment. PSAP should review the resources provided by the National Emergency Number Association (NENA) prior to requesting Text-to-9-1-1 services for their community.

Information regarding training, template standard operating procedure(s), canned messages for responding to emergency requests and early adopter experiences can be found on the NENA website at: http://www.nena.org/?text_training_docs.

In addition, [NENA INF-007.1-2013, NENA Information Document for Handling Text-to-911 in the PSAP](#), is available to assist in PSAP preparations for Text-to-911 services.

d. Required Notices

The PSAP/System Administrator is required to complete mandatory notices to the FCC and Wireless Carriers that indicate the PSAP is text ready. Registration with the FCC indicates to wireless carriers that a PSAP is ready and able to receive Text-to-9-1-1 messages. A separate notification to wireless carriers is not needed.

i. FCC Notification

To be listed on the FCC's centralized database, PSAP Managers or System Administrators must submit the PSAP Text-to-911

Readiness and Certification Form (Form) to provide information on each PSAP that is ready to accept texts.

The Form provides entries for the PSAP to:

1. Indicate that it is text-ready
2. Include its contact information and other information necessary to notify covered text providers of the PSAP's readiness. The form enables the entry of multiple PSAPs.

In order to complete registration with the FCC. PSAPs need to:

1. Download the Form at: [PSAP Readiness Certification Form](#)
2. Fill out the Form
3. Email the completed Form to: T911PSAPREGISTRY@fcc.gov and CC the Arizona 9-1-1 Program at: az911@azdoa.gov

PSAP Text-to-911 Information can be found on the FCC website below:

<https://www.fcc.gov/general/psap-text-911-readiness-and-certification-form>

e. Public Education

Educating the public regarding the capabilities and responsibilities of 9-1-1 is essential in a Text-to-9-1-1 deployment strategy. The 9-1-1 system must inform and educate the public about the services, how they work, and what to do during an emergency. Public education resources can be found at:

- <https://www.fcc.gov/consumers/guides/text-911-quick-facts-faqs>
- <http://www.nena.org/?page=textresources>.

II. Project Implementation

a. Project Management

The 9-1-1 System must assign a project manager (PM) for the Text-to-9-1-1 deployment. The PM may be the system administrator, individual PSAP Manager, or 9-1-1 Wireless Administrator. The PM is responsible for working with the vendor to manage their Text-to-9-1-1 implementation.

i. 9-1-1 Wireless Administrator

Text-to-9-1-1 utilizes wireless technology routing, it is recommended that the responsibility of this type of service will fall under the duties of a 9-1-1 Wireless Administrator.

The 9-1-1 Wireless Administrator will have the responsibility to:

- Work with PSAPs within their wireless system and 9-1-1 Wireless Administrators from adjoining counties
- Facilitate project meetings and decisions necessary to implement the project, including routing and network design
- Serve as the "single point of contact" to the State's 9-1-1 program, wireless service providers, and other individuals/organizations involved in the delivery of Text-to-9-1-1 services

- Establish the service agreement with vendors and obtain appropriate approvals

ii. System Administrator

- Coordinate the training of PSAP personnel to handle Text-to-9-1-1 emergency requests for service
- Complete the public education and outreach as necessary
- Update the 9-1-1 System's Service Plan, upon completion of the project

b. Routing

Routing for Text-to-9-1-1 follows similar routing practices as Wireless Phase II primary call routing by utilizing the location of the tower and the sector orientation to determine the proper PSAP routing. The call will be routed to a pre-determined PSAP based on location of the tower within an E9-1-1 area. The 9-1-1 System must identify which PSAPs are primary and secondary.

c. Back Up

The 9-1-1 System Administrator must identify which PSAP will function as the appropriate back-up.

d. Text-to-9-1-1 Service Agreements

Each 9-1-1 Wireless Administrator will be responsible to work with the appropriate people within their county to determine whether they wish to pursue service agreements with the WSPs. If they do, the responsibility of presenting, negotiating, and finalizing those agreements are the total responsibility of the 9-1-1 Wireless Administrator. The Arizona 9-1-1 Program will serve as a resource to the 9-1-1 system; however, it will not manage nor negotiate the contracts. Indemnity protection has been provided to the PSAPs under federal and state legislation. Arizona Revised Statute §12-713 is provided, in part, in Attachment A.

e. Service Plan

Arizona's Administrative Code states that a service plan shall be submitted as part of the County/9-1-1 jurisdiction application for funds. Upon completion of the project, an updated service plan must be submitted to the Arizona 9-1-1 Program.

A service plan checklist may be found at:

<https://az911.gov/9-1-1-system-administrators/service-plan>

Glossary

Following is a listing of relevant definitions and abbreviations that are contained in this plan.

9-1-1 Call - means any telephone call that is made by dialing the digits 9-1-1.

9-1-1 System - means a telephone system that automatically connects a caller, dialing the digits 9-1-1, to a PSAP.

Automatic Location Identification (ALI) - means a system capability that enables an automatic display of information defining a geographical location of the telephone used to place the 9-1-1 call.

Automatic Number Identification (ANI) - means a capability that enables the automatic display of the number of the telephone used to place the 9-1-1 call.

Call Attendant - means the person who initially answers a 9-1-1 call.

Call Transfer - means the call attendant determines the appropriate responding agency and transfers the 9-1-1 caller to that agency.

Central Office (CO) - means a telephone company facility that houses the switching and trunking equipment serving telephones in a defined area.

Centralized Automated Message Accounting (CAMA) - An MF signaling protocol originally designed for billing purposes, capable of transmitting a single telephone number.

Customer Premises Equipment (CPE) - Terminal equipment at a PSAP.

Emergency Call - means a telephone request for service which requires immediate action to prevent loss of life, reduce bodily injury, prevent or reduce loss of property and respond to other emergency situations determined by local policy.

Emergency Service Number (ESN) - A three to five digit number representing a unique combination of emergency service agencies designated to serve a specific range of addresses within a particular geographical area. The ESN facilitates selective routing and selective transfer, if required, to the appropriate PSAP and the dispatching of the proper services.

Enhanced 9-1-1 (E9-1-1) - means the general term referring to emergency telephone systems with specific electronically controlled features, such as ALI, ANI, and selective routing.

Integrated Services Digital Network (ISDN) - A digital interface providing multiple channels for simultaneous functions between the network and CPE.

Local Exchange Carrier (LEC) – A telecommunications carrier under the state/local Public Utilities Act that provide local exchange telecommunications services.

Mobile Directory Number (MDN) - The callback number associated with a wireless phone.

Mobile Switching Center (MSC) - The wireless equivalent of a Central Office, which provides switching functions from wireless calls.

Multi-Frequency (MF) - A type of signaling used on analog interoffice and 9-1-1 trunks.

One-Button Transfer - means another term for a (fixed) transfer which allows the call attendant to transfer an incoming call by pressing a single button. For example, one button would transfer voice and data to a fire agency, and another button would be used for police, also known as “selective transfer.”

Phase I, Wireless 9-1-1 Service - means an emergency wireless telephone system with specific electronically controlled features such as ANI, specific indication of wireless communications tower site location, selective routing by geographic location of the tower site.

Phase II, Wireless 9-1-1 Service - means an emergency wireless telephone system with specific electronically controlled features such as ANI and ALI and selective routing by geographic location of the 9-1-1 caller.

Provider - means a person, company or other business that provides, or offers to provide, 9-1-1 equipment, installation, maintenance, or access services.

Pseudo Automatic Location Identification (pALI) - An ALI record associated with a pANI, configured to provide the location of the wireless cell of sector and information about its coverage or serving area.

Pseudo Automatic Number Identification (pANI) - A telephone number used to support routing of wireless 9-1-1 calls. It may identify a wireless cell tower, cell sector or PSAP to which the call should be routed.

Public or Private Safety Agency - means a unit of state or local government, a special purpose district, or a private firm, which provides or has the authority to provide firefighting, police, ambulance, or emergency medical services.

Public Safety Answering Point (PSAP) - means a 24-hour, state, local, or contracted communications facility, which has been designated by the local service board to receive 9-1-1 service calls and dispatch emergency response services in accordance with the E9-1-1 service plan.

Public Switched Telephone Network - means a complex of diversified channels and equipment that automatically routes communications between the calling person and called person or data equipment.

Selective Routing (SR) - means an enhanced 9-1-1 system feature that enables all 9-1-1 calls originating from within a defined geographical region to be answered at a pre-designated PSAP.

Service Control Point (SCP) – means a centralized database system used for, among other things, wireless E9-1-1 service applications. It specifies the routing of 9-1-1 calls from the cell site to the PSAP and includes all relevant cell site location information.

Signaling System 7 (SS7) - An inter-office signaling network separate from the voice path network, utilizing high-speed data transmission to accomplish call processing.

Subscriber - means any person, firm, association, corporation, agencies of federal, state and local government, or other legal entity responsible by law for payment for communication service from the telephone utility.

Tariff - means a document filed by a telephone company with the state telephone utility regulatory commission that lists the communication services offered by the company and gives a schedule for rates and charges.

Telecommunications Device for the Deaf (TDD) - means any type of instrument, such as a typewriter keyboard connected to the caller's telephone and involving special equipment at the PSAP which allows an emergency call to be made without speaking, also known as a TTY.

Trunk - means a circuit used for connecting a subscriber to the public switched telephone network.

Wireless Communications Service - means cellular, broadband PCS, and SMR that provide real-time two-way interconnected voice service, the networks of which utilize intelligent switching capability and offer seamless handoff to customers. This definition includes facilities-based service providers and non-facilities based resellers. For purposes of wireless 9-1-1 surcharge, wireless communications service does not include services whose customers do not have access to 9-1-1, or a 9-1-1-like service, a communications channel utilized only for data transmission, or a private telecommunications system.

Wireless Communications Surcharge - means a surcharge imposed on each wireless communications service number provided in this state and collected as part of a wireless communications service provider's monthly billing to a subscriber.

Wireless Service Provider (WSP) – a communications carrier who provides wireless service.

Attachment A:

§ 12-713. Providers of emergency services; civil liability

In the provision of 911 services, a person, a provider as defined in section 42-5251 or a public entity or any employee of the public entity is not liable for damages in any civil action for injuries, death or loss to a person or property that are incurred by any person with respect to all decisions made and actions or omissions taken that are based on good faith implementation except in the cases of wanton or wilful misconduct, regardless of technology platform including a public safety radio communications network, that receives, develops, collects or processes information for the service's location information databases, relays, transfers, operates, maintains or provides emergency notification services or system capabilities, or provides emergency communications or services for ambulances, police and fire departments or other public safety entities.