MARANA TOWN COUNCIL
SPECIAL COUNCIL MEETING
NOTICE AND AGENDA
11555 W. Civic Center Drive, Marana, Arizona 85653
Conference Center on the Second Floor, February 25, 2020, 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

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 February 25, 2020, at or after 6:00 PM located in the Conference Center on the Second Floor 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 pagers and cell phones.

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 Conference Center on the Second Floor) 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 Conference Center is 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 Conference Center 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 382-1999, Monday through Friday from 8:00 AM to 5:00 PM.

This Notice and Agenda Posted no later than Monday, February 24, 2020, 6:00 PM, 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.

SPECIAL COUNCIL MEETING

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE

APPROVAL OF AGENDA

ITEMS FOR DISCUSSION/POSSIBLE ACTION

D1 **PUBLIC HEARING**: Relating to Alternative Expenditure Limitation (Home Rule Option); public hearing pursuant to A.R.S. section 41-563.01 regarding the proposed extension of the alternative expenditure limitation for the Town of Marana (Yiannis Kalaitzidis)

D2 Resolution No. 2020-019: Relating to Administration; approving the transfer of up to $300,000 in budgeted expenditure authority from the General Fund contingency line item in fiscal year 2019-2020 budget to the Downtown Visitor Center project in the Capital Improvement Program (CIP) for design and construction services for remodeling the Parks Administration Building (Mo El-Ali)

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).

ADJOURNMENT

Council-Special Meeting **D1**

Meeting Date: 02/25/2020

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: February 25, 2020

Strategic Plan Focus Area:
Commerce, Community, Heritage, Recreation, Progress & Innovation

Strategic Plan Focus Area Additional Info:
The ability to set the Town's expenditure limitation at the local level under the Home Rule Option is critical in providing essential services described in all sections of the Town's Strategic Plan.

Subject: **PUBLIC HEARING**: Relating to Alternative Expenditure Limitation (Home Rule Option); public hearing pursuant to A.R.S. section 41-563.01 regarding the proposed extension of the alternative expenditure limitation for the Town of Marana (Yiannis Kalaitzidis)

Discussion:

The Arizona Constitution and Arizona Revised Statutes impose an annual expenditure limitation on Arizona cities and towns. Article IX of the Arizona Constitution also allows for a city or town to adopt a local alternative expenditure limitation, or Home Rule Option, with the approval of the majority of the qualified voters of the city or town. The Home Rule Option allows the community to determine what its spending limits will be at the local level rather than the formula-based limit imposed by the State of Arizona. Under the Home Rule Option, if approved, total expenditures for the city or town are determined at the time of budget adoption and may exceed those imposed by the State of Arizona. The Home Rule Option is in effect for four consecutive years once it is approved.

In 1985, and every four years thereafter, the residents of the Town of Marana voted to adopt the Home Rule Option. The current Home Rule Option was passed on November 8, 2016, and is in effect through fiscal year 2020-2021. As required by the consolidated elections law, this item will be considered at the same time as candidate elections which will occur this calendar year.

Without the Home Rule Option, Town expenditures may not exceed those set forth in the State Constitution. The State's limitation is determined by an expenditure base that was established in 1979-80, adjusted for inflation and population growth over the years.

The estimated State imposed limitation, including estimated constitutionally excludable expenditures, for fiscal year 2021-2022 is $75,763,332, while the Town's estimated expenditure limitation under the Home Rule Option, based upon estimated revenues, is $139,453,470. That represents and estimated $63,690,138 reduction in estimated expenditures.

The following table represents estimated revenues, expenditures and the difference between the State's imposed limitation.

Fiscal Year	Estimated Revenues	Estimated Expenditures	Projected State-Imposed Expenditure Limitation (Including Estimated Exclusions)	Difference
2021-2022	$139,453,470	$139,453,470	$75,763,332	$63,690,138
2022-2023	$115,299,188	$115,299,188	$45,875,971	$69,423,217
2023-2024	$117,834,509	$117,834,509	$60,031,399	$57,803,110
2024-2025	$107,137,202	$107,137,202	$56,005,742	$51,131,460

The table above clearly illustrates the importance of the Home Rule Option. This is especially true for faster growing communities like Marana. Without the Home Rule Option, the Town would be mandated to cut expenditures and services like street maintenance, public safety, community development, and parks and recreation programs to comply with the State imposed limitation despite receiving revenues well in excess of the limitation. The worksheets attached to this item provide a more detailed analysis of the aforementioned calculations.

With approval of the Council, residents of the Town will be asked to vote on the Home Rule Option on the August 4, 2020 Primary Election ballot. If the ballot measure passes, the Home Rule Option will take effect for fiscal years 2021-22 through 2024-2025.

Prior to scheduling an election for the Home Rule Option, the Council must conduct at least two public hearings. All required notices of public hearings were properly posted in accordance with State Statute. This is the first of two public hearings on the Alternative Expenditure Limitation. The second public hearing will be held on March 3, 2020, after which the Council may consider the adoption of a resolution authorizing the Home Rule Option to be submitted to the voters of the Town of Marana.

Financial Impact:

The Home Rule Option allows the community to set the expenditure limit at the local level based upon existing resources. Without the Home Rule Option, the Town would be mandated to cut expenditures and services like street maintenance, public safety, community development, and parks and recreation programs to comply with the State imposed limitation. Revenues received in excess of the State imposed limit could not be spent on essential services.

Staff Recommendation:

Public Hearing only.

Suggested Motion:

Public Hearing only.

Attachments

Home Rule Schedules

ALTERNATIVE EXPENDITURE LIMITATION

(Home Rule Option)

SUMMARY ANALYSIS

The voters of the Town of Marana on November 8, 2016 adopted an alternative expenditure limitation (Home Rule Option). The purpose of this election is for the continued use of the Home Rule Option.

Pursuant to the Arizona State Constitution, the Town of Marana seeks voter approval to adopt a Home Rule Option to apply to the town for the next four years beginning in 2021-2022. Under a Home Rule Option if approved by the voters, the town estimates it will be allowed to expend approximately $139,453,470 in 2021-2022, $115,299,188 in 2022-2023, $117,834,509 in 2023-2024 and $107,137,202 in 2024-2025.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including general government, public safety, highways and streets, economic and community development, culture and recreation, water utility, wastewater utility, airport, debt service and capital improvement projects.

Under the state-imposed limitation the town estimates it will be allowed to expend approximately $75,763,332 in 2021-2022, $45,875,971 in 2022-2023, $60,031,399 in 2023-2024 and $56,005,742 in 2024-2025 for the operation of your local government. These expenditure estimates include expenditures of constitutionally excludable revenues.

The amount of revenue estimated to be available to fund the operation of your town government is $139,453,470 in 2021-2022, $115,299,188 in 2022-2023, $117,834,509 in 2023-2024 and $107,137,202 in 2024-2025. These revenue estimates are the same under the Home Rule Option or the state-imposed expenditure limitation.

Any and all dollar figures presented in this summary are estimates only and are based upon information available at the time of preparation of this analysis. The budget and actual expenditures in any of the four years may be more or less than the expenditures noted above depending on available revenue.

If no alternative expenditure limitation is approved, the state-imposed expenditure limitation will apply to the town.

ALTERNATIVE EXPENDITURE LIMITATION

(Home Rule Option)

SUMMARY ANALYSIS WORKSHEET

POPULATION FACTOR COMPUTATION

Fiscal Year	Prior Fiscal Year Population	/	1978 Population	=	Population Factor
2021-2022	51,000	/	1,425	=	35.7895
2022-2023	52,600	/	1,425	=	33.9123
2023-2024	54,300	/	1,425	=	38.1053
2024-2025	55,900	/	1,425	=	39.2281

STATE-IMPOSED EXPENDITURE LIMITATION

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Projected State-Imposed Expenditure Limitation	+	Estimated Exclusions	=	Total Expenditures Under State-Imposed Limit
2021-2022	$ 202,239	x	35.7895	x	3.2190	=	$ 23,299,227	+	$ 52,464,105	=	$ 75,763,332
2022-2023	202,239	x	33.9123	x	3.2998	=	24,633,359	+	21,242,612	=	45,875,971
2023-2024	202,239	x	38.1053	x	3.3840	=	26,078,382	+	33,953,017	=	60,031,399
2024-2025	$ 202,239	x	39.2281	x	3.4695	=	$ 27,525,111	+	$ 28,480,631	=	$ 56,005,742

ALTERNATIVE EXPENDITURE LIMITATION
(Home Rule Option)
DETAILED ANALYSIS

Pursuant to the Arizona State Constitution, the Town of Marana as authorized by Resolution No. 2020-_____ passed on _____, 20__ will seek voter approval to adopt an alternative expenditure limitation (Home Rule Option) to apply to the Town for the next four years beginning in 2021-2021.

Under a Home Rule Option if approved by the voters, the town estimates it will be allowed to expend approximately $139,453,470 in 2021-2022, $115,299,188 in 2022-2023, $117,834,509 in 2023-2024 and $107,137,202 in 2024-2025.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including general government, public safety, highways and streets, economic and community development, culture and recreation, water utility, wastewater utility, airport, debt service and capital improvement projects. We estimate that the expenditures for the next four years under the Home Rule Option will be as follows:

ESTIMATED AMOUNTS TO BE EXPENDED IN SPECIFIC AREAS

Purpose	2021-2022	2022-2023	2023-2024	2024-2025
General Government	$ 24,193,385	$ 24,677,253	$ 25,170,798	$ 25,674,214
Public Safety	19,282,457	19,668,106	20,061,468	20,462,697
Highways and Streets	10,694,341	10,908,228	11,126,393	11,348,921
Economic and Community Development	6,110,405	6,232,613	6,357,265	6,484,410
Culture and Recreation	5,133,573	5,236,244	5,340,969	5,447,788
Water Utility	6,951,588	7,090,620	7,232,432	7,377,081
Wastewater Utility	2,335,496	2,382,206	2,429,850	2,478,447
Airport	646,187	659,111	672,293	685,739
Debt Service	10,807,815	10,760,600	10,664,684	10,571,405
Capital Improvement Projects	53,298,223	27,684,207	28,778,357	16,606,500
Total Expenditures	$139,453,470	$ 115,299,188	$ 117,834,509	$ 107,137,202

If approved, the expenditures authorized will be funded from revenues obtained from federal, state and local sources. It is estimated that the amount of revenue from each source for the next four years will be as follows:

ESTIMATED AMOUNTS OF REVENUE FROM EACH AND ANY SOURCE

Source	2021-2022	2022-2023	2023-2024	2024-2025
Federal	$ 23,415,961	$ 8,535,177	$ 14,996,754	$ 1,568,897
State	20,417,735	20,826,090	21,242,612	21,667,464
Local	95,619,774	85,937,921	81,595,143	83,900,841
Total Expenditures	$ 139,453,470	$ 115,299,188	$ 117,834,509	$ 107,137,202

(The town property tax shall be limited to the amount prescribed in the Arizona State Constitution).

In determining the revenue sources to fund the authorized additional expenditures under the alternative expenditure limitation, it is assumed that the federal, state and local revenues received by the town will continue to be available in 2021-2022 as they have for the past four years. Their continued availability is also assumed for the next three consecutive years following 2021-2022.

Any and all dollar figures shown in this analysis are estimated figures only and are based upon information available at the time of preparation of this report. The budgets and actual expenditures in any given year may be more or less than the figures noted above depending on available revenues. The actual expenditure limitation for each fiscal year shall be adopted as an integral part of the budget for that fiscal year.

Council-Special Meeting **D2**

Meeting Date: 02/25/2020

To: Mayor and Council

From: Mo El-Ali, Public Works Director

Date: February 25, 2020

Strategic Plan Focus Area:
Commerce, Heritage

Subject: Resolution No. 2020-019: Relating to Administration; approving the transfer of up to $300,000 in budgeted expenditure authority from the General Fund contingency line item in fiscal year 2019-2020 budget to the Downtown Visitor Center project in the Capital Improvement Program (CIP) for design and construction services for remodeling the Parks Administration Building (Mo El-Ali)

Discussion:

The FY 2019-2020 budget includes a $200,000 budget line item that was intended to be used towards finding a location for a Downtown Visitor Center. After the budget was approved, it was decided that the Parks Administration Building would be an appropriate location for a Downtown Visitor Center. We now have 30% design drawings and a cost estimate for design and construction services for remodeling the Parks Administration Building. Conceptual drawings are attached. The scope of work includes the following items:

- New double glass door entrance on the east side of the building facing Lon Adams
- ADA compatible family restroom to make the building code-compliant
- Upgrade of the existing restrooms
- A new kitchen and break room area
- Removal and replacement of ceiling and grid tiles
- New sidewalk, patio area, built-in seating and landscape on the east side of the building
- Upgrade irrigation in the new landscape area

The estimated cost of this project is $500,000. Some elements of the design are still under consideration and as such are presented as alternates.

The purpose of tonight's item is to request a transfer of up to $300,000 in General Fund

contingency expenditure authority to the Downtown Visitor Center line item in the CIP for design and construction services for remodeling the Parks Administration Building.The budget for fiscal year 2019-2020 was adopted in June 2019 which set the legal level of budgetary control at the department level. Council approval is required for budgetary transfers.

Financial Impact:

Fiscal Year:	2020
Budgeted Y/N:	Y
Amount:	$300,000

An amount of up to $300,000 in General Fund contingency will be transferred to the existing project for the Downtown Visitor's Center (CD007).

Staff Recommendation:

Staff recommends approval.

Suggested Motion:

I move to adopt Resolution No. 2020-019, approving the transfer of up to $300,000 in budgeted expenditure authority from the General Fund contingency line item in fiscal year 2019-2020 budget to the Downtown Visitor Center project in the Capital Improvement Program (CIP) for design and construction services for remodeling the Parks Administration Building.

Attachments

Resolution No. 2020-019

Marana Visitor Center Conceptual Drawings

MARANA RESOLUTION NO. 2020-019

RELATING TO ADMINISTRATION; APPROVING THE TRANSFER OF UP TO $300,000 IN BUDGETED EXPENDITURE AUTHORITY FROM THE GENERAL FUND CONTINGENCY LINE ITEM IN FISCAL YEAR 2019-2020 BUDGET TO THE DOWNTOWN VISITOR CENTER PROJECT IN THE CAPITAL IMPROVEMENT PROGRAM (CIP) FOR DESIGN AND CONSTRUCTION SERVICES FOR REMODELING THE PARKS ADMINISTRATION BUILDING

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 Town Council desires to transfer budgeted expenditure authority in the fiscal year 2019-2020 budget of up to $300,000 from the General Fund contingency line item to the Downtown Visitor Center Project in the Capital Improvement Program; and

WHEREAS transferring budgeted expenditure authority from the contingency fund of up to $300,000 within fiscal year 2019-2020 will not significantly impact the General Fund; and

WHEREAS reallocations of budgeted expenditure authority between the contingency line item in the General Fund to other line items 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 $300,000 in budgeted expenditure authority from the General Fund's budgeted contingency line item in the fiscal year 2019-2020 budget to the Downtown Visitor Center Project in the Capital Improvement Program for design and construction services for remodeling the Parks Administration Building 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 25th day of February, 2020.

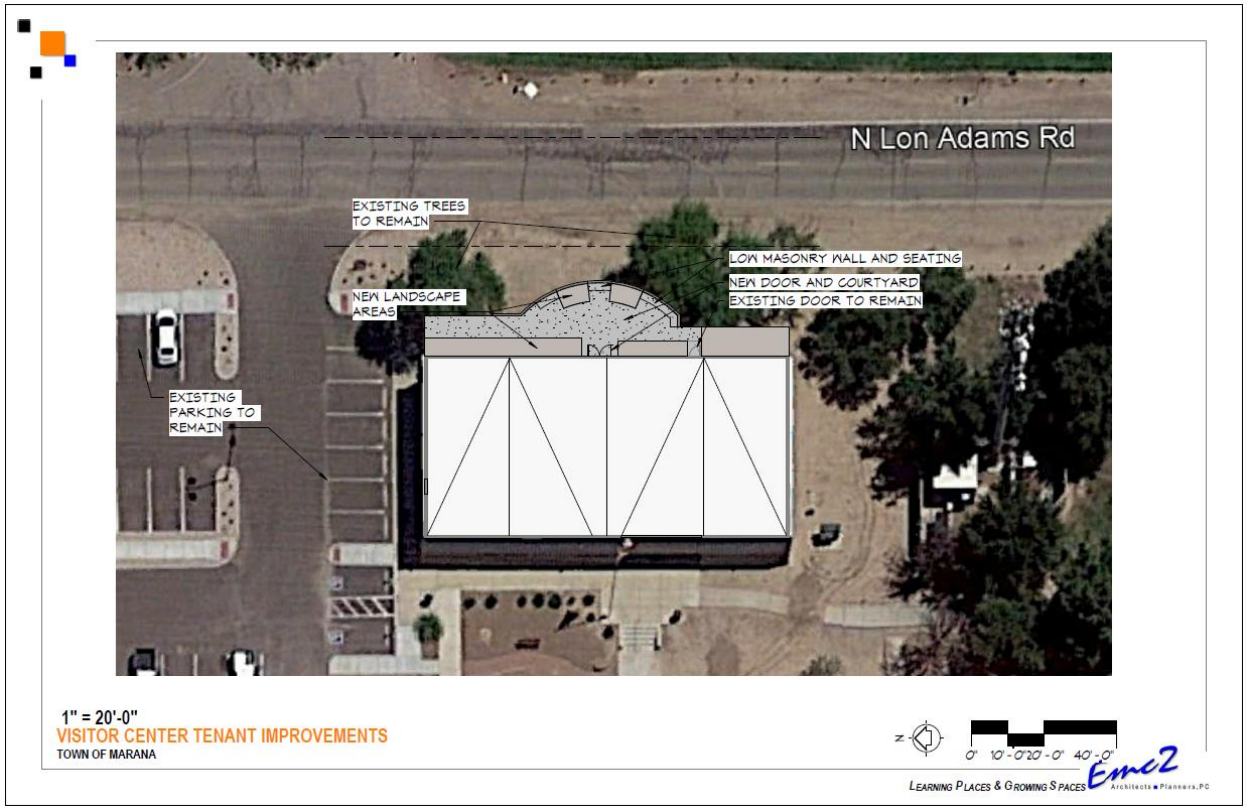
Mayor Ed Honea

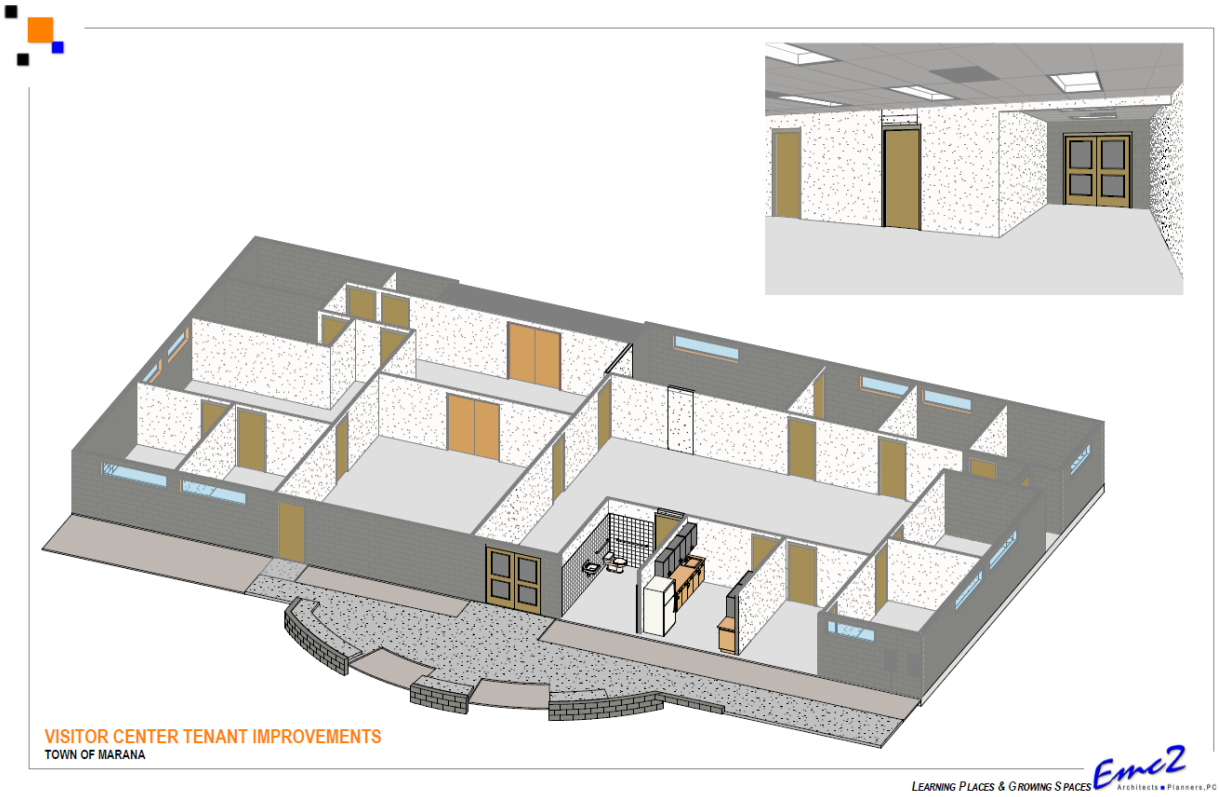
ATTEST:

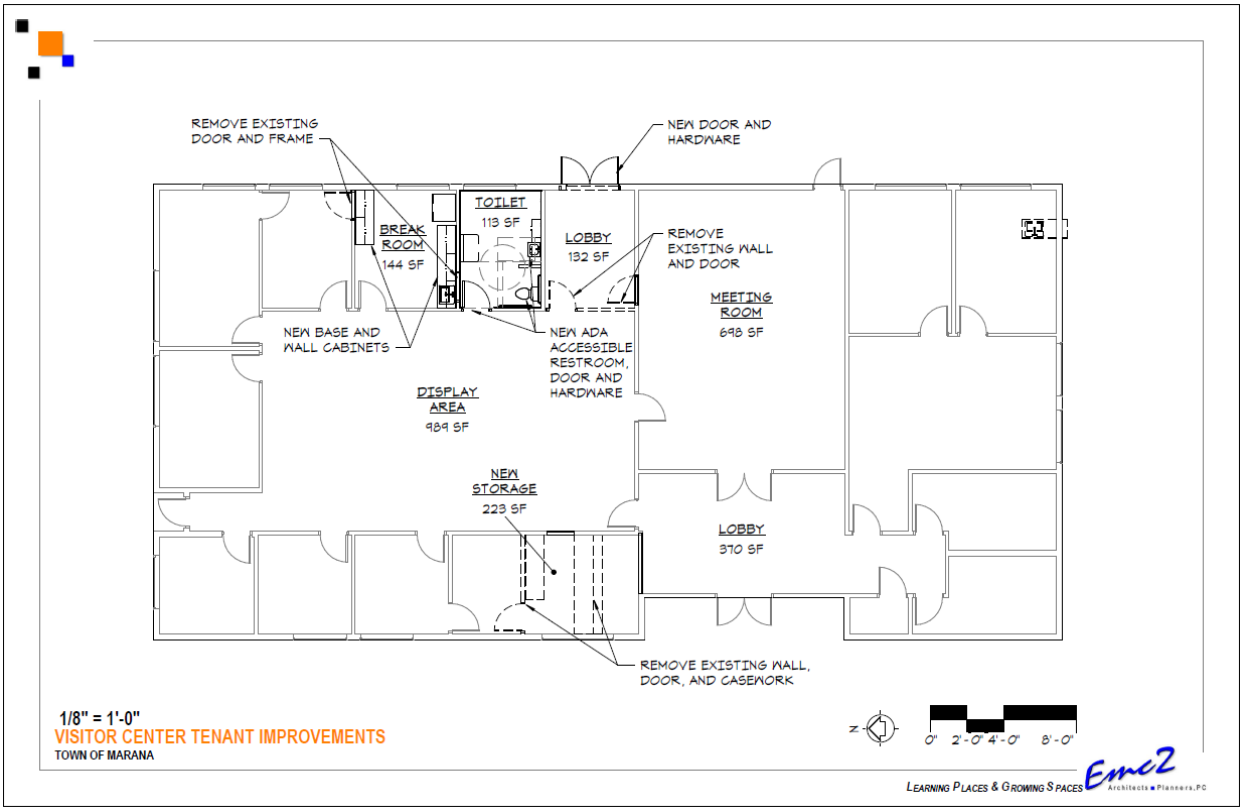
Cherry L. Lawson, Town Clerk

APPROVED AS TO FORM:

Frank Cassidy, Town Attorney


N Lon Adams Rd
EXISTING TREES TO REMAIN
LOW MASONRY WALL AND SEATING
NEW DOOR AND COURTYARD
EXISTING DOOR TO REMAIN
NEW LANDSCAPE AREAS
EXISTING PARKING TO REMAIN
1" = 20'-0"
VISITOR CENTER TENANT IMPROVEMENTS
TOWN OF MARANA
0' 10'-0" 20'-0" 40'-0"
LEARNING PLACES & GROWING SPACES
Emc2 Architects • Planners, PC


VISITOR CENTER TENANT IMPROVEMENTS
TOWN OF MARANA
LEARNING PLACES & GROWING SPACES
Emc2 Architects • Planners, PC


REMOVE EXISTING DOOR AND FRAME
NEW DOOR AND HARDWARE
TOILET
113 SF
BREAK ROOM
144 SF
LOBBY
132 SF
REMOVE EXISTING WALL AND DOOR
MEETING ROOM
698 SF
NEW BASE AND WALL CABINETS
NEW ADA ACCESSIBLE RESTROOM, DOOR AND HARDWARE
DISPLAY AREA
989 SF
NEW STORAGE
223 SF
LOBBY
370 SF
REMOVE EXISTING WALL, DOOR, AND CASEWORK
1/8" = 1'-0"
VISITOR CENTER TENANT IMPROVEMENTS
TOWN OF MARANA
N
0" 2'-0" 4'-0" 8'-0"
LEARNING PLACES & GROWING SPACES
Emc2 Architects • Planners, PC