



# **Town of Vail Incorporation**

## **Feasibility Analysis**

December 1, 2022

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PRO-FORMA

INCORPORATE VAIL ARIZONA  
PROPOSED PROFORMA BUDGET - Year over Year

	FISCAL YEAR 2023/2024 (11 Months)	FISCAL YEAR 2024/2025
<b>REVENUE</b>		
<i>General Fund</i>		
State Sales Tax (5.6%)	2,698,359	2,943,664
State Income Tax	0	3,969,447
Sub-Total	2,698,359	6,913,111
<i>Transportation Fund</i>		
Vehicle License Tax (VLT)	1,042,579	1,137,359
Highway Users (HURF) (\$0.18/gal)	1,728,316	1,885,436
Sub-Total	2,770,895	3,022,795
Total State Shared Revenues	5,469,254	9,935,906
RTA sales tax (1%)	916,667	1,000,000
Development Impact Fees (\$7,671/propert	703,175	767,100
Fines (ie traffic tickets, court fees)	200,000	250,000
Development Services	0	1,658,149
GDBG (Federal block grants)	0	0
Enterprise Funds	0	0
<b>POTENTIAL TAXES OF FEES</b>		
Local Sales Tax (1.5 to 4% council vote)	0	50,000
Property Tax (Vote by voters)	0	0
Utility Franchise Tax (2% popular vote)	0	500,000
Business Licenses (\$10-5k council vote)	7,500	10,000
	1,827,342	4,235,249
<b>TOTAL REVENUE</b>	<b>7,296,596</b>	<b>14,171,155</b>
<b>EXPENSES</b>		
<i>ADMINISTRATION</i>		
City Council (6@\$150) - Volunteer	9,900	10,800
Mayor (\$200) - Volunteer	2,200	2,400
City Manager	96,800	105,600
Public Works Director	0	100,000
Town Clerk	44,550	48,600
Asst. Town Clerk	0	42,600
Finance Manager	82,042	89,500
Bookkeeper	0	55,400
Benefits (30%)	67,018	132,510
SUB-TOTAL	302,509	587,410
<i>CONTRACTED SERVICES</i>		
Attorney	286,000	312,000
Police (23 officers)	0	3,817,910
Transportation Dept (HURF/RTA/DIFO)	0	3,652,536
Development Services	0	1,658,149
Parks, Recreation, Preservation	50,000	100,000
Jurispurdence (courts)	0	750,000
Jail (\$401/booking)	0	45,268
Economic Development	100,000	125,000
Animal Control	0	0
IT (Web site design & master)	35,000	35,000
Payroll, HR	4,000	5,000
SUB-TOTAL	475,000	10,500,863
<i>OTHER COSTS</i>		
Advertising	12,000	12,000
Computer & Internet	5,000	6,000
Dues & Subscriptions	29,150	31,800
Equipment Rental	13,000	13,000
Insurance	20,000	20,000
Refreshments	12,000	12,000
Office Supplies	12,000	12,000
Postage	13,000	13,000
Printing	32,000	32,000
Public Notices/Election Costs	0	78,500
Rent and Utilities	32,500	32,500
Telephone	1,500	1,500
Travel	9,000	12,000
Miscellaneous	20,000	25,000
SUB-TOTAL	211,150	301,300
<b>TOTAL EXPENSES</b>	<b>988,659</b>	<b>11,389,573</b>
<b>FUND BALANCE</b>	<b>6,307,937</b>	<b>2,781,582</b>
Months	11	12

NOTE: AMOUNTS BASED ON PROJECTIONS, WEB SITE, AND OTHER MEANS

## EXECUTIVE SUMMARY

Financial feasibility is paramount for any organization's long-term viability. It is no different for a new Arizona town. The Incorporate Vail AZ (IVA) organization commissioned the formation of a Technical Advisory Committee to create a pro-forma feasibility analysis for the proposed Town of Vail. The Technical Advisory Committee is comprised of experts in their respective fields and the end product was peer reviewed by third-party municipal experts. Based on the Committee's research, revenue for Fiscal Year 2024-2025 is forecasted to be \$14.2 million and expenses at \$11.4 million for a positive Fund Balance (i.e., profit) of \$2.8 million.

### 1. POPULATION

Based on Arizona State Law (ARS 9-101 A), a new city or town must have these minimum populations in order to incorporate:

- At least 500 residents if within 10 miles of a National Park
- At least 1,500 residents for a town
- At least 3,000 for a city

Vail meets all requirements of population to be eligible to incorporate as a town or city.

### 2. URBAN IN NATURE

A new city or town in the State of Arizona must be "urban in nature." Urban is defined as "...shall not include large areas of uninhabited, rural, or farmlands, but it shall be urban in nature (ARS 9-101)." Furthermore, urban is defined among other criteria to be within six miles of an existing city or town. (ARS 9-101.01 A)

Most of the proposed Town of Vail is within six miles of the City of Tucson eastern boundary and therefore qualifies as Urban in Nature.

### 3. SENSE OF COMMUNITY

As per ARS 9-101 J 1, all proposed cities and towns must have a Sense of Community. Vail was established in 1880 and has gone through boom and bust. Today is a community that includes civic organizations, events, and a strong sense of history (See Attachment A).

Vail has a strong sense of community and qualifies under the statute.

### 4. BOUNDARIES and POPULATION

This analysis cannot be calculated without a population and the population can't be estimated without a map. The Technical Advisory Committee started with an "Area of Interest" map which the Arizona Department of Revenue calculated to contain approximately 21,000 residents in Vail. As the analysis continued, adjustments were made to the map adjusting boundaries based on compromise with other parties, changes regarding Federal land, conservation land concerns, state land, and potential liabilities to the potential Town of Vail. Although not final yet, a sequence of maps is found in Attachment B.

One of these adjustments to the map was Rocking K. Subsidiaries of Diamond Ventures, a local land development company, have owned Rocking K ranch for decades. They have been waiting for the right market conditions to develop it and gone through several iterations of planning until post the great recession in 2008. Finally, they put together the first Community Facilities District (CFD) in Pima County, arranged for a land de-annexation with the City of Tucson, and extended Valencia Road from Houghton to Old Spanish Trail. Now some parcels have been sold and houses built. The Rocking K development is underway and will continue for many years in the future. (See Attachment C)

The Incorporate Vail AZ has met with Diamond Ventures multiple times to discuss their development. Generally speaking, Diamond Ventures Corporation is in favor of incorporation, it adds risk to their current development. They already have development agreements with Pima County in place and don't know what a new Town of Vail might do relative to development rights. Because of this risk, they asked to be excluded from the incorporation effort. They are allowed to opt out as per ARS 9-101.01.F. The IVA and Diamond Ventures are still in active discussions at the time of this publication.

## 5. REVENUE

- a) **Federal Money** – Prior to the 1980s, substantial amounts of federal revenues were available to cities and towns. However, these programs have been gradually phased out and are no longer a steady source of income for municipalities. One program still available to cities and towns is the Community Development Block Grant (CDBG). This program provides funding for a variety of local housing, public works, and physical construction projects on a competitive grant basis. Cities and towns must spend CDBG monies within this broadly defined area. The amount available from the CDBG program is limited, however, and the distribution of monies is based on a complex formula which includes population and measures of need. In the final analysis, Federal Money was not included in the Town of Vail Feasibility Analysis.
- b) **State Shared Revenue (also known as Urban Revenue Sharing)** – The State of Arizona is set up with a revenue sharing model to municipalities based on population. Areas that are not incorporated are not eligible for revenue sharing. On a per capita basis, the revenue share is approximately \$330 per person based the population within the boundary of that municipality. With a preliminary population of 21,000 (2020 census) for the Town of Vail the State Shared Revenue would be \$9.9 million. It comes from a percentage of State Sales Tax, State Income Tax, Vehicle License Tax, and Highway Users Revenues. These are taxes and fees that we already pay, most of which go to cities and towns in Maricopa County because 93% of the County's population is in incorporated cities and towns (a.k.a., Phoenix, Mesa, Scottsdale, etc.) These estimates were calculated by the Arizona League of Cities and Towns (see Attachment D) and corroborated by the Arizona Department of Revenue (ADOR) (see Attachment E).
  - i) **State Sales Tax (TPT)** – The State Sales Tax is 5.1%. Cities and towns share in a portion of the total collections of Transaction Privilege Tax (i.e., "sales tax") imposed by the State. Each tax classification has a designated sharing percentage that goes into the distribution base, and cities and towns receive 25% of that base. Shared TPT is distributed on a semi-monthly basis and may be expended for any municipal public purpose. A municipality receives its share of the state shared sales tax based on the relation of its population to the total population of all incorporated cities and towns. The FY 2022/2023 ADOR estimate for

state shared TPT is \$820 million of which \$2,943,664 is estimated to be the Town of Vail's proportional share.

- ii) State Income Tax (URS) -- Cities and towns receive 15% of the total state income tax collected during each fiscal year. Urban Revenue Share is distributed monthly and can be used for any municipal purpose. This money is distributed to a city or town based on its population in relation to the total population of all incorporated cities and towns. The annual amount of urban revenue sharing money distributed is based on income tax collections during the fiscal year two years prior to the year in which the city or town receives the funds. The FY 2022/2023 ADOR estimate for state income tax is \$1.107 billion. ADOR estimates the amount available for the Town of Vail is \$3,969,447.
- iii) Vehicle License Tax (VLT) -- Approximately 20% of the revenues collected by ADOT for the licensing of motor vehicles are distributed to cities and towns (see Attachment F). These monies are distributed monthly and may be expended for any municipal public purpose. A city or town receives its share of the vehicle license tax collections based on the "county of origin" where vehicles are registered and its population in relation to the total incorporated population of their county. The ADOT estimate of the cities VLT distribution for FY 2022/2023 is \$326 million or \$1,137,359 to the Town of Vail.
- iv) Highway Users Revenue Fund (HURF) -- This is sometimes referred to as the "gas tax" but there are a number of additional sources that contribute to the Highway User Revenue Fund, including a portion of VLT revenues, a portion of the excise taxes collected based on U.S. Census Bureau Populations, marijuana sales, and others. HURF monies are distributed on a monthly basis and can only be used for street and highway expenditures. Cities and towns receive 27.5% of the total collections (see Addendum G). One half of the monies that a city or town receives under this formula is distributed based on the municipality's population in relation to the population of all incorporated cities and towns in the state. The remaining half is allocated based on "county of origin" of gasoline sales and the relation of a municipality's population to the population of all incorporated cities and towns in their county. The estimated HURF distribution base provided by ADOT for FY 2022/2023 is \$501 million or \$1,885,436 to the Town of Vail.

Vail will also get a share of the HURF money designed to the Pima Association of Governments (PAG) under its 12.6% and 2.6% programming funding. These funds are distributed to the member jurisdictions in Pima County and if Vail incorporates, Vail will become a PAG member jurisdiction. These funds are prioritized by the PAG Regional Council based on the projects listed in the Transportation Improvement Plan (TIP) (see [https://pagregion.com/wp-content/docs/pag/2021/06/FY2022-2026\\_TIP\\_Approved\\_May\\_27\\_2021.pdf](https://pagregion.com/wp-content/docs/pag/2021/06/FY2022-2026_TIP_Approved_May_27_2021.pdf)).

In this feasibility study, the funding from PAG is not included. Nor does this analysis include lottery money, grants, job training, etc. and other sources of funding.

- c) Other Revenue – As a Town in Pima County, the town would also be eligible for at least 1% of RTA funds (with restrictions), local Development Impact Fees (with restrictions), tickets, fines, and fees that are currently paid to Pima County. The Committee estimates this to be \$3.7 million of taxes and fees that are already paid to the County but would now accrue to the new Town of Vail.

- i) RTA Sales Tax – In 2006, Pima County voters affirmed a half cent sales tax for a 20-year period to fund transportation related expenses based on 51 ballot categories. In the State of Arizona legislation, the RTA must fund 1% or \$300,000 whichever is higher per year to each municipality in Pima County (See ARS 48-5308 D 1). Membership in the RTA is not automatic and must be voted on by the existing RTA Board of Directors. The Board of Directors includes the mayors of the five municipalities of Pima County (City of Tucson, City of South Tucson, Marana, Oro Valley, and Marana), a representative of the two tribal entities (Pascua Yaqui, Tohono O’odham), an appointed member of the Pima County Board of Supervisors, and an appointee by the Arizona Department of Transportation. If the Town of Vail passes, the nine person RTA Board will vote on including Vail as a member of the RTA and granting a board seat to the Mayor of Vail. This is highly likely to occur so the minimum distribution as per the statute is included in the budget. It should be noted that RTA funds are restricted to transportation projects already listed among the 51 ballot categories. There are only a few ballot categories that would be relevant for Vail.
  - ii) Development Impact Fees -- Impact fees are paid by new real estate developments to offset the costs of providing necessary infrastructure (streets, water, sewer, police, fire, parks, etc.) to serve those new areas. Today, Pima County charges \$7,671 per new house built and funds are held within established Impact Fee Areas. The Impact Fee area for the Town of Vail is called the Southeast Impact Fee Area and monies must be expended within that same impact fee area. The Technical Advisory Committee estimated 100 new homes at \$7,671 each for a total of \$767100 for FY 2023-2024.
  - iii) Fines – A city or town receives fines and forfeitures imposed by its local magistrate court following citations by local police officers for violations of state or municipal law occurring within the corporate limits. Estimates of revenues from this source can be based on information from the county sheriff relating to the level of misdemeanors and traffic infractions in the community. Currently, Pima County charges fines including traffic tickets, court fees, parking fees, etc. Based on other cities and towns about the size of the proposed Town of Vail, it is estimated that fines and fees will be approximately \$250,000 per year.
  - iv) Development Services -- Cities and towns may also charge for building permits and fees for mechanical, gas, and plumbing inspections. Pima County provided an estimate of \$1,658,149 for the Town of Vail based on the current Pima County rates and level of service in the Vail area (see Attachment H). Vail may choose to proceed with its own Development Services office or may contract with Pima County to provide these services. If Pima County continues to provide these services, the fees (and expenses) will continue to accrue to Pima County.
  - v) Enterprise Funds -- Many cities and towns maintain utilities such as water, sewer, and garbage collection although there is no requirement that such services be provided. Such services may be operated on a “pay-as-you-go-basis” with fees for the service approximately equal to the operating costs. Any surplus from utility operations can be transferred to the general fund to help defray other city and town expenses. Currently all services such as water, sewer, and trash are provided by private providers or in the case of sewer, by Pima County. There are no enterprise funds anticipated for the Town of Vail within the time scope of this analysis.
- d) Local Revenue – Finally, Towns and Cities in Arizona can impose new taxes with a majority vote of registered voters or a sales tax with Town Council approval. This may include a local sales tax, property tax, utility franchise tax, and various license fees. In the Committee’s assumptions, there is a projected sales tax and utility franchise tax (paid for by the utilities) but

not a property tax. This is consistent with other towns in Pima County such as Marana, Oro Valley, and Sahuarita. This is projected to provide \$0.6 million or 4% of the total revenue projected.

- i) Local Sales Tax -- In addition to the state sales tax, cities and towns in Arizona may impose local sales taxes on the gross receipts of sales within the corporate limits of the city or town. At present, all of the cities and towns in Arizona have a local sales tax. This tax is the most important source of local revenue for most municipalities in their mature stage. The average local sales tax rate is approximately 2.4% of gross sales but range from 1.5% to 4%. The collection totals from a local sales tax can be estimated by obtaining a rough estimate of the amount of gross sales within the community and then multiplying this amount by the percentage of the sales tax. With the recent enactment by the State of Arizona of the U.S. Supreme Court *Wayfair vs. South Dakota* decision (See Attachment I), sales tax is now collected for online sales based on the delivery location of the purchase. It is now about 5.89% of total sales tax county-wide and for Vail, because Vail doesn't have a lot of retail stores, internet sales tax is estimated to be higher which the Committee set at \$50,000. Unfortunately, the Arizona Department of Revenue was not able to estimate this amount because of the complexity of sales tax reporting by domicile as a result of the *Wayfair* decision. This tax can be imposed by ordinance of the city or town council; no election is required.
- ii) Property Tax -- The property tax has been a traditional means of financing city and town services. While the importance of the property tax has been decreasing in recent years due to the increased revenues from excise taxes, it still is an important source of local revenue for a majority of Arizona cities and towns. The property tax has also been one of the most stable sources of revenue, because it is not subject to the same fluctuations sometimes experienced with excise taxes. Prior to the imposition of a primary property tax, a public election must be held. If the voters approve, the levy is instituted in the fiscal year immediately following the election. If the voters do not approve, the city or town may not levy a primary property tax for that year or until voters do approve a levy. In estimating the amount of revenue which may be derived in a community from a property tax, there are two important factors to be considered: 1) the assessed valuation of the property in the community, and 2) the tax rate necessary to meet expected costs. The assessed valuation of an area is the value of all real and personal property within the community. Assessed valuation figures should be available in the respective county assessor offices. Once the assessed valuation figures have been obtained, the community can estimate the tax rate necessary to meet expenses. The tax rate is the dollar amount charged by a city or town for each one hundred dollars of assessed valuation for all real and personal property.

Estimating property tax collections can be done by dividing the total assessed valuation of the community by one hundred and then multiplying this number by the tax rate. Property tax levies are divided into a primary property tax levy and a secondary property tax levy. A secondary property tax may only be levied to pay the principal and interest charges on voter-approved bonds. The primary property tax levy is for all other purposes; there are strict limits placed on the primary property tax by the Arizona Constitution and state law. In Pima County, neither Oro Valley, Marana, or Sahuarita has imposed a property tax. As such, this feasibility analysis does not include a property tax on the property owners in the proposed Town of Vail.

- iii) Utility Franchise Tax -- Utility franchise taxes are imposed by cities and towns in payment for the use of streets and alleys within the corporate limits by public utility companies. The traditional tax payment for a franchise is two percent of the gross receipts of utility sales within the corporate limits. A city or town is limited in granting a franchise for a period of more than twenty-five years, and this franchise cannot be exclusive. Prior to the granting of a franchise, an election must be held to obtain voter approval of the franchise. In practice, utilities usually desire to have a franchise agreement with a municipality and may request an arrangement of this nature. The average franchise tax assumed is 2% of the utility bills including gas, electric, water, and internet. At an average of \$300 per month in utility bills times 7,000 homes at 2%, \$500,000 was calculated assuming an affirmative popular vote.
- iv) Business Licenses -- Business license taxes may be instituted by a municipality for regulatory purposes and for raising revenue. Cities and towns are authorized to issue and determine the amount of license taxes "for carrying on any business, game or amusement, calling, profession or occupation." No license can be granted for more than one year and not less than \$10 or more than \$5,000 for any one license. In this Feasibility Analysis a small amount of \$10,000 is included in the budget.

## 6. EXPENSES

On the expense side, the Committee assumes the Mayor and Council are volunteers and there would be a town staff of six employees. The Committee met with the now-retired City Manager of Weston, Florida as a "contract city" model of governance. (See Attachment J). As such, the majority of expense would be contracted to third party providers for this Feasibility Analysis. The total of all estimated expenses is estimated to be \$11.3 million.

### a) Administration

- i) Staffing -- Expenses for staff are projected based on review of Cities with a similar population and information obtained from researching the Web for the salary ranges for each specific position in the State of Arizona. The average wage is what is reflected in the proforma budget analysis.

### b) Contracted Services

- i) Attorney – A new town will have a plethora of Intergovernmental Agreements and Contracts to establish along with jurisdictional start up legal documents such as the Town Model Code, local statutes, etc. The Attorney estimate considers these early-stage activities and estimates the legal expense to be initially high. It's based on the current going rate for attorney services. This legal cost may decline over time as the Town of Vail is established.
- ii) Police – The Pima County Sheriff's Department provided estimates on public safety support for the Town of Vail as a contracted service. They included two different approaches to their calculations, one based on labor (Law Enforcement Units or LEU) and one on fully loaded costs. This includes a SWAT team, helicopter support, administration, finance, etc. This proposal was reviewed by three different police professionals including a former City of Tucson Officer, City of Sahuarita officer, and Sheriff's executive. The fully loaded estimate was \$3,817,910 was the higher of the two methodologies which the Committee adopted in the Feasibility Analysis (See Attachment K). It should be noted that it includes 23 public safety personnel which is double the current level of service provided by the Pima County's sheriff department. In addition, the Committee did not make any attempt to negotiate. To

be considered, a new town also can start its own police force. Negotiations would be assumed by the Town of Vail’s first town council if they were to consider contracted services for its police force.

Recently, the Town of Patagonia converted its town public safety from its own marshal patrol to contracted public safety from Santa Cruz County (see addendum L).

- iii) Transportation Department -- The estimates for Fiscal Year 2024-2025 transportation funds are described in this section. The Technical Advisory Committee developed the transportation funds by combining estimated revenues from Highway User Revenue Fund (HURF), the Regional Transportation Authority (RTA), and Development Impact Fees.

The Pima County Department of Transportation (PCDOT) provided estimated expenses for transportation services within the proposed incorporation area of interest for Vail. Shown below is the analysis provided by PCDOT based on the initial “area of interest” boundaries originally created by the Technical Advisory Committee.

The cost is based upon the following roadway mileage:

	Miles
Dirt	6
Paved	138
Totals:	144

FY 2024/2025	Countywide	Vail Estimate (6.5% of road miles)
Miles	2,204	144
Transportation Service Expenses	\$26,336,283	\$1,711,858

Transportation funds are often restricted to transportation purposes. The HURF, RTA, and Development Impact fees are all restricted and are \$3,652,536 in revenue when combined. While the Town of Vail may add General Fund monies to transportation, for the purposes of this analysis, only restricted transportation funds are included. As such, the transportation expenses match the revenue. In conclusion, the Feasibility Analysis Transportation Fund estimate of \$3,652,536 dollars for the Town of Vail far exceeds PCDOT’s FY2024-2025 transportation service estimates of \$1,711,858 dollars (See Attachment M).

There is an issue of Pima County’s Preservation Plan Estimate of \$21.6m over the next ten years. Currently, Pima County’s Pavement Condition Index (PCI) indicates that 70% of its roads are in poor or failing condition. Pima County had been funding its road maintenance with debt but with the new PAYGO plan (See Attachment N), they plan to “snowball” debt into cash to fix the roads to an 80% good or very good condition. By the time the Town of Vail is responsible for its own roads, Pima County will be halfway through their PAYGO plan



and there is an argument that Pima County's long deferred road maintenance should be their responsibility. Furthermore, Vail roads are much newer than the typical county road.

- iv) **Development Services** – A municipal development services department helps homeowners, business owners, and contractors ensure compliance with applicable city and building codes when they build, demolish, remodel, or perform any construction in the City or Town. Every development project is unique and has different requirements, so it is important to have a dynamic and responsive team. Delays in construction because of the lack of permitting or inspections is not a satisfactory response to a growing community like Vail. Pima County provided an estimate to continue offering this service for the Town of Vail. The estimate in the feasibility analysis is \$1,658,149 (see Attachment O).
  
- v) **Parks, Recreation, Preservation** – Parks, recreational opportunities, and unique, local, cultural, and natural resources impact quality of life. They create many layers of value for their residents, visitors, and communities. Public parks serve as places for communities to play, connect across neighborhood boundaries, and build relationships. They are an increasingly important part of regional economic development strategies. Publicly accessible parks can attract and sustain healthy residential and business communities, and enhance the local real estate market. Unique cultural resources create a sense of place and belonging for residents and are the foundation of a sustainable, vibrant tourism strategy that contributes to the local and regional economy. Research demonstrates that financial investments in public parks, recreation, natural and cultural resources provide measurable quality of life benefits and return on financial investment.

The following are a few examples:

- 5% property value increase within 500' of a park boundary
- Companies tend to locate in cities with amenities to attract top employees
- Arizona adults who used trails in 2020 was nearly 60%
- The Huckelberry Loop – Pima County realizes \$9.40 for every \$1.00 invested.
- Even among infrequent trail users or non-users, more than 2 out of 3 report trail access as important in deciding where to live and visit.
- Outdoor recreation directly accounts for an estimated 2.7% of Arizona's gross state product, and 3.8% of state employment.
- The value of non-motorized trail use to Arizonans is estimated at \$8.3 billion per year.

"History is a catalyst for economic growth. People are drawn to communities that have preserved a strong sense of historical identity and character. Cultural heritage is a demonstrated economic asset and an essential component of any vibrant local economy, providing an infrastructure that attracts talent and enhances business development." The Value of History

#### **Vail and Vail Area Assets**

##### **Parks: Pocket, Neighborhood, Regional, Mountain**

- Private pocket parks currently in potential boundaries of Vail: **8**
- Public pocket parks currently in potential boundaries of Vail: **0**
- Private neighborhood parks in Vail: **1**
- Public neighborhood parks in Vail: **0**

- Regional Recreation Parks in Vail: 0

#### **Mountain Park, Nature Preserve, Conservation Lands**

- Mountain Park in Vail: Colossal Cave Mountain Park – *Vail is Gateway Community*
- Cienega Creek Preserve – *Vail is a Gateway Community*
- Bar V Ranch, critical habitat and landscape linkage for wildlife movement

#### **Trails**

- Arizona Trail – *Vail is a Gateway Community*
- McKenzie Ranch Trails Park, mountain biking, trail running – *Vail is a Gateway Community*
- Future Esmond Greenway – will connect to Cienega Creek Preserve, 5 schools, Between the Tracks, Chuck Huckelberry Loop

#### **Cultural Resources**

- Colossal Cave Mountain Park, National Register Historic District
- Shrine of Santa Rita in the Desert, National Register Historic District
- 1908 Old Vail Post Office, Listed on the National Register-Future Vail Welcome & Heritage Center
- Historic Hwy. 80 – The Broadway of America & Arizona Historic Roadway-*Vail is a Gateway Community*
- Old Vail Road – original 1926 alignment
- Marsh Station Road – 1931 alignment
- Stockyard Restaurant and Stockyards – 1961
- Lamar Cobb Monument
- 1935 Midwife’s House – between the railroad tracks
- Colossal Cave Road and adjacent historic ranching landscape
- Rincon School House
- Rocking K Bard – Rincon Valley Farmers and Artisan Market

#### **National Park**

- Saguaro National Park East – *Vail is a Gateway Community*

Currently, all parks in the Vail area are either owned by HOAs or Pima County (Colossal Cave Mountain Park). For the purposes of the feasibility analysis, \$100,000 has been set aside for Parks & Recreation and historical preservation.

- vi) Jurisprudence (courts) – Legal/court expenditure data was compiled from Arizona towns and cities roughly equivalent to the proposed size of Vail. Town/city attorney average salary data was analyzed across numerous Arizona municipalities. The minimum legal requirements and process of establishing a municipal court was researched using legal databases and public information. Lastly, professional knowledge from working in city and county courts was used.
- vii) Jail – Counties typically provide jail services to its municipalities. The cost of initial booking is \$401 per inmate and an additional \$102 per day. The number of inmates in Vail have been approximately 70 people per annum but the County was not able to provide us data for how long Vail inmates were in jail. (See Attachment P).

viii) Economic Development – Economic Development is paramount to the ongoing success of a jurisdiction. The Town Council sets the parameters and then an active solicitation implements the goals of the Council. To do so, the Town of Vail has two options. One is to join the Sun Corridor, the regional economic development organization or the other is to keep it within Vail.

The Sun Corridor Inc. is a transformative economic development organization representing one of the most dynamic and growing major business centers in North America. Located in Southern Arizona and encompassing four counties (Pinal, Pima, Santa Cruz, and Cochise), Sun Corridor Inc. is a CEO-driven regional alliance whose members aggressively champion mega-regional issues that impact economic competitiveness and quality of life.

Keeping it within Vail provides a better solution for small business. Because of Vail’s lack of commercial enterprise, rather than focus on multi-national business attraction, Vail is best to build our small business base first. For this reason, \$100,000 has been allocated for the purpose of economic development in the time horizon of this analysis.

- ix) Animal Control – Pima County’s Pima Animal Care Center (PACC) used to be funded by dues to member jurisdictions. In 2022, this changed, and Pima County now absorbs the entire cost of this facility. For the Town of Vail, the estimated amount of animal control is zero.
- x) IT (web site design) – This is a necessary part of any organization today and it should be outsourced to experienced and professional developers. The Committee estimated \$35,000.
- xi) Payroll/HR – Contracted services for Payroll/HR were based on the current going rate for these services at \$5,000.

#### c) Other Costs

Other costs were estimated based on reviewing the budgets for other Cities and Towns in Arizona.

- i) Advertising – The estimate for branding and marketing that the Town of Vail is \$1,000 per month.
- ii) Computer and Internet – A “city hall” will need Wi-Fi and internet service as part of its daily office operations. This is an estimate of \$500/mo.
- iii) Dues and Subscriptions – The most notable and necessary dues would be for membership with the Pima Association of Governments (PAG)/Regional Transportation Authority (RTA) and the Arizona League of Cities and Towns. Both dollar amounts are based on population and are estimated to be \$16,000 and \$15,800 respectively. Being a member of PAG/RTA would reap financial benefits that far outweigh the cost of the dues. Membership would make the Town of Vail eligible for other HURF funds including 12.6 and 2.6 funding which are allocated based on competitive priorities within Pima County, selected by transportation technical committees, and approved by their respective boards. The calculation is based on PAG’s “local share” budget of \$676,000 divided by the population of each municipality.

Similarly, the League represents Vail’s interests to the State Legislature and provides data, research, and white papers to Arizona cities and towns. The League can offer defensive

- support against potential egregious legislation as well as promote legislation that directly benefits cities and towns. (See Attachment Q)
- iv) Equipment Rental – The Town of Vail will need some office furniture that may be rented or acquired. For the purposes of this analysis, rental seemed to make more sense simply because the Town’s office needs will be limited and location yet to be decided. The estimate is \$13,000.
  - v) Insurance – For Arizona Cities and Towns, there is a captive insurance company called the Arizona Municipal Risk Retention Pool (AMRRP). This “captive” is self-managed by a board of mayors and provides municipal insurance to its members. The estimate from the AMRRP for the new Town of Vail is \$20,000 per year based on the actuary amount for other new cities and towns in Arizona. This assumes contracted services for police, transportation, etc. whereby the contractor provides insurance. The more the Town of Vail might bring these functions in-house, the higher the insurance would be. However, for the time period of this analysis, the \$20,000 estimate should be adequate. This includes Directors and Officers and General Liability insurance.
  - vi) Refreshments – This is a placeholder for refreshments for open houses and meetings that might occur once incorporated. The estimate is \$1,000 per month.
  - vii) Office Supplies – This is an estimate particularly as the Town of Vail is established. It will need to establish an office setting including paper, pens, staplers, hole punchers, etc. The estimate is \$1,000 per month.
  - viii) Postage – This is a placeholder for mailing costs.
  - ix) Printing – This is for outsourced printing costs such as brochures, general plan, audit reports, and other documents that require a professional look. Printing is estimated to be \$32,000.
  - x) Public Notices/Election Costs – Pima County should pay for the initial election costs for the proposed Town of Vail. Pima County did provide an estimated range between \$40,625 and \$105,343 depending on mail-in vs polling locations and the timing of the election. The Technical Advisory Committee chose election costs of \$78,500 for the second town council (the first town council is appointed by the Pima County Board of Supervisors) as an average between the two estimates.
  - xi) Rent and Utilities – The Feasibility Committee did not search for rentable facilities but rather estimated what the cost may be for rent and utilities. Sahuarita’s first Town office was a bedroom in someone’s house and the second Town office was a mobile home. The estimated rent is \$32,500 per year.
  - xii) Telephone – This is a placeholder simply to recognize that the Town of Vail will have to have phone service. Most likely, the telephone service will be provided by the Internet provider. The estimate is \$1,500 per year.
  - xiii) Travel – On occasion, staff members and members of the town council will travel outside of Vail to attend meetings or conferences. For example, PAG/RTA has regular meetings in downtown Tucson and there are professional organizations for mayors, town managers, and town finance managers. The estimate is \$1,000 per month.
  - xiv) Miscellaneous – This is an estimate of the unknown.

## 7. NET FUND BALANCE

In Government accounting parlance, the Fund Balance is similar to a Profit or Loss. A positive Fund Balance is a “profit” and a negative or deficit Fund Balance is a “loss.” By State law, municipalities must submit and adhere to balanced budgets and end-of-year fund balances are carried forward to the next year. Municipalities are not permitted to budget for deficits.

Based on the Feasibility Analysis, the proposed Town of Vail would have a positive Fund Balance of \$6,307,937 for the first year and \$2,781,582 for the second year. As a nuance and one time benefit in Arizona State Law, the first year includes State Shared revenues (except for shared State Income Tax) but not associated expenses such as police, transportation, and development services. The local county, Pima County in the case of Vail, must continue paying for those costs until the beginning for the first full fiscal year. This allows a new town to start with a positive bank balance – seed money for municipal establishment.

## 8. RESTRICTED FUNDS

Many sources of government funding have restrictions of one sort or another. HURF is restricted for transportation purposes only such as new roads, safety improvements, traffic control, maintenance, etc.

The RTA is restricted by ballot to the 51 categories voted upon by the citizens of Pima County in 2006. Thirty-five of those categories are listed roadways, not of which are in the Vail area except for a small portion of Houghton Road. Nine more categories are related to transit which are not provided in the Vail area. That leaves seven categories available for potential Vail projects as included in the Safety Element or Environmental and Economic Vitality Element. The Safety Elements includes Intersection Safety and Capacity Improvements, Elderly and Pedestrian Safety Improvements, At-grade Railroad Safety/Bridge Deficiencies, and Signal Technology Upgrades. The Environmental and Economic Vitality Element includes Greenways, Pathways, Bikeways, and Sidewalks, Transportation-related Critical Wildlife Linkages, and Small Business Assistance from the Mainstreet Program.

Community Development Block Grants and other grants as offered by legislation are awarded by application and are restricted to the intended use.

Restricted funds are managed by Fund Accounting to keep all restricted funds separate from General Funds. The proper accounting for funds is governed by the Government Accounting Standards Board (GASB) and are independently audited by accredited audit firms. The Town of Vail will be subject to GASB rules and audits.

## 9. OTHER DOCUMENTS

There are other documents from Pima County that reflect on municipal incorporation that are relevant.

- Memorandum – Early Voting Cost Estimate (See Attachment R)
- Memorandum – County’s Role in City or Town Incorporation, Sept 27, 2022 (See Attachment S)
- Memorandum – Cost Estimates to Serve New Towns (See Attachment T)

## 10. UNAFFECTED ENTITIES AND DESIGNATIONS

It should be noted that the Vail area fire districts, school district, and improvement districts are independent of incorporation. Similarly, conservation lands including the Saguaro National Park, U.S. Forest Service, Federally-designated wilderness areas, state land, and Pima County conservation lands are unaffected by municipal incorporation.

## 11. CONCLUSION

It is the conclusion by the Incorporate Vail Arizona Technical Advisory Committee that a new Town of Vail is legally eligible, financially feasible, and sustainable.

# CONTRIBUTORS

## **Technical Advisory Committee**

	<b>Credentials</b>	<b>Key Responsibility</b>
Rob Samuelson	CFO	Chair
Greg Kempf	Engineer	Transportation
Pam Kelty	CPA	Budget
Joe Gulotta	Fire Chief	Public Safety
J.J. Lamb	Historian	Parks, Recreation, Preservation
Jonathan Lounds	Attorney	Courts & Jurisprudence
Travis Le Duc	Tribal Executive	Social Services
Brad Anderson	Chamber of Commerce	Economic Development
Barry Roche	Police	Police

# ATTACHMENT A



# Sense of Community

“...a locality in which a body of people reside having common interests which bind the people of the area, and where the people are acquainted and mingle in business, social, educational, and recreational activities...”

## Vail Organizations

- Vail Unified School District
- Greater Vail Chamber of Commerce
- Vail Preservation Society
- Rincon Valley Fire Department
- ReSources Vail Food Bank
- Vail Depot Thrift Store
- Vail Water Company
- The Vail Voice newspaper
- The Vail Chorale
- And more...

## Vail Events

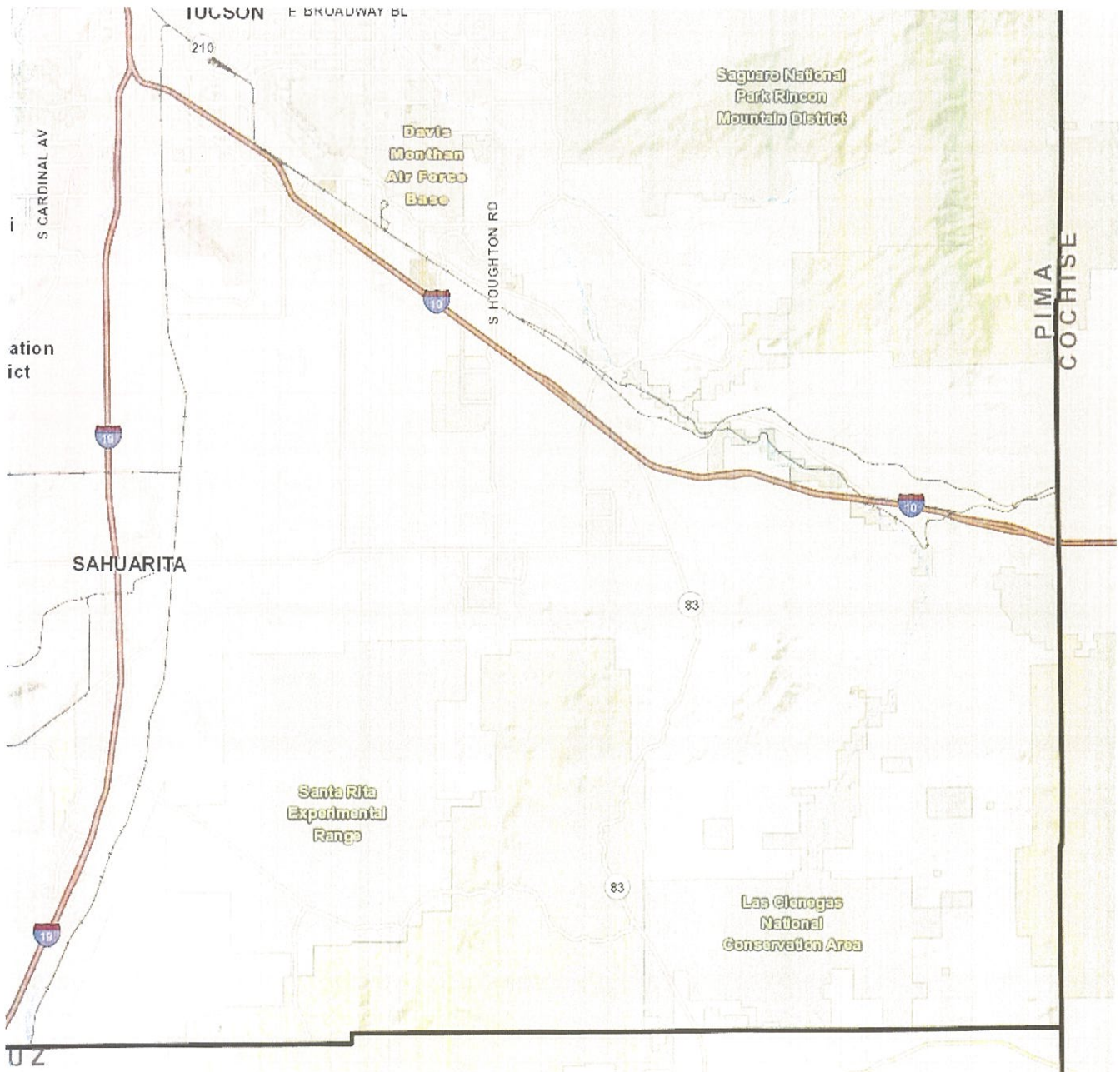
- Vail Pride Day
- VailFest
- Saturdays between the Tracks
- Prickly Pear Jamboree
- Tis the Season
- Voices of Vail
- Empire Ranch Days
- Various road cleanups
- Singing in the Season Concert
- And more...

## Vail Historic

- St. Rita's in the Desert
- 1908 Old Vail Post Office
- Colossal Cave Mountain Park
- Vail Village Cemetery
- 1915 Section Foreman House
- Historic U.S. Route 80
- Bravo-Leon Cemetery
- Mormon Battalion Trail
- Native American Cultural Sites
- And more...

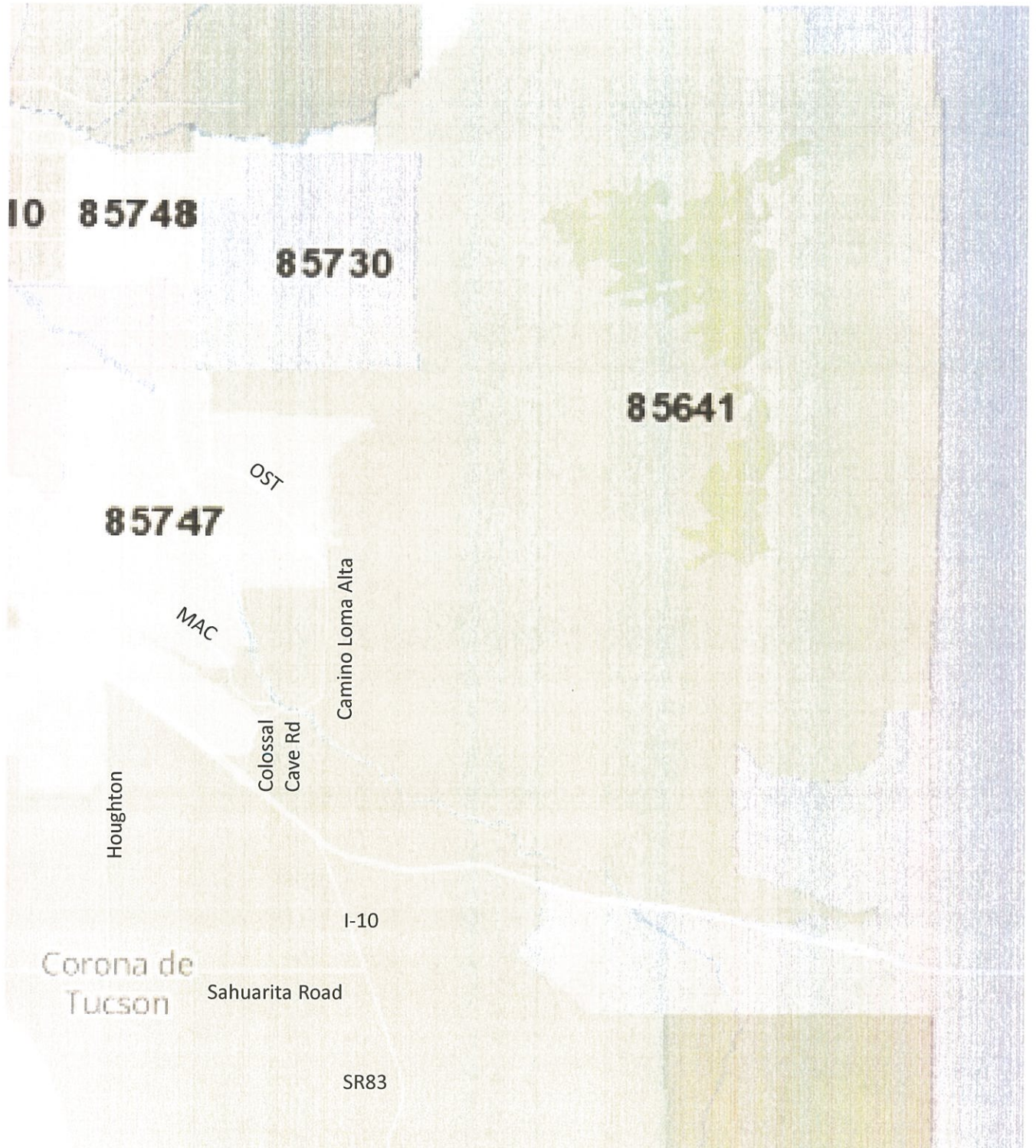
# ATTACHMENT B

# Southeast Pima County

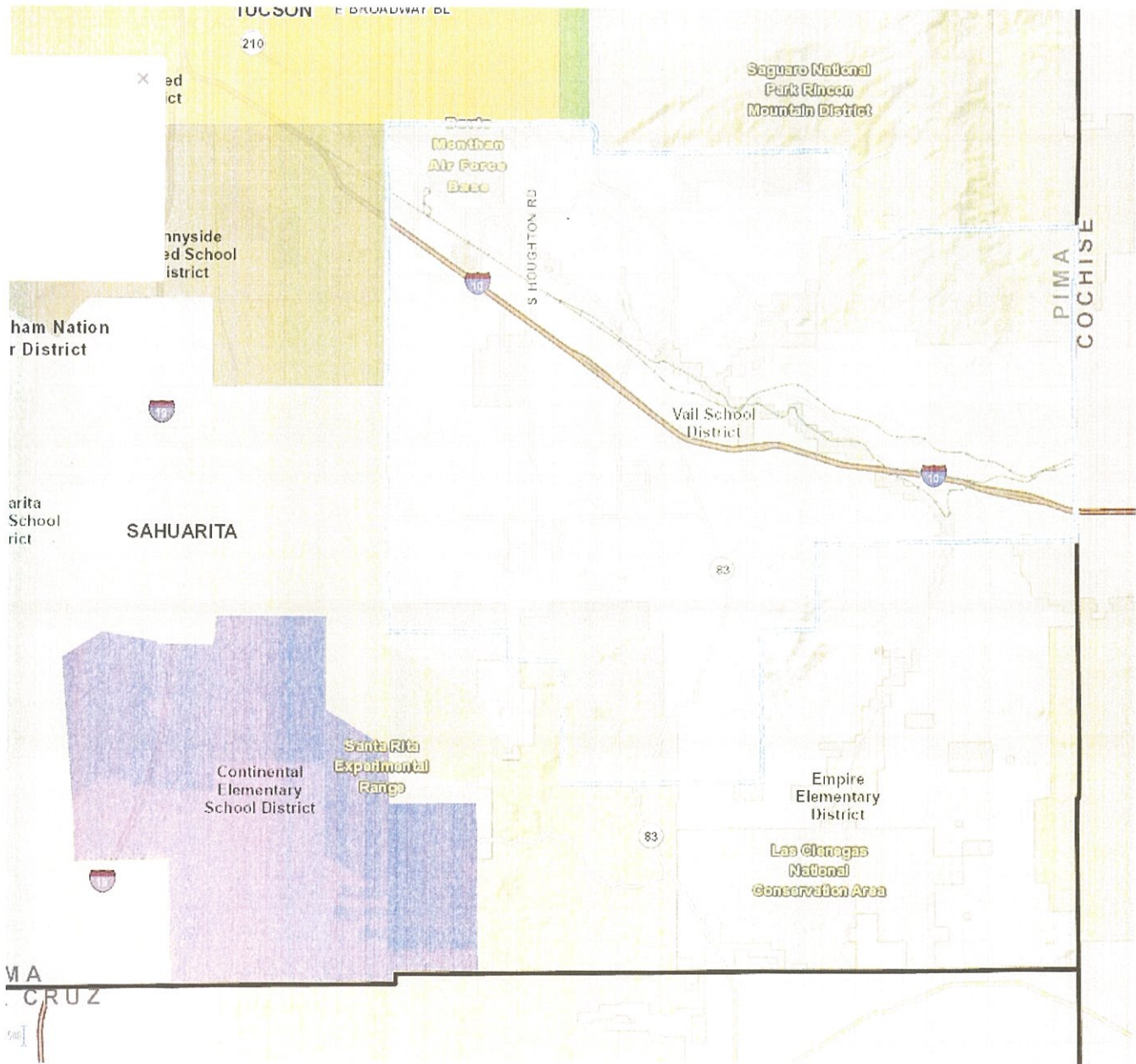




# USPS Zip Code Map

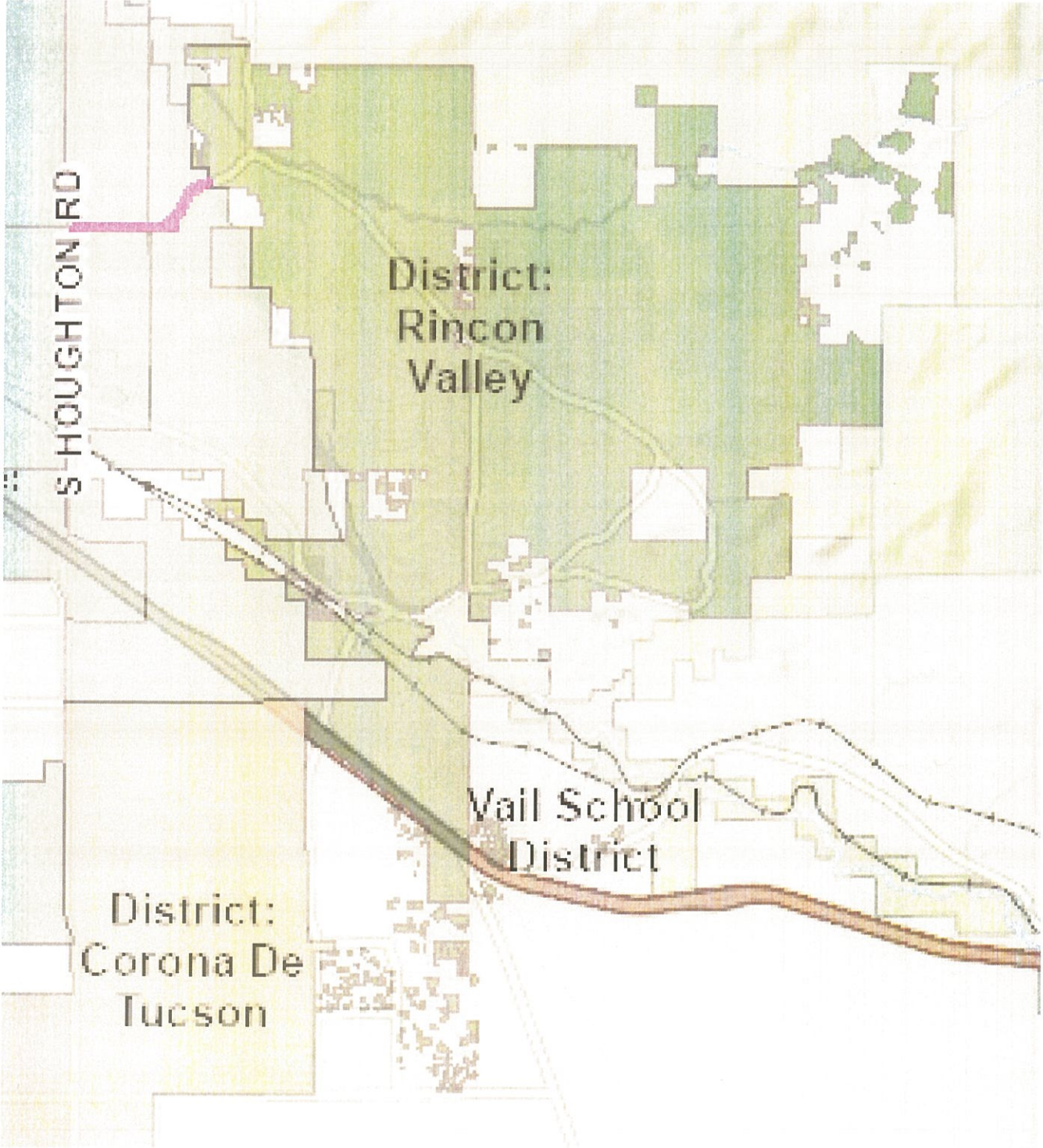


# School Districts

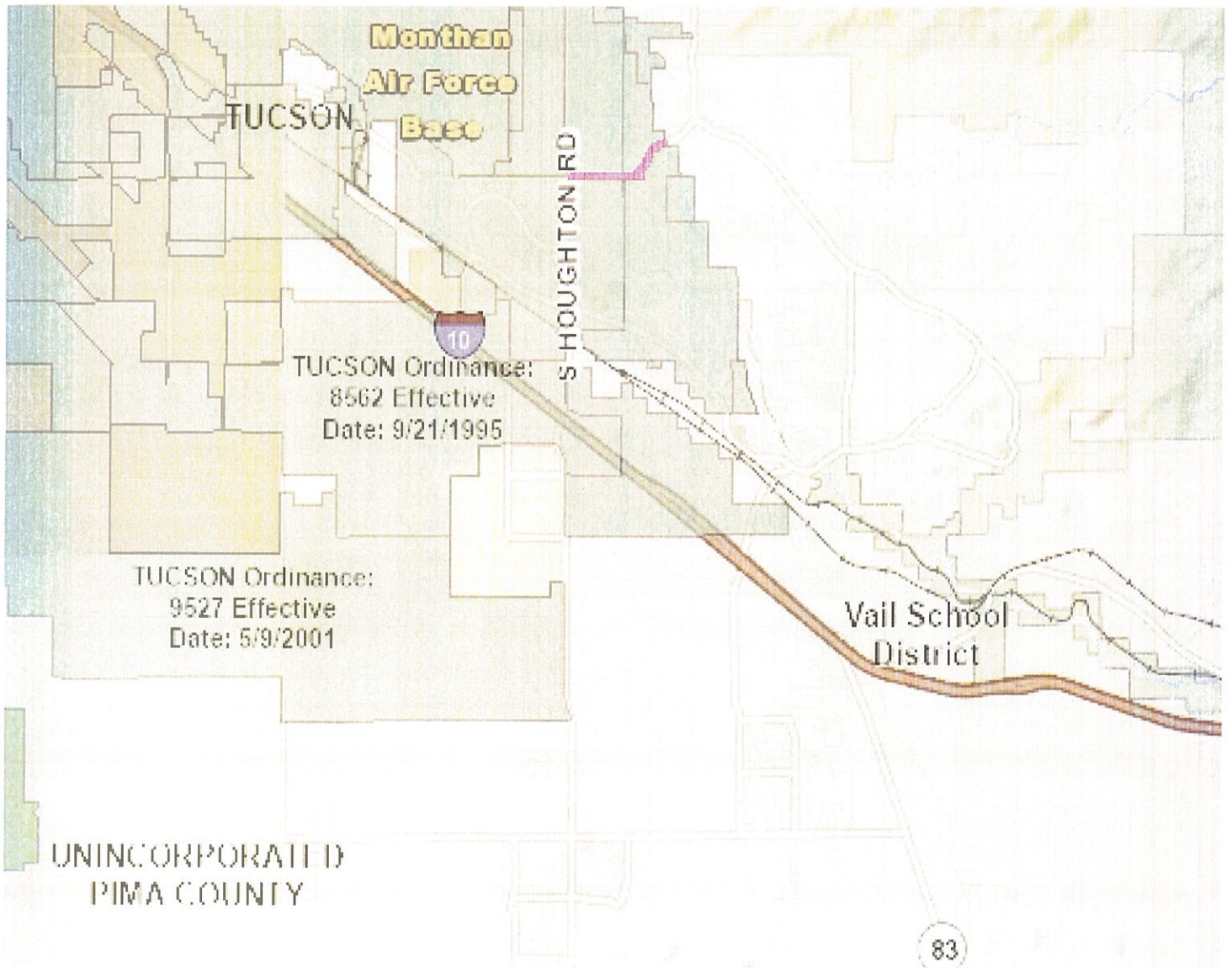




# Fire Districts

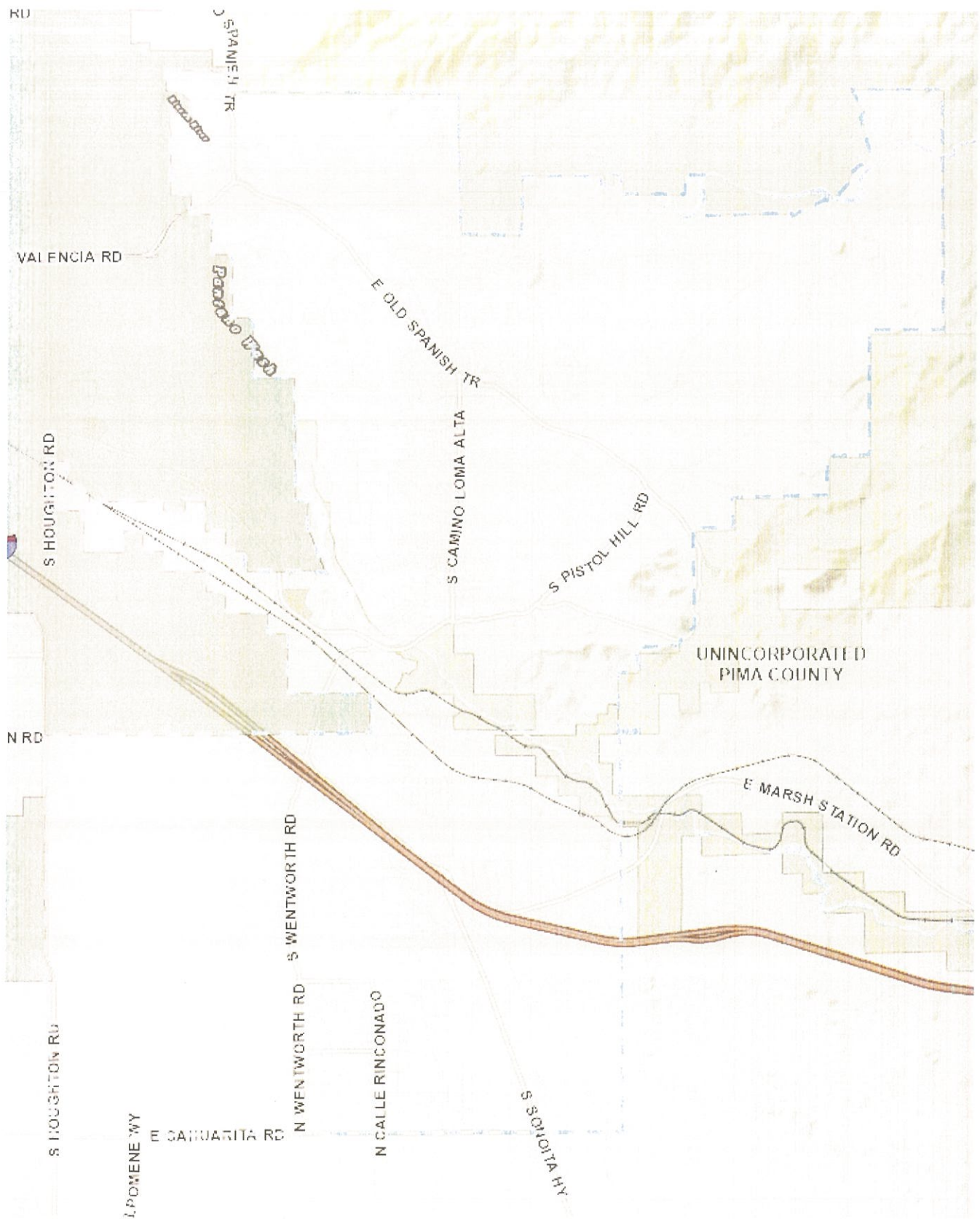


# Annexations



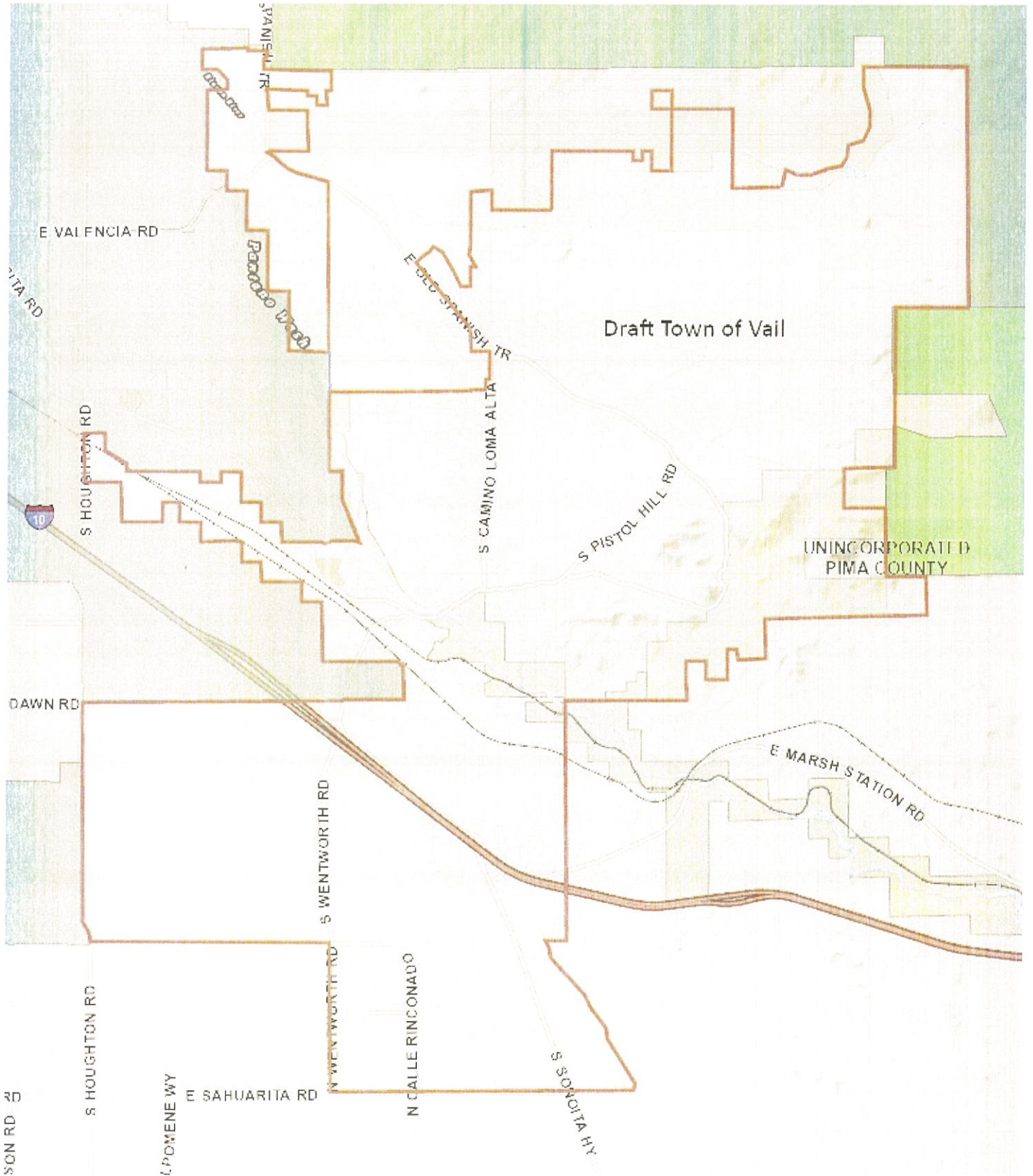


# Vail Incorporation Area of Interest

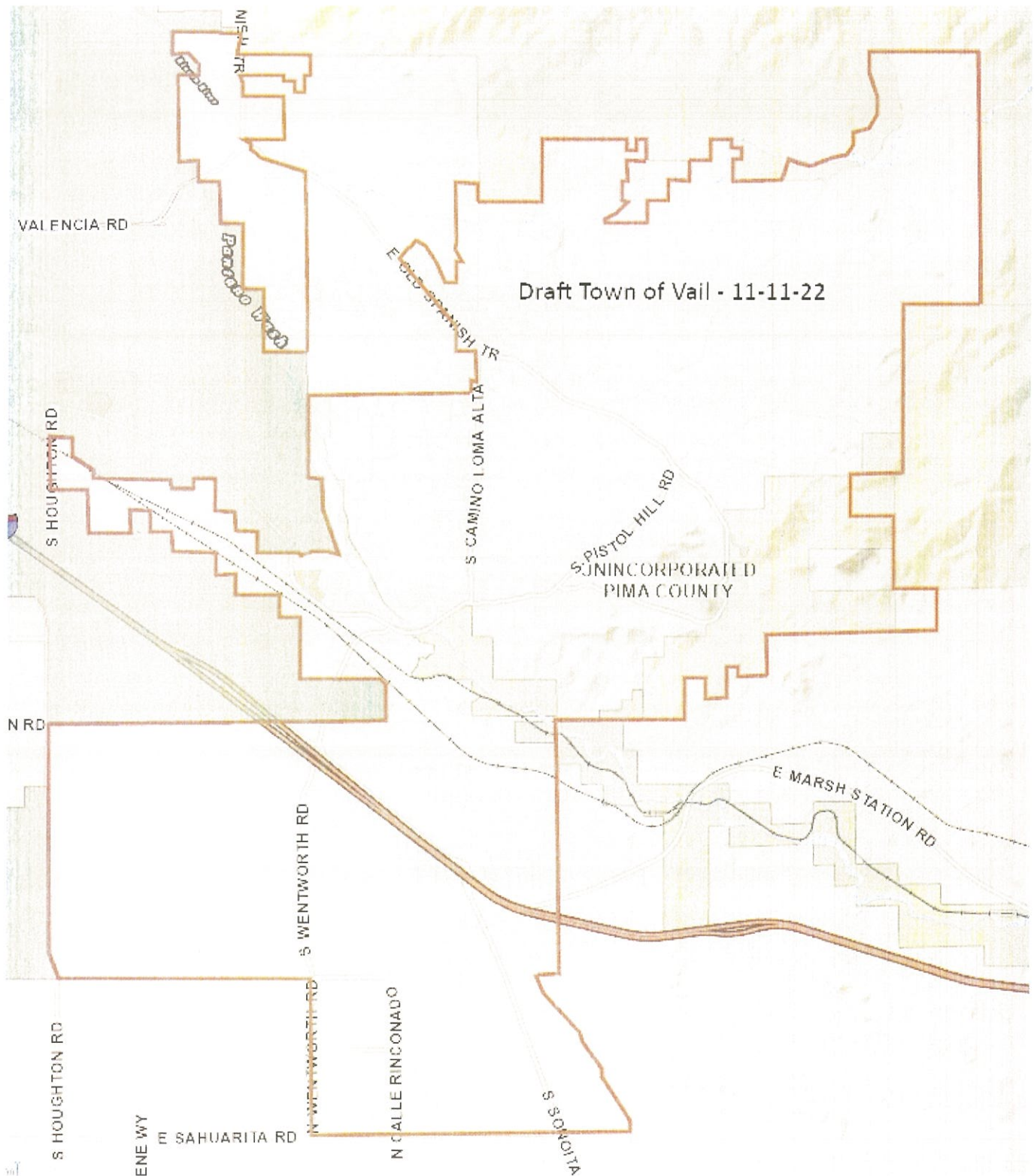




# Vail Inc Feasibility Study Boundary



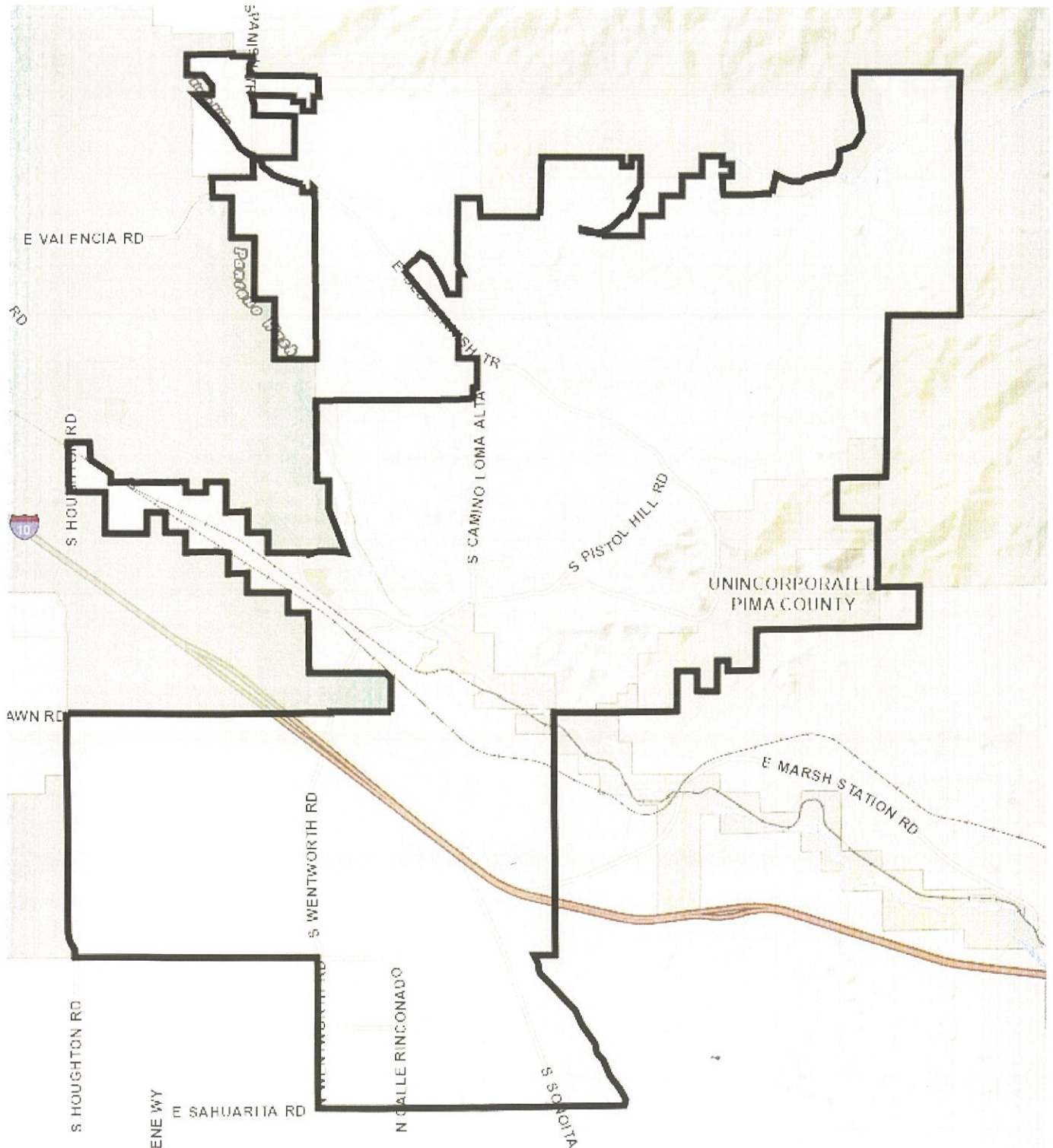
# Vail Inc Feasibility Study Boundary 11/11/22





# Vail Inc Feasibility Study Boundary

## 11/17/22

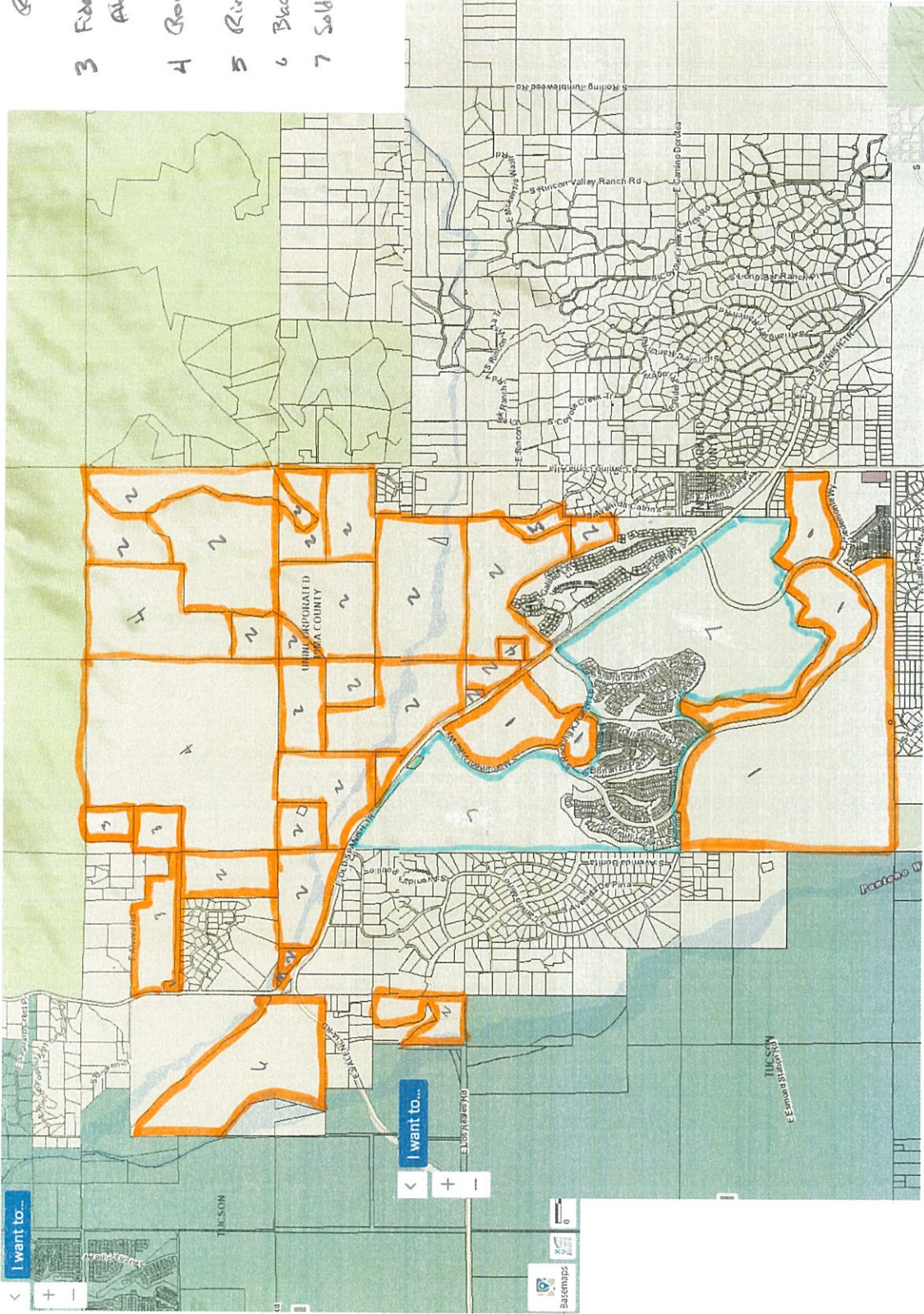


# ATTACHMENT C



# Rocking K

- 1 Fidelity National Title Agency  
Attn: Rocking K Holdings
- 2 Rocking K Holdings LP 75%  $\downarrow$   
Rincon Valley Holdings 25%
- 3 Fidelity National Title Agency  
Attn: Rincon Valley Holdings LP FTR
- 4 Rocking K Holdings
- 5 Rincon Valley Holdings
- 6 Black Angus Mine owned by Raymond Vothuis
- 7 Sold





# ATTACHMENT D

**New Incorporation Estimates  
Shared Revenue Impacts on County Neighbors**

County Neighbors	2021 CENSUS		2021 URS		FY 2023 TOTALS		FY 2023 TOTALS		FY 2023 TOTAL IMPACT		FY 2023 TOTAL IMPACT		FY 2023 TOTAL IMPACT		FY 2023 TOTAL IMPACT		County Neighbor Loss
	CITY/TOWN	POP	POP	POP	No VAIL	w / VAIL	in Dollars	% Total Rev	No VAIL	w / VAIL	No VAIL	w / VAIL	No VAIL	w / VAIL	No VAIL	w / VAIL	
MARANA		54,895	54,895	54,895	\$28,216,407	\$25,972,932	(\$243,475)	-0.929%	\$3,064,133	\$2,973,111	\$3,064,133	\$2,973,111	\$3,064,133	\$2,973,111	\$3,064,133	\$2,973,111	(\$91,022)
ORO VALLEY		47,879	47,879	47,879	\$22,865,750	\$22,653,393	(\$212,357)	-0.929%	\$2,672,513	\$2,593,125	\$2,672,513	\$2,593,125	\$2,672,513	\$2,593,125	\$2,672,513	\$2,593,125	(\$79,389)
SAHUARITA		35,337	35,337	35,337	\$16,876,021	\$16,719,291	(\$156,729)	-0.929%	\$1,972,443	\$1,913,850	\$1,972,443	\$1,913,850	\$1,972,443	\$1,913,850	\$1,972,443	\$1,913,850	(\$58,593)
SOUTH TUCSON		4,585	4,585	4,585	\$2,189,675	\$2,169,340	(\$20,336)	-0.929%	\$255,926	\$248,323	\$255,926	\$248,323	\$255,926	\$248,323	\$255,926	\$248,323	(\$7,602)
TUCSON		543,242	543,242	543,242	\$259,438,074	\$257,028,645	(\$2,409,429)	-0.929%	\$30,322,717	\$29,421,963	\$30,322,717	\$29,421,963	\$30,322,717	\$29,421,963	\$30,322,717	\$29,421,963	(\$900,754)
					\$327,585,927	\$324,543,601	(\$3,042,325)	-0.929%	\$38,287,731	\$37,150,372	\$38,287,731	\$37,150,372	\$38,287,731	\$37,150,372	\$38,287,731	\$37,150,372	(\$1,137,359)

**VAIL**      **21,000**      **21,000**

**\$9,935,906**

**\$1,137,359**

**Pro Forma Recalculations  
Assuming New Incorporation**

State Shared Revenue Estimates FY 2023									
Proposed City Name	VAIL	VLT	HURF	SALES TAX	INCOME TAX	TOTAL {DO NOT PUBLISH}			
Population	21,000								
County	Pima								
CITY/TOWN	2021 Census Bureau Population Estimate								
<b>VAIL</b>	<b>21,000</b>	<b>\$1,137,359</b>	<b>\$1,885,436</b>	<b>\$2,943,664</b>	<b>\$3,969,447</b>	<b>\$9,935,906</b>			

**New Incorporation Estimates  
Shared Revenue Impacts on County Neighbors**

County Neighbors	FY 2023 HURF		FY 2023 HURF		County Neighbor		FY 2023 SALES TAX		County Neighbor		FY 2023 INCOME TAX		County Neighbor	
	No VAIL	w / VAIL	No VAIL	w / VAIL	Loss	Loss	No VAIL	w / VAIL	Loss	Loss	No VAIL	w / VAIL	Loss	Loss
MARANA	\$5,016,007	\$4,928,619	\$7,722,600	\$7,694,877	(\$87,387)	(\$27,723)	\$10,413,667	\$10,376,325	(\$37,342)	(\$37,342)	\$10,413,667	\$10,376,325	(\$37,342)	(\$37,342)
ORO VALLEY	\$4,374,923	\$4,298,704	\$6,735,593	\$6,711,413	(\$76,219)	(\$24,180)	\$9,082,721	\$9,050,151	(\$32,570)	(\$32,570)	\$9,082,721	\$9,050,151	(\$32,570)	(\$32,570)
SAHUARITA	\$3,228,903	\$3,172,650	\$4,971,191	\$4,953,345	(\$56,253)	(\$17,846)	\$6,703,484	\$6,679,446	(\$24,038)	(\$24,038)	\$6,703,484	\$6,679,446	(\$24,038)	(\$24,038)
SOUTH TUCSON	\$418,952	\$411,654	\$645,015	\$642,700	(\$7,299)	(\$2,315)	\$869,782	\$866,663	(\$3,119)	(\$3,119)	\$869,782	\$866,663	(\$3,119)	(\$3,119)
TUCSON	\$49,638,502	\$48,773,714	\$76,423,001	\$76,148,655	(\$864,788)	(\$274,346)	\$103,053,854	\$102,684,313	(\$369,541)	(\$369,541)	\$103,053,854	\$102,684,313	(\$369,541)	(\$369,541)
	\$62,677,288	\$61,585,341	\$96,497,400	\$96,150,990	(\$1,091,946)	(\$346,410)	\$130,123,508	\$129,656,897	(\$466,610)	(\$466,610)	\$130,123,508	\$129,656,897	(\$466,610)	(\$466,610)

**VAIL**

**\$1,885,436**

**\$2,943,664**

**\$3,969,447**



# ATTACHMENT E

**From:** Bruce Wright [REDACTED]  
**Sent:** Wednesday, October 12, 2022 9:15 PM  
**To:** David Hook; MaRico Tippet; rob samuelsen.com; Brad Anderson  
**Subject:** Fwd: Incorporation of Vail Arizona

All:

Here are the state share revenue projections provided by the Arizona Department of Revenue (ADOR). The estimates confirm the numbers provided by the Arizona League of Cities and Towns. They are the same. Please note that the ADOR estimates do not include estimated HURF or VLT revenues.

Bruce

Begin forwarded message:

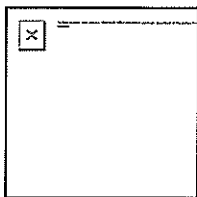
**From:** Elaine Smith [REDACTED]  
**Subject:** Re: Incorporation of Vail Arizona  
**Date:** October 12, 2022 at 5:39:00 PM MST  
**To:** [REDACTED]  
**Cc:** Neeraj Deshpande [REDACTED]

Bruce,

We based our estimates of revenue sharing to Vail on the following assumptions:

- Expected FY23 Urban Revenue Sharing (URS) distributions of State Income Tax revenue. Future fiscal year URS total distributions have not yet been established.
- *Estimated* FY23 State Transaction Privilege Tax (TPT) revenue sharing distributions. Future fiscal year estimates for TPT revenue sharing distributions have not yet been established.
- Successful Vail incorporation
- No impact of a Tanque Verde or Catalina Foothills incorporation. A successful incorporation of either Tanque Verde or Catalina Foothills would have the impact of reducing the Vail allocations.
- Vail Population of 21,000.

Urban Revenue Sharing Estimate = \$3,969,447  
TPT Revenue Sharing Estimate = \$2,943,664



Elaine Smith  
Deputy Assistant Director  
Office of Economic Research and Analysis  
Arizona Department of Revenue  
[REDACTED]

Connect with ADOR:  
[Latest News](#)

On Thu, Sep 8, 2022 at 8:34 AM [REDACTED] wrote:

Ms. Smith,

I am sorry I inadvertently sent you a previous email before completing the text.

I am assisting a group citizens and residents who are exploring the possibility of incorporating Vail as an Arizona municipality. I have attached a recent press release which briefly describes this effort.

Vail is community located in the southeastern portion of the Tucson metro area. It is a community of nearly 21,000 residents. I have also attached a map of the area under consideration for incorporation, "Vail Area of Interest".

As part of its due diligence, the citizen committee organizing this effort, **Incorporate Vail Arizona?**, a 501 (C) 4, Arizona, non-profit organization, is conducting an economic feasibility study. We are working with Pima County to estimate the initial cost of operating the new town and providing essential government services to the residents. A key part of our analysis to estimate the amount of state shared revenue that would be available to the town to help cover or offset some of these costs. The tax team at Pima County suggested that I contacted you for assistance in estimating these revenues.

I would appreciate the opportunity to discuss this matter with you.

Bruce Wright

[REDACTED]

[REDACTED]

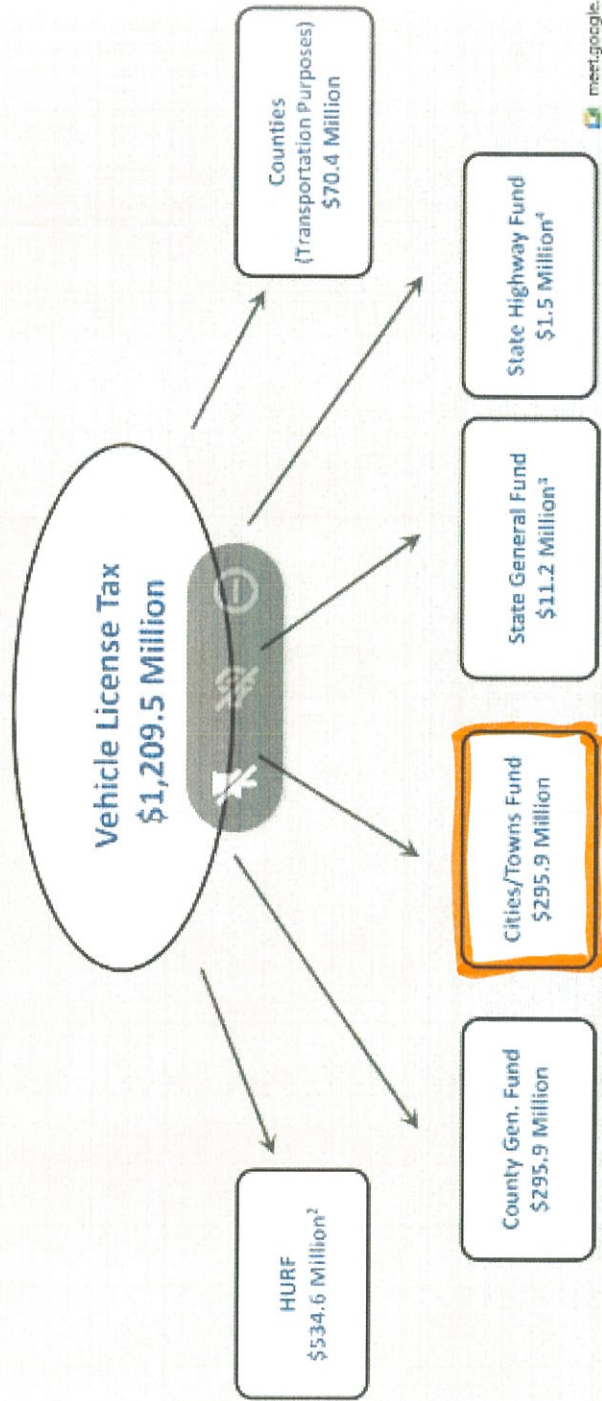
NOTICE: This e-mail (and any attachments) may contain PRIVILEGED OR CONFIDENTIAL information and is intended only for the use of the specific individual(s) to whom it is addressed. It may contain information that is privileged and confidential under state and federal law. This information may be used or disclosed only in accordance with law, and you may be subject to penalties under law for improper use or further disclosure of the information in this e-mail and its attachments. If you have received this e-mail in error, please immediately notify the sender named above by reply e-mail, and then delete the original e-mail. Thank you.

# ATTACHMENT F



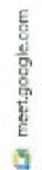
# Vehicle License Tax Distribution<sup>1</sup>

## FY 2022



Notes:  
 1. Vehicle License Tax (VLT) collections and distributions are prescribed in Arizona Revised Statutes 28-5801 through 28-5812. VLT collections and distributions vary based on the type of vehicle, the vehicle use and the ownership of the vehicle.  
 2. Per Arizona Revised Statutes 28-5805, subsection A, 1.51 percent of FY 2022. Per Laws 2021, Chapter 127 (SB 1823), \$3.3 million from the \$1.2 million in the VLT category as a result of this one-time transfer.  
 3. Per Laws 2020, Chapter 328 (HB 2706), 50 percent of any increase in VLT collections due to vehicle registration enforcement by MVD shall be deposited into the State General Fund. Per Arizona Revised Statutes 28-5801, the State General Fund receives the difference between the State Highway Fund's share of HURF VLT that is generated from each five-year registration and the State's share of HURF VLT that is generated for a non-vehicle celebration award. Per Arizona Revised Statutes 28-5808, subsection F, an amount of the abandoned vehicle fees collected under Arizona Revised Statutes 28-4807, subsection A

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# ATTACHMENT G



# ARIZONA DEPARTMENT OF TRANSPORTATION FY 2022 HURF ACTUAL REVENUE DISTRIBUTION FLOW

**NOTES:**

/1. Arizona Revised Statutes 28-5926 and 28-5927 transfer 1.6 percent of gas tax revenues to the State Lake Improvement Fund (SLIF) and 0.55 percent of gas tax revenues to the Off-Highway Vehicle Recreation Fund (OHVRF). The \$537.9 million of gas tax revenue is before of a total \$11.6 million transferred to the above two funds.

/2. In FY 2022, \$701,600 was appropriated to MVD for the vehicle registration enforcement and 3rd party programs.

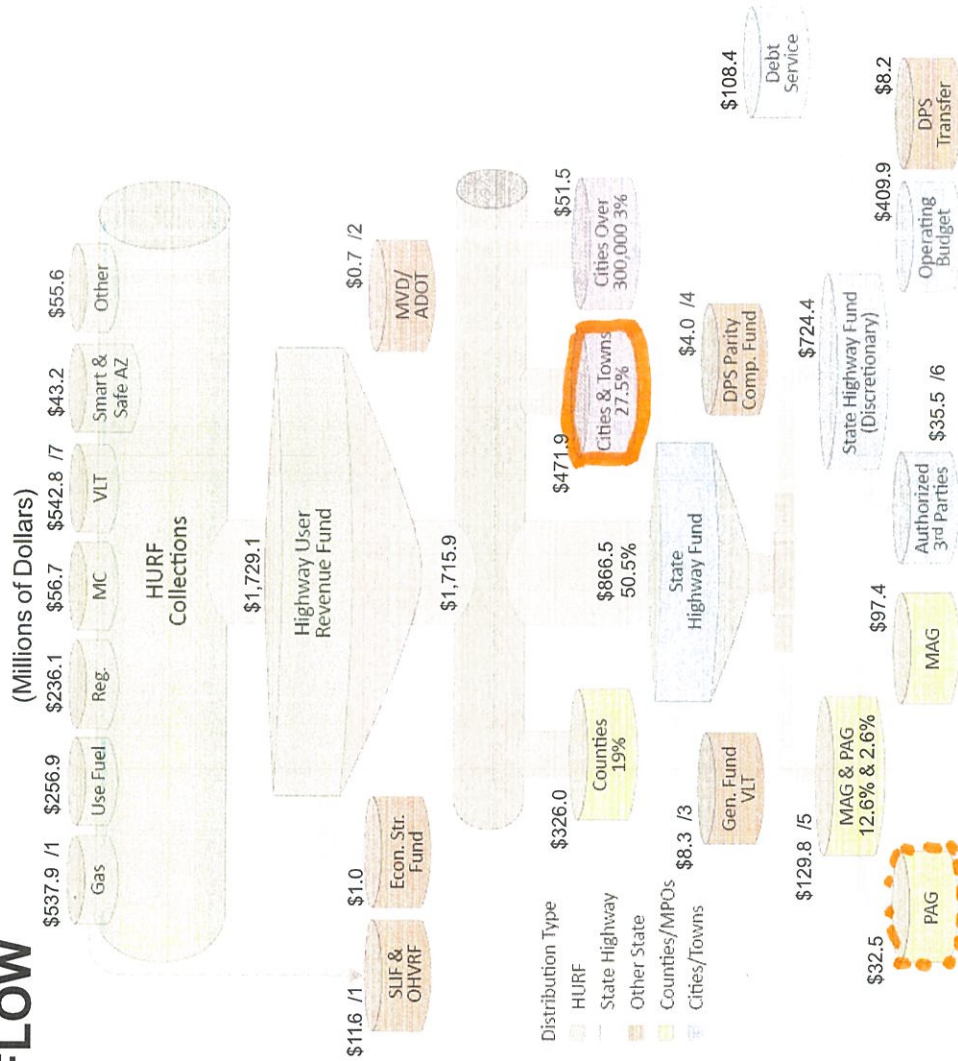
/3. Laws 2011, 1st Regular Session, Chapter 28 (SB 1616) transfers from the State Highway Fund share of HURF VLT generated the difference in the two-year and five-year VLT to the state general fund which totaled \$3.4 million in FY 2022. Laws 2010, 7th Special Session, Chapter 12 (HB 2012) an amount equal to 90 percent of the fees collected under 28-4802 (A) and 60 percent of the fees collected under 28-4802 (B) shall be transferred from the State Highway Fund share of HURF VLT to the State General Fund which totaled \$4.9 million in FY 2022.

/4. Per Arizona Revised Statutes 28-5808, 1.51 percent of the State Highway Fund share of HURF VLT is distributed to the DPS Parity Compensation Fund.

/5. The 12.6% (statutory) and 2.6% (non-statutory) allocations from the State Highway Fund share of HURF distributions.

/6. Revenues to the State Highway Fund are reduced by the amount retained by Authorized Third Parties for the collection of VLT.

/7. Per Laws 2021, Chapter 127 (SB 1823), \$3.3 million from the State General Fund was distributed in FY 2022 in the same manner as rental vehicle surcharge. As a recipient of rental vehicle surcharge, HURF received \$1.2 million in the VLT category as a result of this one-time transfer that was not from actual VLT activity.



# ATTACHMENT H



**From:** [Carla Blackwell](#)  
**To:** [Nicole Fyffe](#); [Chris Poirier](#); [Tracey Gutheim](#)  
**Cc:** [Carmine DeBonis](#)  
**Subject:** RE: cost estimate to provide DSD services to newly incorporated town  
**Date:** Tuesday, September 27, 2022 12:53:16 PM

---

Hi Nicole,

Here is our estimates. Based on our current budget of \$7,712,322 and the current percentages of business (represented by inspections below) we would want to charge Vail - \$1,658,149.23. They of course could charge fees to cover this expense.

For Tanque Verde - \$509,013.25.

The services that would be covered include planning, zoning, zoning enforcement (of our code), building reviews and permits, site reviews and inspections.

Thanks

Percentage of Building Inspections in the Proposed Incorporation Areas (FY22)

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	35091	71.9%
Tanque Verde	3204	6.6%
Vail	10494	21.5%
Total	48789	100.0%

Tanque Verde - Percent of Overall County Building Inspections

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	45585	93.4%
Tanque Verde	3204	6.6%
Total	48789	100.0%

Vail - Percent of Overall County Building Inspections

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	38295	78.5%
Vail	10494	21.5%
Total	48789	100.0%

*Carla L. Blackwell*  
*Development Services Director*  
*Pima County Development Services*  
*201 N. Stone, First Floor*  
*Tucson, Arizona 85701*

---

**From:** Nicole Fyffe [REDACTED]

# ATTACHMENT I

# States Respond to SCOTUS Wayfair Decision

May 2, 2020 | Article

By David Casper, CPA

The US Supreme Court decision that overturned Quill in the South Dakota v Wayfair case has many states making or considering law changes related to sales tax compliance for out-of-state sellers.

The following is a listing of effective dates, gross receipt amounts, number of transactions and notes, generated as of July 1, 2021. This listing outlines how certain states are reacting to adjust their current rules. The Wayfair decision is an extremely important event, as it opens-up the door for states to collect sales tax from out-of-state sellers where no in-state physical presence is maintained by the seller.

Out-of-state sellers need to consult with their accountant to determine the best way to handle compliance with the new thresholds and rules being created.

We will continue to monitor the changes that states are making after the Wayfair decision, and will periodically update information related to those changes. Check back regularly for recent developments.

Contact your [Eide Bailly professional](#) or a member of our [state and local tax team](#) for more information.

State	Revenue Threshold	Transaction Threshold	Effective Date	Notes
Alabama	\$250,000	20	10/1/2018	When either the revenue threshold or the transactional thresholds are met.
Alaska				While the state does not impose a sales or use tax, several municipalities do.

State	Revenue Threshold	Transaction Threshold	Effective Date	Notes
Arizona	\$100,000		10/1/2019	Arizona has a scaled revenue threshold during a three year period. In 2019, the revenue threshold was \$200,000. In 2020, the revenue threshold is \$150,000. In 2021, the revenue threshold will lower to \$100,000. Taxpayers will be considered to have nexus if the taxpayer has surpassed the revenue threshold in that year and going forward.
Arkansas	\$100,000	200	7/1/2019	Arkansas's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
California	\$500,000		4/1/2019	
Colorado	\$100,000		6/1/2019	
Connecticut	\$100,000	200	12/1/2018	Connecticut's economic nexus standard is met when both the revenue threshold and the transactional thresholds are met.
Delaware				Delaware does not impose a sales or use tax.
District of Columbia	\$100,000	200	4/1/2019	The District of Columbia's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Florida	\$100,000		7/1/2021	
Georgia	\$100,000	200	1/1/2019	Previously \$250,000 effective 1/1/2019 through 12/31/2019. Georgia's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Hawaii	\$100,000	200	7/1/2018	Hawaii's economic nexus standard is met <input checked="" type="checkbox"/> when either the revenue threshold or the transactional thresholds are met.
Idaho	\$100,000		6/1/2019	

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State	Revenue Threshold	Transaction Threshold	Effective Date	Notes
Illinois	\$100,000	200	10/1/2018	Illinois's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Indiana	\$100,000	200	10/1/2018	Indiana's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Iowa	\$100,000		1/1/2019	
Kansas	\$100,000	-	10/1/2019	
Kentucky	\$100,000	200	10/1/2018	Kentucky's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Louisiana	\$100,000	200	7/1/2020	Louisiana's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Maine	\$100,000		7/1/2018	Maine's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Maryland	\$100,000	200	10/1/2018	Maryland's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Massachusetts	\$100,000		10/1/2017	Prior to 10/1/2019, the economic threshold was \$500,000 and 100 or more separate transactions. On and after 10/1/2019, the economic threshold decreased to \$100,000 and dropped its transactional threshold.
Michigan	\$100,000	200	10/1/2018	Michigan's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Minnesota	\$100,000	200	10/1/2018	Minnesota's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met. <input checked="" type="checkbox"/>
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Mississippi	\$250,000		7/1/2018	
Missouri	\$100,000		1/1/2023	

State	Revenue Threshold	Transaction Threshold	Effective Date	Notes
Montana				Montana does not impose a sales or use tax.
Nebraska	\$100,000	200	1/1/2019	Nebraska's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Nevada	\$100,000	200	10/1/2018	Nevada's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
New Hampshire				New Hampshire does not impose a sales or use tax.
New Jersey	\$100,000	200	11/1/2018	New Jersey's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
New Mexico	\$100,000		7/1/2019	
New York	\$500,000	100	6/21/2018	New York's economic nexus standard is met when both the revenue threshold and the transactional thresholds are met.
North Carolina	\$100,000	200	11/1/2018	North Carolina's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
North Dakota	\$100,000		10/1/2018	
Ohio	\$100,000	200	1/1/2018	Ohio's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met. Prior to 8/1/2019, the economic threshold was \$500,000. However, it decreased to \$100,000 on and after 8/1/2019.
Oklahoma	\$100,000		6/1/2018	
Oregon				Oregon does not impose a sales or use tax.
Pennsylvania	\$100,000		7/1/2018	

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State	Revenue Threshold	Transaction Threshold	Effective Date	Notes
Rhode Island	\$100,000	200	7/1/2019	Rhode Island's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
South Carolina	\$100,000		11/1/2018	
South Dakota	\$100,000	200	11/1/2018	South Dakota's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Tennessee	\$100,000		10/1/2020	Previously \$500,000 effective 10/1/2019 through 9/30/2020.
Texas	\$500,000		10/1/2019	
Utah	\$100,000	200	1/1/2019	Utah's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Vermont	\$100,000	200	7/1/2018	Vermont's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Virginia	\$100,000	200	7/1/2019	Virginia's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Washington	\$100,000		1/1/2018	
West Virginia	\$100,000	200	1/1/2019	West Virginia's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met.
Wisconsin	\$100,000		10/1/2018	
Wyoming	\$100,000	200	2/1/2019	Wyoming's economic nexus standard is met when either the revenue threshold or the transactional thresholds are met. <input checked="" type="checkbox"/>

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# ATTACHMENT J





ARCHIVE

## How Weston, Florida, a City of 65,000, Gets By on 9 Employees

Weston, Fla., relies almost entirely on contractors to perform city work.

May 11, 2012 • Ryan Holeywell



City of Weston

Weston, Fla., an affluent suburb 25 miles northwest of Miami, has one of the most unusual charters of any city: it specifically discourages the city from hiring employees.

Since the 1980s, state and local governments across the country have increasingly

sought to outsource various service to the private sector. But few do it like Weston.

Since its inception, the city has used contractors to fulfill virtually every city function. Today, the city of 65,000 has a budget of \$121 million -- and just nine of its own employees. "I see no reason why we'd ever have to increase the number of employees," says Mayor Eric Hersh, who's led the city for over 10 years.

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All total, the city has about 35 contracts for services such as parks maintenance, engineering, code enforcement, building permits, public works and custodial service. Fire and police service has been contracted out to Broward County.

The city has about 285 full-time equivalent employees who are "dedicated staff" provided by contractors. They work in city facilities and are treated like city employees, but on paper, they are actually employees of private companies that get by the city.

The result is a situation that many city managers and mayors may envy. City leaders don't have to deal with labor disputes or union negotiations; they aren't struck with ballooning pension obligations; and they aren't dealing with painful and politically unpopular layoffs.

Many of the contracts are for a particular level of service, as opposed to a particular number of employees. When the amount of work facing the building department slowed during the recession, for example, the city didn't have to continue to pay idle workers. "That's the vendor's issue of what he does with the staff," says Daniel Stermer, who served as Weston city commissioner from 2002 to 2010. "We're not paying for it unless somebody's using it."

Hersh says the structure also gives the city the ability to easily dismiss underperforming employees -- an often laborious process for governments. An investigation last year by the *Sarasota Herald-Tribune*, for example, found thousands of Florida cops who remained on the job despite arrests or evidence of crimes due to a disciplinary system that was largely favorable to officers.

But in Weston, every city contract includes a provision that lets the city manager move contracted employees out of the city. Ultimately, it's the private-sector employer and not the city that decides what to do with the worker. "We don't have to put up with a sub-par person just because you can't get rid of them," Hersh says. "From an efficiency standpoint, that's a huge benefit."

Hersh also believes that Weston's contract employees work harder and are less complacent than some other government workers because they don't have the same type of job security that exists in the public sector.

But the greatest benefit, City Manager John Flint says, is that his time isn't consumed by personnel issues that often befall his colleagues.

"Without having that burden... I can manage the city," Flint says. "I can spend more time with residents. I can spend more time with the city commission and my senior executives crafting the direction of the city and recognizing our rather than having to deal with human resource issues."



Weston isn't the only "contract city" that relies heavily on outsourcing. *Governing* and others have written about [Sandy Springs, Ga.](#), which uses a similar model. But Weston's 1996 incorporation pre-dates that of Sandy Springs by almost a decade, and Sandy Springs officials have sought [guidance](#) from Weston leaders on their unique structure.

Weston has had relied on contractors since its inception. The development that became Weston dates to the 1970s, and by the 1990s, residents started realizing they were a "donor" community that paid more in taxes to Broward County than they received back through government services.

Advocates started mobilizing a campaign for the community to incorporate in hopes of getting a better return on their tax dollar. Those same advocates believed they could sell voters on the idea of incorporation only if they were able to promise a tax hike wouldn't be necessary. They believed they could achieve that by outsourcing city work.

"We were not looking to create a political dynasty," says Hersh. "We were looking to create an efficient city." The incorporation effort was successful, in large part because of the emphasis on contracting, and voters later codified that preference for in the city's charter. It states that city must use contractors as opposed to city employees to perform traditional government services, unless four out of five councilmembers vote to make an exception.

Still, Weston has had to adapt. In 2007, it increased its number of employees from three to nine when a contractor sought to increase the cost of retaining some personnel in high-ranking roles. Weston officials realized it would be cheaper to bring them in-house, and they also felt it was important for senior management to have a sense of ownership over their positions.

"At the end of the day, your key management and decision makers, you want part of your team," says Stermer. Today, Weston's nine employees include the city manager and two assistants city managers; the directors of parks and recreation, public works and landscaping; the city clerk; the city treasurer; and a communications  
ctor.



Jonas Prager, an economic professor at NYU who has studied the city, says Weston is "a curious example, rather than an example that can be easily emulated." It would be politically challenging -- and in some cases legally difficult as well -- for a long-standing city to replace public workers on a large-scale basis with contract employees.

Meanwhile, Weston's preference for contracting is made vastly simpler by the fact the city doesn't oversee schools, and health and social services are provided by the county. Those are some of the most difficult types of contracts for a government to manage, Prager says, and Weston isn't stuck with them.

Meanwhile, Prager says, Weston is so affluent that it hasn't had to seriously consider whether or not it would be less expensive to bring some of its contracted services in house.

Indeed, a piece that Flint and Prager co-wrote in *Public Management* notes that city leaders "cannot know whether Weston's residents might experience lower costs from a municipal fire department or a city sanitary department using municipal workers."

Flint, who is relatively confident that there are savings, attributes that line to Prager. Regardless, taxpayers may not care: the city has the lowest property tax rate in Broward County at \$2 for every \$1,000 of valuation, Flint says.

"People always ask us if we've compared costs," Flint says. "We've never done it on a universal platform, across the way."

"I'm not managing people," he continues. "I'm actually managing the city. How do you put a price on that?"



**Ryan Holeywell**

Communications manager for the Texas Medical Center Health Policy Institute and former Governing staff writer

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**1** [How Cities Can Solve Transportation Problems and Deliver Better Service](#)

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# ATTACHMENT K

**From:** Bruce Wright [REDACTED]  
**Sent:** Tuesday, October 18, 2022 3:22 PM  
**To:** David Hook; MaRico Tippet; rob samuelsen.com  
**Cc:** Brad Anderson  
**Subject:** Fwd: Cost estimate to contract for law enforcement for Vail  
**Attachments:** jl Letter RE PCSD Cost Analysis for LE Services to Towns of Vail and Tanque Verde.pdf

All:

Please see below Pima County 's estimate of the cost of law enforcement for Vail. Let's discuss in detail on Friday.

Bruce

Begin forwarded message:

**From:** Nicole Fyffe [REDACTED]  
**Subject:** Cost estimate to contract for law enforcement for Vail  
**Date:** October 18, 2022 at 2:35:54 PM MST  
**To:** Bruce Wright [REDACTED]  
**Cc:** Carmine DeBonis [REDACTED]

Good afternoon, Bruce.

Attached are estimates to provide law enforcement services to Vail and Tanque Verde Valley if both incorporate based on the geographic boundaries you provided. Please note that the contract for services would be with Pima County, and at the approval of the Board of Supervisors, not the Sheriff. The actual contracted costs could differ based on the level of coverage chosen by each community, updated population estimates, etc.

The Sheriff has provided County Administration with two approaches for calculating costs: a Law Enforcement Unit option and a labor-only option. The Law Enforcement Unit option appears to come closer to full cost recovery than the labor only option. Neither option includes approximately \$200,000 in County administrative overhead which is the proportional share of the total central service costs for overhead that our Finance Department attributes to the Sheriff's Department based on the estimated populations of the towns. Please also note that the population estimates used by the Sheriff differ from those used to calculate the other county service cost estimates as shown on the area of interest maps. Using those population estimates, (Vail at 21,184 and TV at 20,799), and applying the Sheriff's formula for the Law Enforcement Unit option, results in 10 Law Enforcement Units for both new towns:

Law Enforcement Unit Option: 10 units x \$361,791 = \$3,617,910 per year + \$200,000 a year in County admin/central services overhead = \$3,817,910

For County jail and inmate processing, incorporated cities and towns are also charged a \$401.17 per person booking rate and \$107.43 per housing day for those arrested on misdemeanors occurring within the incorporated city or town. Within the next week, the Sheriff's Department will be providing an annual average number of misdemeanor arrests booked in the County jail originating in the Vail and TV areas of interest.



Any questions, please let us know.

-Nicole





# PIMA COUNTY SHERIFF'S DEPARTMENT

*Chris Nanos, Sheriff*

1750 East Benson Highway, Tucson, Arizona 85714-1758

Phone: (520) 351-4600 • Fax: (520) 351-4622 • [www.pimasheriff.org](http://www.pimasheriff.org)

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October 17, 2022

Ms. Jan Leshar, Pima County Administrator  
Pima County Administrator's Office  
115 N. Church Ave., 2<sup>nd</sup> floor, Suite 231  
Tucson, Arizona 85701

*RE: Costs analysis for law enforcement services for proposed/potential Towns of Vail and Tanque Verde, Arizona*

Dear Ms. Leshar:

The Pima County Sheriff's Department (PCSD) has completed a general analysis detailing the estimated costs related to the inquiry made by citizen groups within the proposed/potential towns of Vail, AZ and Tanque Verde, AZ for law enforcement services provided by the PCSD.

During research and comparisons within the State of Arizona, specific types of service in contracts include various customized plans for services. These plans may vary from one city to the next and depend on a number of factors (number of residents, the density of population, the commercial-industrial to residential ratio, and crime rates), as well as the policing mission of the community.

Contracted services provided, along with patrol, may include:

- Investigations
- Crime Prevention/Community Services
- Traffic
- School Resource Officers

Ultimately, only the city can make a final decision about the level of coverage, services needed, and contracted reimbursements.

There are two overarching options consisting of 1), underlying assumed costs and 2), labor-only cost options.

First, within the option of underlying assumed costs the Law Enforcement Unit or LEU is the coverage of an entire shift with a relief factor as well as supervision and management (2.2 deputies). The underlying assumed costs include investigations, support operations, and administrative components, such as supervision, that are essential to the work of a patrol deputy and are included in the LEU cost (Attachment, p.1). For the fiscal year of 2023 the LEU cost is \$361,791

Letter to Ms. Jan Leshar

RE: *Costs analysis for law enforcement services for proposed/potential Towns of Vail and Tanque Verde, Arizona*

October 17, 2022

Page 2

#### LEU option for Vail

- The LEU has been valued at \$361,791/year.
- The estimated population of the proposed Vail incorporation area is 19,216 residents per the 2020 census (Research, n.d.).
  - Using the average of 1 officer/deputy per 1,000 residents equates to 9 LEU.
    - The potential cost for policing services for the proposed Town of Vail would be \$3,256,119 per year.

#### LEU option for Tanque Verde

- The LEU has been valued at \$361,791/year.
- The estimated population of the proposed Tanque Verde incorporation area is 16,250 residents per 2020 census (Research, n.d.).
  - Using the average of 1 officer/deputy per 1,000 residents equates to 8 LEU.
    - The potential cost for policing services for the proposed Town of Tanque Verde would be \$2,894,328 per year.

Second, for the option involving labor-only costs, personnel costs by position are considered with various assumptions such as average pay rates, overtime, holiday pay, benefit rates, and motor pool (Attachment, p.2).

#### Labor-only costs option

- The average yearly labor-only cost for a deputy is \$126,189.
- The average yearly labor-cost for a sergeant/supervisor is \$159,300.
- The average yearly labor-only cost for a lieutenant/command management is \$184,177.

Considering the 2020 census populations of each proposed town, with Tanque Verde at approximately 16,250 and Vail at approximately 19,216 (Research, n.d.). The average yearly labor-only costs, applied to each proposed town with the aforementioned approach of 1 deputy per 1,000 with the appropriate span of control for supervision and management, translates into the following:

- Tanque Verde
  - 16 deputies, 3 sergeants, and 1 lieutenant
  - \$2,681,101
- Vail
  - 19 deputies, 3 sergeants, and 1 lieutenant
  - \$3,059,668

Letter to Ms. Jan Leshar

RE: *Costs analysis for law enforcement services for proposed/potential Towns of Vail  
and Tanque Verde, Arizona*

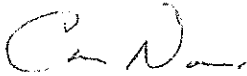
October 17, 2022

Page 3

It is important to point out this analysis provides general reimbursement numbers with predictable peripheral costs that can be associated to potential contracts. Further, PCSD is committed to providing law enforcement services to the affected areas whether they are unincorporated or a contracted incorporated town.

If you require further information, please do not hesitate to contact me at 520-465-4052. Thank you.

Sincerely,



Chris Nanos  
Sheriff of Pima County

CN:GD:cgv  
Attachment

Work Cited

Research, U. E. (n.d.). *Pima County AZ Census*. Retrieved from AZ Census.com:  
<https://www.azcensus.com/pima-county/>





# Attachment 1

---

Pima County Sheriff's Department  
Law Enforcement Unit  
Cost Detail Worksheet

**PIMA COUNTY SHERIFF'S DEPARTMENT  
LAW ENFORCEMENT UNIT COST DETAIL WORKSHEET  
FISCAL YEAR 2023**

				<u>Allocated Cost</u>	
Deputy - Patrol	Personnel Costs		111,189		
	Motor Pool Charges		15,000		
	Total	(A)	<u>126,189</u>		
	X Relief Factor	(B)	<u>2.05</u>		
	Unit Cost			258,759	
Sergeant	Personnel Costs		144,300		
	Motor Pool Charges		15,000		
	Total	(A)	<u>159,300</u>		
	X Allocation Rate	(C)	<u>0.125</u>		
	Unit Cost			19,913	
Lieutenant	Personnel Costs		172,177		
	Motor Pool Charges		12,000		
	Total	(A)	<u>184,177</u>		
	X Allocation Rate	(C)	<u>0.025</u>		
	Unit Cost			4,604	
Deputy - CID	Personnel Costs		111,189		
	Motor Pool Charges		15,000		
	Total	(A)	<u>126,189</u>		
	X Allocation Rate	(C)	<u>0.10</u>		
	Unit Cost			12,619	
Support			FY 2023		
	All Employees		<u>Adopted Budget</u>		
	Information & Technology		4,718,844		
	Administration Division		935,202		
	Communications		6,692,801		
	Community Resources		1,895,902		
	Executive Staff		742,419		
	Financial Services		1,253,591		
	Material Management		1,691,589		
	Dept. Facilities Management		1,766,672		
	Internal Affairs		932,688		
	Training Section		2,006,180		
	Risk Management		147,139		
	Total		<u>22,783,027</u>		
	X Allocation Rate	(D)	<u>0.0007</u>		
	Unit Cost			15,838	
Commissioned	Transcription Unit		1,667,374		
	Staff Services Commissioned		1,821,228		
	Forensics Unit		1,551,975		
	Operations Bureau Staff		2,804,655		
	Invest & Supp Bureau Staff		1,511,059		
	Property & Evidence Unit		1,226,113		
	Park Enf/Search & Rescue		1,168,462		
	Terminal Operations Unit		951,236		
	Special Operations Section		4,060,870		
	Total		<u>16,762,972</u>		
	X Allocation Rate	(D)	<u>0.0024</u>		
	Unit Cost			40,007	
	Comm/Corrections	Air Unit		2,222,958	
		Pima Regional Training Center		1,096,061	
BWC Redaction Unit			3,062,422		
Emergency Response Section			2,221,790		
Total			<u>8,603,231</u>		
X Allocation Rate		(D)	<u>0.0012</u>		
Unit Cost			<u>10,051</u>		

**TOTAL ANNUAL COST PER UNIT**

**361,791**

**FOOTNOTES TO UNIT COST CALCULATIONS**

(A) Detail Of Personnel Costs By Position:

	Deputy	Sergeant	Lieutenant
Salary	63,669	83,034	113,734
Overtime	5,969	7,784	0
Holiday Pay	2,939	3,832	0
Shift Differential	500	500	0
Uniform Allowance	1,050	1,050	1,050
Benefits	37,063	48,100	57,392
Subtotal	111,189	144,300	172,177
Motor Pool	15,000	15,000	12,000
Total	<u>126,189</u>	<u>159,300</u>	<u>184,177</u>

- Assumes average pay rate for Deputy of \$30.61 (as of Sept. 2022)
- Assumes average pay rate for Sergeant of \$39.92 (as of Sept. 2022)
- Assumes average pay rate for Lieutenant of \$54.68 (as of Sept. 2022)
- Assumes 5 hours overtime per payperiod for Deputy and Sergeant
- Assumes 8 holidays worked for Deputy and Sergeant
- Assumes benefits rate of 50%
- Assumes motor pool charge of \$1,250 per month for Deputy and Sergeant
- Assumes motor pool charge of \$1,000 per month for Lieutenant

(B) Relief Factor Calculation

# Of Annual Work Hours	2,080	
Less: Leave Hours (15 days)	(150)	
Less: Sick Hours (10 days)	(100)	
Less: Training Hours (5 days)	(50)	
Total	<u>1,780</u>	
Total # Of Hours Annually	3,650	
Divide By Hours Worked	<u>1,780</u>	(365 days X 10)
Relief Factor	<u>2.05</u>	

(C) Allocation Rate Calculations For Commissioned Officers:

Sergeant:	1 Sergeant / 8 Deputies	=	0.1250
Lieutenant:	1 Lt. / 40 Patrol Deputies	=	0.0250
C.I.D.	1 Detective / 10 Patrol Deputies	=	0.1000

(D) Allocation Rate Calculations For Support/Other Centers:

1 Employee / Est. Total # Of Employees (1,438.50)	=	0.0007
1 Deputy / Est. Total # Of Deputies (419)	=	0.0024
1 Deputy / Est. Total # Of Deputies & C.O. (851)	=	0.0012



# Attachment 1

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Pima County Sheriff's Department  
Law Enforcement Unit  
Cost Detail Worksheet



<b>PIMA COUNTY SHERIFF'S DEPARTMENT</b> <b>LAW ENFORCEMENT UNIT COST DETAIL WORKSHEET</b> <b>FISCAL YEAR 2023</b>
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				<u>Allocated Cost</u>	
Deputy - Patrol	Personnel Costs		111,189		
	Motor Pool Charges		15,000		
	Total	(A)	<u>126,189</u>		
	X Relief Factor	(B)	<u>2.05</u>		
	Unit Cost			258,759	
Sergeant	Personnel Costs		144,300		
	Motor Pool Charges		15,000		
	Total	(A)	<u>159,300</u>		
	X Allocation Rate	(C)	<u>0.125</u>		
	Unit Cost			19,913	
Lieutenant	Personnel Costs		172,177		
	Motor Pool Charges		12,000		
	Total	(A)	<u>184,177</u>		
	X Allocation Rate	(C)	<u>0.025</u>		
	Unit Cost			4,604	
Deputy - CID	Personnel Costs		111,189		
	Motor Pool Charges		15,000		
	Total	(A)	<u>126,189</u>		
	X Allocation Rate	(C)	<u>0.10</u>		
	Unit Cost			12,619	
Support All Employees			FY 2023 <u>Adopted Budget</u>		
	Information & Technology		4,718,844		
	Administration Division		935,202		
	Communications		6,692,801		
	Community Resources		1,895,902		
	Executive Staff		742,419		
	Financial Services		1,253,591		
	Material Management		1,691,589		
	Dept. Facilities Management		1,766,672		
	Internal Affairs		932,688		
	Training Section		2,006,180		
	Risk Management		147,139		
	Total		<u>22,783,027</u>		
	X Allocation Rate	(D)	<u>0.0007</u>		
	Unit Cost			15,838	
Commissioned	Transcription Unit		1,667,374		
	Staff Services Commissioned		1,821,228		
	Forensics Unit		1,551,975		
	Operations Bureau Staff		2,804,655		
	Invest & Supp Bureau Staff		1,511,059		
	Property & Evidence Unit		1,226,113		
	Park Enf/Search & Rescue		1,168,462		
	Terminal Operations Unit		951,236		
	Special Operations Section		4,060,870		
	Total		<u>16,762,972</u>		
	X Allocation Rate	(D)	<u>0.0024</u>		
	Unit Cost			40,007	
	Comm/Corrections	Air Unit		2,222,958	
		Pima Regional Training Center		1,096,061	
BWC Redaction Unit			3,062,422		
Emergency Response Section			<u>2,221,790</u>		
Total			8,603,231		
X Allocation Rate		(D)	<u>0.0012</u>		
Unit Cost			<u>10,051</u>		

**TOTAL ANNUAL COST PER UNIT**

**361,791**

**FOOTNOTES TO UNIT COST CALCULATIONS**

(A) Detail Of Personnel Costs By Position:

	<u>Deputy</u>	<u>Sergeant</u>	<u>Lieutenant</u>
Salary	63,669	83,034	113,734
Overtime	5,969	7,784	0
Holiday Pay	2,939	3,832	0
Shift Differential	500	500	0
Uniform Allowance	1,050	1,050	1,050
Benefits	37,063	48,100	57,392
Subtotal	<u>111,189</u>	<u>144,300</u>	<u>172,177</u>
Motor Pool	<u>15,000</u>	<u>15,000</u>	<u>12,000</u>
Total	<u><u>126,189</u></u>	<u><u>159,300</u></u>	<u><u>184,177</u></u>

- Assumes average pay rate for Deputy of \$30.61 (as of Sept. 2022)
- Assumes average pay rate for Sergeant of \$39.92 (as of Sept. 2022)
- Assumes average pay rate for Lieutenant of \$54.68 (as of Sept. 2022)
- Assumes 5 hours overtime per payperiod for Deputy and Sergeant
- Assumes 8 holidays worked for Deputy and Sergeant
- Assumes benefits rate of 50%
- Assumes motor pool charge of \$1,250 per month for Deputy and Sergeant
- Assumes motor pool charge of \$1,000 per month for Lieutenant

(B) Relief Factor Calculation

# Of Annual Work Hours	2,080	
Less: Leave Hours (15 days)	(150)	
Less: Sick Hours (10 days)	(100)	
Less: Training Hours (5 days)	(50)	
Total	<u>1,780</u>	
Total # Of Hours Annually	3,650	
Divide By Hours Worked	<u>1,780</u>	(365 days X 10)
Relief Factor	<u><u>2.05</u></u>	

(C) Allocation Rate Calculations For Commissioned Officers:

Sergeant:	1 Sergeant / 8 Deputies	=	0.1250
Lieutenant:	1 Lt. / 40 Patrol Deputies	=	0.0250
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# ATTACHMENT L

[https://www.kvoa.com/news/local/after-123-years-patagonia-marshals-office-closed-for-good/article\\_2ee8485d-ab60-500b-a91e-d584f7052f8f.html](https://www.kvoa.com/news/local/after-123-years-patagonia-marshals-office-closed-for-good/article_2ee8485d-ab60-500b-a91e-d584f7052f8f.html)

## After 123 years, Patagonia Marshal's office closed for good

By Mark Mingura  
Jul 2, 2021



By Mark Mingura

PATAGONIA (KVOA) - This week the town of Patagonia officially closed the Marshal's office and will now have the Santa Cruz County Sheriff's department take over policing duties.

This is a move that, according to the Patagonia city manager, is a financial decision that he believes will benefit the town long term.

Joe Patterson, the now-former Patagonia marshal, says he wasn't informed that he, along with two deputy marshals would be unemployed until June 22. This was also confirmed by the town manager.

The office was officially closed on July 1.

"I don't like the way it transpired," said Patterson. "They can go back and say it's been happening since January. There's no public meetings. There's no meetings with me, no meetings with anybody."



He adds that he has received dozens of calls from concerned Patagonia residents.

Some are even contributing to a GoFundMe to help the three of them as they decide what to do moving forward.

"I'm concerned because we have had a small crew of law enforcement officers that have added a personal touch to this town and they've known the history of the people in this town and the town itself," said Diana Assenmacher, a resident of Patagonia.

Last year's budget for the Marshal's Office was just over \$367,000.

The agreement Patagonia has made with the Santa Cruz County Sheriff's Department is a flat rate of just over \$358,000 per year. This provides 15-plus hours of coverage per day with three sheriff's deputies.

This move saves the town \$9,000 this year.

"From a financial standpoint we have a fixed cost, that's the biggest take from my viewpoint," said Ron Robinson, Patagonia Town Manager. "That's what I'm focused on, I go back to the numbers and I look at the numbers and the operation."



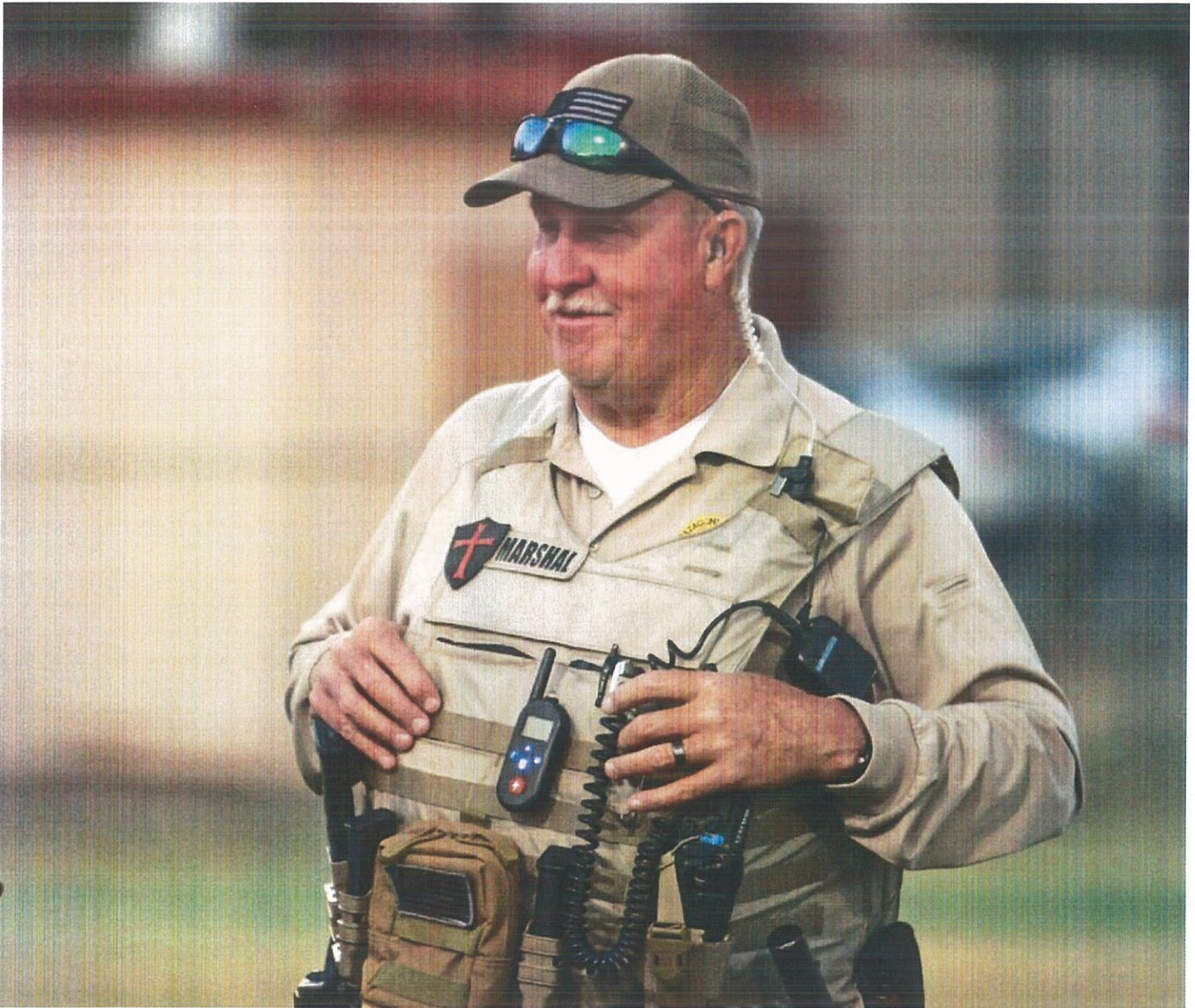
[https://www.nogalesinternational.com/news/sheriff-s-office-to-take-over-law-enforcement-in-patagonia/article\\_65782916-d5e3-11eb-bb46-3b85844cf695.html](https://www.nogalesinternational.com/news/sheriff-s-office-to-take-over-law-enforcement-in-patagonia/article_65782916-d5e3-11eb-bb46-3b85844cf695.html)

## **Sheriff's Office to take over law enforcement in Patagonia**

By Nick Phillips • Nogales International

Jun 25, 2021





Patagonia Marshal Joe Patterson.

Photo by Jonathan Clark

Beginning next month, the Patagonia Marshal's Office will close and Santa Cruz County Sheriff's Office deputies will take over policing duties in the town.

The move was finalized on Wednesday when the Patagonia Town Council approved an Intergovernmental agreement with Santa Cruz County for the sheriff's services. They also approved a deal that will have the County Animal Control Department provide services in the town.

The Marshal's Office will close before Marshal Joe Patterson was set to retire in August, after a decade on the job. It will take effect on July 1, the beginning of Fiscal Year 2022.

The council's move was first reported on Wednesday night by the Patagonia Regional Times.

Sheriff David Hathaway said the agreement will eventually guarantee that deputies are present in Patagonia for 108 hours per week, or roughly 15 hours per day, and on-call for local residents around the clock. He said the Sheriff's Office will ask county officials for permission to hire three new deputies to handle the additional workload.

Patagonia Town Manager Ron Robinson said he had been looking into the possibility of replacing the Marshal's Office with Sheriff's Office deputies for several months before presenting the deal for the town council's approval.

Robinson said that the Marshal's Office provides 64-100 coverage hours per week and had had budgetary issues in the past. The PRT reported that, in addition to Patterson, the Marshal's Office employed two deputies.

The agreement will have the town pay the county \$358,000 and is initially set to last one year, Robinson said, adding that that is the same amount that was budgeted for the Marshal's Office.

The PRT reported that Marshal Patterson had complained about the move at Wednesday's meeting, alleging that it was done in retaliation for a complaint he had filed against another person who works with the town.

Robinson told the NI that the town council had approved the deal in an unanimous 5-0 vote.

"Basically, it was a business decision. It gives the town more coverage for the same amount of money," he said.

Robinson added that the town's agreement with the Sheriff's Office will be reviewed in six months.





## MEMORANDUM

OFFICE OF THE SANTA CRUZ COUNTY ATTORNEY  
2150 N. CONGRESS DRIVE  
NOGALES, AZ 85621  
(520) 375-7780 (main)

**CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION**

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To: Santa Cruz County Board of Supervisors

From: Laura Roubicek  
Deputy County Attorney

Date: July 20, 2021

Subject: Joint Representation for Purposes of Law Enforcement Services IGA with  
the Town of Patagonia

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The Civil Division of the County Attorney's Office is the County's "in-house" law firm. As such, we represent the County and sometimes individual elected officials in connection with contracts, including the County Sheriff. The Town of Patagonia has approached the Sheriff about implementing an Intergovernmental Agreement (IGA) under which the Santa Cruz County Sheriff's Office (SCCSO) would provide law enforcement services to the Town, which implicates our obligations as the attorney for both the Board of Supervisors and the Sheriff.

The Sheriff is the elected official who oversees law enforcement services for the County (See ARS § 11-441) and would be the individual whose office would be tasked with executing the terms of the proposed IGA. However, the Sheriff does not possess the statutory authority to execute an IGA. (See ARS § 11-951 et seq.).

To resolve this problem, our office has drafted a proposed IGA with Patagonia whereby the Santa Cruz County Board of Supervisors would act as the executing party with the understanding that all duties required by the IGA will be performed by the SCCSO. Because this arrangement implicates the rights of both the Board of Supervisors and the Sheriff, there is a potential for a conflict of interest in our office's joint representation and requires the written consent of both parties.

Chief Deputy Kim Hunley and I have discussed the matter and we believe that we can ethically represent both the Board of Supervisors and the Sheriff because your interests and are not in conflict with one another. There are, however, certain things that you should understand about the scope of our representation under the circumstances.

As your attorney, our office will have a duty of loyalty to you, and a duty to not disclose your confidential attorney-client communications. We will also have an equal duty of loyalty to the Sheriff, and while confidential as to the rest of the world, your communications will not be confidential as to the Sheriff. That means that if we learn something from you in the course of our representation that is material to the Sheriff's interests, we may be required to disclose that

information to the Sheriff. Likewise, we will have a duty to share with you any information learned in the course of our communications with the Sheriff if that information is material to your interests. Again, given the non-controversial nature of the IGA, and because the interests of the Board of Supervisors and the Sheriff are in harmony as relate to the proposed Law Enforcement Services IGA, we do not anticipate a problem, but we are ethically obligated to alert you to this possibility.

If at some point you realize that you have information material to the IGA that you wish us to keep confidential, please inform us of the dilemma before you disclose the information itself, so that we can analyze our ethical obligations and assess the potential impact on our co-extensive representation. Second, even though the Board of Supervisors and the Sheriff are currently aligned in their interests with respect to the IGA, it is always possible that those interests could diverge at some point. If such a conflict of interest develops, we may be forced to withdraw from our representation of one or both entities because continued representation could violate our duties of loyalty and confidentiality. If you believe that such a conflict is developing please inform us so that we can take the appropriate steps to safeguard the interests of you both.

Please feel free to contact me to discuss any questions you may have about this agreement. I can be reached at 520-375-7780. Once you feel that you fully understand the implications of this joint representation, please sign the consent below and return a copy of this letter to our office.

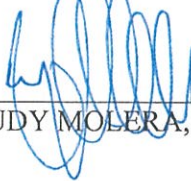
**CONSENT TO REPRESENTATION:** Having read the above explanation, and having had an opportunity to discuss the representation with the Santa Cruz County Attorney's Office, the Santa Cruz County Board of Supervisors consents to the Office's joint representation of the Board of Supervisors and the County Sheriff in connection with the Patagonia Law Enforcement Services IGA referenced in the above memorandum.



\_\_\_\_\_  
MANNY RUIZ, Chair  
Santa Cruz County Board of Supervisors



\_\_\_\_\_  
BRUCE BRACKER, Vice-Chairman



\_\_\_\_\_  
RUDY MOLERA, Member

cc: Kim Hunley  
Chief Deputy Attorney  
Office of the Santa Cruz County Attorney

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
SANTA CRUZ COUNTY AND THE TOWN OF PATAGONIA  
FOR LAW ENFORCEMENT SERVICES**

This Intergovernmental Agreement (hereinafter "Agreement") is entered into pursuant to A.R.S. § 11-952 by Santa Cruz County (hereinafter "the County"), a body politic and corporate and subdivision of the State of Arizona on behalf of the Santa Cruz County Sheriff's Office (hereafter "SCCSO"), and the incorporated town of Patagonia (hereinafter "Patagonia" or "the Town"), which is a public agency as defined in A.R.S. § 11-951.

**RECITALS**

**WHEREAS**, Patagonia has the jurisdiction and responsibility, pursuant to the laws of the State of Arizona, to provide for public health, safety, and welfare of the people and property within its corporate boundaries, including, but not limited to police protection; and

**WHEREAS**, Patagonia has determined that it is more cost effective to enter into an Agreement with the County whereby the SCCSO will furnish Basic and Emergency Law Enforcement Services to Patagonia; and

**WHEREAS**, the County desires to enter into this Agreement whereby the SCCSO will furnish Basic and Emergency Law Enforcement Services to Patagonia; and

**WHEREAS**, A.R.S. §11-951, *et seq.*, allows public agencies such as Patagonia and the County to contract for services and enter into agreements with one another for joint cooperative action.

**NOW, THEREFORE**, Patagonia and the County, pursuant to the above recitals, which are incorporated by reference, and in consideration of the mutual promises and covenants contained herein, do mutually agree as follows:

**AGREEMENT**

1. **Purpose.** The purpose of this Agreement is to set forth the terms and conditions under which Santa Cruz County, by way of the Santa Cruz County Sheriff's Office, will provide basic law enforcement and emergency law enforcement services to the incorporated town of Patagonia.
2. **Definitions.** As used throughout this Agreement, the following terms shall have the meanings set forth in this Section:

Agreement means this document and all attachments hereto.

Basic Law Enforcement Services means patrol, responses to emergency calls, incident response, calls for service responses, arrests of suspects, dispatch and

communications services, crime investigations, community crime prevention and awareness programs and activities, and vacation watch.

Basic Reporting means a standardized document submitted by the Operations Commander to the Town that communicates information monthly regarding its calls for service, crime, criminal activity and public or community assists.

Board means the Santa Cruz County Board of Supervisors.

Complaint means an allegation of employee misconduct. The complaint may be made verbally or in writing, in person, by phone, by mail, or online; and may be by the individual complainant, someone acting on the complainant's behalf or anonymously; and with or without a signature.

County means Santa Cruz County, a political subdivision of the State of Arizona.

Day means calendar day.

Deputy means a sworn Law Enforcement Officer for the Santa Cruz County Sheriff's Office, regardless of rank except for the Sheriff.

Fiscal Year (FY) means a twelve-month period beginning July 1 through June 30.

FTE (full time equivalent) means a unit that indicates the workload of an employed person in a way that makes workloads comparable across the organization. One (1) FTE equals one (1) position for the total number of budgeted working hours in a given fiscal year.

Law Enforcement Services means Basic Law Enforcement Services and Other Law Enforcement Services.

Other Law Enforcement Services means supplemental and/or specialized law enforcement resources within SCCSO that are deployed as necessary in special situations. This includes, among other things, detective services, DUI checkpoints, tactical response, or other services not within the scope of Basic Law Enforcement Services.

Patagonia Deputy/-ies means the additional FTE SCCSO Deputies hired and/or Deputy positions created to fulfill this Agreement. It is used for convenience **only** and shall not refer to specific, individual Deputies within the SCCSO, nor shall it be construed to denote a "Patagonia Unit" comprised of deputies assigned exclusively to Patagonia.

Sheriff's Office means the Santa Cruz County Sheriff and those functions, activities and facilities for which s/he has responsibility, also referred to as SCCSO.

Town means Patagonia, an Arizona municipal corporation.

Town Council means the Mayor and Town Council of the Town of Patagonia.



Town Manager means the Town Manager of the Town of Patagonia or authorized designee.

Worksheet means the itemized cost detail information page(s) for the contracted level of services. This shall be updated annually and serves as the basis for the Town's total liability and calculation of quarterly payments.

3. **Term.** This Agreement shall be deemed to have commenced July 1, 2021 under the Terms described in Section 5.1 below and shall terminate June 30, 2022, unless otherwise terminated as provided in Section 5.2. This Agreement shall be eligible for renewal for four (4) successive periods of one (1) year each to begin on July 1<sup>st</sup> and run through June 30<sup>th</sup> of the following year unless either party gives notice in writing to the other not less than ninety (90) days prior to the expiration of the initial or renewal term. Each renewal shall require an Amendment including an Exhibit outlining projected costs and payments, to be agreed upon and signed by the parties.

4. **Effective date of Agreement.** This Agreement shall be effective upon approval by the parties and shall terminate as provided in Section 5.2, or by expiration of all renewals.

5. **Modification, Revision and Termination.**

5.1. **Amendment.** This document contains the entire Agreement between the parties and cannot be changed orally. Any changes or modifications of this Agreement must be in the form of a written amendment (1) approved by the Town Council, attested by the Town Manager, (2) approved by the Board, attested by the Clerk, and (3) signed by both parties. Requests for amendments to increase or decrease levels of Law Enforcement Services within a given year during the Initial Term or any Additional Term of this Agreement will not become effective until ninety (90) days after approval by the Town Council and the Board, unless specifically stated otherwise.

5.2. **Termination.** Regardless of the provisions contained in Section 3 above, this Agreement may be terminated by either party at any time for its sole convenience upon six (6) months' written notice to the other party. Any termination hereunder shall in no way affect the parties' previous obligations with respect to any expenses incurred under the Agreement until a full settlement has been made.

6. **Notice.** Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (1) delivered to the party at the address set forth below, (2) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (3) given to a recognized and reputable overnight delivery service, to the following address:

For the County:

Clerk of the Board  
Santa Cruz County Board of Supervisors  
2150 N. Congress Dr., #119  
Nogales, AZ 85621

For Patagonia:

Town Clerk  
Town of Patagonia  
P.O. Box 767  
Patagonia, AZ 85624

For the Sheriff:

Santa Cruz County Sheriff  
Santa Cruz County Sheriff's Office  
2170 N. Congress Drive  
Nogales, AZ 85621

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section. Notices shall be deemed received (1) when delivered to the party, (2) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (3) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

## **7. Scope of Services.**

7.1. The County, through the SCCSO, agrees to provide the following services and equipment to the Town:

### **7.1.1. Services**

7.1.1.1. Basic Law Enforcement Services shall be provided to the Town by SCCSO Deputies for a total of one hundred eight (108) hours of coverage each week, to be determined based on call volume, crime trends, special events, and other relevant factors discussed by the parties.

7.1.1.2. To accomplish this, it will be necessary to add three (3) FTE Deputies to the SCCSO.

7.1.1.3. Until such time as the three additional Deputies necessitated by this Agreement are hired, certified, and fully trained, the Sheriff shall increase current Basic Law Enforcement Services to include the Town, but will not guarantee one hundred eight (108) hours of weekly coverage until December 1, 2021.

7.1.1.4. The SCCSO will provide Other Law Enforcement Services as required at no additional cost to the Town and without regard for the hours referenced in Section 7.1.1.1.

7.1.1.5. Whether to provide Other Law Enforcement Services shall be at the sole discretion of the SCCSO or the County (when appropriate), to be determined in accordance with relevant policies and practices, as well as the availability of SCCSO resources.

7.1.1.6. The SCCSO shall be responsible for all training necessary for the Patagonia Deputies to achieve and maintain any qualifications and/or certifications related to the performance of their duties under this Agreement. This shall also include academy costs for any

Deputies hired to fulfill the County's obligations under this Agreement.

7.1.1.7. Which Deputies are assigned by the Sheriff to cover Patagonia at any given time shall be at the sole discretion of SCCSO. The Town understands that SCCSO need not assign the same Deputies to coverage and that the SCCSO is not creating a Unit or Division specific to the Town of Patagonia.

7.1.1.8. No provision of this Agreement shall be construed to transfer authority over standards of performance, employee discipline, or any other matters incident to the performance of any duties by the Patagonia Deputies specified in or necessitated by this Agreement from the SCCSO and the County to the Town. The SCCSO and the County shall maintain exclusive authority over the Patagonia Deputies.

7.1.1.9. Basic Law Enforcement shall include enforcing the provisions of the Patagonia Town Code of Ordinances except for any provisions which the SCCSO is not authorized and/or qualified to enforce. Those provisions are listed in Exhibit B, which is attached hereto and incorporated by reference. For all provisions of the Town Code that the SCCSO is tasked with enforcing, the Sheriff and all Deputies shall have the same authority as that given to the Town Marshal.

7.1.1.10. Misdemeanors, traffic infractions and civil violations occurring within the geographic jurisdictional boundaries of the Town shall be cited into the Patagonia Municipal Court.

## 7.1.2. Equipment

7.1.2.1. The SCCSO shall ensure that each Patagonia Deputy has the equipment necessary to provide Basic Law Enforcement Services to the Town at a level consistent with relevant policies and practices, including but not limited to:

- a. a patrol vehicle;
- b. a portable radio;
- c. a portable computer;
- d. a SCCSO-approved sidearm; and
- e. a SCCSO-approved rifle.

7.1.2.2. In the event that any sort of specialized equipment becomes necessary to fulfill this Agreement, the SCCSO shall be responsible for obtaining such equipment. Whether such specialized equipment is necessary shall be at the sole discretion of the SCCSO and the County (when appropriate).

7.1.2.3. Any equipment purchased to fulfill this Agreement shall remain the sole and separate property of the County.

7.2. The Town agrees to provide the following services and equipment to SCCSO:

7.2.1. Services.

7.2.1.1. The Town agrees to provide whatever reasonable services to the Patagonia Deputies that may prove necessary for performance of their duties under this Agreement. Whether services are reasonable shall be at the sole discretion of the Patagonia Town Council. However, failure to provide reasonable services may result in termination of this Agreement if the services are deemed necessary by the SCCSO and failure to provide them results in the inability to fulfill the County's obligations under this Agreement.

7.2.1.2. The Town Attorney shall prosecute and the Town Court shall adjudicate all criminal and civil matters occurring within the geographic jurisdictional boundaries of the Town arising out of the enforcement of Sections 7.1.1.9 and 7.1.1.10 above.

7.2.2. Equipment.

7.2.2.1. The Town shall provide a location to act as a pseudo-substation for the Patagonia Deputies. The location shall include—at a minimum— secured lockers for the Patagonia Deputies' personal belongings while on patrol, a functional restroom, and a working refrigerator.

**8. Chain of Command and Responsibility for Performance Standards.**

8.1. Santa Cruz County Sheriff Directs Operations of Deputies. The Town Manager or authorized designee is responsible for conveying the wishes of the Town Council to the Sheriff with respect to Law Enforcement Services. While the Town's designee shall have no chain of command authority to direct the operations of the Patagonia Deputies, such authority being reserved to the Sheriff pursuant to Section 7.1.18, the parties to this Agreement understand that the Town expects the SCCSO to reasonably respond to its needs for Law Enforcement Services as communicated through the Town Manager or authorized designee. The Sheriff shall, at all times, consider the request of the Town Manager or Town's authorized designee with respect to the implementation of Law Enforcement Services.

8.2. Citizen Complaints. All SCCSO employees are trained to consistently perform their duties with professionalism and accountability. Citizen Complaint and Comment Forms are available from deputies and complaints or concerns may be submitted via the SCCSO website. Complaints will be processed through the SCCSO according to policy.

8.3. Deputy Performance. The SCCSO is solely responsible for the performance evaluation, discipline and movement of deputies as well as other matters incidental to the provision of the Law Enforcement Services under this Agreement. In the event of a dispute



between the parties regarding the manner of performance of such service, the determination made by the Sheriff shall be final and conclusive.

**8.4. Removal of Assigned Staff.** The Town, acting through the Town Manager shall have the right to request in writing that any staff assigned to service within the Town by the SCCSO be reassigned or otherwise removed from service within the Town. When such request is made, the SCCSO shall respond as soon as reasonably practical, but in any case within no later than three weeks after such request is made. The Sheriff's determination of whether removal is appropriate shall be final.

**9. Cost Projection, Expense Allocation, and Compensation.**

**9.1. Cost Projection and Expense Allocation.** All employee related expenses, equipment expenses, and miscellaneous expenses shall be clearly itemized in a Worksheet, attached hereto as Exhibit A for FY 2021-22, that shall be updated and agreed upon by Amendment for each FY that this Agreement remains in effect. The Worksheet shall also contain a description of how those costs shall be allocated between the County and the Town, to include the maximum fiscal exposure for the Town for each FY that this Agreement remains in effect.

**9.1.1. Public Safety Personnel Retirement System.** The Town shall maintain total and exclusive responsibility for satisfying all PSPRS liability incurred by the Town prior to the execution of this Agreement. The County shall assume all PSPRS liability for any Deputies hired by the SCCSO subsequent to the execution of this Agreement as needed to fulfill the County's obligations hereunder.

**9.2. Compensation.**

**9.2.1.** For each FY that this Agreement remains in effect, the Town shall make payment to the County based on the projected costs as delineated in the Worksheet, which shall clearly reflect the anticipated cost of each item in each category for each of the Patagonia Deputies and what the Town's expenses under each category shall be.

**9.2.2.** The Town shall not be liable for expenditures for items not reflected or included in the Worksheet unless the Town has provided prior written consent for any item(s) not reflected or included in the Worksheet.

**9.2.3.** During each FY that this Agreement is in effect, the Town shall advise the County prior to final execution of the Agreement, Amendment, and/or Worksheet how it intends to prorate its portion of the allocated expenses described in Section 9.1 (above). The County shall not unreasonably reject the Town's planned payment schedule but reserves the right to request more frequent payment if budgeting concerns so demand.

**9.2.4.** Audits of the cost of operations of the SCCSO related to the Patagonia Deputies may be undertaken by the Town at any time, after reasonable notice to the County and the Sheriff. The initial audit, if requested, shall be

conducted by Town staff. If there is a dispute concerning the results, an independent final audit may be done. If requested, an independent final audit will determine the true cost of operations for the SCCSO related to the Patagonia Deputies for the disputed contract period. The cost of the independent final audit shall be borne equally by the Town and the County.

9.2.5. In the event that the result of a final audit conducted under Section 9.2.4 reveals that, when costs initially absorbed by the County are also considered, the projected costs in the Worksheet for the contested contract period exceeded the actual costs for the Patagonia Deputies, the County shall reimburse the Town in the amount of the difference.

**10. Manner of Financing and Budget.** Each party represents that it has sufficient funds available to discharge the funding obligation imposed by this Agreement for the initial contract period (July 1, 2021 through June 30, 2022). Unless this Agreement is terminated as described in Section 5.2, each party shall make sufficient funds available—as determined by the Worksheet for each FY that the Agreement is extended—to meet its projected expenses under the Agreement before executing any extension. The parties further agree that funds so allocated shall be unique to this Agreement.

**11. Insurance.** The parties agree to secure and maintain insurance coverage for any and all risks that may arise out of the terms, obligations, operations, and actions as set forth in this Agreement, including but not limited to public entity insurance. The parties to this Agreement shall exchange certificates of insurance or self-insurance.

**11.1. General:**

11.1.1. Coverage Term. All insurance required herein shall be maintained in full force and effect until all Law Enforcement Services required to be performed under the terms of this Agreement are satisfactorily performed.

11.1.2. Primary Insurance. The County's insurance shall be primary insurance with respect to performance of the Law Enforcement Services included in this Agreement and in the protection of Town as an Additional Insured.

**11.2. Required Insurance Coverage:**

11.2.1. Public Entity Liability. County shall maintain public entity liability coverage for bodily injury and property damage with an unimpaired limit of not less than \$1,000,000 for each occurrence with an aggregate limit of \$2,000,000. The policy shall cover liability arising from premises/operations and personal injury.

11.2.2. Automobile Liability. The County shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 combined single limit each occurrence on County's owned, hired and non-owned automobiles assigned to or used in the performance of the Law Enforcement Services under this Agreement.

**11.2.3. Workers' Compensation Insurance:** County shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of County's employees engaged in the performance of Law Enforcement Services under this Agreement and shall also maintain Employer's Liability Insurance of \$1,000,000 for each accident, \$1,000,000 disease for each employee and \$1,000,000 disease-policy limit.

**11.3. Cancellation. Material Changes and Expiration Notice.** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days' prior written notice to the Town.

**11.4. Limitation on Insured Liability.** The County shall only be liable for such claims, losses, damages or injuries that result from negligent actions or misconduct related to Law Enforcement Services by the SCCSO as contemplated by this Agreement.

## **12. Indemnification.**

**12.1. Mutual Indemnity.** To the extent permitted by law and notwithstanding any liability insurance or other conditions of this Agreement, each party hereby covenants and agrees to indemnify, defend and hold harmless the other party, its officials, officers, employees, contractors and agents for, from and against all suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature relating to this Agreement to the extent arising out of any act or omission of the indemnifying party, its officials, officers, employees, contractors, agents and/or anyone acting under its direction or control whether intentional or negligent, in connection with or incidental to this Agreement.

**12.2. SCCSO Actions.** The Town shall not indemnify, defend or hold harmless the County, but the County shall indemnify the Town, for any suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature brought against the County as a result of any act or omission of the SCCSO which is caused or alleged to have been caused by the negligence or misconduct of any member of the staff of the SCCSO or which occurs while any such staff member is performing Law Enforcement Services not directly related to this Agreement. The County shall pay, on behalf of the Town, all judgments, fines, penalties, interest on judgments, fines and penalties, or costs including attorney's fees, court costs, expert witness fees and discovery costs associated with a claim brought hereunder. The indemnity under this Agreement shall commence as of the Effective Date of this Agreement and shall continue in full force and effect with respect to any and all actions, legal or administrative proceedings, claims, demands or damages of any kind or nature arising out of or relating to this Agreement.

**12.3. Cooperation and Term.** If a claim or claims by third parties become subject to this indemnity provision, the parties to this Agreement shall expeditiously meet to discuss a common and mutual defense, including possible proportionate liability

and payment of possible litigation expenses and damages. The obligations under this Section 12 shall survive the termination of this Agreement.

**13. Operation After Expiration of Term.** The parties agree that in the event they continue to operate pursuant to this Agreement after any contract period set forth in Section 3 has expired, then the continuation shall be upon the same terms and conditions as set forth in this Agreement.

**14. Construction and Interpretation.** This Agreement shall be construed pursuant to the laws of the State of Arizona. All provisions of this Agreement shall be construed to be consistent with the intention of the parties as expressed in the Recitals hereof.

**14.1 Captions and headings.** The headings used in this Agreement are for convenience only and are not intended to affect the meaning of any provision of this Agreement.

**15. Compliance with Laws.** Parties shall comply with all applicable Federal, State and local laws, rules, and regulations. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement, and any disputes hereunder. Any changes in the governing laws, rules and regulations during the term of this Agreement shall apply but do not require an amendment.

**15.1. E-Verify.** The parties mutually warrant that they are in compliance with A.R.S. § 41-4401 and further acknowledge that they and their subcontractors, if any, warrant their compliance with A.R.S. § 41-4401, and all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. § 23-214, subsection A and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer.

**16. Conflict of Interest.** This Agreement is subject to the provisions of A.R.S. § 38-511 regulating conflicts of interest, the pertinent provisions of which are incorporated herein by reference.

**17. Legal Jurisdiction.** Nothing in this Agreement shall be construed as either limiting or extending the legal jurisdiction of the Town or the County. This Agreement and all obligations upon the Town or the County arising therefrom shall be subject to any limitations of budget law or other applicable local law or regulations.

**18. Assignment of Rights.** Neither party to this Agreement shall assign its rights under this Agreement to any other party without written permission from the other party to this Agreement.

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

**20. No Joint Venture.** It is not intended by this Agreement to, and nothing contained in this Agreement shall be construed to, create any partnership, joint venture, or employment relationship between the parties or create any employer-employee relationship between the



Town and any County employees or between the County and any Town employees. Neither party shall be liable for any debts, accounts, obligations or other liabilities whatsoever of the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.


21. **Severability.** If any provision of the Agreement or application thereof to any party, person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application, and to this end, the provisions of the Agreement are declared to be severable.
22. **Non-Waiver.** The failure of either party to insist upon the complete performance of any of the terms and provisions of this Agreement by the other party, or to take any action permitted as a result thereof, shall not constitute a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time shall not constitute an accord and satisfaction.
23. **Force Majeure.** A party shall not be in default under this Agreement if it does not fulfill any of its obligations under this Agreement because it is prevented or delayed in doing so by reason of uncontrollable forces. The term "uncontrollable forces" shall mean, for the purpose of this Agreement, any cause beyond the control of the party affected, including but not limited to, failure of facilities, breakage or accident to machinery or transmission facilities, weather conditions, flood, earthquake, lightning, fire, epidemic, war, riot, civil disturbance, sabotage, strike, lockout, labor dispute, boycott, material or energy shortage, casualty loss, acts of God, or action or non-action by governmental bodies in approving or failing to act upon applications for approvals or permits which are not due to the negligence or willful action of the parties, order of any government officer or court (excluding orders promulgated by the parties themselves), and declared local, state, or national emergency, which, by exercise of due diligence and foresight, such party could not reasonably have been expected to avoid. Either party rendered unable to fulfill any obligations by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch.
24. **Remedies.** Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or in equity or by virtue of this Agreement.
25. **Worker's Compensation.** Each party shall comply with the notice of A.R.S. §23-1022(e). For purposes of A.R.S. §23-1022, each party shall be considered the primary employer of all personnel currently or hereafter employed by that party, irrespective of the operations of protocol in place, and said party shall have the sole responsibility for the payment of Worker's Compensation benefits or other fringe of said employees.
26. **Entire agreement.** This instrument constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. Any exhibits to this Agreement are incorporated herein by this reference.

IN WITNESS WHEREOF, this Agreement has been passed and approved by the Board of Supervisors of Santa Cruz County on the 20<sup>th</sup> day of July, 2021.

**SANTA CRUZ COUNTY**  
Santa Cruz County Board of Supervisors

  
\_\_\_\_\_  
MANNY RUIZ, Chairman

  
\_\_\_\_\_  
BRUCE BRACKER, Vice-Chairman

  
\_\_\_\_\_  
RUDY MOLERA, Member

**ATTEST:**

  
\_\_\_\_\_  
ALMA SCHULTZ  
Clerk of the Board

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
DAVID HATHAWAY (Sheriff)  
Department Designee

IN WITNESS WHEREOF, this Agreement has been passed and approved by the Council of the Town of Patagonia on the 28<sup>th</sup> day of July, 2021.

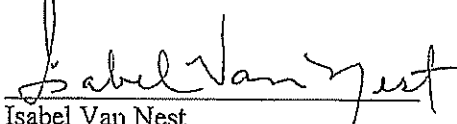
TOWN OF PATAGONIA, a municipal corporation



RONALD ROBINSON

Town Manager

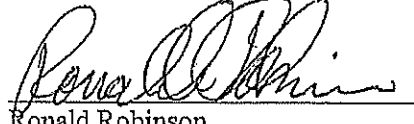
ATTEST:



Isabel Van Nest

Patagonia Deputy Town Clerk

APPROVED AS TO CONTENT:



Ronald Robinson

Department Designee

**ATTORNEY CERTIFICATION  
SANTA CRUZ COUNTY**

The foregoing Intergovernmental Agreement, being an Agreement between Santa Cruz County and the Town of Patagonia, has been reviewed this 20<sup>th</sup> day of July, 2021, pursuant to A.R.S. §11-952 the undersigned Deputy County Attorney, who has determined that it is in proper form, and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement represented by the Santa Cruz County Attorney.

GEORGE E. SILVA  
Santa Cruz County Attorney

By   
LAURA ROUBICEK  
Deputy County Attorney



ATTORNEY CERTIFICATION  
TOWN OF PATAGONIA

The foregoing Intergovernmental Agreement, being an Agreement between Santa Cruz County and the Town of Patagonia, has been reviewed this 28<sup>th</sup> day of July, 2021, pursuant to A.R.S. §11-952 by the undersigned Town Attorney, who has determined that it is in proper form, and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement represented by the Patagonia Town Attorney.

PATAGONIA TOWN ATTORNEY

By Bobby Yu  
BOBBY YU  
Town Attorney

# ATTACHMENT M



**SUBJECT: Transportation Service Expenses for Proposed Incorporation of Vail**  
**DATE: 9/27/2022**

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This is a follow up to the request from County Administration to provide estimated expenses for transportation services within the proposed incorporation area of interest for Vail. This estimate assumes that roads on the boundary of the proposed town will be incorporated.

**Transportation Services Expenditures**

Fiscal year 2024/2025 expenses, including overhead, have been estimated below. The estimate is a proration of expenses for transportation services based on road miles, not including the 10-year Road Pavement Repair and Preservation Program. The scope of transportation services includes the following: pothole patching, drainage maintenance, dirt road grading, street sweeping, traffic sign and signal maintenance, pavement marking maintenance, sidewalk/curb maintenance and vegetation management. SeeClickFix would be the application with which service and maintenance requests would be processed.

The cost is based upon the following roadway mileage:

	Miles
Dirt	6
Paved	138
Totals:	144

FY 2024/2025	Countywide	Vail Estimate (6.5% of road miles)
Miles	2,204	144
Transportation Service Expenses	\$26,336,283	\$1,711,858

**Pavement Preservation Plan Estimate**

We have also included a separate cost to improve the roadways to a pavement condition index (PCI) of 80 by 2030. The estimate is proration of remaining budget for the 10-year Road Pavement Repair and Preservation Program based on road miles:

Improve Network to PCI 80 (by 2030)	Vail Estimate
Pavement Cost	\$21.6M

## **Capital Improvement Projects and Developer Impact Fees**

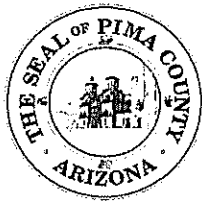
Transportation impact fee benefit areas would be modified to eliminate newly incorporated areas, reducing future impact fee revenues to the County in those benefit areas, but similarly eliminating future expenditure obligations of the County. All of the proposed Vail Incorporation Area of Interest is included in the Southeast Impact Fee area. However, for the following two transportation improvement projects there are expenditure obligations for outstanding debt that are being repaid with impact fees. In such instances, a reduction or elimination of future impact fees could result in elimination of this revenue source to repay the County debt.

Valencia Road Extension - Houghton Road to E. Old Spanish Trail: Construction finished in December 2020. Funding was provided by Certificates of Participation (COPs); the balance on July 1, 2024, will be \$14,375,375, made up of \$11,315,000 in principal and \$3,060,375 in interest. The source of repayment for this debt is developer impact fees collected within the Rocking K development, which is included in the Vail Incorporation Area of Interest. However, Developer is obligated to pay debt service shortfalls if impact fee revenues are insufficient.

South Houghton Road Widening: Construction is scheduled to finish in late 2022. Funding includes Certificates of Participation (COPs); outstanding debt on July 1, 2024, is estimated at \$4.9 million. All of the proposed Vail Incorporation Area of Interest is included in the Southeast Impact Fee area. The Southeast Impact Fees will be used for the repayment of this debt. If incorporation occurs within the Southeast Impact Fee area, the new town will need to enter into an agreement with the County to repay a prorated share of this debt.

# ATTACHMENT N





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# Board of Supervisors Memorandum

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November 5, 2019

## Board of Supervisors Policy for General Fund Pay-As-You-Go Capital Improvement Funding

### Background

As part of the adopted budget for the current fiscal year, the Board approved a primary property tax rate and levy necessary to fund several General Fund capital improvement projects on a pay-as-you-go (PAYGO) basis. During the budgeting process, the Board also requested the development of a General Fund PAYGO policy to fully transition from voter-authorized general obligation bond funding of capital improvement projects, to a PAYGO program. To be clear, this transition has already occurred for the Library District, Regional Flood Control District and Regional Wastewater Reclamation Department. This Board policy would only apply to capital improvement projects funded from the General fund with primary property tax revenues. Attached is the policy for Board consideration (Attachment 1). I am providing these materials well in advance of the November 5 Board meeting so as to provide plenty of time for review and consideration.

### General Funding of Capital Improvement Projects

The Board recently received a copy of the Pima County Integrated Infrastructure Plan and a memorandum detailing the County's capital improvement planning process. The County funds capital improvement projects from a variety of funding sources. Historically, the General Fund has largely been used to fund operations, not capital improvements. The exceptions to this have been growing since the loss of revenue from voter-approved general obligation bonds, which has resulted in the County issuing Certificates of Participation (COPs) repaid over as little as 3 years but as long as 15 years with general funds and other revenues to mainly meet expenditure limits. The Board has expressed support for reducing the issuance of these short to medium-term debt instruments as a way to reduce interest costs. One way to do this is to levy additional primary property taxes to fund projects on a pay-as-you-go basis, which will limit most new debt to the minimum 3-year period in order to comply with expenditure limitations.

Before describing the various General Fund PAYGO funding scenarios, it is important the Board understand that revenues other than annual property taxes are retained in the General Fund, some of which will continue to be available to fund capital improvement projects. For example, the County leases buildings and facilities to outside entities and non-General Fund County departments in return for rent. This rent is deposited in the Facilities Renewal Fund and used to fund repairs and improvements to County facilities. In addition, for large capital improvement projects, it still may be necessary to issue medium-term COPs to be repaid over time with General Fund revenues until a large enough fund is built up for General Fund PAYGO.

General Fund PAYGO Capital Improvement Fund Revenue Scenarios

As part of my budget memorandums to the Board, I proposed a scenario to generate substantial additional funding for General Fund capital improvement projects, with the goal of building up a fund of approximately \$50 million a year, while still reducing the combined County property tax rate. I also said I would provide additional scenarios for the Board to consider.

As the Board will recall, the premise behind the original scenario was two-fold. First, the debt service secondary property tax rate will begin decreasing substantially next fiscal year as our general obligation bond debt is repaid. Therefore, a portion of the decrease in the secondary tax rate from the prior year could be applied to the primary property tax rate to fund capital improvement projects. Second, the primary property tax base continues to grow and a portion of this growth could be allocated to fund capital improvement projects while the remaining portion is used to reduce the primary tax rate. Originally, I had recommended a 50/50 scenario, whereby 50 percent of the decrease in the secondary property tax rate, plus 50 percent of the growth in the primary taxable net assessed value could be allocated to a dedicated fund for PAYGO General Fund capital improvement projects. In addition, because of the critical need for funding for road repair, I had recommended \$5 million from the General Fund for road repair this current fiscal year, and increasing that amount by \$5 million a year from General Fund PAYGO until the annual allocation totaled \$25 million.

Table 1 shows the total revenues per year generated under the original 50/50 scenario, the amount allocated for road repair, and the amount remaining for other capital improvements. The table also includes two additional scenarios. Attachment 2 includes the detailed tables behind each scenario. Note that the road repair allocation is the same for all scenarios, what differs is the total amount available and the amount available for non-road repair capital improvements. As you can see, the 50/50 scenario generates the least and the 100/50 scenario generates the most, with the 60/60 scenario in the middle.

**Table 1**  
**General Fund PAYGO Funding Scenarios Over 10 Years**

	FY20-21	FY21-22	FY22-23	FY23-24	FY 24-25
50/50 Total Available for PAYGO	17,623,514	18,022,218	26,164,485	31,656,985	32,647,498
Road Repair Allocation	10,000,000	15,000,000	20,000,000	25,000,000	25,000,000
Remaining Allocation	7,623,514	3,022,218	6,164,485	6,656,985	7,647,498
60/60 Total Available for PAYGO	21,148,217	21,626,661	31,397,381	37,988,382	39,176,997
Road Repair Allocation	10,000,000	15,000,000	20,000,000	25,000,000	25,000,000
Remaining Allocation	11,148,217	6,626,661	11,397,381	12,988,382	14,176,997
100/50 Total Available for PAYGO	25,270,454	28,324,994	44,212,696	55,468,031	61,068,775
Road Repair Allocation	10,000,000	15,000,000	20,000,000	25,000,000	25,000,000
Remaining Allocation	15,270,454	13,324,994	24,212,696	30,468,031	36,068,775

The Honorable Chairman and Members, Pima County Board of Supervisors  
 Re: **Board of Supervisors Policy for General Fund Pay-As-You-Go Capital Improvement Funding**

November 5, 2019  
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	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	Total
50/50 Total Available for PAYGO	33,827,533	36,116,982	39,581,219	42,610,227	44,032,965	322,283,624
Road Repair Allocation	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	220,000,000
Remaining Allocation	8,827,533	11,116,982	14,581,219	17,610,227	19,032,965	102,283,624
60/60 Total Available for PAYGO	40,593,039	43,340,378	47,497,462	51,132,272	52,839,559	386,740,349
Road Repair Allocation	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	220,000,000
Remaining Allocation	15,593,039	18,340,378	22,497,462	26,132,272	27,839,559	166,740,349
100/50 Total Available for PAYGO	63,344,321	67,837,005	74,677,539	80,645,857	83,399,843	584,249,513
Road Repair Allocation	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	220,000,000
Remaining Allocation	38,344,321	42,837,005	49,677,539	55,645,857	58,399,843	364,249,513

It is worth comparing the non-road repair allocations for each scenario to the unfunded projects included in the 10 year Integrated Infrastructure Plan. Approximately \$767 million of unfunded projects are included in General Fund departments; however, \$306 million of these are in the economic development category and include projects suitable for partial funding contributions by non-General Fund departments. Removing the economic development projects leaves \$461 million of unfunded projects in General Fund departments. The 50/50 scenario could provide about 22 percent of this unfunded amount, the 60/60 scenario 36 percent, and the 100/50 scenario 66 percent.

It would be ill advised, though, to recommend a scenario based on this comparison alone, given that many of the project cost estimates and scopes included in the Integrated Infrastructure Plan are preliminary. Actual costs and scopes may differ greatly if and when a given project is included in the Board's annual capital improvement program. In addition, the unfunded project amount in the Integrated Infrastructure Plan does not mean there are no known funding sources. Grants, developer contributions, donations, funding participation from other local governments, or even funding from non-General Fund departments could be allocated in the future to fund a portion of this unfunded amount.

Property Tax Rate Impact of Scenarios

The property tax rate implications for the scenarios are more important to consider, particularly if the objective is to implement the General Fund PAYGO program while reducing tax rates. Table 2 shows the estimated impact to the County's primary property tax rate and combined County property tax rates for each of the three scenarios. The combined County tax rate includes all of the tax rates levied by the Board, the primary, as well as four secondary tax rates (Debt Service, Flood Control, Library and Fire District Assistance). Fire District Assistance is included as required by the State, but the Board has no control over the rate amount.

It is estimated that all three scenarios could be implemented while reducing the combined County tax rate, with the 50/50 scenario reducing the combined rate the most, and the 100/50 scenario reducing it the least. This is the most meaningful way to review the impacts to tax payers since tax payers are responsible for paying all County levied taxes, not just

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 Re: **Board of Supervisors Policy for General Fund Pay-As-You-Go Capital Improvement Funding**

November 5, 2019

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one of the levies. That said the impact to the primary is also shown since we will continue to hear from critics that the primary rate is too high even if the County has lowered the combined rate. The 50/50 scenario results in the lowest primary property rate by FY2030, the 60/60 scenario results in a primary rate that is 6 cents lower than this year's rate, and the 100/50 scenario results in a rate that is 10 cents higher than this year's rate. Keep in mind this assumes that growth in the primary tax base and decreases in the secondary tax rate that are not applied to PAYGO, will instead be used to decrease the tax rates.

**Table 2**  
**Pima County Tax Rate Impact by Scenario**

Scenarios	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Primary Tax Rate											
100/50 Scenario	3.9996	4.0587	4.0263	4.0931	4.1157	4.1548	4.1239	4.1130	4.1221	4.1212	4.0903
60/60 Scenario	3.9996	4.0129	3.9769	4.0004	3.9984	4.0137	3.9870	3.9723	3.9696	3.9609	3.9342
50/50 Scenario	3.9996	3.9737	3.9163	3.9081	3.8807	3.8798	3.8439	3.8180	3.8021	3.7812	3.7453
Combined Tax Rate											
100/50 Scenario	5.6014	5.4666	5.3664	5.2652	5.1710	5.1214	5.0718	5.0222	4.9726	4.9229	4.8733
60/60 Scenario	5.6014	5.4256	5.3254	5.1844	5.0691	4.9974	4.9537	4.9020	4.8423	4.7866	4.7429
50/50 Scenario	5.6014	5.3816	5.2564	5.0802	4.9360	4.8464	4.7918	4.7272	4.6526	4.5829	4.5283

Recommended Revenue Scenario

After reviewing impacts to the County property tax rates and considering our capital needs over the next decade, I recommend the 60/60 revenue scenario, whereby 60 percent of the decrease in the secondary property tax rate, plus 60 percent of the growth in the primary net assessed value could be allocated to a dedicated fund for PAYGO General Fund capital improvement projects. The attached Board policy includes this revenue scenario.

General Fund PAYGO for Road Repair Sufficient to Solve our Road Repair Crisis in 10 Years

The Board has considered everything in its power to address our road repair crisis, almost all of which has been unsuccessful. This fiscal year the Board budgeted \$5 million in general funds for road repair. Combined with the Department of Transportation's Highway User Revenues Fund (HURF) and Transportation Vehicle License Tax (TVLT) revenues, and the remaining 1997 HURF bond proceeds reallocated for this purpose, Pima County will spend \$26 million this fiscal year on road repair within the unincorporated area. While that is considerably more than years prior, substantial additional funding over many years is necessary to address the crisis. The good news is that if the Board adopts the attached Board Policy and follows the policy for the next 10 years by allocating the recommended amount for road repair, it appears that the condition of all of our unincorporated local, arterial and collector roads will be in at least good condition by Fiscal Year (FY) 2029/30.

Pima County's Department of Transportation ran an analysis that considered estimates of Department of Transportation funding over the next 10 years, plus the proposed PAYGO

allocation for road repair (Attachment 3 - September 13, 2019 memorandum from Assistant County Administrator Yves Khawam). The StreetSaver model allocated these funds annually to repair roads in unincorporated Pima County in the most efficient way possible, based on need and unrestricted across arterial, collector and local roads based. Table 3 shows the resulting average road repair conditions across the network for each year. By the end of the current fiscal year, after investing the \$26 million budgeted, the average network condition index is anticipated to be at 42 out of 100, which is poor. However, by FY 2029/30, with the level of investment shown, the average network condition index is anticipated to climb to 80, which is very good, with the model showing no remaining deficit beyond regular cycle maintenance. That would be the point at which PAYGO funding for road repair could be scaled back.

If there are no major contingencies on the horizon for which we would need to reserve a relatively large general fund balance, it is also likely an increased investment could be made this fiscal year or FY 2019/20 and approach the amount now scheduled for FY 2022/23. This would reduce the amount of PAYGO funding needed long term for road repair.

**Table 3**  
**Road Repair Funding and Improvements in Road Conditions**

Year	Transportation Department Funding	PAYGO Allocation	Total Funding	Network Pavement Condition Index	Network Pavement Condition Index Improvement From FY18/19
FY19/20	21,000,000	5,000,000	26,000,000	42	10%
FY20/21	16,000,000	10,000,000	26,000,000	43	12%
FY21/22	16,000,000	15,000,000	31,000,000	45	16%
FY22/23	21,000,000	20,000,000	41,000,000	48	24%
FY23/24	23,000,000	25,000,000	48,000,000	52	33%
FY24/25	29,000,000	25,000,000	54,000,000	57	44%
FY25/26	30,000,000	25,000,000	55,000,000	62	56%
FY26/27	31,000,000	25,000,000	56,000,000	67	68%
FY27/28	35,000,000	25,000,000	60,000,000	71	79%
FY28/29	38,000,000	25,000,000	63,000,000	77	94%
FY29/30	41,000,000	25,000,000	66,000,000	80	99%
<b>TOTAL</b>	<b>301,000,000</b>	<b>225,000,000</b>	<b>526,000,000</b>		

The Board should also be aware that the Regional Transportation Authority is beginning to discuss funding priorities for the next 20-year regional transportation plan. If road repair funding is included in that plan, and if the plan and funding is approved by voters, then the Board may be able to reduce or eliminate the PAYGO road repair allocation.



The Honorable Chairman and Members, Pima County Board of Supervisors

Re: **Board of Supervisors Policy for General Fund Pay-As-You-Go Capital Improvement Funding**

November 5, 2019

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### Board Policy

The attached Board policy includes the following:

- Transitioning from voter-approved general obligation bond funding of capital improvement projects to a PAYGO program as part of the General Fund.
- Targeting an amount of primary property tax revenues to be levied annually for the General Fund PAYGO program, based on the recommended 60/60 revenue scenario.
- Establishing a new unit under the Capital Projects Fund to be called the General Fund Capital Improvement Fund, to hold these PAYGO revenues.
- Continuing Board review and approval an annual list of capital improvement projects as part of the annual budgeting process.
- Acknowledging that significant additional funding is needed for road repair, and supporting an allocation of \$10 million in FY 2020/21 from General Fund Capital Improvement Fund for road repair, and increasing that allocation by \$5 million a year until the amount is \$25 million a year or until the Board finds such an allocation is no longer necessary.
- Identifying capital improvement projects recommended for funding from the General Fund Capital Improvement Fund clearly in the Recommended and Tentative Budgets, as well as any other budget materials the Board receives.
- Acknowledging that, because of constitutional limitations on expenditures, short-term three-year COPs repaid with revenues from the General Fund Capital Improvement Fund, may be necessary.

### Implementation

If the Board approves the attached policy with the recommended 60/60 revenue scenario, staff will use that targeted primary property tax levy to develop next year's General Fund PAYGO capital improvement program.

The Pima County 10-year Integrated Infrastructure Plan, 5-year Capital Improvement Program, and current list of active capital improvement projects, can be found on Pima County web site at [http://webcms.pima.gov/government/project\\_management\\_office\\_pmo/](http://webcms.pima.gov/government/project_management_office_pmo/). Subject to unforeseen events, budget proposals for capital improvement projects will be developed by departments from these documents, will be due to Finance in January, and will be evaluated against this available funding, as well as other funding sources. I typically meet with departments regarding capital improvement project budgets in March and will submit to the Board a Recommended Budget in April that contains a list of capital improvement projects that specifically identifies the projects recommended for funding from the General Fund Capital Improvement Fund PAYGO Program.

### Board Policy Does Not Change the Board's Budgeting Authority

It is important to note that the Board does not give up its annual budgeting authority by approving this policy. The Board can still chose to approve a General Fund budget that includes a lesser or greater amount of funding for General Fund PAYGO. The Board can still

The Honorable Chairman and Members, Pima County Board of Supervisors  
Re: **Board of Supervisors Policy for General Fund Pay-As-You-Go Capital Improvement Funding**  
November 5, 2019  
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choose how much General Fund PAYGO to allocate to road repair versus other General Fund capital improvement projects. The Board can defer from Board Policy. However, the County Administrator would be required to prepare a budget in compliance with this Board Policy, unless the Board directs otherwise.

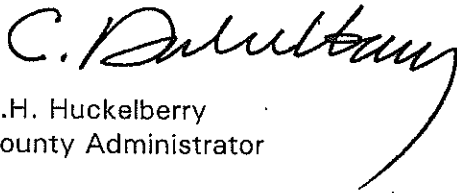
Recommendation

I recommend the Board approve the following:

1. Adopt Policy Number D22.12, General Fund Capital Improvement Fund Pay-As-You-Go Program. The policy as written will provide sufficient revenues to:
  - a. Fix our roads in 10 years;
  - b. Provide additional funding for other General Fund capital improvement projects as approved by the Board;
  - c. Reduce taxes spent on debt interest payments; and
  - d. Reduce the combined County property tax rate.
2. Allocate an additional \$10 million in FY 2018/19 ending fund balance to be distributed equally by Supervisory district for repair of local roads. Such an allocation will increase the FY 2019/20 road repair funding from \$26 million to \$36 million. A list of roads to be repaired using this additional \$10 million will be generated by the Department of Transportation using the already adopted FY 2019/20 Pima County Transportation Advisory Committee criteria for local roads, which focused on fixing failed roads first.

This information is being provided well in advance of the Board's November 5 meeting. Please contact me if you have any questions or concerns.

Sincerely,



C.H. Huckelberry  
County Administrator

CHH/dr – September 20, 2019

- c: Jan Leshar, Chief Deputy County Administrator  
Tom Burke, Deputy County Administrator for Administration  
Carmine DeBonis, Deputy County Administrator for Public Works  
Yves Khawam, Assistant County Administrator for Public Works  
Michelle Campagne, Director, Finance and Risk Management  
Nancy Cole, Manager, Project Management Office  
Lisa Josker, Director, Facilities Management  
Nicole Fyffe, Executive Assistant to the County Administrator

## ATTACHMENT 1

**PIMA COUNTY, ARIZONA  
BOARD OF SUPERVISORS POLICY**

**Subject:**     General Fund Capital Improvement Fund  
                    Pay-As-You-Go Program

**Policy  
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**Purpose**

To establish Pima County policy for determining the annual primary property tax levy for funding General Fund capital improvement projects on a Pay-As-You-Go basis, as well as the amount allocated to road repair.

**Policy**

**A. Revenues**

The Board of Supervisors supports the transition from voter-authorized general obligation bond funding of capital improvement projects to a pay-as-you-go (PAYGO) program as part of the General Fund. This PAYGO program will be funded by primary property tax revenues as calculated below and transferred from the General Fund to the Capital Projects Fund, under a unit called the General Fund Capital Improvement Fund.

The primary property taxes to be levied annually will include a PAYGO component based on the sum of the following:

1. Sixty Percent of the Cumulative Decrease in Secondary Property Tax Rate for Debt Service. As the secondary property tax rate for debt service of general obligation bonds decreases, 60 percent of the cumulative decrease will be added to the primary property tax levy. This will be calculated by multiplying 60 percent of the cumulative decrease in the tax rate since Fiscal Year 2019/20 by the applicable year's primary property tax base (Taxable Net Assessed Value of property) divided by 100.
  
2. Sixty Percent of the Increase in the Primary Property Tax Base. As the primary property tax base (Taxable Net Assessed Value of property) grows, 60 percent of the increase will be added to the primary property tax levy. This will be calculated by multiplying the increase in the primary property tax levy from the prior year by 60 percent.

Both PAYGO levy amounts will be combined to determine the total amount of primary property taxes to be levied annually for PAYGO and the revenues will be deposited into the General Fund Capital Improvement Fund.

**PIMA COUNTY, ARIZONA  
BOARD OF SUPERVISORS POLICY**

**Subject:** General Fund Capital Improvement Fund  
Pay-As-You-Go Program

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An example of this calculation is shown below for Fiscal Year 2020/21:

	<b>FY19-20</b>	<b>FY20-21</b>
Debt Service Secondary Property Tax Rate per \$100 TNAV <sup>1</sup>	0.690	0.520
Debt Service Secondary Property Tax Rate Decrease	-	0.170
Cumulative Decrease Since FY19-20		0.170
60% of Cumulative Decrease		0.102
Primary TNAV/100 <sup>2</sup>	85,177,100	89,964,001
<b>Subtotal: PAYGO Levy based on 60% of Cumulative Secondary Tax Rate Decrease Since FY19-20<sup>3</sup></b>		<b>9,176,328</b>
Primary Tax Levy TNAV Increase from Prior Year <sup>4</sup>		19,953,148
<b>Subtotal: PAYGO Levy based on 60% of Primary Tax Levy TNAV increase from Prior Year<sup>5</sup></b>		<b>11,971,889</b>
<b>Total: Total PAYGO Levy</b>		<b>21,148,217</b>

The County Administrator shall include recommendations within the annual Recommended Budget and the Tentative Budget consistent with this policy for allocations to and expenditures from the General Fund Capital Improvement Fund.

**PIMA COUNTY, ARIZONA**

<sup>1</sup> Secondary property tax rate necessary to pay principal and interest payments for all County outstanding general obligation bond debt, per \$100 of Taxable Net Assessed Value.

<sup>2</sup> Assumes the primary tax base (Taxable Net Assessed Value/TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>3</sup> 60% of the cumulative decrease in the secondary tax rate since FY19-20 multiplied by the applicable year's primary property tax base (TNAV) divided by 100.

<sup>4</sup> Primary tax levy increase from prior year assuming the primary tax base (TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>5</sup> As the primary property tax base grows, 60% of the growth per year is dedicated to PAYGO.



## BOARD OF SUPERVISORS POLICY

**Subject:**     **General Fund Capital Improvement Fund  
                  Pay-As-You-Go Program**

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Because of constitutionally imposed expenditure limits, this PAYGO program may include the issuance of short-term three-year debt instruments, such as Certificates of Participation, repaid with revenues from the General Fund Capital Improvement Fund. This short-term financing meets the definition of debt and allows an appropriate offset to the annually calculated expenditure limit. Projects funded from the issuance of short-term debt repaid with revenues from the General Fund Capital Improvement Fund will be identified separately from the projects funded directly.

### B. Project Selection

The Board of Supervisors will continue to review and approve an annual list of capital improvement projects as part of the annual budgeting process. The capital improvement projects recommended for funding from the General Fund Capital Improvement Fund will be clearly identified in the Recommended Budget and the Tentative Budget, as well as any other budget materials the Board receives.

The Board of Supervisors acknowledges the need for additional funding for road repair and supports allocating \$10 million in Fiscal Year 2020/21 from the General Fund Capital Improvement Fund for road repair, and increasing that allocation by \$5 million a year until the amount is \$25 million a year or until the Board finds such an allocation is no longer necessary.

Adoption Date:

Effective Date:

## ATTACHMENT 2

**Pay As You Go General Fund Primary Tax Levy  
10 Years -50% Secondary & 50% Growth**

	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30
Debt Service Secondary Property Tax Rate per \$100 TNAV <sup>1</sup>	0.690	0.520	0.470	0.320	0.220	0.140	0.130	0.100	0.050	0.010	-
Debt Service Secondary Property Tax Rate Decrease	-	0.170	0.050	0.150	0.100	0.080	0.010	0.030	0.050	0.040	0.010
Cumulative Decrease Since FY19-20		0.170	0.220	0.370	0.470	0.550	0.560	0.590	0.640	0.680	0.690
50% of Cumulative Decrease		0.085	0.110	0.185	0.235	0.275	0.280	0.295	0.320	0.340	0.345
Primary TNAV/100 <sup>2</sup>	851,771	89,964,001	93,661,600	97,557,900	101,323,601	103,350,100	105,417,100	107,525,500	109,676,000	111,869,500	114,106,890
Subtotal: PAYGO Levy based on 50% of Cumulative Secondary Tax Rate Decrease Since FY19-20 <sup>3</sup>		7,646,940	10,302,776	18,048,212	23,811,046	28,421,278	29,516,788	31,720,023	35,096,320	38,035,630	39,366,877
Primary Tax Levy TNAV Increase from Prior Year <sup>4</sup>		19,953,148	15,438,883	16,232,546	15,691,878	8,452,440	8,621,489	8,793,919	8,969,797	9,149,193	9,332,177
Subtotal: PAYGO Levy based on 50% of Primary Tax Levy TNAV Increase from Prior Year <sup>5</sup>		9,976,574	7,719,442	8,116,273	7,845,939	4,226,220	4,310,745	4,396,960	4,484,899	4,574,597	4,666,088
Total: Total PAYGO Levy <sup>6</sup>		17,623,514	18,022,218	26,164,485	31,656,985	32,647,498	33,827,533	36,116,982	39,581,219	42,610,227	44,032,965

<sup>1</sup> Secondary property tax rate necessary to pay principal and interest payments for all County outstanding general obligation bond debt, per \$100 of Taxable Net Assessed Value.

<sup>2</sup> Assumes the primary tax base (Taxable Net Assessed Value/TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>3</sup> 50% of the cumulative decrease in the secondary tax rate since FY19-20 multiplied by the applicable year's primary property tax base (TNAV) divided by 100.

<sup>4</sup> Primary tax levy increase from prior year assuming the primary tax base (TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>5</sup> As the primary property tax base grows, 50% of the growth per year is dedicated to PAYGO.

<sup>6</sup> Total annual PAYGO component of the primary property tax levy based on the sum of subtotals.

Pay As You Go General Fund Primary Tax Levy  
10 Years - 60% Secondary & 60% Growth

	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30
Debt Service Secondary Property Tax Rate per \$100 TNAV <sup>1</sup>	0.690	0.520	0.470	0.320	0.220	0.140	0.130	0.100	0.050	0.010	-
Debt Service Secondary Property Tax Rate Decrease	-	0.170	0.050	0.150	0.100	0.080	0.010	0.030	0.050	0.040	0.010
Cumulative Decrease Since FY19-20		0.170	0.220	0.370	0.470	0.550	0.560	0.590	0.640	0.680	0.690
60% of Cumulative Decrease		0.102	0.132	0.222	0.282	0.330	0.336	0.354	0.384	0.408	0.414
Primary TNAV/100 <sup>2</sup>	85,177,100	89,964,001	93,661,600	97,557,900	101,323,601	103,350,100	105,417,100	107,525,500	109,676,000	111,869,500	114,106,890
Subtotal: PAYGO Levy based on 60% of Cumulative Secondary Tax Rate Decrease Since FY19-20 <sup>3</sup>		9,176,328	12,363,331	21,657,854	28,573,255	34,105,533	35,420,146	38,064,027	42,115,584	45,642,756	47,240,252
Primary Tax Levy TNAV Increase from Prior Year <sup>4</sup>		19,953,148	15,438,883	16,232,546	15,691,878	8,452,440	8,621,489	8,793,919	8,969,797	9,149,193	9,332,177
Subtotal: PAYGO Levy based on 60% of Primary Tax Levy TNAV Increase from Prior Year <sup>5</sup>		11,971,389	9,263,330	9,739,528	9,415,127	5,071,464	5,172,893	5,276,351	5,381,878	5,489,516	5,599,306
Total: Total PAYGO Levy <sup>6</sup>		21,148,217	21,626,661	31,397,381	37,988,382	39,176,997	40,593,039	43,340,378	47,497,462	51,132,272	52,839,559

<sup>1</sup> Secondary property tax rate necessary to pay principal and interest payments for all County outstanding general obligation bond debt, per \$100 of Taxable Net Assessed Value.

<sup>2</sup> Assumes the primary tax base (Taxable Net Assessed Value/TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>3</sup> 60% of the cumulative decrease in the secondary tax rate since FY19-20 multiplied by the applicable year's primary property tax base (TNAV) divided by 100.

<sup>4</sup> Primary tax levy increase from prior year assuming the primary tax base (TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>5</sup> As the primary property tax base grows, 60% of the growth per year is dedicated to PAYGO.

<sup>6</sup> Total annual PAYGO component of the primary property tax levy based on the sum of subtotals.

Pay As You Go General Fund Primary Tax Levy  
10 Years -100% Secondary & 50% Growth

	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30
Debt Service Secondary Property Tax Rate per \$100 TNAV <sup>1</sup>	0.690	0.520	0.470	0.320	0.220	0.140	0.130	0.100	0.050	0.010	-
Debt Service Secondary Property Tax Rate Decrease	-	0.170	0.050	0.150	0.100	0.080	0.010	0.030	0.050	0.040	0.010
Cumulative Decrease Since FY19-20		0.170	0.220	0.370	0.470	0.550	0.560	0.590	0.640	0.680	0.690
100% of Cumulative Decrease		0.170	0.220	0.370	0.470	0.550	0.560	0.590	0.640	0.680	0.690
Primary TNAV/100 <sup>2</sup>	85,177,100	89,964,001	93,661,600	97,557,900	101,323,601	103,350,100	105,417,100	107,525,500	109,676,000	111,869,500	114,106,890
Subtotal: PAYGO Levy based on 100% of Cumulative Secondary Tax Rate Decrease Since FY19-20 <sup>3</sup>		15,299,880	20,605,552	36,096,423	47,622,092	56,842,555	59,033,576	63,440,045	70,192,640	76,071,260	78,733,754
Primary Tax Levy TNAV Increase from Prior Year <sup>4</sup>		19,959,148	15,438,883	16,232,546	15,691,878	8,452,440	8,621,489	8,793,919	8,969,797	9,149,193	9,332,177
Subtotal: PAYGO Levy based on 50% of Primary Tax Levy TNAV Increase from Prior Year <sup>5</sup>		9,976,574	7,719,442	8,116,273	7,845,939	4,226,220	4,310,745	4,396,960	4,484,899	4,574,597	4,666,088
Total: Total PAYGO Levy <sup>6</sup>		25,270,454	28,324,994	44,212,696	55,468,031	61,068,775	63,344,321	67,837,005	74,677,539	80,645,857	83,399,843

<sup>1</sup> Secondary property tax rate necessary to pay principal and interest payments for all County outstanding general obligation bond debt, per \$100 of Taxable Net Assessed Value.

<sup>2</sup> Assumes the primary tax base (Taxable Net Assessed Value/TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>3</sup> 100% of the cumulative decrease in the secondary tax rate since FY19-20 multiplied by the applicable year's primary property tax base (TNAV) divided by 100.

<sup>4</sup> Primary tax levy increase from prior year assuming the primary tax base (TNAV) grows between 5.62% and 3.86% for FY20-21 through FY23-24, and 2% thereafter, with a collection rate of 97.5687%.

<sup>5</sup> As the primary property tax base grows, 50% of the growth per year is dedicated to PAYGO.

<sup>6</sup> Total annual PAYGO component of the primary property tax levy based on the sum of subtotals.



## ATTACHMENT 3



# MEMORANDUM

## Public Works Administration

DATE: September 13, 2019

TO: C.H. Huckelberry  
County Administrator

FROM: Yves Khawam   
Assistant County Administrator for  
Public Works

RE: Road Repair Program

As you are acutely aware, the unincorporated Pima County surface transportation principal priorities have shifted in the last twenty years from needed capacity enhancement to maintenance of pavements and other roadway infrastructure. To accommodate the effective and efficient implementation of this change, a complete restructuring of the Pima County Department of Transportation (DOT) budget, organizational units, processes and technology support occurred in Fiscal Year 2018/2019 (FY19). The department activities for this transition year have been captured in an annual report, soon to be distributed you.

The DOT restructuring effort has resulted in significant operational savings, which coupled with 1997 Highway User Revenue Fund (HURF) Bond debt service reductions and increased State-shared revenues provide a reliable revenue stream to fund routine County roadway pavement preservation. However, this amount is not sufficient to mitigate the backlog of repair work needed to significantly raise the overall network pavement condition. The DOT FY20 operational budget contribution to road repair totals \$15 million, with an additional \$6 million allocation derived from repurposed 1997 HURF Bonds and \$5 million contributed from the General Fund for a total of \$26 million.

The FY20 \$26 million amount of road repair funding will result in an overall network Pavement Condition Index (PCI) improvement of 10 percent over that of FY19. PCI is a numerical index ranging between 0 and 100 which is used to indicate the general condition of a pavement with a rating of 100 being best. Table 1 indicates the overall status of road conditions following completion of the construction work programed for FY20. Seventy percent of roads were in poor and failed condition at end of FY19 and with the work programed for FY20, that number will be reduced to 63 percent. These improvements elevate 7 percent of roads out of poor/failed condition and provide a 10 percent overall network PCI enhancement. This level of progress in a single year demonstrates the County's ability to mitigate all failed and poor pavements with an allocation of additional funding.

**Table 1**  
**Road Conditions Following Programed FY 2019/2020 Work**

Condition	PCI	Arterial/Collector		Local		Total	
		Miles	%	Miles	%	Miles	%
Very Good	70-100	300	44%	111	9%	411	22%
Good	50-69	106	17%	188	15%	294	15%
Poor	25-49	107	17%	439	36%	546	29%
Failed	0-24	155	21%	498	40%	653	34%
Total		668	100%	1,236	100%	1,904	100%

C.H. Huckelberry, County Administrator

**Road Repair Program**

September 13, 2019

Page 2

The DOT operational pavement repair and maintenance funding stream will in the future be sufficient to maintain all unincorporated County paved public roads in good condition. However, a significant injection of funding is still required to clear the backlog of disrepair. Despite previous County efforts to secure additional funding sources, it appears there are no other options at this point than to allocate General Fund monies to fill this gap. To this end, \$5 million was allocated from the General Fund for FY20 and there is discussion regarding allocating additional pay-as-you-go (PAYGO) funding to road repair annually in \$5 million increments, up to a maximum of \$25 million per year until such time that this funding is no longer needed.

The DOT has run analyses within the StreetSaver pavement preservation model based on projected DOT operational funds allocated for road repair and the potential General Fund PAYGO allocations. The model considers pavement construction section, construction date, past treatment dates and last condition rating to optimize a recommendation of pavement sections to be treated based on allocated budget amounts and road selection prioritization criteria. For arterial/collector functional class roadways, the sole criterion used is to optimize the pavement condition rating based on available funding. This approach is used to preserve the investment made in the arterial/collector network which serves as the backbone of regional mobility and operates with higher speeds, volume, risk, and community-wide value than local roads.

The local street network, however, operates at lower levels in each of these categories. As such and due to the large number of failed roadways, additional criteria for local road repair selection is warranted. The Pima County Transportation Advisory Committee (PTAC) approved criteria for the selection of FY20 local road repairs and is actively soliciting public input via meetings and survey regarding criteria for selection and repair of local paved roads for FY21. It is expected that when the PCI of local roads is raised to an acceptable threshold, these roads too will be selected for preservation treatment solely using StreetSaver return on investment criterion.

**Table 2**  
**Road Repair Funding and Road Conditions**

Year	Transportation Department Funding	Potential PAYGO Allocation	Total Funding	Network Pavement Condition Index	Network Pavement Condition Index Improvement From FY18/19
FY19/20	21,000,000	5,000,000	26,000,000	42	10%
FY20/21	16,000,000	10,000,000	26,000,000	43	12%
FY21/22	16,000,000	15,000,000	31,000,000	45	16%
FY22/23	21,000,000	20,000,000	41,000,000	48	24%
FY23/24	23,000,000	25,000,000	48,000,000	52	33%
FY24/25	29,000,000	25,000,000	54,000,000	57	44%
FY25/26	30,000,000	25,000,000	55,000,000	62	56%
FY26/27	31,000,000	25,000,000	56,000,000	67	68%
FY27/28	35,000,000	25,000,000	60,000,000	71	79%
FY28/29	38,000,000	25,000,000	63,000,000	77	94%
FY29/30	41,000,000	25,000,000	66,000,000	80	99%
<b>TOTAL</b>	<b>301,000,000</b>	<b>225,000,000</b>	<b>526,000,000</b>		

The StreetSaver analysis reflected in Table 2 demonstrates that the described level of anticipated funding is sufficient to raise the County network-wide PCI to 80 by FY30. A condition rating of 80 is squarely within the range of “very good” and is the number many jurisdictions target as an ideal level for pavement maintenance. The table breaks out the PCI increase per year over the next 10 years with corresponding pavement condition improvement. The level of improvement by year is not linear in that when a larger number of roads degrade to a threshold needing a costly treatment in a given year, the available budget capacity for that year yields a lower overall PCI increase.

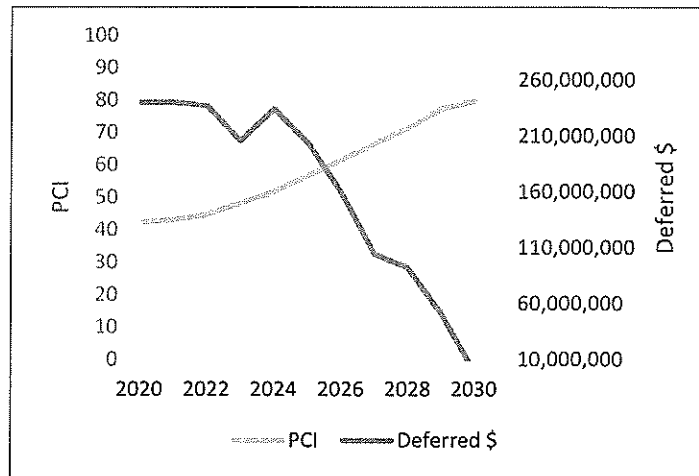
Table 3 reflects projected road conditions in FY30 subject to the above discussed potential budget allocations. The StreetSaver model shows that there would be no failed roads at the end of FY30 and only 8 percent of poor roads. These remaining poor roads would remain in that state for only a short time prior to receiving a treatment and elevating them back to “very good” through the normal maintenance cycle.

**Table 3**  
**Stabilized Road Conditions Following Projected FY 2029/2030 Work**

Condition	PCI	Arterial/Collector		Local		Total	
		Miles	%	Miles	%	Miles	%
Very Good	70-100	556	83%	1,021	83%	1,577	83%
Good	50-69	77	12%	88	7%	165	9%
Poor	25-49	35	5%	128	10%	163	8%
Failed	0-24	0	0%	0	0%	0	0%
<b>Total</b>		<b>668</b>	<b>100%</b>	<b>1,236</b>	<b>100%</b>	<b>1,904</b>	<b>100%</b>

Figure 1 shows model output that further demonstrates that FY30 is the breakpoint at which the repair backlog is mitigated, showing only a \$10 million remaining deficit of regular cycle maintenance. That would be the point at which PAYGO funding for road repair could be discontinued with subsequent pavement maintenance costs entirely covered through the DOT operations fund.

**Figure 1**  
**PCI vs Deferred Annual Maintenance**



As you are also aware, the Regional Transportation Authority is beginning to discuss funding priorities for the next 20-year regional transportation plan. If road repair funding is included in that plan, and if the plan and funding is approved by voters, the projected PAYGO road repair allocations captured in Table 2 could be adjusted.

In summary, the County is making significant progress in implementing a road repair program through the restructuring of the DOT, implementation of a pavement preservation modelling tool to project condition improvements based on budget allocations, and the timely delivery of programed work. These combined elements demonstrate the County's ability to raise the average network PCI to "good" by FY24, "very good" by FY28, and attain sustainably-funded maintenance through transportation dedicated State-shared revenues by FY30. However, plan implementation is entirely contingent on a 10-year funding source such as the General Fund PAYGO at the allocation levels described above to temporarily supplement DOT pavement preservation funds.

- c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works  
Ana Olivares, Director, Transportation Department





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# MEMORANDUM

---

Date: September 10, 2019

To: Dr. Yves Khawam  
Assistant County Administrator  
for Public Works

From: C.H. Huckelberry  
County Administrator

A handwritten signature in black ink, appearing to be "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Road Repair Program**

Please prepare an appropriate analysis, including detailed information, to demonstrate the County is making significant progress in implementing a 10-year road repair program. Also, ensure enough information is documented to demonstrate that if the Board of Supervisors continues with the proposed pay-as-you-go program associated with the increasing road repair contributions that the number of roadways requiring repair will dramatically decrease within 10 years.

The analysis on this subject will be transmitted to the Board.

CHH/anc

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works  
Ana Olivares, Director, Transportation Department

# ATTACHMENT O

**From:** [Carla Blackwell](#)  
**To:** [Nicole Fyffe](#); [Chris Poirier](#); [Tracey Gutheim](#)  
**Cc:** [Carmine DeBonis](#)  
**Subject:** RE: cost estimate to provide DSD services to newly incorporated town  
**Date:** Tuesday, September 27, 2022 12:53:16 PM

---

Hi Nicole,

Here is our estimates. Based on our current budget of \$7,712,322 and the current percentages of business (represented by inspections below) we would want to charge Vail - \$1,658,149.23. They of course could charge fees to cover this expense.

For Tanque Verde - \$509,013.25.

The services that would be covered include planning, zoning, zoning enforcement (of our code), building reviews and permits, site reviews and inspections.

Thanks

Percentage of Building Inspections in the Proposed Incorporation Areas (FY22)

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	35091	71.9%
Tanque Verde	3204	6.6%
Vail	10494	21.5%
Total	48789	100.0%

Tanque Verde - Percent of Overall County Building Inspections

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	45585	93.4%
Tanque Verde	3204	6.6%
Total	48789	100.0%

Vail - Percent of Overall County Building Inspections

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	38295	78.5%
Vail	10494	21.5%
Total	48789	100.0%

*Carla L. Blackwell*  
*Development Services Director*  
*Pima County Development Services*  
*201 N. Stone, First Floor*  
*Tucson, Arizona 85701*

---

**From:** Nicole Fyffe 

# ATTACHMENT P



rob samuelsen.com

---

**From:** [REDACTED]  
**Sent:** Thursday, October 20, 2022 4:22 PM  
**To:** rob samuelsen [REDACTED]  
**Subject:** Fwd: Jail bookings Vail

Rob:

FYI.

Bruce

----- Original Message -----

**Subject:**Jail bookings Vail  
**Date:**2022-10-20 16:18  
**From:**Nicole Fyffe [REDACTED]  
**To:**Bruce Wright [REDACTED]

Bruce, see below. The redistricting refers to a change in patrol districts. So it looks like bookings for the Vail area were 68 in 2020 and 2021, and 74 to date in 2020. This doesn't give you the number of days they were housed, but you can apply the initial booking fee of \$401 to these numbers. I could request a ball park of number of days housed it helpful. Or alternatively ask for the jail bill for OV or Marana for you to review. Let me know.

-Nicole

---

**From:** Gilbert R. Dominguez [REDACTED]  
**Sent:** Thursday, October 20, 2022 3:54 PM  
**To:** Nicole Fyffe [REDACTED]  
**Subject:** RE: status of cost estimates to serve Vail and TV

Hi Nicole,

Our planning and research folks work fast.



These numbers include all bookings (adult/juvenile) which occurred within the Tanque Verde and Vail areas.

<b>2020</b>	
Tanque Verde (R2)	47
Vail (R1)	68
<b>Average Bookings</b>	<b>57.5</b>

<b>Jan. 1, 2021 -Sept. 2, 2021 (pre-redistricting)</b>	
Tanque Verde (R2)	29
Vail (R1)	45
<b>Average Bookings</b>	<b>37</b>

<b>Sept. 3, 2021 - Dec. 31, 2021 (post-redistricting)</b>	
Tanque Verde (R2)	7
Vail (V2,V3)	23
<b>Average Bookings</b>	<b>15</b>

Chief Gilbert Dominguez

Operations Bureau Commander

1750 E. Benson Highway

Tucson, AZ 85714



[www.pimasheriff.org](http://www.pimasheriff.org)



**PIMA COUNTY  
SHERIFF'S  
DEPARTMENT**  
*Keeping the Peace Since 1865*

Catalina FH Proposal Final.pdf

File | C:/Users/u108039/AppData/Local/Microsoft/

10 of 18

**COST FOR JAIL/INMATE PROCESSING:**

Any custodial misdemeanor arrest occurring in the Catalina housing and processing the arrested subject. From 2012-2013 133.85 misdemeanor arrestees booked in the Pima County from the proposed incorporated area.

Current charges for each misdemeanor arrestee are as follows

- \$348.81 per each misdemeanor arrestee, which includes
  - Initial Booking
  - Medical and Mental Health Screening
  - Identification and Processing
  - Court Appearance
  - Housing
  - Meals

Current charge for subsequential housing days:

- \$102.84 per Misdemeanor Arrestee

The costs noted above are the current FY 20/21 rates as of

Type here to search

**From:** Gilbert R. Dominguez <[REDACTED]>  
**Sent:** Monday, October 17, 2022 1:56 PM  
**To:** Nicole Fyffe <[REDACTED]>  
**Subject:** RE: status of cost estimates to serve Vail and TV

You're welcome. Take care.

**From:** Nicole Fyffe <[REDACTED]>  
**Sent:** Monday, October 17, 2022 1:55 PM

**From:** Gilbert R. Dominguez <~~Gilbert.Dominguez@pima.gov~~>  
**Sent:** Tuesday, October 25, 2022 1:43 PM  
**To:** Nicole Fyffe  
**Subject:** RE: status of cost estimates to serve Vail and TV (jail rates)  
**Attachments:** Mara\_OROV FY 20-21\_FY 21-22.xlsx

Good Afternoon Nicole,

Attached, is the break down for each fiscal year (20/21 and 21/22) for Marana and OV. Simpler to provide these comparisons.

Here are the averages for each:

	First Day Rate	Add'tl day rate
FY 20-21	\$ 420.65	\$ 127.02
FY 21-22	\$ 422.73	\$ 123.90

Average Billing		
	FY 20-21	FY 21-22
Marana	\$ 12,416.38	\$ 18,429.31
Oro Valley	\$ 9,534.47	\$ 11,786.84

Average # of Incarcerated Days		
	FY 20-21	FY 21-22
Marana	48.031	80.455
Oro Valley	35.757	52.96

Average # of Incarcerated Inmates		
	FY 20-21	FY 21-22
Marana	26.818	40.583
Oro Valley	22.455	25.500

Let me know if you need anything else.

Chief Gilbert Dominguez  
Operations Bureau Commander  
1750 E. Benson Highway  
Tucson, AZ 85714



[www.pimasheriff.org](http://www.pimasheriff.org)

Tail

	July-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22
	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days
Mar-21	41	46	46	46	46	46	46	46	46	46	46	46
Mar-21	5,478,668	5,742,111	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579
Mar-21	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137
Mar-21	5,478,668	5,742,111	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579

	July-21	Aug-21	Sept-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22
	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days	# of days
Mar-21	41	46	46	46	46	46	46	46	46	46	46	46
Mar-21	5,478,668	5,742,111	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579
Mar-21	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137	38,137
Mar-21	5,478,668	5,742,111	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579	5,813,579

City	Midday
Mar-21	127.00
Mar-22	123.99

Account Billing	Mar-21	Mar-22
Mar-21	5,478,668	5,742,111
Mar-22	5,813,579	5,813,579

Account # of Invoiced Invoices	Mar-21	Mar-22
Mar-21	38,137	38,137
Mar-22	38,137	38,137

Account # of Invoiced Invoices	Mar-21	Mar-22
Mar-21	38,137	38,137
Mar-22	38,137	38,137



# ATTACHMENT Q



**From:** Tom Belshe [REDACTED]  
**Sent:** Monday, October 24, 2022 10:00 AM  
**To:** rob samuelsen [REDACTED]  
**Subject:** FW: AZ League of Cities and Towns

Here you go.

---

**From:** Sandy Morari [REDACTED]  
**Sent:** Monday, October 24, 2022 9:54 AM  
**To:** Tom Belshe [REDACTED]  
**Subject:** RE: AZ League of Cities and Towns

Using the current dues formula, their dues amount would be \$15,850.

$21,000 \times .55 \text{ (per capita)} + \$4,300 \text{ base} = \$15,850$

*Sandy*

Sandra Morari, Office Manager  
League of Arizona Cities & Towns  
1820 West Washington Street  
Phoenix AZ 85007  
[www.azleague.org](http://www.azleague.org)  
[REDACTED]

---

**From:** Tom Belshe [REDACTED] >  
**Sent:** Monday, October 24, 2022 9:51 AM  
**To:** Sandy Morari [REDACTED]  
**Subject:** FW: AZ League of Cities and Towns

Can you provide a dues estimate for a Vail population of 21,000?

---

**From:** rob samuelsen [REDACTED] >  
**Sent:** Monday, October 24, 2022 9:22 AM  
**To:** Tom Belshe [REDACTED]  
**Subject:** RE: AZ League of Cities and Towns

Our study area is 21,000 but it will be less than that once we cut out some of the neighborhoods. Use the 21,000 to be conservative.

Rob

---

**From:** Tom Belshe [REDACTED]  
**Sent:** Monday, October 24, 2022 9:15 AM  
**To:** rob samuelsen [REDACTED]  
**Subject:** RE: AZ League of Cities and Towns

Rob, Can you remind me what your population figure is?

**From:** rob samuelsen [REDACTED]  
**Sent:** Tuesday, October 18, 2022 2:54 PM  
**To:** Tom Belshe [REDACTED]  
**Subject:** AZ League of Cities and Towns

Tom,

What would be League dues for the new Town of Vail?

Thanks

Rob Samuelsen

# ATTACHMENT R

Public Service Center Building  
240 N. Stone Ave., 1<sup>st</sup> Floor  
Tucson, AZ 85701

Doc. Recording: (520) 724-4350  
Voter Registration: (520) 724-4330



Mailing Address:  
PO Box 3145  
Tucson, AZ 85702-3145  
Social: @PimaRecorder  
Web: recorder.pima.gov

GABRIELLA CAZARES-KELLY, Recorder

## MEMORANDUM

DATE: September 21, 2022  
TO: Nicole Fyffe  
Senior Advisor, County Administrator's Office  
FROM: Hilary H. Hiser  
Chief Deputy Recorder  
RE: Early Voting Cost Estimate for Proposed Municipality of Vail

\*\*\*\*\*

The following estimate details the early voting election costs for any jurisdictional election called by a future Town of Vail held after incorporation.

In the proposed incorporation area, there are **14,525 active voters** and **1,469 inactive voters** eligible to participate in an election.

Most Pima County Voters are registered on the Active Early Voting List (AEVL - formerly known as PEVL). The Vail area has **11,085 AEVL voters** who would automatically receive an early ballot by mail.

The Recorder's Office provides election services for local jurisdictions by offering two election types. The costs for providing each type differ significantly based on the resources needed to conduct the election.

The total costs of an election are variable and depend on numerous factors, including total registered voters, percentage of voter participation, and the occurrence of unexpected voting issues that require further staff follow-up.

Due to supply chain shortages and inflation, the general cost for ballot packet paper and postage rates have increased substantially in recent months. Pima County's master agreement with Runbeck Election Services allows our vendor to pass along some of the increased costs associated with securing the necessary election supplies. Those increased costs are reflected in the final invoicing for providing ballot printing and mail services. Unfortunately, the Recorder's adopted fee schedule only allows the office to charge jurisdictions the cost of increased postal rates. The current fee schedule does not provide an avenue for recovery of increased printing costs.

To recover any costs passed from the vendor to Pima County, we would need to ensure the intergovernmental agreement clearly states the municipality can be charged for printing cost increases due to market fluctuations.

The following costs reported are estimates only and do not reflect additional fees for services provided at a per-voter rate. Because additional services are variable, the Recorder's Office cannot estimate what, if any, additional early voting support services would occur during an election. Nor, do these estimates reflect recent cost increases for supplies necessary to conduct early voting activities.

For specific election services offered, and the detailed information regarding price points, see the attached Pima County Recorder's Office Fee Schedule.

**ELECTION TYPE #1**

**POLLING PLACE ELECTION**

Early Ballot Processing	\$63,738.75
AEVL Ballots	\$33,255.00
Early Ballots Signature Verified (est. 50% participation rate)	\$4,156.88
*Election Day Operation (8 HRS)	\$1,668.00
*Election Day Overtime (4HRS)	\$1,250.80
Remote Site Computer Link	\$400.00
Active Voter List Maintenance	\$726.25
In-Active Voter List Maintenance	\$146.90
<b>TOTAL</b>	<b>\$105,342.58</b>

\*These rates are charged to cover the support the Pima County Recorder's Office provides to the Elections Department for phone coverage directing voters to the appropriate voting location. The specific polling location would be determined by the Elections Department. Minimum staffing 10 FTEs.

**ELECTION TYPE #2**

**ALL BALLOT-BY-MAIL ELECTION**

Mailing Ballots to All Active Voters	\$33,407.50
Early Ballots Signature Verified (est. 50% participation rate)	\$4,156.88
Special Ballot Inserts	\$726.25
Active Voter List Maintenance	\$726.25
In-Active Voter List Maintenance	\$146.90
*Consolidated Election Fee	\$1,452.50
<b>TOTAL</b>	<b>\$40,625.28</b>

\*Consolidated applied only when jurisdictional elections appear on Pima County wide election ballot, i.e. Primary or General Ballot.



An additional \$5,365.00 to \$10,730.00 should be added to each cost estimate to cover the variable costs for printing and mailing of early voting packets. Most elections require replacement ballots for voters and staff follow-up for processing "problem ballots" which would be another \$1,560.00 to \$2,000.00

Based on all the information discussed above, **the cost range to conduct a jurisdictional election for a future Town of Vail is roughly \$45,000 to \$119,000.00.**

Public Service Center Building  
240 N. Stone Ave., 1<sup>st</sup> Floor  
Tucson, AZ 85701

Doc. Recording: (520) 724-4350  
Voter Registration: (520) 724-4330



Mailing Address:  
PO Box 3145  
Tucson, AZ 85702-3145  
Social: @PimaRecorder  
Web: recorder.pima.gov

GABRIELLA CAZARES-KELLY, Recorder

## **PIMA COUNTY RECORDER'S OFFICE FEE SCHEDULE**

### **ELECTION COSTS**

For Conducting Jurisdictional Elections (i.e., Cities, Towns, School Districts, Fire Districts, etc.)

#### **POLLING PLACE ELECTIONS**

Early Ballot Processing	\$5.75 each★
Active Early Voting List (AEVL) Ballots	\$3.00 each★
Early Ballot Signature Verification	\$0.75 per signature
Replacement Ballots – Satellite Location	\$2.00 each
Replacement Ballots – By Mail	\$3.00 each
Problem Ballots Processing & Follow-Up	\$6.00 each
Signature Roster Printing (per precinct)	\$25.00 each
Provisional Ballots	\$16.00 each
Conditional Provisional Ballots	\$6.00 each
Regular Hours	\$20.85 per hour
Overtime Hours	\$31.27 per hour
Remote Site Computer linked	\$400.00 flat fee
Remote Site Not computer linked	\$200.00 flat fee

#### **ALL BALLOT-BY-MAIL ELECTIONS**

Mailing of Ballots to Every Active Voter	\$2.30 each★
Replacement Ballots – Satellite Location	\$2.00 each
Replacement Ballots – By Mail	\$3.00 each
Problem Ballots Processing & Follow-Up	\$6.00 each
Signature Verification	\$0.75 per signature

#### **OTHER APPLICABLE ELECTION FEES**

Voter Registration Maintenance Fee for Active and Inactive Voters	\$0.05 per voter
Consolidated Election Participation Fee for Active Voters	\$0.10 per voter◆◆
Team Voting	\$60.00 per request➤
Special Inserts:	
• Single Page – 8 ½ x 4 ½ (20 lb. paper minimum)	\$ 0.02 per ballot

**PIMA COUNTY RECORDER'S OFFICE**

**ADOPTED FEE SCHEDULE, Pima County Ordinance #2022-3 March 15, 2022**

**OTHER APPLICABLE ELECTION FEES CONT.**

- Multiple pages or larger than 8 ½ x 4 ½ \$0.05 per ballot  
(May result in additional postage cost for mailed ballot package due to increased weight)
- PLUS actual cost for insert printing by vendor

Mileage will be charged at actual cost based on Pima County Fleet Services Department Motor Pool Charges.

- ★ Includes postage fees for both the mailing of the ballot package and the return mail of the voted ballot. If postage rate hikes imposed by the United States Postal Service go into effect after the approved date of this Ordinance and Fee Schedule it may result in a fee increase in the same amount.
- ◆◆ Consolidated Election Participation Fee for Early Ballots include: mailing of the 90-day notification of elections, maintenance fee of the Active Early Voting List (AEVL), National Change of Address (NCOA) returned mail notifications.
- Emergency voting in hospitals, rest homes, care facilities, etc., for homebound voters, voters unable to vote in polling location, and those who need assistance voting their ballot due to medical reasons.

**JURISDICTIONAL BOUNDARY CHANGES – MAPPING**

Computer Coding	\$50.00 Per Annexation
Map Geocoding (1 hour Minimum)	\$25.00 Per Hour

**VOTER REGISTRATION DATA**

The fee for a copy of the voter data provided to political parties is set in A.R.S. §16-168(E).

**STANDARD FEE FOR DATA REQUESTS ONLY per A.R.S. §16-168(E)**

<u>Record Size</u>	<u>Assessed Per Record</u>
For 1-124,999 records	\$93.75 + \$0.0005
For 125,000 – 249,999 records	\$156.25 + \$0.000375
For 250,000 – 499,999 records	\$203.13 + \$0.00025
For 500,000 -999,999 records	\$265.63 + \$0.000125
For 1,000,000 or more records	\$328.13 + \$0.0000625

Computer Programming for Voter Data Reports outside standard report request types;

Such as Voting History over 4 years & Voter Change History, etc.

1 hour minimum

Paper Copy

Digital Copy

Certification of Voter Registration

\$50.00 per hour

\$0.25 per sheet

\$0.25 per document

\$10.00 per certification

**PIMA COUNTY RECORDER'S OFFICE**

**ADOPTED FEE SCHEDULE Pima County Ordinance #2022-3 March 15, 2022**

**RECORDER'S SUBSCRIPTION FEES & ADDITIONAL SERVICES**

**Bulk Purchases of Current Daily Images and Data**

Bulk Subscription provides ability to access and download daily images of recorded documents on the Pima County Recorder's secure web site. The bulk purchase subscription includes one download at the end of the calendar year of all the Special Indexing Project documents added to the repository.

New Account non-refundable set-up fee	\$50.00 one-time
Maintenance fee	\$500.00 annual

**One Time Bulk Purchases of Historical Images and Data**

A bulk purchase of all the indexed historical document images available at the time of request.

One-Time Bulk Purchase	\$8,000.00 one-time Plus cost of storage device
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**Web Subscriber Services**

Web subscription provides ability to access and download images of recorded documents, one at a time, from the Pima County Recorder's office secure web site.

New Account non-refundable set-up fee	\$50.00 one-time
New Account pre-paid balance starting fee	\$50.00 applied at set-up
Web access to individual document images	\$0.24 per document
Web access to individual map images	\$0.24 per image

**Additional fees for Recorded Documents & Maps**

Paper Copy – 8 1/2 x 11	\$0.25 per sheet
Paper Copy – 11 x 17	\$0.50 per sheet
Digital Copy	\$0.25 per document
Certified Copy (regardless of size or format)*	\$1.00 per sheet
Certificate with Seal attached to certified copies*	\$3.00 per certificate
Fee to return documents improperly submitted for recordation	\$5.00 per document
Mail Processing Fee	\$1.00 per document
Credit and debit card convenience fee for on-line purchases	2% per transaction

\*Fees established by A.R.S. §11-475(A)(3). For costs to government agencies requiring certified copies, see A.R.S. §11-475(C), fees generally calculated as one-half of the fee established in A.R.S. §11-475(A)(3).



# MEMORANDUM

## ELECTIONS DEPARTMENT

---

September 27, 2022

**To:** Nicole Fyffe  
Senior Advisor, County Administrator's office

**From:** Constance Hargrove   
Elections Director

**Subject:** Cost to provide Election services to incorporate – Vail

Attached is a single sheet that reflects three different scenarios for election support for the proposed municipality of Vail.

The first scenario reflects the cost of a stand-alone election with Vote Centers. A stand-alone election is an election that is not held concurrently with another jurisdiction such as a school district (but not the county).

The second scenario reflects the cost of a stand-alone election that is administered entirely by an All Mail Ballot (no Vote Centers).

The third scenario reflects the cost of placing municipal candidates and/or questions on a countywide election ballot. Per the BOS approved fee schedule a jurisdiction that places its candidates/questions on a county-wide ballot will be charged seventy-five cents per registered voter. I have estimated the number of registered voters in the area proposed.

To recover any costs passed from the vendor to Pima County, we would need to ensure the intergovernmental agreement clearly states the municipality can be charged for printing cost increases due to market fluctuations.

The following costs reported are estimates only and do not reflect additional fees the municipality might incur during an election.

As a reminder the cost reflected on the attached sheet does not reflect any cost that might be incurred by the County Recorder for the administration of an election.



**Vail Cost Estimates based on current number of registered voters**

**Stand-alone polling place election (not combined with a countywide election)**

Salaries (Perm and Temp employees)	\$8,000
Poll Worker Pay	\$18,000
Overtime (Perm and temp employees)	\$1,800
Ballot printing	\$5,500
Advertising	\$50.00
Professional Services- language translation	\$750.00
Programming and tabulation	\$750.00
Building Rental- Hotel ballroom for poll worker training	\$5,000
Vote Center Rental	\$3,000
Precinct supplies prep fee	\$2,000
Vehicle rental (delivery trucks)	\$4,000
<b>Total</b>	<b>\$48,850.00</b>

**Stand-alone all mail ballot election (no polls)**

Salaries (Perm and Temp employees)	\$8,000
Overtime (Perm and temp employees)	\$1,800
Early Board Personnel (8 people) -2 days	\$2,000
Ballot printing	\$5,500
Advertising	\$50.00
Professional Services – language translation	\$750.00
Programming and tabulation	\$750.00
<b>Total</b>	<b>\$18,850.00</b>

**Combined onto a countywide ballot**

Estimated number of voters 14,525 (active) + 1,469 (inactive) =15,994 X .75 cents	\$11,995.50
Professional Services –language translation	\$750.00
<b>Total</b>	<b>\$12,745.50</b>

# ATTACHMENT S



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# MEMORANDUM

---

Date: September 27, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Leshner   
County Administrator

Re: **County's Role in City or Town Incorporation, and Changes to Services, Regulations and Revenues**

## Background

My office has been contacted by two groups that are evaluating the possibility of pursuing the incorporation of areas within Vail and the Rincon and Tanque Verde valleys into towns. This is not unusual. Prior to the pandemic, a group in the Catalina Foothills requested information from the County for the same purpose. Groups in Vail have considered this option a few times, and went as far as meeting the necessary requirements to place the item on a ballot in 2013. Voters rejected the proposal to incorporate, 55 percent to 44 percent. Groups in Green Valley have pursued incorporation a number of times. In 1997, after State legislation temporarily removed a key obstacle to incorporation within Pima County, the Towns of Tortolita and Casas Adobes incorporated, while voters said no to the incorporation of the Catalina Foothills. The incorporation of Casas Adobes and Tortolita was later nullified in court when the law used to create them was overturned. The most recent successful incorporation within Pima County occurred with the formation of the Town of Sahuarita in 1994.

This memorandum is to inform the Board of Supervisors of the role of Pima County and the Board regarding incorporation efforts, and changes in services, regulations and revenues that would occur if a community successfully incorporates. More details regarding these two specific incorporation efforts will be provided to the Board at a later date.

To be clear up front, the Board's role in this process is ministerial in nature; meaning so long as the Board determines that those seeking incorporation have followed the legal requirements in State statute, the Board is required to approve each next step.

## Overview of Legal Requirements for Pursuing Incorporation

The applicable legal requirements for pursuing incorporation are outlined in State statute, [A.R.S. §§ 9-101, 9-101.01](#), and were amended this past legislative session. The amendments will be effective September 24, 2022. The overview contained in this memorandum focuses on the most likely scenarios and does not attempt to address every specific scenario outlined in State statute.

The Honorable Chair and Members, Pima County Board of Supervisors  
Re: **County's Role in City or Town Incorporation, and Changes to Services, Regulations and Revenues**  
September 27, 2022  
Page 2

Those interested in pursuing incorporation are required to:

- Identify the boundary of the proposed city or town;
- Meet certain population requirements as to the population within that boundary;
- Ensure the area meets the legal definition of a "community" and is "urban in nature"; and
- Submit to the County a petition with signatures of either (1) two-thirds of registered voters residing in the boundary for incorporation without an election, or (2) 10 percent of the registered voters residing in the boundary for incorporation subject to an election.

A community with a population of 1,500 to 3,000 incorporates with the status of "Town." If the community has a population greater than 3,000, it can incorporate as a City or Town. Communities within 10 miles of a national park or monument may pursue incorporation with a population of only 500.

Before obtaining any signatures, those seeking incorporation are first required to provide written notice to the Board of Supervisors of their intention to publish a copy of the petition. No sooner than six months later, those seeking incorporation must publish a copy of the petition in a newspaper of general circulation. Members of the public then have at least 60 days to request boundary changes to those seeking incorporation. No sooner than 60 days after publishing the petition, those seeking incorporation must submit a copy of the petition to the County Recorder or County Elections Department. At the next Board meeting, and within 30 days, the Board is required to authorize circulation of the petition so long as the petition is found to be proper and legal. Those seeking incorporation then have 180 days to collect signatures before submitting signed petitions to the Board.

Additional information must be submitted to the Board before collecting signatures if the boundary includes large areas of uninhabited, rural, or farm lands; or if the proposed boundary of the new city or town is within six miles of an existing incorporated city or town having a population of 5,000 or more. Those within six miles of an existing city or town must provide the Board with a resolution from that city or town supporting incorporation, or an affidavit stating that annexation had been denied by that city or town.

After submittal of signed petitions, planned communities still under the period of declarant control (meaning the developer still has operational control over the planned community) can request the Board exclude the planned community from the boundaries, and the Board is required to comply with the request. If the request to exclude the planned community reduces the remaining population below the required minimum for incorporation, then the Board is required to reject the petition.

If the Board determines that the signature requirements have been met for petitions that include two-thirds of registered voters within the proposed boundary, the Board is required to order the community incorporated as a city or town.

If the Board determines that the signature requirements have been met for petitions that include 10 percent of registered voters within the proposed boundary, the Board is required to call an incorporation election within 60 days of the petition being filed with the Board, and the election is to take place not more than 180 days after being called.

If incorporation is successful, the Board is required at the same time it issues the order of incorporation to appoint seven individuals from the community to serve as the first Mayor and Council until the city or town holds an election for Mayor and Council.

#### Impact to Pima County Services and Regulations if Incorporation is Successful

The legal requirements for county services for newly incorporated cities and towns are also outlined in State statute, A.R.S. § 9-104. All county codes, rules and regulations apply within the city or town until July 1 following incorporation, or until superseded by those adopted by the city or town if that occurs before July 1. Similarly, all county services will continue to be provided until July 1 unless the city or town begins providing those services before July 1.

Regarding the codes, rules and regulations, this means that after July 1, the County would relinquish authority over land use planning, changes and rezonings, as well as all building permitting and site instruments.

- Land use decisions will be in the hands of the newly incorporated city or town  
In the case of Pima County, implementation of conservation-related land use ordinances and policies such as the Buffer Overlay Zone and Conservation Lands System intended to protect County and Federal public lands from the effects of higher intensity land uses and the general area's biological diversity, will no longer apply. The County can encourage the new city/town council adopt similar ordinances, guidelines and policies.
- Private development will lose access to Endangered Species Act protections via the Certificate of Coverage Program  
The County's Certificate of Coverage Program provides private development within unincorporated areas, at little or no cost, a streamlined method to comply with the Endangered Species Act. Absence of this opportunity is significant given that there are a variety of federally listed plant and animal species that occur in both of these areas (as well as species that may become listed in the future) that are currently covered by Pima County's Section 10 Endangered Species Incidental Take Permit. The County can encourage the new city/town pursue its own incidental take permit or discuss the possibility of adjoining Pima County's.



- The integrity of lands allocated as Section 10 Endangered Species Act mitigation land will be subject to new city/town decisions  
Cienega Creek Natural Preserve has been formally designated as Section 10 mitigation land and the County's ability to continue to use the preserve as Section 10 mitigation is dependent upon maintaining the existing conservation values. Decisions and actions taken by the County to protect these values by minimizing groundwater withdrawals on private land near the Creek and preserving the ecological functionality of Cienega Creek could be compromised if a city or town made land use decisions that result in increased groundwater withdrawals and higher land use intensity levels near the creek. The County can encourage the new city/town council take similar water conservation and land use actions.
- The integrity of County ranches could be impacted.  
Conservation values of County ranches could be impacted if State grazing leases held by the County were sold by the State Land Department for development. The threat of this occurring may be greater if such leased lands were included in an incorporated city or town that advocates for higher land use intensities on those lands compared to the County. The County can request these County ranch lease lands be excluded from the boundary prior to the start of incorporation efforts.

It is common for those seeking incorporation to explore the option of contracting with the County or another city or town for certain non-regionally provided services for a year or two after July 1, until they can provide such services directly. Some incorporated cities and towns in Arizona continue to contract with counties for services long after incorporation.

The Tanque Verde and Vail groups who are currently exploring the option of incorporation have requested cost estimates from Pima County to contract for law enforcement, transportation, elections and development services. Estimates are currently being developed and will be shared with the Board when they are finalized, along with the draft boundaries of the cities and towns used to estimate the costs of service.

The only County asset automatically transferred to a new city or town are the roads. County or Regional Flood Control District (RFCD) owned or leased property will remain owned by Pima County or RFCD. This includes land owned or leased for parks and conservation areas, community centers, libraries, public health clinics, etc. Any property right the County or RFCD has before incorporation will remain the same after incorporation, unless the County and new city or town mutually agree to pursue alternatives.

#### Fiscal Impacts to Pima County

Pima County would no longer fund non-regionally provided services such as law enforcement, justice courts, new neighborhood level parks, and the overhead associated with such services,

The Honorable Chair and Members, Pima County Board of Supervisors

Re: **County's Role in City or Town Incorporation, and Changes to Services, Regulations and Revenues**

September 27, 2022

Page 5

within the newly incorporated city or town, which would likely result in a cost savings to Pima County. The County would receive less unincorporated state shared transportation revenues (Highway User Revenue Funds and Vehicle License Tax), if a community successfully incorporates, but would conversely no longer be responsible for managing and maintaining the newly incorporated roads. Pima County's state shared sales tax revenues would not change. Fee based services, such as building permits and other development services are funded by fees for those services, and therefore there should be impacted by incorporation.

Transportation impact fee benefit areas would be modified to eliminate newly incorporated areas, reducing future impact fee revenues in those benefit areas, but similarly eliminating future expenditure obligations. A problem may occur if there are expenditure obligations for outstanding debt for transportation improvements located in the new city or town that are being repaid with impact fees. In such instances, a reduction or elimination of future impact fees could result in elimination of the revenue source to repay the County debt. Similar to annexations, Pima County would negotiate with the new city or town to continue to receive impact fee revenue in an amount necessary to repay the debt.

Existing cities and towns in Pima County would see reductions in state shared revenues (HURF, VLT, State sales tax, and state income tax) because total state shared revenues stay the same but some of the revenues would now be allocated to the new city or town.

Overall, exercising the right to self-governance comes with pros and cons, but the exploration of such is often a beneficial learning experience for all involved. As such, the County Administrator's Office will provide requested information to the groups considering incorporation, and will not take a position on the incorporation itself. I will provide additional information specific to these two current incorporation efforts as they become available.

JKL/anc

c: The Honorable Gabriella Cázares-Kelly, Pima County Recorder  
The Honorable Chris Nanos, Pima County Sheriff  
Carmine DeBonis, Jr., Deputy County Administrator  
Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer  
Steve Holmes, Deputy County Administrator  
Carla Blackwell, Director, Development Services Department  
Constance Hargrove, Director, Elections Department  
Victor Pereira, Director, Natural Resources Parks & Recreation Department  
Kathryn Skinner, Director, Transportation Department  
Nicole Fyffe, Senior Advisor, County Administrator's Office

# ATTACHMENT T



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# MEMORANDUM

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Date: October 27, 2022

To: The Honorable Chair and Members  
Pima County Board of Supervisors

From: Jan Leshner   
County Administrator

Re: **Cost Estimates to Serve New Towns of Vail and Tanque Verde if Incorporated**

## Background

On September 27, 2022, I provided an introductory memorandum concerning the role of Pima County and the Board of Supervisors in response to two municipal incorporation efforts being explored by residents in the unincorporated communities of Vail and Tanque Verde Valley. According to Arizona State Statute § 9-104, if incorporated, the County would no longer be responsible for providing certain services to the communities starting July 1 following the date of incorporation. It is common, however, for newly incorporated cities and towns to contract with counties for certain non-regionally provided services for an additional year or more. As such, communities exploring incorporation frequently request cost estimates to contract for the following services: law enforcement, transportation, development services, and elections (for Pima County, this includes services provided by both the Elections Department and the Recorder). Pima County has been asked by residents of both these communities to provide such cost estimates.

## Cost Estimates

In order to provide cost estimates, it was necessary to define a geographic service boundary. Attached are maps depicting "areas of interest" for future incorporation of both Vail/Rincon Valley and Tanque Verde Valley, as well as the estimated population. To be clear, these boundaries could change. In the case of Vail, boundary revisions may be available soon. If the western boundary for Vail remains the same, the Board would be asked to approve the creation of an unincorporated County island since the Fairgrounds/Southeast Regional Park will be surrounded completely by incorporated municipalities –Tucson and Vail. Also, as you view the maps, keep in mind that the only county assets that automatically transfer to a new city or town are the roads. County or Regional Flood Control District (RFCD) owned or leased property will remain owned by Pima County or RFCD. This includes land owned or leased for parks and conservation areas, community centers, libraries, public health clinics, etc.

Cost estimates are shown in the table below. Cost estimates could also change depending on the level of service requested. For example, those evaluating incorporation for the Tanque Verde Valley will be meeting later this week with the Sheriff's Department to go over in more detail those law enforcement estimates to ensure they include items important to their community. Attached are more details regarding how the estimates were developed and what

types of services are covered. As an example, the cost shown below for Pima County Transportation expenditures is based on the percent of total county road miles within each town. The services include: pothole patching, drainage maintenance, dirt road grading, street sweeping, traffic sign and signal maintenance, pavement marking maintenance, sidewalk/curb maintenance and vegetation management. The services do not include repaving. The cost to improve pavement conditions to a pavement condition index of 80 is provided separately, as are the debt service costs remaining for capital improvements repaid with impact fees generated from benefit areas within the incorporation areas of interest.

**Cost Estimate for 1 Year of Contracted Services**

<b>Services</b>	<b>Vail/Rincon Valley</b>	<b>Tanque Verde Valley</b>
Law enforcement (excluding Jail)	\$3,817,910	\$3,817,910
Transportation	\$1,711,858	\$1,790,867
Development Services	\$1,658,149	\$509,013
Elections	\$57,745 - \$167,850	\$62,400 - \$171,350

Summary

In summary, consideration of incorporation typically includes a fiscal analysis of both costs and potential revenues. These cost estimates are just one of many costs that will need to be considered.

Our understanding is that the organization known officially as "Incorporate Vail Arizona?" has decided to submit official notice to the Board of Supervisors of their intention to publish a copy of a petition for incorporation. This notice of intent will also be published in the Arizona Daily Star for two weeks. This is a required step six months before the actual copy of a petition can be published.

JKL/anc

Attachments

- c: The Honorable Gabriella Cazares-Kelly, Pima County Recorder
- The Honorable Chris Nanos, Pima County Sheriff
- Carmine DeBonis, Jr., Deputy County Administrator
- Francisco Garcia, MD, MPH, Deputy County Administrator & Chief Medical Officer
- Steve Holmes, Deputy County Administrator
- Kathryn Skinner, Director, Transportation Department
- Carla Blackwell, Director, Development Services Department
- Constance Hargrove, Director, Elections Department
- Nicole Fyffe, Senior Advisor, County Administrator's Office



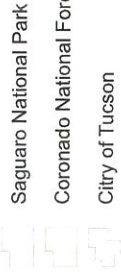
# ATTACHMENT 1

# Tanque Verde Incorporation Area of Interest



**Proposed  
Tanque Verde  
Option 2**

Est. Population - 20,799  
37.8 SqMi



Saguaro National Park

Coronado National Forest

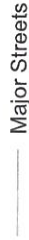
City of Tucson



Interstate



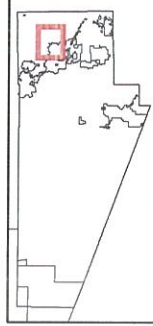
State



Major Streets



Major Washes



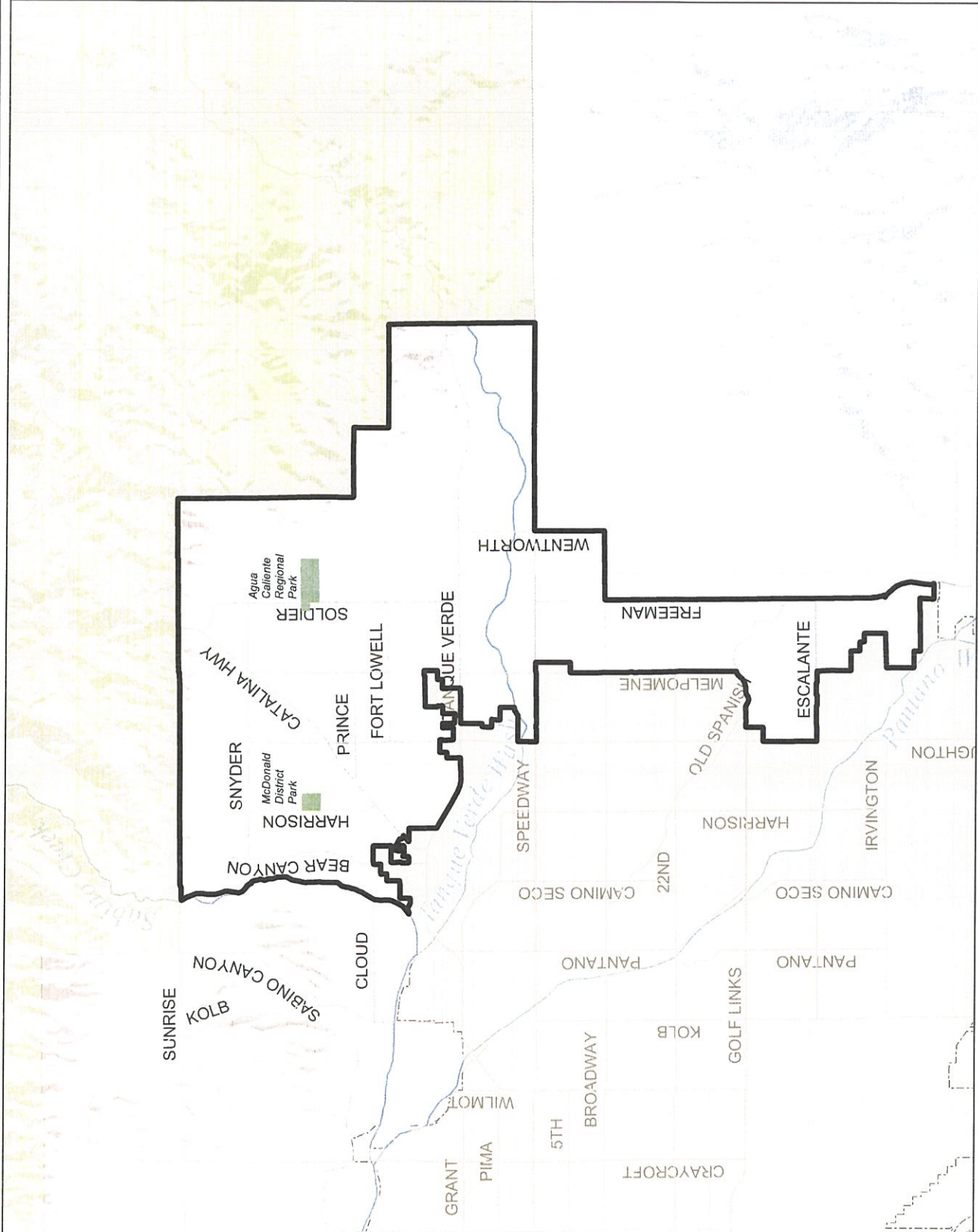
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**PIMA COUNTY**  
GEOGRAPHIC  
INFORMATION SYSTEMS

0 0.75 miles

Date: 9/19/2022



# Vail Incorporation Area of Interest



## Area of Interest

Est. Population - 21,184  
82.83 SqMi

City of Tucson

Cienega Preserve

Coronado National Forest

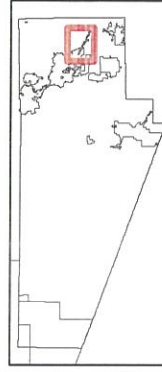
Pima County Fairgrounds

Pima County Ranches

Interstate

Major Streets

Major Washes



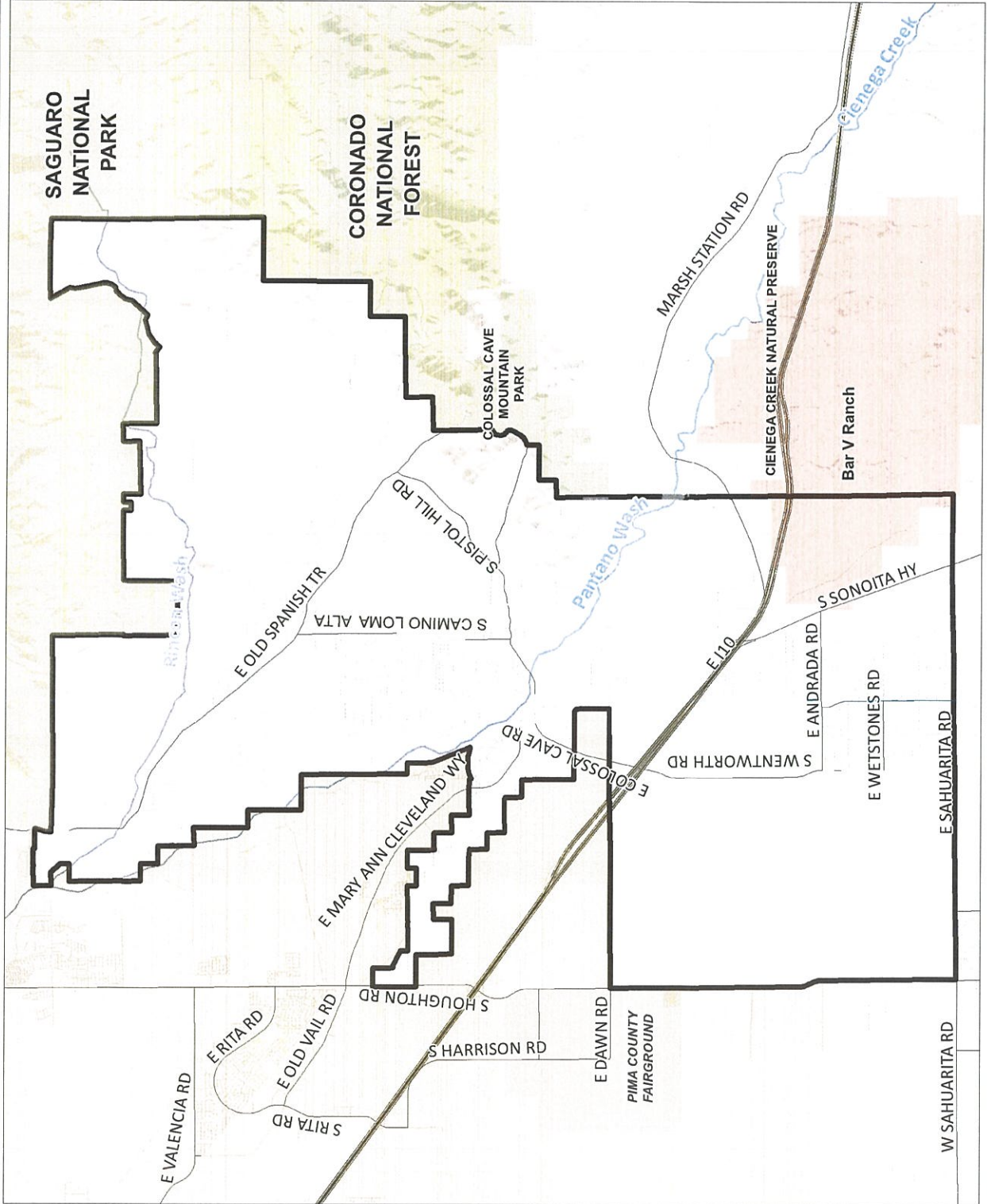
The information displayed on this map is the result of digital mapping techniques. The accuracy of this information is not guaranteed. The City of Tucson and the County of Pima County are not responsible for any errors or omissions in this information. This information is provided for informational purposes only. The information is not intended to be used for any other purpose. The City of Tucson and the County of Pima County are not responsible for any errors or omissions in this information. This information is provided for informational purposes only. The information is not intended to be used for any other purpose.



0 0.5 miles

Date: 9/11/2022

95373vail\_proposed.mxd 2x



# ATTACHMENT 2



**From:** [Nicole Fyffe](#)  
**To:** [Bruce Wright](#)  
**Cc:** [Carmine DeBonis](#)  
**Subject:** Cost estimate to contract for law enforcement for Vail  
**Date:** Tuesday, October 18, 2022 2:35:00 PM  
**Attachments:** [Letter RE PCSD Cost Analysis for LE Services to Towns of Vail and Tanque Verde.pdf](#)

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Good afternoon, Bruce.

Attached are estimates to provide law enforcement services to Vail and Tanque Verde Valley if both incorporate based on the geographic boundaries you provided. Please note that the contract for services would be with Pima County, and at the approval of the Board of Supervisors, not the Sheriff. The actual contracted costs could differ based on the level of coverage chosen by each community, updated population estimates, etc.

The Sheriff has provided County Administration with two approaches for calculating costs: a Law Enforcement Unit option and a labor-only option. The Law Enforcement Unit option appears to come closer to full cost recovery than the labor only option. Neither option includes approximately \$200,000 in County administrative overhead which is the proportional share of the total central service costs for overhead that our Finance Department attributes to the Sheriff's Department based on the estimated populations of the towns. Please also note that the population estimates used by the Sheriff differ from those used to calculate the other county service cost estimates as shown on the area of interest maps. Using those population estimates, (Vail at 21,184 and TV at 20,799), and applying the Sheriff's formula for the Law Enforcement Unit option, results in 10 Law Enforcement Units for both new towns:

-  
Law Enforcement Unit Option: 10 units x \$361,791 = \$3,617,910 per year + \$200,000 a year in County admin/central services overhead = \$3,817,910

-  
For County jail and inmate processing, incorporated cities and towns are also charged a \$401.17 per person booking rate and \$107.43 per housing day for those arrested on misdemeanors occurring within the incorporated city or town. Within the next week, the Sheriff's Department will be providing an annual average number of misdemeanor arrests booked in the County jail originating in the Vail and TV areas of interest.

Any questions, please let us know.

-Nicole  
520-724-8149





# PIMA COUNTY SHERIFF'S DEPARTMENT

*Chris Nanos, Sheriff*

1750 East Benson Highway, Tucson, Arizona 85714-1758

Phone: (520) 351-4600 • Fax: (520) 351-4622 • [www.pimasheriff.org](http://www.pimasheriff.org)

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October 17, 2022

Ms. Jan Leshar, Pima County Administrator  
Pima County Administrator's Office  
115 N. Church Ave., 2<sup>nd</sup> floor, Suite 231  
Tucson, Arizona 85701

*RE: Costs analysis for law enforcement services for proposed/potential Towns of Vail and Tanque Verde, Arizona*

Dear Ms. Leshar:

The Pima County Sheriff's Department (PCSD) has completed a general analysis detailing the estimated costs related to the inquiry made by citizen groups within the proposed/potential towns of Vail, AZ and Tanque Verde, AZ for law enforcement services provided by the PCSD.

During research and comparisons within the State of Arizona, specific types of service in contracts include various customized plans for services. These plans may vary from one city to the next and depend on a number of factors (number of residents, the density of population, the commercial-industrial to residential ratio, and crime rates), as well as the policing mission of the community.

Contracted services provided, along with patrol, may include:

- Investigations
- Crime Prevention/Community Services
- Traffic
- School Resource Officers

Ultimately, only the city can make a final decision about the level of coverage, services needed, and contracted reimbursements.

There are two overarching options consisting of 1), underlying assumed costs and 2), labor-only cost options.

First, within the option of underlying assumed costs the Law Enforcement Unit or LEU is the coverage of an entire shift with a relief factor as well as supervision and management (2.2 deputies). The underlying assumed costs include investigations, support operations, and administrative components, such as supervision, that are essential to the work of a patrol deputy and are included in the LEU cost (Attachment, p.1). For the fiscal year of 2023 the LEU cost is \$361,791

Letter to Ms. Jan Leshner

RE: *Costs analysis for law enforcement services for proposed/potential Towns of Vail and Tanque Verde, Arizona*

October 17, 2022

Page 2

#### LEU option for Vail

- The LEU has been valued at \$361,791/year.
- The estimated population of the proposed Vail incorporation area is 19,216 residents per the 2020 census (Research, n.d.).
  - Using the average of 1 officer/deputy per 1,000 residents equates to 9 LEU.
    - The potential cost for policing services for the proposed Town of Vail would be \$3,256,119 per year.

#### LEU option for Tanque Verde

- The LEU has been valued at \$361,791/year.
- The estimated population of the proposed Tanque Verde incorporation area is 16,250 residents per 2020 census (Research, n.d.).
  - Using the average of 1 officer/deputy per 1,000 residents equates to 8 LEU.
    - The potential cost for policing services for the proposed Town of Tanque Verde would be \$2,894,328 per year.

Second, for the option involving labor-only costs, personnel costs by position are considered with various assumptions such as average pay rates, overtime, holiday pay, benefit rates, and motor pool (Attachment, p.2).

#### Labor-only costs option

- The average yearly labor-only cost for a deputy is \$126,189.
- The average yearly labor-cost for a sergeant/supervisor is \$159,300.
- The average yearly labor-only cost for a lieutenant/command management is \$184,177.

Considering the 2020 census populations of each proposed town, with Tanque Verde at approximately 16,250 and Vail at approximately 19,216 (Research, n.d.). The average yearly labor-only costs, applied to each proposed town with the aforementioned approach of 1 deputy per 1,000 with the appropriate span of control for supervision and management, translates into the following:

- Tanque Verde
  - 16 deputies, 3 sergeants, and 1 lieutenant
  - \$2,681,101
- Vail
  - 19 deputies, 3 sergeants, and 1 lieutenant
  - \$3,059,668

Letter to Ms. Jan Leshar

RE: *Costs analysis for law enforcement services for proposed/potential Towns of Vail  
and Tanque Verde, Arizona*


October 17, 2022

Page 3

It is important to point out this analysis provides general reimbursement numbers with predictable peripheral costs that can be associated to potential contracts. Further, PCSD is committed to providing law enforcement services to the affected areas whether they are unincorporated or a contracted incorporated town.

If you require further information, please do not hesitate to contact me at 520-465-4052. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Nanos".

Chris Nanos  
Sheriff of Pima County

CN:GD:cgv  
Attachment

Work Cited

Research, U. E. (n.d.). *Pima County AZ Census*. Retrieved from AZ Census.com:

<https://www.azcensus.com/pima-county/>



# Attachment 1

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Pima County Sheriff's Department  
Law Enforcement Unit  
Cost Detail Worksheet

<b>PIMA COUNTY SHERIFF'S DEPARTMENT</b> <b>LAW ENFORCEMENT UNIT COST DETAIL WORKSHEET</b> <b>FISCAL YEAR 2023</b>
---

				<u>Allocated Cost</u>	
Deputy - Patrol	Personnel Costs		111,189		
	Motor Pool Charges		15,000		
	Total	(A)	126,189		
	X Relief Factor	(B)	2.05		
	Unit Cost			258,759	
Sergeant	Personnel Costs		144,300		
	Motor Pool Charges		15,000		
	Total	(A)	159,300		
	X Allocation Rate	(C)	0.125		
	Unit Cost			19,913	
Lieutenant	Personnel Costs		172,177		
	Motor Pool Charges		12,000		
	Total	(A)	184,177		
	X Allocation Rate	(C)	0.025		
	Unit Cost			4,604	
Deputy - CID	Personnel Costs		111,189		
	Motor Pool Charges		15,000		
	Total	(A)	126,189		
	X Allocation Rate	(C)	0.10		
	Unit Cost			12,619	
Support All Employees			FY 2023 <u>Adopted Budget</u>		
	Information & Technology		4,718,844		
	Administration Division		935,202		
	Communications		6,692,801		
	Community Resources		1,895,902		
	Executive Staff		742,419		
	Financial Services		1,253,591		
	Material Management		1,691,589		
	Dept. Facilities Management		1,766,672		
	Internal Affairs		932,688		
	Training Section		2,006,180		
	Risk Management		147,139		
	Total		22,783,027		
	X Allocation Rate	(D)	0.0007		
	Unit Cost			15,838	
Commissioned	Transcription Unit		1,667,374		
	Staff Services Commissioned		1,821,228		
	Forensics Unit		1,551,975		
	Operations Bureau Staff		2,804,655		
	Invest & Supp Bureau Staff		1,511,059		
	Property & Evidence Unit		1,226,113		
	Park Enf/Search & Rescue		1,168,462		
	Terminal Operations Unit		951,236		
	Special Operations Section		4,060,870		
	Total		16,762,972		
	X Allocation Rate	(D)	0.0024		
	Unit Cost			40,007	
	Comm/Corrections	Air Unit		2,222,958	
		Pima Regional Training Center		1,096,061	
BWC Redaction Unit			3,062,422		
Emergency Response Section			2,221,790		
Total			8,603,231		
X Allocation Rate		(D)	0.0012		
Unit Cost			10,051		

**TOTAL ANNUAL COST PER UNIT**

361,791



FOOTNOTES TO UNIT COST CALCULATIONS

(A) Detail Of Personnel Costs By Position:

	<u>Deputy</u>	<u>Sergeant</u>	<u>Lieutenant</u>
Salary	63,669	83,034	113,734
Overtime	5,969	7,784	0
Holiday Pay	2,939	3,832	0
Shift Differential	500	500	0
Uniform Allowance	1,050	1,050	1,050
Benefits	37,063	48,100	57,392
Subtotal	<u>111,189</u>	<u>144,300</u>	<u>172,177</u>
Motor Pool	15,000	15,000	12,000
Total	<u><u>126,189</u></u>	<u><u>159,300</u></u>	<u><u>184,177</u></u>

- Assumes average pay rate for Deputy of \$30.61 (as of Sept. 2022)
- Assumes average pay rate for Sergeant of \$39.92 (as of Sept. 2022)
- Assumes average pay rate for Lieutenant of \$54.68 (as of Sept. 2022)
- Assumes 5 hours overtime per payperiod for Deputy and Sergeant
- Assumes 8 holidays worked for Deputy and Sergeant
- Assumes benefits rate of 50%
- Assumes motor pool charge of \$1,250 per month for Deputy and Sergeant
- Assumes motor pool charge of \$1,000 per month for Lieutenant

(B) Relief Factor Calculation

# Of Annual Work Hours	2,080	
Less: Leave Hours (15 days)	(150)	
Less: Sick Hours (10 days)	(100)	
Less: Training Hours (5 days)	(50)	
Total	<u><u>1,780</u></u>	
Total # Of Hours Annually	3,650	
Divide By Hours Worked	<u><u>1,780</u></u>	(365 days X 10)
Relief Factor	<u><u>2.05</u></u>	

(C) Allocation Rate Calculations For Commissioned Officers:

Sergeant:	1 Sergeant / 8 Deputies	=	0.1250
Lieutenant:	1 Lt. / 40 Patrol Deputies	=	0.0250
C.I.D.	1 Detective / 10 Patrol Deputies	=	0.1000

(D) Allocation Rate Calculations For Support/Other Centers:

1 Employee / Est. Total # Of Employees (1,438.50)	=	0.0007
1 Deputy / Est. Total # Of Deputies (419)	=	0.0024
1 Deputy / Est. Total # Of Deputies & C.O. (851)	=	0.0012

# ATTACHMENT 3



**SUBJECT: Transportation Service Expenses for Proposed Incorporation of Vail**  
**DATE: 9/27/2022**

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This is a follow up to the request from County Administration to provide estimated expenses for transportation services within the proposed incorporation area of interest for Vail. This estimate assumes that roads on the boundary of the proposed town will be incorporated.

**Transportation Services Expenditures**

Fiscal year 2024/2025 expenses, including overhead, have been estimated below. The estimate is a proration of expenses for transportation services based on road miles, not including the 10-year Road Pavement Repair and Preservation Program. The scope of transportation services includes the following: pothole patching, drainage maintenance, dirt road grading, street sweeping, traffic sign and signal maintenance, pavement marking maintenance, sidewalk/curb maintenance and vegetation management. SeeClickFix would be the application with which service and maintenance requests would be processed.

The cost is based upon the following roadway mileage:

	Miles
Dirt	6
Paved	138
Totals:	144

FY 2024/2025	Countywide	Vail Estimate (6.5% of road miles)
Miles	2,204	144
Transportation Service Expenses	\$26,336,283	\$1,711,858

**Pavement Preservation Plan Estimate**

We have also included a separate cost to improve the roadways to a pavement condition index (PCI) of 80 by 2030. The estimate is proration of remaining budget for the 10-year Road Pavement Repair and Preservation Program based on road miles:

Improve Network to PCI 80 (by 2030)	Vail Estimate
Pavement Cost	\$21.6M

## **Capital Improvement Projects and Developer Impact Fees**

Transportation impact fee benefit areas would be modified to eliminate newly incorporated areas, reducing future impact fee revenues to the County in those benefit areas, but similarly eliminating future expenditure obligations of the County. All of the proposed Vail Incorporation Area of Interest is included in the Southeast Impact Fee area. However, for the following two transportation improvement projects there are expenditure obligations for outstanding debt that are being repaid with impact fees. In such instances, a reduction or elimination of future impact fees could result in elimination of this revenue source to repay the County debt.

Valencia Road Extension - Houghton Road to E. Old Spanish Trail: Construction finished in December 2020. Funding was provided by Certificates of Participation (COPs); the balance on July 1, 2024, will be \$14,375,375, made up of \$11,315,000 in principal and \$3,060,375 in interest. The source of repayment for this debt is developer impact fees collected within the Rocking K development, which is included in the Vail Incorporation Area of Interest. However, Developer is obligated to pay debt service shortfalls if impact fee revenues are insufficient.

South Houghton Road Widening: Construction is scheduled to finish in late 2022. Funding includes Certificates of Participation (COPs); outstanding debt on July 1, 2024, is estimated at \$4.9 million. All of the proposed Vail Incorporation Area of Interest is included in the Southeast Impact Fee area. The Southeast Impact Fees will be used for the repayment of this debt. If incorporation occurs within the Southeast Impact Fee area, the new town will need to enter into an agreement with the County to repay a prorated share of this debt.



**SUBJECT: Transportation Service Expenses for Proposed Incorporation of Tanque Verde**  
**DATE: 9/27/2022**

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This is a follow up to the request from County Administration to provide estimated expenses for transportation services within the incorporation area of interest for Tanque Verde. This estimate assumes that roads on the boundary of the proposed town will be incorporated.

**Transportation Services Expenditures**

Fiscal year 2024/2025 expenses, including overhead, have been estimated below. The estimate is a proration of expenses for transportation services based on road miles, not including the 10-year Road Pavement Repair and Preservation Program. The scope of transportation services includes the following: pothole patching, drainage maintenance, dirt road grading, street sweeping, traffic sign and signal maintenance, pavement marking maintenance, sidewalk/curb maintenance and vegetation management. SeeClickFix would be the application with which service and maintenance requests would be processed.

The cost is based upon the following roadway mileage:

	Miles
Dirt	7
Paved	142
Total	150

FY 2024/2025	Countywide	Tanque Verde Estimate (6.8% of road miles)
Miles	2,204	150
Transportation Service Expenses	\$26,336,283	\$1,790,867

**Pavement Preservation Plan Estimate**

We have also included a separate cost to improve the roadways to a pavement condition index (PCI) of 80 by 2030. The estimate is proration of remaining budget for the 10-year Road Pavement Repair and Preservation Program based on road miles.

	Tanque Verde Estimate
Improve Network to PCI 80 (by 2030)	
Pavement Cost	\$22.4M



## **Capital Improvement Projects**

Houghton Road at Fort Lowell Road Intersection Improvements – Design is complete and construction is projected to finish in summer 2023.

Houghton Road Corridor RTA project – The final phase of the City of Tucson managed project covers the Tanque Verde Road to Speedway Boulevard segment and is pending a construction start date. Pima County contributes \$5.3 million in impact fee funding towards portions that fall within unincorporated Pima County.

# ATTACHMENT 4

**From:** [Carla Blackwell](#)  
**To:** [Nicole Fyffe](#); [Chris Poirier](#); [Tracey Gutheim](#)  
**Cc:** [Carmine DeBonis](#)  
**Subject:** RE: cost estimate to provide DSD services to newly incorporated town  
**Date:** Tuesday, September 27, 2022 12:53:16 PM

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Hi Nicole,

Here is our estimates. Based on our current budget of \$7,712,322 and the current percentages of business (represented by inspections below) we would want to charge Vail - \$1,658,149.23. They of course could charge fees to cover this expense.

For Tanque Verde - \$509,013.25.

The services that would be covered include planning, zoning, zoning enforcement (of our code), building reviews and permits, site reviews and inspections.

Thanks

Percentage of Building Inspections in the Proposed Incorporation Areas (FY22)

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	35091	71.9%
Tanque Verde	3204	6.6%
Vail	10494	21.5%
Total	48789	100.0%

Tanque Verde - Percent of Overall County Building Inspections

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	45585	93.4%
Tanque Verde	3204	6.6%
Total	48789	100.0%

Vail - Percent of Overall County Building Inspections

AREA	# OF INSPECTIONS	PERCENT
Pima County (Remainder)	38295	78.5%
Vail	10494	21.5%
Total	48789	100.0%

*Carla L. Blackwell*  
*Development Services Director*  
*Pima County Development Services*  
*201 N. Stone, First Floor*  
*Tucson, Arizona 85701*  
*520-724-9516*  
[Carla.blackwell@pima.gov](mailto:Carla.blackwell@pima.gov)

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**From:** Nicole Fyffe <Nicole.Fyffe@pima.gov>

# ATTACHMENT 5

Public Service Center Building  
240 N. Stone Ave., 1<sup>st</sup> Floor  
Tucson, AZ 85701  
Doc. Recording: (520) 724-4350  
Voter Registration: (520) 724-4330



Mailing Address:  
PO Box 3145  
Tucson, AZ 85702-3145  
Social: @PimaRecorder  
Web: recorder.pima.gov

GABRIELLA CAZARES-KELLY, Recorder

## MEMORANDUM

DATE: September 21, 2022  
TO: Nicole Fyffe  
Senior Advisor, County Administrator's Office  
FROM: Hilary H. Hiser  
Chief Deputy Recorder  
RE: Early Voting Cost Estimate for Proposed Municipality of Vail

\*\*\*\*\*

The following estimate details the early voting election costs for any jurisdictional election called by a future Town of Vail held after incorporation.

In the proposed incorporation area, there are **14,525 active voters** and **1,469 inactive voters** eligible to participate in an election.

Most Pima County Voters are registered on the Active Early Voting List (AEVL - formerly known as PEVL). The Vail area has **11,085 AEVL voters** who would automatically receive an early ballot by mail.

The Recorder's Office provides election services for local jurisdictions by offering two election types. The costs for providing each type differ significantly based on the resources needed to conduct the election.

The total costs of an election are variable and depend on numerous factors, including total registered voters, percentage of voter participation, and the occurrence of unexpected voting issues that require further staff follow-up.

Due to supply chain shortages and inflation, the general cost for ballot packet paper and postage rates have increased substantially in recent months. Pima County's master agreement with Runbeck Election Services allows our vendor to pass along some of the increased costs associated with securing the necessary election supplies. Those increased costs are reflected in the final invoicing for providing ballot printing and mail services. Unfortunately, the Recorder's adopted fee schedule only allows the office to charge jurisdictions the cost of increased postal rates. The current fee schedule does not provide an avenue for recovery of increased printing costs.

To recover any costs passed from the vendor to Pima County, we would need to ensure the intergovernmental agreement clearly states the municipality can be charged for printing cost increases due to market fluctuations.



The following costs reported are estimates only and do not reflect additional fees for services provided at a per-voter rate. Because additional services are variable, the Recorder's Office cannot estimate what, if any, additional early voting support services would occur during an election. Nor, do these estimates reflect recent cost increases for supplies necessary to conduct early voting activities.

For specific election services offered, and the detailed information regarding price points, see the attached Pima County Recorder's Office Fee Schedule.

**ELECTION TYPE #1**

**POLLING PLACE ELECTION**

Early Ballot Processing	\$63,738.75
AEVL Ballots	\$33,255.00
Early Ballots Signature Verified (est. 50% participation rate)	\$4,156.88
*Election Day Operation (8 HRS)	\$1,668.00
*Election Day Overtime (4HRS)	\$1,250.80
Remote Site Computer Link	\$400.00
Active Voter List Maintenance	\$726.25
In-Active Voter List Maintenance	\$146.90
<b>TOTAL</b>	<b>\$105,342.58</b>

\*These rates are charged to cover the support the Pima County Recorder's Office provides to the Elections Department for phone coverage directing voters to the appropriate voting location. The specific polling location would be determined by the Elections Department. Minimum staffing 10 FTEs.

**ELECTION TYPE #2**

**ALL BALLOT-BY-MAIL ELECTION**

Mailing Ballots to All Active Voters	\$33,407.50
Early Ballots Signature Verified (est. 50% participation rate)	\$4,156.88
Special Ballot Inserts	\$726.25
Active Voter List Maintenance	\$726.25
In-Active Voter List Maintenance	\$146.90
*Consolidated Election Fee	\$1,452.50
<b>TOTAL</b>	<b>\$40,625.28</b>

\*Consolidated applied only when jurisdictional elections appear on Pima County wide election ballot, i.e. Primary or General Ballot.

An additional \$5,365.00 to \$10,730.00 should be added to each cost estimate to cover the variable costs for printing and mailing of early voting packets. Most elections require replacement ballots for voters and staff follow-up for processing "problem ballots" which would be another \$1,560.00 to \$2,000.00

Based on all the information discussed above, **the cost range to conduct a jurisdictional election for a future Town of Vail is roughly \$45,000 to \$119,000.00.**

Public Service Center Building  
240 N. Stone Ave., 1<sup>st</sup> Floor  
Tucson, AZ 85701

Doc. Recording: (520) 724-4350  
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Web: recorder.pima.gov

GABRIELLA CAZAREK-KELLY, Recorder

## **PIMA COUNTY RECORDER'S OFFICE FEE SCHEDULE**

### **ELECTION COSTS**

For Conducting Jurisdictional Elections (i.e., Cities, Towns, School Districts, Fire Districts, etc.)

#### **POLLING PLACE ELECTIONS**

Early Ballot Processing	\$5.75 each★
Active Early Voting List (AEVL) Ballots	\$3.00 each★
Early Ballot Signature Verification	\$0.75 per signature
Replacement Ballots – Satellite Location	\$2.00 each
Replacement Ballots – By Mail	\$3.00 each
Problem Ballots Processing & Follow-Up	\$6.00 each
Signature Roster Printing (per precinct)	\$25.00 each
Provisional Ballots	\$16.00 each
Conditional Provisional Ballots	\$6.00 each
Regular Hours	\$20.85 per hour
Overtime Hours	\$31.27 per hour
Remote Site Computer linked	\$400.00 flat fee
Remote Site Not computer linked	\$200.00 flat fee

#### **ALL BALLOT-BY-MAIL ELECTIONS**

Mailing of Ballots to Every Active Voter	\$2.30 each★
Replacement Ballots – Satellite Location	\$2.00 each
Replacement Ballots – By Mail	\$3.00 each
Problem Ballots Processing & Follow-Up	\$6.00 each
Signature Verification	\$0.75 per signature

#### **OTHER APPLICABLE ELECTION FEES**

Voter Registration Maintenance Fee for Active and Inactive Voters	\$0.05 per voter
Consolidated Election Participation Fee for Active Voters	\$0.10 per voter◆◆
Team Voting	\$60.00 per request>
Special Inserts:	
• Single Page – 8 ½ x 4 ½ (20 lb. paper minimum)	\$ 0.02 per ballot

**PIMA COUNTY RECORDER'S OFFICE**  
**ADOPTED FEE SCHEDULE, Pima County Ordinance #2022-3 March 15, 2022**

OTHER APPLICABLE ELECTION FEES CONT.

- Multiple pages or larger than 8 ½ x 4 ½ \$0.05 per ballot  
 (May result in additional postage cost for mailed ballot package due to increased weight)
- PLUS actual cost for insert printing by vendor

Mileage will be charged at actual cost based on Pima County Fleet Services Department Motor Pool Charges.

- ★ Includes postage fees for both the mailing of the ballot package and the return mail of the voted ballot. If postage rate hikes imposed by the United States Postal Service go into effect after the approved date of this Ordinance and Fee Schedule it may result in a fee increase in the same amount.
- ◆◆ Consolidated Election Participation Fee for Early Ballots include: mailing of the 90-day notification of elections, maintenance fee of the Active Early Voting List (AEVL), National Change of Address (NCOA) returned mail notifications.
- Emergency voting in hospitals, rest homes, care facilities, etc., for homebound voters, voters unable to vote in polling location, and those who need assistance voting their ballot due to medical reasons.

**JURISDICTIONAL BOUNDARY CHANGES – MAPPING**

Computer Coding	\$50.00 Per Annexation
Map Geocoding (1 hour Minimum)	\$25.00 Per Hour

**VOTER REGISTRATION DATA**

The fee for a copy of the voter data provided to political parties is set in A.R.S. §16-168(E).

**STANDARD FEE FOR DATA REQUESTS ONLY per A.R.S. §16-168(E)**

<u>Record Size</u>	<u>Assessed Per Record</u>
For 1-124,999 records	\$93.75 + \$0.0005
For 125,000 – 249,999 records	\$156.25 + \$0.000375
For 250,000 – 499,999 records	\$203.13 + \$0.00025
For 500,000 -999,999 records	\$265.63 + \$0.000125
For 1,000,000 or more records	\$328.13 + \$0.0000625

Computer Programming for Voter Data Reports outside standard report request types; Such as Voting History over 4 years & Voter Change History, etc. 1 hour minimum	\$50.00 per hour
Paper Copy	\$0.25 per sheet
Digital Copy	\$0.25 per document
Certification of Voter Registration	\$10.00 per certification

**PIMA COUNTY RECORDER'S OFFICE**  
**ADOPTED FEE SCHEDULE Pima County Ordinance #2022-3 March 15, 2022**

**RECORDER'S SUBSCRIPTION FEES & ADDITIONAL SERVICES**

**Bulk Purchases of Current Daily Images and Data**

Bulk Subscription provides ability to access and download daily images of recorded documents on the Pima County Recorder's secure web site. The bulk purchase subscription includes one download at the end of the calendar year of all the Special Indexing Project documents added to the repository.

New Account non-refundable set-up fee	\$50.00 one-time
Maintenance fee	\$500.00 annual

**One Time Bulk Purchases of Historical Images and Data**

A bulk purchase of all the indexed historical document images available at the time of request.

One-Time Bulk Purchase	\$8,000.00 one-time Plus cost of storage device
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**Web Subscriber Services**

Web subscription provides ability to access and download images of recorded documents, one at a time, from the Pima County Recorder's office secure web site.

New Account non-refundable set-up fee	\$50.00 one-time
New Account pre-paid balance starting fee	\$50.00 applied at set-up
Web access to individual document images	\$0.24 per document
Web access to individual map images	\$0.24 per image

**Additional fees for Recorded Documents & Maps**

Paper Copy – 8 1/2 x 11	\$0.25 per sheet
Paper Copy – 11 x 17	\$0.50 per sheet
Digital Copy	\$0.25 per document
Certified Copy (regardless of size or format)*	\$1.00 per sheet
Certificate with Seal attached to certified copies*	\$3.00 per certificate
Fee to return documents improperly submitted for recordation	\$5.00 per document
Mail Processing Fee	\$1.00 per document
Credit and debit card convenience fee for on-line purchases	2% per transaction

\*Fees established by A.R.S. §11-475(A)(3). For costs to government agencies requiring certified copies, see A.R.S. §11-475(C), fees generally calculated as one-half of the fee established in A.R.S. §11-475(A)(3).





# MEMORANDUM

## ELECTIONS DEPARTMENT

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September 27, 2022

**To:** Nicole Fyffe  
Senior Advisor, County Administrator's office

**From:** Constance Hargrove   
Elections Director

**Subject: Cost to provide Election services to incorporate – Vail**

Attached is a single sheet that reflects three different scenarios for election support for the proposed municipality of Vail.

The first scenario reflects the cost of a stand-alone election with Vote Centers. A stand-alone election is an election that is not held concurrently with another jurisdiction such as a school district (but not the county).

The second scenario reflects the cost of a stand-alone election that is administered entirely by an All Mail Ballot (no Vote Centers).

The third scenario reflects the cost of placing municipal candidates and/or questions on a countywide election ballot. Per the BOS approved fee schedule a jurisdiction that places its candidates/questions on a county-wide ballot will be charged seventy-five cents per registered voter. I have estimated the number of registered voters in the area proposed.

To recover any costs passed from the vendor to Pima County, we would need to ensure the intergovernmental agreement clearly states the municipality can be charged for printing cost increases due to market fluctuations.

The following costs reported are estimates only and do not reflect additional fees the municipality might incur during an election.

As a reminder the cost reflected on the attached sheet does not reflect any cost that might be incurred by the County Recorder for the administration of an election.

**Vail Cost Estimates based on current number of registered voters**

**Stand-alone polling place election (not combined with a countywide election)**

Salaries (Perm and Temp employees)	\$8,000
Poll Worker Pay	\$18,000
Overtime (Perm and temp employees)	\$1,800
Ballot printing	\$5,500
Advertising	\$50.00
Professional Services- language translation	\$750.00
Programming and tabulation	\$750.00
Building Rental- Hotel ballroom for poll worker training	\$5,000
Vote Center Rental	\$3,000
Precinct supplies prep fee	\$2,000
Vehicle rental (delivery trucks)	\$4,000
<b>Total</b>	<b>\$48,850.00</b>

**Stand-alone all mail ballot election (no polls)**

Salaries (Perm and Temp employees)	\$8,000
Overtime (Perm and temp employees)	\$1,800
Early Board Personnel (8 people) -2 days	\$2,000
Ballot printing	\$5,500
Advertising	\$50.00
Professional Services – language translation	\$750.00
Programming and tabulation	\$750.00
<b>Total</b>	<b>\$18,850.00</b>

**Combined onto a countywide ballot**

Estimated number of voters 14,525 (active) + 1,469 (inactive) =15,994 X .75 cents	\$11,995.50
Professional Services –language translation	\$750.00
<b>Total</b>	<b>\$12,745.50</b>

Public Service Center Building  
240 N. Stone Ave., 1<sup>st</sup> Floor  
Tucson, AZ 85701

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GABRIELLA CAZARES-KELLY, Recorder

## MEMORANDUM

DATE: September 21, 2022  
TO: Nicole Fyffe  
Senior Advisor, County Administrator's Office  
FROM: Hilary H. Hiser  
Chief Deputy Recorder  
RE: Early Voting Cost Estimate for Proposed Municipality of Tanque Verde

\*\*\*\*\*

The following estimate details the early voting election costs for any jurisdictional election called by a future Town of Tanque Verde held after incorporation.

In the proposed incorporation area, there are **14,765 active voters** and **770 inactive voters** eligible to participate in an election.

Most Pima County Voters are registered on the Active Early Voting List (AEVL - formerly known as PEVL). The Tanque Verde area has **11,462 AEVL voters** who would automatically receive an early ballot by mail.

The Recorder's Office provides election services for local jurisdictions by offering two types of elections. The costs for providing each type differ significantly based on the resources needed to conduct the election.

The total costs for an election are variable and depend on numerous factors, including total registered voters, percentage of voter participation, and the occurrence of unexpected voting issues that require further staff follow-up.

Due to supply chain shortages and inflation, the general cost for ballot packet paper and postage rates have increased substantially in recent months. Pima County's master agreement with Runbeck Election Services allows our vendor to pass along some of the increased costs associated with securing the necessary election supplies. Those increased costs are reflected in the final invoicing for providing ballot printing and mail services. Unfortunately, the Recorder's adopted fee schedule only allows the office to charge jurisdictions the cost of increased postal rates. The current fee schedule does not provide an avenue for recovery of increased printing costs.

To recover any costs passed from the vendor to Pima County, we would need to ensure the intergovernmental agreement clearly states the municipality can be charged for printing increases due to market fluctuations.

The following costs reported are estimates only and do not reflect additional fees for services provided at a per-voter rate. Because the need for additional services vary, the Recorder's Office cannot estimate what, if any, additional early voting support services would occur during an election. Nor, do these estimates reflect recent cost increases for the supplies necessary to conduct early voting activities.

For specific election services offered, and detailed information regarding price points, see the attached Pima County Recorder's Office Fee Schedule.

**ELECTION TYPE #1**

**POLLING PLACE ELECTION**

Early Ballot Processing	\$65,906.50
AEVL Ballots	\$34,386.00
Early Ballots Signature Verified (est. 50% participation rate)	\$5,537.00
*Election Day Operation (8 HRS)	\$1,668.00
*Election Day Overtime (4HRS)	\$1,250.80
Remote Site Computer Link	\$400.00
Active Voter List Maintenance	\$738.25
In-Active Voter List Maintenance	\$38.50
<b>TOTAL</b>	<b>\$109,925.05</b>

\*These rates are charged to cover the support the Pima County Recorder's Office provides to the Elections Department for phone coverage directing voters to the appropriate voting location. The specific polling location would be determined by the Elections Department. Minimum staffing 10 FTEs.

**ELECTION TYPE #2**

**ALL BALLOT-BY-MAIL ELECTION**

Mailing Ballots to All Active Voters	\$33,959.50
Early Ballots Signature Verified (est. 50% participation rate)	\$5,537.00
Special Ballot Inserts	\$738.10
Active Voter List Maintenance	\$738.25
In-Active Voter List Maintenance	\$38.50
*Consolidated Election Fee	\$1,476.50
<b>TOTAL</b>	<b>\$42,449.35</b>

\*Consolidated applied only when jurisdictional elections appear on Pima County wide election ballot, i.e. Primary or General Ballot.

An additional \$5,365.00 to \$10,730.00 should be added to each cost estimate to cover the variable costs for printing and mailing of early voting packets. Most elections require replacement ballots for voters and staff follow-up for processing "problem ballots" which would be another \$1,560.00 to \$2,000.00

Based on the all the information discussed above, **the cost range to conduct a jurisdictional election for a future Town of Tanque Verde is roughly \$50,000 to \$123,000.00.**



Public Service Center Building  
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Tucson, AZ 85701

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GABRIELLA CAZARES-KELLY, Recorder

## ***PIMA COUNTY RECORDER'S OFFICE FEE SCHEDULE***

### **ELECTION COSTS**

For Conducting Jurisdictional Elections (i.e., Cities, Towns, School Districts, Fire Districts, etc.)

#### **POLLING PLACE ELECTIONS**

Early Ballot Processing	\$5.75 each★
Active Early Voting List (AEVL) Ballots	\$3.00 each★
Early Ballot Signature Verification	\$0.75 per signature
Replacement Ballots – Satellite Location	\$2.00 each
Replacement Ballots – By Mail	\$3.00 each
Problem Ballots Processing & Follow-Up	\$6.00 each
Signature Roster Printing (per precinct)	\$25.00 each
Provisional Ballots	\$16.00 each
Conditional Provisional Ballots	\$6.00 each
Regular Hours	\$20.85 per hour
Overtime Hours	\$31.27 per hour
Remote Site Computer linked	\$400.00 flat fee
Remote Site Not computer linked	\$200.00 flat fee

#### **ALL BALLOT-BY-MAIL ELECTIONS**

Mailing of Ballots to Every Active Voter	\$2.30 each★
Replacement Ballots – Satellite Location	\$2.00 each
Replacement Ballots – By Mail	\$3.00 each
Problem Ballots Processing & Follow-Up	\$6.00 each
Signature Verification	\$0.75 per signature

#### **OTHER APPLICABLE ELECTION FEES**

Voter Registration Maintenance Fee for Active and Inactive Voters	\$0.05 per voter
Consolidated Election Participation Fee for Active Voters	\$0.10 per voter◆◆
Team Voting	\$60.00 per request>
Special Inserts:	
• Single Page – 8 ½ x 4 ½ (20 lb. paper minimum)	\$ 0.02 per ballot

**PIMA COUNTY RECORDER'S OFFICE**

**ADOPTED FEE SCHEDULE, Pima County Ordinance #2022-3 March 15, 2022**

**OTHER APPLICABLE ELECTION FEES CONT.**

- Multiple pages or larger than 8 ½ x 4 ½ \$0.05 per ballot  
(May result in additional postage cost for mailed ballot package due to increased weight)
- PLUS actual cost for insert printing by vendor

Mileage will be charged at actual cost based on Pima County Fleet Services Department Motor Pool Charges.

- ★ Includes postage fees for both the mailing of the ballot package and the return mail of the voted ballot. If postage rate hikes imposed by the United States Postal Service go into effect after the approved date of this Ordinance and Fee Schedule it may result in a fee increase in the same amount.
- ◆◆ Consolidated Election Participation Fee for Early Ballots include: mailing of the 90-day notification of elections, maintenance fee of the Active Early Voting List (AEVL), National Change of Address (NCOA) returned mail notifications.
- Emergency voting in hospitals, rest homes, care facilities, etc., for homebound voters, voters unable to vote in polling location, and those who need assistance voting their ballot due to medical reasons.

**JURISDICTIONAL BOUNDARY CHANGES – MAPPING**

Computer Coding	\$50.00 Per Annexation
Map Geocoding (1 hour Minimum)	\$25.00 Per Hour

**VOTER REGISTRATION DATA**

The fee for a copy of the voter data provided to political parties is set in A.R.S. §16-168(E).

**STANDARD FEE FOR DATA REQUESTS ONLY per A.R.S. §16-168(E)**

<u>Record Size</u>	<u>Assessed Per Record</u>
For 1-124,999 records	\$93.75 + \$0.0005
For 125,000 – 249,999 records	\$156.25 + \$0.000375
For 250,000 – 499,999 records	\$203.13 + \$0.00025
For 500,000 -999,999 records	\$265.63 + \$0.000125
For 1,000,000 or more records	\$328.13 + \$0.0000625

Computer Programming for Voter Data Reports outside standard report request types;

Such as Voting History over 4 years & Voter Change History, etc.

1 hour minimum

\$50.00 per hour

Paper Copy

\$0.25 per sheet

Digital Copy

\$0.25 per document

Certification of Voter Registration

\$10.00 per certification

**PIMA COUNTY RECORDER'S OFFICE**  
**ADOPTED FEE SCHEDULE Pima County Ordinance #2022-3 March 15, 2022**

**RECORDER'S SUBSCRIPTION FEES & ADDITIONAL SERVICES**

**Bulk Purchases of Current Daily Images and Data**

Bulk Subscription provides ability to access and download daily images of recorded documents on the Pima County Recorder's secure web site. The bulk purchase subscription includes one download at the end of the calendar year of all the Special Indexing Project documents added to the repository.

New Account non-refundable set-up fee	\$50.00 one-time
Maintenance fee	\$500.00 annual

**One Time Bulk Purchases of Historical Images and Data**

A bulk purchase of all the indexed historical document images available at the time of request.

One-Time Bulk Purchase	\$8,000.00 one-time Plus cost of storage device
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**Web Subscriber Services**

Web subscription provides ability to access and download images of recorded documents, one at a time, from the Pima County Recorder's office secure web site.

New Account non-refundable set-up fee	\$50.00 one-time
New Account pre-paid balance starting fee	\$50.00 applied at set-up
Web access to individual document images	\$0.24 per document
Web access to individual map images	\$0.24 per image

**Additional fees for Recorded Documents & Maps**

Paper Copy – 8 1/2 x 11	\$0.25 per sheet
Paper Copy – 11 x 17	\$0.50 per sheet
Digital Copy	\$0.25 per document
Certified Copy (regardless of size or format)*	\$1.00 per sheet
Certificate with Seal attached to certified copies*	\$3.00 per certificate
Fee to return documents improperly submitted for recordation	\$5.00 per document
Mail Processing Fee	\$1.00 per document
Credit and debit card convenience fee for on-line purchases	2% per transaction

\*Fees established by A.R.S. §11-475(A)(3). For costs to government agencies requiring certified copies, see A.R.S. §11-475(C), fees generally calculated as one-half of the fee established in A.R.S. §11-475(A)(3).



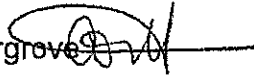
# MEMORANDUM

## ELECTIONS DEPARTMENT

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September 27, 2022

**To:** Nicole Fyffe  
Senior Advisor, County Administrator's office

**From:** Constance Hargrove   
Elections Director

**Subject:** Cost to provide Election services to incorporate – Tanque Verde.

Attached is a single sheet that reflects three different scenarios for election support for the proposed municipality of Tanque Verde.

The first scenario reflects the cost of a stand-alone election with Vote Centers. A stand-alone election is an election that is not held concurrently with another jurisdiction such as a school district (but not the county).

The second scenario reflects the cost of a stand-alone election that is administered entirely by an All Mail Ballot (no Vote Centers).

The third scenario reflects the cost of placing municipal candidates and/or questions on a countywide election ballot. Per the BOS approved fee schedule a jurisdiction that places its candidates/questions on a county-wide ballot will be charged seventy-five cents per registered voter. I have estimated the number of registered voters in the area proposed.

To recover any costs passed from the vendor to Pima County, we would need to ensure the intergovernmental agreement clearly states the municipality can be charged for printing cost increases due to market fluctuations.

The following costs reported are estimates only and do not reflect additional fees the municipality might incur during an election.

As a reminder the cost reflected on the attached sheet does not reflect any cost that might be incurred by the County Recorder for the administration of an election.

**Tanque Verde Cost Estimates based on current number of registered voters**

**Stand-alone polling place election (not combined with a countywide election)**

Salaries (Perm and Temp employees)	\$8,000
Poll Worker Pay	\$18,000
Overtime (Perm and temp employees)	\$1,800
Ballot printing	\$5,000
Advertising	\$50.00
Professional Services- language translation	\$750.00
Programming and tabulation	\$750.00
Building Rental- Hotel ballroom for poll worker training	\$5,000
Vote Center Rental	\$3,000
Precinct supplies prep fee	\$2,000
Vehicle rental (delivery trucks)	\$4,000
<b>Total</b>	<b>\$48,350.00</b>

**Stand-alone all mail ballot election (no polls)**

Salaries (Perm and Temp employees)	\$8,000
Overtime (Perm and temp employees)	\$1,800
Early Board Personnel (8 people) -2 days	\$2,000
Ballot printing	\$5,000
Advertising	\$50.00
Professional Services – language translation	\$750.00
Programming and tabulation	\$750.00
<b>Total</b>	<b>\$18,350.00</b>

**Combined onto a County Ballot**

Estimated number of voters 14,765 (active) +770 (inactive)=15,535 X .75 cents	\$11,651.25
Professional Services –language translation	\$750.00
<b>Total</b>	<b>\$12,401.25</b>