



Golder Ranch Fire District Bond Committee 2019

- **Bruce Baca** – Oro Valley resident | Commercial Real Estate Agent
 - **Bill Einecker** - SaddleBrooke resident | Served on the SaddleBrooke Homeowners Association Board for many years
 - **Tim Fudge** - Oro Valley resident | Manager of the SaddleBrooke Ranch development for Robson Communities
 - **Lisa Lehmann** - District resident in the southern part of the district, formerly part of the Mountain Vista Fire District | Real Estate Agent, Bond Committee Chairperson
 - **Lee Mays**: District resident in the southern part of the district | Retired Battalion Chief, Rural Metro Fire
 - **Barbara McClure** - Eagle Crest resident | Executive Director of Impact of Southern AZ, Bond Committee Vice Chairperson
 - **Erinn Oller** - Oro Valley resident | Chief Administrative Officer of Oro Valley Hospital
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As a committee, we recommend the Golder Ranch Fire District Governing Board accept and approve our list of capital projects to be funded by a General Obligation Bond, and to be presented on the ballot for the November 2019 General Election. (See a chart outlining projects in the Board Meeting Agenda Business slide show.)

The cost of these projects totals \$26,600,000.00 and focuses on Fire District Employee safety, technology upgrades to ensure and improve public safety, and infrastructure improvements to reduce the cost of general maintenance, improve the training facility, bring buildings into current compliance, and solve needed expansion and storage solutions.

We make these recommendations under the following circumstances, and understandings.

BACKGROUND

Our committee expertise and experience represents a diverse range of residents and businesses in the District service area. Included were lay-persons as well as a retired fire service individual; and, representation of large and small business, agents of commercial and residential investors, people living in homes with high property values, seniors living in retirement communities, and people on fixed and low to moderate incomes.

Our committee met multiple times during the months of April and May, and talked with the Golder Ranch Fire District Attorney, management, staff, and Stifel consultants.

We were given an overview of long term Fire District capital improvement needs, demographics of the District, economic bonding capacities and statutory debt limitations, financial analysis of secondary property tax rate burden related to a twenty five year timeline, information about outstanding general obligation bonds, AZ Fire District bond election history, tax collection history, estimated average cost to the District tax payer, and the effects a new bond may have on the top ten major commercial tax payers in the Fire District.

We toured various facilities including an example of the optimal station layout and the oldest, most outdated facility. On this tour we also met and talked with staff housed in the different stations.

GENERAL FINDINGS

- The proposed list of projects does a good job of prioritizing the most critical needs over the next 20-25 years, and categorizes these in three phases.
- It balances the burden of cost between the Fire District and the public, by focusing Secondary Tax bond money on major capital improvements and uses Primary Tax revenues, and other community grant opportunities to fund remaining capital investments.
 - No vehicles have been included in the proposal. These are typically depreciated and expensed long before bonds are paid off, so they are better funded by capital from the Fire District's Primary Tax Rate.
 - Two stations that were obtained during the recent merger are mortgaged. The Bond funds will pay off both mortgages, at a lesser rate, and will free up M&O money currently funding those payments.
 - Station remodels do not include architectural drawings or furnishings. These will be funded through the Primary Tax Rate already in place.
 - Additional fire hydrants which would be useful will be funded through the Primary Tax Rate, or through grants.
- The schedule for the sale of bonds is responsible and keeps the tax on property at a minimal level.
 - Growth is estimated at a very conservative rate, so as the economy and community grow, bond debt will be paid off faster, and across a larger pool of properties.
 - First round of bonds will sell in 2020/2021, and the remaining sold the following year.
 - People will see immediate improvements in their communities, as the first major station remodel begins. Other phase one and two projects will also get under way quickly.
 - Tax rates currently at .09/mil move up to .17/mil in the second year, but then turn to decline again the following year decreasing every few years, until ending up with a rate of .08 at the end of the bond life.
- Station remodels bring facilities into compliance with new codes as well as improved living conditions that include safety and security upgrades, and reduced maintenance and repair costs over time.
 - Concrete will replace asphalt.
 - Security fencing will enclose back parking areas and protect equipment, personnel, property and apparatus.
 - Living conditions for staff will be upgraded and improved.
- The proposal considers future growth that may occur over the next 25 years, in which additional stations will likely be needed to keep up with population increases.
 - One new station will be in the SaddleBrooke Ranch community in the near future.
 - A second station is included for long term growth, with Oro Valley's Arroyo Grande annex.
- Public and Employee Safety are paramount
 - Cat 5 IT infrastructures will be installed in all stations so that a digital station alerting system can replace the older analog system. The analog system puts 911 callers in a queue, whereas newer digital systems can answer and process multiple calls at once. The dispatch system is already using a digital system, so the upgrade will be useful immediately. The infrastructure upgrade will remain relevant for years to come and will still be used as digital system technology continues to change and improve over time.
 - A communication tower will be installed in the District as a repeater to boost radio signals for improved reliability.
 - Safety equipment will be stored in designated areas far from the living quarters inside stations, to reduce exposure to particulate matter.
 - Special filters will be installed on vehicles to capture particulates. Some stations have vacuum hoses that can be attached to the exhausts while in the station, but studies show the greatest risk is in the field where truck engines run for extended periods, in the areas in which people are

working, and gathering. Addition of these filters will enhance safety and reduce exposure to both District employees and the public.

- Training and Administrative facilities will be expanded and improved.
 - GRFD has one of three training facilities being used by Fire Districts in and around the Tucson basin. Besides the need to expand for increased volume of use, additional props will allow for added situational training.
 - Additional offices and classrooms will be gained in these building upgrades.
 - This will increase spaces available for community use as well.
- The proposal takes into account a collaborative approach to better efficiency through future fleet facilities, warehousing, and fuel storage that can share costs with the Oro Valley Police Department. This may also free up space at other facilities.

CONCLUSIONS

As a whole, this set of projects focuses long range investments in the critical areas of infrastructure, and employee and public health and safety. It is a lean and effective plan that makes good use of the community's tax dollars. Capital spending on these projects will be kept to a reasonable cost, and the return on investment will be significant.

It is our belief that this proposal fits with and addresses the Fire District's Principals and Goals: Accountability and Trust, Safety, Professionalism, Customer Centered, Fiscal Responsibility, and Protection of People and Assets of the Organization. These projects will ensure the mission of being able to serve the public in a timely, knowledgeable, and polite manner.

It is our hope that as the Golder Ranch Fire District Governing Board, you will accept and adopt our proposal to put forth the opportunity for the public to authorize the sale of General Obligation Bonds in the upcoming General Election scheduled for November 5, 2019 for capital improvements needed to improve the lives of all who live and work in the Golder Ranch Fire District.

Thank you for your consideration.

Respectfully submitted by the Golder Ranch Fire District Bond Committee