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# MEMORANDUM

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Date: February 10, 2011

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

From: C.H. Huckelberry  
County Administrator 

Re: Testimony by Marana Town Manager Gilbert Davidson before the Senate Water, Land Use and Rural Development Committee Regarding Senate Bill 1171

On February 2, 2011, the Marana Town Manager testified before the Senate Water, Land Use and Rural Development Committee regarding Senate Bill (SB) 1171 and the need for it. There were a number of statements made by the Town Manager that were incorrect. These statements, followed by a presentation of the facts, appear below.

1. *"The one thing that made the Town of Marana council really think about this issue was the discussion for a new development, a hospital facility, that had purchased property in the town of Marana and had worked with staff on permits, etc. Pima County said no to their wastewater services. Council realized that they could go through all the protocol but would be held back by Pima County's unwillingness to turn over wastewater service to the Town. Everywhere else in state of Arizona this wouldn't even merit discussion."*

A sewer service agreement was entered into by Pima County and Fidelity National Title for Gladden Farms II, Blocks 26 through 43, approved by County Wastewater on November 18, 2008 and County Procurement on November 25, 2008. Pursuant to the agreement, the developer was to construct the offsite and downstream sewer line connecting the hospital to the conveyance system or treatment facility. The developer failed to construct the facilities, let their construction authorization expire, and forfeited their allocation of capacity for the development. The County was willing to serve the facilities and enter into a legal agreement to do so; however, the developer failed to perform its obligations under the agreement.

2. *Question from the Committee: "Has the TOM lost other developments?"*

*Town Manager Response: "Yes, when the Town gave notice for this originally, immediate action was taken by Pima County to start withholding CDBG funds, voter approved funds such as GO bond and RTA funds which had a direct economic impact on the Town."*

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The main sewer lines within Honea Heights were built through a community development block grant (CDBG). The County completed its obligation and turned the project over to the Town of Marana, which is obligated to make appropriate house connection sewers between the residences and the sewer lines installed using CDBG funds. The County did not short or divert CDBG funds away from this project.

In addition, the County entered into an intergovernmental agreement (IGA) with the Regional Transportation Authority (RTA) to provide our local share of impact fees to match RTA transportation investments for Camino de Mañana or the Twin Peaks Project in Marana.

The airport sewer project was a sewer revenue bond project that was cancelled after Marana terminated the IGA with Pima County, since it would clearly be inappropriate for the County to pay for a non-flow through sewer line that Marana would own without paying anything for its development or construction.

3. ***“Every development that comes through, depending on where they are located within the Town of Marana has to go through rigorous scrutiny if there is a capacity issue. Pima County also has the ability to take exactions (impose additional things beyond what the TOM council asks) from a developer if they want to hook into the sewer system and this is at a cost to businesses and distracts from businesses wanting to relocate to the Town.”***

The Town Manager indicates Pima County has the ability to make exactions or impose additional requirements beyond what the Marana Mayor and Council require from developers to connect them to the sewer system and that such is a cost that distracts businesses from wanting to relocate to the Town. This is incorrect.

The County has standard ordinances that apply countywide in all incorporated towns or cities without regard to geographic location. The County does not make any land use exactions for the provision of sewer services since the County does not have land use authority within city and town jurisdictions. The County treats every user or potential user within the region equally; requiring the same compliance with standard, adopted ordinances and policies.

4. **Question from the Committee: *“Is this how Pima County controls growth in the county?”***

**Town Manager response: *“That would be a question for Pima County but the Town believes Pima County can exact certain things like the development along I-10 north of Cortaro and***

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*south of Tangerine that took months and months of unnecessary delay to work out an environmental corridor that terminates at I-10 and the railroad tracks. This is a great example of where we could have worked out an alternative that would have saved time and money."*

The Town Manager indicates the County controls growth within the I-10 corridor and that it took an inordinate amount of time to develop an environmental corridor. This is also incorrect.

The developer had the option to be annexed into the Town of Marana and chose not to do so due to the Town's requirements. The agreement reached between the County and the developer actually allowed the developer to utilize in-lieu funding from the County to offset a significant portion of onsite and offsite infrastructure costs. The decision by the developer to remain in the unincorporated area as opposed to annexing into the Town and to choose the financing methods for certain key infrastructure was the sole decision of the developer and had nothing to do with sewer service.

The incorrect representations in the Town Manager's testimony before the Committee required the clarifications discussed in this memorandum.

CHH/mjk

c: Martin Willett, Chief Deputy County Administrator  
John Bernal, Deputy County Administrator for Public Works  
Nanette Slusser, Assistant County Administrator for Public Works Policy  
Jackson Jenkins, Deputy Director, Regional Wastewater Reclamation  
Michael Racy, Racy & Associates