



# **Capital Improvement Plan**

## **Fiscal Years 2011 – 2021**



**Town of Dewey-Humboldt, Arizona**



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January 2010

Honorable Mayor, Vice Mayor and Council,  
Members of the Committee,  
Citizens of Dewey-Humboldt,

We are pleased to present you with the Town of Dewey-Humboldt's Capital Improvement Program for Fiscal Years 2011-2021, a program that began just one year ago to ensure that Town improvements are planned in a way that achieves your vision.

This document discusses the process, the capital projects and the various options for funding those projects other than cash on hand. The schedules and financing estimates provide guidance to Council and staff for planning the annual budget though they never provide authority to spend or a commitment to complete the project.

We anticipate that you may desire a project sometime in the future that, due to its very size and cost will require other financing options such as issuing bonds or other debt. We recommend before doing so, that you form a CIP Financing Committee to explore all of the financing options to find the best fit for the Town.

What cannot be easily reflected in the document is the amount of volunteer time and work involved in the process by the Committee; Chairman Doyle Wiste, Vice Chair Robert Bowman, Members Skip Gladue, Sandra Goodwin, Georgia Remoise and Mr. Ron Whitman.

It is by your selfless sacrifice of time, understanding and knowledge that this document is a true reflection of the Town's needs. For over three months you attended weekly meetings, studied the material, researched and talked to fellow neighbors. Just as importantly, you shared that information with Council and staff, helping all of us to be better informed.

On behalf of your fellow citizens, thank you for your service. On behalf of all staff here at the Town, thank you for enlightening us and refreshing our spirit. Spending time working with volunteers such as you helps us to refocus and renews our dedication to the betterment of the Town and our Country. Through your giving, you have helped us to grow into better citizens and better employees.

All the best,

Town of Dewey-Humboldt Staff



## Introduction to Capital Improvement Programming

The purpose of this document is to present the Town's Capital Improvement Program (CIP). The CIP is the primary tool that the Town uses to plan for major capital projects and acquisitions over a ten year forecast period. The plan is developed to help meet Council policy direction in the areas of infrastructure planning, development and maintenance including transportation, utilities, community facilities, and other projects needed to further enhance the quality of life in Dewey-Humboldt.

**The CIP is for Planning Purposes Only.** The plan identifies funding sources as well as project recommendations. In both cases, the financing sources and estimated capital expenditures noted in the plan are for planning purposes only **and are not appropriations for those years.** All amounts are staff's best estimate of future project needs and costs.

**What is a Capital Expenditure?** Broadly speaking, a capital expenditure is an outlay of a significant value that results in the acquisition of or addition to a capital asset (aka fixed asset), in other words, property that is held or used for more than five years. Types of fixed assets include:

- Land or rights to land
- Improvements to land (Infrastructure) other than buildings that exceed \$25,000 and add value to the land or improve its utility (such as roads, bridges, and sidewalks).
- Buildings

There are several important reasons for the Town to go through this lengthy process of planning and budgeting.

For one, **the stakes are high.** The capital infrastructure, facilities and equipment that the Town might build or purchase will most often, be large and very expensive, requiring the Town to raise and spend considerable amounts of money. The CIP planning process together with policies and management procedures are necessary to ensure that the projects and purchases are, first and foremost needed, well designed and efficiently implemented. That is to say, to ensure that the money invested in them is well spent.

**Second,** by their very definition, capital assets have useful lives that extend beyond one year, such as the infrastructure or a building which generally lasts for decades. Because they last so long, citizens and employees for many years to come will have to live with the results of the decisions we make today. Therefore, our decisions need to be based on careful planning.

*Fixed assets include many types of property that the Town owns and uses in operations.*

*Fixed does not mean "immobile"; a fleet vehicle is a fixed asset.*

**Spending varies from year to year** dependent on growth, development and the economy. As previously mentioned the capital assets have long lives so the need to replace them should occur infrequently. Factors such as these can create problems for the operating budget, which generally changes only incrementally in any year and most of those changes are to enhance or expand a service. The Town's operating budget has also had to cover major capital projects and purchases, causing it to stretch and contract greatly from year to year. This has created planning and revenue-raising challenges. With the current economic conditions, we expect there to be a great deal of discussion as staff presents Council with revised and new financing options to meet these annually changing requirements. Yet another reason to carefully plan; capital projects and purchases require a long time frame and special financing sources, both of which are difficult to incorporate in the operating budget.

**Implementation takes time**, depending on the size, complexity, environmental risk, and other factors of a project. It takes anywhere from several years to as long as a decade in order to plan and complete most infrastructure and capital facility projects. Time to define the project, secure approval, finish the design, acquire and prepare land, schedule the project and construct it. Even acquisition of sophisticated and expensive equipment can take several years to identify the need, gain approval, prepare specs, order, receive, install and set-up for operation and acceptance. The Town budget only provides spending authority for one year so careful planning and understanding is extremely important to provide project funding over several years.

Although the Town has primarily followed a pay-as-go approach to capital project financing, eventually the Citizens and Council may desire a project that due to its very size and cost will require other financing options such as issuing bonds or other debt. For major facilities and debt issues, the principal and interest repayment term can extend for twenty years or more. If the Council and citizens (through a voter referendum) approved and issued debt to finance a major project, they would in effect require future Councils and citizens to pay for their decision. Debt ties up revenues in future annual budgets. Because of the long-term consequences, Council should make sure that debt-financed projects are well planned, designed and carried out.

Changes that have occurred in the *operating budget* from year to year have generally been small or modest as we would expect. However, the capital projects and acquisitions requested in recent years have varied from the ones approved for past several years. Having incorporated just five years ago, we are a very young town that has many capital planning and development needs to address. As we mature, many of the capital assets we build will have long, useful lives, with the need for them recurring infrequently. To compensate for our lack of relevant experience in recent years, the CIP process will help Council and staff to apply special care in budgeting for major capital projects and purchases.

## Program Overview

This Overview section explains the Town's Capital Improvement Program, the process involved, the guidelines used to determine whether a project is a capital project, the Committee involved and the prioritization criteria. The CIP prioritization criteria describes in detail the measures used by the Town's CIP Committee to rate the various proposed capital projects. The funding section is a discussion of the various options available to finance capital projects or acquisitions.

In 2008, the Town's first Capital Improvement Program - Citizens Advisory Committee was established. During that first year, the Committee and ultimately, the Council formed the Capital Improvement Program process, requirements, categories and ranking criteria for future committees to use.

**The process** is repeated annually, just prior to the development of the annual budget; this year's document is the culmination of an intense three months of hard work by the Committee.

CIP SCHEDULE		
Date	Meeting	Tasks and Accomplishments
September 8, 2009	Regular Council Meeting	Decision to perform CIP Inhouse
September 15, 2009	Council Work Study	Provide direction to CIP Facilitator, Renew Calls for new project proposals
September 23, 2009	Committee Mtg 1	Initial Briefing, Discuss schedule, Refresher Period, Presentation on status of current projects
September 30, 2009	Committee Mtg 2	Review all projects in the existing CIP document
October 7, 2009	Committee Mtg 3	Project discussion and review; all projects in the existing CIP document
October 9, 2009	DEADLINE	Deadline for New Project proposals
October 13, 2009	Council and Committee Meeting 1	Opportunity for Council to provide direction to Committee; discussion on proposed projects, committee ideas and recommendations.
October 21, 2009	Committee Mtg 4	With direction from Council, committee discussion on New Project proposals
November 4, 2009	Committee Mtg 5	Continued discussion on New Project proposals their relation to current projects. Open time to discuss all projects in anticipation of take home ranking assignment.
November 10, 2009	DEADLINE	Project Ranking sheets due
November 18, 2009	Committee Mtg 6	Ranking Results Presentation and Discussion, Select FY2011 project recommendations to Council. Review and discuss outcome of 2012-2021 project schedule base on ranking results.
December 1, 2009	Regular Council Meeting	Presentation to Council; Project recommendations for FY2011 and 2012-2021 Project schedule
December 8, 2009	Council and Committee Meeting 2	Public workshop and Discussion; changes to projects and schedule based on outcome of discussion
December 15, 2009	Regular Council Meeting	Finalize CIP projects and schedule if necessary; authorize staff to publish final document
December 16 - Jan 4	PROCESS	Publication process
January 5, 2010	Regular Council Meeting	Presentation to Council, Committee members and Public; final Capital Improvement Program

The CIP generally focuses on large and expensive capital projects and acquisitions with long useful lives. That's not to say that a project must be huge to justify its inclusion in the CIP. The dollar threshold for capital projects has been set at \$25,000 with a life of 5 years or greater.

A call for project recommendations goes out during the opening period of the CIP process while the CIP Advisory Committee is being formed. Early in the process, a joint meeting with Council and Committee members is held so that the Council can provide clear direction to the Committee. Several joint meeting of this nature are held throughout the process to ensure that the Committee is on track with Council goals and to provide Council with progress updates.

The Committee schedule is planned around familiarizing themselves with current projects listed in the plan while the new project proposals come in. A status report on current projects is presented to the Committee by Town staff and after the deadline is passed, the Committee reviews the new project worksheets.

After several months of meetings, presentations, and homework; the Committee recesses to provide each member time to individually rank the projects base on the ranking criteria approved by Council.

Staff analyzes and presents the results of the individual ranking sheets to the Committee, followed by another round of discussions and a review of member remarks. Results and recommendations are presented to Council during which changes to the projects can occur. At this point we are very close to a final project schedule that will provide the foundation for the capital improvement plan document.

A series of Council study sessions and public hearings are held and finally the finished plan is presented to Council with a request to adopt the plan only. The first year of the project schedule becomes the foundation upon which the capital portion of the annual budget is based.

**Prioritizing the Capital Projects.** Because we have capital project requests and needs that exceed available financing, they have to be prioritized. The CIP Committee uses an approach that combines a points method with a final discussion and decision period during which a project's priority may change based solely on the outcome of committee discussion.

Rough project cost estimates are provided on the worksheets however the cost of the project is not a consideration during ranking, on the other hand the projected ongoing operating costs are considered.

**The seven prioritization criteria used by Dewey-Humboldt for Capital Improvement Projects or Acquisitions are:**

- **Desirable or Needed Public Improvements; Percentage of Population Served** – The purpose of this element is to consider the specific concerns related to:

- **Point Count 0 – 30**

- Significantly addresses gaps in infrastructure.

- Eliminates safety risks known from past occurrences, accident data, inspections.
  - Blighted public infrastructure and/or the deferred maintenance backlog.
  - Measures the benefit to the population as a whole.
- **Relationship to General Plan** – This element considers whether the proposed project or acquisition addresses the concerns and goals in the General Plan.
  - **Point Count 0 – 20**
  - Helps implementation of the public improvements identified in the General Plan.
- **Operating Costs** – The expected change in operation and maintenance costs. Estimates of the additional costs or reductions likely in the program budget for operations (Includes personnel) due to the proposed project or acquisition. Also to be considered are changes in revenues that may be affected or enhanced.
  - **Point Count 0 – 15**
  - Measures or mitigates impacts on future budgets.
- **Creating Community** – Aesthetic and social effects, a catch-all criterion for other significant quality of life related impacts. The purpose of this criterion is to evaluate the project based on the opportunity that it provides to create community links. Consider if the project provides opportunities to create walkable neighborhoods, recreational facilities, destinations with a strong sense of place, create links between such destinations, and create a sense of identity for Dewey-Humboldt.
  - **Point Count 0 – 10**
- **Sustainable Development** – this element considers if the project or acquisition integrates environmental appropriate or sustainable infrastructures solutions; does it advance smart growth principals.
  - **Point Count 0 – 10**
- **Community Value** – In the very basic sense, get the most bang for our dollars.
  - **Point Count 0 – 10**
- **Town Staff Ranking** – this element gives some consideration to professional expertise.
  - **Point Count 0 – 5**

## Financing Overview

The development of funding strategies to meet long-term capital plans is an integral component of a well-managed jurisdiction. While borrowing is essential for most local government jurisdictions, an effective capital funding strategy requires consideration of a broader mix of funding tools. There are project-specific capital funding resources that may be appropriate for some projects but not for others, and that may not involve issuing debt.

Although there are a wide variety of funding options for capital projects, the Town faces constraints that determine if certain options are even feasible for consideration in the CIP. Examples of constraints include the current economic environment, the Town's current available resources, other projects in the CIP, and policies regarding taxation, indebtedness, and amount of risk.

All Funding methods will be reviewed in the context of their suitability for a project and then recommendations would be made to Council for consideration. Factors of consideration include:

- A. Legality. Is the funding method legally authorized to be used as planned? Have we considered all the necessary legal actions required to use this tool?
- B. Equity. Does the funding method ensure that those benefiting from the project pay for the project?
- C. Effectiveness. Does the funding method produce sufficient resources to undertake the project completely?
- D. Acceptability. Is the funding method politically acceptable? Does the risk conform to the Debt Policies.
- E. Affordability. Can the Town afford the financing method now, and in the future.
- F. Burden of Administration. Does the funding method result in undue burden on the staff in administering it? Are staff resources and expertise sufficient to properly administer the debt?

There are only two approaches to financing capital projects; pay-as-go and pay-as-use. The Town has strictly used current taxpayer revenues and the pay-as-go approach by using available cash to pay for capital projects.

Funding sources for the pay-as-go approach include user fees, impact fees, and fund balance. Grant funds and private contributions, to the extent available, also fall into this category.

Relying on the pay-as-go approach has had its advantages. Paying with cash rather than borrowing has allowed the Town to avoid any borrowing costs (e.g. interest, bond issuance

fees, and underwriter's discount). Additionally, because resources were not committed to ongoing debt service expenditures, the Town has had greater flexibility to address unexpected changes in its financial position.

**A major disadvantage** of pay-as-go financing is that the Town does not have sufficient cash on hand to pay for operations and the many capital needs that must be addressed each year. The next few years are expected to be especially difficult as the Country recovers from the effects of the current economic situation. While the pay-as-go funding has served the Town well and has an appropriate place in the overall financing plan, continued exclusive reliance on this approach will not be adequate to address the full range of needs for the Town.

Another disadvantage is that pay-as-go financing violates the "intergenerational equity" principle of paying for capital improvements, which states that those benefiting from the project should pay for it. Capital projects tend to have long useful lives, benefiting taxpayers many years into the future. Using cash on hand means that one group of taxpayers may pay for a project that benefits future taxpayers.

Identifying current and potential user fees (revenue) is essential. This is where the previously mentioned planning efforts are so important in making the CIP process effective. The special planning, financing and management efforts necessary include cost allocation plans and user fee studies updated on a regular basis (usually every three years). Recognizing the significance of careful planning and budgeting the Town Council has allocated a portion of fiscal year 2010 budget in order to **accomplish the Town's first** such plan and study.

In Fiscal Year 2010, the Town began a robust and sustainable grant management effort. Grants are often considered the most favorable financing method for capital projects since they do not require repayment. However, the use of grant funding does involve significant administrative costs. Some grants have a requirement that the Town assume the cost of supporting grant-funded positions or operating costs once the grant has run out and others require cash matching. The Town has clear financial policies that require consideration of all implications and Council approval is required prior to submission of a grant application whenever there is a potential for ongoing expenditures to exceed the program budget allocation.

A funding option that would be **an easy transition from strictly using town revenues** to pay for capital improvements would be to require reimbursement from the benefiting party. This type of improvement financing would still require that the Town pay for the improvement entirely up front but then the Town Council could, by Ordinance, collect a reimbursement amount (assessment) calculated on the parcel's **share of the benefit** received as compared to the total cost of the special public improvement. Any portion of the (costs) of the special (capital) improvement which would benefit the general public would still have to be paid for with Town funds.

Such improvements are to be consistent with the requirements of Title 9, Chapter 2, Article 3 of the Arizona Revised Statutes. The Town Council may by ordinance order improvements to be constructed at the Town's expense and that the expense shall be assessed against the property. The assessment would terminate within ten (10) years or when the total amount provided for is repaid.

Under the **pay-as-use** approach the Town would issue debt or borrow money and then pay back the funds as the project is used. Pay-as-use financing options include debt, such as low interest loans and bond financing that allows the Town to make debt service payments after the project is complete. The Town could utilize a tax levy, user fees and charges, or other designated source of repayment.

Not all projects should be funded with debt; projects with short useful lives, such as a piece of equipment or a vehicle, and projects with short useful lives, such as computers or technology should be paid for on a pay-as-go basis or by lease-purchase arrangement corresponding to the life of the asset. Paying for short-term assets with long-term debt violates the equity principal described earlier.

***The Debt Management section of the Financial Policies*** provides comprehensive guidelines for debt issuance and management; they are included at the end of this overview for your information.

Most state and local governments rely on debt to pay for a portion of their capital improvement projects. Interest income on debt issued by government entities is generally exempt from federal income taxation and for Arizona, from State and Local income taxes. The tax exemption makes the instrument attractive to investors thus lowering the interest rates and interest costs on bonds. In order for bonds to qualify for tax-exempt status, they need to be issued to finance "government purpose" projects such as facilities, parks, or schools and be used to benefit the entire community. Other projects that may qualify include governmentally owned and operated water and sewage facilities, airports, solid waste disposal facilities and other projects identified in the Internal Revenue Service code.

The types of debt available for use by the Town include general obligation or revenue bonds and some lease arrangements. General obligation bonds fall into two broad categories; unlimited tax general obligations bonds and limited general obligation bonds. ***Unlimited Tax General Obligation Bonds*** would be secured by a pledge of the Town's full faith and credit and unlimited taxing power. The Town would promise to use its power to levy an unlimited ad valorem property tax to pay the debt. The strength of this pledge is that it offers strong market acceptance and generally high credit ratings and favorable interest rates. Because the bonds are repaid with tax revenue from all property owners in the community, this financing tool is appropriate for projects benefiting the community as a whole. Voter approval is required

before this type of bond can be issued and it is doubtful if the Town could generate the necessary voter support at this time. **Limited Tax General Obligation Bonds** are secured by legally available general fund revenues or by a property or other tax levy that may not exceed a certain rate or amount. The limitations for these types of bonds do mean that they usually carry a higher interest rate.

**Revenue bonds** are secured by funds generated from user fees and charges paid by the users of the financed facilities or a dedicated revenue stream such as sales taxes. These bonds are commonly issued to finance infrastructure improvements for water, sewer or mass transit (specific user group) and generally have no voter approval requirement.

Depending on the type of project, the Town could also use other debt instruments such as **Special District Bonds**, or low interest loans or leases. Special Improvement Districts (SID) are yet another method available to accomplish capital improvements such as pavement, sidewalks, curb and gutters, street lights, water and sewer mains, fire hydrants and other miscellaneous improvements. The actual costs of the improvements are also assessed to the properties within the district boundary proportional to the benefits derived from the improvements. Assessment payment options include cash payment or an installment payment plan. Special Improvement Districts are formed in accordance to the Arizona Revised Statutes Sections 48-571 to 48-619 both inclusive and amendments thereto. SIDs may be formed by property owners or the Town could initiate a SID, by State law. Bonds would be secured by the special assessment or a tax on the properties in the defined area for only the improvements that would benefit that geographic area.

The Town has specific financial policies that direct how the Town will plan and finance capital projects and acquisitions. The policies are provided below beginning with capital.

**Capital Improvement Program Policy:** The purpose of the Capital Improvement Program is to systematically identify, plan, schedule, finance, track and monitor capital projects to ensure cost-effectiveness as well as conformance to established policies.

The Town Manager will **annually** submit a **10-year** Capital Improvement Program for review by the Town Council pursuant to the timeline established in the annual budget preparation schedule. A **5-year** program would be more accurate and give the public more assurance that all of the projects within the plan will be completed, but the Town's level of income is such that a full **10 years** is needed to accumulate enough funds to include any significant improvements. Submission of the Capital Improvement Program shall be consistent with the requirements of Title 42, Chapter 17, Article 3 of the Arizona Revised Statutes. The Capital Improvement Program will incorporate a methodology to determine a general sense of project priority according to developed criteria.

The Capital Improvement Program shall provide:

- ✓ A statement of the objectives of the Capital Improvement Program and the relationship with the Town's General Plan, program master plans, necessary service levels, and expected facility needs.
- ✓ An implementation program for each of the capital improvements that provides for the coordination and timing of project construction among various Town programs.
- ✓ An estimate of each project's costs, anticipated sources of revenue for financing the project, and an estimate of the impact of each project on Town revenues and operating budgets. The operating impact information shall be provided for the period covered in the Town's current **10-year** Capital Improvement Program. No capital project shall be funded unless operating impacts have been assessed and the necessary funds can be reasonably anticipated to be available when needed for the systematic improvement and maintenance of the Town's capital infrastructure.
- ✓ Revenues and project costs will be calculated in current dollars.
- ✓ Debt ratio targets that comply with the Debt Management section of these policies.
- ✓ A schedule of proposed debt issuance.

The Town will match programs and activities identified in the Capital Improvement Program with associated funding sources. The Town will also seek to match project costs with project users which may require the issuance of debt to allow future users to pay in the future, and to maintain intergenerational equity.

When current revenues or resources are available for capital improvement projects, consideration will be given first to those capital assets with the shortest useful life and to those capital assets whose nature makes them comparatively more difficult to finance with bonds or lease financing. Using cash for projects with shorter lives and bonds for projects with longer lives facilitates intergenerational equity, wherein projects with long useful lives are paid over several generations using the project through debt service payments.

Capital improvement projects will not be authorized or awarded until the funding sources have been identified to finance the project and operating costs have been accounted.

Staff will monitor projects in progress to insure their timely completion or the adjustment of the Capital Improvement Program as approved by Council if a project is delayed or deferred. A **quarterly** status report will be presented to Town Council to monitor each project's progress and to identify any significant issues associated with a project. A prior year capital project status report shall be presented to the Town Council for information purposes when the capital improvement budget is considered.

Within **90 days** of the completion of a capital project any remaining appropriated funds for the project will be closed off and will revert to the fund balance of the funding source.

The Capital Improvement Program will be updated **annually** as a multi-program effort.

**Debt Management Policy of the Town of Dewey-Humboldt.** It is the Town's intention to utilize long term debt to finance capital projects with long useful lives. Financing capital projects with debt provides for an "intergenerational equity," as the actual users of the capital asset pays for its cost over time, rather than one group of users paying in advance for the costs of the asset.

The purpose of this debt management policy is to provide for the preservation and eventual enhancement of the Town's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions, and required disclosures to investors, underwriters and rating agencies. These policy guidelines will also be used when evaluating the purpose, necessity and condition under which debt will be issued. These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State Statutes, Town incorporation documents, federal tax laws, and any future bond resolutions and covenants.

The Arizona Constitution limits a Town's bonded debt capacity (outstanding principal) to certain percentages of the Town's secondary assessed valuation by the type of project to be constructed. There is a limit of 20% of secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facility improvements. There is a limit of 6% of secondary assessed valuation for any other general-purpose project.

All projects funded with Town general obligation bonds or revenue bonds must be included in the Town's Capital Improvement Plan and can only be undertaken after voter authorization is obtained through a Town-wide bond election.

The overall debt management policy of the Town is to ensure that financial resources of the Town are adequate in any general economic situation to not preclude the Town's ability to pay its debt when due.

The Town will not use long-term debt to fund current operations or projects that can be financed from current revenues or resources. The Town will first attempt to utilize "pay as you go" capital financing and/or the use of operating funds or impact fees where applicable.

The Town does not intend to issue commercial paper (CP) or bond anticipation notes (BANs) for periods longer than 2 years or for the term of a construction project. If CP or a BAN is issued for a capital project, it will be converted to a long-term bond or redeemed at its maturity.

The issuance of variable rate debt by the Town will be subject to the most careful review and will be issued only in a prudent and fiscally responsible manner.

The Town shall make every effort to combine debt issuances in order to minimize issuance costs.

Whenever the Town finds it necessary to issue tax-supported bonds, the following policy will be adhered to:

- ✓ Tax supported bonds are bonds for which funds used to make annual debt service expenditures are derived from Ad Valorem Tax (property tax) revenue of the Town.
- ✓ The target for the maturity of general obligation bonds will typically be between 20 and 30 years. The target for the “average weighted maturities” for general obligation bonds of the Town will be 12 years and 6 months.
- ✓ Where applicable, the Town will structure general obligation bond issues to create level debt service payments over the life of the issue.
- ✓ Debt supported by the Town’s General Fund will not exceed 10% of the annual General Fund revenues.
- ✓ Secondary property tax rates will be determined each year as part of the budgetary process (pursuant to State law) to pay the necessary debt service payments of general obligation bonds currently outstanding or expected to be issued within the fiscal year.
- ✓ In accordance with requirements of the State of Arizona Constitution, total bonded debt will not exceed the 20% limitation and 6% limitation of the total secondary assessed valuation of taxable property in the Town.
- ✓ Reserve funds, when required, will be provided to adequately meet debt service requirements in subsequent years.
- ✓ Interest earnings on bond fund balances will only be used to pay debt service on the bonds unless otherwise committed for other uses or purposes of the project.
- ✓ The term of any bond will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.

Revenue bonds are defined as a bond on which the debt service is payable from the revenue generated from the operation of the project being financed or a category of facilities, from other non-tax sources of the Town, or from other designated taxes such as highway user’s revenues, excise tax, or special fees or taxes. For any bonds or lease-purchase obligations in which the debt service is paid from revenue generated by the project and/or partially paid from non-property tax sources, that debt service is deemed to be revenue bonds and are excluded from the calculation of the annual debt service limitation. Whenever the Town finds it necessary to issue revenue bonds, the following guidelines will be adhered to:

- ✓ Revenue bonds of the Town will be analyzed carefully by the Finance Department for fiscal soundness. Part of this analysis shall include a feasibility report prepared by an independent consultant prior to the issuance of utility supported revenue bonds to

ensure the generation of sufficient revenues to meet debt service requirements, compliance with existing bond covenants and to protect the bondholders.

- ✓ Revenue bonds should be structured to provide level annual debt service over the life of the issue.
- ✓ Debt Service Reserve Funds will be provided when required by rating agencies, bond insurers or existing bond covenants.
- ✓ Interest earnings on the reserve fund balances will be used to pay debt service on the bonds unless otherwise committed for other uses or purposes of the project.
- ✓ The term of any revenue bond or lease obligation issue will not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.
- ✓ The target for the term of revenue bonds will typically be between 20 and 30 years. The target for the “average weighted maturities” for revenue bonds of the Town (except for those issued through the Arizona-Water Infrastructure Finance Authority) will be 12 years and 6 months.

Improvement District (ID) and Community Facility District (CFD) Bonds shall be issued only when the formation of the district demonstrates a clear and significant purpose for the Town. It is intended that Improvement District and Community Facility District bonds will be primarily issued for neighborhoods desiring improvements to their property such as roads, water lines, sewer lines, street lights, and drainage. The District must provide a specific benefit to the property owner(s). The Town will review each project through active involvement of Town staff and/or selected consultants to prepare projections, review pro-forma information and business plans, perform engineering studies, and analyze minimum debt coverage and value to debt ratios, and other analyses necessary to consider the proposal against specified criteria. Both ID and CFD bonds will be utilized only when it is expected that they will be outstanding for their full term.

An expanded policy will be maintained detailing the policy and procedures of the Town related to any future consideration of the formation of a Community Facilities District. Use of a CFD would require compliance with the new guidelines and procedures and specific Council approval.

Refunding bonds will be measured against a standard of the net present value debt service savings exceeding 5% of the debt service amount of the bonds being refunded, or if savings exceed \$250,000, or for the purposes of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town.

The investment of bond proceeds shall at all times be in compliance with the Town’s Investment and Portfolio Policies and meet all requirements of bond covenants. The Town shall

comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness. The Town shall comply with Arizona Revised Statutes and all other legal requirements regarding the issuance of bonds and certificates of the Town or its debt issuing authorities. The Town will maintain contact with rating agencies through meetings and visits on and off-site. The Town will secure ratings on all bonds issued when economically feasible.

The Town shall maintain a debt profile for all bonds issued and update the profile on an annual basis. The debt profile shall include specific information regarding the size and type of debt issued, projects financed by the bonds, debt service schedules and other pertinent information related to each specific bond issue.

## Historical Picture: Source of Funds

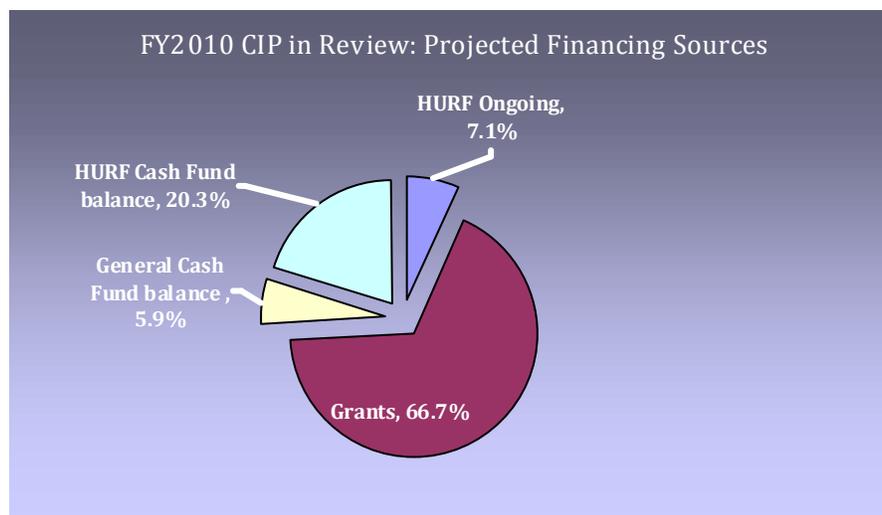
The Capital Improvement Program uses funding from various sources. Described below are the funding sources for Fiscal Year 2010 capital projects.

All potential capital funding resources should be evaluated to ensure equity of funding for the CIP. Equity is achieved if the beneficiaries of a project or service pay for it. For example, general tax revenues and/or bonds should appropriately pay for projects that benefit the general public as a whole. User fees, development fees and/or contributions should pay for projects that benefit specific users.

Highway User Revenue Fund (HURF) represents the Town's allocation of the Arizona Highway User Revenue Tax and other transportation related revenues. The amount available to the each City and Town is based on population, which is determined by the latest federal census. These monies must be used for street construction, reconstruction, maintenance or transit.

General Fund represents the portion of general fund cash used to fund the pay-as-go capital projects. This includes local sales tax, State shared sales tax, State shared income tax, State shared vehicle license tax, and interest earnings.

Grants represent revenues we could receive from Federal or State sources. Most grants require a matching funding source with the percentage of the match dependent on grant requirements. The funding is restricted in use to the improvements requested and approved in the grant application.



## Historical Picture: Use of Funds

The Capital Improvement Program (CIP) is comprised of four main categories:

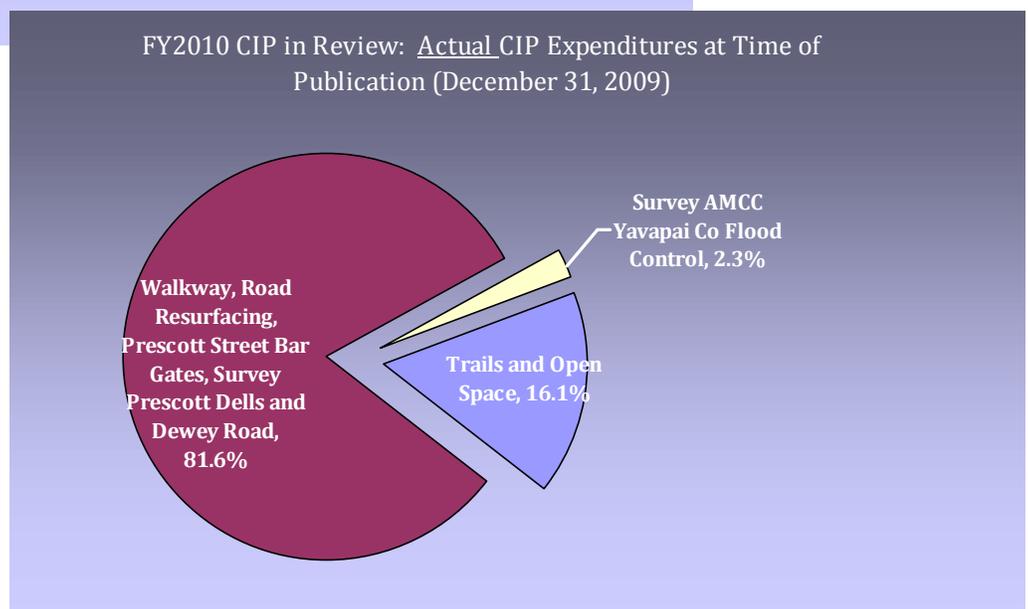
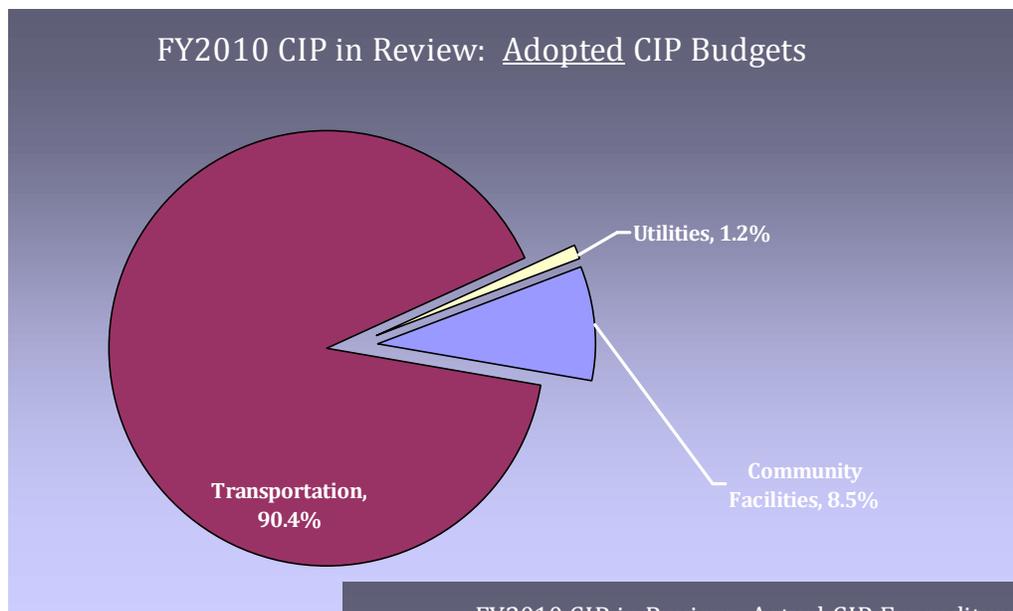
**Community Facilities** includes parks, recreation, trails and open space and library.

**General Government** includes non-specific ROW/land and law enforcement.

**Transportation** includes bridges and streets.

**Utilities** includes water, sewer, drainage and sanitation.

The pie charts below represent what was budgeted for Fiscal Year 2010 and what has been completed as of the second quarter (time of publication of this document).



# Active Projects

TOWN OF DEWEY-HUMBOLDT CAPITAL PROJECT SPENDING STATUS, ACTIVE PROJECTS AS OF DECEMBER 31, 2009					
Project Name	Appropriations to Date	Expenditures and Encumbrances to Date	Balance to Date	Percent Spent	NOTES
Open Space & Trail Master Plan	\$ 67,460	\$ 67,460	\$ -	100.0%	Council Approved Contract Award on November 3, 2009.
Open Space Preservation	40,000	-	40,000	0.0%	Follows the Open Space & Trail Master Plan.
Pathway: Upper Main to Lower	100,643	87,429	13,214	86.9%	Project Complete and Closed September 2009
Road resurfacing project	219,878	207,867	12,011	94.5%	Project Complete and Closed September 2009
Completion of Kachina Place	40,000	-	40,000	0.0%	Activity suspended pending resolution of private ownership and land use issues.
Small Area Transportation Plan	125,000	-	125,000	0.0%	Pending PARA** Grant Award decision; expected January 2010.
Dewey Road to HWY 69 via	302,500	29,900	272,600	9.9%	Council Approved Contract for Survey Award on December 1, 2009
Rocky Hill Road	383,000	-	383,000	0.0%	Grant search continues for this project.
Bar gates at the Prescott Street	4,793	4,793	-	100.0%	Project Complete and Closed October 2009
Yavapai Industrial Drainage	15,000	9,500	5,500	63.3%	December 2009: Authorized Contract for Professional Survey and Engineering Analysis. Town has a IGA w/Yavapai County for cost reimbursement
User Fee Study and CAP	43,000	27,065	15,935	62.9%	Council Approved Contract Award on December 15, 2009
Records Management System	43,000	-	43,000	0.0%	System research in progress.
Humboldt Water	750,000	-	750,000	0.0%	Council approved January 20, 2009: LETTER OF SUPPORT AND COOPERATION BETWEEN TOWN AND HUMBOLDT WATER CO. Humboldt Water Co. assumes all responsibility. HWC has achieved award of one small Grant to pay for Engineering Services, and continues Grant search.
<b>Total</b>	<b>\$ 2,134,274</b>	<b>\$ 434,014</b>	<b>\$ 1,700,261</b>	<b>20.3%</b>	

\* Special Revenues include HURF, LITAF and Impact Fees

\*\* PARA: Planning Assistance for Rural Areas sponsored by ADOT

## PROJECTS CLOSED/PENDING CLOSURE AT DECEMBER 31, 2009

Project Name	Estimated Final Cost
Pathway: Upper Main to Lower	\$ 87,429
Road Resurfacing Project	207,867
Bar gates at the Prescott Street	4,793
Crossing of the Agua Fria	
<b>Total</b>	<b>\$ 300,089</b>

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## Future Projects

The committee has identified and recommended nine capital projects for Fiscal Year 2011 at a cost of \$652,828. During the budget process, it is expected that some of the projects may not make the final cut. It is just as likely that Council may direct staff to add other high priority projects to the list, further changing the projected CIP appropriation.

Recently, the Town awarded a contract to prepare the Trails and Open Space Master Plan. The outcome of the Master Plan is expected to affect all of the Trails projects in some manner. Also, the Town is eagerly anticipating a positive response to the ADOT PARA Grant application to help fund a Small Area Transportation Plan, the outcome of said plan would be expected to have a direct affect on all of the transportation projects listed in this program.

As mentioned in previous discussions, the Town has strictly used current taxpayer revenues and the pay-as-go approach by using available cash to pay for capital projects. Funding sources for the pay-as-go approach include user fees, impact fees and fund balance. Grant funds and private contributions, to the extent available, also fall into this category. The Town has been able to avoid any borrowing costs by using the pay-as-go approach but on the other hand, is not able to perform all of the desired projects due to lack of available funds.

The first line of financing for FY2011 projects will be to look at available cash balances in the General Fund and the HURF Fund - to the extent available for qualified transportation projects. Staff will also seek out grants for which certain projects and the Town may qualify. The remaining projects would have to be financed by another source which, at this time, is unknown. Other financing options that could be considered include an increased tax rate, or bonds, loans and improvement districts. At Council's direction staff will look into the terms of an alternative financing option under consideration.

FISCAL YEAR	PROJECT DESCRIPTION	PLANNING/ FEASIBILITY	ARCHITECTURAL /ENGINEERING	REAL ESTATE	FUNDING	ADDITIONAL OE COST	TOTAL ANNUAL COST
<b>2011</b>							
	O.S. Preservation	40,000			Other	No	40,000
	PS to CG Multi-use Trail	10,000			Other	Yes	10,000
	Chaparral Gulch Junction	50,000			Other	Yes	50,000
	A.F. River > E.B. Trail	40,000			Other	Yes	40,000
	Facilities Study	65,000			General Fund	No	65,000
	Land Banking			20,000	Grants, Other	Yes	20,000
	Dewey Road	4,000	171,248		HURF, I.F., Other	Yes	175,248
	Rocky Hills Road	223,080			HURF, I.F., Other	Yes	223,080
	Prescott Dells	29,500			HURF, I.F., Other	Yes	29,500
	<b>TOTAL</b>	<b>\$ 461,580</b>	<b>\$ 171,248</b>	<b>\$ 20,000</b>			<b>\$ 652,828</b>

FISCAL YEAR	PROJECT DESCRIPTION	PLANNING/ FEASIBILITY	ARCHITECTURAL /ENGINEERING	REAL ESTATE	SITE PREP	CONSTRUCTION	FURNISHINGS /EQUIPMENT	FUNDING	ADDITIONAL OE COST	TOTAL ANNUAL COST
<b>2012</b>										
	O.S. Preservation			200,000				Other	Yes	200,000
	PS to CG Multi-use Trail		50,000					Other	Yes	50,000
	Chaparral Gulch Junction		50,000					Other	Yes	50,000
	A.F. River > E.B. Trail			20,000				Other	Yes	20,000
	A.F. River > C.G. Trail	31,592						Other	Yes	31,592
	Chaparral Gulch Trail	33,748	111,000			84,370	10,882	Other	Yes	249,000
	Elue Ridge Rd Trail		45,000					Other	Yes	45,000
	Elue Hills Picnic Area		35,000					Other	Yes	35,000
	Land Banking			100,000				General Fund, Other	Yes	100,000
	Dewey Road		565,000					HURF, I.F., Other	Yes	565,000
	Rocky Hills Road		840,000					HURF, I.F., Other	Yes	840,000
	Prescott Dells		249,480					HURF, I.F., Other	Yes	249,480
	<b>TOTAL</b>	<b>\$ 33,748</b>	<b>\$ 522,072</b>	<b>\$ 1,775,000</b>	<b>\$ -</b>	<b>\$ 84,370</b>	<b>\$ 10,882</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,426,072</b>

FISCAL YEAR	PROJECT DESCRIPTION	PLANNING/ FEASIBILITY	ARCHITECTURAL /ENGINEERING	REAL ESTATE	SITE PREP	CONSTRUCTION	FURNISHINGS /EQUIPMENT	FUNDING	ADDITIONAL OE COST	TOTAL ANNUAL COST
<b>2013</b>										
	O.S. Preservation			200,000				Other	Yes	200,000
	PS to CG Multi-use Trail			200,000				Other	Yes	200,000
	Chaparral Gulch Junction			290,000				Other	Yes	290,000
	A.F. River > E.B. Trail					100,000	25,000	Other	Yes	125,000
	A.F. River > C.G. Trail			14,600				Other	Yes	14,600
	Elue Ridge Rd Trail			145,000				Other	Yes	145,000
	Elue Hills Picnic Area			100,000		200,000		Other	Yes	200,000
	Land Banking							General Fund, Other	Yes	100,000
	Dewey Road				118,400			HURF, I.F., Other	Yes	118,400
	Rocky Hills Road				152,000			HURF, I.F., Other	Yes	152,000
	Prescott Dells			960,000				HURF, I.F., Other	Yes	960,000
	Traffic Control 69&Main		100,000		200,000			HURF, I.F., Other	Yes	300,000
	Shirley Lane			25,000				HURF, I.F., Other	Yes	25,000
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 1,934,600</b>	<b>\$ 470,400</b>	<b>\$ 300,000</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,830,000</b>

FISCAL YEAR	PROJECT DESCRIPTION	PLANNING/ FEASIBILITY	ARCHITECTURAL /ENGINEERING	REAL ESTATE	SITE PREP	CONSTRUCTION	FURNISHINGS /EQUIPMENT	FUNDING	ADDITIONAL OE COST	TOTAL ANNUAL COST
<b>2014</b>										
	Chaparral Gulch Junction					100,000		Other	Yes	100,000
	A.F. River > C.G. Trail					71,800		Other	Yes	71,800
	PS to CG Multi-use Trail							Other	Yes	-
	Elue Ridge Rd Trail					105,000		Other	Yes	105,000
	New Town Hall		500,000	250,000	250,000	1,250,000	750,000	Bonding East Option	Yes	3,000,000
	Dewey Road					305,720		HURF, I.F., Other	Yes	305,720
	Rocky Hills Road					405,700		HURF, I.F., Other	Yes	405,700
	Prescott Dells				172,000			HURF, I.F., Other	Yes	172,000
	Traffic Control 69&Main					400,000		HURF, I.F., Other	Yes	400,000
	Shirley Lane							HURF, I.F., Other	Yes	232,760
	Cranberry Road		3,000					HURF, I.F., Other	Yes	3,000
	Agua Fria Lane		3,804		41,606			HURF, I.F., Other	Yes	45,500
	<b>TOTAL</b>	<b>\$ 3,000</b>	<b>\$ 736,654</b>	<b>\$ 250,000</b>	<b>\$ 422,000</b>	<b>\$ 2,679,826</b>	<b>\$ 750,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,841,480</b>

FISCAL YEAR	PROJECT DESCRIPTION	PLANNING/ FEASIBILITY	ARCHITECTURAL /ENGINEERING	REAL ESTATE	SITE PREP	CONSTRUCTION	FURNISHINGS /EQUIPMENT	FUNDING	ADDITIONAL OE COST	TOTAL ANNUAL COST
<b>2015</b>	A. F. River > C.G. Trail		27,008	Other					Yes	27,008
	Prescott Dells		451,700	HURF, I.F., Other					Yes	451,700
	Traffic Control 69&Main		400,000	HURF, I.F., Other			100,000		Yes	500,000
	Shirley Lane		262,000	HURF, I.F., Other					Yes	262,000
	Cranberry Road		19,624	HURF, I.F., Other					Yes	19,624
	<b>TOTAL</b>	<b>\$ - \$</b>	<b>19,624 \$</b>	<b>262,000 \$</b>	<b>- \$</b>	<b>851,700 \$</b>	<b>127,008 \$</b>	<b>- \$</b>	<b>- \$</b>	<b>1,260,332</b>
										<b>TOTAL</b>
										<b>ANNUAL</b>
										<b>COST</b>
<b>2016</b>	Shirley Lane					581,900		HURF, I.F., Other	Yes	581,900
	Cranberry Road		257,000					HURF, I.F., Other	Yes	257,000
	<b>TOTAL</b>	<b>\$ - \$</b>	<b>- \$</b>	<b>257,000 \$</b>	<b>- \$</b>	<b>581,900 \$</b>	<b>- \$</b>	<b>- \$</b>	<b>- \$</b>	<b>838,900</b>
										<b>TOTAL</b>
										<b>ANNUAL</b>
										<b>COST</b>
<b>2017-2021</b>	Cranberry Road				9,200	36,860		HURF, I.F., Other	Yes	46,060
	<b>TOTAL</b>	<b>\$ - \$</b>	<b>- \$</b>	<b>- \$</b>	<b>9,200 \$</b>	<b>36,860 \$</b>	<b>- \$</b>	<b>HURF, I.F., Other</b>	<b>Yes</b>	<b>46,060</b>



**FISCAL YEAR**

Project Title	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-21	Total
<b>Community Facilities</b>								
Open Space Preservation (community-wide) Planning Phase Only	\$ 40,000	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 440,000
Prescott Street to Chaparral Gulch Multi-use Trail	10,000	50,000	200,000	-	-	-	-	260,000
Chaparral Gulch Junction (smelter parcel)	50,000	50,000	290,000	100,000	-	-	-	490,000
Agua Fria River to East Boundary of Town Multi-use Trail	40,000	20,000	125,000	-	-	-	-	185,000
Agua Fria River to Chaparral Gulch @ 3rd St. Multi-use Trail	31,592	240,000	14,600	71,800	27,008	-	-	145,000
Chaparral Gulch Multi-use Trail	-	240,000	-	-	-	-	-	240,000
Blue Ridge Road Multi-use Trail	45,000	45,000	145,000	105,000	-	-	-	295,000
Blue Hills Picnic and Parking Area	35,000	35,000	200,000	-	-	-	-	235,000
<b>Subtotal</b>	<b>\$ 140,000</b>	<b>\$ 671,592</b>	<b>\$ 1,174,600</b>	<b>\$ 276,800</b>	<b>\$ 27,008</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,290,000</b>
<b>General Government</b>								
Facilities Study	65,000	-	-	-	-	-	-	65,000
Land Banking	20,000	100,000	100,000	-	-	-	-	220,000
New Town Hall	-	-	-	3,000,000	-	-	-	3,000,000
<b>Subtotal</b>	<b>\$ 85,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 3,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,285,000</b>
<b>Transportation</b>								
Dewey Rd	175,248	565,000	118,400	305,720	-	-	-	1,164,368
Rocky Hill Rd inclusion into Town Road System	223,080	840,000	152,000	405,700	-	-	-	1,620,780
Prescott Dells inclusion into Town Road System	29,500	249,480	960,000	172,000	451,700	-	-	1,862,680
Traffic Control 69&Main	-	-	300,000	400,000	500,000	-	-	1,200,000
Shirley Ln	-	25,000	232,760	262,000	581,900	-	-	1,101,660
Cranberry Rd	-	-	3,000	19,624	257,000	46,060	-	325,684
Agua Fria Ln Improvement	-	45,500	-	-	-	-	-	45,500
<b>Subtotal</b>	<b>\$ 427,828</b>	<b>\$ 1,654,480</b>	<b>\$ 1,555,400</b>	<b>\$ 1,564,680</b>	<b>\$ 1,233,324</b>	<b>\$ 838,900</b>	<b>\$ 46,060</b>	<b>\$ 7,320,672</b>
<b>Total</b>	<b>\$ 652,828</b>	<b>\$ 2,426,072</b>	<b>\$ 2,830,000</b>	<b>\$ 4,841,480</b>	<b>\$ 1,260,332</b>	<b>\$ 838,900</b>	<b>\$ 46,060</b>	<b>\$ 12,895,672</b>

## Open Space Preservation (Community Wide)

Project Description: The planning phase of this project was included in the FY10 Budget. The Project Goal of acquiring land for Open Space would be achieved in Phases: In Phase 1, we would acquire BLM Open space through the Recreation and Public Purposes (R&PP) Act. Phase 2: we would acquire State Land through the Arizona Preserve Initiative (API) and the Chino Winds Natural Resource Conservation District (NRCD). This project would follow the Open Space and Trails Master Plan. The outcome said plan is expected to affect all of the trails projects in some manner.



Description	Cost	Total
Planning and Feasibility Analysis	40,000	40,000
Land Acquisition	400,000	400,000
Total		440,000

Possible Funding Sources		
<b>Cash / Current</b>		
Cash / Current General Fund		x
HURF Fund		
<b>Future Revenues</b>		
Bonds		x
Loans		x
Special Districts		
<b>Speculative Revenues</b>		
Grants		x
Donations		
Contributions		
<b>Annual Operating Impact:</b>		
Increase (Decrease) Personnel Cost		x
Increase (Decrease) Operations Cost		x

The 2008 General Plan says “Citizens of Dewey-Humboldt place a high value on open space and environmental features that are integral to the rural character of the Town. Residents wish to preserve wildlife corridors, habitats, scenic vistas, major washes and riverbeds.” The proposed 2009 General Plan says “Open Space is the Element that most distinguishes Dewey-Humboldt from its neighbors. One of the main reasons for incorporating as a town was the value its residents put on retaining natural open space. The hills, river, and stretches of undisturbed lands are, in many ways, more characteristic of the community than its human-built environment. Outdoor enjoyment, much of which has been lost or compromised elsewhere, is protected and prized here.” In particular, it says “

**GOAL:** Encourage accessibility to outdoor enjoyment by residents and visitors.

**Objective:** Develop appropriate entry points to public lands.

**Objective:** Develop or coordinate a comprehensive trail and trailhead system to provide access to the many adjacent public open spaces and forests.”

This project begins the process outlined in the Master Plan, in two phases.

### **Phase 1**

The first phase works within the BLM R&PP Act to deliver acreage to the Town at little cost, but with a firm plan and costs allocated for developing the Open Space into a community asset. A follow-on project will be to construct trail-heads, picnic areas, and other amenities on the BLM open space.

Under the R&PP Act, the BLM accepts applications from State and local governments and non-profit organizations on a case-by-case basis. If the application is consistent with the R&PP Act and the Resource Management Plan/Environmental Impact Statement, then the BLM will consider public land withdrawals and classifications. The Town may purchase up to 640 acres a year for recreation purposes, and an additional 640 acres for other public purposes. The purchase cost is likely to be low. These lands must lie within convenient access to the municipality, but need not be within the Town borders. The Act sets no limitation on the amount of land that may be leased. As the application form (attached) indicates, the application must include “an established or definitely proposed project” with as “detailed plan and schedule for development, a management plan which includes a description of how any revenues will be used, and any known environmental or cultural concerns specific to the land.” The regulations also state that “Dependent upon the magnitude and/or public interest associated with the proposed use, various investigations, studies, analyses, public meetings and negotiations may be required of the applicant prior to the submission of the application. Where a determination is made that studies and analyses are required, the authorized officer shall inform the potential applicant of these requirements.”

## **Phase 2**

The second phase will begin the process of acquiring the rights to preserve State Land parcels. Under the current state constitution, State Land must be acquired at market value at its highest and best use (i.e., most profitable use). To be acquired, State Land must be available for sale, either by being designated as appropriate for conservation or by application. State Land may be preserved by Town or conservation group ownership, or by a leased or owned use that is compatible with the Town's goals for the space. The Town is not likely to be able to afford the market price of significant parcels of State Land.

Some land in the Town is designated as appropriate for conservation and is leased for grazing through 2016, and there are some grants available to help the Town develop the funds to purchase the land. In order to attract the grants or conservation partners, the Town must have a General Plan (approved by Council and ratified by the voters) with a detailed Open Space and Trails element, a Capital Improvement Program with funds allocated to such use, a Open Space and Trails Master Plan, and funds consistently allocated in annual budgets showing a consistent commitment to the preservation of a sustainable natural environment.

Two partners in the Town's goal to manage or own State Land for conservation purposes are the Arizona Preserve Initiative (API) and the Chino Winds Natural Resource Conservation District (NRCD).

Under the API, the State Land Commissioner may adopt a "coordination plan," prepared by the Town, to protect conservation values on State Land in the Town. Through the plan, the Town may have the opportunity to bid on a conservation lease or purchase. The plan will limit the use of the land to the conservation purposes outlined in the plan, so there are likely to be few competing bidders. To accomplish the goals of the plan, the Town would likely seek (and rely on) a grant from Arizona State Parks or other agencies. The entire process should take about four years from the time the Town is prepared to commence (i.e., no sooner than July 2014).

The NRCD can partner with the Town to address natural resource concerns on both State Land and BLM land. District activities include watershed management, enhancement and restoration of riparian areas and integrated land use planning to improve water and air quality. Districts promote and provide for voluntary compliance of environmental laws by encouraging "best management practices."

## Prescott Street to Chaparral Gulch Multi-use Trail

Project Description: The project goals would be achieved in Phases. In Phase 1 we would acquire public access easements from Prescott St. to Agua Fria Ranch Rd. along the Agua Fria River. Then in Phase 2 we would prepare/build two trailheads with parking area at the Northern and Southern ends of the easements on Parcels 800-20-039Q and (the parcel at the other end is undetermined). Finally Phase 3 would involve construction of educationally oriented multi-use paths along side the river. This project would follow the Open Space and Trails Master Plan. The outcome said plan is expected to affect all of the trails projects in some manner.

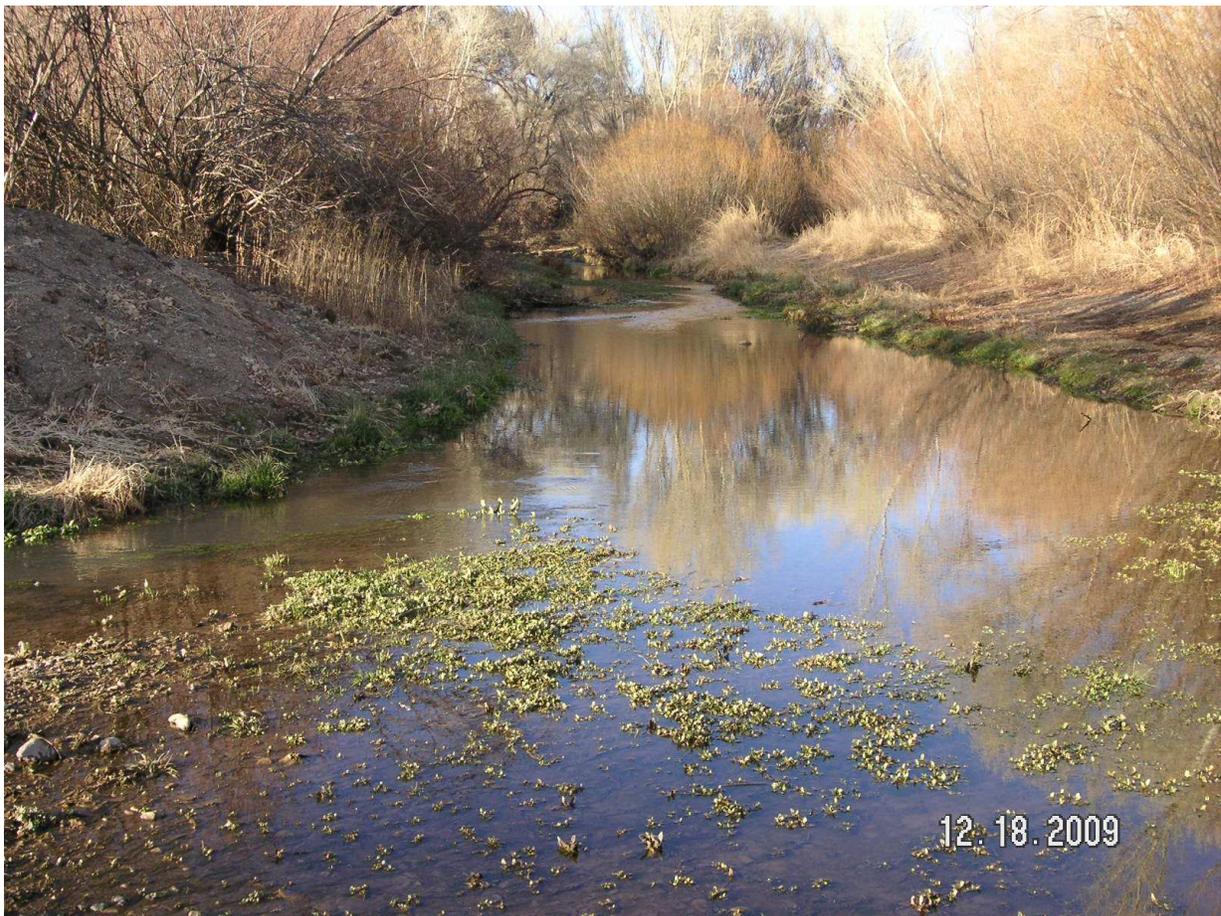


The Agua Fria is one of the few rivers in Arizona that continues to flow. It flows nearly year-round in Dewey-Humboldt, especially south of the Prescott Street crossing. The river banks are choked, but wildlife, equestrians, and hikers have made paths along the entire river's length.

The property is private along most of its length, but is undevelopable because of flood regulation or because of the difficulties associated with complying with the U.S. Corps of Engineer's jurisdiction. The river forms a natural pathway for wildlife migration and provides a strategic north-south corridor for regional trail systems. The educational opportunities associated with a riparian habitat in Arizona are rare and varied. The river is a mere 3 minute bus ride from the closest elementary school.

### **Phase 1**

Most of the land proposed for easement is in a deep, undevelopable ravine. This stretch of the river flows year round, with a moderate change in elevation. Unlike the stretch of river to the north, much of this land is undisturbed, except for that portion directly adjacent to the Smelter. The river here runs along the base of a 200 foot artificial cliff composed of a century of slag. As such, the cliff is a remarkable lava-scape with fantasia of mineral coloration throughout. Further along, especially at the junction with the Chaparral Gulch, there is some inaccessible (by car) bottom land with the profusion of flora and fauna associated with slow-moving riparian habitats. The Agua Fria Ranch Road is the first road with access near the river, close to the southern border of the Town.



## Phase 2

Prepare two trailheads with parking at the northern and southern ends of the easements, on parcels TBD and 800-20-039Q, respectively. There are three or four undeveloped parcels adjacent or near to the river, from 0.85 acre to over 4 acres: in anticipation of Phase 3, the northern parking lot should be sized and constructed to accommodate school buses. At the southern terminus is a parcel of State Land with a total acreage of 160 acres. Only a small portion would be needed, and could be developed either as part of the API plan or by access easement with State Land.

## Phase 3

In a desert state like Arizona, natural riparian habitats are rare. With the potential for uncommon flora and fauna, the river corridor presents an unparalleled opportunity to develop a regionally significant field-trip destination. The characteristics of the area are so rare that this might be a good site for State Park participation. To accommodate elementary age children, there should be a rest and lecture area along the path, perhaps at BLM parcel 800-05-003A (approximately 0.6 miles from the proposed trail-head at Prescott Street).

Description	Cost	Total
Planning and Feasibility Analysis	10,000	10,000
Land Acquisition	50,000	50,000
Construction	200,000	200,000
<b>Total</b>		<b>260,000</b>

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	
<b>Speculative Revenues</b>	
Grants	x
Donations	x
Contributions	x
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x

## Chaparral Gulch Junction (Smelter Parcel)

Project Description: This project would follow the Open Space and Trails Master Plan and the EPA Superfund activities at the Smelter Site; estimated completion is Fiscal Year 2012. This project would be completed in Phases beginning with purchase of the Smelter Site parcel, safety and infrastructure improvements, and a concurrent study to research, detail and Preserve the historic significance of the buildings on site.



This large, mainly flat parcel sits at the junction of the Agua Fria River and Chaparral Gulch. As the topographic map shows, it sits at the top of steep escarpments far above the river, like the prow of a ship: the views to the south, down the Agua Fria canyons, and to the east, towards the Black Hills, are astonishing.

The parcel is currently included in the EPA's "IRON KING MINE - HUMBOLDT SMELTER" (EPA ID: AZ0000309013, <http://cfpub.epa.gov/supercpad/cursites/csitinfo.cfm?id=0905049>).

The project is currently in the "Study and Remedy Selection" phase, to be followed by "Remedy Design," "Remedy Construction," and "Post-Construction" activities by the federal government. The EPA reports that it places a high priority on land revitalization as an integral part of its Superfund response program mission, so it tries to select cleanup options that encourage and

support future use of the site. Sites made ready for use are deemed "Site-wide Ready for Anticipated Use", which means, in part, that all cleanup goals have been achieved for both current and reasonably anticipated future land use. This project, in conjunction with the General Plan, will give the EPA a very clear picture of the "Anticipated Use" of the site.

### **Phase 1**

Acquisition of parcel 402-11-044 may be facilitated by the EPA or by cooperation with the existing land-owners. The costs associated with clean-up and the property limitations placed on the site by the EPA may make the site non-viable for commercial use in accordance with its current zoning (M1, General Limited Industrial, surrounded on all sides by R1 or R1L, residential). The site has a current (2009) assessed "full cash value" of \$191,343.

### **Phase 2**

Some intermediate improvements designed to make the site safe for visitors will be needed given the dilapidated and potentially unstable condition of many of the structures on the site. This phase will require fencing, signage, and grading.

### **Phase 3**

The large size of the parcel makes planning for its use very flexible. Consistent with the General Plan, open space and a trailhead should be among the minimum improvements. The site's location at the end of Main Street in historic Humboldt, with the Town's largest concentration of higher-density housing, make the site attractive for picnic or other passive recreation uses. The large amount of relatively flat acreage makes this one of the few sites in Town that could be made into a walking/rolling path for the disabled and elderly. If community or hobby groups are interested in a public-private partnership, the site is ideal for rodeo, equestrian, dirt bike, or BMX improvements.



**Phase 4**

The smelter stack is one of the most identifiable man-made landmarks in the Town. If the study regarding the historic significance of buildings on site (proposed for the FY2010 Budget) recommends preservation of the buildings on site, then Phase 4 could be planned.

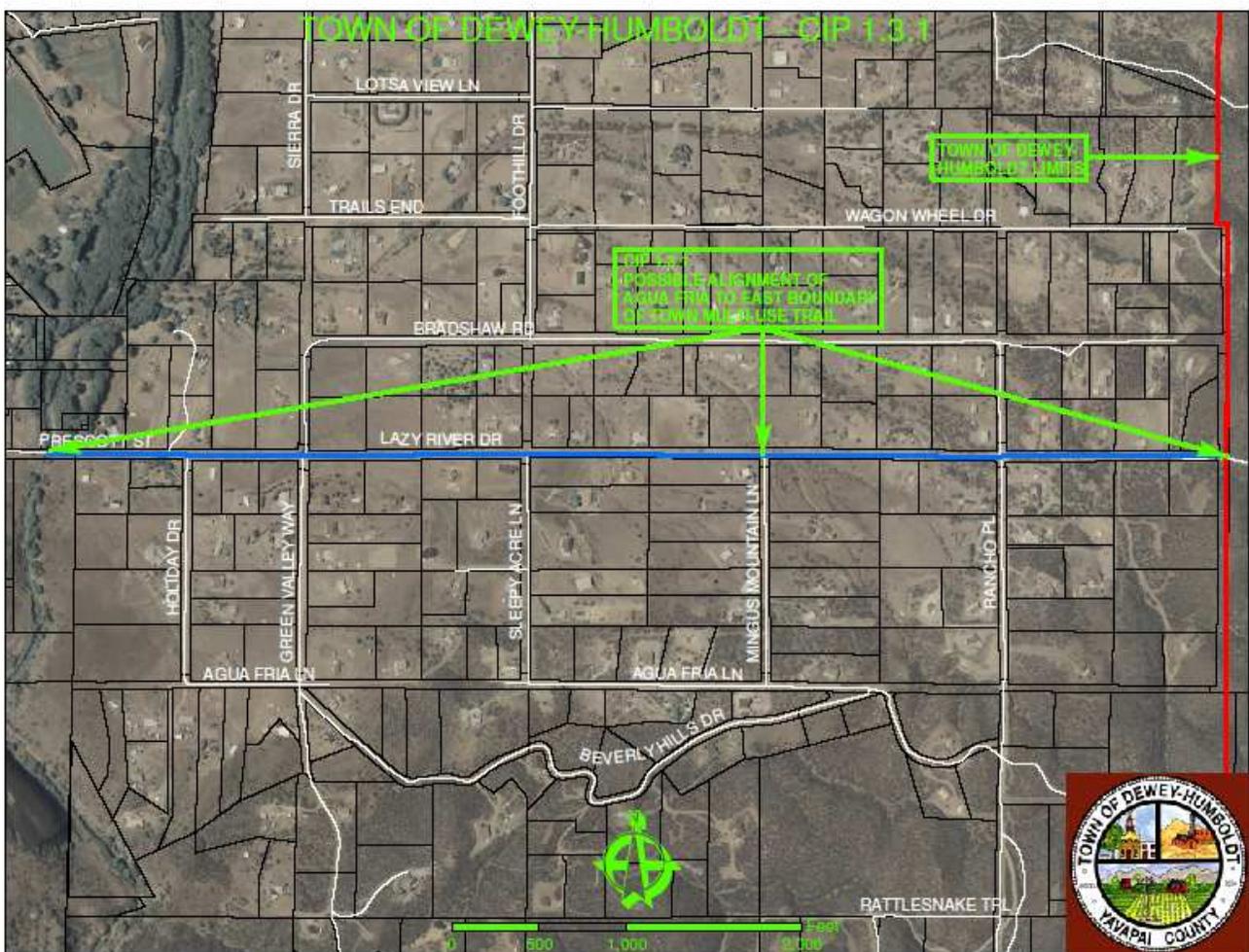
Chaparral Gulch Junction (Smelter Parcel)

Description	Cost	Total
Planning and Feasibility Analysis	50,000	50,000
Architectural and Engineering	50,000	50,000
Land Acquisition	290,000	290,000
Construction	100,000	100,000
<b>Total</b>		<b>490,000</b>

Possible Funding Sources		
<b>Cash / Current</b>		
Cash / Current General Fund		x
HURF Fund		
<b>Future Revenues</b>		
Bonds		x
Loans		x
Special Districts		
<b>Speculative Revenues</b>		
Grants		x
Donations		x
Contributions		x
<b>Annual Operating Impact:</b>		
Increase (Decrease) Personnel Cost		x
Increase (Decrease) Operations Cost		x

## The Agua Fria River to East Boundary of Town Multi-use Trail

Project Description: Develop a multi-use trail from the Agua Fria River to the eastern boundary of the Town within existing right-of-way. For drainage and durability, the trail surface should be composed of several inches of underlayment (sand or ABC, depending on the native soil) covered in 1"-2" of compacted decomposed granite. The width of the trail should be at least 6', but 12' would be required for a full bridle path. The length of the trail will be approximately 1.3 miles, and will terminate in public land (BLM parcel 800-05-002S). By other projects, a trailhead should be established at each end. This project would follow the Open Space and Trails Master Plan. The outcome said plan is expected to affect all of the trails projects in some manner.



This multi-use trail would be constructed within Town parcels 800-27-004T, -005T, and -005A, probably on the north side of the road. The General Plan identifies Prescott Street & Lazy River as a major collector corridor, and a trail in this location will connect the Agua Fria to the Black

Hill range marking the Town’s eastern boundary, in public land. A different series of projects, ultimately connecting the Agua Fria to the Blue Hills, will complete the east-west transit of the Town and provide for greater interconnectivity for the community as a whole. This corridor is already much used, but pedestrians, equestrians, and walkers often must use the road surface to avoid the rocks, thorns and other impediments to using the border of the ROW.

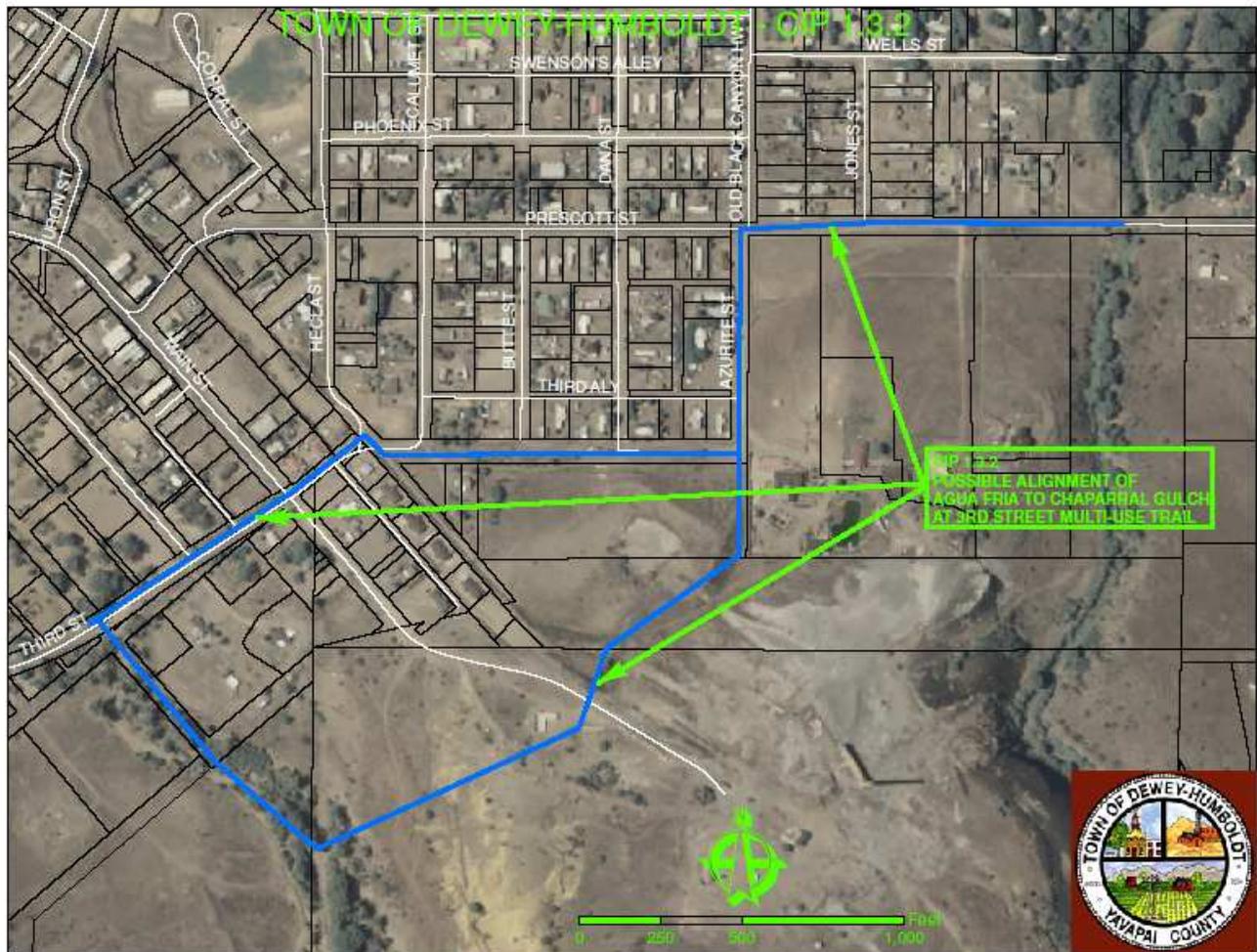
**Agua Fria River to E Boundary of Town Multi Use Trail**

<b>Description</b>	<b>Cost</b>	<b>Total</b>
Architectural and Engineering	40,000	40,000
Land Acquisition	20,000	20,000
Construction	100,000	100,000
Furnishings and Signs	25,000	25,000
<b>Total</b>		<b>185,000</b>

<b>Possible Funding Sources</b>		
<b>Cash / Current</b>		
Cash / Current General Fund		x
HURF Fund		
<b>Future Revenues</b>		
Bonds		x
Loans		x
Special Districts		
<b>Speculative Revenues</b>		
Grants		x
Donations		x
Contributions		x
<b>Annual Operating Impact:</b>		
Increase (Decrease) Personnel Cost		x
Increase (Decrease) Operations Cost		x

## The Agua Fria River to Chaparral Gulch at 3<sup>rd</sup> Street Multi-use Trail

Project Description: This trail would be a multi-use trail from the Agua Fria River to Chaparral Gulch at 3<sup>rd</sup> St. and could be built in the existing right-of-way. The Length of the trail is estimated at 0.9 miles and it would cross the “Chaparral Gulch Junction (smelter)” Project site and then continue up the Gulch to end in public land at Town parcels 800-27-005S. A trailhead is proposed at both ends. This project would follow the Open Space and Trails Master Plan. The outcome said plan is expected to affect all of the trails projects in some manner.



This multi-use trail will be constructed within Town parcels 800-27-004T and -005S. The ideal trail alignment would progress across a trail easement over private parcels 402-06-027A and -27; but the trail could remain completely within Town parcel -004T if the private parties are unwilling to convey a trail easement. The ideal trail alignment would then cross the “Chaparral Gulch Junction (smelter)” Open Space project, connecting to Town parcel -005S; but

if the “Chaparral Gulch Junction (smelter)” project is delayed or cancelled, then the trail alignment could continue in Town parcels 800-27-006L, -006K, -005Y, and -005R (see “Alternate Alignment detail,” above).

A trail in this location will connect the Agua Fria to the Chaparral Gulch. Separate projects, starting with the Chaparral Gulch trail that will eventually connect to the Blue Hills marking the Town’s western boundary, in public land. A different series of projects, ultimately connecting the Agua Fria to the Black Hill range, will complete the east-west transit of the Town and provide for greater interconnectivity for the community as a whole. This corridor is largely composed of unused Town land, and will provide a safe link between the Agua Fria River and the downtown Humboldt concentrations of higher density.

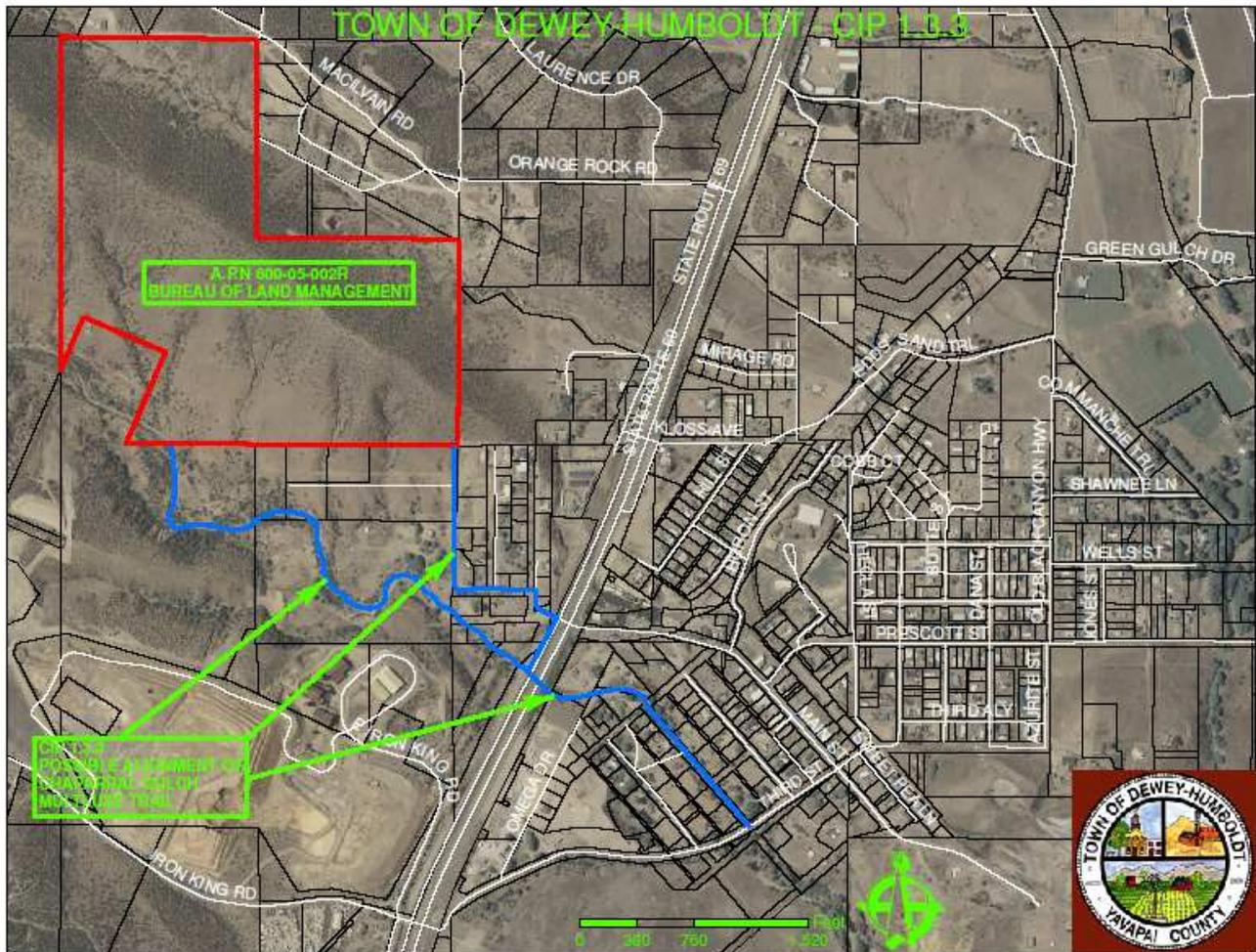
**Agua Fria River Chaparral Gulch at 3rd Street Multi Use Trail**

<b>Description</b>	<b>Cost</b>	<b>Total</b>
Architectural and Engineering	31,592	31,592
Land Acquisition	14,600	14,600
Construction	78,980	78,980
Bench, Rails, Trailhead markers, signs	19,828	19,828
<b>Total</b>		<b>145,000</b>

<b>Possible Funding Sources</b>		
<b>Cash / Current</b>		
Cash / Current General Fund		x
HURF Fund		
<b>Future Revenues</b>		
Bonds		x
Loans		x
Special Districts		
<b>Speculative Revenues</b>		
Grants		x
Donations		x
Contributions		x
<b>Annual Operating Impact:</b>		
Increase (Decrease) Personnel Cost		x
Increase (Decrease) Operations Cost		x

## The Chaparral Gulch Multi-use Trail

Project Description: Follows completion of the Open Space and Trails Master Plan which is estimated to be complete by FY2012. This trail would be a multi-use trail from Chaparral Gulch at 3rd St. to BLM parcel 800-05-002R. The Length of the trail is estimated at one mile, would cross under Highway 69 and then continue up the Gulch. An alternative route is proposed to keep the trail west of HWY 69 entirely in existing public property.



While much of the land through which this proposed trail travels is not occupied, the division of the area into many parcels prior to incorporation will require some effort with respect to easements and land swaps.

The trail area east of AZ 69 is largely in a floodplain and was first platted as part of the April 30, 1906 "Town of Humboldt" subdivision (see plat map above). In the ensuing century, many parcels therein were developed with little regard to the survey boundaries. That area is now a

crisscrossed patchwork of roads on private property and houses built on public property. The first action pursuant to this project would be to commission a re-plat of the area in full cooperation with the existing land owners to reallocate the public and private land therein. The goal will be to keep the ownership of the acreage roughly the same, but allowing the homes to have proper set-backs, securing the ROW under the existing travelled ways, and bringing the river-bottom of the Chaparral Gulch into Town or Yavapai County Flood Control ownership. The next goal will be to secure an access permit to plan trail improvements to the very large culvert passing under AZ 69, including lighting, signage, and warnings about flash floods and other dangers.



The next section of the trail can be either very complicated or very simple. West of AZ 69, the Chaparral Gulch crosses several parcels of private land. If the private property owners are willing to grant a trail easement, then the ideal alignment will be along the boundary of the Gulch until it reaches the BLM parcel. Failing that, the simple solution is to move the trail onto the existing public Town parcels identified on the “Alternative routing detail” map, above.

The final action will be to establish a trailhead on the BLM parcel, to which there is currently road access by Reno Drive; but will eventually connect to Prescott Dells Ranch Road by Cats Claw Lane and Cody Ridge Road.

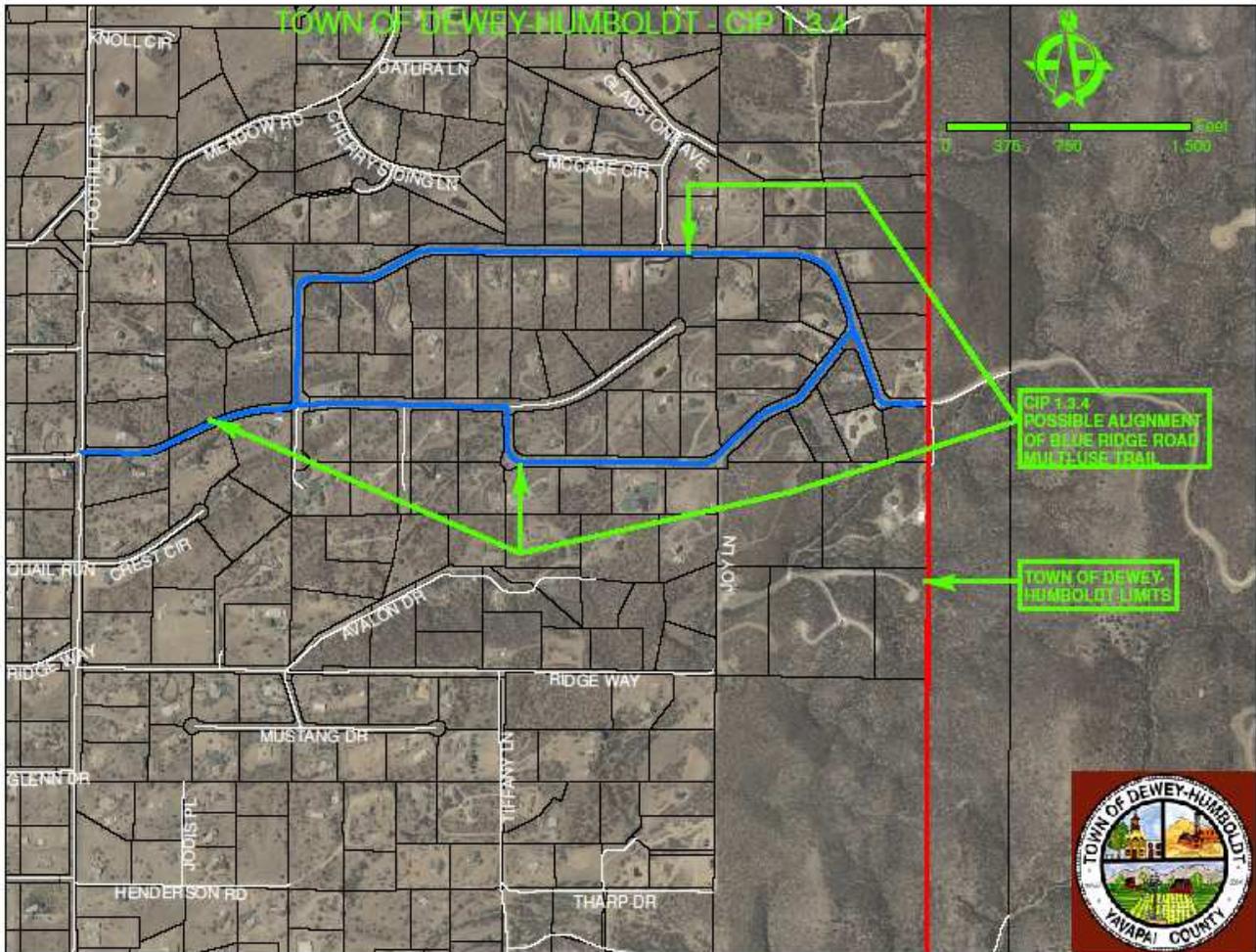
A trail in this location will connect the first node of public open space west of AZ 69 with the trail system leading to the Agua Fria (and eventually to the eastern border of Town). Separate projects will eventually connect to the Blue Hills marking the Town’s western boundary, in public land. A different series of projects, ultimately connecting the Agua Fria to the Black Hill range, will complete the east-west transit of the Town and provide for greater interconnectivity for the community as a whole.

Description	Cost	Total
Architectural and Engineering	33,748	33,748
Land Acquisition	111,000	111,000
Construction	84,370	84,370
Bench, Rails, Trailhead markers, signs	10,882	10,882
Total		240,000

Possible Funding Sources		
<b>Cash / Current</b>		
Cash / Current General Fund		x
HURF Fund		
<b>Future Revenues</b>		
Bonds		x
Loans		x
Special Districts		
<b>Speculative Revenues</b>		
Grants		x
Donations		x
Contributions		x
<b>Annual Operating Impact:</b>		
Increase (Decrease) Personnel Cost		x
Increase (Decrease) Operations Cost		x

## The Blue Ridge Road Multi-use Trail

Project Description: Develop a multi-use trail from Foothills Drive to State Land parcel 800-20-038U, roughly along the Blue Ridge Road alignment.



For drainage and durability, the trail surface would be composed of several inches of underlayment (sand or ABC, depending on the native soil) covered in 1"-2" of compacted decomposed granite.

The width of the trail should be at least 6', but 12' would be required for a full bridle path. The length of the trail will be approximately 1.2 miles, terminating in public land (State Land parcel 800-20-038U).

A trailhead would then be established on the State Land, pursuant to permit or by acquisition through the Arizona Preserve Initiative process. The trail would be contained entirely in Town

parcels 800-27-003U, -003T, -003R, -003S, and again on -003T. An alternative alignment would put the trail on the White Drive parcel, crossing Town parcels 800-27-003U and -003T.

This trail segment is indicated in the General Plan. It connects Foothill Drive, a major collector, with public land on the Town’s eastern border. It parallels the Lazy River alignment, approximately one mile south. The State Land parcel where this trail ends and the BLM parcel where the Lazy River trail ends are adjacent, and future trail plans would include a connection in the eastern public land and along Foothill Drive to the west, eventually creating a ±4.5 mile loop. Alignment 1 runs along Blue Ridge Road to Eagle Drive, climbing up to White Drive. The alternative alignment (Alignment 2) is a little longer, approximately 1.2 miles, and has fewer twists and turns; but takes a less direct route to the public lands.

<b>Description</b>	<b>Cost</b>	<b>Total</b>
Architectural and Engineering	45,000	45,000
Land Acquisition	145,000	145,000
Construction	105,000	105,000
<b>Total</b>		<b>295,000</b>

<b>Possible Funding Sources</b>		
<b>Cash / Current</b>		
Cash / Current General Fund		x
HURF Fund		
<b>Future Revenues</b>		
Bonds		x
Loans		x
Special Districts		
<b>Speculative Revenues</b>		
Grants		x
Donations		x
Contributions		x
<b>Annual Operating Impact:</b>		
Increase (Decrease) Personnel Cost		x
Increase (Decrease) Operations Cost		x

## The Blue Hills Picnic and Parking Area

The project is to construct a parking/picnic (about 60, 000 sq. ft.) area with water and restrooms on BLM parcel 800-05-002K. The project would be in conjunction with a future Town lease or acquisition of BLM land in the Blue Hills to be used for a passive trails development for non-motorized use. The location of the improvement is on East Henderson Road where the BLM land intersects.



### Blue Hills Picnic and Parking Area

Description	Cost	Total
Architectural and Engineering	35,000	35,000
Construction	200,000	200,000
<b>Total</b>		<b>235,000</b>

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
<b>HURF Fund</b>	
<b>Future Revenues</b>	
Bonds	x
Loans	x
<b>Special Districts</b>	
<b>Speculative Revenues</b>	
Grants	x
Donations	x
Contributions	x
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x

## Facilities Study

Project Description: Commission a Facilities Study to answer questions and come to a decision on building a Core Community Center. Considerations by the Study would be a Governmental Campus and the potential uses, such as Classrooms, Ball fields, Community Center, and Library. Potential Locations would be investigated. Concerns such as demand, absorption, goals, access, best practices, phasing, LEED options and funding will be explained.

The idea of performing a Facilities Study became more and more relevant as Citizens, Committee Members, Council and even staff discussed a Community Core Facility this year; we came up with as many solutions as there were questions. All questions were good and all solutions were workable but how do we make an intelligent decision that will serve us and future generations well? More importantly how do we not make costly mistakes that could tear the Town apart or bankrupt us; we are a small Town and must make our spending decisions carefully and wisely.

A Facilities Study is our best chance to get an unprejudiced opinion of what the Community wants and to link those wants and needs to the Town Vision. Professionals in this line of service will Summarize Existing Facilities, Perform Site Analysis, Draw up Conceptual Plan Designs and help us to Understand Cost Issues and Project Funding Options.

The Study will identify, qualify, quantify and organize what is known, assumed, required and desired for the Town Hall, Government Campus, Community Center – whatever we decide to call it. The Community, Council and staff will be interviewed so that we can better understand current conditions and explain, verify and even challenge presumed needs and consider how these needs translate into activities and physical spaces.

Available sites will be identified as conceivable locations to meet the Town's needs and criteria such as size, location, availability of infrastructure (water electric), will be considered. Future expansion options will be discussed and conceptual drawings will be developed.

Short-term and long term growth projections will be reviewed and discussed.

Up front cost issues including property acquisition, land development, fixtures, furnishings, equipment will be explored as well as ongoing maintenance costs of potential buildings, parks, fields and equipment.

Security, safety, access, traffic, parking and compliance with Federal and State laws will be discussed.

Sustainability options; storm water management, native plants, bike parking, pervious paving, solar and wind energy options will be considered. Up front and ongoing energy costs will vary greatly based on the types of systems selected and their energy sources.

## Land Banking

Project Description: Purchase Land at historically low prices and bank (set aside) for future use or sale when the value of the Land increases. Land Banking can offer the Town a method of control for specific areas or parcels of land that have significant meaning to its Citizens. The project idea is a revision of a proposal to purchase the Bagby Property. Land Banking could also serve as part of the Town's Open Space Preservation Plan which would allow the staff to search for grant funding. For that specific reason, Council has instructed the Committee to keep this project in 2011 schedule.

Available locations exist through-out the Town limits; the idea is to keep the search to centrally located, 20 to 40 acreage parcels, southeast of the Junction of 69 and 169 and West of the Agua Fria River, this would allow for location of Core Community Center including Town Hall, Community Activity Center, Park and Library.

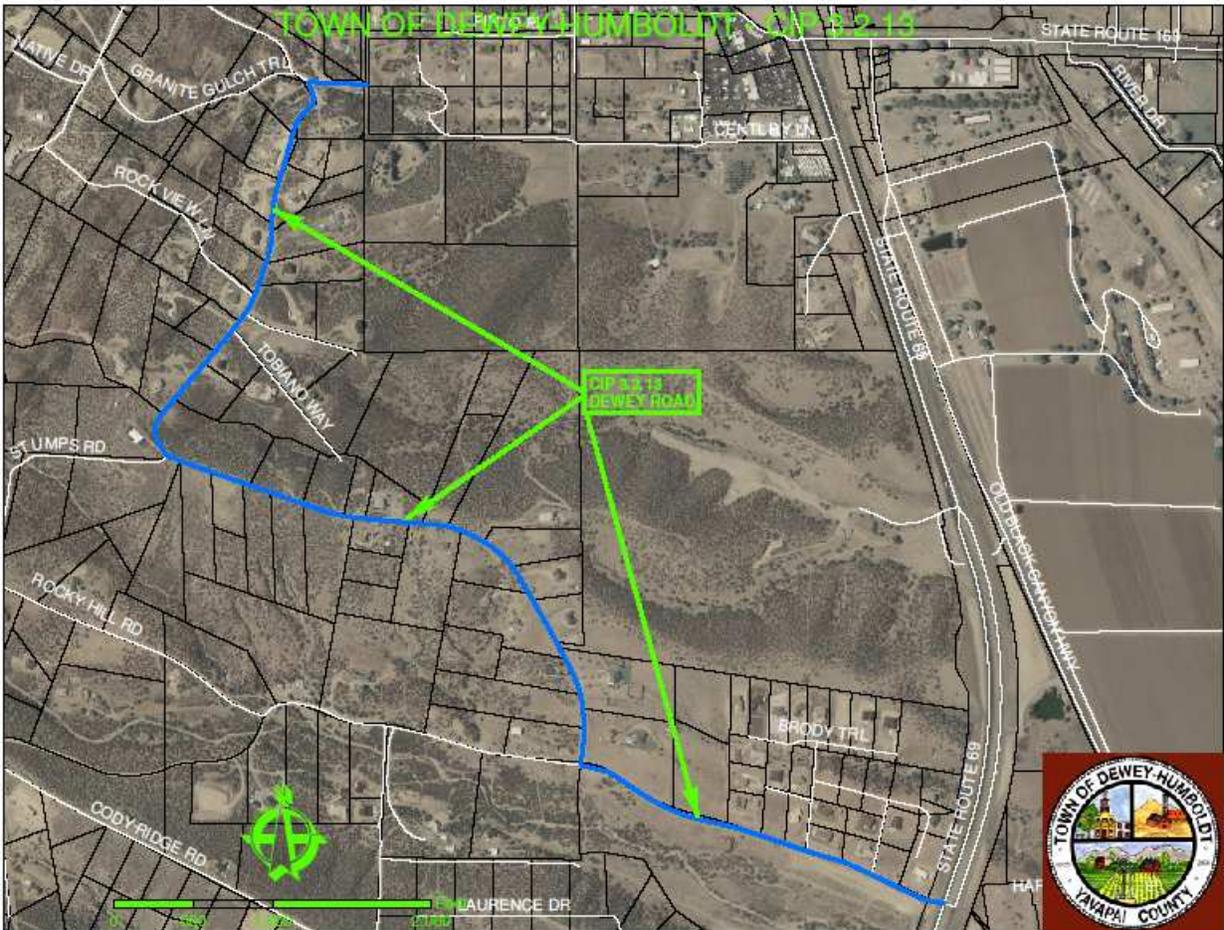
The project could also serve as phase 1 of a Community Core Facility project and a method of investing funds. The Town would not be committed to building the Facility at the property location but could. The Town could also sell the property in the future when land values go up and re-invest the funds or spend them. Land ownership would increase annual operations costs for items such as taxes, insurance and land maintenance.

## New Town Hall

Acquire right-of-way and build an approximately 20,000 square foot Town Hall. Until a Facilities Study is performed, any costs provided would be a rough guess. The Town does not own land to build Facilities. Questions need to be answered such as; Does the Community want a Town Hall and/or Community Facilities Complex? How can the Community's needs best be met? Is there a benefit to keeping certain Community functions together? Where would we locate the Facility? How will we finance the project? Should the Town consider Public-private partnerships to help meet our needs?

## Dewey Road

The Town is anticipating the decision on Arizona Department of Transportation's PARA Grant to prepare the Small Area Transportation Plan which will have a direct bearing on all Transportation Projects. Project is estimated to take approximately two years. Original Project description includes acquisition of the right-of-way, grade and chipseal Dewey Road, approximately 2.1 miles.



DEWEY ROAD

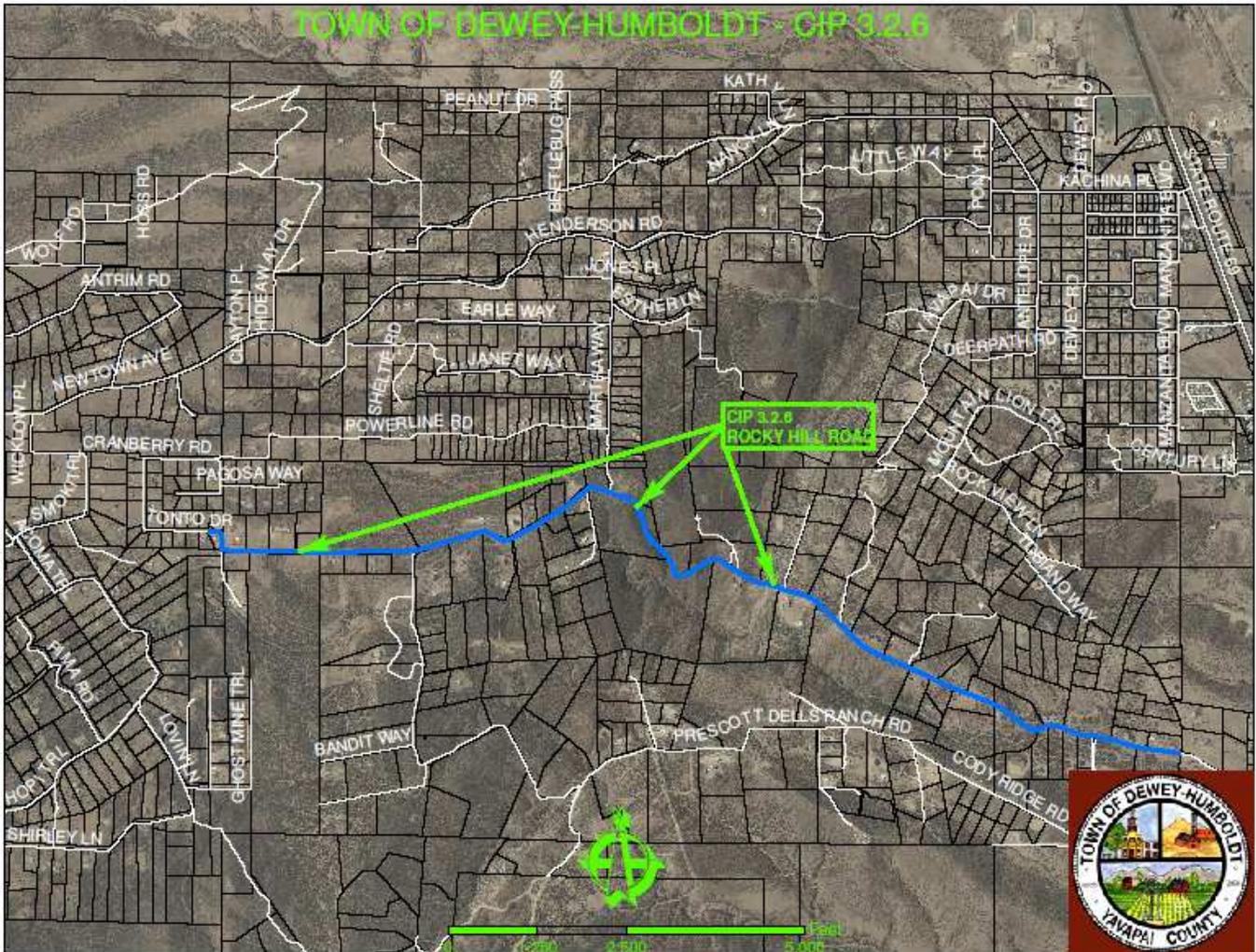
Acquire ROW for Dewey Road from Pinto to Rocky Hills Road and chipseal ROW 11100 @ 50' wide= 555,000 SF. 11100 @24 wide= 29600 SY				
Description	Quantity	Units	Unit Price	Total
Mobilization	1	L.S.	4,000	4,000
Subgrade Prep	29600	S.Y.	4	118,400
Double Chip	29600	SY	8	236,800
18" CMP	300	L.F.	60	18,000
Rip Rap	100	S.Y.	20	2,000
Traffic Control	1	L.S.	2,000	2,000
Material Testing	1	L.S.	4,000	4,000
Survey	1	L.S.	4,000	4,000
Sub Total				389,200
Contingency 10%				38,920
Sub Total				428,120
Engineering				85,624
Construction Management				85,624
Sub Total				599,368
Acquire ROW ) 11100' @ 50' wide @ \$1.00/ S.F.= \$555,000				555,000
ROW Agent				10,000
Total				1,164,368

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grants	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x



## Rocky Hill Road (Inclusion into the Town Road System)

This project was included in Fiscal Year 2010 Budget but we have not been able to locate a grant to fund the project as of December 2009. Original project worksheet proposed three phases. Phase 1: Study the Route, Phase 2: Acquire ROW, Phase 3: Design and Construction.



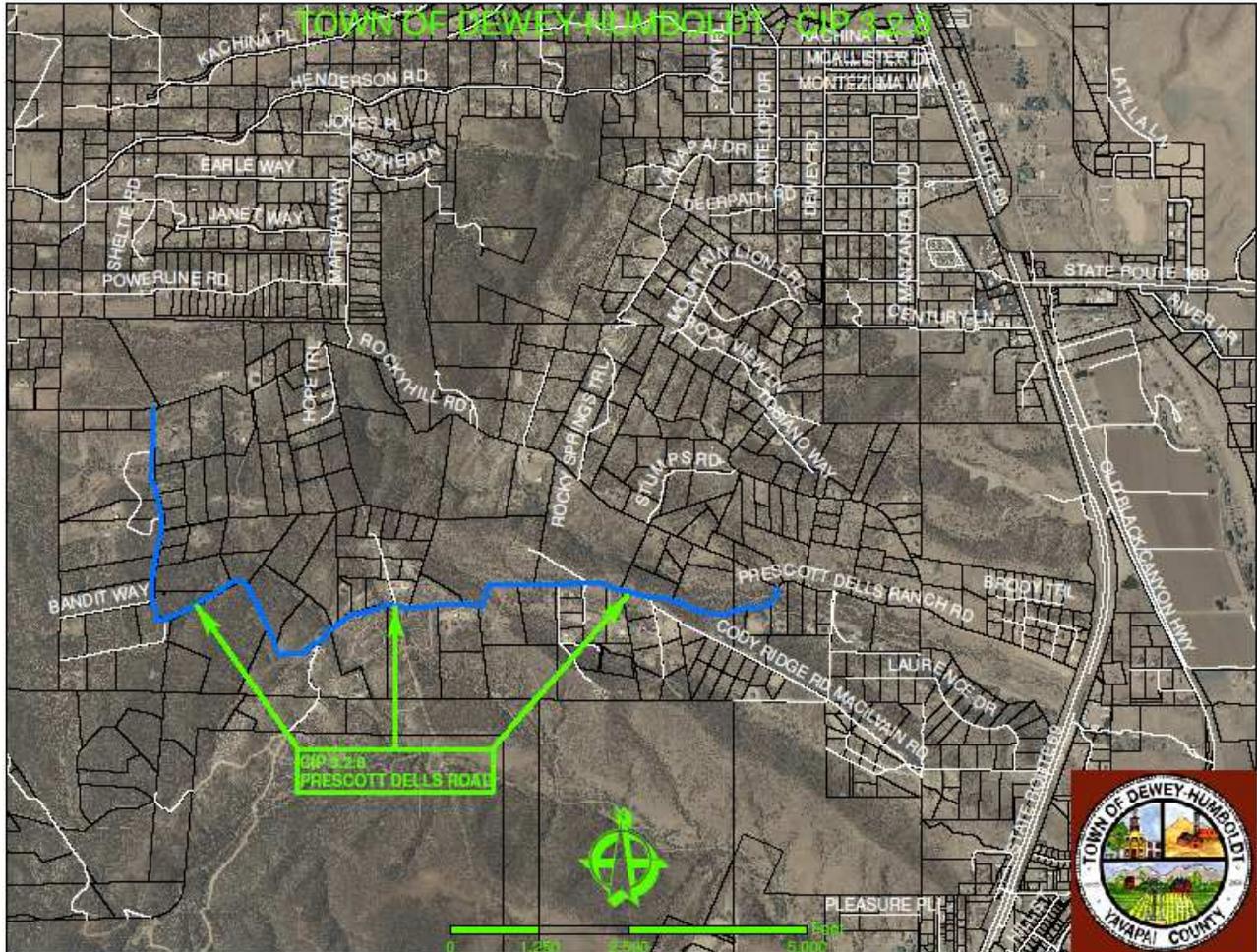
ROCKY HILL RD

Acquire ROW, Grade and chipseal 2.5 miles of Rocky Hill Road 14000@60=840,000 SF 14000@24=38000 SY				
Description	Quantity	Units	Unit Price	Total
Mobilization	1	L.S.	4,000	4,000
Subgrade Prep	38000	S.Y.	4	152,000
Double Chip	38000	SY	8	304,000
18" CMP	500	L.F.	60	30,000
Rip Rap	100	S.Y.	20	2,000
Traffic Control	1	L.S.	5,000	5,000
Material Testing	1	L.S.	5,000	5,000
Survey	1	L.S.	5,000	5,000
Sub Total				507,000
Contingency 10%				50,700
Sub Total				557,700
Engineering				111,540
CM				111,540
Sub Total				780,780
ROW 840,000@\$1.00				840,000
Total				1,620,780

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grants	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x

# Prescott Dells Road

Project Description: Town has contracted for a Survey of the Road. Original project worksheet proposed three phases. Phase 1: Study the Route, Phase 2: Acquire Right-of-Way, Phase 3: Construction.



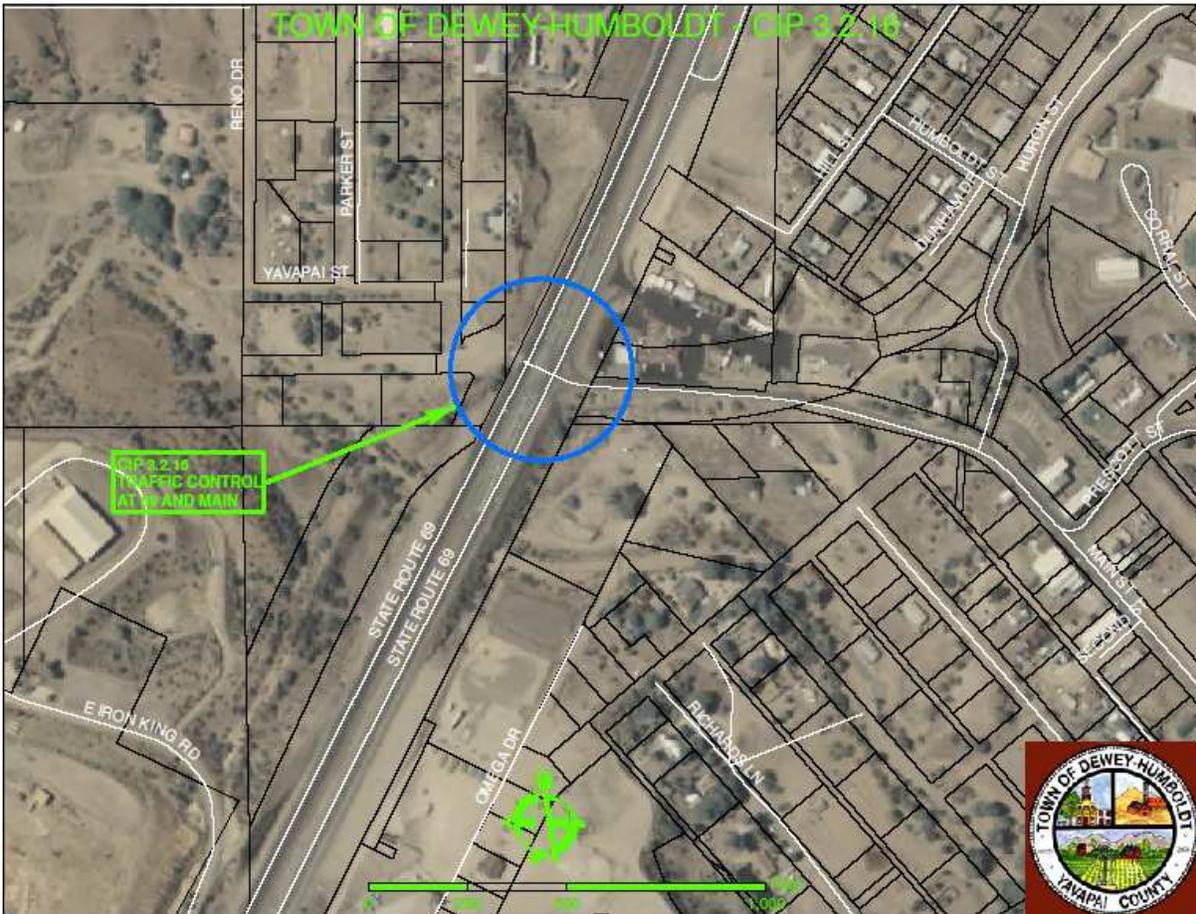
PRESCOTT DELLS

Acquire ROW, Grade and chipseal 3.0 miles of Prescott Dells 16000@60=960,000 SF 16000@24=43000 SY				
Description	Quantity	Units	Unit Price	Total
Planning	1		29,500	19,155
Mobilization	1	L.S.	4,000	4,000
Subgrade Prep	43000	S.Y.	4	172,000
Double Chip	43000	SY	8	344,000
18" CMP	500	L.F.	60	30,000
Rip Rap	100	S.Y.	20	2,000
Traffic Control	1	L.S.	5,000	5,000
Material Testing	1	L.S.	5,000	5,000
Survey	1	L.S.	5,000	5,000
Sub Total				586,155
Contingency 10%				58,616
Sub Total				644,771
Engineering				128,954
Construction Management				128,954
Sub Total				902,679
ROW 960,000@\$1.00				960,000
Total Project Cost				1,862,680

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grants	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x

## Traffic Control at Highway 69 and Main Street

Project Description: Traffic control at the intersection of Highway 69 and Main Street in Humboldt. This is a revision of the original proposal to put in a Traffic Light revised at the direction of Council.



The Prescott ADOT Road Safety Assessment (RSA) Team has recommended reducing the speed limit to 55mph to south of 3rd Street. Total Project cost \$1,000,000 to \$1,200,000. Town owns 2 of the 4 legs of the intersection = 50% Town, 50% ADOT.

They have also recommended a roundabout for the intersection of Main and 69. The Roundabout is warranted and could begin immediately. Roundabouts drastically lower accident rates and effectively reduce speed. The Roundabout would require speed reduction to at least 45mph or less. The Roundabout would offer safe access to both sides of Highway 69 to vehicles and pedestrians. The Roundabout results in fewer emissions than a signal, no electricity costs. ADOT would maintain.

An unintended consequence of the Roundabout is that it would allow a smoother access to Main Street for economic and community development. The Roundabout would also offer a highly visible location for a Town entryway monument.

**Roundabout**

<b>Shared project with ADOT</b>				
50% percent of the project cost would be paid for by each party.				
Description	Quantity	Units	Unit Price	Total
Architectural and Engineering			100,000	100,000
Site Preparation			200,000	200,000
Construction Management			850,000	850,000
Signage and Other			50,000	50,000
<b>Total Project Cost</b>				<b>1,200,000</b>

<b>Possible Funding Sources</b>	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grant ADOT 50% Share	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x



# Shirley Lane

Project Description: Original project worksheet proposed three phases. We have begun a Survey of the Road. Project Phase 1: Study the Route, Phase 2: Acquire ROW, Phase 3: Design and Construction.



SHIRLEY TO PRESCOTT DELLS

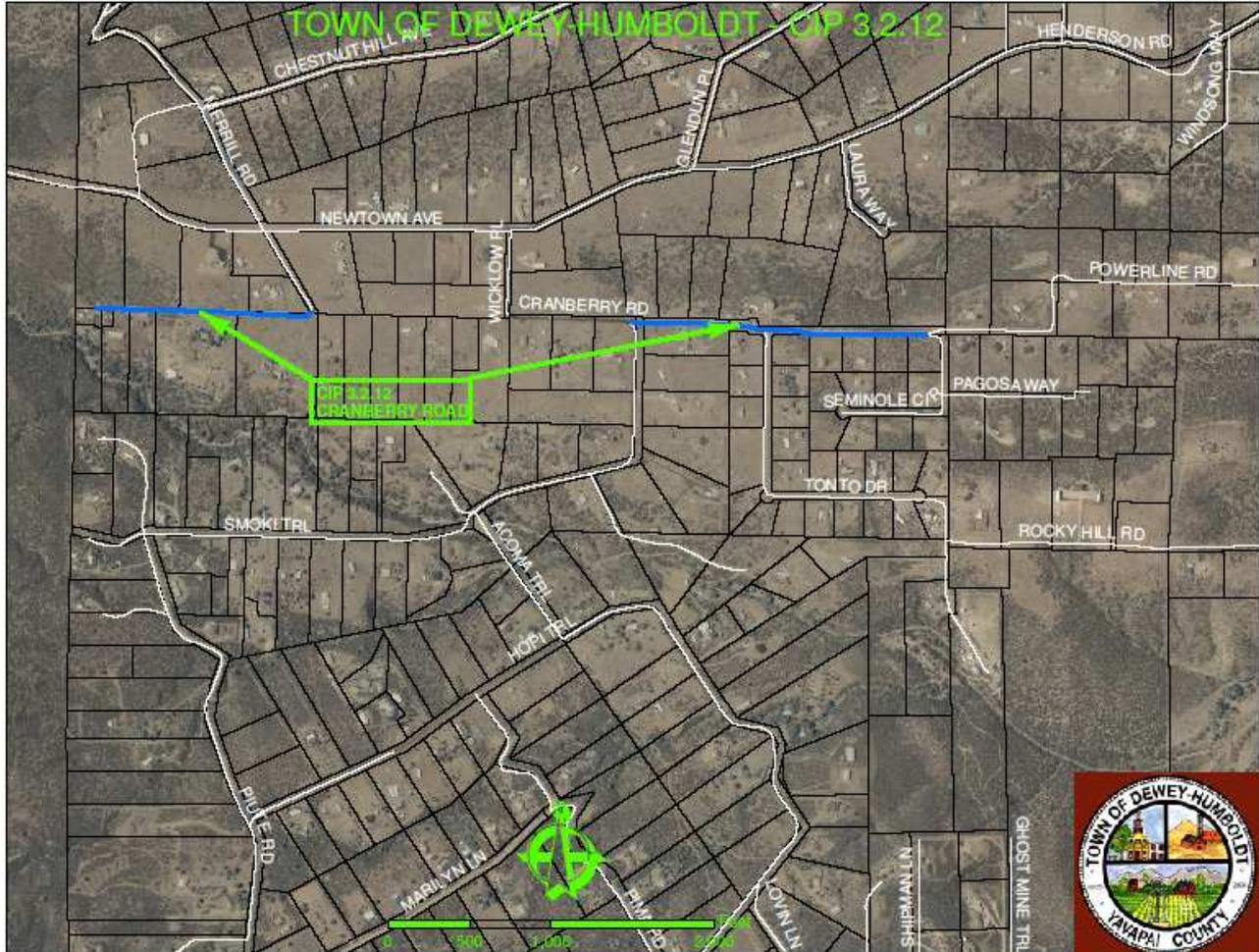
Extend Shrley Lane to Prescott Dells Ranch Road				
Acquire ROW ) 4200' @ 60' wide @ \$1.00/ S.F.= \$252,000 + \$25,000 Contingency				
Description	Quantity	Units	Unit Price	Total
Mobilization	1	L.S.	5,000	5,000
Subgrade Prep	28000	S.Y.	10	280,000
Double Chip	28000	SY	8	224,000
18" CMP	100	L.F.	60	6,000
Rip Rap	200	S.Y.	20	4,000
Traffic Control	1	L.S.	2,000	2,000
Material Testing	1	L.S.	4,000	4,000
Survey	1	L.S.	4,000	4,000
<b>Sub Total</b>				<b>529,000</b>
Contingency 10%				52,900
<b>Sub Total</b>				<b>581,900</b>
Engineering				116,380
CM				116,380
<b>Sub Total</b>				<b>814,660</b>
Acquire ROW ) 4200' @ 60' wide @ \$1.00/ S.F				277,000
ROW Agent				10,000
<b>Total</b>				<b>1,101,660</b>

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grants	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel Cost	x
Increase (Decrease) Operations Cost	x



# Cranberry Road

Acquire right-of-way and chip seal the remaining portion of Cranberry Rd, ~4,000 feet.



**CRANBERRY ROAD**

Acquire ROW for Cranberry Road and Then chip seal it approximately 4,000 feet wide = 200,000 SF				
Description	Quantity	Units	Unit Price	Total
Mobilization	1	L.S.	2,000	2,000
Subgrade Prep	2300	S.Y.	4	9,200
Double Chip	2300	SY	8	18,400
18" CMP	100	L.F.	60	6,000
Rip Rap	50	S.Y.	20	1,000
Traffic Control	1	L.S.	2,000	2,000
Material Testing	1	L.S.	3,000	3,000
Survey	1	L.S.	3,000	3,000
Sub Total				44,600
Contingency 10%				4,460
Sub Total				49,060
Engineering				9,812
Construction Management				9,812
Sub Total				68,684
Acquire ROW ) 4000' @ 50' wide @ \$1.00/ S.F.				252,000
ROW Agent				5,000
Total				325,684

<b>Possible Funding Sources</b>	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grants	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel	x
Increase (Decrease) Operations	x



# Agua Fria Lane

Project Description: This project would double chip seal approximately 0.4 miles of Agua Fria Lane from the intersection with Sleepy Acre Lane eastbound to the intersection with Beverly Hills Drive.



## Agua Fria Lane

Double Chip seal approximately 500-600 feet of Agua Fria Lane				
Description	Quantity	Units	Unit Price	Total
Mobilization	1	L.S.	2,000	2,000
Subgrade Prep	4400	S.Y.	1	4,136
Double Chip	4400	SY	3	15,356
3" of ABC	720	TON	19	13,320
Fog Seal @ 0.10 Gpsy @ 50-50 Blend	4400	S.Y.	0	1,012
Traffic Control	1	L.S.	1,000	1,000
Material Testing	1	L.S.	1,000	1,000
<b>Sub Total</b>				<b>37,824</b>
Contingency 10%				3,782
<b>Sub Total</b>				<b>41,606</b>
Engineering				2,080
Construction Management				1,814
<b>Total</b>				<b>45,500</b>

Possible Funding Sources	
<b>Cash / Current</b>	
Cash / Current General Fund	x
HURF Fund	x
<b>Future Revenues</b>	
Bonds	x
Loans	x
Special Districts	x
<b>Speculative Revenues</b>	
Grants	x
Donations	
Contributions	
<b>Annual Operating Impact:</b>	
Increase (Decrease) Personnel	x
Increase (Decrease) Operations	x





*Volunteering has a meaningful, positive impact on your community. Volunteers provide a broad source of expertise and talent for Town programs as well as offering a means for citizens to participate in their local government. The Town of Dewey-Humboldt welcomes volunteers to help strengthen the relationship between citizens and Town government.*

*To learn more about how you can help, please call Town Hall at 928.632.7362.*