

# TONTO HILLS SPECIAL NEWSLETTER

TONTO HILLS IMPROVEMENT ASSOCIATION  
42033 N. Old Mine Road, Cave Creek, AZ 85331

October 2008

---

## ***UPDATE on Scottsdale Annexation Due Diligence***

The primary goal of this newsletter is to advise Tonto Hills (TH) property owners of the progress achieved so far between the THIA Annexation Committee and the City of Scottsdale (COS).

### **Background:**

The THIA Board held a Town Hall Meeting in September 2007 where we received a briefing from Mr. Don Hadder, COS Principal Planner, concerning the COS annexation process. At that meeting, Mr. Hadder stated that COS needed an expression of interest from at least 25% of the TH property owners before COS could enter into any talks with TH that might lead to a pre-annexation agreement and the exact terms of annexation.

Later in 2007, the Board sent out a survey asking TH property owners if they were interested in exploring annexation into Scottsdale. At the same time, the THIA Board committed to conduct separate due diligence efforts for both the Domestic Water Improvement District (DWID) and exploration of possible annexation into COS. Survey results indicated that there was sufficient interest to satisfy Mr. Hadder's stated minimum requirement. Therefore, the THIA Board presented results of the survey to COS and requested to initiate discussions that might lead to a Pre-Annexation Agreement. The THIA Board then formed the Annexation Committee to conduct the annexation exploration.

The Committee consists of Denny Maple, Cheryl Kaufman, Charlie Civer, Terry and Eric Luker, Rich Pagel, Rick Patterson, Ralph Spurgin and John Stevens. The Committee held three meetings with Mr. Hadder and his staff from June through September of this year.

COS prepared a preliminary engineering assessment report and planning perspective to satisfy COS requirements for annexation. This information was shared verbally in a meeting at COS offices between Mr. Hadder and members of the Annexation Committee. Mr. Hadder will present that assessment report to COS management, who in turn must approve and present the information to the COS council. If satisfied, the COS council could authorize the negotiation phase. Committee members were not given a copy of the report.

### **Summary of Assessment Report Debriefing:**

Keep in mind that the requirements and costs listed in the following table are COS staff estimates and the determination as to the extent of infrastructure changes necessary are yet to be defined. The water infrastructure has the highest price tag, but that does not mean our current water system is deficient in its current state. The proposed water system rebuild by COS engineers is their assessment to meet COS insurance and COS fire fighting standards.

***CONTINUED ON OTHER SIDE***

Topic	Details	Cost *
Water	System rebuild: Two (2) connection points, upgrade COS pumps leading to TH; new lines, pressure reducing valves, new hydrants, new meters, and possible additional storage capacity. Residents must pay for connection from house to street. TH residents must form DWID prior to annexation negotiations and transfer to COS.	\$6 to 7 Million  + DWID Cost
Sewer	One lift station at North East corner of TH; spur pipe to each lot. Residents pay for their septic tank removal & backfill, sewer hookup from house to street, grinder pump if below street level.	\$4 Million
Zoning	TH's existing R-135 areas remain same; bldg height lowered to 24' on new construction from TH existing 30'; COS Environmentally Sensitive Land Ordinance (ESLO) requirements to be met with open space designations possible; paint colors to conform to COS reflective value standards.	None
Grading	COS will grade only roads currently graded by Maricopa County.	Included in property taxes
Road Improvements	Required paving would consist of 2" asphalt over 6" gravel bed; 32' wide roadway / 21' wide asphalt.  Residents would pay by linear foot for their total road frontage.	\$750,000 to 1 Million for 1-1.5 miles (approx. price with no slope considered)
Police & Fire	COS Police Dept dispatched from DC Ranch at the Marketplace on Pima Rd. Fire station at Cave Creek & Pima Rds intersection, additional firehouse planned closer to TH. COSFD takes first response; THVFD may continue to be operational	Included in property taxes
Road Drainage	Approx 12 culverts under existing roads	\$500,000
Impact Fees	Cost for new construction on TH lots at new COS fee structure	Unknown
Sanitation	Garbage pickup by COS Sanitation Dept trucks; recycling is mandatory & included in monthly charge; cost similar to current.	\$150 initial fee for new rolling cans
Taxes	Increase of approx. 15%	\$300/residence/year \$100/vacant lot/year

\*The COS issues 10-year bonds at an interest rate not known at this time.

### **Timeline:**

October 2008 – This Special Newsletter regarding annexation

January-March 2009 – Post election COS Council to make decision on negotiation phase

February-March 2009 – 2<sup>nd</sup> THIA survey of Tonto Hill's residents concerning annexation

March 26, 2009 – Annual General Membership (AGM) Meeting

Future – THIA Membership approval or refusal to begin Pre-Annexation phase

### **Our Commitment to You:**

The Annexation Committee will provide timely information on the THIA Board's behalf, and the THIA Board will hold Town Halls to establish open, two-way communication with you. Mr. Hadder has indicated that, should TH express its desire to proceed to a petition phase, the entire process can take 18 months or longer.

As we gather additional information, we will promptly present it to all THIA members. If you have any questions regarding this newsletter or other matters relating to annexation, contact a Committee member by email at [AnnexationCommittee@tontohills.org](mailto:AnnexationCommittee@tontohills.org) or by phone.

*Sincerely—the THIA Board*