

Minutes of the Special Meeting held April 13, 2015 at 6:00 p.m. in the Council Chambers.

MEMBERS PRESENT

Mayor Kenn Weise (via telephone) and Council Members Stephanie Karlin, Vice Mayor
David Iwanski
Bryan Kilgore
Sandy Nielson
Lorenzo Sierra

ABSENCE EXCUSED

Jim McDonald

ALSO PRESENT

David Fitzhugh, City Manager
Gina Montes, Assistant City Manager
Kevin Artz, Assistant City Manager
Abbe Yacoben, Finance & Budget Director
Rob Lloyd, Chief Information Officer
Pier Simeri, Community Relations and Public Affairs
Cherlene Penilla, Human Resources Director
Tracy Stevens, Development & Engineering Services Director
Carmen Martinez, City Clerk
Dale Nannenga, Police Chief
Craig Jennings, City Judge
Abril Ruiz Ortega, Court Administrator
Paul Adams, Fire Chief
Dan Davis, Economic Development Director
Ava Gutwein, Acting Parks, Recreation and Libraries Director
Stephanie Small, Neighborhood and Family Services Director
Andrew McGuire, City Attorney

1 ROLL CALL BY THE CITY CLERK

2 PROPOSED FY2015-16 ANNUAL BUDGET

David Fitzhugh, City Manager, presented the recommended budget plan for fiscal year 2015/16, which totals \$169,644,780. Throughout the meeting, City Council would review the operating budgets and supplemental requests for each department, as well as capital improvement projects in all funds. The budget reflects recently adopted City Council goals, and each department has tried to identify ways to fit those goals within existing programs, although some supplemental were required.

Ms. Yacoben summarized that the budget includes four and a half new full-time equivalent employee (FTE) positions, one FTE in Engineering and Development Services, one FTE and four part-time employees in the Police Department, and one-half FTE in Parks and Recreation. The increase in non-represented employee compensation is almost \$1 million this year, representing a 3.5% increase, which conforms to the City Council directive from the annual retreat. Salary scales were increased by 0.25% to stay competitive with neighboring towns. There was only a very minor increase in health insurance expenses this year.

Ms. Yacoben explained that Avondale follows base budgeting, which means that expenses in the budget last year are continued forward to the current year budget. However if those expenses rise, they are considered ongoing supplemental requests and become part of the base budget in future years. A one-time supplemental is a one-time project that does not reach the level of a capital improvement. To maintain a structurally balanced budget, ongoing revenues are used for ongoing expenses, and one-time revenues are used for one-time expenses. There were \$3.2 million in supplemental requests this year, compared to \$5.9 million last year. Ongoing supplementals are \$900,000 this year, about the same as last year. One-time supplementals are just under \$1 million this year, compared to \$2.08 million last year.

Employee compensation and benefits were about three times higher last year because of the new union agreement that went into effect. One-time transfers to the Capital Improvement Program are \$6.5 million this year compared to \$8.6 million last year. State shared revenues have increased. City sales tax revenue has been consistently rising recently, though this source can fluctuate greatly over time. Revenue assumptions are similar to last year's. The total General Fund increase is 5.9% this year, compared to 5.2% last year. Revenue anticipated for this year totals \$170,667,820. The FY2015/16 budget is slightly lower than the FY2014/15 budget. Capital projects decreased by 7.9%, but debt increased by 6.6%. The General Fund is about \$60 million. Employee costs comprise about 55% of the total budget.

City Council

Mr. Fitzhugh stated that with no supplementals, the City Council budget simply deals with base operations and carryover into next year's budget. In response to an inquiry from Vice Mayor Karlin, Mr. Fitzhugh explained that every department has a line item to cover the cost of mailings and special printing jobs, though they are not used as often as they once were.

City Administration

The largest items in the City Administration budget are for personal services and contractual services. The supplementals include a request for \$10,000 to help with facilitation services in pursuit of City Council goals. A requested 3% increase to the City Attorney's contract would require a \$17,280 supplemental. In response to Council Member Sierra's inquiry, Mr. Fitzhugh said the current budget did not include an item for facilitation services, and money had to be pulled from elsewhere to cover those costs. It would be preferable moving forward to have a dedicated source of funding, and \$10,000 should be adequate for that purpose.

Information Technology

Rob Lloyd, CIO, presented the core budget for Information Technology operations. IT also manages the Technology Replacements Fund and the Reprographics Fund with the Finance and Budget Department. Staff has conducted an information systems security assessment to identify ways to improve cyber security. Avondale is laying the groundwork for the introduction of on-body cameras for police officers and to understand the demands it will place on IT storage infrastructure. The migration to cloud-based services continues as

the City adopts Microsoft on the Cloud, which will allow for better access to files away from the office environment. The industrial control systems are being redesigned to enhance security. IT is working with Code Enforcement to refresh the City's mobile app. Internal classifications are being redone to make them more growth oriented. A green IT plan is being designed to fit into the City's larger sustainability plan. The supplemental costs are to cover storage maintenance and support increases, cyber security enhancements, and the Microsoft license changes.

Council Member McDonald requested details regarding the ongoing costs related to cyber security. Mr. Lloyd explained that spam and phishing attacks are a high risk area. To combat this, the City pays for a subscription to have the most advanced filters in place and to support network segmentation to limit access in the event that the system is breached. Another strategy that greatly reduces the infection rate is to train employees not to inadvertently click on malicious items. Additional cyber security options exist, but investing in them would cost much more money without drastically changing the security profile. The City opted for the greatest return on the known risks.

Council Member McDonald inquired about the storage needs for video surveillance data. Mr. Lloyd responded that the projected costs for entry into evidence management and surveillance are known. Some services require the data to be kept on their cloud storage as part of the contract. The budget numbers account for the existing inventory plus some reasonable growth. Anything more ambitious would be brought before City Council in future years. The value of video surveillance data is difficult to predict and must be handled carefully. Most of that recorded data is worthless, while the small amount of in-demand data is very valuable. All vendors realize this is a huge growth area.

Mayor Weise inquired about cities that have pioneered officer body cams. Mr. Lloyd responded that the State of Arizona has put together a committee to explore these emerging issues. Council Member Nielson inquired about the \$29,000 line item for cloud storage. Mr. Lloyd said it is the cost of maintaining the City's internal cloud storage. As vendor services and prices improve, more data will be migrated there. Council Member Sierra inquired about the length of time that data is made available to the public. Mr. Lloyd explained that retention schedules are defined by the records policy. Records made available on the City website are also kept elsewhere. Vice Mayor Karlin commended IT for being able to see emerging trends and keep the City ahead of the game.

Community Relations

Pier Simeri, Director of Community Relations and Public Affairs Director, said the department has a number of objectives during the next fiscal year and beyond. The branding initiative set the stage for the City's marketing efforts, and a number of short videos are being planned for the City's website and Avondale 11. The videos will highlight business opportunities and aim to attract development into the area. They can be produced at essentially zero cost through existing memberships in the National League of Cities and the Hispanic Chamber of Commerce. Another objective is to maintain an active presence at the legislature. Some of the worst bills were avoided thanks to these ongoing efforts. Continuing strong community outreach and media relations activities are tied closely to the rebranding. The department works with all the other departments to support their outreach

needs. Avondale is continuing to take a long-range approach to improving and developing transit opportunities.

Ms. Simeri reviewed department supplementals. Avondale belongs to many organizations, and membership dues, which are typically based on population, are increasing. The contract for the City website vendor is set to expire at the end of fiscal year 2016, and one supplemental will cover the cost of redesigning the site, which will take at least a year. The last redesign occurred in 2007. The City has been rebranded since then, and many technological innovations have been introduced. The citizen sourcing community engagement supplemental request is to provide a multi-faceted, user-friendly crowdsourcing platform that would allow citizens to better engage with the City online. With the ever-changing digital and social media landscape, the multi-media management platform supplemental would allow Avondale to stay competitive in this environment. A digital newsroom would be created to feature positive stories about Avondale. A hosting service would be secured to store videos for streaming. A media monitoring service would track Avondale in the news.

Mr. Fitzhugh stated that the educational initiative supplemental is included in the budget at this point as an appropriation only, and would go forward only as a grant-funded proposal.

Council Member McDonald inquired about the website redesign. Ms. Simeri explained that while the website recently received a new portal that incorporated the new brand, the rest of the website largely remained the same. The proposed redesign would start by building a new site completely from scratch to make it as effective as possible. Mayor Weise said the current website is much less responsive than the previous one was. The new site should correct these issues.

Council Member Nielson inquired about the Avondale app. Ms. Simeri said the app is separate from the website, but will be enhanced as well. Council Member Nielson expressed concern that including the educational initiative appropriation in the budget will suggest to citizens that the City will be paying for it. Mr. Fitzhugh explained that the budget must contain a line item somewhere that will authorize the City to spend money for the appropriation. Money for any line item can come from a variety of places. Vice Mayor Karlin noted that City Council requested more information before deciding to move forward with the educational initiative. Council McDonald explained that retaining the line item is a benign act. If City Council ultimately decides not to pursue the initiative, nothing will happen.

Council Member Sierra asked about public input on the website redesign. Ms. Simeri responded that all City departments and the public will be heavily engaged in providing feedback. Council Member Sierra felt that the cost estimate for the website redesign was a little low. Ms. Simeri responded that the City cannot do everything at once within the initial budget confines, but will start with the features that provide the best return on investment. More can be added in the future as resources allow. In response to an inquiry from Vice Mayor Karlin, Ms. Simeri explained that Community Relations will be working with IT on the technical aspects of the redesign. The new website will make it easier to measure performance analytics.

Finance and Budget

Abbe Yacoben reported that \$1.7 million in indirect costs will be charged back out to other departments. Finance and Budget is an internal service that serves other departments through payroll, financial reporting, accounting, and budgets. Most of the budget consists of payroll and benefits. The bond rating agencies have placed all Avondale bonds in the AA category, which is a very solid rating. The City can maintain this rating by demonstrating good fiscal discipline and establishing good financial policies. Avondale's debt burden is not large, but the primary revenue source is highly dependent on consumer behavior and market fluctuation. The conversion to ADP software is scheduled to go live on July 1, and three parallel runs are scheduled for May and June. There are no supplemental requests for this department.

Mayor Weise inquired about the opportunity to pay off City debt early. Mr. Yacoben said she would look into the matter and report back.

Human Resources

Cherlene Penilla, Human Resources Director, said the top priorities for the department are the successful transition of payroll to the Finance Department, followed by hiring and retaining good employees. It is important to fill vacancies as quickly as possible. The class and comp system needs an overhaul to ensure the City stays competitive in attracting the best employees. Benefits are important. Since Avondale started participating in the AZMAT Benefit Trust, employee assistance, dental and life insurance have been added to the medical insurance benefit. This has allowed for a doubling of dental benefits while maintaining the same cost. Employees have been involved in bringing forward the types of wellness programs they would like to see.

Ms. Penilla said the supplemental requests are all one-time requests. Civil Treatment for Leaders would provide all-encompassing training for supervisors and managers in all departments to help them better deal with employees. It also helps them provide a fair and professional environment in which to work. In the future, something similar could be provided to employees. Another supplemental is for legal services to prepare for the next phase of negotiations with both the Police and Fire Associations. The Fair Labor Standards Act is being streamlined and modernized, and some of the changes coming forward will affect how the City classifies employees. The third supplemental is to fund a lactation suite. Employers are now required to provide a safe and clean area for nursing mothers. Because of the number of sites that have to be covered, the City has opted to purchase a portable solution built by Mamava. The fourth supplemental is for the scanning of personnel records to fully convert all paper records into digital form and shredding the original documents.

In response to Council Member Nielson's inquiry, Ms. Penilla explained that Civil Treatment for Leaders would train a few Avondale employees, who would then be responsible for training the rest of the supervisors and managers. Council Member Nielson expressed concern about the scanning company having access to personal information. Ms. Penilla responded that the company has already done work for the City. They are bonded and their credentials have been vetted.

Development & Engineering Services

Tracy Stevens, Development & Engineering Services Director, said the department budget is just over \$5.692 million. One objective is to focus on the environmental leadership, and exploring the feasibility of implementing solar at City facilities. The Municipal Sustainability Plan will continue to be implemented. The Green Team, representing each department, has identified goals and objectives aligned with the MSP. The Pavement Preservation Program will identify the current and ongoing funding needs to prevent transportation infrastructure degradation. A signage and lighting asset management program will be developed over the next three years. LED technology will be incorporated where suitable. The department will continue to build upon its relationship with the Home Builders Association (HBA) and expand on homebuilding throughout the city. Permit activity has been increasing recently. Another goal is to provide Economic Development with information to assist in recruitment of new business to the city.

Ms. Stevens requested five supplementals. The first is a one-time request for the replacement of the aerial truck for the Traffic Division. The replacement schedule has been moved up to seven years for safety reasons. A \$40,000 supplemental is for an update to the Stormwater Management Plan, which will lay out the program for the next five years. The Accela Master Script upgrade and software training is needed for the Electronic Plan Review. Avondale is at the forefront of EPR, and customers really appreciate it. Professional consulting services for land surveying request a \$50,000 supplemental. One FTE is requested for an in-house engineering inspector to enhance existing service levels.

Mayor Weise said the improved relationship with the HBA is already paying dividends. He inquired about the LED project for Dysart Road. Ms. Stevens explained that LED lights will be incorporated into the overall project. They have the potential to last 15 to 20 years instead of three to four years. LEDs use 50% less energy than high pressure sodium lights. Mayor Weise said it is smart for the City to take engineering back in-house and restore what Avondale had before the recession. Ms. Stevens said the City will actually realize a cost savings by bringing the position in-house. Contract inspectors will still be needed for some CIP projects, but those costs are incorporated into the overall cost of the projects.

Council Member Nielson inquired about hiring an in-house engineer to handle CIP projects. Mr. Fitzhugh said he is cautiously optimistic about revenues, but there are still challenges with State shared revenues that pay for the ongoing costs of these positions. Many departments have needs, but he would prefer to take tentative steps at this time to avoid layoffs. The new engineer should ideally be able to assume some of the existing CIP contract work.

Council Member McDonald inquired whether it would be more cost-effective to refit the heavy wear items on the aerial truck to extend its effective life. Ms. Stevens said she believes Fleet Services did consider that option, but determined that replacement was safer. Council Member McDonald requested a report on the LED lights in use at City Center. He felt an in-house engineer would support the City Council goal of supporting economic development and customer service.

Vice Mayor Karlin suggested the City take into account plans for the disposal of LEDs, which are considered hazardous waste. Council Member Kilgore inquired whether putting solar on City buildings would interfere with any existing Salt River Project agreements. Ms. Stevens said that question would be explored during the study.

City Clerk

Carmen Martinez said the City Clerk's Office is looking to increase voter participation and registration in the city. Issues surrounding recent elections have caused confusion among the voting public. Clerks in the West Valley are working to craft a joint message to all voters in the region that will be spread through city websites, cable channels, and the Hispanic Chamber of Commerce. Avondale has an early voting site that will be available for all elections, regardless of whether the City has a ballot issue or not. This will provide consistency and reduce the confusion that voters often face. The City Clerk will continue to ensure that all boards and commissions have enough members to conduct business and work with the City Attorney to revise the rules, procedures and bylaws to better define the role of alternate members. The changes are designed to encourage alternates to feel more involved.

Ms. Martinez said that in order to reduce storage costs, staff will spend 2016 combing through City documents and destroying any that have outlived their retention requirements, while keeping essential records. The companies that perform the destruction have federal background checks and are fully certified and bonded. No supplemental is needed as the process can be incorporated into the regular budget. Employees are encouraged to delete their electronic records and files when they are due for destruction.

The Arizona Law Enforcement Records Work Group was established by the State Library and Archives in anticipation of full implementation of on-body cameras by police departments. The group includes representatives from different cities and backgrounds, and is working to develop a clear policy that can be implemented throughout the state. The group is learning from the experiences of cities that have already introduced the technology.

The Special Meeting was in recess from 8:16 p.m. to 8:26 p.m.

Police Department

Police Chief Dale Nannenga said a primary goal of the department this year is to reduce the crime rate, particularly property crimes, which were an overwhelming concern expressed through citizen surveys. A second goal is to use technology to create efficient public services, particularly the introduction of on-officer body cameras. Another objective is to continue with the three-year domestic violence reduction initiative.

The first supplemental request is to cover the ongoing cost of the lease at the Family Advocacy Center. This will be the fourth year of a five-year lease. Built into the lease is a 5% increase each year, which is split four ways amongst the partners in the facility. The next supplemental is a one-time expenditure for new Tasers. The department is part-way through a multi-year effort to replace out of date equipment with new two-shot models. A supplemental of \$99,200 would pay for four part-time dispatchers to help cover the highest

call volume periods. The next supplemental is for the ongoing maintenance costs for the communication consoles and NICE logger system. A storage area network supplemental will help move the department further into the digital age by giving officers the capability of uploading their field interviews directly from their cars. System redundancy will protect evidence from accidental loss. One FTE will be created to hire a dedicated Property and Evidence Supervisor. Oversight and expertise are needed to manage a property room that continues to grow in scale.

Chief Nannenga said the next supplemental is ongoing and one-time money for on-officer body cameras. The department has researched this issue for the past two years and has met with three different vendors. A small number of cameras will initially be used to implement a test phase. Body cameras provide transparency and protect officers from false allegations. The next supplemental is for ongoing money to cover the increased cost of jail per diem billing rates set by the Maricopa County Sheriff's Office. Ongoing money is needed for the increased cost of maintaining the Spillman Technologies software that is used for officer dispatch, report writing, evidence management and jail management. The last supplemental is for a Keywatcher System for the Northwest Substation. Officers would need to scan an ID to access car keys.

Council Member McDonald inquired whether the Property Supervisor would be a sworn position. Chief Nannenga explained that it would be a civilian position. Council Member Sierra inquired about extra cyber security issues related to the department. Mr. Lloyd responded that the Department of Public Safety audits the Avondale Police every few years to ensure that certification requirements are met.

City Court

Abril Ruiz Ortega, Court Administrator, said the City Court has several top objectives: to enforce court orders and compliance, to retain staff, and to improve and enhance customer service and satisfaction. Another goal is to increase collection of monetary penalties through tax interception. The Court continues to implement newly enacted laws and provide staff training to ensure compliance.

The City Court has three supplemental requests. The first is a one-time allocation from existing court revenues that can be used to improve case processing or the administration of justice. The Court Clerk III position will process misdemeanor cases and provide the support needed to ensure compliance with mandated requirements. The other two supplementals are ongoing expenses to cover inflation costs related to contractual maintenance of court technology, and court interpreter fees.

Fire and Medical

Chief Paul Adams said the Fire Department has the two primary objectives: to continue exploring opportunities to expand community health, and to continue the process of creating a county island fire district within the Avondale Municipal Planning Area. The Fire Department is working to develop joint ventures with other West Valley agencies to improve overall efficiency and effectiveness. The supplementals include an ongoing request to increase the funding to return the administrative assistant to a full-time position, which was

reduced last year to address other funding needs. Another supplemental would cover the increased cost of dispatch services received through the Phoenix Fire Department, which is based on the number of dispatches per year. A one-time supplemental will serve as an appropriation amount only in the event Avondale sends a fire crew out for wild land fire deployment. These costs would be reimbursed by the state or federal government, but an appropriation has to first be in place to give the City the expenditure authority. If no deployment is made, no money is spent.

Commissioner Sierra inquired about Avondale training for wild land fire deployment. Chief Adams explained that there are very specific training requirements for the crews that are deployed. In response to inquiries from Council Member Nielson, Chief Adams explained that last year, Avondale's crew was deployed for two weeks to California. The frequency of deployment really depends on the severity of the season and the amount of moisture that has been received in Western states. Last year's fire season was not as severe as some previous. The typical turnaround time for reimbursement ranges from three to eight months. The personnel are paid as normal, and the City covers that expenditure until it is reimbursed.

Economic Development

Dan Davis, Economic Development Director, said many of the department objectives are continuations of goals from previous years. The business attraction efforts include prospecting meetings, site tours, commercial brokers' visits, and marketing Avondale from an employment and business attraction standpoint. One point of focus for the next year is to identify the shovel-readiness of greenfield sites so that the development length of projects can be shortened. Economic Development will work with Community Relations on the citywide branding effort. The department will look to build upon the success of the health/tech corridor along McDowell Road. The collaboration with other city departments will continue to eliminate barriers to quality development and construction. Workforce development efforts will include sending the message to employers that a quality, highly educated workforce exists in the Valley and that Avondale is a good place to do business because of it. The business expansion and retention programs include a special focus on helping local small businesses expand.

Mr. Davis reviewed the department's supplemental requests. There are two ongoing supplementals, one for the expanded scope of work for the property management contract with Kennedy Wilson Properties of Arizona, and the other is for the Microsoft Dynamics CRM, which is a customer relations management tool. A one-time supplemental is for \$350,000 for Economic Opportunities Funding for FY 2016. These funds would be available for economic development incentives that would be granted upon City Council approval. The Mortensen Property Acquisition Extension is to cover property used for parking in City Center. The City has an ongoing option agreement to purchase that property. The next supplemental is for the incentive agreement that City Council approved to reduce residential impact fees for the Desert Springs residential development. The Infill Incentive Program, also recently approved by Council, budgets \$170,000 for three targeted infill incentive areas. Two projects are projected per month for the fiscal year.

Council Member McDonald requested an explanation of the property tax changes on the Mortensen property. Mr. Davis explained that when the option agreement went into place, a tax baseline was set and the City agreed to pay any net increase between the two. Over the past few years, the net has been in the \$20,000 to \$25,000 range. This purchase price was preset at \$2,380,000. Given the City's existing finances, it makes sense to maintain the option to provide the parking. At the appropriate time, the City could review the property to either purchase it or let the option go. Mr. Fitzhugh noted that staff monitors the situation frequently.

Council Member Nielson inquired about the possibility of letting a private entity handle the parking lot. Mr. Davis responded that the property serves as the main parking lot for the American Sports Center. The option gives the City control. If the option is let go, the City would have to ensure that there is appropriate parking to service all of the facilities in the area.

In response to Council Member Sierra's inquiry regarding the Economic Opportunities Funding, Mr. Davis explained that the City leverages what is available at the state level. The line item was reduced this year, but is still adequate, since most economic development agreements are performance based and not paid out until after work has been done. If an opportunity presents itself, the City will have plenty of time to work itself through the process. If a project came forward that needed to be prioritized, it would be brought to City Council's attention. Mr. Fitzhugh expressed confidence that the \$350,000 would be enough to manage anything that came along.

Parks, Recreation & Libraries

Ava Gutwein, Library Manager, stated that the primary objectives of the department include proactive maintenance of facilities, staff training, programs and events that support economic development and quality of life, to enhance and upgrade open spaces, to promote healthy lifestyles, and to provide learning opportunities in technology.

Ms. Gutwein reviewed the list of requested supplementals. The City Center temporary parking lot requires maintenance and repair supplemental of \$26,100. The Crystal Gardens concrete border supplemental will provide for the replacement of the metal border around the lake that has become a safety hazard. An ongoing supplemental request is for a certified playground safety inspection contract for \$60,000 annually to meet federal safety standards. The City Park Replacement Fund is a one-time request for maintenance at the ten City parks. A one-time request of \$50,000 would pay for the Western Avenue holiday specific decorations. Public computer access to library materials requires OCLC membership, which would be covered by an ongoing request for \$7,340. This is necessary to keeping the library catalog viable. The Siemens HVAC contract annual increase requires an ongoing supplemental of \$4,610 for the City Center campus air conditioning mechanical system. The City is in the 13th year of a 20-year contract. The department is also requesting a part-time Parks Assistant with benefits that would supplement the current part-time non-benefitted position to create one FTE for the Parks Division. The installation of a splash pad and increased park maintenance requires this additional staff person.

Council Member Sierra inquired about the status of the proposal to bring back Billy Moore Heritage Days. Mr. Fitzhugh responded that staff considered a number of possibilities. A festival at the scale that Avondale once enjoyed would start at \$150,000. Even if it was trimmed down, the bottom line expense would be \$103,000. The festival would generate only a small amount of income. The parade and the related World Fest at EMCC are still held every year. He said when he prepared the budget, he had to weigh the cost of the festival against the other budget demands. Council Member Sierra inquired about the possibility of sponsorships. Mr. Fitzhugh said two major sponsors could bring in \$6,000 and six smaller ones could bring in an additional \$6,000. Total potential revenue from the festival, including those from fees, is estimated at \$24,000.

Council Member Nielson asked about the Crystal Gardens expense. Mr. Fitzhugh stated that the City owns the lakes and most trails, while the HOA owns and maintains some of the green space. The City worked closely with the HOA to understand who owns what. The border replacement is actually part of a bigger project that is being done in sections, one year at a time.

Mayor Weise said many on the City Council want to see the return of Billy Moore Days as long as it can approach the scale it had before. He requested that this item be revisited next year to determine if the City finances are healthy enough at that time to support it. Mr. Fitzhugh noted that the event takes up significant staff time as well. The recreation staff was drastically cut back during the recession, and has not been restored. Goosebumps helps with some of the organization, but an event like Billy Moore Days requires much assistance.

Vice Mayor Karlin said she fondly remembers the Billy Moore Days, but the City Council made a decision to support events that were cost recoverable. The cost sharing with Goodyear made the Tale of Two Cities event possible. She inquired whether that event would be replaced by a restored Billy Moore Days. Events bring people in from outside the city, and Billy Moore could be positioned as a tourism draw. Mr. Fitzhugh suggested that City Council devote time over the next year to determine what direction to proceed in regarding this matter.

In response to an inquiry from Vice Mayor Karlin, Ms. Gutwein explained that the holiday lights would be rented, stored and maintained by a vendor and not owned by the City. The City could purchase the lights for \$35,000, but that would not include the cost of maintaining, storing, and programming the lights every year.

Neighborhood & Family Services

Stephanie Small stated that one primary goal of Neighborhood and Family Services is to continue the comprehensive Code Enforcement Program, including the myAvondale app and the Neighborhood Toolbox. The Community Action Program will continue to help sustain families and move them towards self-sufficiency. The Senior Services Program has moved from Parks, Recreation & Libraries to NFS. Youth Development will continue to offer services such as youth employment programs into next year. The Emergency and Substantial Home Repair Program will continue to explore partnership opportunities. A comprehensive revitalization strategy can help legacy neighborhoods move forward.

Ms. Small detailed the supplemental requests. Five Code Enforcement vehicles and one pool vehicle require GPS units. A request for \$40,000 in one-time funding would help give the Police Housing Incentive Program the ability to serve an additional three police officers. Additional funds are required to carry the current Mosaic Arts Center contract through to its expiration in November 2015. Youth Services have received a majority of their funding through grants. Ongoing funding of \$25,000 will carry on existing programs and provide the ability to consider more innovative programs. A supplemental is requested for the replacement of several vehicles used for home-delivered meals through the Adult Services program, as the AAA will no longer be able to continue assisting with the one-dollar leases of those vehicles. The AmericaCorps VISTA program in Avondale will be adding a sixth member and the cost sharing and housing stipend will be going up slightly.

Council Member McDonald said he supports the funding for Youth Services, but said it should not replace the aggressive pursuit of grant funding, which will enable them to accomplish even more. Council Member Sierra inquired why the new Revitalization Manager position was not included in the supplementals. Ms. Small explained that the position already existed but had been vacated until recently.

Vice Mayor Karlin said the Meals on Wheels program is very important, even though it will cost more now that the lease assistance is no longer offered. She felt City Council should discuss the Mosaic Art Center supplemental further before making a decision. Mr. Fitzhugh responded that the City has a valid contract with MAC and this allocation would simply take it through to its end from July 1 to November 17, 2015.

Public Works

Cindy Blackmore said the Public Works budget is just over \$32 million, and a busy year is planned. The list of department operations is very diverse and the objectives are many. Some highlights include preventative maintenance programs, keeping neighborhoods clean, providing good value service, compliance with the Safe Drinking Water and Clean Water Acts, compliance with permit requirements, raising awareness of Avondale's assured water supply and drought management efforts, and implementing the recommendations of the Water Reclamation Facility Master Plan.

The first three supplemental requests are for Wastewater Operations, and all are operational in nature. Just over \$44,000 is requested for treatment chemicals, \$15,000 is for testing materials and lab supplies, and \$140,000 is for electricity. Sanitation Operations requests a \$250,800 one-time supplemental to pay for new two-way radios, because the current equipment will no longer work on the new frequency requirements of the Regional Wireless Cooperative. Fleet Services requests a one-time supplemental to restore the operation of the swamp coolers in the equipment maintenance shop. The fuel system software requires an upgrade to conform to City standards. The fuel tanks require a one-time supplemental to cover the costs of a more thorough examination by a certified inspector. The tanks are aging, and in-depth inspections every five years would ensure they remain in good shape. The specialty tools and equipment supplemental will give the mechanics the tools necessary to continue properly diagnosing repairs in shop. A \$10,000 ongoing request is to cover the

increasing costs of tires. The Streets Division requests \$15,000 to keep up with the current costs of the right-of-way maintenance contract.

Council Member Kilgore expressed concern about the cost of the radios, which are about \$4,000 each. Ms. Blackmore said staff is currently negotiating the cost and has the ability to consider other vendors and options. The radios are expected to outlast the lifespan of the vehicles. Mr. Fitzhugh added that there are two reasons for this change. The first is to ensure that all regional public safety and public works entities can communicate with each other in the event of an emergency. The existing radios also use a part of the bandwidth that will no longer be available as per federal mandate.

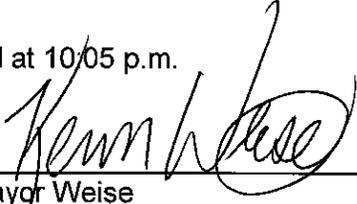
Council Member Nielson inquired whether the two-way radios can be transferred to other vehicles. Ms. Blackmore responded that they may be transferred. Council Member McDonald noted that the electricity budget has been largely inadequate for the past two years. Ms. Blackmore explained that staff did an analysis of the actual costs from existing bills and included a 5% increase. Mr. Fitzhugh clarified that last year's budget had \$200,000 in Water, whereas this year's request is for \$150,000 in Wastewater.

Council Member Iwanski said he approves of an aggressive asset management program. He inquired whether the City prioritizes purchases from local businesses. Ms. Blackmore explained that the first option is to look at competitively bid contracts through the state, before exploring competitive bids directly. The bid process is open and local businesses have the opportunity to submit them if they meet requirements. Council Member Nielson suggested using solar panels to reduce electricity costs. Vice Mayor Karlin proposed an energy audit to identify energy inefficiencies and recommend strategies.

Mayor Weise expressed concern about the electricity cost. The cost of two-way radios is enormous, though necessary without alternatives.

3 ADJOURNMENT

The City Council special meeting adjourned at 10:05 p.m.



Mayor Weise



Carmen Martinez, MMC
City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Council of the City of Avondale held on the 13th day of April, 2015. I further certify that the meeting was duly called and held and that the quorum was present.

Carmen Martinez
City Clerk