



CITY OF SURPRISE
Regular City Council Meeting
16000 North Civic Center Plaza
Surprise, AZ 85374

Tuesday, May 19, 2020 @ 6:00PM

Call To Order

Invocation

Led by Russ Smith.

Roll Call

Mayor Hall called to order the Regular City Council Meeting of May 19, 2020 at 6:08 PM at Surprise City Hall Council Chambers, 16000 N Civic Center Plaza, Surprise, Arizona 85374. Also in attendance with Mayor Hall were Vice Mayor Judd, Council Members; Winters, Hayden, Duffy, Sanders and Remley.

Staff Present: City Manager, Michael Frazier; City Attorney, Robert Wingo and City Clerk, Sherry Ann Aguilar.

Pledge of Allegiance

Proclamation and Community Acknowledgements

1. National Public Works Week

[Mayor read the proclamation regarding National Public Works Week.](#)

City Manager Report

1. Reports

City Clerk Report

1. Reports

Call To The Public

Linda Magee - Read statement for the record.

To: City of Surprise Mayor/Council/City Management/Support Staff and Surprise Taxpayers 5/15/2020 Subject: Example City of Surprise typical sworn Police Officer pay and benefits (21 year employee) vs other cities and states vs our budget shortfall from Covid-19 and loss of tax receipts/base. From: Linda Magee,

taxpayer and resident 18520 W. Marshall Lane

First let me say the City overall does an excellent job of providing City service to include our Police Department however my review of costs shows we (The City and Taxpayers) are on an unsustainable path. Background: The United States as a whole has experienced good growth and economic health at least as far what appeared on the surface. Below the surface numerous time bombs existed just waiting to be triggered. Among them: stock and bond markets, home mortgages, auto and student loans, health care costs and State and local government funding and fiscal responsibilities. And lastly what the average person had in the bank for a rainy day (emergency) and what they may make in salary per year. Currently the average household in the City of Surprise earns \$65,160.00 per year. This typically means two people working to gross this overall amount of pay. As we all know the trigger event for the above was the Covid-19 pandemic which ravages the World, US and our fair city of Surprise. Since mid-March of this year economic activity has been effectively almost totally shut down. Not only did this personally effect the individual pocketbooks and livelihoods of most everyone it also severely caused massive reductions in the tax base, sales, use, income, excise and other fees and taxes to either not be paid or otherwise not have activity that would generate the need to pay them. What does this mean? The City, County (Maricopa) and State rather than bringing in money were instead putting money out that was not budgeted and often on-hand. Severe shortfalls to pay for on-going services and needs would be and were hammered. People have lost jobs, income and businesses that shuttered temporarily will become permanent for a percentage of people and businesses. What can be done?

Cut expenses or raise taxes. Raising taxes would be counter productive to a recovery and should be a last resort. Cutting expenses, while painful and tough, when done quickly, effectively and fairly yields the best outcomes. What sorts of Government entities are making cuts now? For one the State of California has a 6.7 Billion Dollar shortfall to start and is requiring employees (200,000) take at least a 10% pay cut among many other cuts. Secondly ASU-Arizona State University is making a substantial pay and/or benefit cuts to its staff to weather the loss of students and tuition income. What other fiscal problems did local Cities have before? Severely underfunded Public Employee pensions but more so the Police and Firefighters and is also inclusive of elected Officials (ie. our Mayor, Councilpeople). Who has major problems like that in the Phoenix metro? Almost all cities and towns before the CV-19 but Phoenix is by far the most in arrears with some 4 Billion Dollars in unfunded liabilities for public pensions with Phoenix Police and Fire being just over half of that amount. Does Surprise have the same problem? yes but not as severely at this point for Police and Fire has about a \$37 Million shortfall alone. I did include a breakout of just what a typical 20 year Surprise PD Officer is paid in pay and benefits and did not include things like equipment, uniforms, cars etc.-- just employee pay and benefits which is relatively close with some assumptions needing to be made. It is however a very good ballpark. Many eye opening things were found when I researched this, longevity pay (4% on base pay >10 years City Service), etc. And making up underfunded Public Service pensions Let me say this again...Surprise Police/Fire does a great job however we must contain costs as this typical case cost the City and taxpayers some \$142k and the upcoming budget proposes to add in or increase this another \$6k= almost \$150K for each Officer. Currently the City has about 100 sworn Police Officers so you do the math. Each Officer will not make that income however add about another 20 of supervisory Officers whom make a higher salary and the average for 120 Police Officers might be \$120-130k each in pay and benefits. This is unsustainable. Other sections of the City can also use cuts as well to be fair however the Police are budgeting about 5% this coming year for the additional pay increase as Merit and

Cost-of-living and health premium increases.

Again this is unsustainable and in my belief not warranted at this time. Considering the attached spreadsheet, what the average household in Surprise earns (\$65K) and cuts other organizations are now doing, it is my belief and request that we do so right now to lessen the blow and amend our upcoming City Budget. I want our Finance department and City Manager to refine the spreadsheet I started on and use this for other departments and fiscal decisions and cause Department heads to do the same. We can not just rely on macro economics at their levels and default to Department heads solely for any knowledge of this, if in fact they do any such research. I also want the City to establish a section for oversight of City operations and policies called Voice of the Taxpayer. This should be with a mindset of the taxpayer not city residents as the taxpayers are really funding this.

Regards, Linda J. Magee

Andrew Hargreaves - Surprise resident, COVID-19 took away amenities for residents. We are members of the Surprise Swim Club, we are hopeful we can get this back along with other amenities that are re-opening.

Regular City Council Meeting Agenda

CONSENT AGENDA:

Council Member Sanders made the motion to approve the consent agenda, excluding item #3. Council Member Duffy seconded the motion. Seven yes votes, motion carried.

1. Consideration and action on the minutes of May 5, 2020 Regular City Council Meeting - APPROVED

2. Consideration and action to amend the Health Benefit Trust Fund Agreement and FY2020 Comprehensive Financial Management Policies; Resolution #2020-51 - APPROVED

3. Consideration and action pertaining to approval of an amendment of the Fiscal Year 2020 Budget by reallocating appropriations of \$382,400 from Contingency within the Grants Fund to the Neighborhood Revitalization Fund, Project G51681; to accept funding from the Department of Housing and Urban Development in response to COVID-19, and amending the Fiscal Year 2020 Capital and Operating List of Items Over \$50,000 by adding the COVID-19 CDBG-CV Response Item in the amount of \$382,400; Resolution 2020-47 - APPROVED

Council Member Remley asked that this item be removed from consent for an explanation.

HSCV Director, Seth Dyson gave a brief explanation for this item.

Council Member Remley made the motion to approve Resolution 2020-47. Council Member Hayden seconded the motion. Seven yes votes, motion carried.

4. Consideration and action pertaining to approval of an amendment to the Fiscal Year 2020 budget by reallocating appropriations within the grants fund and Capital and Operating List of Items over \$50,000 by increasing the Congregate Meal

item to \$156,400; andÂ authorizing the city to accept additional grant funding in the amount of \$21,400 for the Congregate Meal Program; Resolution #2020-62 - APPROVED

5. Consideration and action pertaining to approval of Amendment Number 4 to the Intergovernmental Agreement with Maricopa County to Continue to provide Community Action Program Services; Resolution #2020-49 - APPROVED

6. Consideration and action approving the FY2021 Public Safety Personnel Retirement System Pension Funding Policy; Resolution #2020-50 - APPROVED

7. Consideration and action approving the Budget Amendment Policies and Procedures; Resolution #2020-52 - APPROVED

8. Consideration and action approving amendments to the FY2021 Comprehensive Financial Management Policies; Resolution #2020-53 - APPROVED

REGULAR AGENDA ITEM - PUBLIC HEARING:

9. Consideration and action pertaining to approval of the 2020-2024 Five-Year Consolidated Plan, Analysis of Impediments to Fair Housing Choice, and the Program Year 2020 Annual Action Plan - APPROVED

[HSCV, Adam Lane gave a powerpoint presentation on this item.](#)

[Council Member Sanders asked for clarification on the affordable housing high priority needs. Please define what multi family consists of.](#)

[Council Member Remley - thanked staff for their efforts and making this money go a long way in the OTS.](#)

[Mayor Hall - referred to page 37 of the consolidated plan, estimated percent of all renters that are severely cost burdened. There are a few communities that are over cost burdened. Mayor asked for clarification on the data.](#)

[No public comments were made.](#)

[Council Member Sanders made the motion to approve the 2020-2024 Five-year Consolidated Plan, Analysis of Impediments to Fair Housing Choice, and the program Year 2020 Annual Action Plan. Council Member Hayden seconded the motion. Seven yes votes, motion carried.](#)

10. Consideration and action pertaining to approval of an amendment to the Community Development Block Grant Program Year 2019 Annual Action Plan - APPROVED

[Adam Lane of HSCV gave a powerpoint presentation on this item.](#)

[No public comments were made.](#)

[Council Member Winters made the motion to approve the Community Development Block Grant Program 2019 Annual Action Plan. Council Member Remley seconded the motion. Seven yes votes, motion carried.](#)

11. Â Consideration and action pertaining to approval of a rezoning ofÂ approximately 71.91 acres of property generally located 400 feet south of the

southwest corner of Bell Road and 115th Avenue from Residential Ranch (RR) and Community Commercial (CC) to Community Commercial (CC); Ordinance #2020-15 - APPROVED

[City Planner, Hobart Wingard gave a powerpoint presentation on this item.](#)

[Vice Mayor Judd - How did this happen?](#)

[Council Member Remley made the motion to approve Ordinance 2020-15. Council Member Winters seconded the motion. Seven yes votes, motion carried.](#)

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

12. Consideration and action pertaining to approval of an amendment to the Comprehensive Citywide Fee Schedule, Resolution #2020-44 - APPROVED

[Parks and Recreation Department Director, Donna Miller gave a powerpoint presentation on this item.](#)

[Council Member Sanders asked if we have any say on the ambulance fee?](#)

[Chief Abbott commented that is already established through the group rate from a variety of ambulance providers. It's an identical rate.](#)

[Council Member Sanders asked if there is a reduction in attendance decreased.](#)

[Ms. Miller - No we do not.](#)

[Council Member Sanders made the motion to approve Resolution 2020-44. Council Member Duffy seconded the motion. Seven yes votes, motion carried.](#)

13. Consideration and action pertaining to approval of an annexation of a portion of Pinnacle Peak Rd, east of N 163rd Ave; Ordinance # 2020-10 - APPROVED

[Lloyd Abrams gave a powerpoint presentation on this item.](#)

[Council Member Winters made the motion to approve Ordinance 2020-10. Council Member Hayden seconded the motion. Seven yes votes, motion carried.](#)

14. Consideration and action pertaining to approval of the Preliminary Plat entitled, "Austin Ranch MDR" Phase 1 and dated March 12, 2020, an approximately 66.89 acre property generally located on the western corner of Deer Valley Road and 172nd Avenue - APPROVED

[City Planner, Hobart Wingard gave a powerpoint presentation on this item.](#)

[Bill Basco applicant for the project answered Council questions.](#)

[Council Member Winters - surrounded by Residential Ranch, is this a different development or zoning?](#)

[Mr. Basco - Different zoning.](#)

Council Member Winters asked the applicant how large the property is that was donated for Chance Shelter, 7 acres in size.

Council Member Duffy - Question on baseball field, for access to residents? Will it be locked?

Public Comments -

Cody Peterson expressed opposition to this project and asked Council not to approve.

Public Comments:

Cody Peterson - spoke in opposition of the project.

Council Member Winters made the motion to approve the Preliminary Plat - Austin Ranch MDR - Phase 1. Council Member Hayden seconded the motion. Seven yes vote, motion carried.

15. Presentation and discussion pertaining to the FY2020 Financial Status Report through March 2020 - NO ACTION

Andrea Davis, Finance Director gave an overview of the Financial Status Report through March 2020.

Mayor Hall commented that the numbers presented are good considering the current situation.

Council Member Sanders asked for clarification on the available funds.

City Manager Frazier commented that we are looking everyday at what amenities can we open up for prepare opening.

Council Member Remley commented that he did some analysis on loss and my number came close to your numbers.

Council Member Duffy asked about the SWIM Teams. How long would it take before the lifeguards are actually allowed to certify?

Other Business and Future Agenda Items

City Council Reports

Mayor/Council attended and/or reported on the following:

Council Member Winters - Arts Commission Special Meeting and art work.

Vice Mayor Judd - May 27 Meet and Greet

Council Member Sanders - 2020 Senior Class and handed out meals

Council Member Remley - Surprise Independent article; Heritage at Surprise.

Council Member Duffy - congrats to Senior, Kindergarten and 8th grade graduates.

Mayor Hall - commend Jeanine and her staff; 52 local business virtual re-opening ribbon cuttings; 69 restaurants open for dine-in and thanked Surprise Sun Dancers.

Executive Session

Adjournment

Council Member Sanders made the motion to adjourn the Regular City Council Meeting of May 19, 2020 at 8:05 PM. Council Member Hayden seconded the motion. Seven yes votes, motion carried.

Skip Hall, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk, MMC

CERTIFICATION:

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Meeting of **Tuesday, May 19, 2020**.

Sherry Ann Aguilar, City Clerk, MMC