

Special City Council Meeting (Budget Retreat) – April 19, 2008

Roll Call:

Mayor Lyn Truitt called the Special City Council Meeting to order at 8:30 a.m. on Saturday, April 19, 2008 at Surprise City Hall – 12425 W. Bell Road, Suite D-100, Surprise, Arizona 85374. Also in attendance with Mayor Truitt were Vice-Mayor Villanueva; Council Members John Longabaugh; Richard Alton; John Williams; Joe Johnson and Skip Hall.

Call To Order:

REVIEW AND CONTINUATION OF DAY ONE ITEMS:

City Manager Ferreira commented that several items discussed yesterday, will be looked into by staff and a report will be given to Council in the near future.

Today, we would like to get in to the Capital Projects and Council/Staff have not had much opportunity to discuss the large projects including transportation and to find out what Council's priority's are.

Council Member Johnson – We need more officers can we discuss this today? What will happen if we need to add more officers? Where will the money come from?

Council Member Alton – We can take money from CIP to operations, correct? No it is the other way around. What ever was discussed yesterday, can be moved around, correct? Yes.

Budget Director Schrock – A mechanism is in place for over hires. Ferreira commented that the over hires are already budgeted due to vacancies. If there is a salary savings throughout the year, we can hire these position and will add some flexibility to the hiring process. The savings does not have to be from the police department, but could be from overall City vacancies. There have been significant savings from this fiscal year.

Council Member Johnson – I don't want to depend in this, I want to make sure these positions are budgeted. Let's give them 6 officers, does Council agree? We need officers before we need a code enforcement officer. We still have \$459,000 from Council Contingencies left over from this year. I think we should look at taking the money out of the 10% set aside tax that is meant to benefit the overall City.

Council Member Alton – When was the 10% set aside established? 1988, and the population was around 5,000 residents.

Vice-Mayor Villanueva- We still have lots we need to do to the Original Townsite, and it would be an injustice to take it away. There is still a \$600,000 Project that has not been completed yet.

Council Member Johnson – This would benefit the whole City by hiring police & fire officers, not just an original townsite fund. Part of growth, is public safety. There are two places that I think we could take the money from, the 10% set- a-side and Council Contingencies. Why not use

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the Council Contingency since we have money leftover. Let's do it now and get them on the streets right away.

PROPOSED CAPITAL IMPROVEMENT PLAN:

General consensus was to hire 2 officers from Council Contingency at this time.

Jared Askelson gave a powerpoint presentation on Capital Projects and Funding (Presentation # 5).

Topics Included:

Transportation Improvements

General Government Development Impact Fees

Police Development Impact Fees

Parks & Recreation Development Impact Fees

Public Works Development Impact Fees

Fire & EMS Development Impact Fees

Library Development Impact Fees

Roads of Regional Significance

Water Development Impact Fees

Replenishment Development Impact Fees

Sewer Development Impact Fees

Council Comments:

None.

GENERAL OBLIGATION BOND:

Budget Director Schrock gave a brief overview on the topic of General Obligation Bond (Presentation #5, page 9). Move the bond to FY2010 The voters will have to approve this.

Potential Bond Package Categories include:

Transportation

Parks & Recreation

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Public Safety

Land/Economic Development

This will effect the Secondary Tax Rates.

PUBLIC QUESTIONS AND COMMENTS – BREAK:

Martha Bails – This is the first budget you have gone through since the revenues are coming in at half the amount. You need to pay attention to the City Manager and staff. On the general obligation bonds, people are going to get excited.

Ken Wright – I read in the paper about a meeting to discuss some regional issues relating to roadways. Most Council campaigned on traffic issues relating to Bell Road. Can we get some details on some of these meetings and where we stand right now on potential revenue and subsequent construction on an east/west reliever for Bell Road. This was a big deal with people that voted in the election last year.

CAPITAL IMPROVEMENTS TOPICS OF DISCUSSION:

Jared Askelson gave a brief overview of powerpoint presentation #6 – Capital Project Plan Prior Years – FY2013.

Mayor Truitt – The \$500,000 For landscaping, is that Bell Road? Staff needed to do research.

Council Member Alton – Item west of 219th – Can you explain this? Jared - Located north of Sun Valley Parkway – 2.7 miles of pavement. Dr. Maki commented that this is part of our PM-10 effort, and the money is funded through MAG. This is a thick pavement, and ADOT has found that chip seal does not hold up. No developer is involved, it qualifies from the residents that currently live out there. There is a split involved and a City portion as well.

Council Member Johnson – Why do we need ADOT approval on this?

Dr. Maki – To use Federal funds, there is an approval process attached to the funding.

Council Member Johnson – What is the million dollars going to buy for us for landscaping?

Schrock – This dollar amount will start the phasing of this project for a period of 5-6 years. In reality, we may not use the money this year depending on Council desire.

Council Member Longabaugh – Will this project happen at all? If this is true, we may be able to use this money for other projects. Schrock – This was a project recommended by Arismendez for fencing along the BNSF railway, and leasing of the property was going to be an issue. After review, the fencing was not an ideal solution and the money was used for other projects. If this money is available, we could use it for other projects that are more needed at this time.

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Vice-Mayor Villanueva – I recommend that this should go to the Revitalization Committee for review and for Council discussion.

Jared Askelson – Discussed Capital Carry Forward Balances for FY2008 (Powerpoint #7).

Council Member Alton – Building a fence along the railroad would not be very appealing, and is not necessary. This project does not have any validity, and needs to be prioritized.

Robert Beckley – Commented that the cost previously proposed is not sufficient. There will be an ongoing cost from BNSF to lease the property, and the purpose of the fence was not clearly elaborated with the design and the features. Our recommendation would be to look to see if we need this at all and discontinue if needed.

Council Member Johnson – Council made it clear that we need officers on the street, so why is cameras on here again?

Jared Askelson – Went through every single item for explanation for powerpoint #7.

Beckley & Maki gave an explanation for each item on the list to confirm whether or not these projects are in progress or have not been started yet.

General discussion took place about paving roads in Saguaro Acres/Saguaro View due to some residents not wanting to dedicate right of way.

Council Member Johnson commented that this problem has been going on since 1998, and we have given them several opportunities to the residents, but some are resistant still.

Break – 10:02 a.m. – 10:23 a.m.

Jared Askelson continued to discuss Carry Forward Balances.

Mayor Truitt questioned the high cost recommended for the right turn lane at 115th Avenue & Bell Road. Maki commented that this amount is going to be reduced, or could use for the landscaping project on Bell Road. General Council consensus agreed with this plan.

Council Member Hall- Questioned the amount for Saguaro View Rehabilitation, isn't it the same as the Pave Dirt Road Program? No, these are two separate projects and all of the money is committed per Schrock.

Council Member Alton – The paved dirt road program has nothing to do with the right of way, correct? Maki, Council directed us to take care of dirt roads in many areas and there was specific funding for Saguaro View and since then, this has changed. We are not allowed to use Federal Funds on this project due to the matter of how we acquired the right-of-way.

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Council Member Alton – Does the staff know that we are not to allocate and do any work?
Maki, Yes!

Mayor Truitt questioned the Santa Fe Fence being more than projected.

Vice-Mayor Villanueva- I would rather see this money go towards Lizard Run Park and Rio Salado with a bridge connection. Coronado talked about looking into a crossing on this issue and looking into additional funding with Rio Salado.

Council Member Alton – Private sector for donations, have we thought about this? Let's take this to the community. Coronado commented that we are researching that right now.

Mayor Truitt – I am hearing that we could use this money for other projects, correct? A general consensus.

City Manager Ferreira commented that the Traffic Control Cameras are not an incentive at this time. Maki commented that we are on the work session agenda to discuss this issue.

Council Member Johnson – Maki said that this money could be used better somewhere else, and this would be a waste of time. We are going to propose that perhaps a mobile speed radar unit instead.

Chief Hughes commented that we could place a van on busy streets with cameras and this would be more prohibitive for the volume of traffic and other measures for the intersections. The van would be more self supportive, but would still need to add money into it. General Council consensus was in agreement to leave the line item alone with option of different solutions.

Council Member Alton – is this an unmanned vehicle? The company would provide the vehicle, equipment, etc.,

Traffic signals – Alton wanted to makes sure that Sunrise and Clearview were off the list? Yes.

Council Member Alton – The police department uses the County facility, don't public works have privilege to this? Beckley, this is for large equipment, such as sanitation trucks, street sweeper, etc.

Skate Park Funding & Surprise Farms Discussion - Williams asked to make sure the funding is available still for these projects, especially Surprise Farms.

Council Member Alton – Do we have enough for all 3 of these projects? No per Beckley & Coronado.

Council Member Alton – Do we have enough for Phase One? Yes, per Beckley, we are short 1.6 million to complete this project.

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Council Member Williams gave a history of the project for the new Council. He asked to push back the Pickle Ball Courts to free up some of this money to finish the majority of this project. We have several projects on the table that we could take a closer look at that could be discontinued or put off for now, so that we can get the Surprise Farms Park done.

Mayor Truitt – Maybe it is time to form a partnership with private agencies such as the YMCA or Girl's & Boy's Club that could come in with an Aquatic Center, maybe we should look at those type of options.

Council Member Alton – This facility would work better if placed in an area with less activity. Coronado, it would work better in areas that don't have these types of amenities already such as housing developments.

Council Member Johnson – The commitments now 3,000 dwelling units are the build out could be 3.5 million. We division park. We need to realize what was promised, and we are well above and beyond what was promised. This could take another 15 years. Residents should be thankful to Council for this. Both the Pickle Ball Courts and Skate Park have been promised to the residents prior. Please think about this.

Council Member Alton – My concern is that these were promised and I agree that the Pickle Ball Courts should move forward, but the remainder should be on hold because of hard financial times.

Community & Recreation Services Director, Mark Coronado – Aquatics is an expensive maintenance cost, and not sure if we should build a third center right now.

Council Member Alton – The other issue is the Skate Park, not sure how many would use this facility, I believe that El Mirage is looking into building this type of facility. I think we should put this on hold, and put the money for this over to Surprise Farms Park.

Council Member Williams – I appreciate that, but I am trying to put grass down and that is going to cost 1.3 million dollars. We have a vehicle replacement fund that perhaps we could relocate these funds into the Parks Fund.

Budget Director Schrock – We are coming up to a time when many vehicles will need to be replaced, I am really nervous about touching those funds at this time. We can do this now, but not sure what shape we will be in for the future.

Public Works Director, Robert Beckley – As a Fleet Manager, you are looking at balancing costs. The fleet is set up at an optimum replacement. We have a very lean staff of mechanics compared to the number of vehicles. The problems of fleet when aging, they break down more often, could have serious implications.

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Council Member Alton – Have enough for Phase 1 and is in place at the current time. What would it take to get it up to speed for a real park?

Council Member Alton – We are only looking for \$600,000 to make it look like a park, correct? Yes per Schrock.

Council Member Johnson – Need clarification on what the funding would cover to make it a usable park. It is a subjective statement for Alton to say that it is not a usable park with the money currently available. The Skate park needs to move forward since it was promised to the residents. It would not be responsible

Community & Recreation Services Director, Mark Coronado – The Master Plan has specific guidelines for Community park and simply turf, would not meet that definition. The Development agreement does say we would use those funds collected to make this a Community Park.

Vice-Mayor Villanueva – If we approve this, what is it going to do to your maintenance budget. Coronado, probably \$10,000 per acre. When Surprise Farms is all built out, this park is going to have an operational cost of over \$500,000 per year. This is an expensive piece of property.

Council Member Alton – Can you take away the bumps and grade it? Beckley, this will be the bare minimum. The funding is just not there. This would promote community, so many neighborhoods do not do this. This is going to be utilized by the people living there. If we strike the Skate park, this would offset the costs.

Mayor Truitt – I agree with both Alton & Johnson, but at this point in time, the Skate Park, we would have to tear out existing park and place this project on hold for right now and bring back later. We are in tough economic times.

Community & Recreation Services Director, Mark Coronado – The new City Hall will become a magnet for skaters because of the surrounding infrastructure.

Council Member Hall – Where are we going to find the other \$600,000?

Mayor Truitt – I will tell you where the money is – Take the right turn lane for 115th & Bell Road.

General consensus from the Council to take this money and move it.

Council Member Johnson – I am on record as saying this is a bad decision, the Skate Park should have stayed, you could have satisfied both the Skate park and Surprise Farms. I do not support this.

Mayor Truitt – Promises are not being broken, but delayed.

Public Works Development Fee Fund:

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City Engineer, Dr. Maki – Clarification on the Dysart Road and Thunderbird Intersection Improvements. This project is costing more than first projected due to the railroad being involved. Will be an additional million more than 1st projected. There will be more train activity involved.

Rose Garden Lane – Project Abandoned.

Council Member Alton – When can we talk about 2010 budget? Jared, right now is fine.

Council Member Longabaugh – What is the Project Tracking Software? Jared – We want to have all of our problem solving managers using the same type of software to track their projects.

PUBLIC QUESTIONS AND COMMENTS

None.

BREAK FOR LUNCH – 11:55 a.m. – Reconvened at 12:22 p.m.

Mayor Truitt reconvened the meeting and made a comment that we would consider the Skate Park at a different time.

Jared Askelson continued with the Capital Improvement Plan for prior years FY2013.

Council Member Alton – What does SPA1 mean with 11 million dollars for FY2011? Schrock, this is for an obligation that we have for Sycamore Farms near 303.

Library Development Fee :

Council Member Hall – Where? Asante or Dysart Facility out north.

Park & Ride:

Council Member Alton – Where would this be located? Rice – No place picked yet. Sandstrom – As close to Grand as possible.

Transportation Improvement Fund:

Council Member Alton – Do we have bus service right now?

ACM, Doug Sandstrom – We do have one bus that goes from here to Arrowhead, but it's cheaper to put them in now, instead of later.

Council Member Alton – Why are we providing a bus service to Arrowhead? Sandstrom – A regional funded bus service.

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Water System Development Fee Fund:

Council Member Alton – The CAP application, do we use water at this time? Jared - No, but we could use it if we wanted to. We have to pay our share so that we can use it at a future time.

Water Services Director, Rich Williams – explained the reasoning for the amount of decreased fees over the next 5 years.

Council Member Hall – We get credits for water we don't use, is this correct? Williams, if you are pumping ground water then you have to return an equal amount.

Mayor Truitt – How much are we putting back in? Williams, we have an even balanced yield.

Council Member Johnson – This is for infrastructure, not for water? Williams, correct.

Council Member Alton – Anything in place for non-potable water? How much of the City has non-potable water.

Council Member Williams – Yes we do, at the plant on Litchfield. Not delivering to any residential, some farming and soon to some commercial areas. Hopefully, to future City parks eventually.

Overview:

City Manager Ferreira asked for clarification regarding the Bell Road Right Turn Lane at 115th Avenue

Fence at Santa Fe – to bridge

Skate Park would be added to the GO and move funding to Surprise Farms Park.

Work Session on May 8, 2008 to bring back budget overview. Possible approval at the May 22nd, 2008 Council Meeting.

Council Member Alton – Chief of Staff position still needs to be resolved.

Council Member Williams – Surprise Farms Park – Need a better understanding of over-seeding and what will be the real benefit of transferring the funds of 1.5 million dollars.

Beckley & Coronado – The park will be fully ready as far as infrastructure, grading, etc., so that additions can be done at a later time. A fully engineered park without amenities. It is not unusual to build parks in phases. We can do a lot of things with these types of parks. There will be no restrooms at this facility.

PUBLIC COMMENTS:

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Mike Woodard – The Skate Park was promised to the residents, but so has the park in Surprise Farms. We have two groups of people promised something, but one group has contributed funds, Surprise Farms. No where in the budget book did it say “your budget is going to be” ? Where was it, maybe I just did not see it. One more thing, the Chief of Staff position and I find it very difficult to see how this position will fit in with the City Manager, it should be appointed.

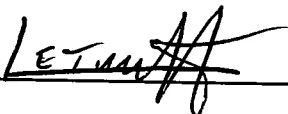
Budget Director, Mike Schrock – It was on the 1st page of the summary, and on the first day, I asked that you change that number.

Mayor & Council thanked staff for their efforts and thanked the residents for coming out.

Executive Session:

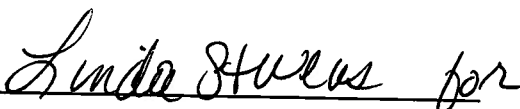
None.

Meeting Adjourned: 1:19 p.m.



L.E. Truitt, Mayor

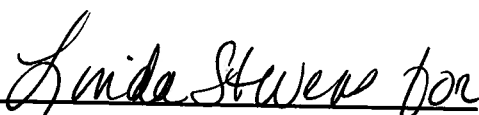
ATTEST:



Sherry Ann Aguilar, City Clerk, CMC

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 Special City Council Meeting of **Saturday, April 19, 2008.**



Sherry Ann Aguilar, City Clerk, CMC