CITY OF SURPRISE

City Council Work Session Minutes
00 North Civic Center Plaza
Surprise, AZ 85374

Tuesday, June 18, 2013 @ 04:00 PM

A. Call To Order

B. Roll Call

Mayor Wolcott called the **Special City Council Work Session** to order at 04:00 p.m. Surprise City Hall Council Chamber 16000 North Civic Center Plaza Surprise, Arizona 85374 , on **Tuesday, June 18, 2013.** Also in attendance with Mayor Wolcott were Vice Mayor Biundo, Council Member Alton, Council Member Williams, Council Member Villanueva, Council Member Mankiewicz, and Council Member Hall.

Staff Present: City Manager, Chris Hillman, Interim City Attorney, Misty Leslie, and City Clerk, Sherry Ann Aguilar.

C. Pledge of Allegiance

D. Special City Council Work Session Agenda:

Regular Agenda Item - Non-Public Hearing:

#1 The City Clerk will issue the Oath of Office to Leo Mankiewicz to fill the District 5 Vacancy through December 31, 2013 - NO ACTION

City Clerk Aguilar administered to Oath of Office to Council Member Mankiewicz.

Vice Mayor Biundo made the motion to adjourn the Special City Council Work Session and enter into Executive Session at 4:06 p.m. Council Member Alton seconded the motion. Seven yes votes. Motion carried.

F. Executive Session:

#13 Discussion and consultation with the City Attorney regarding pending or contemplated litigation pursuant to Ariz. Rev. Stat. §38-431.03(A)(4) and consultation and legal advice pursuant to Ariz. Rev. Stat. §38-431.03(A)(3).

Mayor Wolcott reconvened the Special City Council Work Session at 4:25 p.m.

#2 Presentation and discussion regarding the FY2012 Post Audit results - NO

ACTION

City Manager Hillman introduced the discussion regarding the FY2012 Post Audit results. Mr. Hillman introduced the auditors responsible for the results.

Auditors, Pat Walker with Clifton Larson Allen conducted a powerpoint presentation along with Andrea Davis, Project Manager; Sandy Constrom.

The purpose of the project is defined to acquire "reasonable Certainty"; provide recommendations for corrections; gather information needed; common goal to achieve "unqualified opinion".

Key tasks for Red Oak Team:

Development Agreement Review - 83 development agreements reviewed. Graphs shown with explanation.

Pat Walker - No financial obligations were found.

Majority of agreements are future obligations that will impact future impact fee studies.

Development agreements are complex with many triggers to monitor financial obligations.

No written procedures for administration and designation of who is responsible.

Ms. Constrom outlined the 4 objectives hoping to achieve.

Council Member Mankiewicz inquired about monitoring our policy and procedure recommendations.

Interim City Attorney Leslie stated that Finance is working on a tracking method at this time.

Council Member Alton inquired about the process and implementation.

#3 Presentation and discussion on the FY2012 Comprehensive Annual Financial Report, the Single Audit, Management Letter, Expenditure Limitation Report, Highway User Revenue Fund (HURF) Report, and Local Transportation Assistance Funds II (LTAF)Report - NO ACTION

Sandra Constrom of Clifton Larson Allen reported on the FY2012 Comprehensive Annual Financial Report, the Single Audit, Management Letter, Expenditure Limitation Report, Highway User Revenue Fund (HURF) Report, and Local Transportation Assistance Funds II (LTAF)Report.

Management assertions explanation.

Council Member Alton inquired about inventory, assets and depreciated items.

Council Member Hall asked for a timetable when the audit issues can be resolved.

City Manager Hillman stated that when the new CFO comes on board the issues will be a priority.

Mr. Hillman reported on unreserved fund balance; The City has a low debt, a lot of capacity so we are in a good position. Good news with the unqualified audit, with time our bond rating will go back up.

#4 Presentation and discussion regarding the Southwest Gas Franchise Agreement and Memorandum of Understanding (MOU) - NO ACTION

Assistant City Manager, Mihelich gave an overview of the Southwest Gas Franchise Agreement and Memorandum of Understanding (MOU).

Review of the proposed franchise agreement - 25 year period.
This issue if approved by the City council will go to the voters in November.

Council Member Mankiewicz asked for clarification regarding franchise fees and capital expenditure fund.

Vice Mayor Biundo inquired about the information campaign.

#5 Presentation and discussion regarding entering into a multiyear professional services agreement with ARAMARK for master concessions at Surprise Stadium - NO ACTION

Community and Recreation Services Director, Mark Coronado gave an overview of the master concessions contract that has expired with 2 extensions; he reviewed the RFP criteria and terms.

Mayor Wolcott thanked Mr. Coronado for a great job.

Council Member Hall requested a copy of the survey and accounting of each event.

Council Member Mankiewicz shared information that he pulled off of the internet regarding the facility.

Council Member Villanueva inquired about outside vendors.

Mayor Wolcott called for a break at 5:50 p.m. to convene the Regular City Council Meeting at 6:00 p.m.

#6 Presentation and discussion on Resolution # 2013-44 a resolution by Mayor and Council for an Intergovernmental Agreement with the Arizona Department of Transportation for the installation of Fiber Optics along the Loop 303: Peoria Avenue to Bell Rd. and associated budget amendment - NO ACTION

Acting Public Works Director, Terry Lowe reported on the project.

Council Member Mankiewicz inquired about the fiber optics material.

#7 Presentation and discussion on Resolution #2013-74 a resolution by Mayor and Council authorizing the City Manager to enter into a Intergovernmental Agreement (IGA) with WESTCAPS - NO ACTION

Christine Nunez of Water Services reported on Westcaps and the agreement.

Council Member Hall inquired about the cost (in-kind) and the length and detail.

Mayor Wolcott spoke on the importance of working together with our neighbors.

#8 Presentation and discussion on Resolution No. 2013-57, a resolution of the Mayor and Council of the City of Surprise, Arizona to enter into an intergovernmental agreement (IGA) with Arizona Department of Transportation (ADOT) for administering the federal funds for the construction of the pave dirt shoulders project - NO ACTION

Acting Public Works Director, Terry Lowe reported on the background of the project.

Council Member Alton inquired about the width, depth and scallop streets.

Mayor Wolcott spoke of adding "fun facts to know" on our website for the residents to become familiar with our terminology/abbreviations.

#9 Discussion on Resolution No. 2013-58, a resolution of the Mayor and Council of the City of Surprise, Arizona to enter into an intergovernmental agreement (IGA) with Arizona Department of Transportation (ADOT) for administering the federal funds for the construction of the Bell Road multiuse path project - THIS ITEM WAS WITHDRAWN

#10 Presentation and discussion regarding updates to the City's comprehensive financial policies - NO ACTION

City Manager Hillman; Lindsey Duncan and Andrea Davis of Management and Budget, reported on the City's Comprehensive Financial Policies.

Council Member Hall inquired about the TPT Tax.

#11 Presentation and discussion on Case FS13-110, a Planned Unit Development Overlay for Moon Valley Nursery - NO ACTION

City Planner, Hobart Wingard reported on the project.

Council Member Alton inquired about lighting.

Council Member Hall asked for clarification on the sign two.

Council Member Williams commented that he does not have any concerns with the signage and likes the windmill at 80'.

E. Call To The Public:

Council Member Biundo made the motion to adjourn the Special City Council Work Session and convene into executive session at 7:08 p.m. Council Member Williams seconded the motion. Seven yes votes. Motion carried.

F. Executive Session:

#14 Discussion and consideration of employment, assignment and appointment of an appointee of the City Council pursuant to Ariz. Rev. Stat. §38-431.03(A)(1).

Mayor Wolcott reconvened the Special City Council Meeting at 7:24 p.m.

#12 Review, discuss, and receive direction regarding the City Attorney recruitment process - directed Ms. Reynolds to move forward with an appointment of Misty Leslie to our full time City Attorney and to negotiate a salary

Human Resources Director, April Reynolds was available for Council questions.

Mayor Wolcott directed Ms. Reynolds to move forward with an appointment of Misty Leslie to our full time City Attorney and to negotiate a salary.

G. Adjournment:

Council Member Alton made the motion to adjourn the Special City Council Work Session of June 18, 2013 at 7:27 p.m. Council Member Williams seconded the motion. Seven yes votes. Motion carried.

_____
Sharon R. Wolcott, Mayor

ATTEST:

_____
Sherry Ann Aguilar, City Clerk,

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 Work Session of **Tuesday, June 18, 2013.**

_____
Sherry Ann Aguilar, City Clerk,