



CITY OF SURPRISE
City Council Meeting Minutes
100 North Civic Center Plaza
Surprise, AZ 85374

Tuesday, May 5, 2015 @ 06:00 PM

Call to Order

Roll Call

Mayor Wolcott called the **Regular City Council Meeting** to order at 06:00 p.m. Surprise City Hall Council Chamber 16000 North Civic Center Plaza Surprise, Arizona 85374 , on **Tuesday, May 5, 2015**. Also in attendance with Mayor Wolcott were Vice Mayor Williams, Council Member Winters, Council Member Biundo, Council Member Villanueva, Council Member Hall, and Council Member Tande.

Staff Present: City Manager, Bob Wingenroth, City Attorney, Misty Leslie, and City Clerk, Sherry Ann Aguilar.

Pledge of Allegiance

Invocation

Proclamation and Community Acknowledgements

Recognition of Sonoran Heights Elementary School, they were awarded with the A+ School of Excellence. Principal, Ms. Tipton was presented with an award.

City Manager Report

City Attorney Report

City Clerk Report

Consent Agenda

1 - Consideration and action on the minutes of April 21, 2015 Regular City Council Work Session and Regular City Council Meeting - APPROVED

2 - Consideration and action approving the SPA 2 Wastewater Reclamation Facility Capacity Allocation Agreement, and replacing all prior development agreements and amendments regarding property located on the Southwest corner of 155th Ave and Pinnacle Peak Rd.; Resolution 2015-43 - APPROVED

3 - Consideration and action ordering the work for the proposed street lighting improvements as described in Resolution No. 2015-16 establishing the "City of Surprise, Arizona, Desert Oasis Parcel 11 Lighting Improvement District"; Resolution No. 2015-17 - APPROVED

4 - Consideration and action amending the FY2015 budget in the amount of \$420,100.00, reallocating appropriations from Contingency Fund to Services in the Tourism Fund for the Clubhouse Renovation at Surprise Stadium Project; Resolution No. 2015-44 - APPROVED

5 - Consideration and action to amending the FY2014-2015 budget in the amount of \$33,000 to cover expenses associated with the Arizona Court Automation Project (ACAP) by transferring from the Judicial Collection Enhancement Fund (JCEF) to the Municipal Court Enhancement Fund (MUNE); Resolution 2015-39 - APPROVED

Vice Mayor Williams made the motion to approve the consent agenda. Council Member Biundo seconded the motion. Seven yes votes. Motion carried.

Call to the Public

Charles Ford - AZ Traditions Guard House not approved. Traffic backed up 10-15 cars, could cause problems in case of an emergency. All board members were present and voted yes on the item.

Donna Peasley - Not present

Julia Ricciardi, General Manager of Arizona Traditions - Explained the issues revolving around this issue; the Planning and Zoning Commission approved the plans, but the City denied them. She then quoted state statutes relating to this project.

Nate Brill - Sited for excessive signage for my realty business.

Andrea Romero, AZ & Associates Real Estate Group - 75% business here in Surprise and this is doing a dis-service to our business. Bank repos, foreclosures were all over Surprise when I moved here.

Treedah Magee - Works in SC Grand and there are a lot of signs out. All of the adult communities have their own sign regulations, SC Grand allows only 5.

Michael Stull, Cox Communications Rep. - We value our long standing investment with the City of Surprise to serve your businesses and customers. In 2011 Cox asked to renew our agreement with City of Surprise, then lost contact in 2014 and the draft that we had negotiated fell off the radar screen. We are currently operating on state law with no formal agreement. He asked that Council ask staff to bring forward the agreement.

Regular Agenda Item - Non-Public Hearing

6 - Consideration and action to appoint to fill 2 vacancies on the Disability Advisory Commission, Paul Curtis with term expiration of July 1, 2016 and Linda Van Natter with term expiration of July 1, 2017; and to appoint Charlie Woodland to fill the vacancy on the Community and Recreation Services Commission with a term expiration of July 1, 2015 - APPROVED

Council Member Winters reported on the interviews and their recommendations.

Council Member Winters made the motion to approve appointing Paul Curtis, Linda Van Natter and Charlie Woodland to fill the current vacancies. Council Member Hall seconded the motion. Seven yes votes. Motion carried.

City Clerk Aguilar administered the Oath of Office to Mr. Curtis, Ms. Van Natter and Mr. Woodland.

Council Member Hall made the motion to recess into Executive Session at 6:29 PM. Council Member Biundo seconded the motion. Seven yes votes. Motion carried.

Executive Session

Discussion and consultation with the City Attorney for legal advice; to consider its position and instruct its attorneys regarding its position in pending litigation involving the City; Ariz. Rev. Stat. Section 38-431.03(A)(1)(3) & (4).

Mayor Wolcott reconvened the Regular Council Meeting at 7:50 PM.

7 - Discussion and action adopting the tentative expenditure limitation budget for FY2016 in the amount of \$278,821,400 - APPROVED AS AMENDED

Budget Manager, Jared Askelson gave a powerpoint presentation on this item, Resolution No. 2015-45.

Council Member Tande asked for clarification regarding planning for contingency if Council goes forward with a bond issue or not.

Mr. Askelson commented that separate council action will be needed to move from contingency into the individual projects.

Vice Mayor Williams referred to "the ceiling" and asked for clarification on what the property tax levy does in terms of the ceiling and what does it do in terms of additional resources that the city might be able to utilize.

Mr. Askelson explained that with any increase in resources we would have to take some of our contingency and apply it to other appropriations.

Vice Mayor Williams inquired about the actual levy rate itself and what it would equate to in additional resources.

Mr. Askelson referred to the powerpoint presentation slide and commented that for each additional \$0.0113 that we add to that levy rate we would see an additional \$100,000 of revenue. He further commented that based on a home price of \$200,000 we would be looking at approximately \$14.06 of increased taxes for the year.

Vice Mayor Williams referred to the bond, property taxes and establishing a ceiling.

Mr. Askelson commented that we would still have the ability to change that property tax levy amount and we would take some of the contingency and use it for additional appropriations somewhere else.

Council Member Tande inquired about the maximum rate for Surprise.

Mr. Askelson replied that the total would be 8.85 million dollars total property tax for the primary tax levy. This would cost the homeowner \$64.00 a year.

Council Member Biundo commented that given the history over the past 4 years, we need to engage in the property tax discussion.

Vice Mayor Williams commented that this is where he was going with this and that our operations are growing, but our revenue isn't.

Council Member Hall stated great job on this year's budget; that he has asked a lot of questions and that staff has done a fantastic job.

Council Member Tande inquired about the amount of flexibility if we go ahead and go with that and how much we could get done.

Mr. Askelson commented that the 6 million number that they arrived upon was based on 10% of a total 60 million dollar bond issuance which if we were to get authorization next fall we would have to begin design and phasing them in.

Council Member Hall referred to and questioned optimum time for pavement.

Public Works Director, Mike Gent explained the best time of the year.

City Manager Wingenroth commented that he believes that Council is considering a change in our primary property tax levy and that we don't have a lot of time to make that decision.

Finance Director, Lindsey Duncan referred to the powerpoint presentation slide "budget calendar".

Council Member Tande commented that he would like to entertain a higher number tonight for contingency in case we need the flexibility.

Mayor Wolcott commented that the max is 2.3.

Ms. Duncan reported that the capacity is 2.3 million, but if Council is looking at a higher number it would need to be set tonight.

Council Member Biundo commented that he would personally be uncomfortable with raising the amount right now and is not in the position to do that.

Vice Mayor Williams commented that he would just ask for the flexibility at least for the property tax so that resource is there when we decide.

Council Member Hall commented the he thinks we have enough flexibility built in already; that he is not looking forward to a property tax discussion and that this it is not a way to grow our City.

Mayor Wolcott commented that we have a resolution in front of us and that they need a legal opinion.

Ms. Leslie explained that staff needs to know the tax rate that Council wants included in the notice.

She further commented that two things are needed 1) confirmation whether to increase the maximum expenditure limit or not and 2) what is the tax rate you want included in the notice.

Vice Mayor Williams proposed as a ceiling to increase it to \$7,578,600. for the purposes of discussion at the next meeting.

Vice Mayor Williams made the motion to increase it to the 2.3, the maximum (.9955) and open it for discussion at our next meeting. Council Member Villanueva seconded the motion. Voice vote: 5 yes votes, 2 no votes (Winters and Hall). Motion carried.

Council Member Tande asked if Council Member Winters would consider amending the motion to reflect an increase in contingency of \$2.6 million. Council Member Winters agreed to the amendment. Vice Mayor Williams seconded the motion. Seven yes votes. Motion carried.

Council Member Winters made the motion to approve Resolution 2015-45. Vice Mayor Williams seconded the motion. Seven yes votes. Motion carried.

Ms. Leslie clarified the motions and necessary actions.

8 - Consideration and possible action identifying the Roy Villanueva Community and Recreation Complex, and abutting City - APPROVED PREFERRED LOCATION

Council Member Hall presented this item and explained each exhibit that is attached.

Council Member Tande asked for clarification on \$60,000.; he would like more information on the site, etc. He commented on consideration of concerns from neighbors as one of the studied locations within the OTS and bring back recommendations to the City Council.

Ms. Leslie explained what the vote is and is not; that the Boys and Girls Club is not a city organization; that this is not the end of the discussion and that ultimately this gives an expression by Council on the proposed site.

Council Member Tande stated that she made it very clear, as long as they are not bound by that.

Council Member Biundo stated that with respect to Council Member Tande and his comments, a number of his questions were address by Chicanos Por La Causa. He recognized several that have been involved in the discussions of this location.

Council Member Hall commented that this item has been studied to death; that this is the proposed location and that the steering committee cannot move forward until a site is proposed. He further stated the following: we have a City asset that is under-utilized so why wouldn't we use this location; we have professional staff to take a look at this to make sure everything is looked at; it all gets back to the kids, how can we get them more involved after school; these are details that we have to get to, but we have to start someplace and that the data shows this.

Vice Mayor Williams stated that the tough decision was made at the last meeting; that we have 3 colleagues that have done a lot of work on this and that he has a number of questions. He further commented that all of the evidence is compelling.

Vice Mayor Williams made the motion to approve the selection of the Roy Villanueva Community and Recreation Complex and abutting city property as the preferred location of the Boys and Girls Club of

Surprise. Council Member Tande seconded the motion.

Public Comments:

Mike Planeta - I have concerns about this project and the \$2 million dollars for this project. The school and CRS are doing many of these types of programs. I have a problem with why as a resident I am subsidizing this. I would love to see the Boys and Girls Club or the YMCA come to Surprise. I think you really need to reconsider this and I have a real issue with having to subsidize this.

Council vote for item #8: Seven yes votes. Motion carried.

Council Member Villanueva stated that she would like to thank everyone that supported this project and believes that this will all work out.

Other Business and Future Agenda items

Mayor and Council Reports

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

Council Member Hall: National Small Business Week - 28 million; 600 smalls businesses in Surprise alone employing 16,000 people.

Council Member Tande: Dysart High School, Beats in Motion performers;
Maricopa Association of Governments, Human Services.

Council Member Winters: Friday, April 24th - Arizona Charter Academy Volunteer Luncheon and May 1st 3 E's drive the economy.

Council Member Biundo: Winters, Tande and I met regarding the Arizona Traditions situation on the Guard House. Hopefully resolution soon.

Vice Mayor Williams: National Teachers Appreciation Day; issue in Arizona, teachers leaving schools and going into the private industry.

Mayor Wolcott: Announce receiving award Valley's Top Age Friendly Community for 2015; Thanked Community Vitality Department for their efforts to bring this together. Next week will be going to DC on GPEC's mission, intense trip and will be following international track on global issues. World class community.

Adjournment

Council Member Biundo made the motion to adjourn the Regular City Council Meeting of May 5, 2015 at 9:08 PM. Vice Mayor Williams seconded the motion. Seven yes votes. Motion carried.

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 Regular City Council Meeting of **Tuesday, May 5, 2015.**

Sherry Ann Aguilar, City Clerk,