

Work Session Minutes
January 20, 2015

1. Mayor Mueller called the work session to order at 4:31 p.m. in the Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Present:

Mayor Rick Mueller – present
Mayor Pro Tem Bob Blanchard – present
Council Member Alesia Ash – present
Council Member Gwen Calhoun – present
Council Member Rachel Gray – present
Council Member Hank Huisking – present
Council Member Craig Mount – present

Others present:

Chuck Potucek, City Manager
Mary Jacobs, Assistant City Manager
Jill Adams, City Clerk
Pamela Weir, Management Analyst
Adam Thrasher, Deputy Police Chief

2. Presentation and Discussion:

- A. January 22, 2015 Council Meeting Agenda Items (agenda attached)

Item 2 Resolution 2015-004, Application for an interim permit, new license, Series 10, corporation-type of ownership for Roger Kenneth Burton for Western Refining Retail, LLC dba Giant Store #657 at 1497 E Fry Boulevard, Sierra Vista, Arizona

In response to Council Member Calhoun, Mayor Mueller confirmed that the Liquor Licenses were a public hearing. Council Member Huisking confirmed that the Sister Cities Commission was going to make a presentation, not a Proclamation.

Item 6 Resolution 2015-007, Appointment of Rick Mueller, Rachel Gray and Craig Mount to the Upper San Pedro Partnership Advisory Commission, said terms to coincide with terms of office and appointment of Gwen Calhoun, Alesia Ash and Chuck Potucek as alternate members

In response to Council Member Calhoun, Mayor Mueller explained that all of the Upper San Pedro Partnership meetings are posted on the website.

Item 7 Resolution 2015-008, Appointment of Henrietta "Hank" Huisking to the Sierra Vista Metropolitan Planning Organization Board of Directors and appointment of Rachel Gray and Craig Mount as alternate members

Mayor Mueller explained that the SVMPO is an outside agency and that appointments were formalized for recordkeeping purposes.

Item 8 Resolution 2015-009, Appointment of Karin Finney and Lourdes Montoya-Murphy to the Sister Cities Commission, said terms to expire February 8, 2017

Council Member Huisking stated that they had concurrence of two council members. Council Member Calhoun stated that Council had done away with that [requirement]. Ms. Adams confirmed that the City Attorney opinioned per the State's Ombudsman, the Commissions and staff liaisons would now make the recommendations, not a subcommittee. The recommendations would no longer go before a subcommittee because it had the potential of breaking open meeting law as it was an official tasking.

B. Discussion of City Manager Staff Meeting Minutes

Council Member Huisking asked if the Police Department was using body cameras. Mr. Potucek stated that they currently do not. Council Member Huisking asked if the City was applying for them. Mr. Potucek stated that they are moving towards getting them as a cost, not through grant funding. In response to Council Member Mount, Deputy Police Chief Thrasher stated that they do not yet have an estimated cost and will not until they decide which cameras to buy and with what amount of storage for video footage.

In response to Council Member Calhoun, Ms. Jacobs clarified that the Open House at the PDS Clubhouse was for the Buffalo Soldier Trail Extension project and that North Star would be making a presentation before counsel during Wednesday's work session, followed by a presentation for the public on Thursday night.

C. Discussion of Council Tasking to the Citizen's Advisory Commission (aka CAC)

Mr. Potucek stated that staff has recommended for Council to have the CAC explore expected revenue and expenditures to research a potential new mix of revenue. He stated that increasing costs with the Public Safety Retirement System and an anticipated decrease of state shared revenues resulting from the 2020 Census, the City will need better ways to prepare for the anticipated budget constraints.

Council Member Calhoun asked what the losses were in the state shared revenue. Mr. Potucek explained as Sierra Vista loses population, the Valley cities are gaining population, which causes the City to lose shares in the state shared revenue. Mayor Mueller clarified that the allocations are based on population. Mr. Potucek added that the City needs to watch closely based on their estimates.

In response to Council Member Calhoun, Mayor Mueller explained the initiative approved by the public allowed the state to collect income taxes in lieu of collection by each individual municipality. The state takes their portion, then the counties, then the cities. Mr. Potucek stated there are four state revenue sources: income tax, sales tax, vehicle license tax, and highway user (gas) tax. The City had seen growth in income, sales and vehicle licensing taxes had seen growth the last 2-3 years as a result of the building of the state economy improving. The governor is looking to take a portion of that to address the state budget. The City's sales tax is 1.75% on retail. What we get back is a percent of the State's sales tax rate (5.6%). The rate is different for each of the four categories.

Council Member Huisking asked what percentage of state shared revenue versus our own taxes. Mr. Potucek replied that the City is about 40-50% of the state shared revenue, stating that it used to be higher. The City's own sales taxes have decreased due to our lagging economy so the City has relied heavily on the state's share. He would like to see our economy be more self-reliant going forward.

Council Member Mount commented that he liked the format of the staff spreadsheet which lays out the City's formulas for calculating taxes in each category. In response to Council Member Mount, Ms. Jacobs stated that she will be meeting with the CAC chair on Friday to get a plan in place. Together they will line up information for staff to provide, including departmental information with departmental directors. The CAC Chair will get input from committee members and initiate a citizen engagement portion. The process will need to be controlled by the CAC and backed up by staff. Mary will serve as the lead; Pam Weir and David Felix will back her up to give the CAC all the information that they need. Council Member Mount requested that the procedure be repeated at the Thursday Council Meeting. Ms. Jacobs stated that it will be included in the briefing.

In response to Council Member Calhoun, Ms. Jacobs stated that the CAC Chair has not yet requested any additional resources but will query her colleagues. Mayor Mueller added that Liz [York], the CAC Chair, has chaired before in the past so she has an idea of what's available and what she will need.

Council Member Huisking noted that level of service wasn't considered last time. Ms. Jacobs stated they did review the level of service issues last time, each department was met with individually to review their projected needs for the next 4-5 years, including deficiencies, although not in great detail. Each department was instructed to evaluate service demands. The nature of police department calls was evaluated and they found that calls requiring 2 people instead of 1 person to respond have increased. Each department has been asked to present real data. The scope of the newly approved Vista 2030 General plan has also been included in order to frame their findings. The CAC will answer as many questions as they can.

In response to Council Member Mount, Ms. Jacobs stated that we can convey to the CAC that [Council] wants options made available. In the past, Council has not made a request for options but the CAC usually comes up with them. Mayor Mueller added that three years ago, three options were presented during a joint meeting with 6 or 7 more options posted.

Council Member Calhoun stated that more than one option should be requested. Council Member Mount stated that they need to make sure that they allow openness in the deliberations to show the public that so it shows that a canned decision is not made, to allow the community to show up. He would like to evaluate the pay raise, decide what to keep and what to get rid of. Council Member Mount stated that there is benefit for the public to see the process in place and for Council to show due diligence.

Mayor Mueller stated that when they talk of cutting levels of service, they need to show options coming from management and staff. Mr. Potucek stated that the situation is much more acute now than when the CAC looked at revenue a few years ago because of the increased costs associated with the PSRS and the need for the City to reduce it's already 20% reduced staff even further in order to prepare for next year's budget. Cutbacks will also hit public this time. Mayor Mueller stated that everything is on the table including policies and the possibility of using emergency funds.

Council Member Calhoun suggested that Council task the CAC with things they definitely want them to do and draw out guidelines. Ms. Jacobs stated that the tasking is broad enough to give the CAC room to evaluate things but specific enough to allow

them to focus in on other things. The enterprise funds are off their table; we want them to focus on the general fund.

Mr. Potucek stated that under normal conditions, we would simply prepare a budget, make recommendations and tweak it. However, this time we really need to evaluate and look at real policy issues and levels of service.

Council Member Mount agreed that a broad tasking would be helpful. He asked if Council could also task the CAC with looking at the capital improvements fund. In response to Council Member Mount, Mr. Potucek stated that it is on the table since the City will be curtailing capital expenditures greatly the next few years since the City is struggling to maintain its existing infrastructure with decreased budgets and staff without adding to it.

Council Member Calhoun asked which policies might be affected. Mr. Potucek stated polices will shift in regard to capital expenditures, setting aside the half cent sales tax, beautification, roadway maintenance, vehicle rotations, and pay scales. In terms of police policy, they may need to shift into a more reactive mode.

In response to Council Member Huisling, Ms. Jacobs explained that the CAC tasking left the service level issues at the policy level but not at the departmental level.

Council Member Mount suggested for staff to not speak of potential cuts until they have been formally cut. Mr. Potucek stated that there are several cuts that have already been made. The Animal Control service hours may need to be cut as a result in their workforce being down to two officers from having three. He is also researching reducing the amount of school resource officers down from three to one officer. They need to shift things operationally to reflect a reducing staff.

Mayor Mueller added that no decisions have been made yet but they may need to evaluate the efficiency of transit stops and facility hours. He stressed an imperative to look at this year's budget for savings so next year isn't so painful. Mr. Potucek noted that they had originally budgeted \$50,000 for demolition of the front buildings at King's Court and to demolish the old maintenance yard in this fiscal year's budget. Both projects have been cut in preparation for next year's budget.

In response to Council Member Huisling, Mr. Potucek stated that they are going forward with the 7th Street crosswalk since it was funded with HURF funds as well as the Highway 90 crosswalk since they are safety issues. Mayor Mueller stressed that items regarding health and safety are a priority.

D. Update on Proposed Amendments to City Alarm Ordinance

Deputy Police Chief Thrasher stated that the purpose of the City Alarm Ordinance is to ensure the reliability of the alarms companies, to monitor alarms and to provide efficient response of Police and Fire under the state statute. They are updating to include recommendations in compliance with Arizona Alarm Ordinance and to reduce the burdens on alarm companies and city staff.

We are also updating the fee schedule and implementing a requirement for all alarm companies be licensed with the City with a Business License. It is now required for all

alarm companies and employees to be registered through the State Board, who regulates and conducts all of the necessary background checks and fingerprinting.

The City's alarm ordinance currently requires all alarm users to obtain an Alarm Permit and pay an annual \$10 fee. We are recommending for the alarm companies to supply and maintain all the customer information and eliminate the alarm user fee.

The alarm association has recommended new alarm panels that reduce false alarms and to do away with panic buttons. We would like to see a 7-day waiting period after activation before Police or Fire would respond to alarms.

Mr. Thrasher stated that they are recommending that self installed alarms be done away with as automatic dials from those systems create too many false alarms. They are also recommending a new fee structure that includes different fees for excessive false alarms. Last year, out of 1,200 alarm calls, 97% were false alarms with many repeat offenders, 843 of the alarms were billable, and about 100 were false panic alarms.

In response to Council Member Mount, Mr. Thrasher stated that under the current ordinance, users are allowed three false alarms before they're billed in order to give them an opportunity to fix the problem, but they are recommending reducing that number to two. The recommended fee structure would have 3-5 false alarms at \$50 a piece and \$100 for all false alarms after that. Panic alarms would cost more. They are also recommending revoking police response on systems with excessive false alarms (about 20 or more) but would continue to respond on panic alarms on those systems.

In response to Mayor Mueller, they are currently drafting changes based on policy by the Arizona Alarm Association, which many municipalities are basing their alarm ordinances.

In response to Mayor Mueller, Mr. Thrasher explained that they haven't directly worked with businesses in drafting the policy, but would do so going forward. He stated that the Arizona Alarm Association drafted their policy in conjunction with alarm businesses, who usually comply under ordinance. Mr. Thrasher stated that alarm users are usually the ones having problems with compliance.

In response to Council Member Mount, Mr. Thrasher stated that he currently does not have a breakdown of whether the false alarms are residential or businesses. Mayor Mueller stated that the majority of false alarms are likely residential.

In response to Council Member Huisking, Mr. Thrasher clarified that burglar alarms are usually from businesses and that panic alarms are usually from residential systems. He stated that false alarms due to weather, an incorrect password, or mechanical error are not billable.

In response to Mayor Mueller, Mr. Thrasher stated that a draft should be available after they talk with the businesses within a month or two.

Mayor Muller announced that there would a work session tomorrow with a presentation by North Star regarding the Branding of the City. Ms. Jacobs asked if Council had a preference for a time to reschedule their group photo for before their regular scheduled

meetings on either February 10th or 12th. Mayor Mueller stated that they would get back with her.

Ms. Jacobs announced that North Star would be presenting a Community Meeting of the Branding presentation on Thursday at 6:00pm in the Police Auditorium.

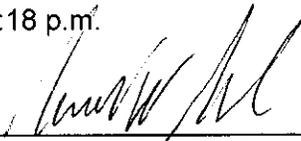
Mayor Mueller announced that the SVMPO would be hosting an Open House at the PDS Clubhouse at 5:30 p.m., regarding the Buffalo Soldier Trail Extension project.

In response to Council Member Huisking, Mayor Mueller acknowledged that Council Requests have been omitted from the agenda and he would make sure it was added back at the next work session.

Mr. Potucek stated that the current work session meeting time of 4:30 p.m. conflicts with many Board and Commission meetings. Mayor Mueller stated they would continue to work out a better time.

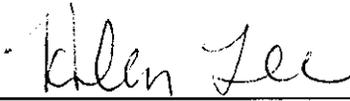
3. Adjourn

Mayor Mueller adjourned the work session at 5:18 p.m.



Mayor Frederick W. Mueller

Minutes prepared by:



Helen Lee, Admin. Secretary

Attest:



Jill Adams, City Clerk



Sierra Vista City Council

Work Session Agenda January 20, 2015

1. Call to order – 4:30 p.m. in the City Hall, Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.
2. Presentation and Discussion:
 - A. January 22, 2015 Council Meeting Agenda Items (agenda attached)
 - B. Discussion of City Manager Staff Meeting Minutes
 - C. Discussion of Council Tasking to the Citizen's Advisory Commission
 - D. Update on Proposed Amendments to City Alarm Ordinance
3. Adjourn

City Council work sessions are informal meetings of the elected body designed to allow the Mayor and Council Members to prepare for upcoming regular meetings, have staff briefings on issues, and provide an opportunity for more detailed discussions amongst themselves. The meetings are limited by City ordinance to 90 minutes, and in accordance with the State Open Meeting Law, no discussion can take place on issues/topics that have not been posted on the agenda at least 24 hours in advance. The public is welcome to observe the meetings in person or on Cox Channel 12, but time is not reserved on work session agendas for public comment. The public may, however, address the City Council at their regular twice-monthly meetings or share written views through the City's website, www.SierraVistaAZ.gov.

Sierra Vista City Council
Meeting Agenda
January 22, 2015

Call to Order

5:00 p.m., City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, AZ

Roll Call

Invocation – Pastor James Harms, First Baptist Church of Sierra Vista

Pledge of Allegiance

Awards and Presentations

Presentation by Sister Cities Commission regarding students' trip to Germany

Item 1 Acceptance of the Agenda

City Manager's Report

- **Upcoming Meetings**
- **Bid Openings**
- **Bid Awards**

Public Hearings

Item 2 Resolution 2015-004, Application for an interim permit, new license, Series 10, corporation-type of ownership for Roger Kenneth Burton for Western Refining Retail, LLC dba Giant Store #657 at 1497 E Fry Boulevard, Sierra Vista, Arizona

Item 3 Resolution 2015-005, Application for a new license, Series 12, limited liability-type of ownership for Javier Ramos Mora for Taco Giro SV, LLC dba Taco Giro Mexican Grill, 2097 E. Fry Boulevard, Sierra Vista, Arizona

New Business

Item 4 Approval of the Regular City Council Meeting Minutes of January 8, 2015

Item 5 Resolution 2015-006, Tasking the Citizens' Advisory Commission (CAC) with evaluating current service delivery needs, city-controlled revenue sources, and community expectations, and making recommendations regarding the city-controlled revenue sources to meet the community's anticipated service, facility, and infrastructure needs consistent with the voter-approved VISTA 2030 General Plan

Item 6 Resolution 2015-007, Appointment of Rick Mueller, Rachel Gray and Craig Mount to the Upper San Pedro Partnership Advisory Commission, said terms to coincide with terms of office and appointment of Gwen Calhoun, Alesia Ash and Chuck Potucek as alternate members

Item 7 Resolution 2015-008, Appointment of Henrietta "Hank" Huisling to the Sierra Vista Metropolitan Planning Organization Board of Directors and appointment of Rachel Gray and Craig Mount as alternate members

Item 8 Resolution 2015-009, Appointment of Karin Finney and Lourdes Montoya-Murphy to the Sister Cities Commission, said terms to expire February 8, 2017

Item 9 Resolution 2015-010, Acceptance of Robert Zazueta's resignation, with regret and Appointment of Erik Petersen and Michele Cotton to the West End Commission, said terms to expire October 15, 2017

Call to the Public

Comments and Requests of the Council

Adjournment

For special needs and accommodations, please contact Jenifer Thornton, Management Analyst, Department of Community Development, 72 hours prior to the meeting or activity. Ms. Thornton can be reached at (520) 458-3315 or through the Arizona Relay Service at 1-800-367-8939, or by simply dialing 7-1-1.

CITY STAFF MEETING

January 13, 2015

ADMINISTRATIVE

Chuck Potucek reported the Council retreat was held on January 9, and one of the changes that came out of the retreat was to change the nature and times of future work sessions. The work sessions will now start at 4:30 and will have less discussion about the agenda and more discussion of items that need more time and attention. The financial situation with the public safety personnel retirement system (PSPRS) has resulted in a cost to the City of \$550,000. The PSPRS and class/comp costs have resulted in a soft hiring freeze and the possible loss of hours in certain facilities, along with the curtailing of travel and capital projects that have not started yet.

Mary Jacobs reported Vista 411 is being finalized, and asked the team to be thinking about articles for the next edition. North Star will be in next week for branding meetings, and a public work session on branding will be held on January 21.

Jill Adams reported IT will be coordinating with the Council Members to set up their tablets, and that the City is going to a paperless agenda. She will be putting together a cohesive plan on how document imaging functions and will get with the department heads in the next couple of months to discuss the plan.

David Felix reported he is working on the financial report, and it should be finalized by the end of January.

Mike Clawson reported the Good Neighbor Alliance project has kicked off. This is a CDBG project that was awarded to KE&G. Procurement will be going out in the next couple of weeks for professional engineering services. The four parcels of land that Cox is currently leasing on the west side will be sold at public auction.

Abe Rubio reported IT is working with the Police Department on body cameras, Spillman upgrades, and CAD to CAD upgrades in the next couple of months. IT received eight MDC's (mobile data computers) for Fire to replace outdated and faulty units. IT will configure and distribute them to personnel. The Employee Self-Service module of Munis is scheduled to go live in the next month. IT is coordinating with Public Works to upgrade the communications infrastructure at the Fuel Facility at PW.

Pam Weir reported that she is working on the resolution to task the Citizen's Advisory Commission with a review of City revenues and service levels. She is also working on a letter to Boards and Commissions, thanking them for their service and discussing the strategic plan process.

Barbara Fleming reminded employees that the mobile mammography is scheduled to be at City Hall on January 23, and there are still a lot of appointments available. The block of training schedules has been completed; 69 training sessions were held. HR will be setting up special training and reschedules for those who may have missed the earlier sessions.

New Hires

Susan Immes, Police Records Clerk

Jene Stewart, Police Records Clerk

COMMUNITY DEVELOPMENT

Donald Brush reported the P&Z sign and lighting code update processes are going well. On January 20, a digital sign will be put out in the City Hall parking lot to show various options. The hospital inspections are going well. As it is now nearing completion, staff anticipates issues as the deadline for opening nears, and will work with the hospital in advance of those issues becoming a problem. The Mattress Firm has submitted a site plan for the pad near Target. Annexation petitions were recently sent to Sulger residents. 60 residents are involved in the annexation, so 31 (50% plus 1) petitions are needed to complete the annexation process. 15 signed annexation petitions have been received to date, so 16 more petitions are needed. The next step is to send a follow-up letter to the residents who have not responded.

LEISURE AND LIBRARY

Victoria Yarbrough reported the Sierra Vista historical plaques have been geocached and are now on the Geocaching.com website. Leisure is partnering with SWABS for Black History Month events. The evening lap swim is back to normal, and the swim lessons have already filled up. A special concert has been scheduled for Saturday, January 17, at 2:00 at the Ethel Berger Center. The concert features the Asante Children's Choir, orphans from East Africa who travel around the world and perform African and American worship music, African folk songs, drum music, and dance. The concert is free. Leisure is working with the Mall on the upcoming Easter Eggstravaganza. Veritas School is working with Leisure staff on a pottery program for their students. Staff will be meeting to discuss the Buena Career Day, scheduled for March.

PUBLIC SAFETY

Adam Thrasher reported Police is looking at contingency plans for reallocation of personnel due to staffing issues (officers on light duty, military leave, etc.). PD received a seized Tahoe and will add that to their fleet, along with another truck that will replace one of the older Crown Victorias. Benson, Huachuca City, and Willcox went live with Spillman last week. Staff is working with IT on equipping their officers with body cameras.

Paul Cimino reported more than 300 families and 884 children took part in the 2014 Christmas Drive. He attributes the drive's success to the community and business partnerships. Fire received a grant from TMC for \$22,594 for car seats and bike helmets.

PUBLIC WORKS

Richard Cayer reported that the 5-year fleet rotation plan will focus on Police Department patrol vehicles as the priority for replacement. The 5-year fleet plan will be completed prior to the beginning of the FY16 budget process. The recycling council strategic objective has been expanded to multi-family housing and commercial customers. The commercial recycling route started in December utilizing City facilities as the initial customers. Once the bugs are worked out, recycling services will be offered to other commercial refuse customers. A new Lead Custodian was hired and he completed an evaluation of custodian workloads. The evaluation led to a revised custodian staffing plan and staff was reassigned to provide higher quality services that were provide more efficiently in City facilities. SV Regional Health Center staff said they will use the City's trash and recycling services. They are also looking at compactors, so Public Works staff is finding vendors for compactor units. The Avenida del Sol widening project is on the way to Procurement for bidding next week.

JANUARY 20 COUNCIL WORK SESSION

In addition to the regular work session agenda items, other items for discussion include:

- Discussion of Council Tasking to the Citizen's Advisory Commission
- Update on Proposed Amendments to City Alarm Ordinance
- Presentation by Sister Cities Commission regarding students' trip to Germany

JANUARY 21 SPECIAL COUNCIL WORK SESSION

A special work session will be held on January 21, and will consist of a presentation by North Star Marketing Destinations regarding the community branding process

FEBRUARY 3 SPECIAL COUNCIL WORK SESSION

A special work session will be held on February 3 and will consist of a legislative update by Triadvocates and review of legislative agenda to discuss key issues that will be front and center at the legislature