



**“The mission of the City of Safford is to make Safford
a great place to live, work, and visit ”**

**CITY OF SAFFORD
COUNCIL MEETING MINUTES
Monday, May 5, 2014 @ 6:00 PM
Safford Library Program Room, 808 S. 7th Avenue, Safford, Arizona**

PRESENT: Wyn “Chris” Gibbs, Mayor; Mary Bingham, Vice Mayor; Council Member’s Arnold A. Lopez, Kenneth Malloque, James D. Howes, and Richard Ortega.

ABSENT: Gene Seale, Councilman

STAFF PRESENT: Horatio Skeete, City Manager; Sandra Findley, Executive Assistant; Ann Waite, Chief Financial Officer; Christine Fisher, Human Resources Director; John Griffin, Police Chief; Leanne McElroy, Library Director; Eric Buckley, Utilities Director; Jenny Howard, Public Works Director; Dustin Welker, Planning & Community Development Director; Don Knight, Director FlexNet Meter Renewal Project; Randy Petty, City Engineer; and Georgia Luster, City Clerk and Dale Clark, who assisted with the audio/video recording of the meeting.

OTHERS PRESENT: Linda Burrell, Gale Hedges, Glen Orr, Lance Henrie; Tisha Clark, Kim Larkey, Joe Brugman and others who did not sign in.

1. **WELCOME AND CALL TO ORDER:** Mayor Gibbs called the meeting to order at 6:00:30 p.m.
2. **ROLL CALL:** A quorum of the Council was present (6-1)
3. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Mayor Gibbs led the Pledge of Allegiance to the flag.
4. **OPENING PRAYER:** Councilman Lopez offered the opening prayer.
5. **Budget Presentation: Capital Projects and Grant Revenues for Fiscal Year 2014-2015.**

City Manager Skeete stated this budget meeting is part of a series of meetings addressing the Fiscal Year 2014-2015 Budget. Capital Improvement Projects and some of the Grant Revenues for Fiscal Year 2014-2015 will be reviewed tonight. He reiterated capital expenditures are usually large, expected to last at least five years and non-routine (purchase of land, purchase of equipment, design for construction of projects,

roadways, alleyways, buildings, renovation of building(s)). He added that capital expenditures are funded by bond funding, lease purchasing, long term financing or simply pay as you go with savings and built up reserves. Another method effectively used in the City is grant funding from State and Federal Agencies. Tonight's capital improvement budget will not include any proposals or requests for long-term financing. Expect to purchase a couple of large pieces of equipment this budget year, equipment with a life expectancy of hopefully ten years. Staff will consider a lease-purchase if the lease purchase is advantageous to the City. Otherwise, the bid process will be followed. Expect to review goals and objectives of the Council this next year. He asked the Council to focus on the concept and the principle behind the projects rather than the estimates. Are these still good and valid projects to consider, and should we go forward with such project? The capital list far exceeds the City's ability to fund all projects. The capital list will need to be refined and prioritized. Capital improvement projects will be presented by Randy Petty, City Engineer and Hilary Cuenin.

(See attached PowerPoint presentation of Capital Projects for FY 2014/2015 for both Governmental and Enterprise funds).

Mr. Skeete explained that the Capital Projects list far exceeds the City's ability to fund them. He asked the Council to identify their priorities.

- Magistrate Court (Councilman Lopez & all)
- Expand water capabilities (mandatory) (Councilman Malloque)
- Street Preservation (Mayor Gibbs)
- 50/50 Sidewalk Program (Mayor Gibbs)
- Replace undersize box and culvert (Trek RV/4th Street) (Mayor Gibbs)
- Handicap ramps (Mayor Gibbs)
- Sanitation, Eye Wash Station/Cat walk (Councilman Lopez)
- All Park Projects (Vice Mayor Bingham)
- Police Facilities/City Hall (Councilman Ortega) immediate/short term needs that need to be considered may not be that costly. Mr. Skeete explained that staff will identify short term needs, develop short term solutions with realistic timeframes.
- Playground equipment donated (Councilman Howes)
- Airport Barracks Demolition (Mayor Gibbs) (asbestos abatement necessary)

Mr. Skeete commented about the dilemma with water enterprise funds: Water revenues continues to be a lot lower than projected - Council's direction to not increase rates compounds ability, or inability, to fund any or most of the water capital projects. Need to prioritize projects. Will initiate water rate study and make available to the Council as soon as possible. As situation changes, consumption increases, revenues increase, capital projects will be added. He stated about \$4 million dollars are projected for capital projects; anticipated \$6 million in revenues; one -million in reserves and projecting around \$5 million in revenues for next year. He stated the priority is to keep water in the pipes and the production levels at its maximum capacity as we

continue through the budget process.

WATER SOURCE Priorities :

Bluff Well and U of A Well Site: Both have great potentials/very important (per Eric Buckley). Both projects will supplement water abilities especially with the continued drought. Evaluate and discuss priorities with manager and staff.

Lower Priorities: (Per Eric Buckley) reviewing list of water capital projects.

12" Main Extension- 20th Ave. 26th St to Golf Course Rd
Sanchez Bridge Crossing

Mr. Skeete stated staff will evaluate water projects and provide a recommendation to the Council.

ELECTRIC & GAS Priorities : Retain Projects

GRANTS REVENUES & SOURCES:

Mr. Skeete explained Grant Revenues & Sources will be reviewed at this time. He stated grant funding and commitments will be an important part of the budget while reviewing grant supported projects.

Library Grants: No City match

Leanne McElroy, Library Director, explained library grants also supplement the basic library services collection development and services and programs that are now expected in a modern library that are difficult to fund out of the general fund (Most popular).

- First Things First - Imagination Library (\$65,000): Revenue from cigarette tax (zero to age 5 in the Valley)
25,000 books distributed annually (free book program); part-time person in program and promotion and managing of program.
- First Things First - Early Literacy (\$65,000): Revenue from cigarette tax; Story time includes: baby time, toddler time, two preschool story time; pajama time; work shop assistant; significant portion of print selection as well as a 75% benefits for full time staff person, (25% of matching benefits paid for by the City is the only matching source)
- Library Services and Technology Act(LSTA) (\$20,000) Fed Shelving: competitive grant; state library presented on Monday; Young children area books will be placed forward facing showing the picture of the books
- Freeport McMoran (FMI) - multi-year (\$50,000): Science City Program - have funded the last seven years. Funds 2 part-time staff members; 42 monthly programs; very popular program, filled up 45 spots.
- United Way (UW) - multi-year (\$51,000): funds cover a portion of Science City Program: Provides on-line services and books for library as well as larger science city projects; covers computer and job skills, counseling services; supplies
- State Grants in Aid (\$25,000): Library Trusts; receive as a county library; provide statistics for the county and receive state grants and aids change annually. Covers large

print books, audio books, print, summer reading program, training, DVD collection more user friendly.

- Contingency Grants (\$130,000): Contingency included for future funding opportunities.
Totals: \$406,000

Police Grants: No City Match:

John Griffin, Police Chief, presented the Police Grants.

- Stonegarden (\$206,063): Homeland Security grant - received vehicles, overtime pay, part-time pay; equipment and vehicle related expenses.
- GOHS 13-14 DUI (\$8,000): Federal funds, DUI enforcement
- GOHS 14-15 DUI (\$24,807): overtime pay and some equipment
- GOHS 13-14 Traffic Enforce (\$11,300): equipment
- AZ Post Training (\$2,700): Subsidize officers
- Fed Bullet Proof Vest Program (\$2,000): funds assist with replacement of bullet proof vests
- UDA Vehicles (Supplies) (\$30,000): seized vehicles funds used for supplies
- Contingency Grants (Supplies) (\$100,000): possible contingency grants
TOTAL: \$388,870

Economic Development Grant: (See attachment)

Dustin Welker, Planning and Community Development Director, explained the economic development grant will assist with the construction of a reclaimed water line down 14th Avenue to Main Street, Firth Park and 1st Street for new commercial development. The project will help beautify areas within the community.

- FY 14-15 FMI Grant for materials \$135,000
- FY 15-16 Grant/City match materials \$ 95,000
- FY 15-16 City Match labor & equipment \$204,050
TOTAL: \$434,050

Public Works Street Grants: (See attachment)

- City Wide Traffic Sign replacement; HSIP -\$60,400; no City match; Total - \$60,400
- Us 191 Sidewalks (Relation to US 70): TE \$294,728; City match \$17,815; Total \$312,543
- 20th Avenue Design (Relation to golf Course Rd): STP -\$432,000; City match \$27,000; Total \$459,000
- 20th Avenue Environmental (Relation to Golf course Rd): STP-\$40,000; City match \$2,400; Total \$42,440
- 20th Avenue ROW (relation to Golf Course Rd): STP - \$129,591; City match - \$7,850; Total \$137,441
- Main Street Traffic Signals (Design):HSIP -\$145,000; No city match; total \$145,000
- Main Street Traffic Signals (Construction): HSIP \$575,000; no city match; Total \$575,000
- Main Street Improvements (Construction): TE - \$961,000; City match \$69,000; Total \$1,030,000

TOTAL: \$2,637,719; City Match - \$124,105; Total - \$2,761,824

Public Works Parks Grant: (See attachment)

- Pathway Project, Phase 6
TOTAL: \$355,000; City Match - \$25,000; Total \$380,000

Airport Grants: (See attachment):

- Airport Pavement Preservation: ADOT \$670,000; City match - \$81,000; Total \$751,000
- Airport Rehab 12/30 Edge Lights/Vault/Signage (Design): ADOT-\$190,000; City match - \$21,111; Total - \$211,111
- Airport Rehab 12/30 Edge Lights/Vault/Signage (Construction): ADOT - \$1,800,000; City match - \$200,000; Total - \$2,000,000
TOTAL: \$2,660,000; City Match - \$302,111; Total - \$2,962,111

Enterprise fund Grants: (See attachment)

- Water & Sewer Service Upgrades: CDBG Grant \$186,615; City Match \$50,000; Total \$236,615
- Water Harvesting Grant: BOR - \$61,540; no city match; Total \$61,540
Enterprise Grant Total: \$248,155; City match - \$50,000; Total - \$298,155

Mr. Skeete asked the Council to provide their feedback regarding the projects presented tonight. Next week the operating side of the budget for entire city department and divisions will be discussed and the following week, revenues, capital and operating budget will be reviewed. Expect to adopt the Tentative Budget no later than June 9th in order to meet all publishing requirements.

6. FUTURE MEETINGS:

- Monday, May 12, 2014 Regular Council Meeting including Fiscal Year Department Budget(s)
- Monday, May 19, 2014 Budget Presentation: Department Budget(s)
- Tuesday, May 27, 2014 Council Work Session: Department Budget(s)
- Monday, June 2, 2014 Council Work Session: Department Budget(s)
- Monday, June 9, 2014 Regular Council meeting including Department Budget(s)

Mr. Skeete stated this week is "Clerks' Week" and recognized Georgia Luster, City Clerk, and her staff for a job well done.

- 7. ADJOURN:** It was moved by Councilman Malloque, seconded by Vice Mayor Bingham, and carried unanimously to adjourn regular session at 7:56:25 p.m.
MOTION ADOPTED

APPROVED:

Wyn "Chris" Gibbs, Mayor
City of Safford

ATTEST:

Georgia Luster, MMC, City Clerk

STATE OF ARIZONA)
) ss
County of Graham)

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Work Session Council Meeting of the Safford City Council, Graham County, Arizona held Monday, May 5, 2014, and approved at a Regular Council Meeting on Monday, June 9, 2014. I further certify the meeting was duly called, held and that a quorum was present.

June 9, 2014 _____
Date:

Georgia Luster, MMC City Clerk