

**MINUTES**  
**REGULAR WORKSESSION**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
CITY COUNCIL CHAMBERS - YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**May 2, 2017**  
**6:00 p.m.**

**CALL TO ORDER**

**Mayor Nicholls** called the Regular City Council Worksession to order at 6:00 p.m.

Councilmembers Present: Shelton, Wright, Miller, Knight, Thomas, Craft, and Mayor Nicholls  
Councilmembers Absent: None  
Staffmembers Present: City Administrator, Gregory K. Wilkinson  
Finance Director, Pat Wicks  
Police Chief, John Lekan  
Fire Chief, Steve Irr  
Director of Community Development, Laurie Lineberry  
Senior Planner, Naomi Leeman  
Senior Planner, Alyssa Linville  
Utilities Division Manager, Bea Dorries  
Deputy City Administrator, Ricky Rinehart  
Various department heads or their representatives  
City Attorney, Richard W. Files  
City Clerk, Lynda Bushong

**I. PROCLAMATION READING**

**Mayor Nicholls** read a proclamation declaring May 2017 as Motorcycle Awareness Month and urged the citizens of Yuma to commend its observance.

**II. CITIZEN'S BUDGET COMMITTEE**

**D.J. Shiplet, Ryan Hengl, and Gladys Wiggins** presented an overview of the Citizen's Budget Review Committee's objectives, observations, and recommendations as follows:

Objectives

- Independent review of the City budget
- Ask questions after reviewing budget
- Use available tools to assist with the budget
- Ask leaders, colleagues and community members about concerns regarding the budget numbers
- Prepare and provide a presentation to the Mayor and City Council

Observations and Recommendations

- Citizen's Budget Review Committee
  - Form the committee earlier in the process to allow the members to be more involved in the process.

- Outline specific objectives
- Involve citizens with various backgrounds
- Possibly integrate with the Neighborhood Leadership Academy.
- Budget Approval Timeline
  - The City has established an aggressive timeline that includes deadlines almost three months ahead of those required by the City Charter or State Statutes
  - City Council should not feel rushed to approve the final budget because the deadline for budget adoption is the second Monday in August
- Budget Tools
  - The Budget Summary is one of the most important pages in the budget because it shows estimated revenues (sources) and expenditures (uses)
  - The pivot table is a fun tool that encourages citizens to work with the budget and helps them to feel they are a part of the process
- Department Budgets
  - The Police Department, the Fire Department, and Parks and Recreation make up 78% of the total budget
  - Police Department (YPD)
    - Negotiate the cost of having police officers at a special event to cover the overtime and outstanding pension costs
  - Fire Department (YFD)
    - In March 2010 a new fire station was opened with no increase in staffing
    - YFD was fully staffed in 2012 with one additional fire engine available. However, by 2016 staffing was reduced by three, which also resulted in the additional engine being taken out of commission
    - City is seeking grant funding to replace those three positions
  - Parks and Recreation
    - Once tournaments begin to take place at the PAAC, provide information that shows the City's return on its \$14 million investment in the complex
    - Post a calendar of events that have been scheduled at the PAAC by entities outside of the county
    - Evaluate outside programs using City facilities and assess fees on a case-by-case basis
    - Consider consolidating the two heated swimming pools during the winter if it would be feasible without having an effect on the teams and swimmers utilizing the pools
    - Despite the City's best efforts, until Chef Alex was contracted the restaurant at Desert Hills Golf Course historically lost money
    - The City now receives 10% of gross sales and the restaurant pays for the upkeep of that part of the building as well as restroom and cleaning supplies
- Outsourcing
  - The City does currently outsource at a rate of approximately 20%, and it is important to note that outsourcing still requires oversight and contract management by City employees
  - While the goal of the City is not to be profitable, it is important to build a cushion that can be used in the event of an emergency or unexpected incidents

- Yuma Visitors Bureau
  - Reconsider reducing funding to the Yuma Visitors Bureau by \$200,000 in light of the significant development taking place within the City
  - Meet with YVB to discuss new goals and expectations over the next few years and re-evaluate funding based on their performance
- Impact Fees
  - Provide information on how impact fees are assessed, the amount of the average annual collection of fees, and how that money is spent
- Transparency
  - A link to available budget tools should be posted on the front page of the City's website so it is easily accessible to the citizens of Yuma
  - Provide complete and timely answers to any questions that the citizens may have about the budget in a FAQ (Frequently Asked Questions) format
  - Provide detailed information on restricted funds, enterprise funds, and general funds and what they can be used for
  - Improve relations between the City and the various forms of media throughout the community
- Unassigned Balance
  - Provide details of the purpose of the unassigned balance that is carried over from one fiscal year to the next
  - Explain why the balance sometimes fluctuates from the 20% that is stated as the City's standard practice

**Thomas** asked if in recommending that the City reconsider the reduction in funding for YVB the committee took into consideration that all outside agency funding should be reduced. **Wiggins** stated that she was not aware that other agencies might be reduced. **Mayor Nicholls** clarified that at this point reduction has not been proposed for any other agency funding. **Thomas** asked if the committee had any suggestions for setting new goals and expectations for YVB. **Wiggins** stated that each Councilmember should share their concerns and work with YVB's Executive Director to establish new guidelines for the agency. **Thomas** thanked the committee members for sacrificing time out of their busy schedules and for all that they accomplished.

**Thomas** asked if Hengl had any observations as to why good news about the City is often not included by local media. **Hengl** pointed out that the media just tends to always pick up on the bad news while good news is lost in the shuffle. He suggested that the City do a little more to promote all of the good things that have been accomplished. **Thomas** asked if the recommendation was to provide budget information to the public from day one. **Shiplot** stated that the recommendation is for the City to be as transparent as possible. By making the information more readily available it will be easier for citizens to get involved with the process. **Thomas** asked if forming a committee in January or February would provide the members with adequate time. **Shiplot** stated that the committee will be able to get a more detailed understanding of the budget if provided with the opportunity to follow the money all the way through.

**Knight** stated that it was a pleasure to work with the committee and that he knew they were going to do a great job because they were focused and serious about the task. He expressed hope that others will be encouraged by what they have seen presented tonight and that the City will be able to utilize as many suggestions as possible. **Shelton** stated that while the committee may wish they had been

provided with more direction, he believes the team performed better with ambiguity and vagueness than if they had been provided with explicit directions. **Miller** thanked the committee members for the time and effort that went into creating an impressive presentation in such a short period of time. **Wiggins** noted that Richard Sprague also contributed to and assisted with input towards tonight's presentation.

**Mayor Nicholls** stated that while he came into the meeting with a preconceived notion that they would be grinding through the numbers, the recommendations provided by the committee are actually more beneficial because they address issues that can be tackled throughout the year.

### III. FISCAL YEAR 2017-2018 BUDGET

Summary of discussion and suggestions:

- The \$14 million bond repayment for the PAAC will cost the City approximately \$1 million per year and will be paid out of the proceeds from the 2% hospitality tax (**Wright**)
- Reducing the cut to the YVB's budget to \$50,000 would be more consistent with what is being cut from other City departments such as Parks and Recreation (**Knight**)
- YVB is not a City department and should be required to seek funding from other municipalities within the county in order to continue receiving taxpayer funding from the City (**Thomas**)
- The City should shift the \$245,000 set aside for the Yuma Multimodal to the YVB so that they are fully funded (**Shelton**)
- The City is going to appropriate about \$600,000 towards Information Technology (IT), an area that is really of no concern to citizens (**Shelton**)
- While many citizens may never see IT, it is a department that affects them dramatically from traffic signals to the YPD and YFD (**Mayor Nicholls**)
- The proposed Binational Coordinator position is not needed and should not be funded because those duties can be taken on by the City's current marketing staff (**Shelton**)
- The Binational Coordinator is not a position but a multi-city effort to fund 4FrontED, an organization that helps attract economic development and tourism (**Mayor Nicholls**)
- Road tax funds should be used for repairing Yuma's roads, which are a major issue and one of the main complaints received from residents, not for LED streetlights (**Miller**)
- The City cannot afford to use almost \$800,000 for 'pay for performance' and praise, recognition, and opportunities for advancement are better incentives than money (**Wright**)

**Mayor Nicholls** recessed the meeting at 7:10 p.m. The meeting reconvened at 7:24 p.m. with the above-noted parties present.

Continued discussion and suggestions:

- The budget adoption should be postponed to allow for a more in-depth review of the budget to look for additional areas that can be cut (**Miller**)
- The purpose of the 20% carryover in the General Fund is to address seasonal changes in the City's cash flow and ensure there are sufficient funds for payroll and other expenses (**Wicks**)
- City Council should really dive into YPD and YFD budgets and figure out what they need to do to increase those budgets to make sure that they have everything they need (**Miller**)
- The City cannot both decrease the property tax levy and increase spending for YPD and YFD (**Mayor Nicholls**)

- Recommendations were already made regarding low priority areas of the budget that could be cut, and City Council asked that those items be placed back into the budget (**Wilkinson**)
- While the decision to keep Kennedy Pool open was greatly helped by donations, the pool is not even close to being fully funded by those donations (**Wilkinson**)
- The Police Chief and the Fire Chief presented budgets that could work within the guidelines provided, but both departments have continuing challenges that still need to be addressed (**Mayor Nicholls**)

**Chief Lekan** stated that while some progress has been made to reverse attrition, YPD is still struggling with a very young police force that is in need of training. YPD's radios are basically at the end of their service life because the vendor is no longer making replacement parts and the cost to replace the approximately 252 radios is near \$1 million. The body-worn camera implementation was abandoned due to a lack of funding needed for storage and processing, but the need for body-worn cameras and other technology to stay contemporary with other police departments around the nation will not be going away. While YPD can work with the budget presented for FY17-18, the upcoming years will be challenging and the City needs to be prepared to address that challenge.

**Chief Irr** echoed Chief Lekan's comments regarding the need to replace radios and provide needed training for YFD staff, adding that expensive specialty training is also needed for paramedics, hazardous materials technicians, and technical rescue technicians. Taking a truck off of the streets has impacted response times and service to the community and YFD is seeking grant funding to pay for the personnel needed to get that truck back in service. While technology like computers and radios may not be things that the community loves to hear are in needed, that is the reality of how communication and report writing are accomplished in this day and age.

Further discussion summary and recommendations:

- Based on the grant that was previously received, implementing the body-worn camera program would require around \$200,000 upfront and an additional \$100,000 per year for ongoing costs (**Lekan**)
- Lack of funding to provide specialty training to firefighters is a retention issue, because if they are unable to achieve their career goals with the City they will go elsewhere (**Irr**)
- At YPD there are two levels of training: mandatory training that is required to remain certified, and discretionary training that is not required by law, but is no less important (**Lekan**)
- The median level of experience for patrol officers is 1.5 years and YPD is trying to find ways of accelerating training without digging deep into overtime budgets (**Lekan**)
- In addition to ensuring adequate cash flow, the 20% carryover in the General Fund contributes to the City's bond rating which is currently AA- (**Wicks**)
- The carryover percentage may vary from the 20% that is planned because the budget is based on projections of revenues and expenditures (**Wicks**)
- Every dollar is accounted for in the budget, but factors such as attrition and the difference between projected and actual revenues and expenditures account for the difference between the planned carryover and what is actually carried over to the next fiscal year (**Wicks**)
- YPD, YFD, and Parks and Recreation account for the majority of the General Fund; eliminating funding for all of the remaining departments would not free up enough money to accomplish some of the things that are being requested and there would be no support services to keep the City running (**Wicks**)

- If City Council wants to increase the public safety budget then the City either needs to cut programs or increase tax revenues (**Wicks**)
- If City Council was provided with more specific details regarding how money is being spent they would be better able to determine where cuts could be made (**Miller**)

**Mayor Nicholls** declared a potential conflict of interest regarding the Capital Improvement Program (CIP) due to his employment.

**Miller** declared a potential conflict of interest regarding CIP projects on 22<sup>nd</sup> Street, the PAAC, the Fleet Maintenance Facility, and 24<sup>th</sup> Street due to his employment.

#### **IV. INFILL INCENTIVE PLAN AND OVERLAY**

**Lineberry** explained that the process of developing the Infill Incentive Plan began about two years ago. Leeman and Linville have been working diligently to create an accurate, thoughtful, and effective plan to present to City Council and will answer any questions that they may have at the conclusion of the presentation.

**Leeman** stated that the Infill Overlay District is located in the historic part of town in the heart of Yuma and is based on redevelopment and revitalization areas as shown in the General Plan. The vision of the Infill Incentive Plan is to spur development of walkable, mixed-use neighborhoods in the heart of Yuma; preserve Yuma's natural and agricultural lands; increase property values; and mobilize policies, partners, and resources to improve Yuma. The first step in developing the Infill Incentive Plan was to analyze existing conditions by mapping the location of Certificates of Occupancy issued in 2016 and comparing new development with vacant properties in the Infill Overlay District to figure ways of funneling some of that growth into the target area. The next steps were to identify key issues that were hindering development and creating a toolkit of incentives to offset those issues.

**Linville** explained that there are 13 potential incentives available, but not all incentives will be applicable for all properties. It will be the duty of City staff to ensure that all incentives that are applicable to a property are utilized to their fullest potential. The 13 available incentives are:

1. Reduced setbacks
  - On a case-by-case basis depending upon existing development
2. Increased lot coverage
  - Allow a 15% increase in the buildable area
3. Accessory Dwelling Units (ADU)
4. Reduced landscaping
5. Reduced parking
  - Increase the definition of a parking lot from four to five spaces
  - Include adjacent on-street parking towards up to 50% of required residential parking
  - Allow a 10% reduction in the total parking requirement for certain non-residential uses
  - Exemption for maintenance of historic structures
6. Alternative alleyway paving
  - Allow the use of millings as a less expensive alternative to asphalt pavement

7. No-build easements
  - Property owner maintains ownership but agrees not to build in the easement area
8. International Existing Building Code (IEBC)
  - The IEBC is already in use, but it will be highlighted as a current offering
9. Fire code flexibility
  - Allow offsite monitoring and smoke detection as an alternative for fire sprinkler systems on a case-by-case basis
10. Utility fee waivers
  - Waive Water System Development Charges and Sanitary Sewer Interceptor Charges
  - Reduce Water and Sewer Capacity Fees by 50% for residential development only
11. Development fee credits
  - Provide credit based on a property's usage history
12. Reduced permit and review fees
  - 50% reduction
13. Government Property Lease Excise Tax (GPLET)

Additional incentives that are being considered for future use are expanding mixed-use zoning to allow corner markets in residential neighborhoods, assembling standard residential plans that would be available for sale to property owners at a reduced cost, using plexiglass as an alternative to plywood for securing vacant properties, and investing in the public realm to create more walkable communities. Staff would like to create cut sheets for vacant properties that would identify potential incentives and development standards for each property.

**Thomas** inquired as to what type of corner market would be considered for the mixed-use zoning. **Linville** offered Stan's Grocery as an example of a market that exists and functions well within the surrounding neighborhood. **Thomas** asked for an example of the type of investment in the public realm is being considered. **Linville** answered that features that improve the walkability and bicycle friendliness of the neighborhood, such as street trees or improved roadways, would be considered. The recent improvements to Orange Avenue which reduced traffic from four lanes to two lanes and added bike lanes are a good example.

**Knight** commented that this is the kind of plan the City needs to increase revenues. It has been much anticipated and has been well worth the wait.

**Mayor Nicholls** recessed the meeting at 9:07 p.m. The meeting reconvened at 9:13 p.m. with the above-noted parties present.

**Thomas** asked what the implementation timeline is for the Infill Incentive Plan. **Linville** stated that the 13 incentives will be implemented within the next couple of months. June 21, 2017, is the target date for adoption of the Infill Incentive Plan.

## V. REGULAR CITY COUNCIL MEETING AGENDA OF MAY 3, 2017

Motion Consent Agenda Item B.3 – Cooperative Purchase Agreement: Manhole Rehabilitation (utilize cooperative purchase agreement initiated by the City of Peoria for an estimated \$100,000) (Utilities)

**Craft** asked if the \$100,000, or \$40 each for 2,500 manholes, is meant to cover the actual maintenance of the manholes or a study, to figure out how much it will cost to repair them. **Dorries** explained that the \$100,000 is for the actual maintenance of the manholes, as needed. Not all 2,500 manholes will necessarily need to be repaired.

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Motion Consent Agenda Item B.5 – Bid Rejection: Fleet Services Maintenance Shop (reject all bids because the design does not match the desired direction for this project as to building type and focus on cost-saving features) (Admin)

**Miller** declared a potential conflict of interest with regard to Motion Consent Agenda Item B.5 because his employer was listed as a subcontractor.

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Motion Consent Agenda Item B.4 – Marketing Agreement: Utility Service Partners Private Label, Inc. d/b/a/ Service Line Warranties of America (to use the City's name and logo in marketing materials which will advertise warranties to residential property owners) (Admin)

**Thomas** asked if the City will receive any financial gain from this agreement. **Rinehart** explained that the City will receive a portion of the fee-based services offered by the company as well as a branding fee for use of the City logo on their marketing materials. He added that there is no obligation to the citizens to participate in this program and that it was brought about by the National League of Cities and endorsed by the State. **Mayor Nicholls** asked how much it is anticipated that the City will receive. **Rinehart** stated that the City will receive \$0.50 per product each month. **Thomas** added that the branding fee is \$10,000 paid over a period of three years.

**Mayor Nicholls** expressed concern that the City would have a perceived liability due to the use of the City's name and logo on the documents used by the company. **Rinehart** stated that the agreement has been vetted through the City Attorney's Office and the service is currently being utilized by other municipalities across the state. **Mayor Nicholls** asked to be provided with the names of some of the communities that have used this service so he could reach out to their mayors to see how happy they are with the arrangement. **Rinehart** explained that one of the first things they did was reach out to those communities and that he would be glad to provide that information.

**Craft** stated that he hoped it would be indicated very clearly on the letter that citizens have no obligation to participate in the program and that it is not a fee being charged by the City. **Rinehart** stated that he would provide a copy of the letter that will be used. **Craft** asked if there would be some sort of illustration accompanying the letter to show where the City's responsibility ends and residents responsibility begins with regard to water and sewer lines. **Rinehart** stated that he believed the company does have an illustration and he would be glad to provide it to City Council.

**Thomas** asked if this company will work with some of Yuma's local contractors. **Rinehart** stated that they only work with local contractors. **Thomas** asked if the services offered will work in conjunction with homeowners insurance. **Rinehart** stated that it would probably vary based upon the insurance policy.



**Craft** noted that under the standard terms and conditions of the contract there is a paragraph entitled Boycott of Israel. **Wilkinson** explained that the paragraph explains that pursuant to state statute the City cannot do business with companies that boycott Israel.

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Resolution Consent Agenda R2017-004 – Amendment: Residency Requirements (amend Resolution R2002-08 relating to personnel residency requirements) (Admin)

**Thomas** asked what reason a City Administrator may have to waive the personnel residency requirement. **Wilkinson** provided an example of the City hiring an employee who lives within the county, but just outside of the city limits. It would be unreasonable to expect that employee to sell their home in order to move a few miles into the city.

**Wright** asked if all emergency personnel were required to live within the city limits. **Wilkinson** stated that emergency personnel are required to live within 15 miles of the city limits. **Wright** asked if there were any changes to the residency requirement other than adding the City Administrator's ability to waive any department head to live outside of the city limits. **Wilkinson** explained that this is an existing ability that is being carried over from the previous resolutions.

**Craft** pointed out, in response to a rumor that he heard, that this amendment does not apply to the City Administrator position. **Wilkinson** stated that he lives within the city limits as required by the City Charter. This amendment is specifically for department heads.

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Introduction of Ordinance O2017-016 – Zoning Code Text Amendment: Off-Street Parking & Loading Regulations (reduce the number of required parking spaces for certain uses, provide permitted parking reductions, and clarify language prohibiting parking ) (DCD)

**Knight** asked how far the typical residential front property line extends. **Lineberry** stated that the property line can vary greatly block to block and even lot to lot. **Knight** expressed concern about not allowing residents to utilize up to five feet of their driveway. **Lineberry** explained that this portion of the amendment is in part to address the parking of large vehicles that block visibility for drivers. The front setback is not meant to be a storage space, and technically vehicles should not be parked in the driveway but in the garage instead. **Knight** pointed out that even a larger pickup truck could surpass the six-foot height limit. **Lineberry** stated that this restriction does not apply to vehicles that are driven on a regular basis, but rather vehicles that are being stored in the front setback.

**Thomas** asked if this ordinance would cover neighbors who park vehicles in front of houses other than their own. **Lineberry** stated that it would not. While it is a common presumption that the street in front of one's house is designated as parking for that house alone, the street is a public realm on which anybody is able to park.

**Mayor Nicholls** opined that this ordinance will be difficult to enforce because property lines vary, adding that it is each driver's responsibility to make sure they are entering the thoroughway safely. **Lineberry** stated that the amendment will provide clarification and help with the current code enforcement situation. **Mayor Nicholls** noted that the 2% handicap parking space requirement is being deleted. **Lineberry** explained that they are changing the Code to default to the current requirements pursuant to the Americans with Disabilities Act (ADA), eliminating the need to amend ordinances to

keep them aligned with the ADA as changes are made. **Mayor Nicholls** expressed concern that removing the landscaping requirements will result in parking lots with nothing but asphalt. **Lineberry** stated that while this amendment strikes the language regarding landscaping from this section of the Code, there are landscaping requirements in the landscaping regulation portions of the Code. **Mayor Nicholls** pointed out that Item C, under Section 8, refers to ‘the outdoor parking and storage of recreational equipment, vehicles, and watercraft’ and asked if that meant recreational vehicles or all vehicles. **Lineberry** answered that it is referring to recreational vehicles.

**Knight** suggested that the maximum height requirement should be reconsidered because many pickup trucks are easily over six feet in height. **Mayor Nicholls** asked if there is something more to the height requirement or if it could be deleted to remove concerns over the appropriate maximum height. **Lineberry** stated that the intent is to allow some vehicles – such as pickup trucks – but prevent massive recreational vehicles such as motorhomes that really change the character of a single family residential neighborhood. **Knight** noted that the map attached to the ordinance indicates that there is an exception for the property north of 1<sup>st</sup> Street and west of Main Street. **Lineberry** stated that this is an existing situation that covered the bank that was on the corner of 1<sup>st</sup> Street and the parking lot behind it. If City Council would like this addressed with a further amendment, that can be done.

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Introduction of Ordinance O2017-015 – Rezoning of Property: 2500 W. 8<sup>th</sup> Street (rezone approximately 17,000 square feet of property located on the northwest corner of 8<sup>th</sup> Street and Avenue B from Agriculture to Limited Commercial) (DCD)

**Thomas** asked if the raised median referred to in this ordinance would be at the intersection only or throughout the entire street. **Lineberry** explained that it simply serves as notification that a median may be constructed at some time in the future.

## **VI. ADJOURNMENT**

There being no further business, **Mayor Nicholls** adjourned the meeting at 9:55 p.m. No Executive Session was held

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Lynda L. Bushong, City Clerk

APPROVED:

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Douglas J. Nicholls, Mayor