

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
AUGUST 21, 2024
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the City Council meeting to order at 5:34 p.m.

INVOCATION/PLEDGE

Pastor Vince Harman, Christ Lutheran Church, gave the invocation. **Karla Bailey**, Assistant Director of Finance, led the City Council in the Pledge of Allegiance.

ROLL CALL

Councilmembers Present: Morales, Smith, McClendon (via telephone), Morris, Shoop, Shelton, and Mayor Nicholls

Councilmembers Absent: None

Staffmembers Present: Acting City Administrator, John D. Simonton
Director of Finance, Douglas Allen
Chief of Police, Thomas Garrity
Assistant Director of Engineering, Steve Wilson
Various Department Heads or their representative
City Attorney, Richard W. Files
City Clerk, Lynda L. Bushong

FINAL CALL

Mayor Nicholls made a final call for the submission of Speaker Request Forms for agenda related items from members of the audience.

Presentation

Douglas Allen presented the Quarterly Financial Briefing for the 4th Quarter of Fiscal Year (FY) 2024 as follows:

FY 2024: Financial Status – Major Revenues

- City's Major Revenues
 - There are 12 Major Operating Revenues for the City
 - The benchmark shows the City should be collecting 100% of revenue at this point in time
 - When comparing the benchmark percentage in column “F” to the actual budget percentage in column “E”, the benchmark is over budget by a total of 3.3%
 - The percentage change from last FY is a total of 7.8%

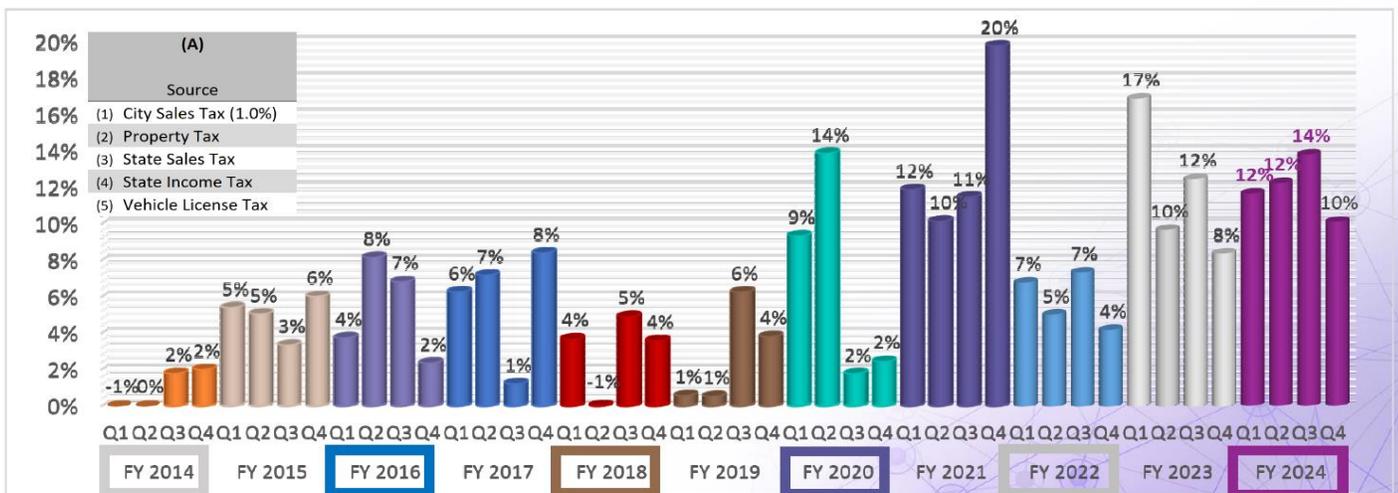
MAJOR REVENUES



MAJOR OPERATING REVENUE		BENCHMARK (BM) TO BUDGET (BUD)					YEAR OVER YEAR		
(A) Source	(B) Fund	(C) FY 2024 July-June	(D) FY 2024 Total Budget	(E) % of Budget	(F) Bench Mark	(G) Variance to Bench Mark	(H) FY 2023 July-June	(I) Amount Change	(J) % Change
(1) City Sales Tax (1.0%)	General	\$ 34,390,132	\$ 33,600,000	102%	100%	2.4%	\$ 32,890,150	\$ 1,499,982	4.6%
(2) Property Tax	"	15,612,274	16,290,776	96%	100%	-4.2%	15,213,991	398,283	2.6%
(3) State Sales Tax	"	14,913,219	14,371,000	104%	100%	3.8%	14,352,376	560,843	3.9%
(4) State Income Tax	"	26,108,820	25,500,000	102%	100%	2.4%	18,418,692	7,690,128	41.8%
(5) Vehicle License Tax	"	5,488,540	5,375,400	102%	100%	2.1%	5,408,721	79,819	1.5%
(6) Gasoline Tax (0.5%)	HURF	9,949,741	9,614,190	103%	100%	3.5%	9,460,371	489,370	5.2%
(7) Road Tax (0.5%)	Road Tax	17,192,143	16,809,600	102%	100%	2.3%	16,442,282	749,861	4.6%
(8) Public Safety Tax (0.2%)	Public Safety	6,874,519	6,711,600	102%	100%	2.4%	6,574,677	299,842	4.6%
(9) Two Percent Tax	Two Percent	8,875,826	8,925,000	99%	100%	-0.6%	8,986,334	(110,508)	-1.2%
(10) Water Sales	Water	29,036,545	26,889,250	108%	100%	8.0%	28,131,484	905,061	3.2%
(11) Wastewater Operating	Wastewater	20,030,274	19,044,800	105%	100%	5.2%	19,026,028	1,004,246	5.3%
(12) Solid Waste Fees	Solid Waste	6,004,121	5,661,785	106%	100%	6.0%	5,489,040	515,081	9.4%
(13) TOTAL MAJOR OPERATING REVENUE		\$194,476,154	\$ 188,793,401	103%	100%	3.3%	\$180,394,146	\$ 14,082,008	7.8%

- Major Revenues - General Fund
 - State income tax increased 41% from FY 2023; it is expected to decrease over the next two years due to allocation changes
 - The graph shows each FY by quarter and what the year-to-year has looked like since FY 2014
 - FY 2024 each quarter ranged between 10% and 14% increase over last year

Major Revenues – General Fund

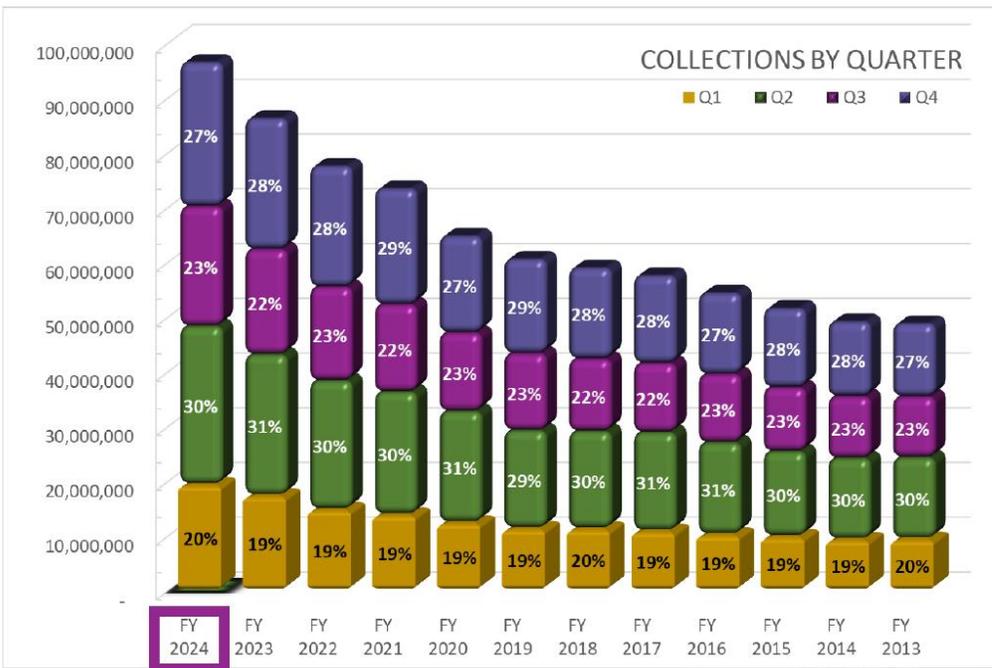


- The graph below shows how consistent the City of Yuma has been over the years, which is helpful in identifying inaccuracies in the revenue source
- 19% to 20% of revenue is collected within the first quarter each year, 30% to 31% in the second quarter, 22% to 23% in the third quarter and 26% to 29% in the fourth quarter
- In FY 2024 City Sales Tax revenue collected was 2.4% over the budget schedule
- FY 2024 was on target all year, flattened a little in Quarter 4, and slightly exceeded the budget goal at year-end

Major Revenues – General Fund



6



BENCHMARK (BM) TO BUDGET (BUD)			
(A)	(E)	(F)	(G)
Source	% of Budget	Bench Mark	Variance to Bench Mark
(1) City Sales Tax (1.0%)	102%	100%	2.4%
(2) Property Tax	96%	100%	-4.2%
(3) State Sales Tax	104%	100%	3.8%
(4) State Income Tax	102%	100%	2.4%
(5) Vehicle License Tax	102%	100%	2.1%

FY 2024 was on target all year
Flattened a little in Q4
Slightly exceed the budget goal at year-end

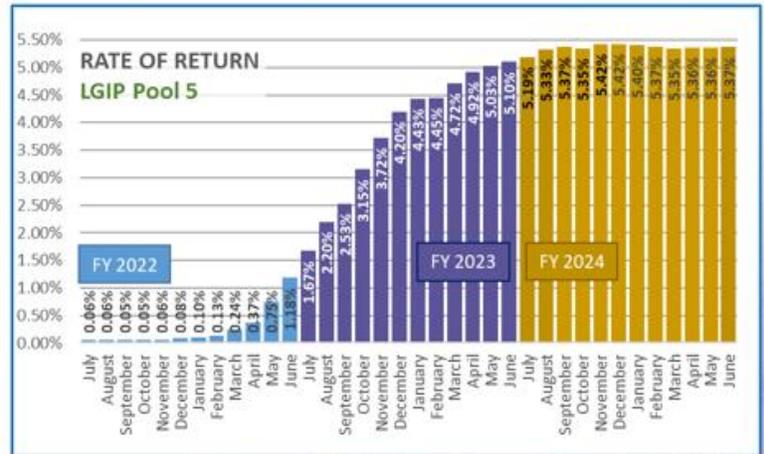
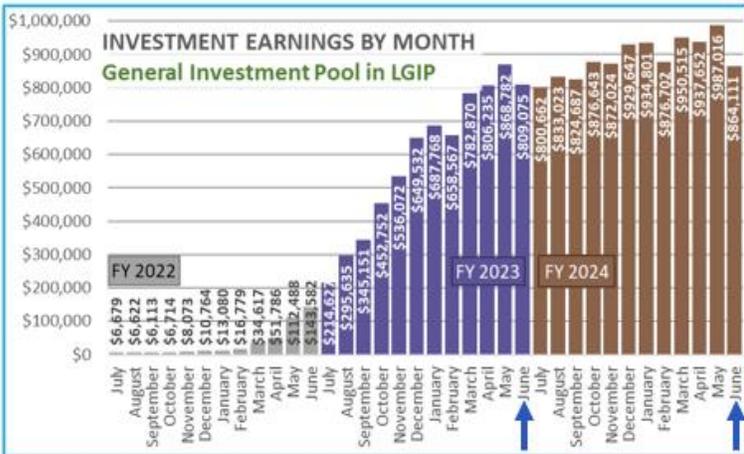


Graph shows amount and % of total collections by quarter. Note consistency of % in each Q since 2013.

- Investment Earnings

- The City has invested in the Local Government Investment Pool (LGIP)
- The pool has increased significantly over the past three years due to the rate of return also increasing significantly
- The chart shows investment earnings going down every year in June due to bond payments; bond payments were almost \$30,000 this year, which lowered the investment earnings
- Earnings in Quarter 4 from July to June were:
 - \$10,687,483 in FY 2024,
 - \$7,107,066 in FY 2023, and
 - \$417,297 in FY 2022

Investment Earnings – General Pool



Cash Balance Lowers in June

Bond Payments: Principal and 1/2 annual interest	
Combined Utility Revenue Bonds	\$ 10,664,794
PSPRS Pension Bonds	9,979,159
All Other Excise Tax Bonds	9,020,873
Cash Wired for Bond Payments	\$ 29,664,826



- **Spotlight: City Sales Tax**
 - FY 2024 City sales tax is 4.6% more than FY 2023, which exceeded the budget goal of 2.2%
 - Two Percent Tax decreased by 1.2% in comparison with FY 2023

Spotlight: City Sales Tax



CITY'S 1.7% SALES TAX (1.0% General; 0.5% Road; 0.2% Public Safety)

Category as Reported by ADOR	July-June	July-June	July-June	Change in FY24/FY23	
	FY 2024	FY 2023	FY 2022	\$	%
Retail	\$ 30,250,235	\$ 29,599,446	\$ 28,415,599	\$ 650,789	2.2%
Restaurants and bars	6,324,468	6,279,049	5,818,497	45,419	0.7%
Internet sales *	2,470,224	2,086,809	1,819,060	383,415	18.4%
Hotels	1,230,342	1,372,421	1,382,398	(142,079)	-10.4%
Utilities	2,844,571	2,681,639	2,784,152	162,932	6.1%
All other	3,436,773	3,135,856	3,050,266	300,917	9.6%
Sub-Total Recurring	\$ 46,556,613	\$ 45,155,220	\$ 43,269,972	\$ 1,401,393	3.1%
Grocery **	7,091,646	6,821,060	5,705,262	270,586	4.0%
Residential rental leasing	552,362	562,535	343,235	(10,173)	-1.8%
At-Risk or Ending	\$ 7,644,008	\$ 7,383,595	\$ 6,048,497	\$ 260,413	3.5%
Construction	4,256,174	3,368,292	4,001,825	887,882	26.4%
Total City's 1.7% Tax	\$ 58,456,795	\$ 55,907,107	\$ 53,320,294	\$ 2,549,688	4.6%

* Internet Sales = Marketplace facilitated or remote retail sales of food for home consumption
** Grocery = Food for home consumption

TWO PERCENT TAX (2.0%)

Category as Reported by ADOR	July-June	July-June	July-June	Change in FY24/FY23	
	FY 2024	FY 2023	FY 2022	\$	%
Restaurants and bars	\$ 7,461,869	\$ 7,416,879	\$ 7,003,557	\$ 44,990	0.6%
Hotels	1,413,955	1,569,453	1,555,799	(155,498)	-9.9%
Total Two Percent Tax	\$ 8,875,824	\$ 8,986,332	\$ 8,559,356	\$ (110,508)	-1.2%

Total 2% Tax for Parks is **1.2% lower** in FY 2024 as compared to FY 2023. After hyper growth in FY 2021 and FY 2022; estimates for FY 2024 and FY 2025 are level. PA updated Budget Goal of **0.7% decrease** was lower.

Overall, FY 2024 **Total City 1.7% Taxes** are **4.6%** or \$2.5 million **more** than FY 2023 for the full 12 months of July-June. The FY 2024 post-audit (PA) updated **Budget Goal 2.2% increase** was exceeded.

Sub-Total Recurring tax revenues, in the General, support the City's core on-going operations, personnel, small equipment, contracts, commodities and debt service.

"All other" consists of 14 categories primarily driving by Commercial Leasing, Equipment rental and Communications accounting for most of the activity.

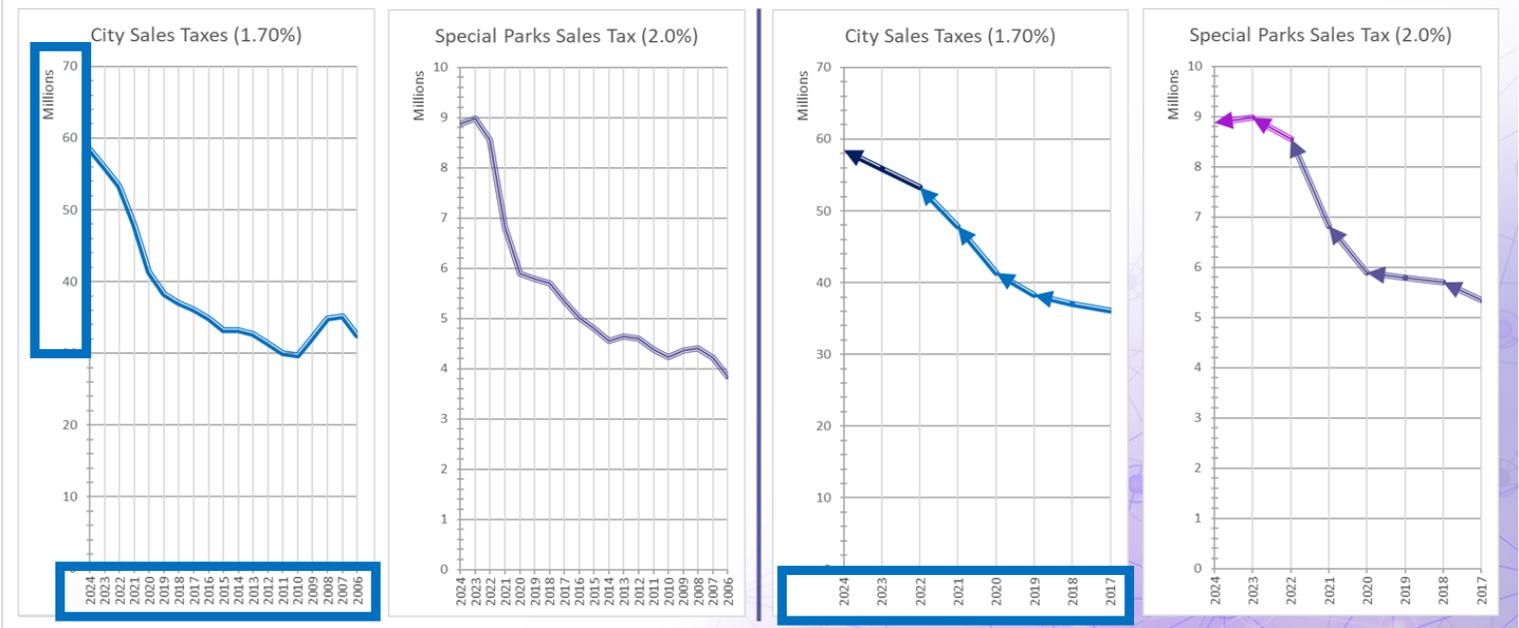
At-risk or Ending categories have either been or are at risk of being discontinued as taxable activities. The year-over-year change for "Food for home consumption" (Grocery) has been stabilizing. Last fiscal year FY 2023 recorded a 20% increase compared to FY 2022. Collections from *residential rental leasing* activities will cease midway through FY 2025.

Construction revenue is allocated for capital expenditures or other one-time type purchases, not core operations. This is an indicator of growth in the tax base for future property and sales taxes.

OK

- Spotlight City Sales Tax: Flattening Curves
 - This prototype focuses on retail, restaurants and bars, internet sales, and hotel revenue; the graph gives an understanding of what it means when revenues are going flat throughout yearly budget cycles.
 - Going back to 2006 through the current year, there was a decline in City Sales Taxes in 2010; that is referred to as revenue going flat
 - When compared, City Sales Tax (1.70%) and Special Park Sales Tax (2.0%) have different paths on the graph due to Special Park Sales Tax focusing only on bars, restaurants, and hotels.
 - Since 2017 the City Sales Tax (1.70%) kept rising, and just recently the curve started flattening; it is expected to keep flattening into the next fiscal year.
 - Special Park Sales Tax (2.0%) is being monitored closely as the curve dipped lower than flat

Spotlight City Sales Tax: Flattening Curves (Prototype)

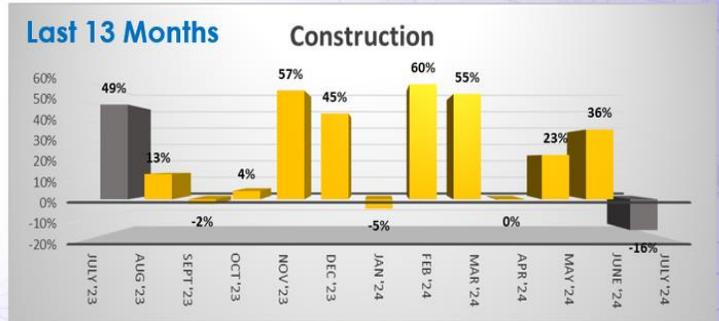


- Spotlight City Sales Tax: Select Categories
 - This prototype looks at the changes in retail and internet sales, restaurants and bars, and hotels for the last 25 months.
 - For a look at a more recent timeline, changes are also looked at 13 months back
 - Retail and internet sales are combined into the same category seeing that consumers either shop at a store or the internet for their purchases, making it the same dollar. This also includes food purchases
 - Retail and internet sales were monitored closely in May and June of 2024 due to a 3% drop in sales for both months. In July, sales rebounded and went up 7%
 - The Two Percent Tax was also looked at in the last 25 months. Data shows hotels have been in decline for the past couple of years, and for that reason the data is being monitored closely to make sure proper mitigation is in place if needed

Spotlight City Sales Tax: Select Categories (Prototype)



10



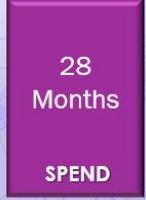
- Expenditures / Expenses
 - The City’s FY 2024 books are still open and additional transactions are expected up to the end of August.
 - All departments are under their FY 2024 budget
 - The City’s Contingency Program was successful by:
 - Adequately funding specific needs, if materialized
 - Personnel changes, pay plans, inflationary items, etc.
 - Avoids over funding line items, programs or department
 - Most departments absorbed costs without contingencies
 - There are no recommended changes to the FY 2025 budget as result of FY 2024 spending
- ARPA (American Rescue Plan Act)
 - All funds need to be obligated by December 31, 2024 (Q2, FY 2025)
 - Funds need to be spent by December 31, 2026 (Q2, FY 2027)
 - The September 18, 2024, agenda will include a Resolution for City Council’s consideration to move the budget authority
 - Currently the City has spent close to \$8 million with 19 projects closed
 - There is an estimated \$4.5 million obligated to six projects
 - The remaining balance is close to \$11.1 million and it is obligated to two projects: 4% will go to the Readiness Center Project and 96% will go to the East Mesa Community Park
 - The project listing is broken down by what needs to be obligated and expended. It also reflects the changes that will be in the Resolution that will go before City Council for their consideration to add almost \$1 million to the East Mesa Community Park project

ARPA (American Rescue Plan Act)



16

ID	Project	Project Budget			Actual Spending				Obligate / Encumbered	Total Spent or Obligate	Available Balance
		Original	Changes	Amended	FY 2022	FY 2022/23	FY 2024	TOTAL			
NEED TO OBLIGATE AND EXPEND											
4	East Mesa Community Park	\$ 10,000,000	\$ 928,473	\$ 10,928,473	\$ -	\$ 26,485	\$ 79,269	\$ 105,754	\$ 175,618	\$ 281,372	\$ 10,647,101
11	Readiness Center AC & Gym Enhance	750,000	(308,663)	441,337	-	-	-	-	-	-	441,337
OBLIGATED; NEED TO EXPEND											
1	Jobs Education Project	200,000	-	200,000	-	-	51,422	51,422	148,578	200,000	-
8	Playground Replacement Program	500,000	200,667	700,667	-	461,855	-	461,855	238,812	700,667	-
12	Kennedy Regional Skate Park	2,500,000	-	2,500,000	-	48,093	173,972	222,065	2,277,935	2,500,000	-
15	Fire Station Alerting System	250,000	5	250,005	-	-	-	-	250,005	250,005	-
25	Intelligence Trans Sys PH 1	1,500,000	-	1,500,000	-	-	107,703	107,703	1,392,297	1,500,000	-
COMPLETED / REPURPOSED											
2	Economic Development Marketing	100,000	-	100,000	-	85,000	15,000	100,000	-	100,000	-
3	Economic Development-Small Business	200,000	(200,000)	-	-	-	-	-	-	-	-
5	City-Wide Parks Revitalization	250,000	(38,385)	211,615	-	9,442	202,173	211,615	-	211,615	-
6	Castle Park Flooring	415,000	49,135	464,135	-	464,135	-	464,135	-	464,135	-
7	Kennedy Regional Park Improvements	500,000	59,409	559,409	-	405,509	153,900	559,409	-	559,409	-
9	Ambulance	500,000	(24,787)	475,213	61,260	105,616	308,337	475,213	-	475,213	-
10	Fire Station 7 Construction	2,000,000	-	2,000,000	-	898,075	1,101,925	2,000,000	-	2,000,000	-
13	Ventilation System Air Purifier	53,000	(2,732)	50,268	-	50,268	-	50,268	-	50,268	-
14	East Wetlands Park Improvements	300,000	-	300,000	-	-	300,000	300,000	-	300,000	-
16	Enterprise Document Mngmnt	80,000	(80,000)	-	-	-	-	-	-	-	-
17	EnerGov Connect Portal	20,000	(20,000)	-	-	-	-	-	-	-	-
18	Audio Upgrade Portable Conference Chamber System	25,000	15,501	40,501	-	12,168	28,334	40,501	-	40,501	-
19	Fire Station-Ambulance Medical Supplies	130,000	-	130,000	-	120,638	9,362	130,000	-	130,000	-
20	Technologies Upgrades to 190	100,000	(22,708)	77,292	-	48,288	29,004	77,292	-	77,292	-
21	COVID Overtime for Public Safety	600,000	(600,000)	-	-	-	-	-	-	-	-
22	HERO Pay Bonuses	1,000,000	-	1,000,000	1,000,000	-	-	1,000,000	-	1,000,000	-
23	Boys & Girls Club Funding	100,000	-	100,000	-	100,000	-	100,000	-	100,000	-
24	Public Safety Trk Rehab	800,000	-	800,000	-	800,000	-	800,000	-	800,000	-
26	HHW Awning & Repaving of Maint Yd	250,000	(7,254)	242,746	-	213,915	28,831	242,746	-	242,746	-
27	Contingency	-	-	-	-	-	-	-	-	-	-
TOTAL ALL ARPA PROJECTS		\$ 23,123,000	\$ (51,339)	\$ 23,071,661	\$ 1,061,260	\$ 3,849,487	\$ 2,589,231	\$ 7,499,978	\$ 4,483,245	\$ 11,983,223	\$ 11,088,438



Final ARPA Allocation

Obligate by: December 31, 2024 (FY 2025)

Spend by: December 31, 2026 (FY 2027)

- Policies and Financing
 - Items that cost \$5,000 or more and have a useful life of more than one year are considered Capital Assets, that threshold was set in 2003 as part of the changes in accounting. About twenty years later, things have changed, and inflation has raised the prices of a lot of equipment items that would not be considered Capital Assets a few years back
 - Equipment accounts are now about 51% of total assets that are very low in value; for that reason, it was decided to change the threshold from \$5,000 to \$10,000, with the auditor's approval
 - The CIP equipment threshold change from \$25,000 to \$35,000 seemed the best fit for the City based on current and past assets with a useful life of three years or more. If the asset is a two-year asset, it would not qualify as a Capital Asset unless it is a grant fund
 - These changes took effect in 2024; assets that were already "on the books" will stay there until fully depreciated
 - There will be no change to land, building, Subscription-Based Information Technology Arrangements (SBITA), infrastructure, or anything else listed on the asset schedule, only to equipment. The analytics behind this is the prospective that current inventories will not be impacted
 - If changes were made in 2020 or 2023 the total asset count would have been reduced by 1,800, so total equipment assets would be 20% of the asset total. Since the value would have been reduced to 1%, it would not impact any of the value on financial statements
 - Key points:
 - Capitalization is for Financial Reporting purposes only
 - Asset Capitalization currently requires substantial labor-intensive reporting for trivial value to Financial Statements
 - Equipment is still tracked
 - \$35,000 threshold fits current asset trend and benchmarked with the city's two-tier tax structure

- Capital Improvement Plan (CIP)
 - Key Points
 - Recommend increasing project threshold to \$100,000 unless project is regulatory mandated, or grant funded
 - \$100,000 is the benchmark for most cities
 - All projects still go through the Engineering Department
 - Engineering makes the ultimate decision to take a project before City Council for approval
 - After looking at Capital Assets, the CIP's long standing \$25,000 threshold was found to be comparatively low, and a higher threshold better fits the City's CIP
 - If City Council wishes to update the threshold with a resolution, it could be brought before City Council as early as September, which for audit purposes would be the best time to make that change
 - Like capital assets, there have been changes in construction, material, and labor costs
 - Yuma County has also had a \$100,000 threshold for some time

- Bond Buy Back (Tendering)
 - In 2021, the City issued low interest rate taxable bonds for the Public Safety Personnel Retirement System (PSPRS) Unfunded Actuarial Accrued (UAAL). Since then, the rates have increased which changes the value to the bond holder. With the Bond Buy-Back program the City would negotiate with bond holders to sell bonds back to the City and reinvest at a higher yield. Bond Tendering will create savings on interest and principal for the City.

BOND BUY BACK (TENDERING)

Concept

- City issued low interest taxable bonds for the PSPRS UAAL
- Subsequently, interest rates increased; devaluing the value of the bonds to the holder
- Some bondholders:
 - Hold to maturity
 - Look to sell and reinvest in higher yield investments
- Negotiate purchase of City bonds from bondholders for “discounted rate”; hypothetical as 80 cents on the dollar
- *Not calling, early paying or refunding bonds it’s “tendering”*

Advantages

- Changes debt schedule below, savings in cash flows
- Savings on interest *and* principal
- Savings measure in present value and cash flows
- Improves debt capacity ratios for future bond issuances; Revenue vs Bonded Debt

Competing Options

- LGIP (Local Government Investment Pool),
- US Agencies (City Investment Pool),
- PSPRS Unfunded Accrued Liability (under AELR),
- ASRS Contribution Pre-pay Prog.,
- Early pay bonds (2 coming up)

Governmental Activities - Bond Taxable 2021 Pledge Revenue			
July 15	Principal	Interest	Total
2023	\$7,755,000	\$2,858,740	\$10,613,740
2024	8,560,000	2,808,174	11,368,174
2025	8,680,000	2,735,555	11,415,555
2026	8,775,000	2,637,389	11,412,389
2027	8,900,000	2,512,781	11,412,781
2028-2032	47,115,000	9,951,795	57,066,795
2033-2037	53,040,000	3,979,894	57,019,894
2038	3,615,000	95,146	3,710,146
Total	\$146,440,000	\$27,579,474	\$174,019,474

FOR CITY COUNCIL CONSIDERATION FURTHER INFORMATION TO BE PRESENTED BY THE STIFLE EXPERTS

Discussion

- Some of the disadvantages of the Bond Buy-Back are the competing options. If it is decided to do the Bond Buy-Back or invest with another agency, there will be a savings regardless; it is a matter of how much the savings will be compared to what they could have been. **(Mayor Nicholls/Allen)**
- Adding an inflationary adjustment to the resolution for the Asset Capitalization change is something to consider. It is a good way to move forward, get ahead, and provide fiscal efficiency by not having to come before City Council to make adjustments to the resolution. Starting the Asset Capitalization at \$25,000 is a good amount to begin with, and then index year after year to stay on par with changes. **(Mayor Nicholls/Allen)**
- The drop in tax revenue was not impacted by the rental tax removal, which will take effect in January of 2025; the estimated loss due to the removal will be about half a million dollars. **(Mayor Nicholls/Allen)**
- The City of Yuma has no fiduciary responsibility for the Boys and Girls Club of the Valley. A portion of the City’s ARPA money was used to assist them get up and running, but no additional

assistance is anticipated to be provided, other than the City leasing a facility to them. (**Shelton/Simonton**)

- It was estimated that the revenue of the 2% Tax would be less in FY2025 compared to FY2024. (**Morris/Allen**)
- The construction tax is related to the Transaction Privilege Tax (TPT) or the sales tax. Property tax is collected by the Assessor's and Treasurer's Office. New construction is included in the levy that is set once a year. Property Tax compares the revenue that was collected and not the levy. When the revenue estimate is done, it is based on the levy and what the back collections have been historically to come up with the anticipated revenue. The anticipated revenue came in much lower than expected this Fiscal Year. (**Morales/Allen**)
- When going through the budget process, a Capital Contingencies and Reserves account was set up to deposit one-time money and have a reserve in the event of an economic downturn. (**Morales/Allen**)

I. MOTION CONSENT AGENDA

Motion Consent Agenda Item C.1 – Bid Award: Yuma Police Storage Facility (authorize the City Administrator to execute a contract for Yuma Police Storage Facility construction services to the lowest responsive and responsible bidder in the amount of \$6,309,361.88 for the base bid to Yuma Valley Contractors, Inc., Yuma, Arizona) (Eng/Purch)

Morales declared a conflict of interest and left the dais.

Discussion

- The Yuma Police Department currently occupies two old buildings within the City for storage. With approximately 78 cars in storage, the buildings are running out of space. The Public Safety Training Facility site gives the police department the opportunity to build a new storage building on site and expand the storage area in the future if needed. (**Smith/Garrity**)

Motion (Smith/Morris): To approve Motion Consent Item C.1 as recommended. Voice vote: **approved** 6-0-1, **Morales** abstaining due to conflict of interest.

Morales returned to the dais.

Motion (Smith/Morales): To approve the Motion Consent Agenda as recommended, with the exception of Item C.1, which was approved through a separate vote. Voice vote: **approved** 7-0.

A. Approval of minutes of the following City Council meeting(s):

Regular Council Worksession Minutes	June 25, 2024
Regular Council Meeting Minutes	July 17, 2024

B. Executive Session

Executive Sessions may be held at the next regularly scheduled Special Worksession, Regular Worksession and City Council Meeting for personnel, legal, litigation and real estate matters pursuant to A.R.S. § 38-431.03 Section A (1), (3), (4), and (7). (City Atty)

C. Approval of Staff Recommendations

1. Pulled for separate consideration; see above.
2. Award a one-year contract for purchasing of Heating, Ventilation and Air Conditioning (HVAC) services, with an option to renew for four additional one-year periods, to the three responsive and responsible bidders (depending on the appropriation of funds and satisfactory performance), for an estimated annual expenditure of \$345,000.00 to Polar Cooling of Yuma, Arizona, Hansberger Refrigeration of Yuma, Arizona, and Trane US, Inc. of Tucson, Arizona. (RFB-24-307) (Fac Mgmt/Purch)
3. Authorize the City Administrator to enter into a one-year janitorial supplies and services agreement with an option to renew for up to four additional years with Waxie Sanitary Supply of San Diego, California, utilizing a Cooperative Purchase Agreement through the Mohave Cooperative Agency at an estimated annual expenditure of \$240,000.00. (CPA-25-013) (Fac Mgmt/Purch)
4. Authorize the use of the State of Arizona Cooperative Purchase Agreement for a three-year Small Government Enterprise Agreement (SGEA) for a total expenditure of \$204,000 to: Environmental Systems Research Institute, Inc. (Esri) Redlands, California. (CPA-25-001) (IT/Purch)
5. Authorize the purchase of two annual renewals of the ClearGov CIP budgeting software subscription through ClearGov, Maynard, Massachusetts, utilizing BuyBoard Cooperative Purchase Agreement for an estimated annual expenditure of \$35,000.00. (CPA-22-001) (Eng/IT/Purch)
6. Authorize the renewal of the annual software subscription for a total expenditure of \$171,395.83 to: Tyler Technologies, Inc., Dallas, Texas (RFP-2011000118) (Fin/IT/Purch)

II. RESOLUTION CONSENT AGENDA

Resolution R2024-041 – Intergovernmental Agreement: Yuma County – Design Concept Report (authorize the City Administrator to sign an Intergovernmental Agreement (IGA) with Yuma County authorizing a Design Concept Report for a 40th Street minor arterial roadway between Avenue 6E and Fortuna Road) (Eng)

Mayor Nicholls declared a conflict of interest due to his firm engaging in the Design Concept Report, turned the meeting over to **Deputy Mayor Morris**, and left the dais.

Discussion

- This project is for the future of the 40th Street corridor. The project area is from Avenue 6E to Fortuna Road. In a joint effort with Yuma County, a Design Concept Report and an Environmental Assessment will be done to look at the costs, impacts, and to define what the project will be. (Shelton/Wilson)
- The project will consist of making a future arterial the length of 40th Street, from Avenue 6E to Fortuna Road, crossing over State Route 195 in a grade separated structure. The plan includes a five-lane roadway to facilitate east and west travel and help ease traffic on the Frontage Road system. This is a long-term project with a budget of \$60 to \$70 million. Federal monies from outside grants will be needed to fund this project and future road projects. To align with federal funding requirements, a Design Concept Report and an Environmental Assessment will be done. (Shelton/Wilson)
- It is expected to align this project with the Yuma Metropolitan Planning Organization's Long-Range Transportation Plan, which is looking at the year 2045 for completion. (Shelton/Wilson)
- A grant for \$30 million for the bridge over State Route 195, and a \$70 million grant for the stretch of road from 6E to Fortuna Road have been recently applied for. A response has not been received, but there are hopes of an approval to help fund the project and take some strain off Fortuna Road. (Morris/Wilson)

Motion (Smith/Morales): To adopt Resolution R2024-041 as recommended.

Bushong displayed the following title(s):

Resolution R2024-041

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving an Intergovernmental Agreement with Yuma County for the Design Concept Report of 40th Street from Avenue 6E to Fortuna Road (to improve the efficiency of movement, reliability, and safety of the traveling public) (Eng)

Roll call vote: **adopted** 6-0-1, **Mayor Nicholls** abstaining due to conflict of interest.

Mayor Nicholls returned to the dais.

Motion (Morris/Smith): To adopt Resolution R2024-042 as recommended.

Bushong displayed the following title(s):

Resolution R2024-042

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving an Assistance Agreement with Bureau of Reclamation for the Yuma East Wetlands Long Term Efficiency of Operations Project (to allow the City of Yuma, the Bureau of Reclamation, and the Yuma Crossing National Heritage area to develop planning efforts for Phase I of the Yuma East Wetlands Long Term Efficiency of Operations Project) (Eng)

Roll call vote: **adopted** 7-0.

III. ADOPTION OF ORDINANCES CONSENT AGENDA

Ordinance O2024-018 – Acceptance of Historic Properties (Authorize the City of Yuma to acquire ownership of: (1) the Sanguinetti House Museum and Gardens and Jack Mellon House located at 240 South Madison Avenue, Yuma Arizona, and (2) the Molina Block located at 272 Madison Avenue, Yuma, Arizona from the Arizona Historical Society) (Admn)

Shoop called for a motion to continue Ordinance O2024-018 to a future meeting until there is more information in relation to money and the City budget. The motion died for a lack of second.

Motion (Morales/Smith): To adopt the Ordinances Consent Agenda as recommended.

Bushong displayed the following title(s):

Ordinance O2024-018

An ordinance of the City Council of the City of Yuma, Arizona, authorizing the acceptance of certain historic properties (Senate Bill 1441 requires the City of Yuma to use the transferred land and buildings “for public purposes perpetually” and forbids the property from being “sold, exchanged or bartered”) (Atty/Admn)

Ordinance O2024-027

An ordinance of the City Council of the City of Yuma, Arizona, amending the list of conditional uses within the General Commercial Zoning District in Chapter 154 of the Yuma City Code (to include cemeteries on a minimum area of 15 acres as a conditional use) (Plng & Nbhd Svcs/Cmty Plng)

Roll call vote: **adopted** 6-1, **Shoop** voting Nay.

IV. APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING

Appointments

Motion (Morales/Smith): to appoint Keith “Kwadwo” Stevenson to the Parks, Arts, and Recreation Commission, with a term expiring December 31, 2025. Voice Vote: **Approved** 7-0.

Announcements

Smith, Morales, Deputy Mayor Morris, and Mayor Nicholls reported on the following meetings attended/upcoming events:

- Yuma Public Safety Police Board – Police Public Safety Personnel Retirement System (PSPRS) Meeting
- Greater Yuma Water Safety Alliance Meeting
- Arizona Western College Foundation Annual Retreat
- Greater Yuma Economic Development Corporation Annual Retreat
- Yuma Crossing Heritage Area Executive Committee Meeting
- Attainable Housing Committee Meeting
- Joint Land Usage Plan (JLUP) Fact Finding Meeting with Marine Corps. Air Station - Yuma
- Meet and Greet the Mayor of Puerto Peñasco in the City of Somerton
- The Yuma 50 Annual Meeting (Virtual)

- Meeting with the San Luis Port Director, Chris Leon
- Mayor’s Economic Think Tank Meeting

Scheduling – No meetings were scheduled at this time.

V. SUMMARY OF CURRENT EVENTS

Simonton reported the following events:

- August 22nd and 29th, 2024 - Joint Land Usage Plan Public Open House at City Hall

Simonton informed the community the Parks & Recreation activities guide will be available this month, and of the Mayor’s International Bike Ride scheduled for October 26th.

VI. CALL TO THE PUBLIC

The following people spoke regarding their opinion on public input being overlooked by City Council.

- **Cynthia Tovar**, City resident
- **Alea Hassin**, City resident

Tommy K. Morgan, City resident, spoke about City Ordinances regarding canopy shades.

VII. EXECUTIVE SESSION/ADJOURNMENT

There being no further business, **Mayor Nicholls** adjourned the meeting at 6:37 p.m. No Executive Session was held.

Lynda L. Bushong, City Clerk

APPROVED:

Douglas J. Nicholls, Mayor

Approved at the City Council Meeting of: _____ City Clerk: _____
--