

**MINUTES**  
**REGULAR WORKSESSION**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
CITY COUNCIL CHAMBERS - YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**June 6, 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  
Neighborhood Services Manager, Rhonda Lee-James  
Director of Parks & Recreation, Debbie Wendt  
Recreation Program Supervisor, Oscar Chavez  
Director of Community Development, Laurie Lineberry  
Various department heads or their representatives  
City Attorney, Richard W. Files  
City Clerk, Lynda Bushong

**I. STREETLIGHT REPLACEMENT PROJECT**

**Mayor Nicholls** stated that the Streetlight Replacement Project is a significant project for the City. It will not only replace high pressure sodium lights with more energy efficient Light Emitting Diodes (LED) but it will also bring in a \$10 million investment through a public/private partnership and create 300 new jobs. Yuma, will be the second city in the nation to have this technology.

**Mat Vaccaro**, Senior Account Executive at Siemens Industry, thanked City Council for the opportunity to discuss this forward-thinking project which will provide the City with the opportunity to become a real technology leader not only in Arizona, but nationwide. The City's leadership and staff has put significant time, effort, and energy into this project and it has the potential to move forward rapidly with City Council's consent. This project will utilize the City's existing streetlight infrastructure to help make Yuma a 'Smart City'. This technology will allow the City to reduce budget costs, create new revenue sources, increase public safety, provide city-wide Wi-Fi, and make use of additional energy controls.

There are significant environmental benefits that go along with a project like this because reduced power consumption means that less power needs to be produced. This project has the capability to produce the following environmental impacts:

- Annual Emissions Reduction
  - Carbon Dioxide – 6,247,721 lbs.
  - Nitrogen Oxides - 9,315 lbs.
  - Sulfur Oxide – 8,316 lbs.
- Annual Carbon Dioxide Reduction Equivalents
  - 22.6 acres of forests preserved
  - 15.3 railcars of coal
  - 596.6 cars driven for a year

LED technology produces a more natural light that is more appealing and more comfortable to the human eye. It enhances public safety by making things more readily identifiable in the dark such as the colors of vehicles. Another benefit of the LED technology is that it has a far longer lifecycle than the current streetlights and comes with a 10-year warranty that will significantly reduce the City's costs with regard to replacement, upgrades, and maintenance during that time period. The addition of the multi-functional node will reduce the number of items attached to light poles to accommodate the technology required by various utilities. The node will also enable the City to create a citywide Wi-Fi network that will provide seamless service due to the placement of the nodes throughout the city.

Public safety will be greatly enhanced due to the inclusion of cameras and microphones in each node. Each of the four cameras can be controlled individually by the City, allowing streets to be monitored while still respecting the privacy of residents. Cameras can also be sound activated by software that has the ability to determine the location and caliber of weapon in the event of a gunshot. Each node is capable of acting as a small cellular repeater, eliminating the need for additional cell towers and providing a new revenue source for the City. Photocells allow the lights to be turned on at dusk and off at dawn and have the ability to be dimmed.

The estimated savings are guaranteed by Siemens, meaning that if the actual savings realized by the City are less than the estimated savings the City will be reimbursed for the difference. The following are the estimated payment stream (savings), costs, and net cash flow over a period of 10 years after the completion of the project:

- Payment Stream - \$5,208,971
  - Utility Savings - \$2,748,373
  - Operations Cost Savings - \$1,110,597
  - Rebate - \$450,000
  - Re-lamping Avoidance - \$900,000
- Costs - \$3,726,127
  - Project Cost - \$3,705,851
  - Performance Assurance Agreement - \$20,276
- Net Cash - \$1,482,843

**Mayor Nicholls** asked if the City had secured the APS rebate as it is his understanding that the program will be ending soon. **Vaccaro** stated that City staff was able to submit a reservation form in order to qualify for the higher rebate levels from 2016 even though the project will be implemented in 2017. **Mayor Nicholls** noted that the \$5.2 million payment stream does not include the potential rental income from cellphone companies or any business the City has with anyCOMM Holdings Corporation (anyCOMM). **Vaccaro** confirmed that any revenue is beyond and separate from the installation of the project.

**Wright** asked if Vaccaro has worked with or is currently working with any other cities in Arizona that are converting from older lighting to LED technology. **Vaccaro** stated that Yuma is the first conversion project in Arizona, but Siemens has references from projects completed all over the United States. **Wright** asked if technology will be included with this installation that will allow for the LED lights to be dimmed. **Vaccaro** stated that the technology needed to dim the lights is built into the nodes. **Wright** asked what will be the color spectrum of the LED lights. **Vaccaro** stated that 3,000 kelvin is the color rendition off of the majority of the lights, which matches closely to both City of Phoenix and City of Tucson specifications. **Wright** asked if there were any changes anticipated within

the next couple of years where the LED components will be substantially improved to offer further reductions to the cost of electricity. **Vaccaro** stated that engineering staff and equipment manufacturers have not indicated that any changes are on the horizon.

**Shelton** noted that the environmental impact section of the presentation mentioned emissions reductions and asked what the source of those emissions was. **Vaccaro** stated that the emissions come from the generation of the power. More efficient lights consume less electricity, reducing the amount that APS needs to generate and therefore creating less pollutants. **Shelton** asked how the seismic detection works. **Vaccaro** explained that the seismic sensor is built into the nodes and can detect earthquake activity and report that activity back to the U.S. Geological Survey, an operations center, or directly to the City. **Shelton** asked who will be monitoring the information collected by the nodes and what department will be overseeing the project. **Vaccaro** stated that the manufacturer of the nodes has the ability to gather, sort, and disseminate the data collected by the nodes through a network operations center. **Wilkinson** stated that the City will have one of the Assistant IT Directors oversee the project with the network operations center monitoring the data collected by the nodes. While some details remain to be worked out, in the case of events such as a gunshot or car crash that information would be sent directly to dispatch.

**Knight** asked what the maximum heat tolerance is for the unit. **Vaccaro** stated that node's maximum heat tolerance is 188 degrees. **Knight** asked if this technology will reduce the number of cell towers that are currently in use within the city. **Vaccaro** stated that the technology should end the need to build additional towers but he is unsure if existing infrastructure can be reduced. **Knight** stated that cellular reception throughout the City should improve. **Vaccaro** stated that with the nodes mounted on top of street lights dropped calls should be eliminated.

**Thomas** asked if applications for the nodes will only be available through Siemens. **Vaccaro** confirmed that is correct. **Thomas** noted that the nodes have a 28-day local recording period and asked how much server space will be required to store that information. **Wilkinson** explained that the 28 days are stored on the device itself and after that period it will write over itself. **Thomas** asked what the maximum wind speed is that the node can withstand. **Vaccaro** stated he was unsure of the specifications for wind speed, but would look into it. **Wilkinson** stated that telecommunication devices are normally built to withstand up to 80-100 mile per hour winds and he would imagine light poles are right in that same range. **Thomas** asked what the cost and procedure would be to replace a pole with a node that is knocked down. **Vaccaro** stated that if a light is broken or a bulb burns out within the warranty period of the light the replacement would be covered by that warranty. The node is covered by a warranty that runs for the duration of the agreement that the City has with anyCOMM moving forward.

**Thomas** asked if there is any opportunity for the City to add additional lights and nodes in the future. **Vaccaro** stated that additional lights and nodes can be added but they are not covered under this particular program so there would be an additional cost to the City.

**Mayor Nicholls** noted that a privacy ordinance will be coming before City Council in the future to address how the cameras and the information recorded by the nodes will be used. He added that while he is in support of providing a secure community and helping public safety keep the community safe, he does not support monitoring people. **Knight** asked if the cameras can be automatically turned on if a gunshot is detected. **Vaccaro** stated that the cameras do have the capability to be sound activated. **Knight** asked if there are motion sensors on the lights that would allow them to be dimmed or

brightened based on activity levels near the lights. **Vaccaro** stated that while there are not motion sensors the lighting levels can be set on a timer. Additionally, lights can be activated in an area if, for example, there is a call to the police regarding suspicious activity.

**Craft** asked if the City could generate revenue by utilizing the camera system as an additional security measure for businesses. **Vaccaro** stated the City could negotiate this with individual property owners.

**Miller** asked if the \$3.7 million being paid for this project is only for the LED conversion. **Vaccaro** confirmed, stating the \$3.7 million covers the luminaire, labor, project management, the warranty, engineering, and commissioning. The nodes, which are being provided at no cost, are under an agreement with anyCOMM and are part of the \$10 million investment previously mentioned by Mayor Nicholls. **Miller** asked if there is any program available that would enable the City to have zero out of pocket expense and still make this project happen. **Vaccaro** stated that fewer lights could be installed. **Miller** stated that he knows there are programs that would allow the City to complete this project with zero out of pocket expenses and then pay for the installation out of the energy savings. **Vaccaro** stated that this is an internal financial decision that staff and City Council would have to make.

**Wright** asked if any other municipalities are working with a program where there would be no upfront costs. **Vaccaro** stated that some cities choose to finance projects like this, but it is an internal decision. **Wright** asked if Siemens accepts that kind of approach. **Vaccaro** stated that they do. **Wright** asked if the lights being installed would be compatible with solar panels in the future. **Vaccaro** stated that while there is potential for that down the road, the current solar technology available does not generate enough power to carry a standard streetlight all night long. **Wright** asked if solar power might be an option for a location that does not require a bright light, such as decorative lighting. **Vaccaro** stated that it may be possible but that technology has not been vetted with this particular node.

**Shelton** asked who would be responsible for replacement of a node damaged by vandalism. **Vaccaro** stated that anyCOMM would be responsible for the node in the unlikely event of vandalism. **Shelton** asked what the benefit is to APS by being so generous in the rebate being provided for this project. **Vaccaro** opined that without having to add production capacity they can continue to provide power to additional homes and businesses with their current infrastructure.

**Miller** asked what the lumens will be of the new LEDs that are being installed. **Vaccaro** stated he was unsure, but it is part of the submittal package that will be provided to the City. **Miller** asked what the brightness is of the current streetlights. **Vaccaro** stated that the brightness varies depending on the type of roadway. A survey was done of all of the current streetlights to determine the right specifications to ensure that lights were selected with the right amount of brightness without sacrificing public safety or providing too much light into residents' homes. **Miller** asked who manufactures the new lights. **Vaccaro** stated that the manufacturer is Holophane. **Miller** stated that he believes it would be beneficial for the City to find financing or a program that would allow this project to go forward without spending \$3.2 million of the City's budget. **Vaccaro** stated that if the City chooses to go that route Siemens will participate and help facilitate that.

**Mayor Nicholls** asked how maintenance and upgrades of the node will be handled during the proposed 20-year anyCOMM contract. **Vaccaro** stated that anyCOMM is responsible for upgrades and replacements throughout the life of the contract. **Mayor Nicholls** asked if anyCOMM would still own the nodes at the end of the term of the contract, where the City would have to choose whether to come to a new agreement or remove the nodes. **Vaccaro** stated his understanding that anyCOMM would still

own the nodes at the end of the contract. **Mayor Nicholls** noted that APS bills a flat rate for electricity per streetlight and while LED rates are lower than standard rates the cost would not be affected by dimming at this point. **Vaccaro** stated that is correct. **Mayor Nicholls** stated that he spoke with Commissioner Andy Tobin of the Arizona Corporation Commission who was open to possibly addressing a future update through APS in light of the new technology. **Wilkinson** added that since the nodes are capable of individual electricity metering for each streetlight, the City could provide APS with actual usage information and may be able to go to a metered rate.

## II. COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAMS

**Lee-James** stated that typically City Council would have heard from the Department of Community Development (DCD) in April with recommendations on how Community Development Block Grant (CDBG) and HOME Program funds should be spent for the coming fiscal year in order to meet the August 16<sup>th</sup> statutory deadline for submittal of an Annual Action Plan. However, this year the Consolidated Appropriation was not signed until May 5<sup>th</sup> and Housing and Urban Development (HUD) still has until July 5<sup>th</sup> to make a final allocation which will tell the City how much money it is going to receive for use in those programs.

In order to stay on schedule and get the budget completed in time for the August 16<sup>th</sup> deadline, DCD started the process as usual by accepting applications from organizations throughout the community and taking those applications to the Citizen Advisory Board for recommendations in terms of a funding range going from a worst case scenario fund reduction to a best case scenario funding increase. DCD staff will then take the funds allocated by HUD and the recommendations from the citizen advisory board to enter their budget into the HUD system. DCD will come before City Council again hopefully in July with a formal budget for adoption.

**Mayor Nicholls** noted that he and Wilkinson met with HUD while in Washington D.C. and they expressed appreciation of the way DCD manages the federal funds it receives. Instead of just spreading those funds around, DCD looks to multiply the funds through partnerships and other opportunities to provide a bigger impact. **Lee-James** credited the City's focused approach for its success.

**Lee-James** also updated City Council on the progress of the Yuma County HOME Consortium which allows Yuma to directly receive HOME funds rather than having to go to Phoenix to try to get them to share their funding. The consortium is comprised of all of the cities within Yuma County as well as the county itself. While the consortium board will make recommendations for funding requests, the budget must be incorporated into the City's budget, as the City is lead entity in the consortium. A public hearing will be held on July 10<sup>th</sup> at which the public will have an opportunity to make comments on the funding recommendations, and it is hoped that a final budget will be presented to City Council on July 19<sup>th</sup>.

**Shelton** asked where the public hearing will take place and how the public will be notified. **Lee-James** stated that the public hearing will take place at the Martin Luther King Jr. Neighborhood Center and notices will be placed in the Yuma Sun and the Bajo El Sol in English and Spanish.

### III. PARKS & RECREATION UPDATE

**Wendt** provided City Council with an update on the following areas of Parks and Recreation:

The Patio Restaurant & Bar at the Hills

- Chef Alex Trujillo assumed the concession contract in October 2015
- The City receives 10% of gross revenues for all food and bar sales
- Revenues collected to date:
  - October 2015 to June 30, 2016 - \$60,527.68
  - July 1, 2016 to April 2017 - \$126,794.97
  - The City has profited approximately \$50,433 to date

Desert Sun Stadium

- 2011 - 2014 (before conversion)
  - \$209,802.47 total revenue
  - 216 days reserved
- 2015 to date (after conversion)
  - \$340,033.49 total revenue
  - 226 days reserved
  - Conversion was paid for by OneGoal, LLC

Pacific Avenue Athletic Complex (PAAC)

- Construction is on target to be completed prior to opening day on September 1, 2017, in conjunction with the national tournament taking place that weekend
- There have been some challenges – as there are with any construction project – but everyone has cooperated to work through those in order to stay on target

**Chavez** explained changes the City will make with tournament scheduling and local leagues due to the opening of the PAAC:

- All City adult leagues will move to the PAAC
  - Five seasons of Men's and Women's Slow-Pitch Softball
  - Three seasons of Co-Rec Slow-Pitch Softball
- Youth co-sponsored leagues will practice and play at current fields and will have the opportunity to play at the PAAC
  - Three youth co-sponsored organizations
    - Yuma Boy's Baseball League
    - Yuma Fast-Pitch and T-Ball League
    - Babe Ruth League
  - Two seasons of youth sports

In the past, the City has been limited in the number of tournaments it has been able to host and has had to turn away requests for tournaments due to lack of adequate facilities. Fields are shared with school districts which utilize them for their own programs so there are periods throughout the year that those fields are not available for the City's use. Over the last five years the City has been able to schedule 16 tournaments annually, and the opening of the PAAC has allowed an additional 11 tournaments to be scheduled.

Tournament organizers are excited about the PAAC because it will allow them to centralize their operations rather than having games taking place at multiple fields throughout Yuma. In addition to the City's long-term customers, **Chavez** opined the PAAC will help to draw in new tournament sports

organizations such as Xtreme Diamond Sports, Top Choice Baseball, and NSA Softball. The PAAC will also allow the City to expand its current offering of leagues and tournaments in men's, women's, and co-rec softball leagues as well as create new City sponsored tournaments such as Cinco de Mayo and Winter Senior Softball.

**Wendt** listed the following goals for the PAAC:

- Provide a positive quality of life experience for community members
- Increase PAAC users by creating and sustaining an influx of facility users – both players and spectators – through newly developed programming strategies
- Promote the PAAC as a premier athletic sports complex and a destination location for first-rate tournaments and sport events
- Schedule new tournaments and sports events to increase rental and concession revenues
- Create a positive economic impact by increasing City sales tax and 2% hospitality tax as well as drawing customers to local hotels, shops, restaurants, and businesses

With the last three major tournaments – the Memorial Day Softball Tournament, Border Madness, and The Baseball Legends – the City was able to bring in about \$192,000, or \$64,000 for each tournament. Multiplied by the 11 additional tournaments has been able to schedule because of the PAAC, the estimated economic impact comes to \$706,000. Parks and Recreation wants to reach at least 15 additional tournaments with a stretch goal of 20.

**Wright** asked where the public seating will be located at each field. **Wendt** explained that there are concrete tiers located at each field where spectators can set up lawn chairs and even pop-up shades. The championship field will additionally have shade structures in place as well as bleacher seating. During the many facility tours conducted prior to the design of the PAAC, it was found that bleachers are rarely used. **Wright** asked who Pro Consulting is. **Wendt** stated that the City has a contract with Pro Consulting to create a business plan for the PAAC. **Wright** asked if the business plan includes projections on the impact to the City's sales and hospitality tax. **Wendt** stated that there is a portion of the plan that estimates the economic impact using a national formula based on a certain number of tournaments a year, the number of people on a team, and the number of nights they may spend in Yuma. **Wright** asked what costs the City covers for The Hills restaurant. **Wendt** stated that the City pays the utilities, music and the alarm system costs per the contract authorized by City Council. **Wright** asked what type of grass is being used on the PAAC's fields. **Wendt** stated that it is Bermuda grass, as are all of the City's athletic fields. **Wright** asked if groundwater or river water will be used to irrigate the fields. **Wendt** stated that they are currently using City water but are hoping to transition to river water over the next year to a year and a half.

**Thomas** asked how the remaining fields will be used once the PAAC is open. **Wendt** stated that the youth co-sponsor organizations will be able to utilize those fields for additional practices and games and expansion of the leagues. The City will continue to maintain the fields at the level the community has come to expect.

**Craft** asked what the PAAC's fields can be utilized for in addition to softball. **Wendt** explained that there is portable fencing that can be utilized for girl's fast-pitch softball and portable mounds for baseball. Additionally the fields could be utilized for soccer tournaments where regulation-size fields are not required as well as flag and Pop Warner football. **Craft** noted that there were some hiccups with the construction contract. **Wendt** stated that there were some issues earlier with the irrigation

pond, lighting, and sewer, but they have been resolved and construction is back on track.

**Thomas** asked what the concerns were with regard to the sewer. **Wendt** explained that it was identified that the sewer line was not completed to code and appeared to be old, but it has since been replaced. **Thomas** asked how old sewer lines would have been put in a new facility. **Wendt** stated that it may have been an oversight, but it has been replaced and inspected and is now up to code.

**Shelton** stated that he had never heard that the Desert Sun Stadium conversion was paid for with a private funds and asked if the check was received in advance. **Wendt** stated that they did not lay any turf until the check was in hand. **Shelton** stated that City Council came under fire in 2015 with the accusation that the payment was made without a vote and that could have been easily put to rest if it was pointed out a private donation was made. **Mayor Nicholls** stated that this was made very clear every time the conversion came before City Council. **Shelton** suggested that the City make a point to repeatedly convey this type of information to ensure that rumors are corrected.

**Wright** asked how the PAAC will be marketed. **Wendt** stated that the Parks and Recreation Department's Marketing Specialist will be working with different groups such as the Yuma Visitors Bureau (YVB) to get the word out about the PAAC. They will also be going to sports conferences with YVB and reaching out to people in the Midwest and cities throughout California and Arizona.

**Knight** stated that there has been a lot of discussion that after losing OneGoal there would be a lack of programming at Desert Sun Stadium, but on the contrary in the 2.5 years since the conversion revenues have doubled compared to the previous four years. **Wendt** stated that Frontier United Youth Academy, born from One Goal, is already scheduling practices in the stadium and has a tournament this weekend. They are also looking at creating a 23-year-old and under team, and Parks and Recreation will be establishing an adult team as well.

**Mayor Nicholls** asked if the Cal Ripkin group will receive a tour when they are in town. **Chavez** stated that the local president and director for this weekend's tournament, George Owens, has seen the PAAC before, but will most likely be taken out again to see the progress.

**Wright** asked what additional expenditures are anticipated at the PAAC above the principal and interest on the bond. **Wendt** stated that there is an additional amount of about \$550,000 budgeted to cover the new staff, equipment, and supplies needed to maintain the facility. It is hoped that the rental, concession, and tax revenues that will be coming in will help offset those expenditures.

**Mayor Nicholls** recessed the meeting at 8:36 p.m. The meeting reconvened at 8:45 p.m. with the above-noted parties present.

#### IV. CITIZENS COMMITTEES

**Wilkinson** noted that there was some erroneous information published recently in the newspaper regarding the Citizen's Budget Committee (CBC). He stated that the CBC did a great job for City Council and four of the nine recommendations have already been implemented. The remaining five are to be implemented as part of next year's budget process including posting the preliminary budget on the front page of the City's website, forming the CBC earlier in the budget process, and partnering with the Neighborhood Leadership Academy.



**Wilkinson** suggested that the proposed revenue committee be formed as a City Council committee with each councilmember appointing a set number of members. **Mayor Nicholls** asked **Wilkinson** to prepare whatever is needed to create the committee and place it on the next agenda.

**V. REGULAR CITY COUNCIL MEETING AGENDA OF JUNE 7, 2017**

Motion Consent Agenda Item B.2 – Bid Award: 3<sup>rd</sup> Street Water Line Replacement (award construction contract to DPE Construction in the amount of \$268,519.90)

**Miller** declared a potential conflict of interest with regard to Motion Consent Agenda Item B.2 as the company he works for is being awarded the bid.

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Motion Consent Agenda Item B.5 – Renewal of City’s Insurance Coverage for Fiscal Year 2017-18 (with Traveler’s Insurance in the total amount of \$905,180.40)

**Mayor Nicholls** asked if there was any change in coverage from last year. **Files** stated that the premium increased by 4.1%, but the coverage remains the same.

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Introduction of Ordinance O2017-022 – Zoning Code Text Amendment: Infill Overlay District (IO) (amend Title 15, Chapter 154, Article 14 to establish the Infill Overlay District)

**Thomas** asked what the expected timeline is for the changes being made to the Zoning Code. **Mayor Nicholls** stated that ordinance will be introduced tomorrow night and adopted at the next meeting, and will go into effect 30 days after adoption. The actual plan documents will take as long as is needed by staff to get them in final form. **Lineberry** explained that the time needed to change the Zoning Code will depend on the section being addressed. The Infill Overlay Plan will be adopted via resolution at the next meeting along with the ordinance establishing the district.

**VI. EXECUTIVE SESSION**

**Motion** (Knight/Thomas): To adjourn the meeting to Executive Session. Voice vote: **adopted 7-0**. The meeting adjourned at 9:04 p.m.

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Lynda L. Bushong, City Clerk

APPROVED:

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Douglas J. Nicholls, Mayor