

MINUTES
REGULAR CITY COUNCIL WORKSESSION
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS - YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
September 17, 2024
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the Regular City Council Worksession to order at 5:33 p.m.

Councilmembers Present: Morales, Smith, McClendon, Morris, Shoop, Shelton, and Mayor Nicholls
Councilmembers Absent: None
Staffmembers Present: Acting City Administrator, John D. Simonton
Director of Utilities, Jeremy McCall
Various department heads or their representatives
City Attorney, Richard W. Files
Deputy City Clerk, Janet L. Pierson

I. VISIT YUMA ANNUAL PRESENTATION

Marcus Carney, Executive Director of Visit Yuma, presented Visit Yuma's annual update as follows:

- Strategic Planning
 - Support Destination Enhancing Asset Development
 - Advocate for the Revitalization of Downtowns, Riverfront and Entryways
 - Work to Encourage Community-Wide Adoption of the Yuma Brand
 - Build Organizational Capacity and Impact
- Membership
 - Membership – 354
 - Dining – 63
 - Accommodations/RV Parks - 54
- Annual Meeting
 - 130 people attended
- Electric Light Parade
 - Saturday, December 14, 2024
 - “Fantasy and Fairytales” theme
- Sales
 - 1,975 Booked Room Nights
 - \$321,000 in revenue
- Visitor Center
 - 10,000 annual visitors
 - Gift shop sells items made by Yuma creators and businesses
- Sunshine Award
 - Frontline customer service award
 - Will be awarded to four individuals each year

- Film
 - Reimplementation of tax credit for productions filmed in Arizona
 - Arizona is not seeing the production right now that they did a few years ago, and progress will likely be slow
 - CK Productions – “Backyard / Desert”
 - A seven-person crew came to Yuma in July and stayed for a week, and a larger crew of about 30 will return for a month
- Marketing and Public Relations
 - Hello. I’m Yuma.
 - Upcoming sports-focused advertisement
- Social Media
 - Adjusting strategy from creating content to working with others who tell their own stories about Yuma
 - the_az_explorer and wildjoyexperiences
- Visitor Guide
 - Released annually in November
- Hello. I’m Yuma.
 - Videos have received 211,000 views on YouTube
- Economic Impact of Travel
 - Travel-related spending was \$586.3 million in 2022
 - The Arizona Office of Tourism reported that tourism spending reduced the tax burden by an average of \$889 per resident statewide in 2023
- Hotels
 - Hotel Occupancy



- Hotel Average Daily Rate

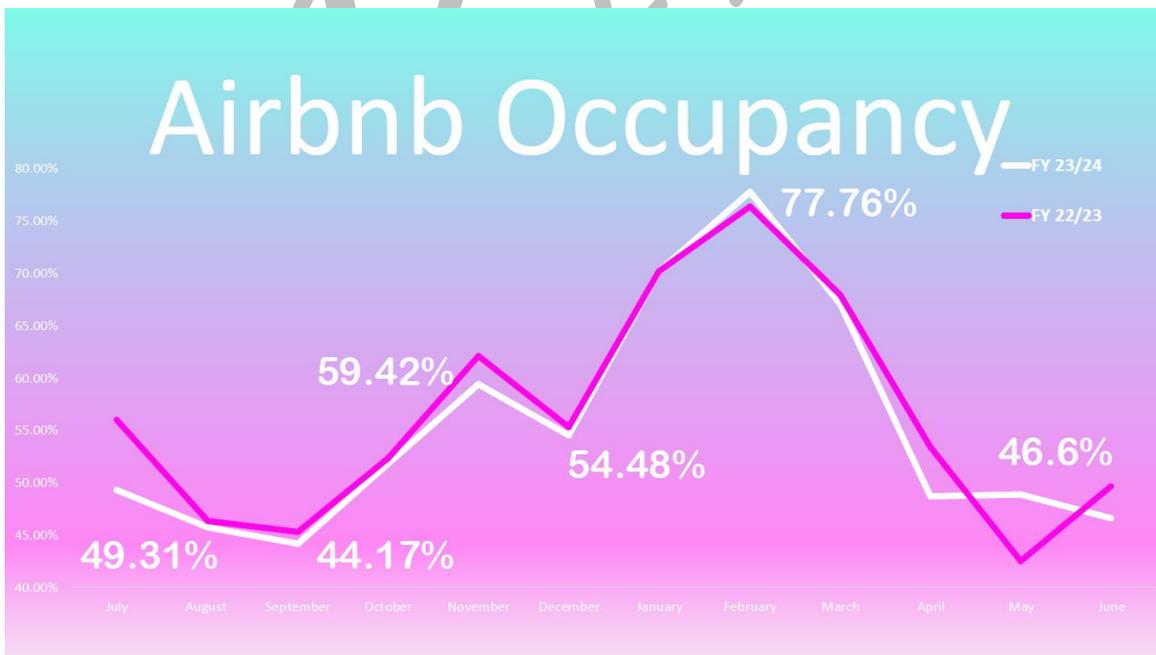


- Hotel Revenue

- FY 2024 - \$88,780,625
- FY 2023 - \$105,866,229
- FY 2022 - \$90,559,645

- Airbnb

- Airbnb Occupancy



○ Airbnb Average Daily Rate



○ Airbnb Available Listings



○ Revenue

- FY 2024 - \$17,969,475
- FY 2023 - \$7,795,516

- Partnerships
 - Focus on working with people in the community and across the state, including:
 - Arizona Lodging and Tourism Association
 - Yuma Union High School District
 - Arizona Office of Tourism
 - Yuma Regional Medical Center
 - Greater Yuma Economic Development Corporation
- Semiquincentennial
 - Various events and activities will be taking place throughout Arizona to celebrate the 250th birthday of the United States
- Storytelling
 - Utilize storytellers, rather than companies or brands, to share the spirit of Yuma

Discussion

- Visit Yuma will work to develop programming based on the input received in the development of the 2024-2026 Strategic Plan, and bring together organizations in the community with similar interests to achieve larger goals (**Morales/Carney**)
- A bill allowing the formation of Tourism Business Improvement Districts (TBIDs), which will hopefully be coming forward this year, would help provide communities with event funding (**Morales/ Carney**)
- Visit Yuma encourages and would be supportive of private entities interested in investing in or building venues, or attractions that would elevate Yuma's status as a destination (**Shoop/Carney**)
- Some organizations are not interested in bringing their events to Yuma because our population base is not large enough or due to a lack of facilities of sufficient size (**Shelton/Carney**)
- In 2019, Yuma was recognized as the most patriotic city in Arizona due to its high percentage of current and former service members; this is something that can be highlighted as a part of Yuma's story leading up to the Semiquincentennial (**Morris/Carney**)
- Airbnbs are subject to the 2% hospitality tax (**Smith/Carney/Simonton**)
- Visit Yuma is investing in a few more data sources for next year to help understand who Yuma's winter visitors are, where they come from, and how they are changing (**Mayor Nicholls/Carney**)

II. FIRST THINGS FIRST PROGRAM

Zahid Plantillas, Community Engagement Coordinator for First Things First, provided the following overview of First Things First and discussion of their community engagement priorities and early childhood education issues:

- What Does First Things First Do?
 - In November 2006, Arizona voters passed Proposition 203, a ballot initiative that created the Arizona Early Childhood Development and Health Board
 - First Things First (FTF)
 - Advocates (Community Engagement)
 - Consults (Regional Partnership Council)
 - Lobbies (Government Affairs)
 - Funds Programs/Strategies (Regional)
 - The FTF Yuma Regional Partnership Council is comprised of community members who vote on how FTF spends its funds in Yuma

- Expanding the Audience Through Engagement
 - Inspire community support for early childhood
 - Change how people think about, talk about, and take action in support of early childhood
 - Engage the business community, leadership, and workforce development
- Arizona Does Not Work if Childcare Does Not Work
 - High quality childcare is a smart investment for Arizona employers
 - Inadequate options for reliable childcare takes a heavy toll on Arizona's working parents, employers and state revenues



- The Business Case for Childcare
 - 60% of young children in Arizona live in households where all adults work
 - Childcare challenges cost \$1.7 billion annually to Arizona's economy
 - 48% of Arizona is considered a childcare desert, which refers to rural and urban areas where there are too few licensed slots for the number of children who need care
 - Quality early learning leads to school success and creates more qualified employees and workforce
 - The cost of childcare has outpaced inflation 6:1
- Local leadership
 - Local leadership can support FTF by bringing awareness to FTF and spreading its message by speaking at events, sharing posts, and making sure FTF is seen in the community
- Childcare Calculator
 - Brings awareness to the annual financial loss caused by childcare issues, broken down by:
 - Lost wages due to parent absences
 - Indirect and direct losses to business
 - Replacement cost for employees who quit due to lack of childcare
- Support Team
 - Regional Director, Rudy Ortiz
 - Community Engagement Coordinator, Zahid Plantillas
 - Program Coordination Specialist, Diana Ortega
- Engagement Opportunities
 - Use your platform to advocate for FTF
 - Presentations to groups, boards, clubs, town halls, tours
 - Sharing FTF materials in your business
 - Statements of Support, Op-eds in local news outlets
 - Regional Partnership Council
 - GYEDC Yuma County Early Childhood Crisis Task Force
 - Invite us to your events

Discussion

- First Things First focuses on helping children from birth through five years of age, when 90% of all brain development happens (**Morales/Plantillas**)

III. UTILITIES DEPARTMENT UPDATE

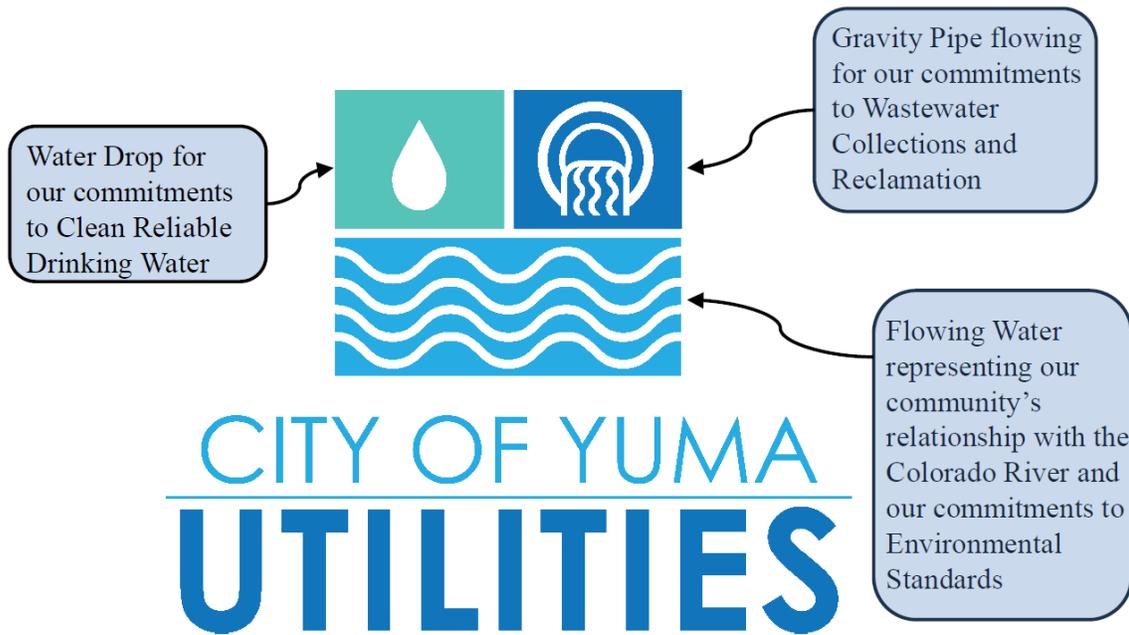
McCall presented the following update regarding the Utilities Department:

- Water and Sewer Commission
 - Members act as a liaison between the City and residents on subjects including:
 - Utility Capital Improvements
 - Bond Issues
 - Rate Schedules
 - System Policies
- City Utilities Department
 - Two Enterprise Funds
 - Water
 - Wastewater
 - 14 Divisions

Water	Wastewater
Main Street	Figueroa Avenue
Agua Viva	Desert Dunes
Distribution	Collections
Customer Service	Pretreatment
Supervisory Control and Data Acquisition (SCADA)	SCADA
Laboratory	Laboratory
Administration	Administration

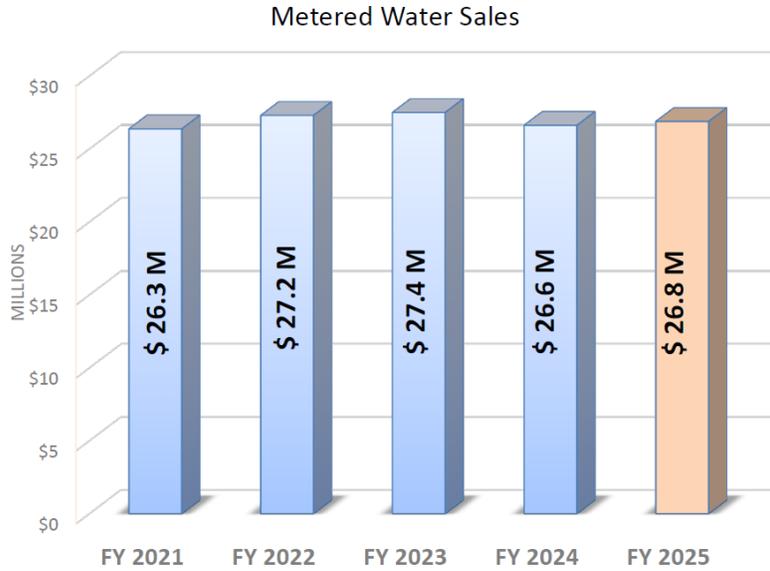
- Assets
 - Water
 - Main Street Water Plant
 - Agua Viva Water Plant
 - 522 Miles of Water Piping
 - 17,250 Water Valves
 - 4,000 Fire Hydrants
 - 24,000 Water Meters
 - Dedicated Computerized Control Network - SCADA
 - Wastewater
 - Figueroa Avenue Wastewater Plant
 - Desert Dunes Plant
 - Jackrabbit Mesa Plant
 - 410 Miles of Wastewater Lines
 - 5,810 Manholes
 - 26 Wastewater Lift Stations

- Department Staff
 - 158 Employees
 - 148 Full-Time Employees
 - 10 Part-Time Employees
 - 92 positions require a certification or degree
- New Utilities Department Emblem

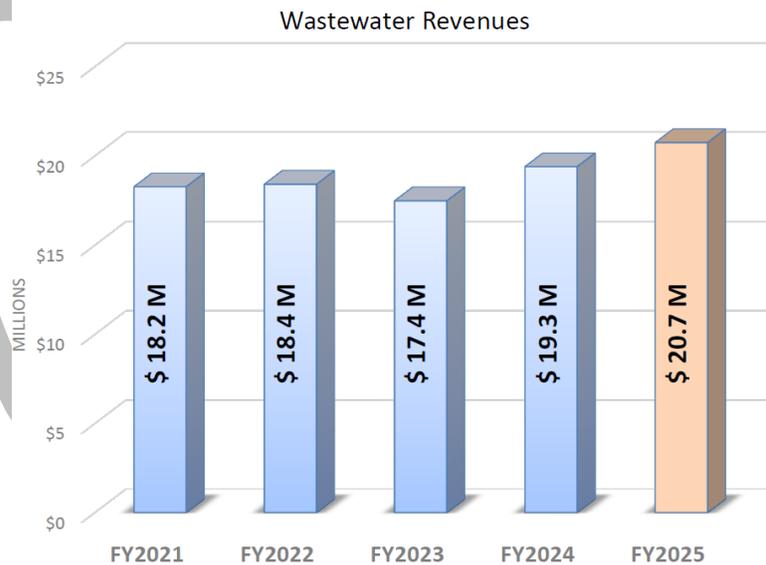


- Operator-In-Training (OIT) Program and Apprenticeships
 - 68 of the 158 positions within Utilities are available through the OIT Program
 - Apprentice positions start at \$39,834 per year
 - If professional achievements are met and required tests are passed, those positions would be earning at least \$67,353 after completing three years of the program
- Utility Customer Base
 - 34,509 water accounts
 - 89% Residential (29,509)
 - 11% Commercial (3,488)
 - 0.1% Industrial (35)
 - 7.22 billion gallons of water consumed in 2023
 - Residential - 340 gallons per day (gpd)
 - Commercial - 2,515 gpd
 - Industrial - 27,727 gpd
- Operational Trends
 - Water sales are down approximately 3% compared to 2022 due in part to conservation efforts
 - Access to water is not currently restricted, but wise water use is being encouraged
- Water Funds
 - Water Fund
 - \$30.4 million projected revenues
 - \$24.5 million projected expenses
 - \$36.6 million fund balance

- Water Capacity Fund
 - \$2.8 million revenues
 - \$9.9 million fund balance



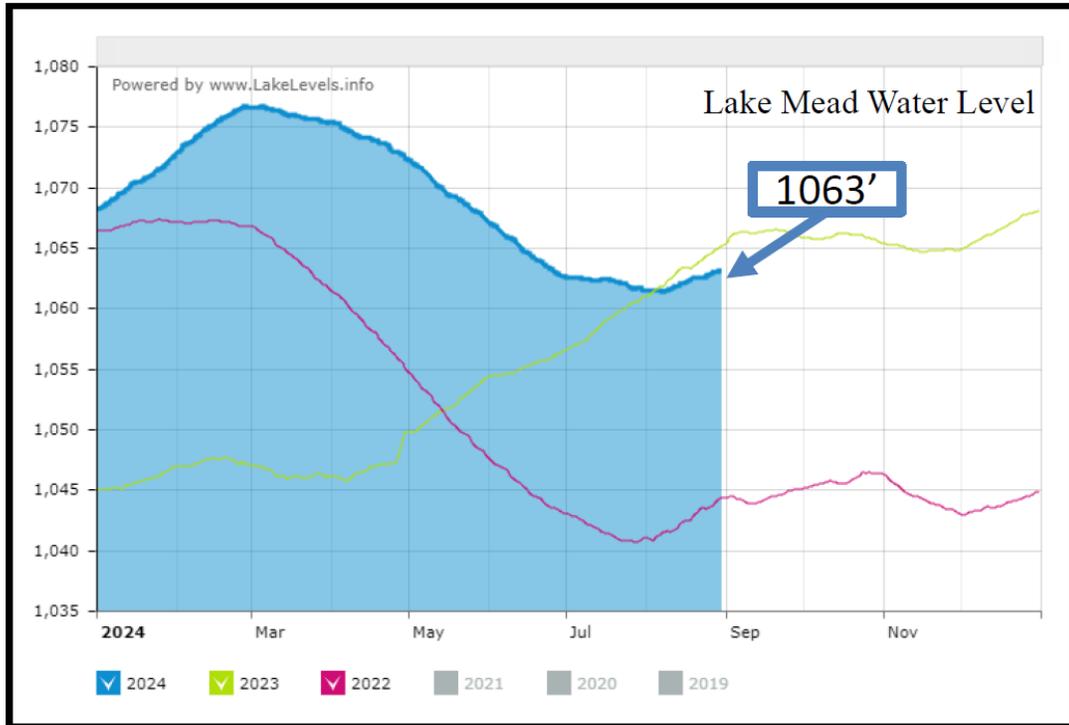
- Wastewater Funds
 - Wastewater Fund
 - \$20.7 million projected revenues
 - \$22.9 million projected expenses
 - \$30.5 million fund balance
 - Wastewater Capacity Fund
 - \$2.8 million revenues
 - \$16.1 million fund balance



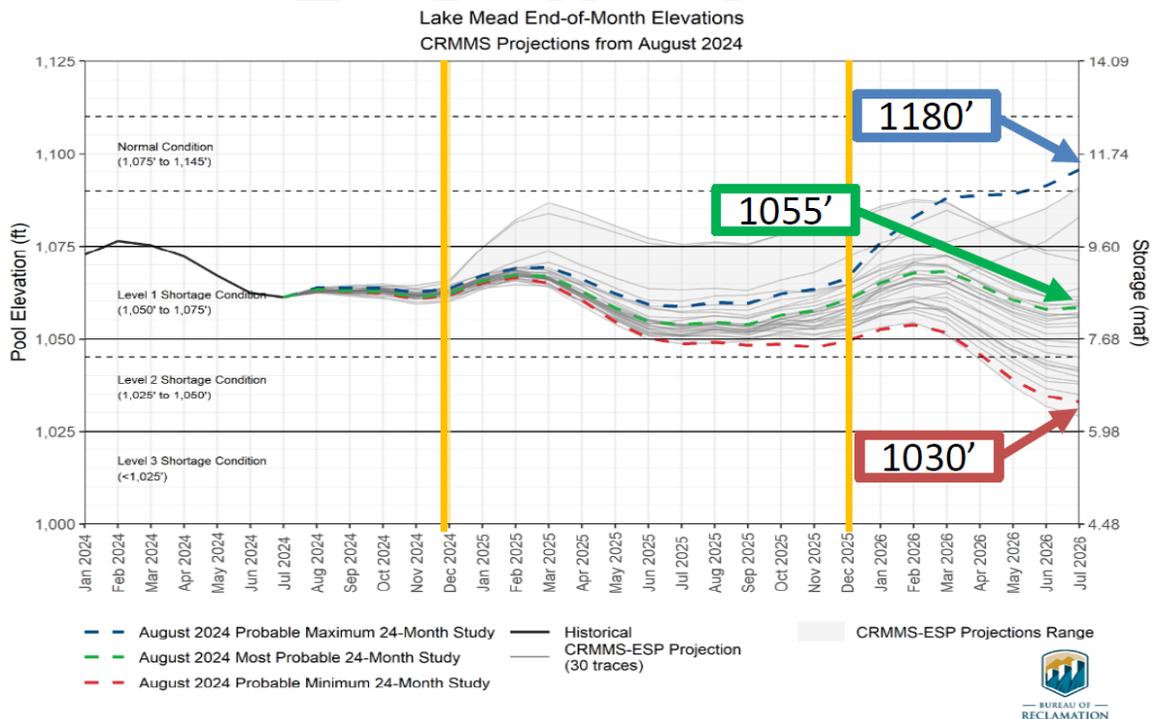
- Key Performance Indicators (KPI) and Benchmarking

Performance Measure	Objective	FY 2024
Strategic Outcome		
Respected & Responsible		
Percentage reduction of water consumption per capita per year	Provide for water conservation, identify unwarranted usages, and ensure future water securities.	4.85%
Exceed industry standards for unaccounted water loss	Manage water infrastructure to exceed industry standards for water loss and minimize the impacts of water shortages.	7.00%
Strategic Outcome		
Safe & Prosperous		
Number of workplace accidents/injuries	Provide a safe accident-free workplace, identify hazards, and ensure staff go home healthy.	1
Strategic Outcome		
Connected & Engaged		
Percentage of customer water quality inquires resolved	Respond to customer water quality inquires, educate our customers by fully answering their questions, and provide assurance of water quality.	100%
Provide Utility Assistance to customers who are in financial need	Partner with WACOG to administer utility assistance program for qualifying community members for low income and emergency assistance.	312
Provide modern methods and approaches for utility payments options	Ensure we are providing various modern and up to date payment options for customers.	359,532

- Customer Interactions
 - 359,000 interactions
 - 78.5% Invoice Cloud (282,000)
 - 13.5% In Person (49,000)
 - 7.5% Lockbox Service (27,000)
 - 0.5% Kiosk (1,000)
 - 359,000 payments
 - 57% Bank Draft (206,000)
 - 27% Check (97,000)
 - 9% Other (32,000)
 - 6% Cash (23,000)
 - 0.3% Automated Clearing House / Electronic Funds Transfer (1,000)
- Drought and the Colorado River System
 - The Colorado River is expected to be in good condition in 2025 and no changes are needed at this time
 - Lake Mead's water level is 1,063 feet



- Lake Powell reached its highest elevation for water year 2024 at 3,587.17 feet above sea level
 - This is three feet higher than 2023, and 48 feet higher than 2022
- Drought Forecasts
 - Yuma does not have any restrictions or limitations on water use, even at the lowest predicted level in July 2026



- Water Conservation
 - Two current regulations guide Colorado River operations:
 - 2007 Interim Guidelines
 - 2019 Drought Contingency Plan
 - A third regulation is in the works
 - Post 2026 Regulations
 - Previous Federal Shortage Declarations
 - August 2021 – Tier 1
 - August 2022 – Tier 2
 - August 2023 – Tier 1
 - August 2024 – Tier 1
 - Water Shortage Tiers
 - Tier 1 = reduction of 512 acre feet (af)
 - Tier 2a = reduction of 592 af
 - Tier 2b = reduction of 640 af
 - Tier 3 = reduction of 720 af
 - The City has a Drought Preparedness and Response Plan that was created in 2022
 - Four Stages
 - Warning
 - Alert
 - Crisis
 - Water Emergency
 - Outreach and Education Focus
 - City Participation
 - City departments are asked to assess their use of water and reduce consumption wherever possible
- Department Outreach
 - Water Conservation
 - Water Festival
 - Partnership with the University of Arizona
 - 194,856 students have participated statewide since 2000
 - Every November, 400-600 Yuma area students learn about water cycles, groundwater, and water conservation
 - Consumer Confidence Report
 - Fats, Oils, and Grease (FOG) Program
 - Water Week
 - Water Video
- 2025 Capital Projects
 - Wastewater Fund
 - Desert Dunes Expansion
 - Avenue 4E Sewer Project (36th Street to 28th Street)
 - Rancho Serenade Wastewater Service Area
 - Colorado River Interceptor Manhole Renovations
 - Jackrabbit Mesa Wastewater Treatment Facility Lift Station

- Water Fund
 - Main Street Water Treatment Facility Basin Renovations
 - Main Street Filter Phase 3 Renovation
 - Arizona Avenue Water Line Replacement
 - Friendship Tower Water Storage Tank Distribution Zone Design (future groundwater well location)
- 2025 Department Interests
 - Figueroa Avenue Wastewater Treatment Facility Environmental Permitting
 - The City has been working with the Arizona Department of Environmental Quality for a decade or more, but are finally closing in on a solution
 - Capital improvements will be needed
 - Desert Dunes Expansion
 - Automated Metering Infrastructure
 - Replacement of 5,000 water meters a year for six years
 - Environmental Protection Agency (EPA) Revised Lead & Copper Rule
 - Concerns about lead in municipal water systems was brought to the forefront by the issues in Flint, Michigan
 - The EPA is looking to identify and correct flaws in water systems, including assisting customers to make sure that lead is not present in private water lines
 - The City is required to audit all water accounts older than 1990, which adds up to about 17,000 accounts
 - Letters will be sent out to Yuma water customers and a report submitted every year until all 17,000 accounts are audited

Discussion

- The Utilities Department will expand its recruitment efforts by providing more information to Arizona Western College and high school counselors to reach potential employees earlier (**Shelton/McCall**)

Mayor Nicholls turned the meeting over to Deputy Mayor Morris and left the meeting at 6:48 p.m.

IV. REGULAR CITY COUNCIL MEETING AGENDA OF SEPTEMBER 18, 2024

Motion Consent Agenda Item C.3 – Temporary Extension of Premises/Patio Permit: The Chile Pepper (approve a Temporary Extension of Premises for a 70th Anniversary Festival) (City Clk)

Discussion

- It appears that the outlined area will be fenced; staff will verify and provide City Council with that information prior to tomorrow night's vote (**McClendon/Simonton**)

Motion Consent Agenda Item C.5 – Bid Award: Colorado River Interceptor Manhole Replacements Phase 1 (authorize a construction services contract with TF Contracting Services, Phoenix, Arizona, in the amount of \$1,356,606.90) (RFB-25-012) (Eng)

Discussion

- Any change orders exceeding 10% of the original contract value will be brought back to City Council for approval; while there is a significant difference between the lowest bid and the next bids, it may be that the company has equipment or expertise that would allow them to complete the job at a lower cost (**Morales/Simonton**)

EXECUTIVE SESSION/ADJOURNMENT

There being no further business, **Deputy Mayor Morris** adjourned the meeting at 6:55 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: _____