

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
DECEMBER 19, 2018
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the City Council meeting to order at 5:31 p.m.

INVOCATION/PLEDGE

Pastor George Boundey, Seventh-Day Adventist Church, gave the invocation. **Robin Wilson**, Purchasing and Contracts Manager, led the City Council in the Pledge of Allegiance.

ROLL CALL

Councilmembers Present:	Shelton, Watts, Thomas, Knight, McClendon, Miller, and Mayor Nicholls
Councilmembers Absent:	None
Staffmembers Present:	City Administrator, Gregory K. Wilkinson Director of Parks & Recreation, Debbie Wendt Finance Director, Lisa Marlin Deputy City Administrator, Ron Corbin Utilities Director, Jay Simonton Director of Community Development, Laurie Lineberry 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.

PRESENTATIONS

Pacific Avenue Athletic Complex

Mayor Nicholls declared a conflict of interest due to his firm being a consultant for the project designer, turned the meeting over to Deputy Mayor Knight, and left the dais.

Miller declared a conflict of interest as the company he worked for at the time was the general contractor for the Pacific Avenue Athletic Complex (PAAC) and left the dais.

Wendt presented a timeline of the development of the PAAC as follows:

- The Ray Kroc Athletic Complex was originally constructed in 1970 as a training facility for the San Diego Padres.
- Beginning in 1989, a Master Plan was prepared by Hellmuth, Obata & Kassabaum, Inc./HOK Sport (HOK) and some improvements followed.

- The City contracted again with HOK in 1998 to evaluate the existing stadium and surrounding recreational areas including the Yuma Civic Center and the Desert Hills and Aurora Dunes Golf Courses.
 - Recommendations included building a new stadium and clubhouse and a new loop road with entrance to the site from 32nd Street, open green space, reducing Aurora Dunes from 18 holes to nine holes, relocating the driving range and tennis courts, and expanding and renovating the Yuma Civic Center.
 - From that study and analysis another Master Plan was developed; however, the estimated cost of the project - \$24 million - and the uncertainty of having a professional baseball team call Yuma its home for spring training contributed to the project not moving forward.
- In 2003 YMCA was looking for a location for a new facility and approached the City as a possible partner; the City was hesitant to enter into a partnership with a membership-based organization and decided not to proceed any further with that plan.
- The City commissioned J2 Engineering and Environmental Design (J2) in 2005 to put together a conceptual Master Plan using the James P. Deo Complex, which encompassed the recreational area from 32nd Avenue along Avenue A to Desert Sun Drive at an estimated cost of \$18 million.
- The 2005 Master Plan was revisited by J2 in 2007 which resulted in the revised Master Plan alternatives for both the Deo Parkway and Aurora Dunes Nine, as well as the exploration of offsite development possibilities at Jackrabbit Pass.
 - Jackrabbit Pass, a 120-acre parcel of federally-owned land just south of the Desert Hills Golf Course, was considered as the potential site of an 18-hole golf course with an estimated cost of \$17 million or soccer complex with an estimated cost of \$22 million.
 - Due to the need to preserve existing trees, pedestrian and vehicular circulation, sensitivity to The Dunes subdivision, the location and safety of athletic activity near major streets, and the cost estimates, this area was determined not to be ideal.
- Another Master Plan and possible partnership with Arizona Western College was brought forward in late 2008 for an athletic complex at the future site of Gila Ridge High School which made it to the point of a draft Intergovernmental Agreement.
 - The conceptual plan included five regulation-sized lighted soccer fields, six lighted softball fields, baseball fields, lighted tennis courts, an irrigation pond, and a regional park.
 - Funding and irrigation issues factored into determining it was not possible to make the plan a reality.
- City staff looked at a possible site for a soccer and softball complex on 8th Street in 2007. Internal meetings were held to discuss the feasibility of renovating the fields at Kennedy Athletic Complex and C W McGraw Elementary School to create a multisport complex.
- In 2012, J2 was again contracted to develop a conceptual Master Plan for a new park located on the property the City had purchased in 2007 on Avenue 6E (6E) that would include softball fields and a variety of both active and passive park amenities.
 - The adjacent land was proposed to serve as a local riparian preserve using reclaimed water from the adjacent Desert Dunes Water Treatment Facility.
 - Both adult softball players and youth co-sponsor organizations felt that an athletic complex on 6E was too remote from desired businesses such as restaurants, hotels, retail, and bars.
 - Additional concerns came to light regarding increased traffic, noise, and light and its potential impact on the adjacent neighborhood and RV park as well as the required setbacks and rights-of-way which would reduce the possible number of playing fields.

- The property where the PAAC exists today was approved by City Council and purchased by the City in 2013, after which plans began for the design and construction of the new athletic complex with park amenities.
- The property on 6E is still a viable location for a possible future community park when funding becomes available and still has a placeholder in the Parks and Recreation Master Plan that was approved by City Council in 2016.
- The PAAC's name went through several variations and was chosen due to its location.
 - The name could potentially change if a corporate sponsor comes forward
 - Any considered change would be brought back City Council approval, if and when it occurs.
- Estimated costs for land acquisition, design and construction, and operation and maintenance costs for the PAAC were included in the budgets adopted by City Council in Fiscal Years 2014 through 2017.
- Each year has seen an increase in revenues from gate fees, concessions, league fees, tournament fees, and rentals from the year before. Additionally, the number of softball and baseball players participating in tournaments and the number leagues for youth and women have grown.
- In addition to softball and baseball, the PAAC has served as a venue for kickball tournaments, an obstacle challenge race, and will host a water festival in February 2019.
 - The PAAC will also be the site for the Fraternal Order of Police Fallen Officer Memorial.
- Visit Yuma estimates the economic impact of the PAAC on the City as a whole to be \$1.3 million.
 - Positive feedback has been received from local businesses who see an increase in customers brought to Yuma by the various tournaments held at the PAAC.

Discussion

- The PAAC is typically used evenings during the week and on weekends for tournament play; this past year it was utilized 270 out of 365 days (**Deputy Mayor Knight/Wendt**)
- The existing fields are still being utilized 100%, mostly by youth co-sponsor sports, and are still maintained as they were before the construction of the PAAC (**McClendon/Wendt**)
- All youth co-sponsor organizations pay a fee of \$7.00 per player to help offset maintenance costs; additionally fields are rented to competitive teams for a fee (**McClendon/Wendt**)
- There was never a promise, explicit or implied, that the athletic complex would be constructed in the east versus where it is located today (**Shelton/Wendt**)
- Approximately 13 acres of property on 6E is still being looked at for a community park with open space, ramadas, and a walking path very similar to Smucker Park (**Shelton/Wendt**)
- City Council was kept informed throughout every stage of the planning process for the PAAC, both during public meetings and in Executive Session (**Shelton/Wilkinson**)

Marlin introduced Brittney Williams, CPA, CFGM, an Audit Partner with Heinfeld, Meech & Co., P.C. Williams has been with the firm for over 15 years with a primary focus on municipalities, transportation authorities, and school districts. She has performed over 260 audits and is a member of the Arizona Institute of Certified Public Accountants (AICPA), the Government Audit Quality Center Executive Committee, the Association of Government Accountants (AGA) Financial Management Standards Board, and serves as a Peer Review Team Captain.

Williams provided a brief overview of the annual auditing process as follows:

- An external audit provides transparency and validity to the City's financial statements and the ability to demonstrate stewardship to citizens, federal and state agencies, bond holders, and credit rating agencies who are all looking for a clean audit opinion.
- In addition to providing an opinion on the City's financial statements, external auditors in a government environment are also required to review and test internal controls, report on any deficiencies that are found, and look at compliance with laws, regulations, and contract provisions.
- The Government Accounting Standards Board (GASB) provides the rules and regulations for which governments have to report certain financial transactions, the manner in which the reporting takes place, as well as the note disclosure requirements related to certain transactions.
- A significant change that will be seen on the City's FY 2018 financial statements is the oncoming of a long-term obligation related to healthcare and other post-employment related benefits similar to the pensions that were added in 2015.
- External auditors must comply with many different standard-setting bodies' rules and regulations including: American Institute of Certified Public Accountants, United States General Accounting Office, Office of Management and Budget, and the Auditor General of the State of Arizona.
- The typical auditing process includes:
 - Auditors sit down with individuals in various departments to walk through internal controls, the segregation of duties, and identify and test key controls to ensure all processes are in place to protect the public interest and document the findings through narrative memos.
 - Certain transactions are tested through sampling or by identifying individually significant items; every transaction is not tested, but auditors are required to set materiality thresholds and test those transactions that reach those thresholds.
 - Bank accounts and investment statements are confirmed, all major audit areas are tested, and significant balances on the balance sheet and income statement are verified to ensure they are what the City claims them to be.
 - Data analytics are utilized to look at top paid employees, top overtime employees, proper segregation of duties, and to compare employee and vendor addresses to look for possible fictitious vendors.
 - The spending of grant award monies is reviewed to ensure compliance with state and federal standards and the requirements for how those monies are to be spent.
 - Auditors are required to report any deficiencies noted during the audit either through the single audit reporting package for financial statement or federal deficiencies, or through a management letter for deficiencies that do not rise to the level of official reporting.
- The purpose of an audit is to provide reasonable assurance that the financial statements are materially correct; auditors do not verify every financial statement, review every transaction, provide opinions on internal controls, judge the appropriateness of business strategies, or comment on the quality of management.
- The role of the local governing body is to set the tone that the City is expected to be in compliance with all laws and regulations and that unethical behavior will not be tolerated, and to ensure there is open communication and that employees have the resources they need to do their jobs.
- Audit results for fiscal years 2016 and 2017:
 - Financial statement audit – unmodified (clean) opinion
 - Internal control over financial reporting – no significant deficiencies or material weaknesses, and no findings of non-compliance material to the financial statements.
 - Federal awards audit – no significant deficiencies or material weaknesses
 - Compliance for major programs tested – unmodified (clean) opinion

- Uniform guidance for federal expenditures – no findings
- Financial statements reported in accordance with government auditing standards or federal awards – no findings

Discussion

- While the City's audit was not conducted specifically to address the PAAC, no improprieties or illegalities have been found (**Shelton/Williams**)
- Areas that are looked at during the audit include those with significant balances on the financial statements as well as other areas that may be tested through analytical procedures, tests of detail, sampling, or even physical inspection (**Thomas/Williams**)
- One area that is looked at during the audit is the repayment of bonds, and no irregularities were reported in this area (**Thomas/Williams**)
- City Council was briefed several times about the land purchase for the PAAC; the \$15,000 paid was earnest money to hold the property until final City Council approval (**Shelton/Wilkinson**)
- The 2015 series bond originally started out in 1995 and has been refinanced several times since then, adding different projects each time including the remodeling of the Police Department facility and the Public Safety Training Facility; any public safety tax monies spent to repay the bond would be due to those public safety related projects and not the PAAC (**Shelton/Wilkinson**)
- The PAAC bond is roughly \$14 million, and the City receives about \$7 million each year from the 2% hospitality tax, so the PAAC bond could in theory be paid for entirely out of the 2% tax fund; in reality, it is being paid for with a mix of 2% tax and Development Fees (**Shelton/Wilkinson**)
- The asking price for the property on which the PAAC was built was \$2.2 million, and after the appraisal the cost was negotiated down to \$1.6 million; there was no unethical behavior on the part of the seller or her husband (**Shelton/Wilkinson**)
- The Comprehensive Annual Financial Report (CAFR) was audited by Williams and her team and is composed of many different parts including the basic financial statements, notes to the financial statements, the independent auditor's report, a transmittal letter, and management discussion and analysis (**Deputy Mayor Knight/Williams**)
- The CAFR is available on the City's website along with the annual budget, the CIP, and the single audit reporting package (**Deputy Mayor Knight/Wilkinson/Williams**)
- The standards that must be followed when auditing the CAFR are Generally Accepted Government Auditing Standards set by the U.S. Government Accountability Office, AICPA national standards for auditing, the U.S. Generally Accepted Accounting Principles, and the GASB reporting standards (**Deputy Mayor Knight/Williams**)
- City Council was briefed many times during the development of the PAAC and numerous discussions were had with the City Administrator and City Attorney during this time (**Thomas**)

Files introduced the City's bond counsel, Mike Cafiso with the law firm Greenburg Traurig, and Tim Pickrell with Squire Patton Boggs.

Pickrell began by stating that he had no involvement in the 2015 bond issue until he received a request to do a third-party review, and other than requesting a copy of the bond documents he did not speak to anyone involved in the financing. The documents that were reviewed included the bond documents, the prospectus, the official statement shown to investors, and the continuing disclosure filings. The structure of the 2015 bond issue is classic and has been used for excise tax financing by every city and town in Arizona for the

last 40 years. The structure has been approved by the Arizona Supreme Court and has been accepted by investors for decades.

Pickrell stated that in his experience bondholders typically focus on three primary things:

- 1) Are the bonds issued for a proper purpose?
- 2) Have the bonds been validly issued?
- 3) Is the source of payment clearly identified and enforceable?

Both the bond documents and the official statement clearly outline how the bond proceeds were to be used, with over half of the proceeds intended to refinance earlier bond projects and the remainder to be used for the PAAC and the Fleet Maintenance Facility. The official statement also states clearly that the bonds were secured by a pledge of the excise tax, which is shown in Table 4 of the official statement. By pledging the most secure state shared revenues and excise taxes the issuer is able to get the lowest borrowing cost. The City may also at its option use other monies to make payments on the bond, which is a fairly typical structure for Arizona excise tax deals. Overall it is a well-documented and well-executed financing

Pickrell concluded by expressing that he was taken aback by a comparison of Yuma's use of funds not pledged to repay its bonds, to the events of Ramapo, New York. In Ramapo, the Securities and Exchange Commission brought fraud charges against the town and a number of its officials who were actively attempting to conceal a negative general fund balance, declining property, and sales taxes from investors. There is no concealment of a negative general fund balance in Yuma, and looking at the City's recent CAFRs there is no indication of a general trend towards disaster, so the comparison is inappropriate.

Discussion

- 'Other monies' would include any other legally available monies that the City chooses to use to pay the bonds, including 2% hospitality tax revenues (**Deputy Mayor Knight/Pickrell**)
- Some monies may be restricted in their use for bond repayment, such as HURF which can only be used for street and highway purposes (**Deputy Mayor Knight/Pickrell**)
- The list of monies pledged to bondholders is a broad array of the City's revenues and gives the broadest excise tax pledge to bondholders which results in the City's A1/AA- bond rating (**Thomas/Pickrell**)
- Electronic Municipal Market Access (EMMA) is an internet portal hosted by the Municipal Securities Rulemaking Board, an industry regulatory organization established by the Securities and Exchange Commission (SEC) for the municipal bond industry, where notices are uploaded for certain required events (**Deputy Mayor Knight/Pickrell**)
- There is no requirement to report the use of non-pledged funds for bond payment unless it is in the undertaking or as a part of one of the 14 required events (**Deputy Mayor Knight/Pickrell**)
- Typically bond issues are named 'series' followed by the year they are issued; there is no automatic issuance of bonds, and all bonds require City Council authorization (**Thomas/Pickrell**)

Cafiso explained that the 2015 series bond was handled as a competitive sale rather than going through an underwriting firm, meaning that on a specific day an offering document was used to go into the market and take bids from various investment bankers for the purchase of the bonds. Most of the buyers of these types of bonds are either financial institutions buying in large amounts for mutual funds, or brokerage firms buying the bonds for their brokers to sell to individual investors. The purpose of the offering document is to give potential buyers background information on what the security source of revenues is, why they should be comfortable with it, a history of the revenue source, and any issues that may arise. It includes what the money will be used for, how it will be repaid, and what is going on at the City that could possibly have an

adverse effect on the City's economic situation. Three to four pages of questions are reviewed to ensure that all of the information in the offering document is correct and that there are no material omissions. Once the offering document is ready, it is approved by the Municipal Property Corporation and City Council and a date is selected to offer the bonds for sale. Arizona bonds are generally well received by investors because economics in Arizona have always been somewhat conservative and bonds sold for the City have been well received by the rating agencies and investors, creating a good reputation for the City in the market.

Shelton stated his understanding that this was a routine bond offering and that investors welcome a stable economy and stable environment, among other things. **Cafiso** confirmed that this is correct, adding that one of the first things that rating agencies talk about is the stability of leadership because they want to know that there is good management in place that has continuity and experience.

Deputy Mayor Knight stated that the PAAC was built as a sports tourism attraction and magnet for commercial and residential development in Yuma's north end, and it has worked. Both Sportsman's Warehouse and Hobby Lobby sought City assurances that the PAAC would be built prior to locating in Yuma, and now a \$25 million hotel and commercial and residential complex is proposed on the vacant property to the west of the PAAC after only one year of existence. City sales tax and 2% hospitality tax revenues are up significantly from 2017, and the City has picked up national, regional, and state tournaments that want to come to Yuma because of the PAAC. The PAAC is an economic driver. It was never presented to City Council as a profit making enterprise and will always need to be subsidized by 2% hospitality tax revenue, which the City Charter states can be used for citywide parks, recreation, arts, cultural activities, the Yuma Art Center, City golf courses, the City baseball and recreation complex, the existing Yuma Civic Center, necessary and appropriate service and administrative facilities appurtenant thereto, and the Historic Yuma Crossing. This money cannot be used to fund public safety or roads, though the increase to the City sales tax brought about by the PAAC goes into the General Fund and can be used for public safety and roads. The 2% hospitality tax presently brings in well in excess of \$6 million annually, and prior to the PAAC that money had not been used for its intended purpose: tourism and growing the City's sales tax revenue. For maximum effectiveness in performing the function intended by the voters, that money should be for the most part used in its entirety every year.

Addressing the accusations that have been made towards Mayor Nicholls, various councilmembers, City Administration and City staff over the past couple of months concerning financial wrongdoing pertaining to the PAAC. **Deputy Mayor Knight** stated the City has four full-time attorneys on staff led by the City Attorney who are all well versed in municipal law. Every item on each City Council Meeting agenda are fully vetted by the Legal Department before they come to City Council to make sure that everything voted on by City Council and carried out by staff is legal. He noted that he received a threat that called on him to influence the outcome of tonight's meeting or face a recall in January, and declared that he would not yield to this attempt to coerce, intimidate, and influence the City Council in its decision making and actions.

Deputy Mayor Knight stated that in his time on City Council he has never witnessed any deliberate acts to deceive, misrepresent, or violate law by anyone on City Council, City staff, or City Administration, and any mistakes made have been identified and corrected as soon as possible. It is time for City Council to move on and focus its efforts on the Police Department pay plan.

Mayor Nicholls and **Miller** returned to the dais.

Deputy City Administrator

Outgoing Deputy City Administrator **Ron Corbin** acknowledged the employees in Human Resources (HR) Information Technology Services (ITS), and City Administration for their support and teamwork. He thanked Wilkinson for the opportunity to serve as Deputy City Administrator as well as for the experience of temporarily heading ITS. The community is lucky to have such highly qualified, dedicated public servants working for the City. **Wilkinson** stated it has been a pleasure to work with Corbin both in HR as well as City Administration, noting that he is leaving the City to serve as City Manager in Cottonwood, Arizona. **Mayor Nicholls** thanked Corbin for his insight and wished him luck on his new endeavors.

Wilkinson introduced **Jay Simonton** who will be succeeding Corbin as Deputy City Administrator. Simonton started working for the City in the Engineering Department, and from there took over as the Director of Utilities. Over 80 people applied for the position, but none of the external candidates came close to those who applied from within the City. **Simonton** stated that this transition is bittersweet as he is stepping away from a great department, but he is ready for the challenge and excited for the opportunity.

I. MOTION CONSENT AGENDA

Motion Consent Agenda Item B.10 – Job Order Contract: Water & Wastewater Plants and Facilities (execute a three-year Job Order Contract with the option to renew for two additional one-year periods to: KE&G Construction, Tucson, Arizona; PCL Construction, Tempe, Arizona; Pilkington Commercial Co., Inc., Yuma, Arizona) (RFP #2019-20000042) (Eng)

Motion Consent Agenda Item B.11 – Job Order Contract: Concrete Flatwork & Structures (execute a three-year Job Order Contract with the option to renew for two additional one-year periods to: Stormwater Plans, LLC, Yuma, Arizona) (RFP #2019-20000053) (Eng)

Motion Consent Agenda Item B.12 – Job Order Contract: Utility Infrastructure Services (execute a three-year Job Order Contract with the option to renew for two additional one-year periods to: DPE Construction, Inc., Yuma, Arizona; PCL Construction, Tempe, Arizona; Yuma Valley Contractors, Inc., Yuma, Arizona) (RFP #2019-20000042) (Eng)

Mayor Nicholls declared a conflict of interest with regard to Motion Consent Agenda items B.10, B.11, and B.12. He turned the meeting over to Deputy Mayor Knight and left the dais.

Motion (Watts/Thomas): To approve Motion Consent Agenda items B.10, B.11, and B.12 as recommended. Voice vote: **approved** 6-0-1, Mayor Nicholls abstaining due to conflict of interest.

Mayor Nicholls returned to the dais.

Motion Consent Agenda Item B.7 – Special Event Liquor License: Yuma Visitors Bureau – Iceberg Drop (the event will take place on the 100-200 blocks of Main Street on Monday, December 31, 2018, from 8:00 p.m. to 1:00 a.m.) (SP18-41) (Admin/Clerk)

McClendon declared a conflict of interest with regard to Motion Consent Agenda item B.7 and left the dais.

Motion (Knight/Shelton): To approve Motion Consent Agenda Item B.7 as recommended. Voice vote: **approved** 6-0-1, McClendon abstaining due to conflict of interest.

McClendon returned to the dais.

Motion (Knight/McClendon): To approve the Motion Consent Agenda as recommended with the exception of items B.7, B.10, B.11, and B.12. Voice vote: **approved** 7-0.

A. Approval of minutes of the following City Council meetings:

Regular Council Meeting	June 20, 2018
Regular Council Worksession	July 17, 2018
Council Citizen's Forum	December 4, 2018

B. Approval of Staff Recommendations:

1. 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)
2. Approve a Special Event Liquor License application submitted by Amy Karvoski on behalf of Harvest Dinner, LLC, for Harvest Dinner. The event will take place at the Colorado River State Historic Park, 201 N. 4th Avenue, on Thursday, February 21, 2019, from 6:00 p.m. to 11:30 p.m. (SP18-40) (Admin/Clerk)
3. Approve a Special Event Liquor License application submitted by Pamela Tomkins on behalf of Yuma Art Symposium, Inc. for Yuma Art Symposium. The event will take place at the Historic Gowan Building, 370 S. Main Street, on Saturday, February 23, 2019, from 4:00 p.m. to 12:00 a.m. (SP18-42) (Admin/Clerk)
4. Approve a Special Event Liquor License application submitted by Thomas Rush on behalf of Fort Yuma Rotary Club for the Mardi Gras Block Party. The event will take place on the 100-300 blocks of Main Street on Friday, February 8, 2019, from 4:00 p.m. to 12:00 a.m. (SP18-43) (Admin/Clerk)
5. Approve a Special Event Liquor License application submitted by Thomas Rush on behalf of Fort Yuma Rotary Club for the Penitentiary Pint Fest. The event will take place at the Yuma Territorial Prison, 220 Prison Hill Road, on Saturday, April 13, 2019 from 5:30 p.m. to 9:30 p.m. (SP18-44) (Admin/Clerk)
6. Approve a Special Event Liquor License application submitted by Lindsay Benacka on behalf of City of Yuma's Parks and Recreation Department for Art in the Park. The event will take place at the North end of Gila Street at Gateway Park, on Saturday, January 12, 2019 from 12:00 p.m. to 6:30 p.m. (SP18-45) (Admin/Clerk)
7. Pulled for separate consideration; see above.

8. Approve a Temporary Extension of Premises/Patio Permit application submitted by Lauren Kay Merrett on behalf of Texas Roadhouse for a motorcycle show. The event will take place in the back portion of the parking lot of Texas Roadhouse, located at 594 E. 16th Street, on Wednesday, January 16, 2019, from 4:00 p.m. to 12:00 a.m. (EP18-06) (Admin/Clerk)
9. Authorize the purchase of a subscription for a Program Management Information System (PMIS) to be used by the Engineering Department offered by Systemates, Inc., by utilizing the cooperative purchase agreement originated by the Texas Department of Information Resources for an estimated expenditure of \$123,900.00 from: Systemates, Inc. Richardson, Texas. (Bid #2019-20000089) (Eng)
10. Pulled for separate consideration; see above.
11. Pulled for separate consideration; see above.
12. Pulled for separate consideration; see above.
13. Authorize the purchase of various types of grass seed for an estimated cost of \$165,676.00 with the following firms: Harrell's LLC, Lakeland Florida \$154,756.00; Nutrien AG Solutions, Yuma, Arizona \$10,920.00. (Bid #2019-20000071) (Parks & Rec)
14. Authorize the purchase of Network Switch Infrastructure Hardware through Premier Educational Purchasing Program (PEPPM) for an estimated total cost of \$167,705.65 to: CXtec, Inc. Syracuse, New York (Bid #2019-20000001) (ITS)
15. Authorize \$85,000.00 settlement of Yuma County Superior Court Case No. S1400CV2018-00051, Fabela v. City of Yuma, et al. (Atty)
16. Authorize an Intergovernmental Agreement (IGA) with the Arizona Department of Veterans' Services (ADVS) for the provision of engineering services in support of the proposed Veterans Home project. (Admin)

Mayor Nicholls recessed the meeting at 7:49 p.m. The meeting reconvened at 8:01 p.m. with the above-noted parties present.

II. RESOLUTION CONSENT AGENDA – There were no resolutions scheduled at this time.

III. ADOPTION OF ORDINANCES CONSENT AGENDA

Motion (Thomas/Knight): To adopt the Ordinances Consent Agenda as recommended.

Bushong displayed the following title:

Ordinance O2018-055

An ordinance of the City Council of the City of Yuma, Arizona, amending Title 13 of the Yuma City Code, Chapter 131, adopting by reference *NFPA 1 Fire Code 2018*, including Annexes A, B, D, and G, and the amendments recommended by the Building Advisory Board dated August 22, 2018, and providing a penalty for violations thereof (update the current code and establish criteria for regulation of commercial buildings and structures) (YFD)

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

IV. INTRODUCTION OF ORDINANCES

Bushong displayed the following titles:

Ordinance O2019-001

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to zoning regulations, providing for changes to the Zoning Code to provide definitions related to composting and to add regulations regarding backyard composting, large composting and agricultural composting (addresses where and under what conditions composting activities can occur and includes a nuisance provision for code enforcement) (DCD)

Ordinance O2019-002

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Agriculture (AG) District to the Medium Density Residential (R-2) District and amending the zoning map to conform with the rezoning (four parcels totaling approximately 39,329.4 square feet located at 695, 697, 707, and 709 S. Clifford Way) (DCD)

Ordinance O2019-003

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in Transitional (TR) District to the Limited Commercial (B-1) District and amending the zoning map to conform with the rezoning (approximately 9,520 square feet of property located at the northwest corner of S. 6th Avenue and W. 16th Street) (DCD)

Ordinance O2019-004

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in Agriculture/Conditional Residential Estate (AG/RE-12) District to the Low Density Residential (R-1-6) District and amending the zoning map to conform with the rezoning (approximately 16.7 acres of property located near the northeast corner of W. 40th Street and S. Avenue C) (DCD)

Ordinance O2019-005

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Agriculture (AG) District to the Light Industrial (L-I) District, while maintaining the Airport Overlay (AD) District, and amending the zoning map to conform with the rezoning (four parcels totaling approximately 14.91 acres of property located about 1,300 feet to the west of the intersection of S. Avenue 5E and E. 32nd Street) (DCD)

V. PUBLIC HEARING AND RELATED ITEMS

Ordinance O2019-006 – Statutory Compliance Hearing/Amendment: Ordinance O2004-15 (determine compliance with the conditions of approval and extend time to comply with the rezoning conditions) (Z2004-001) (DCD)

Mayor Nicholls opened the public hearing at 8:04 p.m.

Lineberry explained that a Statutory Compliance Hearing is held when a rezoning applicant does not meet the conditions of approval within the time limit provided. Instead of requiring the applicant to go through the entire rezoning process again, once those conditions are met the request for rezoning is brought before City Council for approval.

Motion (Thomas/Knight): To close the Public Hearing. Voice vote: **approved** 7-0; Public Hearing closed at 8:05 p.m.

Discussion

Shelton asked what the rezoning entails. **Lineberry** stated that this action will change the zoning from General Commercial to Manufactured Housing Park. **Shelton** asked if this change will endanger the mobile home park or affect its residents. **Lineberry** replied that it will not.

Motion (Thomas/Shelton): To introduce Ordinance O2019-006, Statutory Compliance Hearing/Amendment: Ordinance O2004-15. Voice vote: **approved** 7-0.

Bushong displayed the following title:

Ordinance O2019-006

An ordinance of the City Council of the City of Yuma, Arizona, amending Ordinance O2004-15 to extend the time for compliance with conditions for the rezoning of certain properties from the General Commercial (B-2) District to the Manufactured Housing Park (MHP) District, and amending the zoning map to conform thereto (property located at 2553 W. 16th Street) (DCD)

FINAL CALL

Mayor Nicholls made a final call for the submission of Speaker Request Forms from members of the audience interested in speaking at the Call to the Public.

VI. APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING

Motion (Thomas/Watts): That Jeanne Vatterott-Gale be appointed as Municipal Court Judge Pro Tempore with a term expiration of December 31, 2021. Voice vote: **approved** 7-0.

Motion (Miller/McClendon): That Christopher Hamel be reappointed to the Planning and Zoning Commission with a term expiration of December 31, 2023. Voice vote: **approved** 7-0.

Miller, Thomas, Shelton, Watts, Knight, and Mayor Nicholls reported on events and meetings they have attended during the last two weeks and upcoming events of note.

McClendon requested that a discussion regarding the public safety pay plan be placed on the January 16, 2019 agenda and that the conversation begin with the Yuma Fire Department. **Wilkinson** stated that this would be placed on the agenda.

VII. SUMMARY OF CURRENT EVENTS

Wilkinson reported the following events:

- December 31 – Yuma Iceberg Drop
- January 4-6 – Yuma Bird and Nature History Festival
- January 18-19 – 14th Annual Wood Carving Expo

Shelton invited the public to attend Wisdom Wednesday at the Yuma Center for Spiritual Living on January 2, 2019, where he will be performing a story called Superman Peace on Earth which talks about fighting world hunger.

VIII. CALL TO THE PUBLIC

Harvey Campbell, 4155 E. County 13 ½ Street, stated that his issue with the PAAC is not its chosen location but the legality of where it was placed considering the use of Impact Fees resulting largely from development in the east. He opined that the spirit and intent of the law is for these Impact Fees to be used to build a residential park, and that it should be located in an area where it can be used and enjoyed by the residents of the developments that generated them. He asked that the City investigate the monies paid by the local development community that have gone into the PAAC.

Mayor Nicholls stated that the following speaker would have an additional 2 ½ minutes added to the timer as his speaking time was cut short at the last meeting.

Henry Valenzuela, 2000 W. Country Lane, stated that while many questions have been answered during tonight's presentations, he still questions the claim of \$447,000 revenue brought in by the PAAC, the potential overspending of the 2% hospitality tax account, the \$555,000 that was transferred out seemingly without City Council approval, and the use of HURF funds to pay the bond.

Will Katz questioned the requirement for speakers to state their address as employees and other presenters are not required to do so. **Mayor Nicholls** explained that the rule to present at Call to the Public is that the speaker must provide a physical address, which could include a business address or post office box. **Katz** declined to provide an address and was asked to leave the podium.

Lisa Marlin, 3530 S. Hinckley Dr., thanked City Council for their immediate and ongoing concern regarding the pay of the City's police and fire personnel. She expressed concern that the City's current pay plan is 7.5% to 8.5% below market and several departments are seeing significant turnover as a result. Additionally, mistakes that are often a result of a lack of job experience are taken out of context and used to

vilify the City. She concluded by asking City Council to consider the effect that a pay raise in only one or two departments will have on the City as a whole.

IX. EXECUTIVE SESSION/ADJOURNMENT

There being no further business, **Mayor Nicholls** adjourned the meeting at 8:41 p.m. No Executive Session was held.

Lynda L. Bushong, City Clerk

APPROVED:

Douglas J. Nicholls, Mayor