

MINUTES
REGULAR WORKSESSION
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
April 30, 2019
6:00 p.m.

CALL TO ORDER

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

Councilmembers Present: Shelton, Watts, Thomas, Miller and Deputy Mayor Knight
Councilmembers Absent: McClendon and Mayor Nicholls
Staffmembers Present: Interim City Administrator, Jay Simonton
Neighborhood Service Manager, Rhonda Lee-James
Director of Engineering, Jeffrey Kramer
Battalion Chief, Jeff Zahn
Director of Human Resources, Monica Welch
Various department heads or their representatives
City Attorney, Richard W. Files
City Clerk, Lynda Bushong

I. GREATER YUMA ECONOMIC DEVELOPMENT CORPORATION MID-YEAR REPORT

Julie Engel, President/CEO of Greater Yuma Economic Development Corporation (GYEDC), presented the organizations mid-year report, as follows:

Economic Development Trends

- Workforce and talent will remain driving force in site selection, retention and expansion
- Companies are chasing talent at an all-time rate
- Work, live, play communities are magnets for innovation due to “lifestyle balance” employees are demanding
- Quality of K-12 education is a determinant factor
- Labor force markets are extremely constricted
- Inclusive economies are the next wave of talent mining
- Businesses and education must be responsible for learning and training/retraining of future workforce (CTE, STEM)
- Promotion of innovation, entrepreneurialism and local investment is paramount to diversifying economic base
- Urban areas are enjoying historic prosperity exceeding 2007 levels while rural regions have not reached pre-2007 recovery levels
- Economic mobility in rural areas remains a challenge
- Larger segment of rural population living in distressed zip codes
- Historic recovery masked by majority of growth in prosperous metros

Labor Trends

- Average age of farmworker is 55 years-old
- Yuma unemployment quotient in Agriculture is 13x higher than U.S. average
- Local workforce groups focused on retraining of traditional AG worker
- Industry recognizes discipline and work ethic of the labor segment
- Local educational and training programs are robust
- Cross border collaboration will drive future development (Mexico/AZ flag)
- Yuma Bi-National University MOU seeks to bridge labor gap
- J-1 Visas will become more prevalent in supplementing domestic skilled positions
- Cultural exchange programs and English proficiency within Baja schools will accelerate worker assimilation
- 70%+ of Yuma Population is Latino/Hispanic
- 76% of AWC's students are of color (#1 in Arizona)
- 66% are First Generation (#1 in Arizona)
- 45% of HS Graduates Enrolled at AWC (#1 in Arizona)
- Hispanics continue to represent the largest growing demographic of economic mobility

Agriculture

- Aging workforce
- Difficulty finding labor
- Cost of labor
- Generational divide on nobility of the work
- Automation

Military

- Most skilled available workforce cluster in Yuma
- Cross industry certifications
- 1,200 exiting annually
- National hiring impetus

Manufacturing

- Logistics driving location deals
- Finding adequate labor pool is critical
- Phoenix industrial market is saturated

Logistics

- Proposed \$250M expansion to SL I
- Access to 4th largest economy in 2-day turn
- Agriculture is moving south
- South County is next growth center

Project Estimates: Almark Foods, LRC Coil, MPW, Piana Nonwovens, InsulTech, and S&A Industries

- 200+ New Full Time Employees
- \$30M+ Capital Expenditure
- 200k+ sf of industrial space
- \$6,000,000+ New Payroll

Arizona-Mexico Commission

Engel mentioned that Phoenix Economic Council is sponsoring a group of 40 members from Arizona-Mexico Commission to attend an event in Washington D.C. to discuss the United States-Mexico-Canada Agreement (USMCA) trade regarding the State of Arizona.

Yuma 50

- Military Support Organization
- Yuma Proving Ground has acquired many Aerospace companies to perform their testing at the grounds
- 2016-2017 YPG's Test revenue increased by \$2M
- 2017-2018 YPG's Test revenue increased another \$2M
- 2018-2019 YPG's Test revenue increased once again \$2M
- Marine Corp Aerostation is recruiting an additional squadron for the F-35
- Working with Sen. McSally and Congressman Grijalva in modifying some zones within Yuma County that are ideal for investment but currently do not qualify for the Opportunity Zone.

Yuma University

- Yuma University had its 1st Board Meeting recently
- Attended the Annual Memorandums of Understanding (MOU's) signing with Mexico
- 17 Universities are now in agreement between Mexico, Arizona Western College, University of Arizona and State of Arizona University
- Shared degrees and Instruction programs have been established
- Nursing students from Mexico are training at Arizona Western College, some are working at Yuma Regional Medical Center
- Martech Medical has become an economic development driver and is currently operating in Mexicali and Yuma

Discussion:

Deputy Mayor Knight asked about the Goldwater Range being long enough for the testing of missiles. **Engel** explained that the testing for the F-35 was held at the Goldwater Range because Yuma Proving Ground did not have the 100 kilometers needed for testing.

Shelton asked if Yuma is having an increase of people moving in to the area that are part of the companies mentioned in Engel's presentation and if there was an increase in property purchasing. **Engel** commented that there was not a large migration, but that they were investing by hiring local. **Shelton** mentioned that there is discussion on whether college is over emphasized because there is a detriment of trades, and asked Engel on her opinion about students going into the trades of being certified and avoiding the cost of college. **Engel** responded that there is mention amongst colleges that within the next 10 years, college degrees will be obsolete and that is due to companies such as Google, Intel, and NASA would rather train new employees in what they are doing, than simply hiring based on being a degree-holder. It is a different landscape today and technology is driving these changes because technology is changing so quickly. **Shelton** asked how the Space Port was brought to Engel's attention. **Engel** responded that she had attended a Science Tech Festival and met Jim Cantrell-creator of Vector who was a speaker at that festival. Cantrell mentioned that one of their biggest needs were space ports because they have to leave too many payloads on the ground because they're competing with commercial airlines to get clearance to go through commercial air traffic and diverting commercial air traffic is very difficult. **Engel** stated she asked Cantrell if they would be willing to be

engaged at the ground level to help design this space port and help decide what an equitable lease rate is, so that they can get their investment back and Vector can have everything they need to be fully functional.

Deputy Mayor Knight asked how Yuma's cost of living compares with Maricopa and Pima County and if that is being tracked. **Engel** responded that it is tracked very closely and the cost of living is better. However, Yuma's property tax is higher due to Yuma bonding for schools. **Deputy Mayor Knight** stated Yuma has good education facilities. **Engel** agreed and mentioned that it is an investment well-made because the students are benefiting from it. **Thomas** asked Engel about a previous discussion in bringing a company such as Apple to the area. **Engel** explained that it will never happen unless there is a University in Yuma because companies like Apple align themselves with a higher education opportunity and not for degrees, but for training. However, Apple has invested in Yuma spending millions of dollars in Yuma's Crane School District and District One and this has made them very aware of this community.

II. 2019-2020 CDBG/HOME ALLOCATIONS

Rhonda Lee-James, Neighborhood Service Manager, provided an overview of the 2019-2020 allocations for the Community Development Block Grant (CDBG) and HOME programs as follows:

Purpose of Funds

- CDBG National Objective is to benefit low to moderate income people, to prevent or eliminate slums or blight and to meet an urgent need.
- CDBG is to be used within the City of Yuma
- CDBG is currently focusing on the Mesa Heights Neighborhood Revitalization Area
- HOME's Objective is to create or preserve affordable housing
- HOME funds are Awarded to Yuma County HOME Consortium
- HOME can be used County-wide

Federal Allocation

	2018-2019	2019-2020
CDBG	\$ 859,052	\$ 843,078
HOME	\$ 1,083,261	\$ 977,984

Allocation Process

- November/December 2018- Invitation to submit funding requests
- January 2019- Public hearings, application workshops, technical assistance to applicants
- January 14, 2019- Applications are due
- February 2019- CDBG Citizen Advisory Committee; Reviews applications, hears presentations from applicants, offers funding recommendations
- February 2019- Yuma County HOME Consortium Board; Reviews applications, hears presentations from applicants, makes funding decisions
- April 2019- Citizen Advisory Committee and HOME Consortium Board adjust funding recommendations to align with actual allocation

2019 CDBG Funding Recommendations

2019 CDBG Funding Recommendations		
PY 2019-2020 Allocation \$940,164 (including \$97,086 Reprogrammed funds)	Funding Requests	Funding Recommendations
Mesa Heights Neighborhood		
1 City of Yuma-Mesa Heights Revitalization	766,495	567,548
<u>Requests</u>		
Harvard St Infrastructure \$166,495		166,495
Mesa Hts Streetlight Project \$175,000		162,000
Outreach & Cleanup \$ 11,000 (Pub Svc)		11,000
Façade Improvements \$ 50,000		25,000
* Housing Rehabilitation \$ 273,500		112,553
* Code Enf/Rental Inspection \$ 70,500		70,500
* Demolition \$ 20,000		20,000
2 Parks & Rec, Joe Henry Optimist Park Improvements	173,476	118,000
Mesa Heights Neighborhood Subtotal	939,971	685,548
Other Public Services (15% cap - \$126,452)		
3 Arizona Classical Ballet, Dancers Initiative	12,450	7,000
4 Catholic Community Services - Home Delivered Meals	9,000	9,000
5 Crossroads Mission, Homeless Nutrition Program	40,000	30,000
Other Public Service Subtotal	61,450	46,000
Other Housing and Public Facilities		
6 Campesinos Sin Fronteras, Emergency Housing Rehab	150,000	0
7 Saguaro Foundation, 9th Ave Group Home Improvements	55,035	40,000
8 SMILE, Home Modifications	80,000	0
Other Housing & Public Facilities Subtotal	285,035	40,000
Planning and Administration (20% cap - \$168,615)		
CDBG Planning & Administration	171,810	152,616
Fair Housing	0	16,000
9 Southwest Fair Housing Council	35,000	0
10 WACOG, Fair Housing	17,000	0
Grand Total	\$1,510,266	\$940,164

* Activities can also take place in other target neighborhoods, but priority will be in Mesa Heights.

2019 HOME Funding Allocations

PY 2019-2020 Allocation \$977,984	Funding Requests	Funding Recommendations
Housing Projects		
1 Campesinos Sin Fronteras, Housing Rehab	150,000	123,500
2 Catholic Community Svcs, Tenant Based Rental Assistanc	119,029	119,029
3 City of Yuma, Housing Rehab	375,000	210,000
4 Comite De Bien Estar, Downpayment Assistance	160,000	0
5 Housing America, Homeowner Housing Development	130,000	130,000
6 Yuma County Housing Department / Housing Rehab	203,500	150,000
Housing Projects Subtotal	1,137,529	732,529
CHDO Projects (15% required)		
7 Housing America, Affordable Housing Development	162,489	147,657
CHDO Projects Subtotal	162,489	147,657
HOME Planning and Administration (10% cap)		
HOME Planning & Administration	108,326	97,798
Grand Total	\$1,408,344	\$977,984

Next Steps

- Publish Draft Plan in newspapers - May 3
- 30-day public comment period
- Public Hearing - May 16
- Council Consideration of 2019 Annual Action Plan - June 5, 2019

III. REGULAR CITY COUNCIL MEETING AGENDA OF MAY 1, 2019

Bushong mentioned to City Council and everyone in the audience that the Agenda packets are prepared two weeks in arrears and due to the recent retirement and reassignment of the City Administrator's position, the May 1st Agenda packet does contain the name of former City Administrator Greg Wilkinson. However, all current documents will be signed by Jay Simonton and any future documents will be prepared naming Simonton as the Interim City Administrator.

Motion Consent Agenda Item B.2: Construction Services Contract: Fire Station #4 Remodel-
Authorize the City Administrator to execute a construction services contract for the Fire Station #4 Remodel project with Guaranteed Maximum Price 1 in the amount of \$172,476.00 to: CORE Construction, Inc., Phoenix, Arizona. (RFQ #2018-20000194 Engineering)

Deputy Mayor Knight asked if the temporary structure is similar to a mobile home and if once it is owned will it be moveable for use as offices or housing spaces. **Kramer** stated that it is the plan, he also mentioned that this structure is more of an industrial-level mobile home, as it is essentially replacing a fire station on a temporary basis. **Deputy Mayor Knight** asked if there was a planned space to store it after its use on this project. **Kramer** stated this is still to be determined, but here are a couple City facilities being considered.

Deputy Mayor Knight asked if anyone knew the size of that structure. **Zahn** mentioned that the trailer is 68 feet long and approximately 16 feet wide. It is a 3 bedrooms, 2 bathrooms and it has a full-size kitchen and laundry area in addition to some office space.

Deputy Mayor Knight asked if the \$1.5M budget mentioned on the RFCCA for Fire Station #4 was the amount that was going to be spent for the Guaranteed Maximum Price (GMP). **Kramer** stated that for this Fiscal Year it is part of the \$1.5M, however, the Fire Department actually added a little bit of additional money to the budget for next year in order to obtain a couple of things they felt were critical to the project, ultimately the total cost of the project for the 2 GMPs combined are approximately \$1.6M. However the final construction values are still being negotiated.

Motion Consent Agenda Item B.3: Contract Increase: Projectmates Software Subscription Expansion- Authorize an increase in the Projectmates Program Management Information System (PMIS) subscription offered by Systemates, Inc., by adding an expansion package through the cooperative purchase agreement originated by the Texas Department of Information Resources, for an estimated additional expenditure of \$17,303.81 which increases the total estimated cost to \$141,203.81. (Engineering)

Deputy Mayor Knight asked if the increase software capability will increase the efficiency with a reduced staff in the Engineering Department. **Kramer** stated that in general, the intent was improving efficiency, improving consistency, and ease of accessibility not only for staff but for our design professional and construction partners. The new software has the capability to generate lists from your mobile device while you are in the field. It creates a running list that then has completion and verification check-offs built in to it. It keeps an audit trail, a version history and can include the plat drawings, correspondence, test results, and all of that information contained within this one simple area, so that the residential subdivision developers can access this system and be able to use it. It should really simplify communication and working together more collaboratively.

Motion Consent Agenda Item B.6: Final Plat: The Fields at Castle Dome Subdivision- Approve the final plat for The Fields at Castle Dome Subdivision. The property is located north of the intersection of 8th Street and Castle Dome Avenue, Yuma, AZ. (Community Development/Community Planning)

Deputy Mayor Knight asked for a status on roundabout access to the Castle Dome Subdivision-The Fields. **Kramer** stated that they had a conceptual plan prepared that looked at full roundabout implementation and what an interim condition might look like. It actually fit much better than anticipated and the pricing would lead to a small contribution from the City to make the interim happen. If we can confirm that funds are available, then we will proceed with the design and implementation of that interim roundabout using the developer's money for the majority portion. **Shelton** asked for clarification of the location. **Kramer** informed that it is to the north of Giss

Parkway/A Street alignment. **Deputy Mayor Knight** also responded that it actually does exist, it just ends at A Street and Giss Parkway.

Shelton asked if the project was possible without expanding the roundabout. **Kramer** explained that it is not possible. An application submitted for a Federal Safety Grant to do the expansion of the roundabout is in place. The interim would be for a two-lane roadway, but the ultimate will be for a four-lane roadway. If the grant is approved, it will take a few years for construction to be completed.

Introduction of Ordinance O2011-018: **Compensation and Benefits for Municipal Judge**- Establish compensation and benefits for the office of Municipal Judge. (Human Resources)

Deputy Mayor Knight asked if the Municipal Judge had not received a raise since 2011. **Welch** confirmed that to be true. **Deputy Mayor Knight** asked how does the salary being recommended compare to what the current salary is. **Welch** stated that it would be a 5% increase from current salary.

IV. ADJOURNMENT/EXECUTIVE SESSION

Motion (Thomas/Watts): To adjourn the meeting into Executive Session. Voice vote: **adopted** 5-0 (McClendon and Mayor Nicholls absent). The meeting adjourned at 7:00 p.m.

Lynda L. Bushong, City Clerk

APPROVED:

Douglas J. Nicholls, Mayor