

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
JUNE 3, 2020
5:30 p.m.

CALL TO ORDER

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

INVOCATION/PLEDGE

Philip Rodriguez, City Administrator, gave the invocation. **Jeff Kramer**, City Engineer, led the City Council in the Pledge of Allegiance.

ROLL CALL

Councilmembers Present:	Shelton, Morris, Watts, Knight, McClendon, Shoop, and Mayor Nicholls
Councilmembers Absent:	None
Staffmembers Present:	City Administrator, Philip A. Rodriguez Director of Engineering, Jeff Kramer 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.

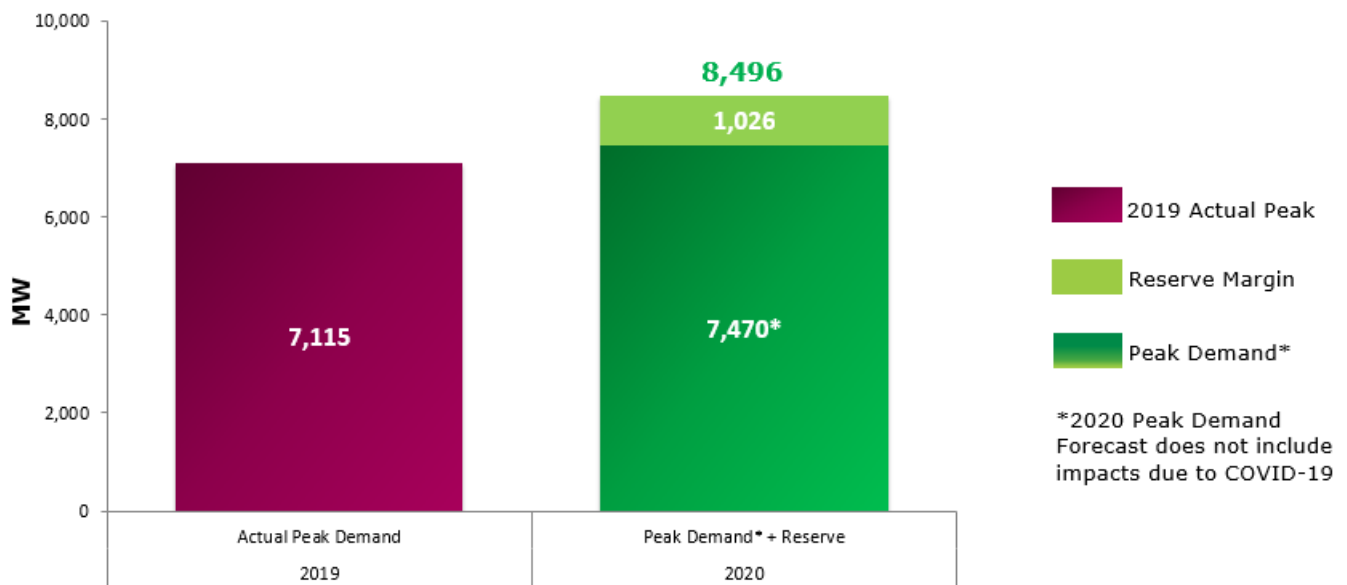
PRESENTATIONS

Regina Twomey, Community Affairs Manager for Arizona Public Service (APS) provided the following presentation regarding APS Summer Preparedness

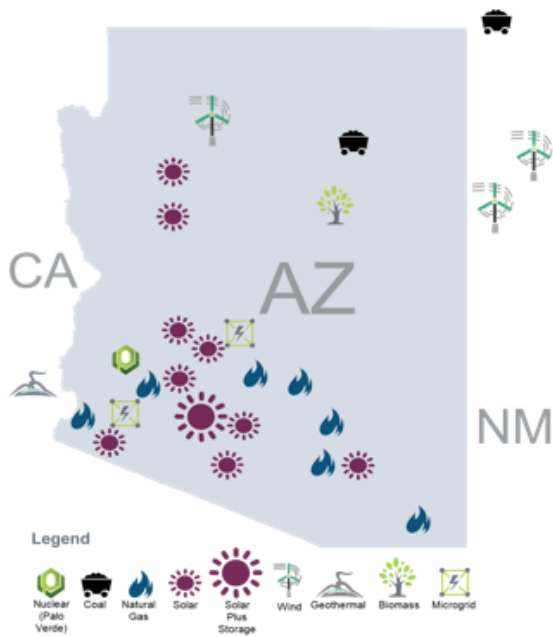
Service Territory

- 11 of Arizona's 15 counties
- 34,646 square mile service area
- Serving about 1.3 million customers
- Includes 439 substations, 301,357 transformers, and more than 550,000 poles and structures
- Approximately 6,000 miles of transmission lines, 11,200 miles of overhead lines and 22,100 miles of underground cable

2020 Peak Resources and Demand



2020 APS Resource Diversity



2020 Resource Peak Capacity (MWs)

	PEAK CAPACITY
Nuclear	1,146
Coal	1,357
Natural Gas	5,371
Owned	3,401
PPAs	1,970
Microgrid/ESS (Quick Start)	32
Renewables	484
Solar	403
Owned Solar	118
Solar PPAs	285
Wind (PPAs)	55
Other (PPAs)	26
Incremental Customer-Based	128
Energy Efficiency	105
Distributed Energy	4
Demand Response	19
TOTAL	8,518

APS has adequate fuel supply for all of its generating facilities

- Palo Verde
 - 100% of fuel requirements contracted through 2021
 - Overall station capacity factor 92.55% in 2019

- Conventional Generation
 - Fuel contracts in place for other APS generating facilities
- APS has procured transport capacity from the San Juan Basin and Permian Basin on the El Paso southern mainline, the El Paso northern mainline and Transwestern system, providing diversity across multiple pipelines for fuel delivery. APS has flexible contracts to cover expected peak daily gas usage for the summer of 2020.
- Gas pipeline operations have been stable and APS is not aware of any maintenance delays on the pipelines due to the coronavirus pandemic response.
- APS has evaluated in-state gas storage and does not currently intend to move in this direction, as the expected cost to customers exceeds the expected benefits. Under the APS clean energy goal; APS will be primarily adding renewable and energy storage resources to cover load growth and expiring power contracts. APS maintains long-term access to a gas storage facility in West Texas for fuel reliability.
- In regards to the recent substantial oil price decline, gas production in the Permian Basin will not expand this year as was shown in prior forecasts since this basin provides wet gas, or oil combined with gas and oil drilling has declined significantly. Gas production from the Permian Basin is double what it was 4 years ago, so supply will not be at risk. APS currently gets only 20% of its natural gas from the Permian Basin, with 80% coming from the more stable San Juan basin.
- APS maintains a five-year forward hedging program to maintain stable fuel prices for its customers.

Reliability Activities

- Annual inspection, maintenance, and upgrades of equipment, lines, and towers
- Predictive and preventive maintenance programs utilizing technology
- Transmission peak load studies
- Planning and preparation to elevated fire conditions
- Summer is our season and APS crews spend 9 months of the year getting ready by inspecting equipment, lines and towers.
- Utilize two drone teams with infrared cameras to predict issues. APS knows that equipment that has a higher temperature is more likely to fail, so by using the drones they can prevent an outage by replacing those hot spots before the summer season.
- APS' territory traverses the state and the landscape is diverse. APS crews also utilize helicopters to perform inspections and off-road vehicles to be able to get into areas that do not have easy access.
- APS also spend time studying peak loads ensuring they have enough generation plus a reserve to meet demand.
- At the beginning of March, APS hosted a company-wide Fire Mitigation Forum to update all of their teams on planning, preparation and response as fire conditions grow during the summer season.

APS Response to COVID-19

- Suspension of disconnects for nonpayment; waiving late fees.
- Customer Support Fund to assist residential and small business customers who are past due on their APS bill and need assistance paying.
- Crisis Bill Assistance program provides community agency partners with funding to distribute to customers who are having difficulty paying their electric bills.
- \$1.25M contribution to COVID-19 relief funds statewide – includes United Way, Arizona Community Foundation, Arizona Coronavirus Relief Fund, Navajo Nation and small business mini-grants.

Twomey concluded by providing contact names and numbers for the divisions of APS.

Hearing no questions from City Council, **Mayor Nicholls**, thanked Twomey for the presentation.

I. MOTION CONSENT AGENDA

Motion (Knight/McClendon): To approve the Motion Consent Agenda as recommended. Voice vote: **approved 7-0.**

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

Regular Council Worksession	May 14, 2019
Regular Council Worksession	December 3, 2019
Regular Council Meeting	May 6, 2020
Council Budget Roundtable	May 12, 2020

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). (Atty)
2. Approve a new Series #12 Restaurant Liquor License application submitted by Alejandro Trujillo, agent for J.T. Bros Sandwich Company located at 712 E. 32nd Street (Clerk)

II. ADOPTION OF ORDINANCES CONSENT AGENDA

Adoption of Ordinance O2020-012- City of Yuma Special Election (Call for a Special Election to be held November 3, 2020, to allow the qualified electors to determine whether to amend the Yuma City Charter) (City Atty)

Mayor Nicholls stated that when the Charter Review Committee was established it was during different times than what the City is currently experiencing. Today the City is operating under an Emergency Proclamation [COVID-19], which has the community and businesses struggling to adapt to the changes. While expressing his appreciation for the committees' efforts and hard work to review the entire Charter, **Mayor Nicholls** proposed that City Council only move forward with the recommendations that would align the City elections with the new State laws. Mayor Nicholls clarified that three of the seven committee recommendations would be eliminated from moving forward to the ballot at this time; however, they can still be addressed at a later time. The three items proposed to be removed are: 1) City Council raises, 2) The City Attorney reporting to City Council and 3) The City Administrators severance package.

Mayor Nicholls invited Russ Clark, Chairman of the Charter Review Committee, to provide any input on the proposal.

Clark noted that the Charter Review Committees work was based on their knowledge and history of the City and, while he cannot answer for the committee as a whole, does not see any issues with holding back on the three noted items and moving forward with the items related to state law issues, as these were recommended by the committee.

Files displayed the proposed ordinance title (see below) and noted that if Ordinance O2020-012 is amended and reintroduced, the following three recommendations from the Charter Review Committee will not be included.

1. The City Attorney working under Mayor and Council as opposed to how it currently is with the Attorney working under the City Administrator,.
2. Extension of the City Administrator's severance package from 2 months to 6 months.
3. Compensation for Mayor and Council

Files stated that the proposed ordinance simplifies the ballot issues and consolidates the election issues. The items that have been removed can return as another ballot measure at a later date.

Mayor Nicholls summarized:

- Elections for Mayor, Council and Municipal Judges will be shifted to even numbered years
- Nomination petition deadlines will align to state law

Speakers

Greg Ferguson, City resident, expressed his concern regarding the Charter Review Committees recommendation of tying the Mayor and Councils compensation to the Board of Supervisors (BOS) pay, set by the legislature. Ferguson stated that the BOS were rarely granted raises. Tying the compensation to that of the BOS would not allow the electors of Yuma to have a say in the matter. **Ferguson** suggested adding a line to the ordinance that states "The Board of Supervisors pay as of 2020", which should resolve the problem.

Knight clarified that the legislature can only change the pay every four years, if they decided that there should be an increase.

Shoop clarified that a County Supervisor's job is a full-time position as opposed to part time.

Motion (Mayor Nicholls/Knight): to strike the existing Ordinance O2020-012 introduced on May 20, 2020 and replace it with the new version shown on the overhead projector, given to the City Clerk's Office and read into the record by the City Clerk as its first introduction.

Bushong displayed the following title and reintroduced the Ordinance as amended:

Ordinance O2020-012

An ordinance of the City Council of the City of Yuma, Arizona, ordering a special election for the qualified electors of the City of Yuma, Arizona, for the purpose of determining whether to amend the Charter of the City of Yuma, Arizona, as follows: Amend Article IV, Section 4; Article VI, Section 2; Article XI, Section 3; and Article IV Section 6 (to be held November 3, 2020) (City Attorney)

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

III. INTRODUCTION OF ORDINANCES

Mayor Nicholls stated he will be declaring a conflict of interest on Ordinance O2020-013, as his firm is involved in the project. If there are any questions/discussion Mayor Nicholls will leave the room.

Shelton asked for briefing on the amendments regarding the animals disturbing the peace ordinance.

Introduction of Ordinance O2020-009 – Amend Title 13, Chapter 130, Article 5 (Yuma City Code § 130-005) to define “excessively,” update the definition of “animal,” clarify that provocation exists as a defense, and modify the penalty to civil sanctions with a warning provision (City Attorney)

Files explained that staff took the comments/input from the last time this ordinance was presented to City Council and amended Ordinance O2020-009 as follows:

- A warning with a progressive civil penalty rather than a criminal penalty was added to the Ordinance by recommendation from the City Council.
- Rolling 12-month period for citations ranging from: 1st citation is a warning, 2nd citation is a \$50.00 fine, 3rd citation is a \$100.00 fine, and the 4th citation increases to \$200.00
- Provocation as a defense

Discussion

- Two witnesses with independent knowledge is required in order to corroborate a violation. [**Mayor Nicholls/Files**]
- The fine is per event, not per animal. [**Mayor Nicholls/Files**]
- An officer can be used as a second witness in instances where there is only one neighbor nearby. [**Knight/Mayor Nicholls/Files**]

Bushong displayed the following titles:

Ordinance O2020-009

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 130, Article 005, of the Yuma City Code, as amended, relating to regulation of animals disturbing the peace. (Amend Title 13, Chapter 130, Article 5)

Ordinance O2020-013

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 General Commercial (B-2) District, and amending the zoning map to conform with the rezoning. (Rezone approximately 3.25 acres for the property located at 7600 E. 32nd St.)

IV. 2020-2021 CITY OF YUMA PRELIMINARY BUDGET

Motion Consent 2020-115 – Proposed Annual Budget for the Fiscal Year 2021: in the amount of \$249,330,796 which includes a Capital Improvement Program budget of \$51,444,152; an Operating Expenditure Budget of \$185,651,999; Interfund Transfers \$12,041,577; and, Wastewater Interfund Borrowing of \$193,068. (City Admin/FIN)

Mayor Nicholls noted that there are two conflicts of interest that were stated at the prior meeting; one for himself and one for Councilmember McClendon. **Mayor Nicholls** stated that there will be a briefing on the Visit Yuma [formerly known as Yuma Visitors Bureau] item followed by the Capital Improvement Program (CIP) budget.

McClendon recused herself due to Conflict of Interest relating to the Visit Yuma item, as they are her employer.

Rodriguez briefed City Council on the following changes that have been made to the Visit Yuma item since the beginning of the budget presentations:

- The name was changed from Yuma Visitors Bureau to Visit Yuma
- Contribution amount has been addressed, due to City Council concerns regarding impacts of reducing the City's contribution.
 - It is recommended that City Council consider a revenue share of the 2% tax fund, of up to \$22,024. This number represents 25% of what the City of Yuma is projecting as a remaining fund balance in that fund. If the City meets/exceeds the expected revenue, 25% or \$22,024 may be shared with Visit Yuma.

Morris and **Knight** expressed support for the 25% or \$22,024.

Motion (Shoop/Watts): To approve and publish for the June 17th budget hearing, the Fiscal Year 2021 Proposed Budget for Visit Yuma in the amount of \$450,000 with an additional amount of up to \$22,024 to be shared with Visit Yuma, contingent upon actual 2% fund revenues. Voice vote: **approved** 6-0-1 (McClendon COI)

McClendon returned to the dais.

Mayor Nicholls recused himself due to Conflict of Interest of the CIP Budget, as his company has potential involvement with some of the projects. He turned the meeting over to Deputy Mayor Watts, and left the dais.

Motion (Knight/Morris): To approve and publish for the June 17th budget hearing, the Fiscal Year 2021 Proposed Budget for the Capital Improvement Program in the amount of \$51,444,152.00. Voice vote: **approved** 6-0-1 (Mayor Nicholls COI)

Mayor Nicholls returned to the dais.

Rodriguez explained a few of the changes or highlights for the remainder of the budget:

- A \$20,000 expenditure in the Fiscal Year 2020 budget out of the Public Safety Tax was not completed and will be moved to the current Fiscal Year's budget.
- Previous expenditures were approximately \$249.2 million, but are now closer to \$249.3 million.
- The budget remains balanced.
- The budget reflects spending reductions in every department and fund and provides very solid footing in the budget plan for recovery in Fiscal Year 2021.

Discussion

- The Governor's distribution of the \$11.3 million in the Cares Act to the City of Yuma will be tied to Public Safety payroll from March 1st through December 31st of this year. Those funds will likely

come to us much later this summer. The Cares Act funds will be used solely on certain COVID related expenses. [**Knight/Rodriguez**]

Speakers

Gary Wright, City resident, thanked Rodriguez for his proposed budget presentation and stated he agrees that building a budget based on revenues is the way to go. Wright expressed concern with the \$53,000 transfer to the Greater Yuma Economic Development Corporation (GYEDC) from the water fund.

Simonton explained that GYEDC brings in a large manufacturers like Almark who in turn help our water fund. **Wright** furthered expressed concern with the Truth in Taxation amended increase on the primary property taxes of 1.82%. Wright mentioned that the raising of property taxes during the COVID economic time would greatly affect businesses as they are also struggling with revenues. Wright asked City Council to reconsider that tax increase.

Miguel Miranda, City resident and local business owner, expressed concern regarding the budget; specifically regarding the increase in property taxes, the loss of revenue due to the pandemic, increased crime, shortage of police officers and street repairs happening throughout the City. **Mayor Nicholls** commented that the City Council's priorities are roads and public safety.

Motion (Watts/Morris): To approve for the June 17th budget hearing, the Fiscal Year 2021 proposed budget for an amount of \$197,414,620, which excludes the Visit Yuma and the CIP budget, as approved through the prior motions. Voice vote: **approved** 7-0

Rodriguez briefed City Council on future budget actions:

- June 17: Public hearing for the Truth in Taxation, adoption of the fiscal year 2021 budget and introduction of the Primary Property Tax levy
- July 15: Adoption of the Primary Property Tax levy

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.

V. ANNOUNCEMENTS AND SCHEDULING

Announcements

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

Scheduling - No future meetings were scheduled at this time.

Motion (Knight/McClendon): To cancel the Citizens Forum and City Council Worksession scheduled on June 30, 2020 and the City Council Meeting scheduled for July 1, 2020 due to Independence Day holiday. Voice vote: **approved** 7-0

VI. SUMMARY OF CURRENT EVENTS

Rodriguez reported the following events:

- The City of Yuma is under the Governor's Curfew Order
- Drive-In movie night continues at Desert Sun Stadium
- Improvement Project between 16th Street and Avenue B is getting closer to completion. Re-pavement will take place on June 15, and that area will be closed completely for 24-hours
- Census is still ongoing
- Thanked the peaceful protestors and police department during this time

Mayor Nicholls expanded upon an exception to the curfew that the Governor's Office came out with a few days ago. Due to summer weather, the 8:00p.m. curfew has an exception for anyone that needs to exercise or walk their pets.

VII. CALL TO THE PUBLIC - No Speakers

VIII. EXECUTIVE SESSION/ADJOURNMENT

Motion (Knight/McClendon): To adjourn the meeting to Executive Session. Voice vote: **adopted** 7-0. The meeting adjourned at 6:54 p.m.

Lynda L. Bushong, City Clerk

APPROVED:

Douglas J. Nicholls, Mayor