

COUNCIL MINUTES

May 15, 2003

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on May 15, 2003 at 7:30 a.m.

COUNCIL PRESENT

Mayor Keno Hawker
Rex Griswold
Kyle Jones
Dennis Kavanaugh
Janie Thom
Claudia Walters
Mike Whalen

COUNCIL ABSENT

None

STAFF PRESENT

Mike Hutchinson
Debbie Spinner
Barbara Jones

1. Review items on the agenda for the May 19, 2003 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff with no formal action taken. There was specific discussion relative to the following items:

Conflicts of interest declared: 3, 7n, 7o, 9a (Hawker); 13c (Whalen)

Items removed from the consent agenda: 7p; 10c

Items deleted from the consent agenda: General Plan Amendment Process Update

2. Discuss and consider various issues associated with the FY 2003-04 and FY 2004-05 Budget Plan.

City Manager Mike Hutchinson addressed the Council relative to this agenda item. He reported that although staff is close to balancing the City's FY 2003-04 budget, there are still two issues that remain outstanding. Mr. Hutchinson explained that the first matter is the Arizona State Retirement System (ASRS) contribution and whether the State Legislature will require the City and employees to make the full 3% contribution beginning July 1, 2003 as opposed to a phased-in amount of 1.5%. Mr. Hutchinson stated that if the Legislature elects to proceed at the 3% level, the City's budget will be out of balance by \$1.5 million. He added that staff has also proposed utility rate increases (solid waste, 5%; water, 5%; wastewater 6%; and electric; 3%) and commented that he is seeking direction and input from the Council regarding this item.

Deputy City Manager Debbi Dollar explained that as a result of the budget review sessions last week, the Council has been provided with three documents which address answers to a variety

of questions raised by Councilmembers; items requiring further study and discussion, and items which individual Councilmembers may have requested be funded and upon which staff is seeking consensus. She stated that it is the intent of staff not only to seek direction from the Council relative to the proposed budget, but also to address a series of items that require Council consensus.

Mayor Hawker thanked staff for their efforts and hard work in responding in a precise and thorough manner to a myriad of questions posed by the Council at the budget review sessions. He suggested that prior to the Council considering the items that require consensus, that each Councilmember provide his/her input regarding the proposed budget.

Councilmember Thom distributed a memo to her fellow Councilmembers which contained a number of her suggestions for balancing the City's budget, increasing the General Fund and establishing a series of cost-saving measures. She noted that she has received input from residents in the community who have expressed concerns regarding utility rate increases and the lack of street and road improvements. Councilmember Thom briefly highlighted her cost-saving measures.

Discussion ensued relative to the fact that in FY 2003/2004, staff has identified that Mesa's ending fund balance will be approximately \$38 million, and an estimated \$45 million in FY 2004/2005.

Councilmember Whalen commented that it is imperative that Mesa's fund balance be increased; that any legal questions with regard to stability pay must be clarified prior to the Council making a decision relative to the matter; that a number of items be reinstated in the budget including Spanish translation service, the Fire ladder truck and crew, the spraying of pre-emergent at the City's golf courses, Sunday hours at the Red Mountain Multigenerational Center, and that Carson, Mesa, Shepherd and Brimhall swimming pools remain open this summer on Sunday and holidays. He also stated that ongoing training is critical for Police and Fire, as well as Engineering and Plan Review. Councilmember Whalen added that Mesa's proposed utility rate increases should be set in accordance with the cost of living index.

Vice Mayor Kavanaugh stated that as a result of this year's budget, Mesa residents will see significant reductions in City services at a time when the community continues to grow and the demand for services increases. He indicated that in general, the budget as presented is fair; however, there are still many questions that need to be answered. Vice Mayor Kavanaugh added that although it may be prudent to lower the proposed utility rates to some degree, it is also important that residents understand that the City's utilities constitute a major component of Mesa's revenues. He concurred with Councilmember Whalen's comments and said he would support the reinstatement of the Fire Volunteer Coordinator and reconsider the proposed Human Services agencies funding levels as well.

Mayor Hawker concurred with Councilmember Whalen and Vice Mayor Kavanaugh's comments relative to Human Services agencies funding levels, the need for a ladder truck and crew, increased public safety training, and the resolution of any legal issues with regard to the matter of stability pay. He expressed opposition to longer hours at the Red Mountain Multigenerational Center and the City's swimming pools. Mayor Hawker also stated that he would like to see the continued hiring of public safety personnel, which is a major component of the Quality of Life Sales Tax; the possible consolidation of the Redevelopment Office with Real Estate Services or

the Economic Development Office, and he would like to see future utility rate increases based on the cost of living index.

Councilmember Walters advised that her top budget priorities include public safety and neighborhoods. She stressed the importance of maintaining security not only in City buildings, but also throughout the entire community. Councilmember Walters expressed support for retaining pre-recruits in the Fire Department; increased domestic violence coverage; a Police Committee review of the photo radar program becoming more revenue neutral; and to allow Mesa schools to continue to utilize school resource officers. She said that she would also be supportive of funding two swimming pools on Sunday and holidays; vector control; level funding of Human Services agencies, Adult Sports cost recovery, and suggested that the Household Hazardous Waste program be conducted twice a year.

Councilmember Jones expressed support for reinstating the Mesa Day Festival; retaining Spanish translation services; implementing an Adult Sports cost recovery program, and maintaining school resource officers and neighborhood services. He voiced opposition, however, to the proposed utility rate increases.

Councilmember Griswold concurred with Mayor Hawker's comments with regard to the Redevelopment Office and stated that he has been disappointed with some of the information the Redevelopment staff has provided to the Council and upon which various decisions have been made. He explained that he supports Neighborhood Services partnering with nonprofit agencies and encouraging volunteerism to develop strong neighborhoods in the community; concurs with the sale of Langley Ranch, and also the reinstatement of Boeing bus service. Councilmember Griswold expressed support for maintaining stability pay, but not the proposed utility rate increases.

In response to the Councilmembers' comments, Mr. Hutchinson clarified that Spanish translation services will be available in the upcoming fiscal years, but at a reduced level of service; that if the sluggish economy continues, the City may be required to address the issue of funding school resource officers in the future; and that staff will continue to seek funding sources for the acquisition of the ladder truck and crew.

The following issues were considered for Council consensus:

1. Quality of Life (QOL) recommendations: Should QOL capital dollars be used to help fund operations?

Mayor Hawker suggested that this item be postponed until such time as staff can make a presentation at a future Study Session.

Mr. Hutchinson recommended that this item be reviewed on an annual basis.

Mayor Hawker stated that it is the consensus of the Council that this item be addressed at a future Study Session.

2. Charge to recover the cost of library computer classes.

Mayor Hawker stated that it is the consensus of the Council to charge to recover the cost of library computer classes.

3. Charge non-Maricopa County residents, including winter visitors, for library cards.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Kavanaugh-Thom-Walters
NAYS - Whalen

Mayor Hawker declared this item carried by majority vote.

4. Fund two or three swimming pools on Sunday and holidays.

Councilmember Whalen suggested that the question be modified to read: Fund four pools (Carson, Mesa, Brimhall and Shepherd) on Sunday and holidays, with the exception of Labor Day.

Upon tabulation of votes, it showed:

AYES - Griswold-Jones-Kavanaugh-Thom-Whalen
NAYS - Hawker-Walters

Mayor Hawker declared this item was carried by majority vote.

5. Adult Sports cost recovery.

Mayor Hawker stated that it is the consensus of the Council to implement an Adult Sports cost recovery program.

6. Keep funding for Mesa Day Festival - \$25,380 is festival cost only. Parade costs are included in the department's baseline budget.

Upon tabulation of votes, it showed;

AYES - Jones-Whalen
NAYS - Hawker-Griswold-Kavanaugh-Thom-Walters

Mayor Hawker declared the item failed due to a lack of consensus.

7. Fund a portion of BAR 6068 to provide for level funding of Human Service agencies in the amount of \$150,000.

Upon tabulation of votes, it showed:

AYES - Hawker-Griswold-Jones-Kavanaugh-Walters-Whalen
NAYS - Thom

Mayor Hawker declared the item carried by majority vote.

8. Add \$28,737 back into Arts Community Aid Grants to keep reduction at 20%.

Upon tabulation of votes, it showed:

AYES - Jones-Kavanaugh-Thom-Walters-Whalen
NAYS - Hawker-Griswold

Mayor Hawker declared the item carried by majority vote.

9. Emergency preparedness funding – total amount, \$881,955.

Mr. Hutchinson recommended that action on this item be postponed until such time as staff conducts further research to phase in the emergency preparedness funding over an estimated 18-month period of time.

Mayor Hawker stated that it is the consensus of the Council that this item be postponed until a future Study Session.

10. Utility rates and other fees.

Mr. Hutchinson recommended that staff conduct further research relative to this item to consider a utility rates increase in the range of 4%.

The Council unanimously supported the suggestion.

Mr. Hutchinson advised that staff will conduct further research and address the following issues at a future Study Session: pre-emergent on golf courses, at a cost of \$11,000; Red Mountain Multigenerational Center, reduction of Sunday hours and less hours on Saturday, at a cost savings of \$83,000; ladder truck and crew; and the reinstatement of Boeing bus service.

Additional items that received Council consensus: Vector Control - \$15,000; twice-a-year Household Hazardous Waste Collection Program.

3. Acknowledge receipt of minutes of boards and committees.

- a. Economic Development Advisory Board meeting held April 1, 2003.
- b. Museum and Cultural Advisory Board meeting held April 9, 2003.

It was moved by Vice Mayor Kavanaugh, seconded by Councilmember Walters, that receipt of the above-listed minutes be acknowledged.

Carried unanimously.

4. Hear reports on meetings and/or conferences attended.

The following members of the Council provided brief updates on various meetings/conferences they attended as follows:

Vice Mayor Kavanaugh
Councilmember Thom
Councilmember Griswold

4th Annual Water Conservation Art Presentation Awards
Groundbreaking at Williams Gateway Airport
Gang Prevention Steering Committee Meeting

5. Scheduling of meetings and general information.

City Manager Mike Hutchinson stated that the meeting schedule is as follows:

Monday, May 19, 2003, TBA – Study Session

Monday, May 19, 2003, 5:45 p.m. – Regular Council Meeting

Thursday, May 22, 2003, 7:30 a.m. – Study Session

6. Prescheduled public opinion appearances.

There were no prescheduled public opinion appearances.

7. Items from citizens present.

There were no items from citizens present.

8. Adjournment.

Without objection, the Study Session adjourned at 9:17 a.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 15th day of May 2003. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK