

COUNCIL MINUTES

May 15, 2001

The City Council of the City of Mesa met in a Budget Review Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on May 15, 2001 at 8:00 a.m.

COUNCIL PRESENT

Mayor Keno Hawker
Jim Davidson
Bill Jaffa
Dennis Kavanaugh
Pat Pomeroy
Claudia Walters
Mike Whalen

COUNCIL ABSENT

None

STAFF PRESENT

Mike Hutchinson
Barbara Jones

1. Community Services.

Community Services Manager Wayne Korinek introduced staff members present at the meeting and provided an overview of the proposed budgets for FY 2001/02 and FY 2002/03 for the Community Services Department. Mr. Korinek advised the Council that his department is divided into four general areas including the Arts and Cultural Division, the Library Division, the Mesa Centennial Center Division and the Parks and Recreation Division.

Mr. Korinek reported on the Department's service level trends including an increase in attendance and revenues at the Mesa Southwest Museum, the Mesa Arts Center and the Arizona Museum for Youth; expanded circulation of traditional library materials, electronic resource usage and increased information literacy efforts; a decrease in revenues at the Mesa Centennial Center; a reduction in facility rentals; an increase in park land and open space, and enhanced interest in the Red Mountain Multigenerational Center.

Mr. Korinek outlined the goals and objectives of the Community Services Department including the formation of the Arts and Cultural Division; the completion of a three-month, community-driven process by the Library Division called Planning for Results; the implementation of improvement objectives identified in the PricewaterhouseCoopers' Economic Feasibility and Marketing Analysis Study for the Mesa Centennial Center Division, and the participation by the Parks & Recreation Division in the preparation of a comprehensive master plan in conjunction with the Joint Master Planning Committee's effort, *Mesa 2025-A Shared Vision*.

Mr. Korinek also spoke regarding key issues facing the Department including funding shortfalls and restrictions of funding sources; land acquisition; facilities development; facilities maintenance; improved services through technology, and public/private sector partnerships.

Discussion ensued relative to the increased costs to the City regarding the sharing of school facilities.

Mr. Korinek informed the Council that the Department's FY 2001/02 proposed budget is \$43,540,813, a 4% increase from the previous year, and that the FY 2002/03 proposed budget is estimated at \$47,554,727.

Mesa Centennial Center Director Eric Norenberg addressed the Council regarding the PricewaterhouseCoopers' Economic Feasibility and Marketing Analysis Study with reference to the proposed renovations to the Mesa Centennial Center.

Mayor Hawker requested that staff evaluate the pros and cons of the current Parks and Recreation programs; consider the elimination of City programs which are already sponsored through the private sector; examine current fee schedules; consider City funding options with regard to the maintenance of retention basins, and to research the current feasibility of the Mesa Verde Ruins.

Councilmember Kavanaugh expressed appreciation to Mr. Korinek and his staff for their hard work. Councilmember Kavanaugh also encouraged staff to examine funding alternatives relative to the utilization of technology to enable the City's residents to more efficiently access recreation programs, registrations and tee times.

Vice Mayor Davidson emphasized the importance of ensuring the residents' quality of life is not diminished as a result of a reduction in City services and programs.

Further discussion ensued regarding the current operating budget at Hohokam Park and the City's potential loss of revenue if a baseball strike were to take place.

Councilmember Jaffa requested that staff provide the Council with additional input relative to the demolition and replacement of the Mesa Centennial Center.

Mayor Hawker thanked Mr. Korinek and his staff for their presentation.

2. Break.

At 9:35 a.m., Mayor Hawker called for a short recess. The meeting reconvened at 9:55 a.m.

3. General Services.

General Services Manager Rich Lorig provided an overview of the proposed budgets for FY 2001/02 and FY 2002/03 for the General Services Department and introduced personnel present at the meeting. Mr. Lorig advised that the Department consists of diverse divisions which provide a variety of services to the other City departments including Communications, Human Resources, Materials Management, Fleet Support Services, Information Services, Mail Services, and Printing and Graphics Services.

Mr. Lorig reported the primary goals and objectives of the Department including citizen access to City services via the Internet; the establishment of partnerships to support customers' business needs, and the creation of a comprehensive communications system to encompass all forms of technology.

Mr. Lorig outlined the key issues facing the Fleet Support Services, Human Resources, Materials Management, Information Services and Communications Departments.

Communications Director Don Pfohl provided the Council with an update regarding the 800 MHz Project, a timeline of the project's completion, and the proposed coverage area.

Mr. Lorig indicated that the proposed budget for FY 2001/02 is estimated at \$56,581,566, which represents a 9% decrease from the previous year, and added that \$60,205,380 has been earmarked for the proposed budget for FY 2002/03.

Discussion ensued relative to major capital projects including the ISD network infrastructure upgrades and file server replacements; the expansion and remodel of the 6th Street Service Center; the 800 MHz System infrastructure, and electronic systems preparation for City Police vehicles.

Further discussion ensued relative to the current reimbursement procedure for the submission of drug prescriptions and/or medical statements.

Information Services Director Karen Kille spoke regarding a Citywide document management system and the projected infrastructure costs.

Councilmember Kavanaugh voiced support for staff's efforts to bring e-government to Mesa.

Mayor Hawker requested that staff provide the Council with additional input regarding the feasibility of Mesa constructing its own stand-alone 800 MHz system.

Mayor Hawker thanked everyone for the presentation.

4. Neighborhood Services.

Interim Neighborhood Services Manager Bryan Raines introduced staff members present at the meeting and provided a synopsis of the functions of the Neighborhood Services Department. Mr. Raines explained that the Department's current service level trends include increased operations at Falcon Field Airport; continued growth in the area of neighborhood-based programs; the fact that requests for Community Development Block Grant (CDBG) funds significantly outnumber Mesa's allocation, and an increase in existing affordable housing.

Mr. Raines detailed the Department's goals and objectives including greater promotion of economic development at the Falcon Field Industrial Area; a 30% increase in the number of registered neighborhoods; a resident-driven plan for the desired improvements in the "pilot" Opportunity Zone; new Code Enforcement software; continued partnerships between the Community Revitalization Division and nonprofit agencies to assist them in delivering services to low and moderate income individuals; developing and preserving quality affordable housing; implementing the Downtown Concept Plan and providing housing rehab assistance to 85 Mesa families; continuing efforts to ensure adequate financial resources for grant matches at Falcon Field; the Redevelopment of Sites 21, 24 and 25, and the incorporation of lead-based paint abatement in the Housing Rehab program.

Mr. Raines commented that the proposed budget for FY 2001/02 is \$23,511,401 and that \$24,053,387 has been allocated for the proposed FY 2002/03 budget.

Mr. Raines outlined the Department's capital projects including the construction of airport improvements and land acquisition at Falcon Field Airport; land acquisition for Sites 24 and 25; the completion of the Main Street Streetscape Phase II project and the initiation of the Pedestrian Connection, the utilization of CDBG funds in the development of a joint-use recreational facility with

Mesa Public Schools, and providing assistance to the MARC Center, Mesa CAN and the Mesa YMCA.

Discussion ensued regarding the feasibility of a part-time grant writer, the facade program, and the feasibility of allowing the Mesa Police Department to assist Code Compliance officers regarding enforcement of City Codes.

Councilmember Pomeroy expressed support for staff's recommendations.

Mayor Hawker thanked Mr. Raines and his staff for their presentation.

5. Compensation Issues.

City Manager Mike Hutchinson addressed the Council relative to this agenda item and explained that in an effort to recruit and retain quality employees, staff is currently in the process of updating various employee compensation issues.

Mr. Hutchinson advised that for the proposed budget for FY 2001/02, he is recommending a 2.5% Citywide salary range adjustment (COLA) and a .05% City contribution to the Deferred Compensation Program, commencing in January 2002, for those employees with more than one year of service.

Mr. Hutchinson also discussed a summary of proposed Executive Pay Plan Salary Adjustments, the implementation of a Special/Technical Pay Range, and various other issues including Police career enhancement and employee retention, employee benefits, day care, employee safety, office space and employee-issue forums.

Councilmembers Kavanaugh, Pomeroy and Jaffa spoke in support of Mr. Hutchinson's recommendations and stressed the fact that the career enhancement program is crucial for Police retention and recruitment.

Vice Mayor Davidson stated the opinion that due to the City's current budget constraints, he has concerns regarding the Police enhancement program.

Councilmember Walters spoke in support of the realignment of the Executive Pay Plan and also the implementation of the Special/Technical Pay Range.

Mayor Hawker requested that staff provide the Council with additional input relative to the Executive Pay Plan.

Mayor Hawker thanked Mr. Hutchinson for his presentation.

7. Adjournment.

Without objection, the Budget Session adjourned at 11:55 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 Budget Review Session of the City Council of Mesa, Arizona, held on the 15th day of May, 2001. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 2001

BARBARA JONES, CITY CLERK

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