



COUNCIL MINUTES

March 4, 2010

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 March 4, 2010 at 7:32 a.m.

COUNCIL PRESENT

Mayor Scott Smith
Alex Finter
Dina Higgins
Kyle Jones
Dennis Kavanaugh

COUNCIL ABSENT

Dave Richins
Scott Somers

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Linda Crocker

Mayor Smith excused Councilmembers Richins and Somers from the entire meeting.

1. Hear a presentation, discuss and provide direction on FY 10/11 budget infrastructure life cycle adjustments.

Budget Director Chuck Odom stated that previous discussions with the Council addressed the levels of maintenance required to maintain City buildings into the future and ensure a safe work environment. He displayed a PowerPoint presentation (**see Attachment 1**) and explained that life cycle adjustments are calculated by combining similar items into asset pools (see page 1 of Attachment 1). Mr. Odom said that vehicles are modeled based on maintenance costs and the number of vehicles of that type, and he advised that staff attempts to manage the life cycle to obtain maximum efficiency.

Mayor Smith commented that at a certain point in time the cost to maintain a vehicle is greater than the replacement cost.

City Manager Christopher Brady stated that these types of items are built into every budget in order to have even annual allocations. He explained that when large purchases or maintenance expenses are anticipated in the future, funds are allocated in advance over a period of years in order to avoid spikes for these types of expenditures.

Mr. Odom said that maintenance requirements have an impact on personnel levels required to service the equipment. He noted that purchasing a completely new fleet of trucks would negatively impact staffing levels because of the process required to place the fleet in service. Mr. Odom also cited the example of the City's computer network failure several years ago, which required one day to become operational and almost two weeks to recover. He stated that systems are now in place to maintain the infrastructure.

Information and Technology Manager Alex Deshuk advised that the proposed new telephone system would be phased in over a three-year period.

Mr. Odom referred to the chart titled "Lifecycle General Fund Support" (see page 2 of Attachment 1) and noted that reductions are being proposed to the amounts in the previous funding model. He advised that the three-year life cycle for personal computers has now been extended to approximately five and one-half years. Mr. Odom said that older computers are being placed in areas where the usage is low.

Councilmember Finter expressed appreciation to staff for their efforts to challenge the planned obsolescence of technology by attempting to extend its life.

Discussion ensued relative to the fact that technology vendors have been advised that the City and many other customers are dissatisfied with the planned obsolescence of technology; and that no budget reductions are planned for personal computer replacement or Parks and Facility maintenance.

Mayor Smith noted that although in the past Mesa was a leader in maintaining their parks, the current financial situation forced reductions to this activity. He expressed support for maintaining parks maintenance at its current funding level as proposed by staff.

Mr. Odom stated that the reduced funding for vehicle replacement does not impact Public Safety vehicles. He explained that staff is in the process of evaluating the entire fleet of vehicles and that low utilization vehicles are being reassigned to high utilization areas. He said that a vehicle pool has been established, which staff anticipates will reduce the fleet by approximately 100 vehicles and in turn reduce personnel costs and replacement capital into the future.

In response to a question from Vice Mayor Jones, Mr. Odom confirmed that the vehicle figures shown on the chart titled "Lifecycle General Fund Support" (see page 2 of Attachment 1) include Public Safety vehicles.

Mr. Odom continued the presentation by noting that the Facility Maintenance area was requested to reduce their planned expenditures by \$900,000.

Councilmember Finter commended Facility Maintenance personnel for emphasizing safety in their plans, which minimizes the financial liability of the City.

Mr. Odom advised that Information Technology has identified \$1.3 million in savings in the area of the infrastructure.

In response to a question from Councilmember Higgins, Mr. Deshuk advised that staff is addressing a common network infrastructure and that opportunities exist for additional commonality in the infrastructure of the Police and Fire Departments.

Mayor Smith noted that technology is the driver of efficiency that has allowed the City to increase levels of service while reducing the number of personnel. He added that staff has implemented several changes that increased the City's efficiency, and he thanked staff for their efforts.

Mr. Deshuk explained that staff attempts to implement the types of changes that provide annual savings in addition to one-time cost reductions. He advised that the program designed to turn computers off automatically at the end of the day or when the computer has not been used for an extended period of time will generate energy savings of approximately \$77,000 annually. He added that computers that are used infrequently would be assigned to other areas.

Mr. Odom summarized his presentation by noting that the proposed reduction in lifecycle plans totals \$3.3 million.

Mr. Brady said that warehouse inventories are being managed more efficiently by employing the "Just in Time" process. He added that other departments would provide information on reductions during their budget presentations to the Council.

Councilmember Kavanaugh noted that the \$3.3 million reduction represents 17 percent of the anticipated 2010/11 General Fund shortfall, and he stated the opinion that a good start was being made to reduce the deficit faced by the City.

Mayor Smith thanked staff for the presentation.

2. Hear a presentation, discuss and provide direction on the 2010 Federal Legislative agenda.

Government Relations Director Scott Butler displayed a PowerPoint presentation (**see Attachment 2**), and reviewed Mesa's representation at the Federal level, which includes Senators Jon Kyl and John McCain and Congressional Representatives Jeff Flake and Harry Mitchell. He noted that the Federal Stimulus Program, which has been in place for approximately one year, has provided Mesa with approximately \$71 million. Mr. Butler advised that the City has been more successful than other Arizona cities in securing competitive grants. He reported that the Federal government is redirecting \$75 billion in TARP (Troubled Asset Relief Program) funds from "Wall Street to Main Street," with \$48.3 billion designated for infrastructure projects and \$26.7 billion to stabilize public sector jobs.

Mr. Butler commented that the Council's leadership on the Federal level in the National League of Cities (NLC) and the U.S. Conference of Mayors (see page 5 of Attachment 2) benefits the City as well as the State of Arizona. He reviewed the NLC legislative priorities (see Page 6 of Attachment 2). Mr. Butler advised that meetings with various departments serve to identify legislation that will benefit the City, and he noted that funding was received in 2010 for the terminal expansion at the Phoenix-Mesa Gateway Airport and for the final design of the Va Shly'ay Akimel river restoration project.

Mr. Butler outlined City projects that will require discretionary funding during 2011 (see page 9 of Attachment 2), and he listed City transportation projects that require funding from the Federal Highway Administration, the Federal Aviation Administration, and the Federal Transit Administration (see pages 10 through 12 of Attachment 2). He noted that the Federal government provided the final payment last year to fully reimburse the Region for the first twenty miles of light rail. Mr. Butler said that the City is requesting \$8.5 million to continue the engineering required for the light rail extension into downtown Mesa, and he noted that the FTA is placing a greater priority on funding transit-oriented development projects. He also referred to the list of Public Safety issues (see page 13 of Attachment 2).

Mr. Butler advised that the Salt River Pima-Maricopa Indian Community voted to delay for one year their appropriations request to fund the Va Shly'ay Akimel construction phase. He said that staff recommends that the City join in the request to Congressman Mitchell and other members of our Congressional delegation, while reiterating long-term support for the project. He noted that the request may be timely because the President's budget recommended that no new projects be moved into the construction phase.

Mr. Butler provided an overview of other legislative areas monitored by the City that relate to community development, arts and culture, and utility regulations (see pages 15 through 17 of Attachment 2). He concluded his remarks by noting the importance of the City's continuing efforts to support the Boeing Corporation and their presence in Mesa.

Mayor Smith thanked Mr. Butler for the presentation.

3. Hear a presentation, discuss and provide direction on possible designation as a Tree City USA.

Deputy Director for Environmental and Sustainability Scott Bouchie displayed a PowerPoint presentation (**see Attachment 3**) and advised that The Tree City USA Program, sponsored by the Arbor Day Foundation, has no fees or charges associated with the application or the designation. He explained that the City currently meets most of the requirements for obtaining the designation. Mr. Bouchie outlined the benefits of the designation (see page 2 of Attachment 3), which includes an increased potential to be awarded State and Federal grants, and the standards required of the City (see page 3 of Attachment 3). He reported that the City currently spends \$2.77 per capita on forestry related areas, which is more than the minimum required expenditure of \$2 per capita.

Mr. Bouchie advised that the City would be required to form a Tree Advisory Panel and hold an Arbor Day observance with a proclamation (as outlined on pages 4 and 5 of Attachment 3). He suggested that the City partner with Mesa Public Schools and conduct an outreach in the community to promote and celebrate Arbor Day, which is held annually on the last Friday in April. Mr. Bouchie said that subsequent to Council approval of the Arbor Day Celebration and proclamation, the application would be forwarded to the State Forester for approval, after which the application would be submitted to the Arbor Day Foundation to obtain the official Tree City USA designation.

Councilmember Kavanaugh expressed appreciation to staff for bringing this proposal forward to the Council and to the Mayor for placing the item on an agenda. He recalled that Tanya Collins and Stephanie Wright first proposed that the City obtain the Tree City USA designation several years ago, and he thanked them for their patience and persistence.

It was moved by Councilmember Kavanaugh, seconded by Vice Mayor Jones, that the City move forward with the application to secure the Tree City USA designation.

Mayor Smith noted that the City would incur no costs to obtain the designation, and he added that trees and vegetation are effective in mitigating the summer heat.

Vice Mayor Jones said that attendees at a recent Light Rail Transit (LRT) Stakeholders' meeting pointed out the importance of planting trees to cool the areas around the LRT stations.

Mayor Smith called for the vote.

Upon tabulation of votes, it showed:

AYES – Finter-Higgins-Jones-Kavanaugh-Smith
NAYS – None
ABSENT – Richins-Somers

Mayor Smith declared the motion carried unanimously by those present.

Mayor Smith thanked Mr. Bouchie for the presentation.

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

Councilmember Higgins: Read to students at Taft Elementary School.

Mayor Smith: Read to students at Taft Elementary School.

Vice Mayor Jones: Participated in a family reading event for the Mesa Arts Academy.

Councilmember Kavanaugh: Read to students at Adams Elementary School.

5. Scheduling of meetings and general information.

Thursday, March 4, 2010 – Opening Day of Spring Training

Thursday, March 11, 2010, 7:30 a.m. – Study Session

6. Items from citizens present.

There were no items from citizens present.

7. Adjournment.

Without objection, the Study Session adjourned at 8:28 a.m.

SCOTT SMITH, MAYOR

ATTEST:

LINDA CROCKER, 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 4th day of March, 2010. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

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Attachments (3)