

**MINUTES  
SPECIAL CITY COUNCIL WORKSESSION/RETREAT**

**DOUBLETREE SUITES  
320 N. 44<sup>TH</sup> STREET, PHOENIX AZ.  
SUNRISE ROOM  
JANUARY 20, 2015  
8:00 AM**

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City Council in attendance: Mayor Nicholls, Beeson, Thomas, Craft and Knight

City Council absent: McClendon and Wright

Staff in attendance: Wilkinson, Rinehart, Moore, Bushong, Lineberry, Wendt, Corbin, Wicks, Simonton, Hamersley, Olea, Lekan, Irr, Davis and Moon.

8:10 a.m. Mayor Nicholls welcomed City Council and staff. Moore gave an overview of the Open Meeting Law.

**I. REVENUE GENERATION**

Wilkinson noted several concerns for the future as it relates to revenue of the City. Among them he noted:

- Loss of \$9 - \$10.8 million per year in City funding due to cuts, sweeps and cost shifting
  - State shared revenue cuts
  - HURF and LTAF rescinded
  - Property tax cuts
  - Cut back on Impact Fees

Wilkinson recommended the City allow for 3% growth and dedicate 2% to the people and 1% to other projects and also noted the following alternate funding sources for City Council consideration:

Renting out a portion of the 3<sup>rd</sup> floor of City Hall

- Government or quasi-government agency may be most acceptable
- Paying off the bonds early will help the taxpayers

Discussion:

- Does not want to compete with the private real estate sector
- Rentable office space available for State/Federal Legislators – beneficial to all agencies, including City
- This is not a good time to placing the building on the market
- City will only receive 1.7% of what is paid

Public/private partnership regarding parking structure

- Private company builds and maintains, but leases out the parking spots
- Multi-level structure with 500+ spaces
- Create additional parking in downtown area – currently not enough parking
- County no longer interested in partnering on this project
- Four companies responded to a Request for Interest (RFI)
- Staff is checking on funding assistance from the Federal Court House

- Study will be included in the Request for Proposal (RFP)
- More information to be provided at a later date

#### City properties

- 16<sup>th</sup> Street/4<sup>th</sup> Avenue: Many interests in this area; property adjustments being made; possible 25-year lease/purchase; need to have additional discussions regarding GPLET in this area
- 4E: Two 10-acre parcels can be made into Industrial Park; would not be a good fit/location for the Fleet Maintenance Facility
  - Would be subject to noise culture
  - Possible spot for Nebraska Cold Storage; current shipping/ freezer space issues in Yuma
  - Fire Station on north side – sewer on the south side
  - May need to rezone to heavy industrial or industrial park

#### Pacific Avenue Athletic Complex

- Proposal changes from last years model:
  - Six fields (instead of eight) with the amenities in the middle
- The draft 1 concept would cost approximately \$17 - \$18 million
- Building in phases would allow us to commit only what we have planned for
- Utilize 2%
- Bonds at \$13 - \$14 million are currently beyond our 2% funding capability.
  - Tying the bonds to the general revenue stream will allow for a higher rating
- The Athletic Complex was one of the projects listed when the voters approved the renewal of the 2% Hospitality Tax
- The complex will bring many benefits to the taxpayers and local businesses in Yuma
- 2% tax revenue expires in 2024 - this will be the last project we can build from that fund
- Complex can be tied into East Wetlands
- One Goal LLC came to the City to negotiate an agreement to use Desert Sun Stadium for a professional development soccer league.
  - Contractor would be responsible for the costs associated with converting the baseball fields to regulation soccer fields.
  - City will maintain control by performing the work paid for by the Contractor
  - All scheduled annual events will still take place

#### Discussion:

- Concerns about the conversion of the fields and if soccer is a sustainable sport through our weather
- Regional Border Alliance has also reached out to the City as well

#### Wireless applications

- Opportunity for small site cell technology that can tie in with current Climatec agreement for installation

- Tucson currently contracted in the procedure – staff is observing at this time to gather additional information
- Wireless application plugs into City street lights
- Could allow an additional internet service to come into Yuma
  - 93% profit on internet service
  - May force current providers (Time Warner and Century Link) to turn up their speed

#### Fiber optics

- Partner to provide fiber optics to homes
- Inquired with Google; however, they are not interested at this time. They have already chosen their next cities they will be providing services to
- Again we have an option to partner with a Climatec contractor to perform the installation and an outside internet provider for services

#### Discussion:

- Fiber Optics can be leveraged with education but should not control the market
- Competition in the private sector needs to be considered
- City should consider multiple contracts so not to monopolize for one company
- Partnering still includes current City processes, such as seeking bids

#### Southwest Gas partnership

- Opportunity to bring in natural gas to Yuma
- Facility location is being considered at 13<sup>th</sup> Street and 1<sup>st</sup> Avenue
- Preliminary information provided: 1) cost dependant on number of dispensaries – could range between \$1 and \$2 million; 2) need approximately 25-30 vehicles - 50 vehicles can be identified within City; 3) \$20,000 to retrofit medium-duty vehicles; and, the City can expect to pay approximately \$8,000 more for a newly equipped vehicle
- A RFI can be released to see if there are any partnering interests
  - Partnering would be with CNG

#### Discussion:

- YCAT may have interest in slow-fill dispensaries
  - JVS Farms also came forward but basically haven't bought vehicles due to no filling stations in Yuma
- Price must be able to stay competitive with current gas prices

#### Del Sol

- City and County need to be a better transit based community as we grow
- Looking at grant funding possibilities to build out 1<sup>st</sup> and 2<sup>nd</sup> floor to provide transit station in old town

#### County Island service

- Irr explained that the Certificate of Necessity agreement requires YFD to respond to County Island calls
- Olea explained how these calls further impact the Public Works Department

Discussion:

- City does not want citizen's to perceive that we are forcing annexation
- Rural Metro may have issues with the impact this service would have on their finances

IT Services to other Governmental entities

- There is no other (private) vendor that can provide the requested IT services to entities such as YRCS
- Somerton, San Luis and the local tribes have solicited the City for services
- City would set up contracts

Passport processing

- Currently five agencies in Yuma that process passports – some by appointments
- Required training of staff and agreement with US Department of State is no cost to the City
- \$25.00 revenue for each passport processed – fee regulated by State
- Providing for pictures is an additional service – fees not regulated by State
- The service may require additional staffing – based on need
- City of Chandler processed 4,998 passports from July-Jan (FY 14/15)

HURF

- Need to find alternate funding source to pay for HURF projects
- The money has already been placed in the State budget – state is not anticipating sweeps from rural areas

Discussion:

- City roads should be our 1<sup>st</sup> priority.
- The City may need to consider imposing a service charge for servicing of other roadways

**II. CHARTER REVIEW**

Moore and Bushong briefed City Council on the past use of Charter Review Committees and the history of amendments made to the Yuma City Charter, specifically covered was the issue of the City Attorney's assignment under the City Administrator versus City Council and compensation of City Council.

Discussion:

- City Attorney answering to City Council would not change the daily operations of City
- Council may need to consider any negative impacts that a political attorney would have on the City
- Survey other cities/towns with attorneys that report to Council
- Council should have one point of contact for ease of City's authority – current system works fine
- A City Attorney doing his job well, works simultaneously with City Council and the Administrator

- Undue pressure for political attorney – citizens with outside agenda's can solicit the firing of attorney
- Amend Charter to change residency term for City Councilmember to reflect the same as Judge – five years instead of one
- Amend the authority of City Council compensation to an ordinance
  - Need to consider the perception of Council voting for their own salary adjustments

For the sake of time, Mayor took agenda item IV. Riverfront out of order

#### **IV. RIVERFRONT DEVELOPMENT**

Wilkinson briefed City Council on the current process and reviewed timelines of the Riverfront Development Phase II of the Master Agreement; noting that each phase has separate ownership and that Phase II is under Mr. Bruce Jacobson.

Discussion:

- Power, water lines need to be moved and easement needs to be released by ADOT – no reason for extended delays
- Agreement in progress – City Attorney's Office
- Phase II agreement may be more complex than Phase I, if Phase II issues extend beyond the two-acre parcel transfer (condos) that was agreed to in Phase I
- Under the GPLET property must be sold at the end of the 25-year lease term
- Getting business in this area will be key
- Apartments over retail for additional revenue

City Council and staff recessed for lunch

#### **III. CODE REQUIREMENTS PERTAINING TO VACANT PROPERTY**

Lineberry explained the authority and why the requirements are set forth on vacant properties, as well as clarified the impacts to Public Works, Fire and Utilities as well as the Department of Community Development.

Discussion:

- Exceptions for property owners, in blighted areas, that want to sell property to viable businesses
- 2002 City law changed the requirement from one year to two years. Two years is not consistent with non-conformity case law, which is one year
- Challenge is to apply the law in the same manner to all properties – many exceptions have been made. Staff attempts to work with property owners to the extent of the law
- Properties are currently discussed at the Executive PDM meeting with Administration
- Redevelopment efforts would be more beneficial to City as opposed to green start [starting from scratch]

## V. WATER AND WASTEWATER FUND USE

Simonton and Wicks clarified some inconsistencies of information provided to City Council at the January 7, 2015 Regular City Council Meeting:

- Council needs to consider if committees will be counter productive
- Committees could lend a new perspective/approach
- Rate increase will assist with some, but not all of the growing necessities. Citizen involvement may assist with community outreach to educate on these issues at hand

## VI. MAYOR, COUNCILMEMBERS & CITY ADMINISTRATOR GOALS

Wilkinson presented a brief overview of last years goals, where progress has been made and efforts are still needed.

Mayor Nicholls stated the following goals:

- Rail to Mexico in conjunction with YMPO – Economic Development
- Flex zoning requirements for Industrial – to attract more opportunities
- Incubator Space / Shark tank type
- Alternate funding sources
- Work with communities to get Bed Tax
- Beautify the corridor at I-8 and Gateway – possibly funded through non-profits
  - Transportation theme is in the General Plan (Lineberry)
- Use our own resources such as ground millings, etc...
- Building Code review for routine issues and Fee Deferral
- Development Ombudsman that would help advocate for the 1<sup>st</sup> time developers
- Meth Campaign
- Address Yuma's homeless issues
- Best practices for Customer Service - Survey our citizens
- 3<sup>rd</sup> party de-briefing on big projects to learn from their end perceptions
- Allow the same exceptions for smaller projects as we do with larger projects
- Open website – plans, permits, etc...
- 5-day work week
- "Find a way to say YES"

Beeson stated the following goals:

- Work with GYEDC to bring large industries to Yuma
- Consideration of sidewalks as a way to connect Yuma Palms to Downtown
- Reconsider Yuma Expressway – work with tribes
- Facilitate coordinating efforts between YMPO and GYEDC
- Incubator Space
- Stronger approach to filming that includes incorporating Yuma's rich history
- Beautification of the City – *Paint outside the Box*
  - This is on one of the local schools goals for 2015-16 (Wendt)
- Address panhandling issues – more visible due to new laws

- League developed an ordinance that will be presented to City Council in near future (Moore)
- Utilize an application for citizens to notify staff of light outages, graffiti, etc...

Thomas stated the following goals:

- Expressed concerns about State collecting our City taxes
- Alternate funding source for HURF projects
- Refrigeration
- Memorializing City streets
- Funding the second ½ of LMS study
- No increase of taxes

Knight stated the following goals:

- 5-day work week
- Quiet Zones at 9E
  - Staff is currently working with Union Pacific (Olea)
- No texting while driving ordinance
  - New law is currently being reviewed/written (Moore)
- Swipe card entry at tennis courts
- Additional tourist attractions in the Riverfront area
- Extension of the beach front from Gate Way Park to Wetlands

Craft stated the following goals:

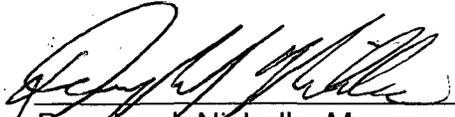
- Sell City properties not being used
- Address false alarm issues
- Meth Program
- Refinancing of Bonds
- Local Preference review
- Additional outreach to citizen on controversial issues

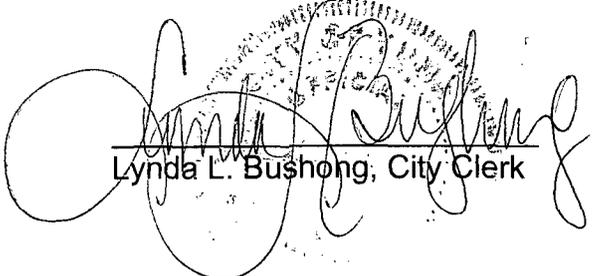
Wilkinson stated the following goals:

- GYEDC business retention
- Hiring of a Grant Writer and Contract Manager
- Build a new Fleet Maintenance Facility
- Address Pay-for-Performance (PFP) - Standardize cost of living adjustments into PFP
- Find provisions for Cold Storage Company
- 16<sup>th</sup> Street / 4<sup>th</sup> Avenue Redevelopment Project

Mayor Nicholls adjourned the meeting at 3:14 pm

APPROVED:

  
Douglas J. Nicholls, Mayor

  
Lynda L. Bushong, City Clerk

Approved at the City Council Meeting of:  
February 18, 2015  
City Clerk: 