

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES
AGENDA ITEM

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January 28, 2010
COUNCIL ACTION

I. PROCEDURES:

- A. Call to Order **Mayor Moore** called the meeting to order at 7:00 p.m.
- B. Pledge and Invocation **Tom Hooker** led the pledge of allegiance and **Councilman Hamby** offered the invocation.
- C. Roll Call Mayor John Moore and Councilmen Don Dent (Vice-Mayor), Andrew Hamby, Frank McNelly, Bill Miller, James Wurgler (late) and Kevin Young were present and constituted a quorum.

Present from City Staff were Assistant City Manager/Finance Director Joe Duffy, Police Chief Herman Nixon, Public Works Director Glenn Cornwell, and City Clerk/Human Resources Director Susan Kerley.

Also in attendance were City's Counsel Lat Celmins, Ken Januzewski, Counsel for Traveler's, and Rick Stephens, City's insurance agent for Traveler's.
- D. Adoption of Agenda **Councilman Hamby** moved to adopt the agenda, incorporating two changes: State Representative Lucy Mason, who stopped by to provide a legislative update, would appear as *Presentation A* and *Public Participation* would occur next, followed by *Presentation B. Smartworksplus Phased Retirement Program*. **Councilman Miller** seconded and the motion carried 5-0.
- E. Approval of Minutes **Councilman Young** moved to approve the minutes of January 14, 2010 (regular session), and January 19, 2010 (Work Session). **Councilman Dent** seconded and the motion carried 6-0.

II. PRESENTATIONS:

- A. Representative Lucy Mason – Legislative Update
Representative Mason shared her idea for balancing the State's budget. She supports using a baseline of 2004 expenditures, having each agency prioritize its most important programs. When the 2004 spending level is reached, spending would stop by temporarily suspending or eliminating programs above that level. Each agency would document every program in its budget by citing the statute that supports that program. Some programs may have evolved without statutory support so this procedure would correct those situations. **Representative Mason** hopes to keep local governments whole by keeping distribution formulas (percentages) the same. Even so, revenues to municipalities will be lower because total revenues to the State will be lower. **Councilman Miller** asked her position on an increased state income tax, and **Representative Mason** responded that Arizona has one of the lowest in the nation among states that have income taxes. She sees some wiggle room to look at, because once the baseline plan is understood, a reasonable tax package would have a chance. One goal would be to reduce the size of some larger departments, such as the Department of Education with 352 employees, and funnel the money to teachers and classrooms. **Councilman Wurgler** thanked **Representative Mason** for her help in dealing with the Medical Center's special election.

III. PUBLIC PARTICIPATION:

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Mayor Moore asked Finance Director Joe Duffy to speak on how Council came to the decision of closing the pool. **Joe Duffy** said he would explain where the City is at and how it got here. He said that two years ago, sales tax revenue (primary revenue) started to drop, resulting in the City starting to trim its budget. We were \$500,000 in the hole last year and used borrowed money to make payroll. Then sales tax revenues went off the cliff. We laid off eight employees in two rounds, reduced the level of services in all departments, authorized no travel or uniforms, and removed phone lines. Elected officials have taken cuts seriously and have tried to minimize the effect on the public. However, we're here because we have no choices: We can close the pool or cut water or sanitation services. He suggested the public shouldn't believe that City Council and Staff take this situation lightly. At the end of this fiscal year, the City may be out of cash and may not be able to pay its bills. Normal operating expenses for the pool run \$20,000 each month. \$70,000 is budgeted each year just for part-time employees.

The following members of the public offered comments:

Molly R. Harris: Would like to form a committee to determine how and where to make cuts in the City, like the Golf Course. She believes citizens ought to get involved to help Council. There should not be haste to close the pool – not just shut it down without input from citizens.

Robert E. O'Neill: Value can be counted in more ways than dollars. Thinks that equipment like a treadmill and sauna should be added to the pool to build it into a health club for which monthly membership fees could be charged.

Sandra Arcari: Read a prepared statement, asking to hold off draining the pool until March 25th to allow a due diligence period for citizens and Council. Announced that more than 754 signatures were on the petitions objecting to the pool closure.

Lisa Williams: Pointed out that pool is not just for recreation, it is used by some to help manage their health issues such as fibromyalgia and arthritis. Suggested that pool remain open for 2-3 days a week.

Dawn Trapp: Civitan Foundation brings more than 750 developmentally disabled people to the pool each year. Believes that fees for the pool are way too low and that members need to prepay. Noted that USDA has over \$100 million available for programs. Believes it's not fair that Council did not ask people first. She is willing to help on a committee.

Nathan Gianettino: He has been on the swim team for about five years and is training for the 2012 London Summer Olympics. If he makes it to the Olympics, it will put this little town on the map.

Judy Martin: Believes the City pool saved her life because using it helped her lose 185 pounds. She needs the pool to maintain her health and asked Council members, "Please don't close the pool." She said that membership at the Northern Arizona University pool runs \$400 a year, and she is willing to pay more.

Thomas Hooker: Asked Council two things: Give proper consideration to other alternatives, like raising fees and consider more cuts to hours to reduce costs. If pool must be closed, don't be quick to drain it without giving the community an opportunity to come up with financing for it.

Elizabeth Johnson: Suggested that no employees drive City vehicles home, thus saving money.

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Porter Stock: She pointed out that the pool is a safe place to pursue swimming, which is her life. This is her first year on the swim team, and her dream is to be an Olympic swimmer. How can she do that with the pool closed?

Ruth Sanzari: Suggested a partial solution might be City Council and Staff working together. Believes that by reclassifying all positions with salaries in excess of \$100,000 per year to less than \$100,000, money saved here could be used in other areas.

Mike Dulay: He read that the pool is to be drained on Sunday and that more than 100,000 gallons of water will be wasted. After draining, it will cost about \$50,000 to re-plaster. Also, there is a potential of hydrostatic pressure. If there is water under the pool, it could pop. Draining the pool in the middle of winter when the water table is high is not a good idea. He urged Council to close the pool properly if it must be closed and above all, not to drain the pool.

Mayor Moore asked citizens to select a five-member committee to meet with **Councilman Miller** and **Joe Duffy**. He pointed out that the City could not sit on this issue for a month or two. He asked that a list of the five-member committee be given to the City Clerk.

An unidentified gentleman who lives at 417 Route 66 said that he has no place to park in this kind of weather other than the City lot. In case of an emergency, he could not get to his car in time if it is parked in the City lot. **Mayor Moore** asked **Police Chief Nixon** to work with him to resolve this problem.

II. PRESENTATIONS: (continued)

- B. Smartworksplus Phased Retirement Program enables Arizona entities to lower their cost, yet retain experienced employees who choose to retire, but want to work and earn more money: Sandee McClelland, President

Ms. McClelland reviewed benefits to employees (increased gross income) and to the City (reduced personnel expenses), using an example of a \$50,000-per-year employee. With four-five employees participating in Phased Retirement, the cost savings the first year would be more than \$100,000. This plan has saved school districts millions of dollars and the City of Stafford \$300,000 the first year. Typically, returning employees stay in the program around three years. Savings begin when contracted, and there is no minimum number of employees who must participate; it can range from 1-50 employees.

BREAK – Reconvened at 8:50 p.m.

IV. CONSENT AGENDA ITEMS:

- C. Approval of Purchase Orders: J. Duffy

Councilman Dent moved to approve the consent agenda items. **Councilman Miller** seconded, and the motion carried 6-0.

V. NON-CONSENT AGENDA ITEMS:

- 6 D. Appointment of Airport Committee Member Dr. Eric Savage: J. Moore
- Councilman Miller** moved to approve Items D., E., and F. as one item. **Councilman Wurgler** seconded, and the motion carried 6-0.

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E. Appointment of
Golf Committee
Member Ed Czech:
J. Moore

F. Appointment of
Historic
Preservation
Committee Member
Al Dunaway: J.
Moore

G. Discussion and
decision on street
name for Morse
Avenue: J. Moore

Councilman Miller made a motion to change *Morse Avenue* to *Rodeo Road*. **Councilman McNelly** seconded the motion, and it carried 6-0. **Mayor Moore** asked the **City Clerk** to prepare a Resolution to that effect for the next Council meeting.

Recess to Executive Session

VI. EXECUTIVE SESSION

Pursuant to A.R.S. #38-43103 (A) (7), Council received an update from City Attorney Lat Celmins, Attorney Ken Januzewski, and Rick Stephens on pending legal issues.

Reconvene Regular Session

VII. REPORTS AND INFORMATION ITEMS:

A. Mayor and Council

Mayor Moore pointed out that one citizen thought the monthly cost for the pool was around \$400 - \$500 rather than the actual \$20,000 it runs.

B. Staff Reports

None

III. ADJOURN:

Councilman Miller made a motion to adjourn, and it was seconded by **Councilman Hamby**. The meeting adjourned at 10:40 p.m.

Mayor John Moore

ATTEST

Susan Kerley
City Clerk