

**CITY OF WILLIAMS CITY COUNCIL**

**ANNOTATED MINUTES  
AGENDA ITEM**

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**FEBRUARY 12, 2015  
COUNCIL ACTION**

**I. PROCEDURES:**

- A. Call to Order Mayor Moore called the meeting to order at 8:00 a.m.
- B. Pledge and Invocation The pledge of allegiance and invocation were omitted.
- C. Roll Call Mayor John Moore, Vice Mayor Don Dent, and Councilmen Craig Fritsinger, Bernie Hiemenz, Lee Payne and James Wurgler were present and constituted a quorum.  
Present from City Staff were Brandon Buchanan, City Manager, Police Chief Herman Nixon, Police Lieutenant Darrell Hixson, City Clerk/HR Director Susan Kerley, Tim Pettit, Building Inspector, Finance Director Keith Buonocore, Public Works Director Kyle Christiansen; Librarian Andrea Dunn; Recreation Superintendent Rose Newbold; Marty Yerian, Golf Course Superintendent; Sheldon Johnson, Shop Superintendent; Horacio Ortiz, Street Superintendent; Jeff Pettit, Sanitation Foreman; John Castro, Maintenance Foreman; Gioia Goodrum, President/CEO Williams-Grand Canyon Chamber of Commerce, and Magistrate Rob Krombeen

**II. PRESENTATIONS - NONE**

**III. PUBLIC PARTICIPATION - NONE**

**IV. COUNCIL BUDGET RETREAT**

This Retreat begins the FY 2016 budget planning process. Council, guided by the ideas brought forth during the January Visioning Retreat, will discuss the upcoming FY 2016 Budget. Department Heads will be available to answer questions in the event Council Members need information regarding the operations of various departments: B. Buchanan

- A. Discussion and review of vision, mission, and goals that were established at the Council Visioning Retreat Brandon Buchanan began the Retreat by emphasizing the importance of department heads seeing how the budgeting process works. He related a post-it note story told to him by Councilman McNelly: An instructor of a training course had one message only and that was, to get to where you want to be in your life and career, put your goal on a Post-It note and display in a prominent place so you can see it daily.  
We are now creating a Post-It note for our organization with the goal of refining the information from the Council's Retreat of January 29<sup>th</sup> into our Post-It note.  
Using the attached handout, Brandon Buchanan reviewed the Vision themes and moved onto the Mission Statement themes. The dominant theme: *Our purpose is to provide essential services to our citizens, visitors, and businesses in a fiscally sound manner through proactive planning, exceptional staff, and strong relationships to ensure Williams continues to be a desirable place to be.*

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High-Level Goals to work on were noted:

- Sustainable Growth/Planning for Growth – Be smart about it.
- Collaboration – How do we leverage resources?
- Economic Development – Diversify our economy.
- Housing – Huge Problem – What can the City do?
- Infrastructure – We need a plan (financial and CIP).

B. Discussion of “big picture”  
budget issues for FY 2016  
Budget

“Big Picture” Budget Issues were itemized with the disclaimer that the list is not all-inclusive.

Department Services and Service Levels – What areas are to be expanded? What areas are to be reduced?

Councilman Payne asked that Department Heads be proactive at looking into the future and to say what they need and to put those items in the forefront rather than mentioning it after an item is needed. He asked them to stay ahead of the curve. He encouraged them to be vocal so that the Public Works Director, Kyle Christiansen, is aware of the departments’ needs.

Brandon Buchanan agreed that, exactly as Councilman Payne stated, Department Heads need to say what’s working or not and lead the area of which they’re in charge. We rely on the Department Heads to make certain the departments are working. The City Manager is a generalist who puts the pieces together.

Keith Buonocore, Finance Director, added that with the City’s vision and mission, it doesn’t matter how much money we have. We still want to have goals. Our attitude should be one of getting things done, not limiting ourselves by dollars.

Trends in Revenues: Large increases are most often due to construction (like Love’s), but this is one-time revenue. They will also bring in perpetual revenue. Brandon Buchanan predicted greater than \$200,000 in new annual sales tax revenue with another \$100,000 in new annual revenues from utilities.

Funding Reductions: The Highway User Revenue Fund (HURF) has been cut year after year. The impact upon the City has been at least \$2 million from sweeps. The new Governor’s proposal is that the State won’t sweep \$35 million from this fund, but they will not put this into the Fund to begin with so there will be no change. Funds already in process through ADOT include the Route 66 project with mill and overlay from Pine Street to the ADOT Maintenance Yard and the construction of hangars at the Airport. These could

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be impacted by appropriations according to Keith Buonocore. Enterprise Funds: We need to make these self-sustaining – that is ideal. We have the challenge of lots of debt. We need to combine cutting expenses and increasing revenues where we can.

Water:

Water Meter Replacement – 40% of the water produced at the Water Plant last year was not billed. When customers pay for the actual amount of water they use, some will reduce their usage. This translates to a huge number like \$700,000. This would go a long way toward repairing/replacing our water system. Keith Buonocore added that we are looking at starting the meter replacement program this summer. A company will be here this week to do a meter audit. One goal is to standardize all meters.

Sewer: This system carries a lot of debt burden. The benefit of the debt is it has translated to excess capacity. Impact Fees can be used to pay down this debt.

Electric: Few cities in Arizona own their own electric utility. We spend about \$2 million a year from the Electric fund to subsidize other Funds.

Golf: We can get only so many players on the Course at once so those revenues are limited. However, it is close to self-sustaining. Most municipal courses are nowhere near self-sustaining.

Impact Fees: We have to get into the position to build excess capacity. Then we can charge new businesses their portion so we can repay the debt. An example might be finding a new well with excess capacity to charge to new growth.

Current Facilities/Equipment/Tools

We don't know how Department Heads and employees do what they do. Think about what we need to do what we need to do. One example is do we have critical knowledge written down? Think outside what we've always done.

Capital Improvement Projects/Major Infrastructure:

We don't have a Capital Improvement Plan (CIP) because we haven't had the money to do the projects so why pay an engineer to create a plan? We still need to plan even if we don't pay for a formal plan.

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- C. Discussion of specific projects/efforts to be funded in FY 2016 Budget

Department Heads will get their budget work sheets next week so be thinking about the items you want included in your Department's budget. What items does Council want included in Departmental Budgets?

Councilman Payne would like to see the horse barn redone. Councilman Dent added that the horse barn should support itself, but it is also a quality of life issue. Mayor Moore suggested that it be done well, or get rid of it.

Councilman Hiemenz listed Streets.

Andrea Dunn asked if the City has a 5-year plan?

Brandon Buchanan replied that we need to develop a plan for future years.

Councilman Dent said that each year we have only around \$400,000 (discretionary funds) to do everything.

Councilman Hiemenz said that we have to solve our water problems.

Mayor Moore said we need a continuous effort on clean-up – we're starting to slide.

Councilman Dent said we need to be smarter about where we clean up. We should not be out cleaning up private property, unless we are cleaning up and billing for trouble spots.

If our area is tourism, we need to be the best at tourism we can be. We need to pay attention and don't take broken items for granted. To foster our economy and improve our situation, we need to look through the eyes of our customers and realize that attention to detail is so important.

Andrea Dunn pointed out that we need clearer signs to the Grand Canyon.

- D. Budget Calendar

Budget worksheets will be given to Department Heads on Tuesday, February 17<sup>th</sup> along with a discussion of strategies for meeting goals.

- V. **ADJOURN:**

Councilman Fritsinger made a motion to adjourn, and it was seconded by Councilman Hiemenz. The motion carried 5-0, and the meeting adjourned at 9:04 a.m.

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Mayor John Moore

ATTEST:

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City Clerk

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