

**CITY OF BUCKEYE
REGULAR COUNCIL MEETING
JUNE 2, 2015
MINUTES**

**City Council Chambers
530 E. Monroe Ave.
Buckeye, AZ 85326
6:00 p.m.**

1. Call to Order/Invocation/Pledge of Allegiance/Roll Call

Mayor Meck called the meeting to order at 6:00 p.m. Mayor Meck led the invocation; James Sauer and Clifford Holmes with Boy Scout Troop No. 336 led the Pledge of Allegiance with the assistance of American Sign Language interpreters Elizabeth Williams and Jan Sanderson.

Members Present: Councilmember Garza (via telephone), Councilmember Hess, Councilmember McAchran, Councilmember Heustis, Vice Mayor Orsborn, and Mayor Meck (excused at 7:59 p.m.; returned at 8:03 p.m.).

Members Absent: Councilmember Strauss.

Departments Present: Assistant City Manager Roger Klingler, City Attorney Scott Ruby, City Clerk Lucinda Aja, Deputy City Clerk Summer Stewart, Assistant to Council Carol Conley, Police Chief Larry Hall, Finance Director Larry Price, Development Services Director George Flores, City Engineer Scott Zipprich, Information Technology Director Greg Platacz, Community Services Director Cheryl Sedig, Human Resources Director Nancy Love, Water Resources Director Dave Nigh, Government Relations Manager George Diaz, Library Manager Jana White, Construction and Contracting Manager Chris Williams, Planning Manager Terri Hogan, and Marketing and Communications Manager Jennifer Rogers.

2A. Comments from the Public – None.

2B. Awards/Presentations/Proclamations – None.

3. Minutes

A motion was made by Councilmember Heustis and seconded by Councilmember McAchran to approve the minutes of the May 5, 2014 Council Workshop and Regular Council Meeting. Motion passed unanimously.

4. Expenditures

A motion was made by Vice Mayor Orsborn and seconded by Councilmember Hess to ratify the payment of the accounts payable expenditures made. Copies of invoices are available at City Hall. Motion passed unanimously.

CONSENT AGENDA ITEMS

Approval of items on the Consent Agenda - All items with an (*) are considered to be routine matters. Mayor Meck requested item *5B. be pulled for discussion. A motion was made by Councilmember Hess and seconded by Vice Mayor Orsborn to approve Consent Item *5A. Motion passed unanimously.

*5. New Business

- *5A. Resolution No. 49-15 Authorizing the Submission of a Grant Proposal to the Tohono O’odham Nation for Proposition 202 Funding Relating to Priority Areas Established by the Nation; Authorizing the City Manager and the City Fire Chief to Execute and Deliver Said Documents on Behalf of the City**
Staff Liaison: Bob Costello, Fire Chief
District No. All

Council adopted Resolution No. 49-15 authorizing the submission of a grant proposal to the Tohono O’odham Nation for Proposition 202 funding relating to priority areas established by the Nation; authorizing the City Manager and the City Fire Chief to execute and deliver said documents on behalf of the City.

- *5B. Approving the Renewal of a Memorandum of Understanding between the City of Buckeye and Buckeye Main Street Coalition, Inc., Relating to Economic Development and Revitalization Services; Authorizing the City Manager to Execute and Deliver Said Renewal Letter**
Staff Liaison: Cheryl Sedig, Community Services Director
District No. All

Mayor Meck requested this item be pulled for continued discussion. Buckeye Main Street Coalition (“Main Street”) began their presentation during the Council Workshop held this date. Lara Serbin with Main street discussed the importance of Main Street in the downtown area. The Catalyst Program was addressed along with the Main Street website, social media, updated brochures and post cards, and “Buckeye bags”. Ron Noble, Main Street President, stated the past year has been successful and addressed events that may be held in the upcoming year. Discussion was held regarding events at the equestrian center. Mr. Noble stated Main Street banners would be replaced as necessary and any banner that appears to have an outdated logo is used for purposes of nostalgia and agreed that updated banners should be approved by the city; banners will continue to be provided by Main Street but approved by the city and will include the updated logo. Main street was thanked for their efforts in promoting the city and economic development. A motion was made by Councilmember McAchran and seconded by Vice Mayor Orsborn to approve the one-year renewal of a Memorandum of Understanding between the City of Buckeye and Buckeye Main Street Coalition, Inc., relating to economic development and revitalization services; authorizing the City Manager to execute and deliver said renewal letter. Motion passed unanimously.

6. Continued / Tabled Items- None

7. Public Hearings / Non-Consent - New Business

7A. Action Resolution No. 52-15 Approving and Adopting a Tentative City Budget For Fiscal Year 2015-2016

Staff Liaison: Larry Price, Finance Director

District No. N/A

Mr. Price presented an overview of the request to approve adoption of the fiscal year (FY) 2015-2016 tentative budget. Final budget adoption is scheduled for the June 16, 2015 Special Meeting. The FY 2015-2016 budget is approximately \$258 million dollars and includes \$63 million for acquisition of Global Water. Revenues and contingency funds have increased; the primary property tax rate remains the same. The city previously adopted a 3% transient lodging tax. A sources and uses summary was presented and discussed. The budget includes a 5.79% increase from FY 2014-2015, not including funds for purchase of Global Water. Capital projects were listed and include Jones Ford property acquisition, police sub-station, fire ambulance certificate of necessity, CDBG projects, various water/wastewater projects, Skyline Regional Park, Sundance Park phase two, Enterprise Resource Planning project, and the Festival public safety facility. The General Fund balance, revenues, expenditures, contingencies and transfers were summarized. Staff has requested funds for the implementation of a Body Camera Program. Mr. Price stated several community budget meetings have been held. The importance of setting funds aside for roadway maintenance was discussed. Mr. Price clarified the operational portion of the budget includes all budgeted positions, updated retirement system contributions, increased health insurance premiums, and increased worker's compensation; stated the city does not have any general obligation debt and the city bond rating is AA-. Thomas Campanella (21755 West Mohave Street) discussed concerns related to the budget, increased personnel expenses and the potential need for additional personnel with increased population; stated concern related to the use of community property for municipal use. A motion was made by Vice Mayor Orsborn and seconded by Councilmember Hess to adopt Resolution No. 52-15 approving and adopting a Tentative City Budget for Fiscal Year 2015-2016. Motion passed unanimously.

7B. Action Resolution No. 50-15 SLID #1 Comprised of Sun City Festival Units A1 and B1; SLID-2006-01, Comprised of Vista De Montana Phase 1A, 1B, 2, 3; SLID 2006-003, Comprised of Blue Horizons; SLID 2006-007, Comprised of Festival Foothills Phase 1; SLID 2006-008, Comprised of Festival Foothills Phase 2; SLID 2006-009, Comprised of Crystal Vista; SLID 2006-011, Comprised of Sun City Festival Units C1 Through H1 and Unit V1; SLID 2006-015, Comprised of Riata West Unit 2; SLID 2006-016, Comprised of Sonoran Vista Units 1 and 2; SLID 2006-017, Comprised of Riata West Unit 1; SLID 2006-019, Comprised of Sun City Festival Units K1, O1, M1, and R1; SLID 2007-001, Comprised of Sundance Parcel 27; SLID 2007-002, Comprised of Sundance Parcel 25; SLID 2007-003, Comprised of Sundance Parcel 26; SLID 2007-010, Comprised of Watson Estates; SLID 2007-013, Comprised of Sun City Festival Units I1 and P1; SLID 2007-021, Comprised of Sun City Festival Unit J1; SLID 2009-02A, Comprised of Watson Marketplace; SLID 2011-001, Comprised of Sundance/Yuma Commercial; SLID 2012-002, Comprised of Sienna Hills; and SLID 2013-002, Comprised of Sun City Festival Parcel L1 (City of Buckeye, Arizona), Approving the Tentative Budgets of the Aforementioned Street Lighting Districts for the Fiscal Year 2015-2016 Beginning July 1, 2015 and Ending June 30, 2016; Setting a Hearing Date for the Budgets and Establishing the Annual Assessment

Staff Liaison: Scott Lowe, Public Works Director

Larry Price, Finance Director

District No. All

Mr. Price provided an overview of the request to adopt SLID FY 2015-2016 tentative budgets. Annual statements and estimates of each SLID were listed and discussed. Mr. Price clarified electricity is the only

expense being taxed. A motion was made by Vice Mayor Orsborn and seconded by Councilmember Hess to adopt Resolution No. 50-15 for the following Street Light Improvement Districts (SLID's):

- SLID #1, comprised of Sun City Festival Units A1 and B1;
- SLID 2006-001, comprised of VISTA DE MONTANA Phase 1A, 1B, 2, 3;
- SLID 2006-003, comprised of Blue Horizons;
- SLID 2006-007, comprised of Festival Foothills Phase 1;
- SLID 2006-008, comprised of Festival Foothills Phase 2;
- SLID 2006-009, comprised of Crystal Vista;
- SLID 2006-011, comprised of Sun City Festival Units C1 through H1 and Unit V1;
- SLID 2006-015, comprised of Riata West Unit 2;
- SLID 2006-016, comprised of Sonoran Vista Units 1 and 2;
- SLID 2006-017, comprised of Riata West Unit 1;
- SLID 2006-019, comprised of Sun City Festival Units K1, O1, M1, and R1;
- SLID 2007-001, comprised of Sundance Parcel 27;
- SLID 2007-002, comprised of Sundance Parcel 25;
- SLID 2007-003, comprised of Sundance Parcel 26;
- SLID 2007-010, comprised of Watson Estates;
- SLID 2007-013, comprised of Sun City Festival Units I1 and P1;
- SLID 2007-021, comprised of Sun City Festival Unit J1;
- SLID 2009-02A, comprised of Watson Marketplace;
- SLID 2011-001, comprised of Sundance/Yuma Commercial;
- SLID 2012-002 comprised of Sienna Hills; and
- SLID 2013-002, comprised of Sun City Festival Parcel L1;

Approving the tentative budgets of the aforementioned Street Lighting Districts for the Fiscal Year 2015-2016 beginning July 1, 2016 and ending June 30, 2017; setting a hearing date for the budgets and establishing the annual assessment. Motion passed unanimously.

7C. Action Resolution No. 57-15 Approving Cigna Health Insurance Renewal (Option 1, 2, or 3; and, Option a, b, or c) Relating to Health Insurance Benefits for City Employees; Authorizing the Mayor or City Manager to Execute and Deliver Said Agreement
Staff Liaison: Nancy Love, Human Resources Director
District No. All

Ms. Love provided an overview of the Cigna Health Insurance Renewal. Mr. Price clarified Resolution No. 57-15, should it be adopted, lists several options to choose from. Ms. Love provided a history of insurance premium rates and cost sharing arrangements. Discussions have been held with Cigna and a premium increase of 18.6% is expected; approximately \$5.4 million was estimated for premiums for FY 2015-2016. The tentative budget includes \$821,000 for the city's cost of increased premiums. Plan design options were listed and summarized. The insurance renewal plan presented includes an 18.6% premium increase equaling \$975,000. The city has budgeted a total of \$5,389,067 for insurance premiums in FY 2015-2016, an increase of \$821,000 from FY 2014-2015. The difference between the budgeted amount and the increase equals \$154,000. Three plan design options were presented; plans were reviewed by a benefits committee. Option 1) includes an 18.6% premium increase along with an increase in deductibles and out-of-pocket maximums; Option 2) includes a 14.12% premium increase, an increase in deductibles and out-of-pocket maximums, and a \$5.00 increase in frequently used co-payments; Option 3) includes a 14.69% premium increase, an increase in deductibles and out-of-pocket maximums, a \$5.00 increase in frequently used co-payments, and the option for a high-deductible plan. The benefit committee recommends Option 1) with deductible and out-of-pocket maximum increases and an 18.6% increase in premiums; the committee recommends approval of Option d) City paying 100% of the premium increase. Alternative cost-sharing options were discussed further and include Option a) splitting the increase 50/50, Option b) the city paying 85% and employee paying 15%, Option c) the employee paying 100%, or Option d) City paying 100% of the premium increase. Costs related to each option were addressed. A

motion was made by Councilmember Heustis and seconded by Vice Mayor Orsborn to adopt Resolution No. 57-15 with Option 2). Further discussion was held regarding cost-sharing options. An incomplete motion having been made, an amended motion was made by Councilmember Heustis and seconded by Councilmember McAchran to adopt Resolution No. 57-15 with Option 2) and a 50/50 split of the increase. Further clarification was provided by Ms. Love related to cost-sharing options and actual costs to the city and each employee. Councilmember Heustis having stated "I'm confused", Mayor Meck declared all prior motions and amendments related to the benefit options to be invalid and requested Council clarify the motion for approval. A motion was therefore made by Councilmember Heustis and seconded by Vice Mayor Orsborn to adopt Resolution No. 57-15 approving the renewal of Cigna Health Insurance relating to health insurance benefits for City employees by choosing Option 2) 14.12% premium increase with co-pay and deductible changes and, by choosing Option b) City paying 85% and the employee paying 15%; authorizing the Mayor or City Manager to execute and deliver said agreement. Councilmember Strauss was absent. Councilmember Heustis, Councilmember McAchran, Vice Mayor Orsborn and Mayor Meck voted aye. Councilmember Hess and Councilmember Garza voted nay. Motion carried.

**7D. Action Official Representation on Community Development Advisory Committee (CDAC) for Fiscal Year 2015-2016
Staff Liaison: Andrea M. Marquez, Planner II
District No. All**

Ms. Marquez provided an overview of the request to approve the reappointment of CDAC representatives. A motion was made by Councilmember Heustis and seconded by Councilmember McAchran to approve the reappointment of primary representative Vice Mayor Orsborn and alternative representative Councilmember Hess to the Community Development Advisory Committee (CDAC) for the term beginning July 1, 2015 and ending June 30, 2016. Motion passed unanimously.

8. City Manager's Report and Government Relations

See attached City Manager's Report.

9. Comments from the Mayor and Council

Councilmember Garza: no comment.

Councilmember Strauss: absent.

Councilmember Hess: no comment.

Councilmember McAchran: thanked Buckeye Patriotic Committee for honorable Memorial Day service.

Councilmember Heustis: expressed gratitude for respectful Memorial Day service held.

Vice Mayor Orsborn: no comment.

Mayor Meck: no comment.

10. Adjournment

A motion was made by Vice Mayor Orsborn and seconded by Councilmember McAchran to adjourn the meeting at 8:33 p.m. Motion passed unanimously.

Jackie A. Meck, Mayor

ATTEST:

Lucinda J. Aja, City Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the Regular Council Meeting held on the 2nd day of June, 2015. I further certify that a quorum was present.

Lucinda J. Aja, City Clerk