



MINUTES OF REGULAR MEETING OF THE COMMON COUNCIL OF YOUNGTOWN, AZ

THURSDAY, December 3, 2009, TOWN CLUBHOUSE, 12033 CLUBHOUSE SQUARE

1. **Call to Order** Mayor LeVault called the meeting to order at 7:03 p.m.
2. **Roll Call** Council present: Mayor Michael LeVault, Vice Mayor Jacob Duran, Councilmembers Margaret Chittenden, Dorena Mello, Shirley Oglesby, Susan MacKay, and Judy Johnson.
Staff present: Town Manager Lloyce Robinson, Town Attorney Michelle Swann, Interim Chief of Police Dennis Young, Public Works Manager Mark Hannah, Finance Officer Jackie Hoffman, and Town Clerk/Treasurer Letty Goldberg
3. **Pledge of Allegiance and Invocation** Pledge led by Councilmember Johnson. Invocation offered by Pastor Charles Ring.
4. **Communications:**
 - A. **Communications from Council**

Mayor LeVault

 - State of the economy, State of the State Regarding the State Budget – Gov. Brewer stated last week if they closed all of the State agencies the State still couldn't cover what is owed.
 - For the past two and a half years, the Town has worked for fiscal stability and built its reserves. Each year the budget has been less than the year before. Council has no control outside of Youngtown. State is looking to reduce Urban Revenue Sharing (URS) by 24% on top of the 14% they took this year. They are also looking at Vehicle License Tax (VLT) as well. They could take Revenue Sharing completely.
 - We need a Plan B. Youngtown has no control at the State and County levels. Financing doesn't match services.

Councilmember Mello

 - I'd like to thank the Youngtown Police Department for their help in returning my dogs.

Councilmember Johnson

 - We need to support our businesses. There is a new business, a consignment shop called Walk In Closet, on 113th Avenue north of the charter school. Owner is Sandra Bigelow. Stop in and say "Hello".

Vice Mayor Duran

 - Valley View Food Bank prepared and distributed over 2000 boxes for the Thanksgiving week. They also served Thanksgiving Dinner to 400-500 people. They plan to serve Christmas Dinner on December 25 from noon to 3 p.m. at the Youngtown Charter School. All are welcome. The Food Bank welcomes your contributions and your help.

Councilmember Chittenden

 - I appreciate the Charter School and the Food Bank. I went over on Thanksgiving Day to help out.
 - B. **Communications from Staff**

Town Manager Robinson

 - Council and Staff held a Strategic Planning Meeting on November 21 to consider a five-year plan for sustaining the Town. We discussed economic development, municipal government, the economy, public safety, and fire flow.
 - December 12 is the Winter Holiday event. Diane Cordova has ordered more snow. Finance Officer Jackie Hoffman and her husband, Ralph constructed a Fireplace to be used for the Holiday Event when Santa comes to Youngtown. One of our English as a Second Language (ESL) students has obtained a TPT (Transaction Privilege Tax) license and is making cookies for the event.
 - We are working on the process to hire a new Police Chief.
 - As part of Leadership West, I attended an Issue Day at the State Capital. We listened to perspectives of candidates for the House of Representatives. We also heard from Capital Reporter Howie Fischer who says the problem is no one is talking the same language.

5. Consent

- A. Approval of Minutes:** Minutes of Regular Meeting, November 5, Work Session November 19, 2009, and Special Meetings, November 5, November 19, 2009, and November 21, 2009.
Motion to approve Consent Agenda – Councilmember Chittenden
Second – Vice Mayor Duran
Motion passed unanimously on a voice vote.

6. Business

- A. Discussion and/or Action Re: Approval of Resolution 09-20 CDBG (Community Development Block Grant) FY 2010-2011 Final Grant Proposal –Fire Flow 2010/2011: Installing new waterlines in the Town Right-of-Ways to increase water pressure for fire suppression purposes between Grand and Peoria Avenues in Youngtown. The application shall seek a grant in the maximum amount of \$1,000,000 and authorizing Town Manager to sign contracts. (HANNAH).**
Public Works Manager Mark Hannah

- I have been working on a grant application for Community Development Block Grant (CDBG) funds to be submitted to the Maricopa County Community Development Advisory Committee (CDAC) to upgrade the Fire Flow System in the northern part of Youngtown. We have completed our community outreach, held our public hearing and presented our grant proposal at a Council Work Session.
- We will be submitting a grant application for \$500,000, however we are asking that Council approve the grant request up to \$1,000,000, and authorizing the Town Manager to execute all related documents. The reason for the high dollar amount is that if CDAC decides that our project merits more funds we would not have to come back to Council for approval and possibly jeopardize a deadline.
- Goal is to install 6200 to 6500 feet of 6” pipe in the first year. This project is not as scalable as the alley paving project. Each portion will need to be a closed system. The total project will include 15 to 20 hydrants. Engineering has started. Figures from Arizona American water put the estimate at \$2 million. That includes 10” lines. Our engineers estimate the cost at \$1.7 million to \$1.8 million and say that we don’t need the 10” lines. The lines on 111th Avenue are sufficient.
- North to South or South to North, I recommend doing the residential areas first. We have children to protect.
- System will meet fire flow standards. We will rely on Sun City Fire Marshal Ken Rice and Town Engineer Grant Anderson to comply with fire code.

Mayor LeVault

- The State Supreme Court did not take up our appeal. Of 43 cases, they took three. We have run the legal possibilities out.

Councilmember Oglesby

- Mark Hannah and I work hard to bring this CDBG money back to Youngtown.

Motion to approve Resolution 09-20 CDBG (Community Development Block Grant) FY 2010-2011 Final Grant Proposal –Fire Flow 2010/2011: Installing new waterlines in the Town Right-of-Ways to increase water pressure for fire suppression purposes between Grand and Peoria Avenues in Youngtown – Councilmember Oglesby
Second – Councilmember Mello
Motion passed unanimously on a roll call vote.

- B. Discussion and Possible Direction to Staff Re: Placement on the Ballot for Election on May 18, 2010, the Question of Whether to Approve an Initial Primary Property Tax (ROBINSON).**

Mayor LeVault

- Youngtown has never levied a property tax. Agua Fria Ranch pays a secondary property tax for the Community Facilities District that includes some O&M (Operations & Maintenance) in the levy. At Saturday’s Strategic Planning meeting we discussed the budget for the Town. How do we sustain the Town, keep residents safe, maintain the Town infrastructure, and provide basic services? These decisions will have impact for decades to come.
- The Police Department is one-third of our budget. We need to keep our officers safe so they can keep us safe. How do we finance these services? With a property tax? I can’t think of a more transparent way than to let the residents vote on it.

Town Manager Robinson

- We are forecasting finances; looking at the numbers and we have seen a slight decline in our revenues. If the Legislature would just leave us alone we might be able to manage, but a 24.6% reduction in Urban Revenue Sharing is a \$200,000 hit. Our budget this year was \$3.2 million. A \$200,000 cut hurts even the smallest department. We have increased our savings, but don't want to spend that unless absolutely necessary. Once it's gone, it's gone. We are looking for sustainability. The Legislature is looking for every single place to pull money. Their attitude is that cities and towns have more money.
- The Department Heads and I have a realistic view of Town finances. We are planning not to just meet next year's financial needs but four and five years down the road.
- The Legislature changed the Urban Revenue Sharing method in 1973. Every municipality gets a share based on a statutory formula. The Legislature taking URS changes everything. We need revenue that we can locally control. Every idea, project, service has a price tag. Can we do it? Do we turn off the streetlights? Do we close the library? Do we cut employee positions? Do we cut the Parks budget?
- As revenues decline, reality says that we will have to make changes. Police Officers need vests replaced every five years, guns should be replaced every 10 years, vehicles require maintenance and/or replacement, training required to keep certification. Not just the Police Department, other departments have needs.
- The Library is a small department but has a huge impact.
- Departments are looking at a five-year plan for replacement of major equipment and Finance Officer Hoffman calculated that personnel services will increase by 6% per year. Arizona State Retirement System contribution rate for employees and employers will increase by .5% next year and probably by the same rate for the next five years. During Mayor Eugene Russell's tenure, Youngtown tried to form an insurance pool. We were set to go with the City of Surprise and the Dysart School District. Youngtown did not participate in this insurance consortium. These organizations dissolved the consortium as their organizations grew and increased the employee participation. It is all about numbers. We have asked our insurance broker, Laurie Dawson to contact smaller cities that might be interested in pooling with us for health insurance. With more members, the premiums go down. We are looking for regional partnerships.

Mayor LeVault

- Everything is on the table. We have already started the budget process. We must be frugal in running the Town. There is an entirely different business model for government. We need to spend as wisely as possible.

Town Clerk Goldberg

- Arizona State Statutes allows a municipality to hold an election on the third Tuesday of May (May 18, 2010) to ask voters to initiate a primary property tax. Either by Initiative or Resolution, the Council must refer the initiation of a primary property tax to the ballot prior to January 8, 2010. On January 8, 2010, the Town Clerk must notify the Maricopa County Elections Office that the Town plans to hold an election on May 18, 2010. An Initiative would require a minimum of 375 valid signatures to be referred to the ballot.

Town Attorney Swann

- The Council could pass a Resolution referring the initiation of a primary property tax to the ballot as late as the morning of January 8, 2010.
- There are very few services that a Town has to supply. They don't have to have a fire department, but they must supply police services either by having a police department or contracting with the Sheriff's Office or another municipality.

Mayor LeVault

- I would like to see a list of cities that don't have a primary property tax. Depression looked different, government delivered a lot less services.

Town Manager Robinson

- Businesses don't pay retail tax they collect it and pass it through to the Arizona Department of Revenue. Goodyear has a 2-1/2% sales. They didn't have a business license fee but have added them. Cities are upping their fees and Courts have a fee for everything. Unless a resident buys at a Youngtown business they are not financially supporting the Town. A primary property tax would give local control to sustain the municipality.

Town Attorney Swann

- There is no express authority for a municipality to initiate a primary property tax for a specific use. It would go into the General Fund. The public could have an understanding that the Council would dedicate the tax to public safety, but a new Council could do whatever it wished. Whether a statement of its use should be in the

ballot statement has not been challenged yet. We would recommend that it would be in the statements of what a Yes or No vote would do.

- Some municipalities have a sales tax dedicated to public safety.

Councilmember Chittenden

- Without a property tax how will we manage? We want our Police Department well trained and well equipped. What do our citizens want us to do?

Councilmember Johnson

- If we want the services, we have we have to pay for them.

Councilmember Mello

- The Police Department hasn't been financed as it should.

Councilmember Oglesby

- My husband, Larry, said he would never vote for a property tax, but the way the economy is, we have to do something. Don't want to wait until it's too late. In reality, it has to be done.

June Miller, Youngtown resident

- My husband and I are on a fixed income and we took a hit on our retirement savings. With this recession/depression, we would be alright if Youngtown would leave us alone. We'll be getting a school tax sometime soon. My husband always says he'll pay his share of taxes. A primary property tax we must do. I hate to have to but the Police Department is important. With Sheriff Joe it would take 30 minutes for an officer to get there. When we had our own dispatch it was faster, but what we have is still better. I'm personally happy to support this tax.
- Mark Hannah, Thank you for you work on Fire Flow.

Jim Mann, Executive Director, Fraternal Order of Police Labor Council

- Rep. Matt Heinz has proposed legislation that would allow municipal employees participate in health insurance programs managed by the Arizona Department of Administration.

Mayor LeVault

- Initiating a primary property tax is not something that Council can do. The citizens need to carry the ball.
- Council directs staff to assemble addition information. It needs to be clear when citizens vote what they are voting for or against and the ramifications.

7. Call for Executive Session

None needed.

8. Citizens Comments/Appearances from the floor:

None.

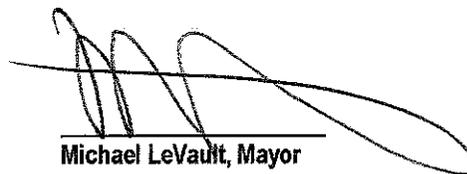
Announcement of next Work Session and Regular Meeting: Thursday, December 17, 2009 at 7:00 p.m.

Adjournment.

Motion to Adjourn – Vice Mayor Duran

Second – Councilmember Mello

Meeting adjourned at 8:42 p.m.



Michael LeVault, Mayor

Attest:



Diane Cordova, Deputy Town Clerk

Minutes approved at the December 17, 2009 Regular Meeting.

RESOLUTION NO. 09-20

**A RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF
YOUNGTOWN, MARICOPA, ARIZONA,
AUTHORIZING THE TOWN TO SUBMIT APPLICATION TO THE
MARICOPA COUNTY COMMUNITY DEVELOPMENT
DEPARTMENT FOR THE COMMUNITY DEVELOPMENT BLOCK
GRANT FUNDS AND EXECUTE AWARDED AGREEMENTS**

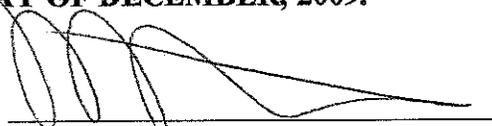
BE IT RESOLVED by the Town Council of the Town of Youngtown, Maricopa County, Arizona, as follows:

SECTION 1: The Town authorizes the submission of one or more application(s) for Community Development Block Grant Funds to the Community Development Division of the Maricopa County Department of Human Services for the following purpose:

Fire Flow 2010/2011: Installing new waterlines in the Town Right-of-Ways to increase water pressure for fire suppression purposes between Grand and Peoria Avenues in Youngtown. The application shall seek a grant in the maximum amount of \$1,000,000.

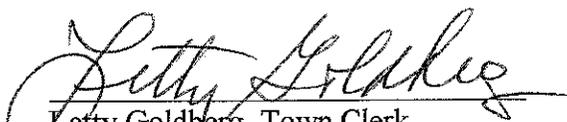
SECTION 2: The Town Manager Lloyce Robinson is authorized to sign application, execute a Management and Implementation Agreement (MIA) and other required documents.

**PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE TOWN OF
YOUNGTOWN, ARIZONA THIS 3RD DAY OF DECEMBER, 2009.**



Michael LeVault, Mayor

ATTEST:



Letty Goldberg, Town Clerk

APPROVED AS TO FORM:



Curtis, Goodwin, Sullivan, Udall, Schwab, P.L.C.
Town Attorneys
By: Michelle Swann