



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

THURSDAY, June 7, 2012, TOWN CLUBHOUSE, 12033 CLUBHOUSE SQUARE

1. Call to Order Mayor LeVault called the meeting to order at 6:48 p.m.
2. Roll Call Council present: Mayor Michael LeVault, Councilmembers Margaret Chittenden, Dorena Mello, Shirley Oglesby, Susan MacKay and Judy Johnson. Vice Mayor Jacob Duran attended telephonically.
Staff present: Town Manager Lloyce Robinson, Town Attorney Michelle Swann, Public Safety Manager Mike Kessler, Finance Officer Jackie Hoffman, Programs Projects Grants Manager Mark Hannah, Library Manager, Public Works Manager, Town Clerk/Treasurer Letty Goldberg, and Deputy Town Clerk Diane Cordova.
3. Pledge of Allegiance and Invocation Councilmember Johnson led the Pledge. Pastor Charles Ring offered the Invocation.
5. Consent Agenda: Consideration and Action on Meeting Minutes: Work Session Minutes and Regular Meeting Minutes of May 17, 2012.

Motion to approve Consent Agenda – Councilmember Chittenden

Second – Councilmember Gustafson

Motion passed on a voice vote with one abstention (Councilmember MacKay)

6. Business
 - A. Discussion and/or Action Re: Adoption of Ordinance No. 12-05, Amending Chapter 1 General Provisions, Section 1.08 Elections, Section 1.08.060 Election Dates to Establish the Dates of Town Primary and General Elections as the Same Dates as the Primary and General Elections of the State of Arizona.

Town Attorney Swann

 - Ordinance 12-05 is the result of legislature approving House Bill 2826 consolidating elections to Fall in even number years. It now becomes a requirement for the Town to amend Town Code to establish the dates of primary and general elections as the same dates as the primary and general elections of the State of Arizona. This effectively eliminates the 2013 candidate spring elections. Mayor LeVault, Councilmembers Johnson, MacKay and Chittenden have terms expiring in 2013. The approval of this Ordinance brings about the extension of these council seats for an additional 18 months. Many other municipalities are going through the same process.

Councilmember Chittenden

 - The Town has to abide to what legislature has approved.

Town Attorney Swann

 - There are no requirements on letting the public know. It is usually the Clerk's Office that communicates information.

Town Clerk Goldberg

 - We can place Facts, Answers, Questions (FAQ) on the Town's website.

Mayor LeVault

 - We want to be transparent. This is being forced on us by the State of Arizona. I personally have been speaking in favor of House Bill 2826. It will save the Town approximately \$15,000 in election cost by doing away with the March/May Spring Election cycles. This measure would maximize voter turnout and save taxpayer money. In our 2006 fall election, there was a 300% higher voter involvement. It will be a longer ballot, however I think it will be a win- win situation.

Councilmember Mello

 - Are other municipalities doing this right now?

Town Attorney Swann

 - There is a process being conducted; a pre-clearance has to be done through the Department of Justice (DOJ), which does take time, especially for some municipalities that are going through re-districting. Attorneys are in action moving to get ready for the Fall November 6, 2012 elections.

Councilmember Mello

 - How long does pre-clearance take through DOJ?

Town Attorney Swann

- It can take up to a month, month and a half and/or sometimes up to a year.

Mayor LeVault

- Town Attorney Swann and I have had many discussions to get ahead of the curve on HB 2826. Many charter cities have already completed the process of changing their election cycles to a Fall election. The City of Peoria is already there.

Town Attorney Swann

- There was an article in the Arizona Republic on May 26, 2012 "New Arizona election law may lengthen some terms" stating that this new state law requiring cities to change their election cycles has unintended consequences; council members will have to serve months or even a year beyond their elected terms as they work out how to reset their election cycles to comply with the new law. The League of Arizona Cities and Towns is not in favor of HB 2826.

Town Clerk Goldberg

- There is an exception; beginning with elections held in 2014 and later that are not candidate elections, an election held for or on behalf of any political subdivision of this state, and including a special election to fill a vacancy or a recall election, may be held on the following dates: the second Tuesday in March; the third Tuesday in May which are Spring elections.

Mayor LeVault

- For Spring 2013 elections, we could have Home Rule and the Town's General Plan on the ballot.

Motion to adopt Ordinance No. 12-05, Amending Chapter 1 General Provisions, Section 1.08 Elections, Section 1.08.060 Election Dates to Establish the Dates of Town Primary and General Elections as the Same Dates as the Primary and General Elections of the State of Arizona- Councilmember Chittenden

Second – Councilmember Johnson

Motion passed unanimously on a roll call vote.

H. Discussion and/or Action Re: Approval of Resolution 12-13 for Adoption of Tentative Budget Fiscal Year 2012-2013 in the amount of \$ 6,288,676.00 (report attached)

Town Manager Robinson

- Our total fiscal year budget for 2012-2013 is \$6,288,676. Confirmed revenue total \$1,694,056. with confirmed grants in the amount of \$1,403,251. Our revenue-proposed LGIP transfers \$835,004. Our rainy day fund for 2012-2013 is \$835,004. In 2011-2012 our rainy day fund was \$630,278 with zero transfers.

Mayor LeVault

- A budget is a plan. It doesn't mean that we will spend the money. This fiscal year we were under budget.

Town Manager Robinson

- In July 2001, there was no money taken out of savings. As you can see from the graph, from 2003 through 2006 there is a decrease in revenue.
- In 2006/2007 until present, under this administration, since this council took over, we have brought back an increase to our rainy day fund; it has steadily increased.
- On this pie chart, you can see our largest revenue is our General Fund \$3,512,88 second is from Highway User Fund (Hurff) \$2,138,956, and third from grants \$520,000. Agua Fria Ranch Street Light District \$ 26,355 and the North Youngtown Street Light District \$90,477 which totals to \$6,288,676.
- Now I would like to ask you, "In What should WE be investing?" "In WHAT are we investing?" I've broken it down to a three part focus; Our 2010 census came in with a 6,156 population; 55.5% on our population are from the age of 19 to 64 years. Should we invest in "Senior/Youth Services?" How about economic development? Re-image: new logo and tagline, signage, business revitalization program, invest in profit-generating ventures resulting in increased revenue, quality of life, sustainability and public pride. How about employee compensation? It takes 19 employees to operate a \$6+ million budget. Our employees have gone three years without raises. The cost would be \$28,155 (gross wages) that .0044% or ½ of 1% of the total budget \$6,288,676. The result would be retention of experienced staff and the ability to entice replacement talent.
- Our three greatest budget expenditures come from Highway Users Revenue Fund (Hurff), General Government and Public Safety. The specific projects are Fire Flow Phases 2,3,4, and Peoria intersection realignment; Business/Commerce Park; Maricopa Lake, a three year project; Library remodel; re-imaging the Town; Village Pavilions; Records Retention; reduce grass/increase stone in parks; Laser Fiche Record Management investment; replace Emergency Operations Center (EOC) generator; replace Town Hall roof; master key lock system; replace parks pickup truck; Court filing system upgrade; all-terrain vehicle for Agua Fria River code patrol and street pavement repair and replacement.

Town Manager Robinson

- These projects are all in the budget.

- Principles of responsible financial stewardship: Focus on broadening tax base; Invest in projects with a certain profit margin; Identify revenue component in new services; Monitor continually all revenue and expenditures; Evaluate continually all processes and procedures; Create 5-10 year plans; Adopt Permanent Base Adjustment (PBA) or Home Rule.
- What is it that we need to invest in? Do we want an attractive, active sustainable community? We need to invest \$6,288,676.

Mayor LeVault (letter attached)

- I wrote a letter to insert into the budget public handouts. I know that other Mayors from other cities do the same. I think this is a first for Youngtown. I wrote, "Town and city governments provide the bulk of what I call "bread and butter" services. These core services, which touch people's lives daily, are things like police and fire protection, streets, parks and libraries. For over 5 years, in an environment of dwindling resources, this administration has figured out how to provide more with less and on occasion, something with nothing. We routinely look for ways to make it do, wear it out and use it up. We seek to find that sweet spot between absolute frugality and delivery of an appropriate level of service while achieving ever greater efficiencies from every dollar spent. In a little over 5 years, we have increased savings by almost 150%, having built a rainy day fund of almost 70% of annual operational expenses. We have reduced payroll by 22% and reduced annual operational expenditures by almost one-third. At the same time we have managed to make major, decades overdue, infrastructure improvements. We have paved nearly 8 miles of previously unpaved alleys. Fire-flow improvements, scheduled to be completed later this summer, will bring the entire town up to international fire code standards. Peoria Avenue, between 111th and 115th Avenues, has been completely reconstructed. These improvements, costing several millions of dollars, have been financed by successfully competing for funding through programs like the American Recovery and Reinvestment Act (ARRA) and Community Development Block Grants (CDBG). Since the inception of the CDBG program in 1978, Youngtown has been awarded \$7.6 million; 41% or \$3.2 million of which has been awarded in the just the last 5 years. Youngtown's tentative FY 2012-2013 budget represents a continuation of the same policies which have brought the Town back from the financial brink. It is a reflection of the strong partnership between the people, through their elected representatives on Town Council, as policy makers, and the Town Manager and staff, as administrators of policy. This budget is another giant step down the road to a bright, viable and sustainable future for our community."
- We are on the verge of completing infrastructure; it's been six months since contracting with Maricopa County Sheriff Office (MCSO), I believe we've hit a homerun in our decision. I had our Finance Officer Jackie Hoffman complete a 10 year analysis of our finances. It shows a 150% saving into our LGIP account. An increase of 70% in our rainy day fund. I am proud of this council, the Town Manager, Finance Officer and staff; my hats off to you.
- We have a 2 million project coming to Town of Youngtown. We are going to have a subsidized senior housing development.

Councilmember Chittenden

- I also want to thank staff. When I came on Council in 2005, there weren't any meetings or information given out on the Town's budget. Thank you for keeping us informed.
- The Fire Flow project is all rolling into one?

Mayor LeVault

- There is a map on the north side of the room showing all four fire flow phases. Rule number one is always public safety.

Councilmember Mello

- Can we afford this budget? Can we support this budget? Are the decision we will have to make in the future support this budget? Will we have to take money out to compensate employees? Do we have the revenues to support this once we are seven months into the budget? The economy has not turned around yet.

Town Manager Robinson

- I would not propose this budget to Council if we could not support it. I have been through eleven budget processes. These are solid estimates. If there is no liquid cash to support projects like what I've named the property on 113th Avenue and Michigan, "The Village Pavilion", the project will be held back.

Mayor LeVault

- The Community Center, "Village Pavilion" would have to come to Council for approval. This project would have to follow operational procedures.

Town Manager Robinson

- Yes, there are many steps, a process that takes place in purchasing property. Last year we had \$ 1.5 million in revenue. I asking council, "Is it time to invest?" Is it time to stretch the rubber band for sustainability? The Aurora Village project, the 65 unit senior living development is not in the budget. It's a 10 million dollar project that will bring in revenue when completed.

- The Town will be collecting a rental tax each year and also be receiving a 5.5% interest rate loan amount from Englewood Development for the Aurora Village project.

Resident, Dr. Kathryn French

- I want to compliment staff and Council for the information and all the good decisions made regarding the budgets for Youngtown. As a resident I am very impressed. Many other Mayors and Councilmembers have no clue and do not receive any information as mentioned by Councilmember Chittenden.

Motion to approve Resolution 12-13 for Adoption of Tentative Budget Fiscal Year 2012-2013 in the amount of \$6,288,676.00 – Vice Mayor Duran

Second – Councilmember MacKay

Motion passed 6 votes “Yes”, one “Abstain” (Councilmember Mello) on a roll call vote.

- B. Discussion and/or Action Re: Approval of Resolution 12-19 referring the question of adopting a Permanent Base Adjustment in the amount of \$559,874, pursuant to Arizona Constitution Article IX, Section 20, Subsection (6), to the ballot for November 6, 2012 General Election and eliminating Alternative Expenditure Limitation (Home Rule).

Town Manager Robinson

- Alternative Expenditure Limitation (Home Rule); Permanent Base Adjustment (PBA) and A One-Time Override are methods in which municipality use to calculate its own expenditure limitation each year guided by the Arizona Constitution. Staff is proposing a Permanent Base Adjustment to be submitted to the voters at the General Election to be held on November 6, 2012. This PBA would remain the same every year until such a time there is need for the expenditure limitation to be raised. Youngtown presently has Home Rule which is taken to the voters every four years, creating election cost. Carefree, Casa Grande, Douglas, Litchfield Park, Paradise Valley, Peoria, Gilbert, Glendale, are cities and towns that have adopted PBA.

Mayor LeVault

- We would only have to take PBA to the voters, if ever need be, for an increase to our spending authority, whereas Home Rule is taken to the voters every four years. This is all due to House Bill 2826 Fall even years election cycles.

Councilmember Mello

- If there is to be an adjustment, increase to PBA, it would have to be taken to the voters.

Motion to approve Resolution 12-19 referring the question of adopting a Permanent Base Adjustment in the amount of \$559,874, pursuant to Arizona Constitution Article IX, Section 20, Subsection (6), to the ballot for November 6, 2012 General Election and eliminating Alternative Expenditure Limitation (Home Rule) - Councilmember Chittenden
Second - Councilmember Gustafson Motion passed unanimously on a voice vote

Vice Mayor Duran left the meeting.

- C. Discussion and/or Action Re: Approval of Intergovernmental Agreement between the Town of Youngtown and the City of Phoenix to establish the mechanisms to administer the Municipal Tax Hearing Office required by A.R.S. 42-6056 and to reimburse the city of Phoenix for costs related to the administration of this office.

Town Manager Robinson

- This is an Intergovernmental Agreement (IGA) between the Town of Youngtown and the City of Phoenix to establish a municipal tax hearing officer, which is a tax attorney. The Town currently has a business that is protesting the amount of their rental tax income.

Councilmember Mello

- Won't we be paying out more for a hearing officer than what will be collected?

Town Manager Robinson

- No, the collection is a huge amount.

Councilmember Chittenden

- When the hearing is conducted, can't we share the cost of the building use?

Town Manager Robinson

- It is \$150.00 an hour with no cost for building use.

Councilmember Johnson

- There is a \$150 cap and an additional \$59 per hour for administration costs.

Motion to approve Approval of Intergovernmental Agreement between the Town of Youngtown and the City of Phoenix to establish the mechanisms to administer the Municipal Tax Hearing Office required by A.R.S. 42-6056 and to reimburse the city of Phoenix for costs related to the administration of this office – Councilmember Johnson
Second – Councilmember Mello

Motion passed unanimously on a voice vote.

- D. Public Hearing, Discussion and/or Action Re: Possible adoption of Resolution 12-11 to approve and accept the final budget of the Agua Fria Ranch Street Lighting Improvement District (SLID) for Fiscal Year 2012/2013 in the amount of \$26,355.00; and to approve and accept the annual statements and estimates of the expenses of the Agua Fria Ranch Street Lighting Improvement District for fiscal year 2012/2013, as approved by the Youngtown Town Council by Resolution 12-09 which shall be provided for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property located within the District, pursuant to Section 48 616, Arizona Revised Statutes, as amended.

Town Clerk Goldberg

- The Maricopa County Assessor supplies valuations for the Agua Fria Ranch SLID. The ad valorem taxes are levied and collected based on the assessed valuation of all the real and personal property with the AFR SLID.

1. Hearing open

Mayor LeVault opened the public hearing.

Dr. Kathryn French, Resident of AFR

- The Agua Fria Ranch Street Lighting District (SLID) levy is comparable to last year.

Mayor LeVault

- The revenue is neutral; helps keeps the street lights on. The City of Detroit turned off ½ of their street lights.

2. Hearing closed

Mayor LeVault closed the public hearing.

Motion to approve Resolution 12-11 to approve and accept the final budget of the Agua Fria Ranch Street Lighting Improvement District for Fiscal Year 2012/2013 in the amount of \$26,355.00 – Councilmember Johnson
Second – Councilmember Chittenden

Motion passed unanimously on a voice vote.

- E. Public Hearing, Discussion and/or Action Re: Possible adoption of Resolution 12-12 to approve and accept the final budget of the North Youngtown Street Lighting Improvement District for Fiscal Year 2012/2013 in the amount of \$90,477.00; and to approve and accept the annual statements and estimates of the expenses of the North Youngtown Street Lighting Improvement District for fiscal year 2012/2013, as approved by the Youngtown Town Council by Resolution 12-10A which shall be provided for by the levy and collection of an equal apportionment of taxes based on the number and classification of properties within the District, pursuant to Section 48-616, Arizona Revised Statutes, as amended.

Town Clerk, Goldberg

- The taxes for the North Youngtown Street Lighting District are equal apportionment. Each parcel is assessed the same rate.

Mayor LeVault

- This North Youngtown SLID is calculated different than the AFR SLID. This is equal apportionment and SLID is ad valorem.

1. Hearing open

Mayor LeVault opened the public hearing

June Miller, Resident

- I don't mind paying for a Street Light District, however, when a street light is out for three weeks and even up to a month, can I get reimbursed for not using electricity? Can the Town get reimbursed? I did report the street light being out three times; does it take this long to get it back on?

Mayor LeVault

- The street light poles belong to Arizona Public Service (APS)

Town Manager Robinsons

- There are 120 street light poles in Agua Fria Ranch subdivision and 200 street light poles in North Youngtown area.

Councilmember Chittenden

- There was a street light out for four weeks on 113th Avenue and Jersey. Since MCSO is out

at night, can they report it being out? How about MCSO informing Town Hall and Town Hall report it to APS?

2. Hearing closed
Mayor LeVault closed the public hearing

Motion to approve Resolution 12-12 to approve and accept the final budget of the North Youngtown Street Lighting Improvement District for Fiscal Year 2012/2013 in the amount of \$90,477.00 – Councilmember Gustafson
Second – Councilmember Johnson
Motion passed unanimously on a voice vote.

- F. Discussion and/or Action Re: Ratification of change order #1 on the 2012 Crack-Seal Project from Grand Avenue to Alabama with Southwest Slurry Seal, Inc. in the amount of \$5,553.00.
Public Works Manager/Building Official, Fox

- This is a ratification of a change order for the crack seal project. The crack seal product did not go as far as we had estimated. An additional 3,000 lbs. was needed to complete the project. There were more streets cracks found. The crack seal project is now completed.

Councilmember Johnson

- I want to thank you Jim for always checking up on these guys as they were working on the crack seal project.

Motion to ratify change order #1 on the 2012 Crack-Seal Project from Grand Avenue to Alabama with Southwest Slurry Seal, Inc. in the amount of \$5,553.00 – Councilmember Chittenden
Second – Councilmember Mello
Motion passed unanimously on a voice vote.

- G. Discussion and/or Action Re: Approval of Ordinance 12-06 amending the Youngtown Town Code, Chapter 12 Streets Sidewalks and Public Places, Article 12.04 Construction within Public Rights-of-Way; Location and Relocation of Facilities in Public Rights-of-Way, by amending several subsections to establish standards, procedures and requirements for excavation in public rights-of-way and pavement restoration fees; providing for repeal of conflicting ordinances; providing for severability; and providing for penalties; and declaring an emergency .
Public Works Manager/Building Official Fox

- We are making investments in our streets. This Ordinance is to amend and establish standards, procedures and requirements for excavation in public rights-of-way and pavement restoration fees. If a contractor has to mark the street with paint, this will make sure that they use the right kind of paint that dissolves in three weeks. When cutting a trench, they must plate the trench and mill it to the street without bumps. We will be following MAG standards. By adopting a ½ street replacement we won't have patches all over our streets. These requirements will roll right in to the fire flow project.

Councilmember Gustafson

- What happens when a contractor cuts in the center of a street?

Public Works Manager/Building Official Fox

- They would have to pave from curb to center.

Motion to approve Ordinance 12-06 amending the Youngtown Town Code, Chapter 12 Streets Sidewalks and Public Places, Article 12.04 Construction within Public Rights-of-Way; Location and Relocation of Facilities in Public Rights-of-Way, by amending several subsections to establish standards, procedures and requirements for excavation in public rights-of-way and pavement restoration fees; providing for repeal of conflicting ordinances; providing for severability; and providing for penalties; and declaring an emergency – Councilmember Mello
Second – Councilmember Johnson
Motion passed unanimously on a voice vote.

4. Communications: Comments, Commendations and Presentations by Mayor, Council Members, staff or members of the public. The Council may not propose, discuss, deliberate or take any legal action on the information presented pursuant to A.R.S. 38-431.02.

- B. Communications from Staff: Town Manager's Report; Maricopa County Sheriff's Office (MCSO) Police Report MCSO Report, Lt. Ken Booker (report attached)

- I would like to say that in the six months of being in Youngtown, I am impressed with Town Council and with Town staff. There is effectiveness and efficiency in this organization.

- a. Communications from Council

Councilmember MacKay

- This will be my last council meeting for the month of June.

7. Call for Executive Session

None needed.

8. Citizens Comments/Apearances from the floor:

No comments.

9. Future Agenda & Meetings:

A. There may be discussion of whether to place an item on a future agenda and the date, but not the merits of the item.
Councilmember Chittenden requested that Dog Park Committee make a presentation at the July 19, 2012 meeting.

B. Announcement of Special Meeting: Thursday, June 21, 2012 at 6:30 p.m. and Thursday, June 28, 2012 at 6:00 p.m.

C. Announcement of next Regular Meeting: Thursday, July 19, 2012 at 7:00 p.m.

10. Response to Call to the Community

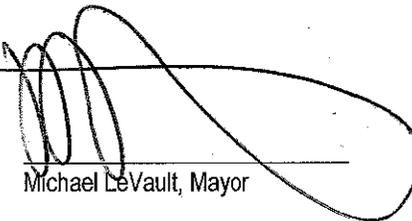
A. Response to comments by _____, at the _____ regular council meeting regarding _____

Adjournment.

Motion to adjourn – Councilmember Johnson

Second – Councilmember Mello

Meeting adjourned at 8:39 p.m.



Michael LeVault, Mayor

Attest:



Diane Cordova, Deputy Town Clerk

Minutes approved at June 28, 2012 special meeting