

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE REGULAR MEETING OF THE
FOUNTAIN HILLS TOWN COUNCIL
MAY 7, 2019
REGULAR MEETING**

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE – Mayor Ginny Dickey

Mayor Dickey called the meeting of May 7, 2019, to order at 5:30 p.m.

2. INVOCATION – Dean Hosni of the Islamic Speakers Bureau

Mr. Hosni gave the invocation.

3. ROLL CALL – Mayor Ginny Dickey

COUNCILMEMBERS PRESENT: Mayor Ginny Dickey; Councilmembers Mike Scharnow, Dennis Brown, Alan Magazine, Sherry Leckrone and David Spelich.

COUNCILMEMBERS ABSENT: Vice Mayor Art Tolis.

STAFF PRESENT: Town Manager Grady Miller, Town Attorney Aaron D. Arnson, and Town Clerk Elizabeth A. Burke.

4. REPORTS BY MAYOR, COUNCILMEMBERS AND TOWN MANAGER

Mayor Dickey began the meeting by notifying the public that Item 7-H had been pulled from the agenda and would not be discussed or considered.

Mayor Dickey reported that she attended the Maricopa Association of Governments (MAG) meeting where they discussed the census and aging transit. She said that she placed a copy of the MAG goals at each of the Council's seats to read at their convenience.

She reported that she and Councilmember Spelich attended a school safety event put on by the Arizona Business and Education Coalition, and there was also a joint meeting with the school board held last week.

Councilmember Scharnow reported that the Chamber had recently held their Annual Gala, which had good representation from the Town. He said that it was a fun evening and Toll Brother's received the Mayor's Award and Mike Jones received the New Entrepreneur of the Year Award. He congratulated all of the winners.

A. PROCLAMATION recognizing the week of May 5 – 11, 2019, as National Travel and Tourism Week in Fountain Hills.

Mayor Dickey read the proclamation and presented it to Grace Rodman-Guetter with the Town.

5. PRESENTATIONS

- A. PRESENTATION of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.

Mr. Miller said that the Town received the annual award from the Governmental Finance Officers Association (GFOA) for its financial statements. He said that they have been receiving this award for 17 continuous years. It is a testament to the professionalism of the Town's staff and he wanted to recognize Mr. Rudolphy and his staff for a job well done. Mr. Rudolphy noted that the award is on display in the case on the first floor.

6. CALL TO THE PUBLIC

Pursuant to A.R.S. 38-431.01(H), public comment is permitted (not required) on matters NOT listed on the agenda. Any such comment (i) must be within the jurisdiction of the Council and (ii) is subject to reasonable time, place, and manner restrictions. The Council will not discuss or take legal action on matters raised during "Call to the Public" unless the matters are properly noticed for discussion and legal action. At the conclusion of the Call to the Public, individual councilmembers may (i) respond to criticism, (ii) ask staff to review a matter, or (iii) ask that the matter be placed on a future Council agenda.

Robert Lewis, Fountain Hills resident, addressed the Council stating that he supports the proposed roundabout at La Montana and Avenue of the Fountains. He asked that something be done with the crosswalk at Avenue of the Fountains and Westby. He said that it is very dangerous and he would like to see flashing lights or something to slow down the drivers. Mr. Miller said that he would look into it further and be in contact with Mr. Lewis.

7. CONSENT AGENDA ITEMS

All items listed on the Consent Agenda are considered to be routine, non-controversial matters and will be enacted by one motion and one roll call vote of the Council. All motions and subsequent approvals of consent items will include all recommended staff stipulations unless otherwise stated. There will be no separate discussion of these items unless a councilmember or member of the public so requests. If a councilmember or member of the public wishes to discuss an item on the Consent Agenda, he/she may request so prior to the motion to accept the Consent Agenda or with notification to the Town Manager or Mayor prior to the date of the meeting for which the item was scheduled. The items will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

- A. APPROVAL OF the minutes of the Town Council Retreat of February 7, 2019; the Joint Meeting with the Salt River Pima-Maricopa Indian Community Tribal Council of February 9, 2019; the Regular Meeting of April 16, 2019; and the Special Meeting (for Executive Session) of April 18, 2019.
- B. PUBLIC HEARING AND CONSIDERATION OF approving a Liquor License Application submitted by Casey Patrick Grogan, Owner of Fireside Grill, located at 12800 N. Saguaro Boulevard, Fountain Hills, Arizona for a Series 12 License (Restaurant).
- C. CONSIDERATION OF approving a Special Event Liquor License Application submitted by Sandra McGee, representing the Fountain Hills Theater, located at

11445 N. Saguaro Boulevard, Fountain Hills, Arizona for the purpose of a fundraiser to be held on October 18, 2019, from 3:00 PM to 12:00 AM.

- D. CONSIDERATION OF approving a Special Event Liquor License Application submitted by Saundra McGee, representing the Fountain Hills Theater, located at 11445 N. Saguaro Boulevard, Fountain Hills, Arizona for the purpose of a fundraiser to be held on June 10, 2019, from 3:00 PM to 12:00 AM.
- E. CONSIDERATION OF approving a Special Event Liquor License Application submitted by Saundra McGee, representing the Fountain Hills Theater, located at 11445 N. Saguaro Boulevard, Fountain Hills, Arizona for the purpose of a fundraiser to be held on September 6, 2019, from 3:00 PM to 12:00 AM.
- F. CONSIDERATION OF approving a Special Event Liquor License Application submitted by Saundra McGee, representing the Fountain Hills Theater, located at 11445 N. Saguaro Boulevard, Fountain Hills, Arizona for the purpose of a fundraiser to be held on December 6, 2019, from 3:00 PM to 12:00 AM.
- G. CONSIDERATION OF approving an Extension of Premises Application submitted by Carolyn Redendo representing Sofrita's located at 16848 E. Avenue of the Fountains, Fountain Hills, Arizona, who will be hosting a beer garden in conjunction with Latino Culture and Cancer Awareness Festival on June 1, 2019.
- H. CONSIDERATION OF Resolution 2019- 03, abandoning whatever right, title, or interest the Town has in the certain Hillside Protection Easement located at the rear of Diamante del Lago, Lot 25 (17234 E. Sunscape Drive), as recorded in Book 516, Page 17, records of Maricopa County, Arizona. (EA 2018-23).
- I. CONSIDERATION OF Resolution 2019- 29, abandoning whatever right, title, or interest the Town has in the certain Hillside Protection Easement located at the rear of Diamante del Lago, Lot 32 (17328 E. Sunscape Drive), as recorded in Book 561, Page 20 (a two-lot, lot line adjustment re-plat of Book 516, Page 17), records of Maricopa County, Arizona. (EA 2018-25).
- J. CONSIDERATION OF Resolution 2019- 04, abandoning whatever right, title, or interest the Town has in the certain Hillside Protection Easement located at the rear of Diamante del Lago, Lot 25 (17236 E. Sunscape Drive), as recorded in Book 516, Page 17, records of Maricopa County, Arizona. (EA 2018-23).
- K. CONSIDERATION OF Resolution 2019- 05, abandoning whatever right, title, or interest the Town has in the certain Hillside Protection Easement located at the rear of Diamante del Lago, Lot 12 (17247 E. Diamante Drive), as recorded in Book 516, Page 17, records of Maricopa County, Arizona. (EA 2018-24).
- L. CONSIDERATION OF Resolution 2019-30, abandoning whatever right, title, or interest the Town has in the certain Hillside Protection Easement located at the rear of Lot 32A of the re-plat "Final Plat of Block 2, Lots 32A and 32B ... Plat 505-A" (15813 Tepee), as recorded in Book 515, Page 23, records of Maricopa County, Arizona, with stipulations. (EA 2018-12).

- M. CONSIDERATION OF approving a budget transfer from General Government to Development Services, Building Safety, for building inspections in the amount of \$40,000.

Councilmember Magazine **MOVED** to approve the Consent Agenda 7-A through 7-M; **SECONDED** by Councilmember Scharnow; passed unanimously.

8. REGULAR AGENDA

- A. CONSIDERATION OF Resolution 2019-23 approving the Tentative Budget of the Town for the fiscal year beginning July 1, 2019, and ending June 30, 2020, and setting a hearing date for the Final Budget.

Mr. Miller said that the Town's budget is a way to set priorities for the upcoming year. He said that Mr. Rudolphy will give an abbreviated presentation for the public that encompasses the direction previously given by the Council.

Mr. Rudolphy began the PowerPoint presentation (Exhibit A attached hereto and made a part hereof) which addressed:

FH19-20 TENTATIVE BUDGET \$32,562.699

He said that this included a 3.5% increase for staff (with 2% coming on July 1 and 1.5% in January), as directed at a prior meeting.

PREVIOUS FISCAL YEAR BUDGETS
FY19-20 BUDGET BY CORE SERVICES (FROM ALL FUNDS)

He noted that Public Safety is the largest expense and the Special Revenue Fund includes HURF funding.

BUDGET ASSUMPTIONS
OUTSTANDING BONDS
FY19-20 BUDGET HIGHLIGHTS
FY19-20 BUDGET SUMMARY
SUMMARY OF CHANGES
GENERAL FUND OPERATING BUDGETS
GENERAL FUND OPERATING BUDGETS – CHANGES
FY 19-20 CAPITAL PROJECTS
RESERVE FUNDS (Fund Balances)
ORGANIZATION CHART
PERSONNEL
PERSONNEL & BENEFITS
SCHEDULE

Mr. Rudolphy noted that once the Tentative Budget is adopted, it may not be increased, but it may be decreased prior to Final Budget adoption.

Councilmember Magazine said that in the past if there was a significant increase or decrease there would be a footnote explaining why and he had found that very informative.

Mr. Rudolph said that approximately 51% of the budget goes toward public safety, even with the 14% increase.

Councilmember Leckrone asked when the User Fee Study was going to be done. Mr. Miller said that they had the kickoff meeting earlier in the day with the consultants. They will be meeting with key staff within the next few weeks. It will probably be in September when it comes before Council.

Councilmember Spelich asked about the status of the court employee to address collections. Mr. Miller said that it is not an FTE, but rather it is in the budget as a contract employee. They budgeted \$42,000 in the court budget for that expense.

Councilmember Magazine said that he met with Judge Melton after Councilmember Spelich brought up the issue regarding collections. He said that the judge suggested that if the Town does start a public safety fee they may want to piggyback on their collection person to have them collect those fees that are not paid. He said that it was also suggested that if they are notified and refuse to pay, the Town should notify the credit bureaus. That may help get them to pay.

Councilmember Spelich said that with the amount of money that is outstanding, the collector is going to be busy for the first 12-15 months. He said that they would be asking a lot of one person.

Mr. Miller said that they will likely be doing the billing for the public safety fee in January, to be paid by the end of February. By the time they have someone on board, they will have already had quite a bit of time for addressing the court fees. He said that he believes they can get aggressive with letters and include the notification of reporting to the credit agencies. He said that is their strategy moving forward at this point.

Bob Shelstrom, Fountain Hills resident, congratulated the Town for providing a copy of their budget online for free. He said that he had to pay \$10 just to get a copy of the budget from the Sanitary District.

He voiced concern with the process used by the Town in determining what expenses were and whether services should be reduced. He said that he has worked in administration for a long time and he would normally prepare a list of all services and related expenses, and then allow the residents to determine what services they would eliminate. He said that he could assure them that it would not be public safety, but it may be community services.

He said that they need to determine how efficient they are. With regard to raises, he was not saying they do or do not deserve them, but the first thing he would ask is how many employees they are losing because they are not being paid enough.

Councilmember Brown **MOVED** to adopt Resolution 2019-23; **SECONDED** by Councilmember Magazine; passed unanimously.

- B. CONSIDERATION OF approving the first amendment to Cooperative Purchasing Agreement C2018-107 with Larry H. Miller Ford for the purpose of one new light duty truck in the amount not to exceed \$54,427.97.

Public Works Director Justin Weldy said that they were asking for an amendment to a contract previously held with Berg Ford, but was purchased last year by Larry H. Miller. This request is to purchase a vehicle to replace the Fire Chief's truck which has reached its time limit of either 10 years or 100,000 miles. Staff has done their due diligence and it is his opinion that this is the best vehicle they can get for the money available and purpose needed.

Councilmember Magazine **MOVED** to approve the first amendment to Cooperative Purchasing Agreement C2018-107 with Larry H. Miller Ford for the purpose of one new light duty truck in the amount not to exceed \$54,427.97; **SECONDED** by Councilmember Leckrone; passed unanimously.

- C. CONSIDERATION OF approving Professional Services Agreement C2019-087 with Montgomery Engineering & Management, L.L.C. for Civil Engineering Services in the amount not to exceed \$105,000.00 over the three-year term.

Mr. Weldy said that they have several capital projects and town projects that require civil engineering review, design and work, and they have a limited staff. They have the only town engineer overworked and unable to complete all of the tasks before them.

He said that Mr. Montgomery is a local civil engineer and he has collaborated and worked with the Town for over 30 years. In the past he has been able to reach out to Mr. Montgomery and be in the same location in 10-15 minutes.

Councilmember Brown said that he has personally worked with Mr. Montgomery for 20 years and does not know of a better civil engineer in the Valley and he would highly recommend him.

Councilmember Brown **MOVED** to approve Professional Services Agreement C2019-087 with Montgomery Engineering & Management, L.L.C. for Civil Engineering Services in the amount not to exceed \$105,000.00 over the three-year term; **SECONDED** by Councilmember Magazine; passed unanimously.

- D. DISCUSSION WITH POSSIBLE DIRECTION relating to any item included in the League of Arizona Cities and Towns' weekly Legislative Bulletin(s) or relating to any action proposed or pending before the State Legislature.

Mayor Dickey said that they have a fairly new issue that has come up about smoking in public places. The bill itself is to raise the age of who could buy tobacco, but it would preempt a town from adopting ordinances to prohibit smoking in certain areas. She said that the Town just recently won an award for prohibiting smoking on trails and in park areas.

She said that the bill was to be on the floor yesterday and it was held, which usually means some trouble. It was not on for today and not for tomorrow yet.

She said that HB2672, Representative Kavanagh's bill regarding short-term rental, is looking good.

Councilmember Magazine said that over the years it is clear that the Legislature is doing everything they can to preempt the town's powers, when they are the ones closest to the citizens. He said that in years past the legislators talked about how they wanted the localities to make the decisions, but that has changed and they no longer have a voice.

Mayor Dickey said that they do have a voice from time to time. Yesterday the League activated everyone on the bill she mentioned; they make progress when they can.

9. COUNCIL DISCUSSION/DIRECTION to the TOWN MANAGER

Item(s) listed below are related only to the propriety of (i) placing such item (s) on a future agenda for action or (ii) directing staff to conduct further research and report back to the Council:

Councilmember Spelich said that when they discuss the fees and fee schedule, he would like to have included a discussion about the legacy projects, to make sure that everyone pays their fair share.

Mr. Miller said that will be looked at as part of the fee study. He said they have a small window of time between now and when the fees are considered on June 4. He said that they will talk and see if they can bring something back before then.

10. ADJOURNMENT.

Councilmember Brown **MOVED** to adjourn; **SECONDED** by Councilmember Leckrone; passed unanimously.

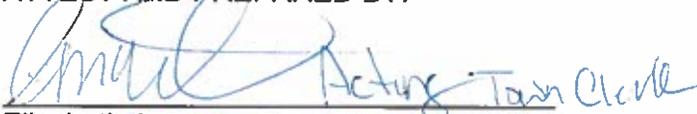
The Regular Meeting of the Fountain Hills Town Council held May 7, 2019, adjourned at 6:17 p.m.

TOWN OF FOUNTAIN HILLS



Ginny Dickey, Mayor

ATTEST AND PREPARED BY:



Elizabeth A. Burke, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 7th day of May, 2019. I further certify that the meeting was duly called and that a quorum was present.

DATED this 21st day of May, 2019.

Elizabeth A. Burke, Town Clerk

NOTE: For further details on the discussion of a particular agenda item, please visit <http://www.fh.az.gov/agendacenter> to view a video of the entire Council Meeting.