

CONSENT AGENDA

Agenda Item: IX-A
Date: 03/8/10

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
628 NORTH MAIN STREET
ELOY, ARIZONA 85131
FEBRUARY 22, 2010
7:00 P.M.**

Staff Present: Joseph Blanton-City Manager/Community Development Director; Stephen Cooper-City Attorney; Mary Myers-City Clerk; Bill Pitman-Police Chief; Paul Anchondo-Parks and Recreation Director; John Mitchell-City Engineer; Brian Wright-Finance Director; Gilbert Peru-Chief Building Official

I. CALL TO ORDER

Mayor Jackson called the meeting to order at approximately 7:03 p.m.

II. INVOCATION

Mayor Jackson asked for a moment of silence.

III. PLEDGE OF ALLEGIANCE

Mayor Jackson led the Council and the public in the Pledge of Allegiance.

IV. ROLL CALL

Council Members Present: Council Member Jesse Rosel, Council Member Joel Belloc, Vice Mayor Frank Acufia, Mayor Byron Jackson, Council Member Etta Ruth Amerson, Council Member Angie Saucedo, Council Member J.W. Tidwell

Council Members Absent: None

V. COMMUNICATIONS

Mr. Blanton presented the following communications to Council:

- A south and west side community clean up was held Saturday;
- A public meeting is scheduled March 3rd at the Elk's club in Coolidge to discuss the proposed underground storage facility that will be located to the south of CCA. The

- meeting is one of several public meetings hosted by Arizona Natural Gas Storage. The second meeting will be held in Eloy on March 18th ;
- Central Arizona Regional Economic Development Foundation will be hosting its annual luncheon this Thursday at the Property, beginning at 10:30 a.m. The city has a table for eight available through its membership;
 - Would like to set up a meeting between Council and Arizona State Parks to discuss the possibility of keeping the Picacho Peak State Park open. The park is slated to close some time in June; and
 - He and Mr. Wright met with the Robson Ranch Homeowners Association today to discuss the pros and cons of the Home Rule Option;

VI. APPEARANCES FROM THE FLOOR

Mr. Blanton voiced that Bill Day from Waste Management has agreed to hold his comments until agenda item E is discussed.

Gilbert Peru, Chief Building Official, gave a brief update to Council on the upcoming census for the city. Mr. Peru voiced that Pinal County Census Bureau representatives would like cities who have had some problems with population count in the past to participate in the "March to the Mailbox" event sponsored by the Census. The objective is to encourage people to complete and return the census form that comes in the mail. Mr. Peru said the types of events the census bureau would like to see are things such as a parade, a festival, or a family activity to encourage people to fill out and mail in the form. The census will provide items such as t-shirts and banners to show its support for this type of activity. The event is set for April 10, however the city needs to notify the census bureau of the selected activity by March 31st. Mr. Peru encouraged the public to submit ideas and/or volunteer for the event. Mr. Peru also stated that Eloy is still in need of door to door census takers and that information is available on the city's website.

VII. EXECUTIVE SESSION

Mr. Cooper conveyed there may be a need to go into executive session prior to public discussion of agenda item E.

Mayor Jackson used the chair's discretion to move executive session before agenda item E.

VIII. CONSENT AGENDA

Motion by Council Member Belloc, seconded by Council Member Rosel to approve the

Consent Agenda as presented, passed unanimously by roll call vote.

<u>Agenda Item</u>	<u>Subject</u>
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| IX. | A. | Approval of Minutes: 01/25/10 (regular) |
| | B. | Committee Reports: None |

XI. Staff Reports: Check list payment of claims

IX. **BUSINESS**

C. **MAYOR AND CITY COUNCIL TO ADOPT A NOTICE OF INTENT TO ENTER INTO A RETAIL DEVELOPMENT TAX INCENTIVE AGREEMENT**

Cover sheet discussion: *The City of Eloy intends to enter into a retail development tax incentive agreement. However, the city is required to adopt a Notice of Intent at least 14 days prior to the adoption of the agreement. This agenda item, if approved, will serve as the minimum 14-day notice.*

Staff Findings: *On October 12, 2009, the Mayor and City Council voted unanimously to approve the Economic and Fiscal Impact Study for the proposed Daybreak Commercial project. In the Council's approval, the following findings were made:*

- 1. That the proposed tax incentive is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement.*
- 2. That in the absence of a tax incentive, the retail business facility or similar retail business facility would not locate in the city or town in the same time, place or manner.*

Fiscal Impact: *N/A*

Mr. Blanton conveyed the project consists of approximately 143 acres located at the south side of SR87 and I-10. Last October, staff presented Council with an economic and fiscal impact study that was performed by Elliott Pollack. The study showed the city would receive more in revenue than what the tax incentive agreement would give back to the developer. Mr. Blanton explained the notice of intent will allow staff to present a development agreement to Council at the March 22nd meeting. Copies of the proposed development agreement will be made available to the public for review at the office of the city clerk on or before March 8th. Gary Burnbaum, attorney for

the development group is present to answer questions from Council.

Mr. Burnbaum gave a brief overview of the A.R.S. citation which allows cities to enter into this type of agreement.

Motion by Vice Mayor Acuña, seconded by Council Member Rosel, to adopt a notice of intent to enter into a retail development tax incentive agreement, passed unanimously.

D. APPROVAL OF MAP OF DEDICATION FOR UTILITY EASEMENTS ON 3RD STREET, STUART BOULEVARD, AND 2ND STREET ASSOCIATED WITH SUN LIFE HEALTH CENTER

Cover sheet discussion: *Sun Life Health Center has been required to dedicate an eight foot utility easement on their property fronting 3rd Street, Stuart Boulevard, and 2nd Street. The Map of Dedication is presented to Council for approval, signature by authorized representatives of the City and for recordation.*

Fiscal Impact: *N/A*

Mr. Blanton conveyed the map pertains to the new Sun Life facility that is being constructed in the city. Approval of the map will dedicate eight feet of utility easements around three sides of the facility.

Motion by Vice Mayor Acuña, seconded by Council Member Belloc, to approve a map dedication for utility easements on 3rd Street, Stuart Boulevard, and 2nd Street associated with Sun Life Health Center, passed unanimously.

VII. EXECUTIVE SESSION

Motion by Council Member Belloc, seconded by Vice Mayor Acuña to hold an executive session at approximately 7:29 p.m. with the city attorney, city manager, city clerk and city engineer, for approximately 40 minutes to obtain legal advice/consultation from the city attorney regarding agenda item E, passed unanimously.

(Executive session adjourned at approximately 7:43 p.m. Mayor Jackson reconvened the public meeting at approximately 7:45 p.m.)

E. APPROVAL OF REFUSE COLLECTION AND DISPOSAL CONTRACT WITH RIGHT AWAY DISPOSAL

Cover sheet discussion: *On December 30, 2009 staff issued a notice of formal solicitation for refuse collection and disposal services. The notice was published in two issues of a newspaper of general circulation in the city in accordance with the City of Eloy Purchasing Policy.*

Four companies responded to the notice. Two of the companies chose not to submit a response to the solicitation. Of the two companies who chose to respond to the solicitation, one was determined as non-responsive. The fourth company and the subject of this recommendation is Right Away Disposal.

Staff contacted six references and there were no negative responses. Responses were positive with respect to customer interaction including excellent response times.

Exhibit A (attached) compares the existing and proposed twice a week collection rates. Generally, residential rates are approximately two percent less than current rates, and commercial rates are somewhat higher.

Fiscal Impact: *Services will be paid through existing utility rates.*

Mr. Blanton conveyed the city received two bids; one from Waste Management and one from Right Away Disposal. After a review of the bids it was determined by staff that the bid from Waste Management was not complete and therefore rejected. The Right Away Disposal bid met all required conditions of the RFP and references were checked. Staff is recommending entering into a contract with Right Away Disposal.

Mr. Blanton pointed out that Bart Powell, owner of Right Away Disposal was present as well as Bill Day, from Waste Management who would like to address Council.

At this time Mayor Jackson turned the floor over to Mr. Day.

Mr. Day asked Council to consider refusing all bids and rebidding the project for two reasons. First, the addendum to the RFP was sent electronically to his email box instead of by mail which he never received; and second, Waste Management's bid was the lowest bid overall for residential and commercial pick ups.

Mr. Day stated the city mailed an RFP for trash service to Stuart Brylander (sp) at Waste Management sometime in January. He (Day) did attend a pre-bid meeting after which an addendum was sent to him electronically. Mr. Day said he checked the city's website prior to submitting the bid to see if there were any addendums to the RFP, which there was none posted.

Vice Mayor Acuña asked Mr. Day is he saying he never received the addendum.

Mr. Day said this is correct. Waste Management was not aware of any addendum until the day of the bid opening and the check off list was read.

Vice Mayor Acuña reminded Mr. Day that he stated he was at the pre-bid meeting.

Mr. Day said yes, but the addendum was issued after the pre-bid meeting.

Mayor Jackson asked Mr. Blanton how was the addendum sent out.

Mr. Blanton pointed out that he was not at the pre-bid meeting, but in talking with Mr. Mitchell who was at the meeting, questions were raised which Mr. Mitchell told those in attendance that he would respond to the questions by addendum and asked the attendees to leave their business cards with him. Mr. Blanton said he has a letter stating the addendum was inadvertently deleted by Mr. Day.

Mr. Day explained that all emails at Waste Management comes through a corporate server. The email did not come from Mr. Mitchell's email address but instead from a city staff member in his department. His email system did not recognize the employee's email address and it automatically went into a delete file. Mr. Day said after the pre-bid meeting, he assumed that Mr. Mitchell would be sending the addendum from his email address.

Mayor Jackson asked Mr. Powell if he received the addendum via email from the same staff person.

Mr. Powell said yes.

Vice Mayor Acuña pointed out that Mr. Day has acknowledged he received the addendum, but wanted to know why Mr. Day did not make contact with the city after it was deleted.

Mr. Day explained the deleted file was retrieved and sent to him approximately 14 days after the bid opening. Mr. Day said if the addendum had been posted on the city's website his company would have caught it.

Mayor Jackson asked if this is a city policy to post bid notices and addendums to the website.

Mr. Blanton said no.

Council Member Belloc asked Mr. Cooper if property procedures were followed.

Mr. Cooper conveyed that in reviewing the RFP notice, letters from Waste Management's counsel, and speaking to city staff, it appears proper procedures were followed.

Motion by Vice Mayor Acuña, seconded by Council Member Tidwell to approve a refuse and collection disposal contract with Right Away Disposal, passed unanimously.

F. PRESENTATION/UPDATE REGARDING THE FINANCIAL STATUS FOR FY 2009-2010

Mr. Wright reviewed the city's current status for the following revenue funds:

<u>FUND</u>	<u>STATUS</u>
City Sales Tax	Maintaining at this time
City Sales Tax Without Construction Tax	Maintaining at this time
Construction Sales Tax	Maintaining at this time
Retail Trade	Dropped last 3 months; however, revenues slowing increasing
Restaurants/Bars	Slight dip in January; possibly due to late reporting by businesses
Hotels/Motels	Slight increase

Mr. Wright said the city is approximately 16% below projection at this time which is mostly contributed to construction. He also made note that departments are spending according to their budget. There is approximately \$350,000 is available in the Contingency fund but it will not be expended due to no departmental overspending.

Mr. Wright pointed out that as of January 31, the city has a deficit of approximately \$937,000. Although high, he reminded Council the city budgeted the use of \$800,000 from savings at the year end. The city has not exceeded its fund balance of \$800,000. Mr. Wright reiterated the city is spending according to budget in the general fund.

At this time, Mr. Wright reviewed the current financial status for the following enterprise and special revenue funds:

<u>FUND</u>	<u>STATUS</u>
Streets	Spending according to budget
Grants	Spending according to budget
Water	Positive balance of \$324,000

Sewer	Positive balance of \$296,000
Sanitation	Positive balance of \$149,000
Cemetery	Positive balance of \$3,200
Airport	Positive balance of \$25,000

Mr. Wright told Council these funds are on target and going in the right direction.

X. INFORMATIONAL ITEMS

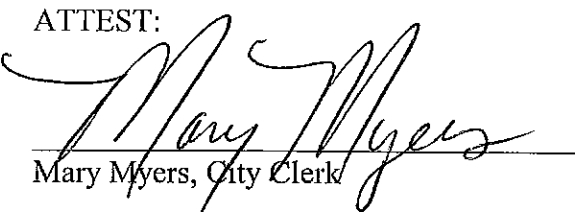
No discussion

XII. ADJOURNMENT

There being no further business, Mayor Jackson adjourned the meeting at approximately 8:15 p.m.


Byron Jackson, Mayor

ATTEST:


Mary Myers, City Clerk