

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
NOVEMBER 28, 2022
6:00 P.M.**

Staff Present: David Malewitz-City Manager; Kazi Haque-Assistant City Manager; Stephen R. Cooper-City Attorney; Mary Myers-City Clerk; Brian Wright-Finance Director; Christopher Vasquez-Police Chief; Paul Anchondo-Community Services Director; Matt Rencher-Public Works Director/City Engineer; Sylvia Payne-HR Director; Jon Vlaming-Community Development Director

I. CALL TO ORDER

Mayor Powell called the meeting to order at approximately 6:00 p.m.

II. ROLL CALL

Council Members Present: Mayor Micah Powell, Vice Mayor Dan Snyder, Councilmember George Reuter, Councilmember Sara Curtis, Councilmember Michelle Tarango, Councilmember Jose Garcia, Councilmember Sylvia Guanajuato Rodriguez

Council Members Absent: None

III. INVOCATION

Mr. Bob Skier gave tonight's invocation.

IV. PLEDGE OF ALLEGIANCE

Councilmember Tarango led the Council and the public in the Pledge of Allegiance.

V. PUBLIC APPEARANCES

A. Scheduled

1. Introduction of new Eloy Police Officers Jesus Rodriguez and Nicolas Perez

Captain Gwaltney introduced the department's two newest police officers to the Council and public.

Chief Vasquez conveyed that both officers bring a wealth of experience from other law enforcement agencies.

2. Presentation by Corazon De Latinos Unidos (CDLU) – 2022 Fiestas Patrias Celebration

Mayor Powell announced that the presentation has been moved to the December 12th meeting.

3. Award Presentation - awarding the Mayor and Council the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ending June 30, 2021.

Mr. Wright presented Mayor Powell and the Council with the Certificate of Achievement for Excellence in Financial Reporting (CAEFR) award. Mr. Wright stated that this is the city's 10th consecutive year receiving the award.

Mayor Powell returned the award to Mr. Wright. He said it is his department and other departments who worked hard to receive this designation.

B. Unscheduled

VI. REPORTS AND ANNOUNCEMENTS

A. Council Member Announcements

1. Councilmember Reuter conveyed that the Tonto Road" sign at Tonto and Shedd Road is missing. He asked Mr. Rencher to replace the missing signage.
2. Councilmember Curtis conveyed that the women's skydiving set two vertical world records at the drop zone at the airport this week. She said they were featured on numerous Arizona and national news stations. Councilmember Curtis said the women were proud to put Eloy on the map in honor of women's rights worldwide.
3. Vice Mayor Snyder conveyed that he along with Mr. Malewitz and Mr. Jeff Fairman attended the Pinal Alliance for Economic Growth meeting on November 17. He said workforce retention was a main topic of discussion. The group talked about the number of people who live in Casa Grande and Eloy, but travel out of town to work elsewhere. Vice Mayor Snyder said there was talk of having business forums for employers. They also talked about education, in particular from the business side. Vice Mayor Snyder said the future of Casa Grande and Eloy communities will be dependent on the workforce to support industries coming into Pinal County.

B. Mayor's Announcements

Mayor Powell conveyed that an executive session was supposed to be scheduled tonight to discuss the Skyriders Hotel issue, but due to miscommunications it was not added to the agenda. He told the Council that he wants to schedule a special meeting for an executive session this Wednesday (11/30/22) or next Monday (12/5/22) at 5:00 p.m. before their 6:00 p.m. work session.

It was the consensus of the Council to meet on Monday, December 5th, at 5:00 p.m. for a special meeting.

C. City Manager's Announcements

Mr. Malewitz conveyed the following announcements:

- The annual Christmas in Eloy event is scheduled for December 10th, from 4:00 p.m. to 9:00 p.m. at Main Street Park.
- The Employee Appreciation luncheon will be held on December 20th, beginning at 12:00 p.m. at Robson Ranch. Mr. Malewitz said city offices will close at noon and notification to the public would be posted on all city social media pages.

Quarterly Financial Report ending September 30, 2022

Mr. Wright fielded several questions from the Council regarding:

- state shared revenues
- personnel vacancies
- revenue trends

Vice Mayor Snyder complimented Mr. Wright on the format of the report. He suggested to Mr. Wright that he initial and date each report page for public record purposes.

VII. CONSENT AGENDA

- A. Approval of Minutes: 11/14/2022 (regular)
- B. Authorization to cancel the regular City Council meeting scheduled for December 27, 2022.
- C. Approval of a Guaranteed Energy Services Agreement ("Contract") between the City of Eloy and Veregy Energy Services, LLC., dba Veregy, LLC. for construction and construction administration of the Energy Saving Project(s) approved by the Arizona Water Infrastructure Financing Authority to be funded from the Clean Water Revolving Loan Fund; and authorizing the Mayor to sign the necessary contract documents.
- D. Approval of a Guaranteed Energy Services Agreement ("Contract") between the City of Eloy and Veregy Energy Services, LLC., dba Veregy, LLC. for construction and construction administration of the Energy Saving Project(s) approved by the Arizona

- E. Water Infrastructure Financing Authority to be funded from the Drinking Water Revolving Loan Fund; and authorizing the Mayor to sign the necessary contract documents.
- F. Adoption of Resolution No. 22-1541 approving the form and authorizing the execution and delivery of a loan agreement with the Water Infrastructure Finance Authority of Arizona from its Drinking Water Revolving Fund Program; delegating the determination of certain matters relating thereto to the City Manager and the Finance Director of the city; providing for the transfer of certain moneys and making certain covenants and agreements with respect thereto; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by such loan agreement and this resolution and declaring an emergency.
- G. Adoption of Resolution No. 22-1543 authorizing officers/agents to deposit, transfer, and withdraw monies with First Interstate Bank for the Magistrate Checking Account.
- H. Adoption of Resolution No. 22-1542 authorizing officers/agents to deposit, transfer, and withdraw monies with First Interstate Bank.
- I. Adoption of Resolution No. 22-1544 authorizing officers/agents to deposit, transfer, and withdraw monies with the Local Government Investment Pool (LGIP).
- J. Acknowledgment and Acceptance of a Subrecipient Agreement between Pinal County and the City of Eloy for Community Development Block Grant Project 2022-4 (Eloy Jones Park Improvements Phase 2).

There being no requests from Council to remove any item(s) from the Consent Agenda, Mayor Powell called for a motion.

Motion by Councilmember Garcia, seconded by Councilmember G. Rodriguez to approve the Consent Agenda items as presented, passed unanimously by roll call vote (7-0).

VIII. BUSINESS

A. PRESENTATION BY ANNETTE GASTON, FROM PFM ASSET MANAGEMENT, LLC, ON THE CITY'S INVESTMENT PORTFOLIO AS OF SEPTEMBER 30, 2022.

Staff Cover Sheet Report: *Annette Gaston, of PFM Asset Management, will be making a presentation to the City Council as it relates to the City's Investment Portfolio through September 30, 2022.*

PFM Assets Management has been the City's Investment Advisor since 2015. Annette Gaston will make a presentation on the City Investment Portfolio and give the City Council an update on current economic conditions.

FISCAL IMPACT: *None*

Mr. Wright introduced Ms. Annette Gaston from PFM Asset Management, who provide the Council and the public with a quarterly economic update on the city's investment portfolio.

B. ADOPTION OF ORDINANCE NO. 22-935, INCREASING THE CORPORATE LIMITS OF THE CITY OF ELOY, PINAL COUNTY, STATE OF ARIZONA, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO, BY ANNEXING 645.7 ACRES OF LAND, IN ADDITION TO THEIR ADJACENT RIGHTS OF WAY, AS VOLUNTARILY REQUESTED BY THE PROPERTY OWNER OF RECORD (MDT INVESTMENTS LTC PARTNERSHIP). THE SUBJECT PROPERTY CONSISTS OF PINAL COUNTY ASSESSOR'S PARCELS 408-01-022B, 408-01-022C, AND 408-01-022D WITHIN SECTION 13, TOWNSHIP 8 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, PINAL COUNTY, ARIZONA. THE PROPERTY IS GENERALLY LOCATED AT THE SOUTHWEST CORNER OF ELEVEN MILE CORNER ROAD AND MILLIGAN ROAD.

Staff Cover Sheet Report: *Council adopt Ordinance 22-935, annexing parcels 408-01-022B, 408-01-022C and 408-01-022D and their adjacent rights of way within Section 13, Township 8 South, Range 7 East, of the Gila and Salt River Base and Meridian, Pinal County, Arizona into the municipal boundaries of the City of Eloy.*

This is a request by 301AK 8me LLC which received written authorization from MDT Investments LTD Partnership, the property owner, to annex approximately 645.7 acres of land comprised of three Pinal County Assessor's Parcel Numbers: 408-01-022B, 408-01-022C, and 408-01-022D in Section 13, T.8 S., R. 7 E. into the City of Eloy. The subject parcels are currently within a "county island" which is bounded on all four sides by the City of Eloy.

*Annexation is the process by which a city may assume jurisdiction over unincorporated territory adjacent to its incorporated boundaries. As such, annexation represents a significant step in the overall growth of a city. In Arizona, annexation requires the consent of the **owners of at least one-half of the value** of the real and personal property and the consent of **more than one-half of the number of property owners** in the territory to be annexed as documented by the latest county assessor data. In this case, the area to be annexed is held by one owner. Completed petitions must be filed with the County Recorder within one year after the last day of the thirty-day waiting period. In addition, the consent and action of the city council are required.*



The three parcels are currently held by one ownership entity and are under agricultural production. The existing zoning on all three subject parcels (as per Pinal County) is General Rural (GR), which allows one residential dwelling unit per 1.25 acres of land. If successfully annexed, this property would be designated as R1-54 (one residential dwelling unit per 54,450 square feet (1.25 acres) as the translational zoning into the City of Eloy. The Eloy General Plan identifies Section 13 as Estate Density Residential/0.2-1.0 du/ac for approximately 480 acres and Medium Density Residential/3-6 du/ac for approximately 160 acres. The property owners' intent is to annex the property and entitle it to allow for long-term (estimated at 20-30 years) solar generation use.

The proposed annexation area meets the intent of the Arizona State requirements that govern annexation. The territory to be annexed adjoins the boundary of the City of Eloy on all four sides (more than 300 feet); the size and shape of the parcel to be annexed is a minimum of 200 feet in width at all points; the length is not more than twice the width of the annexed territory; and the annexation, if adopted, would remove an existing county island.

The blank petition and corresponding map and legal description have been filed with the Pinal County Recorder on September 19, 2022 (Pinal County Recorder's Fee No.: 2022-099684). The City Council conducted a public hearing on October 10, 2022. No one spoke at that hearing, other than the applicants' representative. The signed petition, dated November 15, 2022, has now been completed pursuant to the 30-day waiting period requirement and filed with the City Clerk and will be filed at the Pinal County Recorder, as per Arizona Revised Statutes.

FISCAL IMPACT: *The fiscal impact of this annexation would increase the incorporated area of the City, which would then be subject to enhanced services to maintain perimeter roads and police protection at this time. However, because the subject property is bounded on all four sides by the city, and the city's current boundary extends approximately five miles to the south, these costs would be minimal.*

If the property is developed as requested by the property owner (solar generation), the improvements to the land would translate to higher property taxes accruing to the City as well as the applicable construction sales tax as a result of the construction of the solar arrays and other related improvements to the property.

Mr. Vlaming briefly reviewed the proposed annexation request of three parcels owned by one property owner. Mr. Vlaming said the properties would be used for a potential solar generation facility in the near future.

There being no questions or comments, Mayor Powell called for a motion to read the ordinance by title only.

Motion by Vice Mayor Snyder, seconded by Councilmember Curtis to read Ordinance No. 22-935 by title only, passed unanimously (7-0).

The city clerk read the ordinance title into the record.

Mayor Powell called for a motion to approve.

Motion by Vice Mayor Snyder, seconded by Councilmember G. Rodriguez to approve adopting Ordinance No. 22-935 as presented, passed unanimously by roll call vote (7-0).

C. COUNCIL TO CONDUCT A PUBLIC HEARING AND ADOPT RESOLUTION NO. 22-1545 FOR CASE NO. GPA2022-029, PICACHO HEIGHTS GENERAL PLAN AMENDMENT SUBMITTED BY THE CITY OF ELOY FOR THAT PORTION OF THE CITY'S PLANNING AREA LOCATED EAST OF VAIL ROAD, WEST OF THE CENTRAL ARIZONA PROJECT CANAL, SOUTH OF THE SANTA ROSA CANAL, AND NORTH OF PRETZER ROAD CONSISTING OF APPROXIMATELY 36,000 ACRES WITHIN THE FOLLOWING TOWNSHIPS/RANGES T.7S., R.9E.; T.7S., R.8E.; T.8S., R.9 E., T.8S., R.8E.; T.9S., R.8E., T.9S., R.9E. OF THE GILA & SALT RIVER BASE AND MERIDIAN.

Staff Cover Sheet Report: *Council adopt Resolution 22-1545 for the Picacho Heights General Plan Amendment. Staff is recommending approval of this major general plan amendment.*

The Picacho Heights Major General Plan Amendment has been prepared to re-evaluate the area west of Vail Road in the City's Planning Area. The recent location of the North-South Corridor, large land holdings in this area, and adjacency of proposed open space offered the right opportunity to create a new blueprint for this important region of the City's Planning Area as identified specifically below:

Expansion of the City's Planning Area - City staff reviewed the existing eastern boundary of the City's planning Area (one mile east of Citrus Heights Drive) and is proposing that it be extended slightly to the east based on the fact that it is entirely owned (like much of the land to the west) by the Arizona State Land Department. The boundary, as proposed in this major amendment, terminates at the Central Arizona Project Canal as it is a significant elevated, man-made element. The Picacho Mountains are located to its immediate east, which are identified as a future regional park by Pinal County. This expansion totals approximately eight square miles. Staff also recommends a slight reduction (approximately 189 acres) in the current planning area boundary. This area consists of land to the east of the intersection of the Santa Rosa Canal and Central Arizona Project Canal, due to the fact it is separated by the two canals.

Future North/South Corridor - Its corridor has now been established as the recommended corridor alignment in the Record of Decision in the Tier One environmental review process. The City intends to utilize its strategic location to identify an appropriate mix of residential, employment and supportive land uses to set a viable blueprint for high quality growth in the future.

Important Regional Roadway Connection-With the proposed location of the North/South Corridor, it is imperative to provide additional regional connectivity south of both interstate 10 and SR-87 such that it connects with the future Interstate 11, which is planned to transect across the City's southern planning area in a general southeast to northwest orientation.

Supportive Arterial and Collector Roadway Network - The ability to locate the desired arterial roadway connections to the access controlled North/South Corridor also provided the impetus to determine the major and minor collector roadway network to serve this area. In particular, the northerly extension of Wheeler Road (across the Santa Rosa Canal) to provide regional connections to communities to the north, and the easterly extension of Houser Road to SR-79, are viewed as important arterial connections to foster county-wide mobility.

Transit Ready Community - The location of the North/South Corridor, and its use as the future corridor for high capacity transit, will effectively put a place holder for mass transit service in the future to serve this area. The City also envisions a linkage of this high capacity transit system with a local system to provide connections to major community originations and destinations.

Well Planned Future Land Use - Currently, the Eloy General Plan Identifies most of the area with a mix of very low density residential uses north of Milligan Road, which is not in conformance with portions of the City's incorporated area that have been rezoned. The proposed Future Land Use Plan sets the approved location of the North-South Corridor and provides a mix of residential, employment and supportive uses that leverage the access and visibility of the future high capacity roadway that links Interstate 10 with Williams Gateway Airport and US 60 to the north in the East Valley.

Significant Land Ownership: The City recognizes the large land holdings of the Arizona State Land Department and private owners within the study area. City staff and consultants have worked closely with ASLD staff to identify a balanced and improved mix of land uses conducive to both the City's and ASLD's interests and objectives. Staff has received limited feedback from private property owners throughout the formal review process for this major general plan amendment, but generally, it appears that they understand the benefit of the City in proactively planning this area for the future.

Solution for Regional Drainage: The presence of McClellan Wash, which drains from southwest to northwest through the study area, has been the subject of significant planning by the Pinal County Flood Control District. The land uses identified in the Future Land Use Plan recognize and acknowledge the selected flood control solution for this area as well as compatible adjacent and proximate land uses.

Address Military Compatibility - The Picacho Peak Stagefield is generally located at the intersection of the Fast Track and Hotts Road intersection. Its land area has recently been expanded with the acquisition of additional land from the Arizona State Land Department. Pinal County has been engaged in planning and implementation efforts over the last several years to protect the existing and potential future mission of this facility for the Arizona Army National Guard and fostering compatible community growth. While the existing land use map provides compatible uses, the proposed land use plan builds on these uses to accommodate both military mission and community growth objectives.

Update the Growth Areas Element - The final location of the North/South Corridor creates the opportunity to establish another growth area on Figure GA-1, Growth Area Map. The intent is to accommodate the anticipation of a Master Planned Community Area approach for this area that also integrates employment and other supportive land uses adjacent and proximate to the future North South Corridor.

Update the Economic Prosperity Element - The final location of the North/South Corridor and anticipated linkages of it, SR-87 and Interstate 11 provide the basis to amend Figure E-2, Economic Prosperity Map. In this manner, the economic development element, the circulation element, and the land use element of the

General Plan are in conformance and provide mutual support for sustainable future growth.

This proposal was transmitted out for its mandated 60 day review period as mandated by Arizona Revised Statutes in July 2022. At the conclusion of this review period, no formal comments were submitted to the City. In addition, a community meeting was held on Wednesday, October 5, 2022 to provide information to attendees and accept comments at that time. There were not any attendees at this meeting. This requested major amendment was placed on the Eloy Planning & Zoning Commission's agenda at their September 21st and August 17th meetings. No comments were made by the public at those meetings. A public hearing for this item was held by the Eloy Planning & Zoning Commission on October 19th, 2022. No member of the public spoke on this item. The Commission subsequently recommended that the Council approve this item on a vote of 5-0. The City Council conducted a public hearing on November 14, 2022. No member of the public spoke about this item.

FISCAL IMPACT: *There is not a direct fiscal impact of this proposed amendment at this time.*

Mr. Vlaming gave a brief overview of the proposed major general plan amendment request for Picacho Heights, initiated by city staff.

Mr. Vlaming introduced Mr. Matt Klyszeiko from Michael Baker International who gave a PowerPoint presentation on extending the city's planning area based on the location of the North-/South Corridor.

Mayor Powell opened the public hearing to allow for comments and questions from the public.

Councilmember Reuter asked about zoning for hotels or resorts next to the mountains.

Mr. Vlaming said there are two potential locations up against some of the land forms to the east of the study area. He said these areas would be excellent resort locations.

There being no further comments or questions, Mayor Powell closed the public hearing.

Mayor Powell called for a motion to read the resolution by title only.

Motion by Councilmember Garcia, seconded by Vice Mayor Snyder to read Resolution No. 22-1545 by title only, passed unanimously (7-0).

The city clerk read the resolution title into the record.

Mayor Powell called for a motion to approve.

Motion by Councilmember Garcia, seconded by Councilmember Reuter to approve adopting Resolution No. 22-1545 as presented, passed unanimously by roll call vote (7-0).

D. COUNCIL TO CONDUCT A PUBLIC HEARING AND ADOPT RESOLUTION NO. 22-1546 FOR CASE NO. GPA2022-025 SUBMITTED BY CVL CONSULTANTS ON BEHALF OF THE BARNES FAMILY FOR THAT PORTION OF THE CITY'S PLANNING AREA LOCATED AT THE SOUTHWEST CORNER OF ARICA ROAD AND SUNSHINE BOULEVARD, CONSISTING OF APPROXIMATELY 663 ACRES AND INCLUDING PINAL COUNTY ASSESSOR'S PARCEL NUMBERS 401-48-031C, 401-08-0320, 401-48-0290 AND 401-08-0300 LOCATED IN SECTION 19 OF T.7S., R.8E. OF THE GILA & SALT RIVER BASE AND MERIDIAN.

Staff Cover Sheet Report: *Council adopt Resolution 22-1546, to approve the Arica & Sunshine General Plan Amendment. This amendment was recommended by the Eloy Planning & Zoning Commission 5-0 for approval. Staff is recommending approval of this major general plan amendment.*

The Arica & Sunshine Major General Plan Amendment has been prepared and submitted by the existing property owners who intend to propose a master-planned residential community including a mix of supportive uses.

The property is currently designated within the City of Eloy General Plan's Estate Density Residential land use category, which allows for a density of up to 1.0 du/ac. The intent of this Major General Plan Amendment is to revise the existing land use designation to a combination of Medium Density Residential, Mixed Use, Public/Institutional, and Parks/Open Space general plan land use designations.

The property is zoned R1-43, Estate Residential. The zoning entitlements necessary to achieve this project vision will be governed by future application(s) to rezone the Property from the current R1-43, Estate Residential zoning district to the appropriate district(s) required to permit the intended variety of land uses for development of the Property.

This proposal was transmitted out for its mandated 60 day review period as mandated by Arizona Revised Statutes in July 2022. At the conclusion of this review period, no formal comments were submitted to the City. In addition, a community meeting was held on Wednesday, October 5, 2022 to provide information to attendees and accept comments at that time. There were not any attendees at this meeting. This requested major amendment was placed on the Eloy Planning & Zoning Commission's agenda at their September 21st and August 17th meetings. No comments were made by the public at those meetings. A public hearing for this item

was held by the Eloy Planning & Zoning Commission on October 19th, 2022. No member of the public spoke on this item. The Commission subsequently recommended that the Council approve this item on a vote of 5-0. A public hearing was held on this item by the City Council on November 14, 2022. No member of the public spoke about this item.

FISCAL IMPACT: *There is not a direct fiscal impact associated with the approval of this major general plan amendment.*

Mayor Powell declared the public hearing open.

Mr. Vlaming reviewed a request from the Barnes family for a major general plan amendment of four parcels located at the northern portion of the city's planning area.

Mayor Powell said he read about this in the Phoenix Business Journal. He said the article stated that there was not a developer for this.

Barnes family representative, Ms. Julie Vermillion with Coe and Van Loo Consultants, conveyed that this was correct. There is currently no end user or developer for the site. However, the Barnes family is looking to develop the property and working with several potential developers for the site.

There being no further questions or comments, Mayor Powell declared the public hearing closed.

Mayor Powell called for a motion to read the resolution by title only.

Motion by Vice Mayor Snyder, seconded by Councilmember Reuter to read Resolution No. 22-1546 by title only, passed unanimously (7-0).

The city clerk read the resolution title into the record.

Mayor Powell called for a motion to approve.

Motion by Councilmember Curtis, seconded by Councilmember Garcia to approve adopting Resolution No. 22-1546 as presented, passed unanimously by roll call vote (7-0).

E. COUNCIL TO AUTHORIZE AN AMENDMENT TO THE CITY'S ADMINISTRATIVE POLICIES AND GUIDELINES MANUAL BY AMENDING POLICY'S #200.D.6 (EMPLOYEE COMPENSATION-REDLINE PAY) & #600.B (ATTENDANCE-HOLIDAYS)

Staff Cover Sheet Report: *Staff recommends approving amendments to the City's Administrative Policies and Guidelines Manual by amending Policy's #200.D.6*

(Employee Compensation-Redline Pay), to change employees who would be "red-lined" to be eligible for Cost of Living Adjustment (COLA) increases & #600.B (Attendance-Holidays), to amend the current Holiday list by removing the half day Christmas Eve and half day New Year's Eve and adding a full day Christmas Eve, as a full day holiday to the list of approved Holidays

Recently, staff completed a review of the City's Administrative Policy and Guidelines Manual. The purpose of the review was to update and revise Policy 200.D.6 which pertains to employees' Red Line Rates of Pay, specifically how future Cost of Living or Market Adjustment (COLA) pay increases affect an employee's eligibility for the increase, and Policy 600.B, which would change the two half-days for Christmas Eve and New Year's Eve to a full day off on Christmas Eve and no half day for New Year's Eve.

Mr. Steven Coleman, an attorney specializing in personnel law, has reviewed the policy revisions from a legal and risk management standpoint and finds the proposed amendments acceptable.

The following are the proposed amendments to the policies and procedures:

Policy 200D.6 - Employee Compensation - Red Line Rates of Pay – it is recommended to eliminate language which would prevent employees who are “red-lined” from receiving future Cost of Living or Market Adjustment (COLA) pay increases. Currently, a "red-lined" employee is an individual who has reached the maximum salary on the City's salary pay scale and, pursuant to the current policy, is not eligible to receive a Cost of Living or Market Adjustment (COLA). This amendment would allow employees who are currently at or near "red-lined" to receive a COLA increase.

Policy 600.B - Attendance and Leave - Holidays, it is recommended to eliminate ½ day Christmas Eve/4 hrs. & ½ day New Year's Eve/4 hrs. and add Christmas Eve as a full-day holiday to the list of observed City Holidays. Policy change is being recommended and is stemming after timekeeping discrepancies occurred after 24-hour employees work shifts on the ½ days after the holidays fell on Friday and the immediate holiday fell on Saturday. After surveying Cities and Towns throughout the State of Arizona, discussions with the Management Team, and a legal review by Mr. Coleman, it was determined in order to minimize inaccurate overtime payments of any hours worked on either “observed” or “actual” assigned holidays, the half days would be converted to a single day.

FISCAL IMPACT: *None*

Mrs. Payne reviewed staff's request to amend two policy guidelines relating to employee compensation red-line pay and attendance-holiday.

Policy #200, D. 6.

Mrs. Payne conveyed that last year, the Council approved a 4% COLA increase for all employees. However, there were four employees affected by the red-line provision. Two were able to receive a partial COLA, which caused them to reach their maximum line salary, and the other two employees were already at their maximum salary line and could not receive the COLA, based on the current policy. She pointed out that the wording has been in the guidelines for years and was overlooked when the personnel policy was revised in 2006. Mrs. Payne stated that staff would like to amend this provision to allow employees to receive cost of living or market adjustments in the future. She said staff request the following language removed from Policy #200, D. Rates of Pay and Pay Periods; 6. Red Line Rates of Pay. "...~~market (or cost of living) and...~~

Policy #600, B. Holidays

Mrs. Payne conveyed that in 2013, The Council removed a personal day for employees from the list of paid city holidays and split that day into two half days – Christmas Eve and New Year's Eve. She said city offices would close at noon on these days, giving all employees four hours holiday pay on Christmas Eve and four hours holiday pay on New Year's Eve. She said it has taken seven years for this change to fall on a weekend and become an issue with the time keeping system. Mrs. Payne explained that when Christmas Eve fell on Friday in 2021, it reverted back to Thursday. There was some interpretation as to what was an observed holiday and actual holiday worked. She said when the observed holiday became a Thursday; and the actual holiday became Friday; and Christmas Day became Saturday, there was some interpretation that the holidays should have been paid on two and one half days. Mrs. Payne conveyed that after a legal opinion, it was cleared up and the city determined the provision needed revising. She said this information was discussed with department directors. The consensus was that for time keeping purposes, and to not have to make a decision as to which employees in their department would get the holiday off, they suggested making one whole holiday and remove the split the holiday. Mrs. Payne said the whole holiday would be at the discretion of the Council; Christmas Eve, New Year's Eve or reinstatement of the personal day. She said doing it this way would make it clearer, easier and more efficient for administrative staff. She pointed out that if nothing is done, the city would be faced with the same problem this year and next year with the holidays falling on the weekend. Mrs. Payne said staff is requesting Council approve making Christmas Eve one full holiday for all employees and eliminate the two half days that is currently in the guideline.

Vice Mayor Snyder wanted to know how would closing city offices on Christmas Eve effect the public.

Mrs. Payne said there is little to no foot traffic from the public on Christmas Eve.

Mayor Powell said he would like to go back to employees having a personal day. This way, employees have a day that they can use at their discretion. He said city offices should remain open on Christmas Eve and New Year's Eve.

Councilmember Tarango wanted to know if employees were asked if they wanted a full day Christmas Eve, New Year's Eve or a personal day.

Mrs. Payne said no, employees were not polled. Department directors discussed it and came to a consensus as to what they believed most of their employees would prefer.

Mayor Powell pointed out that Chief Vasquez is the only department head who lives in Eloy. He said he understands it is a long drive for those who live out of town for a couple of hours, but if there is personal day, that person can have the entire day off.

Councilmember G. Rodriguez asked if employees were polled for the half days.

Mrs. Payne said no, employees have never been polled for any policy changes. She said policy changes are approved by the Council and guidelines are approved by the city manager.

Vice Mayor Snyder said based on being in a similar situation, his company ran into problems with some managers letting their employees leave for the day on Christmas Eve. This created disgruntle employees who had to stay because their managers would not give them the day off. He said because of this, some managers would have Christmas lunches, which essentially made it an unproductive day. So, the company decided that would be much easier to give everyone that day off. Vice Mayor Snyder said if Council decides to have city offices open Christmas Eve, then everyone should be required to stay the entire day.

Mayor Powell told the Council they also have the option to leave things as it.

Councilmember Curtis conveyed that Mrs. Payne brought this forward for a reason and would defer to staff on this issue.

Councilmember Tarango said as a former employee, it would be fairer to employees to give them the holiday off instead of a personal day. This way department heads are not choosing who gets the day off and who doesn't if given a personal day. Councilmember Tarango said if city offices have to stay open, someone would have to work. She supported giving employees Christmas Eve off instead of a personal day.

Councilmember G. Rodriguez concurred with Councilmember Tarango.

Mayor Powell wanted to know how this would affect the police department since they are on a different schedule.

Mrs. Payne explained that it would be the same as it is now. Employees would generally have their day off if it falls on a holiday. They would get compensated at double time or time and half if working. She said it would not change anything; it would just make it easier to calculate the time in the time keeping system. Mrs. Payne said this is where the four hours was very difficult to keep track of, especially when it rolled over in a 24 hour span. For example, if an officer starts work at 10:00 p.m. on a holiday and rolls into 2:00 a.m. on a non-holiday, the officer is being cheated from holiday and holiday worked. Mrs. Payne said the city wants to give all employees their entire full day of holiday compensation. She said officers appreciate getting paid for a full holiday and full holiday pay.

There being no further discussion, Mayor Powell called for a motion.

Motion by Councilmember Tarango, seconded by Councilmember Garcia to authorize an amendment to the city's Administrative Policies and Guidelines Manual by amending Policy #200, D. 6 (Employee Compensation-Redline Pay) and Policy #600, B. (Attendance-Holiday) as recommended by staff, passed 6-1 by the following roll call vote:

Yay: Councilmember Reuter, Councilmember G. Rodriguez, Vice Mayor Snyder, Councilmember Curtis, Councilmember Tarango, Councilmember Garcia

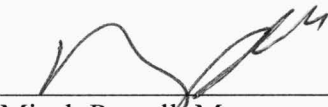
Nay: Mayor Powell

IX. EXECUTIVE SESSION

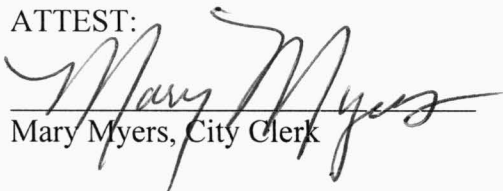
No executive session.

X. ADJOURNMENT

There being no further business, Mayor Powell adjourned the meeting at approximately 7:34 p.m.



Micah Powell, Mayor

ATTEST:


Mary Myers, City Clerk

**MINUTES OF THE SPECIAL MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
MONDAY, DECEMBER 5, 2022
5:00 P.M.**

Staff Present: David Malewitz-City Manager; Stephen R. Cooper; Myers-City Clerk; Kazi Haque-Assistant City Manager; Jon Vlaming-Community Development Director

I. CALL TO ORDER

Vice Mayor Sylvia G. Rodriguez called the meeting to order at approximately 5:03 p.m.

II. ROLL CALL

Council Members Present: Vice Mayor Sylvia G. Rodriguez; Councilmember George Reuter; Councilmember Sara Curtis; Councilmember Dan Snyder; Councilmember Jose Garcia; Councilmember Michelle Tarango

Council Members Absent: Mayor Micah Powell

III. PLEDGE OF ALLEGIANCE

Vice Mayor G. Rodriguez led the Council and the public in the Pledge of Allegiance.

IV. PUBLIC APPEARANCES

There were no appearances from the public.

V. EXECUTIVE SESSION

Vice Mayor G. Rodriguez called for a motion to go into executive session.

Motion by Councilmember Snyder, seconded by Councilmember Garcia to hold an executive session at approximately 5:06 p.m. for approximately one (1) hour, with Mr. Cooper, Mr. Malewitz, Mr. Vlaming, Mr. Haque and Mrs. Myers (note taking) to:

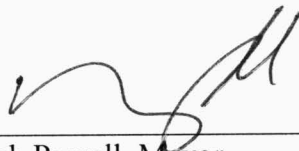
Discuss or consult with the city manager, city staff, city attorney and special legal counsel of the public body in order to consider its position and instruct its staff and attorneys regarding the public body's position regarding litigation update or in discussions conducted in order to avoid or resolve litigation and legal advice concerning condemnation action: Sky rider Inn/Kamagaju, and other hotels and motels having code enforcement issues pursuant to A.R.S. §38-431.03 (A) (3), (4) and (7).

Motion passed unanimously (6-0).

Vice Mayor G. Rodriguez reconvened the public meeting at approximately 6:11 p.m.

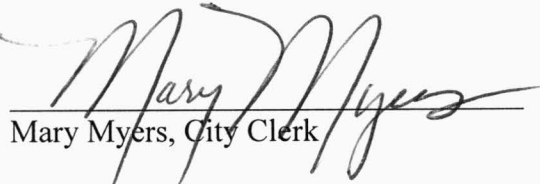
VI. ADJOURNMENT

There being no further business, Vice Mayor G. Rodriguez adjourned the meeting at approximately 6:11 p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk