

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
NOVEMBER 13, 2023
6:00 P.M.**

Staff Present: David Malewitz-City Manager, Mackenzie Letcher-Assistant City Manager, Stephen R. Cooper-City Attorney, Mary Myers-City Clerk, Byron Gwaltney-Acting Police Chief, Sylvia Payne-HR Director; Brian Wright-Finance Director, Paul Anchondo-Community Services Director

I. CALL TO ORDER

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

II. ROLL CALL

Council Members Present: Mayor Micah Powell, Vice Mayor Sylvia Guanajuato Rodriguez, Councilmember Andy Sutton, Councilmember Sara Curtis, Councilmember Dan Snyder, Councilmember Jose Garcia

Council Members Absent: Councilmember Michelle McKinley-Tarango

III. INVOCATION

Mr. Bob Skier gave tonight's invocation.

IV. PLEDGE OF ALLEGIANCE

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

V. PUBLIC APPEARANCES

A. Scheduled – None

B. Unscheduled - None

VI. REPORTS AND ANNOUNCEMENTS

A. Council Member Announcements

1. Councilmember Sutton said he had a great time at the Eloy Glow event on Saturday. He congratulated the Eloy Chamber of Commerce for putting on a successful event.

Vice Mayor G. Rodriguez stated that Executive Director, Andrew Rodriguez, plan to come before the Council to give a presentation on the event. She said a little under 7,000 people attended the Eloy Glow.

2. Vice Mayor G. Rodriguez conveyed that the Chamber will host a farmer's market on Saturday, November 18th at Main Street Park. People can purchase up to 70 pounds of produce for \$20.00.
3. Councilmember Garcia announced that he, along with Councilmember Sutton and Vice Mayor G. Rodriguez will be attending the National League of Cities (NLC) this week in Atlanta, Georgia. The NLC is covering about 60% of the expenses which made it affordable for them to attend.

B. Mayor Announcements

Mayor Powell conveyed the following communications:

- Commended the Eloy Chamber of Commerce on the success of the Eloy Glow event, held on Saturday. He also thanked city departments for providing assistance to the Chamber.
- Attended the "Support Our Troops" event at Robson Ranch on Saturday.

C. City Manager Announcements

Mr. Malewitz conveyed the following announcements:

- The annual Operation Clean Up event will occur this Saturday, from 7:00 a.m. to 11:00 a.m.
- There will be no Planning and Zoning Commission meeting this month. The next meeting is slated for December 20th.
- The four percent (4%) water and sewer rate increase went into effect November 1st, and will be reflected on next month's bill. He said the increase reflects year two of the city's five-year rate increase.
- City offices will be closed November 23rd & 24th in observance of the Thanksgiving holiday.

Councilmember Snyder asked Mr. Malewitz about the board vacancy on the Planning and Zoning Commission.

Mr. Malewitz said staff is working internally to review applications.

Mayor Powell announced that he and Mr. Malewitz would be leaving tonight's meeting at 6:30 p.m. to attend the City of Coolidge's meeting to address an important topic that is on their agenda tonight. Vice Mayor G. Rodriguez will chair the rest of the meeting if it is still in session. Mayor Powell wanted it on record that he fully supports the items VIII-A and B.

City's financial update for the quarter ending September 30, 2024

Mr. Wright provided a brief update to the Council on the city's financial condition ending September 30th.

Councilmember Snyder posed questions to Mr. Wright about:

- The \$135,000 positive variance in the General fund; and
- State shared revenues

VII. CONSENT AGENDA

- A. Approval of Minutes: 10/9/2023 (regular)
- B. Authorization to cancel the regular City Council meeting scheduled for Tuesday, December 26, 2023.
- C. Recommendation to the Arizona Department of Liquor Licenses and Control (ADLLC) for a Series 12 (restaurant) liquor license for Flavor of India, located at 3300 N. Chesley Avenue, Eloy, Arizona.
- D. Adoption of Resolution No. 23-1563 approving a 2023 Intergovernmental Agreement (IGA) with the Arizona Department of Revenue Providing for Uniform Administration of the City's Transaction Privilege Tax.

Mayor Powell asked if there were any corrections or items to remove from the Consent Agenda.

There being none, Mayor Powell called for a motion.

Motion by Vice Mayor G. Rodriguez, seconded by Councilmember Garcia, to approve the Consent Agenda items as presented, passed unanimously by roll call vote (6-0).

VIII. BUSINESS

- A. AUTHORIZATION TO PURCHASE FIVE (5) FORD RESPONDER TRUCKS FROM PEORIA FORD IN PEORIA, AZ, AT A COST NOT TO EXCEED \$295,607.55, WITH PRICING PER ARIZONA STATE CONTRACT # CTR059322-1, USING GRANT FUNDS PROVIDED BY THE DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS (DEMA).**

(Note: Mayor Powell and Mr. Malewitz left at approximately 6:30 p.m. to attend a meeting in Coolidge. Vice Mayor G. Rodriguez chaired the rest of the meeting)

Staff Cover Sheet Report: *It is recommended the City Council approve the expenditure of \$295,607.55 in DEMA grant funds for the purchase of five (5) Ford Responder Trucks from Peoria Ford.*

Police Department submitted a grant application to the Arizona Department of Emergency and Military Affairs (DEMA) requesting funding for up to five (5) marked police vehicles and an Unmanned Aerial Vehicle (UAV)/Drone to improve our response to border-related crimes in our community, including illegal drugs and associated criminal activity. In early 2023, the Eloy Police Department was awarded the grant for both projects (vehicles & drone) for the total grant amount of \$628,340.92. The Eloy City Council accepted the award during the Council meeting on May 22, 2023. The purchase of the UAV/Drone has been completed.

This request is for authorization to expend \$295,607.55 of the grant for the purchase of up to five (5) marked Ford F-150 Responder police vehicles, or similar types of vehicles based on manufacturer availability, from Peoria Ford and allowing the City Manager authorization to sign all final sale related agreements for the purchase of the police vehicles. Additionally, the Department will be requesting authorization to expend grant funds for the outfitting of these five vehicles at a later date when the vehicles have been acquired.

These police vehicles will facilitate the replacement of five (5) marked police vehicles that have either reached the end of their operational life cycle or have been removed from the inventory due to damage beyond reasonable repair. The purchase of these grant-funded vehicles will improve the operational capabilities of the Eloy Police Department. Replacing these high mileage vehicles with new vehicles will reduce maintenance costs for the first few years due, in part, to manufacturer's warranties, and the inherent reliability of new vehicles. Two of the vehicles they will replace have, as an example, incurred over \$6,000.00 in maintenance costs from March-October, 2023, as is typical of high-mileage police vehicles. The third vehicle they will replace was totaled after suffering significant water damage during an emergency call for service and is no longer in the inventory.

Existing EPD marked police cars are to be replaced with this purchase					
EPD Veh	Year	Make	Model	Mileage	Comments
#1	2016	Ford	Explorer	89,197	Totaled due to water damage
#3	2016	Ford	Explorer	184,646	
#94	2015	Ford	Explorer	143,490	
#93	2015	Ford	Explorer	140,703	
#08	2018	Ford	Explorer	129,928	

FISCAL IMPACT: *There is no fiscal impact on the General Fund due to the DEMA grant funding allocation of \$558,332.50 is set to cover all expenses related to the purchase and equipment of the new vehicles.*

Acting Chief Gwaltney narrated a PowerPoint slide presentation explaining the department's need for five new vehicles.

After his presentation, Acting Chief Gwaltney answered several questions from Council about the vehicles.

With there being no further questions or comments from the Council, Vice Mayor G. Rodriguez called for a motion.

A motion was made by Councilmember Garcia and seconded by Councilmember Curtis to authorize the purchase of five (5) Ford Responder Trucks from Peoria Ford in Peoria, AZ at a cost not to exceed \$295,607.55, with pricing per Arizona State Contract #CTR059322-1, using grant funds provided by the Department of Emergency and Military Affairs (DEMA). The motion passed 5-0 by roll call vote.

B. ADOPTION OF RESOLUTION NO. 23-1562, COMMITTING THE EXPENDITURE AMOUNT OF FIVE MILLION DOLLARS (\$5,000,000) OF THE GENERAL FUND FUND BALANCE FOR ECONOMIC DEVELOPMENT PURPOSES SUCH AS WATER AND WASTEWATER INFRASTRUCTURE, LAND DEVELOPMENT, AND BUILDING ENHANCEMENT WITHIN THE CITY LIMITS.

Staff Cover Sheet Report: *Staff recommends approval of Resolution No. 23-1562 committing expenditure to the amount of Five Million Dollars (\$5,000,000) of the General Fund Fund Balance for Economic Development purposes such as Water and Wastewater Infrastructure, Land Development, and Building Enhancement within the City limits.*

During the FY 23-24 discussion, staff mentioned to the City Council about adopting a fund balance policy that would commit a portion of the General Fund, Fund Balance to Economic Development for potential growth issues like water and wastewater infrastructure, right-of-way purchases, land purchases or building improvements. Creating a Resolution will provide a framework and financial limit for the City Administration to adhere to.

As of June 30, 2023, the Fund Balance for the General Fund was approximately \$25,983,980. Of that \$25,983,980, approximately \$6,000,000 is allocated to the Water and Wastewater Funds for projects received from the American Rescue Plan. This would leave an unassigned Fund Balance in the General Fund of approximately \$19,983,980, which can be used for any type of project or spending.

Should the Mayor and City Council approve Resolution No. 23-1562, the City will still have a healthy fund balance to provide fiscal stability, adequate coverage per bond requirements, emergency funding capacity, and now guidance to help guide and

promote growth for the City of Eloy. Staff recommends approval of Resolution 23-1562.

FISCAL IMPACT: *The fiscal impact would be committing \$5,000,000 of the approximately \$25 million Fund Balance in the General Fund to Economic Development purposes.*

Mr. Wright gave an overview of staff's request to commit \$5,000,000 of General fund money for future economic development purposes.

Councilmember Snyder wanted to clarify that once the money is moved out of the general fund, it cannot be moved back in.

Mr. Wright said the money would stay in the general fund. There would be a line item in the general for economic development and identified in the budget as having \$5,000,000.

Councilmember Snyder asked could the money be used for something else if it is not used for economic development.

Mr. Wright said the \$5,000,000 would be committed to economic development, however the unassigned can be used for whatever the city would like, except for ongoing operational costs.

Councilmember Snyder wanted to clarify that the \$5,000,000 could never be used for additional personnel.

Mr. Wright said this is correct.

Councilmember Snyder supported the idea, but said he would want to see what capital improvement projects the money would be spent on first.

Mr. Wright pointed out that the money is not connected to the city's capital improvement program.

Councilmember Sutton wanted to know if there are any projects in the works at this time.

Mr. Wright said he is not sure of any projects, and is not part of those discussions.

Mr. Letcher conveyed that it is too early to talk about some of the projects, but there are some things on the horizons, such as potential lift stations.

Councilmember Curtis said this money would basically be earmarked as a sub-category in the general fund that would be used for economic development.

Mr. Wright said this is correct.

With there being no further questions from the Council, Vice Mayor G. Rodriguez called for a motion to read the resolution by title only.

Motion by Councilmember Garcia, seconded by Councilmember Snyder to read Resolution No. 23-1562 by title only, passed 5-0.

The city clerk read the resolution title into the record.

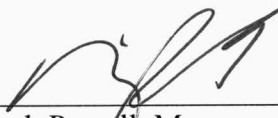
A motion was made by Councilmember Snyder and seconded by Councilmember Sutton to adopt Resolution No. 23-1562 as presented, passed 5-0 by roll call vote.

IX. EXECUTIVE SESSION

There were no requests for an executive session from the Council or city staff.

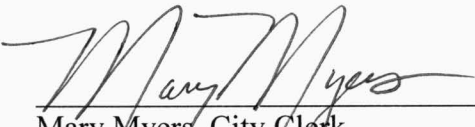
X. ADJOURNMENT

There being no further business, Vice Mayor G. Rodriguez adjourned the meeting at approximately 6:46 p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk