

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
AUGUST 26, 2024
6:00 P.M.**

Staff Present: David Malewitz-City Manager, Mackenzie Letcher-Assistant City Manager, Stephen R. Cooper-City Attorney, Mary Myers-City Clerk, Sylvia Payne-HR Director; Brian Wright-Finance Director, Dan Symer-Community Development Director, Matt Rencher-Public Works Director/City Engineer, Sergio Banales-Police Chief, Paul Anchondo-Community Services Director

I. CALL TO ORDER

Mayor Micah Powell called the meeting to order at approximately 6:03 p.m.

II. ROLL CALL

Council Members Present: Mayor Micah Powell, Vice Mayor Sara Curtis, Councilmember ***Sylvia G. Rodriguez**, Councilmember Andy Sutton, Councilmember Dan Snyder, Councilmember Jose Garcia, Councilmember Michelle McKinley-Tarango

**Participated via telephone conference call*

Council Members Absent: None

III. INVOCATION

Mayor Powell called for a moment of silence.

IV. PLEDGE OF ALLEGIANCE

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

V. PUBLIC APPEARANCES

A. Scheduled

Recognition for the Arizona Chapter of the APWA -- Project of the Year Award for Houser Road and Hanna Road on State Route 87.

Mr. Rencher presented the mayor with the transportation project of the year award from the Arizona chapter of the APWA. Mr. Rencher gave a brief overview of the project which was funded through the Better Utilizing Investments to Leverage Development (BUILD) grant, with Pinal County serving as project owner. A short video of the roadway project was shown, narrated by Pinal County Public Works Deputy Director, Celeste Garza.

B. Unscheduled - None

VI. REPORTS AND ANNOUNCEMENTS

A. Council Member Announcements

Councilmember Sutton made the following announcements:

- August 15th – Attended the Eloy Chamber of Commerce monthly luncheon at the Santa Cruz Valley Historical Museum. Cypress Creek Renewables made a \$25,000 donation to the museum.
- August 16th – Attended the Pinal Partnership monthly breakfast meeting. Solar power was the topic of discussion.
- August 22nd – Attended the Pinal Alliance luncheon. Water needs for Arizona and Pinal County was discussed at the meeting.

B. Mayor Announcements

Mayor Powell made the following announcements:

- Apologized to the public for the audio/visual issue that occurred at the last meeting. It was determined that a piece of equipment had stopped working and will be replaced. The city plans to upgrade the equipment in the chamber and will visit the Town of Paradise Valley next week to look at a new system that was installed in their council chambers.
- Attended the Pinal Alliance luncheon with Councilmembers Sutton and Snyder, and Mr. Malewitz.
- The Council and several staff members will be attending the League of Arizona Cities and Towns annual conference, August 27th-30th in Phoenix.
- Congressman Juan Ciscomani visited the city last week. He talked about the \$1.0 million he was able to secure for the city towards the Frontier Street repaving project.

C. City Manager Announcements

Mr. Malewitz made the following announcements:

- The city has hired two new lateral police officers, and two cadets who will start the police academy in September.
- The pool at Jones Park will close for the season after Labor Day. However, the city will have free swimming on that day.

- The community services department recently had a “soft” opening of the teen center at the library. There were several teens who attended the opening and offered feedback on the center. The center is looking to officially open in October.
- City offices will be closed September 2nd in observance of Labor Day.
- Flag poles in the park will be painted “desert sand.”
- Quarterly Financial Report Ending June 30, 2024
Mr. Wright gave a brief report via slide presentation of the city’s revenues and expenditures ending June 30th. Mr. Wright said overall, the city is meeting its budgeted expenses.

VII. CONSENT AGENDA

- A. Approval of Minutes: 8/12/2024 (regular)
- B. Authorize the Eloy Police Department to renew the Federal Equitable Sharing Agreement and Approve the Annual Certification Report for Fiscal Year 2024-2025
- C. Request for City Council approval of Case No.: PPE2023-004-E1, a two-year time extension for eight (8) preliminary plats (Units 1, 2, 5, 8, 25, 26, 27, and 28) totaling 1,326 residential lots submitted by B&R Engineering on behalf of Sun Lakes-Casa Grande Development, LLC.

A motion was made by Councilmember Garcia, seconded by Councilmember Snyder to approve the Consent Agenda items as presented, passed unanimously by roll call vote (7-0).

VIII. BUSINESS

- A. ACCEPTANCE OF A PROPOSAL FROM JOSEPH PAINTING COMPANY, INC., DBA JPCI SERVICES, THROUGH A COOPERATIVE PURCHASING AGREEMENT WITH THE TOWN OF GILBERT TO REPAIR THE INFLUENT WET WELL AT THE WASTEWATER TREATMENT FACILITY FOR A COST NOT TO EXCEED \$500,000, PLUS APPLICABLE TAXES; AND AUTHORIZING THE MAYOR TO EXECUTE THE NECESSARY AGREEMENTS.**

Staff Cover Sheet Report: *Staff recommends that Council accept the Proposal submitted by JPCI and enter into the Cooperative Purchasing Agreement to repair the influent wet well at the City of Eloy wastewater treatment facility.*

On April 2, 2024 Inspectors from the Arizona Department of Environmental Quality (ADEQ) inspected the City of Eloy wastewater treatment facility. During the course of that inspection, there were several deficiencies identified. One of these

deficiencies was "excessive damage to the walls of the [influent] wet well", which was probably caused by an accumulation of hydrogen sulfide gas. Subsequent to the inspection, ADEQ issued a Notice of Violation. A Notice of Violation (NOV) spells out the deficiencies and sets forth timeframes for the deficiencies to be corrected. Public Works was able to resolve all outstanding issues with corrective measures and improvements constructed through the recent projects completed by Veregy. The only outstanding violation was to repair the damage to the wet well. City staff is unable to complete the necessary repairs with existing staff and equipment. Joseph Painting Company, Incorporated (JPCI) has a Job Order Contract (JOC) with the Town of Gilbert that covers the type of services needed for the City of Eloy to repair the influent wet well and close out the NOV.

Public Works solicited a proposal from Joseph Painting Company, Incorporated (JPCI) to repair the wet well. The initial proposal from JPCI came in at just over \$200,000 to include just the sandblasting and repairing the existing concrete, but did not cover the necessary bypass to continue operations during the course of the work. JPCI submitted a second proposal that does cover the bypass for the amount of just under \$250,000, and staff recommends a contingency to cover unforeseen circumstances. These repairs are critical because the City of Eloy is facing a Consent Order from the Arizona Department of Environmental Quality resulting from a Notice of Violation following an inspection of the wastewater treatment facility.

The influent wet well is the main entry point to the wastewater treatment facility. All the flow that enters the wastewater treatment facility enters through the influent wet well. If the wet well is inoperable because of cracks or structural defects in the chamber of the wet well, there is a chance that the influent will spill out of the wet well onto the bare ground. Furthermore, a bypass is required to allow the wastewater treatment facility to continue to operate and receive the waste stream from the City of Eloy.

FISCAL IMPACT: In light of the current Notice of Violation, it is recommended to move forward by combining differed FY 24-25 projects with additional funds from the American Rescue Plan to cover the project costs. The breakdown is as follows:

- Pump replacement (\$100,000): We replace two sewer lift stations per year located at Curiel, Sunland Gin, Tyron, Flying J, and the Wastewater Treatment plant lift station.
- Installation of new manholes (\$125,000): Manhole Locations - East 5th & 6th Street alleys, East 6th & Phoenix Ave, Phoenix Ave & Santa Cruz St, and Santa Cruz St and Sunshine Blvd.
- We will also be allocating a portion of the monies received from the American Rescue fund to account for the remaining (\$222,612).

Total project cost: \$447,612

Mr. Rencher gave an overview of a request to approve a proposal from JCPI to repair the influent wet well at the wastewater treatment plant. The Arizona Department of Environmental Quality (ADEQ) inspected the plant in April, and found damage to the interior of the wet well. Mr. Rencher said some of the concrete has peeled away and needs to be repaired. The findings resulted in ADEQ issuing a Notice of Violation, and gave the city a certain amount of time to come back into compliance. Mr. Rencher said JCPI has a contract with the Town of Gilbert to provide these types of repairs. He said based on the city's needs, JCPI submitted two proposals; one in the amount of \$200,000 to make the needed repairs, and a second proposal from the company's subcontractor for about \$250,000 to keep the influent lift station in operation while repairs are being made. Mr. Rencher recommended \$50,000 in contingency be included in the project for unforeseen circumstances. This would bring the total project cost to an amount not to exceed \$500,000.

There being no questions or comments, Mayor Powell called for direction from the Council.

A motion was made by Councilmember Sutton, and seconded by Councilmember G. Rodriguez to approve a proposal from Joseph Painting Company, Inc., dba JPCI Services, through a cooperative purchasing agreement with the Town of Gilbert to repair the influent wet well at the wastewater treatment facility for a cost not to exceed \$500,000, plus applicable taxes; and authorizing the Mayor to execute the necessary documents, passed unanimously by roll call vote (7-0).

B. ADOPTION OF RESOLUTION NO. 24-1588 AUTHORIZING THE IMPLEMENTATION OF THE 2024 ELOY STRATEGIC PLAN.

Staff Cover Sheet Report: *Staff recommends the adoption of Resolution No. 24-1588 authorizing the implementation of the 2024 Eloy Strategic Plan.*

At the start of this year, we initiated the development of a formal Strategic Plan, a guiding document that outlines the City's long-term goals and the steps needed to achieve them. This plan sets clear priorities and aligns departmental efforts with a shared mission. We partnered with Bill Stipp from LeadingEdge Consulting to guide us through this six-month process. This effort included surveys with our executive leadership team and Council, as well as two full-day workshops for both groups.

The process involved substantial input from both City staff, who provided operational insights, and the Mayor and Council, who represented the community's perspective as the elected body. In collaboration with Bill Stipp, the Manager's office facilitated discussions with the City Council on all aspects of the plan during the June 15th, 2024 Council Workshop. Following this workshop, we refined the plan based on the Council's final recommendations and comments, ensuring it aligns with their vision and strategy for Eloy. The plan identifies the following five focus areas:

- *Fiscal Sustainability*
- *Economic Vitality*
- *Safe and Active Community*
- *Innovative and High-Performing Organization*
- *Infrastructure*

If approved, the 3-year Strategic Plan will offer Council-supported guidance and establish an accountability framework for City staff, aiming to improve operational efficiency and boost transparency with the public.

FISCAL IMPACT: *There is no fiscal impact related to the adoption of the Resolution.*

Mr. Malewitz conveyed that a copy of the strategic plan was emailed to Council last week for review, however, several members of the Council could not open the attachment. Because of this, Mr. Malewitz requested the item be tabled to give Council time to review the plan. Mr. Malewitz said he and Mr. Letcher would like to hold a work session on September 9th at 5:00 p.m., to discuss the plan with Council. After that, a resolution adopting the strategic plan would be placed on the September 23rd Council agenda for formal approval.

Mayor Powell said starting at 5:00 p.m. would not work for everyone. He suggested starting at 5:30 p.m.

Some members of the Council could not meet September 9th for a work session. After a briefly discussing several optional dates, it was the consensus of the Council to hold a work session on Tuesday, September 3rd, at 5:30 p.m.

Mayor Powell called for a motion to table the agenda item.

A motion was made by Councilmember Garcia, and seconded by Councilmember Tarango to table agenda item VIII-B, passed unanimously (7-0).

C. ADOPTION OF RESOLUTION NO. 24-1589 APPROVING THE APPOINTMENT OF ANDREW SUTTON AS A CITIZEN COMMISSIONER ON THE ELOY HOUSING AUTHORITY BOARD OF COMMISSIONERS FOR A TERM EFFECTIVE AUGUST 26, 2024, THROUGH DECEMBER 31, 2025.

Staff Cover Sheet Report: *Council adopt Resolution No. 21-1516 approving the appointment of Andrew Sutton as a Citizen Commissioner on the Eloy Housing Authority Board for a term effective August 26, 2024, through December 31, 2025.*

The Eloy Housing Authority (EHA) Board of Commissioners is composed of five members who are responsible for providing oversight and policy direction for the Housing Authority's operations. Recently, several commissioners have resigned amid ongoing issues related to the EHA's dissolution. As of August 8, 2024, Commissioner Stephanie Blanco has submitted her resignation, effective immediately. Ms. Blanco's term was originally set to expire on December 31, 2025.

With her departure, the EHA Board no longer has sufficient members to constitute a quorum, leaving only Mayor Powell and Commissioner Andrew Rodriguez as active board members. To address this challenge and restore the board's ability to conduct business, Mayor Powell has recruited and is recommending the appointment of Andrew Sutton, a resident, and member of the Eloy City Council, to fill the remainder of Ms. Blanco's unexpired term. Resolution No. 24-1589 formally appoints Andrew Sutton to serve on the EHA Board until December 31, 2025, thereby ensuring the Board's quorum and operational continuity.

FISCAL IMPACT: *There is no fiscal impact on this appointment to the Housing Authority Board.*

Mr. Malewitz conveyed that since 2008, the Council has been responsible for appointing citizens to serve on the Eloy Housing Authority Board of Commissioners (EHABC), of which the mayor serves as chairperson. The board is comprised of five members. However, due to working on the dissolution of the Eloy Housing Authority (EHA) for the past two years, three members have resigned for various reasons leaving only two members. For the EHABC to meet and make decisions to move forward with the dissolution as part of HUD's requirement, Mr. Malewitz said the board needs one more member. He said Andy Sutton was recruited as a citizen member to fill one of the vacancies.

Mayor Powell noted that when Mr. Sutton is sworn in as mayor in November, he will automatically assume the role of chairperson of the EHABC. Mayor Powell would remain on the board as a board member. Mayor Powell said he is actively recruiting one more person to serve on the board.

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

A motion was made by Councilmember Snyder and seconded by Vice Mayor Curtis to read Resolution No. 24-1589 by title only, passed unanimously (7-0).

The city clerk read the resolution title into the record.

A motion was made by Councilmember Snyder, and seconded by Councilmember Tarango to adopt Resolution No. 24-1589 as presented, passed unanimously by roll call vote (7-0).

IX. EXECUTIVE SESSION

A motion was made by Mayor Powell and seconded by Councilmember Sutton to hold an executive session at approximately 6:54 p.m., for approximately two (2) hours with the city attorney, city manager and city clerk for the purpose of:

- A. *Discussion concerning retirement of City Clerk and discussion of City Clerk position under City Staff organizational chart and City Code and process to appoint a new City Clerk. The City Council may also discuss this matter with discussions with the City Clerk, City Manager, Assistant City Clerk and City Attorney and other administrative staff pursuant to A.R.S. § 38-431.03(A)(1), (2), (3), (4) and (9).*

The motion passed unanimously (7-0).

Mayor Powell reconvened the meeting at approximately 8:19 p.m.

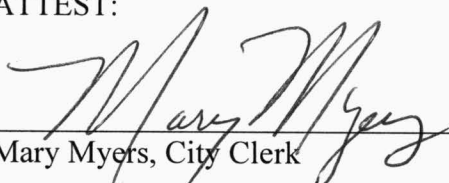
X. ADJOURNMENT

There being no further business, Mayor Powell adjourned the meeting at approximately 8:19 p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk