Agenda Item VII-A
Date: 2/10/2025

MINUTES OF THE REGULAR MEETING OF THE ELOY CITY COUNCILCITY OF ELOY 595 NORTH C STREET JANUARY 27, 2025 6:00 P.M.

Staff Present: David Malewitz-City Manager, Mackenzie Letcher-Assistant City Manager; Stephen R. Cooper-City Attorney, Brian Wright-Finance Director, Matt Rencher-Public Works Director/City Engineer, Brian Jerome-Police Captain, Dan Symer-Community Development Director

I. CALL TO ORDER

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

II. ROLL CALL

Council Members Present: Mayor Andrew Sutton, Vice Mayor Michelle McKinley-Tarango, Councilmember Sara Curtis, Councilmember Dan Snyder, Councilmember Jose Garcia, Councilmember Michael Vodrazka, Councilmember JoAnne Galindo

Council Members Absent: None

III. MOMENT OF SILENCE

Mayor Sutton called for a moment of silence.

IV. PLEDGE OF ALLEGIANCE

Councilmember Snyder 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 Galindo conveyed that she participated in the Homeless Point in Time count last Friday. She commended the city's code enforcement staff for assisting the group with the count in the city and the desert. Councilmember Galindo stated that while conducting the homeless count, she and the group found a large amount illegal dumping in the north Toltec area.

2. Councilmember Snyder gave a brief report on his attendance at the Pinal Partnership breakfast last Friday. The panel discussed the Santan Valley annexation proposition and its impact to Pinal County; and SR-505 (aka north-south corridor) that would connect Apache Junction down to the I-10, just east of Eloy.

B. Mayor Announcements

Mayor Sutton made the following announcements:

- January 14th – Attended the SCMPO meeting held at Eloy city hall.
- January 17th – Attended Pinal Partnership breakfast. Also, in attendance was Councilmembers Galindo, Vodrazka, Snyder and Mr. Letcher.
- January 22nd – Congratulated detective Eustino Tarango on his recent promotion to Sargent in the police department.
- January 22nd – He and Vice Mayor Tarango attended the Pinal County Animal Shelter ribbon cutting ceremony.
- January 25th – Attended the Toltec school superintendent candidate forum at the Arizona City elementary school.
- January 27 – Attended the Rural Transportation Advisory Council meeting in Phoenix.

C. City Manager Announcements

Mr. Malewitz made the following announcements:

- The city is still accepting applications for the newly created Planning and Zoning Commission. Mr. Malewitz said five applications have been received for the seven member board. He encouraged the public to submit applications online through the city's website.
- Road closure update – the contractor is working on Main Street this week. Roadwork on Sunshine Boulevard and Santa Cruz Avenue are completed.
- The city's annual father/daughter banquet is scheduled for February 7th, from 6:00 p.m. – 9:00 p.m., at Robson Ranch. Reservations are still being accepted online and through the Community Services department.
- Council/staff budget retreat is scheduled for February 7th from 12:00 p.m. to 4:00 p.m.
- The new city clerk, Celine Kidwell, will begin her employment with the city, February 3rd.

VII. CONSENT AGENDA

A. Approval of Minutes: 1/13/2025 (Regular)

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

VIII. BUSINESS

A. ACCEPTANCE OF THE FISCAL YEAR 2023-2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AS COMPLETED BY HEINFELD, MEECH & CO. P.C.

Staff Cover Sheet Report: *Staff recommends formal acceptance of the Fiscal Year 2023-2024 Annual Comprehensive Financial Report (ACFR) as completed by Heinfeld, Meech & Co. P.C.*

The City's audit firm, Heinfeld, Meech & Co. P.C., has completed its annual audit of the City of Eloy's financial statements for the fiscal year ending June 30, 2024. Joshua Jumper, with Heinfeld, Meech & Co., will present the annual audit and highlight any significant improvements to the City of Eloy.

Heinfeld, Meech & Co. has audited the financial statements for the City of Eloy for the past eleven years. The auditing staff was very professional and met all of the required timelines, which allowed the City to successfully submit the City's Annual Comprehensive Financial Report ending June 30, 2024, to the Government Finance Officers Association for consideration for the Award of Financial Reporting Achievement. If the City receives this award, it would be the thirteenth year in a row for this award.

Per A.R.S. § 9-481, section H, it states that within ninety days after completing an audit pursuant to this section, the governing body of the city or town shall require the certified public accountant who performed the audit to present the audit results and any findings to the governing body in a regular meeting without the use of a consent agenda, and the governing body shall demonstrate compliance with section 41-1494. By approving the F.Y. 2023-2024 annual audit the City is in compliance with the above statute.

FISCAL IMPACT: *No financial impacts.*

Mr. Wright introduced Mr. Joshua Jumper, auditor from Heinfeld Meech, who provided the Council with a PowerPoint presentation on the city's recent audit. Mr. Jumper informed the Council that overall the audit went well.

Councilmember Snyder asked Mr. Jumper for any recommendations to improve certain procedures.

Mr. Jumper recommended tightening some general ledger entry type processes for better document segregation of duties in certain areas. However, he stressed that this is a minor recommendation, and more of a best practice recommendation.

There being no further questions or comments, Mayor Sutton called for motion.

A motion was made by Councilmember Garcia, seconded by Councilmember Vodrazka to accept the Fiscal Year 2023-2024 Annual Comprehensive Financial Report (ACFR) as completed by Heinfeld, Meech & Co., P.C., passed unanimously by roll call vote (7-0).

B. DISCUSSION AND APPROVAL OF ACCEPTING THE ESTIMATE PROVIDED BY THE CENTRAL ARIZONA IRRIGATION DRAINAGE DISTRICT (CAIDD) TO PROVIDE SAND REMOVAL FROM WELL #3 FOR AN AMOUNT NOT TO EXCEED $30,000 UNDER AN INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN THE CITY OF ELOY AND CAIDD FOR MAINTENANCE OF WELLS, PUMPS, AND MOTORS.

Staff Cover Sheet Report: *Staff recommends that the Council accept the proposal submitted by the Central Arizona Irrigation and Drainage District (CAIDD) to remove the sand and sediment from Well #3 and to subsequently perform a video inspection of the well and the well casing.*

The City of Eloy has 4 wells that are used to provide water to the community. Currently, Well #3 is offline because large amounts of sand and sediment are drawn up when the well pump is in operation. Well #3 is critical for the operation of the water system for two main reasons:

- *The water quality from Well #3 is better than that of the other wells currently in service. The water from Well #3 is blended with the water from the other wells to keep our water system below the regulatory limits for nitrates.*
- *The pump at Well #3 is one of the highest-producing wells in the system, allowing the Water Division to meet the continued demand throughout the City.*

In 2007, the City of Eloy entered into an Intergovernmental Agreement (IGA) with the Central Arizona Irrigation and Drainage District (CAIDD or "the District"). This Agreement allows the City to draw on the District's experience, equipment, and manpower to provide maintenance and repairs to the City facilities and have the repairs and maintenance work completed in a timely manner. This IGA automatically renews every five years. Since 2007, the City has benefitted from this Agreement on numerous occasions, from manpower and equipment to consultation. The City has established a great working relationship with the District over the years, and Staff believes it would be in our best interest to continue this relationship.

In this particular case, the District has the equipment and manpower available to remove the sand and sediment that has built up in Well #3's well casing and is willing to perform the work for the City. Once the sand is removed from the well, City staff will work with the District to conduct a visual or camera inspection of the well and the well casing to determine if the well is suitable for continued use in its current condition. If the well is deemed unusable in its current condition, the visual inspection will provide critical information, enabling the city to identify the required repairs and obtain cost estimates for the necessary work.

The City Attorney has reviewed the proposal and the IGA and has determined that a separate Professional Services Agreement is unnecessary because the IGA and the Finance Director has approved the procurement process to obtain the services of the District resources for this project.

FISCAL IMPACT: *Amount Not to Exceed $30,000 from the Capital Improvement Project (CIP) fund under GL 50-451-7053.*

Mr. Rencher gave a brief overview of an existing city IGA with CAIDD for assistance with equipment, manpower, maintenance and repairs of city wells. He conveyed that well #3 is currently offline due to sand and sediment coming up when in operation. Mr. Rencher said CAIDD is willing to make the repairs at a cost not to exceed $30,000. He added that well #3 is one of the city's most important wells because of its large water production and water quality (low nitrates).

Councilmembers Vodrazka and Snyder questioned Mr. Rencher about:

- Well maintenance schedules;
- Maintenance process;
- Possible cause(s) for sand and sediment in well #3; and
- Potential for additional repairs to well #3, i.e., possible well relocation.

Mr. Rencher said he would come back to the Council to seek approval if additional repairs or possible relocation of the well is needed.

There being no further questions or comments, Mayor Sutton called for a motion.

A motion was made by Councilmember Snyder, seconded by Councilmember Garcia, to approve accepting the estimate provided by the Central Arizona Irrigation Drainage District (CAIDD) to provide sand removal from Well #3 for an amount not to exceed $30,000 under an Intergovernmental Agreement (IGA) between the City of Eloy and CAIDD for maintenance of wells, pumps, and motors, passed unanimously by roll call vote (7-0).

C. APPROVAL OF CHANGE ORDER #1 SUBMITTED BY SUNLAND ASPHALT AND CONSTRUCTION, LLC, FOR AN AMOUNT NOT TO EXCEED $100,000 FOR A MILL AND OVERLAY PAVEMENT PRESERVATION PROJECT ON EAST 11TH STREET BETWEEN SANTA CRUZ AVENUE AND SUNSHINE BOULEVARD; AND TO REMOVE THE EXISTING BRICK CROSSWALKS ON MAIN STREET; AND AUTHORIZING THE MAYOR TO EXECUTE THE NECESSARY AGREEMENTS.

Staff Cover Sheet Report: *Staff recommends that Council accept and approve a Change Order #1 to the contract with Sunland Asphalt and Construction, LLC, for an amount not to exceed $100,000, to remove the existing brick crosswalks on Main Street and include 11th Street between Santa Cruz Avenue and Sunshine Boulevard in the mill and overlay pavement preservation project.*

Santa Cruz Avenue and Sunshine Boulevard have both been identified as priority areas in the FY 2025 Pavement Preservation Plan. Preserving these and other key corridors ensures safe and efficient access for residents, businesses, and visitors, fostering economic activity and community connectivity. This project addresses immediate roadway maintenance needs and represents an investment in the long-term sustainability and functionality of Eloy's transportation network, reinforcing the City's commitment to quality infrastructure and community well-being.

This year's budget contains an allocation of $800,000 for Sunshine Boulevard and Santa Cruz Avenue, as well as $1,000,000 for the annual Pavement Preservation program. The council approved the mill and overlay projects for Sunshine Boulevard and Main Street on December 9, 2024, and the mill and overlay project for Santa Cruz Boulevard on January 13, 2025. Staff explained to Council on December 9th that the existing brick crosswalks on Main Street would be removed in conjunction with this project. The locations of the brick crosswalks would be paved over with new asphalt, which essentially provides for a "clean slate" to replace the crosswalks in the future. Staff is identifying different alternatives to replacing the crosswalks and will present them to the Council at a later date for recommendations on how to re-install them.

After reviewing the total cost from the various proposals submitted by Sunland Asphalt Company and approved by Council, City Staff discovered that there was still available funding that had been approved and budgeted by Council to provide for additional roadway segments to be included in the project. Staff determined that the best segment to be included was East 11th Street between Sunshine Boulevard and Santa Cruz Avenue as it would provide continuity between Santa Cruz Avenue and Sunshine Boulevard and greater aesthetics by eliminating an older pavement section in worse condition bounded by two segments of new asphalt pavement. By identifying some errors in the proposal's unit costs and reducing the Scope of Work, staff could free up enough unallocated monies to include East 11th Street without going over the amounts approved and budgeted by the Council.

If approved by the Council, East 11th Street between Santa Cruz Avenue and Sunshine Boulevard would be completed during the work already scheduled for Santa Cruz Avenue and Sunshine Boulevard. East 11th Street would most likely be completed according to the following schedule:

- *1/17/25: All Streets: Utility Adjustments*
- *1/20/25-1/22/25: N Sunshine Blvd: Mill/ Pave*
- *1/23/25-1/27/25: N Santa Cruz Ave and East 11th Street: Mill/Pave*
- *1/28/25-1/30/25: N Main St: Mill/Pave*

FISCAL IMPACT: *The project's total cost will not exceed $100,000, with funding allocated from the Streets Preservation line item within the Public Works Highway User Revenue Fund (HURF) and the remaining balance allocated from the Streets Preservation One-Time capital fund.*

Mr. Rencher gave a brief overview of the proposed change order for removal of the existing brick sidewalks on Main Street and a mill and overlay at East 11th Street between Santa Cruz Avenue and Sunshine Boulevard.

Councilmember Garcia inquired about the roadwork being done while school is in session.

Mr. Rencher said if approved by the Council tonight, he will authorize the contractor to move forward with the project and have it done at the same time as the current project the contractor is working on for the city. This would eliminate the need for the contractor to come back and remobilize equipment and labor. Mr. Rencher said the work would be completed by the end of next week if approved tonight.

Mr. Rencher fielded several questions from Council about the proposed project request.

- Process for removal of the brick crosswalks;
- Project timetable; and
- City monitoring work of the contractor and product quality.

There being no further questions or comments, Mayor Sutton called for a motion.

A motion was made by Vice Mayor Tarango, seconded by Councilmember Curtis to approve Change Order #1 submitted by Sunland Asphalt and Construction LLC, for an amount not to exceed $100,000 for a mill and overlay pavement preservation project on East 11th Street between Santa Cruz Avenue and Sunshine Boulevard, and to remove the existing brick crosswalks on Main Street; and authorizing the Mayor to execute the necessary agreements, passed unanimously by roll call vote (7-0).

D. POSSIBLE MOTION TO DIRECT THE CITY MANAGER, ASSISTANT CITY MANAGER, CITY STAFF AND LEGAL COUNSEL TO PROCEED AS DIRECTED IN EXECUTIVE SESSION.

Mayor Sutton moved this item to after Executive Session.

IX. EXECUTIVE SESSION

A. Discussion of legal matters/consultation with City Attorney, City Staff and/or the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding the Solid Waste Collection Request for Proposals including contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. pursuant to A.R.S. § 38-431.03 (A) (3) and (4).

A motion was made by Councilmember Garcia, seconded by Councilmember Vodrazka, to go into an executive session at approximately 6:37 p.m. for approximately hour (1) hour with the Mr. Cooper, Mr. Malewitz, Mr. Letcher, Mrs. Myers (note taking), and Mr. Rencher (if needed), passed unanimously (7-0).

Mayor Sutton reconvened the public meeting at approximately 7:14 p.m.

VIII. BUSINESS (continued)

D. POSSIBLE MOTION TO DIRECT THE CITY MANAGER, ASSISTANT CITY MANAGER, CITY STAFF AND LEGAL COUNSEL TO PROCEED AS DIRECTED IN EXECUTIVE SESSION.

Mayor Sutton called for a motion.

A motion was made by Vice Mayor Tarango, seconded by Councilmember Garcia to direct Mr. Malewitz and Mr. Cooper to proceed as directed in Executive Session, passed unanimously by roll call vote (7-0).

X. ADJOURNMENT

There being no further business, Mayor Sutton adjourned the meeting at approximately 7:15 p.m.

Andrew Sutton, Mayor

ATTEST:

David Malewitz, City Manager