

Upon notice duly given under Arizona Revised Statutes, Section 38-431, et seq., as amended, the City Council of the City of Bullhead City held a Special Meeting on Monday, May 13, 2024, in the Council Chambers, 1255 Marina Blvd., Bullhead City, Arizona.

CALL TO ORDER

Mayor D’Amico called the meeting to order at 9:00 a.m.

ROLL CALL

Council Present

Alfonzo, D’Amico, Head, Hecht (via telephone), Lettman, Lizarraga, Ring

Council Absent

None

Department Directors Present:

CITY MANAGER: Toby Cotter

CITY ATTORNEY: Garnet Emery

CITY CLERK: Debie Ogden

CITY MAGISTRATE: Richard Speers

POLICE CHIEF: Robert Trebes

FINANCE DIRECTOR: Robert Drexler

UTILITIES DIRECTOR: Mark R. Clark

PUBLIC WORKS DIRECTOR: Angie Johnson

PLANNING MANAGER: Juan Loera

SR. PLANS REVIEW/BUILDING ADMINISTRATION MANAGER: Wendy Lewis

HUMAN SERVICES DIRECTOR: Jeff Tipton

DISCUSSION ITEM(S)

1. Discussion relating to the proposed City of Bullhead City Budget for the Fiscal Year beginning July 1, 2024, including proposed revenues, expenditures, and programs for all governmental funds.

- Introduction – Budget Overview Presentation

City Manager Cotter said staff is presenting a balanced budget, and said the city is not facing deficits or problematic situations. He said the city has had the following accomplishments during Fiscal Year 2023-2024: Restaurant sales tax collections and hotel/motel tax collections have grown to the highest level in the City’s history; largest reserve fund ever in the City’s history; City Council approved taking over full jurisdictions of Highway 95; remodeled the Municipal Court; remodeled the 911 Dispatch Center and parking lot; received millions of dollars in grants; completed new pickleball and tennis courts in Rotary Park; opened and continue to manage the Bullhead Belle; passed a resolution advocating for student housing at Mohave Community College; lobbied for monies for Highway 95; rezoned commercial lands on Hancock to Multi-family housing; approved the Water Master Plan; approved the purchase of the newspaper building; settled additional opioid lawsuits; successfully completed a full financial audit; purchased a new SWAT vehicle for the Police Department; concluded a major sewer issue at Marble Canyon Condominiums; \$40 million economic impact of sports tourism in the community; construction of the new Senior Campus Facility; 1.26 million square yards of streets slurry sealed; 5,200 square feet of graffiti removal; installed a new public launch dock at Community Park and extended the police dock; provided over 40,000 meals to senior citizens; and provided over 130,000 passenger trips.

City Manager Cotter said public safety is one of the City's top priorities. He said they are presenting a \$21.1 million operational budget for the Police Department. He said this will include 2 additional full-time police officers and 2 new full-time positions for the BACCUP program.

City Manager Cotter said the proposed budget includes \$680,830 in capital purchases. He said this will include 5 replacement vehicles for the Police Department and an emergency services generator for the 911 Dispatch Center.

City Manager Cotter said streets and drainage continue to be a priority for the city. He said staff is proposing a \$6.8 million budget for streets and drainage and said this will include a \$1.8 million Street Pavement Preservation Program.

City Manager Cotter said capital purchases are also one of the City's priorities. He said the proposed budget includes \$83.6 million for capital purchases. He said this includes the Bullhead Parkway (grant funded) for \$65 million, repave Hancock Road for \$3.2 million, the Landon Drive Roadway extension for \$2 million; the Merrill Avenue realignment for \$4.5 million; and right turn lanes (grant funded) for \$8 million.

City Manager Cotter said parks and recreation continue to be a priority for the city. He said the proposed operational budget is \$6 million and capital purchase proposed is \$6.9 million. He said the capital purchases include \$1.4 million (grant funded) for the new UTV/ATV trailhead; \$1.91 million (grant funded) for a new restroom in Community Park; \$750,000 (grant funded) for a new fishing pier at Rotary Park; and \$500,000 for Rotary Skate Park improvements.

Finance Director Drexler said the Economic Estimates Commission calculated the expenditure limitation for Bullhead City to be \$64,120,690.00 for Fiscal Year 2025. He said allowable subtractions are depreciation, bad debt expense and expenditures of separate legal entities under Arizona Revised Statutes. He said allowable exclusions are debt proceeds, debt service requirements, federal grants, amounts from the State of Arizona, quasi-external interfund transactions, highway user revenues and contracts with other political subdivisions. He said during Fiscal Year 2023, the city was under the expenditure limitation by \$142,404.00 and said voter approval is needed for any changes to the permanent base amount.

City Manager Cotter said he is proposing a 4 percent cost of living adjustment. He said 12 new full-time positions have been added. He said those positions include 2 new police officers, 2 additional BACCUP employees, a program assistant for senior activities, a website/social media technician in the City Manager's Department, 2 new valve technicians and 1 maintenance worker in the Utilities Department, one office specialist in the Code Enforcement Department, and 2 maintenance workers in the Facilities Department.

Finance Director Drexler said the General Fund is the primary operating fund. He said the general fund gets its resources from grants, fees, donations, local taxes, state shared revenues which includes state income tax, state transaction privilege tax, and vehicle tax. He said Bullhead City does not have a property tax. City Manager Cotter spoke about how the general fund has grown over previous years.

Council Member Alfonzo asked if the city has received grant funds for the Parkway improvements. City Manager Cotter said the city has not received the funds. Council Member Alfonzo asked if the

city has received the grant funds for the right-hand turn lanes. City Manager Cotter said the city has received grant funds for the right-hand turn lanes.

Judicial Budget

Judge Speers said one of their biggest budget issues is incarceration fees and said they have worked very hard to reduce the fees. He said one way they have been able to reduce fees is to use home detention for nonviolent crimes. He said they also use SCRAM (secure continuous remote alcohol monitoring) ankle monitors which keep people employed and able to take care of their families. He said having an open-door policy with the police department also keeps costs down by being able to bring a defendant to court during business hours and not transport them to Kingman to be seen later. He said he has also been able to reduce costs by cutting back on the use of pro-tem judges as well as using only one courtroom at a time instead of two. He said he requested additional court technology advancements in the budget. He said the Arizona Supreme Court is pushing to allow more people to appear in court virtually. He said he is requesting \$90,000 for hardware and software so more can be done virtually. He said he is also requesting an additional \$30,000 for the Quality of Life Court. He said the funds will be used for testing and monitoring the use of the SCRAM ankle monitors.

Council Member Lettman asked what the increase of approximately \$20,000 for security coverage in the lobby is. Judge Speers said in the past, the costs were taken out of the Court Enhancement Fund and now it will be taken from the General Fund. Council Member Lettman asked what savings the court automation services will have. Judge Speers said a lot of the savings will come from the use of storage facilities. He said the court currently has a lot of hard files under the State Retention Schedule. He said this will allow them to maintain records in the cloud and will no longer have to pay storage and copy fees.

Vice Mayor Head asked Judge Speers to explain why the city pays to put people in jail. Judge Speers said there are crimes in which someone must be incarcerated. He said Bullhead City does not have a jail and said it would cost the city several million dollars a year to have a jail facility. He said the Mohave County Jail current administrative cost to book someone into jail is \$150.00 and the cost is approximately \$107.00 a day to house someone in jail.

Legal Budget

City Attorney Emery said the largest change to this year's budget is an increase in the Special Council budget which relates to improvement districts and development agreements that are pending. He said outside council is used for specialized needs and he assists the departments with advice and to keep the city in compliance with state, federal and city laws.

City Manager Cotter said funds for an additional part-time employee will be added to the City Attorney's budget.

Council Member Alfonzo asked how many driving under the influence (DUI) arrests the Prosecutor's office handles. City Manager Cotter said the performance measures indicate an estimate of 574.

City Attorney Emery said their office has had a 40 percent increase in the number of victims they assist and a 30 percent increase in reports from the police department. He said this calls for a higher degree of review and evaluation of charges and the part-time employee added to the budget is appreciated.

Development Services

City Manager Cotter announced today is Wendy Lewis' 30-year Anniversary with the City.

City Manager Cotter explained the request for additional staff. He said the Development Services Department has been lean for some time. He said they have requested one additional office staff member to help with growth. He said the request for the additional Code Enforcement employee will be dedicated to handling homeless complaints, coordinate cleanups daily, and be able to respond rapidly and follow up quickly.

Senior Plans Review/Building Administration Manager Lewis said the Development Services department consists of the Building, Planning and Zoning, and Code Enforcement divisions. She said they have been very busy due to the upturn of the economy.

City Manager Cotter said there has been much progress in the last couple of years regarding building teardowns and abatements, and said Code Enforcement is asking for a slight increase in the abatement budget. Planning Manager Loera said \$150,000 has been budgeted for demolitions and said there are approximately 20 demolitions per year. He said for the upcoming fiscal year, an additional \$20,000 is requested for abatements. Mayor D'Amico said the expenses for most of the abatements and demolitions are being recouped through liens on the properties abated.

Council Member Lettman asked if the revenue from the building permits covers the cost. City Manager Cotter answered it does not cover the entire cost but there are other funds available to cover the permit cost. He said there is a small 1 percent increase proposed in the fee schedule. Council Member Council Member Lettman asked if the contractors and developers should be covering the entire cost. City Manager Cotter said it is part of the process to look at that and to look at surrounding agencies' rates to ensure our building permits are not more than the average. He said the economic benefit of the building once completed is examined as well, but much of the permit cost is covered.

Council Member Lettman asked if there are enough staff for future development. Senior Plans Review/Building Administration Manager Lewis said they mentor staff so when the economy does bloom again, the staff will be well trained to take on the extra work. She said one of the positions requested was a reclassification of one Permit Technician to a Permit Technician/Plans Examiner and that person will take on more responsibility on a technical level. Council Member Lettman asked if they have considered using a contractor for plan review. Senior Plans Review/Building Administration Manager Lewis said they have used an outside review company in the past and found the comments were excessive due to their own company's liability purposes and said it took a month to get comments back.

Council Member Lizarraga thanked Senior Plans Review/Building Administration Manager Lewis for her 30 years of service.

Council Member Hecht asked if the Consumer Protection Form can be made digital. City Manager Cotter said it is possible but would involve costly software and would be a detriment to the consumer. He said the renter and the family must have the form on the vessel they have rented.

Council Member Hecht asked if the Building Safety division is providing educational resources and training opportunities to improve awareness of building safety regulations among developers,

contractors and the public. City Manager Cotter said that they are generally complaint driven. He said there is no time to be able to proactively educate the public. He said they are staffed Monday through Friday 8:00 a.m. to 5:00 p.m. to answer any questions.

Council Member Lizarraga asked if the sale of wristbands for watercraft rentals has been successful. Planning Manager Loera said staff has been working with the jet ski companies and it has been working well.

Police

Police Chief Trebes said he is requesting three major items this year. He said two new officers have been requested, to bring the total number of officers to 80. He said he is asking for 5 patrol vehicles to replace those with high mileage. He said the \$554,853 requested includes the upfitting for the 5 new vehicles.

Police Chief Trebes said he is asking for a new generator for the 9-1-1 Dispatch Center. He said the current generator has passed its end of life said he wanted to replace it this coming year.

Police Chief Trebes said there have been issues with filling the part-time positions in BACCUP. He said he discussed with City Manager Cotter to hire a full-time manager and a full-time employee. He said the manager will be hired in a few weeks.

Mayor D'Amico asked how many sworn officers the city currently has. Police Chief Trebes said currently there are 78. He said in the early 2000's there were up to 83 sworn officers, through Chief Head's term there were 85, and 83 sworn officers under Chief Williams' term. He said the total was 72 when he became Police Chief.

Council Member Lizarraga asked if the Park Rangers were still under the Police Department. Police Chief Trebes said they are back under Recreation. City Manager Cotter said with taking on overnight security, the Park Rangers are best suited under the Recreation Department.

Council Member Lizarraga asked if the department still had motorcycles. Police Chief Trebes answered affirmative.

Council Member Alfonzo asked if any items will be needed when the department moves to the new animal control center. Police Chief Trebes said he has looked at the building with staff and found they will be able to park the SWAT vehicles and boats and have some office space. City Manager Cotter said there will be requests in the following fiscal year's budget due to the bidding and construction process taking at least 12 months.

Council Member Hecht asked for a highlight of the Block Watch program and how the city is informing the citizens of the program. Police Chief Trebes said that program is run by Police Service Officer Lori Duggins, and she attends neighborhoods and community centers. He said anyone can contact Officer Duggins if they would like to arrange a Neighborhood Watch meeting in their neighborhood. Council Member Hecht said this is a great program and the more people get involved and get to know their neighbors the lower the property crime will be.

Council Member Lettman asked why personnel costs were up .7 percent, but the taxes and other

benefits are up 13 percent. Finance Director Drexler said most of the increase is within the Public Safety Retirement Fund.

Council Member Lettman asked if the training budget was enough. Police Chief Trebes said he wanted to make sure personnel costs were covered and the budget to be realistic. He said the amounts are about the same as last year. Council Member Lettman asked if new officers automatically get a new vehicle when hired. Police Chief Trebes said new vehicles are rotated into the existing fleet.

Council Member Lettman asked what the rationale was behind the estimated fuel costs. City Manager Cotter said all departments share in the fuel costs. He said they have talked to experts in the oil industry and came up with the proposed cost.

Mayor D'Amico asked with the addition of the two new officers, will there be enough officers to keep the citizens safe. Police Chief Trebes said it was enough for this year but as the city grows, he will be asking for more officers.

Public Works

Public Works Director Johnson said some of the accomplishments achieved in fiscal year 2023-24 were the construction of a new building and parking lot at the Senior Center, a new parking lot at the Optimum Center, and the design of four right-turn lanes along Highway 95. She said some goals for next year include the design of a new restroom at Community Park and curb and gutter flood control projects. She said overall Public Works Administration budget for next year is down 6.7 percent.

Council Member Lettman asked at what point is maintenance of a vehicle no longer an option and need be replaced. Public Works Director Johnson said every vehicle is analyzed through the maintenance program and when a vehicle is brought into the shop the departments are contacted to discuss the options. City Manager Cotter said some governments have a very strict policy where vehicles are replaced at the fifth year, but Bullhead City does not. He said used vehicles are frequently purchased over new.

Council Member Hecht asked if the capital project for a new restroom at Community Park was incorporated into the Park Master Plan. City Manager Cotter answered affirmative.

Public Works Director Johnson said this past year, the Facilities Management division set up 190 meetings, maintained 160,800 square feet of the 21 city facilities, and they predict to maintain 180,000 square feet next year. She said there is a request for an additional full-time staff member. She said the current alarm system will be upgraded from outdated analog to digital. She said the proposed amounts for water softener salt have increased due to the purchase of a new water softener for the First Aid Station. She said the current water softener is leased and will be maintained in-house.

City Manager Cotter said the Facilities Division will be maintaining three additional buildings at the Senior Campus and an additional position will be needed. He said next year they will ask for one more full-time position to assist in cleaning the new larger Animal Care and Welfare building.

Public Works Director Johnson said the Parks Maintenance division had maintained 140 acres of grass. She said 110 incidents of graffiti were addressed and 5,000 square feet of graffiti removed. She

said the overall budget is 3 percent higher than last year. City Manager Cotter said some line item increases may be due to inflation, but there are also other reasons for increases. He said staff continues to evaluate each item and budget accordingly.

Public Works Director Johnson said the requests for gators and mowers are the leases the Council had already approved and said they will not take possession of them until next fiscal year. She said the city will be hosting a Playground Maintenance Training class for our staff and other city's staff.

City Manager Cotter said the utility costs are very specific. He said the address and utility that is being paid is listed as a separate line item for each. He said the public can clearly see how much the utility costs are at city parks and facilities.

Public Works Director Johnson said costs for repairs and maintenance have gone down and plumbing supply costs have increased. She said overall the division's operating budget has increased 35.5 percent from last year.

Council Member Alfonzo asked where the expenses incurred by the damage to the soccer field are located and where funds for vandalism are budgeted. City Manager Cotter said vandalism is shown under the Risk Management budget. He said the damage from last year was repaired by staff, and said the expenses came from their operating budget. Council Member Alfonzo asked how much money was spent on the repairs. Public Works Director Johnson said including equipment rentals, materials, and staff time, the cost was approximately \$50,000. City Manager Cotter said gates will be installed at Rotary Park to be able to lock it at night. He said cameras will be installed and will be adding nighttime security to the park rangers' duties.

Council Member Lettman asked what is driving the electricity rate increase. City Manager Cotter said Mohave Electric Cooperative added a rate adjustment to the base cost. He said that is one of the expenses the Energy and Efficiency Audit will address. Council Member Lettman asked for an explanation of the \$400,000 item listed under water for Rotary Park Irrigation. Public Works Director Johnson said in addition to the well located in Rotary Park, this meter is to ensure the pond stays full.

Council Member Lettman inquired why the fleet rental rate is almost double from last year. Public Works Director Johnson said the cost of tires and general maintenance has gone up. She said this will be across every department.

Council Member Hecht asked what the line item for Marina Improvements entailed. City Manager Cotter said this is for the Sunshine Marina north of Rotary Park. He said staff will work with the neighborhood to form a plan. He said the city has worked with neighborhoods in the past with dredging the marina just south of that. He said the neighborhood ran the equipment and the city paid for the rental and staff would be looking for a partnership like that.

City Manager Cotter said the park rangers were under the Police Department and have moved back to Recreation. He said with all the events and vandalism in the parks, it was best for the community to move the division back to Recreation.

Recreation Superintendent Heath said they are in the process of hiring three rangers with another nine hired within the next week or two. He said they will be doing general patrolling of the parks from the afternoon until 4:30 in the morning. He said one shift will be assigned to each park so they will be

patrolling while people are at the park and overnight.

Council Member Lizarraga asked if the Park Rangers will have access to the police by using radios. Recreation Superintendent Heath said they will have the same access and will go through a training program with the police department.

Recreation Superintendent Heath said the Optimum Center has had many changes. He said the increase in personnel costs are due to the raise of minimum wage. He said the increased dollars in the operational budget are for a contracted cleaner for the basketball court. He said air conditioning replacement costs are down due to all new units. He said he is asking for more tables and chairs and a laptop to be used for business at the center.

Recreation Superintendent Heath said there were 42 tournaments, 41 special events, and they hosted the largest pickleball tournament ever with 234 athletes participating. He said food and beverage for resale is minimal as the snack bars are no longer profitable due to the minimum wage rate. He said it is best to let the non-profits run the snack bar. City Manager Cotter said there are also more food trucks than before. He said they have discussed moving all food and beverage for resale to the Marketplace next year. Mayor D'Amico asked what the minimum wage rate is. City Manager Cotter said approximately \$15.00 per hour.

Recreation Superintendent Heath explained special events. He said the gymnastics will be ongoing and is not offered anywhere else in Bullhead City. He said the proposed amount of \$75,000 for the UTV Rally is the only large change to the budget. City Manager Cotter said the airshow will take place next year but will be run by Nellis Air Force Base. He said they requested to partner with the city and host the air show every other year. He said the City will host the air show in 2026. He said other expenses for events are down because they have saved supplies from previous events to use again.

Council Member Lizarraga asked why no money was budgeted for refuse in the parks. City Manager Cotter said all park trash is removed at no cost as part of the agreement with Republic Waste. He said this side of the budget is for expenses and said revenue for special events can be found under Revenues in the budget book.

Council Member Lettman asked why there is a 54 percent increase for Winter Expo. Recreation Superintendent Heath said this was due to the bigger and better inflatables and rentals the public enjoys.

Council Member Hecht asked why 7 on 7 Football and the Fishing Derby are not funded. Recreation Superintendent Heath said the partnering company is no longer coming to Bullhead City. He said the expenses for the Fishing Derby were more than the revenue.

Public Works Director Johnson said some accomplishments from fiscal year 2023-24 include 1,250,000 square feet completed in the slurry program. She said numerous flood control curb and gutter projects were completed throughout the city. She said traffic signal testing and certification has increased 3.7 percent due to the city taking over Highway 95. She said the signals must be certified annually, and special cones and barricades for the highway will be needed. She said she asked for more iPads with service for staff to use in the field. She said training has increased so staff can be certified in signal maintenance. She said this is in addition to the free training through the

federal Local Technical Assistance Program (LTAP) for traffic safety in the workplace.

Public Works Director Johnson explained that each year one slurry truck is sent to get a full workover to be ready for the next season. She said she requested an additional slurry truck and what is shown in the proposed budget is the deposit. She said the city would not take possession of the truck until fiscal year 2025-26. She said some capital purchases include lift gates for pickups, additional message boards to assist with accidents and road construction projects, an additional street sweeper, and a kick broom for flood event cleanups. She said she is requesting a crash attenuator, a thumb attachment for a backhoe, and a concrete mixer. She said overall the proposed budget is 9.4 percent higher than last year.

Mayor D'Amico asked where the \$500,000 for Highway 95 maintenance is budgeted. City Manager Cotter said it was not specifically budgeted because of the AEL cap. He said the Council can take reserves and add them to the financials by proposition or proclamation, make it a standing policy and then the reserves would be set aside for future maintenance of the highway only. Mayor D'Amico said he would like something in place where we could ensure \$500,000 per year goes into a separate account specifically for Highway 95. Finance Director Drexler said they can do that with a resolution from the Council. City Manager Cotter said the Council cannot pass a resolution that forever holds that money for just the highway. He said a future different council may choose to transfer that money to a different account to use for a different purpose although the financial sheets and audits show that it is a reserve for the highway. Mayor D'Amico asked if there is a way to legally set up the fund for just the highway. City Attorney Emery said it would have to be a citizen vote by ordinance. City Manager Cotter said that would hold the council to a hard standard and it would be up to future councils to set aside funds to rehab the highway. He said the streets will still be maintained. Mayor D'Amico said to investigate setting up a special revenue fund to make sure those funds are there for the future.

Public Works Director Johnson said the City's fleet consists of 482 vehicles and machinery and is anticipating the fleet to grow to 530 next year. She said the city is paying on average 44 to 50 cents less per gallon for fuel than at the pump. She said staff will attend generator training along with new vehicle training. She said outside labor is up 8.6 percent due to the cost of heavy equipment parts and services. She said an increase to the tire budget is largely due to the rising cost of heavy equipment tires.

Legislative

City Manager Cotter said the Mayor and Council budget did not substantially change. He said the Clerk's budget had an increase only for the election expenses.

City Clerk Ogden said the budget covering both the primary and general elections was based on the costs associated with 31,000 voters which will cover the 30,218 registered voters. She said contracted services increased due to the publicity pamphlet, postage, tax and shipping of approximately \$17,000.

Council Member Lettman asked if the vendor for election contracts is with Mohave County. City Clerk Ogden answered affirmative. She said there is also \$1,800 for Certified Municipal Clerk training.

Financial Services

Finance Director Drexler said there are not many changes to the budget. He said one significant reduction is that more payments are processed electronically as opposed to mailing a paper check.

Council Member Lettman asked if there was anything set aside to automate collections. Finance Director Drexler said they have started the process with the collections software already in place. Council Member Lettman asked if an automatic payment could be made for the water and wastewater bills. Finance Director Drexler answered affirmative.

Vice Mayor Head asked where the State Fire Fighter premium is located. Finance Director Drexler said it was moved under General Services. City Manager Cotter explained the state mandate is for all cities and towns whether you fund the fire department or not.

Finance Director Drexler said the TPT and Bed Use Tax has increased, and expects a minimum of 4 percent growth this year. He said trend analysis is used and scrutinized in detail each month, but each month is different in tax collections. He said he budgets conservatively each year.

Council Member Alfonzo asked why there is no budget for Sam's Club membership. Finance Director Drexler said the city has accumulated enough points to pay for the membership for next year.

Technology Services

Information Technology Manager Scheffert explained that with more departmental requests each year, there are more requests for IT services and increased threats. He said he requested an additional position and reduced the outside services budget. He said maintenance subscriptions have increased due to inflation. He said the city will be adding cameras and data lines in the parks, at Optimum Center and at the new Animal Control facility. He said they are upgrading core switches every 7 years, and spreads this out each year so there is less of an expense annually.

Council Member Alfonzo asked for an explanation of mobile services. Information Technology Manager Scheffert said the Department of Public Safety (DPS) mandates that every mobile device must be covered with endpoint security. He said the proposed amounts are the cost of the endpoint security that had to be installed on all the devices.

Council Member Lizarraga asked what the budgeted expenses for email storage are. Information Technology Manager Scheffert said the proposed amounts are for Microsoft 365.

Council Member Hecht asked why the city website cost has increased to \$50,000. City Manager Cotter said the city is revamping the .com and .gov websites and this is for expenses to potentially use a different vendor or vendors for the websites.

Council Member Lettman asked what Wi-Fi services are included at Optimum Center. Information Technology Manager Scheffert said it includes Wi-Fi service but also physical lines to city hall. He said they are extending the network by creating a tunnel between Optimum Way and Marina Boulevard. He said the new Point of Sale (POS) system and separate Wi-Fi for renters at Optimum Center are included as well. Council Member Lettman asked if there was a Wi-Fi vendor of choice.

Information Technology Manager Scheffert said they have all 3 vendors in town and likes the redundancies in case one goes down. Council Member Lettman asked if we have cloud servers or on-site servers. Information Technology Manager Scheffert said we have both. He said it is less expensive for the city to manage their own servers, but DPS rules say the data must be stored on site and that causes a storage issue. Vice Mayor Head asked what the plan was for the new Senior Campus building. City Manager Cotter said the Wi-Fi is connected and ready for all three buildings.

Executive

City Manager Cotter said a request for a PIO Communication Specialist was submitted. He said this employee will work on websites and digital material.

Mayor D'Amico asked if there is still a Risk Manager position in Human Resources. City Manager Cotter said that position can be found under Personnel Administration and Human Resources Director Marshall is both the Director and Risk Manager and.

Council Member Lettman asked what the \$50,000 addition for grant application assistance entails. Assistant City Manager Pruitt explained it was for grant programs to help supplement training. City Manager Cotter said sometimes when applying for grants a technical consultant may be needed. He said most of the process is done in-house, but this supplements the budget for help with the grant application process. He said when submitting, the agency may ask for engineering designs or other substantial documents.

City Manager Cotter explained the Human Resources budget includes risk and health insurance. Human Resources Manager Marshall said there are some cost savings with benefits. She said NeoGov amounts increased due to the new personnel and payroll system that was added. City Manager Cotter said at the last health insurance renewal meeting, they were able to keep rates and benefits unchanged and said the health trust is in very good financial condition. Finance Director Drexler said the reserve has been built up over the years and they were able to pass on the savings to the departments.

Public Information Officer Covert said his department manages several social media accounts and helps communicate in emergencies. He said he has requested a new website technician position. He said he requested for TV4 to be moved to video in its own app that would be available on Roku, Android, iOS, and Amazon Fire to stream meetings. He has also requested new cameras and standard upgrades for TV4.

Council Member Lettman how many people are looking at the city's social media accounts. Public Information Officer Covert said those numbers change depending on how the social media sites measure traffic each year, and does not have those numbers.

Council Member Alfonzo asked what the budgeted amounts in Software/Hardware Agreements include. Public Information Officer Covert said it includes Adobe Creative Cloud, event calendars and several software maintenance agreements.

City Manager Cotter explained Marketplace is treated separately from the rest of the Executive budget because it creates revenue. He said this portion of the budget is for expenses needed to make money. He said last year the city made \$700,000 in parking fees, \$100,000 for ramada rentals, plus the revenues from the store and the Bullhead Belle. He said the parking policy that the council passed

does include charging for parking in other parks. He said residents would like to see parking fees in Rotary Park, especially on holidays. He said the decision was made to keep the fee at \$20 for Community Park, and no charge at Rotary Park and the Colorado River Nature Center. Mayor D'Amico said the city is not charging to go to the beach, just for parking. He said it is free of charge if you walk in.

Marketplace Manager Stanley said there was a 98 percent increase in ramada rentals this past year and said the new software made for an easy experience. She said there were 37,000 vehicles in fiscal year 2023-24 and that is an increase of 19 percent. She said the headcount for part-time and food and beverage staff decreased. She said security is now only for special events and gatherings of over 100 people. She requested an additional Event Coordinator position for the Optimum Center. City Manager Cotter said they have an amended agreement with the Chamber of Commerce. He said the lease changed from rental of May through September to annual and they entered into a three-year agreement. Marketplace Manager Stanley said she has requested a pickup truck and a refrigerated truck to move food from the Optimum Center to Community Park.

Council Member Alfonzo said he saw people turn around and leave because they did not want to pay to eat at the Bullhead Belle. City Manager Cotter said the primary use of the Bullhead Belle is to serve the guests at the park. He said the lease terms state that it is an amenity for the park, not a restaurant.

Council Member Alfonzo said he would like a neon sign for the Bullhead Belle so customers know it is open.

Council Member Hecht asked why the other contracted services account has increased. City Manager Cotter said the budgeted amount includes the new POS system, security, and event coordinator.

Mayor D'Amico asked what the air-conditioned storage rental was for. Marketplace Manager Stanley said the store had used the Optimum Center for material storage during the off-season and need their own facility for storage for when they move from the Chamber building to the Optimum Center.

Economic Development

City Manager Cotter said these are dollars budgeted to recruit new businesses, the agreement with the Chamber of Commerce and the Historical Society, and the County Fair booth. Mayor D'Amico said the city has been very successful doing this in-house and is pleased.

Metropolitan Planning Organization (MPO)

Assistant City Manager Pruitt said the MPO is funded by the Federal Government through the State to the City. He said the city will be reimbursed every 30 days. He said the first executive board meeting has been held and the next stage is to hire a director. He said other MPOs of similar size were compared to come up with these figures.

Council Member Lettman asked if the amount was for one director. Assistant City Manager Pruitt said the amount is for one director, one manager, and a part-time administration position. Council Member Lettman asked if the city will be reimbursed for the work they have done on the MPO so far. City Manager Cotter said Assistant City Manager Pruitt is working as a courtesy at this time. He

said the MPO and the city will phase out but remain on the technical board.

Council Member Lettman asked if the MPO is exempt from the city's spending limit. Finance Director Drexler said the federal portion will not count as part of the limit.

General Services

City Manager Cotter said the amounts budgeted under General Services are non-departmental items. He said this includes unemployment compensation and legal services for public defender, a land exchange consultant, the Arizona State Firefighter Cancer Fund premiums, delinquent property taxes on city acquired property, tuition reimbursement and contingency.

Human Services

Human Services Director Tipton explained the increase in personnel. He said they requested additional staffing for the Senior Campus and Animal Shelters. City Manager Cotter said no dollars were budgeted for the new animal shelter building because it will not be completed by the end of the next budget year. Human Services Director Tipton said this year, the River Fund helped 94 people from September 2022 to August 2023, with 19 bus tickets issued in the last quarter. He said Catholic Charities has distributed 75,000 meals since November. He said in the first quarter of this year they have distributed 28,000 meals and are projecting 34,000 individual meals for the year. Mayor D'Amico said the bus tickets were for homeless individuals to get them back where they need to be.

Human Services Director Tipton said the adult activity center at the Senior Campus will be open soon. He said he is requesting a full-time position for the Senior Campus and an additional part-time position. He said he has included a placeholder for campus donations. He said funds have been budgeted for diesel fuel for the new generator. He said the supplies amount increased due to more classes and arts and crafts for next year. City Manager Cotter said the city has received a \$50,000 donation from the Legacy Foundation and other donations for tables, chairs, a pool table, and televisions. Human Services Director Tipton said travel expenses have increased with a conference for Meals on Wheels and the WACOG Area Agency on Aging conference. He said other requests include \$15,000 for a new freezer and an additional vehicle.

Council Member Alfonzo asked how many defibrillators are at the Senior Campus. Human Services Director Tipton said there will be three for new facility. Council Member Alfonzo asked if Narcan is available at the Senior Campus and Animal Control. Mayor D'Amico said Narcan is available at the police station and is received from the State through grants.

Human Services Director Tipton said the budget for Pest Abatement has increased \$8,000 for lab space lease at Monarch Mission Square. He said the Housing budget has decreased 25 percent due to no new CDBG grants. He said there will be HOME Investment Partnership Program (HOME) funds and Owner Occupied Housing Rehabilitation (OOHR) emergency funds.

Transit Manager Peluso said the transit fleet will be receiving two new buses, but maintenance has increased due to inflation. He said many catastrophic repairs on an aging fleet have increased the expenses for unseen maintenance, such as engines and transmissions. City Manager Cotter explained there are no funds budgeted for the new transit facility because it will not be completed within the next 12 months. He said the project relies on the schedules of our partners at the state and federal

government.

Transit Manager Peluso said the charges for cleaning the buses includes a deep cleaning of inside and washing outside the buses. He said they are following the same procedures that were in place during COVID. He said the shelters are cleaned on an as-needed basis.

Council Member Alfonzo inquired about additional bus shelters. Transit Manager Peluso said locations are studied as part of the long-range and short-term transit plans. He said stops with no shelter amenity are usually not heavily utilized. He said the cost for a concrete pad and shelter costs \$20,000 each. He said 1/3 of the stop locations do not have amenities and added he has not received much public feedback regarding additional stops. City Manager Cotter said the MPO can study all bus stops.

Council Member Lettman asked what the reimbursement percentage is for fixed routes versus on demand routes. Transit Manager Peluso said currently on demand routes are reimbursed at 80 percent from the 5311 grant and 50 percent for fixed routes. He said under the new 5307 grant, the percentage may be a little higher but traditionally it is 50 percent. Council Member Lettman asked if the on-demand system is more efficient than the fixed route system. Transit Manager Peluso said on demand is efficient for the citizen but not financially. He said the cost per ride is significantly higher than the fixed route.

Council Member Lettman asked when an aging fleet will be replaced. Transit Manager Peluso said the process takes longer when working with state and federal regulations. He said they just received the new buses requested last year.

Human Services Director Tipton said Animal Control wages increased for two full-time positions and four part-time positions. He said one salary position as been added. He said veterinary services for sick or injured animals increased as did the cost of spays and neuters. He said they have now implemented boarding fees to help offset expenses. He said animal donation program dollars are up and they were awarded a Rachael Ray grant for the community cat program. He said he has requested a van in next year's budget for use when going to Kingman to spay or neuter an animal.

Mayor D'Amico asked if the grant was for dogs also or just cats. Animal Shelter Manager Harms said the Rachael Ray grant is for feral cats. Mayor D'Amico requested the city raise the amount to \$10,000 to help cover spay and neuters for dogs as well.

Utilities

Utilities Director Clark gave a PowerPoint presentation explaining what the water and wastewater staff do on a day-to-day basis. He said maintenance or replacements on control valves, pumps, motors, column pipe replacements, well boosters, hydrants, and check valves are routinely done. He said they also repair sewer breaks, main line collapses, and rehabilitate lift stations and manholes. He said the consent decree from ADEQ is to do repairs of the oxidation ditch, the effluent pump station and treatment plant headworks.

Mayor D'Amico asked if the sewer smells on Lakeside Drive will be addressed. Utilities Director Clark said funds for Lakeside Drive and Country Club in the Palo Verde area have been budgeted.

Utilities Director Clark said two valve and hydrant techs have been requested and will have a maintenance program in place for both positions. He said he has requested a Construction Tech III position to be the lead on asphalt and concrete repairs. He said the Turf Buyback program will be funded by a WIFA grant. He said a full time SCADA administrator has been hired so on-call SCADA services are no longer needed. He asked for funds for the Section 18 WWTP Basin to be up and running so the 16-2 Lift Station can be rerouted to Section 18 WWTP. He said he has budgeted for solar lighting at Section 18 WWTP and rental of an air conditioning unit for the blower building at Section 10 WWTP.

Wastewater Manager Fontenot requested funds to repair the water damage and test for mold in the Section 10 WWTP locker room. Utilities Director Clark said the lab equipment needs to be updated. He said the Utilities Department will be maintaining the generators. He said expenses for sewer line cleaning and Bioxide increased to take care of odor issues. He requested funds to purchase wet well wizards for aeration at the lift stations. He said the wizards help eliminate odors and take care of pipes and pumps. He said the Merrill Avenue sewer line will be done this year.

Council Member Alfonzo asked what was included in the Section 10 WWTP Improvements budget. Utilities Director Clark said that is to take the plant from a 4 mil/day plant to 6 mil/day plant and all it involves.

Utilities Director Clark said a debt loan payment needs to be made this year. He said rates will need to be increased in the future. He said testing increases are due to the testing cycle and those expenses fluctuate each year. He said the chlorine analyzers will be replaced.

Council Member Lettman asked for an explanation of the depreciation account. Finance Director Drexler said because these are enterprise funds. He said because it is treated as a business, and business-type activities do not count towards the cap.

Utilities Director Clark said water use throughout the city decreased by 1 percent with a 14 percent population increase. Council Member Alfonzo asked if the budgeted amounts for fire hydrants is for replacements. Utilities Director Clark answered affirmative. Council Member Lettman asked if debt service amounts include the purchase of EPCOR. Finance Director Drexler answered affirmative. He said it is over \$5 million annually and all debt service is shown on page 242 and page 246 shows the principal and interest broken out.

Capital Improvement Plan

City Manager Cotter explained Capital Improvement projects are those requests that are outside of the normal operations and maintenance. He said some of the projects are funded by grants, state or federal funds, the general fund, and community partnerships.

City Manager Cotter said some of the parks and recreation capital projects include rehabilitation of the middle school athletic fields. He said the city will repair the fields, then they will belong to the community to utilize them after school and weekends.

Council Member Lettman asked for an explanation of the Community Park Land Purchase. City Manager Cotter said when the federal land trade becomes a reality, the city will receive 25 percent more based on value. He said this amount is a placeholder for when the exchange will take place.

Council Member Lizarraga asked if funds were budgeted for the RC track. City Manager Cotter answered funds for an additional oval track are in the budget. Mayor D'Amico asked if it was general fund money. City Manager Cotter answered affirmative. Public Works Director Johnson said the new track will be located at Rotary Park just south of the existing track.

City Manager Cotter said it was time to rehabilitate the skatepark but finding the right fabricator is difficult and it needs to be a specialty company. Council Member Alfonzo asked if a particular cement is used on skateparks or can it be asphalt. Mayor D'Amico answered asphalt cannot be used. He said cement is not the issue; it is finding a qualified track designer and contractor.

City Manager Cotter said the requested capital projects for Information Technology are for firewalls, data links, and storage.

Public Works Director Johnson explained the flood control projects are funded by money received from the County for flood control. She said these types of projects include drainage improvements and changes to floodplain maps. She said next year will concentrate on subdivisions for curb and gutter.

Public Works Director Johnson said the Parkway center median project is funded through an HSIP grant and will run from Silver Creek Road to North Oatman Road. She said this will be managed by ADOT. She said other roadway projects include numerous right turn lanes on Highway 95, road beautification, metal art and rock, and traffic signal upgrades to include a flashing left turn at some intersections.

Council Member Alfonzo asked if they were going to wait on the right turn lanes until the city takes over Highway 95. City Manager Cotter said design is underway on Central/Rising Sun/Sterling, Thunderstruck, Mohave Drive, and Safeway right turn lanes on Highway 95.

Council Member Lettman asked if placeholder amounts count toward our cap. City Manager Cotter said they count only if we do the project. Mayor D'Amico added that we budget in case we get the grant, then we are allowed to spend the budgeted amount. Council Member Lettman said he wants the Parkway repaired first. Council Member Hecht said she was in favor of the beautification project.

City Manager Cotter said the new Animal Control Resource Center will be under construction this summer. He said one of the two chillers needs to be replaced. He said other facility improvement projects include the new Senior Campus building completion and the Optimum Center and its parking lot. He said there are funds budgeted for the Transit Facility in case a consultant or engineer needs to be hired.

Utilities Director Clark said some of the water and wastewater projects had been started this year and will roll into next fiscal year for completion. He said the 20-1 south well was drilled this year and will be completed next year with the installation of the well, pump and motor. He said the transmission line from 20-1 to Big Bend and a new well for 7-1 to service the north side of the city. Mayor D'Amico said Well 7-1 needs to be a priority.

Utilities Director Clark said the aeration basin will be constructed over two years and they still need ADEQ approval before they can begin. He said rehabilitation to the 18-1 lift station will be complete

next year. He said a new vactor truck has been requested, as it is in poor shape due to the nature of the work and the motor running extensively. He said Section 10 WWTP Headworks are ready to install.

Council Member Alfonzo asked if the aeration basin and vactor truck will be under competitive bid. Utilities Director Clark said the vactor truck is specific but will be procured through a state contract. He said the aeration basin was advertised for bids.

City Manager Cotter said the 5-Year Capital budget is on the pages following. Each request has a full description and states which funding source will be used.

Council Member Alfonzo asked what the \$400,000 for Senior Campus Expansion entailed. City Manager Cotter said that was just in case the project is not done, and we owe the contractor final payments in next fiscal year.

Mayor D'Amico said the annual budget process explains why the council seems to always have 7-0 votes. He said it is because they have already seen the projects/requests during the budget process. City Manager Cotter said the next steps in the budget process is to come back to council with tentative balanced budget, publish the proposed budget, then a public comment period. He said the budget cannot be increased, but can be decreased.

Mayor D'Amico asked if anyone in the audience would like to speak. Having no one present requesting to speak, Mayor D'Amico closed the call to the public.


ADJOURNMENT

Mayor D'Amico declared the special meeting adjourned at 4:49 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct record of the special meeting of the City Council of the City of Bullhead City held on the 25th day of June 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 27th day of June 2024.



Debie Ogden, MMC, CPM
City Clerk