

**THE WORKSESSION
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD MAY 6, 2013, AT 6:30 P.M.
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

CALL TO ORDER:

Mayor King called the meeting to order at 6:30 p.m. with the pledge of allegiance.

ROLL CALL:

Present were: Mayor Toney D. King, Sr., Vice Mayor Lori McGoffin, Councilmembers Ron Brooks, David Lambert, Nick Maldonado, Chris Moncada and Al Sacco.

EXECUTIVE SESSION: Pursuant to A.R.S. §38-431.03 (A)(3) & (4), for discussion or consultation for legal advice with the attorney or attorneys of the public body regarding the City's position and to instruct its attorney(s) regarding pending litigation, the 1983 Civil Rights Claim – Stagecoach Trails Mobile Home Court (MHC), LLC and Jay Kendrick vs. the City of Benson, Arizona, et al. and the 1983 Civil Rights Claim – Dianne Tipton vs. the City of Benson, Arizona, et. al.

Vice Mayor McGoffin moved to enter into executive session with the City Council, the City's outside legal counsel provided by the Arizona Municipal Risk Retention Pool, Mr. Jeff Murray and Kristin Mackin (via phone), Interim City Manager Jim Cox and City Clerk Vicki Vivian at 6:31 p.m. Seconded by Councilmember Lambert. Motion passed 7-0.

Council reconvened at 6:50 p.m.

NEW BUSINESS:

1. Budget Worksession for the City of Benson, Fiscal Year 2013-2014; all revenues and expenditures of the City may be discussed

Interim City Manager Jim Cox gave a brief introduction to the budget process stating this worksession would focus on the Capital Improvement Plan (CIP) and personnel, adding all Department Heads were in attendance. Mr. Cox then stated the proposed budget totals \$19.86 million, which is \$800,000 more than the current budget, however, the increase is in additional anticipated grants.

Finance Director Megan Moreno then addressed Council reviewing the proposed Capital Improvement Plan, starting with the General Fund Capital Improvement Projects. Ms. Moreno noted many of the projects are rolled over from the current fiscal year, but noted there are a few new projects.

Council then reviewed the Capital Improvement Plan, discussing various projects beginning with the fields at Lions Park. Discussion included turning the sandlot into a temporary field that could be used in the daytime, electrical outlets for vendors in the park and the possibility of a portable dance floor to use for events in the park. Public Works Director Brad Hamilton informed the Council that he had an electrician looking at the outlets and he didn't think the cost would qualify as a capital improvement project. Council discussed park improvements, but noted the lack of funding is what delays most capital projects. Other projects discussed included new regulatory street signs that are federally required and replacement street signs.

Council then discussed City Hall improvements, adding the upgrading of the insulation in the ceilings and foam injections into the block walls, with Councilmember Brooks stating the project is inexpensive and the City would save the cost of the project in lower utility costs.

Council then discussed other capital improvement projects, with Mr. Hamilton stating a new project for the recently awarded WIFA grant needed to be added to the budget. Mr. Hamilton stated the grant would be for the planning and design of a new SCADA system. Mr. Hamilton then stated the bus barn in the Transit Department would need to be moved to this year, if the grant funding is available. Mr. Hamilton stated funding for the transit system is questionable, according to ADOT, adding the City should be notified by June 15 if there is any funding for next year. Mr. Hamilton then noted the current funding the City has received started October 1 of last year, so the transit system is funded through September of this year.

Council then discussed the airport including the entrance road, anticipated grants, runway extension plans and land acquisition required to extend the runway. Mr. Hamilton also informed the Council that the FAA is to make a decision regarding the UAS sites in December, 2013.

Council then discussed the Golf Course and the positive changes that have been made, resulting in a 45% increase in revenues. The discussion then focused on the lease/purchase of new golf carts with the Council agreeing the repair and maintenance on the old carts is not cost effective and can exceed the value of the carts. Council discussed the trade-in value of the carts, the possibility of keeping 10 carts to use for other recreational opportunities, such as shuttling people during the Bluegrass Festival and the Relay for Life and donating carts to various entities. Points made during the discussion were the carts would be leased for 5 years and then the City would own them and even if the Golf Course were to be sold, the new carts would be a positive element in attempting to sell it with Director of Golf Operations Jay Tomerlin stating Billy Casper Golf, which is the second largest golf management company, sent him an email, adding the Golf Course, if it keeps moving forward, can become a little gold mine for the City.

Councilmember Lambert asked if CIP projects could be added to address future expansion of the library and to include installing a fishing platform at the Golf Course pond.

Council then addressed personnel with Ms. Moreno stating the proposed budget contained no Cost of Living Adjustments (COLA) and addressed salary compression in each of the utility accounts. Mayor King asked for a list of employees with their salaries and the salary ranges, as well as the projected benefits cost increases so Council could review them and see if something could be done to offset some of the increased costs for employees, adding Council could give their thoughts during a later worksession. Interim City Manager Jim Cox stated the retirement plan increase is 0.4% on both sides and for health insurance, he is very optimistic with the budgeted increase of 8%, adding the City hasn't begun negotiations and is also looking at other alternatives that will be Obamacare friendly to keep future healthcare costs down. Councilmember Moncada asked about eliminating the automatic 5% increase when an employee comes off probation to address the salary compression issue with Mr. Cox stating that policy was instituted by the previous City Manager and he would not recommend any continuation of that, due to the salary compression problem it creates within the same positions.

Ms. Moreno then stated the proposed budget does not recommend any increases, but certain departments would like to request increases, adding the Finance Department ran the proposed increases for informational purposes and those Department Heads are able to present those requests, should Council wish to hear them. Mayor King stated they could be presented as they go through each department's budget, but he would like to have the information given to Council beforehand with Ms. Moreno stating she would distribute those memos.

Discussion then moved to the restaurant operations at the Golf Course with Mr. Cox stating it was budgeted to breakeven. Mr. Tomerlin stated there will be some changes made to the restaurant and Council will need to decide whether to operate it or lease it out, adding he has been working on an RFP and the City needs to make sure the right person is put in the operation since the public won't realize the restaurant is leased out and any negative impacts will affect the Golf Course and the City.

Ms. Moreno stated the worksession could continue with questions or the Council could resume budget presentations on Wednesday with Mayor King stating he would like to continue on Wednesday. Council concurred.

ADJOURNMENT:

Vice Mayor McGoffin moved to adjourn at 8:25 p.m. Seconded by Councilmember Sacco. Motion passed 6-1 with Councilmember Lambert voting nay.

ATTEST:

Toney D. King, Sr., Mayor

Vicki L. Vivian, CMC, City Clerk