

**THE SPECIAL MEETING
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD JUNE 19, 2014, AT 7:00 P.M.
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

CALL TO ORDER:

Vice Mayor Sacco called the meeting to order at 7:03 p.m. with the Pledge of the Allegiance.

ROLL CALL:

Present were: Vice Mayor Al Sacco, Councilmembers Pat Boyle, Ron Brooks, Jeff Cook and Chris Moncada.
Absent was: Mayor Toney D. King and Councilmember Peter Wangness.

PUBLIC HEARING: The Mayor and Council will receive comments and questions from the public regarding the proposed City of Benson Fiscal Year 2014-2015 Tax Levy and Truth in Taxation.

Vice Mayor Sacco opened the public hearing to receive comments and questions from the public regarding the proposed City of Benson Fiscal Year 2014-2015 Tax Levy and Truth in Taxation at 7:05 p.m. Vice Mayor Sacco stated there was only one person signed up to speak and invited Diana Comaduran to address the Council. Ms. Comaduran stated she wanted to speak about the budget and would like to address Council during the next public hearing. Vice Mayor Sacco then closed the public hearing at 7:07 p.m.

PUBLIC HEARING: The Mayor and Council will receive comments and questions from the public regarding the City of Benson Fiscal Year 2014-2015 Tentative Budget and the Capital Improvement Plan for 2014-2019.

Vice Mayor Sacco then opened the public hearing to receive comments and questions from the public regarding the City of Benson Fiscal Year 2014-2015 Tentative Budget and the Capital Improvement Plan for 2014-2019 at 7:08 p.m.

Anthony Kugler addressed the Council stating in October, 2012, the Benson Fire Department hired 2 firefighters as reserves to help the department's struggle in the lack of response to daytime calls by department volunteers. Mr. Kugler stated the applicants for the reserve program were required to be a State-certified firefighter and a certified EMT or paramedic. Mr. Kugler stated the 2 firefighters would work 1 day a week from 8 a.m. to 4 p.m. and responded to any calls during that time period and received a stipend of \$5.00 per hour for their service. Mr. Kugler stated the 2 firefighters were from Tucson who were experienced and currently working for other full-time departments, adding during the 6 months they were on duty, they were able to respond to emergency and non-emergency calls within minutes and provide a level of service not obtainable using only volunteer firefighters. Mr. Kugler then stated in 2013, the Benson Fire Department increased the already successful reserve program with the additional support of approximately \$24,000 from the Council, adding these firefighters were employed with other full-time departments continued to work shifts in Benson on their days off. Mr. Kugler then stated it was not the department's intention to hire outside the City; however, there weren't any local applicants that met the requirements. Mr. Kugler then stated volunteers aren't required to have any fire or medical experience and the department does its best to train these individuals throughout their career with the department; however, it is dependent on the effort and time of the individual and training funds available. Mr. Kugler then stated in 2014, the reserve program has been vital to department's operations and safety of the City, adding many of the reserve firefighters chose to stay and work 24-hour shifts without additional compensation. Mr. Kugler then stated in the first quarter 1 of 2014, the reserve firefighters have responded to 77.6% of all calls, and the volunteer firefighters responded to 32.7%, adding without the reserve firefighters, the other calls may have gone without a response. Mr. Kugler then stated the response times for firefighters is much less than that of volunteers who respond from their homes, adding in the first quarter of 2014, the reserve firefighters responded to all calls within 0 to 4 minutes from the time of the 911 calls being placed and the response time of the volunteers was from 6 to 16 minutes. Mr. Kugler then stated many times, the reserve firefighters were on scene of medical emergencies providing quality pre-hospital care several minutes before the local ambulance provider arrived. Mr. Kugler then stated

the reserves served the City of Benson proudly and did so for \$40 per day at a station that does not have a shower, kitchen, couches or recliners to sit on and for the first year, did not even have bed. Mr. Kugler stated for the first year, the reservists brought their own air mattresses or cots to sleep on and today they continue to shower in a portable camping shower using a garden hose and cold water. Mr. Kugler stated due to the budget reductions, the Fire Department cut the reserve program that has provided such an exceptional service to the City for the past year and a half. Mr. Kugler then stated with these conditions and the proposed removal of the program from the Fire Department budget, 4 of the reserve firefighters have received positions with other agencies this week. Mr. Kugler then stated with all of this being said, he is still in support of closing the City's budget deficit for the upcoming fiscal year, however, he does not believe that losing the Fire Department's reserve program is worth less than the \$30,000 a year it costs. Mr. Kugler then thanked the Council for their time.

Vice Mayor Sacco then asked if there was anyone else present who wished to speak.

Dan Barrera addressed Council stating he now lives outside the City limits, but he did serve 10 years as a City Councilman when he resided in the City limits. Mr. Barrera then stated he has 10 acres located on west 4th Street, which is the location of his small motel, a 50-unit RV Park and several rentals, adding he rents mobile home spaces to residents of the Benson community. Mr. Barrera then stated he relies on the Fire Department and Police Department and services provided by City Staff. Mr. Barrera stated he was glad to see the new City Manager on board and that the Finance Director is knowledgeable in how revenues are created for the City. Mr. Barrera then stated the Council has the due diligence and the fiduciary responsibility as Councilmembers to look at potential revenue for the City. Mr. Barrera then stated the Council has had the City Manager speak to the Directors of all the departments, adding this is beneficial and this communication and management style is on the cutting edge of leadership and he applauds the City for looking at this type of decision making and procedures. Mr. Barrera then stated the Directors have looked at their budgets and compared them to years past and now are looking at an economic turn, adding the City is lagging in receiving revenues from the State of Arizona. Mr. Barrera then spoke about the economy, stating it seems like the country is pulling out while the State of Arizona is barely pulling out and the City of Benson is now going to get an opportunity to pull out, but it may take some time. Mr. Barrera then stated with this in mind, the Department directors looked at each of their budgets and cut them to bare bones, adding he didn't think the Council would find any flaws in the proposed budget. Mr. Barrera then stated the Council had looked at the proposed budget in worksessions and he thought the management and the decision made in allowing the Directors to propose to Council each of their budgets was the correct way of handling the budget for the City. Mr. Barrera then stated this was now the opportunity to say if the City doesn't have the money; it shouldn't be spent, adding right now is a tough time. Mr. Barrera then stated he wanted to applaud all the employees who have worked for the City for a long time, adding he knows how hard it is to manage a household within a budget and they should get the compensation they have been contracted for, but again, cuts have to be made. Mr. Barrera then stated he felt the Directors have done a good job providing their due diligence and in presenting it a proposed budget to Council for their approval next week. Mr. Barrera then thanked the Council for their time.

Dianne Tipton addressed Council stating she was recently involved in a lawsuit with the City of Benson regarding Stagecoach Trails, adding she is pleased to say it has now been resolved. Ms. Tipton then stated she was not present to talk about the suit, but more about the cost of litigation in any case and regarding the intention to raise taxes. Ms. Tipton then stated it is important that the taxpayers realize that there is at least one good reason why the City is facing this shortfall, adding there is a deductible that is paid in any settlement case which is 20% of the settlement or in the Stagecoach Trails case; \$150,000. Ms. Tipton then stated this amount is not covered by the insurance company; it comes directly from the City of Benson's bank account and out of the pockets of taxpayers. Mr. Tipton then stated the insurance companies do not pay 100% of the costs, though some would like the taxpayers to think they do. Ms. Tipton then stated any expense such as this can create a financial situation such as the one the City of Benson is now facing, adding plainly speaking, there is not enough money to pay the bills. Ms. Tipton then stated the taxpayers also foot the bills in such cases for the costs of the hundreds of hours for the City Attorney and the hundreds of hours put in by Staff researching and conferencing and strategizing to prepare for litigation over a period of almost 5 years. Ms. Tipton then stated this can amount to a big bundle of taxpayer dollars, adding these expenses are not covered by the insurance company and they come directly out of taxpayers' pockets and take away from the many other

things that need to be paid, such as payroll. Ms. Tipton then stated the City must bite the bullet and do what needs to be done to avoid tax increases and furloughs, adding the City needs to help ease the pain of the already overtaxed residents of Benson. Ms. Tipton then stated it is time to take serious cuts in the paychecks of employees, but only those who are overpaid for their services and to eliminate unnecessary positions that are not needed by a town with a population as small as Benson. Ms. Tipton then stated essential services that go to the health and safety of the community should never be cut. Ms. Tipton then stated she was of the opinion that the actual out-of-pocket costs of the Stagecoach Trails litigation far exceeds the shortfall of the next budget, which would tell her that without the litigation with Stagecoach, the City of Benson would not need furloughs or higher taxes. Ms. Tipton then commended the Council for taking the necessary steps to finally end this costly litigation and for trying to take steps to recover monies from those in management positions that abused the system by spending monies for which they had no authorization. Ms. Tipton then stated those people should have to pay that money back, adding they abused their position and let down the people they promised to serve. Ms. Tipton then stated many on the Council seated at that time allowed it to go on for whatever reason, while only a few yelled foul. Ms. Tipton then stated Council seats are important to this community and the residents depend on the elected officials to always be mindful of how they spend the taxpayers' money and how Council decisions affect everyone, as community members, residents and as local business owners. Ms. Tipton then stated most of the previous Council were bad stewards of the people's money and she has no doubt that if they were still here, the litigation with Stagecoach would be continuing. Ms. Tipton then stated how the City chooses to treat businesses has a profound effect on how the community is perceived and affects economic development which translates into tax dollars, jobs for our children and brings stability to the community. Ms. Tipton then asked Council to take control of the overspending on un-needed and overpaid Staff and to make every effort to avoid costly litigation that will eat up the budget. Ms. Tipton then asked the Council to also be aware and leery of those who sat on the previous Council and encouraged litigation to go on and on with no regard to the taxpayer or the effect on the community both in economic development and on the budget. Ms. Tipton then stated those Councilmembers weren't watching out for the community's good and for progress without raising taxes, adding they should not be invited back because they helped create this shortfall and the intended furloughs and tax hikes facing the residents now. Ms. Tipton then stated the Council should never let a City Attorney run the show and never let the City Manager run the City Attorney, adding the Council should be making the decisions. Ms. Tipton then stated this Council wants to turn things around for the community, find jobs and make the community physically and financially strong, but they need support and don't need to be undermined at every turn by those who wish to control the Council and tax dollars. Ms. Tipton then stated when the City Attorney and City Manager are working against the Council, as it has been for this Council in the past, it is difficult to get things done and it is costly to the taxpayers. Ms. Tipton then stated if this City Attorney, and she believes he will, will make it a point to work with these Councilmembers to accomplish the things that are needed for the good of the community, they can make a big difference together. Ms. Tipton then addressed Mr. Cohen stating when something needs to be done, he should tell the Council how it could be done, not why it can't be done. Ms. Tipton then stated the Council needs to find good ways of accomplishing goals and doesn't need to always be on the defensive, nor do they need to be in a perpetual executive session, adding the Council should conduct the business of the people in front of the people because they have a right to know how the Councilmembers think and to know the advice the attorney gives. Ms. Tipton then stated with the leadership of the new City Manager, whom she has had the pleasure of speaking with and that she respects, she knows he is willing and able to make the hard decisions facing Benson and follow through with the necessary steps that need to be taken soon. Ms. Tipton then stated Benson will begin to recoup and move forward. Ms. Tipton then stated she hopes the new City Manager can also work with this Council so we can all have the community we have longed for that will demonstrate integrity, cooperation, transparency, honesty and respect. Ms. Tipton then stated instead of raising taxes, all unnecessary spending should be cut, adding it will work and will give the money needed to keep people employed in the positions necessary to run the City without raising taxes and without furloughs. Ms. Tipton then asked that everyone serve together in the weeks and years to come, putting the swords down and lighting the torch for friendship and act as true servants to one another. Ms. Tipton then thanked the Council for their time.

Diana Comaduran addressed Council stating prior to coming to the meeting was at Safeway, she was ordering a Starbucks coffee and ahead of her was a young man who purchased coffee. Ms. Comaduran then stated the young man suddenly yelled asking why the coffee was so much and the server instantly announced that this

was the town of Benson, where one pays city and state tax. Ms. Comaduran then stated the young man then Benson is so ugly and he asked if there were jobs here and what the taxes pay for. Ms. Comaduran then stated the young man turned to her and what people do for a living here and if there were jobs here. Ms. Comaduran stated she told the man that people commute to the bases in Tucson and Sierra Vista, they work for the City, the highway department and Apache Powder. Ms. Comaduran then stated she told the man that the Council was having a meeting tonight to increase taxes and he walked out of there saying it was ridiculous. Ms. Comaduran then stated she felt like saying, but didn't, that Benson has an airport with no public bathroom or Wi-Fi internet services and uncompleted building codes by the prior board members, a town where Councilmembers requested \$40,000 in advertising to go to the SouthEastern Development Group, adding she thinks they budgeted \$15,000 and she would like to know where that \$15,000 is going to. Ms. Comaduran then stated we also have a town where people have misspent the taxpayers' money. Ms. Comaduran then stated she came here to find out what the Council was going to do tonight and if they were truly taking a different path other than raising taxes.

Vice Mayor Sacco then asked if there was anyone else who wished to speak.

Stephen Insalaco addressed the Council stating he reviewed the budget proposal and saw some things for airport operations, adding he is seeing all the right things. Mr. Insalaco stated this includes consideration for the airport access road improvement, which has been in dire need for repair for several years now and some consideration for extending the runway, which is important from the safety perspective for the pilots and would also encourage other operators to come to the airport. Mr. Insalaco stated he also saw some consideration in the proposed budget for an additional helicopter pad, adding he thinks that is important also to encourage other operators, like Lifeline and Lifenet to come to the airport and also might provide some relief to the local residents of St. David. Mr. Insalaco then stated he also sees some consideration for the City to develop airport hangars, adding he thinks that is also important because it will bring more based aircraft to the airport, which will help provide a growing economic base for the airport and will help in providing assistance in balancing the airport budget. Mr. Insalaco then stated he first wanted to say he appreciates this consideration and appreciates the City providing the matching funds for FAA grants and ADOT grants. Mr. Insalaco then stated the one thing he didn't see in the proposed budget that he would like to leave the Council thinking about is on the land side, adding he didn't see anything in the proposed budget for improving the telecommunications base at the airport. Mr. Insalaco then stated there is presently 1 telephone line to the airport and there is no internet service, adding he would like the Council to think about finding some way to approach that problem in the future as well. Mr. Insalaco then stated again, he sees all the right things in the budget and he appreciates Council consideration. Mr. Insalaco then thanked the Council for their time.

After no further persons requesting to speak, Vice Mayor Sacco closed the public hearing at 7:29 p.m.

ADJOURNMENT:

Councilmember Brooks moved to adjourn at 7:30 p.m. Seconded by Councilmember Moncada. Motion passed 5-0.

ATTEST:

Toney D. King, Sr., Mayor

Vicki L. Vivian, CMC, City Clerk