

THIS MEETING WAS CLOSED TO THE PUBLIC DUE TO COVID19

**MINUTES
MONDAY, APRIL 26, 2021**

MINUTES OF THE SPECIAL SESSIONS OF THE MAYOR AND COUNCIL OF THE CITY OF BISBEE COUNTY OF COCHISE, STATE OF ARIZONA, HELD FROM MONDAY, APRIL 26, 2021 THROUGH THURSDAY, APRIL 29, 2021 STARTING AT 5:30PM EACH NIGHT VIA ZOOM.

THE MEETING WAS CALLED TO ORDER BY MAYOR BUDGE AT 5:33PM.

ROLL CALL

COUNCIL

Councilmember Louis Pawlik, Ward III
Councilmember Joni Giacomino, Ward II
Councilmember Frank Davis, Ward I
Mayor Ken Budge
Councilmember Leslie Johns, Ward I
Councilmember Joan Hansen, Ward II
Councilmember Anna Cline, Ward III, Mayor Pro Tempore

STAFF

Stephen J. Pauken, City Manager
Ashlee Coronado, City Clerk
Keri Bagley, Finance Director
Joelle Landers, Personnel Director
Jesus Haro, Public Works Director
Albert Echave, Police Chief
George Castillo, Fire Chief
Doug Graeme, Queen Mine Tour Manager
Jason Macoviak, Library Manager

CITY ATTORNEY

Joseph Estes

- Nolan Gougnet, Bisbee resident spoke regarding the Police Department budget increasing over the last several years. He protested increasing their funds when there were more productive things the City could do with these funds.

THE FOLLOWING ITEM WAS DISCUSSED AND/OR CONSIDERED AT THESE MEETINGS:

1. Presentation and Discussion of the Proposed Tentative Budget for Fiscal Year 2021-2022 and Possible Direction to staff for changes to be made prior to formal approval.
Stephen J. Pauken, City Manager
Keri Bagley, Finance Director

Mr. Pauken and Ms. Bagley presented and discussed with the Council the General Fund Expenditures and Revenues to include the following:

- General Fund Revenue
- General Fund Revenue Trends - we have lost ground in taxes.
- General Fund Balance
- General Fund Revenue Over Expense
- General Fund Expenditures by Service – two-thirds (2/3rd) of our general fund budget was for Public Safety.

- Pension Expense – this has grown larger and larger; this was a problem that had to be fixed. Our unfunded liability today was about twenty-two (22) million dollars, of which interest was charged and we only make minimum payments. Looking into refinancing our Public Safety unfunded liability in the next fiscal year. The Council would be involved and have approval every step of the way.
- General Fund:
 - Taxes
 - Licenses & Permits
 - Intergovernmental- Urban Revenue Sharing
 - Charges for Services- Ambulance Fees: dropping the Tucson transfers has been a financial challenge for the General Fund. Working on ways to raise ambulance fees.
 - Fines & Forfeitures
 - Miscellaneous – AZ Cares Act: when we get to the bottom line the \$625,000 was playing a substantial role in getting the budget to balance. Over the next two (2) years we need to be able to balance without depending on Federal money in the General Funds.
 - Contributions & Transfers – Use of Reserves: money we have in the General Fund reserve account and if everything happens just like planned we will only need to use \$353,000.00.
- Mayor & Council
- City Manager
- Finance
- City Clerk
- Community Development – Issues that have been taken on come under the heading of Community Development. Would like to reestablish the position of Planner for what the City needs right now to accomplish all of the objectives, by themselves was a full-time job. Need to have someone with the proper training, credentials and experience. Salary would be \$68,000.00 which would be a hit on the budget, but it would be money well spent.
- Administration and General Government
- Personnel
- Legal Services
- Water Systems
- Information Systems
- Police Department –
 - Contract Services: Enterprise Leasing; over the next twelve (12) months analyze the cost, before we add any more vehicles on lease than we have already committed to.
 - Gasoline: Will be taking a hard look at how we do this.
 - Taking Vehicles Home: Will be taking a look at this to see how to do this going forward.
 - Contract Services continued: Body Cams are a commitment, and the way the Police are going across the nation and to protect everyone involved to having that technology. The cost would be \$18,000 for the cost, software and storage. Contract Services also includes \$71,000 to cover the current vehicle leases, Spillman and Ricoh. They will adjust the budget for Contract Services to take out new vehicle leases.
 - Operational Expenses- Going up from \$12,500 to \$22,500 what was the increase; the increase was for the Black Knob Tower \$10,000 added to budget and \$10,000 added to the Fire budget. The City participates in a user's group, in which the user group owns the tower and the facility where the radio equipment was located. There will be a power upgrade and the City's portion will be \$20,000.00 total. The Police Chief will reach out to make sure of the cost of the City's portion.
- Fire Department –
 - Salaries-General: Minimum wage increase, along with compression increases.
 - Overtime: tough number to calculate – staffing issues affected overtime over the past year.
 - Fuel: Combined Fuel and Diesel
 - Capital Expenditures: Increase to \$80,000 because two (2) heart monitors are needed; vital tools for our paramedics. Looking for grant opportunities.
 - Transfer Grant Match: Was for an aerial ladder truck.
- City Magistrate - Entered into a new agreement with the County and new agreement for the City Magistrate to handle City cases. Checked numbers and Contract Services would be \$55,000 not \$65,000.00.
- Cemetery – Safety Equipment & Supplies \$5,000.00 was for equipment to resume double deep burials. This was an OSHA requirement – Trench Box.

- Building Maintenance - Funded salary for a part-time person on this budget.
- Public Works Administration – Contract Services includes iWorQ Software.

The GF Internal Services will be updated in each department changes were made prior to the meeting.

Mayor and Council discussed and had questions regarding the proposed draft budget presented. Mr. Pauken, Ms. Bagley and Department Heads welcomed the Council’s comments, discussion, suggestions and answered them throughout the presentation.

MOTION: Mayor Budge moved to go into recess until Tuesday, April 27th at 5:30pm.

SECOND: Councilmember Hansen

MOTION PASSED: UNANIMOUSLY

ADJOURNMENT: 8:33pm

Ken Budge, Mayor

THIS MEETING WAS CLOSED TO THE PUBLIC DUE TO COVID19

MINUTES

TUESDAY, APRIL 27, 2021

MINUTES OF THE SPECIAL SESSIONS OF THE MAYOR AND COUNCIL OF THE CITY OF BISBEE COUNTY OF COCHISE, STATE OF ARIZONA, HELD FROM MONDAY, APRIL 26, 2021 THROUGH THURSDAY, APRIL 29, 2021 STARTING AT 5:30PM EACH NIGHT VIA ZOOM.

THE MEETING WAS CALLED TO ORDER BY MAYOR BUDGE AT 5:40PM.

ROLL CALL

COUNCIL

Councilmember Louis Pawlik, Ward III
Councilmember Joni Giacomino, Ward II
Councilmember Frank Davis, Ward I
Mayor Ken Budge
Councilmember Leslie Johns, Ward I
Councilmember Joan Hansen, Ward II
Councilmember Anna Cline, Ward III, Mayor Pro Tempore

STAFF

Stephen J. Pauken, City Manager
Ashlee Coronado, City Clerk
Keri Bagley, Finance Director
Joelle Landers, Personnel Director
Jesus Haro, Public Works Director
Albert Echave, Police Chief
George Castillo, Fire Chief
Doug Graeme, Queen Mine Tour Manager
Jason Macoviak, Library Manager

CITY ATTORNEY

Joseph Estes

MOTION: Mayor Budge moved to come out of recess.

SECOND: Councilmember Hansen

MOTION PASSED: UNANIMOUSLY

THE FOLLOWING ITEM WAS DISCUSSED AND/OR CONSIDERED AT THESE MEETINGS:

1. Presentation and Discussion of the Proposed Tentative Budget for Fiscal Year 2021-2022 and Possible Direction to staff for changes to be made prior to formal approval.
Stephen J. Pauken, City Manager
Keri Bagley, Finance Director

Ms. Bagley did a recap on where we are now based on discussions last night.

- \$50,000.00 to City taxes
- Added the Planner to Community Development
- Black Knob Share was \$37,500.00 (this was split between Police and Fire) added the increase in
- Reduced the Liability Insurance by \$32,000.00 in the General Fund and all the Enterprise Funds
- Reduced the Magistrate by \$10,000.00
- Recalculated all of the allocations and updated those
- Use of Reserves updated \$362,631.00

Mr. Pauken and Ms. Bagley continued to present and discuss the draft budget with the Council to include the following:

- Public Works Garage – Decreasing the amount for Phones, they do not have a land line anymore only cell phones for the two (2) employees.
- Building Inspector
- Parks – Rename to Parks Maintenance in the future so not to cause confusion.

- Swimming Pool
 - Increase Education & Training to \$1,500.00.
 - See if the electric and water budget can be reduced.
 - \$200.00 in Advertising budget line. (May not need Observer will donate space)
- Copper Queen Library
- Senior Center: GF Internal Services has been adjusted.
- Contingency
- Government Grants
- Public Safety Fire Grants: Aerial Ladder Truck
- Transportation Grants
 - \$33,000.00 was a match for the Runway preservation of the Airport from ADOT which pays one hundred percent (100%) of the engineering and our match was for construction. (completely ADOT)
 - Runway lights and signs was coming out of Capital Improvement Projects for the Airport (electrical upgrade).
 - FAA-Airport Entitlement: The match was \$12,000.00. FAA does not recognize that we are in compliance, as soon as we are in compliance we will receive the grant. This grant was for moving the taxiway it was too close to the runway. This match would have to be added in and it would have to come out of the General Fund since the Airport Fund doesn't have enough to cover it.
- Transient Room Tax (Bed Tax)
 - Proposing to employ one (1) employee.
 - Combining Business Travel and Business Travel-Overnight Destination.
 - Combining Contract Services and Contract Services Overnight Destination.
- Streets
- RICO Fund
- Bisbee Arts Commission
- Housing Initiative: For the expenses and revenues of homes purchased, rehabilitated and sold for the Bisbee Workforces Housing Initiative.
- Miscellaneous Donations
- Airport – Look into Fuel for Resale amount budgeted.
- Police Special Revenues and Grants
- Wastewater
- Sanitation – Look into the Phone amount budgeted.
- Queen Mine

Mayor and Council discussed and had questions regarding the proposed draft budget presented. Mr. Pauken, Ms. Bagley and Department Heads welcomed the Council's comments, discussion, suggestions and answered them throughout the presentation.

MOTION: Mayor Budge moved to go into recess until Wednesday, April 28th at 5:30pm.

SECOND: Councilmember Johns

MOTION PASSED: UNANIMOUSLY

ADJOURNMENT: 8:40pm

Ken Budge, Mayor

THIS MEETING WAS CLOSED TO THE PUBLIC DUE TO COVID19

MINUTES

WEDNESDAY, APRIL 28, 2021

MINUTES OF THE SPECIAL SESSIONS OF THE MAYOR AND COUNCIL OF THE CITY OF BISBEE COUNTY OF COCHISE, STATE OF ARIZONA, HELD FROM MONDAY, APRIL 26, 2021 THROUGH THURSDAY, APRIL 29, 2021 STARTING AT 5:30PM EACH NIGHT VIA ZOOM.

THE MEETING WAS CALLED TO ORDER BY MAYOR BUDGE AT 5:32PM.

ROLL CALL

COUNCIL

Councilmember Louis Pawlik, Ward III
Councilmember Joni Giacomino, Ward II
Councilmember Frank Davis, Ward I
Mayor Ken Budge
Councilmember Leslie Johns, Ward I
Councilmember Joan Hansen, Ward II
Councilmember Anna Cline, Ward III, Mayor Pro Tempore

STAFF

Stephen J. Pauken, City Manager
Ashlee Coronado, City Clerk
Keri Bagley, Finance Director
Joelle Landers, Personnel Director
Jesus Haro, Public Works Director
Albert Echave, Police Chief
George Castillo, Fire Chief

CITY ATTORNEY

Joseph Estes

MOTION: Mayor Budge moved to come out of recess.

SECOND: Councilmember D

MOTION PASSED: UNANIMOUSLY

Councilmember Pawlik noted that he would need to leave the meeting at 6:30pm in case they go passed that.

THE FOLLOWING ITEM WAS DISCUSSED AND/OR CONSIDERED AT THESE MEETINGS:

1. Presentation and Discussion of the Proposed Tentative Budget for Fiscal Year 2021-2022 and Possible Direction to staff for changes to be made prior to formal approval.

Stephen J. Pauken, City Manager

Keri Bagley, Finance Director

Mr. Pauken and Ms. Bagley continued to present and discuss the draft budget with the Council to include the following:

- Miscellaneous Grants
- Debt Service Wastewater Treatment
- Youth Fund
- Bisbee Bus Fund
- Capital Improvement Fund

Mayor and Council discussed and had questions regarding the proposed draft budget presented. Mr. Pauken and Ms. Bagley welcomed the Council's comments, discussion, and answered them throughout the rest of the presentation.

Mr. Pauken noted that he was a little bit late in the budget development, he had become aware over the last week that there was a wage study accomplished and that already in the budget were eleven (11) city employees who have not been identified as receiving any adjustment to their pay. He realized that there were compression issues and there were longevity issues. He thought that as an issue of fundamental fairness if you give people a raise you give everyone a raise. Some are higher than others, but a pretty good average of increase for this particular budget for those who are identified was about thirty-five (35) cents an hour. So if those other eleven (11) people were to receive thirty-five (35) cents an hour (+/-) we would be talking another \$8,000.00 to \$10,000.00. Mr. Pauken didn't think spending an extra \$10,000.00 was too much to be fair. He requested that this be added to the budget. This does not include management for department heads.

Councilmember Hansen noted that people were getting raises either because of an increase of minimum wage and to get them up to a starting point. She asked if the eleven (11) employees fell within those categories.

Mr. Pauken stated that most of them are on the lower end of the identified salary schedule.

Councilmember Giacomino said she would like to think when you were looking at wages and increases that you were looking at a base pay and you are not including the overtime in that, because overtime was not something that was consistent. She thought that when we look at increases we also, need to look at the improvement that has gone with it.

Councilmember Hansen stated her question again were the eleven (11) people the same.

Mr. Pauken stated, no. These were not the same, but when you talk about giving people a higher hourly rate because of wage compression that has nothing to do with how they do their jobs.

Councilmember Hansen asked if we could do it based on how they do their jobs.

Mr. Pauken stated that the ones on the list had nothing to do with merit except for about two (2).

Councilmember Davis stated that he agreed with Mr. Pauken. He thought thirty-five (35) cents was really nothing, but it was the idea of it. We have people who are hardworking and we need to reward that. We have a good crew at the City they do a lot for us it would not break our bank and it would help them.

Councilmember Cline agreed that even if it was thirty-five (35) cents everyone should get it even across the board.

Councilmember Giacomino asked about there being no consistency on the amount given to the ones in the budget. If you are not doing it consistently across the board then that will cause issues also.

Councilmember Hansen asked if the eleven (11) people had a pay raise in the recent past.

Mr. Pauken deferred to Ms. Bagley was not sure who the eleven (11) people were so she couldn't say. He would prefer to reestablish the system so that we would have (when the budget allows) a general increase that would be nominal in nature and then a system of merit increases.

Councilmember Pawlik agreed with Mr. Pauken, our people are a valuable resource especially with these times.

Mayor Budge said that leaving people out would raise an issue.

Councilmember Hansen said that on the first (1st) night we were on the General Fund Revenue she had technical difficulty and had a question regarding Ambulance Subscriptions. Why was nothing put in the budget for that.

Mr. Pauken said those line items were established a couple years ago with an entry into the budget and no subscriptions were ever established or collected; same was the case with Fire Inspection fees.

Councilmember Hansen noted that the Ambulance Subscription fees were voted on in August of last year and we have the fee schedule for it.

Mayor Budge stated that he had asked our new City Attorney to go over that subscription service to make sure that it was legal. The Attorney asked that we put it on the side it didn't continue at that point.

Mr. Estes, City Attorney stated he had talked to Jim Ledbetter about this and got his full information. The main issue here was how this works and with we would have to have a Department of Health sign off on this. Originally there was push back from the Department of Health on this type of subscription program, but then at a certain point the Department of Health thought it was okay. Mr. Ledbetter had asked for that in writing and it was never provided. Mr. Estes initial concern was that we didn't have anything in writing from the Department of Health that they will okay this and without that he didn't feel comfortable putting the City in a position of potential liability or issues with Medicare contracts etc.

Mayor Budge spoke regarding Fire Inspections.

Mr. Pauken stated that Mr. Richardson, Fire Marshal was tasked to do research on the matter of Fire Inspections and he came back with a recommendation to base a fee on the ranges of square footage of commercial buildings; smaller buildings would have a \$25.00 annual inspection fee, then \$50.00 for the next range, and then \$75.00 for the next range. Most of the buildings he would inspect would be \$50.00 or less. On an average of one hundred (100) inspections a year that was not a significant amount of money. They could put about \$10,000.00 in revenue for that line item.

Councilmember Davis stated that it made sense to put that in we ought to have some value for an inspection. It was a minor amount and if it didn't cost anything it wouldn't mean anything.

Mayor Budge thanked everyone and stated that this was doable and reasonable situation that we are in.

MOTION: Councilmember Hansen moved to adjourn the meeting.

SECOND: Councilmember Cline

MOTION PASSED: UNANIMOUSLY

ADJOURNMENT: 6:26pm

Ken Budge, Mayor