

**TOWN OF FOUNTAIN HILLS  
MINUTES OF THE EXECUTIVE AND REGULAR SESSIONS OF THE  
FOUNTAIN HILLS TOWN COUNCIL  
MAY 5, 2016**

**EXECUTIVE SESSION**

\* **CALL TO ORDER**

Mayor Kavanagh called the Executive Session to order at 5.30 p.m. in the Fountain Conference Room - 2nd Floor.

**AGENDA ITEM #1 - ROLL CALL AND VOTE TO GO INTO EXECUTIVE SESSION: PURSUANT TO : (I) A.R.S. § 38-431.03(A)(3), DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY, AND (II) A.R.S. § 38-431.03(A)(4), DISCUSSION OR CONSULTATION WITH THE ATTORNEYS OF THE PUBLIC BODY IN ORDER TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE PUBLIC BODY'S POSITION REGARDING CONTRACTS THAT ARE THE SUBJECT OF NEGOTIATIONS, IN PENDING OR CONTEMPLATED LITIGATION OR IN SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION (SPECIALLY: THREATENED LITIGATION RELATING TO A TAX LIEN).**

Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Henry Leger, Councilmember Nick DePorter, Councilmember Dennis Brown, Councilmember Cecil Yates, and Councilmember Cassie Hansen. Town Manager Grady E. Miller, Town Attorney Andrew McGuire, Gust Rosenfield Attorney Kelly Williams, Finance Director Craig Rudolph, and Town Clerk Bevelyn Bender were also present.

Councilmember Yates **MOVED** to go into Executive Session at 5:30 p.m. to discuss the threatened litigation relating to a tax lien and Councilmember DePorter **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (6-0).

Councilmember Alan Magazine arrived at 5:45 PM.

**AGENDA ITEM #2 - ADJOURNMENT.**

The Mayor adjourned the Executive Session without objection at 5:50 p.m.

**REGULAR SESSION**

\* **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Kavanagh called the meeting to order at 6:33 p.m. in the Town Hall Council Chambers.

\* Mayor Kavanagh announced that today with them was Pastor David Felten, The Fountains, a United Methodist Church.

\* **ROLL CALL** - Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Henry Leger, Councilmember Nick DePorter, Councilmember Dennis Brown, Councilmember Cassie Hansen, Councilmember Cecil Yates and Councilmember Alan Magazine. Town Manager Grady E. Miller, Town Attorney Andrew McGuire and Town Clerk Bevelyn Bender were also present.

Mayor Kavanagh announced that she was accepting a proclamation from Steve Chucuri, Maricopa County Supervisor, District 2, on behalf of the Fountain Hills Sister Cities Organization and proclaiming May, 2016, as Sister Cities Month. She introduced Supervisor Chucuri stating that for the past 13 years, Mr. Chucuri had served as the President and CEO of the Arizona Restaurant Association (ARA). Mr. Chucuri leads an organization that promoted dining out and was a perfect fit for Mr. Chucuri who had scorching so many dinners he had begun to wonder if "burnt" was a food group. She added that the insight Mr. Chucuri had gathered through his experience with the restaurant association was a contributing factor in his decision to run for public office. Mayor Kavanagh continued that in 2012, Mr. Chucuri was

elected to serve as Maricopa County Supervisor for District 2 and had been proudly servicing his constituents since he took office in January 2013. Mr. Chucuri worked with his County colleagues to eliminate excess regulations and create an environment that invited innovation that helped to sustained entrepreneurial growth with a “Best in Class” mindset. Mr. Chucuri helped to eliminate unnecessary burdens and implemented strategies making it more affordable and attractive to operate a business in Maricopa County.

Mr. Chucuri address the Council and pointed out that members of the Sister Cities Organization were also present and stated that he had adopted Fountain Hill’s as his home and he thanked everyone for their support. Mr. Chucuri explained that this was his first proclamation he had given and proceeded to read the document (on-line and in the office of the Town Clerk). The proclamation stated that Fountain Hills has four Sister Cities – Ataco, El Salvador, Deirdorf, Germany, Kasterlee Belgium and Zamosc, Poland. Mr. Chucuri also pointed out that the Fountain Hills Sister Cities Corporation and the Town of Fountain Hills had participated in civic activities, cultural and student exchanges, and international public works projects with its sister cities and he noted the program had received numerous awards including a “Best Overall Program Award” from Sister Cities, International. Mr. Chucuri announced that the 2016 Annual Sister Cities State Convention would be hosted in the Town of Fountain Hills on May 21, 2016 and he also mentioned that he was unable to attend as he would be in Chicago on that date.

Mayor Kavanagh thanked Mr. Chucuri and expressed her hope that he would come back and visit Fountain Hills.

**\* MAYOR'S REPORT**

**i) Mayor Kavanagh may review recent events attended relating to Economic Development**

Mayor Kavanagh stated that economic development and business growth in Town go hand in hand and that last Thursday was a milestone for Fountain Hills because of the opening and dedication of the new dialysis center opened by DaVita, a Fortune 500 Company and explained that “DaVita” in Italian meant “giving life”. She stated that the facility would be operated by the Southwest Kidney Institute and was an amazing state of the art facility servicing Fountain Hill’s residents. She explained that residents previously traveled long distances three times a week for treatment that now the Town could provide here at home. Mayor Kavanagh thanked DaVita and Southwest Kidney for their investment in Fountain Hills and acknowledged Fountain Hills’ resident, Jim Judge, for his tireless effort for more than three years to bring this facility to our Town.

Mayor Kavanagh continued to say that the Economic Development meeting she attended this week gave an update of the ongoing partnership between Arizona and Sonora, Mexico. She also stated there was continued work on pathways for business and education communities to work together to strengthen and grow our economy and she added there was also continued discussions on economic development revolving around Spring Training.

**CALL TO THE PUBLIC**

Town Clerk Bevelyn Bender announced there were three requests to speak.

Bob Kuwik, a Fountain Hills resident living on Malta Drive stated that last Saturday evening his wife Judith Martin was attacked by four to six javelinas that came out from the wash on Malta Drive located in front of their house. He explained that his wife had surgery due to an injury to her left arm and was now home resting. He complimented their neighbors, Town Staff, Maricopa County Sheriff’s Office and the EMT’s for their service, which was outstanding. He also mentioned the spectacular work by the Fish and Game Department who said they would begin policing the area early in the morning and at dusk to see if the javelinas could be relocated. Mr. Kuwik mentioned that he spoke with a Supervisor from Artistic Landscaping and Raymond Rees, Environmental Supervisor for the Town and was told that the cleaning of the wash was in process starting at Saguaro Boulevard going westward. He was also told that the work would cease soon because of the end of the fiscal year and time constraints, along with the warm weather and the increase volume of animals in the washes. Mr. Kuwik explained that Artistic and Mr. Rees told him the work had been going on for about seven months, but after speaking with several individuals locally no one had seen them working until two or three weeks ago. Mr. Kuwik felt that the work would not reach far enough to the west to clear their area and was concerned for the surrounding area properties. He asked if Council would consider expediting the cleaning out of the wash and possibly bring back the Public Safety Commission to oversee these types of issues by educating

the community on what not to do with or to these animals. Mr. Kuwik would also like Council to review the work schedule for Artistic Landscaping since no one saw them working on the job for as long as they stated.

Mayor Kavanagh explained that Council could not respond but added staff would look into the issue and that she had been in contact with the Fish and Game Department and would follow-up to make sure this issue had been addressed. She also expressed that everyone was very sorry for the injury to his wife and wished her well for a speedy recovery. Town Manager Miller also expressed his apologies and assured the Mayor that staff would be report on the wash maintenance schedule at the next Council meeting.

Samuel Coffee, a Fountain Hills resident wished to speak to the Council regarding the 4<sup>th</sup> of July Event. Mr. Coffee stated that he had met with Mayor Kavanagh, Town Manager Miller and Town Staff recently to discuss the event. He stated that the Mayor wanted this event to be more family friendly by eliminating the fence, entry fee and beer sales. Mr. Coffee pointed out that for four years the Town was not able to finance the event, so contributors brought the event back to town. Mr. Coffee noted the last two years events were a lot of fun for everyone with entertainment and fireworks with the Town contributing 50% of the cost. He expressed frustration that the Town was now changing the rules without justification since not more than one or two complaints were known to the organizers and those involved the closing of sidewalks and entry fees. Mr. Coffee added that he had been informed there were more complaints and wondered what were the differences between the 4<sup>th</sup> of July event and the Oktoberfest or St. Patrick's Day events noting he and other family members felt it was very family friendly. He asked if this event lost revenue because of the lack of entry fees or revenue from food and drinks would the Town cover the expenses and he was told the Town would not. Mr. Coffee pointed out that in past years approximately \$100,000 of revenue from these events provided help to charities, Veterans and other various service organizations in Town. Mr. Coffee expressed his concerns over a scheduled meeting next week when the Mayor had reported to the local newspaper that the event was already planned.

Mayor Kavanagh stated that she had not gone to the paper and explained that she was told Mr. Coffee contracted them and in turn the paper had called her for any comments on the issue. Mayor Kavanagh also suggested that anyone wishing to follow-up could contact the "Times" newspaper for verification.

Rick Melendez, a Fountain Hills resident, former Councilmember, and Honory Consul from El Salvador, wished to thank Supervisor Chucuri for attending the Council meeting and presenting the Proclamation on behalf of the Sister Cities. He also thanked Mayor Kavanagh, Grady Miller, Mark Mayer and Raymond Rees for their assistance in the dedication and placement of a beautiful painting of the Grand Canyon placed in the Community Center on behalf of a great individual Carlos Hadaway. Mr. Melendez also thanked the Mayor and Mr. Miller and Councilmember Brown for acquiring and placement of two Sister Cities' signs in the community. Mr. Melendez pointed out a recent article published in the "Times" and wanted to express his support for the Town's employees who helped make Fountain Hills and encouraged Council to hire more staff and give staff a healthy raise.

Councilmember Brown explained he had offered his assistance in the placement of the signs, but the Town's Superintendent of Streets Justin Weldy and his crew had installed the signs before he had the chance.

Mayor Kavanagh repeated a message spoken to her by Supervisor Chucuri (in the audience) offering to help the Town with their wash issues relating to the javelinas. Mayor Kavanagh told him she was very grateful for his offer and thanked him.

### **CONSENT AGENDA**

Mayor Kavanagh announced that consent agenda item #2 had been pulled from the agenda at staff's request and that Council would only vote on items 1, 3, 4, and 5.

### **AGENDA ITEM #1 - CONSIDERATION OF APPROVING MEETING MINUTES FROM APRIL 12, 19, AND 21, 2016.**

### **AGENDA ITEM #2 - CONSIDERATION OF APPROVING A SPECIAL EVENT LIQUOR LICENSE APPLICATION BY FOUNTAIN EVENTS, INC. (SAMUEL COFFEE) IN CONJUNCTION WITH THE FOURTH AT THE FOUNTAIN EVENT TO BE HELD AT FOUNTAIN PARK ON MONDAY, JULY 4, 2016,**

**FROM 4:30 P.M. TO 11:00 P.M. WITH A POSSIBLE RAIN DATE OF TUESDAY, JULY 5, 2016 FROM 4:30 P.M. TO 11:00 P.M. – THIS ITEM WAS PULLED FROM THE AGENDA BY STAFF**

**AGENDA ITEM #3 - CONSIDERATION OF APPROVING A SPECIAL EVENT LIQUOR LICENSE APPLICATION FOR THE AMERICAN LEGION POST 58 (HAROLD DENOMME) FOR THE PROMOTION OF A FUNDRAISER TO BE HELD AT THE AMERICAN LEGION POST LOCATED AT 16837 PARKVIEW DRIVE, FOUNTAIN HILLS, AZ FROM 10:00 A.M. TO 10:00 P.M. ON SATURDAY, MAY 21, 2016.**

**AGENDA ITEM #4 – CONSIDERATION OF APPROVING THE HOME DELIVERED MEALS CONTRACT WITH FOUNTAIN VIEW VILLAGE FOR FISCAL YEARS 2016 THROUGH 2018**

**AGENDA ITEM #5 – CONSIDERATION OF APPROVING THE FOLLOWING BUDGET TRANSFERS: (1) \$920.00 FROM TOWN MANAGER CONTINGENCY TO DEVELOPMENT SERVICES FOR THE COST OF PLAN REVIEW, INSPECTION AND BUILDING OFFICIAL SERVICES RELATED TO THE MORNINGSTAR OF FOUNTAIN HILLS ASSISTED LIVING FACILITY PROJECT; (2) \$4,600 FROM THE TOWN MANAGER CONTINGENCY TO COMMUNITY SERVICES FOR EMERGENCY REPAIRS RELATED TO THE PLAYGROUNDS IN FOUNTAIN PARK; AND (3) \$88,272 FROM TOWN MANAGER CONTINGENCY TO COMMUNITY SERVICES FOR IMPROVEMENTS TO THE DOG PARK.**

Councilmember Magazine **MOVED** to approve the Consent Agenda items 1, 3, 4 and 5 as listed and Councilmember Yates **SECONDED** the motion.

A roll call vote was taken with the following results:

Councilmember Nick DePorter	Aye
Councilmember Alan Magazine	Aye
Vice Mayor Henry Leger	Aye
Councilmember Cassie Hansen	Aye
Councilmember Cecil Yates	Aye
Mayor Linda Kavanagh	Aye

The motion **CARRIED UNANIMOUSLY** (7-0).

### **REGULAR AGENDA**

**AGENDA ITEM #6 - CONSIDERATION OF PROFESSIONAL SERVICES AGREEMENT C2016-250 WITH HUNT & CARAWAY ARCHITECTS, LTD FOR THE FIRE STATION NO. 2 ARCHITECTURAL SERVICES IN THE AMOUNT OF \$315,197.20 APRIL 21, 2016 – This item was moved to the Mary 5, 2016 from the April 21, 2016 Council meeting.**

Grady Miller explained that this item was requested to be continued by Councilmember Dennis Brown because he had additional questions regarding the proposed contract for professional services. Mr. Miller pointed out that his request was not due specifically to Hunt & Caraway Architects but he had questioned the process. Staff met with Councilmember Brown and discussed the State’s procurement process and how the contract was awarded, which was State mandated and would help eliminate a protest. Mr. Miller stated he felt where money could be saved would be in the construction cost and recommended approval of this agreement so to continue the process and not incur additional scheduling cost.

Town Clerk Bender stated there were no speaker cards received on this agenda item.

Councilmember Brown **MOVED** to approve the Professional Services Agreement C2016-250 with Hunt & Caraway Architects, LTD for Fire Station No. 2 architectural services in the amount of \$315,197.20. Councilmember Yates **SECONDED** the motion. The motion **CARRIED UNANIMOUSLY** (7-0).

**AGENDA ITEM #7 – CONSIDERATION OF RESOLUTION 2016-06, SETTING FORTH THE TENTATIVE BUDGET AND ESTABLISH THE MAXIMUM BUDGET AMOUNT FOR THE TOWN OF FOUNTAIN**

**HILLS FOR FISCAL YEAR 2016-2017. THE COUNCIL MAY ADDRESS ANY OR ALL ITEMS CONTAINED IN THE BUDGET DOCUMENT AND INITIATE ANY CHANGES PRIOR TO THE ADOPTION.**

Town Manager Miller stated that this tentative budget was for the fiscal year 2016-17 and was balanced and compliant with the State of Arizona requirements. He noted that since the Town Council's Special Session held on April 19, 2016, there had been minor changes made to the budget. Mr. Miller explained that the Town State Shared Revenues came in with an unexpected additional \$490,000 that had since been allocated into the Contingency Fund and it appeared nothing would change with the revenue allocation. He added that on April 19, 2016, the Council had recommended a salary increase for upwards to 3.5% and noted the 3.5% was programmed into the budget. He explained that the additional percentages were decided mostly due to acknowledging the exceptional employees working for the Town and easy to do from the Contingency Fund. Mr. Miller explained that this action had required an additional \$30,000 increase for a total cost of \$105,000.

Mr. Miller stated that the budget process involved all departments through a different process from the past involving using the FY2015/16 base budgets for FY2016-17 and any new programs or requests were submitted as supplemental and requests were evaluated with specific guidelines. Mr. Miller stated that he approved supplements totaling \$500,000 out of \$1.5M supplemental requests received. He added this new process helped the Finance Department in their preparation of the budget.

Mr. Miller explained that reorganization was proposed for next year would bring back the Public Works Department with Paul Mood as its Director who would focus on facilities replacements, streets, major bond issues and pavement management, which were the Council's top priorities. He explained another change would be the Finance Program Codes for different services by making the codes simpler than before. Mr. Miller also explained that he created a General Government Cost Center for placement of town-wide expenditures such as community contracts, town-wide memberships, and dues, which eliminates those expenditures under the Town Manager's budget.

No questions were asked by the Town Council.

Craig Rudolphy, Finance Director presented a PowerPoint presentation (available on line or in the office of the Town Clerk) and gave a brief overview of the proposed budget, which was presented to the Town Council during their Special Session held April 19<sup>th</sup>. Mr. Rudolphy pointed out that for the fiscal year 2016-17 the total proposed budget was \$40,484,193, including transfers. He explained that transfers were funds moved from one place to another place and could not be counted twice like previously done in the past and he added that after this year the Audit General had request on their report that numbers be reported without transfers and would alternately cause the total to be lower in next year's reporting.

Mr. Rudolphy explained that budget assumptions were revenue projections determined by using trend analysis and the building permits activity listed included Adero Canyon, Firerock and Summit at Crestview with a cost of living adjustment of 3.5%. He added there was no inflation factored was added in FY17, 2.5% added in FY18 and 3.5% for FY19, FY20 and FY21. He stated that the Town must adhere to the State imposed "Expenditure Limitation Law" that may limit the Town's ability to budget proposed capital projects, but had not been much of a factor this year. Mr. Rudolphy added that the Public Safety contracts increased 3% to 10% through FY21 and explained staff had anticipated a 10% increase for MCSO but only a 7% increase was requested along with the Rural Metro contract increase of 3%.

Mr. Rudolphy explained it was still unclear to the amount of construction sales tax revenue the Town would receive since the Governor was under the opinion that the current construction cost sales tax should be eliminated and changed to a "Point of Sale" tax, which would have a significant impact to the Town's revenue. He continued that the former state land had reverted back to the State Land Department, so no projections had been included for any development in this area.

He pointed out that new staff had been included in the proposed budget at 1.63, which included a new Public Works Director and a part-time Accounting Clerk. Cost for elections was built in and debit payment subsidies that the General Fund had to contribute to retire bonds were included. Major capital projects were Fire Station No. 2 and Adero Canyon and noted all capital projects totaled \$9,312,200. Mr. Rudolphy stated that the total outstanding bonds

at the end of the next fiscal year 2017 totaled \$10,740,000 and the Eagle Mountain secondary property tax levy would be paid off in 2021 along with the Community Center bonds due July 2020. He continued that the GO bonds were also due 2019 and 2020 and pointed out that the General Fund projection line was below what revenues were needed for the five year period.

Mr. Rudolphy listed the operational priorities as follows:

- Stabilize Town finances
- Pavement Management Program
- Continue to implement the Town's Economic Development Plan
- Develop methods to improve the water quality of Fountain Lake
- Plan and build Fire Station No. 2
- Create Facilities Reserve Fund
- Work with the State Land Department on future development of State Lands
- Conduct traffic studies to focus on pedestrian and vehicular safety at key locations

Mr. Rudolphy noted that the Strategic Plan goals were also addressed in the budget and added that in FY2016-17 the Town was using approximately \$10M from reserves

He stated the General Fund Operating budget changes were as follows:

• Supplemental budget requests	\$ 551,424
• Contingency increases	316,345
• Rural Metro increase	206,921
• MCSO increase	246,141
• Other changes	<u>130,784</u>
Total changes from FY15-16 to FY16-17	\$1,451,615

Mr. Rudolphy pointed out that the fund balance at the end of fiscal year 2017 would be \$12,419,420 and remarked this was not a lot of money for a town.

Mr. Rudolphy noted there were 43 full-time and 23 part-time employees with a proposed 3.5% increase recommended at the cost of \$105,440 for a total of 53.95 FTE's.

He explained that tonight the Council would adopt the tentative budget with final budget approval requested on June 2, 2016 and later the tax levy approval.

Bevelyn Bender, Town Clerk stated there were no speaker cards received on this agenda item.

Mayor Kavanagh asked for questions or remarks from the Council.

Councilmember Yates requested more information on the use of the Town's reserves in the amount of \$10M. Mr. Rudolphy answered that in prior years the construction sales taxes were significant and those funds were devoted to both the General Fund and Capital Improvement Fund resulting in a reserve of \$10M to \$15M. He continued that construction fees over the last couple of years had been used and two \$1M transfers were being made out to the General Fund Reserves, which were an accumulation of excess revenues over anticipated expenditures with one transfer of \$1M going to the Facilities Replacement Reserve and one \$1M to the Capital Improvement Fund. Mr. Rudolphy explained that the Town's financial policy stated that any excess revenues would go back to the Capital Improvement Fund and in mid 2000 that policy was working and funds were distributed to the General Reserves and Capital Improvement, but when the Town hit rough times in 2008-09 no transfers were made. In 2010-11 the Town had incurred a \$1M shortage in the General Fund resulting in all revenue surpluses remaining in the General Fund instead of being transferred to the Capital Improvement Fund.

Councilmember Magazine asked about MCSO's increase of 7% and how much was due to their pension catch-up. Mr. Rudolphy answered that he did not know because MCSO did not break down those figures separately.

Councilmember Magazine asked how MCSO determined their increases. Mr. Rudolphy answered that MCSO was a cost reimbursement contract and any costs were passed on to the Town and he stated MCSO only showed amounts by category and not by percentage of increases. Mr. Miller added that the MCSO contract was one year behind and based on last year dictated the increase for the following year and stated he was told since their pension fund was under funded, that was a driver in MCSO's budget and even though they are a cost base contract the Town was paying only a proportional part of the cost. Councilmember Magazine asked shouldn't the Town know more about how MCSO calculated their increases so as to have a better understating on how they got to that percentage. Mr. Miller stated this was how the Town had always handle this contract and expressed that the Town did not pay for a lot of the services received such as Administrative costs, insurance and the liability that would cost the Town a lot of money. Mr. Miller agreed it would be nice to know more detail; however, MCSO charges the Town a proportional accumulative amount for costs incurred from the prior year.

Councilmember Magazine understood that the cost seem to be fair, but he had received questions on how MCSO's contract was justified and stated he would like the Council to think of questions to ask MCSO next year so they could explain to constituents how they calculated their contract amount. Mr. Miller mentioned that the Town could request a scale down of MCSO services to save money, if the Council requested. Councilmember Magazine did not necessary want to do that but he felt a better understanding would be helpful. Mayor Kavanagh noted that in previously years and before the underfunding of MCSO's pension fund their contract increases totaled about 3%. Mr. Rudolphy indicated that the increase last year had been 10%.

Councilmember Magazine stated that constituents have asked him since the Town was facing a \$6M cumulative short fall by 2021, how could the Town come up with a \$1M Facility Reserve Fund and by using the excess funds from the General Fund make the initial funding. Councilmember Magazine asked if the Town did not place \$1M in the Facilities Fund couldn't those fund be used for other needs. Mr. Rudolphy explained that the funds were not listed as expenditure by moving the money from the General Reserve to Facilities Reserve and because the facilities budget was proposed at \$300,000 in expenditures, \$700,000 would be available for other purposes.

Mr. Miller stated that staff had committed to Council to bring back a policy on the Facilities Fund and how the Town would further fund. He mentioned that the consultant in his presentation to Council recently recommended 100% funding of this reserve. Mr. Miller recommended that a goal of 50% to 70% funding as a starting point with the ultimately goal of reaching 100%, if possible; if the \$400,000 debit for the Community Center were to be retired early, that would free up those ongoing funds that could then be used for the replacement fund.

Councilmember Yates questioned the possibility of hiring a Requisition Officer on staff since Town staffing was short and asked how the Town could determine the savings. Mr. Miller maintained that an additional staff member would allow current staff to focus on their job instead of focusing on procurement matters and possibly take some of the load off the Town Attorney and stated he supported this idea. Mr. Miller added that staff took advantage of cooperative contracts and was doing a good job on their purchasing. Mr. Miller suggested that Council evaluate and proceed next fiscal year with this idea during the budget process.

Mayor Kavanagh asked if there were any further questions and there were none.

Councilmember Brown **MOVED** to approve Resolution 2016-06. Councilmember Yates **SECONDED** the motion. The motion **CARRIED UNANIMOUSLY** (7-0).

**AGENDA ITEM #8 – DISCUSSION WITH POSSIBLE DIRECTION TO STAFF REGARDING THE POSSIBLE SUBMISSION OF PROPOSED POLICY IDEAS TO THE ARIZONA LEAGUE OF CITIES AND TOWNS FOR CONSIDERATION BY THE RESOLUTIONS COMMITTEE AT THE LEAGUE'S ANNUAL CONFERENCE.**

Mr. Miller stated that staff had received a request from the League recently asking its member agencies submit policy issues for consideration by the League's Policy Committee. Mr. Miller was asking for Council to identify policy items tonight or by the next meeting to submit for next year. Mayor Kavanagh stated that items submitted by other cities and towns could also be items to support. Mr. Miller explained that the Policy Committee would consider issues submitted and rate their merit and would then consider those items as part of the next Legislative Session. Mayor Kavanagh explained that something new this year was that the Executive Committee, which was divided up to serve on sub-

committees and noted she serves on the “Public Safety Military Veterans” sub-committee, which reviewed items pertaining to this specific issue. She added that the sub-committee would then contact cities and towns to see how much support there would be before submitting to the entire Executive Committee for their review.

No Action Taken.

**AGENDA ITEM #9 – DISCUSSION WITH POSSIBLE DIRECTION TO STAFF RELATING TO ANY ITEM INCLUDED IN THE LEAGUE OF ARIZONA CITIES AND TOWNS WEEKLY LEGISLATIVE BULLETIN OR RELATING TO ANY ACTION PROPOSED OR PENDING BEFORE THE STATE LEGISLATURE.**

- (i) None.

**AGENDA ITEM #10 - COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER**

Councilmember Magazine requested a presentation on performance appraisals and would like an update on changes to the 4<sup>th</sup> of July event. Mr. Miller acknowledged his requests and added regarding the 4<sup>th</sup> of July event no decisions had been made internally and after next Wednesday’s meeting with the Fountain Hills Events Group, Inc. Staff would report to Council.

Councilmember Brown requested staff look at the limits that are set on the direct bid process and determine if the limits were set or needed adjustment. Mr. Miller agreed to follow-up on his request.

**AGENDA ITEM #11 - SUMMARY OF COUNCIL REQUESTS AND REPORT ON RECENT ACTIVITIES BY THE MAYOR, INDIVIDUAL COUNCILMEMBERS, AND THE TOWN MANAGER.**

Councilmember Yates stated that two weeks ago he welcomed the American Cancer Society “Relay for Life” to Fountain Park and mentioned the chairman of the event Jane Hahn who did an incredible job. Councilmember Yates stated that last year \$30,000 was raised during the event and this year the event raised \$40,000. He added that this event had a great economic impact on the Town, which lasted all-day and into the night. Mayor Kavanagh thanked Councilmember Yates for representing the Town for the second year in a row.

Mayor Kavanagh congratulated Scott Soldat-Valenzuela, CEO of the Chamber of Commerce, and his staff on the very successful Chamber Gala Hawaiian Style. She stated that the Town’s Noon Rotary held a fundraiser and information event at Fountain Park last Saturday to raise money for the Rotary Community Musical Park. She explained that this park area was filled with large musical instruments for everyone to play on and stated this was a wonderful addition to Fountain Park. Mayor Kavanagh added that anyone wanting to donate towards the Musical Park could contact the Noon Rotary for details. She also wanted to extend thanks to Merita Kraya owner of Euro Pizza Cafe for donating part of the proceeds for that day to the Musical Instrument Park. Mayor Kavanagh mentioned the dedication of the beautiful oil painting of the Grand Canyon donated by Carlos Hadaway, which was now hanging in the Community Center and expressed her appreciation to Mr. Hadaway for this wonderful painting and for his many years of dedicated service to the Town.

Mayor Kavanagh reported that the “Fearless Kitty Rescue” was the winner of the Republic Services \$10,000 grant last year and was also the winner of the “Chamber Mayor’s Award” with a ribbon cutting at Kittyville. She added that this organization performs an incredible service for our community and she wanted to congratulate them on all their accomplishments and expressed that there were a lot of kittens up for adoption.

**AGENDA ITEM #12 - ADJOURNMENT**

Councilmember Yates **MOVED** to adjourn the meeting and Councilmember DePorter **SECONDED** the motion, which **CARRIED UNANIMOUSLY** (7-0). The Regular Session adjourned at 7:41 p.m.

**TOWN OF FOUNTAIN HILLS**

By \_\_\_\_\_  
Linda M. Kavanagh, Mayor

ATTEST AND  
PREPARED BY:

\_\_\_\_\_  
Bevelyn J. Bender, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Executive Session, held in the Fountain Conference Room – 2<sup>nd</sup> Floor and Regular Session held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 5<sup>th</sup> day of May, 2016. I further certify that the meeting was duly called and that a quorum was present.

DATED this 19<sup>th</sup> day of May, 2016.

\_\_\_\_\_  
Bevelyn J. Bender, Town Clerk