

**TOWN OF FOUNTAIN HILLS
MINUTES OF THE OF THE TOWN COUNCIL RETREAT
FOUNTAIN HILLS TOWN COUNCIL
FEBRUARY 8, 2018**

* **CALL TO ORDER AND ROLL CALL**

Mayor Linda M. Kavanagh called the meeting to order at 8:08 a.m.

- * **ROLL CALL** - Present for roll call were the following members of the Town Council: Mayor Linda Kavanagh, Vice Mayor Dennis Brown, Councilmember Henry Leger, Councilmember Art Tolis, Councilmember Cecil Yates, and Councilmember Alan Magazine. Town Manager Grady E. Miller, Interim Town Attorney Fredda Bisman, and Acting Town Clerk Nancy Walter were also present.

Councilmember Nick DePorter attended via conference call.

Staff members present were Finance Director Craig Rudolph, Administrative Services Director David Trimble, Economic Development Director Scott Cooper, Community Services Director Rachael Goodwin, Public Works Director Justin Weldy, Development Services Director Bob Rodgers, Fire Chief Dave Ott, Court Administrator Victoria Reuss, and Maricopa County Sheriff (MCSO) Captain Hank Brandimarte.

RETREAT AGENDA ITEMS

THE TOWN MANAGER WILL PROVIDE AN OVERVIEW OF THE COUNCIL RETREAT

Town Manager Miller gave opening remarks and stated the Strategic Plan was adopted by Council in 2017 and explained the Strategic Planning Advisory Commission (SPAC) presented the draft plan and staff created a work plan rather than a traditional plan to allow for a more operational document. Mr. Miller added that some items listed in the plan were completed and other items are based on budget resources along with supplements in this year's budget and are Strategic Plan orientated. Mr. Miller explained the Strategic Plan is reviewed monthly during the management meetings. Mr. Miller added another source of tracking progress was through the one-on-one meetings with each Department Director and also through their annual performance evaluations.

Mr. Miller explained that those department heads involved in the plan would present their responsibilities and actions taken in the agenda's listed goals (available on line and in the office of the Town Clerk). Mr. Miller began with Goal #1 and introduced Economic Development Director Scott Copper who gave an update on his Economic Plan.

REVIEW OF THE 2017 FOUNTAIN HILLS STRATEGIC PLAN

Goal #1 – Maximize Economic Development Opportunities in Fountain Hills

Objective #1, Create or Utilize Tools to Help Market Fountain Hills for Economic Development Opportunities.

Mr. Cooper explained the following tasks and his plans to address each task.

Tasks

- *Develop a community brand/vision/marketing plan for Fountain Hills*

Mr. Cooper plans to update the previously Council approved Economic Development Plan, dated 2013, and include a marketing plan with a projected completion date of June 2019.

Councilmember Yates asked what resources would be involved to update the plan. Mr. Cooper replied that most of the update could be accomplished with current staff, without additional cost. Councilmember Yates suggested that a marketing director with the skill-set needed to market a plan could be utilized. Mr. Cooper agreed to consider this option in the future allowing crossing of the Town departments and incorporating the Strategic Plan. Mr. Miller commented that a Communications Director position is a high priority in next year's budget and would be a cross-departmental position

- Develop a new business resource package

Mr. Cooper pointed out that the Town has a digital postcard, community brochure, a new retail specific brochure, and a specific Downtown Fountain Hills marketing brochure. There are also two one-page fliers; one directly targeted at current and new businesses and one residential brochure for new residents.

- Increase funding for business accelerator programs

Mr. Cooper noted the projected completion date for this task is July 2018 and he has requested supplemental funding for the business accelerator and incubator team at “Jump Start Biz” for a total of \$20K. Mr. Cooper explained that staff will be working with “Jump Start Biz” with a new outreach and marketing program to better focus on specific areas as well as a partnership with the “East Valley Institute of Technology” (EVIT) to support all businesses.

- Explore higher education opportunities in Fountain Hills

Mr. Cooper gave a completion date of December 2019 for this new concept with the Town collaborating with EVIT, using space in their facility to offer educational opportunities, and offer specific educational certifications such as medical, music, and design along with other options being investigated.

Councilmember Yates would like to use EVIT for those wishing to receive certification in such areas as welding and the culinary craft. Mr. Cooper agreed EVIT would be a great resource for these studies and for manufacturing.

Mayor Kavanagh wondered if the Greater Phoenix Economic Council (GPEC) or Maricopa Association of Governments (MAG) could provide helpful resources. Mr. Cooper responded that GPEC is a great resource for marketing and instrumental in the creation of the downtown marketing brochure.

Councilmember Magazine inquired about the funding and if Council would have an opportunity to review Mr. Cooper’s request. Mr. Miller replied that he reviews all supplemental requests and he forwards his recommendations, especially those that are included in the Strategic Plan, to Council

Councilmember Tolis said that Economic Development should be focusing on increasing the Town’s revenue and what was best for the community instead of focusing on trades and smaller start-up operations. Councilmember Tolis believes the Tourism Department does a good job promoting and marketing Fountain Hills through social media and the plan should not be changed. He questioned Council’s approval of \$100K for a sign conceptual plan; the money could have been used to hire an additional marketing staff member. Councilmember Tolis stated that retail needed to be supported by filling vacant business spaces in Town specifically the Town-owned land on Shea Boulevard to bring vitality to the community.

Mr. Miller remarked he understood Councilmember Tolis’ comments and pointed out staff is following the Strategic Plan that came from SPAC and adopted by Council. Mr. Miller noted that it is the Economic Development Plan that is being updated and not the Strategic Tourism Plan.

Mayor Kavanagh believes the Town had improved its reputation within the business community with positive changes in the permit and building processes. Mr. Cooper is working with Retail Strategies to bring new businesses to Fountain Hills.

Councilmember Leger asked Mr. Cooper for an update on the consultant hired to research Fountain Hills and its needs. Mr. Cooper replied the consultant would give a presentation to Council on March 6, 2018 explaining their findings. Councilmember Leger expressed his interest in the consultant’s analysis on Fountain Hills’ challenges, including an identity for Fountain Hills, its capacity, and list of recommendations to address those challenges.

Objective #2, Increase Population and Residential Densities to Sustain Existing and Future Commercial Businesses in Town

Bob Rodgers, Development Services Director, discussed the tasks associated with this objective.

- Rezone undeveloped commercial property to residential where feasible

Mr. Rodgers discussed the on-going issue related to rezoning, increase property density, sustain existing and future commercial businesses, and rezone undeveloped commercial properties to residential, where feasible. He noted Prop

207 and how the Town could not affect property owners' rights without their consent. Mr. Rodgers added he was not confident most owners wanted to rezone due to owners believing their property was worth more as commercial.

Councilmember Magazine suggested if commercial property owners were shown what their property could be worth if rezoned to residential and possibly making the property more in demand for such things as apartments. Mr. Rodgers is not confident that method would work due to the current zoning and need for a Special Use Permit necessary in some cases and consideration was made to upgrade zoning and offer light manufacturing, which Fountain Hills strongly needs so people could work and live in the area. Councilmember Magazine clarified his suggestion was to fill empty commercial lots and build apartments

Councilmember Tolis said that rental tax on apartments was one of the largest revenue sources for Fountain Hills and suggested properties similar to the Fry's Plaza could be rezoned to build luxury condos on their vacant property.

Councilmember Yates noted it is time to be proactive with a comprehensive zoning reform.

Mr. Miller mentioned that staff is starting the General Plan Amendment process and suggested a rezoning aspect that would be a critical component that showed different land uses for commercial properties for easier zoning approval. Mr. Rodgers added a consideration would be to create a hybrid district dependent on circumstances and locations. Mr. Miler suggested staff work with a consultant.

Councilmember Yates stated that current manufacturers are a clean-operation and, in many cases, build parts for other manufacturers. He suggested that Shea Boulevard and Beeline would be ideal areas due to high traffic counts.

Councilmember Leger said the root-cause needs to be looked at regarding commercial vacancies before rezoning. The Target Center and Fry's Center are 60%-70% vacant even with high traffic; most of the traffic along Shea is pass-through traffic

Councilmember Yates mentioned that the Town lost a business that was looking at the vacant Walgreen's building on Shea Boulevard. Walgreen's was not interested in selling because of the way retail is changing, e.g., the "Amazon Go" concept with a distribution and retail center combined. Councilmember Yates agreed that the revised zoning concept is needed, as is Town branding.

Mr. Miller reiterated that Councilmembers would hear from the "Retail Strategy Group" on commercial property and would give some insight on this issue during a workshop scheduled for March 6, 2018, giving Councilmembers an opportunity to ask their questions and then decide whether to hold a Special Council Session on the subject. Councilmember Magazine suggested inviting additional experts in this area so Council could hear different perspectives and Mr. Miller agreed. Mr. Cooper maintained the "Retail Strategy Group" specializes in these concepts and are involved throughout the country and would present concepts for the Town's needed retail space.

Councilmember Yates mentioned how he previously proposed a movie theater for the Fry's complex with C-1 zoning, but the CC&Rs did not allow for a movie theater.

Councilmember Tolis expressed there is a lack of people shopping in Fountain Hills and a need for additional apartments or condos with increased density that would better serve the community. Councilmember Tolis also noted if the Primary Property Tax passes, Council would consider dropping the sales tax, helping the Town to be more competitive.

Councilmember Leger expressed this is the perfect time for businesses to come and work with staff due to the atmosphere of cooperation. Councilmember Leger asked about a comment from Bart Shea at the previous Council meeting when he indicated cutting back on density. Councilmember Yates replied that Mr. Shea's finance model was could be a reason for this action.

Councilmember Magazine requested a written plan of implementation of what to expect in year one, year two, etc.

Councilmember DePorter left the meeting at 8:58 a.m.

Mayor Kavanagh complimented everyone for their hard work to move the Town in the right direction and presenting new ideas to create a plan for Fountain Hills to move forward.

- *Adopt a text amendment that allows residential uses on commercially zoned properties*

Mr. Rodgers explained this task had been completed allowing downtown residential uses to be permitted by right for second floors and above and requiring a Special Use Permit on the upper floors. He said other districts in Town allow residential use above with an approved Council Special Use Permit (SUP).

- *Rezone unplatted land for greater density and affordable family homes*

Mr. Rodgers noted this task is ongoing and pointed out that the only unplatted land available in Fountain Hills is the State Trust Land. Zoning is based Ellman's preliminary plan with a mixture of R1-6 through R1-43, and Council, at that time, assured surrounding residents there would be no multi-family units built. Mr. Rodgers said this current Council would be open to multi-family but no new proposals had been received at this time. Mayor Kavanagh stated Councilmember Yates is working on the State Trust Land property and consulted with planning attorneys for advice on possible options. Mr. Rodgers stressed that if the Town is looking to increase the Town population, Council should look at multi-family units. He said under the current zoning and build out, the population would increase only by 10,000.

Objective #3 – Market/Promote Tourism to Generate Hotel Stays and Higher Dollar Expenditures During Visits to Fountain Hills

Tasks

- *Create and expand destination events*

Community Services Director Rachael Goodwin stated that new events are being brought in to Fountain Hills, including a new car show, new running events, and a new disc golf event. Staff has been working on a St. Pat's Day event and expansion of the 4th of July event. She expressed there is no shortage of events, just a shortage of weekends. Staff is also working to build and enhance existing events, such as the Farmers Market. Itineraries to be handed out to visitors during events encourages them to do self-guided activities, such as dining and art tours

Mayor Kavanagh would like to see an improvement in the town's bike lanes including completing those lanes that stop suddenly or send bikers into busy traffic. Mayor Kavanagh would like to highlight biking trails and mountain trails around Town. Mr. Miller mentioned that he spoke with the Town Engineer regarding the possibility of creating walking and bicycling paths in the Town's washes.

Councilmember Tolis requested staff research no-cost to the Town bicycle rental companies like Scottsdale has and place them in strategic locations in town. Mr. Miller said staff would check-out the possibilities but agreed with Mayor Kavanagh that the Town is in need to complete and add more bike paths.

Goal #2 – Ensure that Infrastructure in Fountain Hills is Well-Maintained and Safe

Objective #1 – Invest in and Maintain the Community's Infrastructure

Tasks

- *Develop and implement an investment plan to bring streets, buildings, and parks up to established standards*

Mr. Miller reminded Council that last fall they approved a pavement analysis that would give Council an idea of the investment required and help them to establish priorities. Mr. Miller explained the Town has a Facilities Reserve Plan that identifies buildings and facilities the Town needs to invest in. Councilmember Leger said the Town already has a Master Plan, built on seminars and community input, for Fountain Park and Ms. Goodwin replied the current plan needs to be updated because it has been deviated from. Mr. Miller added that there are proposed additional restrooms and improvements along Plaza Fountainside to be considered. He suggested updating the Fountain Park Master Plan to address residents' requests for additional items placed in the park.

- *Commission a study to identify gap between actual and subdivision ordinance specifications and determine cost of meeting ordinance specifications*

Justin Weldy, Public Works Director, reported that he and Bob Rodgers met with SPAC Chair Dana Saar who wanted to determine if there was a discrepancy in the Town's adopted ordinances related to sidewalks. Mr. Weldy mentioned that when someone purchased and attempted to build on their land it may be a requirement for the owner to build a sidewalk or deposit funds with the Town for that lot's portion for installation of sidewalks. Mr. Weldy explained that Town Management had previously decided the financial impact on an owner would be waived due to the cost and hardship and encouraged this issue be looked at for the future. Mr. Weldy stated he would be requesting additional funds in the budget to address infill sidewalk due to the current low cost of construction.

Objective #2 – Promote Environmentally Friendly Initiatives

Tasks

- *Develop and adopt a comprehensive environmental plan for Fountain Hills*

Mr. Weldy explained that this falls under Raymond Rees' responsibility. The Town is in compliance with the County's and State's environmental requirements. Mr. Weldy pointed out the household waste collection event to be held in the near future and explained how Town staff recycles used tires and vehicle oil.

Mr. Miller added that SPAC requested the Environmental Plan be placed on the Town's website so residents could see that the Town is actively involved in recycling. Mr. Weldy stated the plan would be created in-house and if there are issues staff would ask for guidance Mayor Kavanagh praised Mr. Weldy for his effort to recycle as much as possible and noted how he organized storage units and categorized materials in the Street Department location. Mr. Weldy explained that scrape metals have also been recycled for a small amount of money.

- *Research and report on economic and logistic feasibility of electric car charging stations*

Mr. Weldy stated that he discussed this item with Mr. Miller and decided the area best suited for the charging stations would be the area located at Town Hall in the shared parking lot with the Community Center. The cost varies for two charging stations between \$3K and \$4K and up to \$7K depending on the model selected and necessary voltage determined. Mr. Weldy believes the cost for a separate service would be approximately \$10K, with an unknown cost of the electricity. Mr. Miller noted that the user would pay for the electricity.

Mayor Kavanagh suggested finding out what companies would sponsor the charging stations costs in return for advertising their companies. Mr. Weldy assured Council that staff would look into this possibility.

Councilmember Tolis wants to focus on items that would create revenue and suggested leaving the charging stations to businesses to encourage customers to shop at their locations.

Mayor Kavanagh wants staff to research a no-cost option to obtain the charging stations since it was the Town's responsibility to service the residents and come into the era of electric cars. Councilmember Yates agreed that infrastructure is an item companies stress is a requirement to move their facilities into a community and should be considered.

Councilmember Magazine added the Town serves the community and not everything would generate funding for the Town.

Mr. Miller pointed out the charging stations were part of the Council's approved Strategic Plan and should be researched by staff and presented to Council for their consideration.

Councilmember Leger agreed with Councilmember Magazine and noted the Town is not a business but here to provide services for the community.

Goal #3 – Attract Families and Working Professionals to Fountain Hills

Objective #1 – Utilize Land Use Planning to Attract Families to Fountain Hills

Tasks

- *Work with State Land Trust to increase residential density*

Mayor Kavanagh stated that she, Vice Mayor Brown, and Councilmember Yates started negotiations with the Land Commissioner and her staff when Ellman defaulted on the property. They determined the Land Commission's plan for the property was not in sync for what is good for Fountain Hills. Mayor Kavanagh explained that due to the complexity of the project, she turned the project over to Councilmember Yates to follow up on.

Councilmember Yates explained that six months before Ellman was to make a balloon payment, he met with them and was told the cost basis was just too high for them to continue with the project. He and Vice Mayor Brown met with several developers and also the State Trust Land Commission, who wanted to piece-meal the land. The developers don't want to take on the role of master planner. They all are proposing \$200-\$300K homes, which fits the demographic in Fountain Hills. Councilmember Yates said if the Town could take on the role of the master planner then it would work to have the developers piece-meal the land.

Mayor Kavanagh added that Councilmember Yates and Vice Mayor Brown know the neighborhood and understand the neighbors' concerns regarding the small streets that were a part of the Ellman plan. The development would be an extension of Fountain Hills.

Objective #2 – Market and Promote Fountain Hills as a Unique Place for Families and Working Professionals

Tasks

- *Collaborate with businesses in promoting Town's marketing plan*

Mr. Cooper addressed this task with a projected completion date of July 2019. He stated the plan is in progress through working with businesses, using flyers introducing residential areas and businesses in Fountain Hills, videos highlighting local businesses, collaborating with businesses on a marketing video, and incorporating an update in the Economic Development Marketing Plan.

- *Expand use of Social Media and on-line messaging*

Ms. Rodman-Guetter explained the use of social media in collaboration with Economic Development to reach a successful result. Ms. Rodman-Guetter also noted the contracts Council recently approved allowing the expansion of the on-line "Experience Fountain Hills" website. Ms. Goodwin explained that during the Waste Management Golf event recently, staff created a specific campaign targeting people attending the golf event directing them to visit Fountain Hills. Mayor Kavanagh said that the Fountain Hills hotels were at full capacity during this event.

- *Include family branding in marketing plan*

Ms. Rodman-Guetter explained she and Mr. Cooper include family branding in the marketing plan adding information on the town's schools and encouraging young families to move to Fountain Hills. Mr. Miller added that in the video it highlighted young family activities and everything available in Fountain Hills. Mayor Kavanagh mentioned she spoke to a young family moving from Scottsdale to Fountain Hills. They attend events that they see on the Town's website and enjoy the small community.

- *Organize a young professionals group or organization*

Mr. Cooper is meeting with a variety of young professionals in the Fountain Hills community to establish a pier group of 10 to 15. He would like the group to establish the direction they would like to take. Mr. Cooper said the first formal meeting is scheduled for March 2018, with possibly quarterly meetings after that, to establish the framework of the group. Mr. Miller suggested partnering with the Fountain Hills Chamber of Commerce to sponsor JCs, and Mr. Cooper said he would leave that decision to the group.

- *Organize specialty youth camps (robotics, coding, arts, etc.)*

Ms. Goodwin said the summer camp that began last year will expand this year. Programs are also being developed to host during spring break. Staff will utilize the Community Center and schools to host more activities and camps which will include coding, robotics, and stem-based programs.

- *Support youth club sports*

Ms. Goodwin reported that the Little League season is starting. She said upgrades, including spraying the fields green, have been made to the Golden Eagle Park fields and acknowledged all the help from park staff to bring the fields up to tournament level. Ms. Goodwin added that the fields are greatly utilized by many age levels and tournaments are now being held throughout the year. She pointed out the great working relationship the Town has with the Boys and Girls Club, Bare Bones, and the town's sports clubs.

Goal #4 – Ensure that Fountain Hills Finances are Stable and Sustainable

Objective #1 – Identify Sustainable Sources of Revenue to Sustain Funding of Town Core Services

Tasks

- *Adequately fund all identified reserve funds*

Finance Director Craig Rudolph stated there were several funds in the Town's Financial Policy such as the fully funded Rainy Day Fund, which is 10% of the General Fund Operating Expenditures, an average of the last five-years. It is adjusted annually after completion of the Town's audit. Mr. Rudolph added that the Town is working to fully fund the Facilities Replacement Fund. The Capital Reserve Fund Study recommended a \$960K annual contribution to this fund which will be maintained if the Primary Property Tax is passed. Mr. Rudolph noted the Capital Improvement Fund is not a reserve fund but by policy any excess revenues at year-end go into the Capital Improvement Fund.

Councilmember Yates asked if the use of the excess funds placed in the Capital Improvement Fund was unrestricted and Mr. Rudolph replied the use is not restricted but is subject to Council's approval.

Mr. Rudolph stated that, based on his calculations last year, the Vehicle Replacement Fund with the normal annual funding would be sufficient to maintain that fund over its life.

Mayor Kavanagh asked if staff had considered electric cars and Mr. Weldy replied not at this time. Mr. Miller elaborated on this issue and commented staff would wait for feedback on these cars. Mr. Miller said the Town's previous purchase of hybrid vehicles required a lot of maintenance. Mr. Miller added that Arizona's hot weather depletes the life of the batteries.

Mr. Weldy added that ordering a natural gas-use vehicle directly from the manufacturer would be at a very low cost, but Fountain Hills did not have natural gas in the area and the cost to bring natural gas would be extremely high.

- *Identify revenue options*

Mr. Miller noted Council had identified a Primary Property Tax as the preferred option for funding core services, with action by Council taken in November 2017 and moved forward at the Council Special Session in January 2018.

- *Increase revenues to meet community needs including addressing projected operating shortfall*

Mr. Miller stated if voters approve the Primary Property Tax in May, remittance to the Town from the Treasurer's office would be most likely in November 2018.

Goal #5 – Focus on Strengthening the Community and Improving Town's Quality of Life

Objective #1 – Partner with the Fountain Hills Unified School District to Promote FH Education System

Tasks

- *Include local school strengths in marketing plan*

Mr. Cooper explained the schools and their awards play a vital role in the Town's marketing materials.

- *Work with FHUSD to maximize its property values*

Mr. Miller mentioned that the Council and Fountain Hills School Board members held a joint session where Council offered to help the District get the assets off of their books and the School Board expressed they were not interested in selling the school district's property assets. Mr. Miller gave the Town's support if and when the School Board decides to take action.

- *Explore selling/leasing unused properties*

Councilmember Magazine asked if the Fountain Hills School Board would be interested in building a swimming pool on their property. Mr. Miller replied that if Council wants to have a discussion with the school board regarding partnering on the project, it would not take place until this summer since the Town is currently addressing larger issues.

Objective #2 – Utilize Intergovernmental Relations to Achieve Fountain Hills Priorities

Tasks

- *Increase community efforts to lobby for municipal issues*

Mr. Miller pointed out that Mayor Kavanagh has an inside track being on the Executive Committee of the League and also working with Senator Kavanagh on issues, which is tremendously helpful to the Town. Mr. Miller also pointed out the resolution introduced by Councilmember Magazine and adopted by Council, noting that staff is in the process of sending letters to all State municipalities to encourage their support of education.

Mr. Miller said staff will monitor the bills and send opposition letters as necessary and will request assistance from the Mayor even after she is out of office.

Objective #3 – Leverage the Talents of Residents to the Advantage of Fountain Hills

- *Utilize effective volunteer skills and talents*

Mr. Miller noted this is a very effective volunteer program directed by the Town's Volunteer Coordinator Heather Ware. Through the Volunteer Program the Town found and hired the Finance Director and an additional Building Permit Technician. Ms. Ware expressed this is a wonderful program with almost 900 talented volunteers who want to give back to the community.

Mr. Miller announced a break at 9:53 a.m. and returned to the meeting at 10:08 a.m.

Mr. Miller expressed that in the interest of time he would like to address "Direction from Council Regarding Legal Services" and then return to the agenda as listed.

DIRECTION FROM COUNCIL REGARDING LEGAL SERVICES

a. HISTORICAL COSTS FOR OUTSIDE LEGAL SERVICES

Mr. Miller introduced David Trimble, Administrative Services Director, who presented a PowerPoint presentation (available on line or in the office of the Town Clerk) outlining the research on the cost of in-house legal staff versus outside legal services. Mr. Miller requested Council give staff direction on proceeding after Mr. Trimble's presentation.

Mr. Trimble presented a slide giving historical background on the Town's use of attorneys during incorporation to the current interim Town Attorney. He also listed which specialized civil legal services are required functions necessary to serve the Town. Mr. Trimble mentioned comparable cities and towns employing in-house legal services have approximately three full-time employees. Mr. Trimble noted the comparative process he used for his presentation and salary data included his own online assessment.

Mayor Kavanagh asked how specialized attorneys bill for their services and Mr. Trimble replied usually hourly unless a flat-rate is agreed upon.

Councilmember Magazine expressed the salary range seems to be under-estimated and there was an unknown factor on what experience the Town would receive. Mr. Trimble replied that he averaged the salaries from 39 cities and towns from the League data.

Councilmember Yates suggested that some contracts could be created by Town staff and the Town Attorney could review them. A specialized firm could be kept on retainer for larger issues. Councilmember Yates asked the Town's interim Town Attorney, Fredda Bisman, for her opinion since her tenure in Fountain Hills. Ms. Bisman replied she felt not one person would have all the expertise needed and would need outside counsel and stated there had been some projects that are handled by other attorneys in her office.

Councilmember Yates noted the in-house attorney could be a contracted service much like the Town's Judge and Prosecuting Attorney and could retain other firms for more specialized projects.

Mr. Rodgers pointed out since Ms. Bisman became the Town's Interim Attorney, Development Services had used four different specialized attorneys in her firm.

Councilmember Leger commented that it is normal to use different attorneys within a firm for specialized issues; a firm brings a wider value than an in-house attorney.

Mr. Trimble discussed outside legal services and presented a table highlighting the last six years service expenses. Mr. Miller noted the 2018 costs were higher due to carry-over of items from the previous attorney and added that the costs for the interim attorney is higher due to the lack of a RFP

Mr. Trimble explained a new concept introduced by Justin Pierce of Pierce Coleman Law Firm, who recently acquired Tolleson and El Mirage. His firm offers a flat rate deal and adjusts the fees annually.

Councilmember Tolis asked which budget liability settlements are paid from. Mr. Miller explained the Town general liability insurance is covered by Southwest Risk Retention Pool which defends the Town and is paid through the Town's liability insurance. Mr. Miller stated the Town has a \$10,000 deductible and a larger settlement would be paid from the General Fund Revenue Account.

Mr. Trimble displayed a graph that showed Fountain Hills on the low-end for civic legal expenses.

b. IN-HOUSE VERSUS OUTSIDE COUNSEL

Mr. Trimble provided a cost comparison slide between in-house and outside civil legal expenses, Council Leger asked if benefits were included in his numbers and Mr. Trimble replied that they are. Mr. Miller said everything is inclusive in the numbers.

Councilmember Tolis asked Mr. Miller for his opinion and Mr. Miller replied both models were good for different reasons. Mr. Miller expressed that he is concerned what will happen in May and also noted the expense of in-house legal costs could affect Town's budget. Councilmember Magazine maintained if the Primary Property Tax does pass it is not a good enough reason to spend the additional money on legal services.

Mr. Trimble provided the pros and cons for in-house and outside/contract legal services and noted the in-house would also be a fixed cost.

Mayor Kavanagh pointed out the fact that many times Councilmembers need to ask legal questions before they could make a decision and wanted their questions answered quickly, which previously became a problem with the Town's outside services.

Councilmember Brown left the meeting at 10:59 a.m.

c. COMPARATIVE OUTSIDE LEGAL SERVICE COSTS OF OTHER MUNICIPALITIES

Councilmember Magazine asked Mr. Trimble to provide the following attorney qualifications based on the minimum, midpoint, and maximum salaries to help define the quality in an attorney.

- Educational background

- What kind of experience
- What kind of knowledge
- What kind of specialties

Mr. Miller stated a draft job description would be provided to Council. The job description is based on Mr. Trimble's research of other cities' listed job descriptions. Mayor Kavanagh also mentioned that the Town's Prosecuting Attorney had offered to assist the Town since he has extensive knowledge of attorneys, their costs, and backgrounds.

Councilmember Leger requested Mr. Trimble speak to several firms that deal with municipal governments and investigate what their contractual rates would be.

Councilmember Tolis requested to allow the existing relationship with the firm to continue in order to analyze the next six months of billing.

Mr. Miller requested Council's approval to continue with Dickinson Wright for the remainder of the fiscal year. He noted it will take time to do an RFP or recruitment once Council decides which action to take.

Mr. Miller requested a short break at 11:04 a.m. returning 11:07 a.m.

Councilmember Tolis returned at 11:09 a.m.

Ms. Bisman and Councilmember Magazine returned at 11:11 a.m.

PRIMARY PROPERTY TAX ELECTION AND PUBLIC INFORMATION PLAN (Item addressed later in the agenda)

PROPOSED FY2018/19 BUDGET, CAPITAL IMPROVEMENT PROGRAM, AND FIVE-YEAR FINANCIAL FORECAST

Craig Rudolphy presented information and included a PowerPoint presentation (available on line or in the office of the Town Clerk).

Financial policies

Includes Financial, Capital Assets, Grant Administration, Procurement, Investment, Issuance and Post-issuance compliance and the recently approved Travel policy. He noted the investment policy and Vehicle Replacement Program were revised recently.

Fund Balances

Mr. Rudolphy explained that the Rainy Day Fund established by Council can only be used under strict circumstances and then must be replenished.

Councilmember Yates asked what is the cap on the Rainy Day Fund and Mr. Rudolphy replied 20% of the average last five years' General Fund expenditures. The 10-year average currently at \$2.8M is not capped and will fluctuate annually. Mr. Rudolphy mentioned there is a low balance in the Public Art Fund. The Vehicle Replacement Fund, currently at \$1.9M, will decrease to close to \$1M due to the purchase of the Town's new fire truck.

Councilmember Leger asked about the General Fund and Mr. Rudolphy replied the funds are what are left over. \$1M was transferred to the Capital Improvement Fund and \$1M to the Facilities Replacement Fund over the last two years. Mr. Rudolphy also mentioned that the Reserve Fund no longer existed due to fund changes a few years ago. Councilmember Leger asked what fund would be use if there was a downturn in the economy and Mr. Rudolphy replied the Rainy Day Fund would be used.

Councilmember Yates asked how many funds are managed and Beata Bogdan, Town Accountant, replied between 15 and 20. Councilmember Yates suggested a work-study in the attempt to streamline and structure the funds to make more sense.

Mr. Rudolphy continued on to the Highway User Revenue Fund ("HURF") and explained that some municipalities refer this fund as the "Street Fund". Mr. Miller suggested the name should be referred to as the Street Fund since there

were a variety of sources of revenue received. Mr. Miller stated the change could be implemented through the budget process.

Mr. Rudolph stated that the Downtown Strategy Fund was created to set aside funds for downtown improvements, although there is no clear definition of what downtown consists of. The Debt Services Fund are restricted funds only payable for the Debt Service for outstanding bonds.

Councilmember Magazine asked if Downtown Strategy is fungible and if funds could be moved from it and Mr. Rudolph replied yes the funds could be transferred with Council's approval. Councilmember Leger pointed out that the Downtown Strategy Funds had been used for the median and some park improvements. Councilmember Magazine asked if the \$90,000.00 for the proposed signs would come from this fund. Councilmember Leger said he had suggested using this fund for the signs but never got clarification on it. Mr. Rudolph replied that currently the new signage would be paid from the Capital Improvement Fund.

Mr. Rudolph noted that Capital Funds currently has a high balance but the funds would be almost gone after building Fire Station #2 and Adero Canyon.

Debt Service

Mr. Rudolph said the Debt Service Bonds include General Obligation (GO) and Municipal Property Corporation (MPC) Bonds and noted that \$13M is currently outstanding. Mr. Rudolph mentioned that the GO Bonds are currently a secondary property tax. Mr. Rudolph explained that the GO Bond amounts would become available for Town operations once the debt service is paid off. The secondary property tax would be eliminated and would reduce any impact on the potential Primary Property Tax. Mr. Miller added that he personally would see an approximately \$150.00 reduction on his tax bill when these bonds are paid off in 2020.

Councilmember Yates asked for the balance of the GO Bonds and Mr. Rudolph replied \$3.495M is outstanding, primarily for Saguaro Blvd. with small amounts that were refinanced in 2005. He added that the Preserve Bond is paid off.

Councilmember Leger added that Eagle Mountain residents are concerned about the proposed property tax since they are paying for the refunding bonds through their road construction as well as their facility district. Their bond will be paid off in 2021.

Current Year (2017/18) Annual Budget

Mr. Rudolph presented information on the Town's current annual budget totaling \$35M and displayed a list of core services. Councilmember Yates stressed that for the size of Fountain Hills and the services provided to its residents, this is an unbelievable budget and noted Fountain Hills is the lowest for per-capita spending. He requested that this information be included in future public presentations.

Councilmember Magazine asked for the total Operating Budget and Mr. Rudolph replied the Operating/General Fund for next fiscal year is budgeted at \$16.5M.

Mr. Rudolph presented the last six months Town revenues received in the amount of \$11.6M and noted not quite up to budget, but the numbers should increase significantly in the next quarter.

Mr. Rudolph addressed the Town's expenditures explaining numbers are currently down from last year but there will be additional spending this fiscal year.

FY 2018-2019 Proposed Budget

Mr. Rudolph presented next year's outlook and believes that State Shared Revenue coming in would be flat in addition to some State Income Tax cuts that have not yet been fully implemented which would have an impact on the Town.

Mr. Rudolph said he included future building permit activity for Adero Canyon and Firerock. Mr. Rudolph reported on the Public Safety contracts with Rural Metro with a 3% increase and an estimated 10% increase for the Maricopa

County Sheriff's Office (MCSO). Mr. Miller pointed out that all municipalities will have increased cost for public safety.

Mr. Rudolphy stated that the General Fund will make a contribution between \$300K and \$400K to pay off the Community Center. Mr. Rudolphy noted that one new staff person, a Communications Director, is budgeted for next year.

Councilmember Magazine requested the increase for the MCSO contract be shown as at least 10% in public presentations and Mr. Miller noted his request. Mr. Rudolphy explained the Town has an eight-year contract with Rural Metro and allows for a 3% increase. Mr. Miller commented that Rural Metro was acquired by new owners so staff has a contingency plan for services that could be presented to Council if there were extreme changes in the contract. The Town's contract includes a clause allowing a 12-month notification by either party to terminate a contract.

Variables/Unknowns

Mr. Rudolphy stated the State Legislature is considering a change in Construction Sales Tax and there is an unknown as to how the President's "Tax Cuts and Job Acts" would affect State income.

Mr. Rudolphy addressed the variations in General Government that is down due to the reduction in Contingency Funds, Administration is down due to the budgeted fire truck, Special Revenue Funds is up because of the contingency with plans to fund a bus stop, and Capital Funds is down substantially since funding won't be needed for the fire station and Adero Canyon.

Mr. Rudolphy noted the budget for third party fees is reduced by 1/3; \$900K to \$600K. He pointed out the Engineering Department will be moved to Public Works from Development Services,

Mr. Miller added that staff is doing a budget maneuver with the reduction in Contingency to get through the next fiscal year which is the first year identified for the revenue shortfall.

QUESTIONS

Those in attendance praised Mr. Rudolphy for his presentation. Councilmember Magazine complimented Mr. Rudolphy and Mr. Miller on their presentation the previous night and on their ability to answer questions. Mr. Miller said it was a team effort with staff and Council. Mayor Kavanagh acknowledged citizens in the community who contributed their knowledge and feedback.

Facilities Replacement Fund

Mr. Rudolphy explained the Capital Reserve Study recommended an annual contribution of \$1M. Mr. Rudolphy included a list of determined items scheduled for the FY2018-19 and those incomplete or carried over from FY2017-18.

Five Year Financial Forecast

Mr. Rudolphy presented a graph of the FY2019-2023 projected General Fund Revenues and Expenditures with additional information on the breakdown per year identifying years with a projected shortfall.

Councilmember Yates asked if the year-to-date Sales Tax Revenue is in line with the projected budget and Mr. Rudolphy replied that the amount was lower than projected, but noted the revenue would increase and reach the goal during the busy months.

In response to a question from Councilmember Magazine, Mr. Rudolphy explained the Town has balanced budget for FY2018-19. Mr. Miller added the expenditure for the Contingency was reduced to help balance the budget for next year. Mr. Rudolphy pointed out that the shortfalls were found to begin in FY2019-20, continuing to defer items and only providing the necessary services.

Councilmember Magazine requested footnotes be added to the graphs that note deferring items and only supporting necessary services to help define the projections. Mr. Miller agreed on adding a footnote to the bottom of the graph

explaining the \$5M shortfall in the future. Mayor Kavanagh remarked an easy way to explain the shortfall was “with potholes or without potholes”.

Councilmember Tolis asked if the total for FY2021-22 includes the retired bond that will come off the budget and Mr. Rudolphy explained that the Town collects the money and spends the money.

Mr. Rudolphy presented the 10-year Financial Projection and Councilmember Magazine again asked for a footnote and explanation be added to this slide. Mr. Miller agreed and Mr. Rudolphy stressed staff needs to be careful in the wording.

Councilmember Leger noted that previous presentations listed items in column form to show the real projections and costs. Councilmember Leger referred to the Stantec Report from about five years ago that reported the Town should be spending \$6M a year on road maintenance. Councilmember Leger said he visited neighbors in Zone 3 after receiving a call. He picked up numerous pieces of asphalt and understands that area won't be addressed for another five years. Mr. Weldy added the current zone approach was subject to change after staff receives the Road Analysis Data. Councilmember Leger stated that the condition of the roads were today's reality and communicated to the neighbors there's a higher probability that the roads would be taken care of sooner if the Property Tax passes. Mayor Kavanagh suggested adding to the presentation a list of zones and the years it would take to address their poor conditions to hopefully get their attention to funding needs and what the additional Primary Property Tax would be used for in the near future.

Mr. Rudolphy presented a graph of the Town's operating revenue verses projected revenues and noted he would revise the graph for better understanding.

Mr. Miller announced a food break at 11:47 a.m. asked staff to return to their seats for a working lunch.

Mayor and Councilmembers returned at 11:58 a.m.

Mr. Rudolphy explained the General Fund Projections, and HURF revenue graphs.

Mr. Rudolphy stated one position was added, a Communication Director, and noted the number of full-time and part-time employees totaling 56.95 FTE, down from a high of 115 FTE.

Financial Challenges

Mr. Rudolphy presented a summary of challenges and Councilmember Magazine expressed that the \$4.5M shortfall item needed to be changed. Mr. Miller and Mr. Rudolphy had previously agreed these challenges would most likely will be based on the 10-year.

Mr. Rudolphy stated the Town had a structural issue which is the revenue shortfall. Council concluded to address that the best, most equitable way is a Primary Property Tax. Councilmember Magazine added that information needs to be presented during public workshops on these challenges and the drastic cuts that would take place. Mr. Miller added that the suggested drastic cuts would be presented to Council as an option during the budget process.

Councilmember Leger said the challenge is that by law the Town must have a balanced budget. He suggested using terminology that includes the word deferred; e.g. road maintenance.

Mr. Rudolphy displayed a chart of limited property values and estimated annual Primary Property Tax if the \$7M tax is approved.

CAPITAL PROJECTS STATUS

Mr. Rudolphy provided an overview and the current status of the Town's capital projects. Mr. Rudolphy also presented a list of the FY2018-19 capital projects proposed.

Mr. Miller reminded Council there was a scheduled meeting in March to discuss Capital Improvement Projects.

Councilmember Leger expressed his concern with the available FY17-18 Capital Project Fund at \$2.4M. Mr. Rudolph added the lake liner replacement exceeds the \$2.4M and with an expected 20-30 year life-span of the current 15-year old liner, and the possibility of needing to be replaced in approximately five-years, there are currently no funds allocated for a replacement. Mr. Rudolph stated the proposed FY2018-19 capital projects would be \$1.5M which would leave a just under \$1M at the end of FY2018-19.

Councilmember Magazine suggested the addition of another slide for the property tax forums and for the website listing deferred items due to lack of funding. Mr. Miller added that people don't realize the concept of development fees; when new homes are built, developers pay for it and pass the cost on to the homeowner. If the dedicated funds for the trailhead are not used by 2020, the monies go back to the developer. Councilmember Leger agreed saying citizens have questioned the Council's decisions on many of the expenditures approved and citizens did not understand the dedicated funds. Mayor Kavanagh agreed there seem to be no understanding within the community on certain approved expenditures.

Mr. Miller requested to address the Bench Replacement Program and Public Art Program.

DISCUSSIONS

BENCH REPLACEMENT PROGRAM

Rachael Goodwin, Community Services Director, distributed two handouts showing the history of the Bench Donation Program. Ms. Goodwin said there are 36 donated benches located in Fountain Park, installed around 2001-02, and are in need of replacement. Ms. Goodwin explained that replacements had been paid from the Department's Operating Budget. She said that all of the benches are in need of replacement and there are funds in the Facilities Replacement Fund to cover the costs. Ms. Goodwin presented a bench model identified for durability, the availability of replacement parts, made of recycled materials, and a stainless steel base for more durability. Ms. Goodwin requested Council's direction on the process to replace the benches. Ms. Goodwin explained that the original benches were purchased as memorials by residents and, due to miscommunications; people assumed that it was for perpetuity. Ms. Goodwin noted these benches have a life span and are in need of replacement and there is not a funding mechanism to do that. Ms. Goodwin asked if staff should contact the original donors, explain the situation, and ask them if they would like to purchase another bench, giving them an at-cost price with a first right-of-refusal, allowing another donor to purchase the bench.

Councilmember Yates and Magazine both agreed a defined policy needs to be in place. Mr. Miller said that the benches have a ten-year life span but in reality are expected to last 12 years or longer. Mr. Miller explained that staff is proposing to purchase the benches all at one time since there is money currently available. He said when the benches are sold, the money would go back into the replacement fund to cover any bench maintenance or vandalism.

Councilmember Yates asked what the current condition of the benches is and Ms. Goodwin replied that 15 benches are in need of replacement, ten benches were already pulled due to safety hazards, and 11 are in mediocre condition, showing signs of oxidation and rust. Ms. Goodwin added that it would take staff some time to assemble and install the benches. Mr. Miller stated the current name plaques are in good condition for reuse and noted the name plaques on the new benches will be recessed into the bench, unlike the original benches with plaques placed in concrete below the bench. Mr. Miller suggested purchasing the benches sometime this summer and taking the next few months to reach out to donors. Mr. Miller stated that a brochure hand-out would clearly state the bench memorial is for a ten-year period of time.

Councilmember Leger suggested that those donors who re-up are not charged a plaque fee.

Mayor Kavanagh requested all plaques be inset into the benches and the old plaques given to the donor as a keepsake.

Ms. Goodwin also mentioned a possible incentive plan created to encourage donors to re-purchase a bench.

Beata Bogdan questioned if not all the benches are sold what would happen if someone wants to buy a bench in five years when the bench quality has already declined; would the price be lower. Mr. Miller replied that should not be a problem since a donor's extended family may wish to continue the family's memorial and there is a waitlist for benches.

Mayor Kavanagh asked about the condition of the benches around Centennial Circle and Ms. Goodwin replied there are no problems due to their location, lack of irrigation water spraying on them, and the fact that they are newer. Ms. Goodwin mentioned that the bench on the trail was in need of replacement and could be addressed with the bulk bench purchase. Councilmember Leger commented there was limited space available on the trail to place benches and Ms. Goodwin agreed.

PUBLIC ART PROGRAM

Ms. Goodwin asked for Council direction on the need for a “Master Art Plan”. She explained there have been art pieces brought forward by the Public Art Committee for Council’s approval and there is not space for them. Ms. Goodwin said that with a Master plan, staff could identify future spaces and accept only those pieces that fit. Ms. Goodwin explained the policy would address all art donations including unsolicited art pieces that someone no longer wants to keep. Ms. Goodwin explained recently a large art piece was offered to be donated for a place in the Community Center which is already at capacity. Ms. Goodwin feels it is necessary for the Town to approve a policy with understood guidelines on accepting art pieces. Mr. Miller pointed out that this piece Ms. Goodwin spoke about would be considered on the next Council agenda and since the Art Committee has already given their approval before Council’s consideration it definitely places staff in an awkward situation. Councilmember Magazine noted these situations have happened quite frequently and confessed he did not have an answer to the problem, but pointed out that the Art Committee should not be making a decision before Council’s approval.

Councilmember Yates agreed that spaces for art need to be identified and Ms. Goodwin added there is the need for a master plan to help guide art location and available space.

Mayor Kavanagh expressed that the Centennial Circle is almost to capacity and she does not want to see additional art pieces added. She noted there was an issue of so many pieces clustered and spoke of the need to identify those pieces that fit the area.

Mr. Miller stated that the policy would outline that the Public Art Committee contact the Town to determine if there is a place for a new piece. Staff and the Public Art Committee would then recommend to Council.

Councilmember Leger questioned if the Town already had a map and Councilmember Yates replied there was one, but it only points out current art pieces. Mr. Miller added there is a Master Plan but does not identify how many pieces are allowed, or a criterion for accepting pieces, and their potential locations.

Mayor Kavanagh requested addressing the cost of upkeep and insurance for the art pieces. Mr. Goodwin said there is not much money left in the Public Art Fund.

Ms. Goodwin stated that an Art Committee member contacted her about the money donated to the Art Fund for the new Starbucks building. The member wanted to purchase another art piece.

Ms. Goodwin commented that a discussion needs to be had to address the decommissioning or relocating of existing art. Mr. Miller added that the duck art piece had been vandalized three or four times; this is an example of an art piece that may need to be relocated to a safer location and monitored with a camera. Mr. Miller mentioned that Scottsdale has a great Art Program where these type of issues are addressed and if an art piece became obsolete or unsafe the piece would be decommissioned or relocated. Mayor Kavanagh pointed out the Town should not have to pay the cost of relocating art and that people sometimes purchase art for a particular location.

Ms. Goodwin pointed out there are some pieces that require more maintenance than anticipated; e.g. “Cooling the Dogs” has a water feature that is requiring extensive repairs. Mr. Miller suggested not accepting art with water features. Mayor Kavanagh asked about pieces that have lights and Mr. Miller pointed out when a piece was donated to the Town it becomes the Town’s responsibility.

Ms. Goodwin stressed staff had not identified any art pieces at this time that need to be decommissioned or relocated but a policy in place is important.

Mayor Kavanagh asked about the art base installation and Ms. Goodwin replied sometimes base costs were negotiated along with installation, sometimes the Town incurs the costs, and at times the artist has their own vision and offers to

design the base. Mayor Kavanagh requested a policy on base installations and Ms. Goodwin agreed since there were variations in installation and the Town should require certain standards.

Mr. Miller thanked Council for the discussion and direction.

a. ANIMAL LICENSES

Mr. Rudolphy told Council they received two handouts; one related to Animal Licenses and one addressing the Fire Inspection Safety Fees. He is requesting the Town discontinue the animal licenses. Mr. Rudolphy explained that Fountain Hills is the only municipality in Maricopa County that issues dog licenses; all other entities use the County to issue dog licenses. Fountain Hills follows the same guidelines that the County uses. Mr. Rudolphy noted that four staff members are involved in this process including one full-time employee spending 20% of their time and three part-time employees spending 30% to 40% of their time. He said the employees' time could be used more effectively.

Councilmember Yates asked how much money was collected during this process and Mr. Rudolphy replied \$6.00 for seniors per dog and typically \$17.00 with total revenue at \$41K.

It appeared to be the consensus that Council supports discontinuing the licensing of animals. Interim Town Attorney Fredda Bisman clarified this would come back to Council for approval and Mr. Miller said that Council was only giving direction to staff.

b. ANNUAL COMMERCIAL FIRE INSPECTION SAFETY FEES

Mr. Rudolphy said that in 2012 a Fire Inspection Safety Fee was approved by Council to charge \$25.00 for fire inspection, valid for one-year, but due to a complaint from a citizen, Council reduced the fee to \$15.00. He commented that approximately 200 statements are mailed and the Town collects \$4K annually. Mr. Rudolphy pointed out that it takes the Town's Accountant 40 hours a year to prepare the statements. Mr. Rudolphy noted the fire inspections would continue but would not mail-out the 200 \$15.00 bills. Mr. Miller commented that some people refused to pay the fee. Mr. Miller stated he was in support of the elimination of this fee and mentioned that staff researched charging based on size in hopes of collecting a larger fee and found there would be a lot of effort for little in return. Mr. Rudolphy explained the way to eliminate the fee would be to remove the fee from the fee schedule that Council would adopt in June 2018.

Councilmember Leger asked what the mechanism would be for the Fire Department. Fire Chief Dave Ott explained that his crews perform the fire inspections then enter the information into MUNIS software. The Accountant then issues the invoices. Chief Ott informed Council that the Fire Department has the information necessary to perform the inspections. Mr. Rudolphy said there are several business owners who refuse to pay the fee.

c. ~~BENCH REPLACEMENT PROGRAM~~—(Addressed Previously)

d. ~~PUBLIC ART PROGRAM~~—(Addressed Previously)

DISCUSSION OF COUNCIL RULES OF PROCEDURE:

a. COUNCIL ATTENDANCE AT EXECUTIVE SESSIONS

Mr. Miller explained that when Councilmembers attend Executive Sessions via conference call, they should insure they are alone. Mr. Miller stated this would be an operational procedure so that newly appointed Councilmembers would be aware when they first come on and before they have Open Meeting Law training.

Councilmember Leger asked if this procedure extend to other technology such as sharing a computer with a family member. Ms. Bisman added that Councilmembers should have technology that is password protected.

b. AGENDA ITEM: COUNCIL DISCUSSION/DIRECTION TO THE TOWN MANAGER

Mr. Miller stated that Councilmember Leger asked for clarification on this item on the Council's agenda. Ms. Bisman replied that Council could direct the Town Manager to look into an item. Mr. Miller mentioned that when Councilmember Yates asked him at a meeting to explain what guidelines are used for items on the consent agenda, it was placed on the agenda for the next meeting. Mayor Kavanagh asked if Councilmembers could direct the Town

Manager to research a specific item without being agenzized and Ms. Bisman replied “yes” but Council could not have a discussion on that item at this time.

PRIMARY PROPERTY TAX ELECTION AND PUBLIC INFORMATION PLAN HIGHLIGHTS

Mr. Miller informed Council that the first public workshop held yesterday went well and three additional workshops are scheduled. He said updates are being made to the presentation to help further explain and provide complete information to the citizens. Mr. Miller added that the first of two informational postcards would be mailed soon to every household with a synopsis for the reason for the election and need for a Primary Property Tax.

Councilmember Yates and Mayor Kavanagh thanked staff for their work put into this retreat.

SUMMARY OF COUNCIL DISCUSSIONS BY THE TOWN MANAGER

ADJOURNMENT

The Mayor adjourned the meeting without objection at 12:48 p.m.

TOWN OF FOUNTAIN HILLS

By _____
Linda M. Kavanagh, Mayor

ATTEST AND
PREPARED BY:

Acting Town Clerk Nancy Walter

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Annual Town Council Retreat, held by the Town Council of Fountain Hills in the Town Hall Council Chambers on the 8th day of February, 2018. I further certify that the meeting was duly called and that a quorum was present.

DATED this 20th day of March, 2018.

Acting Town Clerk Nancy Walter