

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
628 NORTH MAIN STREET
MAY 14, 2018
6:00 P.M.**

Staff Present: Harvey Krauss-City Manager; Stephen R. Cooper-City Attorney; Mary Myers-City Clerk; Brian Wright-Finance Director; Keith Brown-Public Works Director/City Engineer; Brian Jerome-Police Lieutenant; Sylvia Payne-Human Resource Director; Rus Ketcham-Library Director; Paul Anchondo-Community Services Director; Jon Vlaming-Community Development Director; Lori Francisco-Grants Coordinator; Regis Reed-Project Manager; Jeff Fairman-Economic Development Specialist

I. CALL TO ORDER

Mayor Joel Belloc called the meeting to order at approximately 6:02 p.m.

II. INVOCATION

Invocation was given by Mr. Steven Herold.

III. PLEDGE OF ALLEGIANCE

Vice Mayor Powell led Council and the public in the Pledge of Allegiance.

IV. ROLL CALL

Council Members Present: Councilmember Jose Garcia; Councilmember J.W. Tidwell; Vice Mayor Micah Powell; Councilmember Dan Snyder; Mayor Joel Belloc; Councilmember JoAnne Galindo; Councilmember Andrew Rodriguez

Council Members Absent: None

V. COMMUNICATIONS

Councilmember Galindo conveyed that she participated in the city's neighborhood cleanup on Saturday south of Main Street. She thanked everyone who volunteered to participate in the event.

Mr. Krauss conveyed the following communications to Council:

- The next regular council meeting will be Tuesday, May 29th due to the Memorial Day holiday;
- A work session is scheduled for June 18th, at 6:00 p.m., to discuss and review the proposed revisions to the zoning ordinance and subdivision regulations; and
- He introduced Mr. Jeff Fairman as the new economic development specialist for the city.

Mr. Fairman gave a brief overview of his employment history and experience in economic development.

VI. APPEARANCES FROM THE FLOOR

Steven Herold – 1945 D. Clubhouse Dr., Casa Grande, AZ – Mr. Herold who is founder and CEO of Fish Tape Ministries, gave an overview of the services his ministry offers such as GED training and construction based vocational training to the homeless, under employed, ex-offenders and veterans in the Casa Grande and Eloy areas. He pointed out that Eloy unfortunately does not have any resources for adult GED training for individuals over 21 years of age. Fish Tape Ministries can offer their assistance in providing GED training and construction based location training courses to the community. Mr. Herold left a training proposal with the city clerk for distribution to Council for consideration.

Vice Mayor Powell asked Mr. Herold if anyone could sign up for their services.

Mr. Herold said his ministry has funding for the program; he is not asking the city for any money, just classroom space.

Mayor Belloc announced those individuals who signed in to speak on the airport item that they will be allowed to give their comments when that item is before Council for discussion. He said he would recognize them to speak at that time.

VII. EXECUTIVE SESSION

Mayor Belloc conveyed if there is a need for an executive session for legal advice for any items on tonight's agenda, it will be addressed at that time.

VIII. CONSENT AGENDA

Council requested items B, C and H removed from the Consent Agenda for separate discussions.

- A. Approval of Minutes: 4/16/18 (special) and 4/23/18 (regular)
- ~~B. Approve a Contract with Creative Interior Solution for the new City Hall furniture purchase. (removed for discussion)~~
- ~~C. Appointment of Daniel R. Mendez to the Library Advisory Board (removed for discussion)~~
- D. Approve purchase of a new submersible pump for the Curiel Wastewater Lift Station
- E. Approve an APS Line Extension Agreement in an amount of \$33,900.80.
- F. Approval of a Preliminary Plat for Robson Ranch Unit Twenty "B" (20B) subdividing 9.34 acres into 64 residential lots.
- G. Approval of a Final Plat for Robson Ranch Unit Twenty "B" (20B) subdividing 9.34 acres into 64 residential lots.
- ~~H. Approve purchase of a new CAT 420F backhoe (removed for discussion)~~

Motion by Vice Mayor Powell, seconded by Councilmember Rodriguez to approve removing agenda items B, C and H from the Consent Agenda and approve remaining Consent Agenda items as presented, passed unanimously by roll call vote.

B. APPROVE A CONTRACT WITH CREATIVE INTERIOR SOLUTION FOR THE NEW CITY HALL FURNITURE PURCHASE.

Staff Cover Sheet Report: *Council approve a contract with Creative Interior Solution for the purchase of furniture for the new City Hall in the amount of \$372,858.58.*

In January of 2017 the City entered into a design contract with Smith Group JJR. Per the contract, Smith Group engaged Creative Interior Solutions (CIS) to assist with the design and selection of furniture utilizing a Tri-U cooperative contract. This contract solicitation allows for Arizona municipalities to purchase furniture at a pre-negotiated price. Over the last year CIS has worked with Smith Group and the City to evaluate various furniture ideas and options. City staff viewed many different types of furniture and with the assistance of Smith Group and CIS was able to make final selections on the furniture products for the new City Hall. Based upon the City's selections, CIS developed final plan drawings for the furniture.

FISCAL IMPACT: *Funding for the contract amount of \$372,858.58 is within the FY 2017-2018 budget for the new City Hall.*

Councilmember Snyder expressed some concerns about the style and cost of some of the furniture for the new city hall. He wanted to know if the furniture could be purchased elsewhere at a lower cost.

Mr. Reed conveyed staff did extensive research on the furniture before bringing this proposal to Council. He said there is a big difference between purchasing furniture at local stores. The furniture proposal brought before Council tonight is commercial grade and designed to last for years. Mr. Reed said he knows of other

municipalities that have purchased chairs from stores such as Costco only to have them replaced in a year or two. He said staff obtained the best pricing possible through a Tri-U contract which is a university contract held by the three major universities in Arizona.

Councilmember Snyder asked about references for the furniture company.

Mr. Reed said the city of Surprise used CIS to furnish their new city hall in 2005 which he was involved with. He recently visited the city hall to check the condition of the furniture and found that it's held up very well.

Mayor Belloc wanted to know if staff obtained other bids.

Mr. Reed explained the furniture was not put out for public bid. Staff used the state pricing contract through Tri-U to get the best discount and they (Tri-U) negotiate the deep discounts from the list price. He pointed out that it's difficult to bid furniture items because of the minute components that make up a cubicle.

Vice Mayor Powell asked does the total price include everything that will be needed for the new building.

Mr. Reed said yes; every piece of furniture needed for the building is under this contract, with the exception of the chairs in the council chambers which falls under the CORE construction contract.

Councilmember Tidwell was concerned about the amount of money being spent on certain pieces of furniture. He gave examples of a conference table that costs \$7,000; chairs \$11,000 and \$1,300 for a white board for an executive conference room. He wanted to know why the city would need 14 chairs for a conference room when the city has trouble getting 5 or 6 people together at one time.

Mr. Reed explained that based on comments by city staff, it's anticipated that a room this size is needed to accommodate staff and visitors. He told Council that staff is looking at possibly purchasing items such as the white boards through the contractor who offered comparable ones at a lesser price. Mr. Reed assured Council that he will continue to look for ways to reduce costs, if possible.

Mr. Krauss conveyed to Councilmember Tidwell that the conference he is referring to is the large executive conference room which will be used for executive sessions and large meeting groups. He pointed out that the current executive room can only hold about 8 to 9 people and it's a tight fit.

Councilmember Snyder wanted to know will the tables be wired for electronic devices.

Mr. Reed said yes; there is a communication port in the middle of the table for electronic devices, such as laptops.

Councilmember Tidwell did not agree with the cost of the table. He wanted to know how much the sales person received in commission from the city.

Mr. Reed said the designer received no commission; CIS were hired through the SmithGroup design team. CIS is the vendor and their profit is identified within their profit margins and by the Tri-U contract. He said there are no additional fees or commissions paid.

Councilmember Galindo wanted to know can the city use any of its existing furniture at the new facility.

Mr. Krauss said no; the plan it to have all new furniture to match the décor of the new building. The existing furniture will be left at city hall to be used by city court and the police department.

Councilmember Galindo suggested taking some of the money allocated for Council and staff offices and applying it to furniture for the public sitting area. She said the furniture pictured does not look comfortable for members of the public to sit on.

Mr. Krauss explained that the public will not be visiting city hall for hours. He said the furniture is not meant to be living room comfortable.

Councilmember Galindo did not agree with Mr. Krauss. She said the public area needs to be more welcoming and comfortable. She reminded staff that the new city hall is being built for the citizens.

Vice Mayor Powell conveyed that more money was budgeted for furniture, so the city is saving quite a bit from the initial budget. He said Council should trust staff in the selection and quality of the furniture since they are the ones who will be sitting in the chairs. He told Council that the city is building a brand new city hall; the last thing they should want is to have mismatch furniture in a brand new building. He added that having new furniture in a new building is going to make the city look good overall.

Mr. Krauss said this should be looked at as an investment for the future. The new building is going to last 40 to 50 years and the furniture is going to last for many years. He said the city of making a statement by having a nice building with new furniture in it. The city want people who visit city hall to be impressed by it inside and out. Mr. Krauss said he believes the community will be proud of the building.

Mr. Reed assured Council that he will continue to look for ways to reduce cost throughout the construction process.

Motion by Councilmember Snyder, seconded by Vice Mayor Powell, to approve a contract with Creative Interior Solution for the new city hall furniture purchase, passed 6/1 by the following votes:

Yay: Councilmember Galindo; Councilmember Rodriguez; Vice Mayor Powell; Mayor Belloc; Councilmember Snyder; Councilmember Garcia

Nay: Councilmember Tidwell

C. APPOINTMENT OF DANIEL R. MENDEZ TO THE LIBRARY ADVISORY BOARD

Staff Cover Sheet Report: *Council appoint Daniel R. Mendez, a high school student, to the Library Advisory Board for the Eloy Santa Cruz Library.*

Daniel Mendez has submitted an application for the Library Advisory Board for the Eloy Santa Cruz Library. He is an Eloy resident, and he attends Santa Cruz Valley Union High School. The authorizing City Code allows for one member of the board to be a high school student. (Article IV, Division 4, 2-96) Mr. Mendez is currently a member of the Teen Advisory Board (TAB) and active with TAB and other library functions. He would make an excellent addition to the board.

FISCAL IMPACT: *No fiscal impact.*

Councilmember Garcia conveyed that he understands Mr. Mendez will be replacing the student who can no longer serve on the board. He wanted to know if the student being replaced needed to be removed first before appointing Mr. Garcia.

Mr. Krauss said no; the person being replace no longer serves.

Motion by Councilmember Garcia, seconded by Councilmember Tidwell to appoint Mr. Daniel R. Mendez to the Library Advisory Board, passed unanimously.

H. APPROVE PURCHASE OF A NEW CAT 420F BACKHOE

Staff Cover Sheet Report: *Council approve a \$93,695.00 purchase from Empire Machinery for a new CAT 420F backhoe.*

The City landfill operations currently operate utilizing roll-off bins to transfer waste material from the Eloy landfill to the RAD landfill. In addition to the roll-off

bins, the Eloy landfill also buries a portion of waste on site. The use of roll-off bins has allowed the City to decrease usage of the heavy equipment which can be costly to operate, maintain, and repair. A significant challenge to utilizing roll-off bins is obtaining adequate compaction within the roll-off container to optimize hauling costs.

The roll-off bins have the capacity to hold approximately 7 to 8 tons of waste. Currently, the landfill is only obtaining an average of 3 tons per bin. RAD charges the City \$150 per bin to haul off, plus the tonnage charge of \$20 per ton. This equates to the City paying approximately \$70 per ton to transfer waste to the RAD landfill.

The purchase of a backhoe will help the landfill staff achieve a higher compaction within the bins as well as provide the necessary front loading equipment to clean up waste material that is not deposited within the bins. A compaction rate of 7 to 8 tons per bin would reduce the per ton charge to \$41.50 to \$39.00 per ton to transfer waste to the RAD landfill.

Additionally, the purchase of this backhoe will provide a second backhoe within the Public Works fleet. The current backhoe is currently utilized by the water/sewer division to repair water and sewer lines and also when installing new utility lines. This backhoe is an older piece of equipment and sometimes will break down during a project. This then requires City staff to rent a backhoe to complete the project or it delays the project from being completed in a timely manner. Having a second backhoe will provide the necessary back-up when needed to other divisions within the Public Works Department.

Previously, the Council approved \$160,000 for the design and construction of a new retaining wall system for the public to deposit waste into a new and larger waste hauling trailer. This concept would face the same problem of compaction. The landfill would still need an additional piece of equipment to achieve higher compaction rates within the trailer. Therefore, staff is recommending that a portion of the \$160,000 funding in FY2017-18 be utilized to purchase this new backhoe and then staff will evaluate the need for additional improvements at the landfill next fiscal year.

The City is utilizing the City of Tucson RFP #161534, National Intergovernmental Purchasing Alliance (IPA) to procure the backhoe through Empire Machinery.

FISCAL IMPACT: *The funds for this \$93,695.00 expenditure are available in the current FY2017-18 Sanitation budget.*

Councilmember Tidwell wanted to know if the backhoe had a blade on the front of it.

Mr. Brown said the backhoe has a standard bucket in the front and back which is similar to the one currently being used in the water and sewer divisions.

Councilmember Tidwell wanted to know how staff is going to move garbage from one end of a roll off to the other without a blade to push it.

Mr. Brown explained that staff compacts the roll offs by backing up to it and pushing it down with the "stinger" that is on the back of the equipment. He said the front end loader works, but the backhoe is more effective because it can move around and provide better compaction. Also, the bucket will help in picking up trash debris from customer dumping. Mr. Brown said he is looking at ways to increase compaction to save money. Each time RAD comes out they charge \$150 plus tonnage. He said the more tonnage staff can pack in the roll offs, the less trips there are and the city saves money.

Councilmember Tidwell still didn't see how a backhoe is going to move trash from one end of a roll off to the other end.

Mr. Brown said staff has the ability to move the trash at the wall by lifting the gates. He said the backhoe can also be used to move the trash from one side to the other side.

Motion by Vice Mayor Powell, seconded by Councilmember Garcia to approve the purchase of a new CAT 420F backhoe, passed unanimously.

IX. BUSINESS

A. ADOPTION OF RESOLUTION NO. 18-1440 AUTHORIZING THE LAW OFFICES OF DIANE M. MILLER, PLLC TO FILE CONDEMNATION LAWSUITS TO ACQUIRE FEE TITLE TO PROPERTIES REQUIRED FOR THE RELOCATION OF TAXIWAY "A" AND FLOODPLAIN IMPROVEMENTS AT THE ELOY MUNICIPAL AIRPORT.

Staff Cover Sheet Report: *Council adopt Resolution No. 18-1440 authorizing the Law Offices of Diane M. Miller, PLLC to file condemnation lawsuits to acquire fee title to properties needed to facilitate the relocation of Taxiway A and Floodplain Improvements at the Eloy Municipal Airport.*

Coffman Associates completed a Master Plan for the Eloy Municipal Airport in February 2011, and the Airport Advisory Board approved the Master Plan on May 31, 2011. The Mayor and Council adopted the Master Plan on July 25, 2011 with adoption of Resolution No. 11-1239. The Master Plan, which provides a vision for the development and use of the airport over the next 20 years, was developed according to the Federal Aviation Administration (FAA) guidelines. The goals and

objectives of the Master Plan are to satisfy the long-term aviation demands of the airport, ensure airport facilities are adequate, safe and reliable, and provide a schedule of future capital needs to aid in planning and budgeting for improvements.

A key component of the Master Plan is the Airport Capital Improvements Program (ACIP), and the FAA and the Arizona Department of Transportation (ADOT) assist in funding capital improvements identified on the Airport Improvement Program. The City has received \$1.8 million in FAA grant funding and nearly \$0.5 million in ADOT grant funding since 2001. Currently, the FAA reimburses the City 91.06% and ADOT reimburses the City 4.47% of costs, leaving the City with a contribution of 4.47% for identified land acquisition, design and construction improvements.

The FY 2019 - 2023 ACIP identified two high priority projects, and funding has been allotted for these projects by ADOT and FAA – 1) Airport Drainage Improvements; and 2) Relocation of Taxiway “A”. Drainage improvements include approximately 2,600 linear feet of drainage channel and a box culvert as designated within the approved Drainage Master Plan. The relocation of Taxiway “A” is necessary to meet or exceed current FAA design standards. The FAA minimum standard separation distance between the runway and taxiway for the Eloy Municipal Airport requires a distance of 240 feet. The existing center line separation between the taxiway and runway is 200 feet. The City is seeking Federal funding to exceed the standard an additional 60 feet (300 feet total) in order to accommodate larger aircraft to meet future needs.

On January 9, 2017 the Council adopted Resolution No. 17-1408 authorizing the City to acquire five parcels of land through negotiation or condemnation. At that time staff contemplated that a total of 12.4 acres of land located within five parcels from three private landowners was needed to accommodate these projects. Since that time staff has determined that a 0.264 acre parcel owned by Mid-Metro Farms, Inc. wasn't necessary.

Two parcels are required to complete these projects – 1) 7.797 acre parcel owned by Stephen L. and Annette M. Hill; and 2) 5.61 acre parcel owned by Toltec Airpark, LLC. Staff has received appraisals on both properties, and has made formal offers to each landowner. The appraisals were completed by Dennis L. Lopez, LLC. The Hill appraisal dated November 30, 2017 provided for a land value of 28 cents per square foot for a total of \$95,093.00. The Toltec Airpark appraisal provided for a land value of 27 cents per square foot for a total of \$66,020.

The Hills and Toltec Airpark landowners obtained their own appraisals, and the appraiser valued the Hills parcel at 55 cents per square foot (\$185,000), and the Toltec Airpark parcel at 43 cents per square foot (\$105,000).

To complete negotiations and settlement agreements with both landowners on acquiring these two parcels, staff recommends the filing of condemnation lawsuits.

FISCAL IMPACT: *The FAA reimburses the City 91.06% and ADOT reimburses the City 4.47% of costs, leaving the City with a contribution of 4.47% for identified land acquisition, design and construction improvements.*

Mr. Krauss introduced the city's airport consultant, Mr. Jim Harris from Coffman Associates who gave an overview on the airport improvement program which includes the taxiway A relocation and floodplain improvement project.

After his presentation, Mr. Harris fielded questions from Council about the project.

It was at this time Mayor Belloc allowed the following individuals to give their comments about the proposed airport project:

- Mr. Randall Stone, Esq. – 7944 E. Beck, Ste. 130, Scottsdale AZ 85260
Attorney representing Skydive Arizona
- Mr. Georges Reuter – 3550 N. LaPaz, Eloy AZ 85131
Eloy citizen; local business owner (parachute manufacturer)
- Mr. Michael Tragarz – 3122 W. Ceton Drive, Laveen AZ 85539
Phoenix resident; airline pilot; business owner

After hearing comments, Vice Mayor Powell made a motion to table this item until after the Airport Advisory Board could meet to discuss the project again.

The motion was seconded by Councilmember Galindo.

Mr. Krauss asked for clarification. He wanted to know if Council is looking for a recommendation from the advisory board.

Vice Mayor Powell said he wants the board to meet so they can understand what is going on with this project. He said the board has not met in two years and there are new members on the board.

Councilmember Snyder pointed out that the item on tonight's agenda is to acquire land. He wanted to know if it's possible to acquire the land, but not move the taxiway at this time and create more tie down space before moving the taxiway.

Mr. Krauss said this is an issue Council should seek legal advice on in executive session from special counsel who is here tonight.

It was at this time that Vice Mayor Powell withdrew his motion to table to go into executive session.

Councilmember Galindo agreed to withdraw her second.

It was the consensus of Council to hold an executive session regarding this item.

VII. EXECUTIVE SESSION

Motion by Councilmember Snyder, seconded by Councilmember Rodriguez, to hold an executive session at approximately 8:30 p.m. for approximately 20 minutes with the city attorney, city manager, city clerk (transcribing) and special legal counsel, Diane Miller for discussion/consultation for legal advice with the city attorney, special counsel and/or city staff concerning agenda item IX-A, pursuant to A.R.S. §38-431.03 (A) (3) and (4), passed unanimously.

Mayor Belloc reconvened the public meeting at approximately 8:52 p.m.

IX. BUSINESS (continued)

A. ADOPTION OF RESOLUTION NO. 18-1440 AUTHORIZING THE LAW OFFICES OF DIANE M. MILLER, PLLC TO FILE CONDEMNATION LAWSUITS TO ACQUIRE FEE TITLE TO PROPERTIES REQUIRED FOR THE RELOCATION OF TAXIWAY "A" AND FLOODPLAIN IMPROVEMENTS AT THE ELOY MUNICIPAL AIRPORT.

Councilmember Galindo asked Mr. Harris if Council approves acquiring the land tonight, will this put the city in good faith with the FAA in its proposal. She said it doesn't necessarily mean the city would go through the process, but rather utilize the process to ensure the city is in compliance with the plan.

Mr. Harris said if the city moves forward with the resolution to a design standard issue, such as the runway taxiway separation; and if the city is doing its due diligence and continue moving forward, he believes this to be a good faith effort. As opposed as to not doing it to where the FAA would have to change the airport layout plan to illustrate that the city has a non-standard condition as opposed to trying to resolve it.

Motion by Councilmember Snyder, seconded by Councilmember Rodriguez to read Resolution No. 18-1440 by title only, passed unanimously.

The city clerk read the resolution title into the record.

Mayor Belloc called for a motion.

Motion by Councilmember Snyder, seconded by Councilmember Galindo to adopt Resolution No. 18-1440 passed by the following roll call votes:

Aye: Councilmember Rodriguez; Vice Mayor Powell; Mayor Belloc;
Councilmember Snyder

Nay: Councilmember Galindo; Councilmember Garcia; Councilmember Tidwell

B. APPROVE AN INTERGOVERNMENTAL AGREEMENT (IGA) WITH ADOT FOR THE EXCHANGE OF FEDERAL FUNDS WITH STATE REVENUE FUNDS FOR THE TOLTEC ROAD - BATTAGLIA TO I-10 ROAD IMPROVEMENT PROJECT

Staff Cover Sheet Report: *Council approve IGA #18-0006900-I with the Arizona Department of Transportation (ADOT) for the exchange of Federal funds with State Revenue funds for the Toltec Road - Battaglia to I-10 road improvement project, and the cancellation of the ADOT IGA #16-0006219-I for the Toltec Road - Battaglia to I-10 road improvement project*

The City had previously submitted a request for Federal Surface Transportation Block Grant Program (STBGP) funding for the Toltec Road - Battaglia to I-10 road improvement project. The request was approved by ADOT in an amount of \$530,522 and the City entered into an IGA #16-0006219-I with ADOT for the funding of that project. Since that time, ADOT initiated a program for local municipalities to offer an exchange of STBGP funding with Highway User Revenue Funds (HURF) funding. The exchange rate is 90%. Therefore the City will receive \$477,470 of HURF funds in exchange for the previously approved amount of \$530,522 of Federal STBGP funds.

The benefit of this exchange is that the City will not be required to comply with the various federal funding requirements associated with the use of STBGP funding. The Federal requirements are very time consuming and add significant costs to the project. This IGA allows the City to manage the project funding as would be typical of other City projects.

City staff recommends the approval of this new IGA #18-0006900-I and the cancellation of the previous IGA #16-0006219-I as the City will be able to complete the project utilizing City procurement procedures rather than Federal procurement procedures, thus saving time and money on the overall project.

FISCAL IMPACT: *The \$477,470 funding for this project has been budgeted in the FY19 budget. ADOT will provide the funding for this project through their HURF exchange program.*

Mr. Krauss gave a brief review of the proposed IGA with ADOT to Council. Mr. Krauss said full reconstruction of the road is anticipated for spring 2019.

Vice Mayor Powell wanted to know if the work could begin sooner since the city already has the funds.

Mr. Brown explained that the exchange process still has several requirements to go through before construction can begin.

Motion by Vice Mayor Powell, seconded by Councilmember Garcia, to approve an Intergovernmental Agreement (IGA) with ADOT for the exchange of federal funds for state revenue funds for the Toltec Road-Battaglia to I-10 road improvement project, passed unanimously.

C. RECOMMENDATION ON CITY PARTICIPATION IN PINAL COUNTY CDBG URBAN COUNTY PROGRAM

Staff Cover Sheet Report: *Staff recommends that Council authorize the City Manager to send a letter to the U.S. Department of Housing and Urban Development (HUD) that the City intends to opt out of the Pinal County urban county Community Development Block Grant (CDBG) program.*

Pinal County has been notified by HUD that it qualifies for urban county entitlement status for administering the CDBG program, and has invited the municipalities in Pinal County to participate for program years 2019, 2020 and 2021. The Arizona Department of Housing (ADOH) currently administers the City's CDBG program as well as the other municipalities in Pinal County.

Staff recommends that the City opt out of the Pinal County entitlement program and continue with ADOH. The County cannot provide the City with an estimate on the amount of grant funds anticipated, and the City would no longer be eligible for funding through the State Special Project (SSP) account. Also, staff has reached out to the City of Maricopa and they intend to opt out of the Pinal County entitlement program, and Eloy has a partnership with Maricopa as we alternate CDBG funding every other year.

FISCAL IMPACT: *The City receives approximately \$250,000 of CDBG funds every other year (alternate with the City of Maricopa), as well as competing for \$300,000 of SSP funding through the State of Arizona.*

Mr. Krauss gave a brief overview of the Pinal County CDBG Urban County program. He said there are a number of cities opting out of this program. Because there are too many unknown variables with this program, Mr. Krauss said he is recommending the city also opt out of the program and remain with the ADOH.

Motion by Councilmember Garcia, seconded by Councilmember Snyder to authorize the city manager to send a letter to HUD of the city's intent to opt out of the Pinal County CDBG Urban County program, passed unanimously.

X. INFORMATIONAL ITEMS

- A. April Financial Report – No questions and/or comments from Council.
- B. April Checklist Report – Vice Mayor Powell inquired about check numbers 551323 and 551430.
- Check #551323 (Law Office of Bret Huggins) - for court appointed work for the city magistrate court;
 - Check #551430 (C-A-L Ranch Stores) - for purchases made by the public works department for its department operations.

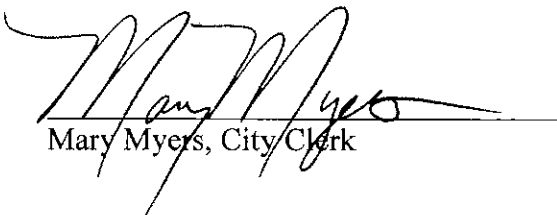
XI. ADJOURNMENT

There being no further business, Mayor Belloc adjourned the meeting at approximately 9:07 p.m.



Joel G. Belloc, Mayor

ATTEST:



Mary Myers, City Clerk