

A report from the City of Peoria to its citizens and friends

Drought Contingency Plan

While the desert climate is one of the reasons that so many people have chosen Arizona as home, the lack of annual rainfall in the region presents a constant challenge in providing water resources to serve desert communities. Historically, Arizona has overcome relatively sparse local groundwater resources by diverting water from the Colorado, Salt, and Verde Rivers for both residents and agriculture. These rivers are fed primarily by snowfall in the high country, including the Rocky Mountains, White Mountains and San Francisco Peaks. In turn, the rivers support the region's water users through dams and canal systems built and managed by the Central Arizona Project and Salt River Project.

It's a system that has worked well, but in recent years, Arizona has experienced rain and snow pack below normal levels both here in the desert and in the high country, putting the state in the midst of a significant drought. Even with the recent rain and snow this spring, the runoff into the Salt and Verde Rivers that provide Peoria with a portion of its

water supply are still well below normal. In January 2003, the Salt River Project (SRP) cut its water supply to municipal water providers by 33%— only the second time since 1951 SRP has had to take such drastic action.

Fortunately, Peoria's diverse water resources mean that when one water supply is experiencing drought conditions, other options will still provide water to the community. Even with that backup system, however, the city's water experts recognize that plans need to be in place to control water use should the drought continue in the coming years.

The Peoria City Council recently adopted a Drought Contingency Plan, making Peoria only the second city in Arizona (after Phoenix) to take such action. This proactive plan will help manage city water supplies should the current drought continue or in the event of a future drought. The drought plan's goal is to preserve economic stability while balancing any burdens from water use restrictions equally and equitably

Drought Plan Water Reduction Stages

Stage One - Water Watch	Trigger: Reduction in allocation from resource providers
Goal: Reduce water demand 5% through mandatory city restrictions and voluntary community/business restrictions	
Strategies: Restrict outdoor water use to every other day, evening hours; auto washing with bucket & hose only; fountains shut-off; turf irrigation reductions.	
Stage Two - Water Alert	Trigger: Potential inability to meet community demand
Goal: Reduce water demand 10% through mandatory city, community, and business restrictions	
Strategies: Restrict outdoor water use to every other day, evening hours; auto washing with bucket & hose only; fountains shut-off; turf irrigation reductions.	
Stage Three - Water Warning	Trigger: Inability to meet community demand
Goal: Reduce water demand 15% through mandatory city, community, and business restrictions	
Strategies: Restrict outdoor water use to 2 days per week, evening hours; auto washing with bucket & hose only; fountains shut-off; turf irrigation reductions; restriction of construction water meters and use.	
Stage Three - Water Emergency	Trigger: Failure/disruption of distribution infrastructure
Goal: Reduce water demand by an amount to be determined through mandatory city, community, and business restrictions	
Strategies: Restrict outdoor water use to 2 days per week, evening hours; auto washing with bucket & hose only; fountains shut-off; turf irrigation reductions; restriction of construction water meters and use; no new residential or commercial building permits issued.	



The current drought serves as a reminder that water conservation is always wise for desert communities like Peoria.

across all water users in Peoria.

"Thanks to our planning, we have the water resources needed to meet the community's demands," said Stephen Bontrager, Peoria's Utilities Director. "That being said, we recognize that we are in a serious drought, and this drought contingency plan lays out the steps we may need to take to reduce water use should the drought continue."

To reduce water use, the drought plan employs four water reduction stages that are triggered by the availability of the city water supply. In each of the stages, water use reduction goals are outlined and strategies to achieve these goals are offered.

The plan was adopted none too soon. Effective July 7th, City Manager Terry Ellis placed the city at Stage One: Water Watch status. The Water Watch stage mandates a 5% reduction in water usage by City of Peoria municipal operations, and requests a 5% voluntary reduction in water usage by residents and businesses. Some of the steps that the city will take to reduce its water use include reducing irrigation of city parks and turf areas, reducing water used in washing city vehicles, and restricting outdoor water use to every other day and evening hours (when less water is lost due to evaporation). Residents and businesses are encouraged to take similar steps.

"Every step that we can take now will reduce the impact of the drought should it continue," according to City Manager

Terry Ellis. "We have sufficient water resources and don't anticipate moving beyond stage one in the foreseeable future."

Increased public education efforts about the importance of water conservation have been underway for several years, and on June 17th the City Council approved a pilot program that offers financial incentives to save water. Through the new rebate program, residents who install a hot water recirculator or convert to low-water-use Xeriscape landscaping can receive a credit of up to \$100 on their City of Peoria water bill. (Specific rules apply – contact the water conservation office at the number provided below for details.)

Peoria is also investing in programs such as groundwater recharge (using its surface water allocations to recharge groundwater) and is exploring opportunities to use treated effluent from the future southern water reclamation facility for right-of-way irrigation and other non-potable uses. No single effort will provide the magic solution, but Peoria's strategy of public awareness and water conservation measures should help the entire community weather the drought with minimal inconvenience.

For more information on the water rebate program or to view a copy of the Drought Contingency Plan:
<http://conserve.peoriaaz.com/>
e-mail conservation@peoriaaz.com
or call the Water Conservation Office at 623-773-7286.

Theater Works and City Agree on Downtown Theater

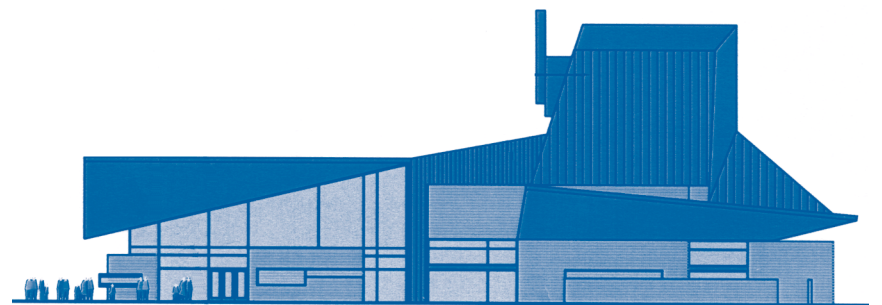
Since its approval by voters in September 2000, the city and Theater Works have been exploring the concepts and realities involved with partnering to build a community theater for Peoria. On May 6th, the Peoria City Council approved a memorandum of understanding with Theater Works for the downtown theater project, which will be located at the northwest corner of 84th Avenue and Peoria Avenue – the site of the former city hall.

Prior to completing the agreement, an extensive feasibility study was conducted and a business plan created. Based upon the findings and recommendations from this work, both the city and Theater Works determined that the partnership could work and proceeded with preliminary architectural design. The design helped solidify construction

cost estimates, which indicate that the theater will cost approximately \$5.6 million to build and equip.

In the partnership, the City of Peoria is responsible for construction of phase one of the theater project (the theater will be built with a phased approach that allows for subsequent expansion). The first phase includes the main 250-seat theater and support spaces, an 80-seat black-box theater (unfinished), as well as parking, landscaping, fixtures, furnishings, and equipment. The city will secure financing for the project and make one or more city-owned modular buildings available for children's programming and workshops.

Theater Works will pay \$200,000 to the City of Peoria as its capital contribution to phase one of the theater. In addition, Theater Works will sign a



Preliminary architectural design for the downtown Community Theater.

long-term lease with the city, making annual lease payments on a graduated payment schedule. Theater Works will be responsible for managing the day-to-day operations of the theater and act as primary anchor tenant. The theater will also be made available for rental to other arts and theater organizations.

The next step for the community theater project is the final design development phase – a step that will be taken after Theater Works has raised \$100,000 of its \$200,000 capital contribution for the first phase.

Those who are interested in contributing towards the project can contact Theater Works at tworks@theaterworks.org or phone 623-815-7930.

For more information about the project, contact the Department of Communications and Public Affairs at information@peoriaaz.com or phone 623-773-7000.

CITY COUNCIL HIGHLIGHTS

March

- Approved a \$40,000 contract to install 19 water quality sampling stations in various locations around the city, reducing the need to take water samples from private residences to meet monthly sampling requirements.
- Approved a \$157,000 contract to build a concrete trail under 75th Avenue at the Arizona Canal Diversion Channel (ACDC), connecting existing trails as part of the city's rivers and trails master plans.
- Adopted a resolution in support of Glendale's bid to host Super Bowl XLII in 2008 at the new Cardinals' stadium in Glendale.

April

- Allocated \$25,000 in "seed" money towards a contract with a federal lobbying firm that will work on behalf of the region and Luke Air Force Base during base closure discussions with the federal government. The \$25,000 is the start towards an estimated total contract cost of \$125,000 – Peoria is leading efforts to raise the balance of the funding from other public and private stakeholders in the region.
- Approved an \$82,000 contract to design the widening of Peoria Avenue from Grand Avenue to 83rd Avenue, including median, landscaping, and pedestrian improvements.

May

- Adopted a Drought Contingency Plan that provides guidelines and strategies for reducing water consumption in times of drought (for more information, see the feature story in this issue of FOCUS).
- Adopted the Gila River Indian Community Water Rights Settlement that resolves water rights disputes between the Gila River Indian Community and the United States Government, the State of Arizona, and approximately 30 other government or utility agencies (including the City of Peoria). The settlement agreement solidifies portions of Peoria's water resources and will allow Peoria to lease 7,000 acre-feet (2.3 billion gallons) of water per year for the next 100 years from the Gila River Indian Community.
- Approved a memorandum of understanding with Theater Works that outlines expectations, theater financing, mutual obligations, and other pertinent details for the \$5.6 million downtown theater project. (For more information see the related article in this issue of FOCUS).
- Celebrated the grand opening of Ironwood Estates, a mixed-income townhouse rental complex developed with the utilization of Federal tax credits. Partners in the project are Community Services of Arizona, Phoenix Local Initiative Support Corporation (LISC), Maricopa HOME Consortium, Arizona Department of Housing, Wells Fargo, WNC & Associates, and the US Department of Housing & Urban Development.

June

- Adopted the \$330 million Fiscal Year 2004 Budget, including \$141 million for operations, \$129 million for capital, \$33 million for contingency, and \$27 million for debt service. (For more on the FY04 Budget, see the Budget in Brief insert in this issue of FOCUS.)
- Adopted the \$433 million Fiscal Year 2004-2013 Capital Improvement Program (CIP) that provides a schedule of planned improvements and identifies funding sources for city construction projects over the next ten years. (For CIP highlights, see the Budget in Brief insert in this issue of FOCUS.)
- Maintained the city property tax rate at \$1.59 per \$100 of assessed valuation, making this the 6th consecutive year without an increase.
- Adopted a pilot water conservation rebate program that includes rebates (up to \$100) for citizens who install hot water recirculators and/or low-water use Xeriscape landscaping.

Mayor's Report

Without a doubt, one of the biggest challenges facing the City Council each year is going through the study sessions to review the proposed budget for the next fiscal year. It is always a challenge to prioritize the needs and wants of a growing city while addressing both short-term goals and long-term plans. The Fiscal Year (FY) 2004 Budget is even more challenging due to the current economic environment. The slow economy is forcing some Valley cities to cut services and programs, postpone projects and reduce staff.

For Fiscal Year 2004, the City of Peoria budget is \$330 million – a 1.5% decrease from the previous year's total. This decrease is due mostly to the completion of major capital projects, such as the Greenway Water Treatment Plant, in FY 2003. At \$140.8 million, the operating budget is the largest single component of the total budget. Overall, the FY2004 budget will allow the city to maintain current service levels while accommodating growth where needed.

Thankfully, Peoria is in better financial shape than many other communities. Careful planning and conservative fiscal policies of recent years mean that these tough economic conditions are not having the same impact in Peoria as they are elsewhere. The City Council has preached and practiced sound financial policy, and that philosophy is backed by skilled and dedicated city staff. Each year, the council knows that by the time the budget is presented to us, it has been scrutinized, trimmed, and prioritized based on the city's essential needs.

Even with conservative fiscal policies in place, the slow economy is having an effect here. Instead of adding new programs or services, the city's goal in the upcoming fiscal year is to focus on maintaining current staff levels and existing programs and services. Most importantly, the proposed budget does not require higher taxes or layoffs of city personnel. In order to stay focused on the bottom line and continue living within our means, the budget features three primary cost saving measures: no cost of living allowances for employees, no new staff (other than those directly supported by user fees or those required by previous budget commitments), and re-evaluation of the Capital Improvement Program.

A key to slowing the growth of the budget is holding the line on the biggest portion of the city's budget - personnel costs. Except for a few special circumstances, no new staff will be added. The exceptions are fee supported positions (sanitation workers, staff for fee-supported recreation programs, etc.). Several capital improvement projects, which the city has begun and committed to, have maintenance requirements that must also be honored. The new Rio Vista Community Park and the Public Safety Administration Building are underway and some will be provided to run these new facilities when they open in late 2003/early 2004. These positions had already been projected in previous budgets.

Peoria's capital improvement program was reevaluated and prioritized to determine the best use of the available budget. This in itself was a difficult task because there are so many construction projects important for the city's future. In the interest of a balanced budget, however, city staff worked with the council to review and re-prioritize the city's capital needs.

Ultimately I am pleased to say that given the current economy, the Fiscal Year 2004 Budget is the best it can be. Complete budget and capital improvement program details are available at the city's web site, www.peoriaaz.com, at City Hall (Room 220), and at both Peoria libraries.

Mayor John C. Keegan

City Elections Shift Dates in 2004

In September 2004, the city will begin holding its primary election in September and its general election in November of each "even" year. This way, city elections will coincide with state and federal elections.

The 2004 primary election will be held on Tuesday, September 7th. Dates and timelines for ballot issues and candidates have been changed appropriately. Please contact the City of Peoria Office of the City Clerk at 623-773-7340 or cityclerk@peoriaaz.com for more information.

CITY COUNCIL District Roundup



The Peoria City Council

Contact the Mayor and Council by calling 623-773-7306.

Council Meetings are held the first and third Tuesday of each month at 7 p.m. in the Peoria City Council Chamber, 8401 West Monroe Street

Call the City Clerk's Office at 623-773-7340 for agendas or more information.

Council agendas, meeting minutes, district maps, and other information are also available on the city web site at www.peoriaaz.com

Acacia District – Councilmember Vicki Hunt

I want to start by saying thank you to the residents for selecting me as their new Councilmember. I am looking forward to serving the Acacia District. I have an open door policy and am looking forward to hearing from you. There are exciting changes in the works for the Oldtown area. My goal is to keep you informed as they occur. If I can be of assistance to you, please call 773-7306.

Mesquite District – Councilmember Ken Forgia

Lake Pleasant is the key to a hot summer day. A full service marina, picnic ramadas, and 10,000 acres of water await the visitor. Boating, fishing, skiing, scuba diving, sailing and kayaking are all possible at Lake Pleasant. The lake offers something for everyone – even a replica paddlewheel 1880's Mississippi Riverboat that offers dinner and sunset cruises (623-815-2628). There is a nominal park entry fee (928-501-1710), and marina watercraft rental costs vary (602-977-7377 or 928-501-1801). I recommend calling first for current hours, fees and details.

Ironwood District – Vice Mayor Bob Barrett

As the long, hot summer continues drought and water will become a topic of concern and conversation. While Peoria will not run out of water, conservation always is a good idea. Peoria is urging the public to become better informed about saving water. For information on how you can save water, contact the Water Conservation Office at 623-773-7286, e-mail: conservation@peoriaaz.com, or visit conserve.peoriaaz.com.

Palo Verde District – Councilmember Pat Dennis

The Valley's 1/2-cent sales tax for transportation expires in 2005 - unless voters approve an extension. The tax is a major source of funding for Valley transportation improvements. As a member of the Maricopa Association of Governments (MAG) Regional Transportation Policy Committee, I encourage everyone to do their homework on the transportation tax extension that will appear on the ballot in 2005. For more information, contact MAG at (602) 254-6300, or visit www.LetsKeepMoving.com.

Pine District – Councilmember Carlo Leone

Many residents are very proud of their neighborhood and appeal to me for assistance in helping get their neighborhood properly identified with entry signs. I am pleased to sponsor the signage. Country Meadows, Country Meadows Estates and West Olive Farms are three completed projects and Country Meadows I Townhouse and Meadows Townhouse are two more that are in the works. I am happy to help those who are interested in keeping their neighborhoods looking good.

Willow District – Councilmember Ella Makula

One goal of the City Council Not-for-Profit subcommittee, which I am proud to serve on, is to provide affordable housing in Peoria - something that has received the support of the entire City Council. I am pleased to say our efforts have produced Ironwood Estates, a mixed income townhouse rental complex located at 8930 West Monroe Street that provides affordable rental and homeownership opportunities. Many thanks to my fellow Councilmembers and the city staff and community organizations who made this outstanding project a reality.

The City's Budget Maintains Service Levels In Spite Of Slow Economy

The FY2004 budget reflects a conscious effort to slow the expansion of the budget so as to allow the natural growth of the City's revenue base to close projected gaps shown in future revenue forecasts. The primary strategy is to maintain existing services and programs at current levels while dealing with the growth of population-based service demands on a user fee-for-service basis in the year ahead, to the degree possible. The philosophy is to take a few moderate budgetary "belt-tightening" steps today to avoid the need for drastic measures in years ahead.

The City of Peoria FY 2004 Budget is \$330 million, which reflects a 1.5% reduction from the previous year. The Operating Budget totals \$140.8 million, for an increase of about 2.1%. Given Peoria's population growth and the normal (unavoidable) overhead increases due to insurance, utilities, retirement rate increases, etc., this moderate increase is in line with inflation and both reasonable and sustainable. The proposed budget is balanced, and reliable revenues are identified to cover all proposed expenditures.

Unlike some other Valley cities, no staff reductions were needed to balance this year's budget. That said, a three-pronged financial strategy was followed in order to achieve service level goals while remaining within the city's financial means. These three steps were:

No-cost-of-living adjustments for City staff in the upcoming year. The City remains committed to hiring and retaining the best qualified employees available, and to paying competitive salaries. However, salaries constitute over 70% of the City's General Fund budget so this measure was necessary to avoid a large additional expenditure at this critical time. Salary levels will remain fair and competitive with comparable agencies.

Avoid adding new staff positions. The City is generally well staffed to support its core services in the coming year. A commitment was made to not add new staff except: where a critical emergency service was in jeopardy; or where the need is

essential due to growth and the service is fee-supported; or where it was necessary to staff a capital project scheduled to come on-line in the coming year, and where this operating expense has been planned for in the budget (and included in the long-range forecast).

Review the operating and maintenance impacts of the Capital Improvement Program (CIP).

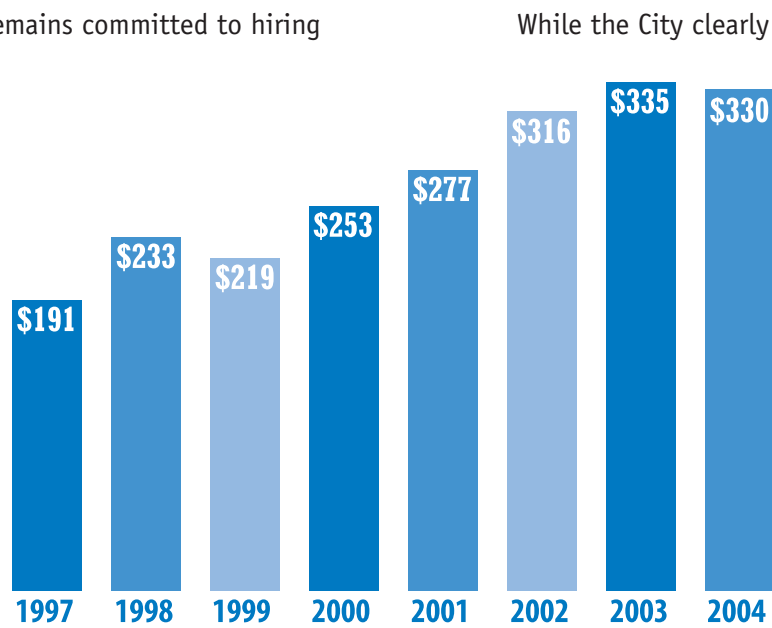
The City has an ambitious \$435 million ten-year CIP. Some projects carry with them ongoing maintenance and operating expenses. The CIP was re-evaluated and some changes made to defer avoidable



City service levels will be maintained with the Fiscal Year 2004 Budget, even in the current tough economy.

maintenance and operation costs.

There are 17 new staff positions funded for the coming fiscal year. Of the 17 recommended positions, ten are supported through user fees and charges (and outside revenue sources), five are to support the new Public Safety Administration Building, and one new position is required for Rio Vista Community Park. For both of these new facilities, the revenues to support these new staff were planned for in the City's long-range forecast. This boils down to only two new staff positions recommended in the General Fund, (i.e., without some associated revenue offset) and these are both Police Department Communication Specialists (emergency dispatchers), needed to maintain service levels in this critical emergency service area.



City of Peoria Total Budget Fiscal Year 1997 through 2004

While the City clearly understands the effects

the slow economy is having on the municipal coffers, it is also clear that financial times are difficult for citizens and business as well. No new taxes or tax rate changes are part of the FY2004 budget. Property tax rates and sales tax rates remain constant. No water or sanitation rate increases are warranted, however a rate increase is necessary for wastewater rates,

effective January 1, 2004; this will be brought to the City Council for review and possible action later this year.

Budget Highlights

Police Department

This past year, the Police Department experienced a 20% increase in calls for service. To meet increased demand, **four veteran Police Officers currently assigned to the Drug Abuse Resistance Education (DARE) Program in the Peoria Unified School District are being reassigned to patrol duties.** Although DARE is a popular public education program, the priority of the Police Department must be patrol services, where life and safety are at stake. Transferring the four DARE Officers to patrol should allow the Patrol Division to absorb the expected increase in population and resulting calls for service in FY 2004 (while maintaining average response times). The net savings of this proposed reassignment is about \$300,000 – which is the amount which would have to be added to hire four Police Officers if this were to be funded as a new General Fund expense.

The Police Department will receive \$27,230 to equip each marked patrol vehicle with “less than lethal” weapon systems. The pepperball and shotgun bean bag systems are designed to avoid the use of deadly force where possible. **In addition, \$162,000 is proposed and earmarked for enhancements to Police communication systems.** By adding a simulcast site and three receivers, the department can fill communication voids that exist in the northern part of the city.

Within the Police Communications Division, **two new Communication Specialist positions are included in the budget** at an annual cost of \$114,674. A third specialist will also be created through reclassification of an existing Communications Supervisor position - these additional communications dispatchers will help meet service level goals in dispatch.

A one-time addition of \$225,000 is recommended to the Police overtime budget. This is to compensate police officers, detectives, dispatchers, etc. for extra hours worked on special assignments, training, and to staff basic shifts in the event of staffing shortages.

Community Services Department

The budget includes funds to contract out maintenance of city arterial right-of-way landscaping - work currently performed by city crews. This new contract totals \$244,000 for maintenance of the city's 140 acres of landscaped right-of-way. **This contract makes it possible to reassign four existing city maintenance staff to the new Rio Vista Community Park,** and an additional four staff to the new neighborhood parks and trails coming on-line in the year ahead: Fletcher Heights South Park; Greenway Park; Braewood Park



The budget focus is

(expansion); and 13 miles of new trails.

This proposal will save the City an estimated \$160,000 per year in maintenance costs. This move was made based upon the assumption that funds will not be available for the city to hire new park maintenance staff next budget year.

The 50-acre Rio Vista Community Park, to include lighted softball and multi-purpose fields, large picnic and playground areas, a skateboard park, artificial lakes, and other amenities, is scheduled to open in FY2004. **Five staff will initially be assigned to operate and maintain this new park, including a new Park Ranger to help with security and customer service.** As previously noted, four existing park maintenance staff will be reassigned to Rio Vista Community Park as a net result of contracting out right-of-way maintenance.

Fire Department

Last year was a very bad one for forest fires in Arizona. In an effort to improve the Fire Department's wild land fire response, **an additional \$16,498 is included for brush fire equipment.** Funding is also included for additional overtime for paramedic training (\$36,634) to handle increasing workload demands.

The Fire Department is also experiencing pressure on its general overtime budget to meet basic engine company minimum staffing requirements. Thus, a one-time addition of \$75,000 is proposed to the Fire Department overtime budget.

The Fire Department budget includes an increase for fire dispatch fees to the City of Phoenix, estimated at \$60,000 annually.

Utilities Department

Given the suspected past presence of Naegleria Fowleri in the private Rose Valley Water Company system in North Peoria, the city is committed to helping learn more about this dangerous contaminant. **The FY04 budget includes city contribution to a two-year Naegleria research project (\$50,000)** to help identify the cause of this potentially deadly pathogen and how to prevent it. This study will be undertaken by the Water Quality Center at the University of Arizona.

The Utilities Department has requested authorization to form a Western Area Utility Division to support the significant growth west of the Agua Fria River. At an estimated cost of \$1,024,808, the new division will include five new staff positions, one-time startup costs, equipment and supplies to operate the new Jomax Reclamation Facility, production wells, and new distribution and collection lines.

With the state's drought entering its 7th year, the city is committed to encouraging and assisting water conservation. **A new Water Conservation Program is budgeted (\$50,000), to provide public information and financial incentives for residents to convert to Xeriscape landscaping and to install hot water recirculators.** This conservation program is recommended on a trial basis, to gauge public receptivity and usage.

Engineering Department

In the Engineering Department, the development of several very large master planned communities will create challenges which are unprecedented for Peoria in plan review. **To ensure quick turnaround times and good service,**



Public Safety

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Revenues & Expenditures



Workers on maintaining essential city services.

\$4,153 is recommended to fund hiring of one Civil Engineer, and additional contractual engineering services. A Management Analyst position (\$81,586) is also requested to track and coordinate the growing number of complicated development and intergovernmental agreements relating to growth and development. It will be necessary to increase engineering plan review fees to offset these costs.

City Clerk's Office

A part-time Office Assistant (\$3,640) in the City Clerk's Office will be funded to open a new Passport Acceptance Agency at Peoria City Hall. Contracting with the U. S. State Department, this program will allow Peoria residents to obtain passport services in their own city for the first time. This new program is recommended because it is expected to actually be a positive revenue generator, as all passport applications and related services will be charged a fee for service. This new service will be offered to the public in the City Clerk's Office five days per week. It should prove to be very popular due to the limited number of places where passport services are available in the West Valley.

Public Works Department

Funds are earmarked in the FY 2004 budget to cover the operating costs of two high-profile capital projects. This includes maintenance positions required at the new 100,000 square foot Public Safety Administration Building, scheduled for completion in October of 2003. This new facility will house the Police Department, Fire Department Administration, and will be the new home of the City's Channel 11 cable TV studio.

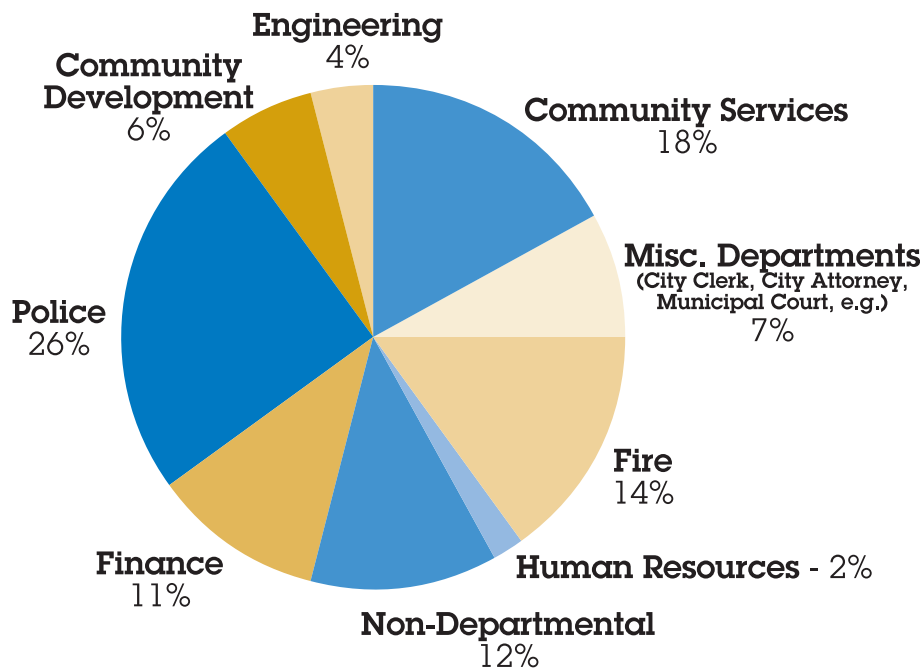
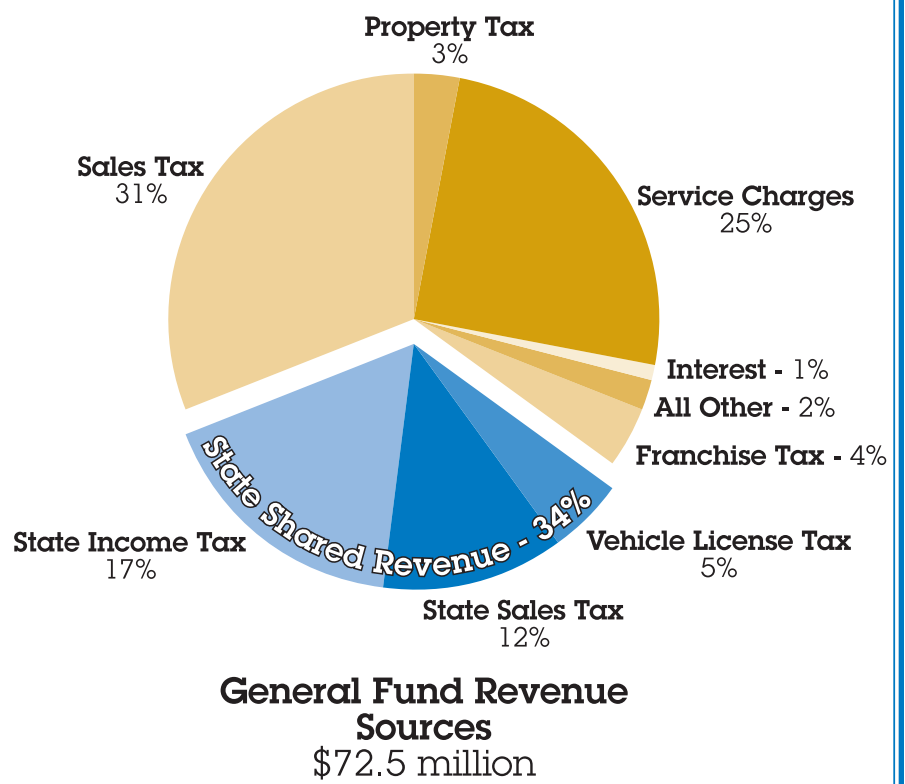


Administration Building

The Arizona economy continues to struggle with the effects of a nation-wide slowdown. Important local industries such as tourism, high technology manufacturing, and transportation, have been hit by weakened demand and lowered consumer (and business) confidence.

On the brighter side, there are increasing signs that a gradual economic recovery could begin early next year. Forward looking predictors like the Arizona Business Conditions Index, have shown slight improvements over the last couple of months. However, such turnarounds often take a longer period of time before their impacts are experienced in local government revenues.

The City's sales tax is its single largest revenue, comprising 33% of General Fund revenues. Despite a slowdown statewide, retail sales in Peoria have remained steady in FY 2003. For the next budget year, 4% growth in sales tax is projected, generating about \$35.8 million in total. The City of Peoria has continued to rely heavily on strong local housing activity and auto sales during the slowdown. The attraction of new business and industry is also having a positive effect, as shown in the new restaurants and retail in the Arrowhead Fountains Complex.



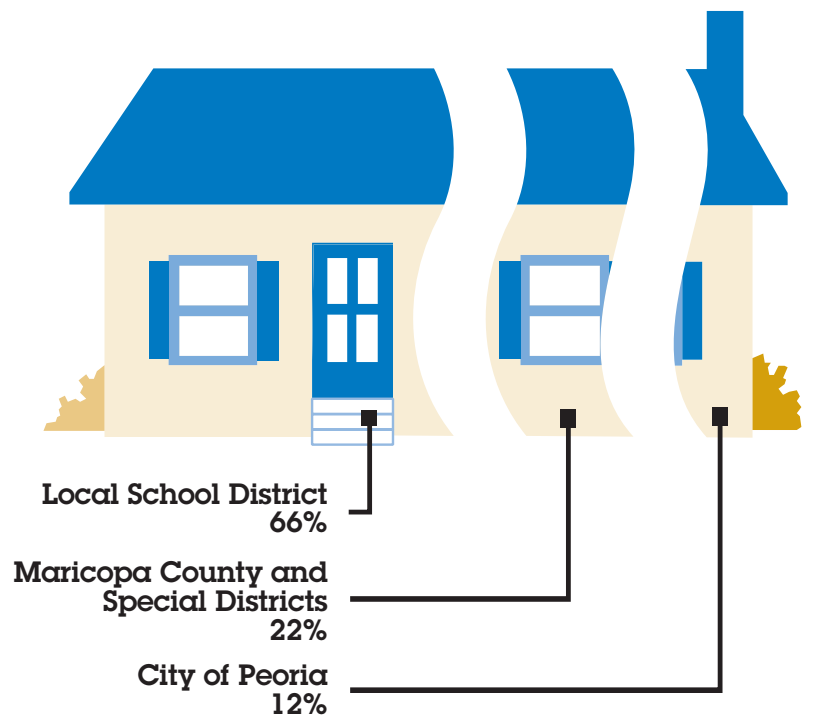
General Fund Expenditures by Department

\$72.4 million

The City of Peoria also collects property taxes to support its services. The primary property tax is the smallest component and is placed in the City's General Fund. The secondary property tax plays a larger role and is used to pay debt to retire voter approved municipal bonds which finance capital projects. The City's property tax rate will remain at \$1.59 per \$100 of assessed value, - \$.29 for the primary tax rate, and \$1.30 for the secondary tax rate. **This marks the sixth consecutive year without a property tax rate increase in Peoria.** It is also noteworthy that the City's property tax represents only about 12% of the total average homeowner property tax bill; the balance goes to schools, Maricopa County, and special districts.

The City is dependent on receiving its fair share of state-shared revenues, including state income tax, sales tax, and motor vehicle registration fees. Pursuant to previous agreements, these revenues are collected by the State of Arizona and distributed to cities and towns on a population-based formula. The state also allocates a portion of gas tax revenues to cities, used to fund city road projects. In the year ahead, state-shared revenues are projected to fall by 4% overall, mainly due to reductions to the state's income tax collections for both personal and corporate income tax.

Property Tax Breakdown



Capital Improvement Program Highlights

The Capital Improvement Program (CIP) is the City's adopted budget for financing capital projects. This is an essential part of the City's plan to extend services and facilities to a growing community. This ten-year program is closely aligned with the City's General Plan, and also reflective of a number of specific facility and infrastructure master plans.

The proposed Ten-Year CIP totals \$435 million. Several important capital projects, including the Public Safety Administration Building and Rio Vista Community Park, are currently under construction and slated for completion in the coming year. In total, there are more than 300 capital projects planned for water and wastewater systems, roads, parks, drainage systems, fire stations, etc.

The following highlights include a few of the more noteworthy projects slated for completion in FY 2004:

Public Safety

- 1 Fire Station 191 Replacement - (currently at 83rd Avenue/ Washington Street) \$900,000 (total cost \$4.27 million)
- 2 Fire Station 192 Reconstruction (89th Avenue/Union Hills Road) - \$80,000 (total cost \$2.34 million)
- 3 New Fire Station 197 at Vistancia Preliminary Planning - \$133,000 (total cost \$2.8 million)

Parks

- 4 Swimming Pool at Sunrise Mountain High School - \$2.5 million
- 5 Terramar Park Development - \$1.0 million
- 6 Camino a Lago Park Development - \$454,000 (total cost \$900,000)
- 7 75th Ave/Greenway Park Development - \$929,000
- 8 Braewood Park Improvements - \$200,000

Cultural Assets

- 9 New Peoria Community Theater Construction - \$1.1 million (total cost \$5.6 million)

Streets

- 10 Happy Valley Road Construction - \$4.5 million (total cost \$15.2 million)
- 11 Lake Pleasant Road Phase III and IIIA - \$3.9 million (total cost \$19 million)
- 12 Beardsley Road Reconstruction from Lake Pleasant to 111th Avenue - \$1.8 million
- 13 Greenway Road Widening - \$300,000
- 14 Bell Park Sound Barrier - \$500,000
- 15 84th Avenue Streetscape - \$100,000

Storm Drainage

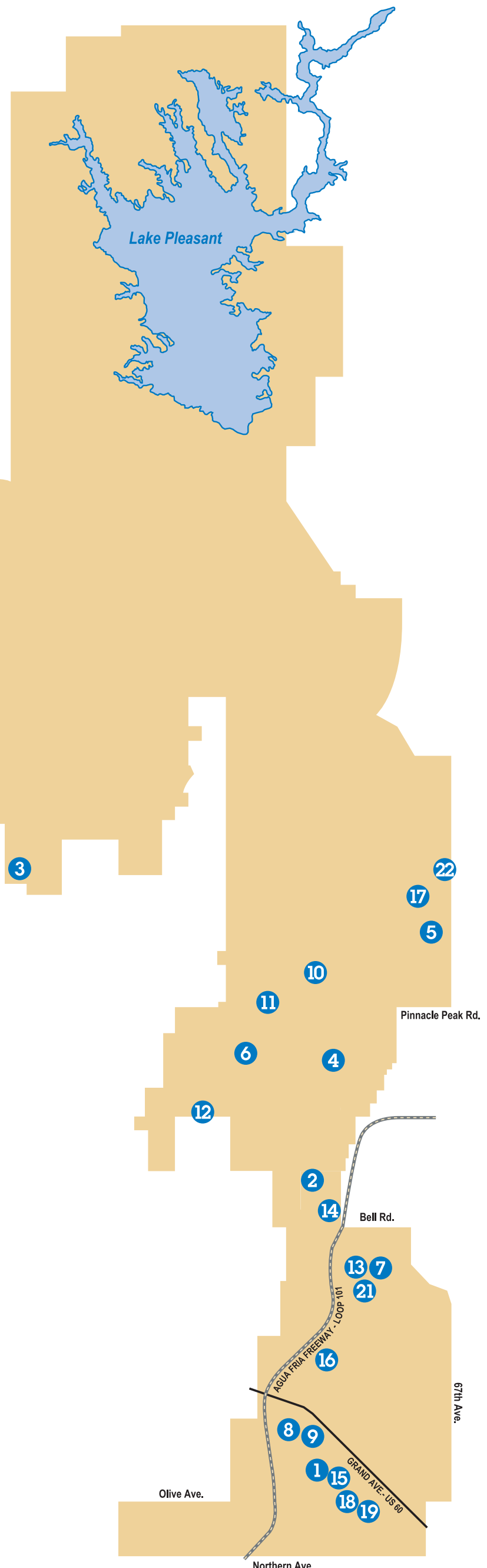
- 16 New River Storm Drain Design - \$161,100 (total cost \$1.7 million)
- 17 New River Flood Mitigation Site - \$485,000

Wastewater

- 18 Southern Peoria Reclamation Plant - \$6.6 million (total cost \$20 million)
- 19 Southern Peoria Reclamation Effluent Distribution System- \$2 million (total cost \$5 million)

Water

- 21 Water Transmission Lines Construction - \$2.2 million
- 22 Pyramid Peak Water Treatment Plant Expansion - \$370,000 (total Peoria share \$2.7 million)



New Public Safety Building Nears Completion



The Public Safety Administration Building going up immediately south of the city municipal complex will house the Police Department Headquarters & firing range, Fire Department Administrative offices, and a television studio for the city's Government Channel 11.

The building rising just south of the Peoria City Hall Complex is the new two-story, \$18.5 million Public Safety Administration Building (PSAB). Under construction since September 2002 on a 16-acre site at 83rd Avenue and Cinnabar, it is on schedule to open this October.

Encompassing 94,000 square feet, the building will house Peoria's Police Headquarters, Fire Department Administration, and a television production studio for the city's cable station - Channel 11. In addition, the facility will feature a five-lane firing range that will allow police officers to stay proficient with their weapons without incurring costly overtime to travel to distant firing ranges around the valley. The firing range has been specifically designed to contain all noise, meaning few people will even know it is there, and will be made available to other West Valley Police Departments upon request.

"The project will provide much needed space for police and fire while supporting other uses such as Channel 11 and a police firing range," said Prisila Ferreira, Deputy City Manager for Safety and Administrative Services.

The project is on a rapid pace for completion due primarily to the design-build process used throughout the project. Instead of working with a separate architect and construction company, the city's bid process selected a single firm to handle all aspects of design and construction.

"Peoria was one of the first cities to take advantage of design-build as an alternative to the traditional design-bid-build process," said Ferreira. "Both the City Council and City Manager supported using this because it has proven successful in reducing costs (and risk) and design & construction schedules in the private sector for many years."

In addition to providing for current Police, Fire, and Channel 11 operations, the new facility includes a public meeting room, space for the city's Emergency Operations Center, and 5,000 square feet of "flex space" for other city functions in the future. The PSAB contains plenty of room for growth and has been designed to meet the needs of these important city functions for the next 15 to 20 years. The lobby will also be home to a permanent memorial to America's public safety providers - created from two sections of steel beam recovered from the World Trade Center and donated to Peoria by the City of New York.

Once the project is completed, the former police building will be reconfigured for use by other city departments - the subsequent "domino effect" will open-up other needed office space around the municipal complex to accommodate the city's growing needs.

For more information on the Public Safety Administration Building, contact the city's Construction Superintendent at 623-773-7721.

New Road to Provide Alternate Truck Traffic Route

Construction of 112th Avenue between Beardsley Road and Rose Garden Lane is currently underway and is scheduled for completion in August. The new street will eliminate truck traffic on Rose Garden Lane between 112th Avenue and 107th Avenue, and is part of the overall plan to reduce the impact of truck traffic from the rock quarries located within the Agua Fria River in this area of Peoria.

"This new street will help reduce the number of people directly impacted by truck traffic in central Peoria," according to City Engineer Dave Moody. "We can't completely eliminate the trucks from traveling on our roads, but by constructing the new two-lane road along 112th Avenue between Beardsley Road and Rose Garden Lane, we can reduce the amount of traffic and also provide a better overall truck route plan in the area."

When the roadway is finished, truck traffic that currently travels east from the rock quarries onto Rose Garden Lane heading towards Loop 101 will instead be directed south along 112th Avenue and then onto Beardsley Road, which as an arterial roadway is better suited to this sort of traffic.



While new truck routes will reduce the impact of truck traffic on residential neighborhoods, traffic enforcement will continue to patrol all city roadways.

112th Avenue is just one improvement that was recommended by several traffic and noise studies conducted by the city in the past few years. Another completed recommendation was the construction of the 83rd Avenue sound wall, built along the west side of 83rd from approximately Union Hills Drive to Beardsley Road. Other sound wall projects are planned for portions of Lake Pleasant Parkway, which is currently being designed and built in phases.

For more information, contact the Engineering Department at 623-773-7212 or e-mail: engineering@peoriaaz.com

We Want Your Junk Mail!

New Recycling Drop-Off Program Begins

About the only thing more frustrating than a mailbox full of "junk mail" is knowing that the stuff fills up valuable space in your trash can and eventually local landfills. To offer some relief, the City of Peoria is improving and expanding its recycling drop-off program as of July 1st, 2003. These changes will make it more convenient for people to participate by accepting co-mingled recyclable materials (no more keeping separate containers for cans, newspapers, etc.), and increasing the types of recyclable materials accepted to include junk mail, magazines, paper, cardboard, newspapers, and certain kinds of plastics - such as milk jugs. Glass will not be accepted due to the high cost of recycling it, and because broken glass can contaminate the other co-mingled recyclable materials.

The number of recycling drop-off sites will also be increased. In addition to the 19 sites already located around Peoria, the city hopes to add up to five additional drop-off locations in 2003. City recycling staff is working with local shopping centers and homeowner's associations to identify convenient locations for co-mingled drop-off containers.

Why is recycling important? The City of Peoria collects about 75,000 tons of solid waste each year and delivers it to local landfills - but much of this waste can be diverted from landfills if people recycle. Recyclable materials collected at city drop-off sites are taken to a processing facility where they are sold to companies that re-use the materials in manufacturing things like auto parts, newsprint, and insulation. The money that the city earns from selling recyclable material is put back into the city's recycling program fund to help keep costs low.



Recyclable materials that are accepted at city drop-off sites: metals - aluminum foil, food trays, pie tins, cans; cardboard and chipboard; paper - newspaper, office paper, brown bags, junk mail, magazines; plastic bottles & milk jugs (#1 & #2). Items that are not accepted for co-mingled recycling are glass, Styrofoam (plates, cups, etc.), tissues, paper towels, plastic bags or plastic wrap, and paper plates or cups.

So why doesn't the City of Peoria provide curbside recycling service? In 2000-2001, the city conducted a recycling feasibility study to explore whether or not curbside recycling would be practical in Peoria and determine what the cost would be. That study determined that curbside recycling would work in Peoria (one of the two weekly trash pickups would have been converted to a co-mingled recycling pickup) and that the monthly increase to ratepayers would be approximately \$1.50. The City Council placed the item on the May 2001 ballot to let the citizens decide whether or not they wanted this added service and the additional cost. By a narrow margin, voters decided not to adopt curbside recycling in Peoria.

At some point in the future, the City Council may again decide to explore options for curbside recycling in Peoria. Until that time, the co-mingled recycling drop-off program provides an option for Peoria residents who wish to recycle.

For more information, log on to <http://peoriaaz.com/recycle/> e-mail recycling@peoriaaz.com, or call the Solid Waste Division at 623-773-7431

Park & Ride Lots Help Unlock Gridlock

Bus commuters and car-poolers now have the convenience of two new Park & Ride lots in Oldtown Peoria. The lots are located at the northeast corner of 84th Avenue and Jefferson Street, and the southwest corner of 84th Avenue and Washington Street.

The Jefferson and 84th lot is across the street from the Peoria Community Center, making it useful for Valley Metro Yellow Line Bus commuters. Combined, both lots offer a total of 75 parking spots and are open 24 hours a day, seven days a week. There is no cost to park in the lots and there are no restrictions, whether people park and then carpool or use transit to get elsewhere, or whether they just want to walk around the Oldtown area.

"The reason we added both lots is two-fold. The old designated park and ride lot was in the Community Center parking lot. This caused congestion and it was difficult to keep the park and riders in the designated portion of the lot," said Walt Begley, Peoria Facilities and Transit Operations Manager. "When we became aware that there was state grant funding available for these kinds of projects, we applied for it. We were awarded the grant funds, received the funding and now have two great lots for the community to take advantage of."



The Valley Metro Yellow Line offers service Monday through Friday from about 5:30 a.m. to about 7:30 p.m. The route takes commuters from Oldtown Peoria, down Grand Avenue to downtown Phoenix, and then on to Tempe and Arizona State University. (For more information, visit www.valleymetro.org or call 602-253-5000.)

For those who prefer to carpool, Valley Metro offers rideshare matching services. Visit www.ShareTheRide.com to find carpool partners and then become eligible to receive discounts on various Valley products and services through the Commuter Club program.

For more information on bus service and ride sharing, visit www.valleymetro.org or call Valley Metro at 602-253-5000

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
July			1	2	3	4	5
	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
	27	28	29	30	31		
August						1	2
	3	4	5	6	7	8	9
	10	11	12	13	14	15	16
	17	18	19	20	21	22	23
	24	25	26	27	28	29	30
	31						
September		1	2	3	4	5	6
	7	8	9	10	11	12	13
	14	15	16	17	18	19	20
	21	22	23	24	25	26	27
	28	29	30				

July 1st – City Council Special Meeting & Study Session*, City Hall, 4 p.m.

TV City Council Meeting Council Chamber, 7 p.m.

July 4th – Independence Day Holiday, (City offices closed, holiday trash pickup schedule in effect).

July 4th – All American Festival, Peoria Sports Complex (16101 N. 83rd Ave.), 5:00 p.m. - 10:00 p.m., admission: \$5 (13 & older). Info: 623-773-7564.

July 17th – Planning & Zoning Commission‡, Council Chamber, 6:30 p.m.

August 7th – Planning & Zoning Commission‡, Council Chamber, 6:30 p.m.

August 19th – City Council Special Meeting & Study Session*, City Hall, 4 p.m.

TV City Council Meeting Council Chamber, 7 p.m.

August 21st – Planning & Zoning Commission‡, Council Chamber, 6:30 p.m.

September 1st – Labor Day Holiday, (City offices closed, holiday trash pickup schedule in effect).

TV September 2nd – City Council Meeting, Council Chamber, 7 p.m.

September 4th – Planning & Zoning Commission‡, Council Chamber, 6:30 p.m.

September 13th and 14th – Fiestas Patrias de Peoria, Johnny Osuna Park (10510 N. 83rd Ave) and Oltown Peoria, free admission. **Pageant contestants and event volunteers needed.** Contact: Mike Escobedo – 623-523-6107.

September 16th – City Council Study Session*, City Hall, 4 p.m.

TV City Council Meeting Council Chamber, 7 p.m.

September 18th – Planning & Zoning Commission‡, Council Chamber, 6:30 p.m.

*Council Study Sessions are held as needed. Call the City Clerk's Office at 623-773-7340 to confirm meeting times and for agendas, or check the web at www.peoriaaz.com.

‡Call the Planning Division at 623-773-7200 to confirm meeting times and for agendas.

The City Hall and the City Council Chamber are located at the City of Peoria Municipal Complex, 8401 West Monroe Street.

TV All City Council Meetings are broadcast live on Peoria's Channel 11 (on Cox & Qwest cable), and re-broadcast each night through the following Sunday.

Going somewhere?

Apply for your **PASSPORT** at Peoria City Hall

PASSPORT SERVICES BEGIN AUGUST 5TH
Including Passport Photo Services

at the **Office of the City Clerk**
Peoria City Hall
8401 W. Monroe St. Room 150

Tuesdays & Thursdays, 9 a.m. to 4 p.m.

For more information
call 623-773-7340
or e-mail: cityclerk@peoriaaz.com



"Where the Rubber Meets the Road"

ROAD CONSTRUCTION UPDATE



Union Hills Reconstruction (84th Ave. to 92nd Ave.)

The reconstruction of Union Hills Drive from 84th Avenue to the west city limit (approximately 92nd Avenue), including rubber asphalt overlay, is in the contract bid and award phase. Construction is expected to begin in June/July 2003.

Union Hills Widening (Loop 101 to 84th Avenue)

This project consists of adding one lane on the north side of Union Hills Drive from the Loop 101 to 84th Avenue, a separate right-turn lane on the bridge to 83rd Avenue and onto 83rd Avenue, as well as one lane 84th Avenue to 83rd Avenue, south side. The project is currently being designed, with construction scheduled to begin in February, 2004.

Olive Ave. Overpass at 75th Ave. & Grand Ave.

An Arizona Department of Transportation (ADOT) Project that will carry Olive Avenue over Grand Avenue, 75th Avenue, and the BNSF railroad is scheduled to begin this summer. For more information on this project, visit <http://www.grandavenuecorridor.com/75th.html>

For more information on these or other road construction projects in Peoria, contact the Public Works Department at 623-773-7210.

For a current list of major road closures and lane restrictions, visit: www.peoriaaz.com/roadclosures

RECYCLE, PEORIA!

The City of Peoria's expanded recycling drop-off program now accepts co-mingled recyclable materials, including newspaper, cardboard, magazines, junk mail, plastics, and cans! Sorry - no glass.

Drop-off your recyclable materials at any one of these convenient locations:

PARKS:

- Hayes Park
- Monroe Park
- Roundtree Park
- Sweetwater Park
- Westgreen Park
- Windrose Park

SCHOOLS:

- Alta Loma
- Apache
- Centennial High School
- Desert Harbor
- Frontier
- Ira Murphy
- Oakwood
- Oasis
- Santa Fe
- Skyview
- Sun Valley

OTHER PLACES:

- City Municipal Ops Center
79th Ave. & Olive Ave.
- Target Store
83rd Ave. & Bell Rd.

MORE INFORMATION:

- peoriaaz.com/recycle/
- recycling@peoriaaz.com
- 623-773-7431



City of Peoria Telephone Numbers

ALL NUMBERS ARE IN THE 623 AREA CODE

AM/PM Program	773-7137	Fire Department (non-emergency)	773-7279	Solid Waste Billing	773-7160
Building Inspections	773-7225	Graffiti Hotline	773-7094	Solid Waste Collection	773-7431
City Attorney's Office	773-7330	Library (Main)	773-7555	Street Maintenance	773-7432
City Clerk's Office	773-7340	Library (Sunrise Mountain Branch) ...	487-5150	Water Billing / Service	773-7160
City Manager's Office	773-7300	Mayor and Council Offices	773-7306	Water Leaks	773-7433
Code Compliance	773-7162	Parks and Recreation	773-7137		
Community Center	773-7436	Peoria Job Hotline	773-7105		
Community Development	773-7200	Peoria Municipal Court	773-7400		
Dial-a-Ride	773-7435	Planning and Zoning	773-7200		
		Police (non-emergency)	773-8311		

Fire, Police, or Medical Emergencies, dial

911



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City of Peoria
Department of Communications and Public Affairs
for more information, e-mail: information@peoriaaz.com,
call 623-773-7300, or visit us on the web at
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