

MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
COUNCIL CHAMBER
January 3, 2012

A **Special Meeting and Study Session** of the City Council of the City of Peoria, Arizona was convened at 8401 West Monroe Street in open and public session at 5:00 p.m.

Members Present: Mayor Bob Barrett; Vice Mayor Cathy Carlat; Councilmembers Ron Aames, Joan Evans, Carlo Leone, Dave Pearson and Tony Rivero.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, City Manager; Susan Thorpe, Deputy City Manager; Steve Kemp, City Attorney; Wanda Nelson, City Clerk; Katie Gregory, Interim Management and Budget Director; Stacy Irvine, Interim Fire Chief; Bo Larsen, Public Information Manager; Claudia Luján, Interim Human Resources Director; Bill Mattingly, Public Works and Utilities Director; Brent Mattingly, Finance Director; Bob Sanders, Deputy Police Chief; Jeff Tyne, Interim Community Services Director; Corina Russo, Assistant to the City Manager; Linda Blas; Deputy City Clerk; Brian Biesemeyer, Barry Houg, and Howell Lindsay.

Audience: Approximately five members of the public were present.

Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.

CONSENT AGENDA

CONSENT AGENDA: All items listed with a "C" are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

Motion was made by Councilmember Aames, seconded by Vice Mayor Carlat, to approve the Consent Agenda. Upon vote, the motion carried unanimously 7 to 0.

1C Authorization to Hold an Executive Session

Pursuant to A.R.S. § 38-431.03: Authorized the holding of an Executive Session for the purpose of:

- a) Consultation with the City's attorneys concerning the City's position in discussions with the Seattle Mariners and San Diego Padres regarding contract renewals for the use of the Peoria Sports Complex, pursuant to A.R.S. § 38-431.03(A)(4).

- b) Discussion and consultation with the City's attorneys regarding claims of Jane Doe X, Jane Doe Y and Jane Doe Z v. City of Peoria, pursuant to A.R.S. § 38-431.03(A)(4).

STUDY SESSION AGENDA

Subjects for Discussion Only:

1. City Council Interaction with Director/Deputy City Manager Position Finalists

Carl Swenson, City Manager, gave a brief overview of a proposed administrative policy that would provide Council greater interaction with finalists for vacant Deputy City Manager and Director positions.

2. City of Peoria's Water, Wastewater, and Reclaimed Water Rates for FY2013-FY2016

Susan Thorpe, Deputy City Manager, outlined the agenda for the presentation related to proposed rates for the City's Water, Wastewater and Reclaimed Water systems for Fiscal Year 2013-2016.

Brian Biesemeyer, Deputy Utilities Director, reviewed water and wastewater operations, water resources and conservation programs, and water and wastewater environmental programs. Mr. Biesemeyer discussed the major cost drivers and cost reduction and operational efficiency efforts related to water and wastewater operating budgets.

Katie Gregory, Interim Management and Budget Director, discussed the rate analysis and recommended rate adjustments for water, wastewater and reclaimed water for Fiscal Years 2013-2016. Ms. Gregory recapped the recent history pertaining to water and wastewater rates, rate planning objectives, reclaimed water, and non-potable water. Ms. Gregory provided comparisons of residential water, wastewater, and solid waste bills for other Valley cities.

Discussion ensued regarding proposed increases to water and wastewater rates, debt coverage requirement related to revenue bond ratings, cost of service, and mitigating rate increases.

Staff was directed to provide additional information to Council pertaining to proposed water, wastewater, and reclaimed water rates at the Study Session scheduled for January 17, 2012 including:

- "Net Zero" Considerations
- Sales Tax on Water Services
- Considerations for AAA Bond Rating
- Percent for the Arts Contribution on all Water and Wastewater Capital Projects
- Value of Water Resources

Special City Council and Study Session Meeting Minutes

January 3, 2012, 5:00 p.m.

Page 3 of 3

- Debt Coverage Ratios
- Phase-In Option for Reclaimed Water Rate Adjustment
- Water and Wastewater Fund Prioritized Reductions and Impacts

CALL TO THE PUBLIC: (NON-AGENDA ITEMS)

None.

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 6:16 p.m.

Bob Barrett, Mayor

ATTEST:

Wanda Nelson, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the Special Meeting and Study Session of the City Council of Peoria, Arizona held on the 3rd day of January, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 7th day of February, 2012.

(Seal)

Wanda Nelson, City Clerk