

**Citizen Bond Committee Meeting
City of Peoria, Pine Room
December 12, 2007
Amended**

A regular meeting of the Citizen Bond Committee of the City of Peoria, Arizona, was convened at 8401 West Monroe Street in open and public session at 6:30 p.m.

Members present: Greg Loper, Barry Spiegel, Phil Hanson, Pat Temes, Jim Redondo, Ken Myers, Pete Rivera, Frank Boholl, Wendy Wood, Marvin McCloe, Armando Macias, William Bercu, Gary Nerdig, Anne Wojcik, Tom Campbell, Mark Proctor, Jamie Arkin, Don Holtzee, Peter Raymond, Jack McCleary

Members Absent: Gracie Gibson, Ron Lyzniak, William Schindler, Ken Myers, Santos Diaz III, Paul Studer, Kathy Heyman, Gary Nelson, Alan Doerschel

Regular Agenda

Meeting was called to order by Committee Chairman Greg Loper at 6:32 p.m. Mr. Loper made announcements regarding the committee member name placards and thanked City staff for making them. He requested that committee members first give provide their name before addressing the group. Mr. Loper then asked for a motion to approve the minutes from the November 28, 2007 meeting. Vice Chairman Phil Hanson made a motion to approve the minutes and Jim Redondo seconded the motion. There was no further discussion, and the minutes were approved by a unanimous vote.

Budget Director Jeff Tyne provided a brief overview to explain how each department presentation would review project and system needs. He encouraged committee members to ask questions of staff during the presentations to clarify any issues. He explained that City staff put together a balanced plan for capital improvement projects to cover the next fifteen years.

Fire Chief Robert McKibben began his department presentation by discussing his experience related to fire service. He also gave an overview of the City's Fire Department, explaining there are four divisions: Operations, Administration, Community Service, and Support Services. The Fire Department is requesting bond funding for a support services facility for their fleet and for future Fire Station No. 10. The use of impact fees to fund the building of fire stations is the desired funding method, but sometimes bonds are required because impact fees are not available. A question was asked about how many people are employed at each fire station. Chief McKibben responded that including each shift, there are 13.5 staff members assigned to a station. Vice Chairman Phil Hanson inquired as to what the normal schedule was for a firefighter. Chief McKibben responded that firefighters work twenty four hours on duty and forty eight hours off duty. William Bercu asked what the average downtime was for a vehicle. The Chief responded that since the Fire Department has brought in their own mechanics

to service vehicles, the downtime is approximately 3-4%. Within the Fire Department, there are twenty frontline vehicles and twenty staff vehicles.

Frank Bohall asked if there are any problems in communicating between fire and police in the field. The Chief responded that the City is in the process of implementing a new radio system that would allow police and fire to use the same radio system. The project is slated to start by the end of 2008 or the beginning of 2009. Pat Temes asked if more funds were needed for Fire Stations No. 8 and 9. Staff responded that there is some funding available for those stations and the Fire Department is only requesting bond funding for Station No. 10. Anne Wojcik inquired as to the nature of the calls received by the Fire Department. The Chief indicated that 85% of the calls received are medical related calls. Tom Campbell asked what the policy is on county islands. The City will respond to calls for service in county islands only in life threatening situations. The City of Peoria then bills Rural Metro for those services provided. Mr. Campbell also asked if there is a way to have those homeowners annexed into the City and pay Peoria for those services. Staff explained that the City would like to annex those homeowners into the City and on the City's website, there is a place to calculate how much the cost would be for each homeowner based on their property valuation.

Michael Rogers then inquired as to why Fire Station No. 10 needs bond funding if most stations are funded by impact fees. Staff explained that sometimes there is a timing issue in the collection of impact fees and many times, the station needs to be built before the actual development is well underway. Gary Nerdig asked for an explanation of impact fees. Budget Director Jeff Tyne explained that impact fees are used to off-set the cost of capital projects and allow growth to pay for itself. The fees are assessed and paid for by developers when building permits are pulled at the City. The challenge is that fees are only assessed and collected during construction and are not always available when the actual project needs to be built. Chairman Greg Loper asked who runs the Fire Department automated call system. The Chief explained the City is fortunate to be part of a valley wide system. The first jurisdictional unit to arrive on the scene becomes the incident commander. Jim Redondo asked why the Fire Department is just now considering the maintenance facility. The Chief explained that 6 years ago all fire vehicles were serviced at the City yard, but with the growth experienced by the City and because the fire vehicles are specialized, a separate new facility is a high priority. Michael Rogers asked if the values of the project requests are presented in current dollars. Staff explained the costs are expressed in current dollars and no inflation factor has been included. However, the project costs will be inflated for any voter authorization request.

Next, Police Chief Larry Ratcliff opened his presentation by discussing his experience in police service. He provided an overview of the City's Police Department explaining there are a total of 286 staff members. The department has two divisions: Operations and Support. Chief Ratcliff discussed response times and the challenge of recruiting and retaining police officers. The Police Department is requesting bond funding for a new northern police precinct, a new computer aided dispatch system, a training facility for the

Fire and Police department, modifications to Public Safety Administration Building lobby, and a new Police command vehicle. William Bercu asked the Chief to describe the partnership for the training facility. The Chief explained the City is currently involved in discussion of the facility with neighboring cities, but these are in the early stages. He explained a joint facility would be very cost effective. Jack McCleary asked if there were other cities trying to build their own training facilities. Staff responded that Mesa, Phoenix, and Tucson already have facilities and we send our staff to some of these facilities for training. William Bercu asked if the City pays other jurisdictions to use those training facilities. The Chief explained the State of Arizona pays for training, but the challenge is that each facility has its own training processes and procedures, and the City needs to ensure training consistency among officers.

Chief Technology Officer Sandy Teetsel opened her presentation by providing an overview of her work experience related to information technology. She also provided an organizational overview of the City's Information Technology Department. The department has three divisions which include Operations, Administration, and Development Services. The IT Department is responsible for 1,400 desktops, 1,270 phones, and over 200 network servers. The IT Department is requesting bond funding for a new asset management system. The system will track all city assets and will also be used as a work order system. Jim Redondo asked if there is any study available that indicates the City's system is not meeting our required needs. Ms. Teetsel explained the current system will not allow web access services which the City is beginning to implement. Mark Proctor asked why the City is moving toward web based services and Ms. Teetsel responded that web based services provides citizens and employees with more access to systems and information, including having employees access their systems remotely. William Bercu asked who does the purchasing of computer equipment and systems. Ms. Teetsel responded that the IT Department is responsible for the purchasing of all computer equipment and systems. Michael Rogers asked if the major cost for the new asset management system includes the cost of migration. The estimated cost of the system is in the \$2 million dollar range and includes data migration. Jack McCleary asked is there just one vendor for this system and Ms. Teetsel explained that the City would put out an Request for Proposal for the new system and review proposals from several vendors.

Deputy Utilities Director Brian Biesemeyer began the Utilities Department presentation by providing an overview of the department and explaining the City's various water sources. He also explained that the Utilities Department is run as an enterprise fund and is self supporting through user fees and charges paid by its users. The Department does not utilize the General Fund to pay for its operations. The City of Peoria recently adopted its "Principles of Sound Water Management" to guide their operations and plan for the future. Engineering Manager Shawn Kreuzwiesner next explained how the City plans for the future to ensure there is an adequate water supply. He explained the importance of planning and building facilities in phases to accommodate Peoria's anticipated population growth. Mr. Kreuzwiesner reviewed a listing of revenue bond eligible projects which consisted of modifications of existing plants, expansion of sewer

and water lines, new wells at various locations, and expansion to the Agua Fria and Beardsley locations. Pat Temes asked if the City uses any Indian Agriculture Water. Utilities Director Stephen Bontrager explained how the City uses that water.

Following the Utilities Department presentation, Chief Financial Officer Brent Mattingly discussed that the bonds required for the Utilities Department projects (Revenue Bonds) are different than the bonds used to finance other governmental projects (General Obligation Bonds). He explained that the Revenue bonds are repaid by revenues generated by the Utilities Department. General Obligation Bonds are repaid thru the secondary property tax. Revenue Bonds, like General Obligation Bonds, also require voter approval.

Chairman Greg Loper made a call to the public and there were no requests to address the group. He announced the next committee meeting would be on Wednesday, December 19, 2007. Mr. Loper indicated he will not be able to attend the next meeting so Vice Chairman Phil Hanson will serve in his place.

Being no further comments or questions, the meeting was adjourned at 8:55 p.m.

Phil Hanson, Committee Vice Chairman

Submitted by:

Michelle Grieb, Executive Assistant
Finance Department