

AGENDA ITEM #: _____

DATE: June 10, 2019

CAR #: 2019-6661



CITY COUNCIL ACTION REPORT

SUBJECT: Authorization of expenditures in excess of \$500,000 for FY2020

STAFF PRESENTER(S): Lauri Wingenroth, Finance Manager - Budget & Research

OTHER PRESENTER(S): None

Summary: Authorize expenditures in excess of \$500,000 for routine annual expenses for items such as utilities, fuel, insurances, landscape maintenance, trash collection, telecommunication & data, debt service, and revenue collection-based payments made under development agreements for FY2020.

Recommendation:

Authorize the FY2020 listed expenditures in excess of \$500,000.

Fiscal Impact: The FY2020 adopted budget includes appropriations for the listed expenses in various funds and departments.

Background and Previous Actions

Per resolution 08-1255 all expenditures of budgeted funds in excess of \$500,000 must obtain council approval.

The FY2020 adopted budget will include appropriations for ongoing operating expenses used by the city departments in conducting daily business and for paying for developer agreement reimbursements. The expenses are paid routinely throughout the year. These amounts were based on prior year usage and known rate increases.

Staff Analysis

The following expenses have been identified that will exceed \$500,000 in various funds and departments:

1. Electricity and Street Lighting: \$4,421,300
 - a. Arizona Public Service (APS)
2. Water including irrigation and purchased water: \$2,133,100
 - a. Liberty Utilities

- b. Arizona Water Company
 - c. NNP Non-Potable Distribution Center
 - d. EPCOR Water
 - e. Adaman Mutual Water Company
 - f. City of Goodyear
- 3. Chemicals for Water & Wastewater Treatment: \$1,119,200
 - a. Arch Chemicals INC./Innovative Water Care
 - b. Univar USA Inc.
 - c. Thatcher Company
 - d. Polydyne Inc.
 - e. Hill Brothers Chemical Co.
 - f. Chemrite Inc.
- 4. General Liability: \$983,800
 - a. Arizona Municipal Risk Retention Pool
- 5. Residential Trash Collection: \$4,802,100
 - a. Right Away Disposal (RAD)
- 6. Landscape Maintenance: \$5,201,500
 - a. Mariposa Landscape, LLC.
 - b. Legends
 - c. Cutting Edge
 - d. Arizona Department of Corrections
- 7. Gasoline & Diesel: \$1,551,200
 - a. Senergy Holdings
- 8. Debt Service: \$32,797,000
 - a. US Bank
 - b. Zions Bank
 - c. BNY Mellon
 - d. WIFA
 - e. Bankers Trust
- 9. Worker's Compensation: \$808,200
 - a. Copperpoint Insurance
- 10. Telecommunications & Data: \$835,900
 - a. Verizon Wireless
 - b. Windstream
 - c. Century Link
 - d. Cox Communications
- 11. Newland Real Estate Group, LLC.: \$7,630,000
 - a. Parks & Recreation – Impact Fees \$1,048,000
 - b. Water – Impact Fees \$4,858,000
 - c. Wastewater – Impact Fees \$1,238,000
 - d. Fire Impact Fees- \$486,000
- 12. Westcor - 50% of Sales Tax Revenue: \$2,400,000

Attachments

None.