



City of Goodyear

Meeting Minutes

City Council Work Session

Meeting Location:
Goodyear Justice Center
14455 W. Van Buren St.,
Suite B101
Goodyear, AZ 85338

Mayor Georgia Lord
Vice Mayor Sheri Lauritano
Councilmember Joanne Osborne
Councilmember Joe Pizzillo
Councilmember Wally Campbell
Councilmember Bill Stipp
Councilmember Sharolyn Hohman

Monday, January 30, 2017

5:00 PM

Goodyear Justice Center

1 CALL TO ORDER

Mayor Lord called the Work Session to order at 5:00 p.m.

2. ROLL CALL

Present 7 - Mayor Lord, Vice Mayor Lauritano, Councilmember Osborne, Councilmember Pizzillo, Councilmember Campbell, Councilmember Stipp, and Councilmember Hohman

Staff Present: City Manager Brian Dalke, City Attorney Roric Massey, and City Clerk Maureen Scott.

3. AGENDA ITEMS FOR DISCUSSION:

3.1 [16-5943ws](#) Council will review options for future library operations.

Parks and Recreation Director Nathan Torres presented. The city has an Intergovernmental Agreement (IGA) with Maricopa County Library District (MCLD), which expires in June 2017. Torres presented options for future library services to Council and asked for feedback.

Torres introduced Management Assistant Diana Camacho, and announced staff present representing MCLD.

Torres reviewed the history of the library. The initial IGA with MCLD began in December 2006; the Interim library opened in March 2009; and the Goodyear Library opened in February 2014.

Between fiscal year (FY) 2012-13 and 2015-16, the number of annual visitors has increased from 92,797 to 139,252 (a 50% increase). Program attendance has increased 228%, program classes have increased 373%, and circulation has increased 69%.

Camacho shared survey results:

93% were satisfied with programs and activities

88% rated the library's services as above average or excellent
75% reside in Goodyear
74% check out materials
28% participated in programs

Current Operations:

MCLD operates and manages the library under an existing IGA, which includes library operating costs, staff and materials management and programming. Goodyear has the responsibility to provide facility costs and repairs, and landscaping maintenance.

Torres reviewed two options for consideration.

Option 1 - Remain with MCLD under a revised IGA

*Goodyear will reimburse MCLD

- Operations, plus 10% overhead (\$774,200 for FY18)
- City will establish an asset replacement plan (FY19)

•Additional considerations:

- Continuity of services
- Access to MCLD's inventory of materials, programs, and expertise

Option 2 - Transition to a Goodyear operated library

Two Phased Approach

Phase 1 FY18 (\$919,200)

- Contract with MCLD for one year (FY18 \$774,200)
- One-time costs for FY18

•\$20,000 transition to new database

•\$125,000 library consultant

•Phase 2 FY19 (\$882,900)

- Goodyear would assume 100% of library operations in FY19

•Additional considerations:

- Loss of library expertise
- Reduced convenient access to materials and MCLD borrowing networks
- Goodyear library accounts will need to be created

Staff supports option 1 (remain with MCLD under a revised IGA), which allows our patrons to continue receiving the highest level of library services to include broad and convenient access to materials, E-resources, and programming for all ages and abilities. This level of service will be difficult to match without MCLD's resources and support network for a stand-alone library. MCLD currently operates 17 libraries which allow for material and cost sharing resulting in economy of scale savings. Allowing MCLD to continue operations will provide a consistency in operations for our patrons and is the most cost effective manner to continue library operations.

Council Discussion:

***Is the \$703,800 total listed for Option 1 an accurate figure for a renewed IGA?** Torres

responded it is.

***Can we get a multi-year contract with MCLD with escalators to be able to plan our budget?** Torres said they plan to bring forward a five-year contract with an option to renew every year. Goodyear and the county would agree to the budget each year.

***What is in the current year budget for set-asides for the library?** Budget Manager Lauri Wingenroth reported that when the FY17 budget was set up they created a \$1.25 million operating cost set-aside. They took any existing CIP projects that were there and split them up. Half of the operating costs for the library are in the current year set-aside. The second half will be picked up in the FY18 budget.

***Option 1 is the most feasible.**

***Are all the classes that are currently offered provided by the County?** Torres responded yes.

***Will Option 1 still include all the classes?** Torres stated that the IGA would include the same services that we have now.

***What is the current cost of the library for us?** Torres stated that MCLD is funding 100% of operations right now. Our only current costs are facility related and amount to approximately \$66,000.

***Does the library generate revenue?** Torres stated that there is approximately \$30,000 in generated revenue, which is primarily fines.

***Are there on-going capital costs that we aren't seeing on the breakdown?** Torres stated that this has been vetted out with the MCLD budget team. One addition will be the establishment of an asset replacement plan in FY19. We own the equipment that is being used now, and it is still fairly new. Computers will be replaced this year by MCLD.

***Pleased with the library and the growth. Option 1 seems the best bet.**

***28% participation in the programs seems low. Is that normal?** Cindy Kolaczynski, Director of MCLD, stated that the 28% references people "through the door". That is not low if you look at the scope of the community and what people are actually coming to do at the library.

***Do any other cities of our size and scope have their own libraries?** Torres said that Peoria, Avondale, Glendale, and Buckeye all operate their own libraries. Gilbert and Surprise are operated by MCLD. Avondale recently changed from MCLD to city operated.

***Is there a possibility to have a book mobile go up to Estrella once a month?** Torres said that is a goal to look into when expanding library services in south Goodyear. We may be one to two years away from looking at that.

***Pointed out that the programs that MCLD operate are generated by library staff. The Friends of the Library supplements them by paying money for things such as Mother Goose Stories, the Team Leadership Council (How to be a Wizard), and other things like that. They also help support the library by bringing in some special events. Book sale proceeds are also donated to library programs. Friends of the Library volunteer at the library three to four days a week.**

***Would like to have our own larger library someday.**

***How has Avondale's experience been?** Torres said they are pleased with the library services. However, they have less e-services - 6,000 electronic items compared to the County library system (millions). The biggest change was a loss in technology and keeping up with materials.

***Asked about the State Statute change that pertains to impact fees for libraries.** Torres

said a library must be less than 10,000 square feet to qualify for impact fees.

***Does our General Plan contemplate a second library?** Torres said the second library is planned to be part of the City Center and will be approximately 30,000 square feet.

***Thankful for the great relationship with the MCLD.**

***Favors Option 1.**

***People need a community gathering place; the library will continue to grow.**

Torres recapped that the consensus is to move forward with Option 1.

Torres stated that library users and the Council have asked staff to look into Sunday hours for operation. The library is currently open 48 hours per week, Monday - Saturday. MCLD provided a \$10,000 annual cost impact for opening for five hours on Sundays. Torres asked if there is Council consensus to look at being open on Sundays for five hours.

***Likes the idea of Sunday hours.**

***Would like to also consider some evening hours.**

***A good survey question might be to determine what days and hours appeal to the community.**

Torres said that two other libraries in the Maricopa District are open on Sundays, and they are busy.

- 3.2 [16-5960ws](#) Council will receive an update of the progress of the Ambulance Service Certificate of Necessity (CON) application process and financial review.

Fire Chief Paul Luizzi and Finance Director Doug Sandstrom presented.

Luizzi gave a review of the process that has taken place so far. There are currently two vendors within the city of Goodyear, American Medical Response (AMR) and Maricopa/Priority Ambulance, that hold Certificate of Necessity (CON). A third vendor, Falck Ambulance, has started the application process.

Summary of previous meetings:

- By owning and operating the ground ambulance service the city could provide quality assurance and continuity of care to its citizens.
- In 2015 the Ambulance Feasibility study recommended a deployment model that uses four ambulances.
- Units dedicated to the area and creates an adaptive emergency medical delivery system specific to the citizens of Goodyear.
- The city receives the following financial benefits:
 - Status Quo -\$125,000
- Financial next steps are to complete evaluation and prioritization through the Capital Improvement Program (CIP) and budget process.
 - December - CIP and Supplemental submittal
 - January/February - Budget and City Manager's office review
 - March/April - City Council review, discussion and resource allocation

Currently, we are 90% complete on the application process. We have submitted the entire

application to our consultants, along with the financials that were prepared by Finance.

Once the application is submitted to the state, there is an administrative process that takes place. An administrative review is done first and then submitted for the full review. There are two different formats that are possible. A Contested CON can take up to two years and cost up to \$450,000, which includes hiring an outside attorney that specializes in this area, consulting, and registration fees. A non-contested CON can take from 6 to 18 months and cost up to \$150,000.

Ambulance Rates:

- Ambulance rates are regulated by Bureau of EMS.
- Current insurance payer mix in city of Goodyear is strong in comparison to other cities in the Metro Phoenix area.
- Medicare/AHCCCS sets its own reimbursement schedules.
 - Medicare is a fixed amount.
 - AHCCCS is currently at 68.59% of the state approved rate.
- Financial modeling looked at last five years to develop an accurate trend in call volume.

Ambulance System:

- Phased in approach of the ambulance service over the next four fiscal years.
 - Occurs only after the approval of the CON application.
 - One 24-hour ambulance in the first FY, additional deployments annually.
- Ambulance phasing: FY1: 1-24 hour, FY2: 1-12 hour, FY3: 1-24, FY4: 1-12 hour.
 - The ambulances would be staffed with civilian employees.
 - Civilian EMS coordinator, Mechanic and Contract Monitor would be added.

Pro Forma Model:

- Models developed based on consultant report, city practices and information from other agencies.
- Major assumptions.
 - Level of Bad Debt.
 - Employee Rate of Pay.
- Annual general fund subsidy of \$425,500 - \$844,300, depending how the model is constructed.

Sandstrom gave a financial review of the full operational models, including service levels. The models reviewed were the consultant's report model, the low-end model, and the anticipated cost model. At the end of the day, they looked at the fully built-out system in a range of a general fund subsidy from \$80,900 from the consultant's report, to about \$400,500 based on the low-end for employee costs and bad debt, all the way up to a possible anticipated cost of \$844,300. Those are the range of costs that we are looking at on an ongoing annual basis based on the calls of service contained in the consultant's report.

He reviewed possible phasing options. If the CON is contested, we would not be able to move forward with phasing and would have to implement the entire operational service.

Maintaining Status Quo:

- Contract with Rural Metro/Southwest Ambulance provides for a Paramedic Ride-in Fee any time that a Goodyear Fire Paramedic rides with the patient to the hospital.
- Payments over the last two fiscal years average \$125,000.
- We still have an agreement with Buckeye Valley Fire District for emergency back up in the event of a failure of the system.

Luizzi reviewed ambulance response times.

Fire Departments that have obtained their CON are Peoria, Gilbert, Surprise, Tempe, Queen Creek, Sun City Fire, Mesa, and Yuma.

Options for consideration:

1. Submit CON as presented in February 2017.
2. Include as part of budget discussion for council consideration when allocating available resources.
 - CON submittal based on funding allocation.
3. Look for partnerships with other cities.
 - Each city needs to have it's own individual CON.
4. Look for partnerships with our current or future transport providers.
 - The city would NOT need its own CON.

Council Discussion:

***Would like to see how other cities are doing.** Luizzi said Surprise has just completed their first year and they are still gathering all their financial data. Peoria just started last Monday so there true numbers won't be available for quite some time.

***Would like this to be included as part of our budget discussions so that we can see how the totality of all the city projects are impacting the budget for the next fiscal year, rather than jump into it and have to reverse some of our decisions down the line because there aren't enough funds to stretch that far.**

***Will we need to hire another mechanic because we will have two ambulances?** Sandstrom said that fleet has reported that another mechanic will be needed when we get the third ambulance in reserve.

***Asked about the Operations and Maintenance (O&M).** Sandstrom said that O&M is the utilities, supplies, and the basic costs for doing business. There is no overhead allocated to O&M, nor any direct allocation to Battalion Chiefs or Chiefs.

***Found it interesting that our low-end report and the consultant's report are about 500% off. The high-end is almost 1000% off. That seems like a very large discrepancy.**

***Asked if we can stop the application process if we submit the application and it is then contested.** Luizzi said that he was told that we will be held to what we have submitted in the application. However, they understand that financial situations change and some changes may be approved. They would hold us to the application, but there are discussions that can be had, and amendments that can be made to the contract. Their concern is how the gap will be covered if we don't put up another ambulance.

***Could we still allocate it over a period of time?** Luizzi responded, yes, that we can phase it in over several years. It would be prudent to continue to look into this and possibly space it out

over more years.

***How will this impact the Community Paramedicine Program if we choose not to follow through with the CON? Will that reduce the need for the Community Paramedicine Program?** Luizzi responded that the need is still out there for healthcare resources in the community. There is a healthcare gap from when the patient being discharged from the hospital to going home, and we are trying to fill that gap.

***It would be very helpful a see a chart of general fund one-time funds and general fund operating expenses that shows new money, what all the competing factions are against that money, and what is left. It would be nice if we can see that information in a comprehensive picture so that we know what resources are fighting for what.**

***What happens if our population areas move within the city once we receive our CON?** Luizzi said we can go back to the state and show the need for another ambulance.

***Can we modify if the economy runs into problems?** Luizzi again stated that we would be held to our application, but they do understand financial implications that are encountered. They would want to know how the gap would be protected. We would need to maintain the system either through mutual aid or contractual agreements.

***It sounds like there is flexibility to work within our budget. We don't want to keep delaying because it may never get done.**

***Clarified that we can put the application in now and we can withdraw that application at any time up until the CON is awarded. If the application is contested, we can decide at that point if we want to move forward.**

***The only implication received from the CON manager is that once the CON is granted, then we our committed.**

***Questioned the need to hire another mechanic for every three ambulances that are added.**

***Questioned the need to institute the EMS Coordinator position immediately.**

***If we want to get into Community Paramedicine, then it makes sense to have the ambulance service. This is a continuum of care.**

***This is a critical component to public health. If we are serious about this, we have an obligation to do this now. If we wait, we could potentially hurt ourselves.**

***Delighted to see this. We need submit the application now, get in line, and see what it happens.**

***It is a vision of this Council that the city have a continuum of care because we care about our citizens.**

***Community Paramedicine is the future of healthcare.**

***Is the 30% bad debt projection accurate?** Luizzi said this is one of the things we can't fully understand until we actually get into the business. We don't know what that bad-debt ratio is going to look like. A conservative approach is the best way to proceed.

***In favor of moving forward with the CON.**

***This is a really good opportunity for a public/private partnership.**

***The bad debt is going to get worse before it gets better because of uncertainty with the insurance arena.**

***Need to stretch this out from four years to five or six years. This would ease some of the financial burden.**

***Look at re-evaluating new positions that are needed.**

Mayor Lord recessed the Work Session at 7:00 p.m.

Mayor Lord reconvened the Work Session at 7:11 p.m.

- 3.3** [16-5958ws](#) Council will receive an overview of the draft City Strategic Plan for FY18-20, reflecting changes requested during the October 2016 Council Retreat.

Assistant to the City Manager Pam Weir presented. She reviewed the background and timeline of the current Strategic Plan (SP), which was adopted by Council in 2013. The plan was updated in 2014.

Weir reviewed the Vision and Focus Areas of the Strategic Plan:

1. Fiscal & Resource Management - A great place to live, work and raise a family
2. Economic Vitality - A city with healthy lifestyles and commitment to the environment
3. Sense of Community - A growing community that provides quality opportunities and lifestyles
4. Quality of Life - We will be known as:
 - A destination place for regional shopping
 - A destination for higher education designed for workforce needs
 - A place for diverse job opportunities and an inventory of industries
 - An incubator for entrepreneurs
 - A hub of arts and culture in the West Valley

The current SP has four levels of content, which includes 91 actions and 75 pages of information. It covers Focus Areas, Goals, Actions, and Activity Updates. The SP has also served as a vehicle for reporting updates. When you have this many items, it becomes harder and harder to filter key priorities to focus on during the budget planning process.

The SP is one of several components of the total Performance Management Cycle, which are strategic initiatives that the city works toward.

Under the direction of Council, staff is proposing a new draft SP to elevate the SP to a higher level, while also accommodating the desire to ensure that we maintain accountability and transparency.

Proposed Changes to FY18-20 Plan:

There are four major recommended plan changes. These came directly from discussion at the Council Retreat.

- 1. Add Guiding Principles**
- 2. New Goal in Sense of Community Focus Area**
- 3. Remove Actions and Activity Updates from Body of Plan**
- 4. Add Appendix of Accomplishments**

1. Guiding Principles:

- *Responsible Financial Management
- *Community and Data Driven Priorities

- *Continuous Process Improvement
- *Active Resident Engagement
- *Comprehensive Approach to Safety
- *Fostering Relationships with Businesses
- *Partnerships and Sustainability
- *Keeping up with Technology
- *Maintaining and Investing in Infrastructure
- *Taking Care of our Workforce

Council Discussion:

- *With regard to "Comprehensive Approach to Safety", not sure if this is a strong enough statement for public safety. We have a big dedication to a safe community. Perhaps addressing it in the Guiding Principles is the way to showcase that.**
- *Public Safety should be a stand alone Guiding Principle.**
- *The Guiding Principles don't really identify what we are passionate about. These seem overly technical and should be simplified and more direct to engage the public.**
- *The language is not resonating with the Council.**

Weir recapped that Council would like to strengthen the public safety message and keep the Guiding Principles simple.

2. New Goal in Sense of Community Focus Area (Citizen and City Council Driven)

Add and expand community gathering places, and improve parks and recreation amenities.

Council Discussion:

- *Volunteerism and active resident involvement is part of what makes us a great community.**
- *Would like to highlight the recognition of resident involvement to be interwoven to promote Sense of Community.**

Weir recapped that Council would like to highlight volunteers and volunteerism under the "Active Resident Engagement" Guiding Principle.

3. Remove Actions and Activity Updates from Body of Plan

We will not stop doing or reporting on the actions and activities, it just means that we will be streamlining the SP to truly be a plan.

4. Add Appendix of Accomplishments

Council expressed a desire to preserve the history of strategic plans from past years that the city has accomplished and what are key examples of the work that descends from these Council goals. That would be an ongoing appendix to showcase the work that the city does.

The last change to consider has to do with timing. In the past, the Strategic Action Plan was approved following the budget process in July or August. Staff is proposing a new annual cycle of review and approval that will occur between the Council Retreat in the fall and the start of the budget process. This will allow for setting high level priorities for the next fiscal year.

Council Discussion:

***Very excited about the changes.**

***Asked about why we did not add a fifth Focus Area to the SP that mirrors Priority Based Budgeting (PBB).** Weir stated that staff has not received Council direction to do so. Currently, the PBB results maps are aligned with the four Focus Areas. The transportation and public safety goals are rolled into existing Focus Areas. This can certainly be part of the discussion moving forward. These changes streamline the plan. In the future, we will take a hard look at digging into the content and of the structure of the plan. The next retreat would be the perfect opportunity to really dig into that.

***Concerned about how updates will be made on the actions and activities that are being removed from the plan.**

***Do we need to add a fifth goal that makes a stronger public safety statement under the Focus Area "Quality of Life"?** Weir stated that there are several goals that are very general in nature. Over time, Council can refine those to be those "three-year goals". Supporting initiatives that support a healthy quality lifestyle is a fantastic goal, but it doesn't express what Council is pushing for over the next three years. She recommended making this an incremental process through annual updates focusing on three-year horizons. This will ensure that staff can move forward with a focused direction. She will go ahead and add the public safety goal at this time.

***Council wants to make sure that their priorities are being heard.**

Reporting Updates:

Appendix of Accomplishments and Quarterly Envisio Reports

>Maintain transparency and accountability

- This is a step away from the Strategic Plan and will get reports at a high level
- This is a status update where the goals are
- Each goal will have a narrative for the planned activities in Envisio
- Envisio is a tracking process

Council Discussion:

***We don't need to know what we did, we need to know what we are working on.** Weir responded that the way the report will work is that each goal will have narrative. Employees who are working on their planned activities are entering updates, which are connected to the Performance Measures. That rolls up to the next level "Actions", which are tied to the departments' operational plans. At the goal level, the city management team and directors provide highlights of what is ongoing and what has been done for all of the different actions. By including those measures, we want to get to the point where we are setting those three-year outcome based measurable goals with Council.

***Want to focus less on what we have accomplished and more on what we intend to get done.**

Weir asked if Council is comfortable with the new SP structure and schedule and the new proposed new goal. There was Council consensus that they are comfortable with this.

Weir summarized that the Council Retreat occurs in October; at the beginning of the calendar year, Council will approve and adopt an update to the SP; when that is complete, the budget process will begin; when the budget is approved, the departments will make their operational plans for that year based on their budget resource; and then Council sets their goals.

The SP will be brought back to Council within the next month for approval, based on tonight's feedback.

Next Steps:

- Changes will be made to the final plan
- Tentative Council adoption February 27
 - Resolution Adopting the FY18-20 City of Goodyear Strategic Plan
- Next Council Retreat: Fall 2017
 - Opportunity to make broader

4. INFORMATION ITEMS

None.

5. ADJOURNMENT

There being no further business to discuss, Mayor Lord adjourned the Work Session at 8:01 p.m.

Maureen Scott, City Clerk

Georgia Lord, Mayor

Date: _____