

MINUTES OF THE AVONDALE CITY COUNCIL
CITY OF AVONDALE, ARIZONA
CITY COUNCIL CHAMBER
January 27, 2025

A **Regular Meeting** of the City Council of the City of Avondale, Arizona was convened at 11465 West Civic Center Drive in open and public session at 5:30 p.m.

Mayor Mike Pineda led the Pledge of Allegiance, followed by a moment of silent reflection in remembrance.

Members Present: Mayor Mike Pineda; Vice Mayor Curties Nielson; Councilmembers Tina Conde, Jeannette Garcia, Gloria Solorio, Shari Weise, and Max White.

Members Absent: None.

Other Municipal Officials Present: Ron Corbin, City Manager; Katie Gregory, Assistant City Manager; Dale Nannenga, Deputy City Manager; Nicholle Harris, City Attorney; Marcella Sarmiento, City Clerk; Edith Baltierrez, Neighborhood and Family Services Assistant Director; Liz Barker Alvarez, Intergovernmental Affairs Administrator; Kirk Beaty, Public Works Director; Barbara Coppage, City Auditor; Memo Espinoza, Police Chief; Joel Evans, Facilities Director; Craig Jennings, Judge; Corey Larriva, Parks and Recreation Director; Andy Mesquita, Human Resources Director; Kimberly Moon, Engineering Director; Jodie Novak, Development Services Director; Abril Ruiz-Ortega, Court Administrator; Larry Rooney, Fire Chief; Jeffrey Scheetz, Chief Information Officer; Pier Simeri, Marketing and Public Relations Director; Jennifer Stein, Economic Development Director; Robert Baer, Budget Manager; Keith Fallstrom, Finance & Budget Assistant Director; and Rick Carr, CIP Division Manager.

Audience: Approximately five members of the public were present.

1. ROLL CALL BY THE CITY CLERK

2. UNSCHEDULED PUBLIC APPEARANCES

None.

3. CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion. Councilmembers may pull items from consent if they would like them considered separately.

Mayor Pineda asked if any Councilmember wished to have an item removed from the Consent Agenda. Having no requests from Council, motion was made by Councilmember White, seconded by Councilmember Garcia, to approve the Consent Agenda.

Upon vote, the motion was carried unanimously 7 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Vice Mayor Nielson	Aye
Mayor Pineda	Aye

a. MINUTES

City Council approved the January 6, 2025, City Council meeting minutes.

b. QUARTERLY BUDGET TRANSFER

City Council approved the Fiscal Year 2025 budget for carryover appropriation and approve quarterly budget transfers as summarized in the attached Exhibit A, increase the award authority for the projects, and authorize Finance and Budget Department staff to take the steps necessary to execute the transfers.

c. RESOLUTION 1003-0125 - FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA BOARD OF REGENTS, ON BEHALF OF THE UNIVERSITY OF ARIZONA AND THE WATER RESOURCES RESEARCH CENTER'S PROJECT WET PROGRAM

City Council adopted Resolution 1003-0125, approving a First Amendment to the Intergovernmental Agreement (IGA) between the Arizona Board of Regents, on behalf of the University of Arizona and its Water Resources Research Center's Project WET Program and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

d. ORDINANCE 2004-0125 – 107TH AVENUE RIGHT-OF-WAY DEANNEXATION AT ENTRADA

City Council adopted Ordinance 2004-0125, authorizing the deannexation of 107th Avenue right-of-way at Entrada located on the west side of 107th Avenue and north of Broadway Road and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

4. REGULAR AGENDA

a. COUNCIL BUDGET DISCUSSION

City staff presented an update on the City's financials and seek the Council's feedback on the Fiscal Year 2026 budget. This item was for discussion and feedback only.

Ron Corbin, City Manager, provided an introduction into the budget discussion, noting this was an opportunity for the Council to provide feedback on direction and priorities. This is not the time to review and evaluate the budget as there will be several opportunities for that in the coming months.

Robert Baer, Budget Manager, provided an overview of and discussed how FY24 ended. The General Fund Revenue for FY24 ended \$11 million above the forecasted amount due in part to the sales tax and charges for service. The General Fund Expenses ended at \$2.1 million higher than estimated. There was an expense that was anticipated to occur in FY25, but it occurred in FY24. There were savings in Public Safety used to pay unfunded pension liabilities. The Public Safety Sales Tax Fund and Utilities Fund were close to projections. Overall, FY24 ended with \$120 million over the stabilization amount.

Mr. Baer provided an overview of and discussed the first half of the FY2025 Budget that included \$511 million in funded CIP projects, 13.4 FTEs, \$13.3 million of supplemental funding, implementation of the Police Take Home Vehicle Program, and an increase in WeRide services. The presentation included an overview of the General Fund Revenues and Expenses including the effect of the Residential Rental Tax that ends this month and the implementation of the flat tax. Mr. Baer continued discussing the budget process noting how the retail tax and single-family permits assist forecasting the next budget.

In response to Councilmember questions, Mr. Baer explained the residential rental sales tax ends this month and a decrease will be seen during the second half of FY2025. Mr. Corbin noted there will be a loss of \$5-6 million and the commercial rental tax does remain so the line item will not zero out. Development of data centers can offset the loss of the residential rental tax.

Mr. Baer reviewed the assumptions for the FY26 budget forecast while trying to maintain a structurally balanced budget to maintain ongoing services within the city that citizens depend upon. The graph shown revealed a “Dorito chip” that reflects a spike in FY25 one-time expenses due to several CIP projects nearing completion. Budgeting decisions are made based on the five-year forecast and CIP projects are spread out on the five-year horizon. The General Fund is anticipated to maintain above the stabilization amount throughout the forecast into FY2030. Mr. Corbin noted the forecast does not include supplemental, on-going, or on-time revenues.

Andy Mesquita, Human Resources Director, discussed the planned assumptions for employee benefits for FY26 that includes a compensation market study that targets approximately 20% of the current positions. A proposed 3-5% COLA and merit increases, increased healthcare costs, and a way to reward employees who are topped out in their market range. The Benefits Committee provides feedback from employees, such as a new vision plan vendor, deferred compensation contributions, or anything that helps with retention and recruitment. Mr. Corbin noted the base budget includes a 5% COLA/Merit mix, an 11% increase in health care costs, and funds for the market study.

In response to Vice-Mayor Nielson’s question, Mr. Mesquita explained the “sell back” for the sick leave is on a fiscal year basis and the vacation sell back occurs in December. Mr. Corbin added this process is for budgeting purposes and goes

into one-time costs. The plan is to evaluate this process over the next year to determine if it can be rolled out to other long-term employees with accrued sick leave.

Mr. Baer reviewed the budget process timeline as indicated below.

- February – Utility Rates and Capital Projects
- March – Work Sessions
- April – City Managers Budget
- May – Tentative Budget
- June – Final Budget

Mayor Pineda expressed gratitude for being consistently prudent with residents' money by using the long-term strategy and commented on the short-term wins as well.

Rick Carr, CIP Division Manager, provided an update on the FY2024/25 CIP Plan projects that were completed after July 1, 2024, which totaled \$33.1 million. Noting the Detention Center and PD Substation was completed early and under budget.

Mr. Corbin commented on the success of the Gateway Program that involved high school students and created a long-lasting legacy for the residents.

Mr. Carr continued the presentation by reviewing the current projects under construction, which total \$40.2 million. The projects that will be breaking ground this summer were also reviewed, which total \$21.5 million. The city continues to focus on a list of priorities that were reviewed. Kimberly Moon, Engineering Director noted upon submission of finalized plans construction can begin on adding solar lighting to Van Buren Bridge.

In response to Councilmember questions, Mr. Carr explained HAWK is a signal that allows a safe crossing area for pedestrians.

Mr. Corbin provided an overview and discussed the General Obligation Bond Committee, noting two meetings have been held. They are currently working with the consultant to do a community survey. Mr. Baer reviewed topics discussed at the prior committee meetings and noted Public Safety will be discussed at the upcoming meeting.

In response to Councilmember questions, Mr. Corbin explained the secondary tax could be lower if the \$120 million is not utilized but that would not be the recommendation to the Council.

Mr. Carr continued the presentation with an overview of the proposed projects for Parks and Recreation and Public Safety using General Obligation Bonds.

In response to Councilmember questions, Mr. Corbin discussed the Alamar Public Safety Facility and noted the question before the Bond Committee is if they can support the project. If a project is listed, it is a commitment to the community

Mr. Carr reviewed existing CIP projects that have been impacted by inflation and new CIP projects totaling \$143 million that are not in the recommended budget.

Kirk Beaty, Public Works Director, discussed the Bartlett Dam Project that is a \$1.1 billion project being led by SRP to build a second dam downstream for additional water storage on the Verde Water system. Mr. Beaty also discussed the PFAS Treatment because of the EPA regulation issued in April 2024 to remove PFAS substances from drinking water by April 2029. This is a substantial project as 70% of Avondale's water supply is impacted. Although this is a fluid situation the city intends to move forward and be prepared for the implementation of the regulation in April 2029.

Mr. Corbin discussed the Pickleball facility after working with a consultant. They plan to move forward and budget for a design and present a construction budget for an indoor facility next year.

In response to Councilmember questions, Mr. Carr noted the El Mirage Road project will be a full build out including sidewalks. Mr. Corbin explained the purpose of the turf reduction at Dessie Lorenz Park is water conservation. A brief discussion ensued regarding the design and unsheltered. Mr. Carr noted Donatella Park is in the design phase and is funded over the next two years for construction.

Mr. Baer provided a summary noting that the budget priorities do not include supplementals or additional positions except for the Alamar Fire Station, which is anticipated to start in FY2027. To maintain a structural balance throughout the forecast budgeting decisions must be within the space between ongoing revenues and ongoing expenses. The Citizens Bond Committee schedule was shared noting recommendations will come to the Council in May for approval and before the voters in November.

Mr. Corbin reviewed and discussed his FY2026 Budget Priorities, noting job growth as a top priority. Providing jobs and educational opportunities for residents helps them get ahead in their lives. The presentation continued with on-going and on-time budget priorities.

In response to Councilmember questions, Mr. Corbin noted the storage project does not include fire and there has not been an ask for storage. A discussion ensued.

Mr. Corbin concluded by reviewing and discussing the City Council's budget process timeline.

Mayor Pineda recognized Mr. Corbin and staff for the work they have done preparing the budget that meets the strategic plan. He will also provide a summary of his conversations with the City Departments.

In response to Councilmember questions, Mr. Corbin explained all large pieces of equipment are on a replacement schedule and is part of the five-year budget forecast. As equipment is replaced, such as fire trucks, the old ones are either kept as back-up or auctioned off.

5. SUMMARY OF CURRENT EVENTS FROM MAYOR, VICE MAYOR, AND COUNCILMEMBERS

Councilmember Garcia discussed her attendance at the Community Strategic Planning meeting and suggested sharing more information on social media or news platforms to make the community aware of projects. She further suggested conducting outreach to get more residents involved and attending the meetings.

Councilmember White discussed her participation in the MLK Jr celebration on January 13, 2025, in Tempe and Delta Sigma Theta Sorority's Hustle for Heart held on January 25, 2025, in Peoria. She also discussed her appointment to the National League of Cities Race, Equity, and Leadership Council.

Councilmember Solorio discussed her appointment to the Economic Development for National League of Cities Federal Advocacy Committee and Vice-Chair for Small Cities Council.

6. ADJOURNMENT

There being no further business before the Council, Councilmember Conde moved to adjourn the Regular Meeting; Councilmember White seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Vice Mayor Nielson	Aye
Mayor Pineda	Aye

The meeting was adjourned at 7:15 p.m.


Mike Pineda (Mar 10, 2025 09:19 PDT)
Mike Pineda, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Council of the City of Avondale held on the 27th day of January 2025. I further certify that the meeting was duly called and held, and that the quorum was present.



Marcella Sarmiento, City Clerk

February 24, 2025

Date Approved by City Council