

Lake Havasu City
Parks and Recreation Advisory Board

Monday, March 27, 2017
Lake Havasu City Police Facility Meeting Room
2360 McCulloch Blvd., Lake Havasu City, AZ 86403

Summary Minutes

Call to Order: Chairwoman Ashley Pascual called the meeting to order at 6:00 p.m.

Roll Call: Present: Jason Keough, Ashley Pascual, Robert Smith, Mark Talley, Chuck Vaughn, Bart Wagner, Scott Welte, Mark Zieff

Excused: Garrett McNerney,

Call to Public:

Katie Henderson, addressed the board and stated she has attended the last few Parks and Recreation Advisory Board meetings. She is trying to figure out how to get a discussion about the island path and the bumps on it. She would like it placed on a future agenda.

Minutes: Approval of the minutes of meeting on February 27, 2017; Member Mark Talley moved to approve as written; seconded by Scott Welte and unanimously carried by the Board.

Staff Report:

Staff Report

Recreation Services Manager, Mike Keane updated the Board; Recreation Division finished a season of Youth Basketball on March 11 with a pizza party and family swim and trophies for all the participants. The Spring/Summer Brochure was released on March 10. Teen Break was last week, we had 803 registered 6th – 12th grade students; 102 of those participants received scholarship assistance. Donations for the event came in from local clubs, businesses and citizens; we received over \$14,000 in monetary donations, \$30,000 in in-kind donations and 59 volunteers donated their time and energy to make the event successful. Thank you to all.

The Aquatic Division reported Kinderswim is in full swing and the program runs until the first week of May. The Jr. Guard program is starting this Thursday; several spots still available. Staff will be planning a grand re-opening of the slide with a ribbon cutting, probably at the end of April or early May.

At the Community Center the Home Show will be this weekend, Lake Havasu City Police Department Neighborhood Watch event April 5, Girl Scouts Father Daughter Dance April 8, Blood Drive April 12 & 13, LHHS Educational Tour Group Taco Dinner Fundraiser April 22, and the AZ Children's Association Children and Family Fair April 29.

Keane reported he will be making a presentation on the Smoke Free area's at Rotary Park to City Council tomorrow night for direction and discussion.

Chairwomen Ashely Pascual asked what do you mean for discussion and direction. Keane stated as far as would Council like there to be an ordinance or what direction do you want to see the City go. They have the PRAB recommendation to make it a City Ordinance in certain areas. They give us direction on whether or not to write an Ordinance or if they would rather see it as a park rule.

Introduction of new board members – Mark Zieff and Chuck Vaughn

Recreation Services Manager, Mike Keane introduced our two new board members and asked them to say a little bit about themselves. Member Chuck Vaughn stated he has been in our City since 2001 and coming to our City since the 80's and always said he was going to retire here. Vaughn stated he was on the ADA Board, on the Blue Ribbon Panel, and Channel District. He has been very involved in the City ever since he moved here.

Member Mark Zieff stated he has been running the Island Adventure Tours in Alaska; he found Lake Havasu City three years ago and moved his company here. He also lived up in Colorado. He has experience with dealing with a lot of Park Rangers, and BLM staff. He has come to appreciate what it takes to run parks. In due time he has a lot of good ideas for bike trails, how to implement them, how to come up with funds. He looks forward to working with this board.

Aquatic Center Assessment Update

Keane reported the slide is fully erected and all together; we have had a few riders on it. The slide did get certified by Whitewater last Wednesday; part of that certification process is having people ride down it and they time them to know if there is the right water flow and ask them to feel around and if there is any spots that they did not detect that could be off a little bit. There is still some clean-up to do and work on the staircase as well as the holes for the entrance and exit of the slide where it leaves and comes back into the building to finish up. We hope to have it actually running to the public in the next couple of weeks and we will plan the grand re-opening party hopefully late April or early May.

Keane stated he has a meeting tomorrow with Community Investment Department as well as Architekton to go over some of drawings that they did that came from the Aquatic Center Assessment. A discussion about diagrams will take place and different things we can do to improve the entry, locker rooms and is there the need to add an additional basketball court to the facility, indoor walking track; all of those will be in those designs. Keane will bring those to the board to take a look at and get their opinions on if those are things you feel are necessary or where can we cut out or add different amenities.

Trails Subcommittee Report – Mike Keane

Keane reported the trails subcommittee met March 8. An update was given on the AZ 100 Premier trails applications; there are two submitted, the Island Trail as well as the Shoreline Trail those appear to be the only two trails that have been submitted to the AZ 100 Premier Trails. There was discussion on the old Hwy 95 right of way that is saved as a future trail project. The committee is asking Supervisor Steve Moss to come and speak at one of their meetings to discuss the County's end of that. It is all outside of the City limits but it would be a neat adventure. Conclusion of the meeting some trail financing from different City's was passed around. Keane stated we have lost our liaison to the trails subcommittee and asked if anyone was interested in becoming the new liaison from this board. Board member Mark Zieff volunteered to be the liaison and work with the trails subcommittee and report back to the Parks and Recreation Advisory Board.

Public Hearing:

Spending Limitation – Presentation by Tabatha Miller, Administrative Services Director

Administrative Services Director, Tabatha Miller explained to the board what her department is responsible for. She oversees finance, budget, customer service for utility billing, and the IT department. Miller provided a power point presentation to the board on Expenditure Limitations. It is an upcoming issue that is going to change how we do business as a City, where we can spend our money and it also means we will be taking this issue to the voters hopefully in the fall of 2018. Miller gave a history of how the Arizona Expenditure Limitation was incorporated into the State Constitution and Arizona Revised Statutes. She explained what it does is for City and Towns it established the amount we can spend in any given year to what you spent in 1979/1980 which is the base year. It does get adjusted every year for changes in population and changes in inflation. It is great when those things are increasing, not so great when your inflation factors are decreasing that would mean the expenditure limitation is also decreasing. Miller went over the formula as well as the expenditure limitation exclusions which include; Grant/Gift and Contributions, Investment Earning, HURF, Noncash Transactions, Separate Legal Entities' Expenditures (IDD) Improvement Districts, Metropolitan Planning Organization and Debt Service and Bond Proceeds. Miller indicated the limitation has no impact on the revenue a City can collect; it only limits the amount a City can spend. There are five options that were given to us in state law to opt out of the spending limitation. We are focusing on two of the options that would benefit us the most. The Home Rule Option is the most popular option within the state. Most municipalities have gone through this process. It takes 2/3rds vote of our City Council to initiate a ballot process. It goes to the voters and the majority of the voters need to approve it. It allows us four years of reprieve; so for four years the City Council would set the budget based on what the incoming revenue are and what available resources are out there. The biggest downfall here is that you have to do it every four years so there is that chance at any given time it could not pass and you would have to reset your budget. The Permanent Base

Adjustment is essentially at this point where staff is leading as the recommendation as to what we do. It takes 2/3rds vote of City Council to put on the ballot and it will take a majority of voters to pass. It permanently resets that 4.7 million which was our base year in 1979/80. We can set that anywhere we would like that. We would ask the voters to increase that so we could grow into the future we would still have a limit, but at the upper end. It would allow the City to spend what it brings in. This would be permanent one time and it goes forward. With the Home Rule Option and the Permanent Base Adjustment you have to put that election forward the same time you elect City Council members so we cannot do that until the fall of 2018. The One Time Override is if we end up in real trouble you can bring this up during a special election, it takes the same requirements 2/3rds vote of City Council and must pass with the majority of the voters; but it is good for one year and allows us to set the budget for one year. Some cities have used this in between those years where they don't have a council election and they need to do an in between solution. The Emergency Override is very similar but it's an option and if something happened in the next two years you can dip into the fund balance in order to get by. Miller went over what other cities and towns have done. She explained this is not an issue to most cities in the state of Arizona because they have already gone through that vote process; 85% of the cities have done the Home Rule or the Permanent Base adjustments. This isn't an issue that the legislature is willing to take on because most cities have already resolved this. In Arizona 26 cities are under the Permanent Base Adjustment and 52 cities operate under the Alternative Expenditure Limitation. Miller went over what we are doing in the short-term is trying to manage those expenditure limitations; we are looking at donations, we are looking at grants and other ideas. Staff is doing some accounting changes and whatever we can do to take advantage of any out we have. In the long-term it is about placing the Permanent Base Adjustment on the Fall 2018. Please keep in mind this is a cap on the money the City can spend it is not a cap on money the City can bring in. We can bring in more revenue than we can spend which is great in some ways. We are building up a reserve of funds and not providing a service to the citizens and not spending in ways that benefit the citizens. It doesn't change your taxes, it doesn't reduce your fees it doesn't directly impact the cost of government to cities.

Member Mark Talley asked why are you bringing this to us. Miller stated Mr. Keane asked her to and staff is trying to make as many people aware as they can. It is about making sure people understand the issue and so when they do vote on it they make an educated decision on whether they vote yes or no. Talley asked how does this affect the sports complex. Miller responded it potentially has a big impact in two ways. As part of the 12 million dollar borrowing we included as a project the ballfields; that 12 million is only going to cover a small portion of that. If we want to do SARA Park we are going to have to come up with some way to run the money through borrowings or some other way. The other thing that creates a problem is maintenance on those fields; because that will increase our operating budget in future years and this were we

are going to have a problem if we do not have more flexibility in what we can spend.

Chairwomen Pascual stated it seems like it is an outdated rule and we are members of the AZ League and so why are we not asking them to lobby for a change in the law. Miller responded that has come up and part of the problem is because it was voted in by the voters in 1980 it would take a state wide vote of the citizens to actually remove or modify. The other problem is the league is going to be driven by the bigger cities like Phoenix, Tucson, Scottsdale etc. and because they have already done some way to get around it they are less likely to lobby and really push the league. A discussion took place regarding districts.

Chairwomen Pascual made a comment there was a lot of resistant's on the assessments paying into assessments like the field needs assessments to put all that money and energy to that and to come up with a plan and all the work we are doing to even get to some of the agreements on the current projects; and then to say oh by the way we don't have access to the money that we need for this. She doesn't believe it will help with the public education campaign. Pascual's suggestion is when that effort is being formed that there should be clear transparency about where these funds are going to be pulled from if we don't get this passed and leave the parks out of it. Miller responded City Council will ultimately have to make those decisions as far as the budget. She stated there is a commitment and the money has been set aside.

Miller stated we are going to have to simplify the message so the voters understand. She would like to come back to the board with a simplified version of this presentation and use this board for more feedback.

Citizen Bill Katen confirmed there will not be any additional cost to the tax payer if this goes through. Miller stated it does not change anything.

Capital Improvement Projects Update:

a. Cypress Park

Recreation Services Manager Mike Keane updated the board on Cypress Park. He stated March 14 there was a special work session of City Council to discuss Cypress Park. There was a LED presentation by Musco, at the end of the meeting City Council asked staff to proceed with the project. They expect to advertise the project to bid by the end of April. It will come back to Council for approval of different bids.

b. SARA Park Sports Complex

Keane reported SARA Park design scope is in development stage and once approved by Council will start actual design for both phases over the project.

Future Agenda Items:

Island Path Maintenance and Safety
How the City Budgets for Maintenance of Capital Projects
National Park Lands Day
Bench Pledge Fundraising for Trails and Water Station

Future Meetings:

April 24, 2017 at the Aquatic Center

Adjournment:

There being no further business, Member Chuck Vaughn moved for adjournment 7:40 p.m.; seconded by Member Mark Talley and unanimously carried by the Board.