

NOTICE AND AGENDA

**SPECIAL COUNCIL BUDGET RETREAT
WEDNESDAY
JANUARY 16, 2019**

**COUNCIL CONFERENCE ROOM
211 WEST ASPEN AVENUE
8:15 A.M.**

1. CALL TO ORDER

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY

COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

4. City Council Fiscal Year 2020 Budget Retreat-Council Goals and Objectives

5. PUBLIC PARTICIPATION

6. ADJOURNMENT

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2019.

Stacy Saltzburg, MMC, City Clerk

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Kevin Treadway, Interim Deputy City Manager
Date: 01/10/2019
Meeting Date: 01/16/2019



TITLE

City Council Fiscal Year 2020 Budget Retreat-Council Goals and Objectives

STAFF RECOMMENDED ACTION:

Provide City Council with the final division presentations on water services, as well as information on progress related to the Goals and Objectives established for 2017-2019, and discuss objectives for the FY2020 Budget preparation. Provide Council with an overview of High Performing Governments.

EXECUTIVE SUMMARY:

The budget for the City of Flagstaff is the policy document that reflects the goals and objectives of the City Council. Over the course of several months, the City Council meets to gather input on major budget issues prior to the preparation of the budget.

The January 16, 2019 budget retreat will be the second of four City Council budget retreats in preparation of the upcoming FY2020 budget. This retreat is designed to provide an opportunity to review the goals and objectives previously set by Council, and create a dialogue to discuss priorities for the staff preparation of the FY2020 budget. Additionally, Council will receive a presentation on the topic of High Performing Governments.

INFORMATION:

A detailed agenda for the budget retreat is attached. The power point presentations to be used for the retreat are also attached. Here is the summary of the discussion for the January 16, 2019 retreat:

- * Welcome and retreat objectives
- * Division Presentation: Water Services
- * Discussion of each of the twelve Council Goals and their Objectives
- * Presentation on High Performing Governments

CONNECTION TO COUNCIL GOALS:

Economic Development - Grow and strengthen a more equitable and resilient economy.

Affordable Housing - Support development and increase the inventory of public and private affordable housing for renters and home owners throughout the community.

Social Justice - Advance social justice in our community.

Transportation and Other Public Infrastructure - Deliver quality community assets and continue to advocate and implement a highly performing multi-modal transportation system.

Building and Zoning/Regional Plan - Revise the zoning code to remove ambiguities, and ensure it is

consistent with community values and the regional plan.

Climate Change - Take meaningful climate change action.

Water Conservation - Become a national leader in water conservation in all sectors.

Environmental and Natural Resources - Actively manage and protect all environmental and natural resources.

Personnel - Attract and retain quality staff.

Community Outreach - Enhance public transparency and accessibility.

Town & Gown - Enhance relationships between the City and institutions of higher education.

Code Compliance - Achieve comprehensive and equitable code compliance.

Attachments: [Retreat Detailed Agenda](#)
 [Retreat PPT](#)
 [Journey of Excellence PPT](#)

City Council Budget Retreat

January 16, 2019

Detailed Agenda

Time	Duration (Min)	Topic	Staff	Packet Page Numbers
8:15am	15	Welcome and Objectives	Barbara Goodrich	
8:30am	45	Division Presentations: <ul style="list-style-type: none"> Water Services 	Brad Hill	
9:15am	75	Council Goals: <ul style="list-style-type: none"> Economic Development Affordable Housing 	Barbara Goodrich/ Shane Dille/ Kevin Treadway	
10:30am	15	Break		
10:45am	75	Council Goals: <ul style="list-style-type: none"> Social Justice Transportation and Other Public Infrastructure Building and Zoning/Regional Plan 	Barbara Goodrich/ Shane Dille/ Kevin Treadway	
12:00pm	30	Lunch		
12:30pm	120	Council Goals: <ul style="list-style-type: none"> Climate Change Water Conservation Environmental and Natural Resources Personnel 	Barbara Goodrich/ Shane Dille/ Kevin Treadway	
2:30pm	15	Break		
2:45pm	60	Council Goals: <ul style="list-style-type: none"> Community Outreach Town & Gown Code Compliance 	Barbara Goodrich/ Shane Dille/ Kevin Treadway	
3:45pm	60	High Performing Governments	Shane Dille	

Please note: All times are estimates and items could be reordered during the meeting

Council Budget Retreat

January 16, 2019



Agenda

- Welcome and Retreat Objectives
- Water Services Presentation
- Council Objectives Prioritization
- High Performing Government
- Public Participation



Water Services

Brad Hill

FY 2019 Budget

\$49,774,337

FTE: 78.96



Sections

- Administration
- Water Production
- Water Distribution
- Water Resource Management
- Engineering
- Regulatory Compliance
- Wastewater Treatment
- Wastewater Collection
- Reclaimed Water
- Stormwater





Administration





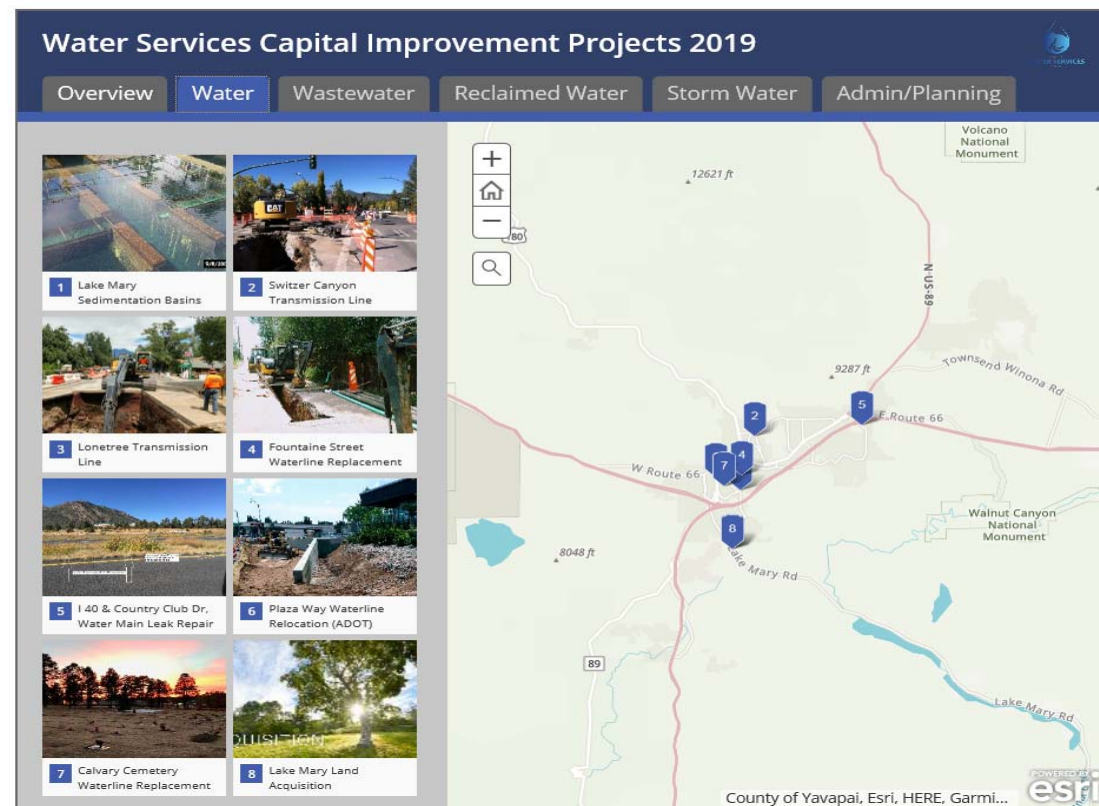
Accomplishments



- Developed and implemented Communications Plan
 - E-blogs
 - Community forum events
 - Recycled Water Survey
 - Capital interactive map on the City's webpage



Capital Improvement Map





Challenges



- Funding for outside legal counsel regarding the Little Colorado River adjudication trials
- New Water Services building acquisition and accelerated move
- Financially tracking our technology systems that monitor and control the operational sections



Priorities/Initiatives



- Moving out of City Hall and “White House” into the new Water Services Administration building
- Develop virtual tours for security-sensitive facilities and partner with NAU for Lake Mary WTP
- Consistent signage for capital projects within the community



Annual Sewer Replacement Program

Westside Sewer: Phase 2

West Side Sewer Improvements

Project Manager | Duane Hunn | (623) 640-8960

Contractor:

Hunn Development Company

Construction Cost:

\$1,283,000



Project Timeline:

October 2018 - May 2019





Water Production



The central graphic is a blue rectangular overlay. At the top, the words 'Water' and 'Production' are written in a large, white, serif font. Below the text, there are two logos. On the left is the official seal of the City of Flagstaff, Arizona, which includes a mountain, a river, and the text 'CITY OF FLAGSTAFF ARIZONA' and 'ESTABLISHED 1882'. On the right is the 'TEAM FLAGSTAFF' logo, which features the text 'TEAM FLAGSTAFF' above a stylized sunburst graphic and the tagline 'WE MAKE THE CITY BETTER' below it.





Accomplishments

- Back-Up power generators at key water production facilities
(aligns with *Climate Action and Adaptation Plan*)
- SCADA analog to digital upgrades



Before



After





Challenges

- Ensuring all water production facilities are at maximum capability and accessible
- Upgrades to water production facilities located on USFS lands

Lake Mary WTP



Water Line Road

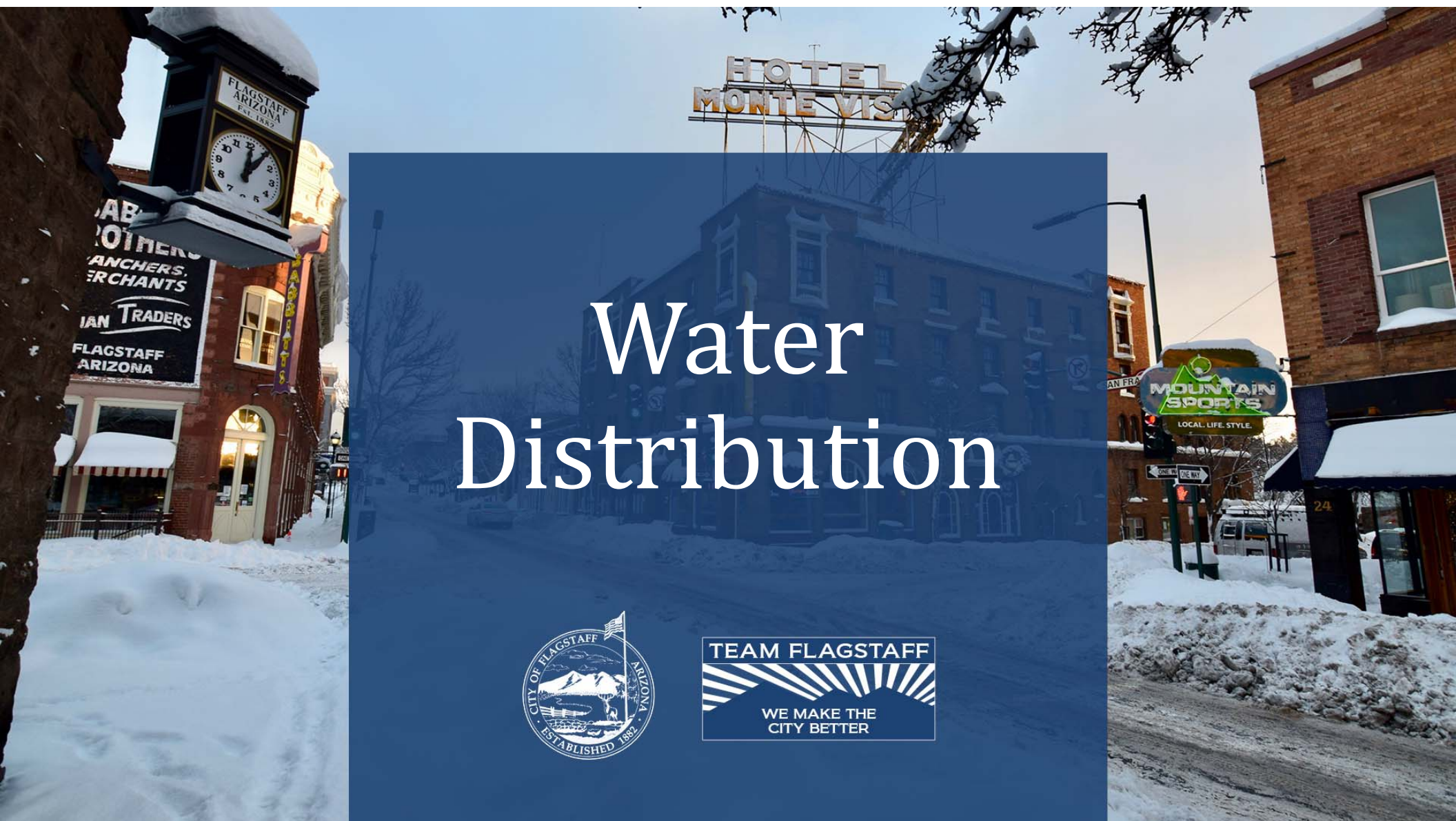




Priorities/Initiatives

- Continued Supervisory Control and Data Acquisition (SCADA) communications equipment upgrade from analog to digital
- Complete McCallister Water Well





Water Distribution





Accomplishments



- Updating pressure reducing stations
 - Installed PRV at Fire Training Facility at Wildcat Hill WRP
 - By reducing water pressure from 165 PSI to 60 PSI, eliminated a dangerous situation for FFD
- Customer water meter replacement program
- Leak detection program expanded to 98.3 miles



Challenges



- Aging infrastructure – old cast iron and AC pipe
- Technician training
- Increased number of service calls

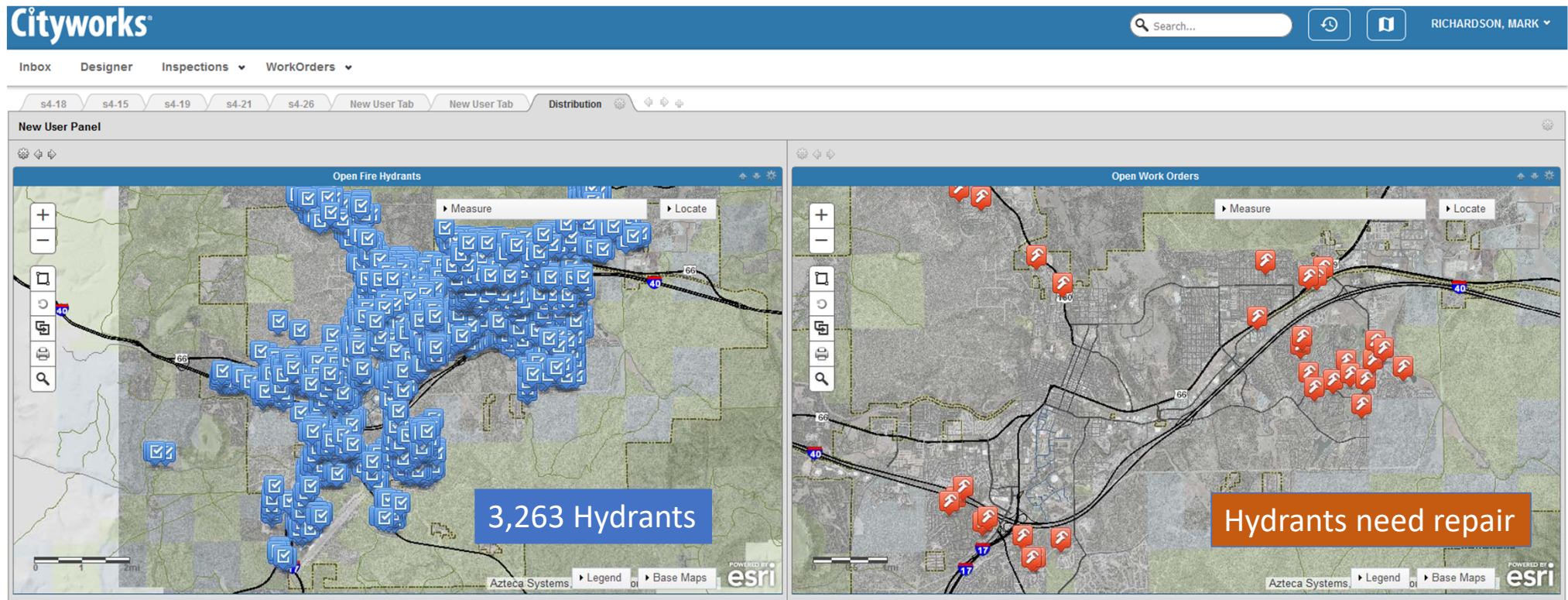


Replacement of water line under I-40



Priorities/Initiatives

- Hydrant inspections / valve maintenance / meter replacement



Water Resource Management





Accomplishments



- Water supply alternatives
- Water Conservation Strategic Plan (in-progress)
- Future Water Well Siting Study
- Water well drilling
- Statewide Water Loss Control Program sponsored by Arizona Department of Water Resources

City of Flagstaff
Water Supply
Alternatives Costs

Richard Humpherys
Corin Marron
Eva Steinle-Darling

WATER
OUR FOCUS
OUR BUSINESS
OUR PASSION

carollo
Engineers...Working Wonders With Water®

The graphic features a central blue water drop with a white question mark inside. Surrounding the drop are six circular icons: a child drinking from a fountain (Direct Potable Reuse), a landscape with a river (Surface Water Augmentation), a water drop with a tree (Water Conservation), a pipeline (Pipeline Augmentation Projects), a well (Aquifer Recharge), and a person drinking from a bottle (Direct Potable Reuse). The background is a blue gradient with a wavy line at the bottom.



Challenges



- Linking and processing City data to make informed decisions
- Tracking current and committed water demands – 100 year designation of adequate water supply

The Journey to Results: How Data Discovery Fits In



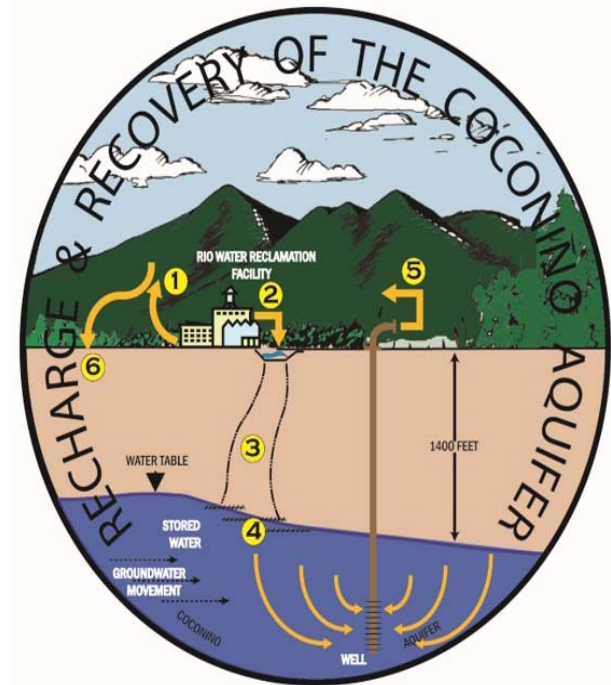


Priorities/Initiatives

- Implement Groundwater Recharge Field Study
- Implement Water Conservation Strategic Plan
- Start Water Resources Master Plan
 - Propose Policy on Economic Value of Water



*Celebration of 30 Years of
Water Conservation*

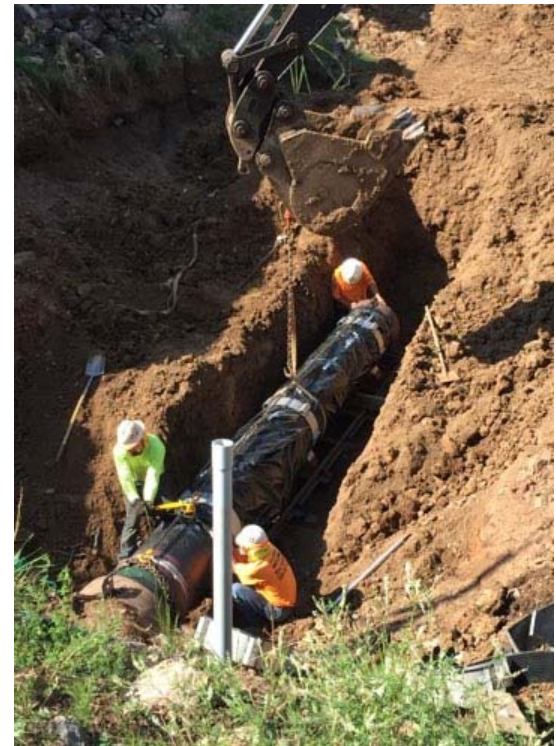






Accomplishments

- \$4.9 M of aging infrastructure: water lines (11,320 feet) and sewer lines (2,880 feet)
- Water Services Admin Bldg. purchase and remodel
- Design and replacement of \$2.65M at Rio WRP
(aligns with Climate Action and Adaptation Plan)



Replacing undersized west-side sewer line



Challenges



- Approaching solids handling and hydraulic loading capacity at Wildcat Hill WRP
- Large capital investment needed in the near future
- Complete Red Gap Ranch Feasibility Study



Priorities/Initiatives

- Aging water-sewer treatment plant infrastructure



Lake Mary
WTP Control
Room



Wildcat Hill
WRP
Electrical



Wildcat Hill
WRP
Mechanical

- Replacement of aging water and sewer line infrastructure

Regulatory Compliance





Accomplishments

- City Council adopted Enforcement Response Plan for Pre-Treatment and Stormwater programs
- Implemented electronic inspection forms moving away from paper
- Successful audit of compliance laboratory by ADEQ

Jolene Hayes
Interim Pretreatment Supervisor





Challenges



- Developing best management practices for local breweries and other facilities that may impact our wastewater plants
- Continued implementation of technology
 - water quality database

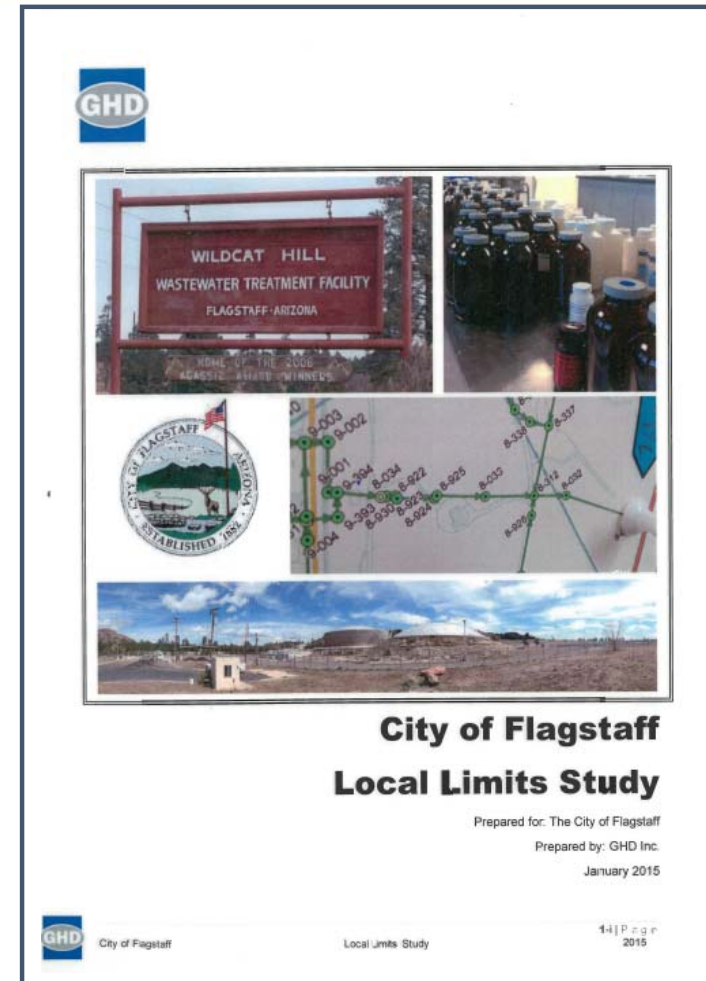




Priorities/Initiatives



- Pretreatment
 - Local Limit Study for FY 2020 and related City Code updates
- Lab
 - Adjusting skill blocks in the Multi-Skilled Worker program to meet the needs of the Regulatory Compliance section





Wastewater Treatment



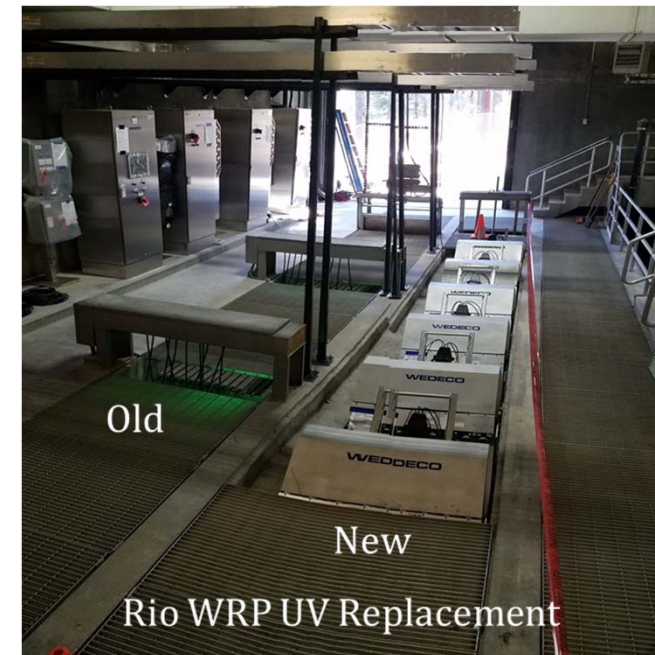
The central graphic is a blue rectangular overlay. At the top, the words 'Wastewater Treatment' are written in a large, white, serif font. Below the text, there are two circular logos. The left logo is the official seal of the City of Flagstaff, Arizona, established in 1882, featuring a mountain, a river, and a flag. The right logo is a rectangular emblem with the text 'TEAM FLAGSTAFF' at the top, a stylized sunburst graphic in the middle, and the slogan 'WE MAKE THE CITY BETTER' at the bottom.





Accomplishments

- Upgraded solids disk thickeners 2017 and 2018 – Wildcat Hill WRP
- Energy conservation wastewater projects
 - Aeration blowers \$1.25M
 - UV disinfection \$1.40M
 - Reduced usage by 781,048 kWh
 - Saves approximately \$86,000 annually
 - APS energy incentives \$164,414
 - Aligns with Climate Action and Adaptation Plan





Challenges

- Continued increase in wastewater strength creates problems making Class A+ reclaimed water
- Challenges of maintaining Wildcat's IFAS basins
- Aging infrastructure and approaching limits on treatment capacity



Diver to conduct blind inspection



IFAS wastewater treatment basins



Priorities/Initiatives

- Update solids treatment and handling
 - Replace temporary GeoTubes with a permanent solids handling
- Replacement of aging treatment plant infrastructure





Wastewater Collection



The central graphic is a blue rectangular overlay. At the top, the title 'Wastewater Collection' is written in a large, white, serif font. Below the title, there are two logos. On the left is the official seal of the City of Flagstaff, Arizona, which is circular and features a mountain, a river, and a flag. On the right is the 'TEAM FLAGSTAFF' logo, which consists of a blue rectangle with white diagonal stripes and the text 'TEAM FLAGSTAFF' and 'WE MAKE THE CITY BETTER'.





Accomplishments



- New video inspection vehicle
 - Analog system to digital system
- Cleaned / inspected 99.6 miles of sewer pipe in the last 11 months
- Upgrade communications within service trucks to improved mapping and work efficiency





Challenges

- Aging Infrastructure Replacement
 - Decreased flows and velocity in sewer system causes increased maintenance



Sewer TV inspection shows gasket installed wrong



Priorities/Initiatives





- Safety of crews and public
- Continued root control program
- Continued manhole rehabilitation



Old brick lined Manhole with
root mat at bottom



Reclaimed Water



The central graphic features a blue rectangular background with the text 'Reclaimed Water' in white serif font. Below the text, there are two logos: the official seal of the City of Flagstaff, Arizona, established in 1882, and the 'TEAM FLAGSTAFF' logo with the tagline 'WE MAKE THE CITY BETTER'.





Accomplishments



- Completed Advanced Treatment Feasibility Study
- Recognized by Arizona WaterReuse as having the best program in 2018
- Completed Bushmaster Park lift station





Challenges



- Increase storage capacity
 - 2nd tank
- Policy conversations
 - How to best manage unused reclaimed water? (~65%)
 - How clean is clean?



Buffalo Park Reclaimed Water Tank



Priorities/Initiatives

- Start the Water Resources Master Plan (*include reclaimed water and its future*)
- Communicate results of on-line survey
- Automate control and monitoring of distribution system



Bushmaster Park
Lift Station





Accomplishments



- Fanning Wash Channel Reconstruction Project
- Installed three new rain/flow gages
- Received \$310K FEMA/City grant
- Stormwater Enforcement Response Plan



Rain and Flow Gage



Challenges

- Improve stormwater infrastructure maintenance activities
- Improved mapping and updating GIS database



Channel Debris



Street Ponding



Priorities/Initiatives

- Capital improvement project construction
- Floodplain Management Plan
- Stormwater manual revisions



Phoenix Avenue Bridge

Water Services

What Else Do You
Need to Know?



Council Objectives Prioritization



Council Objectives Prioritization

For Each Council Goal:

- Prioritization Exercise
- Council Discussion



High Performing Governments



Public Participation



Journey of Excellence

Council Budget Retreat

January 16, 2019



Excellence

- “Excellence is defined as a state of being outstanding or superior in what you do.”
- “Excellence is not a skill, its an attitude.”
- “We are what we repeatedly do. Excellence then, is not an act, but a habit.” (Aristotle)
- “Perfection is not achievable, but if we continually chase it we eventually catch excellence.”



A Peek Inside

- How would you define “Excellence” in your own personal world?



City of Flagstaff

- So, why should it be any different for this organization?
- Local Government can/should be excellent in the services it provides to its community!

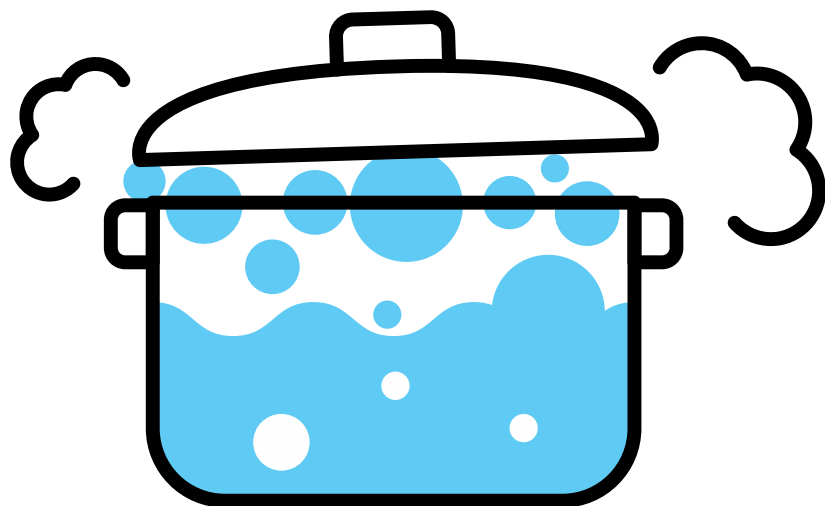




To Embark



“At 211 degrees, water is hot. At 212 degrees, it boils. And with boiling water, comes steam. And with steam, you can power a locomotive. One extra degree can make all the difference.”



Pockets of Excellence

Team Flagstaff consists of highly committed, professional staff – respected leaders in their fields of expertise.



Commission on
Fire Accreditation
International



Local Government Excellence

With excellence comes
performance at a higher
elevation!

- Components of government excellence:
 - A organizational culture that is energized by the pursuit of excellence
 - A data-driven decision-making model
 - Establish key outcomes
 - A budgeting process that ties resources to desired outcomes
 - A comprehensive strategic plan
 - Strong public engagement strategies
 - Government transparency



The Journey



Conceptual Government Excellence



CY 2019

- Implement a new budget process
- Perform research & development



The Journey

- Do you think it is time to begin this journey?

