

NOTICE AND AGENDA

**SPECIAL COUNCIL BUDGET RETREAT
TUESDAY
JANUARY 9, 2019**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
8:00 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 - Division Overview.

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 _____, 2018.

Stacy Saltzburg, MMC, City Clerk

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Brandi Suda, Finance Director
Date: 01/04/2019
Meeting Date: 01/09/2019



TITLE

City Council Fiscal Year 2020 Budget Retreat - Division Overview.

STAFF RECOMMENDED ACTION:

Provide City Council with information on each City division in preparation for the Fiscal Year 2020 budget.

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 9th retreat will be the first of four City Council budget retreats for upcoming FY 2020 budget. This retreat is set up to provide a high-level overview of the budget calendar and process, provide key information about each of the divisions, and discuss some current legislative challenges. The main goal of the retreat is to provide City Council with key information about each division and section as they look to review the City Council's Goals and Objectives at the next City Council retreat on January 16th.

INFORMATION:

A detailed agenda for the budget retreat is attached. Here is a summary of today's discussion.

- Welcome & Retreat Objectives
- Council Expectations
- Budget Calendar
- Division Presentations
 - Overview
 - Accomplishments
 - Challenges
 - Priorities/Initiatives
- Legislative Changes
- The matrix of Goals/Objectives
- Public Participation

Attachments: PowerPoint Presentation

Council Budget Retreat

January 9, 2019



Agenda

- Welcome and Retreat Objectives
- Council Expectations
- Budget Calendar
- Division Presentations
 - Logistics
 - Accomplishments
 - Challenges
 - Priorities/Initiatives
- Legislative Challenges
- Matrix of Goals/Objectives



Council Expectations FY 2020





Budget Calendar

Council Goals Review and
Objectives Setting

January 9th & 16th

Financial Overview

February 6th & 7th

City Manager's
Recommended Budget
Review

April 23rd & 24th

Tentative
Adoption

June 4th

Final
Adoption

June 18th

Division Presentations



City Manager

Barbara Goodrich

FY 2019 Budget

\$2,338,757

FTE: 14.25



Sections

- Administration
- City Clerk
- Risk Management
- Real Estate
- Labor Standards
- Public Information Office





Accomplishments

- Proposition 419 (Transportation Tax Renewal) and Proposition 420 (Lone Tree Overpass) passage through partnership with NAIPTA
- NAU and City of Flagstaff Internship IGA Adoption
- Adoption of Indigenous People's Day
- Leadership role on major projects and land acquisitions
 - Courthouse, Core Facility, Water Services/Housing building
- Leadership role in the relocation of staff during major projects
 - Cherry Building



Challenges



- Funding:
 - Providing employee compensation/merit increases for City staff
 - Unfunded Public Safety Pension Liability
 - City's Climate Action and Adaptation Plan
 - Affordable Housing



Priorities/Initiatives

- Completion of the Rio De Flag project
- Boards and commissions process
- Development/implementation of Indigenous Circle of Flagstaff strategic plan
- High performing government and budgeting for outcomes
- Leadership role on City's Climate Action and Adaptation Plan (CAAP) and affordable housing

City Manager

What Else Do You Need to Know?



Human Resources

Shannon Anderson

FY 2019 Budget
\$991,041

FTE: 10.00





Accomplishments



- Reduced gap in compensation from 19% below market to 3.9% with Market Based Pay Plan structure
- Implementation of online benefits system to gain capacity in Human Resources and Payroll
- 91% overall participant satisfaction rating in Investing in You training program



Challenges



- Technology to manage complex HR functions and reduce manual efforts
- Limited capacity for additional services and/or programs
- Lack of space for personnel and HR records



Priorities/Initiatives

- Invest and implement technology to replace manual processes
- Maintain a market competitive pay structure and employee compensation
- Align policies and procedures with business needs and practices

Human Resources

What Else Do You
Need to Know?



City Attorney

Sterling Solomon

FY 2019 Budget

\$1,848,385

FTE: 15.00





Accomplishments

- Civil - Maintaining litigation in-house when possible
- Civil - Development of expertise of specific attorneys in specific fields of law through enhanced training
- Prosecution - Managed increased caseloads due student-population growth and new rules requiring prosecutors more in courtroom
- Prosecution – Conversion to paperless file management system
- Worked with St. Vincent DePaul, Boys and Girls Club, created internship opportunities, and assisted with continuing establishment of Mental Health Court & Veteran's Court



Challenges



Civil

- Cost of litigation
- Improve customer support
- Community outreach

Prosecution

- Increased case load
- Antiquated file management system
- Community outreach



Priorities/Initiatives

- Provide sound legal advice to our clients, City Council and City Staff
- Continue to increase expertise through cross-training to allow greater proficiency in handling complex legal issues
- Continue to improve community outreach

City Attorney

What Else Do You Need to Know?



Municipal Court

Jessica Cortes

FY 2019 Budget

\$3,328,902

FTE: 29.55





Accomplishments

- Received an Arizona Supreme Court Strategic Agenda Award for Promoting Access to Justice – Traveling Court
- Participated in the 6th Annual High-Country Veterans Stand Down
- Continuation of both the Mental Health Court and the Veteran's Court
- The design phase of the new courthouse is nearing completion
- Implemented the new statewide case management system AJACS



Challenges



- Staff retention in lower paid positions
- Working through the transition of new automation systems and state-wide initiatives
- Increase cost of the public defender contract



Priorities/Initiatives

- Implement the Statewide Electronic Document Management System (EDMS) for a file free Court
- Continue implementation of the Fair Justice Initiatives adopted by the Arizona Supreme Court
- Construction phase of the new courthouse to begin May 2019

Municipal Court

What Else Do You
Need to Know?



Management Services

Rick Tadder

FY 2019 Budget

\$7,480,066

FTE: 60.50



Sections

- Administration
- Information Technology
- Purchasing
- Revenue
- Finance



Administration





Accomplishments



- Debt Management
 - Refinancing of Water and Wastewater Debt, \$1M savings
 - Maintained quality credit rating: AA Stable-General Obligation Bonds, AA- Stable-Revenue and Certificates of Participation
 - Issued \$10M Road Repair and Street Safety, \$3.7M Core Maintenance Facility
- Successful merger of Information Technology and Management Services Divisions



Challenges



- Staff retention
- Software upgrades and implementations



Priorities/Initiatives

- Adopt a Pension Policy
- Potential new debt issuance: \$5.5M Water and Wastewater, \$16M Courthouse, \$6M Forest Health, \$20M USGS Expansion

Information Technology





Accomplishments



- Southside neighborhood plan update
- Census 2020
- Initiated a municipal fiber project
 - Current footprint goes from the Aquaplex to Butler to Milton
 - Connecting downtown and NAU will be complete in Summer 2019
- Security Improvements



Challenges



- Significantly aging infrastructure with no identified ongoing resources to replace
- Cyber-security concerns have risen over the past two years with multiple municipalities having been the victims of cyber-security attacks
- Internal leadership transitions



Priorities/Initiatives



- Focus on core infrastructure refresh
- Overhaul IT Cyber-Security Posture
- Continue the municipal fiber project and incorporate community government and education partners

Purchasing





Accomplishments



- Awarded the Achievement of Excellence in Procurement award by the National Purchasing Institute for the 8th consecutive year
- Live auction for the disposition of City surplus property amounted to \$329,310 (largest to date)
- Centralized the monitoring and management of City-wide contracts to better monitor contract deliverables and critical milestones
- FY 2018 grants Single Audit completed with zero internal deficiencies



Challenges



- Limited budget for staff training to obtain professional certifications
- Varied grant compliance requirements between funding agencies
- Ability to respond to short notice requests with quick turn around



Priorities/Initiatives

- Research contract management tracking software
- Continue staff and end-user training
- Continue identifying grant opportunities, applying and succeeding with grant awards to assist with the purchase of goods, services and construction

Revenue





Accomplishments



- New payment processor (Point & Pay) for debit/credit card payments in person, online and over the phone
- Ability to pay municipal services with cash seven days a week at CVS and Family Dollar
- Municipal Services non-payment customers notified via postcard one week before disconnect
- Payment arrangement amount now on municipal services statements



Challenges



- Development of software and hardware to deliver timely and accurate services
- Staff retention
- Staff training on complex ordinances, codes and software



Priorities/Initiatives



- Improved internal customer service
- Enhanced communication to external customers
- Implementation of updated hardware to increase efficiency

Finance





Accomplishments



- "Clean" audit opinion on the City's FY 2018 Comprehensive Annual Financial Report
- No findings on FY 2018 annual single audit
- National award from the Government Finance Officers Association
 - Certificate of Achievement for Excellence in Financial Reporting
 - Distinguish Budget Presentation Award



Challenges



- Staffing and financial resources to implement technology improvements and enhancements
- Staff retention



Priorities/Initiatives



- Upgrade Superion payroll software
- Implementation of time management software

Management Services

What Else Do You
Need to Know?



Fire

Mark Gaillard

FY 2019 Budget
\$15,359,033

FTE: 94.00



Sections



- Operations
- Community Risk Management/Wildland Fire Management
- Support Services/Administration

Operations





Accomplishments



- Greater Flagstaff Region (GFR) - regional standardization in academies, response and training
- Automatic vehicle location + 3/1 response model (three closest units plus a Battalion Chief)
- Peak load part-time rescue - (62 times this calendar year)
- Promoted members within the department (1-Deputy Chief, 1-Battalion Chief, 4-Captains, 5-Engineers)
- Increased paramedics by three (3) to thirty-six (36) total for all three shifts



Challenges



- Staffing – overtime funding level, workload/call volume distribution, EMS support
- Increased risk due to high rise development in the community
- Additional rescue options



Priorities/Initiatives



- Maintain current service levels with funding provided
- Additional rescue units
- Standards of Cover study

Community Risk Management





Accomplishments



- 2018 code adoption (March)
- Flagstaff Watershed Protection Project (FWPP)
 - Completion of Phase 1
 - Initiation of Phase 2
- Wildland Fire Management (WFM)
 - Acres treated - 178 acres of Stewardship Plans, 865 acres of thinning, 850 acres of pile burning, 282 acres of broadcast burning, 125 hazard trees removed, 200 individual property reviews



Challenges



- WFM sustainability
- FWPP funding versus remaining work
- Citywide National Incident Management System (NIMS) training compliance



Priorities/Initiatives



- WFM sustainability
- FWPP- Phase 2 and 3
- Insurance Service Office (ISO) rating review process

Support Services/ Administration





Accomplishments



- Summit IGA implementation
- Grant funding received (\$991,230 SAFER, \$65,000 other equipment)
- Hired 15 new Firefighters (6-SAFER / 9-attrition)
- Replaced aging WFM fleet (3-trucks / 1-Type VI engine)



Challenges



- Aging fleet/facilities
- Maintenance of current service level funding



Priorities/Initiatives



- Replacement of aging fleet
- Replacement and repair of aging equipment and facilities
- Develop 5 year capital plan

Fire

What Else Do You Need to Know?



Police

Dan Musselman

FY 2019 Budget
\$23,046,315

FTE: 176.00



Sections



- Patrol
- Criminal Investigations
- Community Relations/Crime Prevention
- Support Services
- Communications

Patrol





Accomplishments



- Homicides are down 67% year to date
- Overall crime is down 9% year to date
- Injury collisions are down 11% year to date
- Ten officers left in 2018 compared to eighteen in 2017
- Hired sixteen new officers, four of which were laterals in 2018



Challenges



- Recruitment and retention of officers
- Keeping pay competitive with neighboring agencies
- Keeping up with technology and its price tag



Priorities/Initiatives



- Implementation of the student housing initiative
- Purchase an e-bike for bike patrol to be more efficient and improve officer safety

Criminal Investigations





Accomplishments



- Violent and property crime clearance rates are above national averages
- Several successful prosecutions of high profile crimes
- Awarded the State Narcotic Unit of the Year
- Received the City Managers Excellence Award for Teamwork in 2018



Challenges



- Staffing down two rotator positions
- Criminals use technology (phones, computers), investigations are more complex and take longer
- Writing more search warrants on investigations



Priorities/Initiatives

- Explore options to address computer forensics research
- Dedicate a full-time detective position to sex offense investigations
- More public safety announcements on crime prevention via social media

Community Relations/ Crime Prevention





Accomplishments



- Completed two Citizen Police Academies
- Coordinated the Law Enforcement Toy Drive to help underprivileged families enjoy the holidays
- Completed 82 media releases and participated in 328 community support meetings
- Provided over 6,500 hours of advanced officer training to staff



Challenges



- Improve public perception of the Flagstaff Police Department
- Working with the local media to get positive stories published and accurate information reported
- Patrol staffing shortages which impact other police operations



Priorities/Initiatives

- Staffing a second school resource officer through FUSD funding
- Increase training opportunities for the department
- Host a multi-day police immersion program to assist with recruitment

Support Services





Accomplishments



- Credit cards now accepted at Police facility
- Relocated our SWAT equipment to City property
- Right sized our fleet, reduced our underutilized vehicles



Challenges



- Staff retention
- Body camera redaction for media and public records requests is very time consuming
- Storage facilities for evidence retention is a continued concern



Priorities/Initiatives

- Purchase hybrid vehicles when replacing existing patrol fleet
- Move the Bomb Team equipment out of the Coconino facility
- Research an inventory control program to track equipment

Communications





Accomplishments



- Replaced dispatch monitor screens that were at end of life
- Began dispatching services for Pinewood Fire Department
- Upgraded 911 telephone system to be next generation 911 ready
- Tested and promoted four dispatch supervisors
- Several dispatchers completed cross training on multiple channels



Challenges



- Limited fiscal resources for needed technology improvements
- Recruiting for high liability, multi-tasking shift work
- Staff retention



Priorities/Initiatives



- Launching text to 911 services
- Staff recruiting
- Cross training staff on various channels

Police

What Else Do You Need to Know?



Community Development

Dan Folke

FY 2019 Budget

\$37,843,620

FTE: 91.66



Sections

- Administration
- Engineering
- Capital Improvements
- Planning and Development Services
- Housing
- Flagstaff Housing Authority



Administration





Accomplishments



- Maintained a high level of service during a time of staff turnover, change in leadership and high volume of applications
- Maintained skilled staff with professional certifications, licenses and memberships
- Provided administrative support during transitions in CD, FMPO and Heritage Preservation program
- Converted paper files to digital files for record retention



Challenges



- Responding to community concerns and building consensus related to growth and development
- Zoning Code - implement new process for code amendments to increase community participation and complete 3 to 4 annually; codify neighborhood plan policies
- Recruit and retain skilled staff



Priorities/Initiatives



- Develop new leadership team
- Provide efficiency through technology
 - Continuous implementation of digital plan submittal
 - Create applicant portals
 - Customer experience improvement

Engineering





Accomplishments



- Resolved Dutch Brothers drive-thru stacking
- Design and construction IGA/JPA executed for the 50/50 partnership with ADOT to reconstruct the Fourth Street bridges over I-40
- Public education outreach on Propositions 419 and 420
- Reviewed 275 development applications, 27 construction plans and issued/inspected 313 right-of-way permits
- Performed 47 traffic studies that resulted in 34 work orders



Challenges



- Ongoing efforts to develop recommendations from the Street Lighting to Enhance Dark Skies (SLEDS) Team
- Coordinating efforts with multiple partner agencies
- Operating and improving the transportation network to address high demand modifications with limited resources



Priorities/Initiatives

- Continued advancement of signal timing/progression
- Well trained, team centered, client focused staff
- Ensure reliable, quality infrastructure through regulation of the Engineering Standards

Capital Improvements





Accomplishments

- Began 100% design of the Rio De Flag Flood Control Project
- Design of the City Court Facility is underway and Guaranteed Maximum Price #2 to be brought before Council on May 21st
- Delivered six projects to support Water Services' replacement of aging infrastructure
- Designed three projects and constructed two projects to support the Road Repair and Street Safety Initiative
- Designed four projects and constructed six projects to support the Transportation Tax (including FUTS)



Challenges



- Ongoing efforts to coordinate with BNSF Railway and the US Army Corps of Engineers (Rio De Flag Flood Control Project)
- Delivery of the Beulah/University roadway extension and realignment



Priorities/Initiatives

- Assist ADOT in completion of the Switzer/Turquoise roundabout
- Complete the 5 Year Program for the Transportation Tax (2020 – 2024)
- Continue to support FUTS, RR&SSI, Transportation Tax, general government and replacement of aging infrastructure programs
 - Including Proposition 420, Lone Tree Overpass

Planning and Development Services





Accomplishments



- New hires of critical staff positions.
- High Occupancy Housing Plan adoption and implementation
- Adoption of the 2018 suite of Building Codes to occur early 2019
- Code Compliance purchased and is receiving training on a new Spectrometer to assist with lighting code violations
- Political signage enforcement and expansion of the sign free zone



Challenges



- Loss of institutional knowledge
- Volume and complexity of work load is increasing
- New duties and responsibilities including the Heritage Preservation Program



Priorities/Initiatives



- Outdoor lighting and abandoned property enforcement
- Preparation for the 2020 Census
- Updating the Zoning Code to implement community vision

Housing





Accomplishments



- Community education on Proposition 422
- Scattered Site Affordable Housing
- Affordable Housing Units committed – 306
- Federal programs all in full compliance



Challenges



- Council Goals and Objectives:
 - Lack of ongoing funding
 - Organization capacity
- Community support to locate affordable units and utilizing City-owned land



Priorities/Initiatives

- Approval and implementation of Development/Redevelopment Plan for City owned parcels
- Update the Incentive Policy for Affordable Housing
- Complete implementation of online application and resident/client/landlord portal for Public Housing and Voucher Programs

Community Development

What Else Do You
Need to Know?



Public Works

Andy Bertelsen

FY 2019 Budget

\$47,161,457

FTE: 211.02



Sections

- Administration
- Facilities Maintenance
- Fleet Management
- Parks
- Recreation
- Street Maintenance and Repairs
- Solid Waste
- Sustainability
- Environmental Management



Administration





Accomplishments



- Completed construction of Core Services Facility project
 - Completed project on-time and under contract amount budget
 - Moved City Solid Waste, Streets and Fleet Operations to newly constructed Core Services Facility
- Continued progress on Road Repair and Street Safety Improvement Program
 - Since the passage of Proposition 406 in November 2014, 337 total lane miles have been impacted by the Chip Seal and Overlay program



Challenges



- Increasing construction costs associated with capital projects
- Working to implement streets maintenance projects in conjunction with anticipated areas of development
- Continued changing and evolving community and visitor demands



Priorities/Initiatives



- Continue preparing and aligning core service providers with changing and evolving community demands
- Work with all internal and community partners in providing project delivery

Facilities Maintenance





Accomplishments



- Managing logistics for reallocation of staff with the demolition of the Cherry buildings.
- Navigated purchase of existing office space for Water Services to accommodate multiple City divisions
- Decommissioned Mogollon Property from property use as a Public Works Facility
- Established three year contracts for custodial and on-call contracting services for all City facilities



Challenges



- Rising construction costs associated with new projects and building retrofits
- Managing and supporting high use facilities



Priorities/Initiatives



- Continued support of United States Geological Survey operations and improvement of facilities
- Support on-site maintenance demands for critical operations
- 5 year capital plan development

Fleet Management





Accomplishments



- Moved the entire operation to the Core Services Maintenance Facility during June 2018
 - Vehicle repair facility became fully operational on July 2nd and began pumping fuel on July 5th
- Upgraded fuel management software and electronically managing bulk lubricant inventory
- Education of technical staff
- Introduction of hybrid vehicles into the City's pool vehicle inventory



Challenges



- City-wide support of alternative fueled vehicles/equipment
- Maintaining an aging fleet with limited resources
- Staff retention and recruitment



Priorities/Initiatives

- Refine our processes to maximize effectiveness and efficiency
- Replace traditional fueled vehicles (where appropriate) with alternative fueled vehicles
- Develop an internship with the Northern Arizona Manufacturing Partnership to hire high school/community college students

Parks





Accomplishments



- New playground equipment at Guadalupe and Cheshire Parks
- Improved parking lots at Guadalupe, Arroyo and Bushmaster Parks
- Expanded Citizen's Cemetery for additional burial space
- New landscape walls including the removal of railroad ties at Thorpe Park
- New ramada at Hal Jensen Recreation Center to complement new turf area and existing playground



Challenges



- Need for park space in the southwest part of city limits
- Review parks maintenance policies relative to current and best practices
- Funding for capital improvements and larger repairs



Priorities/Initiatives

- Develop funding options for a west side neighborhood park
- Update policies related to Cemetery, parks grounds and snow operations
- Develop a plan for existing Flagstaff Urban Trail System (FUTS) long-term maintenance and repair/replacement

Recreation





Accomplishments

- Awarded 2018 "Most Outstanding Sports Program" and "Most Outstanding Cultural Event" by Arizona Parks and Recreation Association
- Continued operation of the Siler Homes Activity Center with over 100 children participating per week
- Sold over 5,000 memberships to the Aquaplex and now offer over 55 fitness classes weekly
- Began roof/locker room repair project at J. Lively Activity Center
- Hosted several Native American Heritage Month activities at Joe C. Montoya Community and Senior Center



Challenges



- Funding needs for aging facilities and necessary repairs
- Lack of available space for new and growing events and sports leagues
- Outdated recreation planning documents in relation to Regional Plan and development planning



Priorities/Initiatives

- Research grant opportunities for recreation amenities/programs
- Update Recreation Strategic Plan and begin planning for updating the 2013 Parks and Recreation Master Plan
- Create and implement new special event application packet

Street Maintenance and Repairs





Accomplishments

- Opening of the Core Services Facility and operational in summer of 2018 without disruption to community service delivery
- Relocation of the McMillan material storage to three new locations to accommodate the veterans home construction
- Fall traffic striping completed on City streets
- Implemented the SLEDs pilot lighting program in various location for further evaluation
- Responded to assist all associated agencies in significant monsoon event



Challenges



- Staff recruitment and retention of qualified operators
- Fleet considerations
 - Coverage and delivery expectations of growing and changing infrastructure
 - Aging operating capital and fleet



Priorities/Initiatives

- Evaluate service delivery and work program
- Evaluate SLED's pilot program and develop an implementation plan
- Participate in strategic planning efforts of Proposition 419 and 420

Solid Waste





Accomplishments



- Permit for Cinder Lake Landfill was modified and approved which will extend the life of the landfill a minimum of four years
- Leadership development plan was initiated in the Collections program for the lead operator and supervisor positions
- Cost saving realized using a local vendor to recycle broken carts
- Conceptual design of landfill infrastructure prepared and provided to Forest Service



Challenges



- Poor recycling economy
- Encroachment by independent solid waste operators
- The lack of Solid Waste route optimization and customer service software



Priorities/Initiatives

- Landfill infrastructure
 - Landfill Road
 - Water source to enable organics processing and rock crushing operation
 - Three phase power for Landfill gas collection and control
- Implementing volumetric pricing for residential solid waste collections
- Investigation and implementation of organic waste processing

Sustainability





Accomplishments

- Adopted the Flagstaff's Climate Action and Adaptation Plan
- Master Recycler Program's 60 graduates have volunteered over 700 hours and directly reached more than 8,000 members of the public
- Urban Farm Incubator developed and implemented by the Spring 2019
- Initiated Winter Snow Play Stewards volunteer program to address the litter impacts of winter snow play
- Completed infrastructure improvements at Picture Canyon Natural and Cultural Preserve



Challenges



- Limited staffing and fiscal resources to achieve City goals
 - Climate Action and Adaptation Plan
 - Rethink Waste
 - Legally Designated Open Space Management Plan
 - Anti-littering
- Adapting to changing recycling market and other recycling uncertainties (e.g. Material Recovery Facility)
- Integrating sustainability principles into City processes



Priorities/Initiatives



- Begin implement the Climate Action and Adaptation Plan and the Rethink Waste Plan
- Launch Open Space Stewardship Program
- Improve inter-departmental collaborations

Environmental Management





Accomplishments



- Secured resources for work on multi-sector general permits for critical City facilities
- Processed waste disposal applications for appropriate disposal of hazardous materials at the landfill
- Developed Storm Water Prevention Pollution Plan for the new Core Services Facility



Challenges



- Continued alignment with state and federal regulation review for commercial demolitions and renovations
- Training for job requirements



Priorities/Initiatives



- Develop scope of work for environmental work associated with BNSF properties for the Rio De Flag project
- Continue supporting projects with environmental assessment needs

Public Works

What Else Do You
Need to Know?



Economic Vitality

Heidi Hansen

FY 2019 Budget

\$25,400,248

FTE: 95.73



Sections



- Airport
- Community Investment
 - Arts & Science
 - Beautification
 - Economic Development
 - Parking District
- Library
- Tourism and Visitor Services



Airport





Accomplishments



- New Routes
 - Received routes to Los Angeles and Dallas Fort Worth this past summer season
 - New full-time destination to Dallas Fort Worth coming back since it was successful
- Second Airline
 - United Airlines is starting service to and from Flagstaff twice daily to Denver
- Airport Master Plan completed
- Runway reconstruction completed





Challenges



- Meeting Index B requirements
- Addressing terminal needs to meet growing capacity
- Parking lot capacity
- Staffing retention and recruitment



Priorities/Initiatives



- Increase staffing levels to meet FAA requirements
- ARFF staff compensation
- Facility maintenance

Community Investment



Arts & Science





Accomplishments



- Completed projects:
 - Peace pole
 - Children's Garden sculpture
 - Mural at Haven Montessori
 - Lighted holiday sculpture
 - Flagstaff Public Art Map,
 - Includes a smart device version





Challenges



- Land ownership
- Art is subjective



Priorities/Initiatives



- Capacity: Hire a Beautification and Public Arts Manager
- Geographic focus: Expand public art
- Diversity of medium: Increase the quantity of three-dimensional public art projects

Beautification





Accomplishments



- Completed projects
 - Joel Montalvo Park beautification
 - Route 66 medians landscaping
 - Lake Mary Road/Highway 89 Gateway
 - Started and still under construction





Challenges



- Maintenance of existing and new Beautification infrastructure
- Project delivery
 - Projects take significant effort due to complications with locations and design



Priorities/Initiatives

- Geographic Focus: Expand beautification
- Route 66: Complete the remaining components of the Route 66 Master Plan project by 2020
- Milton Corridor: Staff participation in the ADOT's Milton Corridor Master Plan

Economic Development





Accomplishments



- Council Business Listening Tour – four quarterly report outs
- Renewal of Northern Arizona Center for Entrepreneurship (NACET)/Innovation Mesa agreements
- Supported multiple business expansions
- Auto Park – Sale of lot 8



Challenges



- Cost of business
 - Land and development costs
 - Labor costs
 - Production and supply costs
- Cost of living
- Local and regional challenges



Priorities/Initiatives

- Workforce Development: Workforce Pipeline Summits, Flagstaff Internship Network
- Incentive Plan: Updating and funding of an incentive plan for business attraction and expansion
- Auto Park: Marketing and sale of lots nine and ten

Parking District





Accomplishments



- Launched parking program – downtown and Southside
- ParkFlag is generating revenue above expectations
- Ambassadorship and customer service growing
 - Service provided by Parking Aides has been recognized locally and nationally



Challenges



- Enforcement software is under performing
- Downtown loading zones problematic
- Residential Permit Program



Priorities/Initiatives

- Software replacement and hardware expansion
- Improve the Loading Zone Policy for downtown and Southside
- Improve and clarify the process for the Residential Permit Program

Library





Accomplishments



- County Library District IGA Renewed
- Over \$51,400 in grant funding
- Library safety improvements
- Successes with Radio Frequency Identification (RFID)

Award Winner
'Best Public Agency'
by the
Arizona Daily Sun readers
for the 5th time





Challenges



- Staff recruitment and retention
- Meeting the needs of our vulnerable population



Priorities/Initiatives



- Building maintenance needs
- Funding security guards ongoing
- Install a point-to-point data connection
- Continue of high level library programming

Tourism and Visitor Services

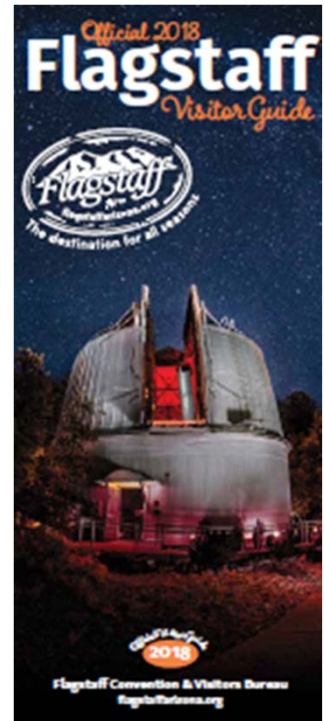




Accomplishments



- Bed, Board and Beverage sales tax revenue increased
- Average Daily Rate (ADR) increased
- Flagstaffarizona.org website and Youtube Channel
 - Up 14% in unique sessions and 79% in views
- Increased international visitors
- Visitor Center retail sales increased





Challenges



- Staff workload increases due to industry & festival growth
- Maintaining Occupancy levels
- I-17 corridor reliability



Priorities/Initiatives



- Update website
- Increase Bed, Board and Beverage sales tax revenues
- Increase earned media from 900 to 1000
- Increase social media engagement by 10%

Economic Vitality

What Else Do You
Need to Know?



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





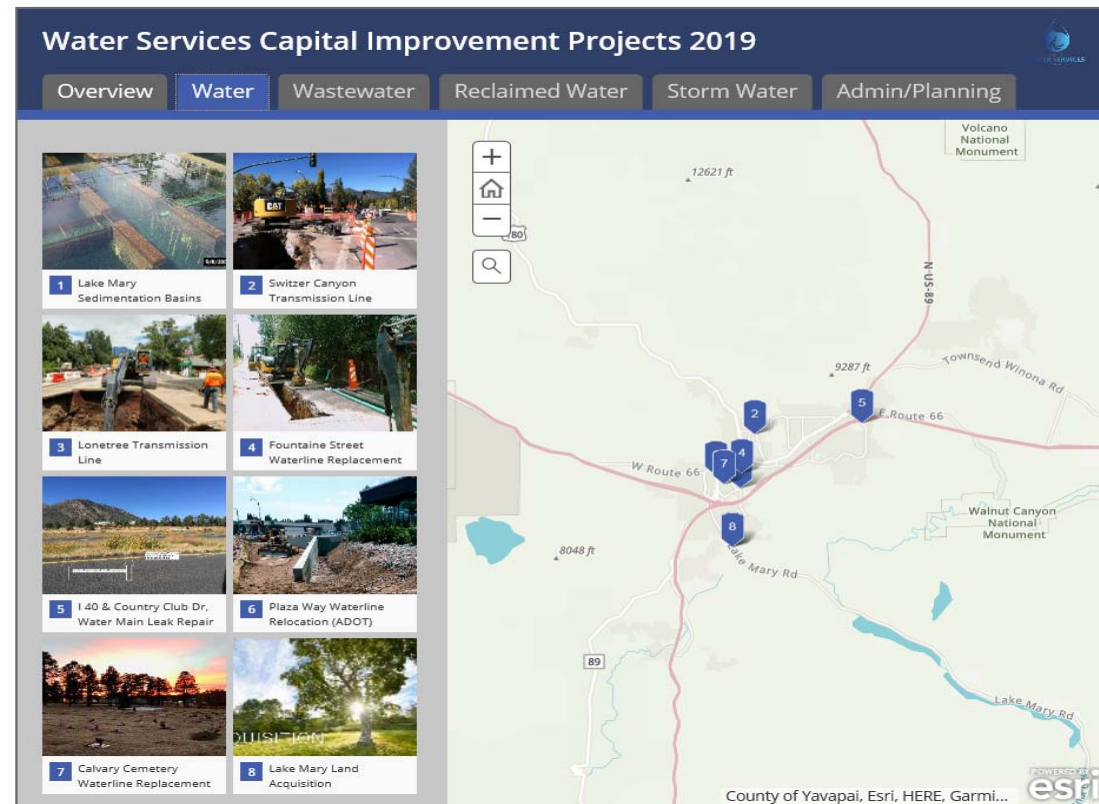
Accomplishments



- 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





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

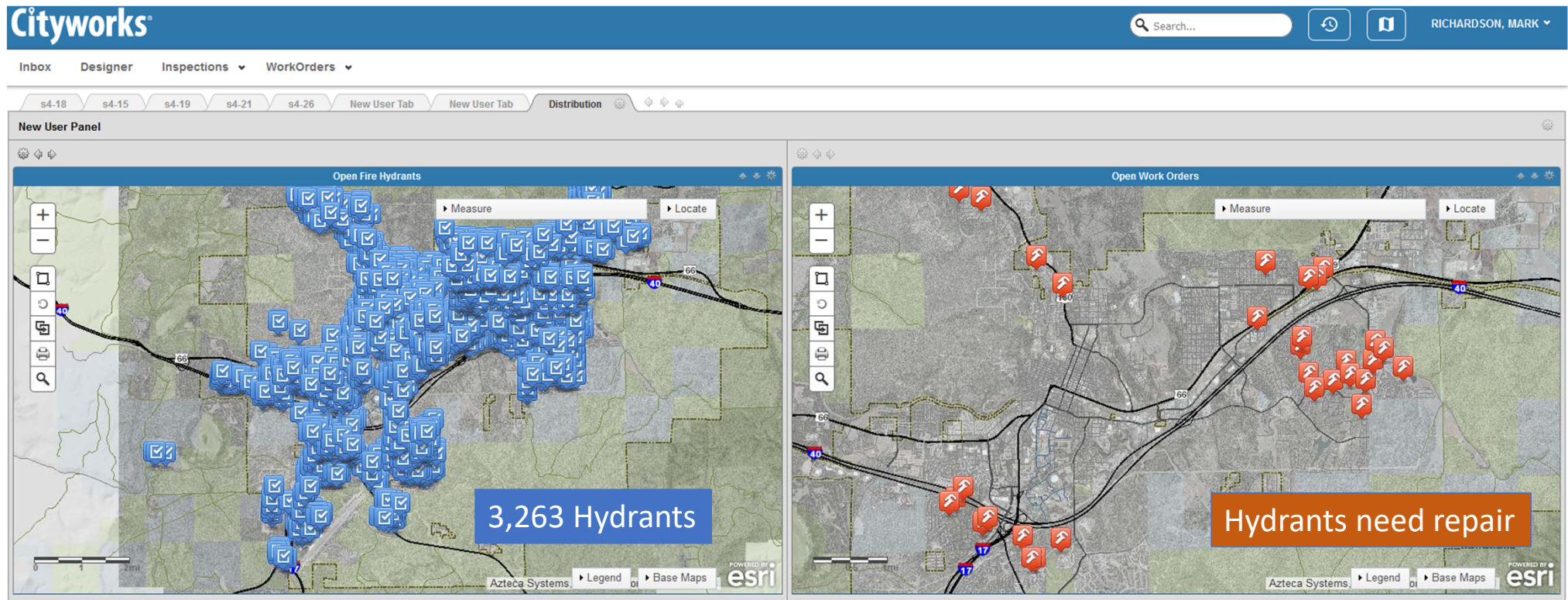


Replacement of water line under I-40



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 reservoir (Surface Water Augmentation), a water drop with a tree (Water Conservation), a pipeline (Pipeline Augmentation Projects), a well (Aquifer Recharge), and a person (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



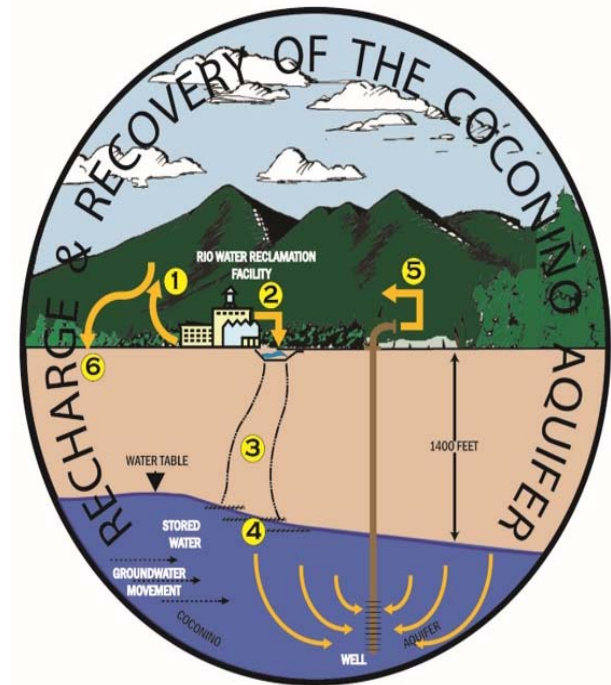


Priorities/Initiatives

- 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*



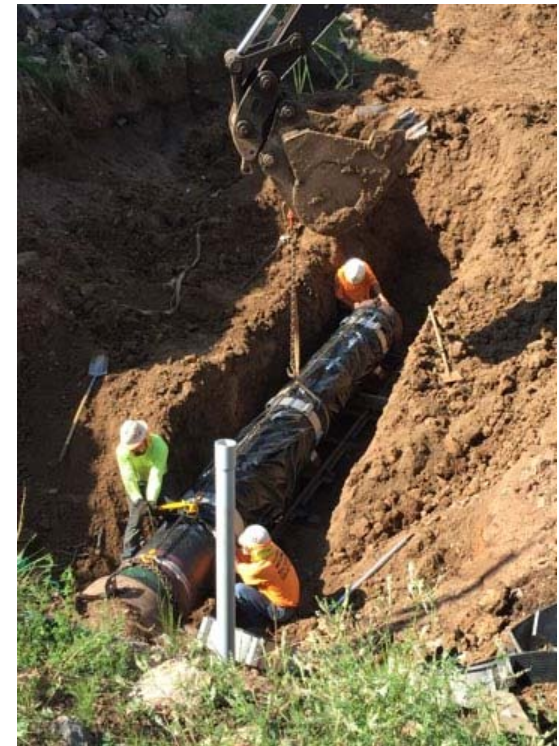
Engineering





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

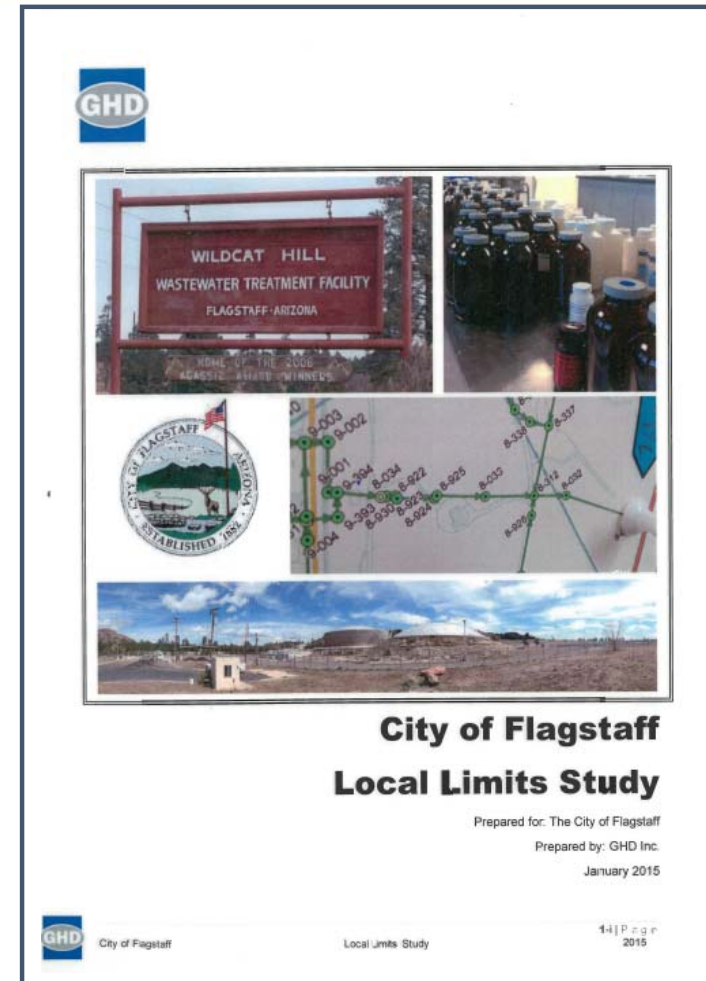




Priorities/Initiatives



- 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



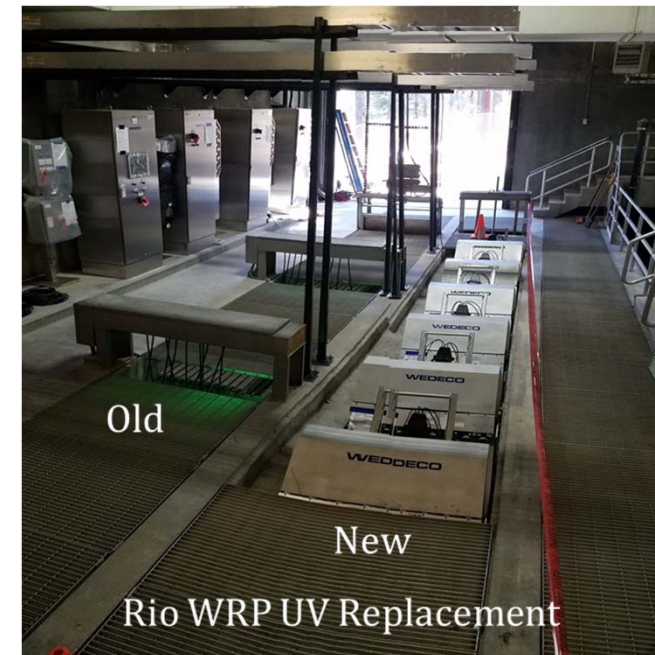
Wastewater Treatment





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





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





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

Stormwater





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?



Non Departmental

FY 2019 Budget
\$65,392,911



Sections

- Council and Commissions (\$412,931)
- Non Departmental (\$4,762,993)
- Transit (\$6,686,809)
- Capital Project Bond Funded (\$33,885,094)
- Debt Service (\$11,450,363)
- Contingency (\$8,194,721)



Legislative Challenges





Legislative Challenges

- Proposition 126
 - Voter initiative approved
 - 11/06/18 General Election
 - Amended State Constitution
 - Uncertainty of what is a “service”, affect on newly approved taxes/fees/use tax, loss of revenue



Legislative Challenges

- Wayfair
 - South Dakota versus Wayfair (2018)
 - US Supreme Case
 - State's ability to tax purchases of online goods from remote sellers
 - Streamlining, fairness, revenue
- Local decisions and local control



Goals and Objectives



Goals and Objectives Matrix



Handouts to be provide at Retreat