

Upon notice duly given under Arizona Revised Statutes, Section 38-431, et seq., as amended, the City Council of the City of Bullhead City held a Special Meeting on Thursday, May 8, 2024, in the Council Chambers, 1255 Marina Blvd., Bullhead City, Arizona.

**CALL TO ORDER**

Mayor D'Amico called the meeting to order at 8:30 a.m.

**ROLL CALL**

Council Present

Alfonzo, Dallman, D'Amico, Head, Newlin, O'Neill, Ring

Council Absent

None

Staff Present:

CITY MANAGER: Toby Cotter

CITY ATTORNEY: Garnet Emery

CITY CLERK: Debie Ogden

CITY MAGISTRATE: Richard Speer

POLICE CHIEF: Robert Trebes

FINANCE DIRECTOR: Robert Drexler

UTILITIES DIRECTOR: Mark R. Clark

PUBLIC WORKS DIRECTOR: Angie Johnson

DEVELOPMENT SERVICES DIRECTOR: Saritti Chooniyom

HUMAN SERVICES DIRECTOR: Jeff Tipton

HUMAN RESOURCES DIRECTOR: Canden Stanley

**DISCUSSION ITEM(S)**

1. Discussion relating to the proposed City of Bullhead City Budget for the Fiscal Year beginning July 1, 2025, including proposed revenues, expenditures, and programs for all governmental funds.

Introduction – Budget Overview Presentation

City Manager Cotter said over the last couple of years, the city has been in a great fiscal position where we have been able to hire more police officers, buy more police vehicles, and invest in our infrastructure. He said some one-time reserve funds are being used for capital projects and said some of the projects on the capital list are not new, especially the animal shelter. He said the budget is designed with prosperity, progress, and projects. He said the new bridge, a new ATV/ UTV Trailhead, and the new Senior Enrichment Center are projects that started a few years ago and are now complete.

City Manager Cotter said sales tax collections are at a historic high and they continue to bring in new businesses, tournaments, sports, and tourism. He said there is a \$52 million fund reserve and a large general fund reserve. He said the city took over Highway 95, new homes were built, completed master plans, and worked with residents to pass Proposition 416 so the city does not have to borrow money to spend the money we have in the bank account. He said the Bullhead Belle was brought to Community Park, worked on cell towers, and worked with local utility companies. He thanked staff for receiving grant money for the right-turn lanes on Highway 95.

Finance Director Drexler said the expenditure limit was raised and will be \$183,357,992 for fiscal year 2026, and said without that it would have been around 65 million with proposed expenditures out of the general fund reserves this year would have had to be borrowed again. He explained some expenditures of the fund balance include completion of the BARC building, furnishing and equipment, the Optimum Community Center rehabilitation, park upgrades, HURF equipment, utility operations, and supplementing other funds.

Finance Director Drexler said the city is required by state law to pass a balanced budget, and Bullhead City uses a zero-based budget approach which means every line item in the budget must be justified and the process starts over each fiscal year, as opposed to cost-based budgeting which just adjusts for inflation. He said the city has a total of 45 budgeted funds that include the general fund; 25 special revenue funds that must be spent on a specific purpose; the debt service funds; capital projects; the enterprise fund consisting of water, wastewater, and internal service funds such as our Fleet Department.

Finance Director Drexler said this budget has \$15 million programmed for grants and explained the money is available to spend only if the grants are received. He said state and federal opportunities include Arizona State Parks, Arizona Office of Tourism, Arizona Department of Transportation, U.S. Department of the Interior, U.S. Department of Transportation, Economic Strengths Projects, and Congressional Directed Spending. He said private grant opportunities include the Legacy Foundation and the Walmart Foundation.

Finance Director Drexler said employees will be receiving a 2.5 percent cost-of-living adjustment and eight new full-time positions are proposed. He said the positions are for two police officers, two new animal care technicians, an accounting specialist, a water quality specialist, a maintenance worker in streets, and a maintenance worker in the parks department. He said the employee benefit trust, which is like health insurance for the city, is budgeted for just over \$5 million; and the public safety retirement for the police officers is just under \$5 million. He said the city-wide fund balance has increased from \$23 million in 2016 to over \$52 million fiscal year 2025.

Finance Director Drexler explained the General Fund. He said this is the primary fund that most of the operations of the city go through. He said the revenue sources are local sales tax, state shared revenues, state transportation, transaction privilege tax, vehicle license tax, and grants, fees, donations. He said the city does not collect property taxes. He said in 2015/2016, the general fund balance was \$6 million and now they are projecting over \$41.6 million through the end of this fiscal year.

Finance Director Drexler explained the different ways the public could view the budget and financial reports. He said the Budget Work Session will be completed May 8th and 9th if necessary, and Council will adopt the Tentative Budget at their June 3rd meeting. He said the Publication of Budget Schedules will be on June 9th and June 16th, and the Final Budget will be adopted by Council at their June 17th meeting which is also the official Public Hearing on the budget.

City Manager Cotter said mid-year budget reviews are done with all departments in December to make sure the departments are on track. He said they try to balance all the council's needs and provide a conservative fiscal budget that the community can afford now and into the future.

Vice Mayor Alfonzo asked if an algorithm model based on actuals was used to prepare the budget. City Manager Cotter said they compare the city to other communities, look at national standards, performance standards, and historical data. Finance Director Drexler said he uses trend analysis especially for revenues not just year by year but also month by month. He said an in-depth analysis is done on every line item.

#### Judicial Budget

City Magistrate Speer said with zero-based budgeting, items need to be justified and said there are no big expenditures this year. He said the city entered into an Intergovernmental Agreement with Lake Havasu and Kingman to share jail costs. He said this budget is essentially the same as last year and separate line items have been created for easier tracking, like the Veterans' Court and the Quality of Life Court. He said the incarceration costs are one of their biggest expenses next to personnel. He said they are starting to use SCRAM, which is an electric monitoring system for people that are convicted of nonviolent offenses, and said it costs approximately \$12 a day. He said the system not only monitors people, but also allows people to stay employed.

Vice Mayor Alfonzo asked if the department has enough staff to handle the increasing workload. City Magistrate Speer said they are managing, but there are two vacancies and training new staff takes time. Vice Mayor Alfonzo asked for an explanation of Court Enhancements. City Magistrate Speer said it is a fund that is a percentage of different fines and to be used to enhance the security, safety, or viability of using the court.

Mayor D'Amico asked if there were any employees working remotely. City Magistrate Speer said he does not allow anyone to work remotely.

City Manager Cotter said the revenue from court fees, court fines, sanctions and forfeitures is in a special police fund with a balance of \$720,000 and said it does not come close to covering the cost of the Court, Judicial, or the Police. He said ticket revenue is very minor compared to the cost of justice.

Council Member O'Neill said he volunteers at the Veterans' Court and asked how the cuts to Veterans' Court and Quality of Life Court will affect services. City Magistrate Speer said some of the costs were from a grant that has now expired. He said they now work to get services that are paid for through the Veterans Administration or through State AHCCCS, for which these people are eligible.

#### Legal Budget

City Attorney Emery said his department consists of three prosecutors and their staff that deal exclusively with the prosecutor on misdemeanor and minor offenses in the community. He said the rest of staff is civil and consists of two paralegals and two administration staff, and said he regularly coordinates with two to five outside counsels who help with the large projects. He said he is not asking for more staff, just more hours for the part-time position due to the increase in workload.

City Attorney Emery said his office opened 467 matters and are tracking close to 180 for fiscal year 2025. He said most of the increase over last year is in personnel. He said there is a nominal increase in contracted services for legal research.

Mayor D'Amico asked if there were any employees working remotely. City Attorney Emery said all personnel are on site.

Vice Mayor Alfonzo thanked City Attorney Emery and his team for being transparent and professional.

### Development Services

Development Services Director Chooniyom said the department consists of Building and Permits, Planning and Zoning, Code Enforcement, Business Licenses, Airbnb's, Water Safety, and Floodplain Administration Divisions with 19 employees in total.

Senior Plans Reviewer Lewis said the Building division issues permits and performs building inspections. She said they issued 364 single family dwelling permits in 2024 and have already issued 77 permits this year to date. She said some major projects are the Circle K Convenience Store and Car Wash; Churches Chicken; new outpatient cardio offices at WARMC; the Anthem Travel Center on Merrill; Wally Wombats; The Abbott Apartments; and the Havasupai Apartments. She said city-owned projects such as the Senior Nutrition Center Expansion, Optimum Center Remodel, the ATV trail, and the remodel of the Animal Care and Welfare building are underway. She said the Building division has eight employees and is not asking for any additional staff at this time.

Planning Manager Loera said the Planning and Zoning division consists of one planner and himself. He said some of the projects they are working on include CityCentre, the Anthem Travel Center, Emerald Bay, the Viewpoint subdivision in the Arroyo Vista area, the Trails at Black Mountain, and industrial and commercial development on Laughlin Ranch Boulevard. He said next fiscal year, they will work on the general plan update, which is required every ten years.

Planning Manager Loera said the Code Enforcement division has an office administrator and four inspectors. He said about 2,500 cases were opened this fiscal year and about 1,000 notices have been sent. He said approximately 100 properties have been cleaned by contractors when the owners were not responsive. He said the city has demolished 18 properties this year, and an additional nine that the property owners handled themselves. He said one of the inspectors deals mainly with the transient issues and on average per month picks up about 140 shopping carts, 180 yard sale signs and political signs, and contacts 400 transient individuals and gives them referral information for Catholic Charities or one of the other organizations that can assist.

City Manager Cotter said they are projecting the same number of dangerous building abatements, demolitions and nuisance abatements. He said if more cleanups or abatements are occurring, they might have to come back mid-year and ask for a modification out of contingency.

Mayor D'Amico said Code Enforcement has worked more with people than probably any city in the nation. He said he has worked with Code Enforcement and they give people more time than any other city would because they are customer service oriented and will not just go out and take property.

Planning Manager Loera said individuals are always told that as long as they are making progress they will continue to give them time. He said if no progress is made a notice will be sent for an abatement.

Council Member O'Neill asked if one inspector is enough to handle the transient population. Planning Manager Loera said when there were only 3 inspectors, and they took turns handling transients. He said this position was created for strictly dealing with transients, shopping carts, and garage sale signs. Mayor D'Amico asked if the shopping carts are being returned to the stores or are they picking them up from the city. City Manager Cotter said staff is returning the carts to the stores, and the city does not receive any compensation for that. He said there was a process because it was theft, but the process was more costly than just returning the carts. He said the carts are taken from the individual and a citation could be issued. He said the businesses are very appreciative. Mayor D'Amico asked staff to consider if any big box stores come to Bullhead City in the future to make requirements for locking shopping carts.

Council Member O'Neill asked if the other three inspectors help the one inspector with transients. Planning Manager Loera answered affirmative. City Manager Cotter said there is a committee of folks that work for the city, and through community policing, they spearhead a lot of the enforcement and issue tickets. He said Human Services Director Tipton has many correlations with the homeless community and the nonprofit groups.

#### Police

Police Chief Trebes said this year's request includes capital improvements that were delayed from last year. He said the big expenditure items requested this year is two new police officer positions, which would bring the total to 82.

Police Chief Trebes explained the Axon Draft One software request that is budgeted in Information Technology for the Police Department. He said it is an AI system that transcribes everything that is said on the body camera and produces a written police report and said this is an industry standard. He said it is an extraordinary amount of time saving for officers writing reports; now the officer reviews the report to make sure that it is accurate. He said it has safeguards such as a little catch phrase like "a little pink elephant ran through". He said if that catch phrase is still in the report, the supervisor will know the officer did not actually review it. He said they have been using the system for five months and have found it saves each officer two hours per week in report writing time.

Police Chief Trebes said his requests include SWAT soft body armor and carriers, legal services that give supervisors the ability to call experts in law enforcement and provide legal updates, increase in training for FBI bomb technicians and the crisis negotiator, patrol rifles, red dot optics, holsters, and lights. He said he is requesting headphones and a speaker system for the boats that allow them to have hearing protection but still be able to listen to the radio. He said he is asking a 911 GIS Mapping tool so mapping will be performed through the Motorola Flex system.

Vice Mayor Alfonzo asked if the hearing equipment for the boats is the type where you can both hear and speak through. Police Captain Harms said this system not only eliminates the high sounds that damage hearing but also allows them to hear the radio and talk back and forth. Vice Mayor Alfonzo asked if two additional officers would be enough. Police Chief Trebes said two are enough at this time but as the city grows, more will be requested.

Council Member O'Neill asked if the AI software transcribes directly from the body cams into a report. Police Chief Trebes said there is a transcription that they can see but what is used for the report is more of a summary and said that report is linked to the body cam footage. Council Member O'Neill

asked is the rifle upgrade includes M4's. Police Chief Trebes said they are considered a mid-grade patrol rifle with good accuracy. Council Member O'Neill asked if the rifles and vehicles that get retired are traded in for reimbursement or auctioned. Police Chief Trebes said the police vehicles go through the city auction. He said they do have the ability to work with companies for trade-in value on new purchases.

City Manager Cotter said the AI software will be a savings of time and numerous departments across the country are utilizing it. He said more and more departments will be using AI as it is getting harder and harder to hire police officers. He said saving time is great for the city and he and Chief Trebes will make sure it is implemented properly, and all citizens receive fair and equal justice. Council Member O'Neill said his son works as a border guard and said he is supportive of the time savings and getting the officers back home sooner after their shift.

Mayor D'Amico asked how morale was in the department. Police Chief Trebes said it is a morale booster when officers see the appreciation from Council, the City Manager, and from our citizens.

Council Member Head asked if the headsets would be individually assigned. Police Captain Harms answered affirmative. Council Member Head asked if the AI transcript would upload directly to the officer's report writing system or does it have to be transferred. Police Lieutenant Harris said a transcription of the audio is converted using AI software and the officer then makes any necessary edits. He said a percentage is added in the parameters to prompt the officer for more detail and it gives the officer a suggestion of what they should add. He said they then sign their name to the report and from there, it gives you the ability to copy it from evidencelaw.com and put it into the report. Council Member O'Neill said he would be interested in a ride along with police staff.

Police Chief Trebes said the BACCUP program is fully funded by opioid funding money. He said last year they were able to fill the manager position. He said the new manager has over 20 years experience with the Kingman Police Department and holds certifications in mental health. He said when calls for service are received that have some kind of mental health aspect, the police go in to make sure the scene is safe then call the BACCUP Team to take that case over. He said without the BACCUP program, police would have to say either it is not a law enforcement problem, arrest the individual, or transfer them to a facility for a 36-hour involuntary commitment. He said these individuals would usually fall through the cracks but with BACCUP they can help the individual through the process and refer necessary resources.

Mayor D'Amico called for a short recess at 9:57 a.m. and reconvened the meeting at 10:13 a.m.

#### Public Works

Public Works Director Johnson introduced her staff and reviewed a few highlights. She said last year, the right turn lanes at Rising Sun, Sterling, Central, and Merrill Avenue were completed and the right turn lane at Thunderstruck is under construction. She said the Optimum Community Center Rehabilitation Project Phases 1 and 2 were completed and Phase 3 is scheduled for next year. She said more right turn lanes at Mohave Drive, Laughlin Ranch Boulevard, and the Safeway area are also scheduled. She said the biggest increase is in non-project related engineering services which are up 50% due to the City Surveyor retiring. She said the APWA conferences, pavement management training, the slurry conference, and playground safety training have been proposed in next fiscal year's budget.

Public Works Director Johnson said more square footage was added to the maintenance schedule for Facilities Maintenance, and said the new Senior Enrichment Center is another 7,500 square feet of indoor space. She said the fire alarms need to be upgraded from analog to digital. She said pest control services costs are up due to more bugs. She said some requests for next year include retinting City Hall, new air conditioners, split unit replacements, replacement of the current man-lift, and one more truck for Facilities.

Vice Mayor Alfonzo asked why natural gas shows a 266.7 percent increase. Finance Director Drexler said that line item had been moved from a different part of the budget.

Public Works Director Johnson said some of the accomplishments in the Parks Maintenance division were installing the rest of the cameras in the parks. She said 50,000 square feet of turf was installed at Gary Keith Park, and another 10,000 square feet at Ken Fovargue Park. She said they hosted 110 sporting events, up from 80 last year.

Mayor D'Amico asked if any crime had been caught on camera. Recreation Superintendent Heath answered affirmative and said they have been working with the police department.

Public Works Director Johnson said they are requesting one new full-time employee for Parks Maintenance. She said a new turf paint machine is requested for next year and said these machines paint the ball fields and have helped with staff time. She said staff can now paint a field in day or two versus a couple of weeks. City Manager Cotter said when you have tournaments every weekend, there may be a tournament where it is one use of a field and next weekend is a different use, meaning different paint, lines, layouts, and groups. He said in the past, it would take four individuals to paint the lines that are being done by one robot.

Council Member O'Neill asked if the amount requested is for new cameras or was it budgeted for the old cameras. Public Works Director Johnson said it is the internet service cost for all cameras.

Vice Mayor Alfonzo asked why there is an increase in the mower lease for next fiscal year. Finance Director Drexler said the department will be switching out to a new lease, so it is recording the entire cost of them for the year.

Public Works Director Johnson said they are requesting funds to replace tools and ballfield toppers that are damaged or worn out. She said Parks is requesting a new skid steer, and a new landscape dump truck to replace the truck and trailer currently being used for cleanups.

Vice Mayor Alfonzo asked why there is a large increase in electricity at the Gary Keith Park Pavilion. Finance Director Drexler said numerous improvements have been made to Gary Keith Park with additional electrical installations. He said this amount is in anticipation of increased electricity usage.

Public Works Director Johnson said Street Maintenance has met the goal for slurry application. She said approximately 9,500 square feet of graffiti was removed this past budget year. She said they are requesting an additional full-time maintenance worker for traffic signals and highway maintenance. She said street supplies have decreased due to being able to cut back on paint supplies on street patching, and said the concrete amount has decreased due to the purchase of a concrete mixer. She said an increase in the amount for the slurry program is requested, and an increase in training for certification training for the traffic signals and traffic control safety.

Vice Mayor Alfonzo asked why dues and memberships increased. Public Works Director Johnson said the increase is for IMSA memberships because staff must be a member in order to take the classes. She said the new traffic signal and streetlights were budgeted along with the associated electricity costs. Council Member O'Neill asked if the city now has control of the traffic signal timing on Highway 95. Public Works Director Johnson answered affirmative and said there are now 27 traffic signals on Highway 95 staff maintains through laptop software.

Public Works Director Johnson said the transmission on one of the Gannons needs to be replaced so there is an additional \$20,000 requested under equipment. She said steel costs are increasing and lighting and traffic signals were moved to a separate line item under site improvements for better tracking. She said funds for parking blocks along Riverview Drive, an additional message board, a pressure washer, a portable air compressor, and a lawn sprayer are requested. She said the new slurry truck requested in the budget for next year is for the machine already approved by council but will not be delivered until after July. She said they are also requesting a small pickup to be outfitted with a sprayer to increase efficiency when spraying chemicals on the roadways. She said she is also requesting a new crack seal machine, and a replacement sign plotter/printer.

City Manager Cotter said the street maintenance division is generally covered by the gas tax, but it is not enough to cover this budget. Finance Director Drexler said we are close to covering the costs and are trying to keep the gas tax collections in line with the budget, but \$854,000 will be transferred from the general fund to cover one-time capital purchases of the slurry machine, the crack seal machine, and the crack vacuum

Public Works Director Johnson said the current city fleet consists of 530 vehicles and equipment and said they are not adding any vehicles. City Manager Cotter said he wanted to reiterate for every vehicle added, a vehicle will be sold, auctioned, or repurposed. He said the intent is to keep two slurry machines, so they will be able to sell the oldest slurry machine which will bring in thousands of dollars. Vice Mayor Alfonzo asked if the money that is received from auction goes back into that same fund. Finance Director Drexler answered affirmative.

Public Works Director Johnson said new heavy-duty vehicle repair software is requested. She said outside labor for repairs has increased as well as auto parts, oil, and DEF for diesel equipment.

Recreation Superintendent Heath said people are having more fun in Bullhead City and staff is meeting more needs than ever before thanks to the support of the Mayor, Council and City Manager. He said the Optimum Community Center was closed for half this fiscal year, but a lot was accomplished. He said the first thing that was reopened was the free tax service from VTA and said they were able to provide 2,300 low to moderate income families with free tax preparation at a savings of \$1,200,000 to those residents. He said two adult and two children's performances have been held in the Optimum Center auditorium and pickleball classes have started. He said a volleyball system is requested and funds for three workstations for staff.

Recreation Superintendent Heath said the recreation staff hosted 44 tournaments and hosted another 41 special events in the parks and said local promoters are running events and tournaments themselves. He said a new gymnastics program for 14-month-old to 17-year-old kids was started and is so popular it sells out. He said the pool is a big part of what recreation does. He said programs such as free swim lessons are important in the community with the river, lake, and pools throughout, and said it is important to get kids as young as six months old to be comfortable around water. He said

the summer camp program last year had over 700 registrants and said they are on track to beat that number by at least 10 percent this year.

Recreation Superintendent Heath said more movies are planned with movies in the park, movies at the pool, and movies at the community center. He said there is a slight increase in training for certified lifeguard trainers, so they will not have to bring somebody in from outside to train. He explained supplies for the summer camp programs and said some years supplies do not have to be purchased because there are supplies left over from the previous summer. He said a generator and a 20-foot trailer is requested and said this equipment helps run the special events.

Vice Mayor Alfonzo asked if the gymnastics program includes aerobics. Recreation Superintendent Heath said it is mostly tumbling, learning how to control your body on the floor, etcetera. Vice Mayor Alfonzo said he has been asked about having a gymnastics or aerobic type program for little kids, and if karate, kempo, or other martial arts programs are offered. Recreation Superintendent Heath said those programs are going to be offered as part of the summer camp program.

Council Member O'Neill said he is impressed with the summer camp program and thanked staff for their hard work.

City Manager Cotter said the Boys and Girls Club annual agreement is \$50,000, and he and Mayor D'Amico have had numerous discussions over the past few months. He said they met with the Legacy Foundation, the Boys and Girls Club Board of Directors, and there have been discussions about consolidation with the Boys and Girls Club of the Valley in Phoenix. He said the Legacy Board both locally and nationally voted to not support that and the City does not want to lose local control. He said the money stays at the Bullhead City Club to support afterschool programs. He said the Boys and Girls Club has requested an increase to help with their operations and said he is anticipating an infusion of several hundred thousand dollars from the Legacy Foundation.

Mayor D'Amico said to budget \$75,000 and if another \$25,000 is needed it can be taken from contingency. City Manager Cotter said they are struggling with fundraising efforts, and the director will be retiring so they are asking for an increase. He said the city owns the building and land and if they walk away, the city gets everything. He said the Boys and Girls Club and the City have a relationship that extends 30-40 years, and said they provide a great service for us.

Vice Mayor Alfonzo asked if the local Boys and Girls Club is associated with the clubs in Laughlin and Fort Mohave. City Manager Cotter answered affirmative and said it is the consolidated Boys and Girls Club of the Colorado River, but all the money that was given to them is accounted for here in the Bullhead City Boys and Girls Club. Vice Mayor Alfonzo asked if the city has access to their books to see if they really do need that money. City Manager Cotter answered affirmative.

Vice Mayor Alfonzo said he was concerned that the 220 nonprofits in this town would be looking for an increase in their contribution as well and said he is looking at something more conservative. Mayor D'Amico asked if any contributions were made by Mohave County. City Manager Cotter said he is not aware of the County contributing to the Fort Mohave Boys and Girls Club. He said Clark County has been engaged with the Laughlin Club before. Mayor D'Amico said his concern is that the money may be pooled and used at the Fort Mohave or Laughlin locations. City Manager Cotter said they report annually and give many presentations to the City Council.

Council Member Ring said she is not in favor of the contribution increase.

Vice Mayor Alfonzo asked if they applied for any grants or look for other assistance besides the City. City Manager Cotter answered affirmative and said their executive staff is always looking for donations and grants. He said that was one of the reasons for consolidation with Phoenix so that there are bigger corporations or more generous benefactors that could help fund the club.

Council Member O'Neill said he would like to know how the money will be spent. City Manager Cotter said the number of children they serve has increased significantly and the City's contribution has remained the same for the last 10 years. He said any amount over \$50,000 would need a contract to come before Council, and they would have to make their case. He said if Council agrees on \$50,000, the Club could still come back mid-year and make a compelling argument to Council for more money out of contingency rather than having it in the budget. Council Member Newlin said he is interested in seeing a line-item budget for the Club stating what the additional funding would be used for.

Council Member Head said he knows the value of the Club as it serves many children in the community and is inclined to set the line item at \$100,000. He said they are not making the decision to give them the funds today, and said they can look it over when they make their presentation to decide whether it is appropriate or not. He said if it is budgeted, they can always decide whether to give the full amount.

Council Member Dallman said she is in full support of the Boys and Girls Club and said she agrees to setting the line item at \$100,000. She said she also wants to see where that money is being spent.

Mayor D'Amico said to budget \$100,000 and have the Club come in and give a presentation to the Council with the numbers.

Vice Mayor Alfonzo asked if there are any assurances that three months from now they will not go to Phoenix and walk away with the money that has been committed. City Manager Cotter said the discussions with the club in the Valley are no longer happening and the building is the city's, the lease is with the Boys and Girls Club of the Colorado River, and the only way to transfer the funds would be an action by the City Council.

Recreation Superintendent Heath said the special events have been a big hit for the community. He said the expenses remain essentially the same for special events. He said an increase for Golden Games is for a timing system used for track and field, and said they now have an NCAA certified track official who does an amazing job. He clarified that chairs, tables, and table coverings are budgeted in different divisions or events. He said there are different uses and styles for different events.

Recreation Superintendent Heath said the Park Rangers came back to the Recreation division after being with the Police Department for a year. He said Recreation was able to hire 16 part-time park rangers who cover the parks as security and ambassadors. He said more than 14,600 hours was dedicated to surveillance and security of parks this year by patrolling 14 parks and recreation facilities and 21 miles of trails throughout the city every day. He said they have requested one replacement truck for the rangers.

City Manager Cotter said they are in the last year of the contract with the lifeguards and the beach safety and security. He said because Rotary Park is free, there have been more and more issues to deal with. He said the park rangers are doing a job similar to what is outsourced through the Police Department and said there is a possibility of bringing the lifeguard program in-house.

Mayor D'Amico thanked Public Works Director Johnson and her staff for the quick storm cleanup.

#### Legislative

City Manager Cotter said the Mayor and Council budget is a very small component of the overall city budget and said it pays for the stipends, travel, and necessities of the Mayor and Council. He said the overall budget is down 16 percent.

City Clerk Ogden said the proposed budget is almost 31 percent lower than last year because there will be no election until fiscal year 2026-2027. She said travel and memberships remain the same.

Vice Mayor Alfonzo thanked the City Clerk's Office for transparency and for all that they do.

#### Financial Services

Finance Director Drexler said the Finance Department consists of accounting, budgeting, billing, and collections. He said within accounting and budgeting, staff includes one senior accountant and two accounting specialists and said he is requesting one new accounting specialist position this year. He said there used to be two payment systems to record payments and now they are up to seven systems. He said this division is responsible for the inventory warehouse. He said billing and collections work with the utilities team for customer payments.

Mayor D'Amico asked for an explanation of payment tech fees. Finance Director Drexler said there is a significant increase in banking fees. He said the amount proposed includes general bank fees, monthly system fees, and credit card fees that are charged to the city by credit card processors.

Vice Mayor Alfonzo asked if there are residents who do not pay for water or wastewater services. Finance Director Drexler said at the start of COVID they only had the wastewater system, and it was a very cumbersome process to cut services for nonpayment. He said when the city acquired the water system, water could be turned off, but they were given long grace periods during COVID. He said a few years ago they had \$1 million worth of collectibles between the two systems in the financial statements and the auditors said to reduce the number by \$120,000 because of the collection efforts of the team.

Vice Mayor Alfonzo asked what the current amount of receivables are. Finance Director Drexler said utility receivables are approximately \$1.5 million.

#### Technology Services

City Manager Cotter said a lot of discussions on cybersecurity took place throughout the year. He said Information Technology provides all the connectivity and fights off cyber-attacks every day, but it is expensive. Information Technology Manager Scheffert said technology is transforming how city governments operate, improving efficiency for both employees and citizens. He said the budget fits

into one of four categories: infrastructure, software, compliance, and cybersecurity, and said since January of this year, we have mitigated over 40 million threats using critical software updates and support. He said overall, the IT budget remains unchanged other than an increase in software and hardware agreements like the new police body cam program that will include AI, and more email boxes. He said a major accomplishment this year was a core switch upgrade, which kept all the equipment updated.

Council Member Newlin asked for an explanation of the website increasing 100 percent. Information Technology Manager Scheffert said the city will be transitioning to a new website with the .gov domain, and the .com website will be used for tourism purposes.

Executive

City Manager Cotter said the Executive Department consists of Executive Administration, Public Information, Personnel Administration, Marketplace, Metropolitan Planning Organization, and said Marketing Sponsorship and Tourism is a new department. He said the Public Information budget has significantly decreased due to some personnel and marketing materials having been moved to marketing and tourism. He said as the city continues to increase its tourism tax, it was important to show how those funds are being spent.

City Manager Cotter said the Personnel Administration's budget has all the benefits and insurance costs. Vice Mayor Alfonzo asked if they anticipate doing more background screening and pre-employment fingerprints. Assistant City Manager Pruitt said they have increased the number of volunteers and also looked at electronic fingerprinting and ways to streamline the process.

City Manager Cotter said Marketplace is where the Bullhead Belle, paid parking, and the retail store are budgeted. He said the retail store is located at the Chamber of Commerce building at Community Park on the bottom floor, and the ramadas are rented every day. He said through September the \$25 parking fee will bring in a significant amount of revenue. City Manager Cotter said the city anticipates making \$150,000 to \$200,000 more in paid parking.

City Manager Cotter explained Economic Development does not have staff and is primarily a placeholder for a variety of economic development expenses and development initiatives. He said typically the money is not spent and any expenditures would have to be approved by the Council.

Assistant City Manager Pruitt said the Metropolitan Planning Organization is funded by federal funds on a reimbursement fashion meaning when money is expended it is returned to the city via the reimbursement process. He said the overall budget is approximately \$940,000 with direct funding of approximately \$400,000 from the federal government through portions of the gas tax. He said the federal government believes the MPO should focus on the long-range transportation plan. He said the MPO will be responsible for obtaining grants.

City Manager Cotter said the Marketing Sponsorship and Tourism division is not new. He said it is consolidated to show the community and elected officials the collection of tourism taxes from people who are staying here less than 30 days. He said what is shown in the budget are consolidated expenses that were previously in the PIO or Administration divisions.

City Manager Cotter explained that the General Services budget is where expenses that do not fit in any department are budgeted such as unemployment payments, the public defender contracts, Veteran's Court, shredding documents, copiers, and the State Cancer Firefighter premium that is required by the state.

Finance Director Drexler said budgeted general fund transfers include transfers to Transit, Senior Nutrition, Special Events, Street Maintenance, Pest Abatement, Marketing and Tourism, and Debt Service.

Mayor D'Amico called for a recess at 12:00 p.m. and reconvened the meeting at 2:00 p.m.

#### Human Services

Human Services Director Tipton said he is requesting two full-time employees for the animal shelter, and two part-time employees for transit. He said the budget includes the Catholic Charities contribution, Section 8 Housing, the WACOG Liaison contract, and River Fund.

Council Member Ring spoke in opposition of Catholic Charities for fiscal year 2025-26. She read various news articles about why she was opposed. She suggested the possibility of funding alternative nonprofits that help the homeless.

Human Services Director Tipton said their department helps with resources and collaboration along with the COPS Unit, Code Enforcement, Public Works, and BACCUP. He said the shelter works with the police and said they have two beds reserved at night. He said the last part of July and all of August they are open until 8:00 p.m. for access to the cooling station and overnight stays. He said an alternative to funding needs to be in place or there will be more homeless people loitering at the surrounding businesses.

Council Member O'Neill asked how the money is distributed within Catholic Charities. He said the money could be better used in other organizations or to feed people in the community. City Manager Cotter said if Catholic Charities closes during the day, everyone who is there will have to leave and come back when it is dinner time. He said they will be going to Rotary Park or the surrounding businesses and take over the streets.

Vice Mayor Alfonzo said he does not want to see \$879,000 being spent to save \$127,000.

Council Member Newlin said he would encourage talks with the Chief of Police and Code Enforcement and said pulling the funding without a plan is going to create major stress amongst our community and may end up costing more than \$127,000.

Council Member Head said without a plan in place, the city should not do away with this funding.

Council Member Dallman said that unless there is some other plan in place, we should not pull the funds. She suggested another session to decide on a different avenue or fund them and have a Plan B for the future.

Council Member O'Neill asked how many people the shelter houses overnight. Human Services Director Tipton said there are 57 beds with 10 of those beds for veterans. Council Member O'Neill

suggested to give the River Fund \$20,000, the Men's Home at Praise Chapel \$50,000 and the rest to Catholic Charities.

Mayor D'Amico said to leave it in the budget and then set up a workshop with Catholic Charities and decide from there.

Human Services Director Tipton said the Senior Enrichment Center has a full-time activity coordinator and they are adding a part-time position. He said they are adding a copier to the library for clients. He said meal costs remain the same for approximately 40,000 meals but they did budget for a possible increase to the cost with the growing number of congregates. He said overall there is a 15 percent reduction to the operations budget.

Mayor D'Amico asked if there was a choice of food off the menu. Human Services Director Tipton said there is a six-week running menu that the hospital can change if requested.

Human Services Director Tipton said preventive maintenance and monitoring for the freezer was budgeted so the temperature can be monitored. He said two employees will attend the National Meals on Wheels and WACOG Conferences.

Mayor D'Amico thanked the volunteers for all they do for the Senior Nutrition Center.

Vice Mayor Alfonzo asked if the copier will be metered. Senior Services Program Manager Cool said the copier will be metered and they will have to pay for the copies with a credit card.

Human Services Director Tipton said Pest Abatement includes a part-time person that assists as part of the Pest Abatement District agreement. He said rental of the lab is \$11,700 a year and said specialty supplies are down 9 percent. He is requesting a computer for the lab.

Human Services Director Tipton said HOME grants cover \$45,000 per project through the housing trust fund, \$25,000 per project for emergency repairs, and CDBG is \$15,000 for emergency repairs. He said the HOME grant was \$550,000 last year and was budgeted the same for next year. City Manager Cotter said based on the proposed budget of the Trump administration, these grants are slated for deep cuts. He said if the grant is not obtained, these projects will not move forward.

Human Services Director Tipton said Transit switched programs from the 5311 grant to the 5307 grant. He said there is a slight increase in auto parts and in the updated contract with the mechanics. He said he requested an additional bus that will be purchased if they receive the grant.

City Manager Cotter said the city is working on a new transit facility, and the decision was made to not fund it in this budget because it will not happen in the next 12 months. He said the final plan will be presented to Council in the next couple of months. Transit Manager Peluso said different opportunities arise as a direct recipient and they are not confined to a specific timetable.

Human Services Director Tipton said the Animal Shelter will have two additional full-time and two additional part-time employees once construction of the new facility is complete. He said the goal is for construction to be complete by late fall. He explained the Veterinarian Services line item is for shelter animal vet services and said every animal gets spayed or neutered, vaccines, and microchipped. He said travel includes the Best Friends Conference and the budget for uniforms has

increased due to his goal of 50 volunteers. He said they will continue to seek grants for spay and neuter and the cat TNR program.

City Manager Cotter said the veterinarian was cut from the budget for next year because it will not be ready for this budget. He said he anticipates the shelter to be opened by January 1st and the vet and necessary equipment and supplies will be budgeted for the following year.

Vice Mayor Alfonzo asked if the employees running the crematorium need certain state certifications and licenses. Human Services Director Tipton said he and Animal Shelter Manager Harms are certified.

### Utilities

Utilities Director Clark said he requested one additional Water Quality Specialist for backflow testing and grease trap inspections. He said there are 1,300 sewer connections per employee and The American Waterworks Association says they should have approximately 608 customers per employee for an enterprise of the city's size. He said all employees must hold certifications and eight operators were tested last fiscal year with five planned tests this year. He said the budget reflects \$3.6 million in depreciation.

Utilities Director Clark said some of the projects completed were the Section 18 Basin and solar lighting at the Section 18 plant. He said they saved \$80,000 by making changes to the ductwork on the blower building so an additional air conditioner is not needed. He said the locker rooms and lab building were remodeled. He said he requested funds to repair the press building with lighting and ceiling repair. He said pump and motor parts have increased due to inflation. He said they will address the odor issue at the three lift stations that dump into the manhole on Lakeside Drive with additional chemicals. Vice Mayor Alfonzo asked if there was a way to eliminate the odor without just controlling it. Utilities Director Clark said there are several ways to eliminate odors and staff have a 90 percent plan ready for rehabilitation on Lakeside Drive and are waiting for the funding to be able to make the repairs.

Utilities Director Clark said there are 1,406 water customers per employee and said it should be in the range of 626 per employee. He said the increase to the budget is mostly \$739,000 in depreciation. He said 9 employees received certifications and another 5 are scheduled. He said uniforms have increased due to additional staff.

Utilities Director Clark said the Water Resource budget is for fees paid to the Mohave County Water Authority to be a member. He said the \$3 million grant last year covered some water conservation programs and will be used for more programs in the coming fiscal year.

### Capital Improvement Plan

City Manager Cotter said \$3.4 million in contingency was budgeted for next fiscal year and said the Council is aware of the capital requests. He said the following projects are slated for next fiscal year: replacing AC and split units; the animal housing at BARC including furnishings, cameras, alarms and technology; the chiller and cremation unit; a vehicle for the Building Official; the engineering plotter; the Optimum Center Building Rehabilitation Phase 3 with indoor pickleball courts and the remainder of the buildings; the parking lot for BARC; a replacement man-lift; the Transit bus; and the truck for Facilities Management. He said the total for capital is \$3.6 million.

City Manager Cotter said if the land swap occurs, 25 percent more can be purchased based on the appraisal. He said the city would receive the land in Community Park then they could buy 25 percent more. He said miscellaneous improvements include a restroom at Community Park; a field groomer that is grant funded; Gary Keith Park turf replacement; a generator; Ken Fovargue Park artificial turf installation; a landscape dump truck; the Middle School fields; a wheelchair lift for the pool; and a restroom at North Veterans Memorial through SLIF funding. He said the replacement truck for the Park Rangers; Rotary Park general improvements; the Rotary Park parking lot maintenance program; a skid steer; mobile robots; the UTV/ATV Trailhead restrooms; and the warning track cinders.

Vice Mayor Alfonzo asked if staff need to be certified on the wheelchair lift for the pool. Public Works Director Johnson said there is training but no certification.

City Manager Cotter listed the following capital purchases requested: an additional vehicle for Animal Enforcement; a freezer for the Annex; the 911 Dispatch Center kitchen and facilities remodel; 7 new police vehicles; the new and upgraded camera security system; and remodel of the Police lobby. He said if CDBG funds are received, the internal Police remodel projects, including the flooring and furniture, and upfitting the Animal Enforcement vehicle will be completed.

Finance Director Drexler said other requests include Information Technology storage, battery backup replacements, disaster recovery storage in case of loss of power at City Hall, fiber optic backbone upgrades, host servers, networks, replacement of mobile rugged units, and Police Department data links.

Public Works Director Johnson said projects budgeted include Buena Vista drainage improvements, center-line median removal on the south end of Highway 95, and the CityCentre improvement district. City Manager Cotter explained like other improvement districts, they must show funding but it is all developer reimbursed.

Public Works Director Johnson said they are also requesting a crack sealing machine, a crack vacuum, the Hancock Road repaving project, Highway 95 right-turn lanes, Lake Mohave Highland curb and gutter, a lawn sprayer for roads, 400 LED streetlight upgrades on Highway 95, a message board, miscellaneous drainage and flood control projects, Montano Ridge traffic signal design this year and construction the following year, parking blocks at Riverview Drive, portable air compressor; a new pressure washer replacement, rights-of-way beautification, Rotary Park drainage improvements, a slurry machine, street sign plotter, traffic signal upgrades for the audible warnings at crosswalks, backup batteries on all signals in case of an outage, and 2 trucks for Street Maintenance.

Utilities Director Clark explained water and wastewater capital requests: a 780 tank to be constructed on Black Mountain that will feed the Riviera/Riverbend/Holiday Shores area and bring improvements to the areas running along Miracle Mile seven street rehab; rehabilitation of the Seventh Street line; iHydrant purchases; manhole rehab; the oxidation ditch upgrade; replacement of the pumper truck; replacement of the RAS isolation and control valves; a replacement pump for Laughlin Ranch; the Section 10 aeration basin; an oxidation ditch; Section 18 membrane replacements; the rehabilitation of 2 clarifiers; a Section 18 control panel air conditioner replacement; 2 tank rehabs; valve replacements; and the transmission main on the north side of the city.

Vice Mayor Alfonzo asked staff to check for grants that might be available on any trucks and equipment and to check state purchasing agreements and any warranties.

City Manager Cotter explained revenues and said it includes everything from economic development, TPT and TOT to taxes and fees. He said State revenues are looking good but are conservative on TPT sales tax. Finance Director Drexler said the fund reserve is over \$52 million. He said he is projecting a surplus of \$4.9 million this current fiscal year and last year was a surplus of just over \$5 million.

Mayor D'Amico opened the public hearing.

Scotty McClure said he wants all city departments to use AI. He said there should be a fence around the homeless shelter.

Having no one else wishing to speak, Mayor D'Amico closed the public hearing.

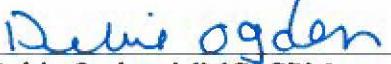
#### **ADJOURNMENT**

Mayor D'Amico declared the special meeting adjourned at 4:33 p.m.

#### **CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct record of the special meeting of the City Council of the City of Bullhead City held on the 8th day of May 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 12th day of June 2025.

  
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Debie Ogden, MMC, CPM  
City Clerk