

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, JULY 21, 2020 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

Mayor Seymore called the meeting to order at 7:00 p.m.

2. Roll Call.

COUNCIL MEMBERS PRESENT: Mayor Seymore, Vice Mayor Allsop, Councilman Clark, Councilman Hatch, Councilwoman Kakavas, Councilman Kelley, and Councilman Leech.

COUNCIL MEMBERS ABSENT: None.

STAFF MEMBERS PRESENT: Ed Muder, City Manager; F. Morgan Brown, City Attorney; Justin Johnson, Deputy City Manager; Bill Kopp, Public Works Director; Justen Tregaskes, Planning and Zoning Director; Tom Bahr, Airport Manager; Joe Shelley, Police Chief; Cari Bilbie, Accounting Manager; Rachael Hall, Deputy City Clerk; and Tamra Reidhead, City Clerk.

GUESTS: Stephen Douglas Roberts, Sharon Stone, Dawn Wilson, Curt Fernau, and others.

3. Invocation.

Councilman Leech gave the invocation.

4. Pledge of Allegiance.

Councilman Hatch led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that is within the jurisdiction of the City Council may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

None.

6. **SPECIAL EVENTS:**

A. Update by Summit Healthcare.

Ron McArthur, Chief Executive Officer for Summit Healthcare, gave an update on the impact that COVID-19 had at Summit Healthcare. When COVID-19 first began during March, April, and May, Summit expected a high number of patients but did not see a surge until after the Governor lifted the stay at home order in June. Currently, Navajo County's numbers of COVID-19 patients continued to climb and had not tapered off. Summit had seen a surge of COVID-19 patients and converted and designated many departments for COVID-19 patients due to the number of patients.

Mr. McArthur said healthcare workers were being affected during this time. Currently, there were 51 employees who had tested positive for COVID-19, and 43 employees waiting for test results. He asked for the Council's support and to mandate that citizens wear masks or face coverings while in public. He asked that citizens wear face masks to help protect others and healthcare workers during this time.

Councilwoman Kakavas supported Mr. McArthur's statement and urged citizens to view the videos on Summit's website regarding the pandemic.

B. Presentation by Show Low Chamber of Commerce.

Dalilia Edwards, President of the Show Low Chamber of Commerce Board of Directors, gave an update on the Chamber's activities. She said they had applied to become a member of the Arizona Office of Tourism which would give the Tourist Information Center a website address that had 2.8 million visits annually and would add Show Low on the Arizona map mobile application.

Ms. Edwards showed a video from America's Best Communities and shared plans of revamping the video to have more information about tourism in the City. Once completed, the video would then be linked to the Arizona Office of Tourism's website for visitors to view.

Ms. Edwards said the Chamber hired personnel to work on social media and began updating their Facebook page. Within just a few weeks, there was already a robust amount of people that the posts were reaching and engagements being captured on Facebook. She said the Chamber would begin work on their Instagram page soon.

Ms. Edwards said traffic into the TIC had stayed steady with 224 walk-ins so far during this month, and they had received 801 telephone calls. She

said the Chamber would hire a full-time employee to manage the TIC during business hours and would continue to schedule volunteers to assist. The Chamber would begin to work on memberships and work with businesses who hadn't been members for the past few years.

Councilman Leech asked if the Chamber would be reaching out to check on businesses that were only members of the Chamber or if they would contact all local businesses. Ms. Edwards said there was an ambassador program that the Chamber used to conduct that would contact the businesses to see how they were doing and ask if there was any assistance they could provide. She said the Chamber would be looking into starting that program again soon and would branch out to members of the Chamber and also non-members.

7. **CONSENT CALENDAR:**

- A. Proclamation by the Mayor Proclaiming July and August 2020 as **Months of Prayer** in the City of Show Low.
- B. Consideration of Acceptance of 2020 Rehabilitation and Rejuvenation of Public Roadways – Slurry Seal, City of Show Low Project No. R-1920 (Shane Hemesath)
- C. Consideration of Approval to Purchase Global Positioning System Survey Equipment. (Shane Hemesath)
- D. Consideration of Award of Contract Amendment for Supervisory Control and Data Acquisition Control System (SCADA), Phase 4 and 5. (Bill Kopp)
- E. Consideration of Approval of Revised Preliminary Development Plan and Final Plat for The Hollows at Bison Crossing. (Justen Tregaskes)
- F. Consideration of Second Addendum to Portable Hangar Use Agreement Assigning Agreement from Doug Riggins to John F. and Susan W. Richards. (Tom Bahr)
- G. Consideration of Resolution No. R2020-17 Granting Utility Easement at Show Low Public Safety Building to Arizona Public Service. (Joe Shelley)
- H. Consideration of Acceptance of Grant Funds from Network of the National Library of Medicine and Authorization of Associated Budget Transfers. (Lisa Lewis)
- I. Consideration of Acceptance of Grant Funds from Rural Activation and Innovation Network and Authorization of Associated Budget Transfers. (Lisa Lewis)

- J. Consideration of Minutes of Show Low City Council meetings:
- (1) Regular Meeting of June 16, 2020.
 - (2) Special Meeting of June 29, 2020.

COUNCILMAN LEECH MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY COUNCILMAN CLARK; PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

8. **NEW BUSINESS:**

- A. Consideration of Appointment of Planning and Zoning Commission Members. (Tamra Reidhead)

Ms. Reidhead said due to the resignation of Planning and Zoning Commissioner Debbie Houston-Robertson, there was a vacancy on the Commission with the term expiring March 2021.

Ms. Reidhead said recently, there were two vacancies on the Commission, for which the City Council interviewed four applicants. Of the four applicants, two were appointed to fill the vacancies and one withdrew his name from consideration. The fourth applicant who was not appointed was Doug Roberts, and after being contacted by staff, he had indicated that he was still interested in serving. Staff recommended appointing Doug Roberts to fill the term on the Commission that expired March 2021.

Councilman Leech asked if Mr. Roberts would re-apply for the Commission after it expired on March 2021. Mr. Roberts said yes, he would be interested in re-applying for the Commission.

COUNCILMAN CLARK MOVED TO APPOINT DOUG ROBERTS TO THE SHOW LOW PLANNING AND ZONING COMMISSION FOR A TERM EXPIRING MARCH 2021; SECONDED BY COUNCILWOMAN KAKAVAS; PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

- B. Consideration of Construction Contract for Senior Center Kitchen Expansion, City of Show Low Project No. CS-1220B. (Bill Kopp)

Mr. Kopp said the Show Low Senior Center provided food to community members with low-to-moderate incomes through the Meals on Wheels program and through congregate meals at the Senior Center. The proposed kitchen expansion would add approximately 400 square feet of

storage space for bulk goods and included purchasing a commercial refrigerator and freezer.

Mr. Kopp said the City received grant funding for an expansion of the kitchen through the Community Development Block Grant (CDBG) State Special Project account. Federal funding was available on a competitive basis through this program which funded projects to assist persons of low-to-moderate income, to prevent or eliminate slums or blight, or to solve an urgent need or health hazard. The CDBG approved budget for construction was \$73,000 with a City match of \$16,000 for a total construction budget of \$89,000.

Mr. Kopp said the project was originally bid in January 2020. All of the bids exceeded the project budget. The Council voted to reject all bids. The project was re-designed to reduce the cost and was publically re-bid in accordance with statutory requirements. A single bid was received. Although there was only one bid received, the bid was within the project budget and was submitted by a local contractor with whom the City had recently worked.

<u>Contractor</u>	<u>Bid</u>
LD & B, LLC	\$84,675

Staff recommended awarding the construction contract for the Show Low Senior Center Kitchen Expansion to LD & B, LLC in an amount not to exceed \$84,675.

Vice Mayor Allsop expressed gratitude for the project and supported serving the senior citizens of the City.

Councilman Kelley asked if the City would see the savings due to the bid being under the projected budget or if it would be prorated. Mr. Kopp said staff reserved the remainder of the funds for the project to purchase new commercial reach-in refrigerator and freezer for the Senior Center. He said in the previous design there was a walk-in freezer but it caused the construction costs to be over the budget, so staff re-designed the project and deleted the walk-in refrigerator and freezer.

VICE MAYOR ALLSOP MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE SENIOR CENTER KITCHEN EXPANSION, CITY OF SHOW LOW PROJECT CS-1220B TO LD & B, LLC IN AN AMOUNT NOT TO EXCEED \$84,675; SECONDED BY COUNCILMAN KELLEY; PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

C. **PUBLIC HEARING** Regarding Final Budget for Fiscal Year Ending June 30, 2021 and Proposed Secondary Property Tax Levy. (Justin Johnson)

Mr. Johnson said on June 16, 2020, the City Council adopted Resolution No. R2020-14 to approve the tentative budget for fiscal year 2020 in the amount of \$60,292,185. As required by state statute, the tentative budget was published twice in the local newspaper and a public hearing was to be held tonight. The final budget was identical to the adopted tentative budget and represented all the information that had been presented to the Council to date.

Mr. Johnson said that following a public hearing on this budget and the proposed secondary tax levy, the Council would be asked to approve this budget as the final budget for the City of Show Low for the year ending June 30, 2021. The budget reflected the Council's stated goals and priorities.

Mr. Johnson said in comparing the budget to actual expenditures, actual expenditures were generally less than what was budgeted. The trend showed that staff did a good job under-spending the budget.

Mr. Johnson said the City's revenues from all funds/sources totaled \$71,269,641. The four major sources of revenues consisted of the beginning fund balance (37.3%), operating revenues (50.0%), inter-fund transfers (7.1%), and other financing sources (5.6%). He said operating revenues of \$35,626,180 came from local taxes (31.4%), utility fees (25.7%), charges for services (12.7%), intergovernmental revenues (10.1%), state-shared revenues (13.6%), miscellaneous (6.1%), and fines and forfeitures (0.5%).

Mr. Johnson said expenditures by type included capital (34.7%), personnel (29.1%), operational (21.6%), debt service (3.9%), reserves (10.2%), and contingency/Capital Improvements Program (CIP) reserves (0.5%).

Mr. Johnson said General Fund expenses by department were manager/city attorney/city clerk (5.1%), city council (1.5%), administrative services (5.6%), general operations (14.1%), facilities/maintenance (8.6%), debt services (4.9%), capital fund (3.6%), community services (4.6%), airport (10.1%), aquatic center (2.5%), planning and zoning (2.3%), engineering (3.0%), city magistrate (0.4%), and police (33.8%).

Mr. Johnson said personnel by service area showed that public safety had 35% of the City's employees; community services, 15%; utilities, 16%; public works, 18%; general government, 13%; and planning and zoning,

3%. Total full-time equivalents (FTEs) were 166.5, for a net increase of 2.0 FTEs.

Mr. Johnson said capital/contingency expenses totaled \$20 million. The largest expense in this category was for streets/engineering at \$4,879,014, followed by water at \$4,514,794, and parks/facilities maintenance at \$3,543,297.

Mr. Johnson said expenditures by service area were utilities (25.2%), community services (4.0%), public works (26.0%), public safety (19.2%), general government (22.4%), improvement districts/Community Facilities District (0.3%), and debt service (2.7%).

Mr. Johnson said the street light improvement district property tax levy would be \$200,000. The citywide levy paid for utility costs associated with street and park lights. There was a General Fund subsidy of \$15,000 to cover unexpected utility rate increases. The tax rate would be \$0.1401 per \$100 of assessed valuation, which was unchanged since fiscal year 2016.

Mr. Johnson said the Council was being asked to approve Resolution No. R2020-16 to adopt the final budget for fiscal year 2021 after holding a public hearing on the final budget and the property tax levy (which would be considered by the Council at the August 4 meeting).

Councilman Kelley asked for clarification on the money collected for the streetlight district. Mr. Johnson said that while the tax rate on the streetlight district had not increased since 2016, the money collected had increased because assessed valuations had increased.

Mayor Seymore opened the matter for a public hearing. There being no input, he closed the public hearing.

- D. Consideration of Resolution No. R2020-16 Adopting the Final Budget for Fiscal Year Ending June 30, 2021. (Justin Johnson)

COUNCILMAN LEECH MOVED TO ADOPT RESOLUTION NO. R2020-16 ADOPTING THE FINAL BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2021, IN THE AMOUNT OF \$60,292,185; SECONDED BY COUNCILWOMAN KAKAVAS.

Councilwoman Kakavas said she was proud that the City was financially responsible and transparent. She reassured the citizens that the City did not overspend on the budget.

Vice Mayor Allsop thanked staff for their continued support and hard work for the City and the Council. The continued effort from staff helped the finance department to continually receive a financial reporting award.

Councilman Clark thanked staff for their efforts and shared his appreciation for the transparency that the Council and City staff showed for the budget.

MOTION PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

AT THIS TIME, THE CITY COUNCIL RECESSED INTO A SPECIAL MEETING OF THE SHOW LOW BLUFF COMMUNITY FACILITIES DISTRICT BOARD TO ADOPT THE FINAL BUDGET FOR FISCAL YEAR 2020-21 FOR THE DISTRICT.

The Show Low City Council recessed into a Special Meeting of the Show Low Bluff Community Facilities District Board at 7:47 p.m. The Show Low City Council reconvened at 7:53 p.m.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Vice Mayor Allsop attended a Meals on Wheels meeting and said there was a great influx of volunteers for the program. New routes would be opening up soon to deliver meals to more areas. He also attended a Main Street Board meeting and said the Farmer's Market and Art Walk was closed for the month of July. He thanked the parks and recreation staff for all they do for the City.

Councilman Kelley encouraged citizens to take advantage of the call to the public during Council meetings.

B. Mayor

Mayor Seymore encouraged citizens to attend Council meetings to let their voices be heard about City issues. He also encouraged citizens to vote during the Primary Election on August 4.

C. City Manager

Mr. Muder reminded registered voters in the City of Show Low of the Primary Election on Tuesday, August 4, which included three council seats and the mayor's seat.

Mr. Muder said this Friday would be the last day to request an early ballot from Navajo County. The last suggested date to mail back a voted ballot was July 27. Voters could choose to drop off their voted ballot at the Navajo County Health Department in the ballot drop box, or at any ballot drop box location within Navajo County, or at any polling place in Navajo County on Election Day. Show Low voters who preferred to go to the polls would have two polling places to choose from, either the city campus gym or Timber Mesa Fire and Medical District's administrative building. All polling places would be open from 6 a.m. until 7 p.m.

Mr. Muder said last week the City's recreation staff moved from Show Low City Hall to the Show Low Family Aquatic Center, which would now be the public's one-stop-shop for in-person registration for events and sports leagues and purchases of pickleball passes. The aquatic center was open more hours during the work week than city hall and was also conveniently open on Saturdays from 9 a.m. to 5 p.m. Recreation staff was currently accepting registrations for summer pickleball, Summer Play Days, and Art in the Park.

Mr. Muder said the library staff had created Grab and Go Bags as part of the NASA @ My Library project. During the months of July through October, there would be 200 bags available for families to pick-up at the library or by using the curbside service. Each month would focus on a different theme, and the bags would have an assortment of activities, games, and information on each theme.

Mr. Muder said in public works projects, work continued on the tie-overs on the Cooley and 8th Avenue waterline project, and the work was being completed on the 24th Drive sewer project this week. City crews were working on water valve maintenance and flushing sewer lines citywide. Crews also would be doing a clean-up in the downtown area, including trimming trees and street sweeping, this week on Thursday. Next week, crews would begin paving the extended parking area at the tennis courts at the City Park. He thanked citizens for their patience as crews worked on projects around the City.

10. **SCHEDULING OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

None.

COUNCILWOMAN KAKAVAS MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS THE CARES ACT GRANT AND REVIEW THE EXECUTIVE SESSION MINUTES OF MAY 19 AND JUNE 2, 2020;

SECONDED BY COUNCILMAN CLARK; PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

The Show Low City Council recessed in Executive Session at 8:08 p.m.

11. **EXECUTIVE SESSION.**

- A. Confidentiality Statement.
- B. Discussion or consultation with the attorney or attorneys of the public body for legal advice or to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation. Pursuant to A.R.S. Sections 38-431.03(A)(3).
 - (1) CARES Act Grant.
- C. Discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law. Pursuant to A.R.S. Section 38-431.03(A)(2).
 - (1) Executive Session Minutes of May 19 and June 2, 2020.

12. **POST EXECUTIVE SESSION.**

Consideration of any item on the Executive Session portion of this agenda, which the Council may wish to take action upon in Open Session.

The Show Low City Council reconvened into Open Session at 8:51 p.m.

- A. Consideration of Approval of the Minutes of the Executive Session of the Show Low City Council Held on May 19 and June 2, 2020.

No action.

13. **ADJOURNMENT.**

There being no further business to be brought before the Council, **MAYOR SEYMORE ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF JULY 21, 2020 AT 8:51 P.M.**

ATTEST:

APPROVED:

Tamra Reidhead, City Clerk

Daryl Seymore, Mayor

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CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **REGULAR MEETING** of the City Council of Show Low held on July 21, 2020. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20____.

(SEAL)

Tamra Reidhead, City Clerk