

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, AUGUST 4, 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; Shane Hemesath, City Engineer; Joe Shelley, Police Chief; Cari Bilbie, Accounting Manager; and Tamra Reidhead, City Clerk.

GUESTS: Jack Latham, Curt Fernau, Dawn Wilson, Laura Singleton, and Doug Roberts.

3. Invocation.

Councilman Hatch gave the invocation.

4. Pledge of Allegiance.

Councilwoman Kakavas 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 NOT** scheduled on this agenda 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. **CONSENT CALENDAR:**

- A. Consideration of Acceptance of 24th Drive Sewer Main Replacement, City of Show Low Project No. S-0618. (Shane Hemesath)
- B. Consideration of Resolution No. R2020-20 Approving Intergovernmental Agreement with Arizona Department of Public Safety for Gang and Immigration Intelligence Team Enforcement Mission. (Joe Shelley)
- C. Consideration of Resolution No. R2020-21 Approving Amendment to Intergovernmental Agreement with Navajo County for Use of Community Emergency Notification System. (Joe Shelley)
- D. Consideration of Minutes of Show Low City Council meetings:
 - (1) Study Session Meeting of July 21, 2020.
 - (2) Regular Meeting of July 21, 2020.

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

7. **NEW BUSINESS:**

- A. **PUBLIC HEARING** – Request to Annex Property in Existing County Island South of Cub Lake Road into the City of Show Low – #P-1320. (Justen Tregaskes)

Mr. Tregaskes said on March 3, 2020, the City Council was presented with a request submitted by Brad and Shannon Edgington and Ken and Sharon McFall to annex a portion of land located in an existing county island south of Cub Lake Road into the City of Show Low. Following discussion with the Council, staff approached the remaining property owners in the area to determine interest for their properties to be annexed. Based on these conversations, the annexation area was expanded to include additional property on the west area of the proposed annexation. No property owners on the southern portion of the proposed annexation were interested, with the exception of the City-owned parcel. The entire area proposed to be annexed is described as A.P. Nos. 212-03-019H, -019P, -136, -137A, -137B and -138.

Mr. Tregaskes said at the meeting, staff was directed to file the blank annexation petition with the County Recorder for the expanded area. It

was filed on July 13. Within the last ten days of the 30-day period after the filing, a public hearing was to be held. As required by state statutes, notice of this public hearing was published in the newspaper, notices were sent to the real and personal property owners, as well as the Board of Supervisors and County Assessor. After the public hearing and once the 30-day waiting period had expired, signatures could be obtained on the petition and filed with the County. An ordinance would then be presented to the Council for consideration.

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

B. Consideration of the 2012-2014 Amendments to the Tax Code of the City of Show Low, Arizona. (Justin Johnson)

Mr. Johnson said the City of Show Low adhered to the Model City Tax Code (MCTC) according to state statute. The MCTC defined various taxable and non-taxable amenities, utilities, services, and commodities. Various sections of the MCTC had been amended either with additions, deletions, clarifications, simplifications, or repeals by state statute or exemptions during various legislative sessions. Incorporation of these changes would not affect current tax rates.

Mr. Johnson said as required by law, a notice had been posted on the City website for 60 days.

Mr. Johnson said changes to the MCTC were shown below in Resolution No. R2020-18, with additions capitalized and underlined and deletions struck-through.

Mr. Johnson said the League of Arizona Cities and Towns had informed staff to expect a similar set of tax code changes in the latter part of 2020.

Mr. Johnson said staff recommended adopting Resolution No. R2020-18 and Ordinance No. 2020-02 approving the incorporation of all Model City Tax Code changes in order to bring the City's tax code up to date.

(1) **PUBLIC HEARING** Regarding Privilege License Tax; Adopting "The 2012-2014 Amendments to the Tax Code of the City of Show Low, Arizona."

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

(2) Consideration of Resolution No. R2020-18 Declaring a Public Record That Certain Document Filed with the City Clerk and Titled

“The 2012-2014 Amendments to the Tax Code of the City of Show Low, Arizona.”

VICE MAYOR ALLSOP MOVED TO ADOPT RESOLUTION NO. R2020-18 DECLARING A PUBLIC RECORD THAT A CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND TITLED "THE 2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SHOW LOW"; SECONDED BY COUNCILMAN HATCH; PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

- (3) Consideration of Ordinance No. 2020-02 Relating to Privilege License Tax; Adopting “The 2012-2014 Amendments to the Tax Code of the City of Show Low, Arizona” by Reference; Establishing an Effective Date; Providing for Severability and Providing Penalties for Violations.

By unanimous consent, Ms. Reidhead read Ordinance No. 2020-02 by title only since all Council members had a copy.

“AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, RELATING TO THE PRIVILEGE LICENSE TAX; ADOPTING "THE 2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SHOW LOW" BY REFERENCE; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES FOR VIOLATIONS”

VICE MAYOR ALLSOP MOVED TO ADOPT ORDINANCE NO. 2020-02; SECONDED BY COUNCILMAN HATCH; PASSED 7 TO 0 WITH MAYOR SEYMORE, VICE MAYOR ALLSOP, AND COUNCIL MEMBERS CLARK, HATCH, KAKAVAS, KELLEY, AND LEECH VOTING IN FAVOR.

- C. Consideration of Resolution No. R2020-19 Establishing Street Light Improvement District Secondary Property Tax Levy for Fiscal Year 2021 at \$210,000. (Justin Johnson)

Mr. Johnson said on July 21, 2020 the Mayor and Council held a public hearing on the fiscal year 2021 final budget and the secondary tax levy contained in this action. Property taxes collected within the Street Light Improvement District were utilized to pay utility costs of the street and park lights within the district.

Mr. Johnson said based upon current assessed valuations, the proposed tax levy of \$210,000 would remain unchanged at the rate of \$0.1401 per \$100 of assessed valuation. At this rate a home with an assessed value of \$150,000 would pay \$17.86 annually.

Mr. Johnson said staff recommended adopting Resolution No. R2020-19 establishing the Street Light Improvement District secondary property tax levy for fiscal year 2021 at \$210,000.

Councilman Kelley asked where the extra funds would come from if the current rate collected was less than utility costs. Mr. Johnson said when the budget was prepared there was a \$15,000 unbudgeted transfer from the general fund that could be used to pay for utility costs, if needed.

COUNCILMAN LEECH MOVED TO ADOPT RESOLUTION NO. R2020-19 ESTABLISHING THE STREET LIGHT IMPROVEMENT DISTRICT SECONDARY PROPERTY TAX LEVY FOR FISCAL YEAR 2021 AT \$210,000; 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.

- D. Consideration of Award of Construction Contract for East Hall Sidewalk and Drainage Improvements, City of Show Low Project No. R-1620, and Authorization of Associated Budget Transfers. (Shane Hemesath)

Mr. Hemesath said the City's fiscal year 2021 capital improvements program budget included \$287,000 for a sidewalk and drainage replacement project labeled "East Hall Sidewalk." This funding was Navajo County Community Development Block Grant funding that had been allocated to this sidewalk replacement project to help redevelop downtown Show Low. The scope of work included installing curb, gutter, six-foot sidewalk, ADA ramps, driveways, conduits for future decorative lighting and landscaping, and required drainage facilities along East Hall from the City library to White Mountain Road. The concrete box culvert planned to replace the old bridge at the Whipple Wash crossing was not part of this project's scope.

Mr. Hemesath said the project was designed by City engineering staff. The project had a construction estimate of \$319,000. The project was publicly bid according to statutory requirements with the following results:

<u>Contractor</u>	<u>Total Bid</u>
McCauley Construction Inc.	\$350,890.00
Rawlings Specialty Contracting LLC	\$381,431.25
Development Specialist LLC	\$449,568.00

Mr. Hemesath said staff recommended awarding the construction contract for the East Hall Sidewalk and Drainage Improvements, City of Show Low Project No. R-1620 (CDBG #109-20), to McCauley Construction in an amount not to exceed \$350,890 and approving the associated budget transfers.

VICE MAYOR ALLSOP MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE EAST HALL SIDEWALK AND DRAINAGE IMPROVEMENTS, CITY OF SHOW LOW PROJECT NO. R-1620, TO MCCAULEY CONSTRUCTION IN AN AMOUNT NOT TO EXCEED \$350,890 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; 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.

- E. Consideration of Award of Construction Contract for Deuce of Clubs and White Mountain Road Waterline Crossing Replacement, City of Show Low Project No. W-2120, and Authorization of Associated Budget Transfers. (Shane Hemesath)

Mr. Hemesath said the Arizona Department of Transportation was currently designing two mill and overlay projects within the City of Show Low. The first project was to mill and overlay the Deuce of Clubs from FH300 to SR77. The second project was to mill and overlay SR260 from US60 to Knottingham Lane in Wagon Wheel. Prior to the highways being repaved, the City evaluated the waterline infrastructure under the highways. City staff found four locations where the water infrastructure was significantly aged or under sized. The scope of the work was to abandon the aging six-inch AC water main crossings by installing new 12-inch C-900 PVC mains and replacing any concrete and asphalt required to make the improvements. The acceptable methods of construction could be to open cut the roadway or bore sleeves for the crossings.

The project was designed by City engineering staff, with a construction estimate of \$149,000. The project was publicly bid in accordance with statutory requirements with the following results:

<u>Contractor</u>	<u>Total Bid</u>
Apache Underground and Excavating	\$219,480
Rawlings Specialty Contracting	\$225,885
Sellers and Sons	\$281,173

Mr. Hemesath said staff had identified available funding in the West Cooley Central Avenue to 8th Avenue project due to excess carryover and CIP General Improvements to fully fund the proposed scope of work.

Mr. Hemesath said staff recommended awarding the construction contract for the Deuce of Clubs and White Mountain Road Waterline Crossing Replacement, City of Show Low Project No. W-2120, to Apache Underground and Excavating in an amount not to exceed \$219,480 and approving the associated budget transfers.

Vice Mayor Allsop asked where the contractors would install the 12-inch pipe. Mr. Hemesath said the 12-inch PVC pipe would be installed from the back of sidewalk to back of the other sidewalk to be outside of the roadway for the future growth.

Councilman Leech asked about the project start date. Mr. Hemesath said the project was scheduled to begin this fall.

Councilman Kelley asked if the PVC pipe was a special type of material for installing under the roadway. Mr. Hemesath said the 12-inch PVC pipe was the same type of material that was currently being used on other projects. He said the pipe would back filled with slurry, which was a concrete-type of material, to enhance protection.

Councilwoman Kakavas asked what the extra costs were for this project that would cause the difference between the lowest bid and staff's estimated construction costs. Mr. Hemesath said biggest reason for the difference in costs was that staff asked for the project to be completed at night for traffic control.

VICE MAYOR ALLSOP MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE DEUCE OF CLUBS AND WHITE MOUNTAIN ROAD WATERLINE CROSSING REPLACEMENT, CITY OF SHOW LOW PROJECT NO. W-2120, TO APACHE UNDERGROUND AND EXCAVATING IN AN AMOUNT NOT TO EXCEED \$219,480 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; 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.

8. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Vice Mayor Allsop attended Flagstaff Town Hall meeting with Congressman O'Halleran where a discussion took place about the impact that COVID-19 had on the hospital in Flagstaff. He also attended a Main Street Board meeting and said the Farmer's Market and Art Walk was cancelled due to the concerns with COVID-19. He also attended a Meals on Wheels meeting and said they would be voting in a new president, secretary, and treasurer soon.

Councilman Clark thanked local law enforcement agencies for their efforts during the incident at Walmart in Taylor with an armed gunman.

B. Mayor

Mayor Seymore shared his thankfulness during this time that citizens had a right and responsibility to participate during the election process to have their voices heard.

C. City Manager

Mr. Muder said today was the Primary Election with six individuals running for three City Council seats and two running for the Mayor's seat. Preliminary unofficial results should be received from Navajo County later this evening, and they would be available on the City's website at showlowaz.gov, on Show Low TV (channels 56 and 1056), and on showlowtv.com later this evening. The results would also be posted on Navajo County's website at navajocountyaz.gov. Final results wouldn't be available for several more days, but staff would post updated results when they were received.

Mr. Muder said the 2020 Census was still underway, with 59.7% of households in Arizona responding to date. The response rate from residents living in Show Low was only 39.8%; however, it's not too late for residents to complete the online self-response form at www.2020census.gov. This week was the 2020 Census Rural Week of Action. The goal was to focus on outreach and motivate residents to complete the census, especially since the hard-to-count populations tend to reside in rural communities such as Show Low. Census takers would begin going door-to-door starting tomorrow to visit households that have not yet responded to the census. He reminded citizens that every resident who was counted equaled more shared revenues for the City, which were used to build and maintain roads, water and sewer services, recreational facilities and parks, and fund the police, senior citizen centers, schools, day care centers, etc.

Mr. Muder said on Saturday, August 29, Navajo County and the City were sponsoring a free, region-wide residential electronic waste and used tires

collection event at the Navajo County Penrod Facility, 251 North Penrod Road, in Show Low. Residents could drop off unwanted computer equipment and accessories, small appliances, electronic equipment, and used tires without rims for free. Waste from commercial businesses would not be accepted at the event. However, commercial drop off would take place on August 28. Fees would apply.

9. **SCHEDULING OF MEETINGS:**

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

Mr. Muder said there would be a Study Session prior to the next Regular Council meeting on August 18, at 6:00 p.m.

10. **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 AUGUST 4, 2020 AT 7:34 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 August 4, 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