

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, OCTOBER 5, 2021 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

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

2. Roll Call.

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

COUNCIL MEMBERS ABSENT: None.

STAFF MEMBERS PRESENT: Ed Muder, City Manager; Morgan Brown, City Attorney; Brad Provost, Police Chief; Shane Hemesath, City Engineer; Jacob Allen, Airport Manager; Nicole Hudson, Deputy City Clerk; and Rachael Hall, City Clerk.

GUESTS: Curt Fernau and Becky Knapp.

3. Invocation.

Councilman Clark gave the invocation.

4. Pledge of Allegiance.

Councilwoman Wilson 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. **CONSENT CALENDAR:**

- A. Consideration of Noncommercial Ground Lease with DFP Properties LLC and Termination of Noncommercial Ground Lease with Peregrine Properties, L.L.C. at Show Low Regional Airport. (Jacob Allen)
- B. Consideration of Acceptance of Show Low Lake Road Sidewalk Improvement Project, City of Show Low Project No. R-1821. (Shane Hemesath)
- C. Consideration of Resolution No. R2021-27 Accepting Donation of Land Known as A.P. No. 210-16-039 from City of Show Low Municipal Property Corporation. (Morgan Brown)
- D. Consideration of Minutes of Show Low City Council meetings:
 - (1) Study Session of September 21, 2021.
 - (2) Regular Meeting of September 21, 2021.

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

7. **NEW BUSINESS:**

- A. **PUBLIC HEARING** – Application Submitted by Dayalbhai V. Ahir for #6, Bar, Liquor License on Behalf of Downtown 9 Motel for its Location at 1451 East Deuce of Clubs, Show Low, Arizona. (Rachael Hall)

Ms. Hall said Dayalbhai V. Ahir, representing Downtown 9 Motel, submitted an “owner transfer” application for a #6, Bar, Liquor License for its location at 1451 East Deuce of Clubs. The request would transfer the existing #6, Bar, license from the current license holder, Ryan Hatzenbiler, to the applicant. Ryan Hatzenbiler previously leased the bar and lounge space for Aces Ale House from Mr. Ahir and Mr. Hatzenbiler no longer occupied the space. As required by state law, the property was posted, and no public input was received.

Ms. Hall said the Show Low Police Department conducted a background check on the applicant and found nothing amiss. The Department of Liquor Licenses and Control conducted its own internal investigations and background checks. Based on the investigator’s findings and the recommendation of the City Council, the State Liquor Board would decide whether to approve or deny the application. If the City Council chose to

recommend denial of the application, the motion must state the reasons for denial.

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

- B. Consideration of Application Submitted by Dayalbhai V. Ahir for #6, *Bar*, Liquor License on Behalf of Downtown 9 Motel for its Location at 1451 East Deuce of Clubs, Show Low, Arizona. (Rachael Hall)

Councilman Adams expressed concerns about previous issues at the facility.

MAYOR LEECH MOVED TO RECOMMEND APPROVAL TO THE STATE LIQUOR BOARD OF THE APPLICATION SUBMITTED BY DAYALBHAI V. AHIR FOR #6, *BAR*, LIQUOR LICENSE ON BEHALF OF DOWNTOWN 9 MOTEL FOR ITS LOCATION AT 1451 EAST DEUCE OF CLUBS, SHOW LOW, ARIZONA; SECONDED BY VICE MAYOR KAKAVAS; PASSED 6 TO 1 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR AND COUNCILMAN ADAMS CASTING THE DISSENTING VOTE.

- C. Consideration of Award of Construction Contract for 1st Drive Waterline Replacement, City of Show Low Project No. W-0821 and Authorization of Associated Budget Transfers. (Shane Hemesath)

Mr. Hemesath said the City's fiscal year 2022 Capital Improvements Plan budget included a total of \$125,000.00 for a waterline improvement project labeled "McNeil and 1st Drive." The scope of work for this project consisted of replacing approximately 1,400 lineal feet of aging and deteriorating eight-inch AC waterline with new eight-inch PVC water main, installing new water services and fire hydrants, and replacing any existing pavement or concrete required for the improvements. The work would take place in the 1st Drive right-of-way and utility easement between West Nikolaus and West McNeil.

Mr. Hemesath said the project was designed by City engineering staff, with a construction estimate of \$129,000.00. 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	\$168,840.00
Western Grade LLC	\$352,538.42
Standard Construction	\$504,670.00

Mr. Hemesath said additional funding in the Water Capital Improvement Plan line item for General Improvements had been identified to fully fund the improvements.

Mr. Hemesath said staff recommended awarding the construction contract for the 1st Drive Waterline Replacement, City of Show Low Project No. W-0821, to Apache Underground and Excavating in an amount not to exceed \$168,840.00 and authorizing the associated budget transfers.

Councilman Allsop asked how long the waterline had been in place. Mr. Hemesath said the line was very old and leaked often.

Councilman Allsop asked if residents had complained about water pressure. Mr. Hemesath said no, but the line had been repaired often due to leaks and it was time to replace the line.

COUNCILMAN ALLSOP MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE 1ST DRIVE WATERLINE REPLACEMENT, CITY OF SHOW LOW PROJECT NO. W-0821, TO APACHE UNDERGROUND AND EXCAVATING IN AN AMOUNT NOT TO EXCEED \$168,840.00 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILWOMAN WILSON; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

8. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilwoman Wilson said the Show Low Film Festival would be held at the White Mountain Entertainment Village 8 Theater on October 16 and 17.

Councilman Adams congratulated Councilman Clark on his undefeated football season with the Show Low Junior High football team.

Councilman Allsop said he attended the Navajo County Fair and enjoyed the event.

B. Mayor

Mayor Leech said he attended the Navajo County Fair and enjoyed watching the Little Buckaroo's.

C. City Manager

Mr. Muder said Fall Play Days for kids, ages 5 to 12, coincided with next week's fall break. This was a drop-in recreation program held October 11 through October 14, at the City Campus training facility located at 620 East McNeil.

Mr. Muder said in public works projects, the citywide paving project was almost complete with the City's contractor working on final utility adjustments. The ADOT mill and overlay project continued on the Deuce of Clubs with new asphalt being laid down in the middle lane and concrete ramps being installed. Construction would begin next week on the Sugar Pine sidewalk project. Mr. Muder thanked the citizens for their patience as these improvements were made around the city.

COUNCILMAN HATCH MOVED TO RECESS INTO EXECUTIVE SESSION TO ONE ARIZONA DISTRIBUTION OF OPIOID SETTLEMENT FUNDS AGREEMENT AND NATIONAL OPIOID SETTLEMENT AGREEMENT AND REVIEW THE EXECUTIVE SESSION MINUTES OF JUNE 15 AND AUGUST 17; SECONDED BY VICE MAYOR KAKAVAS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

9. **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) and 38-431.03(A)(4).

(1) One Arizona Distribution of Opioid Settlement Funds Agreement and National Opioid Settlement Agreement.

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 June 15, 2021.

(2) Executive Session Minutes of August 17, 2021.

10. **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.

- A. Consideration of Approval of One Arizona Distribution of Opioid Settlement Funds Agreement and Approval to Participate in the National Opioid Settlement.

VICE MAYOR KAKAVAS MOVED TO APPROVE THE ONE ARIZONA DISTRIBUTION OF OPIOID SETTLEMENT FUNDS AGREEMENT AND APPROVAL TO PARTICIPATE IN THE NATIONAL OPIOID SETTLEMENT; SECONDED BY COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

- B. Consideration of Approval of the Minutes of the Executive Session of the Show Low City Council Held on June 15, 2021, and August 17, 2021.

COUNCILMAN HATCH MOVED TO APPROVE THE EXECUTIVE SESSION MINUTES OF JUNE 15, 2021 AND AUGUST 17, 2021; SECONDED BY VICE MAYOR KAKAVAS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

11. **SCHEDULING OF MEETINGS:**

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

Mr. Muder said the Council Retreat would be on October 18.

Mr. Muder said there would be an Apache and Navajo Counties Mayors and Councilmembers Association meeting on October 21.

Mr. Muder said a joint study session with the Aviation Advisory Committee would be held on Tuesday, October 19, at 6:30 p.m. prior to the regular Council meeting.

12. **ADJOURNMENT.**

There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF OCTOBER 5, 2021 AT 7:34 P.M.**

ATTEST:

APPROVED:

Rachael Hall, City Clerk

John Leech, Jr., 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 October 5, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20____.

(SEAL)

Rachael Hall, City Clerk