

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, JANUARY 18, 2022, 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 Clark, and Councilwoman Wilson.

COUNCIL MEMBERS ABSENT: Councilman Allsop and Councilman Hatch.

STAFF MEMBERS PRESENT: Ed Muder, City Manager; Morgan Brown, City Attorney; Justin Johnson, Deputy City Manager; Brad Provost, Police Chief; Bill Kopp, Public Works Director; Shane Hemesath, City Engineer; Jacob Allen, Airport Manager; Grace Payne; Communications Manager; Nicole Hudson, Deputy City Clerk; and Rachael Hall, City Clerk.

GUESTS: Shad Housley, John Hannah, Doug Roberts, and Curt Fernau.

3. Invocation.

Councilman Adams 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. **SPECIAL EVENTS:**

A. Presentation by Show Low Unified School District. (Shad Housley)

Mr. Housley said about five years ago, the District asked for \$10 million through a bond issuance for safety and capital improvements. He briefly explained the purpose and background of the bond.

Mr. Housley said each school had been renovated to include secure entries. The hallways were no longer open to public access and visitors had to register in the office to gain entry. He said for safety and to save energy, all exterior and interior lights at each district facility were replaced with LED (light-emitting diode) fixtures and LED fixtures were added to district parking lots. Additional upgrades to the schools included air conditioning, updated electrical, improved traffic flow routes and improved classroom technology.

Mr. Housley said many of the most recent projects were the result of “free” money from the School Facilities Board (SFB). Weatherization, which included water sealing, exterior painting, and replacement of windows, had been completed at the Junior High, High School, Whipple Ranch Elementary and auditorium, and would be completed at the remaining schools in the near future. Current applications for additional money requested from SFB totaled approximately \$3 million. The current value of SFB awarded projects was \$5.7 million, which was over and above the bond funds of \$10 million. He said his goal was to get to \$10 million in SFB funds, which would turn the \$10 million into \$20 million.

B. Presentation of “State of the City” Address. (Mayor John Leech, Jr.)

Mayor Leech and the Council presented the “State of the City” address (see Attachment “A”).

7. **CONSENT CALENDAR:**

A. Consideration of Acceptance of Additional Arizona Department of Transportation Grant Funding for Taxiway A Rehabilitation and Runway 4/22 Surface Treatment Projects at Show Low Regional Airport, Approval of Additional 10% Match, and Authorization of Associated Budget Transfers. (Jacob Allen)

B. Consideration of Resolution No. R2022-02 Approving Memorandum of Agreement for Federal Land Access Program for Reconstruction of Joe Tank Road from State Route 260 to Los Caballos Trailhead and Authorization of Associated Budget Transfers. (Shane Hemesath)

- C. Consideration of Contract Revision and Contract Extension for Utility Bill Mailing and Printing Services. (Justin Johnson)
- D. Consideration of Minutes of Show Low City Council meetings:
 - (1) Regular Meeting of January 4, 2022.

COUNCILMAN ADAMS MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY VICE MAYOR KAKAVAS; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, CLARK, AND WILSON VOTING IN FAVOR.

8. **NEW BUSINESS:**

- A. Consideration of Award of Construction Contract for Frontier Park Parking Lot Expansion, City of Show Low Project No. R-2422, and Authorization of Associated Budget Transfers. (Shane Hemesath)

Mr. Hemesath said the City’s fiscal year 2022 Capital Improvement Plan budget included funding labeled “Frontier Park Parking Lot.” This project was a portion of the proposed improvements that included an inclusive playground and splash pad at Frontier Park. The parking lot improvements were the first phase of the improvements and would include a new 300’ x 70’ paved parking area which included an additional 45 paved parking stalls and nine additional Americans with Disabilities Act accessible parking stalls. The improvements also included installation of electrical conduit, 13 parking lot lights, irrigation conduit for future landscaping improvements, and grading a large level dirt pad for the future playground and slash pad improvements.

Mr. Hemesath said the project was designed by City engineering staff with a construction estimate of \$350,000.00. The project was publicly bid according to statutory requirements with the following results:

<u>Contractor</u>	<u>Base Bid</u>
Rawlings Specialty Contracting	\$479,540.00
Surface Contracting	\$631,665.00

Mr. Hemesath said staff recommended awarding the construction contract for the Frontier Park Parking Lot Expansion, City of Show Low Project No. R-2422, to Rawlings Specialty Contracting in an amount not to exceed \$479,540.00 and authorizing the associated budget transfers.

COUNCILMAN CLARK MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE FRONTIER PARK PARKING LOT EXPANSION, CITY OF SHOW LOW PROJECT NO. R-2422, TO RAWLINGS SPECIALTY CONTRACTING IN AN AMOUNT NOT TO EXCEED

\$479,540.00 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILWOMAN WILSON; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, CLARK, AND WILSON VOTING IN FAVOR.

- B. Consideration of Award of Construction Contract for Frontier Park Inclusive Playground Installation, City of Show Low Project No. FM-2622. (Shane Hemesath)

Mr. Hemesath said the City's fiscal year 2022 Capital Improvement Plan budget included funding labeled "Frontier Inclusive Park Playground." This project included multiple proposed improvements that included an inclusive playground, splash pad, and additional parking at Frontier Park. At the December 7, 2021, meeting the Council approved the purchase of the playground equipment due to the long lead time in manufacturing and delivery. Arizona Recreation Design was procured through the Sourcwell state contract, number 010521-LTS-4, for the installation of the playground. The scope of work included installing the purchased playground equipment, installing sidewalk, concrete curb, pour in place Americans with Disabilities Act (ADA) rubber surface, and installing the keystone wall and ramps for ADA access to the equipment. The cost for the installation and playground construction was \$477,478.13.

Mr. Hemesath said staff recommended awarding the construction contract for the Frontier Park Inclusive Playground Installation, City of Show Low Project No. FM-2622, to Arizona Recreation Design in an amount not to exceed \$477,478.13.

Councilman Clark asked if there would be room in the area to expand the playground. Mr. Hemesath said that because this playground was an all-inclusive playground, it would be confined to the area where it would be installed, but there was property to the west that could be used for future expansion.

VICE MAYOR KAKAVAS MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE FRONTIER PARK INCLUSIVE PLAYGROUND INSTALLATION, CITY OF SHOW LOW PROJECT NO. FM-2622, TO ARIZONA RECREATION DESIGN IN AN AMOUNT NOT TO EXCEED \$477,478.13; SECONDED BY COUNCILMAN ADAMS; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, CLARK, AND WILSON VOTING IN FAVOR.

- C. Consideration of Ordinance No. 2022-01 Authorizing Purchase of Real Property Known as Navajo County Assessor Parcel Nos. 210-30-016, 210-30-018, and 210-30-019 from MMK Capital Partners, LLC. (Ed Muder/Morgan Brown)

Mr. Brown said the City owned approximately five acres at this location which was reserved for a park and open space. Recently, City staff approached the owner of the adjacent property to see if they were interested in selling the property to expand the park and open space. The adjacent property consisted of approximately 12.7 acres. The owner's representative indicated they were interested in selling all the property and would agree to donate the cost of two acres off the purchase price. The purchase price was \$400,000.00 and the City would provide a letter of donation for \$75,000.00. Each party would pay customary closing costs. The agreement allowed the City a 30-day inspection period. The close of escrow would be on or about February 18, 2022.

Mr. Brown said City staff recommended adopting Ordinance No. 2022-01 and the letter of intent and authorizing the Mayor to sign the purchase agreement and necessary documents to purchase the property for expansion for a future park and open space area.

By unanimous consent, Ms. Hall read Ordinance No. 2022-01 by title only since all Council members had a copy.

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, AUTHORIZING THE PURCHASE OF REAL PROPERTY KNOWN AS A.P. NOS. 210-30-016, 210-30-018 AND 210-30-019 FROM MMK CAPITAL PARTNERS, LLC.

MAYOR LEECH MOVED TO ADOPT ORDINANCE NO. 2022-01 AND FURTHER MOVED TO APPROVE THE LETTER OF INTENT WITH MMK CAPITAL PARTNERS, LLC AND AUTHORIZE THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY FOR THE PURCHASE OF THE PROPERTY, INCLUDING THE PURCHASE AGREEMENT, AND AUTHORIZE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILWOMAN WILSON; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, CLARK, AND WILSON VOTING IN FAVOR.

- D. Consideration of Award of Construction Contract for Police Evidence Building, City of Show Low Project No. FM-2322, and Authorization of Associated Budget Transfers. (Bill Kopp)

Mr. Kopp said in fiscal year 2021, the City purchased the old Schwan's building located at 1301 East Thornton. The City's fiscal year 2022 Capital Improvement Plan budget included funding for the renovation of the building to be used for police evidence and permanent city file storage. The proposed renovations included secure gun and drug storage areas and a walk-in refrigerator and freezer for long term cold storage of

evidence. The restroom also needed to be upgraded to meet current Americans with Disabilities Act codes. A preliminary cost estimate was prepared by Hidell and Associates Architects, the architectural firm that designed the public safety building. Their estimated cost was \$330,000.00 not including design.

Mr. Kopp said City staff prepared a request for proposals for a design-build project. The request for proposals was advertised per statutory requirements. Three contractors attended the mandatory pre-proposal meeting. A single proposal was received from LD&B, LLC. Staff met with the contractor to negotiate the scope of work and fee for the project. Based on negotiations, the contractor presented a cost of \$293,821.00, design included. LD&B had completed construction contracts for the City in the past and had performed very well. The library expansion project was their most recently completed City project.

Mr. Kopp said staff recommended awarding the design-build contract for the Police Evidence Building, City of Show Low Project No. FM-2322, to LD&B, LLC in an amount not to exceed \$293,821.00 and authorizing the associated budget transfers.

Councilwoman Wilson asked if project had been budgeted. Mr. Kopp said yes, the project had been included in the budget.

Mayor Leech asked if the fencing on the property would be redone to add property for public works. Mr. Kopp said the police evidence facility and the public works facility would be separated by fencing. Mr. Muder added that the property that was currently used for police evidence and City storage would be used as additional space for public works.

COUNCILMAN CLARK MOVED TO AWARD THE DESIGN-BUILD CONTRACT FOR THE POLICE EVIDENCE BUILDING, CITY OF SHOW LOW PROJECT NO. FM-2322, TO LD&B, LLC IN AN AMOUNT NOT TO EXCEED \$293,821.00 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILMAN ADAMS; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, CLARK, AND WILSON VOTING IN FAVOR.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilwoman Wilson reminded the community to be aware of speed limits and to pay attention while driving.

Vice Mayor Kakavas said COVID was still prevalent in the community and encouraged the community to take precautions.

B. Mayor

Mayor Leech asked the community to keep the Rawlings family in their prayers.

C. City Manager

Mr. Muder said the City had begun the process to prepare the City's fiscal year 2023 budget. A town hall budget meeting specifically for citizen input would be held on January 20. All budget meetings were open to the public.

Mr. Muder said candidate packets for a seat on the City Council were available. The necessary paperwork must be filed between March 7 and April 4.

Mr. Muder said the recreation department was hosting a Valentine's Date Night drive-in theater featuring the movie "Always" at Frontier Park on February 11.

Mr. Muder said in public works projects, the City's contractor continued working on the sewer project on McNeil from 4th to 8th Avenue and in the Days Inn parking lot. The contractor was finishing the concrete work at the City Campus parking lot and paving would be completed when the weather allowed. He thanked citizens for their patience as important improvements were made to the City.

10. **SCHEDULING OF MEETINGS:**

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

None.

11. **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 JANUARY 18, 2022, AT 8:10 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 January 18, 2022. 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

STATE OF THE CITY
January 18, 2022

MAYOR LEECH – The start of the new year is the perfect time to reflect on what we accomplished last year and to share our plans for 2022. Your City Council has identified four major priorities that drive our policies and decisions which are: (1) to preserve and repair our infrastructure (focusing on roads, water, and sewer), (2) to pursue community and economic development, (3) to improve our quality of life (targeted on local safety, education, and opportunities), and (4) to maintain an organization with stable and reliable leadership. Our major accomplishments over the past year, our financial health and outlook, and our future plans consistently support these four priorities.

Our city's economic outlook continues a steady upward trend. As evidence, monthly sales tax revenues in 2021 showed increases over 2020, with retail comprising just over 80% of total collections. We saw increased construction activity in the residential sector, with 2021 being our most active year for residential construction since 2007.

Our longstanding policy of being fiscally conservative and saving money for the future allows us every year to complete important projects. 2021 was no exception as we completed several key projects to maintain and improve existing infrastructure.

VICE MAYOR KAKAVAS – To improve our quality of life—another Council priority—our employees are dedicated to providing a variety of events, including sports leagues, kids' and family-friendly events, library and aquatic center activities, holiday celebrations, and music in our parks.

To celebrate our May 1953 incorporation, we held our annual party along with the BBQ Throwdown. The popular competition drew master BBQ Pitmasters from across the United States, with savory tastings and daylong festivities. In the summer, our annual Fourth of July parade and FreedomFest drew spectators and participants from across the region to enjoy patriotic activities, live music, and spectacular fireworks. Our signature Show Low Shines for the Holidays illuminated our city with sparkling Christmas lights and holiday spirit. We had one of our best Christmas Light Parades with many participants and spectators.

To improve amenities and attractions, we expanded the parking lot at the Show Low Meadow and have planned the expansion of the walking trail in the Meadow to Woolford Road for later this year. Frontier Park will soon be getting an all-inclusive playground and splashpad for all to enjoy.

The pickleball and sand volleyball courts will be getting new lighting this year and the City partnered with Show Low BMX, LLC to make major improvements to the BMX track at Nikolaus Homestead park. With these improvements, Show Low BMX was able to host a state race in 2021 and plan to host more races this year.

Additionally, Show Low Public Library received a major expansion in 2021 of 1,800 square feet to accommodate a new teen center.

COUNCILMAN ALLSOP – In ROAD projects, the city-wide pavement reconstruction project included re-paving the 14th Loop subdivision, Hillcrest subdivision, 6th Street, 16th Avenue, and East Willis. We constructed the West Owens road between Pine Haven subdivision Central Avenue and the Deuce of Clubs. A sidewalk was constructed along Show Low Lake Road between Scott Ranch Road and the Show Low Lake campground. We also partnered with Torreon to construct a sidewalk along Sugar Pine Way between Summit Trail and the Torreon Clubhouse. During the summer and fall of last year, Arizona Department of Transportation began making road improvements and pouring new sidewalks along Highway 60 and 260. They will start construction again on White Mountain Road this spring.

In WASTEWATER projects, we completed sewer improvements on West Cooley and adjacent roadways between 4th Avenue and 8th Avenue. We also replaced manholes to improve our infiltration and inflow.

In WATER projects, we upgraded waterlines citywide, including along 11th Avenue between West McNeil and West Owens, and replaced aging and undersized waterlines at four separate locations on the Deuce of Clubs and White Mountain Road prior to the State highway paving project. We also installed a waterline connection between the Pine Haven subdivision and the Deuce of Clubs.

Other projects include an expansion at the Show Low Cemetery and improving the city campus parking lot by adding lighting, sidewalks, and new pavement.

COUNCILMAN CLARK – In pursuit of economic development and business growth, we welcomed new businesses, Joyride Express Car Wash, Timber Mesa Self Storage, El Charro Beer restaurant, and Batteries Plus Bulbs. We saw the construction of the new Arizona Central Credit Union building, and CAL Ranch is working on a major expansion and relocation to a portion of the old Kmart building. Northland Pioneer College began construction on their new 28,000 square-foot skills center at the White Mountain Campus in Show Low with a tentative completion date of Fall 2022.

APS and Electrify America selected Show Low as a location to install four electric vehicle charging stations for public users, which should be completed by February of this year. The charging stations are located in the south parking lot at City Hall.

The City issued 200 single-family residential permits in 2021, a 31% increase from 2020. We recently issued a permit for the highly anticipated TownePlace Suites and Fairfield by Marriot which is scheduled to begin construction soon.

We also continue to research the development of a convention, events, and sports facility in Show Low—a long-term vision to make our city a destination.

We will continue to collaborate with other communities to provide added-value services to our region, such as our much-needed transit system and supporting tourism marketing efforts.

COUNCILWOMAN WILSON – In terms of our financial position, the Council and staff are committed to using your taxpayer dollars wisely. Our conservative fiscal policy ensures we have the necessary funds to meet your needs and withstand economic downturns. We never spend more than we've budgeted. We also save money to pay for at least a portion of larger, more expensive projects in future years. Our department managers share that vision by carefully analyzing every program to ensure efficiency. We're proud to say our fiscal policies have allowed Show Low to survive difficult economic times and see modest growth.

We believe in retaining local control over the city's budget, which must be balanced according to state law. To protect you and our city's assets, we have two permanent mandates—to maintain at least a minimum of a million dollars in reserves and to require a super-majority vote of the sitting Council to approve any tax increase.

We invite you to participate in our civic process when the Council and staff meet to discuss next fiscal year's budget. Every budget meeting, which will be held in Council Chambers, is open to the public. We begin the process in January, with a town hall-style meeting designed specifically for citizen input this Thursday, January 20, at 6:00 p.m. We'll hold another budget town hall for public input on Thursday, April 7. The entire budget calendar is posted on our website.

COUNCILMAN ADAMS – In the pursuit of preserving our City's history, last year we relocated the Adams Family Cabin from its' location near Show Low Creek to the south end of the parking lot at City Hall, which included adding decorative fencing and a monument in honor of the family. We also purchased the historic Reidhead house that's located on the Deuce of Clubs. This house predates Arizona statehood and will be an important building to keep preserved for our community.

Looking ahead to 2022, our plans include:

- Restoring the Reidhead House
- Improving restrooms and other infrastructure at City parks
- Improving Show Low Lake campgrounds
- Making sewer capacity improvements in the Nikolaus subdivision, McNeil Acres, and 6th Street, and extending sewer service at 30th Avenue and Merrill.
- Making road improvements in the Pine Glen and Nikolaus subdivisions, installing curbing at Fairway Drive and 36th Drive, and reconstructing Woolford Road.
- Water projects will include waterline improvements to East Owens from 1st Street to 11th Street, North 4th Street to 241 Deuce of Clubs, Mills from Owens to 6th Place, and phase 1 of waterline replacements at Park Valley.

Boutique Air, the city's commuter airline since August 2015, continues daily flights between Show Low and Phoenix with steady use by passengers.

COUNCILMAN HATCH – We attribute much of our success to the able assistance of our employees and volunteers who deliver their best to serve you. Our advisory committees, Senior Patrol, and Library Friends all provide their services for free—saving taxpayer dollars. In 2021, senior patrol volunteered a total of 8,473 hours which was 2,092 hours more than 2020. The Library Friends donate money to assist with library projects and help with events.

We're proud of our heritage of bringing hope and the prospect of a better life through our community projects and holiday assistance programs. In observance of the Martin Luther King, Jr. Day of Service, the city has sponsored an annual service day since 2009, we invite you to join us on April 30 for our community service project.

Our cost-conscious approach supports our pledge to deliver full police and public works services, community events, and recreational activities to meet your needs and interests. We offered our 23rd annual free Project Clean Sweep beautification program, provided a Christmas tree recycling site, co-sponsored the 13th annual electronic waste and used tires collection event, with Navajo County, and expanded our Adopt a Street program, which we are always looking for more participation from the community. If you are interested in participating in our Adopt a Street program, contact our public works department.

We also supported the 9th annual Community Fast of Compassion, helping our community raise a record more than \$66,000 for individuals and families in need during the holidays. We thank everyone who donated their time, money, and efforts.

MAYOR LEECH – This August, we will hold our city elections with three council seats on the ballot for four-year terms.

The political and social landscape has gone through many changes over the past few years. Let that not deter us from supporting each other, focusing on the positive, and enriching the world as we embark on the new year. Let us leave behind a legacy of a better city for tomorrow and for future generations.

Your City Council thanks you for your confidence in our ability to handle city affairs, a sentiment shared by your fellow Americans. Polls show that for more than a decade, Americans continue to trust local governments more than state governments or the federal government. Because the Council and our staff are dedicated to remaining accessible to you, we welcome your feedback, we are responsive and transparent, and we work together as a group in a non-partisan way.

We appreciate all you do to make our community a wonderful place to live. We thank all of you—our citizens—and wish you and your family the best of health, peace, and happiness in 2022, and may God continue to bless us and prosper our community.