

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, FEBRUARY 1, 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 Allsop, Councilman Clark, Councilman Hatch, and Councilwoman Wilson.

COUNCIL MEMBERS ABSENT: None.

STAFF MEMBERS PRESENT: Ed Muder, City Manager; Morgan Brown, City Attorney; Justin Johnson, Deputy City Manager; Jeff McNeil, Police Commander; Bill Kopp, Public Works Director; Rick Austin, Public Works Operations Manager; Nicole Hudson, Deputy City Clerk; and Rachael Hall, City Clerk.

GUESTS: Lynn Krigbaum, Doug Roberts, and others.

3. Invocation.

Councilman Hatch gave the invocation.

4. Pledge of Allegiance.

Mayor Leech 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 of Annual Report on White Mountain Trail System (TRACKS).

Lynn Krigbaum, Vice President of TRACKS, gave a brief overview on the White Mountains Trail System (WMTS) and TRACKS, which was a volunteer group dedicated to promoting and preserving trails in the area. She said there were 200 miles of non-motorized trails in the area that the group of 500 members worked 2,037 hours to help maintain in 2021. Ms. Krigbaum said TRACKS improved trail safety by installing coded white trail diamonds every quarter mile on all WMTS trails to help emergency responders and dispatchers locate an injured trail user.

Councilwoman Wilson asked how people can volunteer. Ms. Krigbaum said the simplest way to volunteer was to join TRACKS by signing up on their website.

Councilman Allsop asked if the coded trail diamonds had been utilized to help injured trail users. Ms. Krigbaum said yes, the diamonds had been used to help injured and lost trail users.

B. Presentation of Midyear Financial Report for Fiscal Year Ending June 30, 2022. (Justin Johnson)

Mr. Johnson said the benchmark for both revenues and expenditures from July 1 through December 31 was 50%. He would review General Fund revenues and expenses, sales tax revenues, key revenues and expenses compared to the budget, and then review debt service.

Mr. Johnson said General Fund revenues were at 73.6% of the budget. The General Fund expenditures were at 29.2%. The city magistrate budget was elevated because the full intergovernmental agreement rate was paid to the County at the first of the year.

Mr. Johnson said sales tax collections and franchise taxes were at 77.1%, up 9.72% when compared to collections at the same time last year.

Mr. Johnson said State Shared Revenues were at 58.2% and Highway User Revenue Funds were at 59.7%. The fines and forfeitures, which included all fines and fees collected by the court, were at 85% of the budget.

Mr. Johnson said airport revenues, consisting of leases and fees, were at 96.4%, the fuel, oil, and resale were at 65.2%.

Mr. Johnson said utility fund revenues comprised water, wastewater, and sanitation. Water was at 46.8% of budgeted revenues, wastewater was at 41.7%, and sanitation was at 46.2%.

Mr. Johnson said utility fund expenses for water and wastewater were at 21% and 13.4%, respectively, but would increase as the year progressed.

Mr. Johnson said there would be an increase in debt service for fiscal year 2023 due to the streets bond and the wastewater bond that were previously approved by Council.

7. **CONSENT CALENDAR:**

- A. Consideration of Cooperative Purchasing Agreement with the City of Glendale for Maintenance and Repair of City Water Tanks. (Rick Austin)
- B. Consideration of Minutes of Show Low City Council meetings:
 - (1) Study Session of January 18, 2022.
 - (2) Regular Meeting of January 18, 2022.

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

8. **NEW BUSINESS:**

- A. Consideration of Award of Construction Contract for Reidhead House Foundation Repair, City of Show Low Project No. FM-2522, and Authorization of Associated Budget Transfers. (Bill Kopp)

Mr. Kopp said in 2021, the City purchased the historic Reidhead house located at 780 East Deuce of Clubs. The home was constructed in 1912 by Charles Reidhead. Until the City's purchase of the property, the home had been occupied by descendants of the original builder. It was the City's intention to renovate and restore the home and keep it as a local heritage center. Much of the construction was brick masonry and adobe. Over the past century, the foundation had settled causing significant cracking in the interior and exterior walls. This was a known condition prior to the City's purchase of the home and was included in the price negotiations.

Mr. Kopp said in December 2021, the City advertised a request for proposals for the foundation repairs. Several companies were also

contacted by staff. Two companies attended the pre-proposal meeting and the subsequent site visits. The companies were given the opportunity to inspect the areas around and under the house. The areas under the house were also videotaped for additional information in order to get as much information to the contracting companies. One proposal was received from A-PAC Pressure Grouting Inc. This proposal contained a detailed scope of work along with engineering calculations and sketches. In addition to the technical proposal, a separate cost proposal was provided. The cost was \$107,968.00 and was within the range that was expected for the proposed scope of work.

Mr. Kopp said staff recommended awarding the construction contract for the Reidhead House Foundation Repair, City of Show Low Project No. FM-2522, to A-PAC Pressure Grouting, Inc. in an amount not to exceed \$107,968.00, and authorizing the associated budget transfers.

Councilman Allsop asked if A-PAC Pressure Grouting had done work for the City. Mr. Kopp said no, this company had not done work for the City previously.

Vice Mayor Kakavas asked what the original cost estimate for the work was. Mr. Kopp said the City received estimates prior to the purchase of the property, one was for approximately \$70,000.00 and the other was for approximately \$200,000.00.

VICE MAYOR KAKAVAS MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE REIDHEAD HOUSE FOUNDATION REPAIR, CITY OF SHOW LOW PROJECT NO. FM-2522, TO A-PAC PRESSURE GROUTING, INC. IN AN AMOUNT NOT TO EXCEED \$107,968.00, AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; 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 Award of Construction Contract for Frontier Park Splash Pad Design and Construction, City of Show Low Project No. FM-2122. (Bill Kopp)

Mr. Kopp 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, additional parking at Frontier Park, and a splash pad. At its December 7, 2021, meeting, the Council approved the purchase of the playground equipment, and the Council approved the

parking lot project and the playground installation at the January 18, 2022, meeting. The splash pad was the final element of the project.

Mr. Kopp said a request for proposals was prepared by staff and advertised per statutory requirements. Three proposals were received. The proposals were reviewed by a selection committee. The highest ranked contractor, Splash Zone LLC, was selected based on the quality of the proposed facility and price. The proposed scope of the project was a 60-foot diameter splash pad with numerous water features including 64 surface sprayers in nine different configurations. There were also 11 above-ground features including a large dump bucket, a five-bucket water dump, spray arches, loops and mushrooms, and two rain blasters. The combination of the size and the number of features would make Show Low's splash pad a very impressive facility. The cost for the installation and splash pad construction was \$489,645.97.

Mr. Kopp said staff recommended awarding the construction contract for the Frontier Park Splash Pad Design and Construction, City of Show Low Project No. FM-2122, to Splash Zone LLC in an amount not to exceed \$489,645.97.

Councilman Allsop asked if the splash pad would be inclusive like the playground. Mr. Kopp said yes, the splash pad would be inclusive.

Councilman Clark asked if there would be trees surrounding the playground and splash pad. Mr. Kopp said as part of next year's budget, staff was proposing three ramadas, sod, and trees at the park.

Councilman Adams asked if the splash pad would be winterized. Mr. Kopp said yes, the splash pad would be a seasonal facility and would be winterized for the winter months.

COUNCILWOMAN WILSON MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE FRONTIER PARK SPLASH PAD DESIGN AND CONSTRUCTION, CITY OF SHOW LOW PROJECT NO. FM-2122, TO SPLASH ZONE LLC IN AN AMOUNT NOT TO EXCEED \$489,645.97; SECONDED BY COUNCILMAN HATCH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

- C. Consideration of Change Order to Construction Contract for City Entry Signage, City of Show Low Project No. FM-2321. (Bill Kopp)

Mr. Kopp said the City's fiscal year 2021 budget included funding for upgrading and adding highway signs at five locations on Arizona Department of Transportation highways and a sixth location on Penrod Road. At its June 1, 2021, meeting, the City Council approved the award of contract for these signs to Fluoresco Services LLC in the amount of \$313,020.00.

Mr. Kopp said after the award, it was discovered that the graphics for the back side of the signs were inadvertently omitted from the bid packet and the contractor did not include the costs for the back of the signs in their pricing. The cost to add the graphics to the backs of the signs was \$1,954.80 per sign. This was still within the original budgeted amount.

Mr. Kopp said staff recommended approving the Change Order for the City Entry Signage, City of Show Low Project No. FM-2321, to Fluoresco Services LLC in an amount Of \$11,728.80 bringing the total project cost to \$324,748.80

VICE MAYOR KAKAVAS MOVED TO APPROVE THE CHANGE ORDER FOR THE SHOW LOW CITY ENTRY SIGNAGE PROJECT, CITY OF SHOW LOW PROJECT NO. FM-2321, TO FLUORESCO SERVICES LLC IN AN AMOUNT OF \$11,728.80 BRINGING THE TOTAL PROJECT COST TO \$324,748.80; SECONDED BY MAYOR LEECH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Hatch expressed his appreciation for the calls and concern he received during his absence.

Councilman Allsop congratulated Show Low Library's Manager Lisa Lewis for being selected as the president of the Arizona Library Association. He expressed his appreciation for the prayers he received for his surgery. He congratulated his grandson for graduating from air force boot camp.

B. Mayor

Mayor Leech said planning had begun for the Show Low BBQ Throwdown in May. He said the Darrin Reed Memorial Scholarship dinner fundraiser would be held on April 30.

C. City Manager

Mr. Muder said the recreation department was hosting a Valentine's Date Night drive-in theater featuring the movie "Always" at the 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 Days Inn. The waterline project on 1st Drive and McNeil was almost 50% completed. Concrete work at the City Campus parking lot had been completed and the site was back open for use until the contractor returned to pave the parking lot. 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.

Mr. Muder said the City received a copy of the proposals for the Essential Air Service (EAS) contract from three air carriers. He asked if the Council wished to hold a special meeting with representatives of these companies to review their proposals and to make a recommendation to the U.S. Department of Transportation. The Council's consensus was to hold a special meeting on February 22, 2022, at 3:00 p.m.

COUNCILWOMAN WILSON MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS 180 NORTH 11TH STREET PROPERTY ISSUE AND REVIEW THE EXECUTIVE SESSION MINUTES OF JANUARY 4, 2022; SECONDED BY COUNCILMAN HATCH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND WILSON VOTING IN FAVOR.

The Show Low City Council recessed into Executive Session at 7:41 p.m.

11. **EXECUTIVE SESSION:**

A. Confidentiality Statement.

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body or with designated representatives of the public body pursuant to A.R.S. Sections 38-431.03(A)(3).

(1) 180 North 11th Street Property Issue

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 January 4, 2022.

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.

A. Consideration of Approval of the Minutes of the Executive Session of the Show Low City Council Held on January 4, 2022.

COUNCILMAN HATCH MOVED TO APPROVE THE EXECUTIVE SESSION MINUTES OF JANUARY 4, 2022; 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.

13. **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 FEBRUARY 1, 2022, AT 7:57 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 February 1, 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