

**MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, NOVEMBER 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 Councilman Judd.

**COUNCIL MEMBERS ABSENT:** None.

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

**GUESTS:** Curt Fernau, Kathy Downing, Steve Bultman, John C. Hannah, Briony Buchholz, Rob and Allison Hephner, Randy and Cassie Chevalier, and others.

3. Invocation.

Councilman Clark gave the invocation.

4. Pledge of Allegiance.

Vice Mayor 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 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 Regarding Show Low Senior Center and Meals on Wheels Program.

Allison Hephner, White Mountain Meals on Wheels Director, said White Mountain Meals on Wheels updated their mission statement to “Devoted to providing quality food, services, and experiences”. She gave an overview regarding the programs that were provided which included: home delivered meals, Head Start meals, Mapping to Mindfulness, United Food Boxes Home Delivery, meals for homeless veterans, and congregate breakfast and lunch.

Ms. Hephner gave an overview of the added service of Gerty’s Kitchen, which provided simple and affordable breakfast at the Senior Center for the community to enjoy.

Ms. Hephner said there were many local clubs and groups that used the Senior Center for their programs such as the Shooters Club, Girl Scouts, Citizens for the White Mountains, Fishers of Men, and many more. She said some of the Senior Center events included: St. Patty’s Day Pat’s Place Event, Senior Health and Fitness, Fourth of July Celebration BBQ, Powerful Task for Caregivers Training, and Veterans Day luncheon for Veterans.

Ms. Hephner said a Thanksgiving meal would be served on November 22 and all were welcomed to attend. She said during November 15 through December 19, the Senior Center would be hosting a Joy for Older Adults event to bring holiday cheer to homebound seniors in our community.

Ms. Hephner gave an overview on event participation, event catering, and trainings and education that were hosted at the Senior Center. She thanked the City of Show Low and City Council for the continued support for the Meals on Wheels program and for the Senior Center.

Many Council members thanked Ms. Hephner for her work with the Senior Center and Meals on Wheels program.

7. **CONSENT CALENDAR:**

- A. Consideration of Acceptance of Frontier Park Ramada Improvements. (Shane Hemesath)

- B. Consideration of Acceptance of Grant Funds for Computer Replacement for Show Low TV and Authorization of Associated Budget Transfers. (Grace Payne)
- C. Consideration of Resolution No. R2022-21 Granting Utility Easement to Unisource Energy. (Shane Hemesath)
- D. Consideration of Acceptance of Frontier Park Grass and Irrigation Improvements, City of Show Low Project No. FM-2622C. (Shane Hemesath)
- E. Consideration of Acceptance of Grant Funds from Arizona State Parks & Trails and Authorization of Associated Budget Transfers. (Brad Provost)
- F. Consideration of Approval of Commercial Operating Agreement with Air Methods Corporation DBA Native Air at Show Low Regional Airport. (Jacob Allen)
- G. Consideration of Minutes of Show Low City Council meetings:
  - (1) Joint Study Session of October 18, 2022.
  - (2) Regular Meeting of October 18, 2022.
  - (3) Special Meeting of October 19, 2022.

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

8. **NEW BUSINESS:**

- A. Consideration of Ordinance No. 2022-03 Authorizing the Exchange of Parcels of Real Property of Substantially Equal Value Pursuant to A.R.S. §9-407 and Authorizing Agreement for Exchange of Real Property with SRH Holdings, LLC. (Ed Muder/Morgan Brown)

Mr. Brown said the City owned two parcels of property located in the Show Low Bluff area and known as Navajo County Assessor's Parcel Nos. 210-62-074, 620 South Rockridge Drive and 210-62-021, 661 South Creekside Drive. The City acquired these parcels during a public auction when the previous owners did not pay their special assessment. No one bid on the parcels at the auction so the City was able to obtain the parcels for the amount of the assessment.

Mr. Brown said the City had identified two parcels in Show Low Bluff known as Navajo County Assessor's Parcel 210-65-094, 1020 South Ridgeway Place and 210-65-045, 801 South Ridgecreek Lane. The City had approached the owner of these parcels, SRH Holdings, LLC, about doing an exchange. Parcel 210-65-045 was located next to Well no. 13 and Parcel 210-65-094 contained a test well that could be used for future utility use. It would be advantageous for the City to own these parcels in case future repairs were needed for Well no. 13 and for the usage of the well. The City had tested the well and it produced 333 gallons per minute. Show Low Bluff Homeowner's Association had agreed to waive any fees for these parcels in the future. The City had agreed to pay off the remaining assessment on the parcels owned by SRH Holdings, LLC in exchange for the well.

Mr. Brown said A.R.S. §9-407 required that any exchange of property be done by ordinance after the exchange has been published in the local newspaper. The exchange of property must be for substantially equal value. A notice of intent had been published in the local newspaper as required by A.R.S. §§9-407(C) and 39-204.

Mr. Brown said Ordinance No. 2022-03 authorized the Mayor to execute the necessary documents to trade City-owned property for privately owned property as shown on the attached maps. The parcels were of substantially equal value as the lots are similar and in the same subdivision. A.R.S. §9-407 authorized an exchange of parcels of substantially equal value. Staff recommended the Council adopt Ordinance No. 2022-03 and approve the attached agreement for the exchange of real property.

By unanimous consent, Ms. Hall read Ordinance No. 2022-03 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 EXCHANGE OF PARCELS OF REAL PROPERTY OF SUBSTANTIALLY EQUAL VALUE PURSUANT TO ARIZONA REVISED STATUTE §9-407”*

**COUNCILMAN JUDD MOVED TO ADOPT ORDINANCE NO. 2022-03 AND FURTHER, MOVED TO APPROVE THE AGREEMENT FOR EXCHANGE OF REAL PROPERTY WITH SRH HOLDINGS, LLC; SECONDED BY COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND JUDD VOTING IN FAVOR.**

- B. Consideration of Approval of Scope Revision to Water Storage Tank 8B Construction, City of Show Low Project No. W-2222. (Shane Hemesath)

Mr. Hemesath said at its March 15, 2022, meeting, the City Council awarded a construction contract for Water Storage Tank 8B Construction, City of Show Low Project No. W-2222, to Paso Robles Tank, Inc. in an amount not to exceed \$1,549,350.00. The scope of work included installing a new one-million-gallon water storage tank and install the required piping to connect it to the City system. The scope of work also included coating the inside of the new tank and painting the outside of the new tank. The new tank (called 8B) was located next to the existing one-million-gallon tank on the site (called 8A).

Mr. Hemesath said the new water storage tank was nearing completion and would be painted soon. Staff had inspected the exterior paint on the existing tank 8A. There were locations where the paint was peeling and fading. Staff had reached out to the contractor and requested a cost to paint the existing tank 8A after they complete painting the new tank 8B. This would save on additional procurement costs and contractor mobilization costs in the future. The additional cost to paint the existing tank 8A was \$37,334.09. To cover the cost of this additional scope, staff had proposed utilizing funds out of the Water Tank Maintenance line item in the existing budget.

Mr. Hemesath said staff recommended approving the scope revision to the Water Storage Tank 8B Construction, City of Show Low Project No. W-2222, to Paso Robles Tank, Inc. in an additional amount not to exceed \$37,334.09.

**COUNCILMAN ALLSOP MOVED TO APPROVE A SCOPE REVISION TO WATER STORAGE TANK 8B CONSTRUCTION, CITY OF SHOW LOW PROJECT NO. W-2222, TO PASO ROBLES TANK, INC. IN AN ADDITIONAL AMOUNT NOT TO EXCEED \$37,334.09; SECONDED BY VICE MAYOR KAKAVAS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND JUDD VOTING IN FAVOR.**

- C. Consideration of Resolution No. R2022-22 Authorizing Submitting Application for Arizona State Parks Historic Preservation Heritage Funds for Rehabilitation of Reidhead House and Commitment of Local Funds. (Justin Johnson)

Mr. Johnson said the Reidhead House was purchased by the City in October 2021 to preserve this historic home for enjoyment by the community. Construction on the home began in 1910 and was in

relatively good shape for its age but many repairs were needed to restore the home to its original vintage charm. Upon purchase of the property, a structural engineer was hired to assess the home's foundation which was found to be suffering from a major failure that required immediate stabilization with lift jacks and a new foundation. Although no further renovation had occurred, other repairs were necessary to restore the home to its original grace. These repairs included restoration of the interior casework, installation of rain gutters to protect the foundation, patch and paint interior and exterior walls, upgrade electric and gas lines under the floors, and restoring the kitchen to its original timeless style. The remaining home repairs were estimated to be \$138,000.00 which included \$8,000.00 for the architectural evaluation.

Mr. Johnson said in 2022, the State Legislature restored into statute the Heritage Fund, now administered by Arizona State Parks. A maximum of \$150,000.00 in grant funds, per project, was available with a minimum 40% applicant match of the total project cost. The City's certified grant pre-application for Heritage Funds was approved by Arizona State Parks on September 28, 2022, now allowing the City to formally apply for historic preservation funds under the Standards for Rehabilitation outlined in the Secretary of Interior's Standards for the Treatment of Historic Properties. It would be necessary to adopt a Resolution authorizing the City of Show Low to submit a historic preservation application in the amount of \$82,800.00, and to commit local funds of \$55,200.00 as leverage beyond the grant award for completion of the project.

**VICE MAYOR KAKAVAS MOVED TO ADOPT RESOLUTION NO. R2022-22 AUTHORIZING SUBMITTING AN APPLICATION FOR FY2023 ARIZONA STATE PARKS HISTORIC PRESERVATION HERITAGE FUNDS TO FINANCE THE REHABILITATION AND HISTORIC PRESERVATION OF THE REIDHEAD HOUSE IN COMPLIANCE WITH THE SECRETARY OF INTERIOR'S STANDARDS AND COMMITTING LOCAL FUNDS OF \$55,200.00 AS LEVERAGE, AND AUTHORIZATION OF 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 JUDD VOTING IN FAVOR.**

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Allsop said Show Low Main Street's Trunk or Treat event was a successful event last weekend. He encouraged citizens to vote next Tuesday, November 8, during the General Election.

Councilman Judd said the City's Trick or Treat Trail event was a great event and he thanked staff for their hard work on the event. He said the Show Low High School Football team would be playing this Friday in the State playoffs and encouraged citizens to support the football team.

Councilman Clark announced the Show Low High School Music Department would host the 38th Annual Feast of Carols on November 30 through December 3 at Whipple Ranch Elementary. He said a presentation of The Forgotten Carols would be on December 8, at the Show Low Auditorium. He encouraged citizens to attend these performances.

B. Mayor

Mayor Leech congratulated Timber Mesa Fire and Medical District Deputy Chief Randy Chevalier on being selected to become the new Fire Chief effective January 2023.

C. City Manager

Mr. Muder said a Celebration of Life and Legacy of Service would be held November 8 at 7:00 p.m., at the Public Safety Headquarters in honor of fallen Show Low Police Officer Darrin Reed. The downtown lights would be turned blue in remembrance of Officer Reed.

Mr. Muder said on Veterans Day, November 11, the Veterans of Foreign Wars would hold a ceremony at 11:00 a.m. at the Veterans Memorial at City Hall.

Mr. Muder said the Tenth Annual Community Fast would be held November 13 through 19.

Mr. Muder said the Show Low Family Aquatic Center would close for three weeks from November 24 until December 18. During the closure, staff would make needed repairs to the facility.

Mr. Muder said in public works projects, the Citywide Roadway improvement project was nearing completion with the paving being completed with the exception for 28th Street which would be pulverized and paved at the same time as West McNeil at a later date. Most of the south side ribbon curb had been installed for the West McNeil roadway improvements. The McNeil Acres sewer install project was complete with the contractor finishing up on testing, patching and clean up, the laying of asphalt is scheduled to begin next week. At the Frontier Park, the

playground installers were on site finishing the large swing and the rubber flooring should be installed this week. The culverts were installed and the contractor was finishing up the conduit this week on the East Huning sidewalk project. He thanked the citizens for their patience as improvements were made around the City.

10. **SCHEDULING OF MEETINGS:**

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

Mr. Muder said a joint meeting with the Pinetop-Lakeside Town Council would be held Wednesday, November 2, at 6:00 p.m. at the at the Pinetop-Lakeside Town Council Chambers.

Mr. Muder said staff would like to schedule a study session on November 15, prior to the regular meeting, starting at 6:30 p.m.

**COUNCILMAN ALLSOP MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS CITY MANAGER; SECONDED BY COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND JUDD 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 consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining, or resignation of a public officer, appointee, or employee of any public body. Pursuant to A.R.S. Section 38-431.03(A)(1).

(1) Discussion and Consideration of City Manager.

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. Approval of City Manager Contract.

The Show Low City Council reconvened into Open Session at 8:17 p.m.



Mayor Leech announced that City Manager, Ed Muder, had announced his retirement effective January 31, 2023. The Council would like to thank Mr. Muder for almost 35 years of dedicated service to the City and for almost 16 years as the City Manager. It had been a pleasure to work with him and he wished him well in his retirement.

**MAYOR LEECH MOVED TO APPOINT MORGAN BROWN AS NEW CITY MANAGER AND APPROVE THE CONTRACT FOR HIS SERVICES AS CITY MANAGER; SECONDED BY VICE MAYOR KAKAVAS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, HATCH, AND JUDD VOTING IN FAVOR.**

Mayor Leech said Mr. Brown had been the full-time City Attorney for almost ten years and had been involved in providing legal services to the City for over 26 years. He said the Council was confident in his abilities to lead the City moving forward and congratulated him on this appointment.

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 NOVEMBER 1, 2022 AT 8:19 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 November 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