

MINUTES OF THE STUDY SESSION OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, NOVEMBER 15, 2022 AT 6:30 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 6:30 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; F. Morgan Brown, City Attorney; Justin Johnson, Deputy City Manager; Justen Tregaskes, Planning and Zoning Director; Jay Brimhall, Community Services Director; Nicole Hudson, Deputy City Clerk; and Rachael Hall, City Clerk.

GUESTS: Allison Hephner, John Hannah, Leslie Adams, and Brittany Totherow.

3. Discussion of Show Low Senior Center Name Change.

Mr. Brimhall said two years ago, the Meals of Wheels Board of Directors had considered modifying the name of the Show Low Senior Center. The discussion went away during COVID but had recently come up again. The name "Turn of the Card Community Center" had been chosen and a logo had been created. There were several reasons for changing the name of the Senior Center. Seniors no longer liked being referred to as seniors and "Community Center" was a name that was being used in different senior centers across the nation. The name "Turn of the Card" symbolized moving from one stage of life to the next. The Board of Directors wanted to present these changes to Council since the City owned the building that the Senior Center was housed in.

Mayor Leech said senior centers throughout Arizona and nationwide were moving in the direction of naming them community centers.

Councilman Allsop said he liked that the new name incorporated the City story with the turn of the card.

4. Discussion of Utility Fees, Development Fees, and Capacity Fees.

Mr. Johnson said the country was experiencing decades highs of inflation, Consumer Price Index (CPI) rates and Construction Cost Index (CCI) rates.

Each year in January, the City made modifications to the monthly utility billing rates for water, wastewater, and capacity fees. The CPI rate was currently 7.85% and the CCI rate was 7.74%. Staff was concerned about the compounding and the increase to residents and was asking the Council to consider alternatives for water, wastewater, capacity, and sanitation rate increases.

Mr. Johnson said utility fees had increased from 2.1% in 2021 to 3.22% in 2022. Staff was proposing a reduced rate of 3% in 2023 instead of the CIP rate of 7.85% to help residents. With a 3% increase, the in-city base water rate would go up \$0.96 per month and with a 7.85% increase, the in-city base water rate would go up \$2.51 per month. The out-of-city base water rate would increase to \$1.20 at 3% or \$3.14 at 7.85%. These amounts were for a 3/4" meter size and the base water rate would increase based on the size of the water meters. The wastewater rates would increase \$1.03 at 3% or \$2.70 at 7.85%.

Mr. Johnson said the capacity fees would increase \$50.00 with a 3% increase or would increase \$130.00 with a 7.74% CCI increase. The cost of the capacity fees would increase based on the size of the meters.

Mr. Johnson said staff recommended not increasing water utility rates because the water fund was in good condition. Staff was recommending a 3% increase to the wastewater and a 3% increase to the capacity fee.

Vice Mayor Kakavas thanked staff for their continued conscientiousness for the residents of the City.

Mr. Muder said staff would bring a resolution to the Council for adoption of the new fees.

5. Adjournment.

There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE STUDY SESSION OF THE SHOW LOW CITY COUNCIL OF NOVEMBER 15, 2022, AT 6:44 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 **STUDY SESSION** of the City Council of Show Low held on November 15, 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