

MINUTES

REGULAR COUNCIL MEETING
TUESDAY, JUNE 18, 2013
COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
4:00 P.M. AND 6:00 P.M.

1. **CALL TO ORDER**

Mayor Nabours called the meeting to order at 4:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. **ROLL CALL**

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

Present:

MAYOR NABOURS	
VICE MAYOR EVANS	COUNCILMEMBER ORAVITS
COUNCILMEMBER BAROTZ	COUNCILMEMBER OVERTON (telephonically)
COUNCILMEMBER BREWSTER	COUNCILMEMBER WOODSON

Others present: City Manager Kevin Burke and City Attorney Michelle D'Andrea.

3. **PLEDGE OF ALLEGIANCE AND MISSION STATEMENT**

The Council and audience recited the Pledge of Allegiance, and Mayor Nabours read the City of Flagstaff's Mission Statement.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life of its citizens.

4. **APPROVAL OF MINUTES FROM PREVIOUS MEETINGS**

A. **Consideration and approval of minutes:** Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013.

Councilmember Barotz suggested that on Page 8 of the June 11, 2013, minutes the word “events” be removed since the Council does not actually approve those.

Councilmember Woodson moved to approve [the minutes of the Flagstaff City Council Regular Meeting of June 4, 2013, and Work Session of June 11, 2013] as amended; seconded; passed unanimously.

5. **PUBLIC PARTICIPATION**

Public Participation enables the public to address the Council about an item that is not on the agenda (or is listed under Possible Future Agenda Items). Comments relating to items that are on the agenda will be taken at the time that the item is discussed. If you wish to address the Council at tonight's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

The following individuals addressed the Council regarding the need to further discuss the issue of transportation of uranium ore through the City:

- Alicyn Gitlin (Sierra Club)
- Dawn Dyer
- Arika Larson (Sierra Club)
- Joseph Hill
- Dr. Catherine Euler

6. **PROCLAMATIONS AND RECOGNITIONS**

None

7. **APPOINTMENTS**

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering 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. §38-431.03(A)(1).

None

8. **LIQUOR LICENSE PUBLIC HEARINGS**

None

9. **CONSENT ITEMS**

All matters under Consent Agenda are considered by the City Council to be routine and will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items.

Items 9-A, 9-D, and 9-E were removed from the Consent Agenda.

Councilmember Brewster moved to approve Consent Items 9-B, 9-C and 9-F; seconded; passed unanimously.

A. **Consideration and Approval of Street Closure(s):** Hopi Market Arts and Craft Festival.

Special Events Supervisor Glorice Pavey reviewed the proposed street closure, noting that it was September 28-29, 2013, on Aspen between San Francisco and Leroux.

Jason Bird of the Hopi Tribes Economic Development Corporation presented a brief PowerPoint on what they were proposing, adding that the intent was to introduce tourism into Flagstaff and introduce it to the Hopi artisans that they have pulled from the Reservation. He said that this is their fourth year, and last year they held the market in Heritage Square with 52 vendors and an estimated 5,000 visitors. Now they are growing the event into two days and plan to have at least 120 vendors. He then reviewed their marketing efforts. Mr. Bird said that the market will be limited to Native American art. Most of them will be local, but they have been in contact with other tribes.

Nancy Wardell, owner of In Cahoots, said that it was great to have the Hopi Market in Heritage Square; however, she did not support the closure of the street due to the impact on her shop as well as others in the area.

Ms. Pavey reviewed the number of street closures in the downtown area. She said that she had recently sent out a CCR to Council, but there were seven recurring street closures throughout the year, and this year they had an additional one, the NACO Conference.

Discussion was also held on the fact that there were no formal criteria on who can apply for street closures and the process for their approval, other than that they are approved by Council. It was suggested that this be a separate discussion item in the future to determine a formal process.

After a lengthy discussion on possible solutions, it was suggested that the item be tabled for two weeks to allow time for staff to further review the site plan presented that day, and also to attempt to work with the business owners to find a solution to alleviate some of their concerns.

Mayor Nabours moved to postpone the application for two weeks; seconded; passed unanimously.

- B. **Consideration and Approval of Consulting Contract:** Allwyn Environmental, Inc., for Program Administrative Services for the FY2012 Brownfields Community-wide Assessment Grant.

MOTION: Approve and authorize the City Manager to execute the agreement.

Approved above

- C. **Consideration and Approval of Construction Contract:** Switzer Canyon Transmission Main Project.

MOTION:

- 1) Award the construction contract to Seller's and Sons, Inc. of Glendale, Arizona in the total award amount of \$980,483, which includes \$25,000 in contract allowance. The contract period is 120 calendar days; and
- 2) Authorize Change Order Authority to the City Manager in the amount of \$95,550 (10% of the bid contract amount, less contract allowance) for unanticipated additional costs; and
- 3) Authorize the City Manager to execute the necessary documents.

Approved above

- D. **Consideration and Approval of Payment:** Annual Computer Hardware and Software Maintenance and Support Services.

MOTION: Authorize the payment in the amount of \$601,015.15, plus applicable sales tax, to:

- 1) ERP - Financial Applications - \$151,000.00
- 2) SHI Software - Microsoft Enterprise Agreement - \$135,000.00
- 3) Intergraph Public Safety, Inc. - Maintain the map and corresponding DB for system - \$196,428.08
- 4) SIRSI - Online Library Catalog 4/1-3/31 - \$70,007.07
- 5) Additional charge for migrating data from branches into catalog - \$48,580.00

Councilmember Overton asked if the additional charge for migrating data from branches into catalog at the library was a one-time expense; Mr. Vagen replied that it was.

Mayor Nabours moved to approve (as presented above); seconded; passed unanimously.

- E. **Consideration of Appointment:** City Attorney.

Councilmember Brewster requested that this item be moved to the 6:00 p.m. portion of the meeting due to its importance.

- F. **Consideration and Approval of Agreement:** Participating Agreement Supplemental Project Agreement between City of Flagstaff and USDA, Forest

Service Coconino National Forest, for the Flagstaff Watershed Protection Project, Fuels Reduction Demonstration Project

MOTION: Approve the Supplemental Project Agreement and authorize the City Manager to execute the necessary documents.

Approved above

10. **ROUTINE ITEMS**

- A. **Consideration and Approval of Agreement Amendment:** Joint Project Agreement 11-085 between the State of Arizona and the City of Flagstaff acting for and on behalf of the Flagstaff Metropolitan Planning Organization, Amendment 2 for Fiscal Year 2014.

FMPO Manager David Wessel reviewed the amendment, noting that this was a continuation of the agreement between the State and City for pass-through funding from the federal government. He said that this amendment will extend them for another year and since the last agreement there has been a new federal bill passed which has new planning requirements, including performance measurements, which they have already been doing.

Staff was asked if there were no dollar amounts specified. Mr. Wessel said that the work program itself identifies the dollars. They receive around \$260,000 a year through the MPO for their establishment and operation, and through construction of the Transportation Improvement Program they receive another roughly \$500,000, and additional safety funds of around \$600,000, as well as the NAIPTA transit funds.

Councilmember Woodson moved to authorize signature of JPA 11-805 Amendment 2; seconded; passed unanimously.

RECESS

The Regular Meeting of the Flagstaff City Council of June 18, 2013, recessed at 5:10 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the Regular Meeting of the Flagstaff City Council of June 18, 2013, at 6:05 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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11. **ROLL CALL**

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

Present:

MAYOR NABOURS	
VICE MAYOR EVANS	COUNCILMEMBER ORAVITS
COUNCILMEMBER BAROTZ	COUNCILMEMBER OVERTON (telephonically)
COUNCILMEMBER BREWSTER	COUNCILMEMBER WOODSON

Others present: City Manager Kevin Burke and City Attorney Michelle D'Andrea.

12. **CARRY OVER ITEMS FROM THE 4:00 P.M. AGENDA**

Consideration of Appointment: City Attorney.

Mayor Nabours said that he was formally pleased to announce that they had selected Michelle D'Andrea as the City Attorney, should she accept the appointment. He said that they had a recruiter that solicited a number of possible candidates, and after interviewing six finalists, Ms. D'Andrea topped the group in every category. Ms. D'Andrea said that she was pleased to accept the appointment and Councilmembers congratulated her.

Councilmember Barotz moved to appoint Michelle D'Andrea as the City Attorney for the City of Flagstaff and approve the related contract; seconded; passed unanimously.

13. **PUBLIC HEARING ITEMS**

A. **Public Hearing For Proposed FY 2013 2014 Budget and Property Tax Levy.**

Councilmember Brewster moved to open the Public Hearing; seconded.

Finance Director Rick Tadder thanked Finance Manager Brandi Suda for her work and then reviewed a brief PowerPoint presentation, attached hereto and made a part hereof as Exhibit A.

Motion passed unanimously. There being no public comment, **Mayor Nabours moved to close the Public Hearing; seconded; passed unanimously.**

At this time (6:20 p.m.) the Council recessed the Regular Meeting and convened into a Special Meeting.

SPECIAL MEETING

The Special Meeting of June 18, 2013, convened at 6:20 p.m.

Consideration and Adoption of Resolution No. 2013-14: CONSIDERATION AND APPROVAL OF RESOLUTION NO. 2013-14 A RESOLUTION FOR THE ADOPTION OF THE BUDGET FOR FISCAL YEAR 2013-2014 AND PUBLIC HEARING FOR BUDGET AND LEVY.

Councilmember Brewster moved to read Resolution No. 2013-14 by title only; seconded; passed unanimously.

A RESOLUTION ADOPTING THE BUDGET FOR FISCAL YEAR 2013-2014

Councilmember Oravits said that it was a very detailed process, and he was glad they went through the extra meetings. He was looking forward to doing it again next time. He said that he was excited that they were able to increase street improvements three-fold, while preserving most of the services, including keeping the Library open until 9:00 p.m., and also keeping property taxes down.

Councilmember Brewster moved to adopt Resolution No. 2013-14; seconded; passed unanimously.

At this time (6:23 p.m.) the Special Meeting adjourned and the Regular Meeting of June 18, 2013, reconvened.

14. **REGULAR AGENDA**

- A. **Consideration and Adoption of Ordinance No. 2013-13:** AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014.

Councilmember Barotz moved to read Ordinance No. 2013-13 by title only for the first time by title only; seconded; passed unanimously.

AN ORDINANCE LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014.

- B. **Consideration and Approval of Final Plat:** A request from Pete Reznick for final plat approval of the University Terrace Unit 2, a subdivision consisting of twenty (20) single-family lots on 10.55 acres located at 4015 South Holland Road in the R1, Residential Zoning District.

Planning Development Manager Elaine Averitt reviewed a PowerPoint presentation regarding this application, adding that the Planning and Zoning Commission had recommended approval with a number of conditions, all of which have been met.

Councilmember Oravits moved to approve [the final plat with the conditions outlined in the staff summary and its attachments, and authorizing the Mayor to sign both the plat and City/Subdivider Agreement when notified by staff that all conditions have been met and documents are ready for recording]; seconded; passed unanimously.

- C. **Consideration of Insurance Renewal:** Property/Casualty for Fiscal Year 2014.

Risk Manager Margaret Penado reviewed a PowerPoint presentation which addressed:

- PROCUREMENT PROCESS
- MARKET RESULTS
- MARKET CYCLE
- PREMIUMS VS. CLAIMS
- TOTAL INCURRED LOSSES
- PROPERTY INSURANCE COST PER MILLION POLICY
- LIABILITY INSURANCE
- AUTO LIABILITY
- TRAVELERS QUOTE OPTIONS

Councilmember Oravits moved to approve [the insurance renewal proposal from Willis of Arizona for the period July 1, 2013, to June 30, 2014, and authorize the City Manager to execute the necessary documents (SIR 75,000-\$1,256,093 premium plus 5% buffer for policy changes=\$1,318,898)]; seconded; passed unanimously.

- D. **Consideration of Insurance Renewal:** Workers' Compensation for fiscal year 2014.

Ms. Penado then reviewed a PowerPoint presentation regarding Workers' Compensation which addressed:

- HISTORICAL WORKERS COMPENSATION INSURANCE PLACEMENT
- MARKET RESPONSES FOR WORKERS COMPENSATION QUOTES 2013
- MARKET CYCLE
- LOSS RATIO
- COUNT BY POLICY YEAR
- CAUSES OF INJURY
- IMPROVEMENT WORK IN PROGRESS

Brief discussion was held on whether they should consider taking the \$1 million in premiums and self-insure. Ms. Penado replied that the value of buying insurance was that it provided some stability and a known value versus the risk.

Councilmember Barotz moved to accept the workers compensation renewal proposal offered by SCF Western for the period July 1, 2013, to June 30, 2014, and authorize payment of premiums for this policy period and authorize the City Manager to execute the necessary documents to accept the proposal; seconded; passed unanimously.

- E. **Consideration and Adoption of Resolution No. 2013-16:** A Resolution to Cover Volunteers of the City of Flagstaff under the City's Workers' Compensation Insurance.

Ms. Penado briefly reviewed the need for this resolution, as requested by the City's insurance carrier. It was noted that some of the volunteers in the Police Department were under the impression that they were going to be charged to cover the premium for this. Ms. Penado explained that was not the case; the City would incur those expenses and she would communicate that to the volunteers.

Councilmember Barotz moved to read Resolution No. 2013-16 by title only; seconded; passed unanimously.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, PURSUANT TO A.R.S. §23-901.06, ESTABLISHING A SALARY EQUIVALENT FOR PURPOSES OF COMPUTING WORKERS' COMPENSATION INSURANCE PREMIUM AND COMPENSATION BENEFITS FOR VOLUNTEERS, AND ESTABLISHING AN EFFECTIVE DATE

Councilmember Barotz moved to adopt Resolution No. 2013-16; seconded; passed unanimously.

15. **DISCUSSION ITEMS**

None

16. **POSSIBLE FUTURE AGENDA ITEMS**

Verbal comments from the public on any item under this section must be given during Public Participation (#5) near the beginning of the meeting. Written comments may be submitted to the City Clerk. After discussion and upon agreement of three members of the Council, an item will be moved to a regularly-scheduled Council meeting.

- A. **Request by Vice Mayor Evans for future discussion re transportation of uranium ore through Flagstaff.**

After brief discussion, it was agreed that this would move to a future agenda for a presentation by representatives of the mining companies and input from the state agency that is responsible for this type of activity, and allow for public dialogue.

Additionally, the City Attorney was asked for an opinion on whether they have any jurisdiction over a state/federal highway and transportation.

B. Request by Mayor Nabours for future discussion re repeal of property sales tax.

After brief discussion it was agreed that this issue would first be addressed through a CCR from staff.

17. PUBLIC PARTICIPATION

None

18. INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND STAFF, REQUESTS FOR FUTURE AGENDA ITEMS

Councilmember Barotz held up the recently-received Governor's Award for Heritage Preservation for Picture Canyon, which had been awarded to the City and County.

Vice Mayor Evans reported that she had attended the Pride Celebration downtown and several Councilmembers received recognition, as well as Gordon Watkins and Century Link.

She also indicated that she, as well as others, had received an envelope in the mail that did not have a return address regarding an upcoming public meeting on a development site plan, which had been sent by the developer. She was concerned that she had almost thrown it out, and asked staff to look into the matter and encourage developers to clearly identify such public notices.

Councilmember Brewster noted that Secretary of State Ken Bennett would be in town on Thursday talking about regional economic development. Additionally, on Friday there would be a public hearing in the Council Chambers, starting at 10:00 a.m., regarding State House Bill 2338.

Councilmember Oravits reported that he attended the 2013 Arizona State Chili Championship, and first place winners in Red and Green were both from Flagstaff, Paul Whitney and Pam Wright, respectively.

Councilmember Woodson reported that last weekend he attended an event at the Museum of Northern Arizona and there were people attending from all over the world.

Mr. Burke reminded Council and the public that there was a Water Policy Meeting scheduled for Thursday, June 20, 2013, from 4:00 p.m. to 8:00 p.m.

The Regular Meeting of the Flagstaff City Council adjourned at 7:22 p.m.

ATTEST:

CERTIFICATION

I, ELIZABETH A. BURKE, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the meeting of the Council of the City of Flagstaff held June 18, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

CITY CLERK