

MINUTES

JOINT CITY/COUNTY WORK SESSION
MONDAY, FEBRUARY 3, 2014
COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
4:00 P.M.

1. **CALL TO ORDER**

Chairman Ryan called the Joint City/County Work Session of February 3, 2014, to order at 4:04 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**

Councilmembers present:

Flagstaff City Council
MAYOR NABOURS (arrived at 5:14 p.m.)
VICE MAYOR EVANS
COUNCILMEMBER BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER ORAVITS (arrived at 4:07 p.m.)
COUNCILMEMBER OVERTON
COUNCILMEMBER WOODSON

Coconino County Board of Supervisors
CHAIRMAN RYAN
SUPERVISOR ARCHULETA
SUPERVISOR FOWLER
SUPERVISOR METZGER

Councilmembers absent:

SUPERVISOR BABBOTT

Others present: City Manager Kevin Burke, County Manager Cynthia Seelhammer, City Attorney Michelle D'Andrea, County Attorney Bill Ring.

3. **Public Participation (Non-Agenda Items Only):**

*Public Participation enables the public to address the council about items that **are not** on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be*

called. 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 to have 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.

None.

4. Walnut Canyon Study Update

Sustainability Specialist McKenzie Jones introduced Jennifer Hensiek, Deputy District Ranger and Kayci Cook-Collins, Superintendent of Flagstaff Area National Monuments.

Ms. Cook-Collins provided a PowerPoint presentation that covered the following:

- ▶ WALNUT CANYON STUDY AREA
- ▶ BACKGROUND
- ▶ SURFACE LAND OWNERSHIP
- ▶ ACT DIRECTS TO ASSESS

Ms. Hensiek continued the presentation.

- ▶ SPECIAL STUDY PROCESS
- ▶ PUBLIC INVOLVEMENT AND 2011 WORKSHOP
- ▶ OPTIONS DISTILLED FROM PUBLIC MEETINGS AND COMMENT PERIODS

Ms. Cook-Collins continued the presentation.

- ▶ NATIONAL PARK SERVICE MANAGEMENT
- ▶ NATIONAL PARK SERVICE BOUNDARY EXPANSION CAN OCCUR IF:

Ms. Hensiek continued the presentation.

- ▶ CONTINUED FOREST SERVICE MANAGEMENT (OPTION 1)
 - The Regional Forester has discretion to overlay an area for special emphasis management. Those designations give added emphasis but do not address land development and land disposal.

Councilmember Barotz asked how land exchanges would be handled. Ms. Hensiek stated that they occur just as they do now at the Forester level.

- ▶ CONGRESSIONAL SPECIAL MANAGEMENT (OPTION 2)
 - The Forest Service currently does not have guidance on conservation areas. National Conservation area is a much more broad way to add special emphasis to an area and it is dictated by legislation.

Supervisor Metzger inquired how the new Forest Management Plan treats the area. Ms. Hensiek offered that there was public comment about special designation areas and they are not addressed from a congressional perspective but from the forester perspective. This area did not meet the criteria to move forward as a special designated area.

- ▶ CONGRESSIONAL RESTRICTION (OPTION 3)
- ▶ SUMMARY COMPARISON TABLE

Ms. Cook-Collins continued the presentation.

- ▶ STATE TRUST LANDS 10, 20, 22, 28, AND 30
- ▶ FINAL REPORT AVAILABLE AT

The final report has been submitted to the Secretary of the Interior, there is no recommendation one way or the other; it will be up to the Secretary of the Interior to make any determination. The Park Service and Forest Service will continue working together to make sure areas are maintained according to law.

Councilmember Brewster asked about the timeline for a decision. Ms. Cook-Collins offered that there is not a decision to be made; there is not a proposal for a management plan to go forward. A boundary adjustment for Walnut Canyon is not lost, it is just a different process and all the requirements need to be met. This was not the process to look for a boundary adjustment to Walnut Canyon.

The following individuals spoke in favor of protecting Walnut Canyon:

- Alicyn Gitlin
- Ralph Baierlein
- Tom Mackin
- Marilyn Weissman

Chairman Ryan stated that it is up to each governing body to address and deal with this as they see fit and he appreciates all the hard work that has gone into the study.

Councilmember Barotz requested that the City Council discuss this item further and asked for it to be placed on an upcoming agenda.

Supervisor Metzger asked if the Park or Forest Service had done any calculations on the cost to administer a special district. Ms. Hensiek stated that it has not been calculated. A management district takes time to develop but ultimately would cost more.

5. Presentation on Flagstaff Unified School District Economic Impact

Mr. Burke introduced Flagstaff Unified School District (FUSD) Superintendent Barbara Hickman. Ms. Hickman provided a PowerPoint presentation that covered the following:

- ▶ FUSD INFORMATION
- ▶ FUSD ECONOMIC IMPACT STUDY

FUSD School Board Member Sarah Ellis continued the presentation with information on how the board views their role in education. Ms. Ellis compared it to tightrope walking as it is a balancing act to keep students educated and staff and stakeholders happy. The support system is made up of taxes and State aid and Federal monies; it is ideal when there is a balance with the needs of students and expectations of staff.

The District is highly audited and monitored and compared to peers in the state and nation. Major changes to funding have included big cuts to soft capital and require FUSD to go to the tax-payers for more funding or make major adjustments to the system. Ms. Hickman added that the report was eye opening; to know that the District operates an economic engine helps to justify the impacts of a tax increase.

Chairman Ryan commented that the report shows a broader dynamic of the community.

Supervisor Archuleta appreciated that the study attempted to address the correlation between the human component and the human services that the County provides. She would much rather spend funding on education as opposed to paying for jails.

Councilmember Brewster and Supervisor Fowler expressed interest in the study being applied to all districts around the state. It is the first time a study like this has been conducted and the results should be applied statewide.

6. Discussion of Legislative Agendas for City and County

Government Relations Director Joanne Keene reviewed that County's State and Federal agendas.

Ms. Keene stated that there are a lot of similar things between Coconino County and the City of Flagstaff. The following items are included in Coconino County's State Legislative Agenda:

- ▶ Restoring HURF and stopping the sweeps of HURF.
- ▶ Restoration of the County Assistance Fund. Counties have been forced to take on many State functions and this has a significant impact on the County.
- ▶ Efforts to cap the secondary district revenue.
- ▶ Fireworks issue. Representative Fann will be introducing a bill that would allow the County to regulate the sale of fireworks when any portion of the County goes into a Stage One Fire Restriction.

The following are included in Coconino County's Federal Legislative Agenda:

- ▶ Counties receive payment in lieu of taxes from the Federal Government that compensates the County for Federal land in the County (PILT) to offset not being able to collect taxes on the property. It was expected that this program would be included and funded in the Omnibus Appropriation Legislation; however, that was not the case and Counties have been scrambling to get this money. Ensuring that the County gets this money is a top priority.
- ▶ Secure Rural Schools Program is a program that is set up to compensate Counties for loss of timber generating revenue. The program has expired and an alternate funding program is in the works. The way 4FRI is set up, counties do not get timber sale revenue. The County is looking for compensation for those lost revenues.
- ▶ Continue working the boundary dispute in Mountaineer.
- ▶ Transportation Funding. The National Association of Counties has been lobbying heavily to look at a long term solution for funding the Highway Trust Fund. Also ensuring that the Map 21 programs are funded and US 89 south of Page is repaired.

- ▶ Concessionaires on Federal land; looking for a way for Counties to get revenue from concessionaires on Federal land.

Deputy City Manager Jerene Watson presented the City of Flagstaff's Legislative Agenda. Ms. Watson provided a PowerPoint presentation that covered the following:

- ▶ CITY OF FLAGSTAFF LEGISLATIVE AGENDA
- ▶ GUIDING PRINCIPLES
- ▶ STATE:
- ▶ STATE SHARED REVENUES
- ▶ HURF RESTORATION
- ▶ FOREST HEALTH
- ▶ PENSION REFORM
- ▶ DARK SKIES
- ▶ ADOT ROW USE
- ▶ ECONOMIC DEVELOPMENT TOOLS
- ▶ SALES TAX SYSTEMS INTEGRATION
- ▶ ENERGY DISTRICT
- ▶ BUILDING CODE TECHNICAL AMENDMENT
- ▶ GRAFFITI
- ▶ I-11 CORRIDOR

Mr. Burke continued the presentation on the federal priorities.

- ▶ FOREST HEALTH
- ▶ TRANSPORTATION - REGIONAL TRANSPORTATION PLAN

Supervisor Archuleta asked about the issue with FEMA and the Shultz Flooding Inner Basin Pipeline. Mr. Burke stated that it is an appeal process on the reimbursement. The City had a reimbursement from FEMA for a substantial amount of the cost of rebuilding the pipeline but there is disagreement between the City and ADEM associated with the timber walls. There were places where the road became thinner than 12 feet wide and needed to be repaired in order to rebuild the pipeline; the disagreement is that the road is not eligible for reimbursement. FEMA is supportive of the City's position that the road needed repair to repair the pipeline.

Chairman Ryan asked if the Forest Health issue is focused on the region or if it is a broader discussion statewide. Ms. Watson stated that it is a statewide focus and there is opportunity to make sure that it is rounded.

Mayor Nabours asked about the APS issue. Ms. Watson stated that there is a proposal where the Governor referred to an incentive to not collect sales tax for electricity for the State. Mayor Nabours stated that there are a lot of manufacturers in Flagstaff that use a lot of energy and this could have a huge impact on sales tax revenues.

8. Library District Report

Library Director Heidi Holland provided a PowerPoint presentation on the Library District. The presentation covered the following.

- ▶ FLAGSTAFF
- ▶ BRIEF TIMELINE
- ▶ COCONINO COUNTY LIBRARY DISTRICT
- ▶ CITY COUNTY IGA
- ▶ THE LIBRARY DISTRICT COUNCIL ADVISES COUNTY BOARD OF SUPERVISORS
- ▶ THE LIBRARY DISTRICT COUNCIL
- ▶ BRANCH LIBRARIES
- ▶ LIBRARY DISTRICT AFFILIATE LIBRARIES
- ▶ LIBRARY DISTRICT USAGE STATISTICAL HISTORY
- ▶ COMPUTER USERS & CARD HOLDERS
- ▶ ASSESSED VALUE HISTORY
- ▶ LIBRARY DISTRICT TAX RATE HISTORY

Management Services Director Barbara Goodrich continued the presentation.

- ▶ STRUCTURALLY BALANCED
- ▶ LIBRARY DISTRICT REVENUE
- ▶ LIBRARY DISTRICT RESTRICTED FUND BALANCE

Councilmember Barotz stated that last year during budget there were some difficult conversations about the library and asked if that is anticipated for this year. Mr. Burke offered that this discussion is regarding the district libraries that are not associated with a municipality. At this point the direction is for no funding decrease but a flat budget.

9. Public Participation

None.

10. Informational Items To/From Chairman, Supervisors and County Manager/Mayor, Council and City Manager.

Councilmember Woodson reported that he attended the RTAC legislative meeting in Phoenix and got to hear the same requests the City and County are suggesting in their legislative agendas.

Supervisor Archuleta stated that Wednesday is the Latino Caucus and she was invited to present the rural perspective. She will definitely site examples of City and County issues and collaborations.

Additionally, she will be going to Washington D.C. to work on the legislative agenda on behalf of the County and looks forward to collaboration with the City on united messages.

Supervisor Fowler attended the opening of the Northern Arizona Veterans Resources Center. It is a great addition to the community and any veterans that need assistance and direction should seek out their services; they are located on Cedar Avenue.

Supervisor Metzger reported that the Director of Veteran Services came last week and reminded everyone that in May there is a stand down for the homeless and Veterans.

Councilmember Barotz reported that she and Vice Mayor Evans attended an event where they met Chadwick Hofsten who is making a feature film in Flagstaff. They invited him to come to a City Council meeting to inform Council about his project.

Chairman Ryan indicated that he also attended the RTAC meeting and noted that while HURF is a good priority it is not a good long term solution for the transportation woes in the City and County. Help is needed in conveying that message at both the City and County levels.

11. Adjournment

The Flagstaff Joint City Council/County Board of Supervisors Work Session of February 3, 2014, adjourned at 6:10 p.m.

MAYOR

ATTEST:

CITY CLERK