

WORK SESSION AGENDA

**CITY COUNCIL WORK SESSION
TUESDAY
FEBRUARY 25, 2020**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
IMMEDIATELY FOLLOWING THE
FLOODPLAIN BOARD MEETING
THAT BEGINS AT 4:30 P.M.**

1. **Call to Order**

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 work session, 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. **PLEDGE OF ALLEGIANCE AND MISSION STATEMENT**

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. **ROLL CALL**

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

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY

COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

4. **Public Participation**

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.

5. **Review of Draft Agenda for the March 3, 2020 City Council Meeting**

Citizens wishing to speak on agenda items not specifically called out by the City Council may submit a speaker card for their items of interest to the recording clerk.

6. **Economic Development Toolkit:** The following are offered as economic development tools: City of Flagstaff business attraction, retention and expansion information, and presentations by Buxton Company on analytics and healthcare and the Arizona Commerce Authority on Opportunity Zones.

7. **Linda Vista Culvert Upsizing**

8. **Discussion:** Policy to allow all employees to live outside city limits except by those who are specified by City Charter

9. **Public Participation**

10. **Informational Items To/From Mayor, Council, and City Manager; future agenda item requests**

11. **Adjournment**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2020.

Stacy Saltzburg, MMC, City Clerk

CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council

From: John Saltonstall, Business Retention & Expansion Manager

Co-Submitter: David McIntire

Date: 02/06/2020

Meeting Date: 02/25/2020



TITLE

Economic Development Toolkit: The following are offered as economic development tools: City of Flagstaff business attraction, retention and expansion information, and presentations by Buxton Company on analytics and healthcare and the Arizona Commerce Authority on Opportunity Zones.

STAFF RECOMMENDED ACTION:

None. The presentations are for information purposes only. Council will be provided information on the City of Flagstaff business attraction, retention, and expansion program material, healthcare analytics, and opportunity zones as they both relate to the Flagstaff economy.

EXECUTIVE SUMMARY:

The City of Flagstaff Economic Development office helps identify economic tools available to support Flagstaff businesses. Today we have presentations that offer economic tools that may be useful to Flagstaff businesses. Buxton Company delivers insights into consumer behaviors and insights into opportunities for specific sectors such as healthcare. The Arizona Commerce Authority is the economic development agency that delivers programs to help existing and prospective businesses at the state level.

INFORMATION:

Economic Development staff has been working with Northern Arizona Healthcare to better understand their needs and the needs of the healthcare sector in Flagstaff. At the same time, staff had been discussing the capabilities and products offered by Buxton consumer-based demographics and analytics. The Buxton representatives developed a healthcare service gap analysis and shared it first with staff and then with Northern Arizona Healthcare. Buxton will present their findings and other capabilities in their presentation to Council on February 25, 2020.

City Council also requested information on the new economic development and investment program known as Opportunity Zones. Representatives from the Arizona Commerce Authority (ACA) will present the program, how it works, and how the City of Flagstaff may best use the program.

Attachments: Economic Development Toolkit
Buxton Healthcare Presentation

ACA Opp Zones Presentation

Economic Development Toolkit

John Saltonstall, BR&E Manager
2/25/2020





Business Retention and Expansion

Helping Businesses Stay and Grow in Flagstaff

- Development Process Assistance
- Site Selection
- Recruitment Assistance
- Policy Development
- Workforce Development
- Consumer Based Demographics



Partner Presentations

- Buxton Company
 - Healthcare
- Arizona Commerce Authority
 - Opportunity Zones



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BUXTON & FLAGSTAFF PARTNERSHIP
CONSUMER ANALYTICS FOR ECONOMIC DEVELOPMENT

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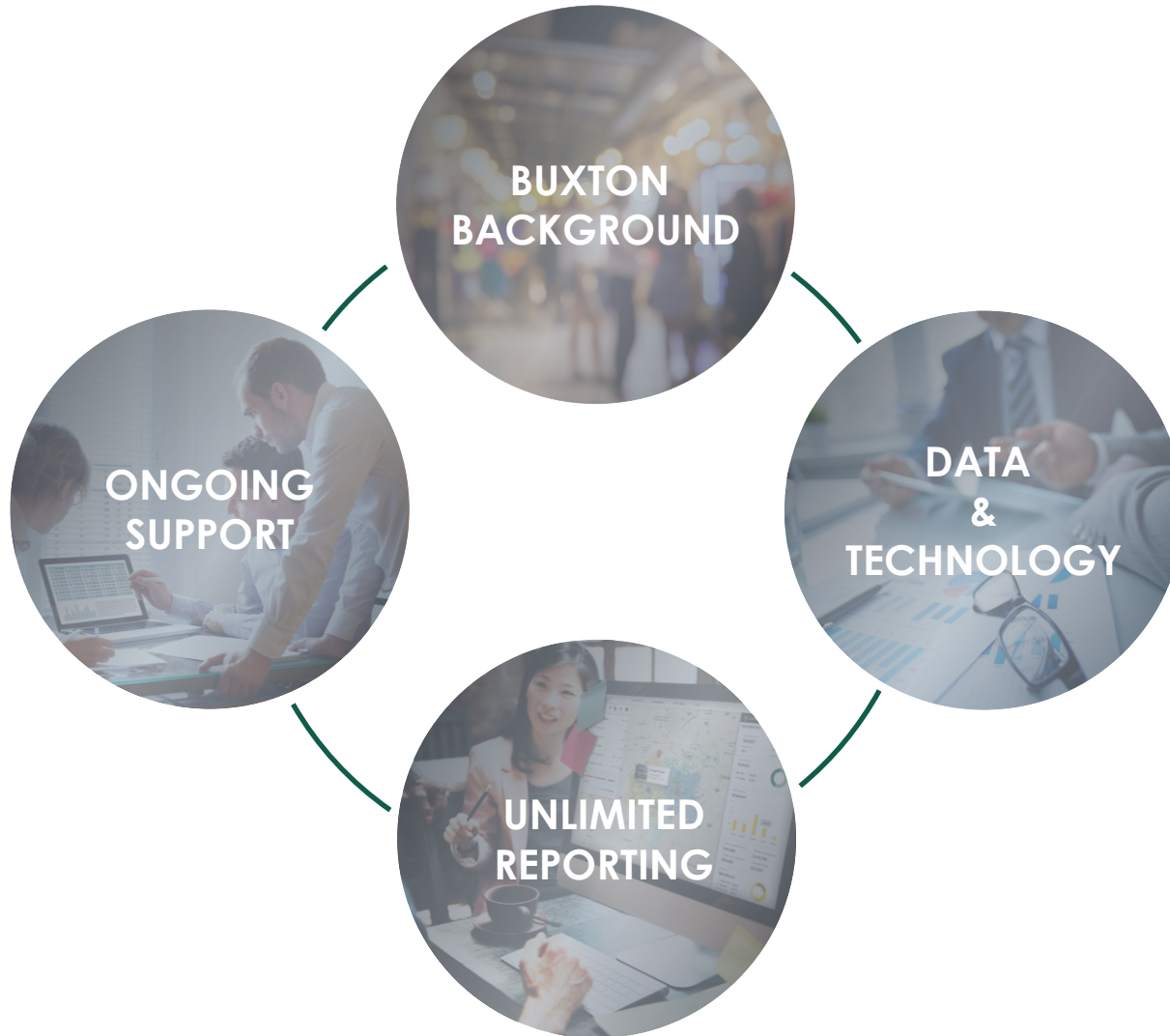
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BUXTON & FLAGSTAFF PARTNERSHIP

CURRENT ENGAGEMENT: RETAIL & HEALTHCARE



PRIMARY OBJECTIVES



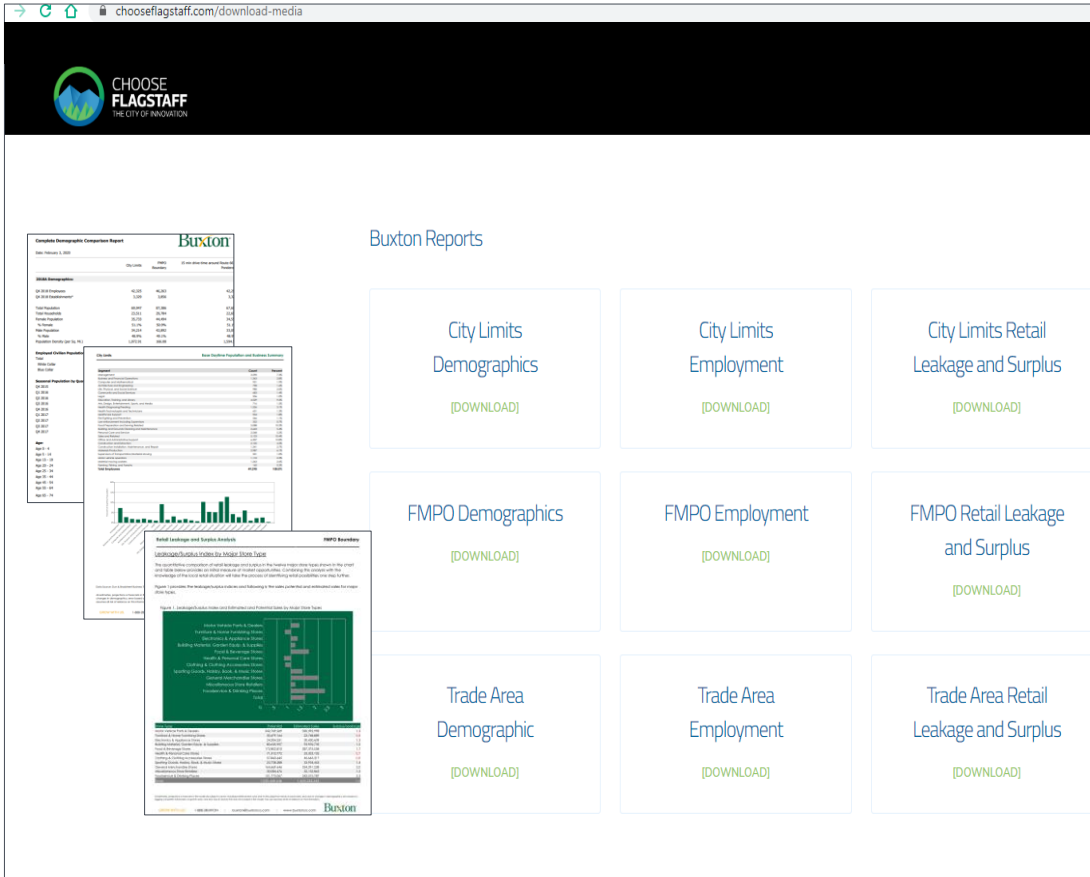
**STRENGTHENING
PARTNERSHIPS**

**SUPPORTING BUSINESS
EXPANSION**

**INFORMING
BUSINESS DECISIONS**

BUXTON & FLAGSTAFF PARTNERSHIP

BUXTON REPORTS



The screenshot displays the Buxton Reports website interface. At the top, the URL "chooseflagstaff.com/download-media" is visible. The header features the "CHOOSE FLAGSTAFF THE CITY OF INNOVATION" logo. The main content area is titled "Buxton Reports" and contains a grid of report categories, each with a "DOWNLOAD" link. To the left of the grid, three report thumbnails are shown: "Complete Demographic Comparison Report", "Retail Leakage and Surplus Analysis", and "FMPO Analysis".

Buxton Reports

- City Limits Demographics [DOWNLOAD]
- City Limits Employment [DOWNLOAD]
- City Limits Retail Leakage and Surplus [DOWNLOAD]
- FMPO Demographics [DOWNLOAD]
- FMPO Employment [DOWNLOAD]
- FMPO Retail Leakage and Surplus [DOWNLOAD]
- Trade Area Demographic [DOWNLOAD]
- Trade Area Employment [DOWNLOAD]
- Trade Area Retail Leakage and Surplus [DOWNLOAD]

The quality of retail fits all needs.

The quality of our retail business accommodations fits all needs.

Thinking of opening a new retail store in Flagstaff? Or are you looking to expand your retail operations? Here's how the City of Flagstaff can help.

We subscribe to Buxton Analytics, a consumer research company that uses Experian credit card data to provide various "snapshots" of a community. Buxton allows us to compare Flagstaff demographics to your existing location. This comparison provides you with valuable market information and can help you predict how successful your expansion could be.

Want to learn more? We'd be happy to show the tools that can help your retail business succeed in Flagstaff.

Request Buxton Analytics and Retail Tools
Email: EconDevinfo@flagstaffaz.gov

CURRENT ENGAGEMENT: HEALTHCARE SERVICE LINE GAP ANALYSIS

KEY FINDINGS

- The effective “service area” for Flagstaff medical services is an 89-minute drive-time trade area around the FMPO boundary centroid. This trade area captures 75% of all households visiting healthcare facilities within Flagstaff.
- The hypothesis from Flagstaff stakeholders that patients are leaving Flagstaff to receive healthcare in neighboring markets is confirmed:
 - 27% of confirmed Flagstaff patients are visiting practices outside of Flagstaff.
 - Prescott is benefitting most from Flagstaff patients seeking Urology, Primary Care, and Senior Living services.
 - Phoenix is benefitting most from Flagstaff patients seeking Oncology, Neurology, and Pediatric Medicine services.
- When studying Flagstaff at an overall market level, the service lines with the greatest service gaps include Endocrinology, OB/GYN, and Senior Living.
- Within Flagstaff, there are individual trade areas with service gaps for Primary Care, Pediatrics, Surgery, OB/GYN, Endocrinology, and Neurology.

HEALTHCARE SERVICE LINES

OBJECTIVE

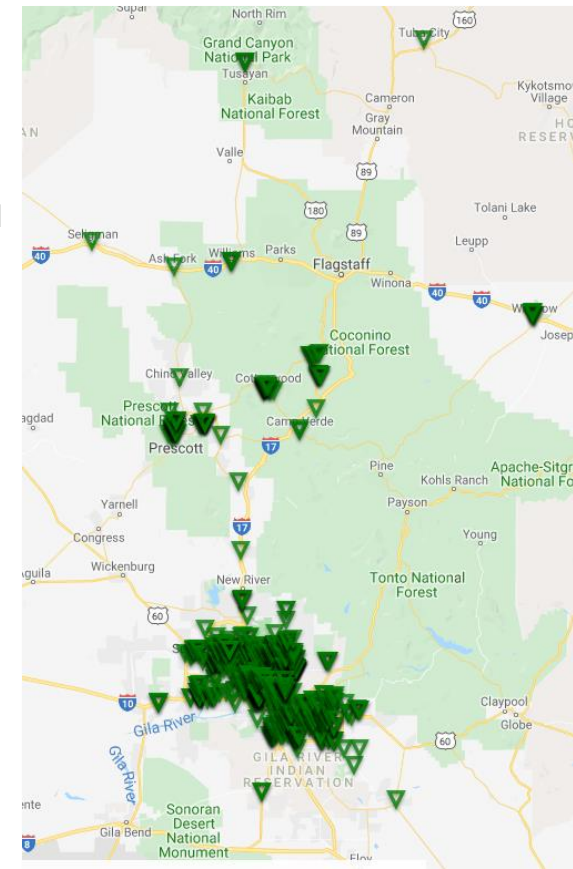
- The objective of this analysis is to identify gaps between healthcare demand and supply for various service lines, both for Flagstaff overall and within the Flagstaff service area.
- Service lines analyzed include the following:

Service Lines				
Cardiology	Endocrinology	Gastroenterology	General Surgery	Neurology
OB/GYN	Oncology	Orthopedics	Pediatrics	Physical Therapy/Rehab
Primary Care	Senior Living	Urgent Care	Urology	

WHERE ARE THEY GOING?

HEALTHCARE LEAKAGE

- The majority of patients leaving Flagstaff for healthcare are either venturing to facilities in Prescott or Phoenix for their health needs.
 - 27% of Flagstaff GPS patient households have visited a facility outside of Flagstaff within the study period
 - Most are going to Phoenix
- Service lines with the highest rates of visits in Prescott:
 - Urology
 - Primary Care
 - Senior Living
- Service lines with the highest rates of visits in Phoenix:
 - Oncology
 - Neurology
 - Pediatric Medicine



▼ Healthcare facility

DRIVE-TIME SERVICE AREA

GAP ANALYSIS

- To determine whether a service gap exists, Buxton selected two benchmark markets to use for demand comparison:
 - Tucson, AZ
 - Albuquerque, NM
- Tucson and Albuquerque were selected as regional benchmark markets for this analysis.
- Phoenix and Prescott were considered for comparison but were excluded due to the high levels of overlap in patient visits/traffic with Flagstaff.
- The resulting comparison accounts for the ratio of visits demand by service line, relative to the volume of physician/facility supply within the market.

DRIVE-TIME SERVICE AREA

GAP ANALYSIS

- Of the 14 service lines analyzed, 3 have a service gap in the 89-minute defined service area as whole: Endocrinology, OB/GYN, and Senior Living

Facility Type	Flagstaff	Tucson		Albuquerque	
	Visits per Facility	Visits per Facility	Flagstaff Demand Gap	Visits per Facility	Flagstaff Demand Gap
Physical Therapy	105	346	-230%	617	-488%
Senior Living*	1487	875	41%	1307	12%
Urgent Care	4676	9205	-97%	12244	-162%

Provider Type	Flagstaff	Tucson		Albuquerque	
	Visits per Provider	Visits per Provider	Flagstaff Demand Gap	Visits per Provider	Flagstaff Demand Gap
Cardiology	8293	91542	-1004%	115139	-1288%
Endocrinology	2626	2102	20%	903	66%
Gastroenterology	648	918	-42%	1003	-55%
General Surgery	201	302	-50%	416	-107%
Oncology	3267	4168	-28%	4859	-49%
Neurology	591	649	-10%	843	-43%
OB/GYN	1464	1153	21%	1113	24%
Orthopedic Surgery	568	2253	-297%	2380	-319%
Pediatrics	1102	1387	-26%	1155	-5%
Primary Care	555	1169	-111%	1088	-96%
Urology	1444	1409	2%	1596	-11%

- A gap is defined as a service line with estimated visits per provider/facility at least 20% higher than a similar service line in similar regional comparison markets – Tucson and Albuquerque.
- The percentages above represent the percentage difference in demand for that service line, as represented by the ratio of expected visits demand against available facility/provider supply.

FMPO SERVICE AREA

GAP ANALYSIS

- More granular analysis of the study area (FMPO boundary) shows that 6 out of the 14 service lines have service gaps within at least one trade area in the Flagstaff boundary.
 - Primary Care
 - General Surgery
 - Neurology
 - OB/GYN
 - Pediatrics
 - Endocrinology

RECAP OF RESULTS

KEY FINDINGS

- The effective “service area” for Flagstaff medical services is an 89-minute drive-time trade area around the FMPO boundary centroid. This trade area captures 75% of all households visiting healthcare facilities within Flagstaff.
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CONSUMER ANALYTICS FOR ECONOMIC DEVELOPMENT

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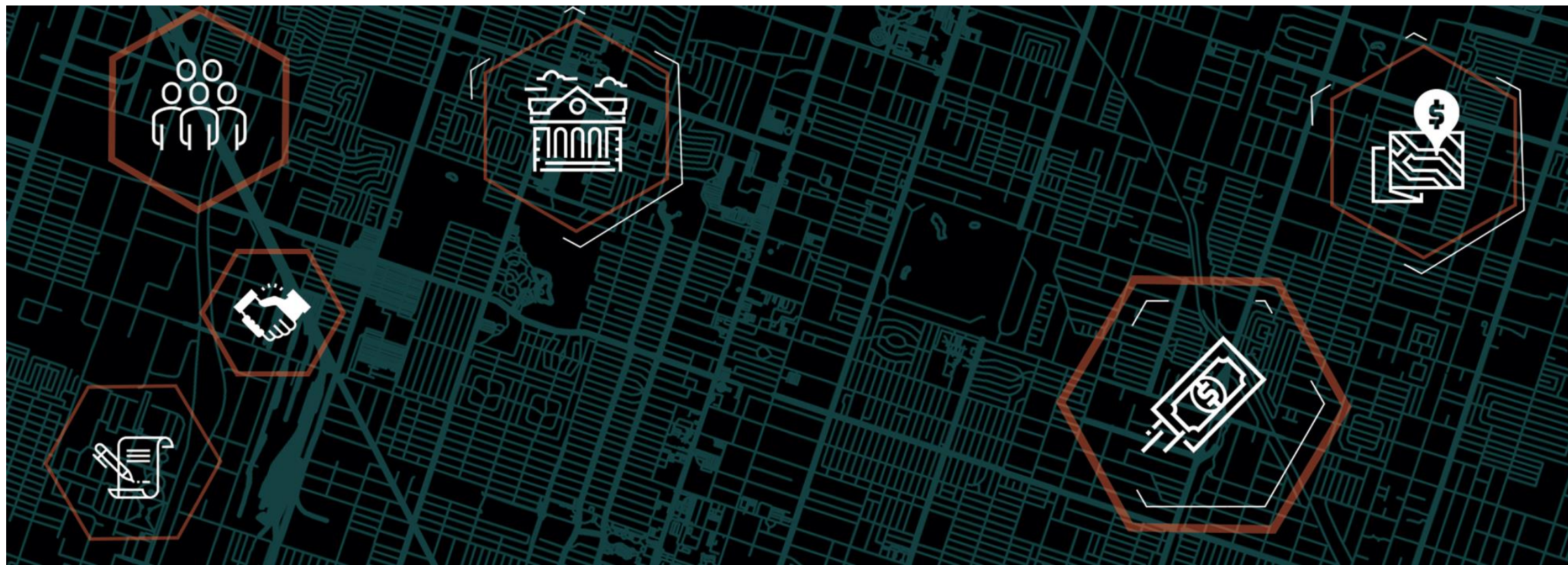
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Flagstaff City Council Meeting, Feb. 25, 2020

ARIZONA COMMERCE AUTHORITY

Opportunity Zones



What is an Opportunity Zone?

An Opportunity Zone is a lower-income Census tract that has been designated as an Opportunity Zone by the US. Department of the Treasury.

- Opportunity Zones were created in the 2017 tax overhaul.
- In early 2018, governors got to nominate 25% of the tracts in their states that met the low-income criteria for Opportunity Zones; Treasury approved the tracts.
- Those who invest capital gains in long-term investments in Opportunity Zones can qualify for significant tax benefits.



Opportunity Zone Criteria

To qualify for Opportunity Zone status, most tracts had to have either:

- a 20+ percent poverty rate, or
- a median family income of no more than 80% of the state or metro area's median, whichever was higher.

Up to 5% of a state's Opportunity Zones could be slightly better off if they were adjacent to a qualifying tract that also was nominated. These are called contiguous tracts. **NOTE: Contiguous tracts could make up 5% of the total, not an extra 5%.**

Treasury's preferred data for qualification were from the 2011-2015 American Community Survey. 2012-2016 ACS data also were acceptable.

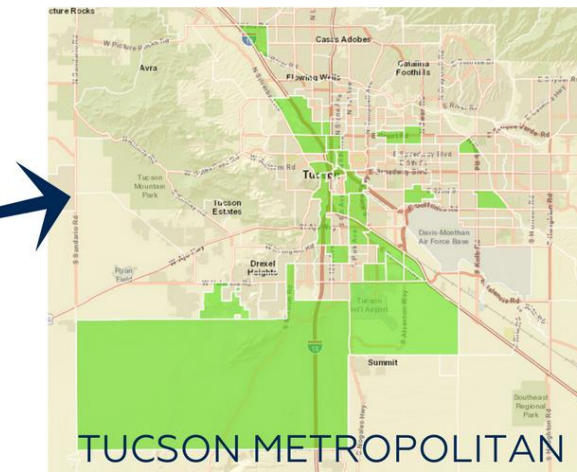
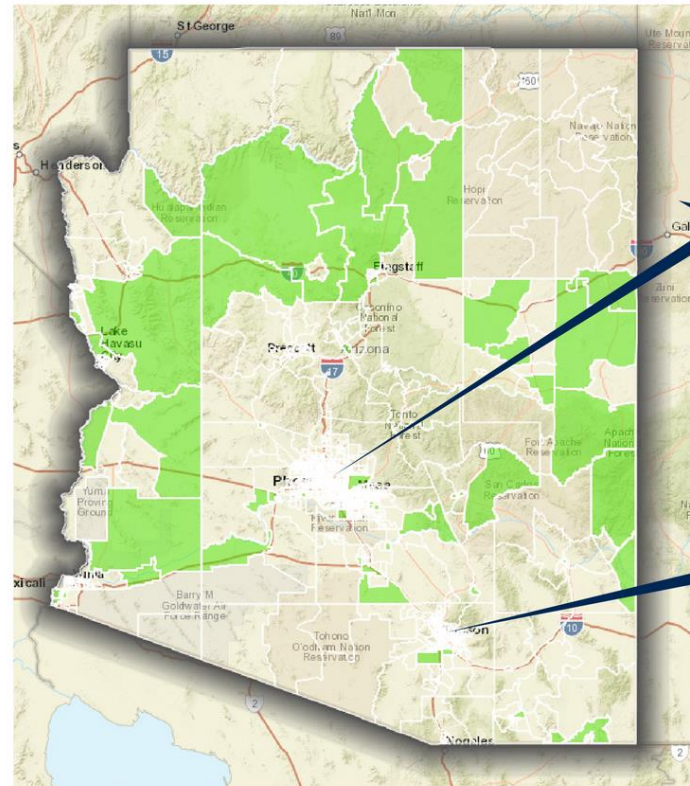


What is a Census Tract?

“Census tracts are small, relatively permanent statistical subdivisions of a county.”
–The Census Bureau

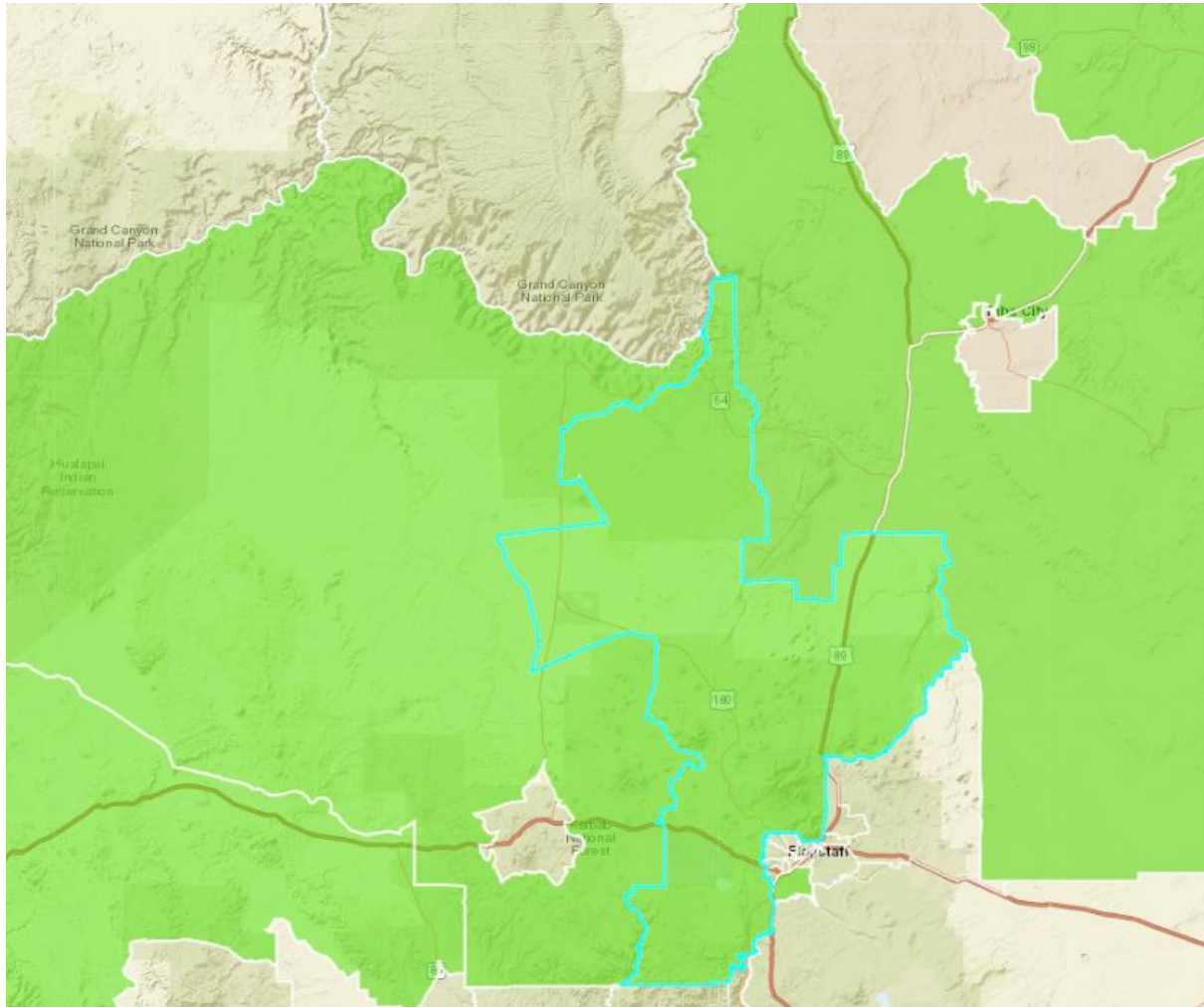
- A Census tract has about 4,000 inhabitants, on average.
 - Minimum: 1,200
 - Maximum: 8,000
- Census tracts do not cross county or state lines, but they do wash over city and tribal boundaries.
- Residential density affects the size and shape of tracts.
 - Urban tracts tend to be small and square or rectangular.
 - Rural tracts tend to be large and irregularly shaped.

Arizona's Opportunity Zones



[View Arizona's Opportunity Zones.](#)

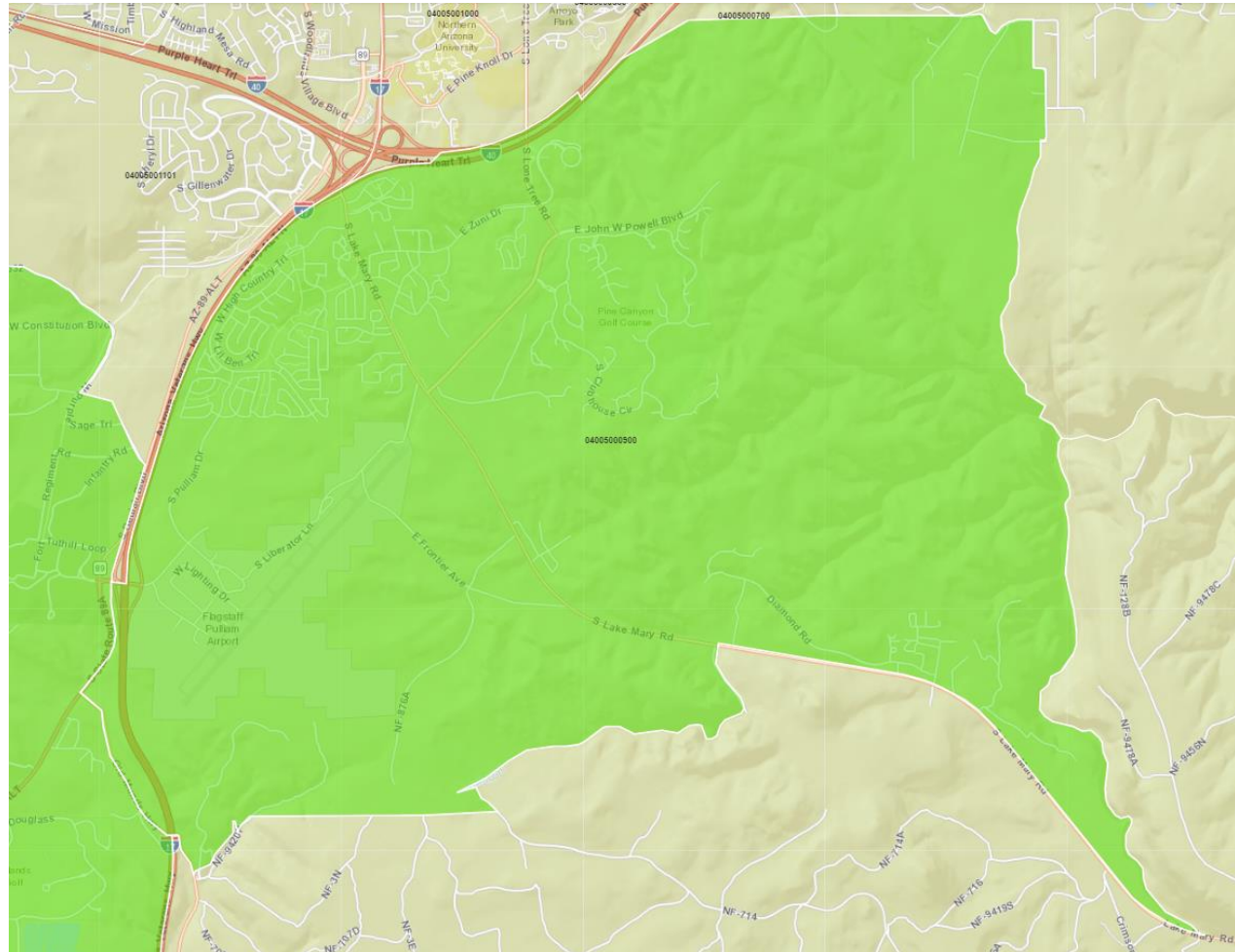
Nearby Opportunity Zones



Outlined tract is a contiguous tract recommended by both Coconino County and the Navajo Nation.

[View Arizona's Opportunity Zones.](#)

Flagstaff Area's Opportunity Zone



[View Arizona's Opportunity Zones.](#)



1,526

TOTAL ARIZONA
CENSUS TRACTS

671

ARIZONA CENSUS TRACTS
MEET CRITERIA*

168

CENSUS TRACTS
NOMINATED & APPROVED

REMARKABLE DEVELOPMENT OPPORTUNITIES ACROSS ARIZONA

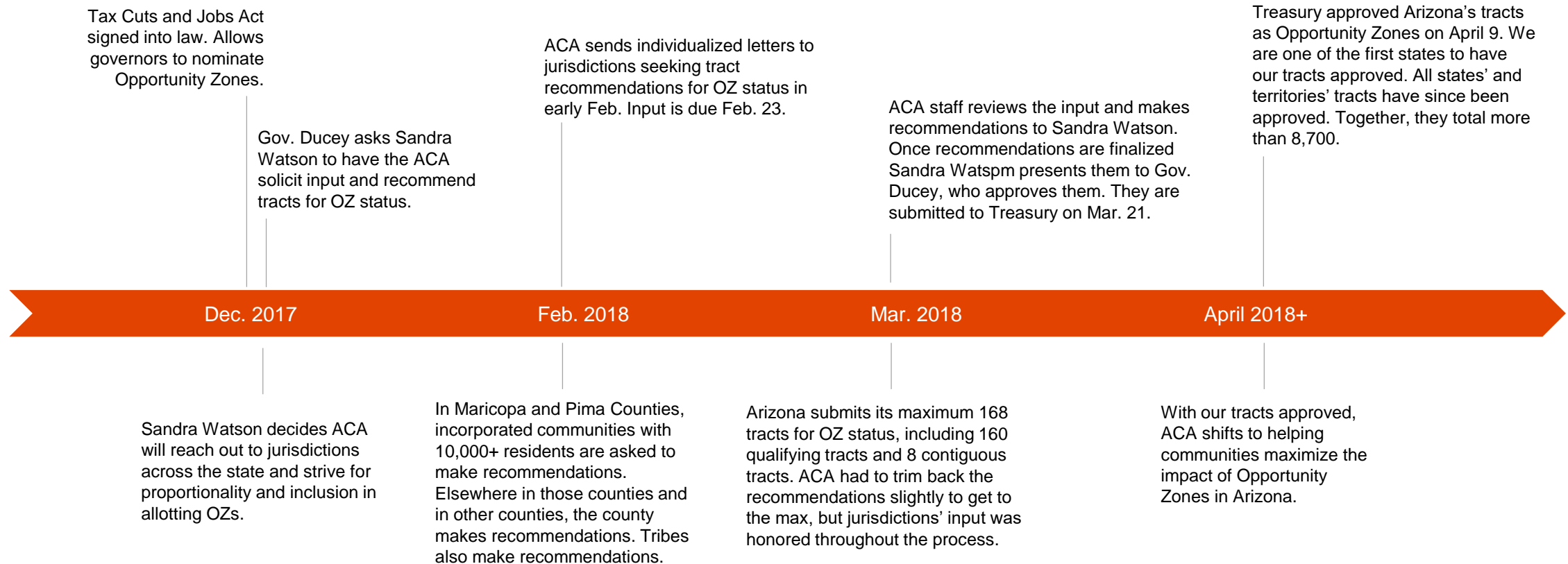
**CRITERIA BASED ON THE 2011-2015 AMERICAN COMMUNITY SURVEY DATA*



Arizona's Opportunity Zones

- Arizona has urban, suburban and rural Opportunity Zones, as well as tribal Opportunity Zones. We have a zone for every project, and a community in need of meaningful investment in every zone.
- Every county has at least one Opportunity Zone. Coconino County has two, plus a contiguous tract recommended by both the county and the Navajo Nation.
- Arizona was permitted to have up to 9 contiguous tracts; the state opted to nominate 8. All 8 of those, plus the 160 qualifying tracts, were approved by Treasury.
- Arizona's OZs are on both their own map and on the Arizona Assets Map.

Selecting Arizona's Opportunity Zones





How Opportunity Zones Work

U.S. tax code provides capital gains benefits to encourage investors to:

- Sell passively held investments.
- Reinvest resulting capital gains in long-term investments in property or businesses in Opportunity Zones.
 - Requires use of an intermediary vehicle, an Opportunity Fund. Investors may place their money in someone else's Opportunity Fund or start their own.

The idea of Opportunity Zones had floated around for a while with bipartisan support, notably from Sens. Cory Booker (D-New Jersey) and Tim Scott (R-South Carolina). The idea originated with Sean Parker, formerly of Napster and Facebook.



Federal Tax Benefits

1

DEFERRAL

REALIZE A CAPITAL GAIN,
REINVEST IT IN AN OPPORTUNITY
FUND. TAXATION ON THAT GAIN
DEFERRED UNTIL 12/31/2026.

2

10% REDUCTION

IF OPPORTUNITY FUND INVESTMENT
HELD FOR 5 YEARS BY 12/31/26, TAX
ON PREVIOUS DEFERRED GAIN
REDUCED 10 PERCENT.

3

15% REDUCTION

IF OPPORTUNITY FUND
INVESTMENT HELD FOR 7 YEARS,
BY 12/31/2026, TAX ON PREVIOUS
DEFERRED GAIN REDUCED 15
PERCENT.

4

ELIMINATION

IF OPPORTUNITY FUND
INVESTMENT IS HELD FOR 10+
YEARS, NO CAPITAL GAINS TAX
ASSESSED ON THAT (SECOND)
INVESTMENT.



State tax benefits...

... depend on the state.

- Most states, including Arizona, conform to the federal tax code.
- Investing in a non-conforming state can create tax hassles and higher costs, as can living in a non-conforming state and making Opportunity Zone investments anywhere.
- Some states are considering extra incentives or giving an advantage to OZ projects when awarding grants. Arizona incentives apply statewide, including in all Arizona Opportunity Zones.
- *Conformity Source:* [Novogradac](#)



Opportunity Fund Overview

- Must be organized as a corporation or partnership to invest in Opportunity Zones. LLCs are acceptable.
- May be organized to make a single investment/do a single project or to do multiple projects/investments.
- Must be certified by Treasury.
 - A fund “self certifies” by filling out form 8996 and submitting it with its federal tax return.
- Must have 90% of assets in qualified Opportunity Zone property.
 - Judged twice yearly, at mid- and end-point of tax year.
 - Penalty if failure to meet; may be waived if “due to a reasonable cause.”
 - Penalty is an amount equal to the excess of 90% of its aggregate assets over the aggregate amount of Opportunity Zone property held by the Opportunity Fund multiplied by the IRS’s underpayment rate.

OZ Investments: 3 Options

Opportunity Funds may invest in:



OZ BUSINESS
STOCK



OZ BUSINESS
PARTNERSHIP
INTEREST



BUSINESS
PROPERTY

Purchases must be made for cash. Stock must be original issue. Opportunity Funds may not invest in “sin businesses.”

1031 VS. Opportunity Fund

1031 Exchange	Opportunity Fund Investment
Investor must reinvest principal AND capital gain within 180 days of sale.	Investor may reinvest capital gain ONLY within 180 days of sale (generally) to get tax advantages. May roll all or part of gain. However, only the reinvested portion gets tax benefit.
Only real estate qualifies.	Capital gains from real estate or other investments may be invested in an Opportunity Fund.
“Designed for single asset swaps.”	Can be used for “a pooled fund that invests in multiple assets.”
“Capital gains tax payments for the initial investment may be deferred indefinitely.” Only reduction is via “a step up in basis upon death.”	Capital gains tax on the initial investment may be deferred until Dec. 31, 2026. Basis step up of 10 or 15 points applies if Opportunity Fund investment made by 2019 (15) or 2021 (10).
Capital gains tax owed on final asset sale.	If Opportunity Fund investment held for 10+ years, basis = fair market value, so no capital gains tax due on appreciation upon sale. In AZ and most other states, state tax law conforms.

Adapted from Fundrise site. Refers to federal tax policy only.



Opportunity Zone and Fund Context

Opportunity Zones and Funds are tax provisions. They are not programs in the way people think of programs.

- Dollars invested are not capped, but they must be capital gains to get the tax benefits and be invested within a limited time period (by end of 2026).
 - These are not government dollars, except to the extent of the tax reduction/elimination.
- No government application or pre-investment review for an Opportunity Zone project.
- No government review, rating or licensure of Opportunity Funds beyond self certification.
- No statutory requirement that investments in Opportunity Zones be aligned with community desires/needs or that investors engage communities in the development process.
- No public reporting requirements have been set yet, but IRS form 8996 has been revised to have some reporting requirements. Stay tuned!



OZ Statute: Short but Complex

The OZ portion of the tax overhaul is just a few pages, but that leaves a lot to be sorted out in the regulatory process.

- Not atypical for it to take years to sort out this type of thing, but with OZ statute's time's limits, that has been challenging.
- Treasury has to digest the entire tax law through its regulatory process, not just OZ provisions.



Substantial Treasury Guidance (1)

- October 2018
 - Provided guidance on setting up funds and how investors should let IRS know they were deferring tax payment.
 - Clarified that only capital gains (long- or short-term) would receive the Opportunity Fund-related tax benefits.
 - Established a working capital safe harbor for companies developing projects with Opportunity Fund support, making multi-year projects feasible.
 - Made rehab projects more desirable, if still somewhat challenging.
 - Made investing in businesses that are largely, but not wholly, in Opportunity Zones feasible.

Substantial Treasury Guidance (2)

- April 2019
 - Delved into how to invest in operating businesses, including clarifying guidance from October 2018.
 - Explained how to invest Opportunity Funds on rented property.
 - Discussed tax implications of interim gains and rules for reinvestment, which comes up when a fund holds an investment for less than 10 years.



Substantial Treasury Guidance (3)

- Final round of guidance released in mid-December 2019:
 - Makes it easier to invest 1231 gains and made exits after 10 years easier
 - Clarifies the tax implications of passing on an interest in an Opportunity Fund
 - Not taxable if transfer is upon death; is taxable if transfer is upon divorce
 - De minimis exception for sin businesses (5% of gross income of an OZ business can come from sin business)
 - Limits working capital safe harbor to 62 months
 - Makes substantial improvement test easier to meet—but rules are complex
 - Reduces how long a property must be vacant to be held to “original use” rules for redevelopment, to 3 years from 5 years
 - Make it easier for land leases with state/local governments and Native American tribes to be considered good property
 - Provided clarification on how to satisfy the intangible property test for operating businesses
 - Added anti-abuse rules, including anti-land banking examples

OPEN FOR OPPORTUNITY

ARIZONA OPPORTUNITY ZONES NETWORK

New, interactive tool designed to help further connect the Opportunity Zones community.

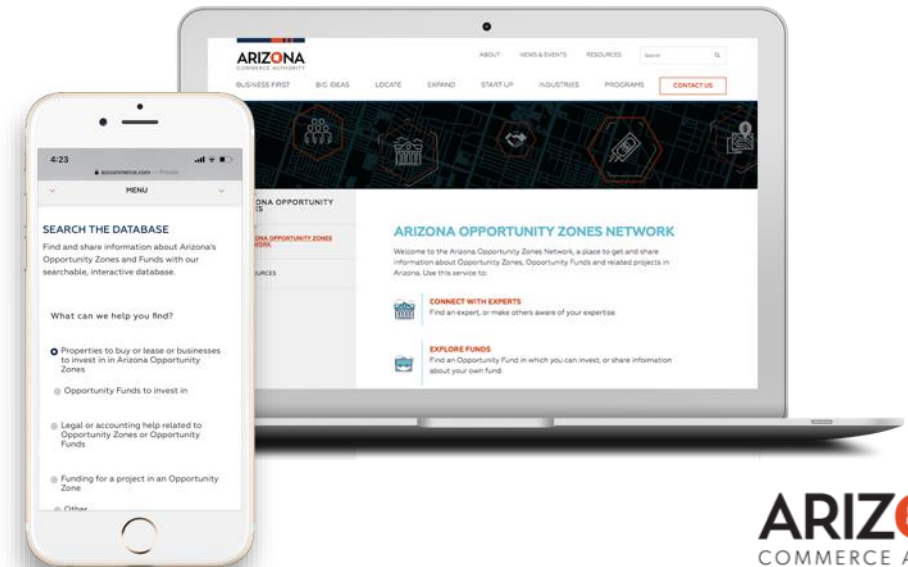
The searchable database allows users to:

- Connect with experts, investors or projects
- Find project, fund or investment opportunities
- Locate available properties
- List projects, investment opportunities or expertise

Visit the [Arizona Opportunity Zones Network](#) and add your information.

+100 INVESTMENT
OPPORTUNITIES
ACROSS THE STATE

**DOZENS OF EXPERT
AND FUND PROFILES**





What Cities Can Do to Leverage OZs

- Identify the properties in your zone(s) most likely to be able to take advantage of Opportunity Fund financing in the next few years.
- Learn key details about those properties that will be essential to marketing the properties, including zoning, utility availability, neighboring uses, whether there are entitlement issues, etc.
- Be prepared to respond to requests for information about the properties in one business day.
- Determine whether there are conflicting zoning, permitting or building code regulations that need resolution.
- Identify likely investors, including existing Opportunity Funds and local investors who might be inclined to start their own funds.
 - [Novogradac](#) list
 - [NCSHA](#) directory



Questions?



WE'RE HERE TO HELP!

ADDITIONAL QUESTIONS?



Shawn Neidorf, Ph.D
Senior Vice President, Research, ACA
ShawnN@AZcommerce.com

THANK YOU



CITY OF FLAGSTAFF

STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Ed Schenk, Stormwater Project Manager
Co-Submitter: Monica Rabb
Date: 02/11/2020
Meeting Date: 02/25/2020



TITLE

Linda Vista Culvert Upsizing

STAFF RECOMMENDED ACTION:

City Council approval of staff's proposed funding option and to move the timing of the project forward.

EXECUTIVE SUMMARY:

The Water Services Division has two upcoming projects that are located adjacent to one another along Linda Vista Drive: the Stormwater Culvert Upsizing by Community Development, and the replacement of the Water Pressure Reducing Valve (PRV) by Water Services. These two projects can be constructed simultaneously this Spring/Summer prior to the Monsoons. Constructing these two projects simultaneously not only will save project costs but will reduce impacts to the community by combining necessary road closures. The need to upsize the culvert is a result of last year's Museum Fire and is not funded in this fiscal year's Stormwater Enterprise Fund Capital Improvement Program (CIP). Staff initially anticipated partially funding the Linda Vista Culvert Upsizing project using a grant through FEMA's Hazard Mitigation Grant Program of approximately \$187,000. Waiting for this grant would require the City to delay construction on this project until after the 2020 Monsoons. With the U.S. Army Corps of Engineers (USACE) recently announcing the Rio de Flag Flood Control Project will be funded in the next Federal Fiscal Year, staff believes we can reallocate current funding to complete this project. The USACE's announcement has a profound impact on Stormwater's CIP freeing up funding for other drainage projects that are needed in the event the Rio de Flag Flood Control Project was further delayed for lack of funding. Specifically, the solution to the repair/replacement of the Phoenix Avenue Bridge near Beaver Street becomes less expensive since this structure will no longer have to accommodate the entire flows within the Rio de Flag in the future. The Phoenix Avenue Bridge project is funded in FY2019-2020 at \$999,995 and staff is proposing the anticipated savings from this project be re-directed to fund the Linda Vista Stormwater Culvert Upsizing at a cost of \$322,000.

INFORMATION:

The Museum Fire started in July 2019 and burned approximately 1900 acres of steep slopes in the Dry Lake Hills. Preliminary flood models, completed while the fire was still active, indicated that post-fire flooding is possible in Spruce Wash, the predominant drainage of the fire footprint. Potential flood impacts the Flagstaff neighborhoods of Grandview and Sunnyside and would be exacerbated by an undersized culvert at Linda Vista Avenue. The City hired a consulting firm who completed the engineering design for a culvert upsizing at Linda Vista, the design calls for an additional arched corrugated metal pipe that will increase the capacity of the road crossing to match that of the next

downstream culvert at Cedar Avenue. The total capacity would increase from 184 cubic feet per second to 325 cubic feet per second. As a reference, the new 25-year flood is predicted by the 2019 flood model to be 1,329 cubic feet per second. This project will not mediate large floods but will provide neighborhood protection for medium-sized flow events.

Additionally, the flood model has not been updated since summer 2019. There are several factors that may have changed the predicted flows. These include:

- Low severity burn areas are largely re-vegetated with native grasses.
- Some high severity burn areas are now mulched (168 acres)
- Some channel conditions have been improved (“detention” basin at Elden Road and channel crossing, RAC mitigation efforts on the alluvial fan)
- Updated soil infiltration measurements from NAU/COF/AZGS.
- Planned snag removal and soil stabilization awarded to FWPP
- The model does not take into account infiltration across the alluvial fan. Observed infiltration during rain events in 2019 was substantial with one flow event seeing a drop from 200 cubic feet per second upstream from Mount Elden Road to approximately 2 cubic feet per second at Paradise Road near the City limits.

While being conservative on flood flow calculations helps communities be better prepared, it should also be noted that there has not been an extensive geophysical or geotechnical survey of the alluvial fans that impact Spruce Wash flow and soil infiltration. The pre-fire FEMA flood study predicts a 10-year flood of 60 cfs at Linda Vista, a 50-year flood of 180 cfs (at culvert capacity), and a 100-year flood of 230 cfs. The largest recorded flow near Linda Vista was 5 cfs (USGS report) and the water has never been recorded to overtop Linda Vista Drive. Traditional hydrologic models have struggled to calculate flood flows for the headwaters of Spruce Wash due to the high infiltration rates mixed conifer forests and the in the alluvial fan reach. The magnitude of the flood threat is yet unknown and may be considerably less than either the Schultz Fire or the 2019 hydrologic model.

The cost of the Linda Vista culvert upsizing is approximately \$322,000 according to Community Development who is delivering this project on behalf of Water Services - Stormwater. Water Services had initially planned to partially fund this project using a Hazard Mitigation Grant Program (HMGP) grant through FEMA that is in review at the State level. This funding source is secured for state and federally declared disasters and as such is assured funding for the City. HMGP will provide approximately \$187,000 of federal funds for the Linda Vista culvert. The FEMA funding, however, is not available until the grant is awarded, likely in late summer 2020. Waiting for this funding does have potential drawbacks including missing the 2020 monsoon season. Community Development has worked with Eagle Mountain Construction under a Job Order Contract (JOC) on costing and planning for both the PRV and Linda Vista Culvert projects. There is a time and cost savings by moving forward with both projects in the spring at the same time, The City will save approximately \$24,000 by combining projects. Doing the projects separately will cost more now and cause more interruptions to the community with multiple road closures. Eagle Mountain estimates that the PRV project will take 5 days of road closure and the culvert replacement will take 10 days of closure. Combining these projects will reduce the closure time to 10 days total, which is 5 days less than doing the projects separately.

By combining the PRV replacement and the culvert upsizing projects this Spring/Summer will disqualify the City from receiving the federally funded grant. The Federal funds identified for this project will be released, and the next highest HMGP priority is a Coconino County Flood Control District proposal for fuels reduction on Bill Williams Mountain, a project outside of the Flagstaff community.

Linda Vista Culvert Upsizing

Ed Schenk, Stormwater Project
Manager





PURPOSE

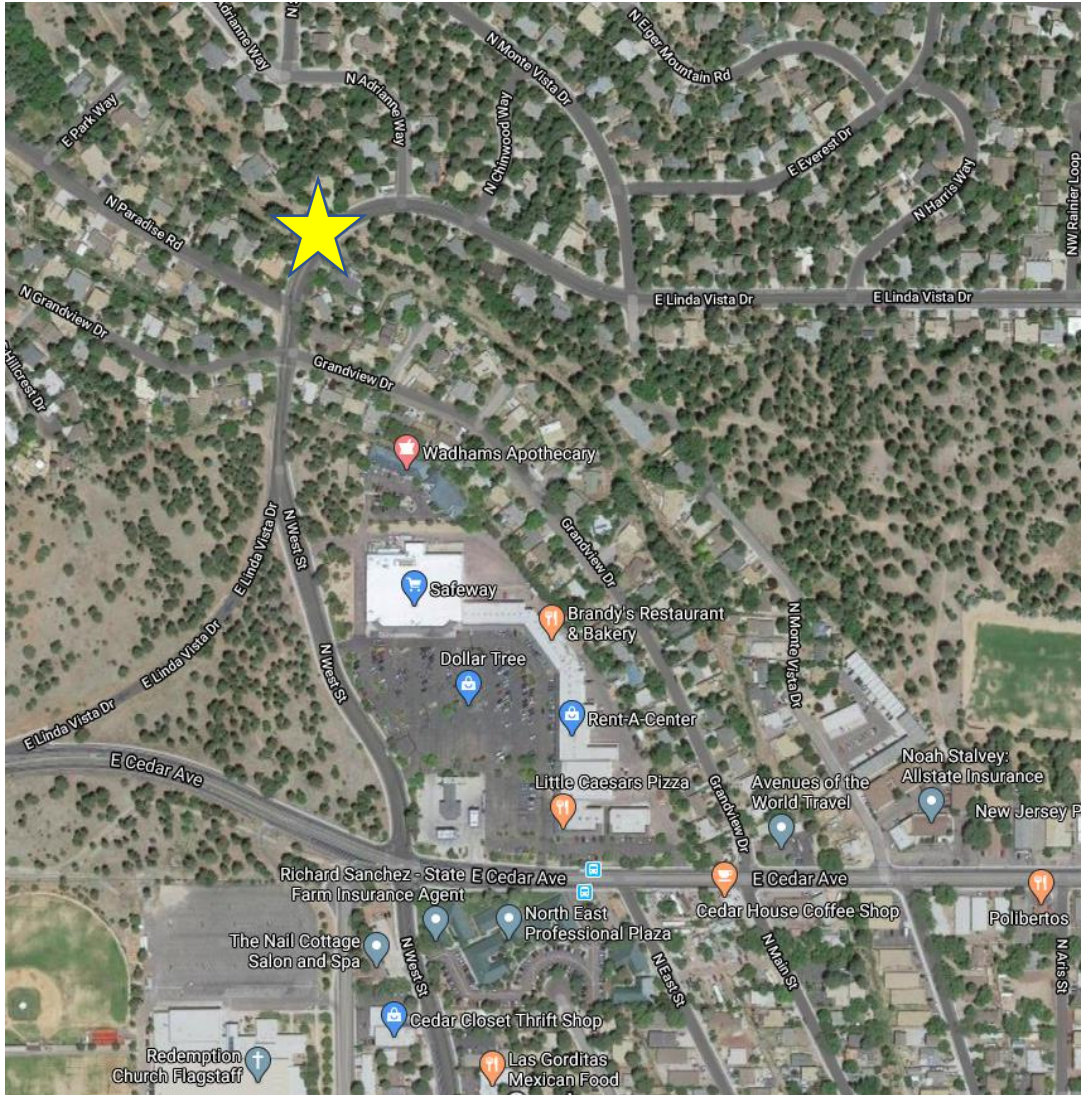
- Seize an opportunity to combine two Water Services Projects along Linda Vista Drive
 - Combined construction for the Pressure Reducing Valve and Culvert replacement
 - Decrease overall funding costs by \$24,000
 - Reduce impacts to the driving public by minimizing street closures along Linda Vista Drive

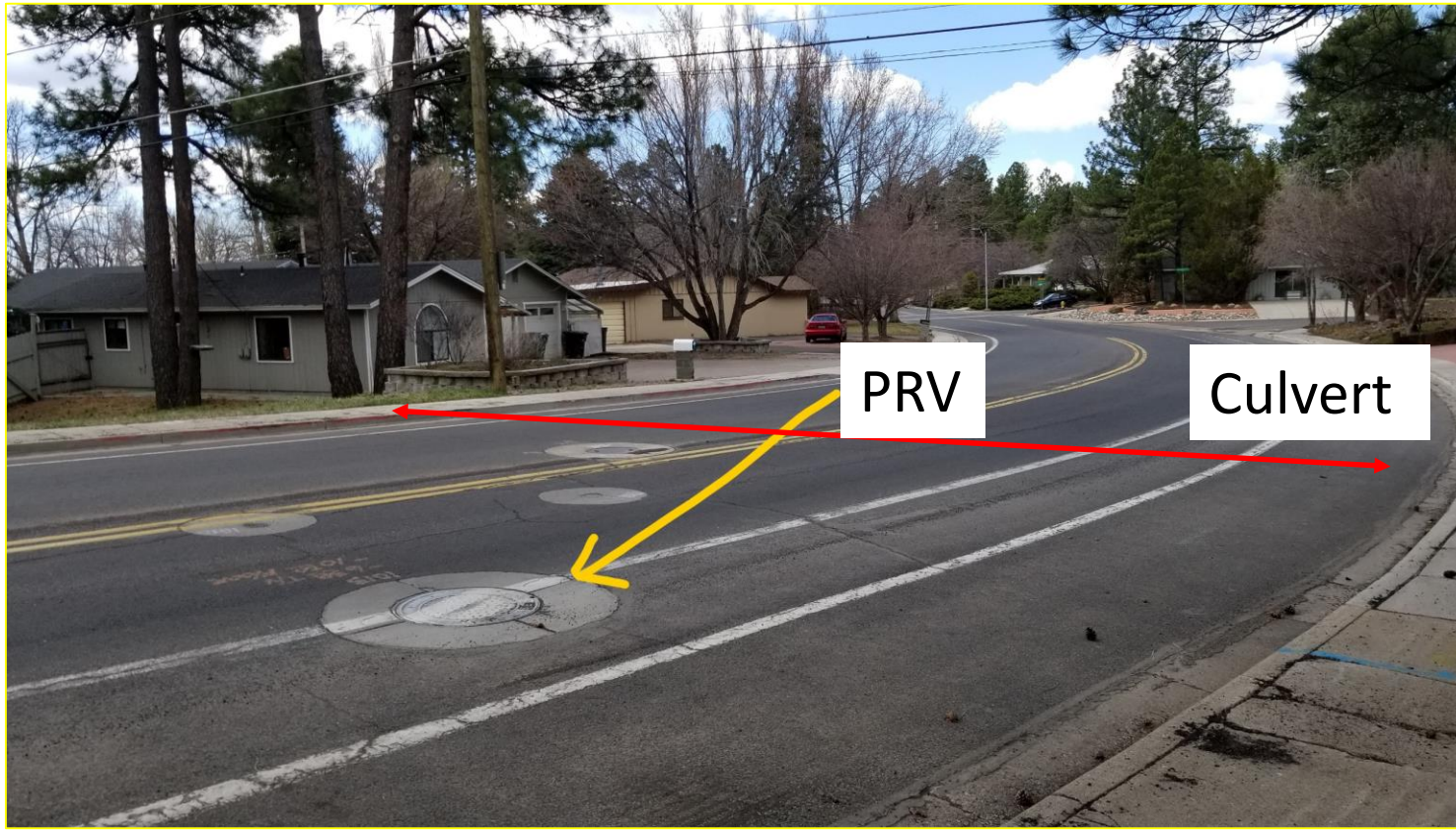


Linda Vista culvert upsizing



- Museum Fire has altered flood potential in Spruce Wash.
- The culvert at Linda Vista Avenue was identified pre-fire as undersized and was scheduled for up-sizing in 2023 using Stormwater funds.
- Increase in capacity from 184 CFS to 325 CFS
- Cost of installing a second arched culvert is \$322,000.
- Funding options:
 - A. Use Stormwater Reserve Funds to cover the cost of culvert improvements to complete the project in April. FY20 budgeted at \$300,000
 - B Utilize FEMA funds (\$187,000) combined with additional funds from Stormwater but would need to defer project until Fall 2020.
- Either option moves the project to calendar year 2020
- Staff recommends to forgo FEMA funding and combine the construction of the PRV replacement and Culvert upsizing to March/April 2020



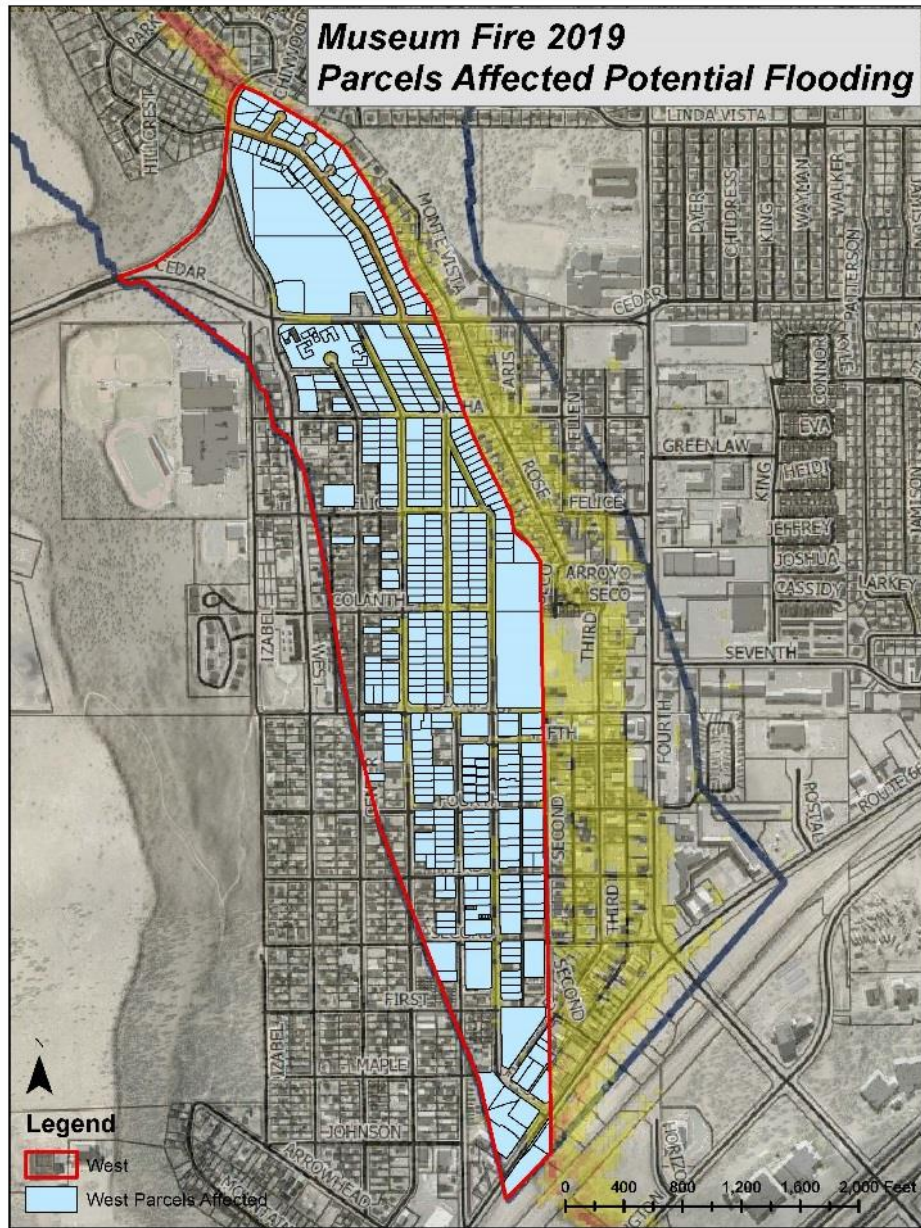


- Project Construction scheduled from April, 2020
- Existing Pressure Reducing Valve installed in 1990
- Existing PRV located in middle of roadway
- Relocation of new PRV to side of roadway

PRV Replacement
Potential for combining City efforts

2019 winter cleanout

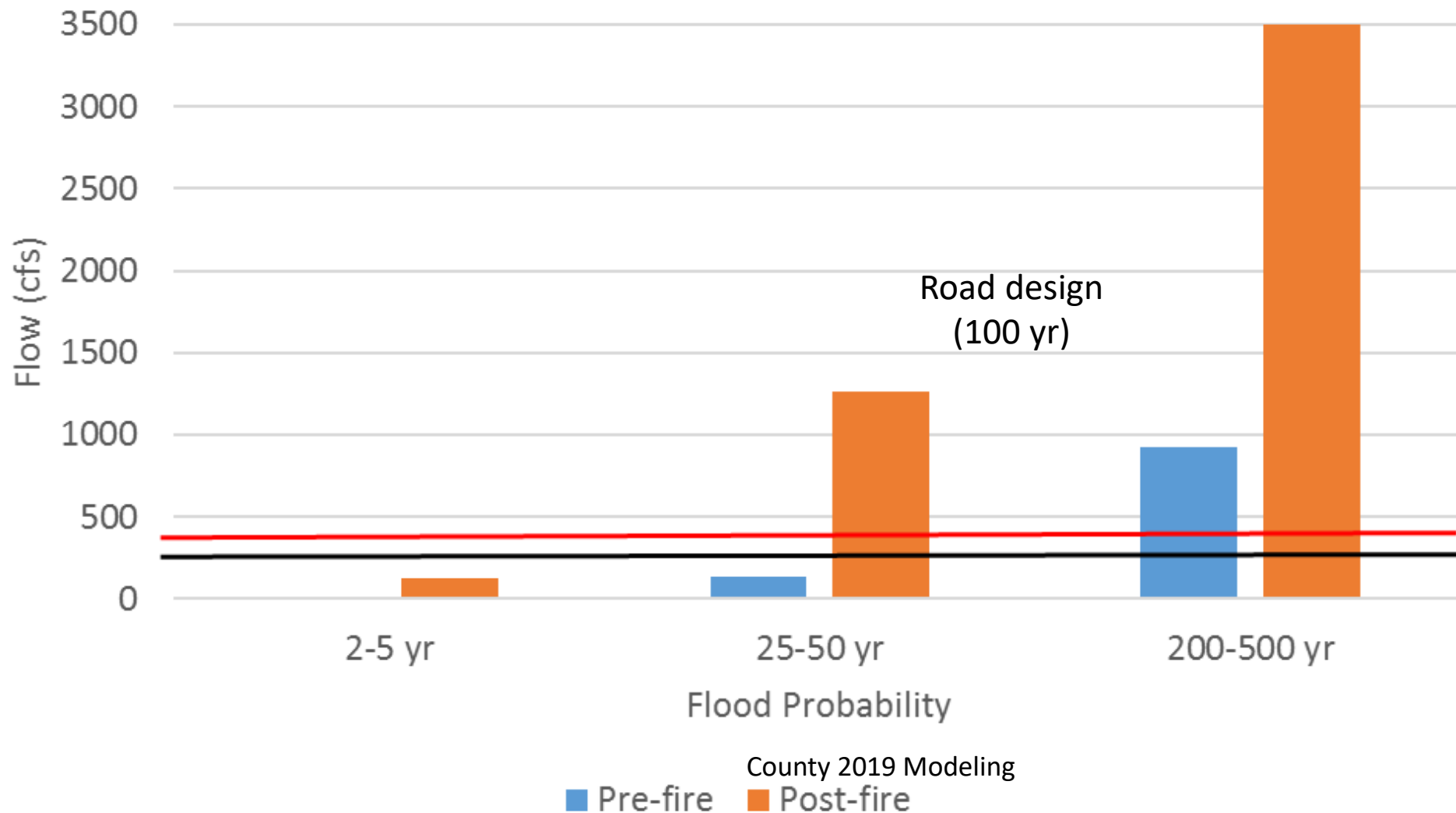




- Based upon the County's 2019 modeling, overflow from Linda Vista will mostly flow down Grandview St. and into the Sunnyside neighborhood.
- Increasing the capacity beyond 325 CFS would increase flooding at Cedar Ave. and also at Dortha inlet.

- Culvert design was completed in the winter under Community Development.
- Flood control mitigation was completed by the County and City in summer/fall 2019 to cover anticipated flooding
- PRV design has been completed for some time.





<- Overbank flooding
regardless of culvert
work

<- Mitigated flooding
<- Flow contained
within existing
culvert

Graph showing potential flows at Linda Vista Avenue. Black line represents current capacity, red line shows increased capacity with new culvert. Blue boxes indicate pre-fire predicted flows while orange box indicates current conditions.

Summary



- Combining the Culvert with the PRV project will:
 - save \$24,000 in mobilization/demobilization costs.
 - reduce the overall street closure to 10 days from 15 days if completed separately.
- Medium sized floods (10 year floods) will be mitigated.
- \$322,000 will be transferred from Stormwater Reserve
- Staff recommends to forgo the \$187,000 in federal funding
- Start of combined project will be ***March 30, 2020***





FLAGSTAFF
WATER SERVICES
We are Water

QUESTIONS?

Ed Schenk, Stormwater Project
Manager



CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Stacy Saltzburg, City Clerk
Date: 02/06/2020
Meeting Date: 02/25/2020



TITLE

Discussion: Policy to allow all employees to live outside city limits except by those who are specified by City Charter

STAFF RECOMMENDED ACTION:

Council Direction.

EXECUTIVE SUMMARY:

Councilmember Whelan made a Future Agenda Item Request on October 1, 2019, which was supported by the required number of Councilmembers. The item is now before the Council for discussion and direction to staff.

INFORMATION:

The City Charter makes reference to five City positions that must maintain their residence within the City of Flagstaff during their tenure of office; City Manager, City Clerk, City Treasurer, City Attorney, Department Heads which are defined in the City Code as Deputy City Manager(s).

There are four policies contained within the City of Flagstaff Personnel Handbook that relate to residency requirements for City employees:

- 1-10-010.01: General Definitions
- 1-20-042: On-Call and Call-Out Pay
- 1-60-010: Residency Requirements
- 1-60-015: Use of City Vehicle

The policies are attached to this staff summary for your review. Please note that although the On-Call and Call-Out Pay policy is silent on the matter of residency, there are multiple divisions that have their own related policies that may refer to restrictions.

The Residency Requirement policy was updated on November 6, 2018 to change the residency requirement from a specified boundary to a one-hour response time, except for Fire Department personnel and unless the City employee was taking home a City vehicle. The one-hour response time was important to City staff, so they could respond in a timely fashion to emergency situations such as water line breaks, sewer back-ups and snow operations. This did not apply to Fire Department personnel because of the automatic aid and other agreements in place that would provide an emergency response team rather than calling in personnel who were not scheduled to work.

In April 2019 the Governor approved Senate Bill 1231 which amended Arizona Revised Statute 9-500.46 to prohibit residency requirements for any Firefighter or Peace Officer as a condition of employment. This amendment did not include any executive level Firefighter or Peace Officer positions. Human Resources personnel are working on a revision to the Residency Requirement policy for City Council's consideration to comply with the Arizona Revised Statutes changes.

Attachments: [City Charter](#)
 [Residency Policies](#)

COUNCIL-MANAGER CHARTER

FOR THE CITY OF FLAGSTAFF, ARIZONA

The original Charter for the City of Flagstaff was prepared by the Board of Freeholders, as provided by law, and submitted to the qualified electors on September 12, 1958. Approval was granted for the Charter by Governor Ernest W. McFarland on October 3, 1958.

Amendments were proposed by the City Council and submitted to the qualified electors of the City on June 20, 1972. The amendments were approved on August 14, 1972, by Governor Jack Williams.

Amendments were again proposed by the City Council and submitted to the qualified electors of the City on March 2, 1982. The amendments were approved on June 7, 1982, by Governor Bruce Babbitt.

Amendments were again proposed by the City Council and submitted to the qualified electors of the City on March 6, 1984. The amendments were approved on April 10, 1984, by Governor Bruce Babbitt.

Amendments were again proposed by the City Council and submitted to the qualified electors of the City on March 1, 1988. The amendments were approved on May 4, 1988, by Governor Rose Mofford.

Amendments were again proposed by the City Council and submitted to the qualified electors of the City on May 19, 1998. The amendments were approved on June 29, 1998, by Governor Jane Dee Hull.

An amendment was again proposed by the City Council and submitted to the qualified electors of the City on May 18, 2008. The amendment was approved on June 19, 2008, by Governor Janice K. Brewer.

Amendments were proposed by the City Council and submitted to the qualified electors of the City on May 19, 2015; ten of the twelve amendments were approved. The amendments were then approved on July 14, 2015, by Governor Douglas A. Ducey.

Amendments were proposed by the City Council and submitted to the qualified electors of the City on November 3, 2015; four of the seven amendments were approved. The amendments were then approved on February 5, 2016, by Governor Douglas A. Ducey.

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ARTICLE I
INCORPORATION, FORM OF GOVERNMENT, POWERS,
CORPORATE SEAL

Section 1—INCORPORATION

The inhabitants of the City of Flagstaff, within the corporate limits as now established, or as hereafter established in the manner provided by law, shall continue to be a municipal body politic, and corporate in perpetuity, under the name of "City of Flagstaff."

Section 2—FORM OF GOVERNMENT

The municipal government provided by this Charter shall be known as the "Council-Manager Government." Pursuant to its provisions, and subject only to the limitations imposed by the State Constitution, the laws of the State of Arizona, and by this Charter, all powers of the City shall be vested in an elective council, hereinafter referred to as "the Council," which shall enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who shall execute the laws and administer the government of the City. All powers of the City shall be exercised in the manner prescribed by this Charter, or, if the manner be not prescribed, then in such manner as may be prescribed by ordinance or the laws of the State of Arizona.

Section 3—POWERS OF THE CITY

The City shall have all the powers granted to municipal corporations and to cities by the Constitution and general laws of this State, together with all the implied powers necessary to carry into execution all the powers granted.

The City may acquire property within or without its corporate limits for any city purpose, in fee simple or any lesser interest or estate, by purchase, gift, devise, lease, or condemnation, and may sell, lease, exchange, mortgage, hold, manage, and control such property as its interests may require; and, except as prohibited by the Constitution of this State, or restricted by this Charter, the City shall and may exercise all municipal powers, functions, rights, privileges, and immunities of every name and nature whatsoever, and especially to enter into contracts, cooperative and otherwise, with the Government of the United States, the State of Arizona, Coconino County, or any other political subdivision of this State for the construction, maintenance and operation of roads, highways, parks, sewers, waterworks, water conservancy districts, public utilities, and public buildings, all when deemed for the best interest of the City. The enumeration of particular powers by this Charter shall not be deemed to be exclusive, and, in addition to the powers enumerated herein, or implied hereby, or appropriate to the exercise of such powers, it is intended that the City shall have and may exercise all powers which, under the Constitution or laws of this State, it would be competent for this Charter specifically to enumerate. (8/14/1972)

Section 4—CORPORATE SEAL

The City shall have a Corporate Seal, which shall be in the custody of the City Clerk.

ARTICLE II THE COUNCIL AND THE MAYOR

Section 1—NUMBER

The Council shall consist of a Mayor and six (6) Councilmembers elected from the City. (06/07/1982)

Section 2—SELECTION

The Council shall be elected at large. (06/07/1982)

Section 3—TERM OF THE MAYOR

The term of the office of the Mayor shall commence on the date of the second regular meeting following canvass of the election, and shall be for two (2) years, or until a successor is elected and inducted. (04/18/1972; 06/07/1982; 07/14/2015)

Section 4—TERM OF COUNCILMEMBERS

The term of the office of Councilmembers shall commence on the date of the second regular meeting following canvass of the election, and except as otherwise provided herein, shall be for four (4) years, or until their successors are elected and inducted. Each even-numbered year, three (3) Councilmembers shall be elected. (04/18/1972; 06/07/1982; 07/14/2015)

Section 5—QUALIFICATIONS

The Mayor and the Councilmembers shall be qualified electors of the City, and shall hold no other public office except that of notary public, or member of the National Guard or Naval or Military Reserve. If a Councilmember or the Mayor shall cease to possess any of these qualifications, or shall be convicted of a crime involving moral turpitude, the office shall immediately become vacant. (06/07/1982)

Section 6—SALARY

The annual salary of the Mayor and Councilmembers shall be as determined by ordinance, but shall not be increased or decreased during the current term of Councilmembers enacting such ordinance. (06/07/1982)

Section 7—DUTIES OF THE MAYOR

The Mayor shall be the Chairperson of the Council, and preside over its meetings. The Mayor may make and second motions and shall have a voice and vote in all its proceedings. The Mayor shall be recognized as head of the City government for all ceremonial purposes, and by the Governor for purposes of martial law, and shall have executive but no regular administrative duties. (04/18/1972; 06/07/1982)

Section 8—INDUCTION

At the second regular meeting following canvass of the election, the Council shall induct into office the newly-elected Mayor and Councilmembers and organize the Council. At this meeting, the Council shall designate one of its members as Vice-Mayor, who shall serve in such capacity at the pleasure of the Council. The Vice-Mayor shall perform all the duties of the Mayor during the absence or disability of the Mayor. (04/18/1972; 06/07/1982; 07/14/2015)

Section 9—ABSENCE TO TERMINATE MEMBERSHIP

If any Councilmember shall be absent from more than two (2) consecutive regular meetings without the consent of the Council, the member shall thereupon cease to hold office. If the Mayor shall be absent for more than two (2) consecutive regular meetings without the consent of the Council, the Mayor shall thereupon cease to hold office. (06/07/1982)

Section 10—VACANCIES IN THE COUNCIL AND THE OFFICE OF MAYOR

The Council, by a majority vote of its remaining members, shall, within thirty-one (31) days, fill the vacancies in its own membership, and in the office of Mayor, for the unexpired terms. In the event that such unexpired term exceeds two years from the first date on which candidates may file their nomination papers and petitions, then the appointment to such vacancy shall be for the period from the appointment until the next succeeding city candidate election, at which time a Councilmember shall be elected to serve the remainder of the term and who shall be designated on the ballot as running for the "short term." (06/07/1982; 07/14/2015)

Section 11—POWERS OF THE COUNCIL

All powers of the City, and the determination of all matters of policy, shall be vested in the Council.

Section 12—COUNCIL MEETINGS

The Council shall meet regularly at such times and at such places as shall be prescribed by its rules, but not less frequently than once each month. All meetings of the Council shall be open to the public. No change shall be made in regular meeting times or place without a published seven-day notice.

Section 13—SPECIAL MEETINGS

The Mayor or City Manager may, or, at the request of three (3) members of the Council, shall, by giving notice thereof to all members of the Council then in the City, call a special meeting of the Council for a time not earlier than three (3) hours after the notice is given. Special meetings of the Council may also be held at any time by the common consent of all the members of the Council. (06/07/1982; 02/05/2016)

Section 14—RULES OF PROCEDURE; JOURNAL

The Council shall determine its own rules and order of business, subject to the provisions of this Charter. It shall keep a journal of its proceedings, and the journal shall be open to public inspection.

Section 15—QUORUM; AYES AND NAYS

A majority of the members of the Council shall constitute a quorum, but a smaller number may adjourn from day to day, or from time to time. The vote on any question shall be by ayes and nays, and shall be entered in the journal. At the request of any member of the Council, a roll-call vote shall be taken.

Section 16—FAILURE TO VOTE

No member of the Council present at any meeting shall be excused from voting, except in matters involving the consideration of their own official conduct. In all other cases, a failure to vote shall be entered on the minutes as an affirmative vote.

Section 17—CONSIDERATION OF PETITIONS

Any citizen of the City may present a written petition to the City Manager, signed by a minimum of 25 citizens from the City of Flagstaff in a form prescribed by ordinance, who shall present it to the Council at its next regular meeting; such petition shall be acted upon by the Council, in the regular course of business, within thirty-one (31) days after such presentation. (02/05/2016)

Section 18—COUNCIL NON-INTERFERENCE IN APPOINTMENTS OR REMOVALS

Neither the Council nor the Mayor shall direct or request the appointment of any person to, or removal from, office by the City Manager, or by any of the Manager's subordinates, or in any manner take part in the appointment or removal of officers and employees in the administrative service of the City, except as otherwise provided by this Charter. Except for purposes of inquiry, the Council and its members shall deal with the administrative service solely through the City Manager, and neither the Council nor any member thereof shall give orders to any subordinates of the City Manager, either publicly or privately. Any Councilmember violating the provisions of this Section, or voting for a resolution or ordinance in violation of this Section, shall be subject to expulsion by the unanimous vote of the remaining Councilmembers. Nothing in this Section shall be construed, however, as prohibiting the Council while in open or executive sessions from fully and freely discussing with or suggesting to the City Manager anything pertaining to City affairs or the interests of the City. (04/18/1972)

Section 19—CONDUCT OF COUNCIL AS TO POWERS AUTHORIZED BY CHARTER WHEN NO PROCEDURE HAS BEEN ESTABLISHED BY STATE LAW

Whenever, by any provision of this Charter, it is prescribed that any power, duty, or procedure shall or may be exercised, performed, or adopted in the manner established by any law of this State, and there be no procedure established by law therefor, then the Council shall by ordinance prescribe the procedure.

ARTICLE III THE CITY MANAGER

Section 1—APPOINTMENT OF THE CITY MANAGER

The Council shall appoint an officer of the City who shall have the title of City Manager, and shall have the powers and perform the duties in this Charter provided. No Councilmember shall receive such appointment during the term for which elected, nor within one year after the expiration of the term. (06/07/1982)

Section 2—THE CITY MANAGER; QUALIFICATIONS

The City Manager shall be chosen by the Council solely on the basis of executive and administrative qualifications, with special reference to actual experience in, or knowledge of, accepted practice in respect to the duties of the City Manager's office, as hereinafter set forth. At the time of appointment, the City Manager need not be a resident of the City or State, but during the tenure of office, shall reside within the city.

Section 3—POWERS AND DUTIES

The City Manager shall:

- (a) Devote entire time to the discharge of official duties, prepare the agenda for, and attend, all meetings of the Council, unless excused therefrom by the Council or the Mayor;
- (b) See that all ordinances are enforced, and that the provisions of all franchises, leases, contracts, permits, and privileges granted by the City are observed;
- (c) Appoint and, when necessary for the good of the service, lay off, suspend, transfer, demote, or remove all officers and employees of the City, except as otherwise provided by this Charter, and except as the Manager may authorize the head of a department or office to appoint and remove subordinates in such department or office, subject to such merit system regulations as the Council may adopt; (06/07/1982)
- (d) Prepare the annual budget estimates and submit them to the Council, and be responsible for the administration of the budget after adoption;
- (e) Keep the Council advised at all times of the affairs and needs of the City, and make reports annually, or more frequently, if requested by the Council, of all affairs of the City;
- (f) Act as purchasing agent for all departments of the City, giving due consideration to the recommendations and counsel of department heads;
- (g) Have such other powers, duties, and functions as this Charter may prescribe, and such powers, duties, and functions consistent with this Charter that the Council may prescribe.

Section 4—RIGHT OF THE CITY MANAGER TO A SEAT IN THE COUNCIL

The City Manager shall be entitled to a seat in the Council, except in matters involving the conduct or the performance of the City Manager's duties, but shall have no vote therein. The City Manager shall have the right to take part in the discussion of all other matters coming before the Council. (06/07/1982)

Section 5—THE ACTING CITY MANAGER

- (a) The City Manager shall designate, with the approval of the Council, a qualified administrative officer of the City to perform duties during the City Manager's temporary absence or disability. (06/07/1982)
- (b) If the City Manager is suspended by the Council, or if there is a vacancy in the office of the City Manager, the Council shall appoint an Acting City Manager to serve until the suspension ceases, or until another City Manager is appointed and qualified, as the case may be. No Acting City Manager shall hold the position as such for more than eight (8) months, and no appointment of an Acting City Manager shall be renewed. When there is a vacancy in the office, the Council shall fill the position within eight (8) months of the creation of the vacancy. (06/07/1982)

Section 6—REMOVAL OF THE CITY MANAGER

The Council shall appoint the City Manager for an indefinite term and may remove the Manager by an affirmative vote of five (5) members of the Council. The City Manager may, within ten (10) days from the date of said vote, request a public hearing to be held not later than thirty (30) days thereafter. Severance pay will be at the discretion of the Council. The action of the Council in suspending or removing the Manager shall be final and conclusive on everyone, it being the intention of this Charter to vest all authority and fix all responsibility for such suspension and removal in the Council. (04/18/1972; 06/07/1982)

ARTICLE IV ADMINISTRATIVE DEPARTMENTS, OFFICES, AND EMPLOYEES

Section 1—ADMINISTRATIVE DEPARTMENTS AND OFFICES

- (a) The Council, by ordinance not inconsistent with this Charter, shall provide for the organization, conduct, and operation of the several offices and departments of the City as established by this Charter, for the creation of additional departments, divisions, offices, and agencies, and for their consolidation, alteration, or abolition.
- (b) The Council, by ordinance not inconsistent with this Charter, may assign additional functions or duties to offices, departments, divisions, or agencies. Where the positions are not incompatible, the Council may combine in one person the powers and duties of two or more offices created or authorized by this Charter.

- (c) The Council shall provide for the number, titles, qualifications, powers, duties, and compensation of all appointive officers of the City. (06/07/1982)
- (d) City officials, as designated by this article, and all heads of departments shall be residents of the City during their tenure of office.

Section 2—THE CITY CLERK

The City Manager shall appoint an officer of the City, who shall have the title of City Clerk, and who shall give notice of all Council meetings, keep the journal of the Council's proceedings, authenticate by signature, and record in full in books kept for the purpose, all ordinances and resolutions, and perform such other duties as shall be required by this Charter, or by ordinance. The City Clerk will serve at the pleasure of the City Manager. (04/18/1972; 06/07/1982; 07/14/2015)

Section 3—THE CITY TREASURER

The City Manager shall, with approval of the Council, appoint an officer of the City, who shall have the title of City Treasurer, and who shall receive and have custody of all the money the City, and shall keep and save said money, and dispense the same only as provided by ordinance, and who shall always be bound by the Constitution, laws of the State, Charter of the City, and ordinances, and upon whom legal garnishments may be served. The City Treasurer will serve at the pleasure of the City Manager. (04/18/1972; 06/07/1982)

Section 4—THE CITY ATTORNEY

The Council shall appoint a City Attorney, who shall be an attorney-at-law, admitted to the Bar of the Supreme Court of this State. The City Attorney shall be the chief legal advisor of all offices, departments, and agencies, and of all officers and employees in matters relating to their official powers and duties. The City Attorney shall represent the City in all legal proceedings. It shall be the City Attorney's duty to perform all services incident to this position as may be required by statute, by this Charter, or by ordinance. The City Attorney shall have the non-exclusive power to call an executive session with the Council for the purposes of discussion or consultation as permitted by law. The City Attorney will serve at the pleasure of the Council. (06/07/1982; 07/14/2015)

Section 5—PERSONNEL RULES AND REGULATIONS

The Council shall, by ordinance, provide for the establishment of Personnel Rules and Regulations for the purpose of regulating and controlling the appointments, promotions, demotions, discharges, and reinstatements of all officers and employees of the City, except those elected by the people, members of appointive boards and commissions and volunteers who serve without pay, and also except the City Manager, the City Attorney, and the Police Judges. (04/18/1972; 06/07/1982)

ARTICLE V APPOINTIVE BOARDS AND COMMISSIONS

Section 1—APPOINTIVE BOARDS AND COMMISSIONS

The Council may, by ordinance, create, change, or abolish boards or commissions as, in its judgment, are required, or as are now or hereafter provided by law, and may grant to them such powers and duties as are consistent with the provisions of this Charter. All members of appointive boards or commissions shall at the time of their appointment be a resident of the City, and shall maintain this residency for the duration of the term in office. (04/18/1972; 06/07/1982)

ARTICLE VI FINANCE AND TAXATION

Section 1—FISCAL

The provisions of the Constitution and the Laws of the State as the same now exist or hereafter may be amended governing the budget, taxation, financial, and fiscal powers of the City shall apply to the governing and conduct of the same in the City.

Section 2—ADDITIONAL TAXES FOR SPECIAL PURPOSES

- (a) The Council shall have the power to levy and collect taxes in addition to the taxes herein authorized to be levied and collected, sufficient to pay the interest and maintain the sinking fund of the bonded indebtedness of the City, and to provide for the establishment and support of free public libraries, and for advertising the advantages of the City, and an additional amount deemed to be advisable and necessary to create a reserve fund to provide for replacement of equipment, for the furnishing of City services, and the maintenance of all municipally-owned and operated utilities.
- (b) The Council shall have the power to levy a Transaction Privilege Tax (Sales Tax) subject to approval by a majority of the qualified electors voting in the regularly scheduled general election. (04/18/1972; 04/10/1984)

Section 3—CLAIMS OR DEMANDS AGAINST THE CITY

The Council shall prescribe by ordinance the manner in which claims or demands against the City shall be presented, audited, and paid.

Section 4—CASH BASIS FUND SET UP; TRANSFER OF SUMS FROM CASH BASIS FUND TO OTHER FUNDS

The Council may, by ordinance, create and maintain a permanent revolving fund to be known as the Cash Basis Fund, for the purpose of putting the payment of the running expenses of the City on a cash basis. For this purpose, the Council may provide that from the money received from other sources, a sum equal to not less than two and one-half (2½) cents on each one hundred dollars (\$100.00) of the assessed value of said property shall be placed in such fund, until the accumulated

amount of such fund shall be sufficient to meet all legal demands against the Treasury for the first four (4) months, or other necessary period, of the succeeding fiscal year.

The Council shall have power to transfer from the Cash Basis Fund to any other fund or funds such sum or sums as may be required for the purpose of placing such fund or funds, as nearly as possible, on a cash basis. It shall be the duty of the Council to provide that all money so transferred from the Cash Basis Fund shall be returned thereto before the end of the fiscal year.

Section 5—INDEPENDENT ANNUAL AUDIT

Prior to the end of each fiscal year, the Council shall designate an independent Certified Public Accountant, who, as of the end of the fiscal year, shall make up an audit of accounts and other evidence of financial transactions of the City government, and shall submit a long-form report, including recommendations concerning policy and fiscal procedures, to the Council, and to the City Manager. Such accountant shall have no personal interest, direct or indirect, in the fiscal affairs of the City government or of any of its officers. The accountant shall, within specifications approved by the Council, post-audit the books and documents kept by the City, and any separate or subordinate accounts kept by any other office, department, or agency of the City government. (06/07/1982)

Section 6—PERMISSION TO EXCEED THE BUDGET

Nothing in this Article shall prevent the Council from seeking permission from the Arizona State Tax Commission to exceed the adopted budget in the event that an emergency should arise.

Section 7—DEPOSITS OF CITY MONEYS, INVESTMENTS

In addition to authority granted by the laws of this State, the Council may cause City moneys to be deposited or invested in Certificates of Deposit or other forms of deposits or investments, in any financial institution in the City, upon sufficient security being given the City therefor by said financial institution, approved by the Council. The Council may adopt ordinances implementing this authority and the appropriate City official may, pursuant to said ordinance, invest City moneys not needed to pay current bills as therein directed. (04/18/1972)

ARTICLE VII ORDINANCES AND RESOLUTIONS

Section 1—COUNCIL TO ACT BY MOTION, RESOLUTION, OR ORDINANCE

The Council shall act by motion, resolution, or ordinance. (05/04/1988)

Section 2—AYES AND NAYS TO BE RECORDED

The ayes and nays shall be taken from the passage of all ordinances and resolutions, or by roll call upon request of a Councilmember, and entered upon the journal of the proceedings of the Council.

Section 3—WHEN A MAJORITY VOTE IS REQUIRED

A majority vote of all Councilmembers present shall be necessary to pass any motion, ordinance, or resolution. (06/07/1982)

Section 4—ENACTING STYLE

The enacting clause of all ordinances passed by the Council shall be in these words: "Be it ordained by the Council of the City of Flagstaff as follows:"

Section 5—WHEN ACTIONS ARE TO BE TAKEN BY ORDINANCE

In addition to other acts required by law, or by specific provision of this Charter to be done by ordinance, those acts of the Council shall be by ordinance which provide for acquisition, sale, or exchange of public real property and to sell personal property valued in excess of that amount established by ordinance; establishment or change of fire limits or zones; establishment or change of a zoning district; the levy of any tax or assessment; imposition or provide for imposing fine or other penalties; adoption of a code by reference or amend the City code; the authorization to borrow money; granting, renewal, or extending a franchise; the amendment of or repeal of any ordinance. (04/18/1972; 06/07/1982)

Section 6—READING AND PASSAGE OF ORDINANCES AND RESOLUTIONS: EFFECTIVE DATE

All proposed ordinances and resolutions shall either be read in full or posted in a public place at least twenty-four (24) hours prior to its adoption, provided if any amendments are proposed to a posted ordinance or resolution such amendments shall be read in full prior to its adoption. An ordinance may be read for the final time at the same meeting as when introduced upon unanimous consent of those Councilmembers present. A resolution shall require only one (1) reading before its adoption and may be adopted at the same meeting at which it is first introduced by a majority of those Councilmembers present. (04/18/1972; 06/07/1982; 05/04/1988)

Section 7—EMERGENCY MEASURES: EFFECTIVE DATE

- (a) An emergency measure is one necessary for the immediate preservation of the public peace, health, or safety, in which the emergency is set forth and defined. An emergency measure may be placed upon its final reading and final passage at the same meeting as when first introduced upon the affirmative vote of three fourths of all members elected or appointed to the Council. (04/18/1972; 06/07/1982; 07/14/2015)
- (b) An emergency measure shall take effect immediately upon its passage.

Section 8—SIGNING OF ORDINANCES AND RESOLUTIONS

All ordinances and resolutions shall be signed by the Mayor, and attested by the City Clerk, and approved as to form by the City Attorney. (06/07/1982)

Section 9—PUBLICATION OF ORDINANCES AND RESOLUTIONS

- (a) All ordinances and resolutions having the effect of ordinances, except emergency measures, shall become effective and operative thirty (30) days after its adoption or as required or permitted by state law, whichever is later. (07/14/2015)
- (b) An emergency ordinance shall be published one time in the official newspaper of the City within ten (10) days after its passage or as required or permitted by state law. (04/18/1972; 07/14/2015)

Section 10—HOW ORDINANCES SHALL BE REVISED, RE-ENACTED, AND AMENDED

Ordinances shall not be revised, re-enacted, or amended by reference to title only, but the ordinance to be revised or re-enacted, or the section or sections thereof to be amended, or the new section or sections to be added thereto, shall be set forth and adopted in the method provided in this Charter for the adoption of ordinances.

Section 11—HOW ORDINANCES SHALL BE REPEALED OR SUSPENDED

No ordinance or section thereof shall be repealed or suspended except by ordinance adopted in the manner provided in this Charter.

Section 12—ORDINANCES AND RESOLUTIONS TO BE FILED, RECORDED AND CERTIFIED; ORDINANCES AND RESOLUTIONS AS EVIDENCE

All ordinances and resolutions shall be filed and safely kept by the City Clerk, and duly recorded and certified by the City Clerk in books for the purpose marked "City Ordinances," and "City Resolutions," respectively; and recorded copies thereof certified by the City Clerk, or the originals thereof, shall be prima facie evidence of the contents of such ordinances or resolutions, and of the due passage and publication of the same, and shall be admissible in evidence in any Court of this State, or in any proceeding where the contents of such ordinance or resolution, or any of them, is in question; provided, however, that nothing herein contained shall be construed to prevent the proof of the passage and publication of any ordinance or resolution in the manner otherwise prescribed by law. (06/07/1982)

Section 13—PROCEDURE FOR ADOPTION BY REFERENCE

- (a) The Council may enact the provisions of a code or public record already in existence without setting forth such provisions, but the adopting ordinance shall be published in full. At least three (3) copies of the code or public record shall be filed in the office of the City Clerk, and kept available for public use and inspection. A code or public record enacted by reference may be amended in the same manner.
- (b) No penalty clause shall be enacted by reference thereto. A penalty clause contained in a code or public record adopted by reference shall be set forth in full in the adopting ordinance.

Section 14—RECORDING OF CERTAIN ORDINANCES

Annexation ordinances and all ordinances extending or changing the boundaries of the City, zoning territory, or establishing or vacating of streets, alleys, or subdivisions, after publication, shall be recorded in the office of the County Recorder of Coconino County, and after being so recorded, the same shall constitute public notice to all parties of the legal import thereof.

Section 15—CODIFICATION OF ORDINANCES

Any and all ordinances of the City which have been enacted and published in the manner required at the time of their adoption, and which have not been repealed, shall be compiled, consolidated, revised, indexed, and arranged as a comprehensive ordinance code, and such code may be adopted by reference, with the same effect as an ordinance, by the passage of any ordinance for such purpose. Such code need not be published in the manner required for other ordinances, but not less than three (3) copies thereof shall be filed for use and examination by the public in the office of the City Clerk prior to the adoption thereof. Amendments to the code shall be enacted in the same manner as ordinances. (04/18/1972)

ARTICLE VIII CONTRACTS

Section 1—PREPARATION

All contracts shall be drawn under the supervision of the City Attorney, must be in writing, executed in the name of the City of Flagstaff by the Mayor, except as it may be otherwise provided, either by this Charter or by law, and must be countersigned by the City Clerk, who shall number and register the same in a book kept for that purpose. It is the intent of this Article that all contracts be awarded pursuant to the bidding process whenever possible unless otherwise provided. (06/07/1982)

Section 2—PURCHASES AND CONTRACTS FOR CITY IMPROVEMENTS

- (a) The City Manager shall contract for and purchase, or issue purchase authorization for, all supplies, materials, equipment, and services for the offices, departments, and agencies of the City.
- (b) Any City improvement costing fifty thousand dollars (\$50,000) or more, or any purchase costing more than fifty thousand dollars (\$50,000), shall be executed by contract, except where such improvements or purchase is authorized by the Council to be executed directly by a City department, in conformity with detailed plans, specifications, and estimates approved by the City Manager. Such contracts shall be advertised for bids, as directed in Section 3 of this Article. The City Manager, with the approval of the City Council, may enter into a contract with the lowest responsible bidder whose proposal is the most satisfactory. (04/18/1972; 05/04/1988; 06/29/1998; 06/19/2008)
- (c) Any contract or purchase exceeding the sum of fifty thousand dollars (\$50,000) shall require the prior approval of the Council. (04/18/1972; 05/04/1988; 06/29/1998; 06/19/2008)

- (d) Alterations in any contract may be made when authorized by the Council upon the written recommendation of the City Manager.

Section 3—BIDS

The advertisement for bids shall distinctly and specifically state the character of the City improvement, purchase or kind of supplies, materials, equipment, and services required. Such notice shall be published at least once in the official newspaper, not less than five (5) days prior to the opening of bids. Bidding shall be: (1) Pursuant to the Arizona State Procurement Code as amended by the City Council; or (2) by sealed proposals; or (3) by other methods that provide for security of bids and competitive bidding and under such regulations as may be prescribed by the Council. The City Manager, with the approval of the Council, shall have the power to reject any or all bids, and advertise for bids again. (04/18/1972; 06/29/1998)

Section 4—TRANSFER AND SALE OF PROPERTY WITHIN CITY GOVERNMENT

The City Manager may sell, or may transfer to or between offices, departments, and agencies, supplies, materials, and equipment, subject to such regulations as the Council may prescribe. (04/18/1972; 06/07/1982)

Section 5—CONTRACTS FOR OFFICIAL ADVERTISING

- (a) The City Manager shall let contracts annually for official advertising for the ensuing fiscal year. For this purpose, the Manager shall submit to each newspaper published in the City a notice describing the contemplated advertising, and asking for sealed proposals. The proposals shall specify the type and space to be used at the rate or rates named in the bid. The City Manager shall let the contracts for such official advertising to the lowest qualified bidder publishing a newspaper of general circulation in the City; provided that, the Manager may reject any and all bids, and proceed to secure new bids in the manner provided herein. (06/07/1982)
- (b) The newspaper to which the award for such advertising is made shall be known and designated as the official newspaper.

Section 6—FRAUD AND COLLUSION

Any member of the Council, or any officer or employee of the City who shall aid or assist a bidder in securing a contract to furnish labor, material, equipment, supplies, or services at a higher price than that proposed by any other bidder, or who shall favor one bidder over another by giving or withholding information, or who shall willfully mislead any bidder in regard to the character of the labor, material, equipment, supplies, or services called for, or the conditions under which the proposed work is to be done, or who shall knowingly certify to a greater amount of labor or service performed than actually has been performed, or to receipt of a greater amount or different kind of material, supplies, or equipment than actually has been received, shall be guilty of a misdemeanor, and shall be removed from office.

Section 7—AVOIDANCE OF CONTRACTS MADE THROUGH FRAUD AND COLLUSION

If at any time it shall be found that the person to whom a contract has been awarded has, in presenting any bid or bids, colluded with any other party or parties for the purpose of preventing any other bid being made, then the contract so awarded shall be null and void, and the City Manager shall advertise for new bids for said City improvements and/or supplies, materials, equipment, and services required, or the Council may provide for such public work to be done by the City under the direction of the City Manager.

Section 8—PERSONAL INTEREST

The provisions of the laws of this State relating to and defining conflicts of interest, of all officers and employees of the City, shall apply to and govern in all matters of conflict of interest. (04/18/1972)

Section 9—LEASES OF CITY PROPERTY

The Council may lease any land, buildings, or equipment now or hereafter owned by the City on such terms and conditions as the Council may prescribe. All leases shall be made to the highest responsible bidder after publication of notice thereof for at least one time per week for two weeks, stating explicitly the time and conditions of the proposed lease. However, the Council may, in its discretion, reject any and all bids. (04/18/1972; 06/07/1982)

Section 10—SALE OF CITY PROPERTY

The Council may sell such portions of the real and personal property of the City not needed or not likely to be needed within a reasonable future time. Each sale shall be made on such conditions as the Council may prescribe to the highest responsible bidder after published notice of the sale in accordance with the following schedule:

1. Personal property valued in excess of \$500.00 shall be sold after published notice of the sale for at least once not less than five (5) days prior to opening of bids.
2. Real property shall be sold after published notice of the sale for at least one time per week for three weeks prior to opening of bids. The Council shall have the right to reject any and all bids. If there are no bids submitted, then for a two-year period the City Manager may, subject to Council approval, enter into an agreement to sell the property for an amount reasonably consistent with an appraisal without further notice and bid process. Sale or trade of real property with another government entity does not require a notification and bid process. (04/18/1972; 07/14/2015)
3. The City Manager may sell or otherwise dispose of any personal property having a value of \$500.00 or less without published notice, but written advice of such sale or disposal shall be given to the Council.
4. The Council may also in its discretion subdivide and plat City property which it determines to sell, providing restrictions relative to its use and dedicate streets and alleys as determined necessary for the use of the public.

ARTICLE IX ELECTIONS

Section 1—PERMITTED TYPES OF ELECTIONS

- (a) City elections shall be Primary, General, or Special.
- (b) Primary elections shall be held for the purpose of nominating candidates for the General Election, and for such other purposes as the Council may prescribe.
- (c) General elections shall be held for the purpose of electing a Mayor and the Councilmembers of the City, and such other purposes as the Council may prescribe.
- (d) All other municipal elections that may be held by authority of this Charter, or of any law, shall be known as Special Elections.

Section 2—QUALIFICATIONS OF ELECTORS; REGISTRATION

- (a) The qualifications of electors shall be as required by the Constitution and laws of this State for State and County electors. Electors shall also be residents of the City for at least thirty (30) days prior to any Primary, General, or Special elections held therein. (04/18/1972; 06/07/1982)
- (b) Registration of voters shall be as provided by City ordinance.
- (c) Residents of areas annexed by the City, who have the qualifications of electors, as set forth above, in respect to their own area immediately prior to annexation, shall be considered as qualified electors of the City upon annexation, and shall be eligible to vote in municipal elections immediately following annexation.

Section 3—ARRANGEMENT OF NAMES NOT TO REVEAL SOURCE OF CANDIDACY OR SUPPORT OF CANDIDATES

The names of the candidates for each office shall be arranged as provided by law, and nothing on the ballot shall be indicative of the source of the candidacy or of the support of any candidate.

Section 4—NOMINATION FOR PRIMARY ELECTION

- (a) Nominations for Primary Elections shall be by petition of nomination, which shall consist of a printed or written form, which shall be furnished to applicants by the City Clerk.
- (b) The petition or petitions for nomination, consisting of signatures of qualified voters, aggregating not less than five (5) percent, nor more than ten (10) percent of the number of electors voting at the last preceding municipal General Election, shall be presented to the City Clerk not earlier than one hundred-twenty (120) days, nor later than ninety (90) days before the date set for the Primary Election. The City Clerk shall endorse on such petition or petitions the date and the time when the same was received by the City Clerk,

and shall cause the candidates' names to be printed on the ballot. (04/18/1972; 06/29/1998; 07/14/2015)

Section 5—PRIMARY AND GENERAL ELECTIONS

- (a) The Primary Election shall be held in the summer and the General Election shall be held in the fall of even-numbered years, on days provided for by Arizona statutes as may be amended. The two candidates receiving the highest number of votes at the Primary Election for each office for which there is a vacancy will be considered nominated for such office, and their names shall be printed on the ballot for the General Election; provided, that if there be any person who, under the provisions of this Section would have been entitled to become a candidate for any office except for the fact that some other candidate received said equal number of votes therefor, then all such persons receiving said equal number of votes shall likewise become candidates for such office. (02/05/2016)
- (b) In the event that no more than two candidates file nominating petitions for each vacancy in office, the Primary Election may be dispensed with as to that office.

Section 6—TIME OF HOLDING THE GENERAL ELECTION

Repealed (04/18/1972; 06/07/1982; 02/05/2016)

Section 7—CANDIDATES RECEIVING MOST VOTES TO BE ELECTED

- (a) The candidate for Mayor who shall receive the highest number of votes at the General Election shall be declared elected. (06/07/1982)
- (b) The candidates for Councilmember, equal in number to the offices to be filled, who shall receive the highest number of votes at the General Election shall be declared elected.

Section 8—SPECIAL ELECTIONS

The Council shall provide for holding Special Elections, which shall be conducted in the same manner as General Elections.

Section 9—ABSENTEE VOTING

The Council shall provide by ordinance for voting by absent or disabled electors in City elections.

Section 10—CANVASSING RETURNS AND DECLARING OF ELECTION RESULTS

Within the time specified by federal and state laws, the Mayor and the Council shall canvass returns and declare the results of such election. The City Clerk shall issue a certificate to each successful candidate elected to office at any General Election. (06/07/1982)

Section 11—APPLICATION OF STATE LAW

The provisions of the laws of this State relating to and governing the nomination of elective officers and the conduct of elections, and each and every provision of said law, with all amendments

thereto, shall apply, and shall govern the nomination of elective officers, and the conduct of elections, except as otherwise provided in this Charter. The Council shall have the power to make any other provisions relating to the nomination of officers, and to the conduct of elections not repugnant nor contrary to the provisions of the laws of this State, or to the provisions of this Charter.

ARTICLE X INITIATIVE, REFERENDUM, AND RECALL

Section 1—INITIATIVE, REFERENDUM, RECALL

There are hereby reserved to the electors of the City the powers of the initiative and referendum, and of the recall of elective officers. The provisions of the Constitution and the general laws of this State, as the same now exist or hereafter may be amended, governing the initiative and referendum and recall of elective officers, shall apply to the use thereof in the City.

ARTICLE XI POLICE COURT

Section 1—STATE LAWS CONTROL

The Police Court created by the general statutes of the State, and all statutes pertaining to the jurisdiction and procedure of said Court, shall be fully observed.

Section 2—POLICE JUDGE(S), APPOINTMENT, TERM

The Police Judge(s) shall be appointed by the Council, and shall hold office at the pleasure of the Council. (06/07/1982)

Section 3—SERVICE OF PROCESS

The Chief of Police shall cause all summonses issued by the Police Judge(s) to be served, and the return endorsed thereon and signed by the officer making such service. The Chief of Police shall also cause all warrants of arrest to be executed. (06/07/1982)

Section 4-DISPOSITION OF FINES, PENALTIES AND FEES

Repealed (06/07/1982)

ARTICLE XII FRANCHISES AND PUBLIC UTILITIES

Section 1—ELECTIONS FOR APPROVAL OF FRANCHISES

No franchise shall be granted, extended, or renewed by the City without the approval of a majority of the qualified electors residing within its corporate limits voting thereon at a Primary, General, or Special Election; the Council shall submit any matter for approval or disapproval to such election at any Primary or General Election, or shall call a Special Election for such purpose at any time upon thirty (30) days' notice; and the Council shall require, before calling any such election, that the estimated expense thereof (to be determined by the Council) shall be first deposited by the applicant for such franchise with the City Clerk.

Section 2—ESTABLISHMENT OF MUNICIPALLY-OWNED AND OPERATED UTILITIES

The City shall have power within or without its city limits, to own and operate any public utility, to construct and install any and all facilities that are reasonably needed, and to lease or purchase any existing utility properties used or useful in public service. The City may also furnish service to adjacent and nearby territories which may be conveniently and economically served by the municipally-owned and operated utility, subject to the limitations of the provisions of the general laws of this State. The Council may provide by ordinance for the establishment of such utility, and provide for its regulation and control, and the fixing of rates to be charged. The Council may, by ordinance, provide for the extension, enlargement, or improvement of existing utilities, and provide reasonable reserve for such purpose. (06/07/1982)

ARTICLE XIII GENERAL PROVISIONS

Section 1—PUBLICITY OF RECORDS

All records and accounts of every office, department, or agency of the City shall be open to inspection by any citizen, any representative of a citizens' organization, or to any representative of the press, at all reasonable times, and under reasonable regulations established by the City Manager, except records and documents the disclosure of which would tend to defeat the lawful purpose which they are intended to accomplish.

Section 2—OFFICIAL BONDS

All elected and appointed officers, and such other employees as the Council may by general ordinance be required to do so, shall give bond in such surety as may be approved by the Council. The premiums on such bonds shall be paid by the City.

Section 3—OATH OF OFFICE

Every officer of the City, whether elected or appointed under the provisions of this Charter, or under any ordinance of the City, shall, before entering upon the duties of office, take and subscribe an oath of office in the form of the official Oath required by the State Constitution. (06/07/1982)

Section 4—INSURANCE

- (a) General Insurance. The City is empowered to insure any of its property against such risks as it may determine.
- (b) Liability Insurance. The Council shall procure liability insurance covering the City and its officers, agents, and employees while engaged in governmental or proprietary capacities. The premiums on such insurance shall be paid by the City.
- (c) Group Insurance. The City may participate to the extent determined by the Council in the cost of group insurance programs for City officers and employees. (04/18/1972)

Section 5—SHORT TITLE

This Charter, adopted by the people of the City of Flagstaff, shall be known and may be cited as "THE COUNCIL-MANAGER CHARTER OF FLAGSTAFF."

Section 6—SEPARABILITY CLAUSE

If any Section or part of Section of this Charter shall be held invalid by a court of competent jurisdiction, such holding shall not affect the remainder of this Charter, nor the context in which such Section or part of Section so held invalid may appear, except to the extent that an entire Section or part of Section may be inseparably connected in meaning and effect with the Section or part of Section to which such holding shall directly apply.

Section 7—VIOLATIONS OF CHARTER AND CITY ORDINANCES; IMPRISONMENT OF VIOLATORS

The violation of any provision of this Charter, or of any ordinances of the City, shall be deemed a misdemeanor, and may be prosecuted by the authorities of the City in the name of the State of Arizona, or may be redressed by civil action, at the option of the Council. Any person sentenced to imprisonment for violation of a provision of this Charter, or of an ordinance, may be imprisoned in the City Jail, or, if the Council, by ordinance, shall so prescribe, in the County Jail of this County, in which case the expense of such imprisonment shall be charged in favor of the said County against the City.

Section 8—PLENARY AND IMPLIED POWERS OF THE COUNCIL

The Council shall have plenary power to enact and make all proper and necessary ordinances, resolutions, and orders to carry out and give effect to the express, as well as the implied, powers granted in this Charter, to the end that a complete, harmonious, and effective municipal government may be initiated, installed, operated, and maintained in the City, and thereby protect and safeguard the rights, interests, safety, morality, health, and welfare of the City and its inhabitants.

Section 9—PLAN FOR FUTURE PHYSICAL DEVELOPMENT

The Council shall adopt a comprehensive plan for the future physical development of the City to serve as a guide to all future Council action concerning land use regulations and expenditures for capital improvements. The Council may by ordinance implement said comprehensive plan by adopting land use and development regulations, including but not limited to official maps, and grading, zoning, subdivision, architectural regulations, and water resource management, development, conservation, and reclamation. (04/18/1972)

Section 10—FLOODWAYS AND FLOOD PLAINS

The Council may by ordinance designate and establish as floodways or flood plains areas of land within the boundaries of the City reasonably required or necessary to improve, extend, maintain, or facilitate the control or discharge of waters or rivers and streams and intermittent flowing creeks, washes, arroyos, drains, and channels together with surface and flood waters, in order to prevent the loss of life or injury and damage to property and prevent and prohibit encroachments and obstructions within the floodway or flood plain areas so designated and established by the City. (04/18/1972)

Section 11—RETIREMENT AND OLD AGE AND SURVIVORS BENEFITS

The City shall have the power to provide for its employees and officers a retirement plan and old age and survivors insurance benefits in addition to, or in lieu of, any state or federal plan or program subject to the provisions of state and federal law. (06/07/1982)

ARTICLE XIV SUCCESSION IN GOVERNMENT

Repealed (06/07/1982)

ARTICLE XV METHOD OF CHARTER AMENDMENT

This Charter, or any part of any Article or Section hereof, may be amended in the manner provided by the Constitution of this State. (06/07/1982)

ARTICLE XVI AMENDMENTS

Amendment No. 1—VOTE REQUIRED FOR CERTAIN TYPES OF BOND ISSUES

Notwithstanding any other provisions of the Charter, and with the exception of refunding bond issues, special assessment or improvement district and redevelopment or tax increment bonds, or City of Flagstaff Housing Authority bonds, or the financing of a new city hall building and related improvements, after the effective date of this Amendment the City shall not issue or authorize the

issuance of any bonds which pledge City tax revenues as a guarantee for their payment, in whole or in part, without the approval of a majority of the qualified electors of the City voting at an election for that purpose. (06/07/1982)

Amendment No. 2—VOTE REQUIRED FOR CERTAIN TYPES OF FACILITIES COSTING IN EXCESS OF ONE MILLION DOLLARS

Notwithstanding any other provisions of the Charter, with the exceptions of utilities, public safety and street facilities, after the effective date of this Amendment the City shall not expend funds totaling more than one million dollars for the purchase and/or construction of municipal facilities, including but not limited to libraries, civic centers, or swimming pools, without the prior approval of a majority of the qualified electors of the City voting at an election for that purpose. Said one million dollar limit shall be adjusted annually by the consumer price index as of July 1 of each year. (04/10/1984)

1-10-010.01. GENERAL DEFINITIONS (RENUMBERED)

General Definitions apply to the entire Employee Handbook of Regulations; however if there is a conflicting specific definition found within a section, then the specific definition will apply to that section.

“Benefit Eligible Employees” are employees who are tenure eligible, tenure granted and Exempt employee who works twenty (20) hours or more per week.

“Classified Employees” shall have the same meaning as Non-Exempt employees.

“Commissioned” means the employee is an active member of the Public Safety Retirement System and the City Police or Fire Department.

“Date of hire” means the date when employment with the City commences.

“Domestic Partner” shall mean a person registered as a domestic partner under the laws of any state or political subdivision, including Flagstaff City Code, Chapter 14-01 (Domestic Partner Registry) for purposes related to leave policies.

“Earned Paid Sick Time” shall mean time that is compensated at the same hourly rate and with the same benefits, including health care benefits, as the employee normally earns during hours worked and is provided by City to the employee for the purposes described in A.R.S. § 23-373 and incorporated in this Handbook. Earned Paid Sick Time may be referred to as “accrued sick leave”, “paid sick leave”, or “unused sick leave” in some places in the Handbook.

“Emergency Service Employees” shall be a non-exempt employee who holds a position in Fire, Police, Streets, Fleet Services, Airport, Water Reclamation and Water Plants, Water Distribution and Wastewater Collection, Industrial Pre-Treatment, Parks, Facilities Maintenance, Building Inspection, or other positions designated by the Division Director and approved by the Deputy City Manager.

“Exempt Employees” are employees who are exempt from the overtime pay requirements of the Fair Labor Standards Act (FLSA).

“Family Member” shall have the same meaning as set forth in A.R.S. § 23-371.H and means:

1. Regardless of age, a biological, adopted or foster child, stepchild or legal ward, a child of a Domestic Partner, a child to whom the employee stands in Loco Parentis, or an individual to whom the employee stood in Loco Parentis when the individual was a minor;
2. A biological, foster, stepparent or adoptive parent or legal guardian of an employee or an employee’s spouse or Domestic Partner or a person who stood in Loco Parentis when the employee or employee’s spouse or Domestic Partner was a minor child;
3. A person to whom the employee is legally married under the laws of any state, or a Domestic Partner of an employee as registered under the laws of any state or political subdivision;
4. A grandparent, grandchild or sibling (whether of a biological, foster, adoptive or step relationship) of the employee or the employee’s spouse or Domestic Partner; or
5. Any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

“Fire Suppression Employees” are Commissioned, Non-Exempt employees who engage in fire protection activities as defined by the Fair Labor Standards Act 29 U.S.C. § 203(y) and who work over ninety-one (91) hours in a twelve (12) day work period.

“Full-Time” is considered forty (40) hours per week.

“Hours Worked” is time when an employee is necessarily required to be on the employer’s premises, on duty or at a prescribed work place per the Fair Labor Standards Act Fact Sheet #22.

“Injury, Illness, or Medical Care” shall mean a physical illness, injury or health condition; the need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; or a need for preventive medical care.

“In Loco Parentis” is defined as a person who helped raise and had day-to-day responsibilities to care for and financially support the employee as a child, assuming the role of a parent.

“Intermittent Leave” is leave in separate blocks of time.

“Key Employee” is defined as a salaried, Benefit Eligible Employee who is among the highest paid ten (10) percent of all the employees working for the employer within seventy-five (75) miles of the employee’s worksite.

“Light Duty” means an employee is able to perform restricted duties and/or schedule per the employee’s treating physician. Light duty may include telecommuting or other types of alternate work schedules per policy 1-20-053.

“Non-Exempt Employees” are employees who are paid wages subject to the overtime pay requirements of the Fair Labor Standards Act.

“Part-Time” is considered twenty (20) hours to thirty-nine (39) hours per week.

“Reduced Scheduled” is a reduced number of hours in the employee’s usual weekly or daily work schedule.

“Regular Hourly Rate” is the employee’s total straight time earnings divided by the number of hours worked.

“Shift Employees” are employees assigned to a position which is staffed at least six (6) days a week, or twenty-four (24) hours a day, and is assigned a designated work schedule that can be either rotating or permanently assigned.

“Temporary Employees” are employees hired by the City for a temporary period and who work less than 20 hours per week. Temporary Employees are not classified as Benefit Eligible Employees

“Tenured Employees” are Non-Exempt employees who have completed their probationary period.

“Unclassified Employees” shall have the same meaning as Exempt employees.

“Work Week” shall begin on Sunday morning at 12:01 a.m. and end the following Saturday at midnight for all employees.

“Working Day” shall be considered equal to 0.38461 percent of the number of working or duty hours in the established work year for each employee (i.e. $2080 \times 0.38461\% = 7.99$ or 8 and $2912 \times 0.38461\% = 11.19$ or 11.2).

(Ord. No. 2013-09, Amended 05/07/13); (Ord. No. 2017-12, Amended 07/01/17); (Ord. No. 2018-18, Amended 06/15/18); (Ord. No. 2018-26, Amended 09/20/18); (Ord. No. 2018-35, Amended 11/06/18); (Ord. No. 2019-10, Amended 07/02/19)

1-20-042. ON-CALL AND CALL-OUT PAY

The purpose of this policy is to establish guidelines for compensation and ensure compliance with the Fair Labor Standards Act (FLSA) regarding the compensation of non-exempt employees who are required to be available on-call for work outside of scheduled or regular hours.

A. DEFINITIONS

1. “Waiting” means an employee is engaged to wait when required to remain on City premises or prescribed work place. Time spent while engaged to wait is Hours Worked under the FLSA.
2. “On-Call” is the period of time when an employee is required to carry a cellular phone or pager and must respond to work when paged or called upon.
3. “On-Call Compensatory Time” is paid time off the job that is earned and accrued by an employee in lieu of immediate cash payment for On-Call hours.
4. “On-Call Compensation” compensation paid at one and one half ($1 \frac{1}{2}$) times the employee’s Regular Hourly Rate for On-Call hours.
5. “Call-Out” is the period of time when an employee is called out to perform unscheduled work while On-Call.
6. “Call Out Compensatory Time” is paid when an employee is called out to perform unscheduled work while On-Call.
7. “Call-Out Compensation” compensation paid at one and one half ($1 \frac{1}{2}$) times the employee’s Regular Hourly Rate for Call-Out hours.

B. ELIGIBILITY

1. Non-Exempt Employees who serve On-Call or are subject to Call-Out are eligible for additional compensation and/or compensatory time pursuant to this policy. The employee’s supervisor may elect whether the employee is to be paid compensation or receive compensatory time for On-Call and Call-Out services, based on budget and operational needs of the division.
2. An employee may not consume alcohol while On-Call or within the four-hour immediately preceding being On-Call. An employee who is On-Call must remain within

the local area as described in *Residency Requirements* per section 1-60-101. An employee On-Call is otherwise free to engage in personal activities while On-Call.

3. On-Call time begins when an employee or other employees are not required to be on the City's premises, on duty or at the prescribed work place.
4. An employee On-Call who fails to promptly respond to a Call-Out will not be paid for On-Call time and/or may be subject to discipline.

C. PROCEDURES

1. An employee On-Call shall receive one (1) hour of On-Call Compensation for eight (8) hours the employee is scheduled On-Call. This will be calculated by taking the total hours of On-Call multiplied by 0.125.
2. An employee who is On-Call and called out to work will receive Call-Out Compensation or Call-Out Compensatory Time, but not On-Call Compensation.
3. An employee who is called out to work by the employee who is On-Call will receive Call-Out Compensation or Call-Out Compensatory Time.
4. An employee on Call-Out shall receive one (1) hour of Call-Out Compensation or Call-Out Compensatory Time for each hour the employee is performing Call-Out duties. The employee shall receive a minimum of two (2) hours of Call-Out Compensation or Call-Out Compensatory Time each time the employee is required to respond to Call-Out.
5. The immediate supervisor shall code On-Call hours as OS (On-Call Compensation) or CS (On-Call Compensatory Time) when submitting the employee's time sheet.
6. The immediate supervisor shall code Call-Out hours as O3 (Call-Out Compensation) or C3 (Call-Out Compensatory Time) when submitting the employee's time sheet.
7. Employee's shall report hours as Hours Worked for all hours spent Waiting.
8. An employee who is Waiting shall be compensated at the employee's Regular Hourly Rate unless overtime is required per policy 1-20-040 *Overtime Pay*.

D. EXAMPLE

A Water Services employee's shift ends at 4:00 p.m. and they are scheduled to be On-Call beginning at 6:00 p.m. when the last shift at the plant leaves until 6:00 a.m. when the first shift at the plant begins. The employee responds to a plant alarm from 2:00 a.m. to 4:30 a.m. The following is an outline of how this employee will be compensated for On-Call and Call-Out hours.

On-Call 9.5 hours

Call- Out 2.5 hours

On-Call Compensation or Compensatory Time is 1.19 hours (i.e. 12 On-Call hours minus 2.5 hours of Call-Out equals 9.5. hours. 9.5 On-Call hours multiplied by 0.125 equals 1.19 hours of On-Call Compensation.

Call-Out Compensation or Compensatory Time is 2.5 hours.

(Ord. No. 2018-18, Amended 06/15/18)

1-60-010. RESIDENCY REQUIREMENTS

- A. Article 4, Section 1D of the Flagstaff City Charter requires that the City Manager, City Attorney, Magistrate(s), City Clerk, Treasurer, and all heads of departments shall be residents of the City during their tenure of office. Heads of departments includes those employees serving as Deputy City Manager.
- B. All Emergency Service Employees shall maintain their principal residence within the state boundaries of Arizona.
- C. All Emergency Service Employees, except those holding a position in Fire, will arrive at the assigned or emergency work location within one (1) hour from notification to report to duty.
- F. Employees who are designated to take home a City vehicle per section 1-60-015 *Use of City Vehicles* must live within a 12-mile radius from City Hall. In addition to the 12-mile radius from City Hall an employee may reside with the following additions:
 - 1. From the I-17 and I-40 interchange eastbound for thirty-five (35) miles with a five (5) mile wide (two and half (2.5) miles on each side) corridor;
 - 2. From the I-17 and I-40 interchange westbound for thirty-five (35) miles with a five (5) mile wide (two and half (2.5) miles on each side) corridor;
 - 3. From the I-17 and I-40 interchange southbound for thirty (35) miles with a five (5) mile wide (two and half (2.5) miles on each side) corridor; or
 - 4. Or Ten (10) miles from City Hall along Highway 180 North with a five (5) mile wide corridor (two and half (2.5) miles on each side).

The five (5) mile wide corridor is designed to limit the number of secondary roads the employee would use to access the main freeway.

(Ord. No. 2018-35, Amended, 11/06/18)

1-60-015. USE OF CITY VEHICLES

This policy and procedure govern the use of City owned vehicles and outlines the circumstances for which employees may take City vehicles home.

A. ELIGIBILITY

City owned vehicles are provided to the employee for business use. Under certain circumstances employees are required to commute in City owned vehicles, which are equipped with communications or other equipment the employee would need if responding to an emergency.

Employees are allowed to take home a City owned vehicle at the discretion of the City and it is considered a privilege. The following criteria will be used for requiring employees to commute in City owned vehicles:

1. The employee responds to emergencies, with written approval of the immediate Supervisor, Section Head, Division Director, Deputy City Manager and City Manager, or
2. The employee is required to report from home to either a non-City owned work site, or a City owned site other than the employee's normal work base, with written approval of the immediate Supervisor, Section Head and Division Director, Deputy City Manager and City Manager, or
3. The employee is required to be on-call or call-out during off hours and is called out on a regular basis. The employee must be required to respond directly to the emergency and the vehicle contains special equipment that will be needed at the emergency scene. For definition purposes "regular basis" is defined as an average of more than twice per month.

B. AUTHORIZED USE

For those employees authorized to take City vehicles home, the following is the City's policy governing usage.

1. Employees must live within a twelve (12) mile radius from City Hall. In addition to the 12-mile radius from City Hall an employee may reside with the following additions:
 - a. From I-17 and I-40 interchange eastbound for thirty-five (35) miles with a five (5) mile wide (two and half (2.5) miles on each side) corridor;
 - b. From I-17 and I-40 interchange westbound for thirty-five (35) miles with a five (5) mile wide (two and half (2.5) miles on each side) corridor;
 - c. From I-17 and I-40 interchange southbound for thirty (35) miles with a five (5) mile wide (two and half (2.5) miles on each side) corridor; or
 - d. Or ten (10) miles from City Hall along Highway 180 North with a five (5) mile wide corridor (two and half (2.5) miles on each side).

The five (5) mile wide corridor is designed to limit the number of secondary roads the employee would use to access the main freeway.

2. The Fleet Manager will approve the type of vehicle to insure it is appropriate for the designated use by the employee.
3. Employees must complete a Vehicle Use Authorization Form, approved by the immediate Supervisor, Section Head, Division Director, Deputy City Manager, Fleet Manager and City Manager.
4. City vehicles can only be operated by authorized City personnel or personnel approved through an IGA.

5. Personal use for commuting to and from work will be valued at \$1.50 for each one-way commute. If more than one employee commutes in the vehicle, the \$1.50 each-way rule applies to each employee. The commuting rule does not apply to qualified non-personal use vehicles such as:
 - a. clearly marked police and fire vehicles;
 - b. unmarked vehicles used by law enforcement officers if the use is officially authorized;
 - c. truck with permanent interior construction, shelves and racks designed to carry tools, equipment, etc.; or
 - d. truck with a hydraulic lift gate, permanent tanks or drums, permanent sideboards or panels that materially raise the sides of the truck bed, or other heavy equipment (electric generator, welder, boom, or crane).
6. City owned vehicles are not to be used to transport anyone other than City employees or people working with or for the City in an official capacity. Employees who are using the City owned vehicle outside of their scope of employment may not be covered by the City's auto liability insurance and will not be covered by the City's worker's compensation insurance. The only time an employee is covered under the City's worker's compensation insurance policy is when acting in the course and scope of their employment. Employee's personal use of City vehicles is restricted to driving to and from work, except for infrequent, de minimus (one day per month) or emergency occurrences. Employees responding to emergency incidents must let any non-City personnel out of the vehicle prior to responding to a work-related emergency. The non-City personnel must then make other transportation arrangements.
7. The City's liability insurance may not cover or defend an employee when liability arises out of the personal use of a City vehicle. In conjunction with this, the employee's personal auto insurance may also not cover any liability arising out of the use of any vehicle provided for the employee's regular use. There is no automobile medical payments coverage on City vehicles. Medical coverage for an employee hurt in a vehicle on City business is covered under the City's Worker's Compensation policy; however, if using a City vehicle for personal uses, an employee may not be covered by Worker's Compensation and may have to apply for the coverage under their own personal City provided medical coverage. Likewise, a passenger that is not covered by their own Worker's Compensation policy will have to pay for their own injuries or prove that the City of Flagstaff was legally liable for any injuries.
8. Employee misconduct, misuse of assigned vehicle, or any violations of this policy are grounds for disciplinary action.

C. MONITORING

1. Employees will submit a monthly vehicle log for all City vehicles that do not qualify as a non-personal use vehicle in order to monitor how the City owned vehicle is being used.

2. Use of a qualified non-personal use vehicle, including commuting, is nontaxable to the employee; and record keeping and substantiation by the employee are not required by the IRS per Reg. § 1.274-5T(k) and § 1.132-5(h).

A. PROCEDURES

1. Fleet division sends the City Manager a list of City employees assigned to City owned vehicles on an annual basis.
2. City Manager's office sends the list out to Division Directors for updated information.
3. The immediate Supervisor complete new Vehicle Use Authorization forms. This is the first step of the process when a new employee is hired.
4. The immediate Supervisor, Section Head, and Division Director approves or denies the Forms and returns all approved Forms to the City Manager's office.
5. The City Manager's office sends the Forms to the Fleet Manager for review of vehicle type and approval or denial.
6. The Fleet Manager returns all approved forms to the City Manager's office for approval or denial. All Forms denied by the Fleet Manager are sent back to the Division Director.
7. The City Manager forwards all approved forms to the Human Resources Division and all denied forms back to the Division Director.
8. Human Resources files the approved form in the employee's personnel file.
9. Payroll collects monthly vehicle log and processes applicable taxes.

(Ord. No. 2018-35, Amended, 11/06/18); (Ord. No. 2019-10, Amended 07/02/19)