

## MINUTES

REGULAR COUNCIL MEETING  
TUESDAY, MAY 21, 2013  
COUNCIL CHAMBERS  
211 WEST ASPEN AVENUE  
4:00 P.M. AND 6:00 P.M.

### 1. **CALL TO ORDER**

Mayor Nabours called the meeting to order at 4:03 p.m.

#### **NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

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

### 2. **ROLL CALL**

Present:

MAYOR NABOURS	
VICE MAYOR EVANS	COUNCILMEMBER ORAVITS
COUNCILMEMBER BAROTZ	COUNCILMEMBER OVERTON
COUNCILMEMBER BREWSTER	COUNCILMEMBER WOODSON

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

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

#### **MISSION STATEMENT**

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

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

A. **Consideration and Approval of Minutes:** City Council Regular Meeting of May 7, 2013, and Work Session of May 14, 2013.

**Councilmember Oravits moved to approve [the minutes of the City Council Regular Meeting of May 7, 2013, and Work Session of May 14, 2013] as presented; seconded; passed unanimously.**

5. **PUBLIC PARTICIPATION**

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

Ann Doyle, Heritage Program Manager for the Museum of Northern Arizona, gave an update on current activities.

Mayor Nabours asked Utilities Director Brad Hill to come forward and said he was happy to read in his water bill this month that there were no violations of the Safe Drinking Water Act re potable water in 2012. Additionally, Councilmembers also congratulated Mr. Hill (on his recent appointment as the permanent Utilities Director for the City).

6. **PROCLAMATIONS AND RECOGNITIONS**

Week of May 19, 2013, as ***National Public Works Appreciation Week*** (to be read at the Public Works Equipment Show being held in the Wheeler Park Parking Lot between the 4:00 p.m. and 6:00 p.m. portions of the meeting)

This proclamation was read between the 4:00 p.m. and 6:00 p.m. portions of the Council Meeting in the Wheeler Park parking lot, with all Councilmembers present.

7. **APPOINTMENTS**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that the City Council may vote to go into executive session, which will not be open to the public, for the purpose of discussing or considering employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee, or employee of any public body...., pursuant to A.R.S. §38-431.03(A)(1).*

None

8. **LIQUOR LICENSE PUBLIC HEARINGS**

None

9. **CONSENT ITEMS**

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

Mayor Nabours reported that Item 9-A had been withdrawn from the agenda by staff.

- A. **Consideration of Construction Manager at Risk Contract:** Street Maintenance Program 2013: Cedar Avenue 2010 Bond Improvements.

Removed from the agenda.

- B. **Consideration of Approval of the Intergovernmental Agreement:** between the Governing Board of the Coconino County Community College District and City of Flagstaff for the East Flagstaff Community Library building rental agreement renewal.

Library Director Heidi Holland said that the amounts changed just slightly each year. She said that this was a nice collaboration and partnership with the Community College.

**Councilmember Brewster moved to approve the Intergovernmental Agreement between the Governing Board of the Coconino County Community College District and City of Flagstaff for the East Flagstaff Community Library building rental agreement renewal; seconded; passed unanimously.**

10. **ROUTINE ITEMS**

- A. **Consideration and Adoption of Ordinance No. 2013-10:** An ordinance of the City Council of the City of Flagstaff approving the form and authorizing the execution and delivery of an Equipment Lease/Purchase Agreement for Renewable Energy Equipment; delegating authority to the Management Services Director of the City to determine certain matters and terms with respect to the foregoing; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this ordinance; and authorizing clerical corrections.

Management Services Director Barbara Goodrich reviewed both items 10-A and 10-B as they both addressed the same project. She said that Item 10-A was changed from before to reflect a 2.88% interest rate, but that allowed them to extend the closing by 30 days, which over the period of the financing amounted to roughly \$5,000.

She continued, stating that item 10-B was a reimbursement resolution which allowed the City to continue on with construction and close on their financing in mid June, and then reimburse themselves for any expenses incurred over the next 30 days.

Mayor Nabours said that he read in the Arizona Republic an article about a tariff that APS charges. He had asked Mr. Burke to look into that further and he asked staff to report on it.

Sustainability Manager Nicole Woodman explained that there was a Renewable Energy Adjustment tariff, and the City's is \$142/month per meter, which amounts to about \$5,000 annually, less than 1% of the City's cost of energy.

She said that with the particular case mentioned in that article, the system was a different dynamic than the City's system. She said that the City is capped at that \$142/month for Calendar Year 2013. The 2014 tariffs have not yet been approved by the Arizona Corporation Commission, but as soon as they are staff will look at them, which they do every year. She confirmed that staff did take that into account with this project and it is reflected in the pro forma.

Ms. Woodman added, with regard to net metering, that the City's systems at Wildcat and elsewhere will not exceed the City's use, so they are very much buffered from that issue.

**Councilmember Woodson moved to read Ordinance No. 2013-10 by title only for the final time; seconded; passed 6-1 with Councilmember Oravits casting the dissenting vote.**

*An ordinance of the City Council of the City of Flagstaff approving the form and authorizing the execution and delivery of an Equipment Lease/Purchase Agreement for Renewable Energy Equipment; delegating authority to the Management Services Director of the City to determine certain matters and terms with respect to the foregoing; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this ordinance; and authorizing clerical corrections.*

**Councilmember Woodson moved to adopt Ordinance No. 2013-10; seconded; passed 6-1 with Councilmember Oravits casting the dissenting vote.**

- B. **Consideration and Adoption of Resolution No. 2013-11:** A resolution of the Mayor and Council of the City of Flagstaff, Arizona, declaring, for purposes of section 1.150.2 of the Federal Treasury Regulations, official intent to be reimbursed in connection with certain capital expenditures relating to the installation of three solar photo-voltaic systems.

**Councilmember Woodson moved to read Resolution No. 2013-11 by title only; seconded; passed 6-1 with Councilmember Oravits casting the dissenting vote.**

*A resolution of the Mayor and Council of the City of Flagstaff, Arizona, declaring, for purposes of section 1.150.2 of the Federal Treasury Regulations, official intent to be reimbursed in connection with certain capital expenditures relating to the installation of three solar photo-voltaic systems.*

**Councilmember Woodson moved to adopt Resolution No. 2013-11; seconded; passed 6-1 with Councilmember Oravits casting the dissenting vote.**

- C. **Consideration and Approval of Intergovernmental Agreement Amendment:**  
Amendment Two to the Intergovernmental Agreement (IGA)/Joint Project Agreement (JPA) 11-097I between the City of Flagstaff (City) and the Arizona Department of Transportation (ADOT) for the FY2013 Highway Safety Improvement Program (HSIP), Beulah Bike Lanes.

**Councilmember Overton moved to approve [the IGA/JPA Amendment Two which will obligate additional FY2013 HSIP funding for design work for Beulah Bike Lanes in the amount of \$45,000]; seconded; passed unanimously.**

### **RECESS**

At this time (4:22 p.m.) the Flagstaff City Council moved their meeting to the Wheeler Park Parking Lot for reading of the proclamation. The meeting recessed at 4:45 p.m.

### **6:00 P.M. MEETING**

### **RECONVENE**

Mayor Nabours reconvened the Meeting of May 21, 2013, at 6:03 p.m.

### **NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

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

### 11. **ROLL CALL**

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

Present:

MAYOR NABOURS  
VICE MAYOR EVANS  
COUNCILMEMBER BAROTZ  
COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS  
COUNCILMEMBER OVERTON  
COUNCILMEMBER WOODSON

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

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

None

13. **PUBLIC HEARING ITEMS**

None

14. **REGULAR AGENDA**

- A. **Presentation:** Northern Arizona Center for Entrepreneurship and Technology (NACET) periodic update.

Business Retention/Expansion Manager John Saltonstall introduced two representatives from NACET, Russ Yelton and Annette Zinky.

Ms. Zinky gave a PowerPoint presentation which addressed:

- NEW CLIENTS – 100% OCCUPIED
- HYPO2
  - Local Alternative
  - Electric Torque Machines
  - Localeikki
  - DBI, LLC
  - Comfort
  - Roots Composting Cooperative
  - My Barber
- PRE-INCUBATION
- PRE-REVENUE
- EARLY REVENUE
- SUSTAINABLE
- GRADUATION
- CLIENT NEWS
  - Hermes Commerce
  - ATC Materials
  - PathoGene
  - StatPhone.com
  - Localeikki

Ms. Zinky then introduced the following clients who gave a brief presentation regarding their companies:

- ROOFBRAIN
  - Merk (Jeanine) Perelstein
- CORE LAB EXPANSION
- STEM DAY AT NACET
- NACET CONNECTIONS IN THE CLASSROOM
  - Casey Hines, Northland Prep, re STEM Integration
- STEM CITY CENTER
- YOUNG ENTREPRENEURIAL SCHOLARS (YES) WEEK
- LAUNCHBOX UPDATE (Student Incubation process at NAU)
  - Snag-A-Note
  - Comfort Purse

Roots Composting Coop  
My Barber

- EXTREME TOUR AND STARTUP WEEKEND
- COMFORT PILLOW, LLC  
Kristy Able
- MERCHANDISING RPRODUCT PLAN
- MARKET ANALYSIS SUMMARY
- NACET
- BUSINESS PLAN COMPETITION
- GRAND CANYON TRUST – NATIVE AMERICAN INCUBATOR NETWORK  
Tony Skrelunas and Natasha Johnson
- MULTIPLE AWARDS AND RECOGNITIONS
- AZ BUSINESS INCUBATION ASSOCIATION

B. **Consideration and Approval of Amendments:** Flagstaff City Council Rules of Procedure.

Ms. Burke reviewed the changes that had been discussed by the Council during their recent Budget Retreat. After some discussion it was agreed that on page 4, under 4.01, second paragraph, the wording under the public participation section would read:

*2) written comment cards submitted to the City Clerk. After discussion and upon agreement of three members of the Council, the item will be moved to a regularly-scheduled Council meeting.*

**Mayor Nabours moved to approve the proposed changes to Rules 4.01, 5.01, 10.9, 11.01, and 11.05 as amended; seconded; passed unanimously.**

C. **Consideration and Adoption of Resolution No. 2013-10:** A resolution of the City Council of the City of Flagstaff, Arizona, declaring as a public record that certain documents filed with the City Clerk entitled the "2012 International Family of Codes, and the 2013 Amendments to City Code, Title 4, Building Regulations, and the ICC A117.1 Accessible and Usable Buildings and Facilities Standard, 2009 Edition" which includes the International Building Code 2012 Edition; International Residential Code, 2012 Edition; International Plumbing Code, 2012 Edition; International Mechanical Code, 2012 Edition; International Fuel Gas Code, 2012 Edition; International Existing Building Code, 2012 Edition; International Energy Code, 2012 Edition; ICC A117.1, Accessible and Usable Buildings and Facilities Standard, 2009 Edition; and providing for amendments, additions, and deletions thereto.

Mike Scheu, Building Official, gave a brief PowerPoint to address the following:

- BUILDING CODE HISTORY
- PROCESS
- CITY INSURANCE CLASSIFICATION RATING
- AMENDMENTS
- ENERGY CODE ALTERNATIVE

- OTHER ITEMS (to be addressed this fall)
  - Unified Code for Abatement of Dangerous Buildings and Uniform Housing Self-Certification

Mayor Nabours clarified that the only action being taken this evening was adoption of the resolution making the Codes and proposed amendments a public record. The ordinance adopting these codes by reference would take place at a future meeting.

Mr. Scheu said that once this was adopted, he would have three sets available in the City Clerk's Office and Library.

Councilmember Overton apologized to missing the meeting last week. He said that he did go through the packet at length, primarily the Energy Code, and had some comments. He understands that what has been presented is a nationwide norm and as they do business they move toward best practices. He appreciated staff taking the time to meet with so many groups. He has always preferred having some amendments; it made sense for local regions to amend as needed. He was glad to see they had backed off of the blower door testing, but he still had concerns with regard to insulation.

Mr. Scheu said that the requirements for sprinkler systems in residential dwellings had already been removed. He said that the State has also made a requirement that single-family dwellings cannot require sprinkler systems.

Councilmembers asked to hear from those in the trades that were present. Councilmember Woodson noted that by taking the stand that the City would adopt updates every six years rather than three, they needed to recognize that those jumps will be greater than normal.

Mayor Nabours said that he assumed that NABA and the Chamber of Commerce would be appearing to say whether they like the proposed changes or wanted more amendments. Mr. Burke said that the first read of the ordinance and hearing would be held on June 4; additional work sessions could be scheduled if necessary. The second read and adoption could take place later in June, or on the 2<sup>nd</sup> or 16<sup>th</sup> of July.

Councilmember Oravits said that it was good they went the resolution route tonight. While most the amendments were best practices they needed to look further into the Energy Code. He said that he did not want to see the Council on the road of adopting things that were not even available for the public to view.

Mr. Scheu noted that he had also received a request for additional amendments to the 2012 Energy Code, as proposed by Capital Consulting, LLC on behalf of the Arizona Multi-housing Association, a copy of which had been placed on the dais. He added that staff supported that proposed amendment.

Jeff Knorr, Flagstaff resident, said that he would like to see good homes for a lot of people versus great homes for a few. Depending on how things were adopted,

these proposed changes could add another \$7,000 to \$10,000 to the cost of a home. He suggested that they let the market drive the issue—not legislation.

Mayor Nabours asked Mr. Knorr if his position was to keep the 2009 Energy Code. Mr. Knorr responded that he was for keeping the 2006 Code.

Councilmember Oravits said that he has seen numbers that the Energy Code alone will add to the cost of a home. He asked at what point they pass diminishing returns. Mr. Knorr said that he believed they had already passed that point, until the other industries catch up.

Councilmember Oravits asked Mr. Knorr if he could come to the meetings where they will be discussing these codes further and share information on the added expenses. Mr. Knorr said that he would do that, going back six years.

Further discussion was held on the HERS rating and insurance issues. Mr. Scheu said that the ISO rating was more interested in life-safety issues, the structural integrity and electrical. Councilmember Oravits asked if the ISO rating could get back to the Class 3 rating if they were to adopt all of the Code and amendments other than the Energy Code. Mr. Scheu said that based on the conversations he has had, he did not believe it would impact the ability to reach the Class 3 rating if they did not adopt the Energy Code.

Councilmember Overton cautioned the Council, noting that the House Bill on the floor would say the City has no right to do any amendments. Looking back to the arguments in 2008 they had the option to adopt the International Energy Code, but they made amendments. He was not happy with everything, but they came to agreement that was beneficial. Councilmember Oravits clarified that he was not endorsing the Legislature's model, he was suggesting that the City could adopt the HERS rating on their own.

Vice Mayor Evans said that there is a lot of talk about the adoption of the new Codes being related to the higher rates for homes. She asked if there was any type of study that shows a correlation between the two. She noted that there are other reasons, as well, for why housing was so expensive in Flagstaff.

**Mayor Nabours moved to read Resolution No. 2013-10 by title only; seconded; passed unanimously.**

*A resolution of the City Council of the City of Flagstaff, Arizona, declaring as a public record that certain documents filed with the City Clerk entitled the "2012 International Family of Codes, and the 2013 Amendments to City Code, Title 4, Building Regulations, and the ICC A117.1 Accessible and Usable Buildings and Facilities Standard, 2009 Edition" which includes the International Building Code 2012 Edition; International Residential Code, 2012 Edition; International Plumbing Code, 2012 Edition; International Mechanical Code, 2012 Edition; International Fuel Gas Code, 2012 Edition; International Existing Building Code, 2012 Edition; International Energy Code, 2012 Edition; ICC A117.1, Accessible and Usable Buildings and Facilities Standard, 2009 Edition; and providing for amendments, additions, and deletions thereto.*

**Councilmember Woodson moved to adopt Resolution No. 2013-10; seconded; passed unanimously.**

15. **DISCUSSION ITEMS**

None

16. **PUBLIC PARTICIPATION**

None

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

Councilmember Brewster reported that she had participated in AED use and instruction along with CPR training, and she also attended the Armed Force Parade with the Mayor, which had a good turnout. She said that she was involved with a group that would be touring NACET this week, and she reminded everyone of Goodwill's Grand Opening tomorrow.

Councilmember Barotz reported that NAIPTA just received notice that they were awarded a \$755,000 grant from ADOT and they also won the State Award from Arizona Transit Authority for the 2013 Rural Transit System.

Mr. Burke reported that the Council should be receiving an abbreviated sheet that will show what is reported and when with regard to the ADEQ Consent Order.

Additionally, Mr. Burke noted that after the Summer Break, the Council would normally hold their August meeting on Tuesday, August 27; however, that is the same week of the League's Annual Conference so he will be bringing an item to the June 4, 2013, agenda suggesting that they schedule that meeting for Monday, August 26, 2013, for those that may be leaving on Tuesday to attend the conference.

18. **ADJOURNMENT**

The Regular Meeting of the Flagstaff City Council held May 21, 2013, adjourned at 7:35 p.m.

---

MAYOR

ATTEST:

---

CITY CLERK

**CERTIFICATION**

STATE OF ARIZONA)  
                                  ss.)  
County of Coconino )

I, ELIZABETH A. BURKE, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the meeting of the Council of the City of Flagstaff held May 21, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4th day of June, 2013.

---

CITY CLERK