

MINUTES

WORK SESSION
TUESDAY, JUNE 11, 2013
COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
6:00 P.M.

1. Call to Order.

Mayor Nabours called the Work Session of June 11, 2013, to order at 6:06 p.m.

2. Pledge of Allegiance.

The City Council and audience recited the Pledge of Allegiance.

3. Roll Call

Councilmembers present:

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

Councilmembers absent:

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

4. Public Participation (Non-Agenda Items Only):

*Public Participation enables the public to address the council about items that **are not** on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.*

Erik Wolverton, Executive Director for Habitat for Humanity introduced himself to the City Council. He offered information on the Brush with Kindness program that provides assistance with home improvements to low income families. Habitat for Humanity is kicking off this program with the painting of the underpass on Milton this coming Saturday.

5. Preliminary Review of Draft Agenda for the June 18, 2013 City Council Meeting. *

** Public comment on draft agenda items may be taken under "Review of Draft Agenda Items" later in the meeting, at the discretion of the Mayor. Citizens wishing to speak on agenda items not specifically called out by the City Council for discussion under the second Review section may submit a speaker card for their items of interest to the recording clerk.*

Councilmember Barotz clarified item 16-A as asked that the title be changed to the discussion of the transportation of uranium through Flagstaff.

6. Legislative Session Update.

Jerne Watson introduced contract lobbyist Richard Travis from Nexxus Consulting. Mr. Travis gave a brief presentation on the latest legislative session.

The number one issue for the State is the budget; negotiations are continuing with passage expected soon. The good news is that this is the first year in the last five that there has not been an attack on state shared revenues.

Two issues dominated this session, Transaction Privilege Tax (TPT) reform and Medicaid expansion. The three areas negotiated in the TPT include single audit, single pair and construction piece. There was success in reduced impact on construction piece from \$200 million to \$20 million but it is still too much, it is hoped that it is withdrawn or winnowed down further.

HB2443 was requested and sponsored with our representatives; it made it through the process and was signed by Governor. This bill removes the requirement of an architect or engineer reviewing plans.

Council asked if the bill for the energy code requirements or limitations that a city can enact is hung up. Mr. Travis explained that it is currently hung up in the House and it is very contentious; they can concur or send it to a conference committee to add amendments. It could go as is and the sponsors can risk getting the necessary votes or they can send it to committee to soften the blow. The question is whether or not they have enough time to do this.

Council also asked about the bill that Coconino Community College had interest in regarding them being allowed to go to the voters asking for a property tax increase. Mr. Travis indicated that it had cleared the Senate 20-8 and it is now in the House. He feels that it is likely it has the required votes but they are looking for more to show the Governor the broad bipartisan support for a community to handle their own issues.

7. Updates on Sustainability Program.

Sustainability Manager Nicole Woodman offered a PowerPoint update on the Sustainability Program which addressed:

- Sustainability Program – Mission
- Sustainability Program – Programming Examples
 - 2012 was first year city could account for internal consumption
- Sustainability Program – 2012 Highlights
 - Fleet utilization audit project
 - Smart Driver training program
 - Expanded recycling outreach efforts
 - Phone Book recycling
 - Energy Retrofits
 - My Energy Pro – online energy tracking
 - Allows for the monitoring of individual energy sites
 - 24 free sustainable business analysis
- Sustainability Program – Moving Forward
- Municipal Sustainability Plan – 2013-2014

Mayor Nabours indicated that the Sustainability Section is funded by the \$4 a month fee that is on every water bill. Ms. Woodman clarified that the Sustainability Section is one of many funded by the fee.

Councilmember Oravits inquired about the recent travel of the division; he asked about the trip to New York for the Garrison Institute. Ms. Woodman explained that The Garrison Institute is a non-profit organization; they provided travel assistance to multiple Sustainability Managers to come and have a dialogue about strategies and resiliencies. This dialogue occurred shortly after Hurricane Sandy and a lot of the discussion focused around how organizations can work together to lessen the impacts of disaster.

Councilmember Oravits also asked about the Urban Sustainability Networks. Ms. Woodman offered that this is an initiative that started in Oregon and the project is similar to doing a micro regional plan for a district or neighborhood. The forums focused on systems thinking and building connectivity between systems.

Councilmember Oravits asked if the conferences offered any type of video conferencing or other methods to reduce the travelling required; 63 days of travel seems like a lot for the Sustainability Section. Ms. Woodman clarified that the 63 days of travel included the Environmental Management Section as well. The Garrison Institute offset the travel with carbon purchases. The goal is to look at alternatives as well as establish a more efficient video conferencing system for the City.

Vice Mayor Evans pointed out that Nicole should be commended for not only promoting sustainable ideas but for also practicing them; Nicole passed a vacant conference room and turned off the lights.

8. Discussion of 2014 Election Issues.

City Clerk Elizabeth Burke introduced Interim City Attorney Michelle D'Andrea as a co-presenter, and also introduced Patty Hansen, County Recorder, and Donna Casner, Chief Deputy Recorder.

Ms. Burke presented a PowerPoint Presentation on Election Issues and offered a brief history of how the issues have come to be.

Ms. D'Andrea continued the presentation with information on the current litigation of Tucson v. Arizona in the Pima Superior Court.

Ms. Burke then offered some options for Flagstaff, noting that the recommended option is to combine the City's primary election with the County ballot.

Vice Mayor Evans Feels the unaffiliated voters are being left out of the equation by having to call and request a ballot and it is unfair.

Patty Hansen, County Recorder, indicated that the problem is that the County is conducting a partisan primary by law and the City has to insert a non-partisan primary. Ms. Hansen offered that only 11% of non-partisans actually participate in primary election, and it is a concern.

Council asked if this will be a polling place election. Ms. Hansen said yes, there would be a special non-partisan ballot available at the polling places but the issue is with the permanent early voting list

The goal of legislature was to improve voter turnout but it may very well have the opposite effect in the primary election.

Mr. Burke asked that if the City is too far into the year to do a spring election and the court indicates that the statutory change to the election was invalid, what right the City had to hold an election in the fall. Ms. D'Andrea responded that the City truly would not have a right to hold the election in the fall. If the election was contested, the City would defend its actions of relying on the law at the time.

Council needs to look carefully the time available to make a decision in calling the election. There will be a period of time to ask the City Clerk to start doing work as if there is a spring election but there will come a time where you may need to cancel the election if there is no ruling at that time.

Ms. Burke stated that if the City went with a spring election they would need to call by September 17, 2013. This would leave 3.5 months to circulate petitions and turn things in.

Council asked what happens to the petitions for a spring election if a fall election is ultimately required. Ms. Burke indicated that the packets would not be any good and candidates would have to go through the process again.

It was asked if there is a permanent early voting registry and it lists non-partisans, why not mail a form to the registered independents. Ms. Hansen responded that there is a

legal barrier to this, those voters have until the election date to determine if they want to participate.

Council asked if the US Department of Justice would need to weigh in on this decision by the State. Ms. Burke offered that the process has been precleared by the Justice Department on a statewide basis since the measure was passed last year, but the City will still need to obtain preclearance.

Mr. Burke asked if there was a way for the wording on the petitions to be done to allow them to be valid for both the spring and fall elections. Ms. Hansen said that there may be some flexibility there but more research would need to be done to determine if it is an option.

Council agreed that the 3.5 month petition circulation time frame is more than enough time and would be okay with shortening that time frame.

9. Presentation on the City of Flagstaff's Procurement Code Manual.

Rick Compau, Purchasing Director, provided a PowerPoint Presentation on the Procurement Code Manual.

Council requested clarification on the requirement of being accessible to City staff and citizens. Mr. Compau agreed that additional language should be added to further define what this means. It would also be specific to the project and the expectations would be outlined in the bid documents.

Mr. Compau explained that the 10 points associated with this section would be assigned as deemed appropriate for the project. This means that the weights of the sub-sections may be different for each project. There is always an element of subjectivity with a process like this. To mitigate and decrease the amount of subjectivity, staff is able to break down the points in terms of importance given the project. The point value would be established and stated in the bid documents so that responders are aware from the beginning.

Michael Sistak with the Flagstaff Chamber of Commerce addressed Council and provided them with a letter from the Flagstaff Chamber of Commerce that offers specific criteria they would like to see included. Of the six options outlined in the letter, three are not included in the process:

1. Does your company have a local business license, give preference to those already here?
2. Location and length of time in city
3. Org chart, it is important that they be able to show who is benefiting from a city contract.

Mr. Compau suggested that these three items would not be appropriate to the section because it is not applicable to experience. Having a location in the City may not make them the most qualified.

Mr. Burke offered that the concern is an assumption of experience versus a statement of experience. They may be one in the same but not a guarantee. Providing experience in the Regional Plan area or FMPO boundaries qualifies the experience.

Council may request a future executive session to discuss what is legal and what is not with regard to local preference.

Council agreed with options 1, 2, and 4 provided in the PowerPoint but may add some things.

Mr. Compau continued his presentation moving to the Bid Protests section.

Councilmember Overton indicated that eliminating the option for a hearing is concerning in terms of liability. If someone comes in after the award has been made there is not option for discussion, it will be important to make it very clear when a protest can occur.

Mayor Nabours offered that from the protester side, they do not want the option of an internal hearing. The protester is required to exhaust all options before they can go to court and most times the internal hearing does nothing to prevent a court hearing anyway. The shorter the process the better it is for both sides.

Council agreed that the protest timeframes should be specified in all bid documents.

Council agreed on Option 1 provided in the PowerPoint for bid process.

A break was held from 8:00 p.m. through 8:11 p.m.

10. Dew Downtown Ski & Snowboard Festival Options.

City Manager Kevin Burke provided a PowerPoint Presentation on possible alternative options for the Dew Downtown event which addressed:

- Dew Downtown
- 2013 Street Closure contingent looking at alternate location and transferring operation to private operation
- Setting up a 3 year request for street closures
- Alternate Locations
- Overview of Dew Downtown (alternate sites)
- Original Location
- Leroux Street
- E Butler near Foxglenn Park
- E Forest Ave near USGS
- Huntington Drive near Wal-Mart
- Alternate Locations
- Transfer to Private Operations
- The future of Dew Downtown

Gordon Watkins, resident, addressed Council about the impacts of street closures and the number of events downtown.

Lynn Baker, resident, addressed Council about her concerns about not having proper notification of the discussion tonight. Ms. Baker also spoke about the impacts of streets closures and the events downtown.

Council inquired about how much additional business was theoretically brought to downtown and how they balance that with the indirect costs that the City incurs to put on the event and whether it is financially worth it.

Mr. Burke reported that there was a 2.5% increase or approximately \$1 million in gross sales. In terms of sales tax, it is about 2% of that. It is a significant number but not changing the economic outlook as a municipality. Bringing \$1 million to downtown may be worth it. In terms of costs the City hard costs were \$65,000 offset by sponsors. Soft costs were valued at \$41,000; this includes the equipment and people. Any overtime related to the project was considered a hard cost.

The novelty of the event is that they are skiing on a street in between buildings in downtown; this is the attraction. Having the businesses nearby adds a value of having that volume of people downtown. Business owners have indicated that this is the second largest day of the year next to Fourth of July.

Council asked about the notification of the meeting tonight. The item was placed on the downtown newsletter making downtown aware of the meeting. Mr. Burke indicated that there was a conscious decision not to notify specifically because the discussion considered multiple sites. When the time comes to discuss the street closure the notification will be more vast and specific.

There was further discussion about other locations and why they were not considered, a lot of locations were not viable due to access issues.

Vice Mayor Evans felt that allowing other businesses in other locations to have a million dollar impact would be great.

Council expressed concern about the proposal for a standing three year request. It is believed that if this action is considered, it be available for other groups as well.

Council offered direction to staff asking for a solicitation be created to gauge interest in a private entity taking over the event and other possible locations.

Mr. Burke responded that staff would move forward with this action but is not convinced that the process would be able to be completed in time for the event in February. He suggested running the process concurrently with the upcoming event or possibly skipping this February to accommodate the solicitation.

Councilmember Barotz requested the number of events that impact the north downtown residential neighborhood in a calendar year

It was suggested that if a majority of the City Council want to maintain the Dew Downtown event on north San Francisco they should look at how the burden might be lightened, such as capping the number of events.

Mr. Burke offered that Council ultimately has the final decision on what events/street closures to approve or deny.

11. Position on proposed 2014 resolutions for consideration by the League of Arizona Cities and Towns.

Deputy City Manager Jerene Watson provided an overview of the resolutions being considered and asked for Council to identify the resolutions they want to sign on to.

1. **Graffiti** – Council agreed to sign on in support.
2. **Halt the sweeping of HURF funds** – Council agreed to sign on in support.
3. **Restrictions on public records requests** – Council not in support of signing on.
4. **State to partner with cities and towns for maintenance of state parks** – Council not in support of signing on.
5. **Alternative delivery methods with regards to construction projects** – Council agreed to sign on in support.
6. **Restoration of Heritage Fund** – Council agreed to sign on in support.
7. **Restriction of large trucks to the right two lanes in an urban area** – Council not in support of signing on.
8. **Amend statutes to provide Workers Compensation to employees of another agency when working with a municipality** – Council not in support of signing on.
9. **Establish a mechanism enabling local government to establish renewable energy and conservation financing districts** – Council agreed to sign on in support.

Mayor Nabours asked about the possibility of a resolution asking for a review of the pension situation and what options may be enacted or available. The League should get experts to develop options to take to the legislature.

12. Review of Draft Agenda Items for the June 4, 2013 City Council Meeting.*

** Public comment on draft agenda items will be taken at this time, at the discretion of the Mayor.*

None.

13. Public Participation

None.

14. Informational Items To/From Mayor, Council, and City Manager.

Councilmember Woodson stated that he forwarded an email to Mr. Burke from David Tenney of the Navajo County Board of Supervisors providing a memo on the lack of progress on the 4FRI project. Staff is asked to prepare a CCR on the status of 4FRI and the options available to start moving this along.

Councilmember Oravits reported that he got to drive the paint striper with the Streets

Department; it was fun and staff did a great job.

Vice Mayor Evans had opportunity to be a keynote speaker at the GED graduation; Councilmember Brewster was there as well as Representative Crandall. It was a great event.

Councilmember Brewster reported that MJ McMahon is retiring and a reception is being held tomorrow evening for her at the High Country Conference Center.

Councilmember Barotz reported that she attended the first Friday art walk. It was amazing; there were so many people downtown. There was a good vibe and she was glad to see everyone there.

Mr. Burke reported that next Thursday is the first review of the Water Policy. Mr. Burke handed out a list of the policies for the 8 sections and asked Council to look through them and decide which ones are of the greatest desire and want to talk about first by Friday. This will help gear the discussion to start with those items first.

15. Adjournment

The Work Session of the Flagstaff City Council held June 11, 2013, adjourned at 9:40 p.m.

MAYOR

ATTEST:

CITY CLERK