

MINUTES

1. CALL TO ORDER

Mayor Nabours called the Regular Meeting of the Flagstaff City Council held April 19, 2016, to order at 4:00 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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

2. ROLL CALL

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

PRESENT:

ABSENT:

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

Others present: City Manager Josh Copley and Interim City Attorney Sterling Solomon.

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

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

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 Work Session of November 10, 2015; Budget Retreat of December 9, 2015; Regular Meeting of April 5, 2016; Special Meeting (Executive Session) of April 5, 2016; and Special Meeting (Executive Session) of April 12, 2016.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Jeff Oravits to approve the minutes of the Work Session of November 10, 2015; Budget Retreat of December 9, 2015; Regular Meeting of April 5, 2016; Special Meeting (Executive Session) of April 5, 2016; and Special Meeting (Executive Session) of April 12, 2016.

Vote: 7 - 0 - 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.

Don Valick, Flagstaff, addressed the Council regarding Guardian Air flying over his house and harassing him.

6. PROCLAMATIONS AND RECOGNITIONS

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

Mayor Nabours opened the public hearing for all four liquor license applications. There being no public input, the public hearing was closed.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Coral Evans to forward a recommendation to the State for approval of all four liquor license applications.

Vote: 7 - 0 - Unanimously

- A. **Consideration and Action on Liquor License Application:** Danny Thomas, "Express Liquors", 5620 N. Highway 89., Series 09 (liquor store - all spirituous liquor), Person Transfer.
- B. **Consideration and Action on Liquor License Application:** Cecily Clift Maniaci, "Hoot Mart", 101 E. Birch Ave., Series 10 (beer and wine store), New License.
- C. **Consideration and Action on Liquor License Application:** Vipul Patel, "Fort Valley Chevron", 1312 N. Fort Valley Rd, Series 10 (beer and wine store), New License.
- D. **Consideration and Action on Liquor License Application:** Robert Delgado, "Hensley Beverage Company", 1850 E. Butler Rd., Series 04 (wholesaler), New License.

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.

- A. **Consideration and Approval of Contract:** Airport Master Plan Update and Aeronautical Geographical Information System (AGIS) Survey Contract.

Councilmember Oravits asked Airport Manager Barney Helmick what they would be getting for this amount. Mr. Helmick replied that the primary project is planning for the next 20 years; the biggest piece is the GIS Survey. They come in and fly the airport, survey it, and put it into GIS software program that matches the City's as well as FAA's. He said that it is about 40% of the overall project. The rest of the project is putting together a committee and planning for the next twenty years, which will be a two-year process. He added that the GIS component is a new process required by FAA.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Karla Brewster to approve the contract with Coffman and Associates to update the Airport Master Plan and provide a Aeronautical GIS Survey. The contract is in the amount of \$520,684. This will allow the City to go through a public process to plan for the future of the Flagstaff Airport.

Vote: 7 - 0 - Unanimously

- B. **Consideration and Approval of Contract:** Audit Services Contract with Clifton Larson Allen.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Eva Putzova to approve the contract with Clifton Larson Allen for Professional Audit Services to perform annual audits of the City's financial records for the years ended June 30, 2016 through June 30, 2019 at the annual fees as follows: June 30, 2016: \$77,910; June 30, 2017: \$80,410; June 30, 2018: \$81,560; June 30, 2019: \$82,300.

Vote: 6 - 1

NAY: Councilmember Jeff Oravits

- C. **Consideration and Approval of Contract:** Citywide Professional On-call Consulting Services: Architecture, Landscape Architecture, Engineering, Geotechnical and Survey.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to approve the fifteen (15) On-Call Professional Services contracts for the following firms and disciplines:

Architecture: Johnson Walzer Associates and Loven Contracting

Landscape Architecture: The WLB Group and Kimley-Horn

Engineering: Civil Design Engineers, Peak Engineering, Plateau Engineering, Shephard Wesnitzer Inc., Turner Engineering, The WLB Group and Woodson Engineering

Geotechnical: Speedie and Associates, and Western Technologies

Survey: Shephard Wesnitzer Inc. and Woodson Engineering

Councilmember Overton said that it was a good way to do more using expedient efforts, but it is a lot of money and leaves too much discretion. He prefers a different method of award.

Vote: 6 - 1

NAY: Councilmember Scott Overton

10. ROUTINE ITEMS

A. Consideration of Audited Financial Reports: Year ending June 30, 2015.

Finance Director Brandi Suda said that the audited financial reports were available on the City's website and at both City libraries. She acknowledged and thanked finance staff, specifically Mary Ellen Pugh, and Jennifer Shaber of the CVB who did the cover for the reports. She said that this was the last year of having Eide Bailly as their auditors. The City went out for a new RFP and in 2016 they will have new auditors.

Ms. Suda briefly reviewed the comments received from the auditors, noting that they had no material weaknesses on internal control and federal awards. There were three financial statement findings and they have put procedures in place to address those in the future.

Mayor Nabours said that he noticed that one of the accountant's concerns was the cost of closure of the landfill, which is hopefully many years away. He asked if perhaps they should discuss this further at the budget retreat to be sure they are addressing it adequately. Ms. Suda noted that they are putting money away for those post-closure costs and continue to reevaluate those projections each year.

Mayor Nabours said that he was pleased that paragraph after paragraph stated that the City of Flagstaff does a fine job and found no discrepancies.

Moved by Councilmember Scott Overton, **seconded by** Councilmember Eva Putzova to approve the FY 2015 Comprehensive Annual Financial Report and approve the FY 2015 Single Audit Report (as reissued).

Vote: 7 - 0 - Unanimously

- B. Consideration and Approval of Contract:** Approve the renewal of our Workers' Compensation contract with Copperpoint Mutual Insurance (***Workers Compensation Insurance Contract***).

Risk Manager Dean Coughenour presented a PowerPoint presentation on this and the next item which addressed:

BROAD TYPES OF INSURANCE

- Property
- Liability
- Auto
- Crime
- Excess
- Airport Liability
- Workers Compensation

RENEWALS PRIOR TO A CHANGE IN OUR PROGRAM
RENEWALS AFTER A CHANGE IN OUR PROGRAM
CRYSTAL BALL

Councilmember Oravits asked if they went out to bid. Mr. Coughenour said that in the beginning of 2014 they did go out and secure quotes. At that time they had moved the self-insured deductions higher. Councilmember Oravits asked how often they rebid. Mr. Coughenour said that they do not do it every year. There are only four options for the City in the market at their level -- Beacon, Travelers, AARP or Midwest. Because of that there is such a small community and underwriters do not like to quote every year. They will negotiate every three to five years.

Councilmember Overton left the meeting at this time (4:40 p.m.)

Mr. Coughenour said that he is anticipating some percentage of increase next year because of the claim history.

Mayor Nabours asked Mr. Coughenour how he distinguishes between casualty and property. Mr. Coughenour said that he speaks of general liability side and third-party claim, other than property. Mayor Nabours asked if that meant that casualty and liability are considered the same; Mr. Coughenour replied that was correct.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to approve the renewal of our Workers' Compensation contract with Copperpoint Mutual Insurance at an estimated annual cost of \$730,000.

Vote: 6 - 0 - Unanimously

- C. Consideration and Approval of Contract:** Approve the renewal of our Casualty insurance with Travelers Insurance and our Property coverage with AIG insurance.

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to approve the renewal of our Casualty insurance with Travelers Insurance and our Property coverage with AIG insurance at a total estimated annual cost of \$850,000.

Vote: 6 - 0 - Unanimously

**D. Consideration and Approval of Contract: Sunnyside Phase V-C Improvement Project.
(Approval of a road-construction contract in Sunnyside).**

Capital Improvements Project Manager David Pedersen briefly reviewed the project, noting that there were seven phases altogether.

Councilmember Oravits left the room (later declaring a conflict of interest on this item).

Vice Mayor Barotz said that it was fabulous to see the project progressing. Councilmember Putzova said that it is great that these neighborhoods will see road infrastructure improved, but at the end, it would be great to look at the expenditures of all roadways to compare the socioeconomic make up. It is sad to see the shape of these roads in 2016 and have the neighbors wait this long. It is great that they are finally bringing them to a standard they should have been at a long time ago.

Moved by Councilmember Coral Evans, **seconded by** Mayor Jerry Nabours to approve the construction contract with RTR Paving and Resurfacing, Inc. in the amount of \$615,077.70 with a contract period of 135 calendar days; approve a contract allowance of \$60,000 to cover the potential costs associated with unanticipated or additional items of work; authorize Change Order Authority for the City Manager in the amount of \$61,508 (10% of the contract amount); and authorize the City Manager to execute the necessary documents.

Vote: 5 - 0 - Unanimously

E. Update on Joint Land Use Study (JLUS) Re: Naval Observatory Flagstaff Station and Camp Navajo and a request to appoint two Council members to serve on the Policy Committee.

Planning Director Dan Folke gave a PowerPoint presentation on this project which addressed:

JOINT LAND USE STUDY (JLUS)
Document Provided
Scope of Work (Draft)
Grant is 90% with 10% matching
Board of Supervisor Roundtable Notes
Department of Defense Presentation

RELATED STUDIES
Mission Compatibility Light Pollution Study
Street Lighting to Enhance Dark Skies (SLEDS)
Citizen Committee on Dark Skies

JLUS
To promote compatible use
To sustain the military mission
Funded by Department of Defense
Requires Local Match (can be in-kind)
Initiative by US Naval Observatory
Coconino County Project Sponsor
Camp Navajo

Select Consultant to Complete the Study
18-24 months once consultant is selected

JLUS
Police Committee
Technical Committee

Vice Mayor Barotz asked how large the committee was and how often they meet. Ally Stender, Project Manager with Coconino County Public Works, said that the committee is being formed at this time. There is not a set number of members, but they are looking to have representatives from all areas of land use around Camp Navajo and the Naval Observatory, including landowners, developers, dark skies representatives, City, County, etc. She said that she is working with Art Babbott and Matt Ryan to build that list and once they have a good list they will bring it back to staff to vet it to make sure they have a well rounded group.

Mayor Nabours asked if the ultimate goal was to have the military installations buy surrounding property to preclude encroachments and conflicts. Ms. Stender replied that she did not know; the goals will be determined by the committee, but it will address managing development around the military installations, looking at national security priorities as well as development and conservation priorities. They will be trying to find that balance to find a plan that works for everyone. She said that they hope to have the committee put together by June and then they will determine the best time to meet.

Mr. Folke said that when he met with representatives of the Navy and Department of Defense the purchase of property is a potential outcome, but overall the outcome of the study is not yet known; it could also include zoning changes.

Vice Mayor Barotz asked if it was correct that this has come about because of the proposed development on west Route 66. Mr. Folke said that he thinks that it was the impetus.

Moved by Councilmember Eva Putzova, **seconded by** Mayor Jerry Nabours to appoint Vice Mayor Barotz and Councilmember Evans to the committee to represent the City of Flagstaff.

Vote: 5 - 0 - Unanimously

F. Community Development Block Grant Program:

1) Consideration and Adoption of Resolution No. 2016-15: A resolution approving the City of Flagstaff's 2016 -2020 Consolidated Plan and authorizing its submission to the U.S. Department of Housing and Urban Development (HUD).

2) Consideration and Adoption of Resolution No. 2016-16: A resolution approving the City of Flagstaff's 2016 Analysis of Impediments to Fair Housing Choice and authorizing its submission to the U.S. Department of Housing and Urban Development (HUD).

3) Consideration and Adoption of Resolution No. 2016-17: A resolution approving the City of Flagstaff's 2016/2017 Annual Action Plan and authorizing its submission to the U.S. Department of Housing and Urban Development (HUD).

Housing and Grants Administrator Leah Bloom briefly reviewed the recommendations which had been reviewed at the prior week's work session.

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to read Resolution No. 2016-15 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION APPROVING THE CITY OF FLAGSTAFF FY 2016-2020 CONSOLIDATED PLAN AND AUTHORIZING ITS SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to adopt Resolution No. 2016-15.

Vote: 5 - 0 - Unanimously

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to read Resolution No. 2016-16 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION APPROVING THE CITY OF FLAGSTAFF 2016 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE AND AUTHORIZING ITS SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Moved by Vice Mayor Celia Barotz, **seconded by** Councilmember Eva Putzova to adopt Resolution No. 2016-16.

Vote: 5 - 0 - Unanimously

Moved by Councilmember Eva Putzova, **seconded by** Vice Mayor Celia Barotz to read Resolution No. 2016-17 by title only.

Vote: 5 - 0 - Unanimously

A RESOLUTION APPROVING THE CITY OF FLAGSTAFF 2016/2017 ANNUAL ACTION PLAN AND AUTHORIZING ITS SUBMISSION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Moved by Councilmember Eva Putzova, **seconded by** Vice Mayor Celia Barotz to adopt Resolution No. 2016-17.

Vote: 5 - 0 - Unanimously

RECESS

Mayor Nabours recessed the 4:00 p.m. portion of the Regular Meeting of April 19, 2016, at 5:10 p.m.

6:00 P.M. MEETING

RECONVENE

Mayor Nabours reconvened the 6:00 p.m. portion of the Regular Meeting of April 19, 2016, at 6:00 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:**ABSENT:**

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

NONE

Others present: City Manager Josh Copley and Interim City Attorney Sterling Solomon.

12. PUBLIC PARTICIPATION

Charlie Silver, Flagstaff, addressed the Council suggesting that out of the 80-person Community Development department that more than two individuals be devoted to long-range planning, and possibly have citizens devote time themselves to advance the Southside Neighborhood Plan.

Christine Sapio, teacher at Coconino High School and coordinator of the Coconuts, reported on their success and said that they would be traveling to the World Championship next week. She then introduced Candace, Josh, and Keith, of the Coconuts, who presented what they would be presenting at that upcoming competition.

Vice Mayor Barotz asked a procedural question of the Interim City Attorney, regarding the appropriate time to explain votes, before or after the vote is taken. Mr. Solomon said that he has seen it done both ways. Vice Mayor Barotz said that she would be explaining her vote after it is taken. Councilmember Putzova asked if there was any legal concern with explaining a vote before the vote is taken. Mr. Solomon said that he does not know that there is a legal concern; he has seen it done both ways.

McKenzie Jones and Libby Champagne with the Sustainability Division came forward and invited everyone to the 9th Annual Earth Day Celebration coming up on Saturday. Ms. Champagne reported that it would start at Heritage Square at 9:00 a.m. with a

community clean-up and then at 11:30 a.m. at Heritage Square they would have vendors, activities, experiences, etc. and would offering three free workshops.

Mayor Nabours then brought forward Item 16-D, noting that additional time was needed for this item.

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

14. **PUBLIC HEARING ITEMS**

Mayor Nabours opened the Public Hearing on all of these items.

A. Ordinances re Open Space Designations

The following items are all proposed to address annexations and rezoning for City-owned land for public recreation and open space purposes and will be considered during one Public Hearing, followed by individual actions.

1. Observatory Mesa

- a. Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-20:** An ordinance of the City Council of the City of Flagstaff, Arizona, extending and increasing the corporate limits of the City of Flagstaff, Coconino County, State of Arizona, pursuant to the provisions of Title 9, Chapter 4, Arizona Revised Statutes, by annexing certain land totaling approximately 640.51 acres located in Section 12, Township 21 North, Range 6 East, which land is contiguous to the existing corporate limits of the City of Flagstaff, and establishing city zoning for said land as Public Open Space (POS) for 640.51 acres. **(*Observatory Mesa Annexation*)**

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to read Ordinance No. 2016-20 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, STATE OF ARIZONA, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, ARIZONA REVISED STATUTES, BY ANNEXING CERTAIN LAND TOTALING APPROXIMATELY 640.51 ACRES LOCATED IN SECTION 12, TOWNSHIP 21 NORTH, RANGE 6 EAST, WHICH LAND IS CONTIGUOUS TO THE EXISTING CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, AND ESTABLISHING CITY ZONING FOR SAID LAND AS PUBLIC OPEN SPACE (POS) FOR 640.51 ACRES; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Karla Brewster to adopt Ordinance No. 2016-20.

Vote: 7 - 0 - Unanimously

- b. Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-21:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 1610.69 acres of real property located on Observatory Mesa, from Rural Residential ("RR") to Public Open Space ("POS"), and approximately 2.0 acres from Rural Residential ("RR") to Public Facility ("PF") and to apply the Resource Protection Overlay ("RPO") to approximately 640.51 acres. **(Observatory Mesa Zoning Map Amendment)**

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Scott Overton to read Ordinance No. 2016-21 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 1610.69 ACRES OF REAL PROPERTY LOCATED ON OBSERVATORY MESA, FROM RURAL RESIDENTIAL ("RR") TO PUBLIC OPEN SPACE ("POS"), AND APPROXIMATELY 2.0 ACRES FROM RURAL RESIDENTIAL ("RR") TO PUBLIC FACILITY ("PF"), AND TO APPLY THE RESOURCE PROTECTION OVERLAY ("RPO") TO APPROXIMATELY 640.51 ACRES; PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to adopt Ordinance No. 2016-21.

Vote: 7 - 0 - Unanimously

2. Picture Canyon

- a. Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-18:** An ordinance of the City Council of the City of Flagstaff Arizona, extending and increasing the corporate limits of the City of Flagstaff, Coconino County, State of Arizona, pursuant to the provisions of Title 9, Chapter 4, Arizona Revised Statutes, by annexing certain land totaling approximately 77.8 acres located in Section 4, Township 21 North, Range 8 East, which land is contiguous to the existing corporate limits of the City of Flagstaff, and establishing no city zoning for said land. **(Picture Canyon Annexation)**

Moved by Councilmember Eva Putzova, **seconded by** Councilmember Coral Evans to read Ordinance No. 2016-18 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, STATE OF ARIZONA, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, ARIZONA REVISED STATUTES, BY ANNEXING CERTAIN LAND TOTALING APPROXIMATELY 77.8 ACRES LOCATED IN SECTION 4, TOWNSHIP 21 NORTH, RANGE 8 EAST, WHICH LAND IS CONTIGUOUS TO THE EXISTING CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, AND ESTABLISHING NO CITY ZONING FOR SAID LAND; PROVIDING FOR SEVERABILITY,

AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Scott Overton to adopt Ordinance No. 2016-18.

Vote: 7 - 0 - Unanimously

- b. Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-19:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 477.8 acres of real property known as Picture Canyon, from No Zoning (County) and Rural Residential (RR) to Public Open Space (POS), and to apply the Landmarks Overlay (LO), the Resource Protection Overlay (RPO) and the Rural Floodplain Designation to approximately 77.8 acres. **(Picture Canyon Zoning Map Amendment)**

Moved by Councilmember Scott Overton, **seconded by** Councilmember Coral Evans to read Ordinance No. 2016-19 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 477.8 ACRES OF REAL PROPERTY KNOWN AS PICTURE CANYON FROM NO ZONING AND RURAL RESIDENTIAL ("RR") TO PUBLIC OPEN SPACE ("POS"), AND TO APPLY THE LANDMARKS OVERLAY (LO), THE RESOURCE PROTECTION OVERLAY (RPO) AND THE RURAL FLOODPLAIN DESIGNATION TO APPROXIMATELY 77.8 ACRES; PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Karla Brewster, **seconded by** Mayor Jerry Nabours to adopt Ordinance No. 2016-19.

Vote: 7 - 0 - Unanimously

3. Buffalo Park West

- a. Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-16:** An ordinance of the City Council of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 26.03 acres of real property located at the northeast corner of Fir Avenue and North San Francisco Street, from Single Family Residential (R1) and Public Facility (PF) to Public Open Space (POS), and to apply the Rural Floodplain Designation. **(Buffalo Park West Zoning Map Amendment)**

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Coral Evans to read Ordinance No. 2016-16 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 26.03 ACRES OF REAL PROPERTY LOCATED AT THE NORTHEAST CORNER OF FIR AVENUE AND NORTH SAN FRANCISCO STREET, FROM SINGLE FAMILY RESIDENTIAL (R1) AND PUBLIC FACILITY (PF) TO PUBLIC OPEN SPACE (POS), AND TO APPLY THE RURAL FLOODPLAIN DESIGNATION; PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Coral Evans, **seconded by** Councilmember Karla Brewster to adopt Ordinance No. 2016-16.

Vote: 7 - 0 - Unanimously

4. **Guadalupe Park**

- a. **Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-15:** An ordinance of the City of Flagstaff, amending the Flagstaff Zoning Map to rezone approximately 1.07 acres of real property located at 805 West Clay Avenue, from Highway Commercial (HC) to Public Facility (PF). ***(Guadalupe Park Zoning Map Amendment)***
- 1) Read Ordinance No. 2016-15 by title only for the final time
 - 2) City Clerk reads Ordinance No. 2016-15 by title only (if approved above)
 - 3) Adopt Ordinance No. 2016-15

Moved by Councilmember Eva Putzova, **seconded by** Councilmember Coral Evans to read Ordinance No. 2016-15 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 1.07 ACRES OF REAL PROPERTY LOCATED AT 805 WEST CLAY AVENUE FROM HIGHWAY COMMERCIAL (HC) ZONE TO PUBLIC FACILITY (PF) ZONE; PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Eva Putzova, **seconded by** Councilmember Scott Overton to adopt Ordinance No. 2016-15.

Vote: 7 - 0 - Unanimously

5. **Highland Avenue Parcels**

- a. **Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-17:** An ordinance of the City of Flagstaff amending the Flagstaff Zoning Map to rezone approximately 5.31 acres of real property located off Highland Avenue from Highway Commercial (HC) to Public Facility (PF). ***(Highland Avenue Zoning Map Amendment)***
- 1) Read Ordinance No. 2016-17 by title only for the final time
 - 2) City Clerk reads Ordinance No. 2016-17 by title only (if approved above)
 - 3) Adopt Ordinance No. 2016-17

Moved by Councilmember Jeff Oravits, **seconded by** Councilmember Karla Brewster to read Ordinance No. 2016-17 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 5.31 ACRES OF REAL PROPERTY LOCATED AT THE END OF HIGHLAND AVENUE WEST OF WOODLANDS VILLAGE BOULEVARD, FROM HIGHWAY COMMERCIAL (HC) TO PUBLIC FACILITY (PF); PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Scott Overton, **seconded by** Councilmember Karla Brewster to adopt Ordinance No. 2016-17.

Vote: 7 - 0 - Unanimously

- B. Public Hearing, Consideration, and Possible Adoption of Ordinance No. 2016-24:** An ordinance of the City Council of the City of Flagstaff, Arizona, extending and increasing the corporate limits of the City of Flagstaff, Coconino County, State of Arizona, pursuant to the provisions of Title 9, Chapter 4, Arizona Revised Statutes, by annexing certain land totaling approximately 0.81 acres located in Section 7, Township 21 North, Range 8 East, which land is contiguous to the existing corporate limits of the City of Flagstaff, and establishing City zoning for said land as Rural Residential (RR) for 0.81 acres, providing for severability, authority for clerical corrections, and establishing an effective date. *(Marquardt Annexation - Mountain Meadow Drive)*

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to read Ordinance No. 2016-24 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, COCONINO COUNTY, STATE OF ARIZONA, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, ARIZONA REVISED STATUTES, BY ANNEXING CERTAIN LAND TOTALING APPROXIMATELY 0.81 ACRES LOCATED IN SECTION 7, TOWNSHIP 21 NORTH, RANGE 8 EAST, WHICH LAND IS CONTIGUOUS TO THE EXISTING CORPORATE LIMITS OF THE CITY OF FLAGSTAFF, AND ESTABLISHING CITY ZONING FOR SAID LAND AS RURAL RESIDENTIAL (RR) FOR 0.81 ACRES; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to adopt Ordinance No. 2016-24.

Vote: 7 - 0 - Unanimously

- C. **Public Hearing, Consideration and Possible Adoption of Ordinance No. 2016-23:** An ordinance of the Flagstaff City Council amending Title 7, *Health and Sanitation*, and Title 12, *Floodplain*, of the Flagstaff City Code, by amending Chapters 7-02-001-0039, *Sewer Use Charges, Capacity Charges*; 7-03-001-0010, *Water Rates*; and 7-03-001-0011, *Water Main Capacity Charges*; 7-03-001-0014 *Water Conservation and Chapter 12-02-002-0003, Schedule of Stormwater Management Utility Service Charges and Fees, thereof.*
(Ordinance increasing certain utility rates, charges and fees)

Mayor Nabours opened the continuation of the Public Hearing on this item, noting that the Council had received a memo from Mr. Copley answering a few questions about the debt service and debt limits.

Utilities Director Brad Hill reviewed slides that answered questions previously submitted.

WHAT IS THE AVERAGE CUSTOMER GETTING WITH THE RATE INCREASE?

Vice Mayor Barotz asked if they decreased the capital projects after the correction was made with regard to the energy issue. Mr. Hill said that if the Council moved forward with the 4.4% increase for water and 7% on sewer, the capital projects would be as shown. He said that the projects remain the same but since it has taken longer than anticipated to get the increases adopted, the dates have had to shift.

Utilities Engineer Ryan Roberts said that the list they have before them for capital projects is the same as before, what has changed is some have been deferred. He said that the energy surcharge issue has had no effect whatsoever on the capital projects.

STORMWATER

WHAT IS THE FIVE-YEAR DEBT SERVICE BY FUND?

WASTEWATER

After further discussion, Councilmember Evans asked staff to remind them of the original recommendation. Mr. Roberts said that the rate consultant thought that a 20% debt service limit was very low and conservative. Mr. Roberts said that five years ago they were at 40%, but they are now well below 20%. The consultants said that it was normal to see utilities carry around the mid twenties to 30%; over 30% debt service to revenues there was cause for concern.

Mr. Hill continued the PowerPoint presentation:

WHAT IS THE IMPACT TO THE AVERAGE RESIDENTIAL CUSTOMER?

HOW DO OUR RATES COMPARE?

WATER

Councilmember Oravits said that he was glad to see the conservation efforts being addressed, but in all of the improvements, he asked how they would be addressing leakage. Mr. Hill noted that two items -- the water main replacements and meter replacements -- will address that issue. He said that they were down to 11% in 2015 from a prior 15%. If the City was in an Active Management Area they would be governed by law at 10%.

Management Services Director Rick Tadder then continued the PowerPoint presentation:

RELATIONSHIPS

HOW IS DEBT SERVICE CALCULATED?

Councilmember Putzova said that it would be good in the final report to see how the conservation program is anticipated to change over the next five years. She then asked what the cost was of the study. Mr. Roberts said that the total combined cost was just around \$145,000 for the consultant fees.

Brief discussion was held on the concept that each year they will review the actual revenues received compared to projections, and capital projects may be adjusted either way. Councilmember Overton noted that he has often seen where revenues were more than anticipated and they were able to do more projects.

Mr. Vane, Flagstaff, came forward and mentioned that when they started this last October Councilmember Putzova had recognized the fact that while they were looking at a 3% or 7% increase for water, that was not even across all of the classes. He said that they do not understand the earlier statements made this evening regarding the energy surcharge.

Vice Mayor Barotz asked Mr. Vane to explain to her how he saw that issue. Mr. Vane said that when the rate increase was first described, it was 3% or 7% applied only to the water rate, but the consultant had applied it to the water and energy rate, and that did not follow most practices. Later when the consultant came back they had changed the methodology to apply the escalator, excluding the energy rate, and that means the total revenue would be less.

Mr. Hill said that this is a very difficult concept and they are all working with people bringing various points of view. Deputy City Manager Barbara Goodrich said that she does not advise they do battling numbers, but in her quick calculations, at the end of the three years there would be a change of \$.01/month. She said that there are various ways to address this, but she believed that they did account for it and the report shows that they can adequately fund at this increase.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to read Ordinance No. 2016-23 by title only for the final time.

Vote: 4 - 3

NAY: Vice Mayor Celia Barotz
Councilmember Coral Evans
Councilmember Eva Putzova

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF FLAGSTAFF, ARIZONA AMENDING TITLE 7, HEALTH AND SANITATION, AND TITLE 12, FLOODPLAIN, OF THE FLAGSTAFF CITY CODE BY AMENDING SECTIONS 7-02-001-0039, SEWER USE CHARGES, CAPACITY CHARGES; 7-03-001-0010, WATER RATES; AND 7-03-001-0011, WATER MAIN CAPACITY CHARGES; 7-03-001-0014, WATER CONSERVATION; AND SECTION 12-02-002-0003, SCHEDULE OF STORMWATER MANAGEMENT UTILITY SERVICE CHARGES AND FEES, THEREOF

Vice Mayor Barotz said that her reason for voting no is that while she thinks they need to raise their water rates, she is not supporting this outcome because of the policy choices they opted to pursue. Specifically, she would have preferred that they had seriously evaluated the opportunity and benefit of tiered rates for commercial users. They were given a flawed example and then never pursued it. Also, she thought it was a mistake to isolate the reclaimed water discussion.

Councilmember Oravits said that it is always upsetting to have a rate increase. It pains him, but he is excited to see an additional \$36 million over the next five years on that infrastructure. This Council has worked hard to spend more and more on infrastructure and this is critical that they do it. He said that it has been debated for a long time and they ended up at 4.4% with a dedicated stream to conservation. He thought this was the right call to make and he is very supportive of it.

Councilmember Putzova said that she would hope that in the future the Council can be involved in setting policy direction for studies like this. Her understanding was that it was the Water Commission that provided direction and the Council first discussed it when they started to see preliminary results of the study. She echoed Vice Mayor Barotz's comments that it was a lost opportunity; they could have rates, maybe even lower, but with an added benefit of achieving different policy objectives. She said that they have so many goals in their Regional Plan that could have been addressed, and this Council has chosen not to do that.

Councilmember Brewster reminded everyone that Flagstaff, taken as a whole and compared to others, has probably the most conservative water users in the State. They have been doing a good job and during their water rate discussions, not everyone was always present. Vice Mayor Barotz noted that while she did not make a meeting, she did watch it.

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to adopt Ordinance No. 2016-23.

Vote: 4 - 3

NAY: Vice Mayor Celia Barotz
Councilmember Coral Evans
Councilmember Eva Putzova

- D. **Public Hearing, Consideration and Possible Adoption of Resolution No. 2016-13 and Ordinance No. 2016-22:** Public hearing to consider proposed amendments to Flagstaff Zoning Code, Chapter 10-50 (Supplemental to Zones), Division 10-50.100 (Sign Standards), and other related amendments in Chapter 10-20 (Administration, Procedures and Enforcement), Chapter 10-80 (Definitions) and Chapter 10-90 (Maps); consideration of Resolution No. 2016-13 declaring the proposed amendments as a public record; and adoption of Ordinance No. 2016-22, adopting amendments to Flagstaff Zoning Code Chapter 10-50 (Supplemental to Zones), Division 10-50.100 (Sign Standards), and other related amendments in Chapter 10-20 (Administration, Procedures and Enforcement), Chapter 10-80 (Definitions) and Chapter 10-90 (Maps), by reference. (***Zoning Code Amendments - Sign Standards***)

Moved by Mayor Jerry Nabours, **seconded by** Councilmember Jeff Oravits to postpone the public hearing on this item to May 3, 2016.

Vote: 7 - 0 - Unanimously

15. REGULAR AGENDA

A. Discussion and Possible Action re: Current Issues Before the Arizona Legislature

Assistant to the City Manager Stephanie Smith addressed the Council, noting that Richard Travis was also available on the telephone. She then reviewed a PowerPoint presentation which addressed:

SESSION STATS
STATE BUDGET UPDATE
House and Senate Budget Drafts
COUNCIL QUESTIONS
UPCOMING DATES

Mr. Travis noted, in regard to the budget drafts of the House and Senate, they believe they are getting close to taking those back to the House and Senate. He said that the competition for one-time funding is HURF. One body would like to erase the HURF transfer with one-time money, about a \$90 million expenditure. He said that the VA Homes for Flagstaff and Kingman have not been proposed. He said that there have been no budget bill votes taken at this point. What they are working on now is a large spreadsheet to see where they have agreement and disagreement, and where they have fair and accurate numbers for ongoing and one-time. Once they agree on those numbers then they will fill in the rest.

Mayor Nabours asked where in the process was the funding for the VA Home. Mr. Travis said that the good news is that they are part of the conversation; it is being considered for one-time funding, but it has not been added into the budget at this point. He said that one of the challenges is that the House would like to see a VA Home in Flagstaff and Kingman, and that takes it from \$10 million to \$20 million.

Mayor Nabours asked if there would be a change in the weapons procedures in public buildings. Mr. Travis said that bill moved through the Senate Caucus late last week. He said that it is one of several bills ready to go as soon as the budget passes. He said that vote on guns in public places is going to be close; they are still working to collect no votes, and they still do not know if that is something the Governor wants to see on his desk.

Councilmember Evans asked about the likelihood of the pawn shop bill. She said that it is being pushed hard by the Speaker. Mr. Travis said that they are trying to point out what cities do with those fees and what Flagstaff has done.

Ms. Smith said that she knows that Chief Treadway has been engaged with the State Association and Flagstaff is one of only four communities that tie the fee to their services. She said that Chief Treadway has been asked to provide documentation on how the City uses those fees.

Councilmember Evans asked how they would fund that position if the fees were eliminated. Chief Treadway said that they will need to determine how they would sustain the challenges.

Councilmember Evans asked if this was a city rights or charter rights issue. Ms. Smith

said that they could look into that further. Mayor Nabours suggested that everyone contact any senators they may know as it will come down to a vote in the Senate.

B. Consideration and Possible Action: Change to Summer Break Dates.

Mayor Nabours said that he had requested this item to see about changing the Council's summer break to be more consistent with school breaks. City Clerk Elizabeth Burke reviewed the material provided, noting that either way it would still be a 41-day break. She said that they posted it to allow for this to be a temporary or permanent change.

Vice Mayor Barotz said that she has made plans based on the past schedule, and she would ask that no ordinances of significance be placed on the August 16 meeting as she would not be there.

Moved by Councilmember Jeff Oravits, **seconded by** Mayor Jerry Nabours to select Option 2, amending the Rules of Procedure, Rules 3.01 and 3.03, as reflected in the changes proposed, to make this a permanent change.

Councilmember Putzova said that she did not have a preference, but changing it this late is not the correct way to do it.

Vote: 7 - 0 - Unanimously

16. DISCUSSION ITEMS

17. FUTURE AGENDA ITEM REQUESTS

After discussion and upon agreement by a majority of all members of the Council, an item will be moved to a regularly-scheduled Council meeting.

A. Future Agenda Item Request (F.A.I.R.): A request by Councilmember Putzova to place on a future agenda a discussion on strategies and implementation of the Regional Plan's climate change goals and policies.

Councilmember Putzova said that there are various ways to implement the Regional Plan and she would like staff to work on strategies to implement the climate change section of the Regional Plan.

Mayor Nabours said that about four years ago the City adopted a Resiliency Plan. Councilmember Putzova said that is part of it, but the Regional Plan has several objectives and goals.

Mayor Nabours asked what department Councilmember Putzova would see addressing this issue. Councilmember Putzova said that would be up to the City Manager to delegate.

There not being four members of the Council interested in moving this forward, no action was taken.

B. Future Agenda Item Request (F.A.I.R.): A request by Mayor Nabours to place on a future agenda a discussion on deleting the requirement that developers pay to the I-40/Lonetree traffic interchange.

Mayor Nabours said that this interchange has gotten so expensive and so complicated the question is whether it will ever happen. To make the developers add to the cost of a house at this time and put that money aside for something that may never happen is questionable.

Councilmember Overton said that he would be more apt to listening to the argument if they could delete specific language. There is a land use decision tied to this and he would be more apt to hear a conversation about the land use in that southwest corridor. If the interchange is a topic, then fine, but he would be cautious in making it so specific. Councilmember Oravits said that he would be fine with a discussion as restated.

Councilmember Evans said that she sits as Chairman of the FMPO and they have not talked about this being changed. For Council to talk about it without their input would not be appropriate.

Direction was given to broaden the topic.

C. Future Agenda Item Request (F.A.I.R.): A request by Mayor Nabours to place on a future agenda a discussion on using Pine Canyon fees for Lonetree improvements

Mayor Nabours said that they have \$1 million in the bank from Pine Canyon that is designated for traffic impacts. Right now it is not stated how those impact fees would be used. He would like to talk about the best use of those funds. Councilmember Overton said that is was obviously intended to address Pine Canyon's impact and it would be wise to use it for that.

Brief discussion was held on why this was coming forward and Mr. Solomon suggested that further discussion be held in Executive Session. It was agreed that this would not move forward until further discussion was held in Executive Session.

Councilmember Putzova then questioned the process of broadening the topic for Item 17-B and whether it was appropriate. Councilmember Evans noted that when Councilmember Putzova first brought forward Indigenous Peoples Day that issue was raised, and she was required to bring it back for further direction.

Mayor Nabours said that he would reframe the question under Item 18.

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

Councilmember Oravits asked that the City Clerk reflect in the minutes that he had removed himself from the room earlier in the meeting on Items 10D and 10F for a conflict of interest.

Councilmember Putzova requested that the balance of the questions that had not been answered regarding the VA Home be answered.

Mayor Nabours requested a Future Agenda Item Request for a discussion on possibly reducing or deleting the requirement that developers pay to the Lonetree Traffic Interchange with information from ADOT, and perhaps the Transportation Committee, on plans for Lonetree and how it might affect the private property owners, including an

estimate from staff on what those impacts might be.

Mayor Nabours requested a Future Agenda Item Request to consider an expedited building permit process for buildings that meet a green standard, as further defined, such as a LEEDS building, etc. Councilmember Evans asked if they could add affordable housing to that. Mayor Nabours replied no.

Mr. Copley reported that there would be controlled burns in town tomorrow in the south and east part of town. He also reminded everyone that next week Tuesday and Wednesday would be the Budget Retreat and there would be no Tuesday evening meeting. They hoped to have the budget packet out tomorrow, or Thursday at the latest.

19. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held April 19, 2016, adjourned at 8:28 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

I, ELIZABETH A. BURKE, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on April 19, 2016. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 3rd day of May, 2016.

CITY CLERK