

# MINUTES

REGULAR COUNCIL MEETING  
TUESDAY, OCTOBER 2, 2012  
COUNCIL CHAMBERS  
211 WEST ASPEN AVENUE  
6:00 P.M.

**The 4:00 p.m. portion of the October 2, 2012, has been cancelled.  
All items will be discussed at the 6:00 p.m. meeting.**

## 6:00 P.M. MEETING

### 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).

1. **CALL TO ORDER**

Mayor Nabours called the Flagstaff City Council meeting to order at 6:12 p.m.

2. **ROLL CALL**

MAYOR NABOURS

VICE MAYOR EVANS

COUNCILMEMBER BAROTZ (excused)

COUNCILMEMBER BREWSTER

COUNCILMEMBER ORAVITS

COUNCILMEMBER OVERTON

COUNCILMEMBER WOODSON

Others present: City Manager Kevin Burke; City Attorney Rosemary Rosales.

3. **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.

None

4. **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.**

None submitted

5. **APPOINTMENTS**

A. **Consideration of Appointments:** Regional Plan Citizen Advisory Committee

**Councilmember Oravits moved to appoint Bill McCullogh to the CAC; seconded by Mayor Nabours.**

A brief discussion was held by Councilmembers on whether or not they should appoint another member at this time.

Carol Bousquet, Flagstaff, supported leaving the membership as is, noting that they have had four years of community outreach and agreed early on to leave their hats at the door. None of the categories have changed by more than 11% over that period of time.

**Motion failed 2-4, with Mayor Nabours and Councilmember Oravits voting in favor.**

6. **REGULAR AGENDA**

A. **Consideration and Possible Adoption of Changes to Title 1, Chapter 14, Personnel System, of the Flagstaff City Code:**

- i. Resolution No. 2012-33: A resolution of the City Council of the City of Flagstaff, Arizona declaring as a Public Record that certain document filed with the City Clerk and entitled "The 2012 Addendum 4 to the Flagstaff Employee Handbook of Regulations"
- ii. Ordinance No. 2012-14: An ordinance of the City Council of the City of Flagstaff amending the Flagstaff City Code, Title 1, *Administrative*, Chapter 14, *Personnel System*, Section 1-14-001-0001, *Personnel System Adopted*; adopting the *Flagstaff Employee Handbook of Regulations* by reference, relating to policies and procedures concerning equal employment opportunity, affirmative action, non-discrimination and anti-harassment, Americans with Disabilities Act, complaints, grievances, probationary employees, performance evaluations and reductions in force; providing for penalties, repeal of conflicting ordinances, severability, authority for clerical corrections and establishing an effective date.

Mayor Nabours noted that the few issues he had concerns with at the last meeting had been addressed.

**Councilmember Overton moved to adopt Resolution No. 2012-33; seconded by Councilmember Brewster; passed unanimously.**

**Councilmember Woodson moved to read Ordinance No. 2012-14 for the final time by title only; seconded by Vice Mayor Evans; passed unanimously.**

**Councilmember Brewster moved to adopt Ordinance No. 2012-14; seconded by Vice Mayor Evans; passed unanimously.**

- B **Consideration and Adoption of Resolution No. 2012-35:** A resolution of the City Council of the City of Flagstaff, Arizona repealing Resolution No. 2011-09 and approving new Guidelines for Special Events.

Glorice Pavey, Special Events Coordinator, reviewed the changes being proposed:

- ▶ Created a feedback line so public could give us feedback – positive or negative
- ▶ Removed regulations not allowing liquor references on banners
- ▶ Defined the notification perimeters
- ▶ Added flagger training
- ▶ Changed phone numbers

**Councilmember Overton moved to read Resolution No. 2012-35 by title only; seconded by Councilmember Woodson; passed unanimously.**

**Vice Mayor Evans moved to adopt Resolution No. 2012-35; seconded by Councilmember Brewster; passed unanimously.**

- C. **Consideration and Possible Adoption of Ordinance No. 2012-15 and approval of Amendment Two to the Homebuyer Services Agreement with BOTHANDS, INC:**

- i. An ordinance authorizing the City of Flagstaff to sell the almost completed improvements to real property located at 2374, 2366, 2358 and 2350 North Izabel Street to qualified homebuyers and to execute 99 year leases for the use of the land.
- ii. Approval of Amendment Two to the existing Homebuyer Services Agreement with BOTHANDS, INC for marketing and technical services associated with the sale of the units.

David McIntire said that they were only authorizing the sale of the four lots, and they were not authorizing the building of any more by this action. They were asking that all action be done at this meeting because of the 30-day waiting period for ordinances, which would put them into the holidays if they waited another two weeks to hold the second read and adoption. It also reduces the City's carrying costs.

**Vice Mayor Evans moved to read Ordinance No. 2012-15 for the first time by title only; seconded by Councilmember Brewster; passed unanimously.**

**Councilmember Brewster moved to read Ordinance No. 2012-15 for the final time by title only; seconded by Vice Mayor Evans; passed unanimously.**

**Vice Mayor Evans moved to adopt Ordinance No. 2012-15; seconded by Councilmember Brewster; passed unanimously.**

**Councilmember Brewster moved to authorize the City Manager or designated staff to sign all documents necessary to carry out the provisions of Ordinance No. 2012-15; seconded by Councilmember Overton; passed unanimously.**

Mr. McIntire explained that they have an existing agreement with Bothands for 16 units, with each phase coming back. The change to the agreement provides a reduction in fee per house of approximately \$1,300. This change allows them to be open and flexible on self performance and contract out through a broker.

He said that they were able to make this change without going back out through the RFP process because they had actually done a Request for Statement of Qualifications and they were in compliance with purchasing requirements. This will be the second amendment for the third phase.

**Mayor Nabours moved to approve Amendment Two to the existing Agreement for Homebuyer Services with BOTHANDS, Inc.; seconded by Vice Mayor Evans; passed unanimously.**

- D. **Consideration and Approval of Street Closure(s):** 2013 Dew Downtown Flagstaff Urban Snowboard and Ski Festival and **Consideration and Approval of Amplification Exception:** 2013 Dew Downtown Flagstaff Urban Snowboard and Ski Festival.

Glorice Pavey, Special Events Coordinator, reviewed the requests associated with the Dew Downtown for 2013.

Councilmembers voiced concerns with some business owners not receiving notification of the meetings at which the street closure would be discussed. Staff noted that they sent out notices to over 800 residents information on the Public Meeting held on September 12, and also the meeting this evening before Council. Additionally, they provided information on the City's website and in the downtown newsletter. She said that they had three members of the public attend the 9/12 Public Meeting.

Councilmembers stated that they felt it was a great event last year; however, they were still concerned that not enough notification had been given to the business owners and residents.

The following individuals said they had not received notification of the meetings. They were not opposed to the event although they questioned why it had to be on San Francisco Street each year:

Gordon Watkins  
Lynn Baker

Ms. Baker said that if there was a steering committee, she would like to serve on it. She noted that Dave McCormick was unable to attend the meeting tonight but he was still opposed to it.

Mark Lamberson, Flagstaff, said that he was very involved in last year's event and thanked those that supported them last year. It was a leap of faith for the community, the City, sponsors, etc. and they proved to themselves last year to be a successful event. There were a few whose needs cannot be met, but they were trying to move forward with this year's plans and trying to eliminate the problems they faced last year by starting earlier to address some of the issues.

**Councilmember Overton moved to approve the closure; seconded by Councilmember Brewster.**

**Councilmember Oravits moved to postpone these items for two weeks; seconded by Vice Mayor Evans; passed 4-2 with the following roll call vote:**

Mayor Nabours	Yes
Vice Mayor Evans	Yes
Councilmember Brewster	No
Councilmember Oravits	Yes
Councilmember Overton	No
Councilmember Woodson	Yes

Councilmembers said that when there are parades scheduled downtown and streets will be closed, notices are hand-delivered; perhaps they could do the same for these meetings; and also recommended that staff utilize the neon sign from the Police Department notifying them of the public meeting in two weeks.

- E. **Consideration and Possible Adoption of Ordinance No. 2012-13:** An ordinance of the Mayor and Council of the City of Flagstaff amending Flagstaff City Code, Title 3, Business Regulations; Chapter 3, User Fees; Section 3-10-001-0005, Recreation, revising Jay Lively Activity Center fees.

Mr. Burke noted that as they have been answering questions, they have lost sight of what got them to this point. In the budget process last year Council and staff worked together and wanted to increase allocations to infrastructure. They increased those allocations by \$250,000, with \$100,000 of it coming through cuts in different services or increased revenues. At that time they went through the process and identified areas where revenues could be raised.

If raising that revenue was not the direction they wanted to go, he was still in a position where he could not allocate the \$100,000 to the street infrastructure. He

was asked if that was the only way to modify it. Mr. Burke responded that the proposal being presented tonight was to phase in the increases and use some one-time dollars. They could say no increase at all and just use one-time dollars for the street infrastructure.

Council noted that this was the problem with taxes and fees and they have talked about changing that process. They were very thankful and appreciative that staff has given them so much information, but wondered if the entire discussion was premature before they have a complete discussion on the BBB funding and the upcoming budget.

Councilmember Overton said that he would take some ownership of it, although he sees the position of the others. Back in 2006 they started setting fees for the Aquaplex and began looking at fees for the different recreation services. The ice rink had the most discussion in terms of fee recapture and then the roof collapsed. They agreed to continue being in the ice rink business and they had discussions with all user groups about recapture rates. It has now been two years and it is a harder pill to swallow.

Staff noted that if they eliminated the \$100,000 in a \$1.25 million budget, the \$100,000 by itself was not a whole project. It would reduce the overall chip seal, reconstruction, etc. projects.

**Mayor Nabours moved to table this item indefinitely; seconded by Councilmember Oravits; passed 4-2 with Councilmembers Overton and Woodson casting the dissenting votes.**

A break was taken between 7:35 p.m. and 7:47 p.m.

7. **DISCUSSION ITEMS**

A. Discussion Item: Flagstaff Children's Memorial Park

To be discussed at a future meeting when Councilmember Barotz could be present.

B. Discussion Item: Request for Proposals for Core Services Maintenance Facility

Public Works Director Erik Solberg gave a brief review of the Request for Proposals for a Core Services Maintenance Facility property. He said that they had one proposal submitted on Route 66, between Kaibab and Thompson Street. It consisted of two phases—Phase 1 consisted of approximately 13 acres which would get them into a facility; and Phase 2 was additional land that they would need for future growth to be purchased in five years. His PowerPoint addressed:

•FINAL PROPOSAL

16.75 acres - \$15,825,012

Phase 1 – 13.6 acres \$13,290,086

Phase 2 – in five years – 3.15 \$2,534,926

•OTHER CONSIDERATION

Environmental Assessment  
Review the proposer's environmental documents  
City to conduct environmental reports at our cost  
Proposer to pay clean up if necessary  
City to pay closing costs

•ACQUISITION RECAP

Cost of property	\$15,825,012
Improvements	\$ 9,000,000
Total Cost	\$24,825,012
Bond	\$14,000,000
Balance	\$10,825,012
Landfill Fees	\$ 4,000,000

Could leverage about \$4M from what is in there

(Needed From Land Sales - \$6,825,012 of current yard and McCallister Ranch.)

Mr. Burke reviewed the process of determining the value of the proposal. In acquiring the parcel they did an RFP and asked for land in the City, or outside the City, open and available to any property owner in the area. They did it by sealed bid, so one person would not know if someone else was bidding and what another bid price may be. In the end, they only received one proposal. This met their requirements. One of the challenges they faced was finding the size of property needed with the permitted use and good access to arterials. For those reasons there were very few properties that met the criteria.

The property currently includes 90,000 sq. ft. of building in Phase 1; Phase 2 includes about 12,000 sq. ft. of buildings. Although there are buildings currently on the property there are still expenses involved to make improvements and hook up to the City's sewer and water.

Staff said that ultimately it will be the citizens of Flagstaff, through the bond election process, to tell them whether it was a reasonable price for the property.

Mr. Solberg explained that the \$2.50/ton for commercial customers at the landfill would help offset some of these costs.

Management Services Director Barbara Goodrich reviewed the \$21 million in interest over the 25 years, associated with the \$24 million in debt. She also reviewed the \$4.5 million being proposed for approximately 27 acres in the Fourth Street/Route 66 area. It was noted that there was no infrastructure or buildings on that property.

8. **PUBLIC PARTICIPATION**

None

