



**“The mission of the City of Safford is to make Safford
a great place to live, work, and visit”**

**CITY OF SAFFORD
COUNCIL MEETING MINUTES
Monday, June 22, 2015 @ 6:00 PM
Safford Library Program Room, 808 S. 7th Avenue, Safford, Arizona**

PRESENT: Wyn “Chris” Gibbs, Mayor; Mary Bingham, Vice Mayor; Kenneth Malloque, Gene Seale, Arnold A. Lopez, James D. Howes and Richard Ortega.

STAFF PRESENT: Horatio Skeete, City Manager; Joe Brugman, Chief of Police; Randy Petty, City Engineer/Public Works Director; Lance Henrie, City Engineer/Assistant Public Works Director; Dustin Welker, Planning and Community Development Director; Jenny Howard, Utilities Director; Terry Quest, Finance Director; Leanne McElroy, Library Director; Cliff Davis, Human Resources Officer; Sam Napier, I.T.; and Georgia Luster, City Clerk. Dale Clark assisted with the audio recording of the meeting.

OTHERS PRESENT: Steve McGaughey, Chris Taylor, and members of Boy Scout Troop #5734. Ralph Score, of Valley TeleCom Group video recorded the meeting.

- 1. WELCOME AND CALL TO ORDER:** Mayor Gibbs called the meeting to order at 6:00:23 p.m.
- 2. ROLL CALL:** A quorum of the Council was present (7).
- 3. PLEDGE OF ALLEGIANCE TO THE FLAG:** Max Mullenau of Boy Scout Troop #5734 led the Pledge of Allegiance to the Flag.
- 4. OPENING PRAYER:** Councilman Seale offered the Opening Prayer.
- 5. CITIZEN COMMENTS ON AGENDA ITEMS:** NONE
- 6. PUBLIC HEARING:** Mayor Gibbs opened (6:02 p.m.) a Public Hearing for the purpose of hearing taxpayers on the Budget and Tax Levy for Fiscal Year 2015-2016 for the City of Safford. There were no comments from the public. Mayor Gibbs closed the Public Hearing at 6:02:53 p.m. A special council meeting was convened.

7. NEW/OLD BUSINESS:

1. **Consider renewing Memorandum of Understanding (MOU) between Graham County and the City of Safford to furnish irrigation water to the Graham County Regional Park Facility (Fairgrounds) for one year, July 1, 2015 until June 30, 2016.** Jenny Howard, Utilities Director, stated Graham County is requesting to extend the MOU under the same terms and conditions for an additional year. The current agreement provides for 60 acre feet of water per year for recreation irrigation purposes at the Fairgrounds. Last year 117 acre feet was used (exceeding the current agreement).

City Manager Skeete noted that this might be the year to aggressively pursue alternatives that would be agreeable and less costly to Graham County. He recommended meeting with Graham County to discuss options.

The Council stated they are very concerned about the water situation in the Valley and they do recognize the value of the Park area to the Valley. However, Graham County needs to carefully manage their water use and continue to look for ways to reduce their dependency on the potable water that is being provided. The Council recommended meeting with Graham County to reevaluate the MOU and to discuss options. The item will be provided to the Council at the second meeting in July.

A motion was made by Councilman Ortega, seconded by Councilman Seale to **TABLE** the renewal of a Memorandum of Understanding (MOU) between Graham County and the City of Safford to furnish irrigation water to the Graham County Regional Park Facility (Fairgrounds) for one year, July 1, 2015 until June 30, 2016. **MOTION TABLED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

8. CONSENT RESOLUTIONS:

1. **Consider approving and adopting Resolution Number 15-024 approving and adopting the City Budget for Fiscal Year Ending June 30, 2016.** The City Clerk noted an error, stating the wrong resolution was provided to the Council. However, the council agenda item reflects the correct resolution title and the attachments remain unchanged and are the correct schedules of the Final Budget.

Terry Quest, Finance Director, noted that the Budget has not changed after the review of the Tentative Budget on June 8th. He recommended the Council approve the Budget for Fiscal Year Ending June 30, 2016.

The Clerk provided resolution number 15-024 on the overhead screen, read the Title, Number and entire Resolution into the record.

A motion was made by Councilman Ortega, seconded by Councilman Howes, to approve and adopt Resolution Number 15-024 approving and adopting the City Budget for Fiscal Year Ending June 30, 2016. **MOTION ADOPTED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

2. **Consider approving and adopting Resolution Number 15-025 approving the outlined Public Participation Plan for the General Plan Update.** Dustin Welker, Planning and Community Development Director, explained Arizona Statutes requires Municipalities to adopt written procedures to provide effective, early and continuous public participation from all geographic, ethnic and economic areas of the municipality during the development and major amendment of general plans. The kickoff meeting was held in May. He reviewed the process of proceeding with the General Plan. The resolution approves the outlined Public Participation Plan. The Design Charrette Process is a much larger version, 6-day Charrette. This General Plan will be very different from the current General Plan because visual aids, pictures and maps will be provided to envision what we want to be and where we want to go. The Public Participation Plan includes outreach efforts to engage a wide variety of stakeholders, including residents, business and land owners, governmental groups, development and conservation entities, chambers of commerce and other. The new General Plan will go before the voters in November 2016.

Mayor Gibbs inquired about how and where Councilmembers get involved. “He wants to be a part of the Vision.” He believes the Council have a very vested commitment to the community.

The City Clerk read the number and title of Resolution 15-025.

A motion was made by Councilman Ortega, seconded by Councilman Howes, to approve and adopt Resolution Number 15-025 approving the outlined Public Participation Plan for the General Plan Update. **MOTION ADOPTED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

9. **CONTRACTS, AGREEMENTS, BIDS:**

1. **Consider approving an extension of a land lease Agreement (C-12) beginning January 1, 2009 and ending June 30, 2015 between the City of Safford and Ponderosa Aviation for an additional five years to June 30, 2020; and, approving a new Schedule “B” outlining payment requirements through 2020.** Dustin Welker, Planning and Community Development Director, stated the request is to extend a land lease agreement for C-12, Ponderosa Aviation, for an additional five (5) years. A new fee schedule is provided.

A motion was made by Councilman Malloque, seconded by Councilman Ortega, to approve an extension of a land lease Agreement (C-12) beginning January 1, 2009 and

ending June 30, 2015 between the City of Safford and Ponderosa Aviation for an additional five years to June 30, 2020; and, approving a new Schedule "B" outlining payment requirements through 2020. **MOTION ADOPTED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

2. **Review and approve a proposed Development Agreement for the annexation of properties east of Highway 191 owned by Jay and Tami Curtis.** Dustin Welker, Planning and Community Development Director, presented the annexation process with Curtis Country Store. He referred to a map of the proposed annexation property (about 3.5 acres) owned by Jay and Tami Curtis and SEABUS. He presented the highlights of the Development Agreement:

- 1) City extends four inch (4") water line across the Highway and provide two (2), two (2) inch water meters to the property line. One water meter is for immediate use to the owner at the industrial water rate for use at the nursery; and, the other two inch water meter for future purpose.
- 2) City relocate overhead power line to accommodate an entrance and exit driveway on the property.
- 3) City install existing overhead power line traversing the property into an underground conduit.
- 4) City supports the Curtis' effort with ADOT to obtain access permits for the relocation of the ingress and egress to the property.
- 5) Little Hollywood property – Requested City provide water via two (2) two (2) inch at industrial water rate as long as the property is used in conjunction with the landscape/tree nursery business on Hwy 191 or similar industrial uses.
- 6) Owner provides the city with irreversible rights and unlimited use of the water well referred to as the Fajardo water well.

A motion was made by Councilman Malloque, seconded by Councilman Howes, to approve a proposed Development Agreement for the annexation of properties east of Highway 191 owned by Jay and Tami Curtis. **MOTION ADOPTED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

- 7) **Review and approve the extension of the contract for Auditing Services by Hinton Burdick for the Fiscal Year 2014-2015.** Terry Quest, Finance Director, presented the extension of an auditing contract with Hinton Burdick.

A motion was made by Councilman Ortega, seconded by Councilman Lopez, to approve an extension of the contract for Auditing Services by Hinton Burdick for the Fiscal Year 2014-2015. **MOTION ADOPTED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

10. MONTHLY/QUARTERLY REPORTS:

1. Police Report
2. Planning and Community Development Report
3. Public Works Report
4. Human Resources Report
5. Clerk's Office Report
6. Library Report
7. Utilities Consumption/Water Production Reports
8. Projects Planning and Grants Administration
9. Prosecution Report
10. Airport Report
11. Expense Report over \$5,000
12. Purchasing Card Report

Mr. Skeete, City Manager, asked the Council if the Council have any comments regarding the monthly/quarterly reports. The Council complimented staff for their efforts for improving the reports. The Council inquired about a credit refund on the "Over \$5,000 Check Report". Mr. Quest will research the refund and email the information to the Council.

11. MEETINGS/ACTIVITIES HELD OR TO BE HELD BY COUNCIL OR STAFF:

- Thursday, July 2nd – City Offices closed for 4th of July Holiday
- Saturday, July 4th – 4th of July Parade & Celebration. Council will participate in the Parade.
- Monday, July 13th - Regular Council Meeting – Adopt Tax Levy
- Monday, July 27th – Council Meeting

Councilman Lopez inquired about inviting a youth to carry the Flag at the League Conference. Mayor Gibbs will inquire with the School District.

City Manager Skeete will be on vacation, July 2 through the weekend of July 12th.

12. COUNCIL OR STAFF REQUESTS FOR AGENDA ITEMS: NONE

13. CITIZEN COMMENTS ON NON-AGENDA ITEMS: NONE

14. WORK SESSION:

Discussion of an Intergovernmental Agreement between the City of Safford and the Arizona Department of Revenue regarding the uniform administration, licensing, collection, and

auditing of transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy taxes imposed by the State or cities or towns.

Terry Quest, Finance Director, provided the highlights of the IGA by presenting PowerPoint Presentation (attached). He pointed out that the IGA is required under State Statute. State Statute also requires Department of Revenue to administer Transaction Privilege Tax (TPT) for all local jurisdictions. The IGA will be presented to the Council in July for approval.

City Manager Skeete explained the City of Safford currently has an agreement with the Department of Revenue (DOR) that collects all sales tax. DOR has the right to conduct audits. The agreement has not changed, other than those cities/towns who collect their sales tax, are now required to give up collecting their sales tax and enter into a new IGA with the DOR.

15. **ADJOURN:** A motion was made by Councilman Howes, seconded by Vice Mayor Bingham, and carried unanimously to adjourn regular session at p.m. **MOTION ADOPTED**

Aye: 7 – Mayor Gibbs, Vice Mayor Bingham, Councilman Seale, Councilman Lopez, Councilman Malloque, Councilman Ortega, and Councilman Howes.

APPROVED:

Wyn "Chris" Gibbs, Mayor
City of Safford

ATTEST:

Georgia Luster, MMC, City Clerk

STATE OF ARIZONA)
) ss
County of Graham)

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Special Council Meeting of the Safford City Council, Graham County, Arizona held Monday, June 22, 2015, and approved at a Regular Council Meeting on Monday, July 13, 2015. I further certify the meeting was duly called, held and that a quorum was present.

July 13, 2015
Date: _____

Georgia Luster, MMC, City Clerk