

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, JANUARY 17, 2023, AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

Mayor Leech called the meeting to order at 7:00 p.m.

2. Roll Call.

COUNCIL MEMBERS PRESENT: Mayor Leech, Councilman Adams, Councilman Clark, Councilman Allsop, Councilman Hatch, and Councilman Judd.

COUNCIL MEMBERS ABSENT: Vice Mayor Kakavas.

STAFF MEMBERS PRESENT: Ed Muder, City Manager; Morgan Brown, City Attorney; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Brad Provost, Police Chief; Bill Kopp, Public Works Director; Danny Milam, Information Technology Manager; Chris Tewalt, Information Technology Manager; Stephanie McQuillan, Human Resources Manager, Shannon Adams, Grants Coordinator; Jacob Allen, Airport Manager; Cari Bilbie, Accounting Manager; Kathy Clements, Assistant City Clerk; and Rachael Hall, City Clerk.

GUESTS: Mike Stefeniak, Daryl Seymour, Darla Milam, Austin Mayer, Brian Maestri, and others.

3. Invocation.

Councilman Clark gave the invocation.

4. Pledge of Allegiance.

Mayor Leech led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that is within the jurisdiction of the City Council may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

None.

6. **SPECIAL EVENTS:**

A. Introduction of new City Attorney Anna Atencio.

Mr. Brown introduced Anna Atencio and said that Ms. Atencio had lived in Show Low for 25 years, worked for the Navajo County Attorney's Office, and had her own practice. Mr. Brown said the City was glad she was part of the team.

Ms. Atencio said she appreciated the opportunity to serve the Council and the City of Show Low and looked forward to a long career.

Several Council members welcomed Ms. Atencio.

B. Recognition of Retiring City Employee.

Ms. McQuillan recognized Danny Milam and said he had been with the City since 2001 and was retiring after 22 years of service. Mr. Milam had served in several positions over the years. In 2009 he was promoted to Information Systems Manager and saw the City through many changes in both technology and the City's growth. Mr. Milam was instrumental in two City Hall moves, two library moves, and the move to the new Public Safety building. He was recognized for his help with the school and library broadband project and the dispatch centralization project.

Several Council members thanked Mr. Milam for his service and wished him well on his retirement.

Mr. Milam said he had the opportunity to work with several City Councils, City Managers, and bosses over the years, and the City was a great place to work. He appreciated all the support he had received over the past 22 years.

C. Presentation by Southern Airways Express

Austin Mayer, Airport Affairs Director, introduced himself and Brian Maestri, Show Low Station Manager with Southern Airways Express.

Mr. Mayer discussed the history and expansion of Southern Airways Express (Southern), interline agreements with American Airlines, Alaska Airlines, United Airlines, Hawaiian, and acquisitions of Sun Air Express, Mikulele Airlines, Makani Kai Airways, and Air Choice One, all of which allowed expansion into other markets across the entire country.

Mr. Mayer said Southern currently served 52 cities with 250 plus daily departures and was adding more cities. Southern recently added a maintenance space in Phoenix which helped smooth operations and reliability. Southern utilized this space to work on aircraft in their fleet.

Mr. Mayer said Southern was the only airline that had created its own pilot corps to meet the challenge of the pilot shortage. They hired 50 new crewmembers in training in January and were the top choices for new pilots starting their careers.

Mr. Mayer reviewed the airline's performance over the past three months. He said Southern was above the industry average for on-time arrivals and had a 100% controllable completion rate in January. Mr. Mayer said that, even with uncontrollable cancellations, such as weather, Southern was committed to serving the community and had paid for shuttles so passengers could reach their destinations.

Mayor Leech asked if Southern grew too much, would it negatively impact the airline's reliability and hurt the Show Low community. Mr. Mayer said no, Southern's growth helped improve reliability because there were more spare pilots, planes, and parts in the area to provide backup if something went wrong.

Councilman Clark asked if it were possible to get direct flights between Show Low and Las Vegas. Mr. Mayer said direct flights between Show Low and Las Vegas were something that could be investigated.

D. Presentation of "State of the City" Address. (Mayor John Leech, Jr.)

Mayor Leech and the Council presented the "State of the City" address (see Attachment "A").

7. **CONSENT CALENDAR:**

- A. Consideration of Resolution No. R2023-01 Approving Submitting Application for Arizona State Parks Land and Water Conservation Fund and Authorizing Signature for Approval of Project Sponsor Agreement. (Shannon Adams)
- B. Consideration of Resolution No. R2023-02 Approving Submitting an Application for Arizona State Parks Heritage Fund – Local, Regional, and State Parks, and Authorizing Signature for Approval of Project Sponsor Agreement. (Shannon Adams)
- C. Consideration of Resolution No. R2023-03 Approving Submitting Application for 2023 Rebuilding American Infrastructure with Sustainability

and Equity Grant Program for Scott Ranch Road Bridge Project.
(Shannon Adams)

- D. Consideration of Acceptance of Library Services and Technology Act Subgrant Funds from Arizona State Library and Authorization of Associated Budget Transfers. (Tamera Norwood)
- E. Consideration of Noncommercial Ground Lease with Trujillo Family Living Trust dated November 25, 2016, and Termination of Lease with Leanne Tawoda, Trustee U/T/A, dated August 11, 2014, at Show Low Regional Airport. (Jacob Allen)
- F. Consideration of Minutes of Show Low City Council meetings:
 - (1) Regular Meeting of January 3, 2023.

Mayor Leech pulled item 7-D (Consideration of Acceptance of Library Services and Technology Act Subgrant Funds from Arizona State Library and Authorization of Associated Budget Transfers) from the agenda and said it was an item that was no longer needed.

Councilman Allsop pulled item 7-C (Consideration of Resolution No. R2023-03 Approving Submitting Application for 2023 Rebuilding American Infrastructure with Sustainability and Equity Grant Program for Scott Ranch Road Bridge Project) from the agenda for further discussion.

COUNCILMAN CLARK MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED EXCEPT FOR ITEMS 7-C (CONSIDERATION OF RESOLUTION NO. R2023-03 APPROVING SUBMITTING APPLICATION FOR 2023 REBUILDING AMERICAN INFRASTRUCTURE WITH SUSTAINABILITY AND EQUITY GRANT PROGRAM FOR SCOTT RANCH ROAD BRIDGE PROJECT) AND 7-D (CONSIDERATION OF ACCEPTANCE OF LIBRARY SERVICES AND TECHNOLOGY ACT SUBGRANT FUNDS FROM ARIZONA STATE LIBRARY AND AUTHORIZATION OF ASSOCIATED BUDGET TRANSFERS); SECONDED BY COUNCILMAN HATCH; PASSED 6 TO 0 WITH MAYOR LEECH AND COUNCIL MEMBERS ADAMS, CLARK, ALLSOP, HATCH AND JUDD VOTING IN FAVOR.

Councilman Allsop discussed the history of the Scott Ranch Road bridge project and raised the question of what more the City should do to get funding for the project.

Mr. Muder said that over the past ten years, the City had received help from the federal government in getting funding for this project. He clarified that the grant request was more than just a letter but a 100-page application process and that the City had engaged in meetings with

Senators Kelly and Sinema, and the project had their support. Representative Crane had also been invited to view the project.

Mayor Leech said the City was still fighting for the grant funding.

COUNCILMAN ALLSOP MOVED TO APPROVE ITEM 7-C (RESOLUTION NO. R2023-03 APPROVING SUBMITTING APPLICATION FOR 2023 REBUILDING AMERICAN INFRASTRUCTURE WITH SUSTAINABILITY AND EQUITY GRANT PROGRAM FOR SCOTT RANCH ROAD BRIDGE PROJECT); SECONDED BY COUNCILMAN CLARK; PASSED 6 TO 0 WITH MAYOR LEECH AND COUNCIL MEMBERS ADAMS, CLARK, ALLSOP, HATCH, AND JUDD VOTING IN FAVOR.

8. **NEW BUSINESS:**

- A. Consideration of Approval to Purchase City Backup Server System and Authorization of Associated Budget Transfers. (Chris Tewalt)

Mr. Tewalt said the current City backup server system was installed in 2013. This system was the computer backup for the entire City data integrity. The current system had not had a maintenance contract since 2018, and parts were no longer available from the original manufacturer. Third-party vendors supplied some parts, but they often did not work as they should. The system was past its end of life.

Mr. Tewalt said the new server system had a similar design but with hardened security improvements and advanced server technologies. The new system allowed backups to be performed nightly with multiple restore points on the local server and would serve as an off-site replication service. The server system was sized for added growth when needed and had room for expansion in the future. There was a five-year Dell Pro Support Plus contract included with the purchase. The product would be purchased from Dell Technologies, Inc. and installed by City staff.

Mr. Tewalt said staff recommended authorizing the purchase of a new City backup server system from Dell Technologies, in an amount not to exceed \$31,504.21, and approving associated budget transfers.

Councilman Allsop asked why, if the maintenance was up in 2018, the request to renew was not made earlier. Mr. Tewalt said he could not answer why the expired maintenance contract request was coming to the Council now. He said he assumed things had been working as they needed to until recently. As the new Information Technology Manager, he could only speak to things moving forward.

COUNCILMAN CLARK MOVED TO APPROVE THE PURCHASE OF A NEW CITY BACKUP SERVER SYSTEM FROM DELL TECHNOLOGIES, INC. IN AN AMOUNT NOT TO EXCEED \$31,504.21 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH AND COUNCIL MEMBERS ADAMS, CLARK, ALLSOP, HATCH AND JUDD VOTING IN FAVOR.

- B. Consideration of Award of Construction Contract for Airport Hangar Infrastructure Improvements, City of Show Low Project No. A-1723. (Bill Kopp)

Mr. Kopp said the City of Show Low solicited bids for infrastructure improvements at the south hangar area at the Show Low Regional Airport. The purpose of the project was to expand this area to accommodate larger aircraft.

Mr. Kopp said the project was designed by the City of Show Low Engineering Department and was publicly bid according to statutory requirements. Two contractors submitted bids, Show Low Construction Inc. with a bid of \$1,136,629.62 and JUD Company LLC with a bid of, \$1,714,426.00.

Mr. Kopp said both bids significantly exceeded the expected cost. Staff recommended rejecting all bids. A future redesigned project would be presented to the Council later.

COUNCILMAN JUDD MOVED TO REJECT ALL BIDS FOR THE AIRPORT HANGAR INFRASTRUCTURE IMPROVEMENTS, CITY OF SHOW LOW PROJECT NO. A-1723; SECONDED BY COUNCILMAN CLARK; PASSED 6 TO 0, WITH MAYOR LEECH AND COUNCIL MEMBERS ADAMS, CLARK, ALLSOP, HATCH, AND JUDD VOTING IN FAVOR.

- C. Consideration of Modification of Noncommercial Ground Leases with Big Dog Development, LLC, at Show Low Regional Airport. (Bill Kopp/Morgan Brown)

Mr. Kopp said at its regular meeting on May 17, 2022, that the Show Low City Council approved eight ground leases with Big Dog Development, LLC. These leases were located at the Show Low Regional Airport south hangar area.

Mr. Kopp said the City of Show Low recently opened bids for the construction of the infrastructure for this development. These bids came in at an unexpectedly high cost. The developer requested that the City

release them from the eight ground leases and revise the leases to another area at the south hangar area. The developers felt the construction costs would be less in the new area because some of the infrastructure was already in place. In addition, they could add two hangars to this location.

Mr. Kopp said Big Dog Development was proposing to construct taxiways and improvements at the new location in order to construct ten hangars. The hangars would be approximately 6,375 square feet in addition to leasing apron and setbacks of approximately 7,950 square feet of ground lease for each hangar. In order to construct the hangars, utilities needed to be extended, and additional taxiways and apron needed to be constructed. As with the original leases, Big Dog Development proposed that they pay for the required infrastructure, including a site survey. The final legal descriptions would be determined after the site survey. Big Dog Development would be reimbursed through the City giving credit for lease payments until the infrastructure cost was repaid to Big Dog Development. This would be reflected in each lease agreement. It was anticipated that this would be paid back in approximately 20-25 years, which included a yearly consumer price index increase on each lease. The final cost of the infrastructure would be determined when the infrastructure was completed and approved by the Council. The City would bid out the work on the infrastructure, which would be inspected by the City.

Mr. Kopp said staff recommended modifying the leases with Big Dog Development, LLC from the eight existing ground leases at the current location and approving the modified noncommercial ground leases for ten hangars at the new location with Big Dog Development, LLC, at the Show Low Regional Airport, and authorizing the Mayor to sign all documents on behalf of the City for the lease of the property.

Mayor Leech asked if the City would be in the same position with high runway and hangar improvements costs with the proposed new lease site. Mr. Kopp said no, staff was modifying the approach to the runway and hangar improvements bid process at the new proposed site. The previous site's bid was based on a written scope with no lines on paper. Staff was taking the plans to 50% to get a reasonable cost estimate; if costs were high, the scope could be reworked to get the project in line.

Mayor Leech asked how the City would get its money back from this investment. Mr. Brown said the City was not fronting any money for these improvements; the developer would be funding the project and would be repaid by the City through the lease payment.

Councilman Allsop asked how far the existing infrastructure was on the new site. Mr. Kopp said that, unlike the original site, the waterlines were

already in place, a sewer force main could be tied into, and Corporate Way was constructed to this location. Also, the original site needed a significant drainage realignment; the new proposed site did not need any drainage realignment work.

Councilman Allsop asked what the Federal Aviation Administration's (FAA) involvement would be. Mr. Kopp said the FAA would not need to review the plans or inspect the construction. The plans would be designed to meet FAA requirements.

COUNCILMAN CLARK MOVED TO MODIFY THE LEASES WITH BIG DOG DEVELOPMENT, LLC FROM THE EIGHT EXISTING GROUND LEASES AT THE CURRENT LOCATION TO A NEW LOCATION FOR A TOTAL OF TEN GROUND LEASES WITH BIG DOG DEVELOPMENT, LLC, AT THE SHOW LOW REGIONAL AIRPORT, AND AUTHORIZE THE MAYOR TO SIGN ALL DOCUMENTS NECESSARY ON BEHALF OF THE CITY FOR THE LEASE OF THE PROPERTY; SECONDED BY COUNCILMAN HATCH; PASSED 6 TO 0 WITH MAYOR LEECH, AND COUNCIL MEMBERS ADAMS, CLARK, ALLSOP, HATCH AND JUDD VOTING IN FAVOR.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Allsop attended a Show Low Main Street meeting and a Transportation Advisory Committee meeting.

B. Mayor

None.

C. City Manager

Mr. Muder said staff had begun preparing the City's annual budget for fiscal year 2024. In addition to a budget study session with the City Council on January 17, the City held a town hall budget meeting specifically for citizen input the January 19. All budget meetings were held in Council Chambers and were open to the public. For a complete listing of meeting dates, check the website at showlowaz.gov.

Mr. Muder said the City would celebrate spring with a complimentary Groundhog Day Breakfast on February 2 at the Turn of the Card Community Center at 301 E. McNeil.

Mr. Muder said the City was accepting applications from citizens interested in serving on the Show Low Aviation Advisory Committee, Board of Adjustment, Parks and Recreation Advisory Committee, and the Planning and Zoning Commission. Applications were available at City Hall or on the City's website at showlowaz.gov. The City Clerk's office was accepting applications through March 3.

Mr. Muder said that the City's contractor had started the water main installation at 11th Street and was heading west. Work on the East Huning streetscape project was nearing completion, with only the final scupper needing to be poured and concrete near the archery shop. On behalf of the City, Mr. Muder thanked the citizens for their patience as these important projects were completed.

Mr. Muder said he loved Show Low and lived here most of his life. He always wanted the best for the community and to make a positive difference. The City had changed since he started working here in August of 1988. He said that by being involved in the day-to-day activity of the City, one only sometimes realized how much things had changed.

Mr. Muder shared the following statistics. The population of Show Low was less than 5,000 when he started and now had over 12,000 full-time residents. In 1988 there were a little over 3,000 housing units; today, the City had almost 9,000 units. The City budget in 1988 was less than \$13,000,000. This year it was slightly less than \$100,000,000. In 1988 the City collected \$1,645,000 in sales tax. This year the City could exceed \$20,000,000 in sales tax revenue.

Mr. Muder said there had been many good changes over the years. It was an honor working for the City. He truly enjoyed his employment and appreciated the support and trust provided through the years from family, the City Councils, great staff, and the community. Mr. Muder was proud to say that together much was accomplished for the City, and the City was in a very strong financial position. He wished for continued success and prosperity for the City of Show Low.

10. **SCHEDULING OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

Mr. Muder said a budget town hall for citizen input in Council Chambers was scheduled for Thursday, January 19, at 6:00 p.m.

The Show Low City Council recessed into Executive Session at 7:25 p.m.

11. **EXECUTIVE SESSION.**

- A. Confidentiality Statement.
- B. Discussion or consultation for legal advice with the attorney or attorneys of the public body or with designated representatives of the public body in order to consider its position and instruct its representatives regarding contracts that are the subject of negotiation pursuant to A.R.S. Sections 38-431.03(A)(3) and 38-431.03(A)(4).
 - (1) A.P. No. 210-02-009C.
- C. Discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law. Pursuant to A.R.S. Section 38-431.03(A)(2).
 - (1) Executive Session Minutes of October 4, 2022.
 - (2) Executive Session Minutes of November 1, 2022.
 - (3) Executive Session Minutes of November 15, 2022.
 - (4) Executive Session Minutes of December 6, 2022.

12. **POST EXECUTIVE SESSION.**

Consideration of any item on the Executive Session portion of this agenda, which the Council may wish to take action upon in Open Session.

- A. Consideration of Approval of the Minutes of the Executive Sessions of the Show Low City Council Held on October 4, 2022, November 1, 2022, November 15, 2022, and December 6, 2022.

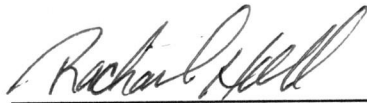
The Show Low City Council reconvened into Open Session at 8:52 p.m.

COUNCILMAN CLARK MOVED TO APPROVE THE MINUTES OF THE EXECUTIVE SESSIONS OF THE SHOW LOW CITY COUNCIL HELD ON OCTOBER 4, 2022, NOVEMBER 1, 2022, NOVEMBER 15, 2022, AND DECEMBER 6; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH AND COUNCIL MEMBERS ADAMS, CLARK, ALLSOP, HATCH AND JUDD VOTING IN FAVOR.

13. **ADJOURNMENT.**

There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF JANUARY 17, 2023, AT 8:52 P.M.**

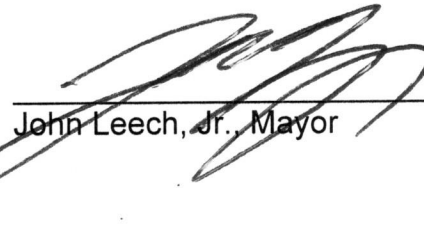
ATTEST:



Rachael Hall, City Clerk

T:\docs\cc01172023

APPROVED:



John Leech, Jr., Mayor

CERTIFICATION

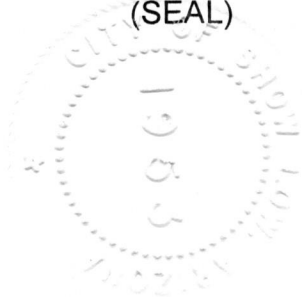
I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **REGULAR MEETING** of the City Council of Show Low held on January 17, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 7th day of February, 2023.

(SEAL)



Rachael Hall, City Clerk



Attachment “A” to the January 17, 2023, City Council Regular Meeting Minutes

STATE OF THE CITY
January 17, 2023

MAYOR LEECH – The start of the new year is the perfect time to reflect on what the City has accomplished over the last 12 months and to share our plans for 2024. Your City Council has identified four major priorities that drive our policies and decisions, which are: to preserve and repair our infrastructure, to pursue community and economic development, to improve our quality of life, and to maintain an organization with accountable and reliable leadership.

Our City’s economic outlook continues at a steady upward pace. As evidence, monthly sales tax revenues in 2022 showed increases over 2021. Project activity and construction activity remain strong, with the City issuing 170 single-family residential permits in 2022.

Our longstanding policy of being fiscally conservative and saving money for the future allows us to complete important projects every year. 2022 was no exception, as we completed several key projects to maintain and improve existing infrastructure.

COUNCILMAN JUDD – In ROAD projects this year, we were able to complete another Citywide pavement improvement project in the Park Plaza subdivision. Portions of West Cooley and streets south to McNeil were reconstructed as well. West McNeil from Fox Canyon to the Deuce of Clubs received a ribbon curb and a new asphalt section. The City is working towards the extension of East Owens between South Central Avenue and 2nd Street, as well as the replacement of the bridge structure downtown at the intersection of East Hall and North 11th Street. Sidewalk connectivity continued throughout the City. In partnership with a grant, the City is completing another downtown streetscape improvement project along East Huning. Upcoming projects include roadway improvements to the McNeil Acres subdivision, the Nikolaus subdivision, and East McNeil from Central to North 8th Street.

The Arizona Department of Transportation has continued the improvements to US 60 and SR 260 within our City limits.

The Federal Highways Administration has completed the design of improvements for Joe Tank Road from SR 260 to the Buena Vista Trailhead as a part of a grant received this past year; the project is slated for construction in fiscal year 2024.

In WASTEWATER projects, with the help of bond funding, multiple wastewater replacement projects accelerated into construction this year. The sewer infrastructure in West McNeil and connecting streets was replaced. The subdivisions of Nikolaus, McNeil Acres, and the area along South 11th Street also completed wastewater replacement work allowing for the needed roadway improvements to move forward this summer. A gravity sewer main extension was completed to eliminate the Wayne Barry

Lift Station, reducing operating costs for the City. In 2023, upcoming wastewater projects include improvement to the Camptown area and large capacity improvement projects along East Savage and North 6th Street near the wastewater treatment facility.

In WATER projects, backup generators were installed at multiple well sites, increasing our water production capability during emergencies. The construction of an additional one-million-gallon water storage tank at the Tank 8 site is nearly complete and is scheduled to be online before summer. Old and undersized waterlines in the Parkview subdivision and along East Owens from South 11th Street to South 2nd Street are being replaced with adequate waterlines and more fire hydrants. This year, waterline replacement improvements are planned in the Fawnbrook subdivision and the first phase of Fools Hollow subdivision. The City is also working to optimize water production out of the existing wells currently within the water distribution system. The update to the City's Water Master Plan and Well Operations Plan is currently underway and, once completed, will give the City direction for future capacity improvements over the next 20 years.

COUNCILMAN CLARK – In pursuit of economic development and growth, we welcomed new businesses, Homeland Fence & Supply, Legacy Barbershop, Monica's Café, Stepp Propane, and AZ Max Oral Surgeons. Northland Pioneer College continued construction on their new 28,000-square-foot skills center at the White Mountain Campus in Show Low with a tentative completion date of this spring.

Notable commercial projects include: Show Low Six office complex, Remodel of old Tate's Nissan for the new 77 Subaru dealership, conversion of the old Police Department to dispatch center, Black Jax convenience store remodel, new Buffalo Bill's Restaurant, Carl's Jr. tenant improvement inside Walmart, Walmart remodel and grocery pick-up addition, new Show Low School District office, Tim's Landscape Creations office, Arby's remodel, the expansion of Empire CAT building, expansion of Aero Products facility, and the new Timber Mesa Self-Storage.

The highly anticipated Marriott dual brand Fairfield and Townplace Suites with accompanying third-party restaurant is due to be completed and opened late this summer.

APS and the City of Show Low dedicated four electric vehicle charging stations for public use at Show Low City Hall.

We also continue to research the development of a convention, events, and sports facility in Show Low—a long-term vision to make our City a destination.

The City of Show Low also saw visitor activity at the Show Low Tourist Information Center increase 30% in 2022 from 2021. We will continue with those tourism efforts by welcoming the launch of a new tourism website hosted by the City.

We will be looking at ways to address workforce housing to help our businesses

continue to prosper. We will collaborate with other communities, as always, to provide added-value services to our region.

COUNCILMAN ALLSOP – In terms of our financial position, the Council and staff are committed to using your taxpayer dollars wisely. Our policy and efforts ensure we have the necessary funds to meet your needs and withstand economic downturns. We never spend more than we've budgeted. We also save money to pay for at least a portion of larger projects in future years. Our department directors facilitate that vision by carefully analyzing every program to ensure efficiency. We are proud to say our fiscal policies have allowed Show Low to survive difficult economic times.

We believe in retaining local control over the City's budget, which must be balanced according to state law. To protect you and our City's assets, we have two permanent mandates—to maintain at least a minimum of a million dollars in reserves and to require a super-majority vote of the sitting Council to approve any tax increase.

We invite you to participate in our civic process when the Council and staff meet to discuss next year's budget. Every budget meeting, which will be held in Council Chambers, is open to the public. The entire budget calendar is posted on our website.

VICE MAYOR KAKAVAS – To continue prioritizing the quality of life, City employees are dedicated to providing a variety of events, sports leagues, kids and family-friendly events, library and aquatic center activities, holiday celebrations, and music in our parks.

To celebrate our May 1953 incorporation, we held our annual party along with the BBQ Throwdown. The popular competition drew master BBQ Pitmasters from across the United States, with savory tastings and daylong festivities. In the summer, our annual Fourth of July parade and FreedomFest drew spectators and participants from across the state to enjoy patriotic activities, live music, and a spectacular firework show. Our signature Show Low Shines for the Holidays illuminated our City with sparkling Christmas lights and holiday spirit. We are proud to provide a full month of spirited activities to our citizens and visitors.

To expand amenities and attractions, we built and welcomed our new inclusive playground and splash pad to the Frontier Field Park property. The joy of creating an environment for all children to play together is one that the Council and staff are proud to have completed. The playground is now open, and the splash pad will open upon warmer weather conditions.

The pickleball and sand volleyball courts received new lighting this year, and the City partnered with Show Low BMX to continue making major improvements to the BMX track at Nikolaus Homestead park. With these improvements, Show Low BMX was able to host another state race last year and plan to host more races in the future.

Additionally, Show Low Public Library received many grants opening up opportunities to

expand family, teen, and senior programming, which has been very popular with the community.

We look forward to expanding the pickleball courts this year and starting the development of the Timothy McKay Memorial Park off Old Linden Road.

COUNCILMAN ADAMS – In the pursuit of preserving our City's history, two years ago, we relocated the Adams Family Cabin from its location near Show Low Creek, inspiring our initiative to preserve and restore several historic properties around the City. We also purchased the historic Reidhead house that is located on the Deuce of Clubs. Major restoration initiatives have been completed to the home, and numerous other efforts to preserve and protect its history and significance are planned. Looking ahead to 2023, our plans include:

- Improving restrooms and other infrastructure at City parks
- Improving Show Low Lake campgrounds
- Making road, water, and wastewater improvements Citywide

The City's newly appointed commuter airline, Southern Airways, has daily flights between Show Low and Phoenix with steady use by passengers. Southern Airways is proud to facilitate the City's airline transportation at Show Low Airport.

COUNCILMAN HATCH – We attribute much of our success to our steadfast employees and volunteers who deliver their best in serving our community. Our advisory committees, such as the Senior Patrol and Library Friends, all provide their services free of charge. Their open hearts and dedication to service saves taxpayer dollars each year.

We are proud of our heritage of bringing hope and the prospect of a better life through our community projects. The volunteerism, community involvement, holiday celebrations, and much more are the cornerstone of the spirit of the City of Show Low.

In observance of the Martin Luther King, Jr. Day of Service, the City has sponsored an annual service day since 2009. We invite you to join us this year on April 29 for our community service project.

We offered our 24th annual Project Clean Sweep program, provided a free Christmas tree recycling site, co-sponsored the 14th annual electronic waste and used tires collection event with Navajo County, and expanded our Adopt-a-Street program. If you are interested in participating in Adopt-a-Street or any other volunteer-based programs, please contact the City for more information.

In addition, we supported the 11th annual Community Fast of Compassion, helping our community raise more than \$53,000 for individuals and families in need during the holidays. We sincerely thank everyone who donated their time, money, and efforts. Your donation truly changes lives.

MAYOR LEECH – Your City Council extends endless gratitude to you for your confidence in our ability to handle City affairs, a sentiment we carry in each and every decision we make and the way we uphold the standards of our community.

It is the desire of your City Council to convey how much we strive to maintain the trust of our community and that of the public. Your City of Show Low staff and City Council are dedicated to serving to the best of our ability in each and every project, decision, and initiative we implement. Let us leave behind a legacy building a foundation of the past on which we build the future of the City for tomorrow and for future generations.

We openly welcome your feedback, we are responsive and transparent, and we work together as a group in a non-partisan way.

We appreciate all that each and every citizen, organization, and business does to make our community a better place to live.

On behalf of the City Council, I extend our deepest appreciation. We wish you and your family the best of health, peace, prosperity, and happiness in 2023. May God continue to bless you and our community.