

MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, JUNE 20, 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 7:01 p.m.

2. Roll Call.

COUNCIL MEMBERS PRESENT: Mayor Leech, Vice Mayor Kakavas, Councilman Clark, Councilman Hatch, and Councilman Judd.

COUNCIL MEMBERS ABSENT: Councilman Adams and Councilman Allsop.

STAFF MEMBERS PRESENT: Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Greg Westover, Police Commander; Bill Kopp, Public Works Director; Jay Brimhall, Community Services Director; Cari Bilbie, Finance Manager; Grace Payne, Communications Manager; and Kathy Clements, Assistant City Clerk.

GUESTS: Brian Martin, Riala Leech, Sandy Morgan, and others.

3. Invocation.

Councilman Judd gave the invocation.

4. Pledge of Allegiance.

Councilman Clark 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. **CONSENT CALENDAR:**

- A. Consideration of Resolution No. R2023-12 Adopting an Annual Policy and Prescribing Procedures for Purchasing from the Mayor and Any Member of the Council. (Morgan Brown)
- B. Consideration of Renewal of Agreement with White Mountain Meals on Wheels for Managing the Turn of a Card Community Center for Fiscal Year 2023-24. (Jay Brimhall)
- C. Consideration of Renewal of Agreement with Show Low Historical Society for Fiscal Year 2023-24. (Jay Brimhall)
- D. Consideration of Renewal of Agreement with Show Low Main Street for Fiscal Year 2023-24. (Jay Brimhall)
- E. Consideration of Renewal of Agreement with Show Low Chamber of Commerce for Fiscal Year 2023-24. (Grace Payne)
- F. Consideration of Approval of Annual Purchase Orders for Fiscal Year 2024. (Justin Johnson)
- G. Consideration of Adoption of Resolution No. R2023-13 Designating the Chief Fiscal Officer for City of Show Low and Authorization to Submit the Current Fiscal Year's Annual Expenditure Limitation Report. (Justin Johnson)
- H. Consideration of Resolution No. R2023-15 Approving an Amended Collection Agreement with Arizona Game and Fish Department. (Anna Atencio)
- I. Consideration of Agreement to Reimburse Costs Associated with Airport Hangar Infrastructure Improvements at Show Low Regional Airport with Big Dog Development, LLC. (Bill Kopp/Anna Atencio)
- J. Consideration of Acceptance of Construction for Police Evidence Building, City of Show Low Project No. FM-2322 (Bill Kopp)
- K. Consideration of Minutes of Show Low City Council meetings:
 - (1) Regular Meeting of June 6, 2023.

Vice Mayor Kakavas pulled item 6-H (Consideration of Resolution No. R2023-15 Approving an Amended Collection Agreement with Arizona Game and Fish Department) from the agenda for further discussion.

COUNCILMAN CLARK MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED EXCEPT FOR ITEM 6-H, CONSIDERATION OF RESOLUTION NO. R2023-15 APPROVING AN AMENDED COLLECTION AGREEMENT WITH ARIZONA GAME AND FISH DEPARTMENT; SECONDED BY COUNCILMAN JUDD; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS CLARK, HATCH, AND JUDD VOTING IN FAVOR.

Vice Mayor Kakavas asked the City Attorney to explain Resolution No. R2023-15 to the community. Attorney Atencio said that the Collections Agreement was an agreement between the City of Show Low and Arizona Game and Fish regarding improvements to the American with Disabilities Ramp at Show Low Lake, in which Arizona Game and Fish would pay 75% of the costs and the City of Show Low would pay 25% of the costs. The original agreement was brought before the Council and approved on March 21, 2023, and had a set price of \$217,891.50. Arizona Game and Fish asked to modify the original agreement to allow for contingencies which increased the Collection Agreement amount to \$250,000.00. The cost-sharing percentages remained the same. Because the agreement was amended, it was brought back to Council for consideration.

VICE MAYOR KAKAVAS MOVED TO APPROVE ITEM 6-H, CONSIDERATION OF RESOLUTION NO. R2023-15 APPROVING AN AMENDED COLLECTION AGREEMENT WITH ARIZONA GAME AND FISH DEPARTMENT; SECONDED BY COUNCILMAN HATCH; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS CLARK, HATCH, AND JUDD VOTING IN FAVOR.

7. NEW BUSINESS:

- A. Consideration of Application Submitted by Denise Wiseman Stow on Behalf of Show Low Main Street for Special Event Liquor License for Battle of the Bands & Food Vans at Frontier Fields (Rachael Hall)

Ms. Clements said Denise Wiseman Stow, representing Show Low Main Street, submitted an application for a special event liquor license for the Battle of the Bands & Food Vans at Frontier Fields, scheduled for September 2. This event was sponsored by Show Low Main Street and would start at 12:00 p.m. and end by 10:00 p.m.

Ms. Clements said the license would allow Show Low Main Street to sell beer and wine during the event. Event participants would enter and leave Frontier Fields through one entrance. An existing six-foot chain-link fence surrounded the entire area.

Ms. Clements said that alcohol would be sold in the blue area marked “Beer Wine” on the map provided with the application and participants would be allowed to consume the alcohol throughout the fields. Additional security personnel would be stationed at the main Frontier Fields entrance/exit and at the entrance/exit to the beer garden. In addition, they would patrol and monitor the fields to ensure that no alcohol was brought in or left the premises and that there was no underage consumption. Security would be provided by the Navajo County Sheriff’s Auxiliary.

The Show Low Police Department performed a background check on the applicant and found nothing that would preclude approval of this special event liquor license. The application and action taken by the Council would be forwarded to the Department of Liquor Licenses and Control. Unlike regular liquor licenses, the Council’s decision was final for such an application.

COUNCILMAN HATCH MOVED TO APPROVE THE APPLICATION SUBMITTED BY DENISE WISEMAN STOW FOR A SPECIAL EVENT LIQUOR LICENSE FOR THE BATTLE OF THE BANDS & FOOD VANS ON SEPTEMBER 2, 2023, AT FRONTIER FIELDS; SECONDED BY VICE MAYOR KAKAVAS; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS, CLARK, HATCH, AND JUDD VOTING IN FAVOR.

B. PUBLIC HEARING Regarding Final Budget for Fiscal Year Ending June 30, 2024, and Proposed Secondary Property Tax Levy. (Justin Johnson)

Mr. Johnson said that on June 6, 2023, the City Council adopted Resolution No. R2023-11 approving the tentative budget for fiscal year 2024 in the amount of \$135,198,892. As required by state statute, the tentative budget was published twice in the local newspaper, and a public hearing would be held tonight. The final budget was identical to the adopted tentative budget and represented all the information presented to the Council to date.

Mr. Johnson said that following a public hearing on this budget and the proposed secondary tax levy, the Council would be asked to approve this budget as the final budget for the City of Show Low for the fiscal year ending June 30, 2024. The budget reflected the Council’s stated goals and priorities.

Mr. Johnson said that in comparing the budget to actual expenditures, actual expenditures were generally less than budgeted. The trend showed that staff did a good job underspending the budget.

Mr. Johnson reviewed the final budget and said the presentation would be attached to the minutes.

Mr. Johnson said the street light improvement district property tax levy would be \$225,000. The citywide levy paid for utility costs associated with street and park lights. There was a General Fund subsidy of \$15,000 to cover unexpected utility rate increases. The tax rate would be \$0.1401 per \$100 of assessed valuation, which was unchanged since fiscal year 2016.

Mr. Johnson said the Council was being asked to approve Resolution No. R2023-14 to adopt the final budget for fiscal year 2024 after holding a public hearing on the final budget and the property tax levy (which would be considered by the Council at the July 18 meeting).

Mayor Leech opened the matter to a public hearing.

There being no input, Mayor Leech closed the public hearing.

- C. Consideration of Resolution No. R2023-14 Adopting the Final Budget for Fiscal Year Ending June 30, 2024. (Justin Johnson)

VICE MAYOR KAKAVAS MOVED TO ADOPT RESOLUTION NO. R2023-14 ADOPTING THE FINAL BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2024, IN THE AMOUNT OF \$135,198,892; SECONDED BY COUNCILMAN HATCH; PASSED 5 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS CLARK, HATCH, AND JUDD VOTING IN FAVOR.

The Show Low City Council recessed into a Special Meeting of the Show Low Bluff Community Facilities District Board at 7:19 p.m. The Show Low City Council reconvened at 7:24 p.m.

8. **SUMMARY OF CURRENT EVENTS:**

- A. Council Members

None.

- B. Mayor

Mayor Leech thanked everyone for their thoughts and prayers on his recovery.

- a. City Manager

Mr. Brown welcomed Commander Westover back, who recently returned from attending the National FBI Academy.

Mr. Brown said that currently, there were no fire restrictions in place. The situation was being carefully monitored, and fire restrictions could be implemented in the next couple of weeks.

Mr. Brown said there would be a ribbon-cutting ceremony for the Frontier Field Splash Pad on Friday, June 23, at 11:00 a.m. and invited everyone to attend.

Mr. Brown said the recreation department was accepting registration for the Mini Mud Run for kids ages 2 to 10. The event would take place on July 15 at the City Park Senior Field. The cost to register was \$15.00 per participant or \$23.00 per participant with a special event t-shirt; the day of registration fee would increase to \$25.00 per participant, and space was limited.

Mr. Brown said Show Low Main Street's weekly Saturday farmers' market and art walk continued from 9:00 a.m. to 1:00 p.m. at Festival Marketplace along Cooley through September.

Mr. Brown said the City's Fourth of July festivities on Tuesday, July 4, would begin with the parade at 9:00 a.m. along the Deuce of Clubs. The wet zone would take place immediately following the parade at Frontier Fields, 600 North 9th Place. Then at 3:00 p.m., the gates would open at the Show Low High School football stadium complex, 500 West Old Linden Road, for the FreedomFest, with music, food vendors, and kids' activities. The fireworks display would begin at 9:00 p.m., weather permitting. Information about traffic detours and a list of events was posted on the website.

Mr. Brown said applications for the Fourth of July parade were still being accepted and were available at the aquatic center and on the City's website.

Mr. Brown said that in public works projects, night work continued on the Show Low Lake Road intersection, the concrete curb was complete, and crews would be paving the left turn lane in the next week. All utilities were relocated for the replacement of the East Hall and 11th Street bridge. The bridge foundations were scheduled to be set on Monday and the bridge pieces were scheduled to arrive on Wednesday. Slurry seal was scheduled to begin on June 26. The West McNeil roadway improvements would be complete by June 30th, and asphalt removal would begin next week on East McNeil. As always, the City appreciated the citizens' patience as improvements were made around the City.

9. **SCHEDULING OF MEETINGS:**

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

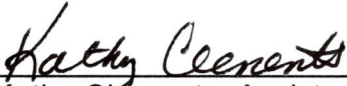
Mr. Brown said that since City Council does not meet on the first Tuesday in July, the next Council meeting would be held on Tuesday, July 18.

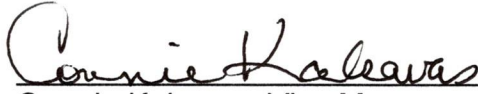
12. **ADJOURNMENT.**

There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF JUNE 20, 2023, AT 7:50 p.m.**

ATTEST:

APPROVED:


Kathy Clements, Assistant City Clerk

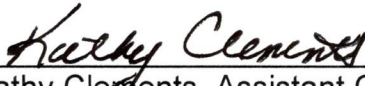

Connie Kakavas, Vice Mayor

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 June 20, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18th day of July, 2023.

(SEAL)


Kathy Clements, Assistant City Clerk

City of Show Low, AZ

FY2024 Final Budget
\$135,198,892

June 20, 2023



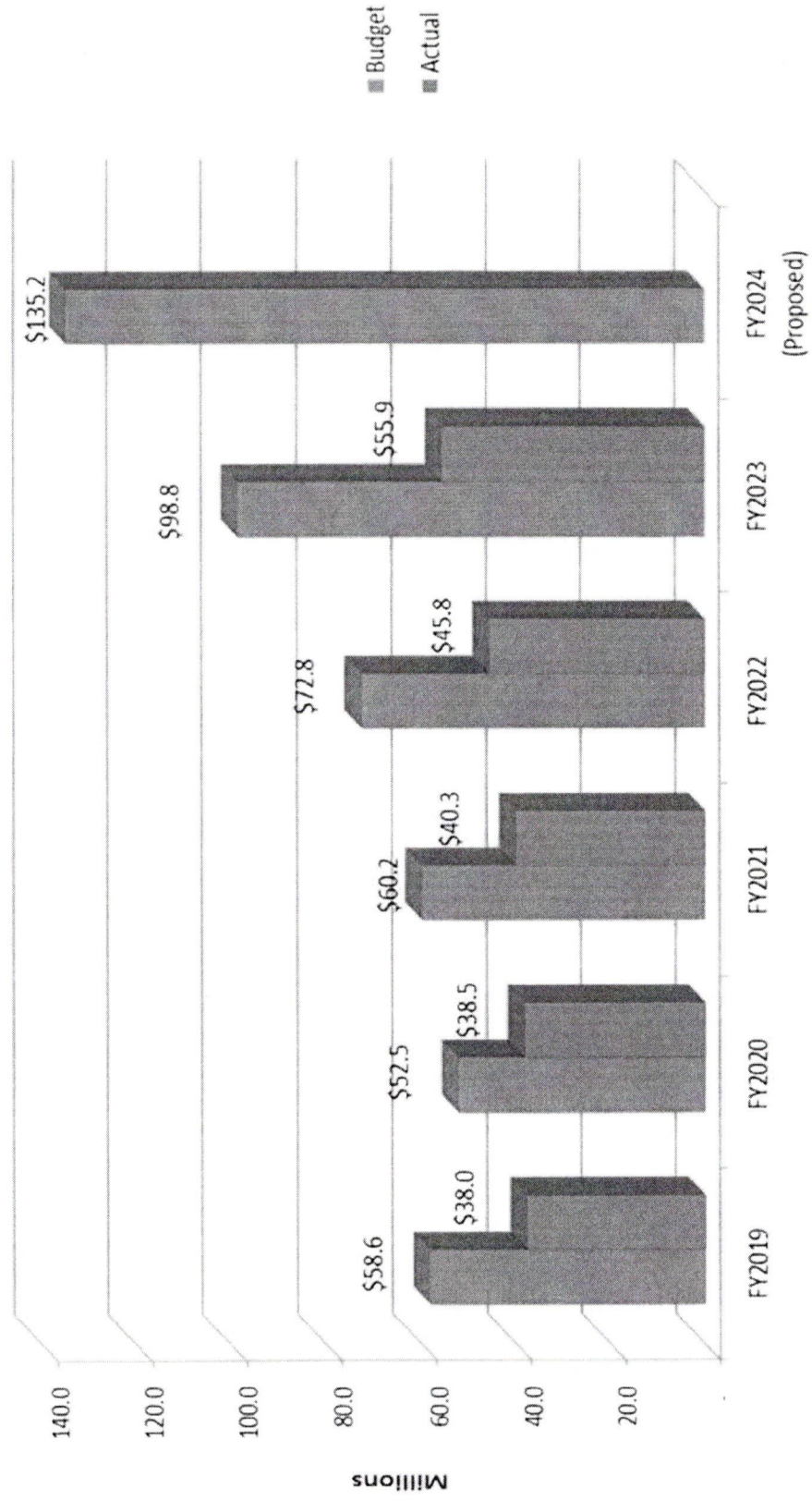
Budget – Public Process

- January 17 – Council study session
- January 19 – Budget town hall
- April 4 – Recommended budget overview
- April 6 – Town hall/Budget study session
- May 16 – DRAFT Tentative Budget Review
- June 6 – Tentative Budget Adoption
(Resolution # R2023-11 - \$135,198,892)
- **June 20 – Final Budget Adoption**
(Resolution # R2023-13 - \$135,198,892)
- July 18 – Adopt Secondary Tax Rate

Council Goals and Priorities

- Preserve/Maintain Infrastructure
- Quality of Life
- Community/Economic Development
- Organization

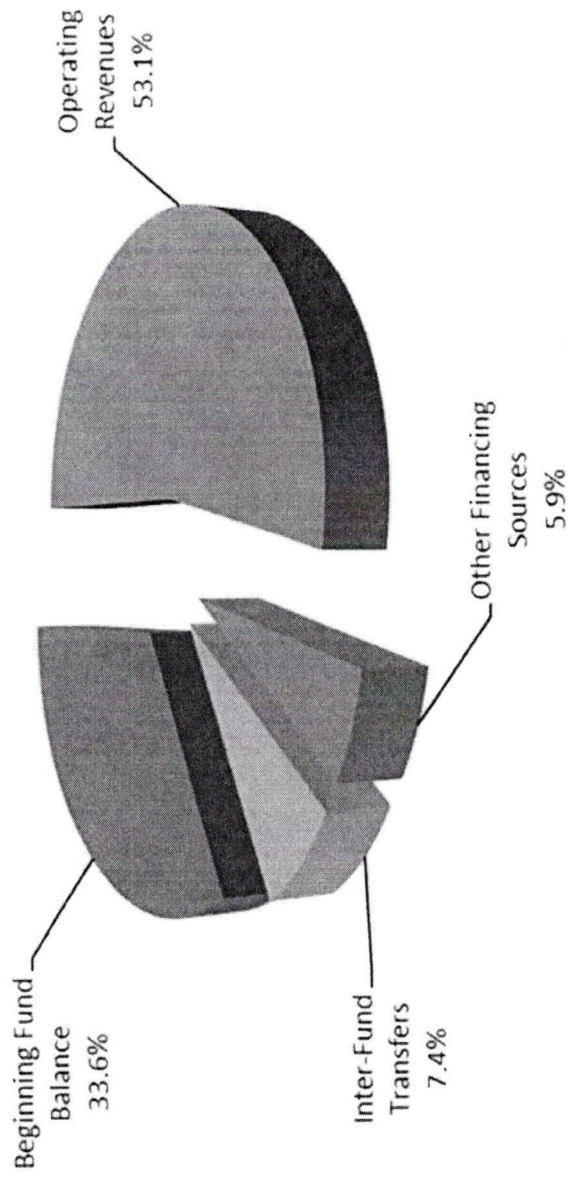
Adopted Budget vs Actual Comparison



“Where does the money come from?”

Revenues

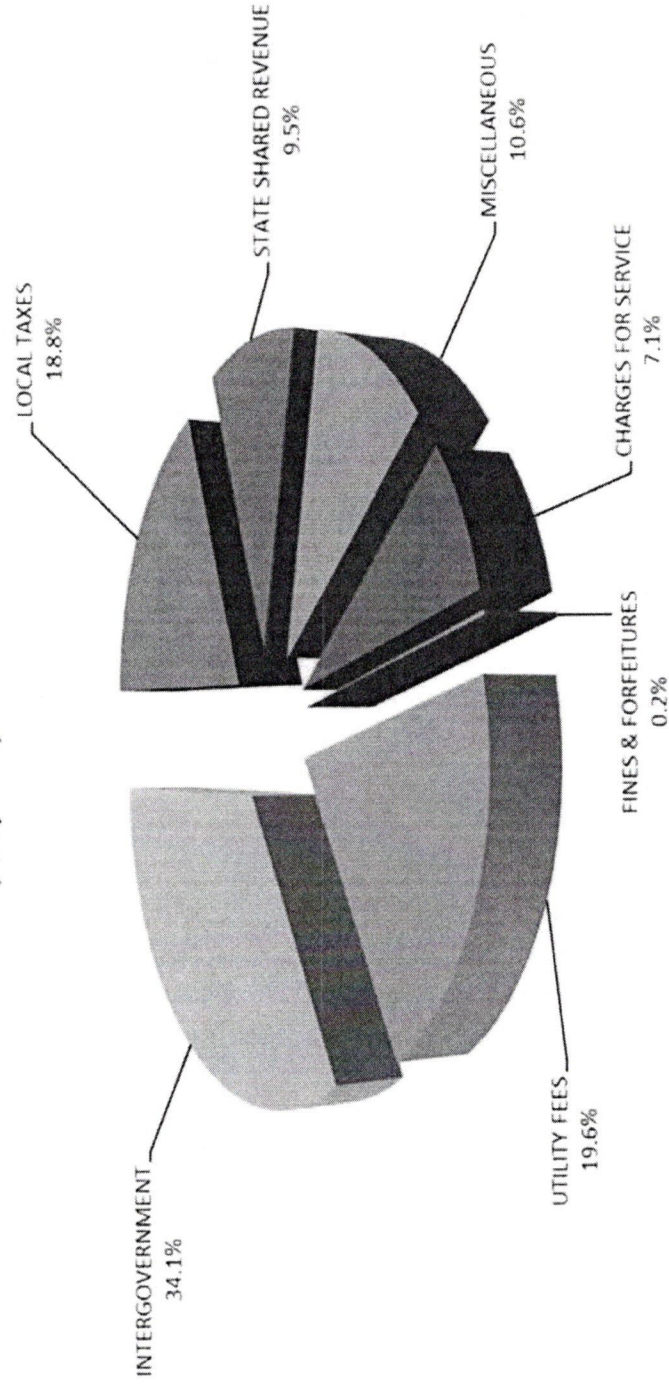
City of Show Low
FY 2024 - All Funds/Sources
\$151,581,452



“Where does the money come from?”

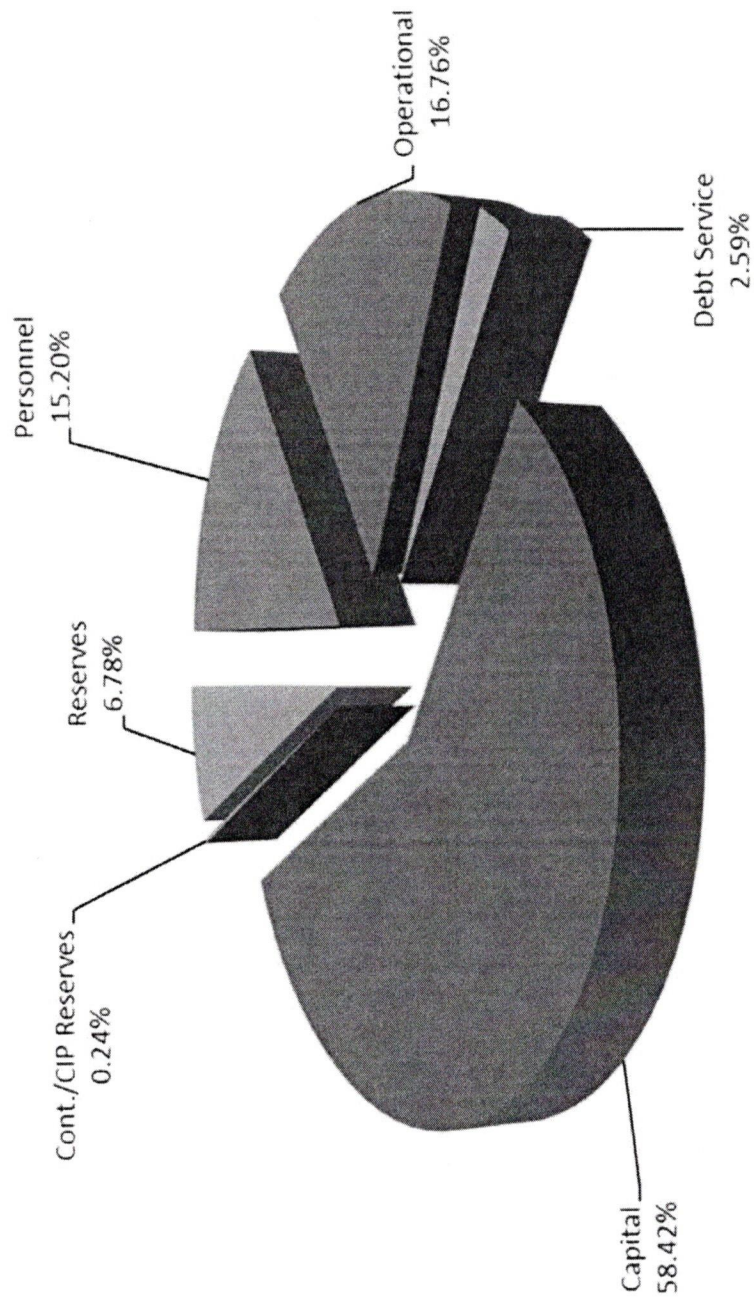
Operating Revenues

FY 2024 - Budget
\$80,443,585



“Where does the money go?”

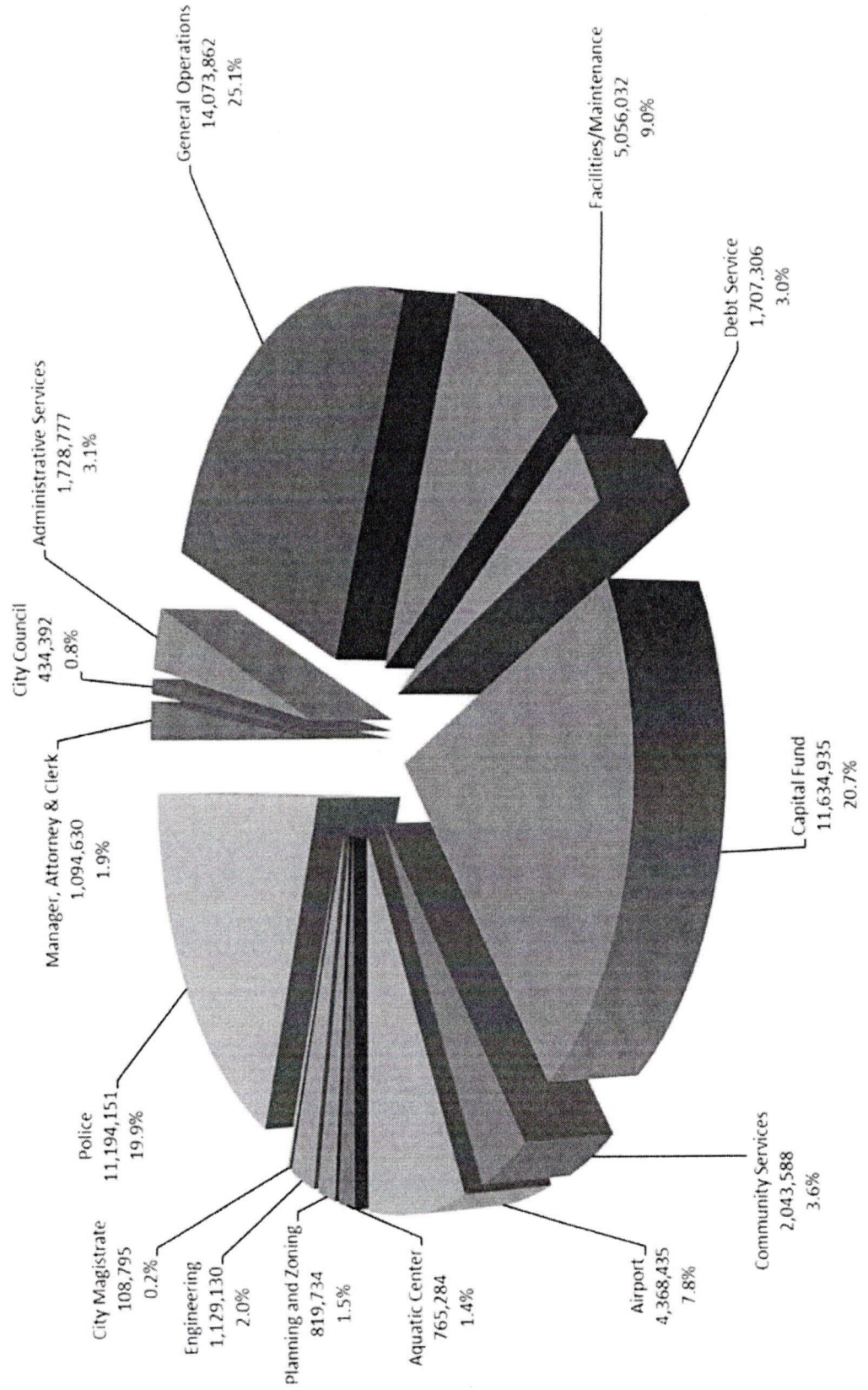
Expenditures by Type



- Excluding unanticipated and transfers

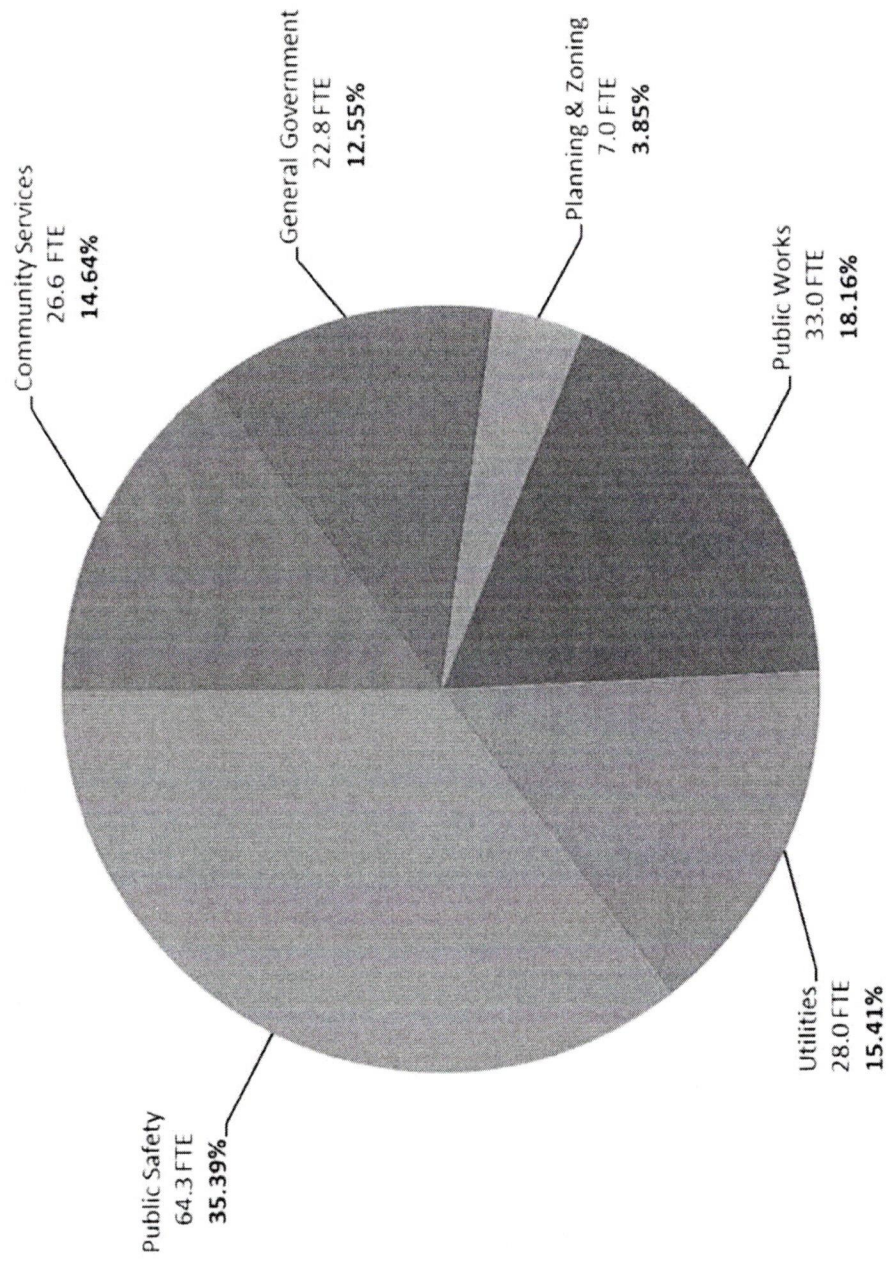
“Where does the money go?”

General Fund



Personnel by Service Area

181.7 FTE's

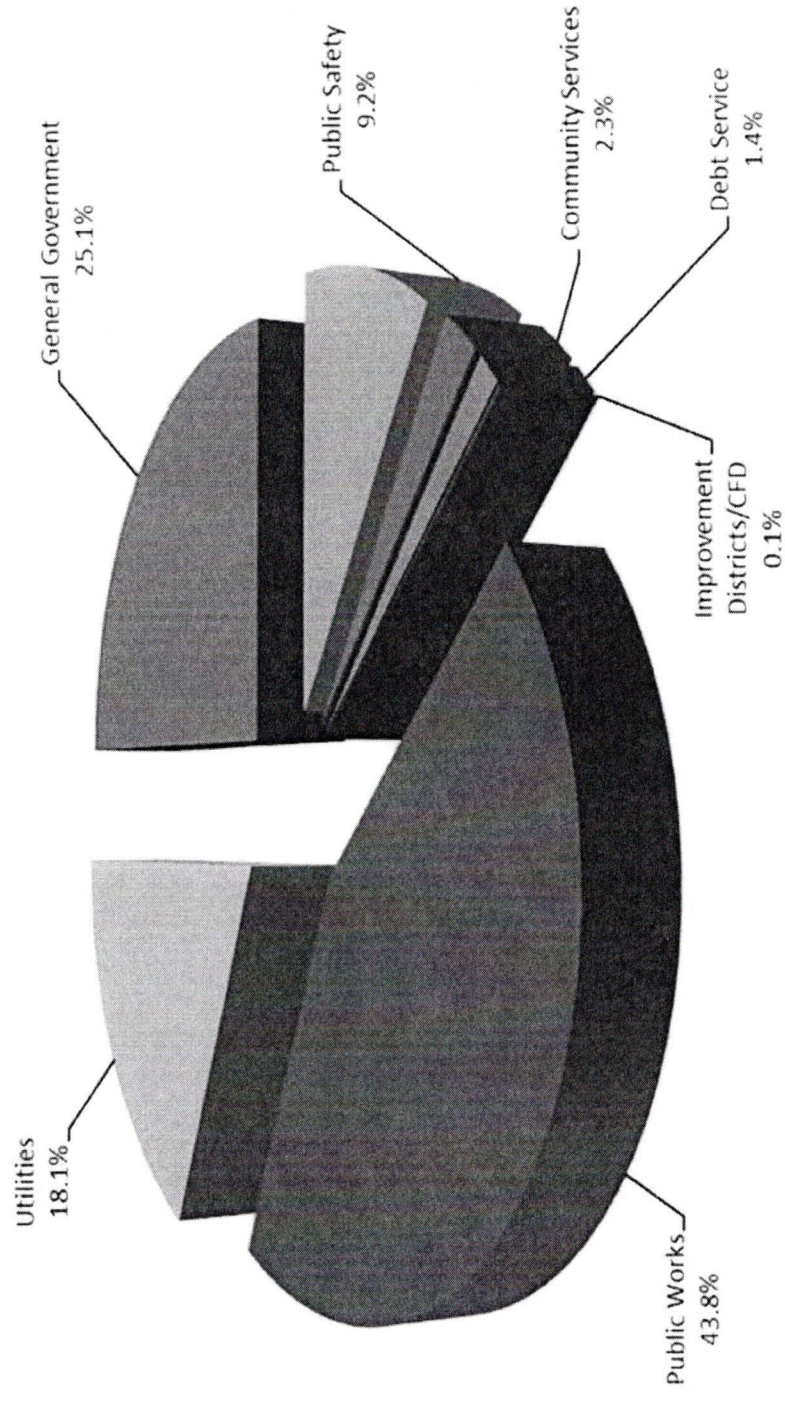


Capital/Contingencies - \$72.4 Million

General Operations	\$	7,536,325
Community Services	\$	352,500
Administrative Services	\$	143,000
Police	\$	2,248,871
Streets/Engineering	\$	39,741,464
Public Transportation	\$	99,935
Parks/Facilities Maintenance	\$	5,442,327
Airport	\$	2,821,935
Wastewater	\$	9,191,880
Water	\$	4,524,096
Council Contingencies	\$	300,000
	\$	<u>72,402,333</u>

“Where does the money go?”

- expenditures by service area



- Excluding self-insured medical, unanticipated and transfers