

SHOW LOW CITY COUNCIL
REGULAR MEETING - TUESDAY, MAY 26, 2026

PURSUANT to A.R.S. Section 38-431.02, notice is hereby given to the Show Low City Council and to the general public that a **Regular Meeting** of the Show Low City Council will be held on Tuesday, May 26, 2026, at 7:00 PM in the City Council Chambers, 181 North 9th Street, Show Low, Navajo County, Arizona. The agenda for this meeting is as follows:

1. Call to Order.
2. Roll Call.
3. Invocation.
4. 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 shall 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.

6. **SPECIAL EVENTS:**

- A. Recognition of Winners of the Kids ROCK Poster Contest and Presentation of Prizes
- B. Presentation and Crowning of the 2026 Show Low Rodeo Queen
- C. Presentation of Outstanding Service Award to Kathleen Harvey

7. **CONSENT CALENDAR:**

- A. Proclamation by the Mayor Proclaiming May 17 through 23, 2026 as **Public Works Week** in the City of Show Low (Rachael Hall)
- B. Consideration of Memorandum of Understanding with Department of Homeland Security for Web Services through E-Verify Employer Agent (Justin Johnson)
- C. Consideration of Resolution No. R2026-12 Approving First Amendment to Intergovernmental Agreement with Maricopa County Sheriff's Office Sworn Officer Training Academy (Greg Westover)
- D. Consideration of Resolution No. R2026-13 Approving an Intergovernmental Agreement with White Mountain Apache Tribe (Morgan Brown)

E. Consideration of Minutes of Show Low City Council meetings:

1. Regular Meeting of May 5, 2026

8. **NEW BUSINESS:**

A. Consideration of Appeal of Conditional Use Permit 602-04-281 Submitted by David Owens to Allow for Shipping Containers on Properties Identified as Assessor's Parcel Numbers 210-16-044, 210-16-047, and 210-16-170B (Justen Tregaskes)

B. Consideration of Award of a Construction Contract for Annual Slurry Seal 2026, City of Show Low Project No. 5005791 (Chris Reid)

C. Consideration and Acceptance of Changes to City Manager's Recommended Budget for Fiscal Year Ending June 30, 2027.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

B. Mayor

C. City Manager

10. **SCHEDULE OF MEETINGS:**

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

11. **ADJOURNMENT:**

SCHEDULED MEETINGS/EVENTS:

<u>DATE</u>	<u>TIME</u>	<u>EVENT NAME</u>
5/26/2026	7:00 PM	CITY COUNCIL - REGULAR MEETING

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Show Low makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Show Low City Council regular meetings are recorded and may be viewed on the City of Show Low's website. If you permit your child to attend/participate in a televised City Council meeting, a recording will be made. You may exercise your right not to consent by not allowing your child to attend/participate in the meeting.

Pursuant to the Americans with Disabilities Act (ADA), the City Council endeavors to ensure the accessibility of its meetings to all persons with disabilities. If you need accommodation for a meeting, please call the City Clerk's office at (928) 532-4061 at least 48 hours prior to the meeting for accommodation.

Council Chambers will open at least fifteen minutes prior to the meeting to allow public access to the room. Council Chambers has a maximum occupancy of 139 people.

Kathy Clements, Deputy City Clerk

I, Kathy Clements, do hereby certify that the foregoing notice was posted on May 22, 2026.



Proclamation

*City of Show Low
Office of the Mayor and City Council*

WHEREAS, public works infrastructure, facilities, and services are of vital importance to the health, safety, and well-being of the people of Arizona; and

WHEREAS, such facilities and services could not be provided without the dedicated efforts of public works professionals, engineers, and administrators who are responsible for and must design, build, operate, and maintain the transportation, water supply, sewage, and refuse disposal systems, public buildings, and other structures and facilities essential to serve our citizens; and

WHEREAS, it is in the public interest for the citizens and civic leaders of the City of Show Low to gain knowledge of and to maintain a progressive interest in the public works needs and programs of the community; and

WHEREAS, Arizonans should join with representatives of governmental agencies and the American Public Works Association in paying tribute to our public works employees and to recognize the substantial contributions they have made to our national health and welfare.

NOW, THEREFORE, I, John Leech, Jr., Mayor, on behalf of the Show Low City Council, do hereby proclaim **May 17 through 23, 2026** as

♣ Public Works Week ♣

in the City of Show Low and extend appreciation to the public works professionals for the vital services they perform and their dedication to the community they represent.

Dated this **26th** day of **May, 2026**.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Seal of the City of Show Low.

John Leech, Jr.
Mayor

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Memorandum of Understanding with Department of Homeland Security for Web Services through E-Verify Employer Agent (Justin Johnson)

RECOMMENDATION

I **MOVE** to approve the Memorandum of Understanding with the Department of Homeland Security for Web Services through E-Verify Employer Agent.

BACKGROUND

The Human Resources Department is currently working with NEOGOV to implement a new electronic onboarding process for newly hired employees. As part of this implementation, the City will transition its current E-Verify procedures into the new onboarding platform.

Currently, new employees complete Form I-9 on their first day of employment, and Human Resources staff manually enter the information into the federal E-Verify system to confirm employment eligibility. Under the new onboarding process, employees will complete the I-9 electronically through the onboarding platform, and the information will then be submitted directly through E-Verify. The updated process is intended to improve efficiency, reduce manual data entry, streamline onboarding procedures, and assist the City in maintaining compliance with federal employment verification requirements.

Staff recommends approving the Memorandum of Understanding with the Department of Homeland Security for Web Services through E-Verify Employer Agent for the implementation of new employee onboarding process.

ATTACHMENTS

1. E-Verify Memorandum of Understanding

FISCAL IMPACT

None.



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Client Company ID Number: 3015765

THE E-VERIFY MEMORANDUM OF UNDERSTANDING FOR EMPLOYERS USING A WEB SERVICES E-VERIFY EMPLOYER AGENT

ARTICLE I PURPOSE AND AUTHORITY

The parties to this agreement are the Department of Homeland Security (DHS), the The City of Show Low (Employer), and the Web Services E-Verify Employer Agent. The purpose of this agreement is to set forth terms and conditions which the Employer and the Web Services E-Verify Employer Agent will follow while participating in E-Verify.

E-Verify is a program that electronically confirms an employee’s eligibility to work in the United States after completion of Form I-9, Employment Eligibility Verification (Form I-9). This Memorandum of Understanding (MOU) explains certain features of the E-Verify program and describes specific responsibilities of the Employer, the E-Verify Employer Agent, the Social Security Administration (SSA), and DHS.

References in this MOU to the Employer include the Web Services E-Verify Employer Agent when acting on behalf of the Employer.

For purposes of this MOU, the E-Verify browser refers to the website that provides direct access to the E-Verify system: <https://E-Verify.uscis.gov/emp/>. You may access E-Verify directly free of charge via the E-Verify browser.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). The Federal Acquisition Regulation (FAR) Subpart 22.18, “Employment Eligibility Verification” and Executive Order 12989, as amended, provide authority for Federal contractors and subcontractors (Federal contractor) to use E-Verify to verify the employment eligibility of certain employees working on Federal contracts.

ARTICLE II RESPONSIBILITIES

A. RESPONSIBILITIES OF THE EMPLOYER

For purposes of this MOU, references to the Employer include the Web Services E-Verify Employer Agent when acting on behalf of the Employer.

1. By enrolling in E-Verify and signing the applicable MOU, the Employer asserts that it is a legitimate company which intends to use E-Verify for legitimate purposes only and in accordance with the laws, regulations and DHS policies and procedures relating to the use of E-Verify.



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2. The Employer agrees to display the following notices supplied by DHS (though the Web Services E-Verify Employer Agent) in a prominent place that is clearly visible to prospective employees and all employees who are to be verified through the system:
 - a. Notice of E-Verify Participation
 - b. Notice of Right to Work
3. The Employer agrees to provide to the SSA and DHS the names, titles, addresses, and telephone numbers of the Employer representatives to be contacted about E-Verify. The Employer also agrees to keep such information current by providing updated information to SSA and DHS whenever the representatives' contact information changes.
4. The Employer agrees to become familiar with and comply with the most recent version of the E-Verify User Manual. The Employer will obtain the E-Verify User Manual from the Web Services E-Verify Employer Agent, and will be notified by the Web Services E-Verify Employer Agent when a new version of the E-Verify User Manual becomes available.
5. The Employer agrees to comply with current Form I-9 procedures, with two exceptions:
 - a. If an employee presents a "List B" identity document, the Employer agrees to only accept "List B" documents that contain a photo. (List B documents identified in 8 C.F.R. 274a.2(b)(1)(B)) can be presented during the Form I-9 process to establish identity.) If an employee objects to the photo requirement for religious reasons, the Employer should contact E-Verify at 888-464-4218.
 - b. If an employee presents a DHS Form I-551 (Permanent Resident Card), Form I-766 (Employment Authorization Document), or U.S. Passport or Passport Card to complete Form I-9, the Employer agrees to make a photocopy of the document and to retain the photocopy with the employee's Form I-9. The Employer will use the photocopy to verify the photo and to assist DHS with its review of photo mismatches that employees contest. DHS may in the future designate other documents that activate the photo screening tool.

Note: Subject only to the exceptions noted previously in this paragraph, employees still retain the right to present any List A, or List B and List C, document(s) to complete the Form I-9.

6. The Employer agrees to record the case verification number on the employee's Form I-9 or to print the screen containing the case verification number and attach it to the employee's Form I-9.
7. The Employer agrees that, although it participates in E-Verify, the Employer has a responsibility to complete, retain, and make available for inspection Forms I-9 that relate to its employees, or from other requirements of applicable regulations or laws, including the obligation to comply with the antidiscrimination requirements of section 274B of the INA with respect to Form I-9 procedures.
 - a. The following modified requirements are the only exceptions to an Employer's obligation to not employ unauthorized workers and comply with the anti-discrimination provision of the INA: (1) List B identity documents must have photos, as described in paragraph 6 above; (2) When an Employer confirms the identity and employment eligibility of newly hired employee using E-Verify procedures, the Employer establishes a rebuttable presumption that it has not violated section 274A(a)(1)(A) of

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the Immigration and Nationality Act (INA) with respect to the hiring of that employee; (3) If the Employer receives a final nonconfirmation for an employee, but continues to employ that person, the Employer must notify DHS and the Employer is subject to a civil money penalty between \$550 and \$1,100 for each failure to notify DHS of continued employment following a final nonconfirmation; (4) If the Employer continues to employ an employee after receiving a final nonconfirmation, then the Employer is subject to a rebuttable presumption that it has knowingly employed an unauthorized alien in violation of section 274A(a)(1)(A); and (5) no E-Verify participant is civilly or criminally liable under any law for any action taken in good faith based on information provided through the E-Verify.

b. DHS reserves the right to conduct Form I-9 compliance inspections, as well as any other enforcement or compliance activity authorized by law, including site visits, to ensure proper use of E-Verify.

8. The Employer is strictly prohibited from creating an E-Verify case before the employee has been hired, meaning that a firm offer of employment was extended and accepted and Form I-9 was completed. The Employer agrees to create an E-Verify case for new employees within three Employer business days after each employee has been hired (after both Sections 1 and 2 of Form I-9 have been completed), and to complete as many steps of the E-Verify process as are necessary according to the E-Verify User Manual. If E-Verify is temporarily unavailable, the three-day time period will be extended until it is again operational in order to accommodate the Employer's attempting, in good faith, to make inquiries during the period of unavailability.

9. The Employer agrees not to use E-Verify for pre-employment screening of job applicants, in support of any unlawful employment practice, or for any other use that this MOU or the E-Verify User Manual does not authorize.

10. The Employer must use E-Verify (through its Web Services E-Verify Employer Agent) for all new employees. The Employer will not verify selectively and will not verify employees hired before the effective date of this MOU. Employers who are Federal contractors may qualify for exceptions to this requirement as described in Article II.B of this MOU.

11. The Employer agrees to follow appropriate procedures (see Article III below) regarding tentative nonconfirmations. The Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of the letter to the SSA. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending. Further, when employees contest a tentative nonconfirmation based upon a photo mismatch, the Employer must take additional steps (see Article III.B below) to contact DHS with information necessary to resolve the challenge.

12. The Employer agrees not to take any adverse action against an employee based upon the employee's perceived employment eligibility status while SSA or DHS is processing the verification request unless the Employer obtains knowledge (as defined in 8 C.F.R. § 274a.1(l)) that the employee is not work authorized. The Employer understands that an initial inability of the SSA or DHS automated

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verification system to verify work authorization, a tentative nonconfirmation, a case in continuance (indicating the need for additional time for the government to resolve a case), or the finding of a photo mismatch, does not establish, and should not be interpreted as, evidence that the employee is not work authorized. In any of such cases, the employee must be provided a full and fair opportunity to contest the finding, and if he or she does so, the employee may not be terminated or suffer any adverse employment consequences based upon the employee's perceived employment eligibility status (including denying, reducing, or extending work hours, delaying or preventing training, requiring an employee to work in poorer conditions, withholding pay, refusing to assign the employee to a Federal contract or other assignment, or otherwise assuming that he or she is unauthorized to work) until and unless secondary verification by SSA or DHS has been completed and a final nonconfirmation has been issued. If the employee does not choose to contest a tentative nonconfirmation or a photo mismatch or if a secondary verification is completed and a final nonconfirmation is issued, then the Employer can find the employee is not work authorized and terminate the employee's employment. Employers or employees with questions about a final nonconfirmation may call E-Verify at 1-888-464-4218 (customer service) or 1-888-897-7781 (worker hotline).

13. The Employer agrees to comply with Title VII of the Civil Rights Act of 1964 and section 274B of the INA as applicable by not discriminating unlawfully against any individual in hiring, firing, employment eligibility verification, or recruitment or referral practices because of his or her national origin or citizenship status, or by committing discriminatory documentary practices. The Employer understands that such illegal practices can include selective verification or use of E-Verify except as provided in part D below, or discharging or refusing to hire employees because they appear or sound "foreign" or have received tentative nonconfirmations. The Employer further understands that any violation of the immigration-related unfair employment practices provisions in section 274B of the INA could subject the Employer to civil penalties, back pay awards, and other sanctions, and violations of Title VII could subject the Employer to back pay awards, compensatory and punitive damages. Violations of either section 274B of the INA or Title VII may also lead to the termination of its participation in E-Verify. If the Employer has any questions relating to the anti-discrimination provision, it should contact OSC at 1-800-255-8155 or 1-800-237-2515 (TDD).

14. The Employer agrees that it will use the information it receives from E-Verify (through its Web Services E-Verify Employer Agent) only to confirm the employment eligibility of employees as authorized by this MOU. The Employer agrees that it will safeguard this information, and means of access to it (such as Personal Identification Numbers and passwords), to ensure that it is not used for any other purpose and as necessary to protect its confidentiality, including ensuring that it is not disseminated to any person other than employees of the Employer who are authorized to perform the Employer's responsibilities under this MOU, except for such dissemination as may be authorized in advance by SSA or DHS for legitimate purposes.

15. The Employer agrees to notify DHS immediately in the event of a breach of personal information. Breaches are defined as loss of control or unauthorized access to E-Verify personal data. All suspected or confirmed breaches should be reported by calling 1-888-464-4218 or via email at E-Verify@uscis.dhs.gov. Please use "Privacy Incident – Password" in the subject line of your email when sending a breach report to E-Verify.

16. The Employer acknowledges that the information it receives from SSA through its Web Services



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E-Verify Employer Agent is governed by the Privacy Act (5 U.S.C. § 552a(i)(1) and (3)) and the Social Security Act (42 U.S.C. 1306(a)). Any person who obtains this information under false pretenses or uses it for any purpose other than as provided for in this MOU may be subject to criminal penalties.

17. The Employer agrees to cooperate with DHS and SSA in their compliance monitoring and evaluation of E-Verify, which includes permitting DHS, SSA, their contractors and other agents, upon reasonable notice, to review Forms I-9 and other employment records and to interview it and its employees regarding the Employer's use of E-Verify, and to respond in a prompt and accurate manner to DHS requests for information relating to their participation in E-Verify.

18. The Employer shall not make any false or unauthorized claims or references about its participation in E-Verify on its website, in advertising materials, or other media. The Employer shall not describe its services as federally-approved, federally-certified, or federally-recognized, or use language with a similar intent on its website or other materials provided to the public. Entering into this MOU does not mean that E-Verify endorses or authorizes your E-Verify services and any claim to that effect is false.

19. The Employer shall not state in its website or other public documents that any language used therein has been provided or approved by DHS, USCIS or the Verification Division, without first obtaining the prior written consent of DHS.

20. The Employer agrees that E-Verify trademarks and logos may be used only under license by DHS/ USCIS (see M-795 (Web)) and, other than pursuant to the specific terms of such license, may not be used in any manner that might imply that the Employer's services, products, websites, or publications are sponsored by, endorsed by, licensed by, or affiliated with DHS, USCIS, or E-Verify.

21. The Employer understands that if it uses E-Verify procedures for any purpose other than as authorized by this MOU, the Employer may be subject to appropriate legal action and termination of its participation in E-Verify according to this MOU.

B. RESPONSIBILITIES OF THE WEB SERVICES E-VERIFY EMPLOYER AGENT

1. The Web Services E-Verify Employer Agent agrees to complete its Web Services interface no later than six months after the date the Web Services User signs this MOU. E-Verify considers your interface to be complete once it has been built pursuant to the Interface Control Agreement (ICA), submitted to E-Verify for testing, and approved for system access.

2. The Web Services E-Verify Employer Agent agrees to perform sufficient maintenance on the Web Services interface in accordance with the requirements listed in the ICA. These requirements include, but are not limited to, updating the Web Services interface to ensure that any updates or enhancements are incorporated no later than six months after the issuance of an ICA. Web Services E-Verify Employer Agents should be aware that this will require the investment of time and resources. Compliance with the requirements of the ICA must be carried out to the satisfaction of DHS and or its assignees.

3. The Web Services E-Verify Employer Agent agrees to provide to SSA and/or DHS the names, titles, addresses, e-mail addresses, and telephone numbers of the Web Services E-Verify Employer Agent representative who will access information, as well as ensure cooperation, communication, and coordination with E-Verify.



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In addition, Web Services E-Verify Employer Agents must provide to SSA and/or DHS the names, titles, addresses, and telephone numbers of its clients and their staff who will access information through E-Verify. Web Services E-Verify Employer Agents must ensure the contact information is updated with SSA and DHS whenever the points of contact change.

4. The Web Services E-Verify Employer Agent agrees to become familiar with and comply with the E-Verify User Manual and provide a copy of the most current version of the manual to the Employer so that the Employer can become familiar with and comply with E-Verify policy and procedures. The Web Services E-Verify Employer Agent agrees to obtain a revised E-Verify User Manual as it becomes available and to provide a copy of the revised version to the Employer no later than 30 days after the manual becomes available.
5. The Web Services E-Verify Employer Agent agrees that any person accessing E-Verify on its behalf is trained on the most recent E-Verify policy and procedures.
6. The Web Services E-Verify Employer Agent agrees that any of its representatives who will perform employment verification cases will complete the E-Verify Tutorial before that individual initiates any cases.
 - a. The Web Services E-Verify Employer Agent agrees that all of its representatives will take the refresher tutorials initiated by E-Verify as a condition of continued use of E-Verify, including any tutorials for Federal contractors, if any of the Employers represented by the Web Services E-Verify Employer Agent is a Federal contractor.
 - b. Failure to complete a refresher tutorial will prevent the Web Services E-Verify Employer Agent and Employer from continued use of E-Verify.
7. The Web Services E-Verify Employer Agent agrees to grant E-Verify access only to current employees who need E-Verify access. The Web Services E-Verify Employer Agent must promptly terminate an employee's E-Verify access if the employee is separated from the company or no longer needs access to E-Verify.
8. The Web Services E-Verify Employer Agent agrees to obtain the necessary equipment to use E-Verify as required by the E-Verify rules and regulations as modified from time to time.
9. The Web Services E-Verify Employer Agent agrees to, consistent with applicable laws, regulations, and policies, commit sufficient personnel and resources to meet the requirements of this MOU.
10. The Web Services E-Verify Employer Agent agrees to provide its clients with training on E-Verify processes, policies, and procedures. The E-Verify Employer Agent also agrees to provide its clients with ongoing E-Verify training as needed. E-Verify is not responsible for providing training to clients of E-Verify Employer Agents.
11. The Web Services E-Verify Employer Agent agrees to provide the Employer with the notices described in Article II.B.2 below.
12. The Web Services E-Verify Employer Agent agrees to create E-Verify cases for the Employer it represents in accordance with the E-Verify Manual, the E-Verify Web-Based Tutorial and all other published E-Verify

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rules and procedures. The Web Services E-Verify Employer Agent will create E-Verify cases using information provided by the Employer and will immediately communicate the response back to the Employer. If E-Verify is temporarily unavailable, the three-day time period will be extended until it is again operational in order to accommodate the Web Services E-Verify Employer Agent's attempting, in good faith, to make inquiries on behalf of the Employer during the period of unavailability. If, however, the Web Services interface is unavailable due to no fault of E-Verify, then the three-day time period is not extended. In such a case, the Web Services E-Verify Employer Agent must use the E-Verify browser during the outage.

13. The Web Services E-Verify Employer Agent agrees to ensure that all notices, referral letters and any other materials otherwise including instructions regarding tentative nonconfirmations, will be consistent with the most current E-Verify tentative nonconfirmation notices and referral letters, which are available on E-Verify's website.

14. The Web Services E-Verify Employer Agent agrees that any system or interface it develops will follow the steps for creating E-Verify cases and processing tentative nonconfirmations, as laid out in the ICA, this MOU and the User Manual, including but not limited to allowing an employer to close an invalid case where appropriate, allowing an employer to refer a tentative nonconfirmation only when an employee chooses to contest a tentative nonconfirmation (no automatic referrals), and referring a tentative nonconfirmation to the appropriate agency at the time the employer prints the referral letter and provides the letter to the employee. The Web Services E-Verify Employer Agent understands that any failure to make its system or interface consistent with proper E-Verify procedures can result in DHS terminating the Web Services E-Verify Employer Agent's agreement and access with or without notice.

15. When the Web Services E-Verify Employer Agent receives notice from a client company that it has received a contract with the FAR clause, then the Web Services E-Verify Employer Agent must update the company's E-Verify profile within 30 days of the contract award date.

16. If data is transmitted between the Web Services E-Verify Employer Agent and its client, then the Web Services E-Verify Employer Agent agrees to protect personally identifiable information during transmission to and from the Web Services E-Verify Employer Agent.

17. The Web Services E-Verify Employer Agent agrees to notify DHS immediately in the event of a breach of personal information. Breaches are defined as loss of control or unauthorized access to E-Verify personal data. All suspected or confirmed breaches should be reported by calling 1-888-464-4218 or via email at E-Verify@uscis.dhs.gov. Please use "Privacy Incident – Password" in the subject line of your email when sending a breach report to E-Verify.

18. The Web Services E-Verify Employer Agent agrees to fully cooperate with DHS and SSA in their compliance monitoring and evaluation of E-Verify, including permitting DHS, SSA, their contractors and other agents, upon reasonable notice, to review Forms I-9, employment records, and all records pertaining to the Web Services E-Verify Employer Agent's use of E-Verify, and to interview it and its employees regarding the use of E-Verify, and to respond in a timely and accurate manner to DHS requests for information relating to their participation in E-Verify.

a. The Web Services E-Verify Employer Agent agrees to cooperate with DHS if DHS requests

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information about the Web Services E-Verify Employer Agent's interface, including requests by DHS to view the actual interface operated by the Web Services E-Verify Employer Agent as well as related business documents. The Web Services E-Verify Employer Agent agrees to demonstrate for DHS the functionality of its interface to E-Verify upon request.

b. The Web Services E-Verify Employer Agent agrees to demonstrate, if requested by DHS, that it has provided training to its clients that meets E-Verify standards. Training programs must provide a focused study of the topics covered in the E-Verify User Manual and pertinent Supplemental Guides. Furthermore, training programs and materials must be updated as E-Verify changes occur. The Web Services E-Verify Employer Agent is encouraged to incorporate information from existing E-Verify materials, including the Enrollment Quick Reference Guide, the E-Verify Employer Agent Client Handbook (formerly known as the Designated Agent Client Handbook), and existing tutorials and manuals into their training program. E-Verify also encourages the Web Services E-Verify Employer Agent to supervise first-time use of the E-Verify browser or Web Services interface by its staff and Employer clients as part of any training program. The Web Services E-Verify Employer Agent agrees to submit its training program materials to DHS for review upon request.

Failure to provide adequate training could, in some instances, lead to penalties as described in Article V.F.1. of this MOU.

19. The Web Services E-Verify Employer Agent shall not make any false or unauthorized claims or references about its participation in E-Verify on its website, in advertising materials, or other media. The Web Services E-Verify Employer Agent shall not describe its services as federally-approved, federally-certified, or federally-recognized, or use language with a similar intent on its website or other materials provided to the public. Entering into this MOU does not mean that E-Verify endorses or authorizes your Web Services E-Verify Employer Agent services and any claim to that effect is false.

20. The Web Services E-Verify Employer Agent shall not state in its website or other public documents that any language used therein has been provided or approved by DHS, USCIS or the Verification Division, without first obtaining the prior written consent of DHS.

21. The Web Services E-Verify Employer Agent agrees that E-Verify trademarks and logos may be used only under license by DHS/USCIS (see M-795 (Web)) and, other than pursuant to the specific terms of such license, may not be used in any manner that might imply that the Web Services E-Verify Employer Agent's services, products, websites, or publications are sponsored by, endorsed by, licensed by, or affiliated with DHS, USCIS, or E-Verify.

22. The Web Services E-Verify Employer Agent understands that if it uses E-Verify procedures for any purpose other than as authorized by this MOU, the Web Services E-Verify Employer Agent may be subject to appropriate legal action and termination of its participation in E-Verify according to this MOU.

C. RESPONSIBILITIES OF FEDERAL CONTRACTORS

The Web Services E-Verify Employer Agent shall ensure that the Web Services E-Verify Employer Agent and the Employers it represents carry out the following responsibilities if the Employer is a Federal contractor or becomes a federal contractor. The Web Services E-Verify Employer Agent should instruct the client to keep the Web Services E-Verify Employer Agent informed about any changes or updates related to federal contracts. It is the Web Services E-Verify Employer Agent's responsibility to ensure that its clients are in compliance



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with all E-Verify policies and procedures.

1. If the Employer is a Federal contractor with the FAR E-Verify clause subject to the employment verification terms in Subpart 22.18 of the FAR, it will become familiar with and comply with the most current version of the E-Verify User Manual for Federal Contractors as well as the E-Verify Supplemental Guide for Federal Contractors.
2. In addition to the responsibilities of every employer outlined in this MOU, the Employer understands that if it is a Federal contractor subject to the employment verification terms in Subpart 22.18 of the FAR it must verify the employment eligibility of any “employee assigned to the contract” (as defined in FAR 22.1801). Once an employee has been verified through E-Verify by the Employer, the Employer may not reverify the employee through E-Verify.
 - a. An Employer that is not enrolled in E-Verify as a Federal contractor at the time of a contract award must enroll as a Federal contractor in the E-Verify program within 30 calendar days of contract award and, within 90 days of enrollment, begin to verify employment eligibility of new hires using E-Verify. The Employer must verify those employees who are working in the United States, whether or not they are assigned to the contract. Once the Employer begins verifying new hires, such verification of new hires must be initiated within three business days after the hire date. Once enrolled in E-Verify as a Federal contractor, the Employer must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee’s assignment to the contract, whichever date is later.
 - b. Employers enrolled in E-Verify as a Federal contractor for 90 days or more at the time of a contract award must use E-Verify to begin verification of employment eligibility for new hires of the Employer who are working in the United States, whether or not assigned to the contract, within three business days after the date of hire. If the Employer is enrolled in E-Verify as a Federal contractor for 90 calendar days or less at the time of contract award, the Employer must, within 90 days of enrollment, begin to use E-Verify to initiate verification of new hires of the contractor who are working in the United States, whether or not assigned to the contract. Such verification of new hires must be initiated within three business days after the date of hire. An Employer enrolled as a Federal contractor in E-Verify must begin verification of each employee assigned to the contract within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever is later.
 - c. Federal contractors that are institutions of higher education (as defined at 20 U.S.C. 1001(a)), state or local governments, governments of Federally recognized Indian tribes, or sureties performing under a takeover agreement entered into with a Federal agency under a performance bond may choose to only verify new and existing employees assigned to the Federal contract. Such Federal contractors may, however, elect to verify all new hires, and/or all existing employees hired after November 6, 1986. Employers in this category must begin verification of employees assigned to the contract within 90 calendar days after the date of enrollment or within 30 days of an employee’s assignment to the contract, whichever date is later.
 - d. Upon enrollment, Employers who are Federal contractors may elect to verify employment eligibility of all existing employees working in the United States who were hired after November 6, 1986, instead of verifying only those employees assigned to a covered Federal contract. After enrollment, Employers must elect to verify existing staff following DHS procedures and begin E-Verify verification of all

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existing employees within 180 days after the election.

e. The Employer may use a previously completed Form I-9 as the basis for creating an E-Verify case for an employee assigned to a contract as long as:

- i. That Form I-9 is complete (including the SSN) and complies with Article II.A.6,
- ii. The employee's work authorization has not expired, and
- iii. The Employer has reviewed the information reflected in the Form I-9 either in person or in communications with the employee to ensure that the employee's Section 1, Form I-9 attestation has not changed (including, but not limited to, a lawful permanent resident alien having become a naturalized U.S. citizen).

f. The Employer shall complete a new Form I-9 consistent with Article II.A.6 or update the previous Form I-9 to provide the necessary information if:

- i. The Employer cannot determine that Form I-9 complies with Article II.A.6,
- ii. The employee's basis for work authorization as attested in Section 1 has expired or changed, or
- iii. The Form I-9 contains no SSN or is otherwise incomplete.

Note: If Section 1 of Form I-9 is otherwise valid and up-to-date and the form otherwise complies with Article II.C.5, but reflects documentation (such as a U.S. passport or Form I-551) that expired after completing Form I-9, the Employer shall not require the production of additional documentation, or use the photo screening tool described in Article II.A.5, subject to any additional or superseding instructions that may be provided on this subject in the E-Verify User Manual.

g. The Employer agrees not to require a second verification using E-Verify of any assigned employee who has previously been verified as a newly hired employee under this MOU or to authorize verification of any existing employee by any Employer that is not a Federal contractor based on this Article.

3. The Employer understands that if it is a Federal contractor, its compliance with this MOU is a performance requirement under the terms of the Federal contract or subcontract, and the Employer consents to the release of information relating to compliance with its verification responsibilities under this MOU to contracting officers or other officials authorized to review the Employer's compliance with Federal contracting requirements.

D. RESPONSIBILITIES OF SSA

1. SSA agrees to allow DHS to compare data provided by the Employer (through the E-Verify Employer Agent) against SSA's database. SSA sends DHS confirmation that the data sent either matches or does not match the information in SSA's database.
2. SSA agrees to safeguard the information the Employer provides (through the E-Verify Employer Agent) through E-Verify procedures. SSA also agrees to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security numbers or responsible for evaluation of E-Verify or such other persons or entities who may be authorized by SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).



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3. SSA agrees to provide case results from its database within three Federal Government work days of the initial inquiry. E-Verify provides the information to the E-Verify Employer Agent.
4. SSA agrees to update SSA records as necessary if the employee who contests the SSA tentative nonconfirmation visits an SSA field office and provides the required evidence. If the employee visits an SSA field office within the eight Federal Government work days from the date of referral to SSA, SSA agrees to update SSA records, if appropriate, within the eight-day period unless SSA determines that more than eight days may be necessary. In such cases, SSA will provide additional instructions to the employee. If the employee does not visit SSA in the time allowed, E-Verify may provide a final nonconfirmation to the E-Verify Employer Agent.

Note: If an Employer experiences technical problems, or has a policy question, the employer should contact E-Verify at 1-888-464-4218.

E. RESPONSIBILITIES OF DHS

1. DHS agrees to provide the Employer with selected data from DHS databases to enable the Employer (through the E-Verify Employer Agent) to conduct, to the extent authorized by this MOU:
 - a. Automated verification checks on alien employees by electronic means, and
 - b. Photo verification checks (when available) on employees.
2. DHS agrees to assist the E-Verify Employer Agent with operational problems associated with its participation in E-Verify. DHS agrees to provide the E-Verify Employer Agent names, titles, addresses, and telephone numbers of DHS representatives to be contacted during the E-Verify process.
3. DHS agrees to provide to the E-Verify Employer Agent with access to E-Verify training materials as well as an E-Verify User Manual that contain instructions on E-Verify policies, procedures, and requirements for both SSA and DHS, including restrictions on the use of E-Verify.
4. DHS agrees to train E-Verify Employer Agents on all important changes made to E-Verify through the use of mandatory refresher tutorials and updates to the E-Verify User Manual. Even without changes to E-Verify, DHS reserves the right to require E-Verify Employer Agents to take mandatory refresher tutorials.
5. DHS agrees to provide to the Employer (through the E-Verify Employer Agent) a notice, which indicates the Employer's participation in E-Verify. DHS also agrees to provide to the Employer anti-discrimination notices issued by the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC), Civil Rights Division, U.S. Department of Justice.
6. DHS agrees to issue each of the E-Verify Employer Agent's E-Verify users a unique user identification number and password that permits them to log in to E-Verify.
7. DHS agrees to safeguard the information the Employer provides (through the E-Verify Employer Agent), and to limit access to such information to individuals responsible for the verification process, for evaluation of E-Verify, or to such other persons or entities as may be authorized by applicable law. Information will be used only to verify the accuracy of Social Security numbers and employment eligibility, to enforce the INA and Federal criminal laws, and to administer Federal contracting requirements.



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8. DHS agrees to provide a means of automated verification that provides (in conjunction with SSA verification procedures) confirmation or tentative nonconfirmation of employees' employment eligibility within three Federal Government work days of the initial inquiry.
9. DHS agrees to provide a means of secondary verification (including updating DHS records) for employees who contest DHS tentative nonconfirmations and photo mismatch tentative nonconfirmations. This provides final confirmation or nonconfirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to DHS, unless DHS determines that more than 10 days may be necessary. In such cases, DHS will provide additional verification instructions.

ARTICLE III REFERRAL OF INDIVIDUALS TO SSA AND DHS

A. REFERRAL TO SSA

1. If the Employer receives a tentative nonconfirmation issued by SSA, the Employer must print the notice as directed by E-Verify. The Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer agrees to provide written referral instructions to employees and instruct affected employees to bring the English copy of the letter to the SSA. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.
2. The Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.
3. After a tentative nonconfirmation, the Employer will refer employees to SSA field offices only as directed by E-Verify. The Employer must record the case verification number, review the employee information submitted to E-Verify to identify any errors, and find out whether the employee contests the tentative nonconfirmation. The Employer will transmit the Social Security number, or any other corrected employee information that SSA requests, to SSA for verification again if this review indicates a need to do so.
4. The Employer will instruct the employee to visit an SSA office within eight Federal Government work days. SSA will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.
5. While waiting for case results, the Employer agrees to check the E-Verify system regularly for case updates.
6. The Employer agrees not to ask the employee to obtain a printout from the Social Security Administration number database (the Numident) or other written verification of the SSN from the SSA.



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B. REFERRAL TO DHS

1. If the Employer receives a tentative nonconfirmation issued by DHS, the Employer must promptly notify employees in private of the finding and provide them with the notice and letter containing information specific to the employee's E-Verify case. The Employer also agrees to provide both the English and the translated notice and letter for employees with limited English proficiency to employees. The Employer must allow employees to contest the finding, and not take adverse action against employees if they choose to contest the finding, while their case is still pending.
2. The Employer agrees to obtain the employee's response about whether he or she will contest the tentative nonconfirmation as soon as possible after the Employer receives the tentative nonconfirmation. Only the employee may determine whether he or she will contest the tentative nonconfirmation.
3. The Employer agrees to refer individuals to DHS only when the employee chooses to contest a tentative nonconfirmation.
4. If the employee contests a tentative nonconfirmation issued by DHS, the Employer will instruct the employee to contact DHS through its toll-free hotline (as found on the referral letter) within eight Federal Government work days.
5. If the Employer finds a photo mismatch, the Employer must provide the photo mismatch tentative nonconfirmation notice and follow the instructions outlined in paragraph 1 of this section for tentative nonconfirmations, generally.
6. The Employer agrees that if an employee contests a tentative nonconfirmation based upon a photo mismatch, the Employer will send a copy of the employee's Form I-551, Form I-766, U.S. Passport, or passport card to DHS for review by:
 - a. Scanning and uploading the document, or
 - b. Sending a photocopy of the document by express mail (furnished and paid for by the employer).
7. The Employer understands that if it cannot determine whether there is a photo match/mismatch, the Employer must forward the employee's documentation to DHS as described in the preceding paragraph. The Employer agrees to resolve the case as specified by the DHS representative who will determine the photo match or mismatch.
8. DHS will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary.
9. While waiting for case results, the Employer agrees to check the E-Verify system regularly for case updates.



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ARTICLE IV SERVICE PROVISIONS

A. NO SERVICE FEES

1. SSA and DHS will not charge the Employer or the Web Services E-Verify Employer Agent for verification services performed under this MOU. The Employer is responsible for providing equipment needed to make inquiries. To access E-Verify, an Employer will need a personal computer with Internet access.

ARTICLE V SYSTEM SECURITY AND MAINTENANCE

A. DEVELOPMENT REQUIREMENTS

1. Software developed by Web Services E-Verify Employer Agents must comply with federally-mandated information security policies and industry security standards to include but not limited to:

- a. Public Law 107-347, "E-Government Act of 2002, Title III, Federal Information Security Management Act (FISMA)," December 2002.
- b. Office of Management and Budget (OMB) Memorandum (M-10-15), "FY 2010 Reporting Instructions for the Federal Information Security Management Act and Agency Privacy Management," April 2010.
- c. National Institute of Standards and Technology (NIST) Special Publication (SP) and Federal Information Processing Standards Publication (FIPS).
- d. International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 27002, Information Technology — Security Techniques — Code of Practice for Information Security Management.

2. The Web Services E-Verify Employer Agent agrees to update its Web Services interface to reflect system enhancements within six months from the date DHS notifies the Web Services User of the system update. The Web Services User will receive notice from DHS in the form of an Interface Control Agreement (ICA). The Web Services E-Verify Employer Agent agrees to institute changes to its interface as identified in the ICA, including all functionality identified and all data elements detailed therein.

3. The Web Services E-Verify Employer Agent agrees to demonstrate progress of its efforts to update its Web Services interface if and when DHS requests such progress reports.

4. The Web Services E-Verify Employer Agent acknowledges that if its system enhancements are not completed to the satisfaction of DHS or its assignees within six months from the date DHS notifies the Web Services User of the system update, then the Web Services User's E-Verify account may be suspended, and support for previous releases of E-Verify may no longer be available to the Web Services User. The Web Services E-Verify Employer Agent also acknowledges that DHS may suspend the Web Services User's account after the six-month period has elapsed.

5. The Web Services E-Verify Employer Agent agrees to incorporate error handling logic into its development or software to accommodate and act in a timely fashion should an error code be returned.

6. The Web Services E-Verify Employer Agent agrees to complete the technical requirements testing which is confirmed upon receiving approval of test data and connectivity between the Web Services E-Verify Employer Agent and DHS.
7. DHS will not reimburse any Web Services E-Verify Employer Agent or software developer who has expended resources in the development or maintenance of a Web Services interface if that party is unable, or becomes unable, to meet any of the requirements set forth in this MOU.
8. Housing, development, infrastructure, maintenance, and testing of the Web Services applications may take place outside the United States and its territories, but testing must be conducted to ensure that the code is correct and secure.
9. If the Web Services E-Verify Employer Agent includes an electronic Form I-9 as part of its interface, then it must comply with the standards for electronic retention of Form I-9 found in 8 CFR 274a.2(e).

B. INFORMATION SECURITY REQUIREMENTS

Web Services E-Verify Employer Agents performing verification services under this MOU must ensure that information that is shared between the Web Services E-Verify Employer Agent and DHS is appropriately protected comparable to the protection provided when the information is within the DHS environment [OMB Circular A-130 Appendix III].

To achieve this level of information security, the Web Services E-Verify Employer Agent agrees to institute the following procedures:

1. Conduct periodic assessments of risk, including the magnitude of harm that could result from the unauthorized access, use, disclosure, disruption, modification, or destruction of information and information systems that support the operations and assets of the DHS, SSA, and the Web Services E-Verify Employer Agent and its clients;
2. Develop policies and procedures that are based on risk assessments, cost-effectively reduce information security risks to an acceptable level, and ensure that information security is addressed throughout the life cycle of each organizational information system;
3. Implement subordinate plans for providing adequate information security for networks, facilities, information systems, or groups of information systems, as appropriate;
4. Conduct security awareness training to inform the Web Services E-Verify Employer Agent's personnel (including contractors and other users of information systems that support the operations and assets of the organization) of the information security risks associated with their activities and their responsibilities in complying with organizational policies and procedures designed to reduce these risks;
5. Develop periodic testing and evaluation of the effectiveness of information security policies, procedures, practices, and security controls to be performed with a frequency depending on risk, but no less than once per year;

6. Develop a process for planning, implementing, evaluating, and documenting remedial actions to address any deficiencies in the information security policies, procedures, and practices of the organization;
7. Implement procedures for detecting, reporting, and responding to security incidents;
8. Create plans and procedures to ensure continuity of operations for information systems that support the operations and assets of the organization;
9. In information-sharing environments, the information owner is responsible for establishing the rules for appropriate use and protection of the subject information and retains that responsibility even when the information is shared with or provided to other organizations [NIST SP 800-37].
10. DHS reserves the right to restrict Web Services calls from certain IP addresses.
11. DHS reserves the right to audit the Web Services E-Verify Employer Agent's application.
12. Web Services E-Verify Employer Agents and Software Developers agree to cooperate willingly with the DHS assessment of information security and privacy practices used by the company to develop and maintain the software.

C. DATA PROTECTION AND PRIVACY REQUIREMENTS

1. Web Services E-Verify Employer Agents must practice proper Internet security; this means using HTTP over SSL/TLS (also known as HTTPS) when accessing DHS information resources such as E-Verify [NIST SP 800-95]. Internet security practices like this are necessary because Simple Object Access Protocol (SOAP), which provides a basic messaging framework on which Web Services can be built, allows messages to be viewed or modified by attackers as messages traverse the Internet and is not independently designed with all the necessary security protocols for E-Verify use.
2. In accordance with DHS standards, the Web Services E-Verify Employer Agent agrees to maintain physical, electronic, and procedural safeguards to appropriately protect the information shared under this MOU against loss, theft, misuse, unauthorized access, and improper disclosure, copying use, modification or deletion.
3. Any data transmission requiring encryption shall comply with the following standards:
 - Products using FIPS 197 Advanced Encryption Standard (AES) algorithms with at least 256-bit encryption that has been validated under FIPS 140-2.
 - NSA Type 2 or Type 1 encryption.
4. User ID Management (Set Standard): All information exchanged between the parties under this MOU will be done only through authorized Web Services E-Verify Employer Agent representatives identified above.
5. The Web Services E-Verify Employer Agent agrees to use the E-Verify browser instead of its own interface if it has not yet upgraded its interface to comply with the Federal Acquisition Regulation (FAR) system changes. In addition, Web Services E-Verify Employer Agents whose interfaces do not support the Form I-9 from 2/2/2009 or 8/7/2009 should also use the E-Verify browser until the system upgrade is completed.



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6. The Web Services E-Verify Employer Agent agrees to use the E-Verify browser instead of its own interface if it has not completed updates to its system within six months from the date DHS notifies the Web Services E-Verify Employer Agent of the system update. The Web Services E-Verify Employer Agent can resume use of its interface once it is up-to-date, unless the Web Services E-Verify Employer Agent has been suspended or terminated from continued use of the system.

D. COMMUNICATIONS

1. Web Services E-Verify Employer Agents and Software Developers agree to develop an electronic system that is not subject to any agreement that would restrict access to and use of by an agency of the United States.
2. The Web Services E-Verify Employer Agent agrees to develop effective controls to ensure the integrity, accuracy and reliability of its electronic system.
3. The Web Services E-Verify Employer Agent agrees to develop an inspection and quality assurance program that regularly, at least once per year, evaluates the electronic system, and includes periodic checks of electronically stored information. The Web Services E-Verify Employer Agent agrees to share the results of its regular inspection and quality assurance program with DHS upon request.
4. The Web Services E-Verify Employer Agent agrees to develop an electronic system with the ability to produce legible copies of applicable notices, letters, etc.
5. All information exchanged between the parties under this MOU will be in accordance with applicable laws, regulations, and policies, including but not limited to, information security guidelines of the sending party with respect to any information that is deemed Personally Identifiable Information (PII), including but not limited to the employee or applicant's Social Security number, alien number, date of birth, or other information that may be used to identify the individual.
6. Suspected and confirmed information security breaches must be reported to DHS according to Article II.A.17. Reporting such breaches does not relieve the Web Services E-Verify Employer Agent from further requirements as directed by state and local law. The Web Services E-Verify Employer Agent is subject to applicable state laws regarding data protection and incident reporting in addition to the requirements herein.

E. SOFTWARE DEVELOPER RESTRICTIONS

1. The Web Services E-Verify Employer Agent agrees that if it develops a Web Services interface and sells such interface, then it can be held liable for any misuse by the company that purchases the interface. It is the responsibility of the Web Services E-Verify Employer Agent to ensure that its interface is used in accordance with E-Verify policies and procedures.
2. The Web Services E-Verify Employer Agent agrees to provide software updates to each client who purchases its software. Because of the frequency Web Services updates, an ongoing relationship between the software developer and the client is necessary.



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- 3. DHS reserves the right to terminate the access of any software developer with or without notice who creates or uses an interface that does not comply with E-Verify procedures.
- 4. Web Services Software Developers pursuing software development independent of serving clients as a Web Services E-Verify Employer Agent are not eligible to receive an ICA. At this time, E-Verify does not permit Web Services software development without also being a Web Services E-Verify Employer Agent or Web Services Employer.

F. PENALTIES

- 1. The Web Services E-Verify Employer Agent agrees that any failure on its part to comply with the terms of the MOU may result in account suspension, termination, or other adverse action.
- 2. DHS is not liable for any financial losses to Web Services E-Verify Employer Agent, its clients, or any other party as a result of your account suspension or termination.

**ARTICLE VI
MODIFICATION AND TERMINATION**

A. MODIFICATION

- 1. This MOU is effective upon the signature of all parties and shall continue in effect for as long as the SSA and DHS operates the E-Verify program unless modified in writing by the mutual consent of all parties.
- 2. Any and all E-Verify system enhancements by DHS or SSA, including but not limited to E-Verify checking against additional data sources and instituting new verification policies or procedures, will be covered under this MOU and will not cause the need for a supplemental MOU that outlines these changes.

B. TERMINATION

- 1. The Web Services E-Verify Employer Agent may terminate this MOU and its participation in E-Verify at any time upon 30 days prior written notice to the other parties. In addition, any Employer represented by the Web Services E-Verify Employer Agent may voluntarily terminate its MOU upon giving DHS 30 days' written notice. The Web Services E-Verify Employer Agent may not refuse to terminate the Employer based upon an outstanding bill for verification services.
- 2. Notwithstanding Article V, part A of this MOU, DHS may terminate this MOU, and thereby the Web Services E-Verify Employer Agent's participation in E-Verify, with or without notice at any time if deemed necessary because of the requirements of law or policy, or upon a determination by SSA or DHS that there has been a breach of system integrity or security by the Web Services E-Verify Employer Agent or Employer, or a failure on the part of either party to comply with established E-Verify procedures and/or legal requirements. The Employer understands that if it is a Federal contractor, termination of this MOU by any party for any reason may negatively affect the performance of its contractual responsibilities. Similarly, the Employer understands that if it is in a state where E-Verify is mandatory, termination of this by any party MOU may negatively affect the Employer's business.



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3. A Web Services E-Verify Employer Agent for an Employer that is a Federal contractor may terminate this MOU when the Federal contract that requires its participation in E-Verify is terminated or completed. In such cases, the Web Services E-Verify Employer Agent must provide written notice to DHS. If the Web Services E-Verify Employer Agent fails to provide such notice, then that Employer will remain an E-Verify participant, will remain bound by the terms of this MOU that apply to non-Federal contractor participants, and will be required to use the E-Verify procedures to verify the employment eligibility of all newly hired employees.

4. The Web Services E-Verify Employer Agent agrees that E-Verify is not liable for any losses, financial or otherwise, if the Web Services E-Verify Employer Agent or the Employer is terminated from E-Verify.

ARTICLE VII PARTIES

A. Some or all SSA and DHS responsibilities under this MOU may be performed by contractor(s), and SSA and DHS may adjust verification responsibilities between each other as necessary. By separate agreement with DHS, SSA has agreed to perform its responsibilities as described in this MOU.

B. Nothing in this MOU is intended, or should be construed, to create any right or benefit, substantive or procedural, enforceable at law by any third party against the United States, its agencies, officers, or employees, or against the Web Services E-Verify Employer Agent, its agents, officers, or employees.

C. The Web Services E-Verify Employer Agent may not assign, directly or indirectly, whether by operation of law, change of control or merger, all or any part of its rights or obligations under this MOU without the prior written consent of DHS, which consent shall not be unreasonably withheld or delayed. Any attempt to sublicense, assign, or transfer any of the rights, duties, or obligations herein is void.

D. Each party shall be solely responsible for defending any claim or action against it arising out of or related to E-Verify or this MOU, whether civil or criminal, and for any liability wherefrom, including (but not limited to) any dispute between the Web Services E-Verify Employer Agent or the Employer and any other person or entity regarding the applicability of Section 403(d) of IIRIRA to any action taken or allegedly taken by the Web Services E-Verify Employer Agent or the Employer.

E. The Web Services E-Verify Employer Agent understands that its participation in E-Verify is not confidential information and may be disclosed as authorized or required by law and DHS or SSA policy, including but not limited to, Congressional oversight, E-Verify publicity and media inquiries, determinations of compliance with Federal contractual requirements, and responses to inquiries under the Freedom of Information Act (FOIA).

F. The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Employer, the Web Services E-Verify Employer Agent and DHS respectively. The Web Services E-Verify Employer Agent understands that any inaccurate statement, representation, data or other information provided to DHS may subject the Web Services E-Verify Employer Agent, as the case may be, its subcontractors, its employees, or its representatives to: (1) prosecution for false statements pursuant to 18 U.S.C. 1001 and/or; (2) immediate termination of its MOU and/or; (3) possible debarment or suspension.



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G. The foregoing constitutes the full agreement on this subject between DHS, the Employer, and the E-Verify Employer Agent. The City of Show Low (Employer) hereby designates and appoints Governmentjobs.com, Inc. (E-Verify Employer Agent) including its officers and employees, as the E-Verify Employer Agent for the purpose of carrying out (Employer) responsibilities under the MOU between the Employer, the E-Verify Employer Agent, and DHS. If you have any questions, contact E-Verify at 1-888-464-4218.



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Approved by:

Employer	
The City of Show Low	
Name (Please Type or Print) Ashley Ryan	Title
Signature	Date
E-Verify Employer Agent	
Governmentjobs.com, Inc.	
Name (Please Type or Print) Taeler Card	Title
Signature	Date
Department of Homeland Security – Verification Division	
Name (Please Type or Print)	Title
Signature	Date



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Information Required for the E-Verify Program

Information relating to your Company:

Company Name	The City of Show Low
Company Facility Address	180 N 9th Street Show Low, AZ 85901
Company Alternate Address	
County or Parish	NAVAJO
Employer Identification Number	866002836
North American Industry Classification Systems Code	923
Parent Company	
Number of Employees	100 to 499
Number of Sites Verified for	1 site(s)



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Are you verifying for more than 1 site? If yes, please provide the number of sites verified for in each State:

AZ 1



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Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:

Name	Ashley Ryan
Phone Number	9285324027
Fax	
Email	ASRyan@showlowaz.gov





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This list represents the first 20 Program Administrators listed for this company.

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Resolution No. R2026-12 Approving First Amendment to Intergovernmental Agreement with Maricopa County Sheriff's Office Sworn Officer Training Academy (Greg Westover)

RECOMMENDATION

I **MOVE** to adopt Resolution No. R2026-12, approving the First Amendment to the Intergovernmental Agreement with Maricopa County for the Maricopa County Sheriff's Office Sworn Officer Training Academy.

BACKGROUND

On February 21, 2023, the City Council approved an Intergovernmental Agreement (IGA) with Maricopa County to allow the Show Low Police Department to send police recruits to the Maricopa County Sheriff's Office (MCSO) Sworn Officer Training Academy as a backup option for police academy training that can provide certified Arizona Peace Officer Standards training to recruits who meet the qualifications and are sponsored by the Show Low Police Department. Show Low typically sends officers to the local police academy in Taylor, Arizona. However, there may be situations in which one or more police recruits need to attend the MCSO Sworn Officer Training Academy.

MCSO is increasing the per recruit fee for the first time in five years. Effective July 1, 2026, the rate will increase to \$1,500 per recruit attending the MCSO Sworn Training Academy, up from \$750. There are no other ongoing costs or charges. The current IGA expires on March 31, 2027, but may be canceled at any time by either party with a two-month written notice.

Staff recommends adopting Resolution No. R2026-12 approving and authorizing the First Amendment to the IGA with Maricopa County for the Maricopa County Sheriff's Office Sworn Officer Training Academy.

ATTACHMENTS

1. Resolution No. R2026-12
2. MCSO Sworn Academy Amendment #1 to IGA

FISCAL IMPACT

CITY OF SHOW LOW RESOLUTION NO. R2026-12

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, AUTHORIZING AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SHOW LOW AND MARICOPA COUNTY FOR THE MARICOPA COUNTY SHERIFF'S OFFICE SWORN OFFICER BASIC TRAINING ACADEMY.

RECITALS:

WHEREAS, on February 21, 2023, the Mayor and Council approved the Intergovernmental Agreement with Maricopa County for the Maricopa County Sheriff's Office Sworn Officer Basic Training Academy as a backup option for police academy training that can provide certified Arizona Peace Officer Standards training to recruits who meet the qualifications and are sponsored by the Show Low Police Department; and

WHEREAS, Maricopa County has indicated that they need to raise the registration rate from \$750.00 to \$1,500.00, and Amendment Number One reflects said increase; and

WHEREAS, the City of Show Low and Maricopa County are authorized pursuant to A.R.S. Section 11-952 to enter into this agreement; and

WHEREAS, the City of Show Low Police Department wishes to continue having the Maricopa County Sheriff's Office Sworn Officer Basic Training Academy as a backup option for police academy training for Show Low police recruits.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Show Low, Arizona, hereby authorize the City to enter into Amendment Number One to the Intergovernmental Agreement with Maricopa County for the Maricopa County Sheriff's Office Sworn Officer Basic Training Academy.

BE IT FURTHER RESOLVED, authorizing the Mayor to sign said Agreement.

PASSED AND ADOPTED this 26th day of May 2026, by the Mayor and Council of the City of Show Low, Arizona.

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney

AMENDMENT #1 TO AGREEMENT BETWEEN
MARICOPA COUNTY
AND CITY OF SHOW LOW
FOR MCSO SWORN BASIC TRAINING
C-50-23-150-X-01

This Amendment to the Agreement between the City of Show Low and Maricopa County on behalf of the Sheriff’s Office (“MCSO”) shall be effective on July 1, 2026, and upon approval of the Maricopa County Board of Supervisors and the City of Show Low.

Recitals

WHEREAS, the County acting on behalf of the Sheriff’s Office and the City of Show Low entered into an Agreement (“Initial Agreement”) for Sworn Basic Training, executed March 29, 2023, (C-50-23-150-X-00).

WHEREAS, MCSO has maintained a registration rate of \$750 per sworn recruit for the past five (5) years.

Agreement

The Term of this Amendment is July 1, 2026, through March 31, 2027.

Parties agree to the following terms:

1. Per #7 under MCSO Will of the Initial Agreement, the non-refundable registration amount will increase from \$750 per recruit to \$1,500 per recruit, payable to Maricopa County.
2. No other terms and conditions of the Initial Agreement are affected by this amendment.

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(SIGNATURES ON FOLLOWING PAGE)

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Resolution No. R2026-13 Approving an Intergovernmental Agreement with White Mountain Apache Tribe (Morgan Brown)

RECOMMENDATION

I **MOVE** to adopt Resolution No. R2026-13, approving the Intergovernmental Agreement with the White Mountain Apache Tribe.

BACKGROUND

The City of Show Low recently removed surplus playground equipment by Show Low Lake. The City was approached by Supervisor Whitesinger and members of the Tribal Council to see if the playground equipment could be used in Cibecue on the White Mountain Apache Reservation. The proposed Intergovernmental Agreement (IGA) provides for the City to transfer the surplus playground equipment and provide installation services for the benefit of the children and community in Cibecue.

In exchange, the White Mountain Apache Tribe will provide certain law enforcement services to the City of Show Low as outlined in the agreement. The agreement establishes that the exchange of services and assets will serve as mutual in-kind consideration rather than through monetary payment.

The White Mountain Apache Tribal Council approved the agreement by resolution, finding that the IGA serves the public purposes of public safety, intergovernmental cooperation, and community welfare, and determined that entering into the agreement is in the best interest of the Tribe.

Community Services Director, Mike Mariscal, was able to get the concrete, engineered wood fiber chips, and some of the trucking costs donated. Staff recommends approving the IGA between the City of Show Low and the White Mountain Apache Tribe.

ATTACHMENTS

1. Resolution No. R2026-13
2. White Mountain Apache Tribe IGA

FISCAL IMPACT

The agreement provides for an exchange of services and assets through in-kind consideration. No direct monetary exchange is anticipated between the parties.

CITY OF SHOW LOW RESOLUTION NO. R2026-13

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE WHITE MOUNTAIN APACHE TRIBE FOR THE EXCHANGE OF SERVICES AND ASSETS

RECITALS:

WHEREAS, the City is authorized pursuant to **A.R.S. §§ 11-951 through 11-954** to enter into intergovernmental agreements for joint or cooperative action with other public agencies, including federally recognized Indian tribes; and

WHEREAS, the City of Show Low owns certain surplus playground equipment and has the ability to provide installation services for such equipment in Cibecue, and desires to do so for the benefit of the children and community; and

WHEREAS, in exchange for these services and assets, the Tribe is willing and able to provide certain law enforcement services to the City of Show Low as described in the Intergovernmental Agreement; and

WHEREAS, the Intergovernmental Agreement sets forth the agreement of the Parties for the exchange of services and assets as mutual, in-kind consideration, rather than through the exchange of monetary payment; and

WHEREAS, the Parties find that the Intergovernmental Agreement serves the public purposes of public safety, intergovernmental cooperation, and community welfare.

ENACTMENT:

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Show Low, Arizona, hereby approve the Intergovernmental Agreement with the White Mountain Apache Tribe for the exchange of services and assets, to wit, surplus playground equipment and installation by the City and law enforcement services by the Tribe.

PASSED AND ADOPTED this 26th day of May 2026, by the Mayor and Council of the City of Show Low, Arizona.

John Leech, Jr., Mayor

ATTEST:

Rachael Hall, City Clerk

APPROVED AS TO FORM:

Anna M. Atencio, City Attorney

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
CITY OF SHOW LOW AND WHITE MOUNTAIN APACHE TRIBE**

This Intergovernmental Agreement (“**Agreement**”) is entered into as of the **13th** day of **May, 2026**, by and between **City of Show Low**, an Arizona municipal corporation (“**City**”), and the **White Mountain Apache Tribe**, a federally recognized Indian tribe (“**Tribe**”). The City and the Tribe may be referred to individually as a “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, the City is authorized pursuant to **A.R.S. §§ 11-951 through 11-954** to enter into intergovernmental agreements for joint or cooperative action with other public agencies, including federally recognized Indian tribes; and

WHEREAS, the Tribe is a federally recognized Indian tribe with inherent sovereign authority to provide governmental services, including law enforcement services, within its jurisdiction; and

WHEREAS, the City owns certain surplus playground equipment and has the ability to provide installation services for such equipment; and

WHEREAS, the Tribe is willing and able to provide certain law enforcement services to the City as described herein; and

WHEREAS, the Parties desire to exchange these services and assets as mutual, in-kind consideration, rather than through the exchange of monetary payment; and

WHEREAS, the Parties find that this Agreement serves the public purposes of public safety, intergovernmental cooperation, and community welfare.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

ARTICLE 1

PURPOSE AND SCOPE

The purpose of this Agreement is to provide for the exchange of:

1. **Surplus playground equipment and installation services** to be provided by the City; and
2. **Law enforcement services** to be provided by the Tribe,

all as further described in this Agreement.

ARTICLE 2

OBLIGATIONS OF THE CITY

2.1 Provision of Playground Equipment.

The City shall provide the Tribe with surplus playground equipment described in **Exhibit A**, attached hereto and incorporated by reference. The removed surplus commercial playground does not have a value for resale.

2.2 Installation Services.

The City shall install the playground equipment at the current playground on Tessay Road in Cibecue, Arizona. The value of labor and equipment for the playground installation is approximately \$14,000.00, as described in **Exhibit A**.

2.3 Timing.

The City shall complete delivery and installation of the playground equipment in a reasonably timely manner, in consideration of weather, personnel, or extenuating circumstances and upon complete execution of the agreement by both Parties.

2.4 Disclaimer and No Warranty.

Said surplus playground equipment is at least 20 years old. There are no warranties from the manufacturer. There are no warranties from the City.

Except as expressly stated herein or required by law, the City provides that said surplus playground equipment “as is” and makes no additional warranties, express or implied. It is unknown whether said playground equipment meets any or all current playground safety rules and regulations. The City does not warranty fitness for use.

Further, the City makes no warranties on the installation of said playground equipment, including but not limited to materials and workmanship.

ARTICLE 3

OBLIGATIONS OF THE TRIBE

3.1 Law Enforcement Services.

The Tribe shall provide law enforcement services to the City with the approximate value in time and services of \$14,000, which may include:

- Special event law enforcement coverage;
- Security; and/or
- Other mutually agreed services.

All law enforcement services within the City shall be at the direction of the City.

3.2 Personnel.

All law enforcement services shall be provided by duly trained and AZPOST certified tribal law enforcement officers acting within the scope of their authority.

3.3 Timing and Duration.

The Tribe shall provide the law enforcement services for times mutually agreed upon, to be completed within two years from the signing of this Agreement by both Parties.

ARTICLE 4

CONSIDERATION

The Parties expressly acknowledge that:

- The surplus playground equipment and installation services provided by the City, and
- The law enforcement services provided by the Tribe

constitute **fair, adequate, and sufficient consideration** for this Agreement. No monetary payment shall be required by either Party.

ARTICLE 5

LIABILITY AND INDEMNIFICATION

5.1 Independent Responsibility.

Each Party shall be responsible for the acts and omissions of its own officers, employees, agents, and contractors.

5.2 Indemnification.

To the extent permitted by law, each Party to this IGA shall (as an “**Indemnitor**”) indemnify, defend and hold harmless the other Party and its officers, officials, agents, employees and volunteers (collectively the “**Indemnitees**”) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney’s fees, collectively “**Claims**”) arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims are caused by the act, omission, negligence, misconduct or other fault of the Indemnitor, its officers, officials, agents, employees or volunteers. If a Claim or Claims by third parties becomes subject to this section, the Parties to this IGA that are the subject of the Claim or Claims shall expeditiously meet to agree upon a common and mutual defense, including proportionate liability and proportionate payment of litigation fees, expenses and damages. The obligations under this section shall survive the termination of this IGA. Notwithstanding the above, nothing herein shall be construed to modify the gross negligence standard set forth in A.R.S. § 48-818.

ARTICLE 6

INSURANCE

Each Party shall maintain insurance or self-insurance coverage sufficient to cover its obligations under this Agreement, in accordance with its respective laws and policies, including:

- a. Commercial General Liability in the amount of \$2,000,000.00 combined, single limit Bodily Injury and Property damage;
- b. Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this IGA with limits in the amount of \$1,000,000.00 combined single limit or \$1,000,000.00 Bodily Injury, \$1,000,000.00 Property Damage;
- c. Worker's Compensation coverage, including employees' liability coverage, as required by law.
- d. Professional Liability coverage in the amount of \$1,000,000.00 per claim.
- e. All policies shall be primary and non-contributory, contain a waiver of subrogation in favor of each Participating Jurisdiction. All policies shall name each Participating Jurisdiction as an additional insured, and an additional insured endorsement must accompany the certificate of insurance.

ARTICLE 7

TERM AND TERMINATION

7.1 Term.

This Agreement shall commence upon the execution of this agreement by both Parties, and shall remain in effect for two years, or until completion of obligations of this Agreement.

7.2 Effect of Termination.

Termination shall not affect obligations incurred prior to the effective date of termination.

ARTICLE 8

DISPUTE RESOLUTION

The Parties agree to attempt in good faith to resolve any disputes arising under this Agreement through informal discussions between designated representatives before pursuing any other remedies.

ARTICLE 9

MISCELLANEOUS

9.1 Independent Governments.

The Parties are independent governmental entities, and nothing herein shall be construed to create an agency, partnership, or joint venture.

9.2 Governing Law.

This Agreement shall be interpreted in a manner consistent with applicable Arizona law.

9.3 Entire Agreement.

This Agreement, including all exhibits, constitutes the entire agreement between the Parties and supersedes all prior agreements or understandings.

9.4 Amendments.

This Agreement may be amended only by written agreement executed by authorized representatives of both Parties.

9.5 Approval.

This Agreement is subject to approval by the governing bodies of both the City and the Tribe as required by law.

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CITY OF SHOW LOW

John Leech, Jr., Mayor
City of Show Low

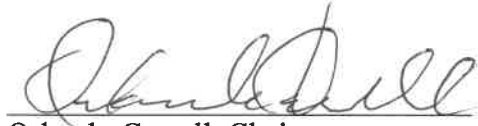
ATTEST:

Rachael Hall
City Clerk

APPROVED AS TO FORM:

Anna Atencio
City Attorney

WHITE MOUNTAIN APACHE TRIBE



Orlando Carroll, Chairman

ATTEST:



Vaneyssa Johnson
Council Secretary

APPROVED AS TO FORM:



Leland Begay
Attorney General

EXHIBIT A

Description of Surplus Playground Equipment and Installation Services

Installation Costs:

Labor	\$8,478.00 (six FTEs, for three 10 hour days)
Trucks	\$783.43
Trailers	\$110.46
Equipment	\$4,504.56
Auger	
Rental	\$150.00
TOTAL	\$14,026.45

Play structure and swing set



MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, MAY 5, 2026, AT 7:00 PM 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, Vice Mayor Kakavas, Councilman Adams, Councilman Clark, Councilman Hatch, Councilman Judd, Councilman Whipple

COUNCIL MEMBERS ABSENT: None.

STAFF MEMBERS PRESENT: F. Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Greg Westover, Police Chief; Justen Tregaskes, Planning and Zoning Director; Mike Mariscal, Community Services Director; Shane Hemesath, Public Works Director; Chris Reid, City Engineer; Rick Austin, Public Works Operations Manager; Jacob Allen, Airport Manager; and Rachael Hall, City Clerk.

GUESTS: Randy Hoskins, Janet Dean, Catrina Jenkins, Chris and Nicole Hudson, Cade and Gracie Hudson, Cohen Hudson, Alayna Lusk, Doug Roberts, Roger and Becky Ivins, Shay and Don Lusk, and others.

- 3. Invocation.

Councilman Whipple 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 shall 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.

Doug Roberts, 1441 North 36th Drive, said the Annual Burger Burn would be held

on June 5 at Hatch Toyota Dealership and the Cruzin' the Rim Car Show would be held on June 6, at Frontier Field.

6. **SPECIAL EVENTS:**

A. Recognition of Show Low High School State Champion Wrestlers

Councilmembers congratulated Show Low High School State Champion Wrestlers Dallan Rawlings and Ruthie Wilhelm.

B. Recognition of Show Low High School NAVIT State Champions

Councilmembers congratulated Show Low High School students Easton Hatch, Cohen Hudson, Dallan Rawlings, and Madison Ivins on being named NAVIT State Champions.

C. Presentation by Show Low High School Robotics Team

Show Low High School Robotics Team shared a presentation with the Council.

D. Presentation Regarding Wildfire Mitigation by Arizona Public Service

Janet Dean, Arizona Public Service (APS) Public Affairs Manager, presented APS's fire mitigation plan.

Ms. Dean said that APS was the largest electric utility in Arizona, covering 6,000 transmission miles and 32,000 distribution miles. APS had 1,500 feeders, 1.4 million meters, and an 8,600 megawatt peak load. She said 19 percent of the system was in a high fire-risk area.

Ms. Dean said APS's current wildfire mitigation practices were comprehensive and multifaceted. APS had a vegetation management program that included comprehensive right-of-way clearance on a maintained cycle, creating defensible space around poles, and a hazard tree program. Grid hardening investments were being made through ongoing distribution system upgrades, mesh pole wrapping, expulsion-limiting fuses, and the use of steel poles where truck-accessible. Asset inspection was ongoing, with enhanced line patrols, drone deployments, and infrared scans.

Ms. Dean said APS had a dedicated team of metrologists. They utilized fire modeling software, cameras, and weather stations. APS also had established partnerships with state and federal agencies. She said APS also had several operational mitigation strategies, including a non-reclosing strategy, a public outreach program, red flag warning protocols, and public safety power shutoff (PSPS).

Ms. Dean said the conditions that would lead to a power shutoff included

extreme wind and dry conditions, as well as the risk of rapid fire spread. She said that in the event of a PSPS, there would be targeted de-energization of power lines on days of extreme risk. The outage duration would be based on weather conditions and would occur while the risk was elevated and until line inspections were complete to ensure it was safe to re-energize. If the equipment were damaged, outages would be prolonged.

Ms. Dean said APS would communicate with local agencies and customers well in advance of a PSPS event so they could plan accordingly. Starting four days before the potential outage, APS would communicate daily with customers and how to prepare. During an outage, APS would communicate with customers about the progress of power restoration. APS would communicate via text messages, emails, and phone calls.

Ms. Dean said APS determined which area would be impacted by a PSPS event by conducting a risk analysis to determine which feeders should be classified as PSPS. Multiple factors were used to make decisions, including Wildland Urban Interface, vegetation levels, and more. Classification started with the entire feeder, then APS would determine where switches/devices could be installed to isolate and keep power on to customers along the feed, if possible. She said that underground lines were often fed by overhead lines, meaning they too could be impacted by PSPS.

Councilmembers thanked Ms. Dean for updating them on their wildfire mitigation plans.

E. Navajo County Annual Wildfire Outlook and Preparedness Presentation

Catrina Jenkins, Navajo County Emergency Manager, presented what to expect during the 2026 Wildfire Season. Ms. Jenkins introduced the annual wildfire preparedness “roadshow” and transitioned into the current season’s outlook, noting that wildfire season had effectively begun. A graphic illustrating “significant potential” for wildfire was referenced and showed that May and June wildfire potential appeared similar and was concentrated primarily north of the local area (including Utah and Colorado). Risk was described as increasing in June and shifting again in July with the onset of monsoon activity. Additional factors were to be reviewed to further contextualize risk.

Ms. Jenkins reviewed drought conditions and contributing factors. She stated that current-year drought conditions were milder than the previous year, which significantly influenced wildfire preparedness. A comparison map was shown, indicating less severe drought conditions this year versus more extreme conditions in the prior year. Drought was identified as a critical factor affecting fuel dryness and wildfire risk.

Ms. Jenkins reviewed wildfire statistics and causes. She said the five-year wildfire statistics were presented, outlining the number of fires and acres burned annually. Approximately 70% of fires each year were reported as

human-caused and therefore preventable. She addressed public concerns regarding the timing of fire restrictions and explained that decisions followed a structured, precautionary approach.

Ms. Jenkins reviewed inter-agency coordination and monitoring. She reported that weekly coordination meetings had been conducted for approximately one to one-and-a-half months with the White Mountain Fire Coordination Group. Participating agencies included the U.S. Forest Service, Arizona Department of Forestry and Fire Management, Bureau of Land Management, Bureau of Indian Affairs, Fort Apache Agency, County emergency management representatives, and regional fire and police associations. The group reviewed weather data, fire indices, and incident reports. To date, ignition counts had remained low, with most starts attributed to human causes and a few to lightning.

Ms. Jenkins reviewed fire restrictions. She stated that fire restrictions would be recommended to appropriate authorities when fire indices reached severe thresholds. Restrictions would apply across jurisdictions, including private, state, and federal lands, and would be enforced uniformly for residents and visitors to reduce human-caused ignitions.

Ms. Jenkins reviewed public preparedness and community outreach. She emphasized the “Ready, Set, Go” preparedness framework, along with the importance of community-wide awareness. She said that local donations had supported preparedness efforts, including the distribution of approximately 120 emergency supply totes during a recent community event.

Ms. Jenkins reviewed readiness and evacuation guidance. Residents were encouraged to sign up for emergency alerts, create defensible space, and develop and communicate family emergency plans. Preparedness recommendations included safeguarding important documents and preparing for pets. She explained evacuation stages: “Set” indicated heightened readiness and preparation to leave and “Go” required immediate evacuation. The public was advised to rely on official information sources and consider evacuating early when necessary.

Ms. Jenkins reviewed additional safety measures. She advised proper vehicle and towing maintenance to prevent sparks and ignitions. For permitted debris burns, residents were instructed to remain present at all times, fully extinguish fires, and comply with burn regulations. Defensible space practices were emphasized as critical for protecting individual properties and the broader community.

Timber Mesa Fire and Medical District (Timber Mesa) Fire Marshall JD Pepper reported that Timber Mesa was fully staffed and prepared to respond to wildfire incidents in the area. An overview was provided of AI-driven, 360-degree “panel cameras” installed throughout the Rim Country, which provided continuous monitoring and automated alerts beginning at sunrise. He

explained that the cameras regularly detected routine and permitted burns and that high-resolution imagery allowed staff to distinguish between normal activity and potential fire incidents.

Fire Marshall Pepper reviewed fire restrictions and current conditions. He stated that fire restrictions had not yet been implemented this year due to above-average precipitation. By comparison, restrictions began on February 28, 2025, the previous year. Recent rainfall, including conditions approximately two weeks prior, was reported to be significantly above average and had contributed to reduced fire danger. However, he cautioned that conditions were changing rapidly and that the recent moisture would only provide a temporary reprieve.

Fire Marshall Pepper reviewed fuel reduction and defensible space. He emphasized the importance of creating defensible space around homes and businesses to improve survivability during wildfire events. It was noted that wildfire risk existed within the community as well as in surrounding forest areas, with vegetation overgrowth attributed to long-term fire suppression. Ongoing basal scoring treatments were discussed, with additional acreage scheduled for treatment to reduce excess vegetation in targeted areas.

Fire Marshall Pepper reviewed inter-agency prevention and public education efforts. He reported that a U.S. Forest Service fire prevention and education team would be arriving to assist local agencies, including Timber Mesa and Navajo County Emergency Management. The team would support coordinated public messaging, daily briefings, and outreach efforts related to fire prevention and potential restrictions. He reviewed enforcement and monitoring during restrictions and stated that drone-based night patrols had been implemented to identify illegal fires during restriction periods. A trained and certified pilot operated the drone to monitor areas such as campgrounds, short-term rental properties, and remote locations. These enforcement efforts had resulted in citations during the previous year, and similar actions were anticipated once restrictions were enacted again.

Fire Marshall Pepper concluded by reaffirming Timber Mesa's commitment to supporting regional partners in wildfire prevention and response efforts.

7. **CONSENT CALENDAR:**

- A. Proclamation by the Mayor Proclaiming May 9 through 16, 2026, as **APACHE CULTURAL WEEK** in the City of Show Low (Rachael Hall)
- B. Consideration of Acceptance of Manhole Replacements, City of Show Low Project No. 7552680, Approval of Change Order, and Authorization of Associated Budget Transfers (Chris Reid)
- C. Consideration of Acceptance of Cooperative Purchasing Agreement with Navajo County (Rick Austin)

- D. Consideration of Approval of Commercial Operating Agreement with Kelley Aviation (Jacob Allen)
- E. Consideration of Minutes of Show Low City Council meetings:
 - 1. Budget Town Hall and Study Session of April 16, 2026
 - 2. Regular Meeting of April 21, 2026

Mayor Leech said Item 7C (Consideration of Acceptance of Cooperative Purchasing Agreement with Navajo County) would be pulled from the Consent Agenda at this time.

COUNCILMAN ADAMS MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED EXCEPT FOR ITEM 7C (CONSIDERATION OF ACCEPTANCE OF COOPERATIVE PURCHASING AGREEMENT WITH NAVAJO COUNTY); SECONDED BY COUNCILMAN WHIPPLE; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

8. **NEW BUSINESS:**

- A. Consideration of Adoption of 2026 Navajo County Community Wildfire Protection Plan (Greg Westover)

Ms. Jenkins reported that the Navajo County Community Wildfire Protection Plan had been in development for several years and would replace the 2016 plans, which previously existed as two separate plans. She explained the update was necessary to prevent expiration and to consolidate efforts. She said that Pinetop Fire District Chief Morgan served as chair during the process while staff concurrently worked on the multi-jurisdiction Hazard Mitigation Plan, both of which focused on disaster prevention and mitigation.

Ms. Jenkins said after adoption of the Hazard Mitigation Plan by Federal Emergency Management Agency, staff finalized the Wildfire Protection Plan with assistance from multiple partner agencies. She explained the plan established a framework to pursue state and federal grant funding for mitigation efforts, with estimated costs ranging from \$2,500 to \$3,000 per acre depending on conditions.

Ms. Jenkins said city staff recommended adopting the 2026 Navajo County Community Wildfire Protection Plan.

VICE MAYOR KAKAVAS MOVED TO ADOPT THE 2026 NAVAJO COUNTY COMMUNITY WILDFIRE PROTECTION PLAN; SECONDED BY

COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

- B. **PUBLIC HEARING** and Consideration of Ordinance No. 2026-03 Amending Zoning Ordinance of City, Amending Zoning Map, Changing Zoning on A.P.N. 212-11-102A from AR-43X (Single Family Residential, Manufactured Homes Excluded 43,000 Square Feet) to Planned Unit Development on Property Identified as A.P.N. 212-11-102A Submitted by Espiritu Loci Incorporated (Justen Tregaskes)

Mr. Tregaskes said that at its regular meeting of April 28, 2026, the Planning and Zoning Commission voted 7-0 to approve the zone change request submitted by Espiritu Loci Incorporated for property described as A.P.N. 212-11-102A, subject to specified conditions, from AR-43X (Single Family Residential, Manufactured Homes Excluded 43,000 square feet) to PUD (Planned Unit Development). The subject property was the southern portion of the recently approved Preliminary Plat of Waters Edge and was within the Show Low Lake Master Plan. The City Council approved the master plan through Ordinance No. 2010-03 on February 16, 2010. This subject property was recently annexed into the City of Show Low from Pinetop-Lakeside.

Mr. Tregaskes said the preliminary plat for Water's Edge was approved by the City Council on February 17, 2026. Staff notified property owners within 300 feet of the subject property regarding this preliminary plat application and City Council meeting date in accordance with condition 12 of Ordinance No. 2010-03. Water's Edge covered approximately 47.81 acres that encompassed a total of 62 residential lots. The subject property contained 6.5 of the 62 residential lots. The minimum lot size was set at 10,000 square feet, with an average lot size specified as 0.55 acres (23,958 square feet). The plans for this development included private, gated access roads. All residences constructed would be site-built homes. The plat required the dedication of a public access trail and a 50-foot open-space buffer along the western boundary. A zone change for this property would be required to allow the lot sizes indicated for this portion of the project as proposed.

Mr. Tregaskes said that, as required by City Code for zone changes, the applicant held a neighborhood meeting on March 23, 2026, and had zero attendance from the invited surrounding property owners.

Mr. Tregaskes said a conceptual layout of the property had been supplied by the applicant and was included in the packet for review. If approved, this property would become part of the Show Low Lake PUD and would be subject to all conditions of approval as outlined in Ordinance No. 2010-03, including 50-foot buffer and access trail.

BY UNANIMOUS CONSENT MS. HALL READ ORDINANCE NO. 2026-03

BY TITLE ONLY SINCE ALL COUNCIL MEMBERS HAVE A COPY.

COUNCILMAN ADAMS MOVED TO ADOPT ORDINANCE NO. 2026-03; SECONDED BY COUNCILMAN JUDD; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

C. Consideration of Award of Additional Well 10 Repairs, City of Show Low Project No. W-1821 JO15 (Rick Austin)

Mr. Austin said that on January 19, 2021, the City Council approved a Job Order Contract (JOC) with three well service companies to provide labor and furnish and install materials for the repair and maintenance of water wells and existing water facilities at various locations. The three companies were Willis Drilling and Pump, Beeman Drilling, and Weber Water Resources. JOCs streamlined the procurement of all repair and replacement services, saving several weeks in the procurement process for each project. As repairs arose, the work was competitively bid among the three JOC Contractors on the City's JOC roster.

Mr. Austin said that on October 31, 2025, Willis Drilling & Pump was awarded the Job Order for Well 10 Repairs, including labor to pull the pump from the well, to brush and bail the well with liquid acid for three sessions, installation of new pump equipment, programming, and testing in the amount of \$85,190.92.

Mr. Austin said that during the camera scan of the well, it was discovered that the well was filled with approximately 80 feet of silica sand. Willis Drilling and Pump submitted a Change Order to switch to blowing out silica and scale using a rotary drill rig and an air compressor. The Change Order included hours traveled, labor to set up the rotary drill rig over the hole, removing the drill rod, and installing a side air jet tool to clean scale from the casing for the full length of the well. After multiple passes, more silica started entering the well. The drill rod was removed, and the crew ran tools downhole to blow out the remaining silica at the bottom of the hole. The rig was broken down and removed from the well site.

Mr. Austin said a camera was run down the hole, and it was discovered that the acid used had not removed any of the bacteria. Staff met with a well-rehabilitation representative and provided the water quality information from Well 10 and the newly recorded footage. He indicated that the acid type used was ineffective and recommended a new biocide acid, along with a remediation plan for biocide use.

Mr. Austin said that on March 24, 2026, Willis Drilling and Pump submitted another Change Order for four treatments of WaterSOLV BC Bio-remediation, including installation, pumping, or airlift of WaterSOLV from the well, plus materials, perform a well scan to confirm the depths of patches before and

after patching, travel time and labor to place a two-foot by four-foot mild steel patch to cover both holes in the casing at 443 feet, upgrade to a stainless steel patch, and sales taxes in the amount of \$59,232.29.

Mr. Austin said staff recommended awarding additional Well 10 Repairs, City of Show Low Project No. W-1821 JO15 to Willis Management Enterprises, Inc. in an amount not to exceed \$59,232.29.

VICE MAYOR KAKAVAS MOVED TO AWARD THE ADDITIONAL WELL 10 REPAIRS, CITY OF SHOW LOW PROJECT NO. W-1821 JO15 TO WILLIS MANAGEMENT ENTERPRISES, INC., DBA WILLIS DRILLING AND PUMP, UNDER JOB ORDER CONTRACT W-1821 IN AN AMOUNT NOT TO EXCEED \$59,232.29; SECONDED BY MAYOR LEECH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

D. Consideration of Award of Aquatic Center Parking Lot Expansion, City of Show Low Project No. 4452684 (Chris Reid)

Mr. Reid said that the City's 2026 fiscal year budget included a capital improvement project labeled "City Parks Streets and Trails Makeover — Aquatic Center Parking Lot Expansion," with a construction budget of \$196,965. The scope of the work included 470 tons of AC paving, 550 cubic yards of aggregate base, grading, parking striping, related improvements, and other items necessary to accomplish the improvements.

Mr. Reid said the project was designed by City engineering staff with an engineer's estimate of \$183,700. The project was advertised for bids per statutory requirements, and the following bids were received:

<u>Contractor</u>	<u>Total Bid</u>
Perkins Cinders, Inc.	\$167,301.92
Western Grade, LLC	\$215,416.07

Mr. Reid said staff recommended awarding the construction contract for the Aquatic Center Parking Lot Expansion project, City of Show Low Project Number 4452684, to Perkins Cinders, Inc. for an amount not to exceed \$167,301.92. The agreement would be drafted using a standard City contract.

VICE MAYOR KAKAVAS MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE AQUATIC CENTER PARKING LOT EXPANSION, CITY OF SHOW LOW PROJECT NO. 4452684, TO PERKINS CINDERS, INC. FOR AN AMOUNT NOT TO EXCEED \$167,301.92; SECONDED BY COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

E. Consideration of Approval to Purchase Bear-Resistant Garbage Carts with City Council Contingency Funds (Justin Johnson)

Mr. Johnson said that in 2025, over 350 bear complaints were received within the City, and Game and Fish data predicted an increase in bear activity this year. Unsecured garbage was the leading attractant drawing bears into neighborhoods, creating safety concerns, property damage, and risks to wildlife.

Mr. Johnson said that on April 21, 2026, the City Council approved the acceptance of \$130,000 in Arizona Game and Fish Heritage Grant Program funds to purchase bear-resistant garbage carts. The grant funds would reduce human-bear conflicts by deploying approximately 400 certified bear-resistant containers in high-incident areas and educating residents on proper waste management. The City would collaborate with Arizona Game and Fish and local waste services to track incidents and measure success.

Mr. Johnson said providing additional bear-resistant carts would further help reduce attractants, improve public safety, and support the City's wildlife existence goals.

Mr. Johnson said staff was requesting approval to use City Council's Contingency funds, in an amount not to exceed \$350,000, to purchase approximately 1,000 additional bear-resistant trash carts.

Councilman Judd inquired who had purchased the existing garbage and recycling carts. Mr. Johnson responded that the carts were provided and owned by Waste Management as part of the service contract, and that the City had not purchased them.

Councilman Judd clarified that the proposed bear-resistant carts would be in addition to the existing carts and would be owned by the City. Mr. Johnson confirmed and noted that implementation would require further planning, including determining quantities and identifying priority areas based on reported bear activity. Mr. Johnson stated that grant funding would provide approximately 400 carts, and up to 1,000–1,100 additional carts could be purchased using council contingency funding. He indicated that high-incident areas such as Torreon, Sierra Pines, and the Country Club area could potentially utilize the full allocation.

Councilman Judd suggested a request-based distribution. Mr. Johnson explained that studies indicated carts were most effective when deployed in concentrated areas to prevent bears from simply moving to nearby properties. Mr. Johnson reported that the proposed funding would address less than half of the City's approximately 6,500 households and that not all areas required bear-resistant carts.

Councilman Hatch asked if residents could participate in purchasing the carts.

Mr. Johnson said staff had reviewed that option and it would be a possibility. However, there were logistical challenges noted regarding ownership, maintenance, and replacement responsibilities.

Councilman Hatch asked for clarification regarding Waste Management's service contract. Mr. Johnson confirmed that Waste Management had the service contract for regular trash service but did not include provisions for bear-resistant carts in the current contract. Councilman Hatch inquired whether a provision could be included for bear-resistant carts in areas where they are needed. Mr. Johnson responded that legal staff would need to review the matter.

Councilman Judd expressed concern regarding the use of Council contingency funds and suggested prioritizing other needs, including restroom improvements at City parks. Mr. Johnson noted that contingency funding was presented to provide flexibility and that Council could allocate all, part, or none of the funds.

Councilman Clark questioned why the item had not been included in the Capital Improvement Plan (CIP) process and expressed the opinion that the issue should be addressed through established planning and coordination with the Arizona Game and Fish Department and Waste Management. Mr. Johnson explained that the issue arose due to a significant increase in bear-related calls in 2025 and the availability of grant funding, which prompted staff to bring the item forward.

Councilman Clark stated the bear-related issues were more of an Arizona Game and Fish Department and Waste Management issue than a City issue. He stated he did not support using contingency funds for the purchase and recommended only using grant funding to purchase the bear-resistant carts.

Mr. Johnson confirmed that the grant funding was time-sensitive, requiring purchase and delivery by the end of May to qualify for reimbursement. Additional discussion addressed pricing, with standard carts costing approximately \$90 and bear-resistant carts significantly more due to their reinforced construction. Mr. Brown noted that Waste Management had already reduced pricing for the proposed carts and emphasized that the proposal aimed to address increased bear activity and public safety concerns, particularly in high-incident areas, while acknowledging that Council direction would determine next steps.

COUNCILMAN CLARK MOVED TO DENY THE PURCHASE OF BEAR-RESISTANT GARBAGE CARTS WITH CITY COUNCIL CONTINGENCY FUNDS IN AN AMOUNT NOT TO EXCEED \$350,000, AND DIRECTED STAFF TO COORDINATE WITH WASTE MANAGEMENT TO MAXIMIZE THE PURCHASE OF BEAR-RESISTANT GARBAGE CARTS THROUGH RECEIVED GRANT FUNDS, AND TO WORK WITH ARIZONA GAME AND FISH DEPARTMENT AND WASTE MANAGEMENT TO ADDRESS BEAR-RELATED CONCERNS; SECONDED BY COUNCILMAN HATCH; PASSED

4 TO 3 WITH COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR, AND MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCILMAN ADAMS WITH THE DISSENTING VOTES.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Whipple reminded citizens that the Show Low High School Graduation would be May 21, and congratulated all graduating seniors.

Vice Mayor Kakavas commended staff on their efforts for economic development in the City.

B. Mayor

Mayor Leech thanked Councilmembers and staff for their hard work during the City's Annual Anniversary Party and the BBQ Throwdown events last week.

C. City Manager

Mr. Brown said Show Low Main Street's weekly Saturday farmers' market and art walk would begin Saturday, May 16, from 9:00 a.m. to 1:00 p.m. at their new location near the Show Low Library parking lot, near 9th Street and Huning. The market will run through September 19. The market will have vendors selling produce, food products, and arts and crafts. For more details you can visit showlowmainstreet.org.

Mr. Brown said there would be a Community Ceremony for National Police Week on May 15, at 6:00 p.m. at the Law Enforcement Memorial next to City Hall. Everyone was invited to attend.

Mr. Brown said the annual Show Low Rodeo would be held on June 5 and 6 at the Linden Valley Arena.

Mr. Brown said the City's annual Project Clean Sweep would kick off next week. Show Low residents could dump green waste for free for two weeks at the new location at 2100 N. 16th Street, on the week of May 11, and again on the week of May 18. Bulky item pickup would begin the week of Monday, June 1, through Friday, June 5. Citizens could haul debris for free to the Lone Pine Transfer Station from June 1 through June 6. Please visit the city's website for more information.

10. **SCHEDULE OF MEETINGS:**

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

Mr. Brown reminded the City Council that the regularly scheduled meeting on May 19 was rescheduled to May 26.

11. **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 MAY 5, 2026, AT 8:43 P.M.**

ATTEST:

APPROVED:

Rachael Hall, City Clerk

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 May 5, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20__.

(SEAL)

Rachael Hall, City Clerk

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Appeal of Conditional Use Permit 602-04-281 Submitted by David Owens to Allow for Shipping Containers on Properties Identified as Assessor's Parcel Numbers 210-16-044, 210-16-047, and 210-16-170B (Justen Tregaskes)

RECOMMENDATION

In accordance with Title 19.20.080, the City Council may:

1. Uphold the Commission Decision and approve Conditional Use Permit (CUP) 602-04-281 submitted by David Owens to allow for shipping containers on properties identified as A.P.N.210-16-044, 210-16-047, and 210-16-170B, with no amendments to the conditions of approval.
2. Amend the Commission Decision and approve CUP 602-04-281 submitted by David Owens to allow for shipping containers on properties identified as A.P.N. 210-16-044, 210-16-047, and 210-16-170B, with amendments to the conditions of approval.
3. Overturn the Commission Decision and deny CUP 602-04-281 submitted by David Owens to allow for shipping containers on properties identified as A.P.N. 210-16-044, 210-16-047, and 210-16-170B. Any motion to deny must state the reasons for doing so.
4. Schedule the matter for a public hearing in accordance with Title 19.20.080.

BACKGROUND

At its regular meeting of April 28, 2026, the Planning and Zoning Commission voted 5-1 (Commissioner MacGregor against, Commissioner Whipple declaring a conflict) to approve Conditional Use Permit (CUP) 602-04-281 submitted by David Owens to allow shipping containers on properties identified as A.P.N.s 210-16-044, 210-16-047, and 210-16-170B subject to specified conditions. This vote was taken following lengthy discussion by the Commission regarding the general condition of the property. Since the April 28 meeting, the applicant has removed a semi-trailer from the subject property.

The placement of shipping containers in a commercial zone is permitted through a CUP subject to specified criteria. There are currently eight shipping containers on the subject properties, which are zoned Downtown Commercial. Ordinance 2003-03, adopted on May 20, 2003, updated the previous zoning code and allowed property owners to place shipping containers on commercial property subject to specified conditions. Currently, City Code section 19.25.060(H)(2) specifies that shipping containers located in a commercial zoning district must maintain a minimum 100-foot distance from any right-of-way, have satisfactory screening, and receive a Conditional Use Permit (CUP). To adhere to these requirements, the applicant proposed installing a white, six-foot-tall, smooth metal fence to provide suitable

screening and has repositioned the shipping containers to exceed the necessary minimum setback of 100 feet from any right-of-way. A conceptual site plan has been included for review.

Conditions as approved by the Commission are:

1. All development shall comply with all applicable federal, state, and local requirements, including compliance with Section 19.25.060(H)(2) of City Code.
2. The shipping containers be painted a uniform neutral or natural color on all four sides.
3. The containers shall not be used for public rental or storage.
4. The fencing along the east side of the property be extended to encompass the entire western boundary of A.P.N. 210-16-048(D).
5. The fence shall be a neutral or natural color and not white.
6. The conditional use permit is not transferable to other property owners if the property is sold.
7. The Commission will have this put on the schedule to be revisited in three years.
8. The fence shall be erected within 60 days, unless, upon agreement and discussion with the City of Show Low, the timeline for the eastern fence can be extended based on a mutual partnership to build the fence with the City of Show Low.

On May 5, 2026, the City Clerk received an appeal from David Owens. Mr. Owens appealed the need for fencing on the east side of the property if he moves the container located on the east property line to the west side of the other containers, and the condition stating that this conditional use permit is not transferable. A copy of this notice of appeal has been provided to the City Council. City Code Title 19.20.080 addresses the process for appeals of conditional use permits and is attached.

Based on this section of the City Code, the City Council may uphold the Commission Decision to issue CUP 602-04-281 with no changes to the conditions of approval, uphold the Commission Decision to issue CUP 602-04-281 and modify the conditions of approval, deny CUP 602-04-281, or elect to set the matter for a public hearing. The City Council is not bound by the record of the Commission's findings and/or decision in reaching its decision. The City Council's decision is final and becomes effective immediately.

ATTACHMENTS

1. 602-04-281 - Findings of Fact
2. 602-04-281 - Application
3. David Owens CUP Appeal Letter 5.5.2026
4. City Code Title 19.20.080 Appeals

FISCAL IMPACT

None.

FINDINGS OF FACT

1. David Owens has submitted a Conditional Use Permit to allow shipping containers on properties identified as APN's 210-16-044, -047, -170B.
2. The subject properties are within the Downtown Commercial zone. There are a total of eight shipping containers on the subject properties.
3. The owner has proposed a white, six foot tall, corrugated metal fence for proper screening and the containers meet the required setbacks.
4. The current zoning of the surrounding properties includes:
 - North: Downtown Commercial (DC)
 - South: Downtown Commercial (DC)
 - East: Downtown Commercial (DC)
 - West: Downtown Commercial (DC)
5. The current land uses of the surrounding properties includes:
 - North: City of Show Library
 - South: Residential
 - East: Vacant Commercial - City of Show Low
 - West: Residential
6. Transmittal memos were sent to all affected agencies. No applicable comments were received.
7. The property was posted and letters were sent to all property owners within 300 feet of the subject property. One general inquiry was received.

STAFF RECOMMENDATIONS

After reviewing the Standards for Review, the Findings of Fact, Discussions with the applicant, and the Show Low General Plan, staff recommends that the planning and zoning commission approve subject to the following conditions:

1. All development shall comply with all applicable federal, state, and local requirements including compliance with Section 19.25.060(H)(2) of city code.
2. The containers shall be uniform in color on all four sides.
3. The containers shall not be used for public rental or storage.

STANDARDS FOR REVIEW

Consideration of Conditional Use Permit 602-04-281 submitted by David Owens to allow for shipping containers on properties identified as APN's 210-16-044, -047, -170B.

GENERAL PLAN

LAND USE

Goal: Target redevelopment improvement efforts.
Objective: Improve visual standards
Objective: Encourage re-use of old buildings

ZONING ORDINANCES

CONDITIONAL USE PERMITS

19.20.010 Purpose.

Every zoning district contains certain uses of land which are normal and complementary to permitted uses in the district, but which, by reason of their typical physical or operational characteristics, influence on the traffic function of adjoining streets, or similar conditions, are potentially incompatible with adjacent activities and uses. It is the intent of this chapter to permit conditional uses if the use can be designed and developed in a manner which assures maximum compatibility with adjoining uses. It is the purpose of this chapter to establish principles and procedures essential to proper guidance and control of such uses. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(A))

19.20.020 General regulations.

(A) Zoning district regulations established elsewhere in this chapter specify that certain uses of land may be allowed by the commission as conditional uses in a given district subject to the provisions of this section and the requirements set forth in district regulations. The planning and zoning commission is empowered to grant or to deny applications for conditional use permits and to impose conditions upon them.

(B) Any use, legally established and in compliance with the rules and regulations of the state of Arizona and the City of Show Low, that is existing on the effective date of the ordinance codified in this chapter which is reclassified as a conditional use by this chapter for the district in which it is located shall be considered as meeting the conditions which would otherwise be imposed upon such use by this chapter, and its continuance shall not be subject to issuance of a conditional use permit; provided, however, that to the extent that such use fails to conform to the requirements of this chapter, it shall be considered nonconforming as described in Chapter 19.95, and its continuance shall be governed by all nonconforming use regulations applicable thereto.

(C) Every conditional use permit issued shall be applicable only to the specific conditional use and to the specific property for which it is issued and shall run with the property until revoked or until such time as the use is discontinued. The maintenance of special conditions imposed by the permit, as well as the compliance with other provisions of this chapter, shall be the responsibility of the property owner. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-32(B))

19.20.030 Application process.

(A) Authorized Applicant. An applicant for a conditional use permit shall be one (1) of the following:

(1) The owner(s) and/or authorized agent of the property;

(2) Any person with a potential interest in the property, together with the name, address and signature of the owner and/or authorized agent of the property.

(B) Submittal Requirements. Application for a conditional use permit shall be filed with the planning and zoning department on a form provided by the planning and zoning department. The applicant shall provide the planning and zoning director with a detailed site plan with the information requested in Chapter 19.15, and the narrative information as requested on the application form. An applicant shall also furnish the commission any additional information the planning and zoning director may consider relevant.

(C) Mandatory Applicant Attendance. Applicants, or their representative with authority to speak for and bind the applicant, shall be present at all meetings and public hearings required under this section.

(D) Representations of Applicant Binding. All representations by the applicant, or by the applicant's authorized representative, made in writing, or during any city public meeting or public hearing, or by any submitted plan, plat, drawing or other graphic depiction in support of the application, and designated in the record by the planning and zoning commission and/or city council, shall be deemed to be conditions of approval.

(E) Diminution of Fair Market Value Waiver Required. An executed, notarized waiver by the owner of the subject property of any and all claims for diminution in fair market value as defined by A.R.S. § 12-1134 arising out of the subject application shall be submitted. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(C))

19.20.040 Staff review.

An application for a conditional use permit shall be submitted to the planning and zoning director at least twenty-one (21) days prior to the public meeting. The required twenty-one (21) day period shall commence once a complete application has been received as deemed by the planning and zoning director or designee and shall not include the day of submittal, nor shall it include the day of the meeting. The recommendation shall be submitted to the planning and zoning commission prior to the scheduled public meeting. The recommendation shall set forth whether the conditional use permit should be granted, granted with conditions, denied, or set for a public hearing. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-32(D))

19.20.050 Standards for reviewing conditional use permits.

All conditional use permits shall be evaluated for the following standards:

(A) The application shall be consistent with and conform to the general plan and any other adopted plans;

(B) There shall be no significant adverse or intrusive effect upon property within three hundred (300) feet of the external boundaries of the subject property as a result of the proposed use; and

(C) The proposed change would not be detrimental to the public health, safety and general welfare of the persons or property in the surrounding area, nor to the community in general. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(E))

19.20.060 Notification requirements.

Notice of the nature of the conditional use permit application and the date of the meeting at which it will be considered shall be posted on the property and shall be mailed to the owners of all real property within three hundred (300) feet of the property for which application is made at least ten (10) days prior to the meeting. Notwithstanding the notice requirements set forth in this section, the failure of any person or entity to receive notice shall not constitute grounds for any court to invalidate the action for which the notice was given. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(F))

19.20.070 Commission action.

Based on the application, site plan, standards of review, staff's recommendation and any other presented information the commission has the following options in rendering a decision:

(A) The commission may grant a conditional use permit with conditions the commission deems necessary to secure the intent and purpose of this section and require such guarantees and evidence that such conditions are being, or will be, complied with as the commission may desire.

(B) Deny the conditional use permit. If the commission finds that the application and supporting data do not indicate that all applicable conditions and requirements of this section will be met, it shall deny the permit. Notice of denial, including reasons therefor, shall be mailed to the applicant at the address shown in the application, and the commission shall report its actions to the city council.

(C) At its discretion, set the matter for a public hearing. If the commission does set the matter for public hearing, notice thereof shall be given to the public by publication of a notice in the official newspaper of the city and by posting the property included in the application not less than fifteen (15) days prior to the hearing. The notice shall set forth the time and place of the hearing and include a general explanation of the matter to be considered and a general description of the area affected.

(D) Continue the matter one (1) time to a specific date not to exceed thirty (30) days from the original meeting date. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(G))

19.20.080 Appeals.

(A) Any aggrieved person may file an appeal with the city council regarding any decision of the planning and zoning commission regarding the commission's action on a conditional use permit by filing a written notice of appeal with the city clerk specifying the request. This appeal shall outline the specific nature of the concern, the impacts on neighboring properties, and the city as a whole, and the individual's standing as an aggrieved person. If no appeal is filed with the council within seven (7) days after commission action, the action of the commission shall be considered final.

(B) When an appeal is filed with the city clerk, the planning and zoning director shall place the item on the next available regular city council meeting agenda, or, in the alternative, the planning and zoning director may set the matter for public hearing before the council as per the notification requirements outlined in Section 19.20.070(C). Notice shall be given to the planning and zoning commission of such appeal and the commission shall submit a report to the council prior to the hearing setting forth the reasons for its action taken. The commission shall be represented at the hearing by the commission chairman or his designee.

(C) Council Action.

(1) May grant or deny it; the council may elect to set the matter for a public hearing, and the latter action shall require notification as outlined in Section 19.20.070(C).

(2) The council shall, within fifteen (15) days of the public hearing, either uphold the decision of the planning and zoning commission or make a decision of its own. The council is not bound by the record of the commission's findings and/or decision in reaching its decision.

(3) The council may grant a conditional use permit with conditions the council deems necessary to secure the intent and purpose of this section and require such guarantees and evidence that such conditions are being, or will be, complied with as the council may desire.

(4) The council's decision shall be final and shall become effective immediately. Notice of the decision shall forthwith be mailed to the applicant at the address shown in the application. (Ord. No. 473, §§ 1 – 4,

6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-32(H))

19.20.090 Time limits.

(A) Conditional use permits become effective seven (7) days after approval by the planning and zoning commission, but in the event an appeal is filed, said permit shall not become effective until a decision upholding granting of the permit is arrived at by the council.

(B) The construction of any improvements allowed by a conditional use permit shall commence within twelve (12) months or as otherwise stipulated by the commission and must be completed within eighteen (18) months or as otherwise stipulated by the commission in accordance with the development plan, unless extended by the planning and zoning commission, otherwise the conditional use permit shall become null and void.

(C) The commission may establish a time limitation for specific conditional use permits and prior to the termination of this time limit, the commission may reconsider said use permit to determine if the permit should be reissued for an additional time period or be terminated.

(D) A conditional use permit shall not be effective until the conditions of the permit are fulfilled unless specific clarifications on the conditional use permit as to timing of compliance are present.

(E) If a time limit is not established by the commission, and the conditional use is discontinued for more than twelve (12) months, a new conditional use permit shall be required.

(F) An applicant may submit a master plan of a proposed development which requires a conditional use permit and have the development approved by the commission. No further conditional use permit process will be necessary to implement this plan as long as it is in substantial compliance with the master plan and is completed within the time period established by the commission.

(G) No person shall reapply for the same or substantially the same use permit on the same or substantially the same plot, lot, or parcel of land within a period of one (1) year from the date of denial or revocation of said use permit. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(I))

19.20.100 Revocation and enforcement.

(A) Use permits granted in accordance with the provisions of this chapter may be revoked if any of the conditions or terms of the permit are violated or if any law or division is violated in connection therewith. The planning and zoning director shall notify the permittee of a violation of a conditional use permit. If the violation is not remedied or the remedy is not substantially begun in the opinion of the planning and zoning director, the permittee shall be served with a notice that the planning and zoning commission will consider revocation of the conditional use permit at a commission meeting specified in the notice. This commission meeting shall not be held less than ten (10) days after the notice is mailed by certified mail or by personal delivery. If the commission decides to revoke the permit, the property owner shall cease the use for which the conditional use permit was issued.

(B) Failure to comply with the conditional use permit or the standards of this chapter may result in a complaint being filed in the magistrate court as per Section 19.10.080. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-32(J))

DC ZONE

19.65.010

Purpose.

The purpose of this zoning district is to provide for a variety of unique commercial uses of sufficiently significant scale and intensity for a desired pedestrian oriented environment. A mixture of residential and nonresidential uses, where practical, will be encouraged. Manufactured housing and/or structures are prohibited. Any structure associated with a use four thousand (4,000) square feet or greater in area shall require a conditional use permit. Drive through uses shall only be allowed through approval of a conditional use permit in the Downtown Commercial zoning district. Because no list of uses can be complete, decisions on specific uses not included as examples on the following lists of permitted and conditional uses will be made by the planning and zoning director. (Ord. No. 2009-01, §§ 1, 2, 1-20-09; Ord. No. 2009-08, §§ 1, 2, 6-2-09. 1976 Code § 15-1-58(A))

19.65.020

Permitted uses.

(A) *Sale of Retail Merchandise.* Retail merchandise must be sold on site. Uses permitted under this category shall include, but are not limited to, the following:

Antique dealers;
Art galleries;
Arts and crafts supply, retail sales;
Bakers and baked goods, retail sales;
Barber shops;
Beauty shops;
Bicycle repair and retail sales;
Book sales, retail;
Butcher shops (no slaughtering);
Camera shops;
Candy shops, retail sales;
Christian Science reading rooms;
Clothing, retail sales;
Coffee shops;
Coin dealers;
Contractor's offices only;
Cosmetics, retail sales;
Costume rental;
Delicatessens;
Drug stores, retail sales;
Dry cleaning outlets (no plant);
Engravers;
Financial institutions;
Florists, retail sales;
Gas companies, offices only;
Groceries, retail sales;
Handicrafts;
Hardware, retail sales;
Hats, retail sales and repair;
Health food stores;
Historical museums;

Hobby shops;
Home appliances, retail sales;
Home decor and furnishing, retail sales;
Home electronics, retail sales;
Ice cream shops;
Interior decorators, retail sales/display;
Jewelry store;
Leather goods, custom;
Musical instruments, repairing, service, retail sales;
Notions, retail sales;
Office: Administrative and professional, including but not limited to architect, accountant, attorney, dentist, doctor, engineer, finance and other similar professions;
Office furniture, equipment and supplies, retail sales and showroom;
Optical goods, retail sales;
Pet shops, retail sales;
Philatelists (stamp dealers);
Photographer (commercial studios);
Picture framing, custom;
Pottery and ceramics, retail sales;
Public parking, surface;
Realty sales and management;
Restaurants (no alcoholic beverages);
Restaurants (beer and wine only);
Shoe sales and service, retail only;
Soaps, retail sales;
Sporting goods, retail;
Stationery, retail sales;
Tailors;
Tea rooms;
Theatrical agency;
Toys, retail sales.

(B) *Warehousing*. Warehousing and storage of items incidental to allowed sales or service is permitted, subject to the following conditions:

(1) All products incidental to a permitted use stored on the premises shall be sold at retail only and on the premises only.

(2) All such storage shall be conducted within a completely enclosed building, and there shall be no external evidence of the activity such as noise, vibration, smoke, odor, dust, gas, glare, etc.

(C) *Public and Civic Uses (No Alcoholic Beverages)*.

Government offices;

Publicly owned and operated parks and recreation areas and centers;

Schools, public or private elementary and high schools, colleges and universities.

(D) *Reintroduction of Prior Uses*. Uses not listed as permitted or conditional uses, but which existed as of October 6, 1998, may be reintroduced if the following conditions are satisfied:

(1) The person(s) seeking to reintroduce the use is the owner of the property or a heir(s) of the owner of the property at the time it originally existed; or

(2) The owner(s) and/or heir(s) of the owner has regained ownership of the property through foreclosure of a secured instrument; or

(3) The reintroduced use shall not exceed the intensity of the original use. (Ord. No. 2009-01, §§ 1, 2, 1-20-09; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-58(B))

19.65.030

Conditional uses.

Aerobics studios;
Assembly halls and auditoriums;
Bars, taverns, cocktail lounges;
Bowling alleys;
Caterers;
Dance halls;
Day care centers;
Department stores;
Employment agencies;
Family game centers;
Furniture, retail sales, repair and refinish;
Garages (parcels along the Deuce of Clubs and White Mountain Road only);
Guns, retail sales and repairs;
Hotels and motels;
Indoor shooting range;
Laundromat;
Martial arts studios;
Microbrewery;
Miniature golf;
Multiple-family dwellings: Up to ten (10) units (must meet the standards of the R2-7 zone). Manufactured homes are excluded;
Music studios;
Nursing homes;
Pet grooming;
Places of worship, fraternal and social facilities, meeting halls and similar uses;
Pool and billiard halls;
Public and civic uses serving alcoholic beverages;
Public parking, garage;
Public/private utility structures and appurtenances thereto for public service;
Recreation and health club centers;
Restaurants serving alcoholic beverages other than beer and wine;
Schools, including, but not limited to, academic, beauty, business, dancing, martial arts, vocational-technical;
Single-family residence in conjunction with and attached to a commercial use;
Skating rinks;
Theaters, motion picture and live performance;
Tobacco sales. (Ord. No. 2009-01, §§ 1, 2, 1-20-09; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-58(C))

19.65.040

Property development standards.

(A) *Minimum Lot Area.* None.

(B) *Minimum Lot Width.* None.

(C) *Minimum Street Side Setback.* None. Requirements for separation as outlined in the International Building Code shall be met.

(D) *Minimum Side Yard.* None, except where a side lot line joins residentially zoned property, in which case the minimum side yard setback shall be at least twenty (20) feet or equal to the height of the building, whichever is greater. Requirements for separation as outlined in the International Building Code shall be met.

(E) *Minimum Rear Yard.* None, except where a rear lot line joins residentially zoned property, in which case the minimum rear yard setback shall be at least twenty (20) feet or equal to the height of the building, whichever is greater. Requirements for separation as outlined in the International Building Code shall be met.

(F) *Building Design.* Maximum building height shall be thirty-five (35) feet, except by conditional use permit. The placement of manufactured homes/buildings is prohibited. All buildings located within the Downtown Commercial zoning district shall comply with the following:

(1) A minimum of two-thirds (2/3) of the primary building surface (defined as walls visible from the right-of-way or adjacent properties) exclusive of windows and doorways shall be treated with natural appearing materials such as stone, split face block, siding, brick, or exposed beams. The remaining one-third (1/3) of the primary building surface shall be treated with materials complementary in characteristics to the primary treatment material. Treatment shall be equally distributed on all building sides.

(2) Primary facade planes which are visible from the public right-of-way and exceed fifty (50) feet in length shall require the addition of architectural elements such as building offsets, covered porches, or bay windows.

(3) All roof overhangs shall be a minimum of twelve (12) inches in width.

(4) No metal siding utilizing vertical seams shall be allowed.

(G) *Landscaping.* All development located within the DC (Downtown Commercial) zoning district shall be accompanied with a landscaping plan. All open areas not designated for parking shall be landscaped in accordance with the Show Low City Code. This landscaping plan shall incorporate the following:

(1) All open areas not designated and surfaced for parking shall be landscaped with trees, shrubs, ground cover, pedestrian walkways, and plazas in a manner acceptable to the planning and zoning director or his/her designee.

(2) A minimum of thirty (30) percent of the required landscaping area shall consist of vegetative ground cover. The remaining area may be landscaped with rock, gravel, or similar landscaping materials. A minimum of one (1) tree per two hundred (200) square feet of required landscaped area shall be provided. In addition, a minimum of one (1) bush or shrub shall be provided for every one hundred (100) square feet of required landscaped area. Trees, bushes, and shrubs may be grouped. In addition to these landscaped portions, an area equal to at least five (5) percent of the required parking area exceeding five thousand (5,000) square feet shall be landscaped. Preservation of existing trees is strongly encouraged.

(3) The use of native or indigenous species is required. A list of approved trees, shrubs, bushes and ground cover is available from the community development department. Deviations from this list may be permitted following written approval from the planning and zoning director.

(4) All landscaping shall be installed and maintained in substantial conformance to the submitted and approved landscaping plan.

(H) *Screening.*

(1) Where the lot adjoins a residential zone, dissimilar uses shall be screened from the residential property by a solid material fence six (6) feet in height as defined in Chapter 19.25 or as otherwise allowed or required by the planning and zoning commission.

(2) All outdoor storage must be screened from the public view and from the view of the adjoining property owners. A sight-obscuring fence or wall of consistent materials and nature to the primary structure(s) on the property shall be installed or a mature landscape wall that obscures view shall be planted and maintained around the perimeter of the outdoor storage area. A conditional use permit shall be required for the use of chain link fencing for sight-obscuring purposes.

(3) Screening shall not be located closer to the primary street side of the property than the front of the building.

(I) *General Provisions.* The provisions of Chapter 19.25 shall apply.

(J) *Signs.* The provisions of Chapter 19.100 shall apply.

(K) *Parking.* The provisions of Chapter 19.105 shall apply.

(L) *Plan Review.* The provisions of Chapter 19.15 shall apply. (Ord. No. 2009-01, §§ 1, 2, 1-20-09; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-58(D))

19.25.060 Yard, lot, and area requirements.

(A) *Application.* No building shall be erected, nor shall any existing buildings be altered, enlarged, moved, or rebuilt, nor shall any open space surrounding any building be encroached upon or reduced in any manner, except in conformity with the yard, lot, area and building location regulations hereinafter designated for the zone in which such building or open space is located, except as otherwise specifically provided.

(B) *Yards.* Except as provided herein, every part of a required yard shall be open to the sky and unobstructed. Trees, shrubbery, etc. and accessory structures, as allowed in this title, shall not be considered obstructions. No yard or other open space provided about any building for the purpose of complying with the provisions of these restrictions shall be considered as a yard or open space for any other building; and no yard or other open space on one (1) lot shall be considered as a yard or open space for a building on any other lot.

(C) *Projections Over and Into Required Yards.*

(1) Awnings, open fire escape balconies, fire escape stairs, window-type refrigeration units, suspended or roof evaporative coolers, and similar features, may project not more than five (5) feet over any required yard; provided, that they shall be no closer than three (3) feet from any lot line.

(2) Architectural details such as cornices, sills, leaders, belt courses, cantilevered bay windows, fire boxes, similar ornamental features, and eaves may project not more than two (2) feet over any required yard; provided, that they shall be no closer than two (2) feet from any lot line.

(D) *Patios and Steps.* Unroofed terraces, decks, patios, steps or similar features not over thirty (30) inches in height above grade may project into a required side or rear yard; provided, that they shall be no closer than two (2) feet from any lot line. Encroachment into a required street yard setback may be permitted up to ten (10) feet or fifty (50) percent of required street yard setback, whichever is less.

(E) *Accessory Buildings (Attached).* A private automobile garage, carport or accessory building having any part of a wall in common with a dwelling shall be considered an integral part of the main building in determining yard, lot, and area requirements.

(F) *Accessory Buildings (Detached) Including Garages and Carports.* Any detached accessory building, garage or carport located in any zone shall not be located in the required street side setback. Allowed heights and setbacks are as follows:

(1) Detached accessory buildings located five (5) feet from any side or rear property line and meeting street side setbacks shall be limited to a maximum of fifteen (15) feet in height, or the height of the main structure, whichever is less.

(2) Detached accessory buildings shall be located a minimum of five (5) feet from any structure (measured from structure wall to structure wall).

(3) Detached accessory buildings may exceed fifteen (15) feet in height, provided they do not exceed the height of the main structure. Detached accessory buildings shall meet street side setbacks. Side and rear setbacks shall be equal to or greater than the height of the accessory building. Any encroachment into these permitted side and rear setbacks shall require a conditional use permit.

(4) Detached accessory buildings may exceed the height of the primary building but not exceed the maximum building height for that zone, provided they are located on a lot a half-acre in size or greater. Detached accessory buildings shall meet street side setbacks. Side and rear setbacks shall be equal to or greater than the height of the accessory building. Any encroachment into these permitted side and rear setbacks shall require a conditional use permit.

(5) Portable parking structures shall require the issuance of a City of Show Low building permit. No encroachment shall be permitted into any required yard setbacks.

(G) *Temporary Accessory Structures*. Including any detached portable shelter or temporary parking structure shall be permitted; provided, that required yard setbacks are met, as well as the following additional requirements:

(1) Temporary parking structures (without footings) shall not be permitted within a required front yard setback and shall be permitted after city staff approval of a site plan indicating proposed location (no building permit required); or

(2) Portable shelters may be located within a required front yard setback and shall be permitted for a period not exceeding seven (7) consecutive days. Extended periods of time may be permitted after city staff approval of a site plan indicating proposed location (no building permit required).

(H) *Sea Containers (Utilized as Storage Units)*.

(1) Are permitted for temporary and permanent storage purposes in the I-1 and I-2 zoning districts, provided they are not placed within any required yard setbacks.

(2) Are permitted in any zoning district for a period of up to twelve (12) months for temporary storage in conjunction with a valid building permit. Sea containers placed prior to or without a valid building permit may be subject to enforcement, regardless of whether a building permit is issued after placement. May be approved as an accessory use for permanent storage purposes in commercial zoning districts through a conditional use permit. Placement in these districts requires a minimum one hundred (100) foot setback from any public right-of-way, and satisfactory screening.

(3) Are not permitted in any residential district except for a time period of up to twelve (12) months in conjunction with a valid building permit.

(I) *Truck Bodies/Trailers (Utilized as Temporary Units)*. May be used for temporary purposes in any zoning district in conjunction with a valid building permit issued by the City of Show Low. In this instance placement shall be restricted to no longer than one (1) year, or the issuance of a temporary certificate of occupancy.

(J) *Solar Units*. Solar heating and solar cooling units, solar greenhouses and associated apparatus may, notwithstanding any other provisions of this title, be located in a rear or side yard; provided, that such apparatus does not cover more than thirty (30) percent of that side or rear yard and shall be no closer than two (2) feet to any lot line.

(K) *Service Station Pumps*. No automobile service station pump shall be located closer than twelve (12) feet to a street property line.

(L) *Satellite Dishes*. Satellite dishes over thirty (30) inches in diameter shall conform to the detached building setback requirements of the zone in which the satellite dish is located. (Ord. No. 2009-01, §§ 1,

2, 1-20-09; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2010-08, §§ 1, 2, 5-4-10; Ord. No. 2017-04, §§ 1, 2, 3-7-17; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-44(F))

N-9-TH-S

Subject Property: APN 210-16-044, -047, and -170B

N-11-TH-S-T

DC

E-HUNING

Subject Properties:
APN 210-16-044, -047, and -0170B

N-9TH-S

PVC-15

N-11

PVC-9

DC

VCP-6

EHUNING



City of Show Low Planning & Zoning
180 N. 9th Street, Show Low, AZ 85901
(928) 532-4040

Conditional Use Permit Application
(Filing Fee: \$150.00)

For Office Use Only	
Date received:	3-16-26
Time received:	3:18 AM/PM
Received By:	MS

OWNER INFORMATION

Name: David Owens

Address: _____
Mailing Address Apartment/Unit#

_____ _____
City State ZIP Code

Phone: _____ Email: _____

APPLICANT INFORMATION (if different)

Name: _____

Address: _____
Mailing Address Apartment/Unit#

_____ _____
City State ZIP Code

Phone: _____ Email: _____

PROPERTY INFORMATION

Address of Property: 1040E Huring Parcel Number (A.P.N.): 210-16-044

Legal Description of Property: see attached -047
-170B

Zoning Classification: DC Applicant's interest in Land: Owner

What is the Nature of the Request? Adequately screen shipping containers on the north-east side of the property.

APPLICATION REQUIREMENTS

1. One (1) copy of 24" X 36" map and one (1) copy of the same map in 11" X 17" (additional maps may be required if requested by Staff) **All maps must be drawn to scale and shall include:**
- Lot dimensions.
 - Location, size, height, use and exterior materials of all buildings and structures.
 - Size and dimensions of yards and space between buildings.
 - Location and height of walls and fences.
 - Location, number of spaces, dimensions, circulation patterns, and surface materials for all off- street parking and loading areas, driveways, access ways and pedestrian walkways.
 - Location, dimensions area, materials, and lighting of signs.
 - Location and general nature of exterior lighting.
 - Street dedications and improvements.
 - Existing and proposed grades and drainage systems.
 - Size and location of all existing and proposed public and private utilities. All easements must be shown.
 - Natural features such as mesas, rock outcroppings, or streams and manmade features such as existing roads and structures, with indication as to which are to be retained and which are to be removed or altered.
 - Landscaping, including all surfacing material around buildings and in all open spaces.
 - A vicinity sketch showing the location of the site in relation to the surrounding street system.
 - Adjacent properties and their uses shall be identified.
 - A legal description of the land included in the site plan and of the lot; the name, address and telephone number of the owner, developer and designer.
 - Any information which the zoning administrator may find necessary to establish compliance with this and other ordinances.

2. A statement of how this proposed project or use will comply with the goals and objectives of the Show Low General Plan:

I just need to adequately screen
shipping containers. I have already
moved container off city property. It
was not on city property until the city did a new sign

3. A statement as to what steps will be taken to avoid and minimize any adverse impact on the public health, peace, convenience, comfort, safety and general welfare of the surrounding property owners and users as well as the general welfare of the City.

Just block the view on the ~~North East~~
corner of the property.

4. Explain what utility demands are going to be required and what steps, if any, will have to be made to meet your utility demands.

None

5. **PLEASE NOTE:** In accordance with City Code, Title 19.20.030(C) and (D), you or your authorized representative must be present at all Planning and Zoning Commission and/or City Council hearings or public meetings regarding this application. Below please list any person(s) authorized to represent you during this application process. Representations made during those meetings or hearings and designated in the record shall be deemed conditions of approval.

David Owens

Vickey Owens

Carolyn Brewer

Grant Brewer

I certify that the information on this application form and attachments are true and correct to the best of my knowledge. I realize that any incorrect information may lead to the cancellation of any proceedings and the Conditional Use Permit if a Conditional Use Permit has been issued.

David Owens
David Owens

Signature of Owner (s)

3/13/2026

Date

Signature of Owner (s)

Date

Signature of Applicant (If other than owner)

Date

Legal Description

Parcel 210-16-044

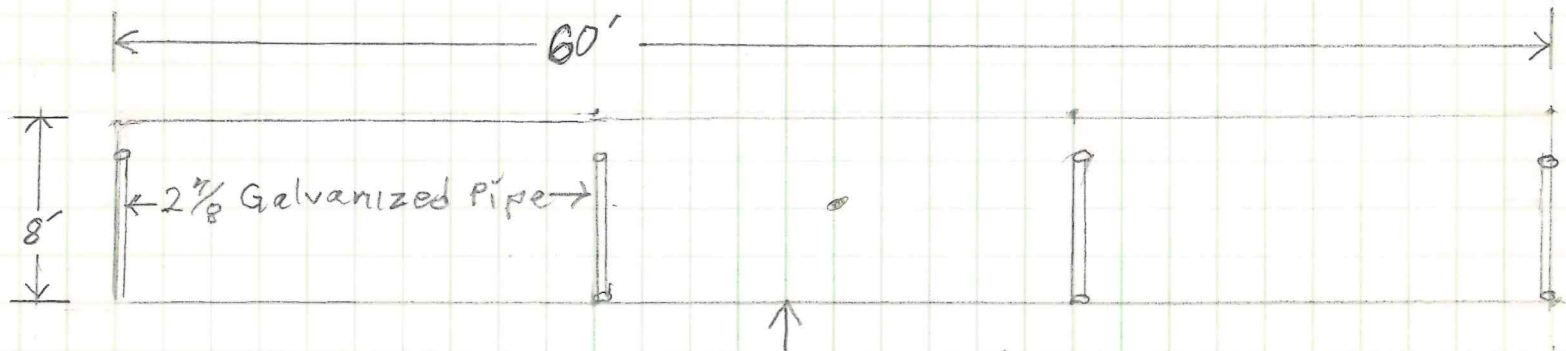
SEC 20, T10N, R22E: SHOW LOW TOWNSITE: E2 OF S 36' OF LOT 2, BLK 5

Parcel 210-16-047

SEC 20, T10N, R22E: SHOW LOW TOWNSITE: W 71.25' LOT 4, BLOCK 5...AKA: W 1/3 LOT 4.

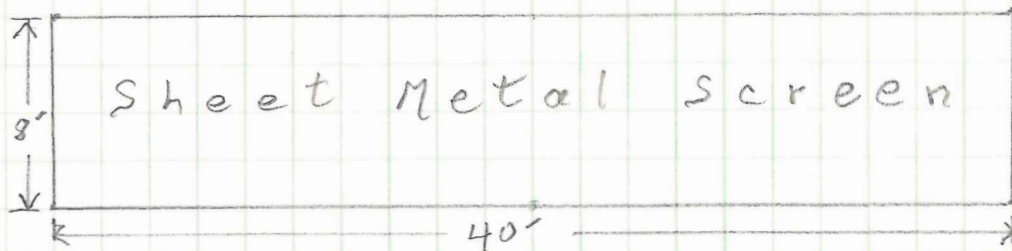
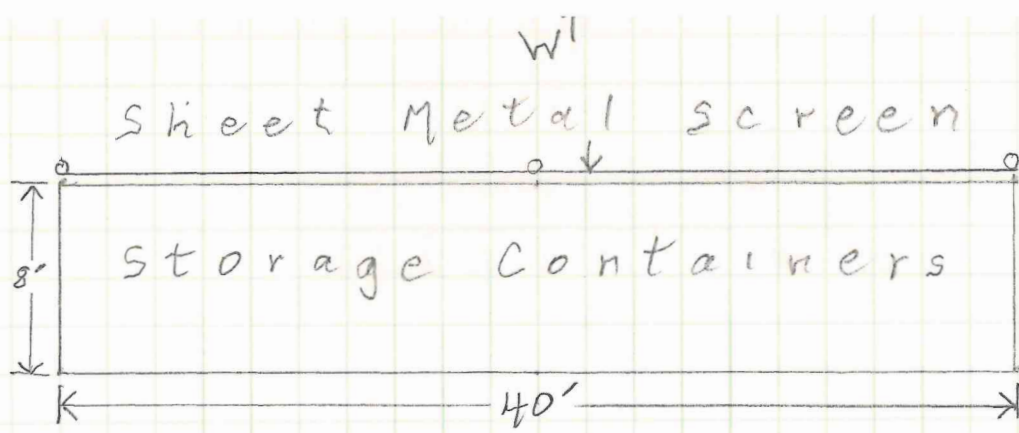
Parcel 210-16-170B

SEC 20, T10N, R22E: SHOW LOW TOWNSITE: N2 OF E2 OF LOT 3, BLOCK 5

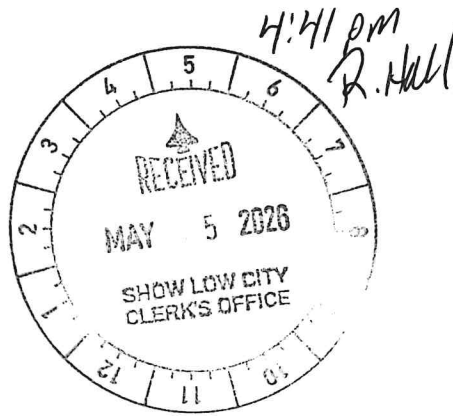


1 square = 2'

White Sheet Metal
Screen for shipping container



1 square = 2'



David Owens
980 E Huning
Show Low, AZ 85901

City of Show Low, City Council

Subject: Appeal request for Reconsideration of Conditional Use Permit # 602-04-281 regarding shipping containers in Downtown Commercial Zoning

Show Low City Council Members:

I am writing as the property owner to respectfully appeal and request reconsideration of the conditions placed upon the Conditional Use Permit concerning the use of shipping containers on my property located at 980 E. Huning within the Downtown Commercial zoning district, just south of this building.

I respectfully appeal the following:

1. The east fence won't be necessary if I relocate the container over to the west side of the other containers.
2. If the conditional use permit is right for me, it should be right for someone else if I decide to sell it, whether to the City or to a family member. It should go with the property.

I appreciate the City's efforts to preserve the character and orderly development of the downtown area. However the current conditions imposed regarding the use of shipping containers are not reasonable under the circumstances and are not financially feasible for this property.

The proposed use of shipping containers offers a practical, durable, and cost-effective solution for storage. Requiring substantial modifications and restrictions that effectively eliminate their practical use creates an undue financial burden that is disproportionate to the scale of their use. We requested a quote from a local fence company to fence the entire western boundary of A.P.N. 210-16-048D and they quoted us a price of \$15,000. The cargo container is 40' and they are telling me to fence 120'. These requirements would create an economic hardship and significantly impair my ability to make reasonable economic use of the property. These containers are allowed on commercial property.

I respectfully request that the City Council members consider whether alternative means could satisfy aesthetic and planning goals without imposing unnecessary hardship. Such alternatives may include relocating the east container to the west side of the other containers, where it would be much less visible, and screening the west side of those containers, nullifying the need of the east fence.

Then the west side and front of the containers could be painted a neutral color and screened that would allow the containers to be used while maintaining the appearance and integrity of the downtown district.

I would also remove the green and white semi-truck trailer in front and to the east side of the containers which is most visible and an eye-sore.

I am committed to working cooperatively with the City to find a balanced solution that supports local business activity, property rights, and the City's planning objectives. I respectfully ask these conditions be reviewed and modified to a level that is fair, proportionate, and economically feasible.

Thank you for your time and consideration. I would welcome the opportunity to discuss this matter further and appear at any City Council hearing regarding this request.

Sincerely,

A handwritten signature in black ink that reads "David Owens". The signature is written in a cursive, flowing style.

David Owens

208-739-6885

19.20.080 Appeals.

(A) Any aggrieved person may file an appeal with the city council regarding any decision of the planning and zoning commission regarding the commission's action on a conditional use permit by filing a written notice of appeal with the city clerk specifying the request. This appeal shall outline the specific nature of the concern, the impacts on neighboring properties, and the city as a whole, and the individual's standing as an aggrieved person. If no appeal is filed with the council within seven (7) days after commission action, the action of the commission shall be considered final.

(B) When an appeal is filed with the city clerk, the planning and zoning director shall place the item on the next available regular city council meeting agenda, or, in the alternative, the planning and zoning director may set the matter for public hearing before the council as per the notification requirements outlined in Section [19.20.070\(C\)](#). Notice shall be given to the planning and zoning commission of such appeal and the commission shall submit a report to the council prior to the hearing setting forth the reasons for its action taken. The commission shall be represented at the hearing by the commission chairman or his designee.

(C) *Council Action.*

(1) May grant or deny it; the council may elect to set the matter for a public hearing, and the latter action shall require notification as outlined in Section [19.20.070\(C\)](#).

(2) The council shall, within fifteen (15) days of the public hearing, either uphold the decision of the planning and zoning commission or make a decision of its own. The council is not bound by the record of the commission's findings and/or decision in reaching its decision.

(3) The council may grant a conditional use permit with conditions the council deems necessary to secure the intent and purpose of this section and require such guarantees and evidence that such conditions are being, or will be, complied with as the council may desire.

(4) The council's decision shall be final and shall become effective immediately. Notice of the decision shall forthwith be mailed to the applicant at the address shown in the application. (Ord. No. 473, §§ 1 – 4, 6-6-00; Ord. No. 2006-07, § 3, 3-7-06; Ord. No. 2007-03, § 1, 1-16-07; Ord. No. 2009-08, §§ 1, 2, 6-2-09; Ord. No. 2024-06, § 1, 6-4-24. 1976 Code § 15-1-32(H))

The Show Low City Code is current through Ordinance 2026-02, passed January 20, 2026.

Disclaimer: The city clerk's office has the official version of the Show Low City Code. Users should contact the city clerk's office for ordinances passed subsequent to the ordinance cited above.

[City Website: www.showlowaz.gov](http://www.showlowaz.gov)

[Hosted by General Code.](#)

**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration of Award of a Construction Contract for Annual Slurry Seal 2026, City of Show Low Project No. 5005791 (Chris Reid)

RECOMMENDATION

I **MOVE** to award the construction contract for the Annual Slurry Seal 2026, City of Show Low Project No. 5005791, to American Pavement Preservation, LLC, for an amount not to exceed \$629,004.62.

BACKGROUND

The City's 2027 fiscal year budget includes a capital improvement project labeled "Annual Slurry Seal/Striping Maintenance" with a construction budget of \$700,000. The scope of the work includes the furnishing of all labor, material, traffic control, and incidentals as may be required to place approximately 284,000 square yards of Slurry Seal for certain City streets and parking lots, and approximately 21,000 square yards of Seal Coat on certain City paths. The project also includes replacing striping and pavement markings on certain City roadways and parking lots after the slurry resurfacing has been applied and cured.

The project was designed by City engineering staff with an engineer's estimate of \$636,800. The project was advertised for bids per statutory requirements, and the following bids were received:

<u>Contractor</u>	<u>Total Bid</u>
American Pavement Preservation, LLC	\$629,004.62
VSS International, Inc.	\$820,211.00
Sunland Asphalt & Construction, LLC	\$1,294,175.00

Staff recommends awarding the construction contract for the Annual Slurry Seal 2026, City of Show Low Project Number 5005791, to American Pavement Preservation, LLC, for an amount not to exceed \$629,004.62. The agreement will be drafted using a standard City contract.

ATTACHMENTS

1. 5005791 Bid Tabulation
2. Key Map 2026 Slurry Seal

FISCAL IMPACT

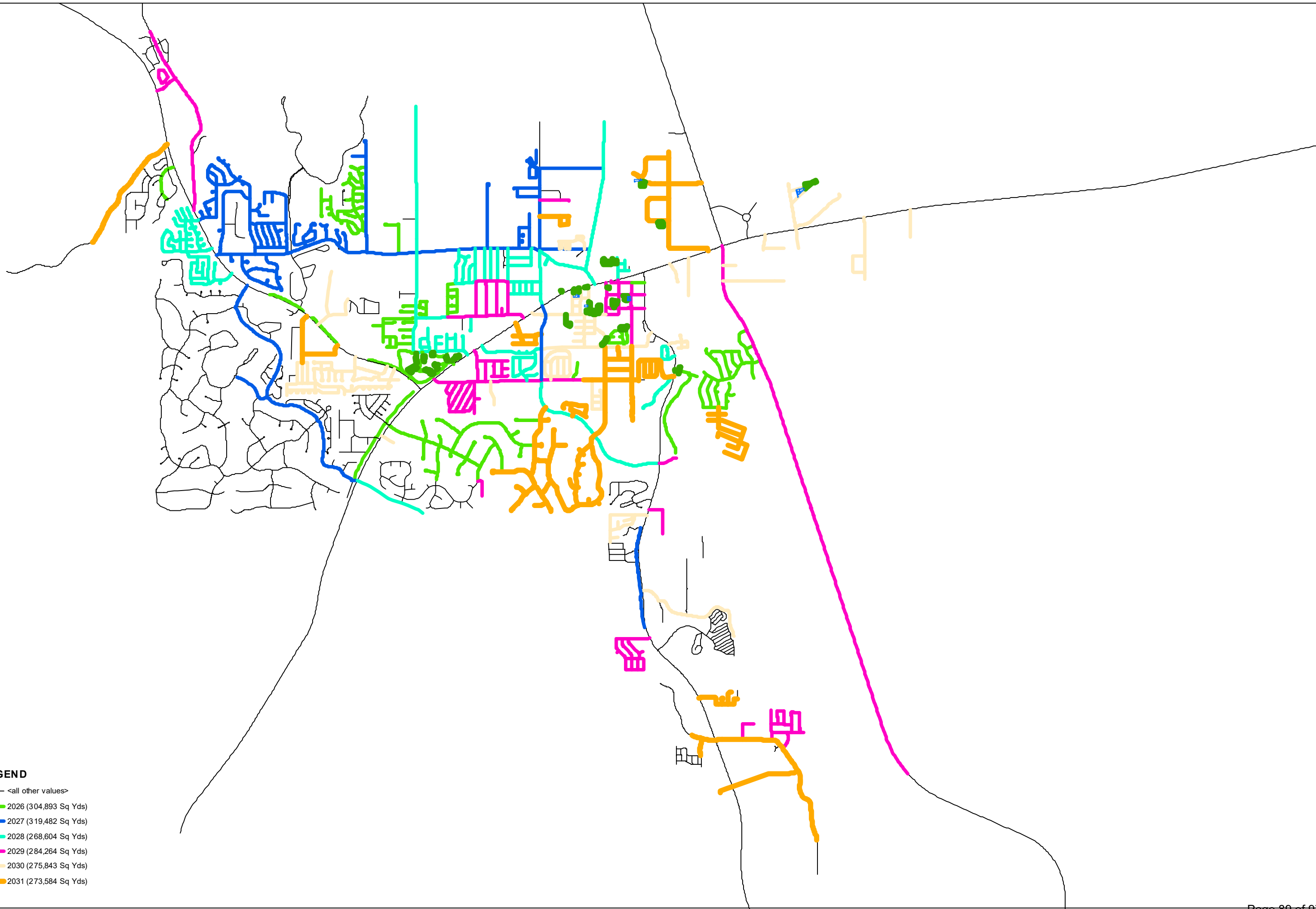
Anticipated cost: \$629,004.62
Funding source (account no.): Annual Slurry Seal (12-500-495-7300-5791)

**Annual Slurry Seal 2026, City of Show Low Project No. 5005791
Bid Opening of: Wednesday, May 6, 2026, at 2:00pm**

BID SCHEDULE A				American Pavement Preservation, LLC	1	VSS International, Inc.	2	Sunland Asphalt & Construction, LLC	3
Item	Description	Unit	No. of Units	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Mobilization	LS	1	\$14,700.00	\$14,700.00	\$39,486.10	\$39,486.10	\$204,001.50	\$204,001.50
2	Install PMA Slurry Seal Type II (streets, parking lots)	SY	284,200	\$1.88	\$534,296.00	\$2.51	\$713,342.00	\$3.50	\$994,700.00
3	Install PMA Seal Coat Seal Master PMM (paths only)	SY	20,800	\$2.62	\$54,496.00	\$2.04	\$42,432.00	\$3.00	\$62,400.00
4	Install 4" White Solid Parking Space Marking	LF	28,000	\$0.27	\$7,560.00	\$0.26	\$7,280.00	\$0.40	\$11,200.00
5	Install 4" Yellow Solid Parking Space Marking	LF	4,500	\$0.28	\$1,260.00	\$0.27	\$1,215.00	\$0.40	\$1,800.00
6	Install 12" White Crosswalk Paint	LF	225	\$1.34	\$301.50	\$1.30	\$292.50	\$2.00	\$450.00
7	Install 12" White Stop Bar	EA	68	\$1.34	\$91.12	\$1.30	\$88.40	\$2.00	\$136.00
8	Install 8" White Paint Turn Pocket	LF	225	\$0.56	\$126.00	\$0.54	\$121.50	\$0.85	\$191.25
9	Install Double Yellow Centerline Paint, both Solid (Both Lines Per LF)	LF	225	\$0.56	\$126.00	\$0.54	\$121.50	\$0.85	\$191.25
10	Install Directional Arrow Turn Pocket Symbol Paint - White	EA	20	\$72.80	\$1,456.00	\$70.20	\$1,404.00	\$110.00	\$2,200.00
11	Install "ONLY" Turn Pocket Symbol Paint - White	EA	3	\$89.60	\$268.80	\$86.40	\$259.20	\$135.00	\$405.00
12	Install "ELECTRIC ONLY" Parking Stall Markings - White	EA	4	\$140.00	\$560.00	\$135.00	\$540.00	\$200.00	\$800.00
13	Install 18" Numbered Parking Stall Markings - White	EA	90	\$6.72	\$604.80	\$6.48	\$583.20	\$10.00	\$900.00
14	Install Handicap Parking Stall Markings	EA	60	\$52.64	\$3,158.40	\$50.76	\$3,045.60	\$80.00	\$4,800.00
15	Force Account ^c	FA	1	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
	GRAND TOTAL				\$629,004.62		\$820,211.00		\$1,294,175.00

LEGEND

- <all other values>
- 2026 (304,893 Sq Yds)
- 2027 (319,482 Sq Yds)
- 2028 (268,604 Sq Yds)
- 2029 (284,264 Sq Yds)
- 2030 (275,843 Sq Yds)
- 2031 (273,584 Sq Yds)



**City of Show Low
STAFF SUMMARY REPORT**

AGENDA TITLE: Consideration and Acceptance of Changes to City Manager's Recommended Budget for Fiscal Year Ending June 30, 2027. (Justin Johnson)

RECOMMENDATION

I **MOVE** to approve scenario _____, accepting the associated changes to the manager's recommended budget, and approve _____ School Resource Officers (SROs) in the budget, with a commitment from Show Low Unified School District to pay for half of the unfunded SRO at Show Low Junior High.

BACKGROUND

At its annual department budget meeting on April 16, 2026, the City Council reviewed all FY2027 budget requests with staff. Since then, staff has met multiple times to review additional budget requests as well as FY2026 project carryovers. Staff added additional requests to the FY2027 budget, including the items requested at the April 16 budget meeting and a request from Navajo County for additional funds for the prosecution agreement and the court clerk (approximately \$90,000). Staff also carried over all FY2026 projects that will not be completed prior to June 30, 2026. With these additions, the FY2027 budget exceeds the state mandated annual expenditure limitation (AEL) by \$1,873,834.

To complicate matters further, staff learned last week that grant funding for three of the four existing School Resource Officers (SROs) for the Show Low Unified School District (SLUSD) was not approved due to a lack of state funding. The only SRO position that was approved is at Show Low High School. The City Manager spoke with the Show Low School District Superintendent about this issue. SLUSD has identified the SRO position at Show Low Junior High as critical and has verbally committed to paying half of the cost of this position. SLUSD does not have the funding to contribute to the SROs at Nikolaus Homestead Elementary or Whipple Elementary. If the City Council wishes to keep the two SROs at the elementary schools, the City will have to pay the full amount. All four SRO positions are included in the proposed budget.

As a reminder, the AEL is in the state constitution and is the only issue in this case. The City currently has sufficient revenue to complete all requested budget activities. However, due to state law, the City is required to budget and spend less than the mandated AEL.

In order to come into compliance with state law, the FY2027 budgeted expenditures need to be reduced by a minimum of \$1,873,834. Staff has provided four scenarios that would bring the budget into compliance.

Scenario #1 — Total net Reduction of \$1,921,000, \$47,166 under the expenditure limitation.

- Remove
 - Frontier Parking Expansion \$994,000
 - Meadow Parking Expansion \$409,000
 - CK Peterson Subdivision \$518,000

Scenario #2 — Total Net Reduction of \$2,168,000, \$394,166 under the expenditure limitation.

- Remove
 - Downtown Sidewalk Phase III \$400,000
 - CK Peterson Subdivision \$518,000
 - AMI Meters (Grant Funded) Net Expenditure Limitation Difference \$1,250,000
 - Expense \$2,500,000, Grant \$1,250,000
- Keep
 - Frontier Parking Expansion \$994,000
 - Meadow Parking Expansion \$409,000

Scenario #3 - Total Net Reduction \$2,244,000, \$470,166 under the expenditure limitation.

- Remove
 - Frontier Parking Expansion \$994,000
 - AMI Meter (Grant Funded) Net Expenditure Limitation Difference \$1,250,000
 - Expense \$2,500,000, Grant \$1,250,000
- Keep
 - Meadow Parking Expansion \$409,000
 - CK Peterson Subdivision \$518,000
 - Downtown Sidewalk Phase III \$400,000

Scenario #4 - Total Net Reduction \$2,171,000, \$297,166 under the expenditure limitation.

- Remove \$3,171,000
 - Frontier Parking Expansion \$994,000
 - Meadow Parking Expansion \$409,000
 - CK Peterson Subdivision \$518,000
 - AMI Meter (Grant Funded) Net Expenditure Limitation Difference \$1,250,000
 - Expense \$2,500,000, Grant \$1,250,000
- Add to Event Center, \$1,000,000
 - Increase from \$7.5M to \$8.5M, in anticipation of the down payment for the metal building.

To bring the FY2027 budget into compliance with state law, staff requests that the City Council select a preferred expenditure limitation scenario and provide direction on the number of School Resource Officers to include in the budget.

ATTACHMENTS

1. Expenditure Limitations Scenarios

FISCAL IMPACT

Selecting any one of the four scenarios will bring the FY2027 budget into compliance with state law.

Expenditure Limitation Report FY2027

The chart below shows that the FY2027 budget exceeds the state-imposed expenditure limitation by \$1,873,834. The budget includes the FY2026 Carryover Projects, the Frontier and Meadows Parking Lot Expansions, and all 4 SRO's. Administration worked with public works to create options for the council. There are additional pages with scenarios to reduce the budget, bringing the City into compliance.

City of Show Low
 Permanent Base Adjustment
 Summary Analysis Worksheet

Population Factor Computation

Fiscal Year	Prior Fiscal Year Population	÷	1978 Population	=	Population Factor
2023-2024	12,132	÷	3,800	=	3.1926
2024-2025	12,294	÷	3,800	=	3.2353
2025-2026	12,535	÷	3,800	=	3.2987
2026-2027	12,647	÷	3,800	=	3.3282
2027-2028	12,647	÷	3,800	=	3.3282

State-Imposed Expenditure Limitation

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Project State Imposed Limitation	+	Estimated Exclusions	=	Expenditures Under Imposed Limit
2023-2024	5,943,667	x	3.1926	x	3.5534	=	67,483,266	+	0	=	67,483,266
2024-2025	5,943,667	x	3.2353	x	3.6671	=	70,515,865	+	0	=	70,515,865
2025-2026	5,943,667	x	3.2987	x	3.7558	=	73,637,621	+	0	=	73,637,621
2026-2027	5,943,667	x	3.3282	x	3.8684	=	76,523,759	+	63,277,945	=	139,801,704
2027-2028	5,943,667	x	3.3282	x	3.8684	=	58,907,704	+	0	=	58,907,704

	<u>Base</u>
Base Limit	\$ 5,943,667
Population factor	3.3282
Inflation factor	3.8684
Projected Expenditure Limitation	<u>\$ 76,523,759</u>
Estimated Exclusions	63,277,945
Estimated Allowable Expenditures	<u>\$ 139,801,704</u>
Current City of Show Low Budget	\$ 152,713,506
Less Transfers	\$ (11,037,968)
Adjusted City Budget	\$ 141,675,538
	\$ (1,873,834)
	\$ (1,873,834)

Scenario #1

- Remove the following projects from the budget.
 - Frontier Parking Expansion \$994,000
 - Meadow Parking Expansion \$409,000
 - CK Peterson Subdivision \$518,000

Total Net Reduction - \$1,921,000, \$47,166 under the expenditure limitation

City of Show Low
 Permanent Base Adjustment
 Summary Analysis Worksheet

Population Factor Computation

Fiscal Year	Prior Fiscal Year Population	÷	1978 Population	=	Population Factor
2023-2024	12,132	÷	3,800	=	3.1926
2024-2025	12,294	÷	3,800	=	3.2353
2025-2026	12,535	÷	3,800	=	3.2987
2026-2027	12,647	÷	3,800	=	3.3282
2027-2028	12,647	÷	3,800	=	3.3282

State-Imposed Expenditure Limitation

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Project State Imposed Limitation	+	Estimated Exclusions	=	Expenditures Under Imposed Limit
2023-2024	5,943,667	x	3.1926	x	3.5534	=	67,483,266	+	0	=	67,483,266
2024-2025	5,943,667	x	3.2353	x	3.6671	=	70,515,865	+	0	=	70,515,865
2025-2026	5,943,667	x	3.2987	x	3.7558	=	73,637,621	+	0	=	73,637,621
2026-2027	5,943,667	x	3.3282	x	3.8684	=	76,523,759	+	63,795,945	=	140,319,704
2027-2028	5,943,667	x	3.3282	x	3.8684	=	58,907,704	+	0	=	58,907,704

	<u>Base</u>
Base Limit	\$ 5,943,667
Population factor	3.3282
Inflation factor	3.8684
Projected Expenditure Limitation	<u>\$ 76,523,759</u>
Estimated Exclusions	63,795,945
Estimated Allowable Expenditures	<u>\$ 140,319,704</u>
Current City of Show Low Budget	\$ 151,310,506
Less Transfers	\$ (11,037,968)
Adjusted City Budget	\$ 140,272,538
	\$ 47,166
	\$ 47,166

Scenario #2

- Remove
 - Downtown Sidewalk Phase III \$400,000
 - CK Peterson Subdivision \$518,000
 - AMI Meters (Grant Funded) Net Expenditure Limitation Difference \$1,250,000
 - Expense \$2,500,000, Grant \$1,250,000
- Keep
 - Frontier Parking Expansion \$994,000
 - Meadow Parking Expansion \$409,000

Total Net Reduction \$2,168,000, \$394,166 under the expenditure limitation.

City of Show Low
 Permanent Base Adjustment
 Summary Analysis Worksheet

Population Factor Computation

Fiscal Year	Prior Fiscal Year Population	÷	1978 Population	=	Population Factor
2023-2024	12,132	÷	3,800	=	3.1926
2024-2025	12,294	÷	3,800	=	3.2353
2025-2026	12,535	÷	3,800	=	3.2987
2026-2027	12,647	÷	3,800	=	3.3282
2027-2028	12,647	÷	3,800	=	3.3282

State-Imposed Expenditure Limitation

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Project State Imposed Limitation	+	Estimated Exclusions	=	Expenditures Under Imposed Limit
2023-2024	5,943,667	x	3.1926	x	3.5534	=	67,483,266	+	0	=	67,483,266
2024-2025	5,943,667	x	3.2353	x	3.6671	=	70,515,865	+	0	=	70,515,865
2025-2026	5,943,667	x	3.2987	x	3.7558	=	73,637,621	+	0	=	73,637,621
2026-2027	5,943,667	x	3.3282	x	3.8684	=	76,523,759	+	63,177,945	=	139,701,704
2027-2028	5,943,667	x	3.3282	x	3.8684	=	58,907,704	+	0	=	58,907,704

	<u>Base</u>
Base Limit	\$ 5,943,667
Population factor	3.3282
Inflation factor	3.8684
Projected Expenditure Limitation	\$ 76,523,759
Estimated Exclusions	63,177,945
Estimated Allowable Expenditures	\$ 139,701,704
Current City of Show Low Budget	\$ 150,345,506
Less Transfers	\$ (11,037,968)
Adjusted City Budget	\$ 139,307,538
	\$ 394,166
	\$ 394,166

Scenario #3

- Remove
 - Frontier Parking Expansion \$994,000
 - AMI Meter (Grant Funded) Net Expenditure Limitation Difference \$1,250,000
 - Expense \$2,500,000, Grant \$1,250,000
- Keep
 - Meadow Parking Expansion \$409,000
 - CK Peterson Subdivision \$518,000
 - Downtown Sidewalk Phase III \$400,000

Total Net Reduction \$2,244,000, \$470,166 under the expenditure limitation.

City of Show Low
Permanent Base Adjustment
Summary Analysis Worksheet

Population Factor Computation

Fiscal Year	Prior Fiscal Year Population	÷	1978 Population	=	Population Factor
2023-2024	12,132	÷	3,800	=	3.1926
2024-2025	12,294	÷	3,800	=	3.2353
2025-2026	12,535	÷	3,800	=	3.2987
2026-2027	12,647	÷	3,800	=	3.3282
2027-2028	12,647	÷	3,800	=	3.3282

State-Imposed Expenditure Limitation

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Project State Imposed Limitation	+	Estimated Exclusions	=	Expenditures Under Imposed Limit
2023-2024	5,943,667	x	3.1926	x	3.5534	=	67,483,266	+	0	=	67,483,266
2024-2025	5,943,667	x	3.2353	x	3.6671	=	70,515,865	+	0	=	70,515,865
2025-2026	5,943,667	x	3.2987	x	3.7558	=	73,637,621	+	0	=	73,637,621
2026-2027	5,943,667	x	3.3282	x	3.8684	=	76,523,759	+	63,177,945	=	139,701,704
2027-2028	5,943,667	x	3.3282	x	3.8684	=	58,907,704	+	0	=	58,907,704

	<u>Base</u>
Base Limit	\$ 5,943,667
Population factor	3.3282
Inflation factor	3.8684
Projected Expenditure Limitation	<u>\$ 76,523,759</u>
Estimated Exclusions	63,177,945
Estimated Allowable Expenditures	\$ 139,701,704
Current City of Show Low Budget	\$ 150,269,506
Less Transfers	\$ (11,037,968)
Adjusted City Budget	\$ 139,231,538
	\$ 470,166
	\$ 470,166

Scenario #4

- Remove \$3,171,000
 - Frontier Parking Expansion \$994,000
 - Meadow Parking Expansion \$409,000
 - CK Peterson Subdivision \$518,000
 - AMI Meter (Grant Funded) Net Expenditure Limitation Difference \$1,250,000
 - Expense \$2,500,000, Grant \$1,250,000
- Add to Event Center, \$1,000,000
 - Increase from \$7.5M to \$8.5M, in anticipation of the down payment for the metal building.

Total Net Reduction \$2,171,000, \$297,166 under the expenditure limitation.

City of Show Low
Permanent Base Adjustment
Summary Analysis Worksheet

Population Factor Computation

Fiscal Year	Prior Fiscal Year Population	÷	1978 Population	=	Population Factor
2023-2024	12,132	÷	3,800	=	3.1926
2024-2025	12,294	÷	3,800	=	3.2353
2025-2026	12,535	÷	3,800	=	3.2987
2026-2027	12,647	÷	3,800	=	3.3282
2027-2028	12,647	÷	3,800	=	3.3282

State-Imposed Expenditure Limitation

Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor	=	Project State Imposed Limitation	+	Estimated Exclusions	=	Expenditures Under Imposed Limit
2023-2024	5,943,667	x	3.1926	x	3.5534	=	67,483,266	+	0	=	67,483,266
2024-2025	5,943,667	x	3.2353	x	3.6671	=	70,515,865	+	0	=	70,515,865
2025-2026	5,943,667	x	3.2987	x	3.7558	=	73,637,621	+	0	=	73,637,621
2026-2027	5,943,667	x	3.3282	x	3.8684	=	76,523,759	+	63,177,945	=	139,701,704
2027-2028	5,943,667	x	3.3282	x	3.8684	=	58,907,704	+	0	=	58,907,704

	<u>Base</u>
Base Limit	\$ 5,943,667
Population factor	3.3282
Inflation factor	3.8684
Projected Expenditure Limitation	\$ 76,523,759
Estimated Exclusions	63,177,945
Estimated Allowable Expenditures	\$ 139,701,704
Current City of Show Low Budget	\$ 150,442,506
Less Transfers	\$ (11,037,968)
Adjusted City Budget	\$ 139,404,538
	\$ 297,166
	\$ 297,166