

**MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD
ON TUESDAY, JANUARY 16, 2024, 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 Allsop, Councilman Clark, Councilman Judd

COUNCIL MEMBERS ABSENT: Councilman Hatch

STAFF MEMBERS PRESENT: Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Bill Kopp, Public Works Director; Justen Tregaskes, Planning and Zoning Director; Jay Brimhall, Community Services Director; Greg Westover, Police Commander; Shane Hemesath, City Engineer; Cari Bilbie, Accounting Manager; Grace Payne, Communications Manager; Kathy Clements, Assistant City Clerk; and Rachael Hall, City Clerk.

GUESTS: Dawn Wilson, Golden, Clair Thomas, John Hannah, and others.

3. Invocation.

Councilman Judd gave the invocation.

4. Pledge of Allegiance.

Councilman Clark led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

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

None.

6. **SPECIAL EVENTS:**

A. Recognition of the Show Low High School Girls' Soccer Team

Mayor Leech invited the Show Low High School girls' soccer coach, Chris Ellis, to say a few words.

The Council presented t-shirts to the Show Low High School girls' soccer team members and coaches and congratulated them on their efforts during this year's soccer season.

B. Presentation of Annual Report by Show Low Historical Society

Clair Thomas, Show Low Historical Society Museum Executive Director, said the 2023 season numbers were up from the previous season with a visitor count of 5,033. The Museum had 15 volunteers who donated 1,390 hours, and the museum could not operate without them. The Museum also accepted 155 donations and had an active membership of 75.

Ms. Thomas said the museum continued to host Heritage Day for all the area school children. In addition, the museum also continued to host family reunions, birthday parties, and civic and church groups. This year, they also hosted a wedding and bridal shower.

Ms. Thomas said that in addition to creative crafters, wood carvers, and the Silver Creek Railroad, this year, they would be adding a new activity called Remember When, where the public could learn about the area through oral history.

Ms. Thomas said the Museum remained in good standing with the Arizona Corporation Commission, Arizona Historical Society, Navajo County, and the Museum Code of Ethics. The museum would open on March 6 to the general public.

Mayor Leech challenged everyone to go to the museum and stated the exhibits changed constantly. He thanked Ms. Thomas and her staff for the great job they did. He also thanked Councilman Adams for being the Council's liaison with the museum.

Councilman Adams thanked Ms. Thomas and the volunteers for their hard work.

C. Presentation of "State of the City Address"

Mayor Leech and the Council presented the "State of the City" address video. The presentation was attached.

Mayor Leech invited Ms. Payne, Mr. Brimhall, and the Show Low TV staff to the podium. Ms. Payne introduced the City staff that created the State of the City video, Miles Erdmann, Jace Cook, and Jacob Enfield, and thanked them for their outstanding efforts.

7. **CONSENT CALENDAR:**

- A. Proclamation by the Mayor Proclaiming January 15, 2024, as **MARTIN LUTHER KING, JR. DAY OF SERVICE** in the City of Show Low. (Rachael Hall)

- B. Consideration of Acceptance of Nikolaus and McNeil Acres Subdivision Roadway Improvements, City of Show Low Project No. R-5723 (Shane Hemesath)
- C. Consideration of Resolution No. R2024-03 Granting Utility Easement at Well 17 in Show Low Bluff to Arizona Public Service (Shane Hemesath)
- D. Consideration of Resolution No. R2024-04 Granting Utility Easement at Nikolaus Park on East Mills to Arizona Public Service (Shane Hemesath)
- E. Consideration of Acceptance of Armstrong Consultants Task Order F for the Design of Large Helicopter Parking Pads at Show Low Regional Airport (Bill Kopp)
- F. Consideration of Acceptance of the Aquatic Center Restroom Remodel, City of Show Low Project No. FM-3424 (Bill Kopp)
- G. Acceptance of Show Low Lake Americans with Disabilities Act Boat Ramp Improvements, City of Show Low Project No. FM-0623 (Bill Kopp)
- H. Consideration of Resolution No. R2024-02 Approving Intergovernmental Agreement with Phoenix Police Department Accepting Grant Funds (Brad Provost)
- I. Consideration of Resolution No. R2024-01 Accepting Donation of Land as Described in Special Warranty Deed from City of Show Low Municipal Property Corporation (Anna Atencio)
- J. Consideration of Minutes of Show Low City Council meetings:
 - 1. Retreat of October 25, 2023
 - 2. Special Meeting Minutes of December 5, 2023
 - 3. Regular Meeting of December 5, 2023

COUNCILMAN ADAMS MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY VICE MAYOR KAKAVAS; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

8. NEW BUSINESS:

- A. Consideration of Request Submitted by Property Owner to Annex A.P. 210-33-040C - #P-1624 (Justen Tregaskes)

Mr. Tregaskes said that Joseph Holland, on behalf of Nv Us Investments LLC, had approached the City requesting annexation of A.P. No. 210-33-040C into the

City of Show Low to allow for multi-family development on the subject property and A.P.N. 210-33-040B. The applicant owns both parcels. The proposed annexation consisted of approximately .52 of an acre and was rectangular-shaped. The property proposed to be annexed into the City of Show Low was contiguous on one side of the corporate limits of the City of Show Low for at least three hundred feet.

Mr. Tregaskes said should the Council wish to proceed with this annexation, a blank petition needed to be filed with Navajo County, and within 30 days from the date of filing, the property owner would be notified, and a public hearing would be held before Council. After the 30-day period, signatures would be obtained, the signed petition would be filed, and the Council would be presented with an ordinance for annexation.

COUNCILMAN ADAMS MOVED TO AUTHORIZE STAFF TO FILE THE BLANK PETITION WITH THE NAVAJO COUNTY RECORDER FOR THIS PROPOSED ANNEXATION; SECONDED BY COUNCILMAN ALLSOP; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

B. Approval of Purchase of New Microphones for Council Chambers (Grace Payne)

Ms. Payne said that in the last two years, it had been observed that the microphones used in the City Council Chambers during public meetings were beginning to fail, and more often, they did not provide adequate audio projections during meetings. The current microphones have exceeded their expected technological lifespan and were due to be upgraded to a more modern and reliable system. Staff contacted several audio upgrade companies and was satisfied with TPI's proposal, which recommended an equipment upgrade at a cost estimate of \$8,569.70.

Ms. Payne said staff recommended purchasing the new microphones for City Council Chambers from TPI in an amount not to exceed \$8,569.70 with City Council Contingency funds.

VICE MAYOR KAKAVAS MOVED TO AUTHORIZE THE PURCHASE OF NEW COUNCIL CHAMBERS AUDIO MICROPHONES AT THE COST OF \$8,569.70 USING CITY COUNCIL CONTINGENCY FUND; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

C. Consideration of Resolution No. R2024-05 Rescinding Resolution No. R2010-38 and Adopting Revised Dog License Fees, Animal Control Fees, and Police Administrative Fees (Brad Provost)

Commander Westover said Resolution No. R2010-38, adopted by the City Council on September 7, 2010, set dog license, animal control, and various administrative fees charged by the police department. These fees had stayed the

same for over a decade and needed to be revised, reflecting the current cost of materials and labor. The revised fees included the animal pick-up fee, which increased from \$20.00 to \$25.00, and the animal boarding fee, which increased from \$10.00 to \$15.00 per day. The video recording fee increased from \$10.00 to \$45.00 plus \$35.00 per video hour viewed after the first hour. The audio recording fee was set at \$20.00. Photographs increased from \$10.00 to \$15.00 per disc or a set fee of \$25.00 per USB drive. Fingerprinting increased from a flat fee of \$10.00 to \$10.00 per card, and there was no charge for volunteers of non-profit groups.

Commander Westover said staff recommended adopting the revised dog license, animal control, and police administrative fees.

Mayor Leech asked if the Show Low Police Department still used ink for fingerprinting. Commander Westover said yes, the department still used ink for fingerprinting.

COUNCILMAN ALLSOP MOVED TO ADOPT RESOLUTION NO. R2024-05 RESCINDING RESOLUTION NO. R2010-38 AND ADOPTING REVISED DOG LICENSE FEES, ANIMAL CONTROL FEES, AND POLICE ADMINISTRATIVE FEES; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

- D. Consideration of Award of Construction Contract for West Stock to SR-260 Sewer Replacement, City of Show Low Project No. S-3022 (Shane Hemesath)

Mr. Hemesath said the City's 2024 Capital Improvement Plan Budget included \$477,000.00 labeled "West Stock to SR-260 Replacement." The scope of the work included the installation of approximately 1,500 linear feet of 15-inch PVC sewer main, nine wastewater manholes, new sewer services, and a new bore for a steel casing for the sewer main replacement under SR-260. The project would replace an undersized, old eight-inch sewer main that required frequent repairs. The work would take place near the intersection of West Stock and SR-260 in Show Low, Arizona.

Mr. Hemesath said the City's engineering staff designed the project with a construction estimate of \$530,000.00. The project was publicly bid according to statutory requirements with the following results:

<u>Contractor</u>	<u>Total Bid</u>
Apache Underground and Excavating	\$591,350.00
Navapache Construction LLC	\$904,753.64

Mr. Hemesath said due to rising construction costs, the excess funding to construct the project would come from the Wastewater General Improvements line item in the current budget.

Mr. Hemesath said staff recommended awarding the construction contract for the West Stock to SR-260 Replacement Project, City of Show Low Project No. S-3022 to Apache Underground and Excavating in an amount not to exceed \$591,350.00 and authorizing the associated budget transfers.

Councilman Allsop asked if the City was boring an eight-inch line underneath the highway. Mr. Hemesath said no, the contractor was boring a 36-inch casing under the highway and would put in a 15-inch sewer main, leaving room for anything that needed to be installed in the future.

COUNCILMAN ALLSOP MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE WEST STOCK TO SR-260 SEWER REPLACEMENT PROJECT, CITY OF SHOW LOW PROJECT NO. S-3022 TO APACHE UNDERGROUND AND EXCAVATING IN AN AMOUNT NOT TO EXCEED \$591,350.00 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; SECONDED BY MAYOR LEECH; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

- E. Consideration of Award of Construction Contract for City Park Regional Detention, City of Show Low Project No. FM-1323 (Shane Hemesath)

Mr. Hemesath said that on November 7, 2023, the City Council approved Resolution No. R2023-21 accepting \$140,000.00 from the Navajo County Flood Control District to help construct a regional detention basin at City Park. The City of Show Low hired an engineering consultant to design the facility, and Navajo County agreed to provide up to \$140,000.00 for the construction costs. The scope of the work included excavating approximately 70,000 cubic feet of material to establish the regional detention basin, installing outlet structure and piping, a new pedestrian bridge for the walking path, water and sewer service relocation, and seeding. The work would take place in City Park in Show Low, Arizona.

Mr. Hemesath said Ironside Engineering and Development designed the project with a construction estimate of \$140,000.00. The project was publicly bid according to statutory requirements with the following results:

<u>Contractor</u>	<u>Total Bid</u>
BW Construction	\$172,094.60
Navapache Construction LLC	\$182,045.29
Western Grade, LLC	\$227,008.90
HT4	\$243,850.00
Perkins Cinders Inc.	\$266,824.30
Show Low Construction	\$276,748.52

Mr. Hemesath said due to rising construction costs, the excess funding to construct the project would come from the City Park Streets and Trails line item in the current budget. This line item was intended for use for improvements within

City Park.

Mr. Hemesath said staff recommended awarding the construction contract for the City Park Regional Detention Project, City of Show Low Project No. FM-1323, to BW Construction LLC in an amount not to exceed \$172,094.60.

Mayor Leech thanked Navajo County for providing funds to help the City build the detention area to help manage and mitigate the water runoff into the neighborhood below City Park. He asked Mr. Hemesath to explain how the detention area would work. Mr. Hemesath explained that the detention facility would have a depression area of four to five feet. It was designed to fill up when a rain event happened but was not designed to be a pond or lake. Water that the detention facility captured would slowly be released through smaller pipes so the downstream channels and piping could handle the reduced flow, preventing a big gush of water. The detention area would have soft slopes and be seeded when the construction was completed.

Councilman Allsop thanked staff for going outside the box to come up with a solution for the neighborhood below City Park.

VICE MAYOR KAKAVAS MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE CITY PARK REGIONAL DETENTION PROJECT, CITY OF SHOW LOW PROJECT NO. FM-1323, TO BW CONSTRUCTION LLC IN AN AMOUNT NOT TO EXCEED \$172,094.60; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

- F. Consideration of Award of Construction Contract for City Campus Training Building Windows, City of Show Low Project No. FM-3524 (Bill Kopp)

Mr. Kopp said in September 2023, the Arizona Department of Environmental Quality provided funding in the amount of \$94,494.80 to remediate lead and asbestos from the City Campus Training Building. Lead and asbestos were detected in the window paint and glazing during the initial investigation. All the windows and frames had to be removed, and the replacement of all the windows was required.

Mr. Kopp said the work included furnishing all labor, material, equipment, transportation, and services to replace window glass. Work included, but was not limited to, preparation, window installation and glazing, and cleanup to complete the installation of 64 42-inch by 72-inch windows.

Mr. Kopp said in October 2023, staff advertised the bid to replace the windows. No bids were received. In December 2023, staff re-bid the project. Two bids were received. The specified windows were not available, so an alternative product was bid. The results were:

Contractor

Total Bid

LD&B, LLC	\$126,565.12
American Commercial Contracting, Inc	\$142,400.00

Mr. Kopp said staff recommended awarding the construction contract for the City Campus Training Building Windows, City of Show Low project FM-3524, to LD&B, LLC, in an amount not to exceed \$126,565.12.

Vice Mayor Kakavas asked Mr. Kopp to provide further details as to the purpose of the City Campus Training Building. Mr. Kopp said in the past, the building was used for physical training for police and included some classrooms. The Recreation Department used it most recently. They were currently working in borrowed space, but once the building was back together, the Recreation Department would move back into that building. He said the building just to the east was being considered for the business incubator and commercial kitchen.

Vice Mayor Kakavas asked if the Police Department would still use that space for training. Mr. Kopp said the police used the City workout gym for physical training and used other facilities for classroom training.

VICE MAYOR KAKAVAS MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR THE CITY CAMPUS TRAINING BUILDING WINDOWS, CITY OF SHOW LOW PROJECT FM-3524 TO LD&B, LLC IN AN AMOUNT NOT TO EXCEED \$126,565.12; SECONDED BY COUNCILMAN JUDD; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

- G. Consideration of Award of Contract for Sanitation Collection Services in the City of Show Low (Justin Johnson)

Mr. Johnson said the current contract for sanitation collection services with Waste Management expired on June 30, 2024. City staff advertised a Request for Proposals and held a mandatory pre-bid conference on November 29, 2023, with four potential bidders in attendance. On December 20, 2023, at 2:00 p.m., bid packages were due at City Hall. Three qualified proposals were received, with the following bid results:

Contractor	Wagon Wheel	Waste Management	Blue Hills
Bid Bond (Y or N)	Y	Y	Y
	Base Bid - Weekly Refuse/Weekly Recycling	Base Bid - Weekly Refuse/Weekly Recycling	Base Bid - Weekly Refuse/Weekly Recycling
	6 Excess Pickups	6 Excess Pickups	6 Excess Pickups

Rate (PRPM)	\$24.25	\$20.87	\$27.50
Add'l Can Rate (PRPM)	\$9.00	\$13.25	\$13.75

Mr. Johnson said the current contract rate was \$18.27 for one regular and one recycle can. The current rate for each additional can was \$8.02.

Mr. Johnson said staff verified the dollar amounts and contacted listed references. Based on this information, staff recommended awarding the contract for sanitation services to Waste Management of Arizona, Inc. for the base bid amount of \$20.87 per month. The base bid included weekly pickup of solid waste and recycling and six excess pickups annually on agreed upon dates.

COUNCILMAN JUDD MOVED TO AWARD THE SANITATION COLLECTION CONTRACT TO WASTE MANAGEMENT OF ARIZONA, INC., WITH A BASE BID OF \$20.87, WHICH INCLUDES WEEKLY PICKUP OF BOTH SOLID WASTE AND RECYCLING AS WELL AS SIX EXCESS PICKUPS ANNUALLY ON AGREED UPON DATES, FOR AN INITIAL PERIOD OF FIVE YEARS WITH AN OPTION OF UP TO THREE, TWO-YEAR RENEWALS, AND AUTHORIZE THE MAYOR TO SIGN THE CONTRACT AND SUPPORTING DOCUMENTATION; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

9. SUMMARY OF CURRENT EVENTS:

A. Council Members

Councilman Adams thanked the staff for their hard work and all the long hours they put in to clear the snow so the citizens could drive on the roads.

Vice Mayor Kakavas wished everyone a happy new year.

Councilman Allsop said Show Low Main Street was preparing for the farmer's market, which would start again in May. They also reviewed their past events and looked into what could be improved for 2024.

B. Mayor

Mayor Leech welcomed everyone back and said he looked forward to a great 2024.

C. City Manager

Mr. Brown said staff started the process to prepare the City's fiscal year 2025 budget and would be holding a town hall budget meeting specifically for citizen input on January 18 in Council Chambers. All budget meetings were open to the public. A list of meeting dates could be found on the City's website,

showlowaz.gov.

Mr. Brown said the Turn of the Card Community Center would celebrate spring with a free Groundhog Day Breakfast on February 2 at the Community Center. Everyone was invited to attend.

Mr. Brown said the candidate packets for anyone interested in running for a seat on the City Council were available. The necessary paperwork must be filed between March 9 and April 8. The Primary Election would be held on August 6.

Mr. Brown said that in public works projects, the City's contractor would begin working on the City Park waterline replacement project in the upcoming weeks, pending weather. Construction began this week on the East Cooley sidewalk improvements by Chase Bank. The water main was installed for the Fools Hollow Waterline Replacement Phase 1 Project, and the contractor would begin installing all the services. On Well 17 in Show Low Bluff, the contractor installed the waterline, and it passed all the testing. The contractor could start building the well. He thanked the citizens for their patience as improvements were made around the City.

10. **SCHEDULE OF MEETINGS:**

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

Mr. Brown said the Budget Town Hall for citizen input would be held in Council Chambers this Thursday, January 18, at 6:00 p.m.

COUNCILMAN ADAMS MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS A.P. NOS 210-58-009, 210-16062E, AND 210-16-062F; SECONDED BY MAYOR LEECH PASSED 6 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCILMAN ADAMS, COUNCILMAN ALLSOP, COUNCILMAN CLARK, COUNCILMAN JUDD VOTING IN FAVOR.

The Show Low City Council recessed into Executive Session at 8:10 p.m.

11. **EXECUTIVE SESSION:**

A. Confidentiality Statement.

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body or with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property pursuant to A.R.S. Sections 38-431.03(A)(3) and 38-431.03(A)(7).

(1) A.P. No. 210-58-009

(2) A.P. Nos. 210-16-062E and 210-16-062F

12. **POST EXECUTIVE SESSION:**

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

The Show Low City Council reconvened to Open Session at 8:29 p.m.

13. **ADJOURNMENT:**

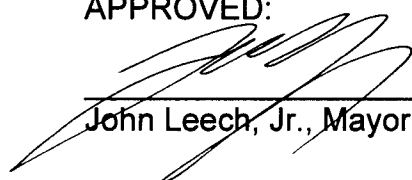
There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF JANUARY 16, 2024, AT 8:29 P.M.**

ATTEST:



Rachael Hall, City Clerk

APPROVED:

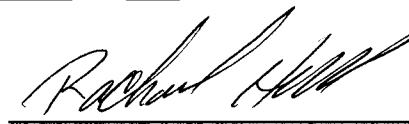


John Leech, Jr., Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the City Council of Show Low held on January 16, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 6th day of February, 2024.



Rachael Hall, City Clerk

Attachment "A" to the January 16, 2024, City Council Regular Meeting Minutes

STATE OF THE CITY

January 16, 2024

Our City's economic outlook continues to trend positively, as shown by the continued growth in sales tax revenues year over year. Project activity and construction activity remains strong with the City in 2023 issuing 100 single-family residential permits and 399 total permits. The total valuation of all permits for 2023 was \$36,309,509.50 (thirty-six million, three hundred and nine thousand, five hundred and nine dollars and fifty cents)

Notable commercial projects include Planet Fitness, Twisted Sugar, Papa Murphy's, reconstruction of the Burger King restaurant, Buffalo Nickel Brewery on the Buffalo Bill's restaurant site, AZ Max Oral Surgeons office, Bagel Box Café, expansions of Persnikkity's Café, Sutton Weed & Pest Control, Hercules Industries location and newly constructed industrial buildings on Lumberman's Loop and Commerce Drive in the Airport Commerce Center and over 50 new small business start-ups in Show Low and the opening of Northland Pioneer College.

After some construction delays, the highly anticipated Marriot brand Fairfield Inn and Townplace Suites has opened and is awaiting the additional opening of a new Italian restaurant coming to the ground floor of the hotel.

We continue to take steps to develop a convention, events, and sports facility in Show Low. We are setting money aside, passed a bed tax with the money going to the project, secured a site at Show Low Bluff for the project and are investigating options and potential partners.

The City of Show Low continues to be a strong presence in the tourism industry. In partnership with the Show Low Chamber of Commerce, the Show Low Tourist Information Center continues to see annual increases in visitor traffic.

In 2023, City staff was thrilled to have developed our new tourism website, www.visitshowlow.com. Visit Show Low is helping the City increase its travel exposure.

We are working on several new initiatives to improve Show Low's economic vitality, including a business incubator and commercial kitchen to nurture local entrepreneurs and cultivate new business start-ups. The City Council is taking deliberate action to research and address current workforce and housing issues. We are currently working on a formal policy that incentivizes the development of housing for our workforce. As always, we will collaborate with our neighboring communities to provide value-added services to our region.

Our longstanding policy of being fiscally conservative and saving money for the future allows us to complete important projects every year. 2023 was no exception.

This year, we were able to complete another Citywide Pavement Improvement Project in the Park Plaza subdivision. The extension of East Owens between South Central Avenue and 2nd Street is complete. This completes a connection on Owens from the Deuce of

Clubs to White Mountain Road. The replacement of the bridge structure downtown at the intersection of East Hall and North 11th Street was completed. Sidewalk connectivity continued throughout the City along East Owens and West Cooley.

The Arizona Department of Transportation has completed Improvements to US-60 and SR-260 within our City limits.

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

The City has been working with our consultant and ADOT to finalize the design for the reconstruction of Woolford Road between Whipple and SR-260.

The City was awarded \$2.4 million from the State of Arizona's SMART Grant Program to complete the Scott Ranch Roadway extension design from Show Low Lake Road to Penrod, including the bridge structure over Show Low Creek.

In WASTEWATER With bond funding, multiple wastewater replacement projects accelerated into construction this year. The sewer infrastructure in West McNeil and connecting streets between 4th Avenue and 8th Street was replaced. The Subdivisions of Nikolaus, McNeil Acres, and the area along South 11th Street also completed wastewater replacement work, allowing for the needed roadway improvements to move forward last summer, which have now been completed. Wastewater capacity improvements near SR-260 and East Stock are currently underway. Upcoming wastewater projects include improvement to capacity improvement projects along East Savage and North 6th Street near the wastewater treatment facility.

In WATER projects, the construction of an additional 1-million-gallon water storage tank at the Tank 8 site is complete and online. The City acquired a well from Show Low Bluff in a lot exchange. The waterline connecting this new well to the tank 13 system is completed. This new well will provide an additional 350,000 gallons per day. Work is underway in the Fools Hollow Subdivision to replace undersized mains and add hydrants. The City is also working to optimize water production from the existing wells within the water distribution system. The City's Water Master Plan has completed all its initiatives and goals, featuring a new hydraulic system to ensure water needs are met for the next 20 years. Upcoming 2024 projects include waterline replacement and fire hydrant installation in the City Park, updated water system modeling, and improvements to the 300k storage site.

The Council and staff are committed to using your taxpayer dollars wisely. Our policy and efforts ensure we have the necessary funds to meet your needs and withstand economic downturns. We also save money to pay for at least a portion of larger projects in future years. Our department directors facilitate that vision by carefully analyzing every program to ensure efficiency.

The City has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for 19 consecutive years. Additionally, for the past three years, the City has been awarded the GFOA's Triple Crown, which recognizes governments that have received the Certificate of Achievement for Excellence in Financial Reporting, the Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award.

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

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

Our employees are dedicated to providing a variety of events, sports leagues, kids' and family-friendly events, library and aquatic center activities, holiday celebrations, and music in our parks.

To celebrate our May 1953 incorporation, we held our annual party along with the BBQ Throwdown. The popular competition drew master BBQ Pitmasters from across the United States. On May 4, 2024, we will host the BBQ Throwdown again, as we bring back the popular "people's choice" and help judge the masters' take on the best BBQ.

Our annual Fourth of July parade and FreedomFest drew spectators and participants from across the state to enjoy patriotic activities, live music, and a spectacular fireworks show. Our signature Show Low Shines for the Holidays illuminated our City with sparkling Christmas lights and holiday spirit. We are proud to provide a full year of spirited activities for our citizens and visitors.

To expand amenities and attractions, we built and opened our new Inclusive Playground and Splash Pad to the Frontier Field Park. The joy of creating an environment for all children to play together is one that the Council and staff are proud to have completed. The playground and splashpad are now both functional and open to the public.

Council and City of Show Low Staff are working to plan and develop other parks and recreation amenities in Show Low. Timmothy McKay Park, between Central and Old Linden Road, will be the first new public park developed. The first phase of development will take place in 2024.

Additionally, Show Low Public Library continues to provide opportunities for all with programming for their needs.

The City received grant funding to construct eight additional pickleball courts at City Campus. This project is under construction and is scheduled for completion in spring 2024. The City also has funds to construct a restroom at the pickleball complex.

In the pursuit of preserving our City's history, the historic Reidhead home continues to receive necessary repairs on its journey to preservation. The foundation has undergone extensive repairs. Also, using grant funds, we have contracted with a historic building architect to perform a comprehensive building assessment. The assessment report also provides recommended restoration projects.

This year's Parks improvement projects included Americans with Disabilities (ADA) renovations to restrooms at the City Campus Gym, Senior and Ponderosa Fields. A new ADA-accessible restroom was constructed near the Old Pavilion at City Park, and an ADA family restroom and changing room at the aquatic center. These projects were grant-funded.

The City partnered with the Arizona Game and Fish Department to construct an ADA-accessible ramp from the parking lot at Show Low Lake to the fishing and boat docks. The City received a partnering award from AZGFD for our efforts on this project.

The regional stormwater detention project has been bid and will be awarded soon. This project will detain runoff from City Park and other upstream properties to help mitigate the flooding of downstream properties.

Other facilities maintenance projects included the replacement of the City Hall building roof and the award of the construction contract for the wastewater treatment plant headworks building replacement.

The construction of the City Entry Signs began in the fall of 2023. This project will be completed in 2024.

AIRPORT - The City has hired a consulting firm to prepare a Focused Planning Study for the future crosswind runway. This study is in the early stages, and the work includes an important public outreach component. The first public involvement meeting was held at the airport in November. Additional open-house events will be held in early 2024.

The City has partnered with a developer to construct infrastructure to accommodate ten hangar buildings. The infrastructure installation is scheduled for completion in the spring.

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

In observance of the Martin Luther King, Jr. Day of Service, the City has sponsored an annual service day since 2009; we invite you to join us this year on April 27 for our community service project.

In addition, we supported the 12th annual Community Fast of Compassion, helping our community raise more than \$49,000 for individuals and families in need during the holidays. We sincerely thank everyone who donated their time, money, and efforts.

We attribute much of our success to our steadfast employees and volunteers who deliver their best in serving our community.

Volunteerism, community involvement, holiday celebrations, and much more are the cornerstones of the spirit of the City of Show Low.

POLICE - This last year, we completed the Navajo County Law Enforcement Memorial. This memorial, recognizing all fallen law enforcement officers in Navajo County, is in the heart of Show Low by City Hall.

We have worked with our state and regional partners on improving public safety communications. This has included implementing a regional communications channel, transitioning to FirstNet, and adding redundant communication pathways. Additionally, the new Regional Communications Center is almost complete and will be operational within a couple of months.

We added two additional School Resource Officers to promote safety and security for our students, teachers, staff, and parents.

The development of partnerships with federal, state, local, and private agencies has been pursued to help fund and improve services. This has included grants from DEMA, AZ State Parks, Navajo County, the 100 Club, and other organizations. Through these partnerships, law enforcement is developing regional investigations, SWAT, communications, analytics, and information sharing.

An effort has been made this year to leverage technology to improve communications with the public and to improve transparency. This goal has been furthered with an automatic text messaging system that keeps victims and reporting parties informed of their case's status and progress within the criminal justice system.

FIRE DISTRICT – Our longstanding partnership with Timber Mesa Fire and Medical District is one that supports community involvement and safety. The Timber Mesa Fire and Medical District is grateful to serve the residents and visitors of Show Low and surrounding communities. We pride ourselves on being a strong community partner, proactive in fire prevention activities, and being prepared for the growing demand of emergency response.