

MINUTES OF THE RETREAT OF THE SHOW LOW CITY COUNCIL HELD ON WEDNESDAY, OCTOBER 23, 2024, AT 9:00 AM IN THE DARRIN REED COMMUNITY ROOM, 411 EAST DEUCE OF CLUBS, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

Mayor Leech called the meeting to order at 8:54 a.m.

2. Roll Call.

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

COUNCIL MEMBERS ABSENT: None.

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; Brad Provost, Police Chief; Greg Westover, Police Commander; Jeff McNeil, Police Commander; Grace Payne, Communications Manager; Steve North, Economic Development Director; Shannon Adams, Grants, Coordinator; John Wilhelm, Building Official; Kathy Clements, Assistant City Clerk; and Rachael Hall, City Clerk.

GUESTS: None.

3. Invocation.

Councilman Judd gave the invocation.

4. Pledge of Allegiance.

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

5. **REVIEW/UPDATE OF STATUS OF 2023 RETREAT ITEMS:**

- A. Presentation by M. Brown

Mr. Brown provided an update on the assignments and suggestions directed by the City Council at the 2023 City Council retreat. He briefly reviewed each of the following items:

1. Updated City staff picture, completed.
2. Gate on Penrod Road for inclement weather; continued efforts. Public Works fabricated the gates, and then the Town of Pinetop-Lakeside changed its mind and no longer supported them. The ice detection equipment was ordered in February but had not yet been delivered. Staff would continue to work on obtaining the product. This equipment would send a signal that there was ice on the road.

Mayor Leech asked if the City would still shut down the Show Low side of the road. Mr. Brown said if the City needed to close Penrod, staff would inform Pinetop-Lakeside that the road was closed in Show Low.

3. The City website was updated with City projects and current issues or hot topics; work was ongoing. Staff created an FAQ section on the City's website, and two hot topics included getting another grocery store and cell phone towers.
4. Public Works building remodel update was in process. Staff was working on the plans with the architect.
5. Updated police record fees were completed. The City Council adopted the Resolution approving the new fees in January 2024.
6. Walmart bus stop, remediation of vandalism. The new benches were installed, and the screens were being replaced. The City had a really good relationship with Walmart, and the problems in the area decreased.
7. Short Term Rentals, updating City Code was completed. The City Council adopted the Ordinance in March 2024.

Mr. Tregaskes said the City contracted with a company that identified over 300 short-term rentals within the City. The first round of letters were sent out, and 160 owners have registered. Another 40 started the registration process but were having issues with their Transaction Privilege Tax documents.

Mr. Tregaskes said the website was ready to go live so people could register and pay for the permit online.

8. Affordable housing, looking for options for City-owned or finding developers, continued efforts. The City Council adopted the Resolution in February 2024 for incentives for workforce housing development. In August, the City received a grant for a housing study and approved a contract to conduct a housing study. The City put out a survey on social media, and it received over 500 responses. The study should be completed in spring 2025. Several developers had taken advantage of the program, and the City was still getting inquiries.
9. Sports/Events Center ongoing efforts. Staff engaged an architect in September 2023 to explore alternative dome concept design. The conceptual design was revealed to the committee, including City Council members and stakeholders, in September 2024 to solicit feedback. Staff met with the architect in October regarding potential changes to the conceptual design. The conceptual design was revised and would be presented to the committee and then to the City Council in an upcoming study session.
10. Business Incubator/Commercial Kitchen Project, ongoing efforts. The feasibility study was completed in March 2024, with a result of a conditional go, further exploration was needed. The City was awarded a \$275,000.00 Planning Grant from the Economic Development

Administration in September 2024 to develop a business plan, economic impact report, preliminary architecture, and structural and environmental assessments of the proposed building at the City Campus site. The expected completion date was June 2025.

11. Woody's Property Parking Lot, continued efforts. Staff completed the design and were waiting for the remediation project to begin. The consultant submitted their work plan to the Environmental Protection Agency (EPA) in August. The Department of Environmental Quality did not approve the remediation method recommended by Terracon Consultants and approved by the City. An effective alternative method was subsequently identified through a revised Analysis Brownfield Cleanup Alternatives report submitted to the EPA for approval. The City plans to pave the area and monitor the groundwater. The EPA had until October 31 to approve the revised remediation plan or provide feedback for its denial.
12. The house on Woody's property, possible partnership/ boutique, coffee shop, and museum - crews completed the demolition on the back of the house. Staff would pursue potential historic preservation grants.
13. Historical Markers: locate specific places to install historical markers, continued efforts. One historical marker was placed at the north end of the Show Low Meadow Trail. During the next phase another identical marker would be placed on the trail's south end. Staff was working on one for Show Low Lake.
14. The City website was updated to show historical marker information and QR codes. Staff was working with local historians to curate audio files that would play when the QR codes were scanned. Staff expect this first one to be completed within a few weeks.

Ms. Payne said staff was working to ensure the historical information was accurate. She said her staff had the ability to create the audio files and embed them in the QR code.

15. Bench policy update with new fees was completed. The City Council adopted the Memorial Bench Donation Program in February 2024.
16. ShowMobile Policy update was completed. The City Council adopted the ShowMobile rental policy in February 2024.
17. McKay Park, move up Phase IV, VFW Ramada at a later phase, and add a water feature, continued efforts. All phases were combined into a single project. Staff submitted a grant application for funding to State Parks. The Arizona State Parks Board approved the grant application for Timothy McKay Memorial Park. It was submitted to the National Parks Service (NPS) for review. The NPS compliance team would consult the tribes on the project and look at all National Environmental Policy Act and Section 106 documents. The Arizona State Parks would request City funding from NPS in December, and the award notice should come in February/March of 2025. The approval to begin construction was expected in late Spring.

18. Pickleball lights were completed. Representatives from the State Parks Board attended the ribbon cutting, and they told staff that they loved working with Show Low because projects got done.

Mr. Kopp said the City crews installed the lights for the new pickleball courts and saved the City money.

6. CITY COUNCIL GOALS AND STRATEGIC PLAN:

A. Presentation by J. Johnson

Mr. Johnson said some of the Council members were around when the goals of the City Council were established around 2010.

Mr. Johnson said the City Council did a great job putting the goals and the plan together, and the staff successfully incorporated them into the budget. He said he would like to discuss the next steps at the end of his presentation. This would include possibly working with a third party to create a strategic plan, involve people in the community, and review and update the goals and mission statement.

Mr. Johnson reviewed the four major Council-identified priorities:

- 1) Infrastructure, preserving existing assets
- 2) Economic development
- 3) Organization
- 4) Quality of life

Mr. Johnson said the priority of infrastructure and preserving existing assets included:

- Appearance and Image, such as the City's new entrance signs, improved streets, added sidewalks, and improved trails.
- Protect investments, by having a developed five-year plan, repairing and maintaining the City's infrastructure (roads, water, and wastewater), and maintaining City facilities.
- Established reserves by consistently maintaining a conservative approach to the City budget and watching expenses closely, keeping a minimum of \$1,000,000.00 in reserves established by the City Council and adopted by the voters. The City kept \$3,000,000.00 in reserves. Setting aside funds annually to save for future projects such as the Event Center - \$13,600,000.00, water treatment plant - \$2,500,000.00, and relocation of the Show Low Museum - \$450,000.00.

Mr. Johnson said Economic Development consisted of:

- Community partnerships, which promoted economic and community development through collaborative efforts with government and non-government organizations.

- Retail and commercial expansion through continuous outreach to attract and retain businesses.
- Recreation as an Economic Development Tool: the Economic Development Plan for fiscal years 2024 to 2028 was developed earlier this year.

Mr. Johnson said Organization was split into:

- Developed Plans, including the General Plan update, Capital Improvements Plan, Water and Wastewater Master Plans, and Housing.
- City Employees, providing competitive compensation packages.
- Emergency preparedness plans such as the Hazard Mitigation Plan and Ready Navajo County.

Mr. Johnson said Quality of Life included:

- Providing enhanced amenities such as parks, trails, Alternative Essential Air Service, a business incubator, and pickleball courts.
- Opportunities for youth at the City library, recreation leagues, and student government day.
- Community outreach through the Citizens Academy and service opportunities.
- Engaging with citizens through social media apps, email blasts, YouTube, and Cleargov.

Mr. Johnson said the next step would involve developing a strategic plan, taking a deeper dive to expand goals, reviewing the City's mission, and finding ways to provide transparency and utilize artificial intelligence.

Mayor Leech asked the Council members if they had any input.

Councilman Adams said the Show Low Historical Museum building was in really bad shape and at the point that the City needed to think about putting some money into it.

Mayor Leech said this building was like the pool, the City needed to put in enough money to keep using it until the new museum could be built.

7. **BUDGET UPDATE AND ECONOMIC TRENDS:**

A. Presentation by J. Johnson

Mr. Johnson said the inflation numbers were looking good. The annual inflation rate in the US slowed for a sixth consecutive month, the lowest since February 2021. Inflation was trending down. He said the forecast for Show Low was less fear about a recession, and if there were to be a recession, it would be a soft landing, more of a slowdown, not a full-blown recession.

Mr. Johnson said the story for the U.S. economy remained positive. Consumer spending grew stronger than expected and was forecasted to rise 2.4 percent

in 2024, slightly more than the 2.2 percent increase recorded last year. Business investment was predicted to rise 4.2 percent.

Mr. Johnson said the Arizona economy was performing stronger than the national economy. It was solid through the first half of 2024. Job growth was strong, contributing to a record-low unemployment rate and a surge in the ratio of open jobs to unemployed residents. Income growth remained solid, with over-the-year growth outpacing decelerating inflation. Arizona would continue to outpace the national economy, although demographic trends pointed to slower gains in both the short- and long-run. U.S. recession risks remained an important consideration. The outlook for Arizona, Phoenix, and Tucson was positive, with the baseline forecast calling for continued solid gains in jobs, residents, and income.

Mr. Johnson said sales tax collections were down a little in September, but year to date, the City was about \$250,000.00 ahead of last year. He said there were strong numbers locally, some of that was due to increased pricing and inflation. Pricing was coming down on some items, not to normal levels, but better than a year ago. The City was still seeing high prices come in on projects that were bid out.

Mr. Johnson said the City was financially able to complete all budgeting activities. He said there were improved reserves and fund balances in FY2024, and staff would maintain a conservative budgeting process.

8. **DISCUSSION ITEMS:**

A. Manufactured Homes Age Restrictions (J. Tregaskes)

Mr. Tregaskes said the City Code Section 18.05.050(A) stated, "Mobile/manufactured homes proposed for installation shall have affixed thereto a decal certifying that the dwelling unit has been inspected and constructed in accordance with the requirements of the U.S. Department of Housing and Urban Development (HUD) in effect at the date of manufacture wherein such date shall not have been prior to June 15, 1976, or such other succeeding requirements which replace HUD standards." That means any manufactured home constructed after June 15, 1976, was eligible to be placed in the City of Show Low.

Mr. Tregaskes shared a graph of manufactured home placement age by jurisdiction. Snowflake required that no home be older than seven years; Holbrook and Pinetop-Lakeside did not allow homes older than ten years; Apache County did not allow homes older than 15 years, and Navajo County's age limit was 20 years. Show Low could become the dumping ground for old, manufactured homes.

Mr. Tregaskes said that in order to be consistent with the jurisdictions around the area, staff recommended that a policy be instituted using a ten-year rolling date for new manufactured home installations. The City would still

allow "park to park" relocations of manufactured homes within the City, provided they met Housing and Urban Development standards. However, staff found that most parks were more restrictive than the City.

Mr. Tregaskes asked if the Council members were okay with the City implementing a ten-year rolling date for manufactured homes.

Councilman Adams said some ten-year-old manufactured homes were in pretty rough shape. Mr. Tregaskes said ten years would make the City consistent with Pinetop-Lakeside and Holbrook.

Councilman Whipple asked if the City had any data on how many older manufactured homes were coming into the City. Mr. Tregaskes said last year, nine or ten manufactured home permits were issued; all but one were brand new or one or two years old, and the oldest one was from 1991.

Councilman Adams said he would like to see a policy that was less than ten years, maybe even one that allowed nothing older than five years.

Councilman Judd said he was concerned about reducing the age too much and making housing less available for residents.

Vice Mayor Kakavas said she would like to implement a change to Show Low's current Manufactured Housing Policy.

Mayor Leech said he thought the ten-year limitation was a comfortable number. He asked if most of the older manufactured homes were rentals. Building Official Mr. Wilhelm said he thought at least half of them were rentals.

Mr. Tregaskes said the staff would need to amend the City's building code and bring the modification to the City Council with the ten-year rolling date and the provision that "park to park" relocations of existing manufactured homes within the City would still be allowed.

Councilman Whipple asked if a manufactured home was 30 or 40 years old, the City would allow it to be moved from park to park within the City. Mr. Tregaskes said yes if the park accepts it. It would be up to the park to agree to take the manufactured home.

Vice Mayor Kakavas asked if the City could restrict the moving of older manufactured homes from park to park. Mr. Tregaskes said the City probably could. However, the City did not want to restrict the park-to-park movement because many people owned these older homes; it was their only housing option. If they had to move from one park to another, they could still utilize the home they owned.

Mr. Brown said an example of this was Ryan Ellsworth's property. The City was asking him to move the manufactured homes and build apartments, and the City wanted to allow these homes to be relocated within the City.

B. Permitting of Manufactured Homes (J. Tregaskes)

Mr. Tregaskes said the City had worked under an Inspection Services Agreement (ISA) with the State Office of Manufactured Housing. The most recent agreement expired. This agreement was put in place in 1998. A resolution was implemented in 2009 to allow for automatic renewals. Staff felt it was time to revisit the agreement.

Mr. Tregaskes said the agreement required the City to follow state standards, which often get modified and changed without much communication. For example, the Office of Manufactured Housing audited the City a few years ago. The City currently charged \$250.00 for a permit; at that time, the Office of Manufactured Housing gave the City a hard time about that fee because Show Low was one of the most expensive in the State.

Mr. Tregaskes said the City recently learned that the State had changed its fee structure, and there was no longer a range but a required fee of \$650.00 per permit. He said the City was also required to pay for eight hours of mandated training, which costs \$270.00 per inspector. The City had four inspectors that were required to attend this training.

Mr. Tregaskes said the City was mandated to report each permit issued and each inspection performed utilizing the state website. The website often did not work. Inspections were also entered into the City's system, resulting in a double entry of inspection results.

Mr. Tregaskes said the City was required to charge the exact fees charged by the State, and the State changed fees without providing notice to the City. The same applied to state standards.

Mr. Tregaskes said the City was required to perform inspections to state standards. The State changed standards with no notice to the City. City staff were expected to review the state website for any changes.

Mr. Tregaskes said the City issued 11 permits for manufactured homes between July 2023 and the end of June 2024. Six were installed by AZ Express Services, two by Williams MH Service, Boomer Construction installed two, and Baldwin MH Service installed the remaining home.

Mr. Tregaskes shared a chart of the jurisdictions with agreements with the Office of Manufactured Housing. The local jurisdictions with an agreement included Apache County, Eagar, St. Johns, Winslow, Show Low, and Navajo

County. The local jurisdictions without an agreement included Snowflake, Taylor, Pinetop-Lakeside, and Holbrook.

Mr. Tregaskes said the City could renew the existing ISA with the State. The ISA required eight hours of training for each inspector at \$270.00 each, and the City would be required to increase its permit fees from \$250.00 to \$650.00 per home. The City would continue to issue permits and perform inspections on behalf of the State. The City would still have issues with mandatory reporting, code updates, and fee changes.

Mr. Tregaskes said another option would be not to renew the ISA. The State would issue permits and perform inspections, not the City. Permits would need to be obtained in Phoenix. This would potentially impact installers and homeowners.

Mr. Tregaskes said the option staff would like the City Council to consider would be to contract with Navajo County for permitting and installation of manufactured homes, which was similar to what Pinetop-Lakeside, Snowflake, and Holbrook did. The County would collect fees and perform inspections. Installers and homeowners would work with the County rather than the City or State. The County had an office in Show Low.

Mr. Tregaskes said while the City would be out of the permit and inspection process for the installation of manufactured homes, the City would still require a second permit for zoning compliance and setbacks.

Mayor Leech asked if the fee charged would still be \$650.00. Mr. Tregaskes said the County would charge \$650.00 for the permit fee. Staff spoke with the County about contracting with them, and they were excited about the prospect of conducting the City's inspections. When they found out the City did 11 last year, they informed staff that they did that many permits in a month. He said having the County conduct the permitting and inspections would allow for more consistency.

Vice Mayor Kakavas asked if there were any concerns regarding the quality of the County's inspection services. Mr. Wilhelm said he spoke to a Navajo County Building Official about this issue and was told the City staff could help train County staff to conduct the inspection according to the City's required standards. Also, the City would still be responsible for site inspections of utilities and setback requirements.

Mayor Leech said it made sense to contract with Navajo County to conduct the Manufactured Home Inspections for the City of Show Low.

C. Unsanitary Conditions of Buildings (J. Tregaskes)

Mr. Tregaskes shared a series of photos from the inside of homes with extremely unsanitary and unsafe conditions. These homes were inside

Show Low City limits. City staff gained access due to a warrant or a call from the homeowner.

Mayor Leech asked if people were living in the homes shown. Mr. Tregaskes said no to one home and yes to the other home.

Mr. Tregaskes said the City had provisions in the City Code to deal with the conditions outside the home but nothing to do with the inside. He said staff would like to move forward with updating the City Code so that if a home had unhealthy or unsafe conditions on the interior, the City could direct the occupants that they could no longer occupy that home until the unhealthy and/or unsafe items were fixed.

Mr. Tregaskes shared a list of unsafe/unhealthy items that would be incorporated into the City Code such as visible sewer leaks or standing effluent, garbage, nonfunctioning heating and cooling systems, fireplaces near flammable materials, no running water and/or non-functioning water heater, no electricity, non-functioning toilet facilities, obstructed ingress/egress and exiting paths, visible buildup of fecal or other waste matter, decomposing animals, unsafe electrical system, visible mold, accumulation of trash, paper, boxes, lumber, scrap metal, food, or other materials that support rodent harborage, and drug manufacturing.

Mr. Tregaskes said there were provisions in state statutes regarding the conditions of rental properties. If staff were to move forward with updating the City Code, staff would adopt language similar to that in the rental property state statute.

Vice Mayor Kakavas asked how the City would know about these issues. Mr. Tregaskes said most of these conditions were discovered due to police action.

Chief Provost said most of the houses in this condition were related to people with hoarding and mental health issues. He said the City needed some mechanism to get these properties cleaned up as it affected not just the resident but neighbors and kids if they lived in the house.

Mayor Leech asked what other jurisdictions were doing. Mr. Tregaskes said staff had researched other communities around the state. He said Apache Junction implemented a policy that stated if an occupant lived in an unhealthy or unsafe building based on specific criteria and with due process, the occupant could be told they could no longer live in that home until it was cleaned up.

Mayor Leech asked what gave the City the right to enter someone's home. Mr. Tregaskes said entry into a home had to come from a request for service or police action, such as a warrant. The City staff could not just enter a home.

Ms. Atencio said someone could consent for City staff to go inside their home, or the City could obtain an administrative search warrant specifically to address health and safety issues. She said the City needed to make sure staff accessed the homes lawfully.

Mayor Leech asked staff to bring something to the City Council.

D. Update on Workforce Housing (J. Tregaskes and S. North)

Mr. North said the City Council adopted the workforce housing incentives in February. The City was awarded a \$100,000.00 grant from the Arizona Department of Housing for a Housing Study. Matrix Design Group was commissioned to perform a Housing Needs Assessment and Action Plan, which should be completed in early 2025.

Mr. North said a citizens survey had been out for over a month and would be available through November. The survey was designed to assess what citizens thought the issues were regarding affordable housing. So far, the City received over 500 responses.

Vice Mayor Kakavas asked how people could respond to the survey. Mr. North said it was on the City website and various social media outlets. He said the Matrix Design Group would be in Show Low on November 14 to conduct citizen workshops to get additional feedback on Show Low's housing situation.

Mr. North said staff was seeing an increased interest in workforce housing from the development community.

Mr. Tregaskes said one workforce housing project was under construction on Cooley, which was comprised of two buildings with four units each. They would build another three buildings with four units each. There was also a project on Central Avenue with five houses; two were currently under construction.

Mr. Tregaskes said the City had several developers looking into the Workforce Housing Incentive program; one was Elk Ridge Apartment, and one was a new developer. These developers said the incentives were why they were interested in building housing.

Mr. Tregaskes said two houses that would be built on Central would not utilize the workforce housing incentives as they already had water and sewer on the property. However, the incentives were the reason the developers approached the City.

Mayor Leech asked if anyone had approached the City about the property listed on Old Linden Road near the high school. Mr. Tregaskes said several people had approached the City about that property with various ideas. One

was a charter school, but no one had approached the City regarding apartments, as that would require a zone change.

E. Artificial Intelligence (M. Brown, J. Brimhall, S. North, and J. Tregaskes)

Mr. Brown said Artificial Intelligence (AI) and its uses in government services was a hot topic at recent conferences. AI was the wave of the future and needed to be embraced.

Mr. Brown said that at one AI session he attended, the presenter demonstrated how quickly it could be used to draft a policy. One county downloaded all their council meeting minutes, staff summaries, codes, and policies to utilize AI to draft staff summaries. Staff summaries were now being drafted in ten minutes with citations and footnotes referencing all the times the county had dealt with that issue. He said another use he learned about was technology where police officers could download their body camera video, and AI would draft the police reports. People still needed to review the documents and check for accuracy, but it allowed people to spend more time engaging in their jobs instead of writing policies or reports.

Mr. Brown said the City was using Placer AI. The Community Services, Economic Development, and Planning and Zoning departments used this software. Each of these departments would talk about how their department was utilizing this software.

Mr. Brimhall pulled up the Placer AI webpage and provided a demonstration of how the Community Services Department used the software to measure event attendance, see where those event attendees came from, what their socio-economic status was, and where they went after an event.

Mr. Brimhall said Placer AI pulled anonymized data from cell phones in a specified area at a specific time to get the demographics of people attending events. Staff would be able to measure event attendance year over year.

Councilman Judd asked if staff could see how many people came into Show Low and if they were just passing through or stopping. Mr. Brimhall said yes, the software allowed staff to see where people were coming from, where they were going, and how long they stayed.

Mr. Tregaskes said Planning and Zoning used the information gathered by Placer AI for pre-application meetings or for businesses that staff was trying to encourage to improve their appearance. Staff could show businesses where they ranked in Arizona and nationally in customer traffic and sales based on the information provided by Place AI.

Mr. North said he used the information gathered from Placer AI when meeting with retailers to show them why Show Low was a great option for their business. He could compare Show Low retail data to other cities in

Arizona. He shared slides comparing retail stores and restaurants in Payson and Show Low, demonstrating how Show Low was outpacing many counterparts in Payson.

Councilman Judd asked if this software could help the City get other stores in Show Low, such as another grocery store, Target, or Costco. Mr. Tregaskes said the companies that locate sites for stores and businesses had access to this same data. Placer AI was a nationally recognized standard. So, when staff approached these companies with this data, it was a checked box in the City's favor.

Mr. Johnson said Target or Costco would not come to Show Low as the City's demographics did not fit their corporate business model.

Vice Mayor Kakavas asked if staff could match the Placer AI data with available properties. Mr. North said staff knew which properties were available for big box stores and that they were listed on the City's website and various other websites. Data from Placer AI could be matched to those addresses.

Mr. North said one of the challenges the City had to deal with was that many corporate retailers develop expansion plans years in advance, and the City of Show Low may not fit within that plan.

Mr. Brimhall said he and Ms. Payne had attended various trainings with Placer AI and had just touched on the tip of the iceberg with the software's capabilities. This software was a very valuable tool for the future.

F. City Electronic Sign (G. Payne)

Ms. Payne said the City's electronic sign was currently inoperable. The signal to update the sign was tied to the Chamber of Commerce's wi-fi, and it would take a few hours to update. This was the closest location that the City could partner with for a wi-fi signal.

Ms. Payne said the signal receivers were broken and excessively costly to repair, and if repaired, they would fail again due to the age and condition of the sign.

Councilman Adams asked how old the sign was. Mr. Brimhall said it was more than ten years old.

Ms. Payne said the sign could not be moved and shared photos displaying the rust and damage to the sign. It would fall apart if moved.

Ms. Payne said staff was looking for direction from the Council members on what they would like to do for the City's electronic sign. Staff was exploring grant and partnership funding opportunities, perhaps with Northern Pioneer

College. Staff was researching other more visually appealing and opportunistic placement sites.

Ms. Payne said staff could seek quotes for the cost of a new system. There were many other more modern choices for electronic signs.

Mr. Brown said the sign's location was not very good, and staff, with the City Council's permission, would like to remove the sign and find another location.

Councilman Clark asked if the City really needed the sign with the proliferation of cell phones. In 2006, the sign had a purpose but now no longer served a purpose. Putting another electronic sign somewhere else would be a waste of money.

Mayor Leech agreed with Councilman Clark.

Mr. Brimhall said the movable electronic signs that the public works crews moved around met the needs for events and fire season.

Ms. Payne said she would put in the work order to have the sign removed.

G. Review of Citizens Academy (J. Brimhall and G. Payne)

Mr. Brimhall said the City had just finished its first Citizen's Academy. Nine people signed up, and seven participated. The Citizen's Academy was an opportunity for staff to interact with the public in a small group setting, show off what the City did, create some advocates on social media, develop a pool for future board and commission members, and find community volunteers.

Mr. Brimhall shared a photo of the recent graduating class. He said there was a lot of active participation, questions, and crosstalk among the participants.

Mr. Brown said he thought the questions received were very good, and the participants were very interested in the community and seemed very surprised by what the City did on a day-to-day basis. He said the staff hoped to hold the Citizen's Academy once or twice a year.

Councilman Adams asked if there was any social media coverage of the Citizens Academy. Ms. Payne said there was no social media coverage while the academy was in session. Photos were taken and would be put into a package to promote next year's academy.

H. Smoking in City Parks (J. Brimhall)

Mr. Brimhall said smoking in City parks had been discussed with the Council members in the past and had ended in a stalemate. He said staff wanted to

bring it up one more time and see if the City Council had any direction for staff.

Mr. Brimhall said there was no City Code that prevented smoking in Show Low parks. City Park was a concern as there was a lot of stuff on the ground that could burn.

Mr. Brimhall shared a chart of the cities and towns in Arizona that allowed smoking in parks and those that did not. He highlighted the jurisdictions close to Show Low; only Payson allowed smoking in parks.

Mr. Brimhall said Snowflake adopted a no-smoking ordinance in parks in 1997, Pinetop-Lakeside adopted one in 2017, and Taylor adopted theirs in 2018. He shared the Pinetop-Lakeside Ordinance, which was an outright ban on smoking in town-owned parks.

Mr. Brimhall asked for direction from the Council members on how to proceed regarding smoking in City-owned parks.

Mayor Leech said he did not like smoking in parks but thought Frontier Park would need an exception because of all the different events hosted there. However, it would have to be an all-or-nothing ban.

Councilman Whipple asked how difficult it would be to enforce a smoking ban in City parks. Chief Provost said most of it would involve education and posting the change. They already enforced no-smoking when fire restrictions were in place.

Mayor Leech asked the Council members for their thoughts. Councilman Whipple and Councilman Adams liked the idea of having a no-smoking policy in City parks.

Councilman Whipple said that since e-cigarettes were not a fire hazard would the community like to see a hybrid ban instead of a total ban. Mr. Brimhall said staff looked at what the communities around Show Low were doing to keep continuity.

Councilman Judd said he was on the fence about implementing a no-smoking policy.

Mayor Leech asked Mr. Brimhall to put a policy together and bring it to the City Council. Councilman Clark agreed with Mayor Leech.

Ms. Atencio asked if the Council had any thoughts about implementing smoking areas in parks.

Mayor Leech and Councilman Adams did not like the idea of a designated smoking area in City parks.

Mr. Brimhall asked if the City Council would like staff to bring a draft of an ordinance to a study session. Mayor Leech said staff should present the ordinance at a regular City Council meeting.

I. Business Incubator Update (S. North)

Mr. North said the purpose of the business incubator project was to nurture entrepreneurs and encourage new business startups. The feasibility study was completed in March 2024 with the results of a conditional go. So, staff was moving forward with further exploration.

Mr. North said the project was named the White Mountains Innovation Station, the URLs were purchased, a Facebook page was set up, and the name was trademarked. The City was awarded a \$275,000.00 Economic Development Administration (EDA) Planning Grant in September 2024.

Mr. North said this grant enabled the City to move forward with phase two of the project, which included developing a business plan, designing preliminary architecture for the commercial kitchen and remaining business space, working on the structural and environmental assessments, and completing an economic impact study. The expected completion date of these items was July 2025.

Mr. North shared a slide of the proposed business incubator site.

Mayor Leech asked if the site would comply with the City's parking code. Mr. North said he did not know right now. That would be figured out during this investigation phase. Mr. Kopp said the requirements were in the City's planning and zoning code, and parking spaces would be determined based on total square footage and uses.

Councilman Judd asked what the timeframe was for completing this project. Mr. North said the planning phase should be completed by July 2025.

Councilman Judd asked if the commercial kitchen would be operational by next summer. Mr. North said no, it would not.

Mr. Brown said what was being presented today was the planning and development phase. Staff hoped that since the EDA provided funds for planning, they would also provide funds for construction.

Mr. North said once the planning phase was completed, staff would apply for the EDA Construction Grant in August 2025.

Councilman Judd said he was very interested in the project because of the commercial kitchen and the opportunity to bring food trucks back to the area since they would now have a place to prepare food.

Councilman Adams said he appreciated the hard work staff put into this project.

Mayor Leech said he appreciated that staff was moving forward in phases to ensure the correct steps were taken.

J. Public Works Project Update (B. Kopp)

Mr. Kopp said there were 70 planned projects for the City. In addition to those planned projects, there would be another 20 to 25 unplanned projects. The projects were tracked on a quarterly schedule.

Mr. Kopp said there were almost 25 projects scheduled for the first quarter, July through September 2024, and almost all were complete.

- The Aquatics Parking was designed and would start after the emergency patching was done in Sierra Pines.
- Williams Field Artificial Turf project, crews resodded and regraded the infield and rebuilt the irrigation.
- The landscaping at Mills Parking was under contract and should be completed this Fall.
- The Pickleball Lighting was completed.
- The Reidhead House staff received the final review set of plans from the architect for the "critical elements" in the building assessment. Staff was reviewing the plans and would move forward with the bidding process in the next few weeks.
- City Park Detention was constructed because of the flooding issues downstream in the City Park. This project would help abate most of the flooding in the park. There were some issues with the grass, staff had the contractor come back and reseed the area.

Vice Mayor Kakavas asked if the City had resolved the issues with flooding that came down behind the Hart's property. Mr. Kopp said it would help, but people had to be diligent about keeping their ditches clean. Crews had done a lot of ditch work in the park, so the water was draining much more efficiently. An unforeseen consequence was that the water no longer flowed overland but straight into the ditches, which may impact the people downstream. So, the City would hold back the east side and let the west side flow through.

- The cemetery's new expansion area was sodded. Staff also completed a design for another loop road.

Mayor Leech asked if the City owned the property north of the cemetery. Mr. Kopp said no, but staff had contacted the property owners regarding purchasing the property, but they were not interested in selling at this time.

- The Old Linden Road Deuce of Clubs to Central project was almost completed.
- The 11th Street to Cooley improvements design was completed and would go out to bid this winter. This project was part of a Highway User Revenue Fund Exchange. The Intergovernmental Agreement was in place with the Arizona Department of Transportation (ADOT), with the City administering the project instead of ADOT. The project covered the east side of 11th to Cooley, past Monica's Café to Huning.
- East 33rd Circle was a small cul-de-sac project completed by City staff.
- The Woolford Road project started three weeks ago. The contractor did not follow the plan to protect the base and tore it up. So, ADOT and the contractor devised a plan to use a cement-treated base so the project could be completed. The contractor was paving today from Central to 8th; the next week, the contractor would be paving from 8th to the movie theater.

Mr. Johnson asked if the cement-treated base required less pavement to build a better base. Mr. Kopp said yes, the asphalt went from eight inches to five inches, which would offset some of the costs of the cement-treated base.

Mayor Leech said he would like to have ADOT post some signs keeping the semis off Woolford Road, and he would talk with them about it tomorrow.

- The Pioneer waterline replacement project was complete.
- Show Low Bluff Well Improvements: Well 17 was re-installed, the pipeline installed, and the City was waiting for final acceptance from the Arizona Department of Environmental Quality.

Councilman Adams asked how many wells the City had. Mr. Kopp said the City had 17 wells.

- The 12-inch HDPE Pipe for Show Low Lake was completed. The 30-inch concrete pipe from Show Low Lake to an irrigation ditch near Camp Grace was leaking. To fix that pipe, the City ran a smaller pipe through the existing concrete one. The City spent money on this project to protect Show Low Lake water rights. The City must show beneficial use or risked losing those rights. This repair allowed the Irrigation District to use the water to offset some of their water use at Rainbow Lake. Also, this pipeline would pump water for the future water treatment plant, which would be located near Wagon Wheel.

Vice Mayor Kakavas asked if the City had water rights to Rainbow Lake. Mr. Brown said no, just Show Low Lake.

- The Manhole Replacement project was complete.

- Phase one of the Savage Sewer Replacement project was under construction. This project was funded by Congressional Directed Spending and administered by the Environmental Protection Agency.
- The Headworks building pre-construction was completed.
- The chlorine actuator assembly was done.
- The Kuster unit screw was ordered.
- The aquatic center landscaping ADOT permit was applied for so the City could install landscaping in the right of way.
- City Park Street Lights: staff needed to determine where to install additional lighting.

Mayor Leech said he thought lights should be installed at the end of the park near the tennis courts.

- Ice Detectors were ordered in February 2024, and staff was still waiting for the equipment to be received. Staff may need to look into other options.
- Show Low Lake irrigation valves would be a big project that would take place in mid-November. Three valves at the outlet were installed as part of the original construction in 1953. Two valves were broken, so they could not be opened or closed. The crews were afraid the third valve would break soon. A contract for divers to fix these valves would be presented at the next City Council meeting on November 5. The City was working with the Irrigation District on a cost-sharing agreement, which would also be presented to the City Council.
- Fools Hollow AC Replacement phase two was being designed.

Mr. Kopp shared a slide of the recreation building floor plan showing the location of storage, classrooms, staff offices, a breakroom, and restrooms. The current restrooms were not ADA-compliant and would need a lot of upgrades. He said staff had received a building analysis from the architect. There would need to be some structural changes, and the insulation did not meet the code and would need to be redone. A new roof and windows were already installed.

Mr. Kopp shared slides of the newly completed pickleball courts.

Councilman Adams said how impressed the State Parks personnel who attended the ribbon cutting were with the pickleball courts and thanked staff for their work on the project.

Mr. Kopp said a lot of the design work was done in-house.

Mr. Kopp said the City was approached by the Union Sportsmen's Alliance to build a ramada like the ones at Fools Hollow, at the Show Low Lake group campground. This group camps at Show Low Lake every year but then would go to Fools Hollow to hold their event because there was no ramada.

Mr. Kopp said Mr. Brimhall got the ramada plans from the Forest Service, and the architect was now working on a proposal to bring those plans up to City Code. The Union Sportsman Alliance would provide all the supplies and labor to build the ramada.

Mr. Kopp said the City was opening bids on the Show Low Lake group campground restrooms today. The City just completed the project that brought power, water, and sewer to the site.

Mr. Kopp said staff was excited about the new Public Works building. A design-build contractor was working on the building plans, and the City engineering staff worked on the site plan. He presented a slide of the site plan and said they would be adding an outdoor area for events.

Mayor Leech asked if the outdoor area would be covered. Mr. Kopp said that a covered area was not planned for this year.

Mr. Kopp shared slides of the building's floor plan and elevations.

K. Certified Local Government Historic Preservation (S. Adams)

Ms. Adams said a Certified Local Government (CLG) partners with the State Historic Preservation Office (SHPO) and the federal government to focus on historic preservation. The CLG program was federally mandated as part of an amendment to the National Historic Preservation Act of 1966. It was administered by the National Park Service to help preserve, protect, and increase awareness of a community's unique cultural heritage and help save irreplaceable historic resources.

Ms. Adams said that to become a CLG, the City would need to create a commission to oversee the historic designation and create a local ordinance explaining the historic preservation standards. This was often done through historic zoning, such as designating the City's downtown area or specific buildings.

Ms. Adams said the CLG process needed to provide for public input, and the commission had to have at least five members with a demonstrated interest, competency, or knowledge of historic preservation. This commission would set the ordinances related to historic preservation.

Ms. Adams said the benefits of becoming a CLG were that there was more funding available to CLGs. States received funding from the National Park Service every year. Ten percent of that funding went to CLGs, making more funding available to the City for historic preservation projects.

Ms. Adams said the City would have access to technical assistance from the SHPO department. SHPO staff assist with building assessments, surveys

and nominations, and general preservation assistance. State staff and NPS also offered regular training for CLGs.

Ms. Adams said another benefit was sustainability. When a community was a CLG and took an active role in preservation, property values went up, and there was a stronger economic component and more pride in the community.

Ms. Adams asked the Council members if they wanted to make Show Low a CLG.

Mayor Leech asked if the City had enough historic property to invest in to become a CLG and if the City wanted the oversight the program required. Ms. Adams said the City would set the regulations. The State had no input on the City's historic preservation regulations. However, the City would need to be open to public input and have a commission.

Councilman Adams said the program would give Show Low access to more money to restore more buildings.

Mr. Brown said CLG funds could be applied to the Reidhead House.

Councilman Adams said funds could be requested for the old TCMI building.

Mr. Johnson asked if the City could still apply for grant money without being designated a CLG. Ms. Adams said yes, the City could still apply, but the funds were limited. The City received the funds for the Reidhead House from the last round of funding from the Heritage Fund. The State had not funded that fund again. Since CLG funds came from the NPS, the State had to allocate ten percent of those funds to CLGs.

Councilman Adams wanted to know if the commission was similar to the Parks and Recreation Committee. Ms. Adams said it was closer to the Planning and Zoning Commission. There would be more regulations and restrictions in place. If a building were to be designated historic, more zoning and permitting would be required. This would ensure the City was preserving historic properties.

Mayor Leech was concerned about the red tape associated with becoming a CLG.

Ms. Adams said that the CLG designation allowed citizens who owned historic homes to be eligible to access grant money to restore their homes. If historic homes were falling into disrepair, the City could help them apply for grant funds to fix the property. There were no other grants for historic properties.

Mayor Leech asked what made a property historic. Ms. Adams said any building that was 50 years or older.

Ms. Adams said that staff had mixed feelings about the CLG designation and whether it would be worth the money the City could get.

Mayor Leech asked if there was any way to know how many homes in Show Low were 50 years or older. Ms. Adams said a survey was conducted in the 1990s, and she could pull the numbers from that survey and provide them to the Council members. She said that as part of the CLG process, a new survey would need to be conducted, and funds from the program would be applied to the new survey.

Vice Mayor Kakavas asked if businesses could qualify for the grant funds. Ms. Adams said that businesses in the downtown area could qualify.

Mayor Leech asked if the City Council decided to move forward with becoming a CGL could they later change their minds. Ms. Adams said the City would not be locked in, but the City would be asked to make a commitment to the program that the City was dedicated to maintaining its heritage.

Vice Mayor Kakavas said she liked the program from the perspective of the downtown corridor.

Ms. Adams said that if this program was something the Council members wanted to consider, she could provide them with sample ordinances.

Councilman Clark said he was not interested in pursuing the CGL designation. There was too much government oversight. The City of Show Low had done a good job on its own. Councilman Hatch agreed.

Mayor Leech said he would like to pursue the next steps to see where the program could go. Councilman Adams agreed.

Ms. Adams said she would ask SHPO to make a presentation to the City Council in a future study session.

L. Downtown Public Parking Restrictions (M. Brown and A. Atencio)

Ms. Atencio said she wanted to talk about the options for downtown parking. UPS was the catalyst for investigating parking restrictions. They were parking on the roads, hitching and unhitching their trucks in the middle of the road, and parking extending out on the road. Since the No Parking signs went up around their facility, UPS employees have started parking in the downtown parking area, which should be used for general use. Also, other people were using City parking for long-term parking for the vehicles, trailers, and dumpsters. She said a lot of the downtown City parking was being used in ways the City might want to curtail since parking was a limited resource.

Ms. Atencio said the City already had a parking ordinance, 9.15.030 Designation of Individual Parking Places. This ordinance was pretty broad: vehicles could not take up more than one space, and commercial vehicles must be conducting commercial business to park in the area.

Ms. Atencio shared a map of the downtown commercial zone. She said some concerns were shared about parking near the pickleball courts. This area was outside the downtown commercial zone, but people used it for long-term residential and overnight parking.

Ms. Atencio said the City had code 9.15.060, which allowed for the creation of parking restrictions. She asked the City Council if the City needed parking restrictions, wanted parking restrictions, and what were some options.

Mayor Leech said he talked to some people in the downtown area about implementing parking limits. The people he spoke with were in favor of parking limitations. Also, when the City opened up the Woody's area for parking, that would be another area people would use for long-term parking.

Councilman Clark said he would like to see some limits put in place, such as four-hour parking.

Mr. Kopp asked if the parking restrictions would be for the whole downtown district or just certain areas, as many City Hall employees parked on the public street.

Mayor Leech asked if the City could designate parking restrictions in certain areas instead of designating the entire downtown area. He would like to put up signs only where they were needed. Mr. Brown said City staff would look into that.

Councilman Clark said the City could designate employee parking along Hall for its employees.

Mr. Brown said the parking issues were not just caused by UPS; other people were taking up public parking spaces for personal use.

M. Emergency Preparedness (M. Brown)

Mr. Brown said that at a recently attended conference, one topic was about the role of City Council and City Manager in an emergency. Officials from Sarasota, Florida, put on this presentation.

Mr. Brown said they spoke about the National Incident Management System (NIMS). In Show Low, all new police officers and public works personnel take the NIMS basic 100-level course as part of their training. People who took the NIMS training could stay in the area and provide emergency services in

the event of an evacuation. He said he thought certain staff and all Council members should take the class.

Mr. Brown said the City had several emergency action plans, and staff constantly updated those. The City had an excellent relationship with Navajo County. He said the City did many things right regarding emergency preparedness, such as participating in the Fire Restrictions Group. That was very unique to this area.

Mr. Brown said the City had the technology to support major communications and crisis communications with the public. He said Ms. Payne, the City's Communications Manager, was a DFFM/FEMA Certified Advanced Public Information Officer and was working on her Master's accreditation.

Chief Provost said the relationships that the City had and the working groups in the surrounding communities were vital. During the last fire season, the National Weather Service used this area for weather modeling because this area was one of only a few groups in the nation that worked so closely together. While the group focused on fire, that knowledge translated to other emergencies.

Chief Provost said one of the biggest advantages of the Fire Restrictions Group was having a tribal member involved. That helped with communication.

Mr. Brown said one of the main issues in an emergency was getting water, wastewater, and electricity back up and running. Staff was focused on keeping the water running in the event of an emergency. The City had backup generators at certain wells, which were grant-funded.

Mr. Brown said that regarding wastewater and collections, the City had 29 lift stations with backup generators at the two largest lift stations, Fools Hollow and Bagnol, which were also grant-funded. The Wastewater Treatment Plant also had a backup generator, and the City had applied for funding for four additional generators. He said the small lift stations could be pumped down during an outage using the four City-owned vacuor trucks.

Mr. Brown said the public safety and communications buildings and the airport had backup power. City Hall would be getting a backup generator in 2025. He said the public works operations building and police evidence building needed backup power.

Mr. Brown said that all of these generators run on diesel fuel. The City's current fueling vendor did not have backup power, and there was a good chance that the supply chain would be disrupted in the event of an emergency. He said staff was researching alternatives to have backup fuel on hand, such as installing a City-owned fueling station where a two-week fuel supply could be kept.

Councilman Adams asked if the City should do more with social media to educate the community about being prepared for an emergency. Mr. Brown said Navajo County had Ready Set Go, and perhaps the City could do more to promote it on social media. The County also had a 311 program, which provided emergency alerts to Navajo County.

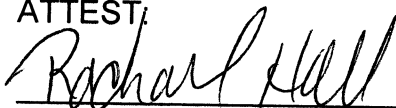
Chief Provost said that in preparation for a major pandemic, Show Low Airport was a major distribution center for vaccinations.

Mr. Kopp said the City participated in developing the multi-jurisdictional Hazard Mitigation Plan. Once the Federal Emergency Management Administration approved the plan, all the participants could apply for emergency funds to build some of the projects listed in the plan.

9. **ADJOURNMENT:**

There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE RETREAT OF THE SHOW LOW CITY COUNCIL OF OCTOBER 23, 2024, AT 1:21 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 Retreat of the City Council of Show Low held on October 23, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 19th day of November, 2024.



Rachael Hall, City Clerk

