

**MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL
HELD ON TUESDAY, JANUARY 21, 2025, AT 7:00 PM IN THE CITY COUNCIL
CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY,
ARIZONA**

1. Call to Order.

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

2. Roll Call.

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

COUNCIL MEMBERS ABSENT: None.

STAFF MEMBERS PRESENT: F. Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Brad Provost, Police Chief; Greg Westover, Police Commander; Bill Kopp, Public Works Director; Justen Tregaskes, Planning and Zoning Director; Rick Austin, Operations Manager; Jacob Allen, Airport Manager; Lisa Robertson, Grants and Transit Manager; Shannon Adams, Grants Coordinator; Grace Payne, Communications Manager; Myles Erdmann, Senior Media Specialist; and Rachael Hall, City Clerk.

GUESTS: Curt Fernau and Toni Gibbons.

3. Invocation.

Councilman Whipple gave the invocation.

4. Pledge of Allegiance.

Vice Mayor Kakavas led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

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

None.

6. **SPECIAL EVENTS:**

A. Presentation of "State of the City Address"

The State of the City video was shown at this time. Mayor Leech thanked Ms. Payne and the Show Low TV staff for their outstanding efforts.

7. **CONSENT CALENDAR:**

A. Consideration of Acceptance of Replacement of Show Low Lake Intake Valves, City of Show Low Project No. FM-3325 (Rick Austin)

B. Consideration of Approval of Aero Products Component Services Inc. Sublease Agreement with Navajo County Sheriff's Office at Show Low Regional Airport (Jacob Allen)

C. Consideration of Approval of Aero Products Component Services Inc. Sublease Agreement with Apache Underground and Excavating, LLC at Show Low Regional Airport (Jacob Allen)

D. Consideration of Resolution No. R2025-02 Approving Submitting Application for 2025 Rebuilding American Infrastructure with Sustainability and Equity Grant Program for Scott Ranch Road Project (Shannon Adams)

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

1. Regular Meeting of January 7, 2025.

VICE MAYOR KAKAVAS MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY COUNCILMAN HATCH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

8. **NEW BUSINESS:**

A. **PUBLIC HEARING** and Consideration of Prioritization of Projects for Community Development Block Grant Funding and Consideration of Resolution No. R2025-03 Authorizing Submitting Application for Community Development Block Grant Funds (Shannon Adams)

Ms. Adams said approximately \$271,163.00 was being offered to the City of Show Low by the Arizona Department of Housing through the Community Development Block Grant (CBDG) program. This program funded projects to assist persons of low-to-moderate income, to prevent or eliminate slums or blight, or to solve an urgent need, or health hazard.

Ms. Adams said the first public hearing on this matter was held on December 5, 2024, to obtain community input on the use of CDBG funds. No public input was received at the public hearing. Tonight's public hearing was to solicit additional public input on possible projects for CDBG funds. Following the hearing, the Council could select the final Community Development Block Grant project to be submitted for application and to adopt an applicable resolution. Staff recommended the sidewalk improvement project on 9th Street between Deuce of Clubs and Frontier Park.

Ms. Adams said should the Council, after hearing public input, accept the staff's recommendation and determine that the City's priority use of the 2025 CDBG funds was the 9th Street sidewalk improvement project, staff would submit a letter of intent to the Northern Arizona Council of Governments (NACOG) by January 30, 2025. The City's letter of intent would be submitted to the Arizona Department of Housing by NACOG.

Mayor Leech opened the matter for a public hearing. There being no input, Mayor Leech closed the public hearing.

VICE MAYOR KAKAVAS MOVED TO APPLY FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING AND APPROVE THE PROPOSED PROJECT AS THE SIDEWALK IMPROVEMENTS ON BOTH SIDES OF 9TH STREET BETWEEN DEUCE OF CLUBS AND FRONTIER PARK, AND FURTHER, MOVED TO ADOPT RESOLUTION NO. R2025-03 AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR FISCAL YEAR 2025 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS, CERTIFYING THAT THE SELECTED PROJECT AIDS IN THE PREVENTION OR ELIMINATION OF SLUM OR BLIGHT WITHIN THE COMMUNITY'S ESTABLISHED DOWNTOWN REDEVELOPMENT AREA AS ADOPTED BY RESOLUTION R2024-35; SECONDED BY COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

B. Consideration of Authorization to Purchase a New Patrol Vehicle
(Brad Provost)

Chief Provost said In November 2024, Show Low Police Department's K9 patrol vehicle was towed to the dealership for repairs. During the tow, the vehicle's frame was damaged which resulted in a total loss of the vehicle. Due to this being a specialty vehicle, it was important the City replaced it as soon as possible.

Chief Provost said City staff contacted Show Low Ford, who was able to locate a 2024 Ford Expedition through their contacts that would be available immediately. The vehicle cost was \$53,276.88 plus \$4,491.24 in taxes for a total of \$57,768.12.

Chief Provost said up-fitting for the new vehicle would cost approximately \$24,547.11 for equipment through MHQ (a state contracted company) and \$1,073.46 for decals through Vinnedge Signworks. The new vehicle, up-fitting, and decals would be paid from Prop 207 funds, and the City would be recouping \$20,385.65 from insurance for the damaged vehicle and he noted the City would be recouping some money back from the equipment inside the vehicle as well but didn't know how much that would be at this moment.

Chief Provost said staff recommended approving the purchase of a 2024 Ford Expedition, up-fitting equipment, and decals for a total amount not to exceed \$83,388.69.

Vice Mayor Kakavas asked if the funds the City would be recouping for the damaged vehicle would be coming from the towing company's insurance. Chief Provost said yes, the funds that the City would be recouping would be coming from the towing company's insurance company.

COUNCILMAN ADAMS MOVED TO AUTHORIZE THE PURCHASE OF A 2024 FORD EXPEDITION FOR AN AMOUNT NOT TO EXCEED \$83,388.69, WHICH INCLUDED ALL REQUIRED UP-FITTING EQUIPMENT AND DECALS; SECONDED BY COUNCILMAN WHIPPLE; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

- C. Consideration of Approval of Inspection Services Agreement with Arizona Department of Housing and Navajo County (Justen Tregaskes)

Mayor Leech said this item would be pulled from the agenda and brought back to the Council at a later date.

- D. Consideration of Resolution No. R2025-04, Declaring a Housing Shortage Emergency Exacerbated by Proliferation of Short-Term Rentals (Morgan Brown)

Mr. Brown said staff was recently contacted by representatives of the City of Sedona requesting that Show Low join with them in adopting a resolution declaring a housing emergency related to the use of residential properties for short-term rentals (STRs). The City of Sedona stated that they are experiencing a housing shortage linked to the proliferation of short-term rentals within their community. This proliferation had led to a reduction in workforce housing and an increase in housing prices. Impacts of this reduction included a reduction in school age children resulting in closure of schools and the potential for the reduction in commercial space, further affecting the workforce. He said the City of Show Low shared similar concerns related to the potential impact of short-term rentals within the City.

Mr. Brown said due to the ongoing increases in STRs, causing a shortage of housing, and that relief needed to come from the Arizona Legislature, Sedona was asking other cities and towns to join them in adopting a model resolution. This Resolution explained the City's legitimate governmental interest in preserving the residential character of neighborhoods to enhance the quality of life for its residents and visitors by minimizing the adverse impacts of STRs through regulation. The Resolution declared a housing emergency and requested the State Legislature and Governor amend state law to allow cities and towns to enact reasonable zoning on the number and locations of STRs and more local control. The Resolution was intended to be a model resolution that other cities/towns/counties in Arizona could adopt, and modify as needed, in order to bring attention to this important component of the housing shortage and housing affordability crises.

Mayor Leech and Councilman Clark talked about the importance of local control over issues such as STRs.

COUNCILMAN CLARK MOVED TO ADOPT RESOLUTION NO. R2025-04 DECLARING A HOUSING SHORTAGE EMERGENCY EXACERBATED BY PROLIFERATION OF SHORT-TERM RENTALS; SECONDED BY MAYOR LEECH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

- E. Consideration of Approval to Select Conceptual Design for Show Low Sports and Events Center Project (Morgan Brown)

Mr. Brown said the concept of a convention and events center had been discussed for several years. In 2017, the City of Show Low decided it was time to take a serious look at the concept and contracted with Hunden & Associates to perform a market and demand analysis. Hunden was contracted again in 2018 to recommend a facility size, establish an opinion of cost, perform financial projections and evaluate potential sites for a convention facility. In 2019, Sports Facilities Advisory (SFA) was contracted to study the feasibility of a facility combining sports courts with a convention and events facility. SFA conducted two additional studies in 2020 and 2022 and recommended a facility that would accommodate six courts to compete regionally for sports tournaments and developed an opinion of cost of \$27 million. SFA further concluded that the facility would be operationally sustainable in year three of operation. Since the conclusion of the SFA studies, the pandemic occurred, and ensuing inflation drove the probable cost of the facility to around \$45 million.

Mr. Brown said architect Rick Crandall from Prescott was approached in 2023 to design a dome concept for the facility as a lower cost alternative to the SFA conceptual design. Mr. Crandall had worked with staff for over a

year to develop unique conceptual designs for both a six-court and an eight-court facility at a projected cost of around \$34 million for each. The main differences between the two designs were that the eight-court model had more playing surface on the ground level to accommodate the two additional courts. However, the six-court model had a higher seating capacity and overall better sight lines for concerts and other like events. Both models included 10,000 square feet of meeting space along with family and fitness areas, playground and patio area and a walking/jogging track on the upper level.

Mr. Brown said the six- and eight-court facility designs were presented and discussed at the December 10, 2024, Council Study Session. Council requested that staff contact SFA to get financial pro-formas performed for both designs to help Council understand how each design will perform financially. Staff spoke with Evan Eleff of SFA who said he needed to see a similar facility prior to conducting a financial analysis. Staff and architect Rick Crandall conducted a search for similar domed facilities to tour and had been unsuccessful. Staff only found much smaller domed sports facilities in Hennessey, Oklahoma (Eagle Event Center) and Central City, Nebraska (Bison Activity Dome).

Mr. Brown said staff recommended moving forward with the conceptual designs as presented and move forward with the design that was the best fit for the community and for the users of the facility. He said in talking about the design and project with the Mayor and others it was important to focus on moving forward with the project and not so much about the design at this point in the process. He said through the design process, the City could figure out what's the best design and some things around to fit the best needs for the community. He said during the design-build process, the selected architect could come meet with the committee, staff, and the Council to get feedback and thoughts about what would work best for this project. He said based on that, staff would recommend a motion to move forward with the project and start the process for the design-build of the center.

Mr. Kopp said tonight was going to help guide staff into the type of procurement that they had to do for this process. He said next step would be to advertise and basically go out to design-build firms and say the City Show Low had a specific budget and was looking for just some general things in a building. He said then staff would shortlist three-to-five finalist firms and ask them to include a proposal with renderings, drawings, some other work product, and some pricing for the building. He said it would still be a qualification-based selection, but the City would have the pricing and then work with the firm on the design-build for the project. He said this was the way the process was laid out in the state statutes.

Councilman Whipple asked how long it would take to get RFQs. Mr. Brown and Mr. Kopp said the process would take at least six weeks to give

adequate time to get quality proposals for the project.

VICE MAYOR KAKAVAS MOVED TO APPROVE SELECTING THE CONCEPTUAL DESIGN AS PRESENTED FOR THE SHOW LOW SPORTS AND EVENTS CENTER PROJECT AND MOVING FORWARD ON THE DESIGN OF THE PROJECT THAT WILL CREATE THE BEST EXPERIENCE FOR THE COMMUNITY AND USERS OF THE FACILITY; SECONDED BY COUNCILMAN ADAMS; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Adams reminded citizens to clean up around their houses to reduce wildfire risks.

Vice Mayor Kakavas said along with Councilman Adams and staff, she attended the Legislative Day in Phoenix last week to meet with state legislators.

B. Mayor

Mayor Leech reminded citizens to report any fire safety hazards.

C. City Manager

Mr. Brown said the City had begun the process to prepare the fiscal year 2026 budget. He said there would be town hall budget meeting specifically for citizen input on January 30, at 6:00 p.m. in Council Chambers. He said all budget meetings were open to the public and a list of meeting dates were on the City's website.

Mr. Brown said the Turn of the Card Community Center would be celebrating spring with a free Groundhog Day Breakfast on January 31st, from 6:00 to 10:00 a.m. at the Community Center located at 301 East McNeil. He said everyone was invited to attend.

Mr. Brown said in public works projects, the City's contractor finished the block work on the Show Low Lake Spillway restroom project and would begin working on the building. The ramada had been staked out at the Show Low Lake Campground and concrete work would begin soon. The contractor was starting concrete work in Torreon and Bison Retreat for the Sunken Manhole Repair project. He thanked citizens for their patience as these important projects were completed.

10. **SCHEDULE OF MEETINGS:**

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

None.

COUNCILMAN CLARK MOVED TO RECESS INTO EXECUTIVE SESSION TO DISCUSS A.P. NO. 210-02-013E; SECONDED BY COUNCILMAN HATCH; PASSED 7 TO 0 WITH MAYOR LEECH, VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, CLARK, HATCH, JUDD, AND WHIPPLE VOTING IN FAVOR.

The Show Low City Council recessed into Executive Session at 7:42 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. 210-02-013E.

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.

1. Consideration of Purchase of A.P. No. 210-02-013E.

The Show Low City Council reconvened to Open Session at 7:54 p.m.

13. **ADJOURNMENT:**

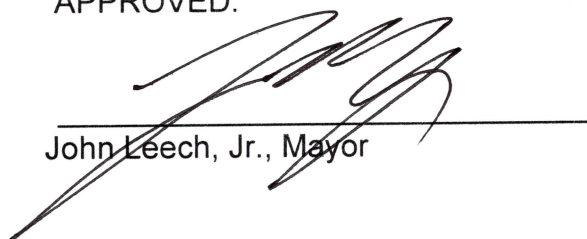
There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF JANUARY 21, 2025, AT 7:54 P.M.**

ATTEST:



Rachael Hall, City Clerk

APPROVED:

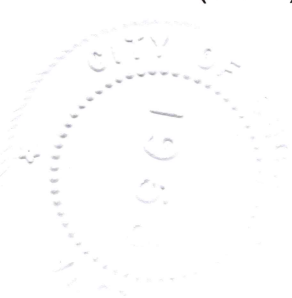

John Leech, Jr., Mayor

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 21, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4th day of February, 2025.

(SEAL)



Rachael Hall, City Clerk