MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, FEBRUARY 4, 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, Councilman Adams, Councilman Clark, Councilman Hatch, Councilman Judd, and Councilman Whipple.

   COUNCIL MEMBERS ABSENT: Vice Mayor Kakavas.

   STAFF MEMBERS PRESENT: F. Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Brad Provost, Police Chief; Justen Tregaskes, Planning and Zoning Director; Cameron Peterson, Community Relations, and Rachael Hall, City Clerk.

   GUESTS: Katie Hansen, Trish Evans, Ron Campbell, Kristi Salskov, Dan Barnes, Dawn and George Hall, Richard and Laura Gurk, Robert and Jan Shamasko, Mark Mulkearns, Gordon Terracina, Toni Gibbons and others.

3. Invocation.

   Councilman Judd gave the invocation.

4. Pledge of Allegiance.

   Councilman Whipple 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.

   Gordon Terracina, 861 North 33rd Avenue, requested the City Council talk to the Forest Service regarding closing the area's forest due to the dry circumstances.

   Curt Fernau, 621 South Mountain Pines Avenue, talked about concerns regarding vehicle emissions and noise within the City. He also asked if military helicopters could find a different flight path than over the Pine Oaks Subdivision.

6. **SPECIAL EVENTS:**

A. Public Safety Awards and Recognition Presentation

Chief Provost said tonight was the Show Low Police Department's biannual awards event, where the City Council recognized the performance of employees and members of the community who have a passion for excellence and promote public safety in the community.

Chief Provost presented the 2024 Community Service Award to the Arizona Rangers Show Low Company: Captain Craig Boston, Lieutenant Keith Johnson, Lieutenant Don Childers, Master Sergeant Randy Mifflin, Sergeant Ken Steinbrecher, Sergeant Steve Buck, Sergeant Ray Brown, Ranger Shauna Halawith, Ranger Kevin Carpenter.

Chief Provost presented the 2024 Community Service Award to Toys for Tots: Amanda and Scott Landrum. Awards of Commendation were presented to DPS Captain Jeffrey Sharp, Detective Rodney Hall, Officer Jamie Clark, Officer Stavros Castillo, Officer Justin Murel, Cassie Maschino, and Precila De La Garza, Pinetop-Lakeside Police Department.

Chief Provost presented the 2024 Volunteer of the Year Award to Beverly Graham, Senior Patrol, and the Award of Outstanding Service to Bob Shamasko, Senior Patrol, for 14 years of service.

Chief Provost presented the 2024 Unit Citation to the Field Training Officers: Sergeant Ashley Ellsworth, Officer Justin Butler, Officer Elijah Toth, Officer Jamie Clark, Officer Clayton Hunt, Officer Stavros Castillo.

Chief Provost presented the 2024 Civilian of the Year Award to Austin Skaggs, the 2024 Supervisor of the Year Award to Sergeant Alan Rogers, the Chief's Award to Detective James Barber, the 2024 Dispatcher of the Year Award to Dezarae Pease, and the 2024 Officer of the Year Award to Officer Toby McIntire.

Several Council members thanked the police department for their service to the community.

B. Presentation of Midyear Financial Report for Fiscal Year Ending June 30, 2025

Mr. Johnson said he would be presenting the Midyear Financial Report for Fiscal Year ending June 30, 2025. A copy of the midyear financial update presentation would be attached to the minutes.

Mayor Leech asked what was included in the "All Other" category on the General Fund Revenues chart and was 485.9 percent, a normal number. Mr. Johnson said the "All Other" category was a combination of miscellaneous items, and the number could be up some years and down in others. This number consisted of interest earnings on investments.

7. **CONSENT CALENDAR:**

A. Consideration of Resolution No. R2025-05 Approving an Intergovernmental Agreement with Navajo County for Election Services (Rachael Hall)

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

1. Study Session Meeting of January 21, 2025

2. Budget Study Session Meeting of January 21, 2025

3. Regular Meeting of January 21, 2025

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

8. **NEW BUSINESS:**

A. Consideration of Resolution No. R2025-06 Approving Inspection Services Agreement with Arizona Department of Housing and Navajo County (Justen Tregaskes)

Councilman Clark declared a conflict of interest with this item due to his employment with Navajo County.

Mr. Tregaskes said the City of Show Low had an agreement with the Arizona Department of Housing related to the permitting and inspection of manufactured homes and factory-built buildings within the city limits. This agreement allowed the City to perform inspections, and issue permits for the placement of manufactured homes and factory-built buildings that were installed within the city limits on behalf of the State. These permits and inspections were subject to state requirements and included such items as mandatory fee schedules, mandatory training at the City's cost, and mandatory reporting requirements. The most recent agreement expired and was up for renewal.

Mr. Tregaskes said, based on the number of permits issued annually for manufactured home placements within the City, it was impractical for the City to continue to offer this service. Staff reached out to representatives of Navajo County to discuss the possibility of entering into an agreement between the City and Navajo County, which would allow the County to issue permits and perform inspections of manufactured homes within the city limits. This would be similar to the service that the County provided to other local jurisdictions and would allow our contractors and property owners to continue to work with a local presence for permitting and inspections. The Department of Housing indicated that they had no objection to this arrangement.

Mr. Tregaskes said staff recommended that the City Council adopt Resolution

No. R2025-06 approving the Inspection Services Agreement between the City and the State and entering into an agreement with Navajo County to issue and inspect manufactured homes and factory-built buildings within the City. The County would assume all responsibilities associated, including training and reporting as mandated by the State.

COUNCILMAN ADAMS MOVED TO ADOPT RESOLUTION NO. R2025-06 APPROVING THE INSPECTION SERVICES AGREEMENT WITH THE ARIZONA DEPARTMENT OF HOUSING AND NAVAJO COUNTY; SECONDED BY COUNCILMAN JUDD; PASSED 5 TO 0 WITH MAYOR LEECH, COUNCILMAN ADAMS, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR, AND COUNCILMAN CLARK ABSTAINING FROM THE VOTE.

B. Consideration of Resolution No. R2025-07 Abandonment of Easement for Assessor Parcel Number 210-14-050A (Justen Tregaskes)

Mr. Tregaskes said City staff was recently approached by the owner of Assessor Parcel Number (A.P.N.) 210-14-050A. This property was directly east of the property acquired by the City as part of the Reidhead home purchase and was currently vacant. The property owner, Roger Hatch, on behalf of Ram Holding, Inc., was requesting to abandon an existing 15-foot-wide access easement, which cut through his property and accesses a portion of the Reidhead home property owned by the City. This easement was created in 1957 and was recorded in Docket 92, Page 45 of Navajo County Records in order to provide "a way of ingress and egress to and from said land". The owner of A.P.N. 210-14-050A requested that this easement be abandoned to better facilitate potential development of his property in the future. A review of this access easement and associated documentation indicated that there was no longer a need for this easement to access the city-owned property to the west.

Mr. Tregaskes said staff recommended that the City Council adopt Resolution No. R2025-07 abandoning an unnecessary access easement on A.P.N. 210-14-050A as described in Docket 92, Page 45, Records of Navajo County.

COUNCILMAN CLARK MOVED TO ABANDON THE EASEMENT ON ASSESSOR PARCEL NUMBER 210-14-050A AS RECORDED IN DOCKET 92, PAGE 45, RECORDS OF NAVAJO COUNTY.; SECONDED BY COUNCILMAN HATCH; PASSED 6 TO 0 WITH MAYOR LEECH, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

C. Consideration of Ordinance No. 2025-01 Authorizing Purchase of Real Property Known as Assessor Parcel Number 210-02-013E from A. Kathryn Tschilar and approval of associated budget transfers (Anna Atencio, Morgan Brown)

Mr. Brown said City staff were mindful of the future land needs of the Show Low cemetery. Recently, the City was approached by the owner and family regarding the City's interest in purchasing property that abuts City cemetery

property. The property was located at 540 East Adams Place, Show Low, Assessor Parcel Number 210-02-013E. The property was approximately 0.43 of an acre and had an older mobile home on the property. The property would be purchased "as is."

Mr. Brown said the location was ideal for the City's future cemetery needs.

Mr. Brown said with the City Council's consent, a price was negotiated with the Seller. The negotiated purchase price was $100,000.00. The anticipated closing costs were approximately $2,000.00.

Mr. Brown said staff recommended adopting Ordinance No. 2025-01 authorizing the purchase of the real property at 540 East Adams Place and approving the associated budget transfers.

BY UNANIMOUS CONSENT, MS. HALL READ ORDINANCE NO. 2025-01 BY TITLE ONLY, AS ALL COUNCIL MEMBERS HAVE A COPY.

COUNCILMAN WHIPPLE MOVED TO ADOPT ORDINANCE NO. 2025-01 AUTHORIZING THE PURCHASE OF REAL PROPERTY KNOWN AS ASSESSOR PARCEL NUMBER 210-02-013E FROM A. KATHRYN TSCHILAR AND APPROVE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH, COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, COUNCILMAN JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

9. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Clark thanked Chief Provost for letting the Council participate in the annual Public Safety Awards and Recognition Presentation. He said he attended open gym for basketball participants and commended the staff for having activities and working on facilities for the youth and community.

B. Mayor

Mayor Leech thanked the public safety spouses for their continued support.

C. City Manager

Mr. Brown said the City was accepting applications from citizens interested in serving on the Show Low Aviation Advisory Committee, Board of Adjustment, Parks and Recreation Advisory Committee and the Planning and Zoning Commission. Applications were available at City Hall or on the City's website at showlowaz.gov. Applications were due by February 25 at 5:00 p.m. to the City Clerk's office.

COUNCILMAN HATCH MOVED TO RECESS INTO EXECUTIVE SESSION

TO DISCUSS A.P. NO. 210-13-060D; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH, AND COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN HATCH, JUDD, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

The Show Low City Council recessed into Executive Session at 8:00 p.m.

10. **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. 210-13-060D.

11. **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 Approval of the Minutes of the Executive Session of the Show Low City Council held on November 19, 2024 and January 21, 2025.

The Show Low City Council reconvened to Open Session at 8:09 p.m.

COUNCILMAN HATCH MOVED TO APPROVE THE MINUTES OF THE EXECUTIVE SESSIONS OF THE SHOW LOW CITY COUNCIL HELD ON NOVEMBER 19, 2024 AND JANUARY 21, 2025; SECONDED BY COUNCILMAN JUDD; PASSED 6 TO 0 WITH MAYOR LEECH, AND COUNCILMAN ADAMS, COUNCILMAN CLARK, COUNCILMAN JUDD, COUNCILMAN HATCH, AND COUNCILMAN WHIPPLE VOTING IN FAVOR.

12. **SCHEDULE OF MEETINGS:**

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

Mr. Brown said there would be a special meeting on March 4, 2025, prior to the regular meeting to conduct interviews for the vacancies on the City's Parks and Recreation Advisory Committee, Aviation Advisory Committee, Planning and Zoning Commission, and Board of Adjustment.

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 FEBRUARY 4, 2025, AT 8:12 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 February 4, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18th day of February, 2025.

(SEAL)

Rachael Hall, City Clerk

CITY OF SHOW LOW

Mid-Year Financial Update FY2025

February 4, 2025

OVERVIEW

- 50% is our benchmark for Revenues & Expenses
- General Fund Revenue and Expenses
- Sales Tax Chart
- Key Revenues and Expenses Compared to Budget
- Debt Service Review

GENERAL FUND REVENUES

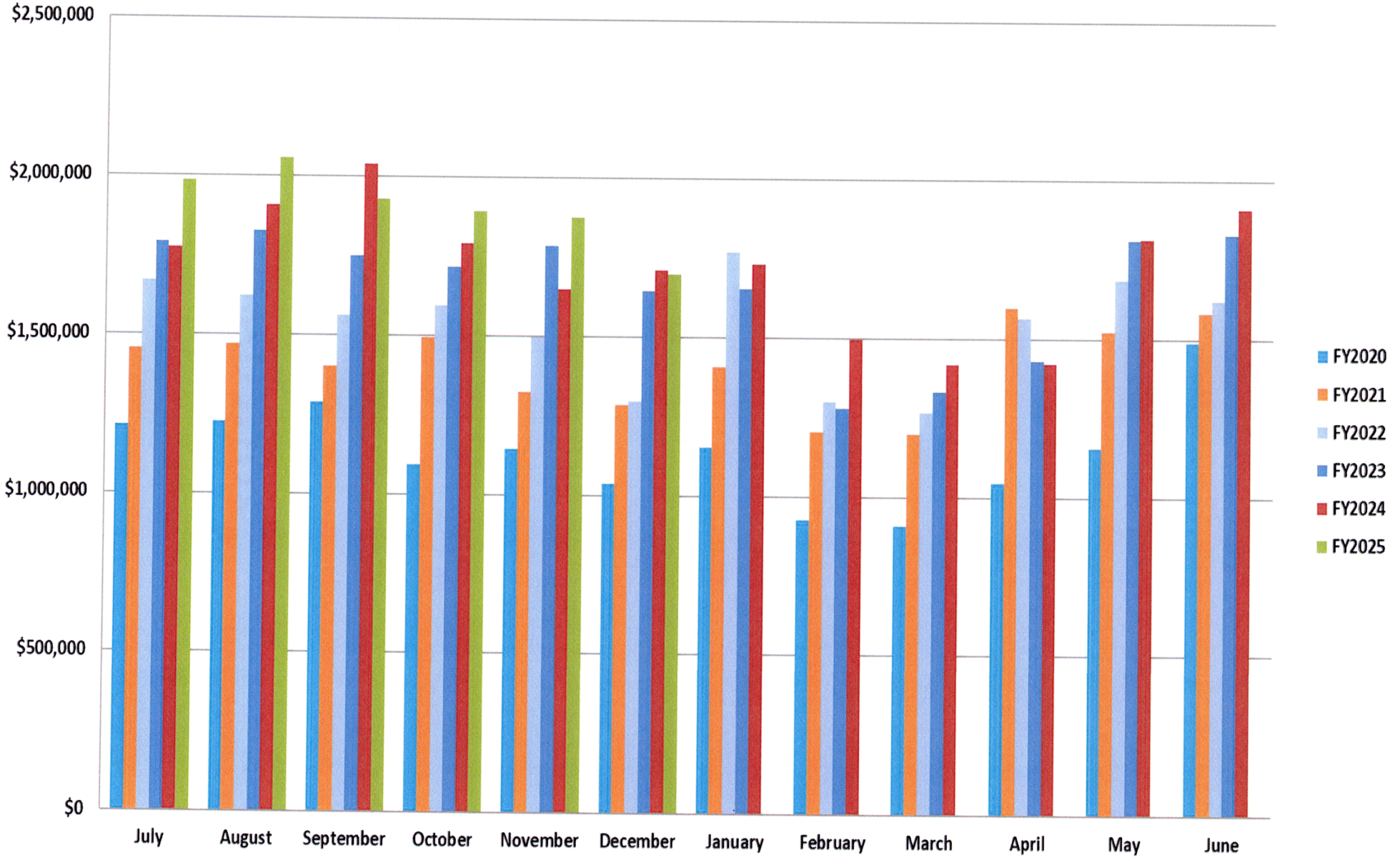
DESCRIPTION	BUDGET	YTD ACTUAL	% COLLECTED
TAXES/FRANCHISE TAXES	15,570,000	9,259,786	59.5%
STATE SHARED REVENUES	5,248,735	2,643,334	50.4%
PERMITS AND FEES	399,100	281,794	70.6%
MAGISTRATE	151,600	99,366	65.5%
POLICE (non-grant)	1,073,619	294,040	27.4%
PARKS & RECREATION	169,000	42,511	25.2%
LIBRARY	5,000	6,269	125.4%
SHOW LOW TV	8,400	7,505	89.3%
GRANTS	654,626	212,145	32.4%
TRANSFERS FROM OTHER FUNDS	460,251	-	0.0%
All other	139,500	677,849	485.9%
TOTALS	**$ 23,879,831**	**$ 13,524,600**	**56.6%**

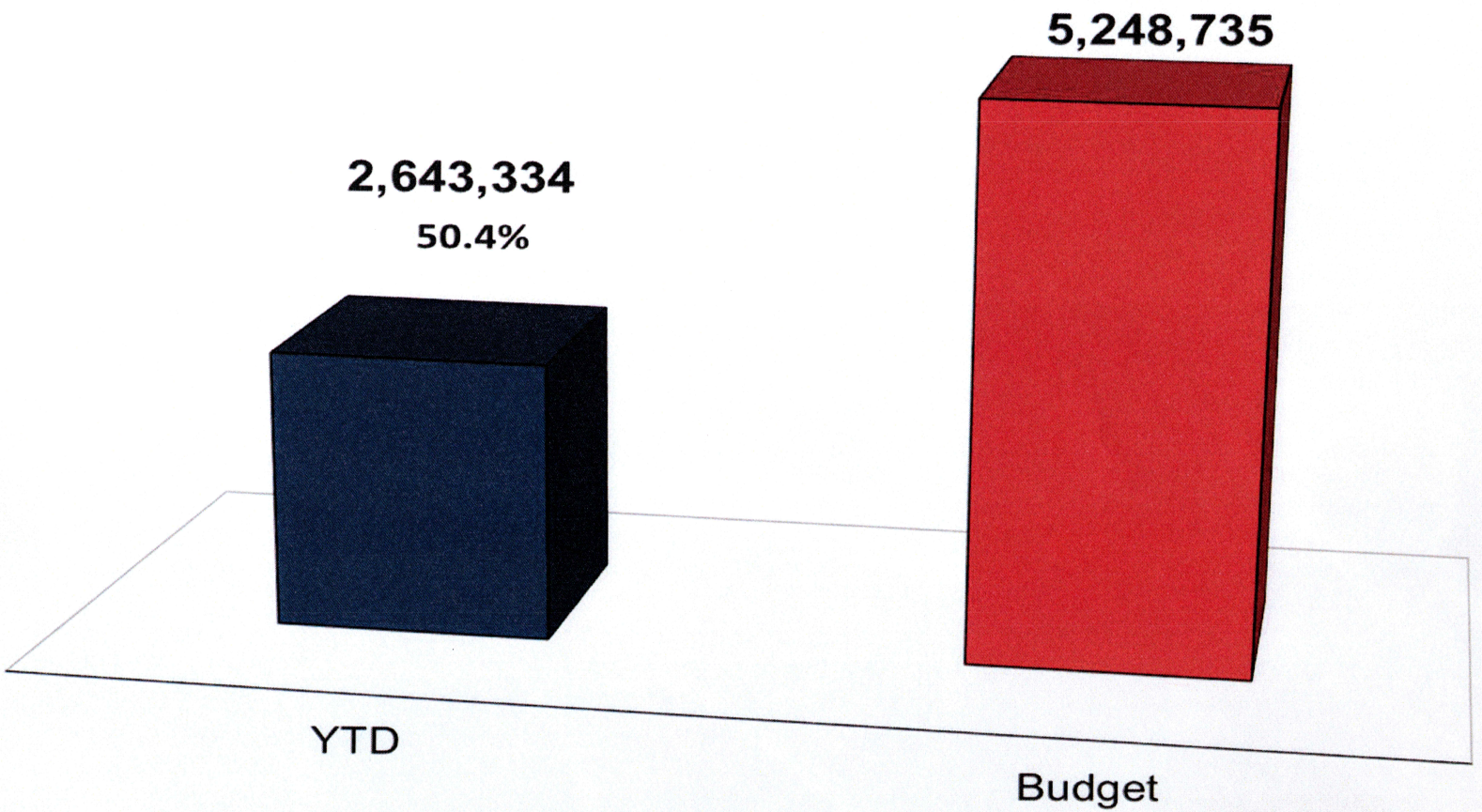
GENERAL FUND EXPENSES

GENERAL FUND EXPENDITURES

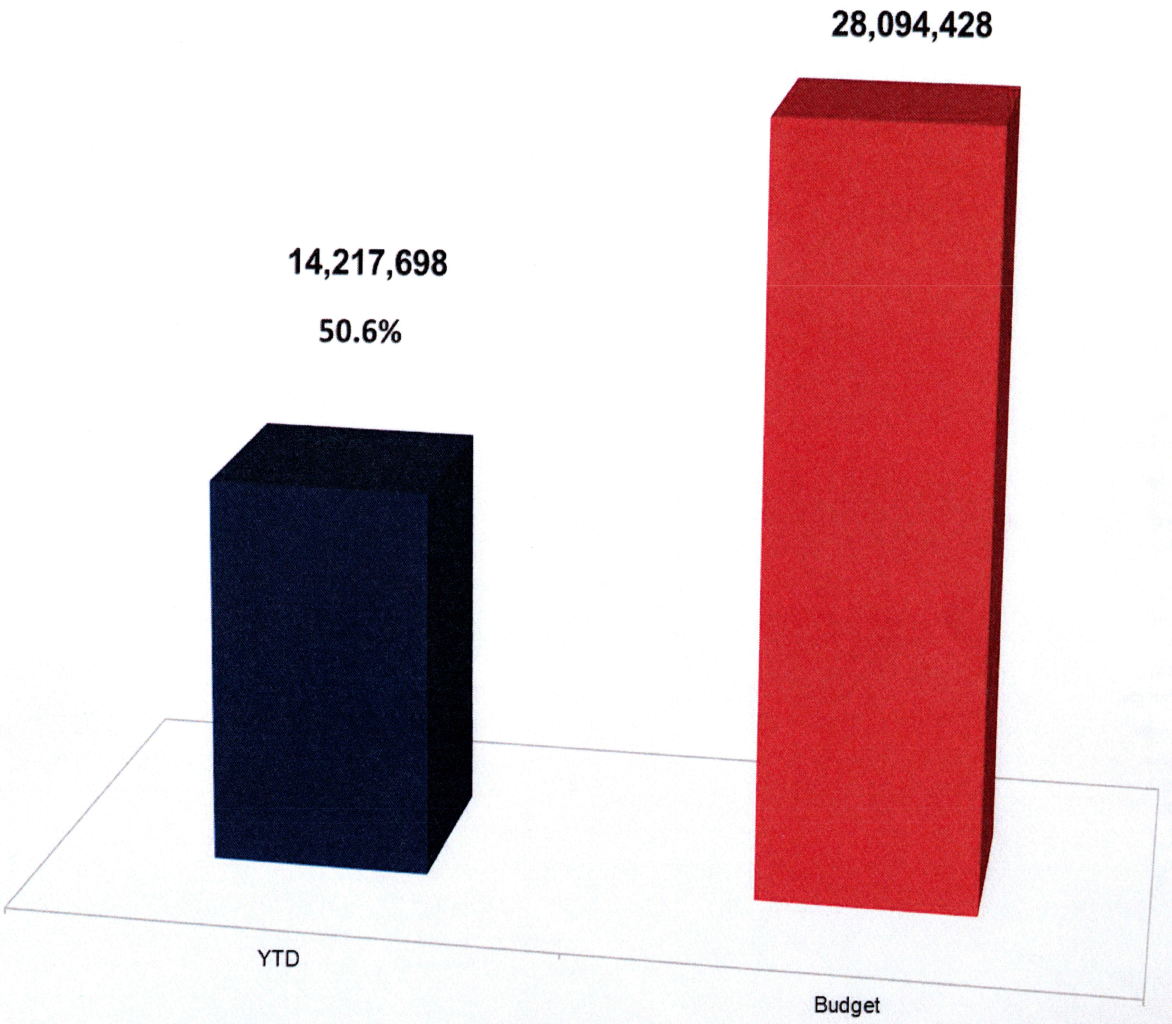
DESCRIPTION	BUDGET	YTD ACTUAL	% EXPENDED
Council	$ 451,077	$ 62,752	13.9%
General Operations	17,950,696	370,221	2.1%
Transfers to Other Funds	6,173,058	-	0.0%
Administrative Services	1,850,108	832,717	45.0%
City Magistrate	119,463	78,468	65.7%
City Attorney	431,815	151,893	35.2%
City Manager	608,425	231,218	38.0%
Planning & Zoning	913,984	400,228	43.8%
Library	758,543	303,413	40.0%
Information Services	985,977	588,476	59.7%
Parks & Facilities Maintenance	4,544,533	1,490,593	32.8%
Engineering	1,104,133	532,287	48.2%
Police	10,538,919	3,990,442	37.9%
Recreation	667,519	277,018	41.5%
City Clerk	247,143	74,978	30.3%
Show Low TV	421,885	194,648	46.1%
Community Services	696,717	203,980	29.3%
TOTALS	$ 48,463,995	$ 9,783,330	20.2%

City of Show Low, Sales Tax Data
FY2020 through FY2025

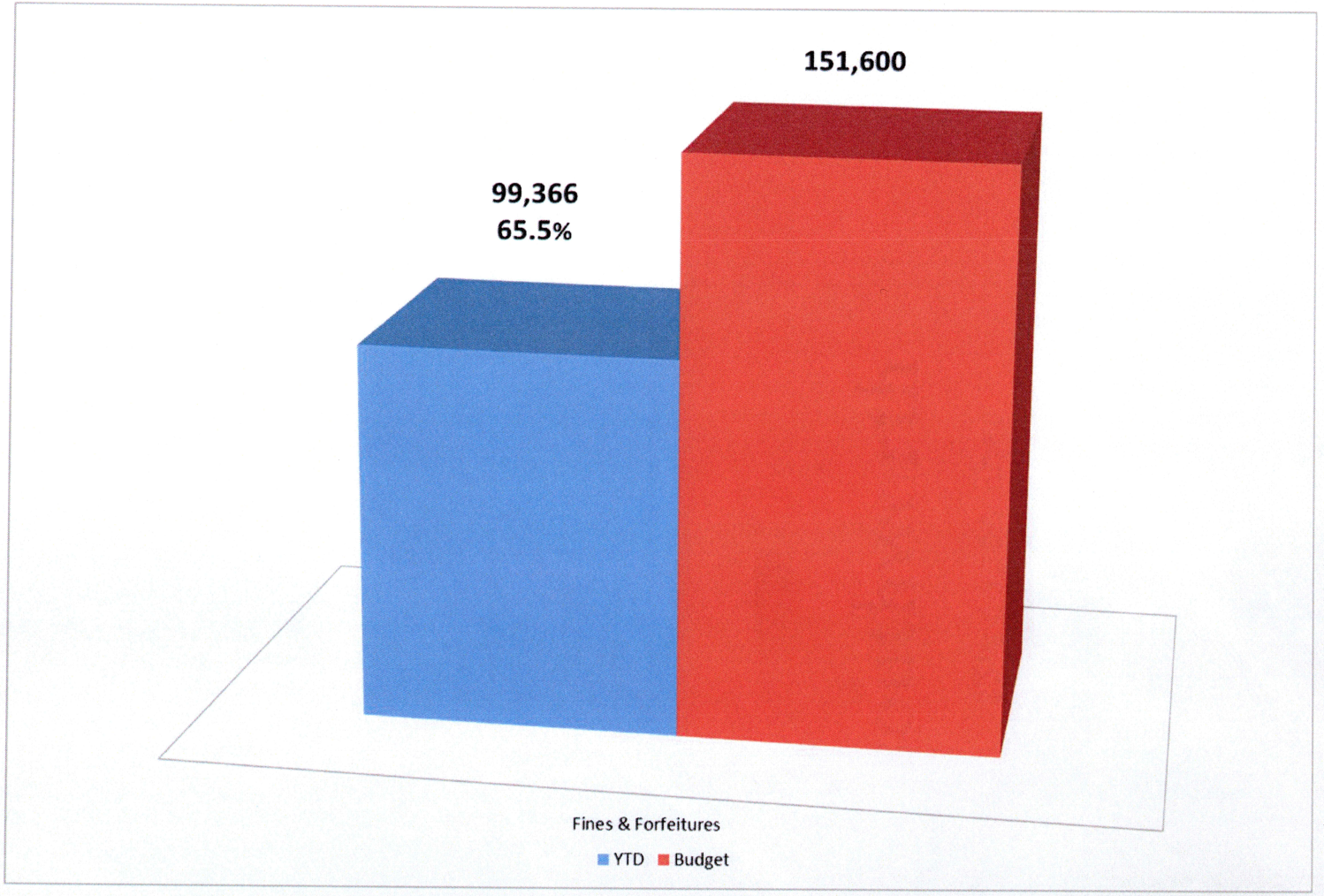




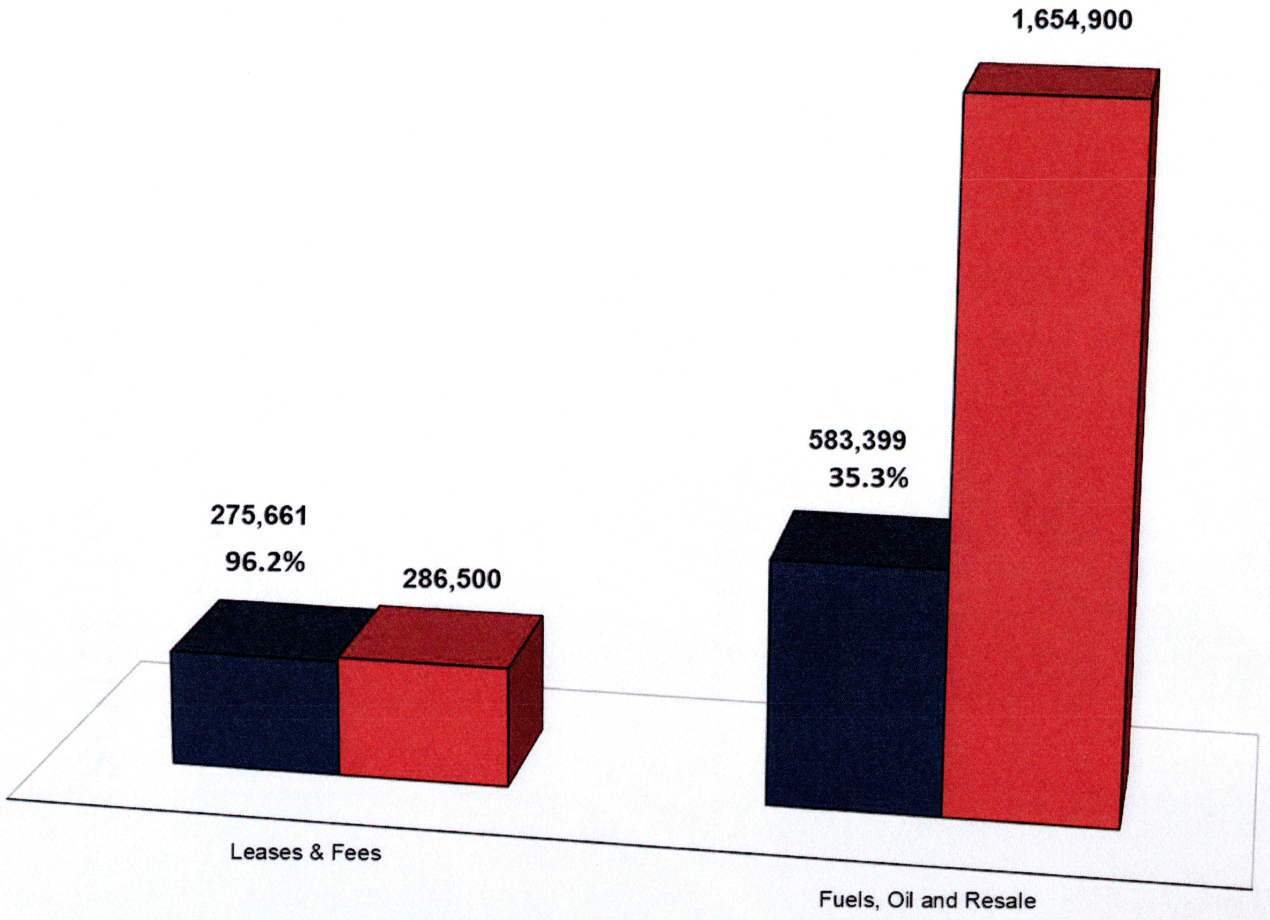
STATE SHARED REVENUES



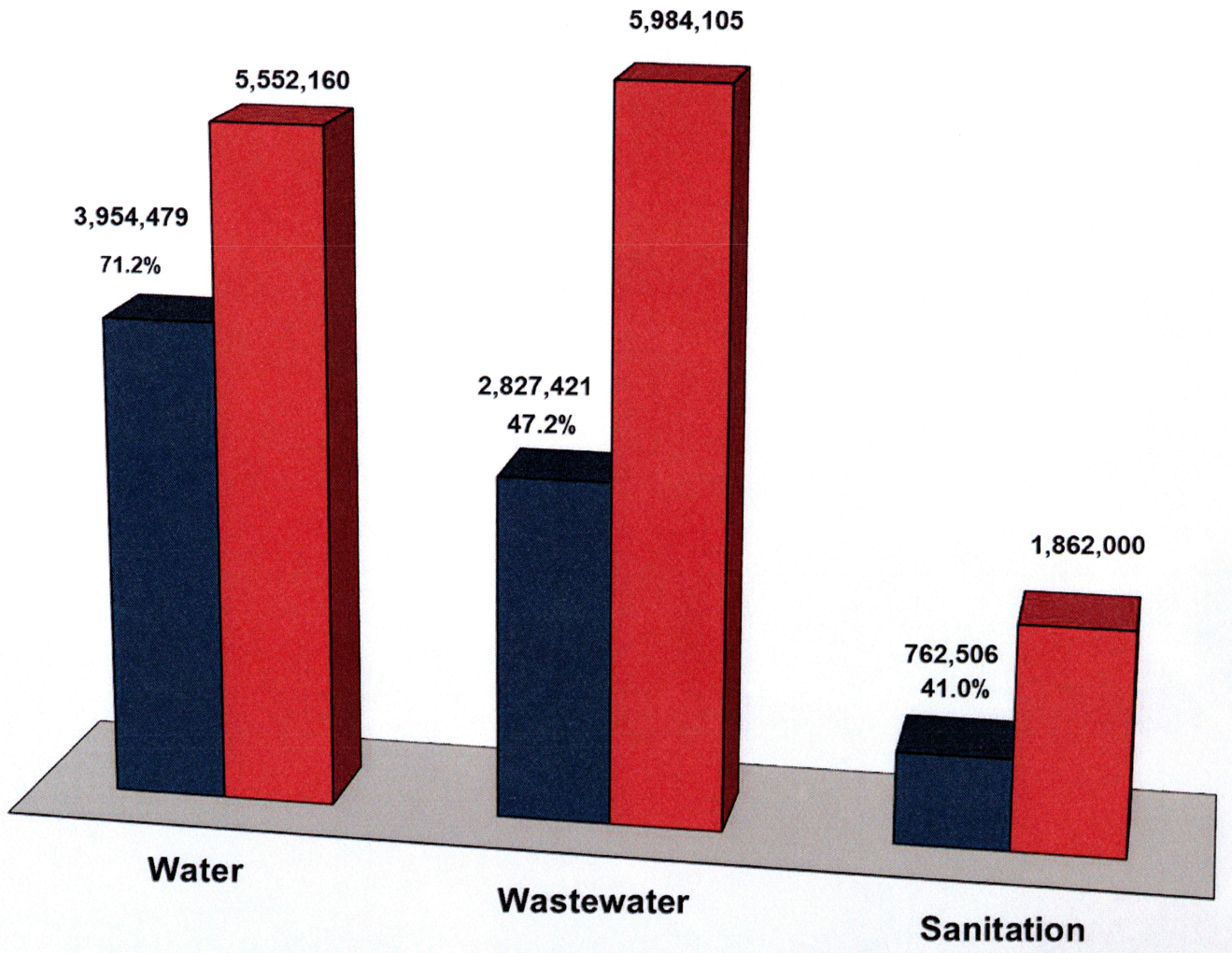
GENERAL FUND/HURF REVENUES



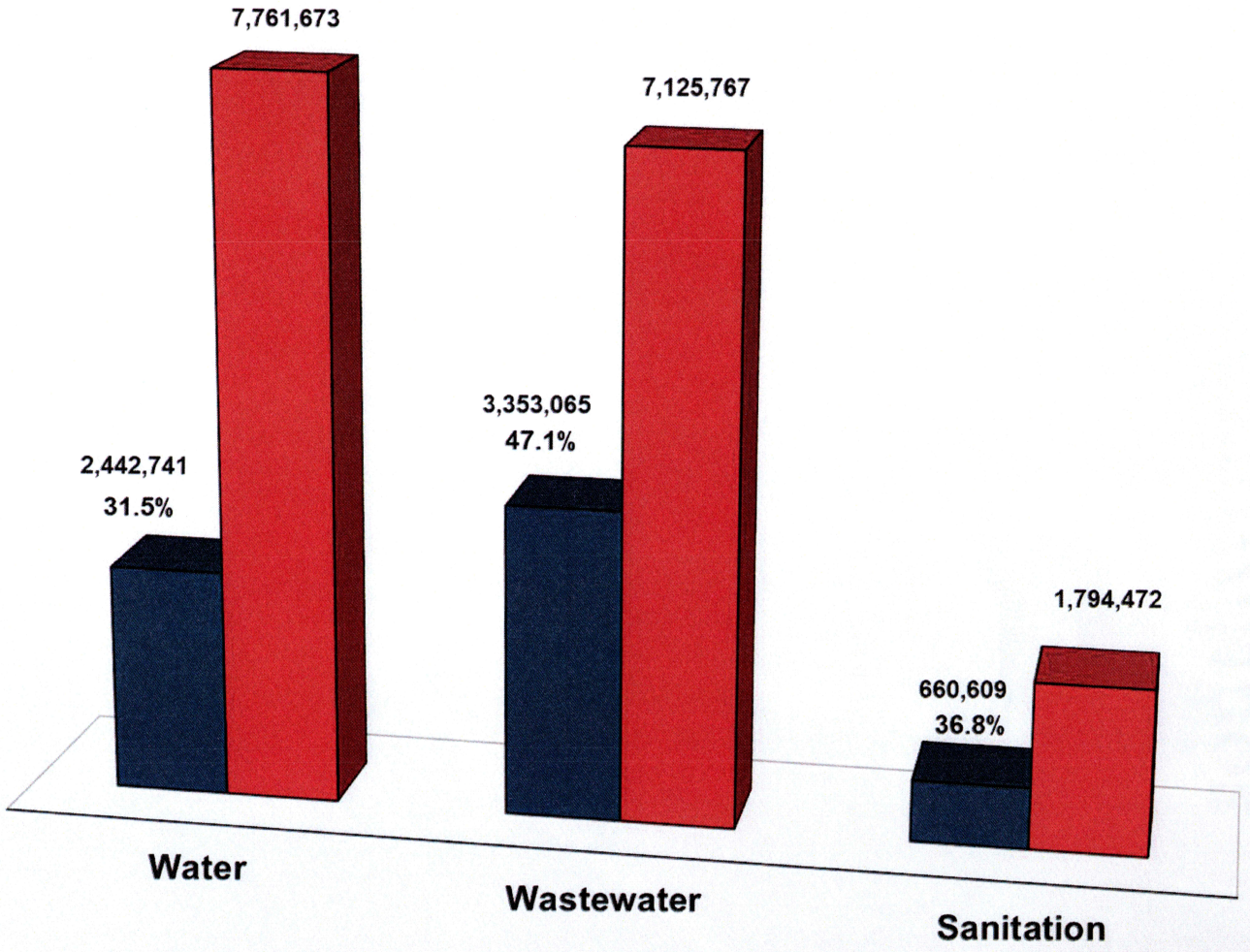
FINES & FORFEITURES



AIRPORT REVENUE

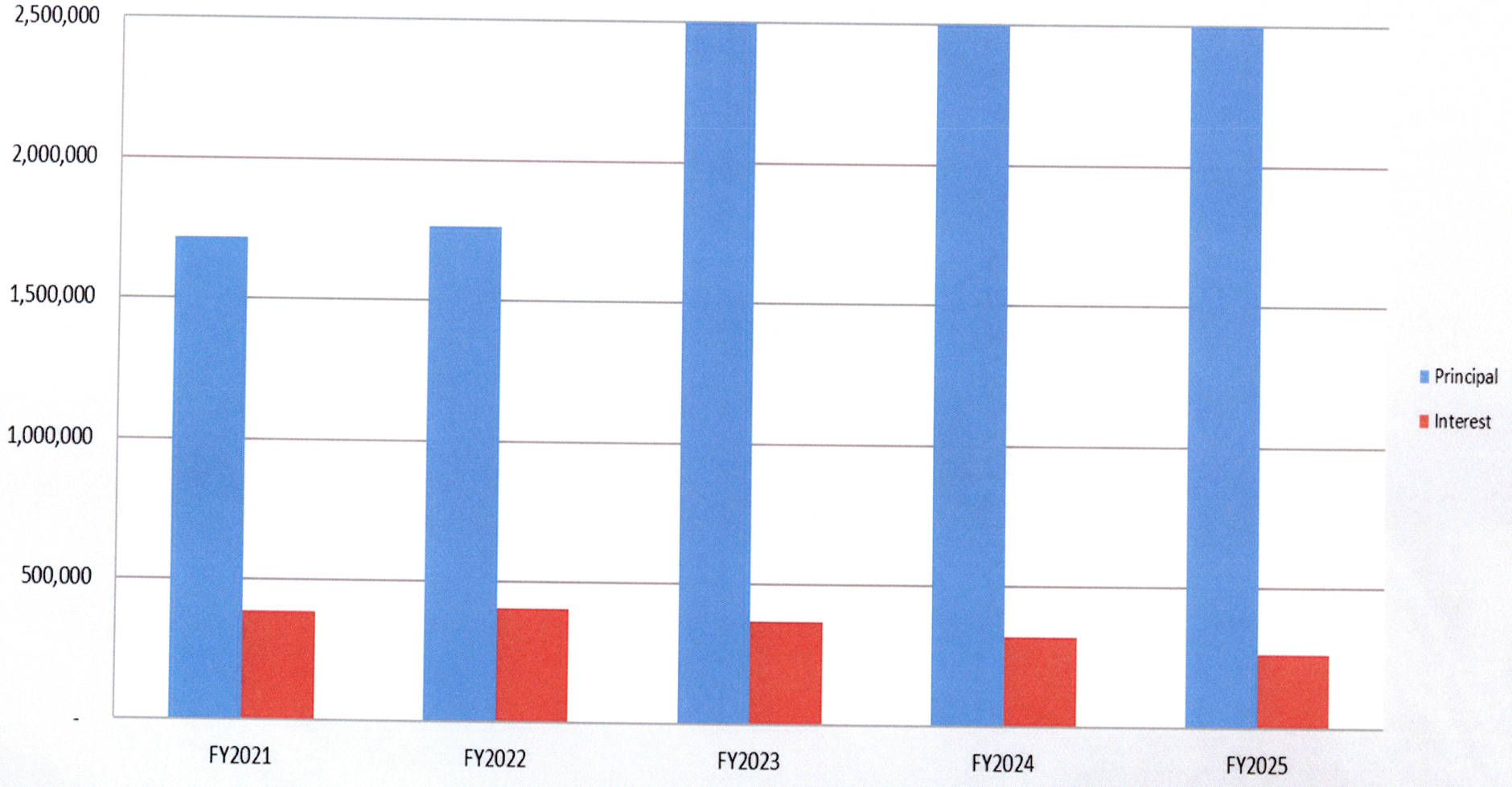


UTILITY FUND REVENUES



UTILITY FUND EXPENSES

Debt Service - 5-Year



QUESTIONS?