

**MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD
ON TUESDAY, AUGUST 1, 2023, AT 7:00 P.M. 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 7:01 p.m.

2. Roll Call.

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

COUNCIL MEMBERS ABSENT: Councilman Hatch.

STAFF MEMBERS PRESENT: Morgan Brown, City Manager; Anna Atencio, City Attorney; Justin Johnson, Deputy City Manager; Greg Westover, Police Commander; Shane Hemesath, City Engineer; Jacob Allen, Airport Manager; Katie Fechtelkotter, Planner; Steve North, Business Development; Shannon Adams, Grants Coordinator; Kathy Clements, Assistant City Clerk and Rachael Hall, City Clerk.

GUESTS: John Bloom, John Owings, Curtis Fernau, Mark and Rileen Cornelius, Karen and Bruce Hartley, Gary Young, Rob and Debi Thomas, David and Shannon Mayer, Jackie Hobley, Mary Casper, Elena Bustillos, Jason Spear, Margery Hoser, Sid Carlisle, Riala Leech, Robert Baldwin, Norm Gruenberg, Francis and Carolyn Reed, Eric Neitzel, William Lipscomb, Brian Whitfield, Bill and Connie Wegeng, Connie Bertuglia, Russ Alimena, Madeline McDonald, Ken and Terry Munn, Charlie Whod, Jeanne Blum, Allan Chernak, Brenda Hogarth, Peter and Janis Pikulin, Jan and Bill Skibbe, Lynn and Greg Hope, Diane Martinez, Gail and Marshall Kotterman, Larry Garrison, Steve Skibo, Hugh Kane, Mark and Terrell Broner, Johnny and Dee Johnson, Janet Valentine, Dena and Darcy Hobbs, Michael, R.S. Alimena, and others.

3. Invocation.

Councilman Judd gave the invocation.

4. Pledge of Allegiance.

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

5. **CALL TO THE PUBLIC:**

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

None.

6. **CONSENT CALENDAR:**

- A. Consideration of Award of Construction Contract to Pavex Corporation for LED Runway Lighting for Runway 7-25, Show Low Regional Airport. (Jacob Allen)
- B. Consideration of Acceptance of Federal Aviation Administration Airport Improvement Program Grant Agreement for Crosswind Runway Focused Planning Study Including 25% of the Runway Design. (Jacob Allen)
- C. Consideration of Minutes of Show Low City Council meetings:
 - (1) Regular Meeting of July 18, 2023.

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

7. **NEW BUSINESS:**

- A. **PUBLIC HEARING** – Application Submitted by Theresa June Morse, Charles Bradley Whitfield, and Tara Renee Chambers for #7, Beer and Wine Bar Liquor License on Behalf of Deuce of Clubs Thunder Raceway for its Location at 4701 East Deuce of Clubs, Show Low, Arizona. (Rachael Hall)
- B. Consideration of Application Submitted by Theresa June Morse, Charles Bradley Whitfield, and Tara Renee Chambers for #7, Beer and Wine Bar Liquor License on Behalf of Deuce of Clubs Thunder Raceway for its

Location at 4701 East Deuce of Clubs, Show Low, Arizona. (Rachael Hall)

Ms. Hall said Theresa June Morse, Charles Bradley Whitfield, and Tara Renee Chambers, representing Deuce of Clubs Thunder Raceway, submitted a new application for a #7, Beer and Wine Bar, Liquor License for its location at 4701 East Deuce of Clubs.

Ms. Hall said the property was posted as required by state law, and no public input was received.

Ms. Hall said the Show Low Police Department conducted background checks on the applicants and found nothing amiss. The Department of Liquor Licenses and Control conducts its own internal investigations and background checks. Based on the investigator's findings and the recommendation of the City Council, the State Liquor Board would decide whether to approve or deny the application. If the City Council chose to recommend denial of the application, the motion must state the reasons for denial.

COUNCILMAN ALLSOP MOVED TO RECOMMEND APPROVAL TO THE STATE LIQUOR BOARD OF THE APPLICATION SUBMITTED BY THERESA JUNE MORSE, CHARLES BRADLEY WHITFIELD, AND TARA RENEE CHAMBERS FOR #7, BEER AND WINE BAR, LIQUOR LICENSE ON BEHALF OF DEUCE OF CLUBS THUNDER RACEWAY, 4701 EAST DEUCE OF CLUBS, SHOW LOW, ARIZONA; SECONDED BY MAYOR LEECH; PASSED 6 TO 0 WITH MAYOR LEECH AND VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, AND JUDD VOTING IN FAVOR.

Mayor Leech moved Item 7-D (Acceptance of Grant Funds) to this point in the meeting.

- D. Consideration of Acceptance of Grant Funds from Utilities' Grant Funding Program for Coal-Impacted Communities and Authorization of Associated Budget Transfers. (Steve North)

Mr. North said staff presented the Five-Year Economic Development Plan for Fiscal Years 2024 to 2028 at the April 18, 2023, Council Meeting that was subsequently approved. In that plan, under Goal 5: Entrepreneurial Development, were strategies that established a business incubator and commercial kitchen to cultivate and nurture entrepreneurs and small businesses in Show Low.

Mr. North said staff applied for and received funds from the Utilities' Grant Funding Program in the amount of \$25,000.00 to help fund a feasibility

study for a business incubator and commercial kitchen in Show Low. The City would contribute an additional \$5,000.00 (approved in the Economic Development Budget for Fiscal Year 2024) to cover the total \$30,000.00 cost of the feasibility study.

Mr. North said staff believed this was a necessary first step in realizing the strategies outlined in the approved Show Low Economic Development Plan for Fiscal Year 2024-2028 and recommended accepting the grant funds from the Utilities' Grant Funding Program for Coal Impacted Communities in the amount of \$25,000.00 and authorizing the associated budget transfers.

COUNCILMAN JUDD MOVED TO ACCEPT GRANT FUNDS FROM THE UTILITIES' GRANT FUNDING PROGRAM FOR COAL IMPACTED COMMUNITIES IN THE AMOUNT OF \$25,000.00 AND AUTHORIZE THE ASSOCIATED BUDGET TRANSFERS; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH AND VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, AND JUDD VOTING IN FAVOR.

- C. Consideration of Appeal of Conditional Use Permit 602-04-261 Submitted by Jason Spear to Allow for Recreational Vehicle Resort on Property Located at 100 East Owens/201 South Central Avenue, Show Low, Arizona that Being A.P.N. 210-13-001F. (Katie Fechtelkotter)

Ms. Fechtelkotter said Jason Spear approached the City about putting an RV Park on the 20.55 acres at 100 East Owens/201 South Central Ave, A.P.N. 210-13-001F. The property was zoned C-2 General Commercial. While zoned General Commercial, an RV Park required a conditional use permit per City Code. (19.70.110)

Ms. Fechtelkotter said General Commercial zoning had many permitted uses, including a hotel or motel, bowling alley, public transportation depot, grocery store, and retail sales, including a big box store or RV sales. (19.70.090). A permitted use would not need to go to Planning and Zoning or before Council.

Ms. Fechtelkotter said that once an application for a conditional use permit was submitted, the City was required to give notice by posting notices on the property and sending notices to property owners within 300 feet. Notices of the hearing for the conditional use permit were posted on both McNeil and Central, which was more than required. Over 60 letters were sent to affected property owners' addresses on record with the Navajo County Assessor, including 34 letters to property owners in Timber Ridge,

eight in Westwood, three in Pine Haven, and a letter to the Pine Haven Property Owners Association.

Ms. Fechtelkotter said that on July 25, 2023, the Planning and Zoning Commission met to discuss Conditional Use Permit 602-04-261. Six Commission members were present (Vice Chairman Lewis was absent). Staff, including the City Engineer, were able to address the Commission and answer questions about the project. The Spears and Mike Fish were able to address the Commission and answer questions about the project. The public was able to address the Commission with their concerns. Following approximately two hours of discussion and public input, discussions centered on traffic, impacts on property values, safety issues, and other possible locations. The Commission voted 6 to 0 to approve CUP 602-04-261, subject to staff recommendations of:

1. All development shall comply with all applicable federal, state, and local requirements, including permit, sign, landscaping, Fire Code, and Arizona Department of Transportation (ADOT) requirements.
2. All interior driveways shall have a minimum width of 24 feet. All driveways and interior parking areas shall be surfaced in accordance with City Code and shall meet the minimum loading requirements outlined by Timber Mesa Fire and Medical District.
3. Plans for construction, including grading and drainage, shall be done by a registered Civil Engineer, and submitted to the City for review and approval prior to the commencement of any site work. The detention pond shall be developed with the first phase of the project for the entire development.
4. There shall be additional landscape/screening installed along the east side of the subject property.
5. Lots 147 through 152 shall be screened with a solid material fence from all rights-of-way.
6. The right-of-way adjacent to the subject property shall be landscaped according to City Code and shall be maintained.
7. Parking and lighting shall meet all requirements of City Code Chapter 19.105. All lighting shall be fully shielded from adjacent properties and rights-of-way.

And the following additional conditions added by the Commission:

1. A meandering asphalt or concrete trail constructed and approved per City standards be considered instead of an attached sidewalk along Central Avenue.
2. The RV Park operations be limited to a 21-day stay, exclusive of the park hosts.

3. In addition to the staff recommended fencing, solid six-foot fencing be required along the north and east boundary.
4. The sidewalk or improvements along Central Avenue, including curb, gutter, sidewalk, or trail, be constructed 50% with the proposed Phase One and 50% with the proposed Phase Two.
5. The entrance off Central Avenue be constructed as a part of the requirements for obtaining a building permit for Phase Two at the latest.
6. Park operations adopt a two-vehicle, eight-person maximum per RV spot.
7. A traffic study be completed, focusing on the impact on Owens and whether a left turn lane would be needed for entry to the RV Park coming off Central Avenue;
8. An assurance, similar to a subdivision development assurance per City Code, in an amount of 100% of the public infrastructure costs to the City to ensure that each phase could be completed.

Ms. Fechtelkotter said that on July 26, the City Clerk received one appeal from Bill and Jan Skibbe. On July 31, 2023, a supplement to the appeal was received. A copy of this notice of appeal was provided to the Council. City Code Title 19.20.080 addressed the process for appeals of conditional use permits and was attached. Per Code, an appeal was scheduled at the next available council meeting.

Ms. Fechtelkotter said that per City Code, the Council may uphold the Commission decision to issue CUP 602-04-261 with no changes to the conditions of approval, uphold the Commission decision to issue CUP 602-04-261 and modify the conditions of approval, deny CUP 602-04-261, or elect to set the matter for a public hearing. The Council was not bound by the record of the Commission's findings and/or decision in reaching its decision. The Council's decision was final and would become effective immediately.

Ms. Fechtelkotter said the conditional use permit only begins the process. As with any project, there were additional reviews and requirements by the City as the project moved forward.

Ms. Fechtelkotter said the Planning and Zoning Chair wanted to address the Council.

Council Adams asked Ms. Fechtelkotter when the property was designated commercial property. Ms. Fechtelkotter said the property was designated as commercial on September 7, 1993.

Council Adams asked what the property was designated when the Sawmill was on the property. Ms. Fechtelkotter said it was designed residential.

Councilman Allsop asked for clarification on the property's zoning designation when the sawmill was there. Ms. Fechtelkotter said the property was zoned R1-15, single-family residential, 15,000 square foot minimum lot size. The City did not have a modern zoning code until about 1979 and applied blanket zoning to different areas. In the early 1990s, the City did a comprehensive rezoning to clear up some inconsistent zoning areas. That process included this property.

Mr. Barlow, Planning and Zoning Chairman said that this particular item had generated a lot of public interest, and he wanted to take this opportunity to provide a summary of the Commission's perspective on the Planning and Zoning meeting and the Commission's decision regarding the approval of the conditional use permit.

Mr. Barlow said the Commissioners heard a range of information and statements from staff, the applicant, and members of the public. The Commissioners appreciated the number of people who attended the meeting and gave their input on the development. The Commission understood that the property was a large parcel in town, and it was a substantial proposed development and would generate a lot of interest, especially for the proposed use.

Mr. Barlow said the Commission felt that it was important to think about how the City would grow and develop and that it be done in a smart and thoughtful way. To do a good job, the Commission needed to hear the concerns and thoughts from members of the community about the proposed development. It was also a good opportunity to hear from the Commission members regarding their concerns, as many members of the Commission had concerns about this development.

Mr. Barlow said that given the subject parcel's zoning and an RV Park being allowed as a conditional use in this zone, the Commission felt that the fundamental use presented was compatible with City Code. However, the Commission felt that additional conditions were warranted to mitigate the impact on the adjoining properties and the local transportation network. As part of the approval of the conditional use permit, the Planning and Zoning Commission imposed several conditions, which Ms. Fechtelkotter listed.

Mr. Barlow said he wanted to provide some context on the Commission's thought process regarding the additional conditions in addition to the ones recommended by staff. The Commission agreed that the staff

recommendations were an appropriate starting point based on the proposed development type. Based on the concerns that were expressed at the Planning and Zoning meeting, the Commission felt there was an opportunity for additional conditions to assuage some of the concerns of the public and to encourage this development to be something that would be compatible with what people would like to see in the City.

Mr. Barlow said the Commission added eight additional conditions. The first and foremost was the traffic study to quantify the local impact on the transportation network in that area. The Commission felt that providing some hard numbers to the City engineering staff as they reviewed the final project plans would allow staff to best review this type of project, minimize the impacts to the surrounding transportation network, and identify any possible improvements that might need to be made through the process. Many of the members of the public were particularly concerned about the traffic impacts, so the Commission wanted to make sure that the traffic study was one of the conditions.

Mr. Barlow said some of the concerns from the Commission were that the project would potentially get started and then be left unfinished as it was a substantial project located in the center of town. The Commission wanted some conditions to help ensure that the project would be completed once it was started. So, the Commission added assurances as a condition for each phase to help ensure that the project and infrastructure improvements would be completed within the two main phases of the project.

Mr. Barlow said the Commission also had a couple of conditions regarding the park operations, including a two-vehicle maximum in the 21-day stay limit. The applicant stated they wanted the RV Park to be a short-term rental opportunity, and the Commission felt it was a more appropriate use than something long-term. So, the Commission wanted to see that continue with the property and built that into the conditional use permit if the park changes management for owners. This condition ensures no opportunity to change those requirements moving forward.

Mr. Barlow said the Commission wanted the option of a detached trail. The applicants were planning some trails, and the Commission wanted to tie that into the improvements that would be required along Central Avenue, similar to what the City had done along 16th Avenue.

Mr. Barlow said he wanted the Council to have a little background about the Commission meeting while they deliberated and made a decision. The Commissioners understood that the ultimate decision rested with the

Council, and they might have different thoughts regarding the appropriate action on the conditional use permit.

Vice Mayor Kakavas asked Ms. Fechtelkotter what the density would be on a property this size, as hotels and motels were allowed without a conditional use permit under the commercial zoning. Ms. Fechtelkotter said the density for a hotel and motel depends on the total size of the property. The property was 20.55 acres, so something similar in size to the Hampton Inn could be placed on the property.

Vice Mayor Kakavas asked about apartments. Ms. Fechtelkotter said quite a few apartments could go on that property. Without a conditional use permit, up to ten apartments could be placed there at 3,500 square feet per unit.

Councilman Adams asked if one of those projects could be built without coming to Planning and Zoning or City Council. Ms. Fechtelkotter said, yes, a motel, hotel, or apartments under ten units could be permitted without going to Planning and Zoning or City Council.

Mayor Leech asked Mr. Spear to address anything not covered in last Tuesday's Planning and Zoning meeting.

Mr. Spear thanked the Council and the community for their time and for voicing their concerns. He said that at the Planning and Zoning meeting, they presented an RV Resort, which should not be confused with an RV Park. The resort would have about 150 sites and was designed to be well above the space requirements for each site at 40 feet by 50 feet. City Code requires 1,400 square feet.

Mr. Spear said the goal in designing this park was to design it so that it was aesthetically pleasing to the City and community members. Some investors wanted to reduce the size of the spaces and put in more sites, but Mr. Spear said that was a hard no. They did not want the RV Resort to be a congested area. They also wanted it to be something other than a long-term stay or an ugly eyesore to the community.

Mr. Spear said they had looked at several other properties and determined this was the best location. Also, the property's topography allowed for the opportunity to build spaces on top of the hill and reserved the property along Central Avenue as an open and natural space for the community to use.

Mr. Spear said that growing up here, he spent a lifetime resisting change. He was here when there were 2,500 people in the community, and

everything that came in was heartburn. So, when they were approached to pursue this project, he thought of how it could be done so that they would preserve as much of the City's aesthetics as possible.

Mr. Spear said the property on Owens would have a six-foot wall to conceal any RV spaces along that side. Three sides would be fenced along the east and north sides, and hundreds of trees and other vegetation would be added. The goal would be that no one could see their neighbor while in the park. It would add a certain space and comfort to each site. The goal would also be that the community members would not see those spaces.

Mr. Spear said the community could use the recreation space and open space along Central Avenue without fees. A trail system and dog parks would be built, and community members could use them.

Mr. Spear said that when his investors approached him about adding more spaces to make more money, they were told no. The plan was to preserve the natural space of the community while offering a resource to their visitors. Mr. Spear said that as someone who grew up here, he wanted to reduce the impact on our forests and hoped a resort such as this would help reduce that impact.

Mr. Spear said that last week the community members spent a lot of time on traffic, traffic impact, and how the traffic would come through their neighborhoods. There were opportunities to minimize that impact. There were 150 spaces, but 150 vehicles would not be coming in or leaving all at once. There was a staggered 21-day policy. Visitors could enjoy the park for 21 days, and then they must leave. That would prohibit people from setting up home sites, putting up pink flamingos, porches, and trashing the area. They used this model in many of their other parks and managed and operated them successfully.

Mr. Spear said there would be a two-vehicle maximum per site. That meant one RV unit and another travel vehicle. If a trailer could fit in with an RV unit, that would count as one vehicle. Also, each site would have an eight-person maximum limit. These conditions reduced the impact on the area.

Mr. Spear said the goal was not to produce an eyesore or to overwhelm the space. The goal was to produce a product that visitors and community members enjoyed in a safe and ethical manner. The mission was not to produce an RV Park but an exclusive resort with limited stay time and occupancy. Occupancy would be rotated in such a manner that would reduce the impact on the City.

Mr. Spear said they had proven this model worked in several parks, and it would work here. They were very excited about this project and turning what could be a box store or set of condos into something that looked nice, something that the community could enjoy.

Mayor Leech asked Mr. Spear if the 21-day limitation was standard and how it compared to the 14-day limitation the forest service used. Mr. Spear said federal property had a 14-day limitation; private property could have permanent stays, month-to-month, week-to-week, or day-to-day options. They found that the model they were using was used at Show Low Lake. The 21-day stay limit was just long enough to produce a reasonable income but also reduced the risk of somebody staying longer and causing problems. It was that tipping point between a federal park and privately owned parts that were month-to-month.

Vice Mayor Kakavas asked Mr. Spear about his experience with an RV Resort versus an RV Park. Mr. Spear said they did not operate any RV Parks. A traditional RV Park stacked vehicles on top of each other, putting as many units as possible in that space. Mr. Spear said they would not do that. It was not part of their mission. They operated federal, state, and local campgrounds throughout the West. The federal campgrounds were limited to a 14-day stay. The state and local camp areas had been turned into 21-day stay limits. They were seeing really good results.

Councilman Allsop asked if they had an appearance, vehicle age requirements, or code for RVs that would utilize the RV Resort. Mr. Spear said they did not have a specific policy. In operating these units, they learned that if they produced a quality product, they could price it to match the park's quality, automatically weeding out older, run-down RVs. The Park's rate was projected to start at \$70.00 per night, which was a little steep. People with outdated models would not pay \$70.00 per night.

Councilman Adams asked Mr. Spear how many parks they managed. Mr. Spear said they managed about 200 parks in five different states. Councilman Adams asked if those sites were similar to this RV Resort. Mr. Spear said they were different. Some sites had five or six spaces, some had dry camping only, and others had full service, full hook-ups, and everything in between. So, yes, some were very close to this project, but most were outside of that.

Councilman Judd asked for Mr. Spear's sense of traffic patterns into and out of the RV Resort. Mr. Spear said Fridays were heavy coming in, and Sundays were heavy with people leaving. It was thin and sporadic during

the week. They typically had seven months of high volume, and it slowed down in the winter. They would also expect to be fully occupied on Holiday weekends.

Vice Mayor Kakas asked how Mr. Spear would compare this project to Fool Hollow. Mr. Spear said they used Fool Hollow Lake as their standard for what they were trying to do in this area. Fool Hollow had a year's waitlist. He said people stay up until midnight to call in for their reservation for the same day the following year.

Mr. Spear said Fool Hollow was very well maintained, one of the best maintained he had visited. It had paved access, full hookups, multiple hosts to attend to the guests, and check-in and checkout stations. The RV Resort would mimic a lot of that. As people enter the park, they would check in with the station and may get escorted to their site. Mr. Spear did not know the number of sites in Fool Hollow, but there were a lot. He thought their project was comparable in size and operation.

Mayor Leech asked how the RV Resort density compares to Fool Hollow. Mr. Spear said in some respects it would be similar. They would build 2,000 square-foot sights, which were above standard for these types of parks. There would be 10 by 50 foot landings for their motorhome and an additional parking space on each side.

Councilman Allsop asked what the allowable maximum length for an RV was. Mr. Spear said the policies would define the maximum length, but they only had 50-foot deep sites with 10-foot spacing buffers. A guest could pull a 40-foot vehicle in there and have plenty of space, but if a guest extends past that, the resort would have to pass on the reservation.

Councilman Allsop asked how they came up with the eight-person maximum. Mr. Spear said eight was determined through other use studies with the goal of not breaking up a family unit. Eight was a good number; four was too small, and ten at a site was too many.

Vice Mayor Kakavas asked if there was a curfew within the rules and regulations. Mr. Spear said one of the concerns at the last meeting was noise and generator usage. Each one of these sites would have full hookups, so there would be no generator usage. The noise ordinance would follow City Code.

Mayor Leech asked what the policy was for dealing with someone running a generator. Mr. Spear said power was included as a part of the nightly fee, but if someone decided to run a generator, the Camp Host, who would be on-site 24 hours a day, would address the generator use.

Vice Mayor Kakavas asked how the curfew related to music and other noise. Mr. Spear said the curfew would follow the policy used in the other parks, which was 10:00 p.m.

Mayor asked Ms. Fechtelkotter when the traffic study was going to be done. Ms. Fechtelkotter said the traffic study would be part of the permit review process, and the traffic impact study must be submitted when the permit was submitted. The City Engineer would review the study.

Mayor Leech asked how a traffic study was done. Mr. Hemesath said the traffic analysis would be done while the construction plans were being developed because if improvements were needed on Central, those needed to be part of the construction plans for the RV Park. Trip counts would be generated, some understanding of how often people would be going in and out of the facility, and counts would be done on Central and the new Owens Road. Staff would use the engineering guidelines and principles of behavior. There were specific requirements of what triggers a left turn or right turn lane and stop signs, for example. Based on counts, the projected development, and trips that the project would generate, staff would work through analysis to see what was warranted to be required to include in the plan.

Councilman Judd asked how a traffic study done right now accounts for the impact of traffic in the future once the project was built. Mr. Hemesath said the study would be based on the projections of how much business the development would generate and the number of vehicles going in and out daily. Staff would use larger vehicle traffic analysis to account for the RVs.

Mayor Leech asked if the public would be invited to the next steps in the development process and wanted to know what the next stage was. Mr. Hemesath said yes, the public would be invited, and the next step was project development. The developers would have their engineers and traffic people build their plans and traffic studies which would be submitted to the City for review. Staff would comment on those plans and approve what would be built when they apply for the construction permit. Mayor Leech said he wanted to ensure the public was still involved in the process.

Vice Mayor Kakavas asked if the drainage study would be at the same time as the traffic study. Mr. Hemesath said absolutely everything would be part of building those construction documents, including site grading, drainage, sewer, and water reports. All these requirements must meet City Code and FEMA floodplain crossing requirements.

Councilman Allsop asked if the current roadways were wide enough for right and left-hand turn lanes without adding any additional paving. Mr. Hemesath said it was a wider roadway, but additional asphalt might be needed to get the required width.

Councilman Allsop asked how long it would take to widen the roads and if the project would be open before the road improvements were made. Mr. Hemesath said improvements were required and triggered by the traffic study and would be part of the park's first phase for the Owen's entrance. The Central Avenue entrance would be built as part of the second phase. If improvements were needed on Central Avenue for that entrance, those improvements would be made when that phase was built.

Mayor Leech asked if the property needed to be purchased by the project developers before they could move to the next phase. Mr. Hemesath said that, at this point, the Council was talking about the conditional use permit. Before construction started, a lot of engineering still needed to be done regarding water, sewer, and access.

Mr. Spear asked to address the Counsel's concerns about RV traffic stacking up on Central Avenue. He said the park design included a 35-foot entryway off Central Avenue and went approximately 300 feet into the park. There was also 7,500 square feet of temporary parking for disconnecting and meeting the hosts. There was also 25,000 square feet designated for a commercial building with a parking lot so vehicles could pull off the roadway into the park and reduce congestion out on the road.

Councilman Adams asked if the parking waiting area Mr. Spear mentioned was part of phase one. Mr. Spear said there was a parking waiting area off Owens in the first phase. The parking area he referenced was in phase two. The project had two staging areas.

Councilman Adams asked when construction would start on phase two. Mr. Spear said they hoped to start phase one within the first 180 days of closing. Phase two was estimated to start 100 days after the completion of phase one. The goal was to have phases one and two operational by the spring of next year.

Mayor Leech opened the matter for public hearing.

Norm Gruenberg, 2nd Street, Show Low Arizona, said he wanted to bring to the Council's attention the plan for 150 spaces times eight people in a concentrated land area. Many visitors would be junior searchers, hunters, and explorers, venturing into the neighborhoods. He said he was

speaking from experience. A park came in and presented itself wonderfully. When it did not make a profit at \$70.00 a night due to too many empty stalls, the price was lowered, as was the standard of quality of vehicles and people coming in, which lowered the neighborhood value. He stated concerns regarding property valuation and early check-ins.

Marshall Cotterman, 1150 South 6th Drive, shared concerns regarding traffic and the impact on the sewer system, the water system, and the power grid.

Diane Martinez, 540 North 8th Avenue, said she knew the Council was concerned about the future of the City and appreciated that. A beautiful RV Park in the City would be nice if it were in the right place. She believed there was a better place for an RV Resort. The elementary school was up the street, and the Junior and Senior Highs were nearby. She wanted to preserve the downtown area. She knew the traffic would be a problem. The RV Park was something the Council and developers should sit back and consider. Their guests would be happier in a well-established treed area instead of being here instead of looking at the Deuce all day long.

Pete Whipple, 1000 East Owens, said he opposed this project. It was not needed in the center of Show Low. The people living in the center of Show Low deserved more. He was opposed to this project. He believed people did not want to camp in the middle of Show Low.

Mr. Whipple said he was concerned about the flooding and the archaeological aspect of the land. There was a large ruin in Show Low. The Indians lived in this area. He had concerns about the environmental and archaeological impact of the proposed site.

Larry Garrison, Timber Ridge, said he was here for two accounts, one as a private citizen and the second he was the associate pastor at Calvary Baptist Church. It was stated that construction would occur at the top of the hill, close to Calvary Baptist Church. The statement was also made that most guests would be leaving on Sunday. The noise from diesel engines, side by sides, quads, and everything else while trying to get some preaching done raised concerns.

Mr. Garrison had concerns about dealing with the high traffic near the local schools. He asked that the Council be concerned about putting this project in such close proximity to children.

Sid Carlisle, 691 South Mountain Pines Avenue, said his family had been here for almost one hundred years. He said one thing this community

should be focused on more than an RV Park would be bringing in businesses that would lure more people like health care workers. He stated concerns about the location of the RV Park.

Mr. Carlisle stated concerns regarding traffic. People were now cutting through Sierra Pines to get to State Route 60 because Woolford and Whipple were already congested. Drivers were also cutting through Pine Haven right now. He asked if the developer had a plan for the travel route for their guests coming in.

John Owings, 3380 Timber Ridge Loop, said he had concerns about the traffic. He moved here 17 years ago, and traffic had tripled in that time. The RV Park sounded wonderful, the kind of place he would like to stay, but it belonged somewhere other than the middle of town where all the travel trailers and motor homes would slow traffic.

Greg Hope, 540 South Mountain Pines Avenue, said his back deck faces where the park was proposed to go. Traffic was horrendous already, and he could not imagine how bad it would be with the RV Park. The RV Park belonged somewhere else and should find another place in Show Low where it would be much better suited.

Mr. Hope said dust and drainage were big concerns. The proposed RV Park was planning on having interior gravel roads. They should have to pave the interior roads with curbs and gutters. There would also be a lot of dust stirred up by not just the RVs but by quads, side-by-sides, and motorcycles. People would not drive these vehicles slowly and regulating them took a lot of work. These vehicles would add to the noise pollution.

Mr. Hope said he had spent many years building and maintaining roads. He wanted to make the point that gravel and silt migrated to the paved roads when gravel roads were joined with paved roads, as proposed. He also had concerns about the water flow and erosion from the proposed site becoming an issue.

Mr. Hope asked the Council to keep in mind that the proposed RV Park had a high probability of causing a public nuisance and reducing property values. He asked that the Council give this serious and fair consideration.

Russell Alamina, 81 Timber Ridge Loop, said he was concerned about the pollution underneath the property. He also said the intersections could not handle the turning radius of these vehicles. He said this was a wonderful plan but belonged in an outlying forested area, not in the City. The RV Park imposed a burden on the traffic infrastructure and community. He wanted to see a community field for the public to enjoy at this location.

Mitch Jordan, 200 West Aspen Trail, said he was concerned with toy haulers and people bringing their ATVs, motorcycles, and go-peds. People would exceed the two-vehicle limit. He said that adults and kids were already driving these vehicles, which were not always licensed, through his subdivision every weekend, and something needed to be done about it.

Bill Skibbe, 721 South Pine Haven Drive, said he had concerns regarding the visibility of RVs from the road and potential contaminants on the land from the sawmill that used to be on the property.

Curtis Fernau, 621 South Mountain Pines Avenue, said he was concerned about the traffic and that there was no left-hand turn light from the Deuce of Clubs onto Central Avenue. The RV Park was needed but not in the middle of Show Low. He said he was surprised and dismayed at the Planning and Zoning meeting when one member said they did not think it was a good idea and another said they were glad it was not next to them did not vote against the RV Park. He was surprised by the unanimous vote.

Mr. Fernau said he did not want a poor-quality RV Park next to his house, one with gravel roads. The developers referred to the RV Park as a resort, but Mr. Fernau felt that what they had presented did not meet the standard of an RV Resort.

Bob Baldwin, 2451 Silver Oak, said that change was inevitable, and people expected that. However, it was the traffic and congestion people were concerned about, and they were losing their patience and becoming angry with it. He said everyone needed to be patient with each other and accept that change was coming and be part of the amicable solution.

Mr. Baldwin said life was 80% planning and 20% execution. He needed to be convinced that due diligence was part of the planning process. He said that having a six to zero vote without asking some of the questions people had asked in the meetings was startling.

Alan Shermack, 141 W. Owens, said that when he purchased his property, it was his understanding that West Owens was not a thoroughfare, but it had become one since it was connected with Horne Chevrolet. Now the road had tractor-trailers using it, and they were not quiet. Traffic would become heavier with the RV Resort as satellite maps would direct travelers to use that route as the straightest route to the park. The RV Park would be a major traffic hazard.

There being no further input, Mayor Leech closed the public hearing.

Councilman Allsop asked Mr. Spear about the intention of paving the roads inside the park. Mr. Spear said they agreed to pave the entrances to the park up into the parking area. The two roads between the sites would be compacted gravel.

Councilman Allsop asked if they could pave the roads inside the park if that was standard. Mr. Spear said it would have to be done in a phased project.

Councilman Allsop asked what would happen if the RV Park did not fill at \$70.00 per night. Mr. Spear said they agreed on some of this already at the Planning and Zoning meeting with some of the required conditions. One of them being the conditions that would transfer with the property. The subsequent owners would have to operate under the same conditional use permit. The goal was to manage this project for many, many, many years to come.

Mike Fish, General Partner, said they wanted to set a standard and were not building a local RV Park but a resort-style park. He said they were going into this park debt free. If there was a problem and the park did not produce as expected, they would not have to reduce the quality of the park to keep it open and running.

Councilman Judd asked the City Manager and City Attorney what if the Council were to deny the conditional use permit. Ms. Atencio said the Council members had the option to deny the conditional use permit, but there could be consequences later that could arise because of that decision.

Mr. Brown said that even if the Council did not approve the conditional use permit, the property would still be zoned Commercial. There were still uses that could be permitted there, such as a hotel, grocery store, and other things that would not require a conditional use permit.

Mr. Brown said the City was not pushing this project. People came to the City wanting to develop a property and asking what uses could be done on a property based on the City Codes. Developers met with the City's Planning and Zoning Department, had a pre-application meeting, and reviewed the code and the process of what could happen. The developer must decide to proceed with the project and present their plan.

Mr. Brown said some proposals, such as this, were required to go to the Planning and Zoning Commission and have a hearing and conditional use

process. There was nothing that was skipped or done irregularly. The Planning and Zoning Commission heard the neighbors and put conditions in place. They added eight more conditions. After that, it was appealed and was now in front of the City Council.

Mr. Brown strongly advised that if the Council were to deny the conditional use permit, they had to have a good legal reason to deny it because people had certain property rights on their property. When homeowners wanted to build a house on a particular property, they had the right to do that. On a commercial property, people had a right to develop it under the current City Codes.

Mr. Brown said the City understood there would be some impact on the neighborhood and conditions would be applied to the permit, but it would be tough to deny something already zoned for commercial use. That was why Planning and Zoning voted for the project unanimously because the project met the zoning and added conditions to the project. Now it was up to the developer to meet those conditions.

Mr. Brown said he heard people say there might be archaeology or hazardous waste issues on the site. It was up to the developer to follow all local, state, and federal requirements for every permit before the City. If hazardous materials were found or it was determined to be an archaeological site, the developer had to follow state law. They could not get around that. Most developers were aware that if they found something hazardous, they would have to deal with it.

Mr. Brown said if the Council were to deny the conditional use permit, the zoning would stay the same, and approved uses could still be built there. He said he understood people were unhappy with an RV Resort, but other things could go in there that would not even go through this process.

Mayor Leech said the difference between an approved commercial project and one that required a conditional use permit was if a developer wanted to build an approved use project, such as a motel, it would not go to the Planning and Zoning Commission for approval. He said he liked this process as it allowed for conditions to be added to the project. He asked if other conditions should be added to the RV Park.

Mayor Leech reiterated that this was only the first phase of the process. The developers still needed to look at the dirt and see if they could build on it. The Council was here to make sure that all the desired conditions were in place that the developer had to meet.

Councilman Allsop said that once the conditional use permit was approved, it wouldn't change anything on the property. It would move to the next phase to complete the various studies. He asked the City Manager that once the studies were done if the project would come back to the City for review.

Mr. Brown said that once the conditional use permit was approved, it would be up to the developer to come back to the City with the preliminary plan. Once it was received, the development would go back to the Planning and Zoning Commission for review and then back to City Council.

Councilman Allsop asked if Mr. Spear would be willing to put asphalt of some type inside the park. Mr. Spear asked if that was standard protocol for these developments or if it was specific to this project.

Ms. Fechtelkötter said the City Code did not necessarily require paved roads within the park. However, gravel or cinders would not meet the requirements. Recycled asphalt could be used as it would not get dragged out onto the roads. There had to be a hard compacted surface for fire trucks and the type of vehicles that would be using the park.

Councilman Allsop said recycled asphalt had been used in City projects but had resulted in potholes. This would create an issue within the park. Mr. Spear said they had already stipulated to pave the entryways and remain within the City Code for the rest of the park. The roads would be built to meet the demands of the vehicles there.

Councilman Allsop asked what the speed limit was inside the park and if the property manager would enforce the speed limit for all vehicle types. Mr. Spear said the speed limit would be five miles per hour, and it would be enforced.

Vice Mayor Kakavas asked Mr. Spear if any of his partners had built this type of resort before. Mr. Spear said no, this would be the first time they built a resort of this style, but they had previous experience with expanding other types of camp areas but had never started from scratch.

Vice Mayor Kakavas asked Mr. Spear if they were at a point to start the core drilling. Mr. Spear said they were waiting on the engineer to develop that plan.

Councilman Allsop asked Ms. Fechtelkötter if the developer started building the project to ensure that things would be done in a reasonable time could a bond be required. Ms. Fechtelkötter said yes, it was one of

the conditions the Planning and Zoning Commission added. Mr. Brown clarified that the developer could use a bond, a cash assurance, or a letter of credit.

Mr. Spear said he was hesitant to commit to paving all the interior roads due to drainage issues. He said there was a big concern about the watershed off that property, so he needed to have the engineers report on drainage before committing to paving the interior surface or saying what the roads would look like.

Councilman Clark said he appreciated what everyone said tonight. The concerns he heard the most about were the roadways inside the development and the impact the project would have on the traffic. He asked if after the traffic study was done and what was recommended and implemented was not enough if the Council could add a condition to revoke the conditional use permit.

Ms. Fechtelkottter said yes, the Council could put a condition in place to trigger a revocation of the conditional use permit if traffic and staging become a problem. This had been done with other conditional use permits. She said she reviewed all active conditional use permits monthly to ensure developers were in compliance. If a developer was not in compliance, they received a notification to correct the deficiencies. If they did not comply, they come back to the Planning and Zoning Commission for a possible revocation.

Councilman Clark said he had concerns about this project and thought this was a poor location for an RV Resort, but there could be worse projects that had a greater impact on traffic and devaluation of property. It could be much more significant without these conditions and triggering mechanisms.

Ms. Atencio suggested tying the conditional use permit to the ongoing impact of traffic flow, which could be reviewed and connected to the conditional use permit.

Councilman Clark asked the Spears and the Fishers if they would be willing to agree to the condition that if their project severely affected adversely the traffic patterns on Owens and Central and possibly the Deuce of Clubs, the project could be revisited and result in a potential revocation of the conditional use permit.

Mr. Spear said they could agree to parts of the condition. His concerns as an owner of the property, were who would be responsible for reviewing the condition, was what was being proposed above and beyond the normal

City review of conditional use permits, whether there was a time limit on the condition, and if the City were to grow in such a way that the City itself was contributing to the traffic problem would they responsible for curing the problem.

Councilman Clark suggested that staff would do the review, and if they were receiving complaints, the City would give the RV Park 30 or 60 days to fix the issue. If there was no significant improvement within the time period, then the project would come back to City Council instead of the Planning and Zoning Commission. Based on a staff-generated report, the City Council would determine whether the RV Park was in compliance with the condition.

Councilman Clark said that the condition could always be amended as well. For instance, the owners could come back in ten years and demonstrate they had been good partners and community stewards and that nothing came to fruition with traffic and staging concerns and ask that the condition be removed.

Mr. Brown said if the City received a complaint, staff reviewed it and worked with the person to ensure they followed City Code and any conditions related to the property. If the owners did not comply, it was brought forward for revocation.

Mr. Spear said they would stipulate to follow the process of this additional condition.

Mayor Leech asked if the Council had to add this condition. Ms. Atencio said that the Council could amend the conditions that were set by the Planning and Zoning Commission to add additional conditions.

COUNCILMAN CLARK MOVED TO AMEND THE COMMISSION DECISION AND APPROVE CUP 602-04-261 SUBMITTED BY JASON SPEAR TO ALLOW FOR A RECREATIONAL VEHICLE RESORT ON PROPERTY LOCATED AT 100 EAST OWENS/201 SOUTH CENTRAL AVENUE, SHOW LOW, ARIZONA, THAT BEING A.P.N. 210-13-001F, TO INCLUDE ALL OF THE STAFF RECOMMENDATIONS, THE EIGHT ADDITIONAL CONDITIONS FROM THE PLANNING AND ZONING COMMISSION AND ADDING A FINAL NINTH CONDITION THAT STATES THIS PROJECT WILL NOT SEVERELY IMPACT, BY THE GUESTS OF THE RECREATIONAL VEHICLE RESORT, OWENS STREET, CENTRAL AVENUE, OR ANY OF THE SURROUNDING NEIGHBORHOODS THROUGH STAGING OR PREPARING RECREATIONAL VEHICLES OR EXITING RECREATIONAL VEHICLES

FROM THE PROPERTY. IF THAT OCCURS, CITY STAFF WILL GIVE THE OWNERS A THIRTY-DAY NOTICE TO CURE AND THEN BRING THE RECREATIONAL VEHICLE RESORT BACK TO CITY COUNCIL FOR A REVIEW OF THE CONDITIONAL USE PERMIT; SECONDED BY COUNCILMAN ADAMS; PASSED 6 TO 0 WITH MAYOR LEECH AND VICE MAYOR KAKAVAS, AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, AND JUDD VOTING IN FAVOR.

Mayor Leech called for a short break at 9:42 p.m. The meeting reconvened at 9:46 p.m.

- E. Consideration of Acceptance of Cancellation of Construction Contract with Mid-State Asphalt for Airport Hangar Infrastructure Improvements, City of Show Low Project No. A-1723 2.0. (Bill Kopp/Anna Atencio)

Ms. Atencio said that on June 6, 2023, at the City Council regular session, Council awarded a construction contract for the Airport Hangar Infrastructure Improvements project to Mid-State Asphalt. The purpose of the project was to expand the area to accommodate the demand for additional hangars at the Show Low Regional Airport. The improvements included grading and paving for taxi lanes, water, sewer, electric services, and a sewer lift station.

Ms. Atencio said the City of Show Low Engineering Department designed the project, which was publicly bid according to statutory requirements. Mid-State Asphalt was the only company to submit a bid of \$496,128.15.

Ms. Atencio said that after the contract award, Mid-State Asphalt verbally indicated they could not perform. On July 19, 2023, Mid-State Asphalt submitted a letter to the City stating that they could not start or complete the Airport Hangar Infrastructure Improvements project due to a lack of employees and the burden of other work scheduled.

Ms. Atencio said staff recommended accepting the cancellation of the construction contract by Mid-State Asphalt, which would allow for the project to be rebid.

COUNCILMAN CLARK MOVED TO ACCEPT THE CANCELLATION OF THE CONSTRUCTION CONTRACT WITH MID-STATE ASPHALT FOR THE AIRPORT HANGAR INFRASTRUCTURE IMPROVEMENTS, CITY OF SHOW LOW PROJECT NO. A-1723 2.0; SECONDED BY VICE MAYOR KAKAVAS; PASSED 6 TO 0 WITH MAYOR LEECH AND VICE MAYOR KAKAVAS AND COUNCIL MEMBERS ADAMS, ALLSOP, CLARK, AND JUDD VOTING IN FAVOR.

8. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Adams asked everyone to drive carefully and watch for kids now that the school was back in session.

Councilman Allsop attended the Southwest Fire Team meeting in Pinetop-Lakeside.

B. Mayor

Mayor Leech said the Northern Arizona Council of Governments was having an Open House on Wednesday.

C. City Manager

Mr. Brown said that on August 26, Navajo County and the City were sponsoring a free, region-wide residential electronic waste and used tires collection event at the Navajo County Penrod Facility, 251 North Penrod Road, in Show Low. Citizens could drop off unwanted computer equipment and accessories, small appliances, electronic equipment, and used tires without rims for free. The one exception was CRT-style televisions or computer monitors. Only one of either item could be dropped off free of charge. Waste from commercial businesses would not be accepted at the event.

Mr. Brown said that in public works projects, the Arizona Department of Transportation (ADOT) completed the right turn lane at the Show Low Lake Road intersection. The final sidewalk was poured on the East Hall and 11th Street Bridge Replacement project. This project should be completed by the end of next week. Slurry seal was completed, and ADOT would be repainting one crosswalk at Woolford Road. Work continued on the Parkview Subdivision Waterline project, the new water infrastructure was installed, and final service tie-overs were being worked on, with paving scheduled for next week. As always, the City appreciated everyone's patience as improvements were being made around the City.

9. **SCHEDULING OF MEETINGS:**

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

None.

12. **ADJOURNMENT.**

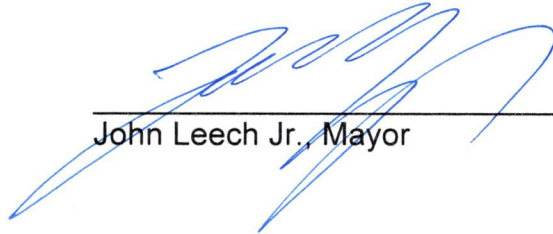
There being no further business to be brought before the Council, **MAYOR LEECH ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF AUGUST 1, 2023, AT 9:55 p.m.**

ATTEST:

APPROVED:



Rachael Hall, City Clerk



John Leech Jr., Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **REGULAR MEETING** of the City Council of Show Low held on August 1, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 15 day of August, 2023.

(SEAL)



Rachael Hall, City Clerk

