



**“The mission of the City of Safford is to make Safford
a great place to live, work, and visit”**

**CITY OF SAFFORD – WORK SESSION/SPECIAL COUNCIL MEETING SUMMARY
MONDAY, APRIL 16, 2012 @ 6:00 PM
PHELPS DODGE ROOM - LIBRARY**

PRESENT: Wyn “Chris” Gibbs, Mayor; Jason Kouts, Vice Mayor Council Member’s Ken Malloque, Mary Bingham, Jacque Attaway, and Gene Seale,

ABSENT: Arnold A. Lopez was excused for medical procedure.

STAFF PRESENT: David Kincaid, City Manager; Sandra Findley, Executive Secretary; Christine Fisher, Personnel Director; John Griffin, Police Chief; Don Knight, Director Management & Budget; Ann Waite, Finance Director; Jan Elliott, Library Director; Randy Petty, City Engineer; Dustin Welker, Planner/Downtown Manager; Eric Buckley, Utilities Director; and Georgia Luster, City Clerk. Tom James, IT Specialist, assisted with the audio/video recording of the meeting.

OTHERS PRESENT: Dee Dee Watkins Mautner, Jeff Campbell, Chuck Fagone, Kaye Fagone, Lana Wojcik, Charles Smith, Mildred Smith, Vincent Boit, George J. Richter, Jeff Holt, Johnny Glassqow, Don Grady, Steve Garcia, Tim Rietz, Glen Orr, D Thomas, Gale Hedges, James D. Howes, Jim and Lorraine McGhee, Mary Layton, Greg Brockmier, Laura Haynes, Scott Ford, Tisha Clark, Jim Armburst, Marion Gauna, Vicki Foote, Neil Karnes, Doug Dean, Irene Dean, Caroline Shedd, Tom Jensen, and others who did not sign in. Jon Johnson, Eastern Arizona Courier was present.

- 1. WELCOME AND CALL TO ORDER:** Mayor Gibbs called the meeting to order at 6:02:31 p.m.
- 2. ROLL CALL:** A quorum of the Council was present (6). Arnold Lopez was excused for a medical procedure.
- 3. PLEDGE OF ALLEGIANCE TO THE FLAG:** Mayor Gibbs led the Pledge of Allegiance to the Flag.
- 4. OPENING PRAYER:** Vice Mayor Kouts offered the opening prayer.
- 5. WORK SESSION:**

City Manager Kincaid explained the Public Works Department is being presented tonight because Rob Chesley is retiring on Thursday. Initially the work program, and five year capital projections and FY 2012/2013 Budget will be reviewed. He turned the time over to Rob Chesley who provided a PowerPoint Presentation.

6. **PUBLIC WORKS BUDGET:** Rob Chesley reviewed the accomplishments and goals of each division of the Public Works Department

- Administration
- Building Maintenance
- Street Lights
- Parks/Cemetery
- Sanitation
- Streets

➤ **REVIEW HEALTH INSURANCE BENEFITS:** Reviewed

➤ **GOLF COURSE LEASE:** Mayor Gibbs recommended not to discuss the Golf Course Lease at this time because the Council needs to seek legal advice from the city attorney and then the council will reconvene open session.

➤ **LOCAL TRANSIT SYSTEM:** Mayor Gibbs stated that he has been working with the Downtown Transportation Group within the community to develop a local transit system.

6. **ADJOURN WORK SESSION:** It was moved by Councilmember Bingham, seconded by Councilmember Attaway, and carried unanimously (6) to adjourn the work session at 7:16:45 p.m. **MOTION ADOPTED**

SPECIAL COUNCIL MEETING

1. **CALL SPECIAL COUNCIL MEETING TO ORDER:**

It was moved by Councilman Malloque, seconded by Councilmember Bingham to enter executive session at 7:17:27 p.m. for legal advice from the city attorney regarding legal issues with the Springbok Development LLC lease agreement. **MOTION ADOPTED**

The Council reconvened open session at 8:01:05 p.m.

2. **CITIZEN COMMENTS ON AGENDA ITEM(S):** At this time citizen comments were welcome. Greg Brockmier, Charles Smith, Vincent Boit, Jim McGhee, Jeff Campbell and Jeff Holt commented on the golf course item.

3. **HEALTH INSURANCE BENEFITS:** The City of Safford pursued Request for Proposals on employee health insurance benefits to compare nine (9) products/services which included agent services, medical stop loss, PPO network, administrator, FSA, prescription, dental, vision and life. It is staff recommendation to continue participation with RAGHT and request another three (3) year renewal period from July 1, 2012 to June 30, 2015.

City Manager Kincaid stated that health insurance benefits were discussed during the work session. He noted that two resolutions need to be adopted to continue participation with the Rural Arizona Group Health Trust (RAGHT) for a three year renewal period.

Councilman Malloque asked if the renewal with RAGHT could be for a one-year period rather than a three-year period.

City Manager Kincaid responded that all members of the Trust must enroll for a three-year period. He noted a longer enrollment eliminates insurance companies coming in and going out. If any member leaves the Trust they cannot re-enroll for three years.

Councilman Seale noted that in the past, a lot of larger insurance companies would not insure municipalities and school districts which caused municipalities and school districts to have to solicit bids annually. He believes a three year term is not unreasonable. Also, with this company, history indicates rates have not been increased in an absorbant manner.

Councilman Malloque recommended providing the complete RFP to the Council and consider have a consultant attempt to lower costs before the next renewal period.

City Manager Kincaid stated staff talked with a consultant in an attempt to consider lowering health insurance benefits. Their comment was that the City would be wasting money because they could not compete cost wise with the Trust. Therefore, rather than to expend funds for a consultant, it was staff's recommendation to continue with the Trust.

4. **RESOLUTION NUMBER 12-013: Consider approving and adopting Resolution Number 12-013, a Resolution of the City of Safford, authorizing the renewal of the City of Safford's Membership in the Rural Arizona Group Health Trust and appointing a Trustee and an Alternate Trustee to serve during the renewal period.**

It was moved by Councilman Seale, seconded by Councilmember Bingham, and carried 5-1 to approve and adopt Resolution Number 12-013, a Resolution of the City of Safford, authorizing the renewal of the City of Safford's Membership in the Rural Arizona Group Health Trust and appointing a Trustee and an Alternate Trustee to serve during the renewal period. Vice Mayor Kouts opposed.

MOTION ADOPTED

5. **RESOLUTION NUMBER 12-014: Consider approving and adopting Resolution Number 12-014, a Resolution of the City of Safford, approving the amendments to the Rural Arizona Group Health Trust Agreement and Declaration of Trust Dated July 01, 2012.**

It was moved by Councilmember Bingham, seconded by Councilman Seale, and carried 5-1 to approve and adopt Resolution Number 12-014, a Resolution of the City of Safford, approving the amendments to the Rural Arizona Group Health Trust Agreement and Declaration of Trust Dated July 01, 2012. Vice Mayor Kouts opposed. **MOTION ADOPTED**

6. **GOLF COURSE LEASE AGREEMENT:** Discussion and possible action on amending the lease agreement with Springbok Development.

It was moved Councilmember Attaway, seconded by Councilmember Bingham, and carried unanimously not to amend the lease agreement with Springbok Development.

MOTION ADOPTED

7. **MEETING/ACTIVITIES HELD BY COUNCIL OR CITY STAFF:**

Work Session, Monday, April 23, 2012 to discuss CAFR and other financial items

8. **COUNCIL OR STAFF REQUESTS FOR AGENDA ITEMS:**

Vice Mayor Kouts requested considering an insurance consultant to work with Human Resources in an attempt to lower health insurance benefit expenses

9. **CITIZEN COMMENTS ON NON-AGENDA ITEMS: NONE**

10. **ADJOURN:** It was moved by Councilmember Attaway, seconded by Councilmember Bingham and carried unanimously to adjourn the meeting at 8:37:48 p.m. **MOTION ADOPTED**

APPROVED: