



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

**CITY OF SAFFORD - REGULAR COUNCIL MEETING MINUTES
MONDAY, FEBRUARY 13, 2012 @ 6:00 PM
PHELPS DODGE ROOM - LIBRARY**

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

STAFF PRESENT: David Kincaid, City Manager; Sandra Findley, Executive Secretary; Christine Fisher, Personnel Director; Rob Chesley, Public Works Director; Eric Buckley, Utilities Director; John Griffin, Police Chief; Don Knight, Director Management & Budget; Ann Waite, Finance Director; Randy Petty, City Engineer; Dustin Welker, Planner/Downtown Manager; Jenny Howard, Projects Management Specialist; James Bryce, Utilities Electrician; Clark Bingham, Fire Chief; Vicki Foote, Library; Sally Holguin, Library; and Georgia Luster, City Clerk. Tom James, IT Specialist, assisted with the audio/video recording of the meeting.

OTHERS PRESENT: Jake & JoJo Schroder; Tracy Hansen; Steve McGaughey; John Howard; Chad Crockett; James D. Howes; Jenifer Seale; Terry Johnson; Marie Freestone, Graham County Chamber; Rose West; Arnold DeLao; and others who did not sign in. The meeting was video-taped by Van Shaar Productions.

- 1. WELCOME AND CALL TO ORDER:** Mayor Gibbs welcomed everyone to the meeting. He called the meeting to order at 6:01 p.m.
- 2. ROLL CALL:** A quorum of the Council was present (7).
- 3. PLEDGE OF ALLEGIANCE TO THE FLAG:** Mayor Gibbs led the Pledge of Allegiance to the Flag.
- 4. OPENING PRAYER:** LaMont Whetten offered the opening prayer.
- 5. CITIZEN COMMENTS ON AGENDA ITEMS:** Jake Schroder, Tracy Hansen, and Marie Freestone of the Graham County Chamber who represented Safford businesses commented on Item 7, Citizen Survey concerning East 8th Street. Mayor Gibbs suggested the Council agree to jump to Item 7 to give time to the individuals wishing to comment on East 8th Street.

6. **RECOGNITION OF LEAD PARTICIPANTS:** Recognition of the LEAD participants who completed career development for succession planning for the City of Safford. Fourteen (14) participants completed the training.

City Manager Kincaid stated the LEAD Program is in its second year. It is an eleven month program developed in-house to help give staff a broader picture of what the City does outside of their specific area. He recognized the participants of the 2012 year program: Rodney Barragon, Hilary Cuenin, Nathan Estes, Vicki Foote, Gale Hedges, Robert Hernandez, Sally Holguin, Jenny Howard, Henry Jurado, Scott Kane, Art Mata, Sam Napier, Kevin Spritzer, and LaVan Taylor. The Program will resume in 2013.

Mayor Gibbs congratulated the participants.

7. **RESULTS OF CITIZEN SURVEY CONCERNING EAST 8TH STREET:** The Council may want to consider and discuss the results of the Citizen's Survey concerning the proposal to remove the connection of East 8th Street and U.S. Highway 70, making 8th Street a dead end street.

City Manager Kincaid provided a brief history of the proposed East 8th Street Project.

- Discussion originated with ADOT in discussions pertaining to improvements on Highway 70, 8th Street, and the Little Hollywood Road area that will occur in the future (possibly in five years).
- Suggested a public meeting to seek input from residents living in area.
- Notice of public meeting was sent to all residents living in the area of 8th Street between Highway 191 and Highway 70. Notice was also published in local paper.
- Public Meeting held January 30, 2012 @ 6:00 p.m. - Several residents and business owners attended.

City Manager Kincaid noted that 8th Street and Hollywood Road will be significantly impacted when ADOT make the improvements to Highway 70. A public meeting was suggested so that the residents in the area can be involved in the planning process of the project. He stated Randy Petty, City Engineer, will share a brief synopsis of the public hearing and then citizen's that are in attendance may make comments tonight.

Randy Petty stated eighty-two (82) public surveys were mailed to residents within the area. Twenty surveys were returned. On January 30th a public hearing was

held, which was fairly well attended. He noted that the minutes of the meeting are included in the council packet. Additional public surveys were distributed at the public meeting and three were returned. Sixteen out of twenty-three surveys were in favor of the proposal, four opposed the proposal and three were returned with no comments. A couple of business owners who attended the public meeting expressed concerns that blocking 8th Street at U.S. Highway 70 would have adverse effects on their business. There was a suggestion to leave the existing street and to install “**NO TRUCK**” signs in lieu of cutting 8th Street off from US Highway 70. A second suggestion was made to make 8th Street a one-way street because the City is concerned about the width of the street and the right-of-way. In general, the residents living in the area have concerns about the truck traffic, excess speeders, and expressed hope that the City would eliminate the bumps and make the street a better street.

Jake Schroder pointed out that Randy **Petty’s** opening statement in the public meeting was, “**We** are doing this to reduce the **traffic.**” He stated to the Council that Randy Petty excluded that comment tonight before the Council.

City Manager Kincaid responded that Randy is referring to 8th Street between Highway 191 to Highway 70. Because of the feedback from the various parties who attended the meeting, staff is looking at short term alternatives that will positively impact the neighborhood. He stated that the Police Chief and Randy are reviewing ordinances from other cities that restrict truck traffic. Other alternatives suggested were to make 8th Street a one-way street; construct speed bumps (street is already rough).

Mayor Gibbs invited Jake Schroder to address the Council.

Jake Schroder stated that he and his wife are the owners of Thriftee Super Market which borders on 8th Street. He and his wife want to be on record opposing the proposal because any reduction of traffic to the business community is detrimental to those who operate businesses. “**Traffic** is the life blood of the business **community**”. He referred to the closure of 3rd Street which cut off vehicle traffic and foot traffic to the business community. Additionally, there were some concerns about safety, with the traffic on the road. “**Traffic** anywhere is a safety **concern**”. He noted that no one mentioned the fact that emergency vehicles are restricted when egress and ingress are closed off. He asked the Council to try and make it better for the business community and residential community when they make a move. He stated it was disturbing to

him that notices were not given to the business community, just the residential community.

Tracy Hanson, 212 East 8th Street, Safford, AZ: He stated he lives straight across from the Cotton Gin and railroad track and would support seeing something done about 8th Street. Most of the traffic travels east from Highway 191 to Highway 70 away from the business community. He believes 70 to 80 percent of the traffic travels east and going fast to get out of town. He supports eliminating truck traffic on 8th Street and would like to see speed enforcement.

Marie Freestone, Graham County Chamber of Commerce: Marie Freestone stated that she is speaking on the behalf of businesses for the Chamber of Commerce. She said that she has spoken with several homeowners and businesses who oppose closing 8th Street. Additionally, she believes the 23 or 24 citizen responses are not indicative of the impact of closing 8th Street will have to the whole community. She asked the Council to work with the residents and the businesses and involve all the people so that they would be more informed. She asked the Council to take more time to evaluate options that will benefit the community.

Mayor Gibbs explained the width of 8th Street is the concern. He asked Randy Petty to explain.

Randy Petty pointed out that 8th Street does not fit the standard for a collector street or arterial street. Additionally, 8th Street would not fit the standard for a local street either because a local street is normally 40 feet in width and the right of way is 50 feet in width. He stated the City currently has 34 feet of right of way and a street that is 18 feet wide.

Vice Mayor Kouts stated he opposes closing 8th Street.

Councilman Malloque believes the solution to the problem would be for the City to install signs prohibiting truck traffic and to assign a Police Officer to enforce the speed limit. He understands the street needs repair. He stated that he visited with residents and businesses in the area and found the majority of the business people do not want 8th Street closed. He noted the Council did not know about the public meeting because staff purposely did not want Council present to influence the judgment of those attending.

City Manager Kincaid stated there are many options to consider. Closing 8th Street was just one of the options or one of the solutions. In working with ADOT there will be significant changes in the future with the intersection of 8th Street and Highway 70 and Little Hollywood Road and Highway 70. Staff is looking at the options. Closing off 8th Street is the most drastic option, but felt the option needed to be considered. Other options could include a signal or a roundabout constructed in that area. As long as there is that major level of traffic on 8th Street the City will never be able build 8th Street to any standard (34 feet) with the railroad on one side and residents on the other side. He added the City cannot just prohibit truck traffic. The Council is required to adopt an ordinance and establish policies and procedures prohibiting truck traffic on the street. He pointed out that the Fire Department or the Police Department does not use 8th Street to access emergencies because the street is unsafe. 8th Street is not an emergency access street. Staff is working on a variety of solutions and will continue to take comments from the public.

Councilman Seale commented that closing 8th street was an option along with many other alternatives that may be considered.

City Manager Kincaid responded that the City will be involved with ADOT to help develop a solution to improve the intersection at Highway 70 and 8th Street.

8. **REVENUES AND EXPENDITURES:** The City Manager will provide a Summary of General Government and Utilities Revenues and Expenditures for the period July 1, 2011 to December 31, 2011.

City Manager Kincaid provided a quick six-month snapshot of City activities that occurred between July 1, 2011-December 31, 2011. He explained staff is working on a format to provide additional information to the Council on a monthly basis with regards to expenditures and revenues. He invited Ann Waite to explain the Summary of General Government Revenues and Expenditures.

Ann Waite explained Page 1: Summary of Departmental expenditure. General fund departmental expenses are at 46% of what was budgeted. Summary of General Government revenues are under 50% of what was budget. Revenues are lagging slightly that have not surfaced at this point. At our last meeting local sales tax were about 2.78% up and what was budgeted. Overall, \$57,050 was expended more than what was received in General Government, which is approximately 1.2% deviation which is good in terms of managing the budget.

Page 2: Ann Waite pointed out that this Fiscal Year funding sources for the General Fund included switching Auto Lieu revenues, approximately \$460,000, into the Street budget. As of December 31st revenues for the street division is \$171,097 over expenditures.

City Manager Kincaid explained the reason for moving Auto Lieu funds (transportation funds) into the Street Budget was because a subsidy was done from the General Fund to the street budget annually. Auto Lieu and HURF funds are now a dedicated revenue source to the street budget rather than the General Fund providing a subsidy to the street department. He noted that the debt service for streets is at about 25% at this point. However, our major debt in a lot of areas become due June 30th. Continuing with Page 2, other governmental expenditures include proposed grants. If we **don't** receive the grant the money is not spent. Finally, the airport budget has a deficit of about \$29,467 at this time because of lagging revenue.

Page 3: Summary of Utility Resources and Expenditures: Revenues are over expenses on all accounts which were designed that way because we have a heavy debt load due at the end of the year. Capital has not been expended yet, but will be expended. Everyone is doing very well managing their resources.

Page 4: History of Local Sales Tax Collection back twelve years (6 months - July thru December).

Page 5: Local City Sales Tax Collections by Category. Comparison of where local sales tax comes from by category.

9. **CONSENT ITEMS:** The Mayor and City Council may wish to consider approving Items 1 through 10 as Consent Agenda Items.

1. January 23, 2012 Council Minutes
2. Police Report
3. Building Inspection Report
4. Public Works Report
5. Business License Report
6. Library Report
7. Utilities Consumption Report
8. Summary of Projects Planning and Grants Administration

9. Airport Report (December 2011)
10. Prosecution Report

Councilman Smith asked if an Airport quarterly revenue and expense report could be included with future consent items.

It was moved by Councilman Smith, seconded by Councilmember Attaway, and carried unanimously (7) to approve Items 1 through 10 as Consent Agenda Items; and, further requested to include a quarterly report of Airport expenditures and revenues. **MOTION ADOPTED**

10. **PURCHASING CARD REPORT:** Consideration and approval of Purchasing Card Report for 10/19/2011 through 11/18/2011.

It was moved by Councilmember Attaway, seconded by Councilman Smith, and carried unanimously (7) to approve the Purchasing Card Report for 10/19/2011 through 11/18/2011. **MOTION ADOPTED**

11. **SAFFORD FIRE DEPARTMENT:** Request from Fire Chief Bingham to consider and approve to increase the number of members of the Safford Fire Department from 28 to 30 members.

Fire Chief, Clark Bingham asked the Council to verify the increase in members from 28 to 30 would be maintained and not decreased if there happened to be a decrease in member(s) of the department in the future. (Yes)

It was moved by Vice Mayor Kouts, seconded by Councilmember Attaway to approve increasing the number of members of the Safford Fire Department from 28 to 30 members. **MOTION ADOPTED**

12. **69kV TRANSMISSION LINE UPGRADE CONSTRUCTION:** The City has bid the “69kV Transmission Line Upgrade Construction” as per A.R.S. Formal bidding Procedures. The project will be funded by City of Safford Capital funds allocated for FY11-12. The Mayor and City Council may wish to consider awarding the contact to Atkinson Power, LLC as per the attached Award Recommendation and the following breakdown:

Total Construction Bid/Bonds	\$1,019,644.64
Less Owner furnished Materials (poles/conductor)	(\$377,617.85)
Total Construction Labor/Equip/Cross Arm Assemblies	\$642,026.79

It was moved by Vice Mayor Kouts, seconded by Councilman Malloque, and carried unanimously (7) to award a contract to Atkinson Power, LLC as per the Award Recommendation and the following breakdown:

Total Construction Bid/Bonds	\$1,019,644.64
Less Owner furnished Materials (poles/conductor)	(\$ 377,617.85)
Total Construction Labor/Equip/Cross Arm Assemblies	\$ 642,026.79

MOTION ADOPTED

13. **RESOLUTION NUMBER 12-004:** Consider approving and adopting Resolution Number 12-004, a Resolution of the Mayor and City Council of the City of Safford designating certain depositories, investment accounts and persons authorized to sign related documents and agreeing to certain conditions with JP Morgan Chase Bank, Safford, Arizona.

Resolution updates the records at Chase Bank by authorizing the removal of Michael Rhodes and adding Clark Bingham to the Fire Department bank account.

It was moved by Councilman Smith, seconded by Councilman Malloque, and carried unanimously (7) to approve and adopt Resolution Number 12-004, a Resolution of the Mayor and City Council of the City of Safford designating certain depositories, investment accounts and persons authorized to sign related documents and agreeing to certain conditions with JP Morgan Chase Bank, Safford, Arizona. **MOTION ADOPTED**

14. **RESOLUTION NUMBER 12-005:** Consider approving and adopting Resolution Number 12-005, a Resolution of the City of Safford authorizing the City Manager to submit an application to the Governor's Office of Energy Policy for an EECBG grant to install energy efficient lighting at the Library, City Hall, and the City Annex.

It was moved by Vice Mayor Kouts, seconded by Councilmember Bingham, and carried unanimously (7) approve and adopt Resolution Number 12-005, a Resolution of the City of Safford authorizing the City Manager to submit an application to the Governor's Office of Energy Policy for an EECBG grant to install energy efficient lighting at the Library, City Hall, and the City Annex. **MOTION ADOPTED**

15. **RESOLUTION NUMBER 12-006:** Consider approving and adopting Resolution Number 12-006, a Resolution of the City of Safford authorizing the City Manager to submit an application to the State of Arizona, Department of Transportation, for Transportation Enhancement (TE) Project Funds for the construction and

improvements of Phase VII of the Shared-Use Path.

It was moved by Vice Mayor Kouts, seconded by Councilman Malloque, and carried unanimously (7) to approve and adopt Resolution Number 12-006, a Resolution of the City of Safford authorizing the City Manager to submit an application to the State of Arizona, Department of Transportation, for Transportation Enhancement (TE) Project Funds for the construction and improvements of Phase VII of the Shared-Use Path. **MOTION ADOPTED**

16. **RESOLUTION NUMBER 12-007:** Consider approving and adopting Resolution Number 12-007, a Resolution of the City of Safford approving Intergovernmental Agreement with Graham County for 2012-2014 Information Technologies GIS Services; and authorizing the Mayor to execute Agreement.

City Manager Kincaid explained the Resolution authorizes an agreement for GIS Services with Graham County to provide GIS Services with the exception of data collection due to the reduction of the GIS Department. The City will maintain its data collection. The agreement includes a clause that the agreement can be terminated with a 90-day written notice. Estimated annual cost savings to the City is \$100,000. He explained the GIS Department was not economically feasible to continue operating the department in-house. Although, a GIS department may be reconsidered in the future. GIS technology is changing rapidly.

It was moved by Councilman Malloque, seconded by Councilmember Attaway, and carried unanimously (7) to approve and adopt Resolution Number 12-007, a Resolution of the City of Safford approving Intergovernmental Agreement with Graham County for 2012-2014 Information Technologies GIS Services; and authorizing the Mayor to execute Agreement. Furthermore, a quarterly report will be provided to the Council. **MOTION ADOPTED**

City Manager Kincaid stated a quarterly report will be provided to the Council regarding GIS services.

17. **FUTURE PROPOSED PROPERTY ACQUISITION:** Discussion and direction to staff on future property information.

City Manager Kincaid explained this item is being discussed tonight because the Council has concerns of how the activities of the last work session were handled. There was discussion about the prior work session regarding property or

properties being presented to Council. The Council believed they did not receive all pertinent information regarding the Mortensen property.

Councilman Malloque commented that he believed the exercise was a total waste of time and money because the City does not have funding to build a police or fire station. He also questioned what the exercise was all about. He noted that a couple of days after the work session he found out that the Mayor owned the property. He personally felt that it was inappropriate and believes those who serve the City should never be in a position to benefit from information they acquire. He suggested in the future, anytime property is discussed that the name of the property owner be disclosed.

Mayor Gibbs responded. He commented that in January of last year, Irvial Mortensen approached him asking if the City had an interest in purchasing the remainder of the Mortensen property. At that time, he presented the information to the City Manager because he thought it might be worthwhile to analyze the property for a possible future police department. During a period of time, 2-6 months, it was determined that the property would not be the best location or large enough to accommodate a police department. Therefore, at that time, Mayor Gibbs purchased the property for a rental property. Since the feasibility study of the property was completed, it made sense to provide an exercise to discuss future purchases. He stated a purchase offer was never made to the Council. He bought the property as an investment. He stated that if the property would work for the City, that he would sell it to the City for what he paid for it. There was never any intent to sell it to the City after he purchased it, eight months after Irvial offered the property to the City and probably 25 emails and phone calls. He stated he wanted to purchase the property 6 ½ years ago when Irvial bought the property. Actually Irvial gave \$3,000 less than what Mayor Gibbs bid on the property because they knew him and they did not know me. He believes if we are going to progress there is a need to purchase properties and build structures, we have to look at our City twenty years from now and the police department is a perfect example. For the city manager to provide every piece of property to the Council before the feasibility is considered or before it is offered for sale would eat up a lot of effort.

Councilman Seale commented that during last **year's** budget discussions staff indicated that several pieces of property exist around town that may be worthwhile analyzing for possible City facilities. He added that the use of those properties would need to be considered before a determination can be made.

This type of exercise would be necessary for staff and the Council to determine if the property is feasible.

City Manager Kincaid clarified that in the future, pertinent information will be disclosed to the Council anytime property is being discussed.

18. MEETING/ACTIVITIES HELD BY COUNCIL OR CITY STAFF:

City Manager Kincaid: Conducted Economic Development interviews last week. Five qualified; Selection tomorrow to do a need analysis and target industry study for Graham County based on a grant received by Freeport McMcRan.

19. COUNCIL OR STAFF REQUESTS FOR AGENDA ITEMS: NONE

20. CITIZEN COMMENTS ON NON-AGENDA ITEMS: NONE

21. ADJOURN: It was moved by Councilmember Smith, seconded by Councilmember Attaway and carried unanimously (7) to adjourn the meeting at 7:36:03 p.m. **MOTION ADOPTED**

APPROVED:

Wyn "Chris" Gibbs, Mayor
City of Safford

ATTEST:

Georgia Luster, MMC
City Clerk

CERTIFICATION

STATE OF ARIZONA)
) ss
County of Graham)

I hereby certify that the foregoing minutes are a true and correct copy of the council

work session of the City of Safford, Graham County, Arizona held Monday, February 13, 2012, and approved at a Regular Council Meeting on March 12, 2012. I further certify the meeting was duly called, held and that a quorum was present.

Dated: March 12, 2012

Georgia Luster, MMC
City Clerk