



"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, August 13, 2012 @ 6:00 PM
PHELPS DODGE ROOM - LIBRARY**

PRESENT: Wyn "Chris" Gibbs, Mayor; Mary Bingham, Vice Mayor; Council Member's Ken Malloque, Gene Seale, James D. Howes, Richard Ortega, and Arnold A. Lopez.

STAFF PRESENT: David Kincaid, City Manager; Sandra Findley, Executive Secretary; Christine Fisher, Personnel Director; John Griffin, Police Chief; John Morast, Public Works Director; Don Knight, Director Management & Budget; Ann Waite, Finance Director; Jan Elliott, Library Director; Randy Petty, City Engineer; Eric Buckley, Utilities Director; Tisha Clark, Accounting Specialist, and Georgia Luster, City Clerk. Dale Clark, IT Support Specialist, assisted with the audio/video recording of the meeting.

OTHERS PRESENT: Deacon, Dr. Carl Vessels, Steve McGaughey, Kenny McKinney, Valerie Buckley, and Jacque Attaway. Kelly Van Shaar video recorded the meeting.

1. **WELCOME AND CALL TO ORDER:** Mayor Gibbs welcomed everyone present and called the meeting to order at 6:00:03 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:** Deacon, Dr. Carl Vessels offered the Opening Prayer.
5. **CITIZEN COMMENTS ON AGENDA ITEMS:** NONE
6. **CONSENT ITEMS:** The Mayor and City Council may wish to consider approving Items 1 through 11 as Consent Agenda Items.
 1. July 9, 2012 Council Meeting Minutes; and July 23, 2012 Council Minutes, and August 6, 2012 Special 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
10. Prosecution Report
11. Expense Report Over \$5,000

It was moved by Councilman Malloque, seconded by Vice Mayor Bingham, and carried unanimously to accept the Consent Agenda Items as presented.

MOTION ADOPTED

7. **PURCHASING CARD REPORT:** Consideration and approval of Purchasing Card Report for May 2012.

It was moved by Councilman Howes, seconded by Councilman Malloque, and carried unanimously (7) to accept the Purchasing Card report as published.

MOTION ADOPTED

8. **RESOLUTION NUMBER 12-026, ADOPTION OF TAX LEVY:** Consider approving and adopting Resolution Number 12-026, a resolution of the City of Safford making levy for taxes at a rate of 0.4662 for each one hundred dollars (\$100.00) of the Assessed Valuation of Property subject to taxation within the City of Safford for the Fiscal Year Ending June 30, 2013.

It was moved by Councilman Ortega, seconded by Vice Mayor Bingham, and carried 6-1 to approve and adopt Resolution Number 12-026, a resolution of the City of Safford making levy for taxes at a rate of 0.4662 for each one hundred dollars (\$100.00) of the Assessed Valuation of Property subject to taxation within the City of Safford for the Fiscal Year Ending June 30, 2013. Councilman Malloque opposed. **MOTION ADOPTED**

9. **SALARY COMPETITIVENESS POLICY:** (Request by Councilman Seale) Discussion to review and possibly amend the wording in the Salary Competitiveness Policy.

City Manager Kincaid reminded the Council that this item was previously discussed in a July work session.

Councilman Seale commented that Councilman Howes brought up some good points as he made his presentation. Looking back through previous minutes, motions were made not to approve certain things, cost of living, merit increases, etc. Although, he is concerned about anything being automatic because it

doesn't take into consideration what the circumstances might be at that point, whether it be salary increases, or whatever the case might be. He prefers looking at each circumstance on a case by case basis and the decisions made at that time. If its policy, the Council should follow policy and if the Council can't follow policy, then the policy should be amended. During that discussion, the last section of the Policy "Salary Adjustments for Market Data" was brought to their attention. He read that section of the Salary Competiveness Policy and suggested making the following revisions. The Human Resources Director shall have the responsibility to conduct future salary surveys to establish new prevailing rates based on market data. ~~These market surveys will be conducted every two (2) years with adjustments to be effective July 1 to coincide with budget year.~~ Every two years the Council shall consider the need to have salary surveys conducted. He verified the Council may approve salary increases if the money is in the budget for that fiscal year without doing another survey. However, this Policy requires a market survey be conducted every two years. By amending the language in the Policy, the Council would not be diverting from Policy. The Council would know what the revenue and expense picture is and at that time and may conduct a salary survey to implement if at all possible. He made a motion to revise the language to read: Every two years the Council shall consider the need to have salary surveys conducted. However, because the Policy mandates the Council to address each section he amended his motion to review the entire Salary Competiveness Policy. He said his intent is not to deny salary increases to anyone. His concern is not following Policy.

City Manager Kincaid suggested staff review and revise the policy and then provide recommendations to the Council for discussion in a September/October work session.

Councilman Howes read a statement he prepared. (Below)

If all on this Council have reviewed the information presented in the agenda item I presented July 23, 2012, you will have noted the many statements presented by the then sitting mayor and councils praising the efforts and accomplishments of our valued City employees. You will also have noted their opinions to further examine and evaluate the Salary Competiveness Policy. I have included just two of these comments in my statement this evening. These are from the Council Minutes of December 15, 2008.

#1- Mayor Green supports the recommendation to re-evaluate the employee merit system.

#2 - Interim City Manager Kincaid believes the current merit system is warranted

for those employees and could be developed with-in parameters of what is best for the City.

At the end of these discussions at the meeting on December 15, 2008, it was moved by Councilman Smith, seconded by Councilman Malloque and carried 7-0 to direct the Interim City Manager to review/refine and bring back a merit incentive system as part of the budget process by the end of the fiscal year. Motion Carried

In my research and review of Council Minutes Archives, I could not find where this was done. I would ask if staff could find this information and show me to be incorrect on this matter. Also having been an employee during the time this policy was formulated and having been part of the process, I can assure you that considerable effort by management and staff, as well as considerable expense was made to insure a policy that was workable and fair. In addition, having heard Mr. Kincaid speak on the topic at our last work session, I am convinced that he is well versed on this program and more than capable of making it work for the City, as well as being aware of any perceived inequities by employees. Therefore, I would vote against any change to the wording of this policy after no mention of it has been made for the last four years. We should allow management and staff to be able to show that this policy can and will work if it is implemented as originally intend. Thank you.

Mayor Gibbs commented that the last four years of economic problems have affected moving forward.

Councilman Howes believes the Salary Competitiveness Policy is a good and fair process. For many years there was no vehicle in place for employees to advance. He stated that he **doesn't** see a problem with revising the wording as suggested by Councilman Seale. However, he is concerned that every year at budget time employees get the leftover crumbs. He recalled a discussion concerning raises, one of the prior council **member's** at that time stated "**that** City employees are a dime a dozen and that you could hire anybody off the street for \$7.00 an hour to do their job. As an employee I was offended and insulted by his comment. As Council, we need to understand that it is our **employees'** that make this City what it **is.**" He supports working with staff and Council to review the Policy.

Councilman Lopez stated that he sees the structure of the Policy working too. He supports reviewing the Policy. Maintaining market data may be maintained on a daily basis.

City Manager Kincaid stated a market survey is a very timely process because comparisons are done with like entities and like positions within those similar entities. He is confident Chris will conduct a market survey.

10. RESOLUTION NUMBER 12-027, SUNZIA PROJECT: Consider approving and adopting Resolution Number 12-027, a resolution of the City of Safford in support of the SunZia Southwest Transmission Project (SunZia).

Mayor Gibbs explained the SunZia Project has been in process for the past six years. It's a proposed private power line running from Lincoln County, New Mexico going to the Florence substation in Pinal County. It will basically connect entire corridors in New Mexico and Arizona that may have heavy capabilities in solar electrical production and wind power generation. This area is not a great supporter of wind generation; however, wind generation farms in the San Simon/Bowie areas could be very productive. New Mexico will support both solar and wind. He noted the proposed Willow Substation (500kV) will be constructed north of the Bowie/San Simon exit on Hwy 191 would provide connection ability for solar farms. He pointed out that BLM has seventeen (17) outstanding permit requests for solar farms in the San Simon/Bowie area. This project would give these solar farms a place to connect to. The project will not help Safford get cheaper power, nor give Safford an avenue through the grid. However, the substation would benefit this area economically by providing jobs in construction/maintenance positions and will provide a new tax base. He explained the proposed routes:

- BLM proposes a route from New Mexico to the Willow Substation, to the corner of Pima County and north to Pinal County. He referred to a group of maps indicating routes.
- East side of Mt. Graham next to Safford, Ft. Grant, and Aravaipa area. Odds are against this route because of environmental concerns, Apache nation opposes and next to Aravaipa Wilderness area.
- Southwest side of Mt. Graham through Ft. Grant and Aravaipa: SunZia is pushing this route because it is a shorter route (24 miles). However, environmental concerns and engineering/constructing a 500kv line next to Aravaipa Wilderness.

Mayor Gibbs stated SunZia is suggesting this resolution proposing another route (Subroute B) which will run on the west side of Mt. Graham, Ft. Grant, and Aravaipa. They are proposing this route because it is a shorter route. He said a

SunZia representative will come and present more about the project to the Council. BLM is accepting public comments until August 22nd. Mayor Gibbs believes Safford should support the project, but is unsure about the routes.

City Manager Kincaid stated that he has drafted language in the resolution to address the concern and the sensitivity of the Aravaipa Canyon. There is time to make comments beyond August 22nd.

Mayor Gibbs stated Safford supports the project, but have concerns with route.

Councilman Lopez commented that it appears SRP is supporting the project, but is unsure that it may force this area to buy solar power, which is not cheaper, and eliminate coal burning generation in Benson. He supports the economic benefit of the project, but has a concern about any other entity be able to connect to the line.

City Manager Kincaid stated SunZia will make their money from transmission capabilities. The big impetus between SunZia and other projects is the mandates that the state utilities commissions are placing on their own utilities. Arizona has some requirements, but not as stringent as California. California Utility Commission has mandated thirty percent (30%) of their power must be from renewable resources by 2025. **That's** the issue driving these types of projects - there are no renewables out there right now and if they say water is no longer a renewable, then you have a whole new set of renewable energies that have to go into the system. This project is intended for California and Arizona grids to meet utility commission mandates being placed of renewable resources being used for percentage of capacity.

The Council asked the City Manager to invite representatives from SunZia and BLM to provide a presentation of the proposed project at September Council Work Session.

It was moved by Vice Mayor Bingham, seconded by Councilman Malloque, and carried unanimously to TABLE Item 10 for more discussion and ask SunZia to provide a presentation on the Project to the Council.

TABLED

11. MEETINGS/ACTIVITIES HELD BY COUNCIL OR CITY STAFF:

Reminder: Annual League Conference, August 28-31, 2012

12. COUNCIL OR STAFF REQUESTS FOR AGENDA ITEMS:

Vice Mayor Bingham: Review City Owned Properties in October Council Work Session

Councilman Lopez: Review Bidding Procedures

- 13. CITIZEN COMMENTS ON NON-AGENDA ITEMS: NONE**
- 14. ADJOURN:** It was moved by Vice Mayor Bingham, seconded by Councilman Howes, and carried unanimously to adjourn the meeting at 6:43:36 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 Regular Council Meeting of the City of Safford, Graham County, Arizona held Monday, August 13, 2012, and approved at a Regular Council Meeting on September 10, 2012. I further certify the meeting was duly called, held and that a quorum was present.

Dated: September 10, 2012

Georgia Luster, MMC
City Clerk