



CITY OF SAFFORD • CITY COUNCIL MEETING • MONDAY, JANUARY 14, 2019 at 6:00 pm
MEETING LOCATION: SAFFORD LIBRARY PROGRAM ROOM • 808 S. 7TH AVE SAFFORD, ARIZONA
“The mission of the City of Safford is to make Safford a great place to live, work, and visit”

1. **WELCOME AND CALL TO ORDER:** Mayor Kouts called the meeting to order at 6:00 p.m.
2. **ROLL CALL:** A quorum of the Council was present.
COUNCIL PRESENT: Jason Kouts, Mayor; Richard Ortega, Vice Mayor; Councilmembers’ Gene Seale, Arnold Lopez, Steve McGaughey, Chris Taylor and Michael Andazola.

STAFF PRESENT: Horatio Skeete, City Manager; Joe Brugman, Chief of Police; Randy Petty, City Engineer; Susan Anderson, Planning and Community Development Director; Leslie Norton, Human Resources Officer; Alma Flores, Finance Officer; Kabrina Romero, Accounting Administrator; Victoria Silva, Library Director; Tamara Webster, Deputy City Clerk; Sam Napier, I.T. Officer; Dan Braatz, Electric Division Supervisor; Gale Hedges, Water Division Supervisor; Raymond Osornio, Gas Division Supervisor; and Morgan Seale, Wastewater Division Supervisor.

OTHERS PRESENT: David Sowders, Brian Hemmerle, Cailee Lewis, Micah Windsor, Fred Smith, Kenneth Claridge, Riley Woods, Jon Johnson, Patrick O’Donnell, Paul R. David, and others who did not sign in.
3. **PLEDGE OF ALLEGIANCE:** Mayor Kouts led the Pledge of Allegiance.
4. **OPENING PRAYER:** Councilman Andazola offered the Opening Prayer
5. **CITIZEN COMMENTS ON AGENDA ITEMS:** Dustin Truelove requested to address Council regarding item #10.4 Federal Employee Assitance.
6. **CITIZEN COMMENTS ON NON-AGENDA ITEMS:** NONE
7. **SELECTION OF VICE MAYOR:** It was moved by Councilman McGaughey, seconded by Councilman Taylor to select Richard Ortega as Vice Mayor. Councilman Andazola then nominated Arnold Lopez for Vice Mayor. Councilman Lopez stated that he would be willing to accept if Vice Mayor Ortega was ready to relinquish that position. Vice Mayor Ortega responded, “Not at this time”. It was carried unanimously to approve Richard Ortega as Vice Mayor. **MOTION ADOPTED**
8. **SELECTION OF OFFICERS TO ACT AS LIAISON TO COMMUNITY BOARDS AND COMMITTEES:**
 1. **BOYS AND GIRLS CLUB** – Councilman Andazola
 2. **LIBRARY BOARD** - Councilman Seale
 3. **MT. GRAHAM SAFE HOUSE** - Councilman Lopez
 4. **PRIDE OF SAFFORD** - Councilman Taylor
 5. **SEAGO EXECUTIVE BOARD** - Vice Mayor Ortega
 6. **DOWNTOWN ASSOCIATION** - Councilman Taylor
 7. **GILA WATERSHED PARTNERSHIP** - Councilman McGaughey
 8. **ARIZONA COMMUNITY FOUNDATION/GILA VALLEY** - Councilman Andazola

9. CHAMBER OF COMMERCE – Mayor Kouts
10. PUBLIC SAFETY RETIREMENT – Mayor Kouts
11. LEAGUE OF ARIZONA CITIES AND TOWNS EXECUTIVE COMMITTEE – Mayor Kouts
12. LEAGUE OF ARIZONA CITIES AND TOWNS RESOLUTIONS COMMITTEE - Councilman Seale

9. **PRESENTATION:**

1. **HENRY & HORNE: Provide Mayor and City Council with an Independent Auditors report. Henry & Horne completed the City of Safford's fiscal year 2018 Comprehensive Annual Financial Report (CAFR) and will be providing a summary.**

Alma Valles, Finance Officer, stated Henry & Horne will present to Council regarding the City of Safford's 2018 audit for fiscal year ending June 30, 2018. Mrs. Valles introduced Brian Hemmerle. Mr. Hemmerle explained that Henry & Horne is the external CPA firm that does the City of Safford's audit which is required by statute and present a few slides (presentation) and any questions can be answered at the end. See presentation attached.

Councilman Lopez inquired if the new software the city is going to will work well.

Mr. Hemmerle replied that the new software, to his knowledge, will affect next years audit which will cover July 1, 2018 to June 31, 2019. The software that the city is going to is widely used across cities and towns throughout Arizona. Brian continued that he does not anticipate that there should be any real issues with that movement. A lot of cities and towns move to this software, as they grow they need something that can accommodate their needs for financial reporting purposes.

10. **NEW/OLD BUSINESS:**

1. **MINUTES: Request for Mayor and City Council to review and approve December 10, 2018 City Council Meeting Minutes.** No changes were requested.

It was moved by Vice Mayor Ortega, seconded by Councilman Andazola and carried unanimously to approve December 10, 2018 City Council Meeting Minutes. **MOTION ADOPTED**

2. **POSITION RECLASSIFICATION: Request for Mayor and City Council to approve the abolishment of the Utilities Director position and the establishment of an Assistant City Manager position.**

Horatio Skeete, City Manager, explained that he has been doing somewhat of an experiement and double duty filling in for the Utilities Director since that position was vacated almost a year ago. City Manager Skeete has come to the conclusion, and this has been discussed in the Council Workshop, that this position as currently defined is not necessary. The city has very capable utility managers in each division that Mr. Skeete has been working with by providing them with additional opportunities for growth and an understanding of the entire system. With some oversite at an Assistant City Managers position the city can kill two birds with one stone. Some succesion planning can be created for the organization and at the same time continue to provide opportunities for the different utility managers to grow in their positions. City Manager Skeete is confident they are very capable to handle the day to day

operations and also feels the city would be best served if the vacant position was utilized to oversee a few more departments and begin to understand the entire operations of the city for future. It provides some level of stability in terms of a structure that will well serve the city in the years to come. City Manager Skeete respectfully requests that the previous position of Utilities Director be abolished and create a new position of Assistant City Manager. If approved, Mr. Skeete will begin to draft a job description for the position and go out to the market to recruit a qualified person for that position. Anticipated to fill that position in April or May of this year.

Mayor Kouts inquired if the pay scale for this position would be the same as the Utility Director position.

City Manager Skeete replied that it will generally be in the same pay range as the Utility Director.

Councilman Seale stated that when this was previously discussed it was indicated that there would be a succession plan for the city. This does not mean that the assistant city manager would be in line to become the City Manager but to be able to understand the system enough to give council some breathing room while looking for a new City Manager.

City Manager Skeete replied that would be correct. This by no means is creating a hierarchy of entitlement. The city manager's position is one that is filled exclusively and only by the city council. This would give council the opportunity to have someone in place that understands the operations and take some of the pressure off of the perceived crisis by not having a manager. This will have someone in place that has worked with and alongside Mr. Skeete for at least a year as he transitions towards retirement.

Councilman Lopez commented that he likes the idea since Safford is unique in having more enterprises than other towns and cities to watch over. It is quite a learning curve for someone coming in to get a hold of it all. But he does agree with Councilman Seale that nothing is promised to become City Manager.

Vice Mayor Ortega stated that he agrees and it should be something that is understood at the time they are hired.

It was moved by Vice Mayor Ortega, seconded by Councilman Andazola and carried unanimously to approve the abolishment of the Utilities Director position and the establishment of an Assistant City Manager position. **MOTION ADOPTED**

3. POSITION RECLASSIFICATION: Request for Mayor and City Council to approve the abolishment of a Field Service Technician and the establishment of an Advanced Metering Infrastructure Administrator position in the Customer Service area. Horatio Skeete, City Manager, explained this is another position that has been being transitioned for the last five years or more. As the city moved from the hand held physical reading of all the utility meters to the electronic meters there was an anticipation and expectation that these electronic meters

will be sending signals on a daily basis to a centralized computer system with activities over the course of the day. Therefore the traditional meter reader position will phase out. There were initial four of those positions and are now down to two. The amount of physical readings per month is dramatically reduced and reduced to only meters that are sending errors back to the system. The primary activity of the position's now is to monitor those reports daily and troubleshoot them. The technical skills needed is different and the training is different. Having customers turned on/off when requested is still needed to be done physically. There is also a need to physically replace meters that could be done by these field positions but City Manager Skeete would like to move the primary daily activities of the position to do an analysis of the errors that is received, correction of those errors, and updating. This will set the city up for the way forward to make sure of accurate readings both from the customer side and from all positions.

Mayor Kouts inquired if the pay range will increase from the field service technician pay range.

City Manager Skeete replied that it will require a pay scale change because of the technical skills and knowledge that is required in order to attract candidates for this position. It will be a different dedication and technical level.

Councilman Lopez inquired if there would be only two positions in the field services department.

City Manager Skeete replied that both individuals will have field service requirements and the expectation is that the two individuals will be able to handle all of the transactions that is required during the course of the month. The administrator will be required to go out into the field.

A short discussion followed regarding meter equipment.

It was moved by Vice Mayor Ortega, seconded by Councilman Taylor and carried unanimously to approve the abolishment of a Field Service Technician and the establishment of an Advanced Metering Infrastructure Administrator position in the Customer Service area. **MOTION ADOPTED**

4. FEDERAL EMPLOYEE ASSISTANCE: Request for Mayor and City Council to approve a temporary suspension of Customer Service disconnection protocol during the Federal Government shutdown for all federal workers currently being served by the City's utilities.

City Manager Skeete stated that thanks to the Council's questions over the weekend, it got Mr. Skeete to thinking about what can be done and with that he has put together a proposal to help assist approximately 250 federal employees that are currently either furloughed and or working without pay because of their classification as essential. City Manager Skeete is recommending to offer waiving any late fees associated with the utility bill over the period of time the federal employees are not receiving a paycheck and take them off of any potential disconnection list allowing them to accumulate their amount due until they start receiving a paycheck again. Mr. Skeete is also suggesting that the city give these employees the opportunity to make payments for their outstanding utility bill over a three month period. To be eligible the federal employees

or a representative will have to come into the customer service office and present a valid federal employee i.d. that matches up with either the name or family name on the utility bill.

Mayor Kouts invited Mr. Truelove to speak.

Dustin Truelove stated his name and address for the record. He represents the American Federation of Government Employees the Council Prison Local 2313 based out of FCI Safford. There are approximately 200 employees of which not all live in Safford. Mr. Truelove appreciates that the Safford City Council is helping out and appreciate any help given to the employees.

It was moved by Councilman Andazola, seconded by Councilman Seale and carried unanimously to approve a temporary suspension of Customer Service disconnection protocol during the Federal Government shutdown for all federal workers currently being served by the City's utilities. **MOTION ADOPTED**

- 11. CONSENT RESOLUTIONS:** These items are considered to be routine by the City Council and may be approved by a single motion unless removed at the request of any Council Member for further discussion/action. Council Members have received documentation on these items for review prior to the open meeting. The City Council may wish to consider approving items 1 through 6 listed below as consent agenda items. **INFORMATION/DISCUSSION/ACTION**

1. RESOLUTION R19-001: Request for the Mayor and City Council to approve and adopt Resolution R19-001, a resolution entering into a lease agreement for the Robinson Ranch Property Grazing with Josephine Stevens, DBA Stevens Brothers Ranches. (Staff, Susan Anderson)

2. RESOLUTION R19-002: Request for the Mayor and City Council to approve and adopt Resolution R19-002, a resolution entering into an accessway lease agreement with Allen Matthews. (Staff, Susan Anderson)

3. RESOLUTION R19-003: Request for the Mayor and City Council to approve and adopt Resolution R19-003, a resolution entering into a farm lease agreement for real property known as the Carrasco Farm between the City of Safford and Layton Hay, LLC. (Staff, Susan Anderson)

4. RESOLUTION R19-004: Request for the Mayor and City Council to approve and adopt Resolution R19-004, a resolution entering into a farm lease agreement for real property known as the Birdno Farm between the City of Safford and R. G Howard Farms. (Staff, Susan Anderson)

5. RESOLUTION R19-005: Request for the Mayor and City Council to approve and adopt Resolution R19-005, a resolution entering into a farm lease agreement for real property known as the Ferguson Farm between the City of Safford and R. G. Howard Farms. (Staff, Susan Anderson)

6. RESOLUTION R19-006: Request for the Mayor and City Council to approve and adopt Resolution R19-006, a resolution entering into a farm lease agreement for real property known as the Kempton Well Field Farm between the City of Safford and Kenneth Claridge. (Staff, Susan Anderson)

Councilman Seale commented that each lease has an annual three percent (3%) increase and would like to amend the leases to have a three percent increase every other year making it a one and one half percent (1.5%) annual increase instead.

City Manager Skeete responded that the 1.5% increase annually would be acceptable and that the council could make that change if they so desire.

It was moved by Councilman Seale, seconded by Councilman Taylor to amend the lease agreements to reflect a one and one half percent (1.5%) increase annually and carried unanimously to approve items 1 through 6. (Resolution R19-001, Resolution R19-002, Resolution R19-003, Resolution R19-004, Resolution R19-005 and Resolution R19-006) **MOTION ADOPTED**

12. RESOLUTIONS:

1. RESOLUTION R19-007: Request for the Mayor and City Council to approve and adopt Resolution R19-007, a resolution authorizing the Mayor to enter into an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) in connection with construction funding for the 20th Avenue from Relation Street to Golf Course Road Project. Staff recommends authorizing and entering into this agreement with ADOT. Randy Petty, City Engineer, stated he brings forth a request to authorize by resolution the mayor to enter into an intergovernmental agreement with ADOT for the construction funding of Twentieth Avenue. In December 2018, the city received the draft IGA from ADOT and after the comments from the city attorney were reviewed it is now ready to be presented to council to be approve Resolution R19-007. This resolution will authorize the mayor to enter into this agreement and staff is recommending authorization. This project is anticipated for the fiscal year 2020/2021 and are expecting construction to proceed after July 2020.

It was moved by Vice Mayor Ortega, seconded by Councilman Andazola and carried unanimously to approve and adopt Resolution R19-007, a resolution authorizing the Mayor to enter into an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) in connection with construction funding for the 20th Avenue from Relation Street to Golf Course Road Project. **MOTION ADOPTED**

13. CONTRACTS/AGREEMENTS/BIDS:

1. VALLEY CONNECTIONS, LLC: Request for Mayor and City Council to approve a Pole and Easement Use Agreement with Valley Connections, LLC. Dan Braatz presented a pole attachment agreement between the City of Safford and Valley Connections, LLC. This agreement mirrors the cable tv agreement that was recently approved. This agreement has been reviewed by the attorneys for both sides and everyone is in agreement to move forward with the agreement.

Councilman Lopez inquired that this is just to rent space on the City of Safford poles and is it per space or per pole.

Mr. Braatz replied that it is per attachment.

It was moved by Councilman McGaughey, seconded by Vice Mayor Ortega and carried unanimously to approve a Pole and Easement Use Agreement with Valley Connections, LLC.

MOTION ADOPTED

Mayor Kouts introduced the new Chamber of Commerce Director Micah Windsor.

14. REPORTS

1. Purchasing Card Report
2. Over \$5,000 Report
3. Prosecution Report

Vice Mayor Ortega inquired if all of the multiple small purchases on the P-Card report could be bought in bulk.

City Manager Skeete replied that these purchases are on the spot immediate needs, not available in the warehouse or in some cases it is just as convenient or easier to purchase than to run out to the warehouse.

Mayor Kouts also stated that if it is necessary to purchase in town, he would like to see these purchases be made locally within the City of Safford.

15. ANNOUNCEMENT OF CURRENT EVENTS: The Mayor or any member of Council may at this time present a brief summary of current events and provide future agenda items. However, no discussion shall take place on such items except for clarifying comments related to substance, time and location.

- Mayor Kouts – Texting and Driving Ordinance
- Councilman Taylor and Council recognized the outgoing Chamber Director Patrick O'Donnell
- Councilman McGaughey – Council Meeting Protocol

16. REPORT ON OPERATIONAL ITEMS: The city manager, members of city staff or those individuals designated by the manager may present information pertinent to items under consideration or information related to the operation of the City. There shall however be no discussion at this time except for clarification inquiries. (If not listed below)

- Jensen Addition: Raymond Osornio updated council on the progress of the gas line project that is occurring in Jensen Addition
- Water Table Levels: Morgan Seale updated council on the water table levels.

➤ 4th Street Project: Dan Braatz updated council on the ongoing 4th Street Project

11. **ADJOURN**: It was moved by Vice Mayor Ortega, seconded by Councilman Andazola and carried unanimously to adjourn the council meeting at 7:10 p.m. **MOTION ADOPTED**

APPROVED:

Jason Kouts, Mayor

ATTEST:

Tamara Webster, CMC, Deputy City Clerk

STATE OF ARIZONA)
) ss
COUNTY OF GRAHAM)

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the Regular City Council Meeting Minutes of the Safford City Council, Graham County, Arizona held Monday, January 14, 2019, and approved at a Regular Council Meeting held on Monday, March 11, 2019. I further certify the meeting was duly called, held and that a quorum was present.

Tamara Webster, CMC, Deputy City Clerk

March 11, 2019

Date:

