

# CITY OF GLOBE

## REGULAR MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

MARCH 11, 2013 6:00 P.M.

The meeting was called to order by Mayor Wheeler at 6:00 p.m.

The Invocation was given by Councilman James Haley followed by the Pledge of Allegiance led by Councilman Eric Mariscal.

### ROLL CALL

**Present:** Mayor Terry Wheeler, Councilman James Haley, Councilman C.M. "Mike" Humphrey, Councilwoman Mary Ann Uhl, Councilman Desmond Baker and Vice Mayor Eric Mariscal

**Absent:** Councilman Lerry Alderman

#### 1. SUMMARY OF CURRENT EVENTS

##### A. Council Members

1. Councilman Haley stated that this morning his daughter was involved in an accident and asked that we be more vigilant and watchful as were driving and mindful of safety.
2. Councilman Haley thanked everyone that helped make our Home Tour and Antique Show such a resounding success.

##### B. Mayor

1. Mayor Wheeler thanked every who worked on the Home Tour and Antique Show. It was nice to see a lot of people in town.
2. Mayor Wheeler stated that last week the Council held a Retreat and he is in receipt of a thank you card from Yvonne Corley for the gift the Council presented to them following the Retreat for being our facilitator.

##### C. City Manager

1. City Manager Brent Billingsley stated that the City conducted a weeklong cleanup and wanted to thank ADOT, Gila County and City Public Works Staff and Chris Collopy and John Angulo for helping with this cleanup. They picked up 179 tires and 23.1 tons of trash.
2. City Manager Billingsley gave an update stating that at last weeks Special meeting the Council directed that legal Counsel be hired to address a rate case that is being heard before the Arizona Corporation Commission ACC which involves Arizona Water.

In order for AZ Water Company AWC to increase rates, they must get approval from the Arizona Corporation Commission. AWC currently has a rate case in front of the ACC in order to raise the rates in the Globe area which they call it the Miami System. The City of Globe effectively filed for the ability to intervene in this process, to be involved as a cooperating agency or cooperator in what they call part B in this case. The administrative law judge presiding over this case allowed Globe to intervene. City Manager Billingsley expressed that we will continue to protect the interests of the City of Globe.

2. **SPECIAL PRESENTATIONS AND CEREMONIAL MATTERS:** Presentations, Proclamations, Awards, Guest Introductions and Announcements.

- A. Trietsch Memorial United Methodist Church – Kris Melvin – Arizona Reservation Ministries (Chris Collopy)

Building Inspector Chris Collopy stated that the Arizona Reservation Ministries had a group in our area volunteering in San Carlos and they were unable to be present tonight.

3. **CONSENT CALENDAR:** Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. Public Hearing items are designated with an asterisk (\*). Prior to consideration of the Consent Agenda, the Mayor will ask whether any member of the public wishes to remove a Public Hearing item for separate consideration. Members of the Council and or staff may remove any item for separate consideration.

- A. Consideration of Waiver of Section 2-4-10 (A) [prior discussion rule] to allow action on the balance of the consent Agenda:

Councilman Haley moved to waive the rules and take action on item 2 of the Consent Calendar. Seconded by Vice Mayor Mariscal.

Motion carried unanimously.

1. Accounts Payable

Passed.

2. Annual East Valley Firefighters Charity Bike Run request for Extension of Premises / Patio Permit for April 12, 2013 (Al Gameros)

Councilman Haley asked that item 1 be removed from the consent Calendar.

Councilman Haley moved to approve the accounts payable with the amendment presented. Seconded by Councilwoman Uhl.

Motion carried unanimously.

4. **NEW BUSINESS:**

- A. Senior Community Education Program (Jane Eck)

City Manager Billingsley stated that this is a volunteer program that participates at the Active Adult Center and these volunteers are compensated.

Councilwoman Uhl moved to suspend the rules. Seconded by Vice Mayor Mariscal.

Motion carried unanimously.

Councilman Haley moved to approve the IGA with the Senior Community Education Program. Seconded by Vice Mayor Mariscal.

Motion carried unanimously.

B. Retired Senior Volunteer Program Memo of Understanding with the Active Adult Center (Jane Eck)

The Council is in receipt of a Memo of Understanding with Pinal Gila Council for Senior Citizens. This agreement is for the use of senior volunteers at the Active Adult Center.

Councilwoman Uhl moved to waive the meeting rules. Seconded by Councilman Baker.

Motion Carried Unanimously.

Vice Mayor Mariscal moved to approve the IGA with for the Retired Senior Volunteer Program. Seconded by Councilman Haley.

Motion carried unanimously.

C. Discussion and Consideration of Retaining The Segal Company as the City's Health Insurance Consultants through April 30, 2016. (Teresa Williams)

Finance Director Teresa Williams presented the proposed retainer for the Segal Company for 3 years. This retainer is \$31,500.00 a zero increase from last year.

This item will be placed on the next meeting agenda for consideration.

D. Discussion and Consideration of the Annual Contract FY 2013-2014 with Blue Cross Blue Shield of Az, Ameritas Dental, Vision Service Plan and Mutual of Omaha for Employee Health Benefits (Teresa Williams and Gina Paul)

The Council is in receipt of a memo presenting the new rates for the City's Health, Dental, Vision and Life Insurance contracts for the upcoming year beginning July, 2013. City Manager Billingsley stated that Ameritas Dental will increase .35 per pay period for employees. The other plan rates will remain the same.

City Manager Billingsley commended City Staff members Teresa Williams and Gina Paul for working on these plans. He stated that staff has done an excellent job.

This item will be placed on the next meeting for consideration.

- E. Discussion and Consideration of the Intergovernmental Agreement with Globe Schools for the use of City Ball Fields. (Chris Collopy)

Building Inspector/Parks Director Chris Collopy stated that the agreement before the Council will allow each other to use City or School Facilities. He stated that this is a good agreement.

This item will be placed on the next meeting for consideration.

- F. Discussion of the Emergency Services Vehicular Field Training Agreement with Arizona Academy of Emergency Services LLC to allow for Ride Along training with the Globe Fire Department (Al Gameros)

Fire Chief Gameros presented the proposed agreement for the Arizona Academy of Emergency Services which allows ride a longs for students.

Councilman Haley moved to suspend the rules. Seconded by Councilwoman Uhl.

Motion carried unanimously.

Vice Mayor Mariscal moved to approve the Vehicular Field Training Agreement for Arizona Academy of Emergency Services. Seconded by Councilwoman Uhl.

Motion carried unanimously.

- G. Discussion of the Eastern Arizona College Agreement to use the City's Community Center Pool and the Globe Senior Center for classes (Chris Collopy)

Building Inspector Chris Collopy stated that this agreement is still being negotiated. He stated that he will bring this back to a future meeting.

- H. Discussion and Consideration of ADOA-GAO Openbooks Interagency Service Agreement (Teresa Williams)

Finance Director Teresa Williams explained that there is a new State law that states that all government entities must post financial transactions on the City's website. She stated that the ADOA-GAO Open Books Interagency Service will post this information for the City with a set up fee being \$2,000 and charging \$3,000 per year.

Councilwoman UHI moved to waive the rules. Seconded by Councilman Haley.  
Motion carried unanimously.

Councilwoman Uhl moved to authorize the Mayor to sign the agreement with ADOA-GAO Open Books Interagency Service. Seconded by Councilman Haley.

Motion carried unanimously.

- I. Discussion and Consideration of Resolution No. 1656 in Support of Resolution Copper Company Land Exchange and Conservation Act (Chris Collopy)

Building Inspector Chris Collopy stated that he had the pleasure of attending a meeting in the Town of Miami with members of the Miami Town Council, Gila County Supervisor, and a representative of Resolution Copper Company. He stated that Resolution Copper Company made a request for a Resolution in support of Resolution Copper Company.

City Clerk Gina Paul read a caption of Resolution No. 1656.

Councilman Haley expressed his concerns, regarding the environmental impact of this project. He asked if environmental discussions have been addressed before the Council passes this Resolution. He stated that this mine is not in Globe, not in Gila County, but it does have a striking potential for a positive economic impact for us if it means more jobs. He stated that if the environmental impact is sound and there is little chance of poisoning the water or permanently destroying the ecology, then he has no problem approving this resolution.

Mayor Wheeler stated that he has spent a lot of time studying Resolution Copper's proposal, he stated that they have spent years in preparation. He stated that he has seen all hydraulic studies, hydrology studies, environment studies, production studies. He stated that this is economically important to the copper triangle. He stated that he supports this project, we need to get it in action as soon as we possibly can. He stated that he knows that there are Religious and cultural claims and he listens to pros and cons of this issue.

San Carlos Tribal Chairman Terry Rambler addressed the Council, inviting the Council to any Tribal meeting. He stated that the Apaches are against the mining method. Chairman Rambler expressed that this is against their religious beliefs. He stated that this is an area of great significance to them in the area of belief. He commented on the environment created by the creator, living in equilibrium, and the fear of the environment being desecrated. Chairman Rambler voiced his concern that there is no environmental assessment planned, he stated that the act states that there will be a NEPA process. He stated that this is not in the best interest of the Public. He stated that those promoting this mine do not live in this area, or in San Carlos, Globe or Superior. He stated that Rio Tinto has a track record of doing business with Iran and China holds an ownership in Rio Tinto and they will benefit from the copper. He asked the Council to take a look at the environmental impact and do their homework.

Mr. Alex Ritchie who works for the Tribe, provided a handout. He stated that this deal that Resolution Copper has been proposing for 8 years needs to be looked at. He stated that water is pre-eminent. He stated that 40,000 acre feet of water will be used annually. He stated that this is 1.2 million acre feet over 30 years. He asked if Globe, Gila County or anyone in the copper belt can afford this much water to be used in this mine. He raised fear that water upstream will be pulled into this hole at a higher rate of consumption. He would like to see the hydrology study. It has not been produced or released and he wants to know why?

Roy Chavez, a lifelong resident of Superior addressed the Council stating that he is a former Councilmember for Superior and a former City Manager of Superior. He is also a former miner, and he is part of a group called Concerned Citizens and Retired Miners Coalition of Arizona. He stated that this is a group made up of mining regions in our area. He stated that this group supports the mining industry,

knowing that mining is a cornerstone of our communities. He recognizes that this is 2013 and we have seen in many years since this legislation has begun, many questions gone unanswered and answers unjustified. He stated that BHP has put together a reclamation project. He stated that this was to develop property for residential, commercial and for annexation. He stated that when Rio Tinto came it was shelved. He stated that citizens are very concerned with this project. Where is this Ore going to be crushed and smelted, there are many questions. He stated that the Oak Flat Campsite is part of the Presidential Order by President Eisenhower and President Nixon. He stated that 3 weeks ago the town voted to terminate the agreement with Resolution Copper. This was prompted by the conviction of a Councilmember who voted on this issue but had a conflict of interest.

Kiki Peralta, Councilwoman of the Town of Superior addressed the Council stating that she is not against mining. She would like to see the hydrology studies Mayor Wheeler referred to.

Mayor Wheeler stated that he was in a meeting last week with the hydrologists regarding the groundwater that affects Queen Creek and the surrounding areas. He stated that Resolution hydrologists have done these studies.

Councilwoman Peralta stated that she wants the mine to do this the right way. She wants to see NEPA done. Where will the tailings go, she asked the Council to oppose the resolution and read the conservation act and read the legislation to see what it says. She would like the Council to add to the City of Globe Resolution to support them: "provided that all water, plan of operations, environmental, municipal and tribal issues are adequately addressed prior to the enactment of the Southeast Arizona Land Exchange and Conservation Act."

Kane Graves, City Manager/City Attorney for the Town of Superior addressed the Council. He stated that the ethical rule states that since he represented Globe less than a year ago he must have permission to speak before the council tonight. The Globe Council nodded their approval for him to speak representing the Town of Superior. Mr. Graves stated that when he wrote the two resolutions in support of Resolution Copper he asked the Council if they reviewed HR687, he stated that if they haven't read this act, they should not vote on this resolution. He stated that the land would be transferred to resolution upon enactment of the act. There are a lot of questions left unanswered. NEPA should be done first and foremost. He explained the Section 9 land transfer to the Town of Superior, stating that they cannot afford to purchase this land, nor can they afford the 8 million dollar loan offered by Resolution Copper.

Councilman Baker stated that he has read the act and it is lengthy and complicated. He stated that he too is in favor of the economic development of Mining. He stated that these companies that are owned have agreements with foreign powers and the relationship with Iran and China are real. He stated that the negative impact on our small communities is a true thing, this is our future, and water is of great concern.

Councilman Humphrey stated that there needs to be more research on this issue before he makes a decision.

Vice Mayor Mariscal stated that his family were miners, he has concerns about the business and operations of Rio Tinto in cooperation with China interest and Iran

business. He would like this resolution possibly reworded to satisfy our neighbors the Town of Superior and the Apache Nation.

Councilwoman Uhl stated that she would like more information prior to voting on this resolution.

Mayor Wheeler made a suggestion to invite Resolution Copper to give a presentation and invite the Town of Superior, Gila County, Town of Miami, San Carlos.

Councilman Haley moved to table this item following the recommendation by Mayor Wheeler to invite Resolution Copper and the neighboring communities to a future meeting. Seconded by Councilman Humphrey.

Motion carried unanimously.

J. License Agreement for use of a portion of City property known as Round Mountain Road by Timothy Trent and Daisy Flores (Chris Collopy)

Building Inspector Chris Collopy stated that Mr. Trent and Ms. Flores have asked the City for a portion of City owned land on Round Mountain Road to allow them to make improvements to this land for their winery business. Mr. Collopy stated that the Council is in receipt of a license agreement that has been approved by the City Attorney adding a termination clause to this agreement of 60 days should the City ever need this land in the future.

Councilwoman Uhl moved to waive the rules. Seconded by Vice Mayor Mariscal.

Motion carried unanimously.

Councilman Haley moved to approve the property license agreement with Mr. Timothy Trent and Ms. Daisy Flores. Seconded by Councilwoman Uhl.

Motion carried.

K. Discussion regarding an agreement with BHP and Globe Fire Department for quarterly training (Al Gameros)

Fire Chief Gameros stated that he has been in discussion with BHP and they would like proposals from Globe Fire Department and Tri City Fire Department to provide training for technical rescue, confined space, cpr, etc. He asked the Council to direct him and City Manager Brent Billingsley to negotiate with BHP for services.

It was the consensus of the Council to direct the City Manager and the Fire Chief to begin discussions and negotiations with BHP.

**5. ACTION ITEM:**

1. Approval of Memo of Understanding with Copper Cities Youth League for the use of City Ball Fields (Larry Anthony and Chris Collopy)

The Council directed that this item be discussed in Executive Session.

This item was discussed in Executive Session and it was tabled to allow for more information from City Staff.

2. Approval of Memo of Understanding with Destiny Schools for the use of City Ball Fields (Chris Collopy)

Councilman Baker moved to table this item. Seconded by Councilman Haley.

Motion carried unanimously.

## 6. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that IS NOT scheduled on this agenda may do so at this time. Comments will be limited to **three minutes per person** and shall be addressed to the City Council as a whole, and not to any individual member. **Please complete a “Request to Speak Card”, located with the Agendas at the rear of the Council Chambers and turn it in to the City Clerk prior to the beginning of the meeting.** 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.

1. Neil Jensen, CEO of Cobre Valley Regional Medical Center introduced the Hospital Board Directors in attendance tonight. Mr. Jensen presented an item of opportunity before the Council. He explained the Safety Care Net Pool which allows the hospital the opportunity to get matching funds 2 for 1. This money would cover expenses for the medically needy and indigent. He will work with the City Manager to present this formally to the City Council at a future meeting.

## 7. **EXECUTIVE SESSION:**

Councilman Haley moved to adjourn into Executive Session to Hear item 5-1 and Item 7-A-1. Seconded by Councilwoman Uhl.

The Council adjourned into Executive Session at 7:49 p.m.

- A. Discussion or consultation with the attorneys of the public body for legal advice and in order to consider its position and instruct its attorneys regarding the public body’s position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation. Pursuant to A.R.S. Section 38-431.03 (a) (3) & (4)

1. Arizona Water

The Council reconvened into Regular Session at 8:16 p.m.

Councilwoman Uhl moved to continue Item 5-1 to a future meeting for further staff discussion. Seconded by Councilman Baker.

Motion carried unanimously.

**8. POST EXECUTIVE SESSION**

Consideration of any item on the Executive Session portion of this agenda, which the Council may wish to take action upon in Open Session.

**9. SCHEDULING OF MEETINGS:**

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

**10. ADJOURNMENT.**

**8:18 p.m.**

Councilwoman Uhl moved to adjourn. Seconded by Councilman Haley.

Motion carried unanimously.

**SCHEDULED MEETINGS / EVENTS:**

WORK STUDY MEETING	March 18, 2013
REGULAR MEETING	March 25, 2013
REGULAR MEETING	April 8, 2013
WORK STUDY MEETING	April 15, 2013

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 the City of Globe held on the 11<sup>th</sup> day of March, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

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Gina A. Paul, CMC, City Clerk