

CITY OF GLOBE

REGULAR MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

January 12, 2016 6:00 P.M.

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

The Invocation was given by: Lerry Alderman

The Pledge of Allegiance was led by: Interim City Manager; Chief Al Gameros

ROLL CALL

Present: Mayor Terence Wheeler (Not voting), Councilman James Haley, Councilman Mike Humphrey, Councilwoman Roberta Johnson, Vice Mayor Eric Mariscal, Councilman Lerry Alderman.

Absent/Excused: Councilman Mike Stapleton.

1. SUMMARY OF CURRENT EVENTS:

A. Council Members

Councilman Alderman asked for prayer for the ten American Soldiers that were taken captive in Iran along with all their families.

Councilman Haley thanks the Public Works Department and acting Interim City Manager; Chief Al Gameros for early morning help with a water leak. Councilman Haley was contacted by a constituent in District 2 who had no water around 1:00 am; Chief Gameros was then contacted and crews did their best to re-establish water service. Councilman Haley also thanked all Municipal Staff for addressing issues quickly. Lastly Councilman Haley express how distressed he was to hear that the Islamic Republic of Iran captured two small US Naval Ships and have taken ten American Sailors into custody. Councilman Haley recognized Mayor Wheeler's service in the US Navy along with his own brother serving.

Vice Mayor Mariscal acknowledges that there is a lot of activity and work is going on around the City of Globe and thanks City Staff for keeping things very orderly. Vice Mayor also thanks the Citizens of the City for their patient in all the projects.

Councilman Haley through Mayor Wheeler recognizes Police Chief Nipp and the Challenge Coin that he ordered and has handed out to his department and Council and feels honored to be one of the first recipients.

B. Mayor

Mayor Wheeler reiterates what has been said about City Crews. They are working overtime to keep pipes, sewers and streets in working order. Jerry Barnes and his

department are doing a magnificent job. Mayor Wheeler also wants to thank Interim City Manager; Chief Al Gameros for stepping up to the plate and in only a week and a half has also done a magnificent job.

C. City Manager

Interim City Manager; Chief Al Gameros updates Council on the CAG survey that the Fire Department is currently conducting. This survey is required for grant funding for a new Firetruck. Initially there were 500 mail outs and have only received approximately 75 responses. The City needs to meet 75% of the 500 surveys that were mailed out and 51% need to be low to mod income to qualify for the funding. The Fire Department has been busy with over 1800 hundred call this past year and personally going door to door to complete this survey. The Fire Department budget would receive over \$400,000 to purchase a new firetruck.

Councilman Haley called upon Mr. Jon Cornell from the audience to announce to people how important this project is to the City and that is much appreciated.

Chief Gameros also updated Council on the Cottonwood and Sutherland Street repair. On January 4, 2016 Mayor Wheeler signed an Emergency Declaration authorizing repairs to a void found in the underground. Cooperation between the Public Works and the Contractor will hopefully have the streets reopened by the end of the week. Next, a 10 inch sewer line was hit and collapsed at Devereaux and Sycamore and that line has been repaired.

Chief Gameros announced that the Globe Active Adult Center is looking for a cook. The Globe Library has proposed closing on holiday Saturdays due to the shortage of staff, so 9 Saturdays out of the year the Globe Library will be closed starting this Saturday due to the Martin Luther King Holiday.

2. PUBLIC HEARING REGARDING LIQUOR LICENSE

A. Open Public Hearing.

Mayor Wheeler opened the hearing at 6:11 pm.

B. Consideration of Class #12 Restaurant Liquor License for Chalito's LLC dba J&R Reynoso's El Rey located at 999 N. Broad Street, Globe, Arizona.

C. Open discussion and public comment regarding the above mention liquor license.

No public comments or discussion.

D. Close Public Hearing.

Motion: Adjourn the Public Hearing regarding a **Moved by** Councilman James Haley, **Seconded by** Councilman Lerry Alderman.
Motion passed unanimously.

- E. Consideration by Council to approve or disapprove the Class #12 Restaurant Liquor License for Chalito's LLC dba J&R Reynoso's El Rey.

Motion: Approve the Liquor License for Chalito's LLC dba J&R Reynoso's El Rey at 999 N. Broad Street, Globe, Az., **Action:** Approve, **Moved by** Councilwoman Roberta Johnson, **Seconded by** Vice Mayor Eric Mariscal.
Motion passed unanimously.

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

- A. Presentation of Retirement for Firefighter Dennis Fraze; 14 years of service with the City of Globe Fire Department; 20 years credited service with Public Safety Retirement. (Chief Al Gameraos)

Chief Al Gameraos presents with mixed emotion but is happy that Dennis Fraze is able to retire as a Paramedic Firefighter after 20 years in the Public Safety Retirement. Dennis began his career in 1991 at the Tri City Fire Department and has ended his career serving the City of Globe for the past 14 years. Dennis was certified in 1998 as a Paramedic Firefighter and has taken additional responsibility as Captain Pro Tem for C Shift and is in charge of tracking all certifications for personnel. Dennis is also very knowledgeable in technical; rope rescue and has been an instructor in such. Chief Gameraos closes stating that the Department is going to miss him very much and presents Dennis with a pocket watch inscribed with his badge number and Maltese cross with name and dates of service.

Firefighter Dennis Fraze thanks the City of Globe and says it's been one of the best jobs and he has gotten to work with the best people; Globe Firefighters are awesome.

- B. Presentation of WIFA Update. (Jerry Barnes and Joseph Jarvis)

Public Works Director; Jerry Barnes updates Council on WIFA projects and thanks staff, contractors and the citizen of Globe for their work and patient; a lot has been going on. Pressure Reducing Valves; contract amount was \$653,870 and is 85% complete with an approximate completion date of January 25, 2016. Water Meters; contract amount was \$600,000 and is 96% complete with an approximate completion date of May 1, 2016. Hydrants; contract amount of \$277,140 and is 64% complete with an approximate completion date in March of 2016. Crestline Tank is 99% complete, Hagen Tank is 20% complete and Cutter Tank has not started. The Tank project contract amount was \$823,995 and approximate completion date is May of 2016. Well #3 and the SCADA projects will be bid in January and February of this year. The US 60 Waterline Project despite many issues is 80% complete with an approximate completion date of March 1, 2016. The total contract amount was \$2,022,691.06. Mr. Barnes summarizes the total WIFA funding in the amount of \$5,500,000.00; of which \$3m is forgivable \$2.5 is the loan. The forgivable portion has an expenditure deadline of January 1, 2016 which has been extended to the end of January and the \$2.5m loan has a deadline of July, 2017.

4. **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:
1. Accounts Payable \$1,653,324.75
- B. Consideration of Approval of Council Minutes:
- Regular Meeting Minutes December 22, 2015
- C. Consideration of Emergency Declaration regarding road failure at Cottonwood and Sutherland. (Jerry Barnes)
- D. Consideration of Task Order #2 with M.A. Mortenson for #GS-2015-16; Design and Construction of the Pressure Reducing Valve System. (Jerry Barnes)
- E. Consideration of Special Event Liquor License; Extension of Premises/Patio Permit for February 19th through February 21st for Tracy Quick dba The Huddle. (Chief Al Gameros)

Motion: Approve the Consent Agenda as read, **Action:** Approve, **Moved by** Councilman Lerry Alderman **Seconded by** Vice Mayor Eric Mariscal.
Motion passed unanimously.

5. **NEW BUSINESS:**

- A. Discussion and consideration of the FY2016-2017 Budget preparation and development. (Joseph Jarvis)

Finance Director Joseph Jarvis states it is very impressive what staff and Council have done with the WIFA funding over the last year. Mr. Jarvis informed the Council that it is time to start preparing for the FY2016-2017 budget and there are a number of items for review tonight. It is hoped that the tentative budget will be before Council in May for approval and the FY2014-2015 audit will be presented to Council on February 9, 2016.

Finance Director Jarvis updated Council that currently Council Budget is at 34% without contingency. Mr. Jarvis informs Council that John Naylor is working diligently on the FY2014-2015 Audit and plans to present to Council on February 9, 2016 despite challenges presented by the transition from Springbrook to Caselle.

Mr. Jarvis seeks direction from Council if they desire to have budget work sessions this year in preparation of the FY2016-2017 budget or appoint a budget committee.

Council requested both budget work sessions with a budget committee. Councilman Lerry Alderman volunteered to serve and Council will wait for Councilman Stapleton to return for further appointment of the three member Council Committee and the Committee will set the meetings.

Mr. Jarvis also updates Council of on the FY2015-2016 budget. Finance Director advised that the Active Adult Center will have to be subsidized by Council as in the past, however property tax received has helped with expenses at Library based on results as of 9/30/2015 and forecasting the remaining budget year. Council was updated that the .5 Excise funds will be spent with any surplus presented to Council for budget proposal. HURF revenues are being used to cover personnel costs and street projects. The Wastewater Treatment Plant budget is over spent due to contingency projects. Moving forward, the only way to afford capital improvements at the WWTP is to decrease costs, use the fund balance or raise revenue. Finance Director updates Council that water and sewer rates were not increased during FY2015-2016 however consideration for rate increase amounts will be brought before Council in the 2016 calendar year. Mr. Jarvis reports that the Water Department is in a good position, allowing more funds dedicated to capital projects. Mr. Jarvis explains, that Council will need to assess operating and personnel costs in the General Ledger, this may free up funding for capital improvements. Incorrect projections in the Police Department personnel cost and additional contractual expenses with the IGA for County dispatch services may cause a request for a Council contingency transfer.

Councilman Haley suggests that any remaining surplus be set aside for the designated purpose in consideration of the uncertain economy. In regards to the water rate increase Councilman Haley recollects that rates were approved by Council. Mr. Jarvis agrees that Council approved a rate increase plan however specific rate amounts have not been approved. Councilman Haley suggests further discussion and legal advice be sought.

B. Discussion and consideration for the Home Rule Election process.
(Joseph Jarvis)

Finance Director Jarvis updates Council that the Home Rule question is before voters every four years. Mr. Jarvis also advises Council that Home Rule will be a part of the Primary Ballot in August. Further discussion directs staff to prepare informational hearings and pamphlets to educate the public.

C. Discussion and consideration of a grant opportunity through HUD addressing vacant housing/blight issues; #GS-2016-03 Planning and Action Grant.
(Chris Collopy and Councilwoman Roberta Johnson)

Alan Urban from Central Arizona Governments addresses Council via telephone along with Development Services Director; Chris Collopy regarding a grant opportunity through HUD. The deadline for this grant is at the end of February, 2016. Mr. Urban informs Council that he along with Chris Collopy and Councilwoman Roberta Johnson has been working on statistics that are required for this two part plan. This grant is a two part plan that starts with just planning then action and ends with a demonstration product. This grant is on an annual cycle, so if the opportunity doesn't present itself this cycle continued work would allow for an application on the next cycle. This grant is looking at neighborhoods in a holistic

fashion which requires a lot of statistics including crime, what does the neighborhood look like and recreation facilities.

Councilwoman Johnson informs Council that the data collection and process is quite extensive and that is why Alan Urban has been asked to help administer the grant. Councilwoman Johnson states to Council that his was a recommendation from the Housing Task Force and is informational for the entire Council.

Council recommends that the work continue to gather information and be brought back before Council at the time to file the application.

- D. Discussion and consideration of a grant opportunity through the Center for Community Progress addressing vacant housing/blight issues; #GS-2016-04 Technical Assistance Grant.

(Chris Collopy and Councilwoman Roberta Johnson)

Chris Collopy is again before Council with another grant opportunity that Karalea Cox brought to the Housing Task Force which requires a match of \$10,000 that the Southern Gila County Economic Development will provide. This grant will provide \$75,000 worth of technical assistance for \$200.00 for assistance with housing issues.

Councilman Haley observes this is a great opportunity to enable the EDC to do their job. Councilwoman Johnson informs the public that this is also a major focus of the EDC as well. Councilman Johnson also states that this grant is more doable and that Karalea Cox is actually writing the grant and that this has great potential.

Motion: Waive the prior discussion rules and approve the grant application request as stated, **Action:** Approve, **Moved by** Councilman James Haley, **Seconded by** Councilman Lerry Alderman.

Motion passed unanimously.

- E. Discussion and consideration of #GS-2016-20; Amend US 60 Waterline Contract with Sellers & Sons, Inc. to install Interconnection with Arizona Water Company.

(Jerry Barnes and Paul Hendricks)

Paul Hendricks of EUSI is before Council to discuss the change order to the US 60 Waterline Project that would allow the Contractor; Sellers and Sons to install the inter-connect between Arizona Water and the City of Globe boundary that would allow water usage metering. Funding will be reimbursed by Arizona Water Company as a result from a term agreement that is pending final ratification from the Arizona Corporation Commission on March 21, 2016.

Motion: Waive the prior discussion rules and approve change order with Seller and Sons as presented. , **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilwoman Roberta Johnson.

Motion passed unanimously.

- F. Discussion and consideration of #GS-2015-24; Amend US 60 Waterline Contracts for Construction and Design Services with EUSI, LLC. and EPS to conform design documents for ADEQ approval.
(Jerry Barnes and Paul Hendricks)

Public Works Jerry Barnes informs Council that this item is Phase II of the last agreement regarding the Arizona Water Co. inter-connect for construction services with EUSI in the amount of \$1,344.94 and for design services in the amount of \$1,040.00 for EPS to conform design documents for ADEQ approval.

Motion: Waive the prior discussion rules and approve amendments to contract with EUSI, LLC and EPS for design documents. **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman James Haley.
Motion passed unanimously.

6. **ACTION ITEMS:**

- A. Consideration of \$25,000 funding request for the Cobre Valley Transit for FY2015-2016. (Jerry Barnes and Joe Heatherly)

Director of the Cobre Valley Transit; Joe Heatherly is before council for finalization of the Cobre Valley Community Transit FY2015-2016 funding request. Mr. Heatherly updates Council that the discrepancies that ADOT found in audit have been satisfied. The two items that were outstanding have been completed and he has requested that ADOT send a formal correspondence stating so.

Councilwoman Johnson as a member of Transportation Advisory Committee stated that ADOT was to present a summary of the audit for the Globe City Council. Mayor Wheeler confirmed that per direction from the last meeting Sara Allred was to present a final audit to Council pending the decision for the \$25,000 funding request.

Mr. Heatherly informed Council that a stipulation of ADOT funding the Transit is compliance with audit and ADOT is currently funding the Transit as well as Gila County.

Jerry Barnes also confirms that he has contact ADOT and has not got a response concerning the audit with the Transit and confirms as past Transit Director; ADOT would not send any reimbursement is they were out of compliance.

Councilman Haley suggests a motion of funding \$20,000 with the remaining \$5,000 contingent on verification with ADOT.

Councilman Haley resends his motion due to the lack of a second.

Motion: To table this item contingent of contact with Sara Allred with ADOT and possibly bring back at the next meeting for action., **Action:** Table, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman James Haley.
Motion passed unanimously.

7. **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.

Motion: Adjourn Regular Meeting into Executive Session at 7:32 pm., **Action:** Adjourn, **Moved by** Councilman James Haley, **Seconded by** Councilwoman Roberta Johnson.
Motion passed unanimously.

8. **EXECUTIVE SESSION:**

- A. Confidentiality Statement.
- B. 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) & (a) (7)
 - 1. Arizona Water; receive legal advice from the City Attorney and outside counsel and to give the City Attorney and outside counsel direction in connection with the dispute with Arizona Water Company regarding water service provided to customers in the Globe area. Following the executive session the Council may take action in open session to give the City Attorney direction regarding such dispute.
 - 2. Legal advice and direction regarding Water Effluent Agreement with Inspiration Copper.
 - 3. Legal advice regarding delinquent City of Globe sewer accounts within the Arizona Water Co. service area.
 - 4. Legal advice and direction regarding lease contract for Parcel #208-08-007B.

- C. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee pursuant to A.R.S. 38-431.03 (a)(1)(2),(a)(3)&(a)(4)

1. City Manager Recruitment

9. SCHEDULING OF MEETINGS:

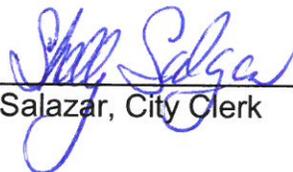
Scheduling of meetings, which may be brought up at this time.

10. ADJOURNMENT.

Motion: Adjourn Regular meeting at 8:54 pm., **Action:** Adjourn, **Moved by** Councilman Mike Humphrey, **Seconded by** Vice Mayor Eric Mariscal.
Motion passed unanimously.

SCHEDULED MEETINGS / EVENTS:

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 12th day of January, 2016. I further certify that the meeting was duly called and held and that a quorum was present.



Shelly Salazar, City Clerk