

# CITY OF GLOBE

## REGULAR MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

November 10, 2015 6:00 P.M.

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

The Invocation was given by: Councilman Lerry Alderman

The Pledge of Allegiance was led by: Fire Marshall Joe Bracamonte

### ROLL CALL

**Present:** Mayor Terence O. Wheeler (Not voting), Councilman James Haley, Councilman Mike Humphrey, Councilman Mike Stapleton, Vice Mayor Eric Mariscal, Councilman Lerry Alderman.

**Absent/Excused:** Councilwoman Roberta Johnson.

### 1. SUMMARY OF CURRENT EVENTS:

#### A. Council Members

Councilman Lerry Alderman mentions the passing of long time City Resident; Nick Reyes. Services will be Friday Nov 20<sup>th</sup> prayers are sent to Betty and the family. Councilman Alderman also mentions the award that the City of Globe received for the General Plan; for a city whose population is 50 thousand or less. Thanks go out to Felipe Zubia of ReSeed Advisors and Carolea Cox of Southern Economic Development and to the Public for all the information they shared to compile the plan.

Councilman Haley reminds everyone that tomorrow is Veterans Day and thanks all who have served and still serve. Councilman Haley shares a personal trial and is emotional over the courage his daughter has shown, but as duty calls and is on the dais tonight and committed to his service as a Councilmember.

Vice Mayor Mariscal stated that he attended the Gila Community College Legislative Day and remarked that there was some good representation by students. Vice Mayor also stopped by the Health and Safety Fair on Saturday and the City of Globe was well represented by the Fire and Police Departments.

Councilman Humphrey wishes everyone a happy Veterans Day.

Councilman Stapleton thanks Brent Billingsley, Jerry Barnes and Public Works for getting the donated piano into the Center for the Arts. Councilman Stapleton also announces the Justa Café Christmas play is the first Saturday of December and Santa Clause will be Train Depot; Saturday after Thanksgiving from 10:00 am –

1:00pm. Councilman Stapleton urges anyone that would like to donate Christmas Lights or volunteer to decorate the Downtown to please call him.

B. Mayor

Mayor Wheeler reminds everyone that there are two events on Veterans Day; one at Veterans Park followed by a potluck at the VFW and the Veterans Parade in Miami both at 11:00 am. Mayor Wheeler gives a small history lesson and informs the Public that the Armistice Agreement was signed on November 11, 1918 at 11am and most ceremonies are at 11:00 am in memory. Mayor Wheeler also mentioned what an honor it was to receive the Arizona APA Award for the General Plan.

C. City Manager

City Manager Billingsley announces three exciting items; first, is the award of \$6,000 from Apache Gold for the 12D Grant. Mr. Billingsley thanks Steven Ravenkamp from Apache Gold who is in the audience. Second, the City of Globe won 2015 best General Plan for Cities of less than 50 thousand in the State of Arizona. Mr. Billingsley thanks Chris Collopy humbly referred to as the unsung hero for all his work. Lastly the City Manager is very excited to announce that the first Integrated Health Care Clinic has just started seeing patients in Globe. This is a partnership with Canyonlands Healthcare and SEABHS. The new clinic is at 111 W. Blake Street, this is the first Integrated health Clinic in Gila County where both medical and behavior health services are offered to patients in a collaborative fashion with the patient's authorization. There will be an open house by invitation only in January. Mr. Billingsley states that Council and the City of Globe worked very hard to make this happen with letters of support for funding. The new building was made possible through a loan provided by the EDC. City Staff and Council were present at the ground breaking.

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

A. Presentation of the 3<sup>rd</sup> Quarter Boys and Girls Club Report and 3<sup>rd</sup> Quarter Mayor's Members of the Month: (Aimee Staten, Branch Executive)

July: Shelby Shows and Kandice Mahsill

August: Elijah Lopez and Jasmine Weaver

September: Tessa Tober and Logan Damron

Aimee Staten the new Branch Executive of the Boys and Girls Club in globe reports that City of Globe funding supports the Torch Club, Passport to Manhood and Member of the Month programs. Ms. Staten recognizes amazing professionals; Xavier Reyes, Adrienne Yniguez, Julie Burk and Joseline Cova who all work at the Club. Certificates from the Mayor are presented to the Members of the Month along with gift cards from the Club. Ms. Staten thanks the Mayor and Council and invites them to the Thanksgiving Feast on November 23, 2015.

B. Presentation on Round Mountain Signage Grant.  
(Chris Collopy and Richard Thomas)

Chris Collopy reports to Council; in 2012 the City of Globe applied for Heritage Funds from the Arizona Game and Fish in the amount of \$1200 for signage. This effort was spearheaded by former Councilwoman Mary Ann Uhl. Using Heritage funds from Arizona Game and Fish for the "Go Wild" program and in cooperation with the AZ Watchable Wildlife Assoc., BLM, AZ office of Tourism, Globe/Miami Chamber of Commerce and the Southern Gila County Economic Development Corporation promoted ecotourism. Signs promoting watchable wildlife, large mammals, reptiles and bats were put up throughout Round Mountain Park. Mr. Collopy thanks Richard Thomas and his crew for hiking into the Park to install the signage. Special thanks go to former Councilwoman Mary Ann Uhl and Natalie Robb, Robyn Beck and Marty Herrera of Arizona Game and Fish. Mr. Collopy and Council also recognize and thank Tanner Hunsaker for making the signs and always doing a great job.

Mr. Billingsley also thanks Chris and staff for a lot of hours and hard work packing the equipment into Round Mountain to make this happen.

Mayor Wheeler thanks Richard Thomas and his crew.

- C. Presentation of the Taliesin, Frank Lloyd Wright School of Architecture. (Jason Donofrio; Director of Development)

The Frank Lloyd Wright School of Architecture was founded in 1932 as an architecture apprenticeship, one of the oldest continually operating architecture institutions in the world and a fully accredited Master's program by the Higher Learning Commission in 1985. This year the School received the maximum eight years of reaccreditation by the National Architecture Accrediting Board. Jason Donofrio; Director of Development thanked the Mayor and Council and City Manager Billingsley for allowing him to present. The mission of the school is to design out of existing cultural and physical conditions, materials, and landscapes into well-crafted frameworks for human activities. Mr. Donofrio points out a 4 year time line as well as projects that the School would like to work with the City of Globe on. Re-purposing empty spaces along the US-60 as well as other empty spaces are included in the scope of work as well as areas in the Dominion Mine Park and the beautification of existing buildings and spaces along Broad Street. Mr. Donofrio requests a Resolution of Support from the City so they can go forward with request from investors. Mr. Donofrio also states that the Railroad Depot has been offered as headquarters for students and if that didn't work out lodging would be in their budget.

Molly Cornwell on behalf of the Downtown Association; thanks Council and reports that Mr. Culver and she previously met with the program and hypothetically inquired what could be done in Globe. The project was well received as the ideas were the same as the different downtown associations with walking paths and the beautification of existing buildings. Through investors this partnership can keep growing. Ms. Cornwell stated to Council that the Globe/Miami Chamber of Commerce wrote a letter of support as well as the Downtown Association and local businesses.

- D. Presentation of Charitable Donations in the City of Globe. (Chris Collopy)

Development Services Directors greets the Council for the second time regarding charitable donation boxes. Mr. Collopy addresses Council regarding concerns that was brought to his attention by the Globe Lions Club about donation drop boxes. Research discovered that there are three types of drop boxes; legitimate charitable organizations, for-profit companies partnering with legitimate charities and for-profit companies posing as charities. Millions of dollars are being made off of donated cloths. Issues with the clothing donation boxes include clothing that doesn't fit in the box will be placed on the ground, boxes are placed in commercial parking lots, boxes are placed in areas that block fire lanes and boxes are placed in areas that create traffic hazards, which are code violations. Mr. Collopy stated that these boxes are unregulated and the request of staff is to regulate the use of these donation boxes. Cites cannot prohibit donation boxes due to the First Amendment, a solution would be to have a permit system for both legitimate and non-legitimate charities that would limit conditions and give the land owner or the City the ability to remove them. Mr. Collopy stated he needed a head nod from Council to take it to the Planning and Zoning Commission and ultimately back to Council for approval.

Councilman Haley suggested perhaps a required refundable deposit to be part of the permit.

Mayor Wheeler states it's important that the land owner is able to remove any unwanted boxes.

Mr. Collopy advises Council that what the City is looking for is a partnership between the Donation Boxes, the Landowner and the City.

City Manager Billingsley clarifies with Council that Staff would like to add the donation boxes to the zoning code with a Special Use Permit which would help protect the health and welfare of the citizens of Globe.

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:
    1. Accounts Payable \$441,401.88
  - B. Consideration of Approval of Council Minutes:

Regular Meeting Minutes October 27, 2015
  - C. Consideration of change orders for #GS-2015-20 US Hwy 60 Waterline Project (WIFA) with Sellers & Sons.  
(Jerry Barnes and Paul Hendricks)
  - E. Consideration of Change Order #1 for #GS-2015-14; Crestline Tank with Superior Tank Solutions. (Jerry Barnes)

**Motion:** Approve the Consent Agenda with the exception of item 3C to be removed for discussion. **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton.  
Motion passed unanimously.

4. **NEW BUSINESS:**

- C. Consideration of change orders for #GS-2015-20 US Hwy 60 Waterline Project (WIFA) with Sellers & Sons.  
(Jerry Barnes and Paul Hendricks)

Paul Hendricks of EUSI updates Council on the project that was bid last year and it is part of the WIFA loan. This project is replacing the water line along US Hwy 60 and the contract was awarded with an owner's contingency for a total of \$1,656,232.88 to Seller and Sons. The project is approximately 30% complete. Obstructions in the excavation have included old buildings, locomotive parts and old cars which require more time and are a legitimate additional expense. Mr. Hendricks advised Council that there have been a total of sixteen change orders totaling \$68,721.08 and that extended the project 12.12 days with a current projected end date of January 16, 2016.

Phil Smith thanks Council for the opportunity to have the item discussed to update the public on what is going on with this project. Ongoing concerns with this project being a downtown business he just wanted to know what was being changed.

Councilman Haley speaks on the positive of the project and that it is moving to the west. Unfortunately the City doesn't have any control over the ADOT project.

**Motion:** Waive prior discussion and approve change order, **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton.  
Motion passed unanimously.

- A. Discussion and consideration of Comprehensive Study of the City's Unfunded Liability to PSPRS. (Joseph Jarvis)

Finance Director Jarvis states that he is before Council with a recommendation from the task force to help municipalities to understand the unfunded liability that now sits on the City's balance sheet and could ultimately damage our ability to obtain funding. One recommendation is that Cities and Towns hire a company to complete a Comprehensive Study of the liability.

Council unanimously disapproves a Comprehensive Study.

- B. Discussion and consideration of a Pension Funding Policy for PSPRS.  
(Joseph Jarvis)

Finance Director Jarvis updates the Public and Council that there is a \$10 million unfunded liability for the City and it is at no fault of the City or the Police or Fire Departments. Currently the City is contributing approximately 54% of salaries for

the Police Department and 46% of salaries for the Fire Department; employer contribution. Staff is requesting a recommendation for a Pension Funding Polity to address this liability in one of two ways; as a percentage goal or dollar amount goal.

Councilman Haley wants to see a scenario over a twenty year period that would 100% capitalize, that would be more realistic. Councilman Haley also suggests; presenting to voters a question that would designate a revenue string for this purpose. Councilman Haley reiterates that this is not the blame of prior Council; the blame is with PSPRS and mismanagement of funds.

Councilman Alderman states that the City can't cut expenses anymore, that we are at a point that we have to raise revenues.

Council request that the Finance Director come back to Council with 5 options addressing the unfunded liability.

City Manager Billingsley agrees with Councilmembers Alderman and Haley in that the City does not have the money to pay this liability. When the City passed the budget it was \$240 in the red; the only way to address this liability is to cut expenses or raise revenues.

City Manager Billingsley and Council answer unrecorded public questions regarding the history of this item and possible solutions. Discussion continues for over 20 minutes.

- C. Discussion and consideration of RESOLUTION NO. 1730, for a "Draft" License Agreement for Broadband Services with Triplet Mountain Communications, Inc., #GS-2015-19. (Brent Billingsley)

**RESOLUTION NO. 1730** – A RESOLUTION OF THE COUNCIL OF THE CITY OF GLOBE, COUNTY OF GILA, STATE OF ARIZONA, FINDING THAT THE GRANTING OF A BROADBAND SERVICES LICENSE TO TRIPLET MOUNTAIN COMMUNICATIONS, INC. ("TMCI") IS IN THE PUBLIC INTEREST; AUTHORIZING THE CITY TO ENTER INTO A LICENSE AGREEMENT WITHIN THE CITY OF GLOBE FOR PROVISION OF BROADBAND SERVICES BY TMCI; AND AUTHORIZING THE EXECUTION OF THE LICENSE AGREEMENT BY THE MAYOR OR CITY MANAGER.

City Manager Billingsley reads Resolution No. 1730 by title into the minutes for the first reading and the Council is satisfied with the reading.

Mr. Billingsley explains that the City of Globe has two different types of agreements with the utilities in Globe; one is a Franchise Agreement with the large utilities including Arizona Water, Southwest Gas and Arizona Public Service. License Agreements are used with Communication Companies due to their large CCN. The City has the potential to entering into an agreement with Triplet Mountain Inc. where they would pay a license fee based on their proceeds.

City Manager clarifies to Mayor Wheeler that the benefit to the users would be an enhanced or faster broadband service.

Council request that this item be brought back at the next meeting for approval.

5. **ACTION ITEMS:**

- A. Consideration of Payment Method of Employer Contribution to PSPRS.  
(Joseph Jarvis)

Finance Director Jarvis advises Council that another recommendation by the Task Force was making one payment to PSPRS instead of the by-weekly payments that are paid for employee and employers contributions. These funds are budgeted. Mr. Jarvis explains that this effort would make a minimal impact on the debt but would be a good practice in the effort to secure future loans and bonds if needed.

Council discussion proved opposition of this item.

Mayor Wheeler calls for a motion....item dies for lack of motion.

- B. Consideration of Contributions to PSPRS for Deferred Retirement Option Plan (DROP). (Joseph Jarvis)

Finance Director Jarvis presents another recommendation by the Task Force; consider continuing to contribute to the DROP. Employer contributions are not required when a member enters DROP; again this would be a minimal effort.

The City Manager explains again this is recommended by the League and Task Force and this would show that we are trying to pay down our debt.

Mayor Wheeler calls for a motion....item dies for lack of motion.

- C. Consideration of Bid Process from qualified well servicing companies for the Repairs and Rehabilitation of Well #4 Cutter Well Field.  
(Jerry Barnes and Paul Hendricks)

Paul Hendricks of EUSI is before Council to request approval to solicit bids for the remaining work for Well #4. The City is currently under emergency authorization to remove the obstruction in Well #4 after that has been completed we will need to go out to bid to put this well back in service. The award of contract will be brought back to Council for approval. Well #4 repairs are not funded by WIFA money; there will have to be budget transfer to pay for this.

Council discussion proved that this was a mandatory repair in that the Well has been down for 4 months.

**Motion:** Approve the bid process for the repairs and rehabilitation of Well #4., **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Humphrey.  
Motion passed 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.

Paul Tunis on behalf of the Main Street program reported to Council that the Halloween event was a great success and thanked Public Works for working the event. Mr. Tunis also thanked the City for supporting the piano donation. Mr. Tunis advised Council that the “Broad Street Beard Battle” will be on December 12<sup>th</sup> and the proceeds will go to the Cobre Valley Center for the Arts. Lastly Mr. Tunis stated that the CVCA and the Main Street Program have written letters of support for the Frank Lloyd Wright project and encourages the City to support through Resolution as well.

Phil Smith shared the fact that downtown Halloween festivities are like none other. City Workers did a great job making this available to the public. Spoke in favor of the Frank Lloyd Wright project and encourage the Council with the Resolution of support.

**Motion:** Adjourn to E-Session at 7:50 pm., **Action:** Adjourn, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton.  
Motion passed unanimously.

## 7. 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 and direction regarding Resolution No. 1573, Leases and the Intergovernmental Agreement with Gila County and Lease #AZER000103. (Downtown parcels)
  - 4. Legal advice and direction on the Council-Manager Form of Government and the Council Code of Ethics.

5. Legal advice regarding the Corkish Claim.

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 Clerk Review.

## 8. SCHEDULING OF MEETINGS:

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

## 9. ADJOURNMENT

**Motion:** Adjourn regular meeting at 8:58 pm., **Action:** Adjourn, **Moved by** Councilman Mike Humphrey, **Seconded by** Councilman Mike Stapleton.  
Motion passed unanimously.

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 10th day of November, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

  
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Shelly Salazar, City Clerk