CITY OF GLOBE

REGULAR MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

March 22, 2016 6:00 P.M.

The meeting was called to order by Mayor Wheeler at: 6:00 pm.
The Invocation was given by: Shelly Salazar
The Pledge of Allegiance was led by: Justina Reynoso

ROLL CALL

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

1. SUMMARY OF CURRENT EVENTS:

Mayor Wheeler introduces the New City Manager; Paul Jepson.

A. Council Members

Councilwoman Johnson- No report

Councilman Mike Humphrey asks for a moment of silence in remembrance of former City of Globe Employee; Don Ray Phillips who has passed away.

Councilman Stapleton reminded everyone of the Easter Parade this Saturday and wishes everyone a Happy Easter. Councilman also reminded everyone that the Home Tour was April 9-10, 2016 and encouraged everyone to spruce of their community for this event.

B. Mayor

Mayor Wheeler wishes everyone a Blessed Holy Week and a Happy Easter.

C. City Manager

City Manager; Mr. Paul Jepson invites Police Chief Mark Nipp to update Council on Evidence Technician Alan Mayo. Mr. Mayo fell ill last week and is currently in ICU with a couple of surgeries pending. Former Globe Police Officer Kalen Trimble was in a vehicle accident and was air ambulance to Scottsdale Osborne. Details of the accident are still coming in.

City Manager Jepson informed Council that 60-70 additional low to moderate income surveys were conducted by City staff volunteers including Jerry barns, Shelly Salazar and

her granddaughter; Hayden, Adrea Ricke and her husband, Chief Mark Nipp and his wife; Terry, Joe Bracamonte and Chief Gary Robinson on Saturday.
Asphalt repairs have been delayed, they however finish the cross cuts with the steel plates. The Water Dogs were busy repairing leaks and the PRV's are complete with no leaks. Last night a meeting with Tailson West was held in the Council Chambers; Jerry Barnes coordinated this meeting. They are doing a special redevelopment concept project in the Globe-Miami Region on US 60 through Miami and Broad Street through Globe. Their next meeting will be held next Monday at the Dream Manor Inn. Lastly Mr. Jepson thanked the Public Works Crew for having the City Manager's apartment already for him to move into. Manager Jepson reported that meeting with Council, Staff and local residents has been wonderful. Mr. Jepson especially thanked Ceci Bernal for her help with his transition.

2. <u>SPECIAL PRESENTATIONS AND CEREMONIAL MATTERS:</u> Presentations, Proclamations, Awards, Guest Introductions and Announcements

A. Presentation of Financial Reports from Bed Tax Recipients:

1. Downtown Association.

JoNell Brantley Thomas; President of the Downtown Association and Historic Globe Main Street Program informed Council that the Bed Tax is their primary source of funding and that all inspired endeavors are to benefit the citizens of Globe and the community creating a vibrant historic district. With the passing of the former Director the Downtown Association has managed to move forward with many thanks to wonderful volunteers and especially to Mr. Paul Tunis. Ms. Thomas presents the several different events that are hosted by the Bed Tax funding including; The Annual Christmas Light Parade, Read on Event at the Depot and the Easter Parade through downtown Globe. The Association also facilitates with others such as the Cobre Valley Center for The Arts and partners for the Annual Home Tour.

Ms. Thomas stated that they were encouraged last year by the City Manager to pursue films and last year acted as the film liaison for a full feature film entitled the "Covenant". Ms. Thomas thanked the Globe Police and Fire Departments for the help they provided during the filming.

In the summer the Downtown Association also sponsors the local Farmers Market featuring local grown produce and acts as a Historic Preservation Advisory Commission. The Historic Main Street Program also supports the Frank Lloyd Wright Tailson and has helped administer $398,000 in grant funding; renovating the Historic Jail and Depot. Bed Tax funding is crucial in maintaining historic sites in Globe such as the train depot and jail.

Ms. Thomas concludes her presentation by thanking the Council and the City of Globe for their support.

2. Cobre Valley Center for the Arts.

Mr. Paul Tunis thanks Council for the opportunity to report and is excited about the new City Manager; Paul Jepson with his history and education in the arts. As a nonprofit the bed tax is extremely important to the general fund of the Cobre Valley

Center for the Arts. Bed Tax funding is used in combination with membership to maintain the building and pay employees. The Cobre Valley Center for the Arts received a 30 year honor, stewarding the old courthouse. The Center is grateful to the City of Globe in particular; Chris Collopy for upgrading the security and fire system and replacing the roof this past year and currently going forward to remove the chair lift. General fund money also allows for live performance productions, featuring local artist, the Pieces of Friendship Quilt Show and the Talison Project. The Cobre Valley Center for the Arts also host art classes for adults oil painting, the Blue Hands Art Academy, the music academy, special events; the Kip Culver fund raiser partnered with The Friends of the Library and the Globe Library for a book signing. Mr. Tunis recognized the support of the Globe Police Department and thanked them for the escort of James and the Giant Peach. Bed tax in combination with other funds helps support outreach programs in partnership with the United Fund, Copper Rim School and the Globe Unified School District.

3. Gila County Historical Museum

Linda Lopez; Director of the Gila County Historical Museum informed Council that the Museum is on the National Register of Historic Places and has many visitors. The Museum has received over 300 requests for research on family and area history. Approximately 1600 volunteer hours and the Bed Tax funding make the Museum available to offer referrals to dining and lodging. Other sources of income come from donations and regular fund raisers. April through September is the season for the monthly hamburger fry. An active grant writing program is a major funding source for building repairs. Ms. Lopes thanks the City of Globe and the Council for all the help and requested to continue to receive the bed tax.

4. Southern Gila County Economic Development Committee.

Karolea Cox is thankful for the invitation to be before Council with the Southern Gila County Economic Development's annual report. Ms. Cox is excited to meet the new City Manager; Mr. Paul Jepson. EDC Board Members are introduced from the audience; members Mike Pastor and Cathy Melvin are recognized for their support. EDC President; Mr. Bryan Seppala could not make the meeting because of prior commitments. Ms. Cox noted how important and impressive the other organizations are and the work they do. The EDC however provides a more behind the scene service including projects; reporting to the Arizona Commerce Authority on City of Globe sewer line improvements, Copper Circle Economic Roadmap, Housing Task Force and representation on Freeport McMoran Community Partnership Panel. Ms. Cox pointed out that the Copper Circle Economic Roadmap was a regional document with the support of Resolution Copper. The Revolving Loan Program is a tremendous asset in the community with $127,726 plus in circulation assisting local businesses. This program has grown from an original amount of $90,000. The annual operating statement is a lean budget operating on only the Bed Tax contribution of $22,500. The EDC thanks the Globe Chamber of Commerce for hosting and providing office space for a reasonable rate. The EDC Board is also thanked for supporting and being flexible with the budget.

Councilwoman Johnson informs the public that the $100,000 in Bed Tax Funding is split among five recipients. For transparency Councilwoman Johnson requests the Finance Director to inform the public on the amounts that are distributed.

It is reported that the EDC and the Chamber of Commerce both received $22,500 annually and the remaining $55,000 is split among the remaining three receipients.

B. Presentation of the Empty to Awesome Award: (Chris Collopy)

1. Reynoso El Rey (Gonzalo Jr. and Roberta Reynoso)

Chris Collopy is excited to present this award to businesses that have a vision for their community.

Councilman Humphrey presents the Empty to Awesome Award to Justina Reynoso for the new Reynoso El Rey in Globe.

Mr. Collopy recalls the property that is now the new Reynoso El Rey sat for years behind a chain link fence falling into deep disrepair. The Reynoso Family saw the vision of what it could be and turned it into a great place. Councilman Humphrey knows the family well and wishes them the best.

2. The Copper Hen (Mike and Anita Stapleton)

Councilman Humphrey presents to the Empty to Awesome Award to Mike and Anita Stapleton for the new Copper Hen located on Cedar Street in Globe.

Mr. Collopy recalls when the former business moved out of the building that is now the new Copper Hen it broke his heart. The Stapleton Family stepped in and did an awesome job renovating the space. Mr. Collopy encourages everyone to stop by unless you are on a diet. The Stapleton Family thanks everyone including Councilman Humphrey for constructing the counter.

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 $210,012.07

B. Consideration of Approval of Council Minutes:

Budget Work Session Minutes March 1, 2016
Regular Meeting Minutes March 8, 2016.

Motion: Approve the Consent Calendar as presented., **Action:** Approve, **Moved by** Councilman Mike Stapleton, **Seconded by** Councilman Mike Humphrey.
Motion passed unanimously.

4. NEW BUSINESS:

A. Consideration and Discussion of #GS-2016-08; FY2016-2017 Budget. (Joseph Jarvis)

As requested for the record, Finance Director; Joe Jarvis confirms that the bed tax funds are distributed as follows: $22,500 distributed to both the Chamber of Commerce and the EDC, $20,000 is distributed to the Downtown Association and the Cobre Valley Center for the Arts the remaining $15,000 is given to the Gila County Historic Museum. Mr. Jarvis informed Council that historically if the City collected more in bed tax funds the surplus would go into the general fund, if less was collected then the negotiation with Council would take place.

Mr. Jarvis is pleased to announce that last Tuesday Council had very successful work session. The Capital Improvements were presented by Department Heads and the next budget work sessions are scheduled for March 29 and April 5, 2016.

B. Consideration and Discussion of Resolution No. 1739 publicizing the City of Globe's commitment to Fair Housing. (Jerry Barnes)

RESOLUTION NO. 1739 – A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GLOBE, COUNTY OF GILA, STATE OF ARIZONA, ADOPTING A FAIR HOUSING POLICY, MAKING KNOWN ITS COMMITMENT TO THE PRINCIPLE OF FAIR HOUSING, AND DESCRIBING ACTIONS IT SHALL UNDERTAKE TO AFFIRMATIVELY FURTHER FAIR HOUSING.

Mr. Paul Jepson reads by title only Resolution No. 1739, Council is satisfied with the reading.

Mayor Wheeler directed staff to bring this back at the next meeting.

5. ACTION ITEMS:

A. Consideration to appoint Deputy Fire Chief Gary Robinson as Fire Chief. (Council)

Mr. Jerry Barnes stated as acting Interim City Manager he was given several assignments, but none as great as this one. Mr. Barnes was pleased to announce after a successful recruitment for Fire Chief, he was able to promote Deputy Chief Gary Robinson to Fire Chief.

Chief Gary Robinson thanks the Mayor and Council and echoes some of the things that Chief Gameros said upon his retirement. Chief Robinson thanks God for the opportunity and feels greatly blessed to be Chief. Chief Robinson fondly remembers the offer to become a firefighter by the Chief Gameros and with the help

from his father accepted the position as a full time firefighter. Chief Robinson thanks his family for their support and is grateful for each member of Council for the support they have shown. Lastly Chief Robinson is grateful to Chief Gameros for his mentorship and leadership and looks forward to providing the leadership that has been to his department.

Motion: Approve the recommendation to promote Deputy Chief Gary Robinson as the new Fire Chief., **Action:** Approve, **Moved by** Councilman Mike Humphrey, **Seconded by** Councilman Mike Stapleton.
Motion passed unanimously.

B. Consideration of Adoption of the FY2014-2015 Final Audit.
(Joseph Jarvis)

Council stated that Mr. John Naylor has done an excellent job auditing the books for the City of Globe for a number of years.

Motion: Approve the consideration to adopt the FJ2014-2015 Final Audit as presented. **Action:** Approve, **Moved by** Councilman Mike Stapleton, **Seconded by** Councilwoman Roberta Johnson.
Motion passed unanimously.

C. Consideration of Settlement Agreement between the City of Globe and Arizona Water Co. (Jerry Barnes)

Mayor Wheeler called for a motion to table item C pending adjournment into Executive Session.

Motion: Table Item C; consideration of Settlement Agreement between the City of Globe and Arizona Water Co. pending e-session., **Action:** Table, **Moved by** Councilman Mike Humphrey, **Seconded by** Councilman Mike Stapleton.
Motion passed unanimously.

Mayor Wheeler calls for a motion to adjourn in to Executive Session.

Motion: Adjourn in Executive Session at 7:07 pm., **Action:** Adjourn, **Moved by** Councilman Mike Humphrey, **Seconded by** Councilman Mike Stapleton.
Motion passed unanimously.

Motion to appprovethe settle agreement with the change
Exhibit c 5al availba to the company no effect
Exihit d last sentence remove "include parcel number" and insert are
Remove "existing"
Rj makes motion ms seconded
Passes.

Mh ms adjurn at 7:56 pm.

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.

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 #GS-2016-14; Amster Building lease agreement.

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)

Regular Meeting reconvenes at 7:51 pm. Mayor Wheeler calls for a motion to un-table Item 5C.

Motion: to un-table Item 5C; consideration of Settlement Agreement between the City of Globe and Arizona Water Co. , **Action:** un-table, **Moved by** Councilwoman Roberta Johnson, **Seconded by** Councilman Mike Humphrey.
Motion passed unanimously.

5C. Consideration of Settlement Agreement between the City of Globe and Arizona Water Co. (Jerry Barnes)

Outside Water Attorney Gary Hayes, states for the record that he has been the outside Counsel for the City of Globe for the past 4 years in regards to the legal situation between the City of Globe and Arizona Water Co. Mr. Hayes stated that this has been a long process and there has been a lot of discovery. Before Council tonight, is a Settlement Agreement for consideration that Mr. Hayes as well as City Attorney Bill Sims and City Staff believe is an agreement that is good for the City of Globe and its citizens.

Mr. Hayes informs the meeting that if the Mayor and Council move to approve the Settlement Agreement that is before them tonight, the City of Globe and the Arizona Water Co. will come up with a Joint Proposed Form of Notice that will in conjunction with the Settlement Agreement, will be filed with the Arizona Corporation Commission. Citizens that will be effected will then receive a notice of the Corporation Hearing. At the hearing an Administrative Law Judge will hear the benefits of the Settlement Agreement. That Law Judge will render a recommended opinion and order that will go before the five Corporation Commissioners which will be voted on in open meeting. The petition that the City of Globe filed before the Arizona Corporation Commission to amend their decision from 1961 as well as the $7.8M in claims that Arizona Water Co. filed against the City of Globe would dissolve. Moving forward the City of Globe would work cooperatively with Arizona Water Co. establishing the settlement.

Mr. Hayes recommended a motion by Council to approve the Settlement Agreement and prepare for the Mayor's signature, moving forward with the following changes:

1. Exhibit C the Interconnection Agreement; paragraph 5A1add the following sentence: "This Interconnection will be available to the Company so long as it does not have a detrimental impact on the City of Globe's water system".

2. Exhibit D the License Agreement; recital B of that document in the last sentence remove the words "parcel numbers" and insert the word "are".

3. In paragraph 2 of the License Agreement remove the word "existing" that is before the word "water".

Mr. Hayes explained to Council that Arizona Water Co. has not seen these changes, but as long as these changes are within legal guidance, Council can move forward.

Motion: Accept the Settlement Agreement between the City of Globe and Arizona Water Co. and prepare it for the Mayor's signature with the corrections so stated by the City's Legal Counsel. , **Action:** Adjourn, **Moved by** Councilwoman Roberta Johnson, **Seconded by** Councilman Mike Stapleton.
Motion passed unanimously.

Mr. Hayes wanted to thank City Attorney; Bill Sims, City Staff and City Council, for the labor getting this issue behind us and it is something to be celebrated.

Mayor Wheeler on behalf of the City of Globe thanks Mr. Gary Hayes.

8. SCHEDULING OF MEETINGS:

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

9. ADJOURNMENT.

Motion: Adjourn regular meeting at 7:13 pm., **Action:** Adjourn, **Moved by** Councilman Mike Humphrey, **Seconded by** Councilman Mike Stapleton.
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 22nd day of March, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Shelly Salazar

Shelly Salazar, City Clerk