

# CITY OF GLOBE

## REGULAR MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

August 9, 2016 6:00 P.M.

The meeting was called to order by Vice Mayor Mariscal at: 6:00  
The Invocation was given by: Councilman Alderman  
The Pledge of Allegiance was led by: Reagan and Molly Jepson

### ROLL CALL

**Present:** Councilman James Haley, Councilman Mike Humphrey, Councilwoman Roberta Johnson, Councilman Mike Stapleton, Vice Mayor Eric Mariscal, Councilman Lerry Alderman.

**Absent/Excused:** Mayor Terence O. Wheeler.

#### 1. SUMMARY OF CURRENT EVENTS:

##### A. Council Members

Councilman Haley reminds everyone that school is back in session and Councilman Haley announces that he is teaching school this year. Councilman Haley also reminds everyone that mail in ballots have been mailed and to be sure to vote. Wishes everyone the best of luck.

Councilwoman Johnson thanks Mr. John Angulo and the Street Crews for filling pot holes.

Councilman Humphrey – no report.

Councilman Stapleton thanked everyone for prayers and support for the passing of his mother in law. Councilman Stapleton reported that the fund raiser for the Boys and Girls Club held at the Copper Hen raised over \$3000.00 cash and that 65 kids were supplied with school supplies and clothes.

Vice Mayor Mariscal echoes Councilwoman Johnson and thanks the Street Crews.

##### B. Mayor

Mayor Wheeler – Absent no report.

##### C. City Manager

Chief Gary Robinson and Jerry Barnes give an update on low to mod surveys. To date 189 surveys have been recorded and 30 more need to be recorded. Chief Robinson states that we are running 61% in favor to accomplish what needs to be done. City Staff

will reorganize tomorrow and will redistribute the remaining surveys. Mr. Barnes thanks the Media for any help they could offer notifying the public of the survey.

City Clerk; Shelly Salazar reminds everyone that the Primary Election will be August 30, 2016 and that along announces primary election and home rule.

Mr. Jepson introduces his twin daughters Reagan and Molly Jepson to the audience. Molly and Reagan are Wildcats and will be back in Tucson this fall for their second semester of college.

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

A. Presentation of the Globe Library Summer Reading Program; "On Your Mark, Get Set; Read". (Adrea Ricke)

City of Globe Librarian; Adrea Ricke informs Council that the Globe Library participated in the National "On Your Mark, Get Set..Read!" summer program. The focus was on Health, Fitness and Reading. The Kickoff was at Harbison Field and the children were challenged to physical activities. Fitness Booths were provided by Gila County Health Department, Globe Gym, First Things First and Eastern Arizona Railroad as well as Fire Marshall Joe Bracamonte and Canine Evo. The Friends of the Globe Public Library provided a foam machine for everyone to enjoy and over 200 people attended the event. Registration was up 8% from last year with 103 children registered. Teenagers from the Choices Program helped prepare activities every week for the event. Selma Williams from the Gila Community College Wellness Center provided fitness instruction to 3<sup>rd</sup>-5<sup>th</sup> graders as well as Guest Reader; Barbara Nancarrow. Mr. Don Payson instructed the children in Tai Chi Chuan. Participants read 475 hours beating last year's record by 60 hours. Ms. Ricke also thanked the Gila County School Superintendent Office, Globe High School and Principal Armenta, Noelle Anderson, Joseph Williams, Gracie Jones, Kalysta MacAuley and Joe Gonzales.

Ms. Ricke thanked local supporters: The Friends of the Globe Public Library, United Fund of Globe-Miami, CHOICES Program, Hollis Cinema 4 and Cobre Valley Center for the Arts. Last but not least volunteers; Sherry Rice, Jacob Irish, Shawn Swingler, Abbie Carnahan, Kendra Martinez, Kenda Maxfield, Tori Rivas, Justin Gonzales, Brayden Salazar, Evelyn Dawson, Selina Rivas, Victoria Camarillo-Aguilar, Tirezah Bradford, Reece Brown, Holly Sow, Radean Dodd, Rachael Sluyter, Leah Rios, Gabriel Valdez, Hayden Van Haren, Hayden Anderson, Zuinn Anderson, Paige Wernew, Janet Poor and Meshack Ferguson.

B. Presentation; Review of Easement Agreement with BHP Copper Inc. regarding the Old Dominion Park and the City of Globe's Establishment of Level of Service and Implementation Plan of Responsibilities. (Paul Jepson)

Mr. Jepson informed Council that an agreement between BHP Copper and the City of Globe was approved May 30, 2009 which created the Old Dominion Mine Park. The agreement places responsibilities on the City of Globe to develop, improve, maintain and operate a public park for pedestrians. All development, improvement, operations and maintenance plans conceived must be approved by BHP in writing prior to the plans being implemented. All maintenance and improvements shall be

kept in good condition and repair at the City's expense. Mr. Jepson seeks direction from Council as to what level of approval Council will want to have and what staff will be able maintain administratively.

Mr. Jepson reviews his plan to direct staff to implement our responsibilities; Bathrooms and trash: two staff, one hour, once a day, weekdays (500 straight hours), Cleanup, repair and graffiti: two staff, eight hours a month (192 straight hours), and Trail Clearing: three staff plus six Department of Corrections for six hours for five days, three times a year (810 straight hours). This will be reevaluated in May of 2016. Mr. Jepson stated that staff will be directed to process community request for potential improvements, evaluating feasibility, compliance, liability, and maintenance costs for financial impact to the City. Request will be presented to Council and BHP for approval.

City Manager Jepson presents a maintenance plan to Council that included lowering our insurance deductible from \$5,000 per incident to \$1,000; this will cost the City approximately \$8,000 however would benefit after two incidents. Staff will approve payment to have the original vendor repair the Zip Line and Swing with factory replacement parts. Staff will work with risk pool and Police Department to minimize vandalism and staff will insure, maintain, and if necessary repair or replace all existing improvements currently installed at the Old Dominion Mine Park as of August 9, 2016.

Council discussion revealed not only property improvements have to be approved by BHP but also the Maintenance Plan. Mr. Jepson stated that we have not yet presented the Plan to BHP but we will. Council also requests that improvements or maintenance that affects the City's liability be approved by the Council, however small improvements that do exceed the capital investment cap be at staff's discretion. Council also pointed out that the agreement stated if the topsoil is disturbed this would also constitute BHP and Council approval as well as State and Federal regulations such as ADEQ.

Jerry Barnes enters into discussion with Council regarding the application process between the Old Dominion Park Committee and the FreePort Community Grant. Mr. Barnes was on the FreePort Committee and as part of the Grant a letter of support was required from the City. The Globe City Council did provide a letter of support.

Mr. Jepson believes according to the agreement that the City of Globe is responsible for the repair of the equipment that was recently vandalized and seeks Council approval to repair the zip line and swing with factory parts; estimated costs are \$4200. Council request that when the valuation of the parking is done; Police access be considered to help mitigate vandalism, however Council is pleased that the City is keeping their word according to the approved agreement.

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
2. Consideration of Approval of Council Minutes:

Special Meeting Minutes 7-19-2016  
Regular Meeting Minutes 7-26-2016

**Motion:** Approve Consent Calendar as presented. , **Action:** Approve, **Moved By** Councilman Mike Stapleton, **Seconded by** Councilman Lerry Alderman.  
Motion passed unanimously.

4. **NEW BUSINESS:**

- A. Discussion and consideration of City Code 14-6-3; Globe Preservation Advisory Commission, Member Appointment by Mayor and Council Approval.  
(Chris Collopy)

Development Services Director; Chris Collopy stated the anniversary of Kip Culvers passing was another reminder of his duties. Per City Code Section 14-6-3, the City needs to appoint the Preservation Advisory Commission. This Commission is appointed by the Mayor and ratified by Council. The Preservation Commission members serve a three year term is comprised of five to nine members and only half the members need to reside with the City limits. This Commission meets as needed to review such things as proposed building plans and signage that being requested in the Historic Preservation District (Downtown).

Mr. Collopy informs Council that currently all members are expired and several names have been recommended to serve on the commission, these recommendations are; Jo Nell Brantley, Holley Rooney, Jason Marr, Kim Marr, Moly Cornwell, Bruce Binkley, Tim Harmon and Linda Gross.

**Motion:** Motion to appoint Jo Nell Brantley, Holley Rooney, Jason Marr, Bruce Binkley and Tim Harmon, **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman James Haley.  
Motion passed unanimously.

5. **ACTION ITEMS:**

- A. Consideration of #GS-2016-46; Resolution No. 1745, Power Sales Contract with the Arizona Power Authority for the purchase of Hoover Capacity and Hoover Energy. (Joseph Jarvis)

**RESOLUTION NO. 1745 – A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GLOBE, COUNTY OF GILA, STATE OF ARIZONA, APPROVING A**

POWER SALES CONTRACT WITH THE ARIZONA POWER AUTHORITY FOR THE PURCHASE AND SALE OF HOOVER CAPACITY AND HOOVER ENERGY.

Molly Jepson reads Resolution No. 1745 into the meeting for the final time; Council is satisfied with the reading.

Finance Director Joseph Jarvis reminds Council that Current Insight presented the Arizona Power Authority Contract at the last Council meeting. The Council submitted a request to receive 2 allocations of power from the APA that would equal 248 megawatt hours of power that if approved would begin October of 2017. The APA has requested that the City approve a resolution expressing its intent to sign the contract and authorize up to an additional 10% in allocated power.

Councilman Alderman stated the he has reviewed the contract and questioned Staff and he is very pleased with the Contract.

Mr. Jepson has also reviewed the terms of the 50 year agreement and stated that this is an awesome opportunity.

**Motion:** Approve Resolution No. 1745; Contract with Arizona Power Authority. ,  
**Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilwoman Roberta Johnson.  
Motion passed unanimously.

- B. Consideration of #GS-2016-08; Resolution No. 1744 – Adoption of the City of Globe Final Budget FY2016-2017 which incorporates previously approved Polices and Ordinances adopted as part of the Fiscal 2016-17 Budget Process. (Joseph Jarvis)

**RESOLUTION NO. 1744 – RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GLOBE, COUNTY OF GILA, STATE OF ARIZONA FOR THE ADOPTION OF THE FINAL BUDGET AND THE TAX LEVY FOR FISCAL 2016-2017.**

Reagan Jepson reads Resolution No. 1744 into the meeting Council is pleased with the reading.

Mr. Jepson updates Council on the budge process. Budget Work Sessions began March 1<sup>st</sup> and were held consecutively through July 19<sup>th</sup>. As of May 3, 2016 the budget was in the deficit -\$303,850. Per Council direction changes that included; .3% City Sales Tax increase was authorized for the purpose of paying down the unfunded liability, Bed Tax allocation was increased to \$2000,00 and the General Fund revenue was decreased by \$50,000, a onetime \$1M payment from the General Fund Balance was authorized to pay towards the PSPRS unfunded liability, Property Tax rate was decreased by \$10,000, budget for Transit increased from \$36,000 to \$61,000 and the General Fund Balance was decreased accordingly, and three positions (Code, Grants, and Auditor) and their revenue sources were added all by Council Vote.

Revenue changes since May 3<sup>rd</sup> include; additional HURF revenue was received, City State shared revenue decreased, \$48,000 in salary adjustments to cover potential cost associated with new Federal regulations and to insure full

compliance with the salary analysis, anticipated revenue for the Library and Active Adult Center increased, unfunded Excise CIP in the amount of \$220,943 and \$13,500 was added to the budget for the Boys and Girls Club per existing IGA.

Additional changes made were; Grant funding capacity was decreased to \$2M, the approved CIP was reduced based on purchases made from existing 2015-16 M&O Revenues, one position was moved from the Water to the General Fund, \$65,000 from existing 2015-16 Excise funds were carried forward and the WIFA pass-through line was added as a revenue and expense to the Water Fund.

Mr. Jepson recommends the adoption of a Final Budget with a request from the General Fund Balance in the amount of \$290,030.

Council thanked Joseph Jarvis and Paul Jepson for their diligent work and stated that this was an incredibly transparent process.

**Motion:** Approve Resolution No. 1744; Adoption of the Final Budget as presented.

**Action:** Approve, **Moved by** Councilman Mike Stapleton, **Seconded by** Councilman Lerry Alderman.

Motion passed unanimously.

- C. Consideration of #GS-2016-43; Application for a Planning and Design Technical Assistance Grant from Water Infrastructure Finance Authority. (Joseph Jarvis)

Jerry Barnes is before Council recommending approval of an agreement with Greg Swartz for the preparation and implementation of a Water Infrastructure Finance Authority (WIFA) Technical Assistant Grant. Staff recommends that PER be completed on our Wastewater System, which will guide Council and Staff through appropriate projects to improve the system. This same process was done for the Water System in 2013 utilizing WIFA funding. WIFA will provide up to \$35,000 as a match to the City's contribution. It is anticipated that the PER will cost at least \$70,000. The Wastewater budget will need to pay the difference between the final price of the PER and what may be awarded by WIFA. This expense was not budgeted for and would need to pay from the Fund Balance of the Wastewater Fund.

**Motion:** Approve contract with Greg Swartz as presented. , **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton. Motion passed unanimously.

- D. Consideration of #GS-2016-47; Lease with German Dobson CVS, LLC (CVS Pharmacy) at 100 N. Broad Street (Amster Building), replacing the current Lease with Vaden Corporation (Palace Pharmacy).

City Manager Paul Jepson stated that this has moved very quickly and the contract if approved by Council will need to go before the State Pharmacy Board therefore Mr. Jepson request Council to consider waiving the prior discussion rules when the motion is made. Mr. Jepson request that Council adjourn into executive session to go over the detail of the lease for action.

**Motion:** Adjourn into Executive Session at 7:04 pm. , **Action:** Adjourn, **Moved by** Councilman James Haley, **Seconded by** Councilman Lerry Alderman. Motion passed unanimously.

Regular Meeting Reconvened at 7:25 pm.

City Manager; Paul Jepson informed Council that Mr. Olmstead; Vaden Corporation was in the process of selling their holding in Palace Pharmacy to CVS. As landlord of the building the City was involved in the negotiations. Mr. Jepson assured that this is not a buyout; it is two businesses coming to terms and that Council approval would assure the continuance of a pharmacy downtown.

**Motion:** Waive the Prior Discussion Rules and approve the Lease with CVS Pharmacy., **Action:** Approve, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton. 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.

## 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. Legal advice and direction regarding #GS-2016-47; Property Lease with CVS Pharmacy.
  - 2. Legal advice and direction regarding Water Effluent Agreement with Inspiration Copper.

## 8. SCHEDULING OF MEETINGS:

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

10. **ADJOURNMENT.**

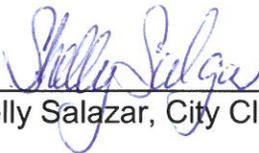
Council would like to recognize the passing of long time City Audit; Mr. John Naylor.

**Motion:** Adjourn the regular meeting at 7:30 pm., **Action:** Adjourn, **Moved by** Councilman Mike Stapleton, **Seconded by** Councilwoman Roberta Johnson.

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 9th day of August, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

  
\_\_\_\_\_  
Shelly Salazar, City Clerk