

CITY OF GLOBE

REGULAR MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

April 14, 2015 6:00 P.M.

FLOOD BOARD – MEETING 5:30 PM.

Call to Order. The meeting was called to order at 5:30 pm by Mayor Wheeler.

Roll Call.

Present: Mayor Terry Wheeler (Not voting), Councilman James Haley, Councilman C.M. Mike Humphrey, Councilwoman Roberta Lee Johnson, Councilman Mike Stapleton, Vice Mayor Eric Mariscal, Councilman Lerry Alderman.

1. VARIANCE APPROVAL

- A. Discussion and consideration of Variance Approval for Globe HI LLC dba Holiday Inn Express in the City of Globe and discussion of the potential issuance of amended Temporary Certificate of Occupancy.

Motion: Adjourn as Flood Board to Executive Session, **Action:** Adjourn, **Moved by** Councilman Mike Stapleton, **Seconded by** Councilman Lerry Alderman.

Motion passed unanimously.

Adjourned at 5:31 pm.

3. 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)
 - 1. Obtain legal advice on temporary Certificate of Occupancy and the granting of a variance regarding 44CFR and the City of Globe Floodplain Ordinance and Administrative Procedures for Floodplain Management and Regulation, LOMR review and FEMA approval.

4. 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.

Regular Session reconvened as the Flood Board at 6:03pm.

Councilman Lerry Alderman **motioned** to approve a Variance for Globe HI LLC. For the Holiday Inn Express Project as written with the following stipulations are met. The Owner; Globe HI LLC. agrees to provide a financial assurance in the form of a bond or letter of credit in the amount of \$275,000. With this variance staff will be able to approve an amendment to the existing Temporary Certificate of Occupancy if the following stipulations are met:

- 1) The Owner agrees to pursue the FEMA LOMR approval in a diligent and expedited manner.
- 2) LOMR approval from FEMA by September 10, 2015.
- 3) The Applicant understands that the Amended TCO and Variance may be revoked at the sole direction of the Globe City council, sitting as the Floodplain Board if any of the terms listed herein are not met and the facility will be shut down immediately.
- 4) A financial assurance of \$275,000 in the form of a bond or letter of credit will be provided to the City within 5 business days of the date that this Amended TOC is approved and before the operating as a hotel. The form of the Financial Assurance shall be reasonable acceptable to the City and shall secure the Applicant's obligation hereunder and the Applicant's obligation to comply with all statues, codes, ordinances, regulations and other laws.

Seconded by Councilman James Haley.

Motion passes unanimously.

5. ADJOURNMENT

Motion: Adjourn as the Flood Board, **Action:** Adjourn, **Moved by** Councilman James Haley, **Seconded by** Councilman Lerry Alderman.
Motion passed unanimously.

Flood Board Meeting adjourned at 6:09pm.

REGULAR COUNCIL MEETING

Call to Order. Regular meeting is called to by Mayor Wheeler at 6:17 p.m.

Roll Call.

Present: Mayor Terry Wheeler (Not voting), Councilman James Haley, Councilman C.M. Mike Humphrey, Councilwoman Roberta Lee Johnson, Councilman Mike Stapleton, Vice Mayor Eric Mariscal, Councilman Lerry Alderman.

Invocation: Councilman Lerry Alderman

Pledge of Allegiance: City Manager Brent Billingsley

1. SUMMARY OF CURRENT EVENTS:

A. Council Members

Councilman Alderman attended the Health Fair and The Home Show and was very impressed with the participation, and as a result from all the visitors, economic development was increased, thank you to all the visitors.

Councilman Haley also thanked everyone who attended the Home Tour and Health Fair. Councilman Haley also announced a meeting this Thursday at the Railroad Depot to anyone who would be interested in helping the homeless in our community. The meeting is at 6:00 pm. This meeting is not a governmental meeting, it is a meeting organized by local citizens.

Councilwoman Roberta Johnson thanked Public Works Director; Jerry Barns and Water/Wastewater Superintendent Ken Sellick for a tour of ongoing projects at the Wastewater and Water systems. It was awesome to actually see the progress and feel the pride of work completed. Councilwoman Johnson also gave a shout out to the City of Globe Maintenance yard for crating the Globe TigeroBotics Team robot who is headed to St. Louis for their first championship in many years.

Councilman Stapleton had the opportunity to attend the Home Tour on Sunday and thanked everyone who helped. Congratulations to the Globe TigeroBotics Team for going to the finals, this is very awesome Councilman Stapleton said. The TigeroBotics Team has also joined the Globe Clean and Beautiful and helped on Saturday's clean up so another shout out to the TigeroBotics. Councilman Stapleton lastly thanked Sharon Winters with Gila County for her help with dumpsters that were placed throughout Globe, 60 tons of garbage was collected in one month.

B. Mayor

Mayor Wheeler thanked Councilwoman Johnson and Councilman Stapleton for their work in Clean and Beautiful and the Housing Task Force. Mr. Wheeler had the opportunity to attend their meetings this week and appreciates their effort. Mayor Wheeler also congratulated the Globe TigeroBotics Team for their championship. Mr. Wheeler said that there was a good turnout at the Train Depot ribbon cutting but unfortunately the elevator at the Center of the Arts was not ready to celebrate.

C. City Manager

City Manager Brent Billingsley recognizes the accomplishment of the Globe High School Robotics team for their 2nd Season Championship. Mr. Billingsley honors students; Clint Brown, Victoria Camarillo, Sage Stennerson, Hayden Anderson, Liam Rama, Christian Stevens, Jacob Irish, Zack Long, Corbin Van Hassel, Kendra Martinez, Devin Chase, Alvee Salazar along with their mentors Darrel Yerkovich, RJ Castaneda, Kenneth Chan, Gordon Ross and Team Coach Eriok Hertwig. Mr. Billingsley applauds the team and tells the Council that these students and mentors have worked thousands of hours this season to bring a championship to Globe.

Mr. Billingsley reports that the elevator at the Center of the Arts did not pass the State inspection, so unfortunately the ribbon cutting did not happen on Saturday. Good news is that State Inspection was passed today. According to Kip Culver the ribbon cutting will be Saturday; April 25 at 9:00 am.

Mr. Billingsley was proud to announce that the City of Globe received an honor and was named one of the ten most beautiful towns in Arizona by an international web publication that works in economic development and tourism.

Lastly Brent Billingsley announced that Resolution Copper will be doing a tour of their project on April 21, 2015 available to anyone who RSVP's.

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

- A. Presentation of Proclamation; proclaiming April 12-18, 2015 as National Library Week 2015. (Mayor Wheeler presenting to Mary Helen Avalos; Globe Library)

Mayor Wheeler reads the Proclamation proclaiming April 12-18, 2015 as National Library Week 2015. Mary Helen Avalos accepts the proclamation on behalf of the Globe Library.

- B. Presentation of Proclamation; proclaiming April 12-18, 2015 as Week of the Young Child. (Mayor Wheeler presenting to Jennica Horta First Things First)

Mayor Wheeler reads the Proclamation proclaiming April 12-18, 2015 as Week of the Young Child.

- C. Presentation of Progress Report for the Gila County Historical Museum. (Museum Director; Donna Anderson)

Mrs. Donna Anderson states that the funds the Museum receives from the Bed Tax provide means to do building remodel and maintenance as well as ground upkeep. Mrs. Anderson is proud to announce that the Museum now has a research library.

- D. Presentation of Progress Report for the Globe-Miami Chamber of Commerce. (Executive Director; Ellen Kretsch)

Ellen Kretsch; Executive Director of the Globe-Miami Chamber of Commerce announced that the Globe Rotary has donated \$1000.00 to the Globe Robotics Club in honor of their championship. The Globe-Miami Chamber of Commerce receives \$22,500 in bed tax monies from the City of Globe which allows the Chamber to operate their state-certified visitor's center. The chamber has greeted more than 5,100 visitors and taken more than 2,800 telephone calls, in addition they have worked with several tour buses that have come to Globe and have given out more than 100 visitor packets filled with information on the area. Expenditures of \$7,000 in advertising in AAA Highroads, Phoenix Magazine, Arizona Republic, Tucson Guide and Arizona Drive Guide. The Chamber has two full-time and one part-time staff person. The visitor's center is open five days a week and most Saturdays.

President Gregg Parisoff and a 15-member board of directors meet monthly to oversee the operation and programs of the chamber.

E. Presentation of Salary Study Update. (UM Global)

Finance Director Joseph Jarvis presents the objective of the Compensation Audit to Council. The audit began with the review of the existing City of Globe compensation study and in consideration of the Gila County Compensation Study, UM Global has put together a summary of results and their financial impact.

Dan Ulibarri and Elena Mason from Um Global present the City of Globe Compensation Audit and Final Report to Council. After careful research and study UM Globe found that the City of Globe has an organizational average salary that is 8% below the defined labor market, with the lowest salary more than 20% below the defined labor market. The audit produced 2 salary structure models and 3 developed scenarios detailing financial impact for each. Mr. Ulibarri and Ms. Mason review for Council the job classification and job grading system used to place employee positions on the chart. Salary structure options are reviewed for Council and the associated financial impact.

Councilman Alderman questioned the merit system in relation to the salary study. City Manager Billingsley explains to Councilman Alderman and Council that option one presented by UM Global is a merit based system and option 2 is a step plan structure that was discussed in the budget committee last year.

Councilman Haley confirmed future discussion of this item. City Manager Billingsley reported to Council that this will be on the agenda for the Budget Work Session; April 17, 2015 and will be before Council on April 28, 2015.

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 \$552933.33

B. Consideration of Approval of Council Minutes:

1. Budget Work Session March 6, 2015

2. Regular Meeting March 24, 2015

C. Consideration of Intergovernmental Agreement with Gila County to provide Granite to the City of Globe for use in parks. (Chris Collopy)

D. Consideration of Agreement with Canyon State Wireless for Police Department Radios. (Joseph Jarvis)

- E. Consideration of a letter of support for Greyhound Bus Lines Inc.'s round trip bus service between Phoenix, Arizona and El Paso, Texas including intermediate stops. (Brent Billingsley)
- F. Consideration of the next stage purchase of water meter and transmitters for water meters paid for through WIFA funding. (Joseph Jarvis)

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

4. NEW BUSINESS:

- A. Discussion and consideration to assist the Town of Miami with Pool Repairs in the amount of \$5000.00. (Joseph Heatherly)

Town Manager Joseph Heatherly explains the repairs that are needed to Hotsetler Pool, to open for the Summer season. The estimated cost to complete these repairs and upgrades is just over \$34,000 and the Town of Miami is seeking assistance from the City of Globe in the amount of \$5,000.00

Councilman Haley asks in regards to gifting of public funds, that Citizens of Globe would be charge the Miami municipal rate in exchange for the \$5,000.

Mayor Wheeler reiterates last year and the Town of Miami's commitment to the Citizens of Globe, providing a place for the youth to swim.

Councilwoman Johnson asks that a regional count of the pool admission be kept for upcoming regional projects.

Town Manager Heatherly understood the importance of regional information.

City Manager Billingsley told Council that he will put together a brief IGA for the consensus of the pool assistance in the amount of \$5,000.00. This item will be brought back to the next meeting for consideration of approval.

- B. Discussion and consideration of Ordinance No. 829 amending Section 3-5-7 and 3-5-14 Arizona Procurement Code of Globe City Code.

City Manager Billingsley reads Ordinance No. 829 into the meeting for the first time by title only the Council is satisfied with the reading.

ORDINANCE NO. 829 – AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF GLOBE, COUNTY OF GILA, STATE OF ARIZONA AMENDING SECTION 3-5-7 AND 3-5-14 ARIZONA PROCUREMENT CODE OF THE GLOBE CITY CODE.

Finance Director Joseph Jarvis proposes that the Council approve to increase the dollar limit requiring a purchase order number this would help the City Staff increase

the efficiency of making purchases. Mr. Jarvis is proposing to increase the limit to \$1,000 from \$250 for purchase order equipment.

Despite Councilman Haley recommendation of \$750, Council consensus is \$1,000. This item will be brought back at the next regular meeting for consideration of approval..

C. Discussion and consideration of salary adjustment options for FY2015-2016.
(Joseph Jarvis)

Finance Director Jarvis recaps the salary study options as recommended to Council as a result of the Salary Study by UM Global. In addition, the City Council adopted a policy for providing merit salary increases to existing staff. Mr. Jarvis reminds Council if funding is available they may choose to provide increases based upon the merit results of individual employee's performance over the preceding year. Their performance is notated in their annual review by their supervisor. Options for Council consideration are as follows:

1. Approve the salary study completed by UM Global and provide no increases.
Mr. Jarvis told Council with no consideration a wealth of information has been provided to the City of Globe.
2. Do not approve the salary study and provide merit increases based upon submitted annual reviews; \$60K.
3. Approve the salary study and approve the range and grade increases; \$41K.
4. Approve the salary study and the equity model (complexity plus years of service) \$98K.
5. Approve the salary study and the step model; 1\$193K.

Mayor Wheeler acknowledges that salaries are lower than what they should be, even with that said Mayor Wheeler asks about funding sources for these options.

Finance Director Jarvis tells the Mayor that tonight he was providing the salary options tonight and at the Budget Work Session on April 17, 2015 he would discuss more about the budget in regards to the salary study.

Councilman Haley voices concern that some of the options discredit the merit concept of rewarding going above and beyond.

City Manager Billingsley explains that the fourth option that is \$98 K is current merit based system that the City is now doing.

Councilman Alderman thanks Brent and Joseph for the tutorial of the options and says he realize inequities and wants those things taken care of as he wants to take care of staff.

The City Manager tells Council that the 98K model is what the County adopted.

Mayor Wheeler confirms that Council does want to bring staff up to where they should be.

The Finance Directors tells Council that the first four bullet points will not disrupt the merit increase that the Council adopted in prior years.

D. Discussion and consideration of Employee Health Benefit Options for FY2015-2016. (Joseph Jarvis)

Finance Director Joseph Jarvis presents employee health benefit options for the FY2015-2016 health options. Mr. Jarvis announces that on the 28th Segal Consultants will be here to present FY 2015-2016 health options for Council consideration. They will be here to answer any questions that Council might have. This item is before Council tonight and will also be on the agenda for Friday to provide information to Council to help expedite the decision. Council approved that the City go out to be for Dental Insurance. The City received several bids and have narrowed it down to three; Ameritas, Delta Dental and Met Life. Many local dentists are not in net work with Ameritas and the City of Globe wanted to provide the option for employee and dependents to choose a local dentist.

Councilwoman Johnson mentions the Dental Awards Plan the City currently has through Ameritas Dental. There is currently \$20,000 in rewards that employees would lose if the plan changes. This is one of the burdens of switching dental plans.

Finance Director Joe Jarvis reports to Council that BCBS proposed 17% increase; City Staff directed Segal to go out and get a better deal and Segal came back with a little over 14% increase. They have provided two options; to continue with the same richness of the plan or reduce the richness and get a better deal. In addition through the efforts of the employees and Segal the City has saved up monies within the BCBS plan. The City has used this savings as a benefit holiday in the past, where the savings would pay a month of premiums, just another consideration provided to Council.

Council was informed by City Manager Billingsley that the City of Globe was able to negotiate no increase with Blue Cross Blue Shield last year. One factor that increased costs this year was the number of claims that were filed last year.

E. Discussion and consideration of the FY2014-2015 Financial Audit as prepared by Mr. John Naylor. (Joseph Jarvis)

Finance Director Joe Jarvis informs Council that Mr. John Naylor will be presenting the final audit on April 28th. Mr. Jarvis credits the finance Staff and their response in helping Mr. Naylor and working through times of transition. The general fund and water fund balances have both increased for FY 2014.

City manager Billingsley tells Council that he is proud of the City Staff and the Finance Department. A few main points Mr. Billingsley calls to attention is one, the City has reduced its outstanding debt to purchase of capital assets. The City has also overcome over a million dollars in depreciation of very old assets. There was a lot of work done to our water and sewer infrastructure during FY2014 and our governmental funds have increased by the prior audit year by over \$165,000.00.

Mr. Billingsley reports to council that Audit rules change next year and that the City will have to account for the amount of underfunding that exists in Public Safety Retirement. Legislature decided that all cities and towns have to account for the underfunding of Public Safety Retirement as part of our audit. Next we will have to assume as part of the audit that liability.

Overall, Mr. Billingsley states that he is very excited and proud of the Staff and Council in terms of budget decisions that have allowed the City to move forward and still have a positive financial standing.

5. ACTION ITEMS:

- A. Consideration to adopt the final Capital Improvement Plan for FY 2015-2016.
(Joseph Jarvis)

Finance Director Joseph Jarvis tells the Council "It's Time for Action" after weeks of discussion about the CIP it is before Council for adoption. Finance Director explains to Council that the draft CIP has not changed since that last Council review.

Mr. Billingsley reports to that he attended the CAG Management Meeting and received an update in regards to the CDBG funding and it looks like the City of Globe will be receiving more money towards the proposed fire truck purchase.

Mr. Jarvis highlights a few items to Council one being that Council Contingency is much larger this year than last. This is due to contingency based upon outside funding with other agencies.

Councilwoman Johnson reiterates that the CIP Plan is a working document and is contingent on funding that the City may or may not receive and is also contingent on emergency purchases.

Finance Director explains that this is a plan that must be supported by the Council and funded by actual revenue. This plan annotates the Staff's capital purchasing plan for the next five years. If staff recommendations or Council direction changes or the actual collected revenue increases or decreases, the plan will change. Mr. Jarvis tells Council that the CIP is a plan to implement maintenance projects.

In closing City Manager Brent Billingsley tells Council to move any items in the CIP after the CIP is approved, Council would need a CIP amendment, a budget amendment and a contingency transfer.

Motion: Approve CIP Plan with amended CDBG funding for Fire Truck., **Action:** Approve, **Moved by** Councilman Mike Stapleton, **Seconded by** Vice Mayor Eric Mariscal.

Motion passed unanimously.

6. 2015-2016 BUDGET TEMS:

- A. Discussion and consideration of 2015-2016 Budget. (Joseph Jarvis)
Globe Magistrate John Perlman will make his budget presentation to Council.

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.

Mrs. Donna Anderson tells Council in the spirit of Globe Community that the Festival of Light at Besh Ba Gowah was a great event and she hopes to see this event continue.

Motion: Adjourn to Executive session at 8:02 pm., **Action:** Adjourn, **Moved by** Councilman Mike Stapleton, **Seconded by** Councilman James Haley.
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.
- 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)
 - 1. Police Chief Review

9. 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.

Regular meeting reconvenes at 9:46pm with nothing to report.

10. SCHEDULING OF MEETINGS:

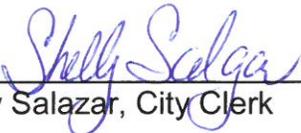
Scheduling of meetings, which may be brought up at this time.

10. ADJOURNMENT.

Motion: Regular Meeting is adjourned at 9:46 pm, **Action:** Adjourn, **Moved by** Councilman James Haley, **Seconded by** Councilman Lerry Alderman.
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 14th day of April, 2015. I further certify that the meeting was duly called and held and that a quorum was present.



Shelly Salazar, City Clerk