

CITY OF GLOBE

SPECIAL MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

August 4, 2014 5:30 P.M.

The meeting was called to order by Mayor Wheeler at: 5:30 PM

The Invocation was given by: Councilman Lerry Alderman

The Pledge of Allegiance was led by: Councilman James Haley

ROLL CALL

Present: 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.

A moment of silence was observed for the passing of former Councilwoman Carmen Casillas's son; Gregg Casillas and former City of Globe Employee Mr. Joe Carrillo.

1. **NEW BUSINESS:**

- A. Discussion of the Franchise Agreement between Arizona Water Company and the City of Globe. (Brent Billingsley)

RESOLUTION NO. 1714: A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF GLOBE, GILA COUNTY, ARIZONA, FINDING AND DECLARING THE GRANT OF A WATER UTILITY BENEFICIAL FOR THE CITY OF GLOBE AND ORDERING THAT THE QUESTION AS TO WHETHER A FRANCHISE IS GRANTED TO ARIZONA WATER COMPANY IS SUBMITTED TO THE VOTERS OF GLOBE AT THE NOVEMBER 4, 2014 GENERAL ELECTION; PROVIDING FOR THE GIVING OF NOTICE OF THE ELECTION; PRESCRIBING THE FORM OF THE BALLOT TO BE USED AT THE ELECTION.

City Manager Brent Billingsley reads Resolution No. 1714 into the meeting. The Mayor and Council are satisfied with the reading.

Motion: To adjourn to executive session, **Action:** Adjourn, **Moved by** Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton. Motion passed unanimously.

Councilman Haley asks the Mayor if he could address a question to the City Manager regarding the legal description in the Franchise Agreement in relationship to the regional boundaries prior to the adjournment.

Councilman Haley addresses the City Manager with the question; "Does the legal description include the geographical area to be within our corporate limits or does it exceed our corporate boundaries"?

City Manager Billingsley addresses the Council without an answer to an excellent question. Mr. Billingsley stated that he had not physically looked at the legal description and that perhaps Mr. Garfield of Arizona Water could answer it with his request to speak card after executive session. He explains if this answer cannot be answered tonight that some research would have to be done and brought back.

Mr. Garfield president of Arizona Water submits a request to speak card that will be acknowledged after executive session.

Regular meeting is adjourned to executive session at 5:33 pm.

Special meeting reconvened 6:21 pm

Mayor Wheeler calls the special meeting back to order. Mr. Mayor turns the chair over to the City Manager with a report from executive session.

City Manager Billingsley confirms with Mayor Wheeler that there was a vote to adjourn to executive sessions, Mayor Wheeler confirms there was.

City Manager Billingsley reports to the public and address the Council, the facts regarding the Franchise Agreement with the City of Globe and Arizona Water Company. Mr. Billingsley states that Resolution No. 1714 if approved will allow the City of Globe to give ballot language to Gila County Elections to put the franchise agreement on the ballot for the general election on November 4, 2014. The resolution was amended by the City of Globe prior to the meeting and is different than the version that was provided in Council packets. The City manager reads the amended resolution to include amendments to Section 5.

City Manager reads Section 5 of Resolution No. 1714 as follows:

The question posed to voters on election ballots will appear in substantially the following form; provided, however, that the City and AWC dispute whether or not AWC has the right to service certain areas within the area proposed to be served by AWC. The City is currently preparing documentation to petition the ACC to delete such areas from the proposed certificated area.

Mr. Billingsley again explains to the public and the Council that tonight's meeting is not to approve the Franchise Agreement, which will be approved by the voters in the November election, tonight is only to approve the resolution.

Councilman Haley again addresses his concern to Mr. Billingsley regarding Exhibit A in the proposed agreement. He stated that his concern was that Exhibit A included areas that are areas in dispute between the City of Globe and Arizona Water Company.

City Manager Billingsley refers to the question that Councilman Haley previously asked and that was "Does the legal description include the geographical area to be within our corporate limits or does it exceed our corporate boundaries"?, and now

this similar question “Does exhibit A of the proposed agreement include areas that are in dispute between the City of Globe and Arizona Water Company”?

City Manager Billingsley explains that the research has not been done to answer these questions. Unless Arizona Water Company can answer these questions tonight, staff will research and have the answer for tomorrow’s meeting.

Councilwoman Johnson recalls the franchise agreements with Southwest Gas and Arizona Public Service and they did not include exhibits with legal descriptions with areas to be served in the agreements and that she had a concern also.

City Manager Billingsley confirmed that APS and SWG did not have legal descriptions with service areas included in the agreements, it merely indicated areas included in corporate limits.

Councilman Lerry Alderman request that City staff look at mentioned agreements with APS and SWG and mirror the language in regards to the legal boundaries.

Councilman Haley stated; representing District One he would more comfortably support a franchise agreement that would objectively serve the City of Globe, the citizens of Globe and the utility company seeking services in the City. He further stated that he also wants an agreement to represent that.

City Manager Billingsley through Mayor Wheeler offers an apology to both the public and the Council for the expedited review and urgency of these special meetings. The City has known for some time that there was a deadline in August to get these items on the county ballot for the November election and have been reaching out to different sources; however, it was not known until late last Thursday that this deadline was August 6th. Mr. Billingsley once again on staff’s perspective apologies for the rush to present this item to Council. He stated that staff has been working with Arizona Water for over a year and believes that this is a quality franchise and meets the intent of what franchise agreements are for. The City of Globe has not had an agreement with Arizona Water in the past and we are looking forward to bringing something to the voters coincident with the other utilities.

Mayor Wheeler thanks the City Manager, Council and the City Clerk for their work on organizing these special meetings.

2. 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.

Bill Garfield with Arizona Water addresses the question regarding the legal description. The description was to describe the CCN (service area) as authorized by the Arizona Corporation Commission that, was in the City of Globe limits.

Mr. Garfield stated that he did not know how the resolution of dispute would take place with the agreement and he wishes that there was no dispute. He looks forward to the franchise with the City of Globe and it is his commitment to resolve the dispute with the City.

Councilman James Haley states that this will be brought back tomorrow at 5:30 for approval.

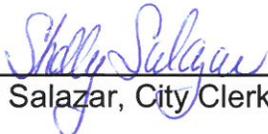
Motion: Adjourn, **Action:** Adjourn,
Moved by Councilman Lerry Alderman, **Seconded by** Councilman Mike Stapleton.
Motion passed unanimously.

10. ADJOURNMENT.

Meeting is adjourned at 6:43 pm.

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 4th day of August, 2014. I further certify that the meeting was duly called and held and that a quorum was present.



Shelly Salazar, City Clerk