

MINUTES

1. Call to Order

Mayor Evans called the Work Session of the Flagstaff City Council held October 30, 2018, to order at 6:02 p.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Pledge of Allegiance and Mission Statement

The Council and audience recited the pledge of allegiance and Councilmember Putzova read the Mission Statement of the City of Flagstaff.

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life for all.

3. Roll Call

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

PRESENT:

ABSENT:

MAYOR EVANS
VICE MAYOR WHELAN
COUNCILMEMBER BAROTZ
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

Others present: City Manager Barbara Goodrich; City Attorney Sterling Solomon.

4. Public Participation

Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Mayor Evans called for a moment of silence in recognition of the Tree of Life Synagogue mass shooting.

Andy Fernandez addressed Council with concerns about political propoganda with the upcoming election.

John Viktora addressed Council sharing his thoughts about the mass shooting at the Tree of Life Synagogue.

5. Review of Draft Agenda Items for the November 6, 2018 City Council Meeting.*

** Public comment on draft agenda items will be taken at this time, at the discretion of the Mayor.*

Mayor Evans reminded the Council and audience that there is no 6:00 p.m. meeting on November 6, 2018.

6. Council Listening Tour

Business Retention and Expansion Manager John Saltonstall stated that October is Manufacturing Month. As of September 2018, according to the Bureau of Labor Statistics, there were 12.7 million manufacturing jobs in the nation with an average hourly wage of \$27 per hour. The March 2017 report of the Center for Manufacturing Research indicated that in Arizona, there were 159,000 manufacturing employees with an average wage of \$81,000.

Mr. Saltonstall introduced Prent Thermoforming Plant Manager Andy Fallon who provided a PowerPoint presentation that covered the following:

PREGONT FAMILY
WHO IS PRENT CORPORATION
PRENT WORLDWIDE
FLAGSTAFF BUILDING INFO

EMPLOYEE INFO
BIGGEST CHALLENGE
RECENT ACCOMPLISHMENTS

Mr. Saltonstall then introduced Ross Taylor with Love You Foods.

Mr. Taylor showed a commercial for FBomb. He reported that Love You Foods began in a little office in NACET and is now grown into a 5600 square foot factory on Plaza Way with 16 fulltime employees and two more coming on after the first of the year. They have partnered with a number of stores nationwide to carry their products. Mr. Taylor indicated there are a couple of challenges, one of which is the lack of 24 hour public transit. Many of their employees commute in the early morning and late evening hours when transportation is not always available. The other challenge has been finding local offsite storage and fulfillment. They are currently outsourcing to the valley and would love to bring that part of the operation back to Flagstaff.

Mr. Saltonstall then introduced David Calley with Plant Ryder who provided a PowerPoint presentation that covered the following:

FOUNDER OF SOUTHWEST WINDPOWER
AT DYNAMICS TRAILER TAIL
CO-FOUNDER OF MOTOR EXCELLENCE
iWALK WITH MIT
AND RIGHT NOW...
NEXT INVENTION: REINVENTION OF BIKE DRIVES
ALSO...STRONG INTEREST IN ELECTRIC FLIGHT
THE PLANET RIDER

Mr. Saltonstall reminded the Council that there is a Council tour of these operations scheduled for Thursday, November 1, 2018 beginning at 8:45 a.m. at City Hall.

7. Discussion of a Sustainable Solid Waste Fund for the current and future needs of our community

Public Works Director Andy Bertelsen introduced Sustainability Specialist Dylan Lenzen and Solid Waste Manager Todd Hanson who provided a PowerPoint presentation that covered the following:

A SUSTAINABLE SOLID WASTE FUND
DISCUSSION
LEGAL MINIMUM FUND BALANCE
BUSINESS AS USUAL

Councilmember McCarthy asked why the City has waited ten years to talk about a rate increase. Mr. Bertelsen stated that 2008 was a recession period that everyone was trying to manage through. As a result, capital projects and maintenance were deferred. The discussion today is to move the City back to where it needs to be from an operational standpoint. Ms. Goodrich added that staff has also been very sensitive to the private competition in town; there are concerns that if the rates are increased

then the City would lose business. The reduction of materials accepted at the Materials Recovery Facility has also had an impact.

Mr. Hanson continued the presentation.

NEED FOR INCREASE IN RATES MAJOR CAPITAL EXPENDITURES

Vice Mayor Whelan stated that the City has been out of the downturn for a while and asked why now was the right time for the rate increase. It is a big ask all at once and it focuses mainly on residential accounts. Mr. Hanson stated that the commercial operations and the landfill are a competitive business and the City has to compete with independent haulers and the landfill competes with Waste Management. With residential collection declining from 9% to 3% it is the area that needs the most help. The landfill has a fairly healthy margin, but residential collection does not. Garbage collection, recycle collection, free bulky pick up, free appliance collection, and free moving box collection are all services that are provided to residential customers. The rate increase would be about \$1.33 per month for the first year. The rate change would also allow for the City to continue moving forward with the Rethink Waste program.

Mr. Hanson continued the presentation.

FUTURE NEEDS RETHINK WASTE PLAN IMPLEMENTATION RATE INCREASE BY CUSTOMER CLASS

Mayor Evans asked what the effect is of the loss of revenue and if that equates to extending the life of the landfill. Mr. Hanson explained that the impact on the life of the landfill is minimal compared to the loss of revenue.

Mayor Evans asked if the fund is balanced given the current residential rate. Mr. Hanson stated that the landfill almost subsidizes the collections fund. Mayor Evans asked if there is a profit on the commercial side that can be used to off-set the residential rates. Mr. Hanson stated that the profits are already being applied to residential. Losing any revenue in the program would reduce the City's ability to implement the Rethink Waste program.

Mayor Evans asked how much life the landfill would gain through the full implementation of the Rethink Waste program. Mr. Hanson indicated that it is unknown; the landfill life fluctuates quite frequently. Having implemented volumetric pricing elsewhere, he has seen a 40-50% jump in recyclables and over time that should have an impact.

Mayor Evans stated that a chart that shows all the different fees and what they fund would be helpful. Showing the fees for the legally mandated programs separate from the other programs could help educate the public on where funding is being allocated.

Mr. Hanson continued the presentation.

RESIDENTIAL RATES
IMPACTS TO OTHER FEES
COMMERCIAL/MULTIFAMILY
LANDFILL FEES
FUND BALANCE AFTER PROPOSED RATE INCREASE

Mayor Evans asked if there has been an analysis of what services could be decreased to offset the rate increase. Mr. Hanson stated that staff has looked at options and something that other cities do is a reduced bulky pickup schedule. Currently, the cost for bulky pickup in Flagstaff is around \$500,000 per year.

Mr. Bertelsen stated that the landfill gas collection is the biggest expense and a possible offset would be to sell it after collection.

Mr. Lenzen concluded the presentation.

PLAN FOR UTILIZING FUNDING
IMPLEMENTATION FOR VOLUMETRIC PRICING IN 2020-21
EXPANSION OF RECYCLING OUTREACH
OUTREACH
OTHER EFFORTS
ENSURING THE LONG-TERM SUCCESS OF SOLID WASTE PROGRAM
NEXT STEPS

Andy Fernandez addressed Council with concerns about Norton Environmental.

A break was held from 7:44 p.m. through 7:55 p.m.

8. Comprehensively look across policies, services, law enforcement policies and relationships regarding LGBTQ equality

Human Resources Director Shannon Anderson provided a PowerPoint presentation that covered the following:

LGBTQ EQUALITY & INCLUSION
MUNICIPAL EQUALITY INDEX (MEI)
NON-DISCRIMINATION LAWS
HOW CAN THE CITY IMPROVE?
MUNICIPALITY AS EMPLOYER
HOW CAN WE IMPROVE?
MUNICIPAL SERVICES
HOW CAN WE IMPROVE?
LAW ENFORCEMENT
LEADERSHIP IN LGBTQ EQUALITY
HOW CAN THE CITY IMPROVE?

Mayor Evans stated that looking at where the score was and where it is now shows that there has been a lot of work. Staff has been very proactive and it is commendable

that the Police Department has scored full points in their area.

Council was supportive of staff looking at other cities who have scored 100% to see what they are doing and if there are things Flagstaff can do to further increase its score.

- 9. Discussion:** Roundtable discussion w/individuals working in Grand Canyon to discuss challenges and how the City can be more helpful.

Vice Mayor Whelan stated that she brought the item forward when there were concerns in the community about costs being raised at the Grand Canyon. She does not see the pressure happening now and does not see the need to move the item forward any further. She requested that the item be withdrawn.

A majority of Council agreed to withdraw from the item.

- 10. Public Participation**

None

- 11. Informational Items To/From Mayor, Council, and City Manager; future agenda item requests.**

Vice Mayor Whelan reported on two projects discussed at a recent NAMWA meeting. The first project being proposed is the Big Chino Valley Pump Storage Project. It is a project located south of Kingman and the plan is to create two reservoirs of water to act as a battery. It is a very large project with a lot of water and could be one of the answers to storing wind and solar energy. The other project is Arizona's Drought Contingency Plan. Discussions are focusing around the trends surrounding the Little Colorado River Basin and how that source of water is really being challenged. The State is asking water users to leave their water in the lake rather than pulling it and storing it as they are trying to avoid a tier one status.

Councilmember Odegaard thanked staff for their work in taking the Council meeting on the road to Coconino Community College. He also thanked staff for their work in arranging General Semonite's visit to Flagstaff.

Councilmember Putzova requested a F.A.I.R. item to discuss developing a policy to prioritize water uses in times of shortage, in the context of public investment, and for community planning

Mayor Evans reported that she was in San Antonio, Texas last week attending the 64th annual International Downtown Association's Conference. She was joined by the Flagstaff Downtown Business Alliance Executive Director Terry Madeksza and Board Member Mark Lamberson. It was a great opportunity to learn about other communities and what they are doing in their downtown areas.

12. Adjournment

The Regular Meeting of the Flagstaff City Council held October 30, 2018, adjourned at 8:21 p.m.

MAYOR

ATTEST:

CITY CLERK