

CITY COUNCIL BUDGET RETREAT
WEDNESDAY, JANUARY 16, 2019
CITY HALL COUNCIL CHAMBERS
211 WEST ASPEN
8:15 A.M.

1. **CALL TO ORDER**

Mayor Evans called the Budget Retreat of the Flagstaff City Council held January 16, 2019, to order at 8:15 a.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 regular meeting, 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. **ROLL CALL**

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

PRESENT:

ABSENT:

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY (arrived at 8:19 a.m.)
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

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

3. **PLEDGE OF ALLEGIANCE AND MISSION STATEMENT**

The Council and audience recited the pledge of allegiance and Vice Mayor Shimoni 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.

4. City Council Fiscal Year 2020 Budget Retreat-Council Goals and Objectives

Ms. Goodrich opened the retreat stating that the meeting will continue discussions from the prior meeting on January 9, 2019. Ms. Goodrich introduced Water Services Director Brad Hill who provided a PowerPoint presentation that covered the following:

- WATER SERVICES
 - SECTIONS
 - ADMINISTRATION
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - WATER PRODUCTION
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - WATER DISTRIBUTION
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - WATER RESOURCE MANAGEMENT
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - ENGINEERING
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - REGULATORY COMPLIANCE
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - WASTEWATER TREATMENT
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - WASTEWATER COLLECTION
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - RECLAIMED WATER
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES
 - STORMWATER
 - ACCOMPLISHMENTS
 - CHALLENGES
 - PRIORITIES/INITIATIVES

WHAT ELSE DO YOU NEED TO KNOW?

The Council briefly discussed expansion of the reclaimed water system. Councilmember Aslan expressed his desire to learn more about a possible project to turn Sinclair Wash into a perennial spring with water to create new recreational greenspace both on and off the NAU campus.

There was discussion about the challenges that water conservation can have on the wastewater operations. Mr. Hill explained that it is a delicate balance between the two and staff is working on ways to balance the efforts of water conservation with the operational needs of the wastewater system. There will be updates to Council in the future to discuss these ideas and plans.

Ms. Goodrich continued the presentation by moving into the Council Goals for discussion.

The Council agreed to reduce the number of objectives for each Council Goal to three. After discussion they updated their existing goals and objectives to reflect the following:

ECONOMIC DEVELOPMENT

- Support minimum wage impact through a comprehensive analysis to provide best practices for Flagstaff businesses
- Grow industrial corridor along I40/Red Gap
- Create greater collaboration on workforce development

AFFORDABLE HOUSING

- Seek partnerships with private developers and others to increase overall inventory of more affordable rental and ownership housing
- Create housing commission to advance affordable housing in Flagstaff
- Staff and Council education on emerging housing models

A break was held from 10:19 a.m. through 10:31 a.m.

ADVANCE SOCIAL JUSTICE

- Consulate/Embassy service coordination with City Manager's Office and City Council
- Support early education efforts in the community
- Continue to evaluate and improve Flagstaff Police Department interaction with immigrant community to include enhanced translation

TRANSPORTATION AND OTHER PUBLIC INFRASTRUCTURE

- Evaluate timing of I40/Lone Tree interchange
- Advocate for Fourth Street connection with John Wesley Powell Boulevard to plan and incorporate zoning changes
- Evaluate and create alternative models of transportation to improve bike and pedestrian safety and an emphasis on downtown travel

BUILDING AND ZONING/REGIONAL PLAN

- Complete and update neighborhood plans specific to the Housing and Urban Development (HUD) consolidated plan and target neighborhoods within that plan and a path forward for accelerating development of neighborhood plans
- Propose zoning and/or better incentives that are desirable and used for more affordable housing
- Finish promised neighborhood and capital projects on time

CLIMATE CHANGE

- Continue implementation of a Climate Action Adaptation Plan (CAAP)
- Sustainability through the CAAP lens for all city services
- Enhance community engagement on CAAP

A break was held from 11:25 a.m. through 12:00 p.m.

WATER CONSERVATION

- Study a path forward of one water and/or reclaimed expansion
- City to be a national leader in water conservation
- Reclaim water usage at Jay Lively and Fort Tuthill

ENVIRONMENTAL AND NATURAL RESOURCES

- Ensure adequate resources to implement SLEDS for all Dark Sky endeavors
- Plan for upcoming Material Recycling Facility contractual/facility changes
- Develop sustainable funding for Flagstaff Watershed Protection Project Phase 3 and ongoing maintenance

PERSONNEL

- Evaluate Council needs based on current engagement expectations
- Provide ongoing pay raises for all employees or develop a plan to recruit and retain employees through systematic pay increases
- Evaluate ways to pay down unfunded pension liabilities in a quicker manner

A break was held from 1:11 p.m. through 1:19 p.m.

COMMUNITY OUTREACH

- Develop an outreach & engagement plan to communicate the City's story utilizing varied methods (written, verbal, video, etc.) from a holistic approach
- Build and enhance neighborhood services

TOWN AND GOWN

- Strengthen internship program through Coconino Community College and Northern Arizona University
- Identify 5-7 projects being co-managed by the City and NAU
- Education and training for Council and staff on how to increase attraction of additional educational and training institutions

CODE COMPLIANCE

- Evaluate staffing levels and funding sources to increase Dark Sky compliance
- Review and prioritize current ordinances as related to code enforcement
- Establish proactive strategic enforcement of the city code to maximize compliance

A break was held from 2:15 p.m. through 2:28 p.m.

Deputy City Manager Shane Dille provided a presentation on High Performing Governments that covered the following:

JOURNEY OF EXCELLENCE
EXCELLENCE
A PEEK INSIDE
CITY OF FLAGSTAFF
TO EMBARK
POCKETS OF EXCELLENCE
CREATING ALIGNMENT
LOCAL GOVERNMENT EXCELLENCE
THE JOURNEY

Councilmember Whelan stated that this topic had been a long time coming and she is excited to see it move forward. She asked if the timing was right with a new City Manager coming on board.

Mr. Dille explained that there had been a lot of conversation about that and it was determined that it would be unlikely that the Council would hire a professional who did not want to be part of this type of movement. Staff believes that this effort can be incorporated into the recruitment process should Council wish to move forward.

Vice Mayor Shimoni agreed and offered that now is the time. He is looking forward to supporting the efforts and believes that it will be something that the community will appreciate.

Councilmember McCarthy expressed his support stating that he is eager to learn more about the process and efforts to achieve the goal.

Councilmember Aslan also expressed his enthusiasm and indicated that he is excited about discussing its potential with the City Manager candidates.

Councilmember Salas stated that the presentation embodies the City's goals of making the City better with service at a higher elevation. She is excited about moving forward on the path of incorporating an attitude of excellence in every facet of the organization. She requested information about how the City's budget has evolved over the last ten years including the major challenges, how funding has evolved, and the changed in the allocation of resources.

Councilmember Odegaard stated that it is very preliminary but he knows that there is

support and he is ready to go forward and see what happens.

Mayor Evans offered that she is excited about the effort and hopes that the process will help the City hone in on its core values and tying appropriate funding to those values. This change will open up transparency on how money is allocated, it will allow staff and the Council to look at the services that are provided, and allocate a measurement of value to the service.

5. PUBLIC PARTICIPATION

Joe Galli with the Chamber of Commerce addressed the Council in support of a comprehensive study on minimum wage and indicated that the Chamber is happy to assist in distribution of materials to the business community. He shared concern about sales taxes pushing business out of the community. He indicated that the Chamber would be interested in participating on the housing commission once established. Mr. Galli also expressed concern about the new building codes and higher standards placed on building in Flagstaff. He stated that there is always a cost to do those types of changes and he would like to see them vetted in public before they come to the Council for adoption.

6. ADJOURNMENT

The Flagstaff City Council Budget Retreat of January 16, 2019, adjourned at 3:28 p.m.

MAYOR

ATTEST:

CITY CLERK