

MINUTES

1. Call to Order

Mayor Deasy called the meeting of the Flagstaff City Council held April 22, 2021, to order at 8:35 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 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 Sweet 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 DEASY (virtually)
VICE MAYOR DAGGETT (virtually)
COUNCILMEMBER ASLAN (virtually)
COUNCILMEMBER MCCARTHY (virtually)
COUNCILMEMBER SALAS (virtually)
COUNCILMEMBER SHIMONI (virtually)
COUNCILMEMBER SWEET (virtually)

Others present: City Manager Greg Clifton; City Attorney Sterling Solomon

4. City Council FY 2021-22 Budget Retreat

Mr. Clifton offered a welcome statement and introduced Nicole Lance with Lance Strategies who facilitated the Retreat.

Ms. Lance began the PowerPoint presentation that covered the following:

WELCOME AND OVERVIEW
RETREAT PROTOCOL
FULL AGENDA REQUIRES...
ENERGY & ATTENTION
EFFECTIVE FACILITATION FRAMEWORK
POLARITIES

Management Services Director Rick Tadder continued the presentation.

BUDGET OVERVIEW
BUDGET DOCUMENT COMPONENTS
TRANSMITTAL
BUDGET OVERVIEW SECTION
BUDGET OVERVIEW
CURRENT/EMERGING ISSUES
AGENDA

Finance Director Brandi Suda continued the presentation

BUDGET TIMELINE AND APPROACH
BUDGET TIMELINE
BUDGET APPROACH: ORIGINAL FOCUS
PRIORITY BASED BUDGETING IN DIVISION REVIEWS
CLIMATE ACTION AND ADAPTATION
COLOR OF MONEY

Mr. Tadder continued the presentation.

REVENUE UPDATE
REVENUE UPDATE – GENERAL FUND
REVENUE UPDATE – SPECIAL REVENUE
REVENUE UPDATE – ENTERPRISE
REVENUE UPDATE – FORECAST FOR FY 2021-2022

Mr. Clifton continued the presentation.

RECESSION PLAN UPDATE

Mayor Deasy thanked Mr. Clifton for his leadership and guidance on the development of the recession plan. He voiced his support for moving to the minor phase of the plan.

Council expressed gratitude for the development of the recession plan to protect continuity of operations and fiscal health. The Council was supportive of moving to the minor phase of the plan.

A break was held from 9:47 a.m. through 10:00 a.m.

Mr. Tadder continued the presentation.

PUBLIC SAFETY PENSION UPDATE
RESULTS
CONTINGENCY RESERVE POLICY
ANNUAL PENSION POLICY UPDATE
STAFF RECOMMENDATIONS

Council gave direction to move forward with the staff recommendations.

EAC Co-Chair Jared Wotasik continued the presentation.

EMPLOYEE ADVISORY COMMITTEE
EAC BUDGET RECOMMENDATIONS

Human Resources Director Jeanie Gallagher continued the presentation.

COMPENSATION AND BENEFITS
ONE-TIME TO ONGOING POSITIONS
STAFFING INCREASES
STAFFING HISTORY (FULL-TIME EQUIVALENTS)
FY 2021-2022 PROPOSED BUDGET BY CATEGORY
RETENTION TRENDS – TURNOVER COMPARISONS
RETENTION TRENDS – EXIT INTERVIEW SUMMARY
ATTRACTION TRENDS
BENEFIT RECOMMENDATIONS
COMPENSATION RECOMMENDATIONS
COMPENSATION BUDGET

Ms. Suda continued the presentation.

NEW BUDGET APPROPRIATIONS
TOTAL BUDGET REQUESTS
SUMMARY – GENERAL FUND
PERSONNEL – GENERAL FUND
APPROVED REQUESTS – ALL FUNDS
APPROVED REQUESTS BY QUARTILE

A break was held from 11:15 a.m. through 11:50 a.m.

Mr. Clifton, Public Affairs Director Jessica Drum, City Clerk Stacy Saltzburg, and Sustainability Director Nicole Antonopoulos continued the presentation.

DIVISION UPDATES
KEY COMMUNITY PRIORITIES
CITY MANAGER
HIGHLIGHTS OF APPROVED BUDGET REQUESTS
KEY COMMUNITY PRIORITIES

Ms. Gallagher continued the presentation.

HUMAN RESOURCES
HIGHLIGHTS OF APPROVED BUDGET REQUESTS

KEY COMMUNITY PRIORITIES

IT Director CJ Perry continued the presentation.

INFORMATION TECHNOLOGY HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

Council discussed possible opportunities for grant funding to further leverage city funds for broadband infrastructure.

Mr. Solomon continued the presentation.

CITY ATTORNEY HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

Court Administrator Jessica Cortes continued the presentation.

MUNICIPAL COURT HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

Mr. Tadder continued the presentation.

MANAGEMENT SERVICES HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

A break was held from 1:21 p.m. through 1:37 p.m.

Fire Chief Mark Gaillard continued the presentation.

FIRE DEPARTMENT HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

Vice Mayor Daggett asked if wildland fire is included in the fire suppression budget. Deputy Fire Chief Mark Wilson stated that the fire suppression budget does include some funding for wildfire equipment as well as new general equipment.

Councilmember McCarthy asked if the draft budget includes any increases in funding for EMTs. Deputy Chief Wilson stated that there is no additional funding for paramedic pay for this year. Councilmember McCarthy asked if there is adequate coverage in Flagstaff. Deputy Chief Wilson stated that it has been their goal to make sure paramedic coverage can be provided at all times; at least three more paramedic stipends are needed to fully accomplish that.

Councilmembers McCarthy, Shimoni, and Aslan requested that paramedic pay be added to the parking lot list for discussion later in the retreat.

Police Chief Dan Musselman continued the presentation.

POLICE DEPARTMENT HIGHLIGHTS OF APPROVED BUDGET REQUESTS

KEY COMMUNITY PRIORITIES

Vice Mayor Daggett asked about the Police Aide positions. Chief Musselman explained that the Police Aides are non-sworn employees that operate similar to an officer but respond where a police officer is not needed such as for funeral escorts, barking dogs, parking enforcement, private property matters, and street closures. They do carry equipment but no firearms. The hope is to bring them in and hire them as an officer once they come of age.

Councilmember McCarthy asked about the turnover rate. Chief Musselman stated that it is not very good at the moment; there are currently 13 vacancies. Not many people are interested in police work at this time and many agencies are struggling to find officers. The other challenge is that officers are leaving for other agencies that pay more, offer better benefits, and are located in areas that have cheaper housing.

Councilmember Shimoni stated that the issue speaks to the need to have conversations about how and when police are responding to various calls. Officers have been responsible for everything and it is time to look at alternate response models to ease the burden on officers. Mr. Clifton stated that the discussion is forth coming at the Special Meeting slated for April 26, 2021.

Councilmember Salas asked if the draft budget includes any funding for the weed and seed program that was reduced in previous years along with community policing, block watch programs, and neighborhood meetings. Chief Musselman stated that there is funding for weed and seed, but they do have officers in those programs due to the challenges in staffing. He noted that most of the community policing initiatives are currently operating.

Councilmember Salas stated that she would like to add strengthening community policing, quarterly neighborhood meetings, weed and seed, and the citizen police academy to the parking lot list for later discussion.

Community Development Director Dan Folke continued the presentation.

COMMUNITY DEVELOPMENT HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

Councilmember Salas asked about any projects in the pipeline that would serve the three targeted neighborhoods of La Plaza Vieja, Southside, and Sunnyside. Mr. Clifton stated that there is work in play for improvements at the Joel Montalvo Park area. Comprehensive and Neighborhood Planning Manager Sara Dechter offered that she will be reviewing accomplishments and projects with the annual report to Council on the neighborhood specific plans.

Public Works Director Andy Bertelsen continued the presentation.

PUBLIC WORKS HIGHLIGHTS OF APPROVED BUDGET REQUESTS KEY COMMUNITY PRIORITIES

Vice Mayor Daggett asked what is considered the westside park and also asked if dog waste bags will be put back in the parks. Mr. Bertelsen stated that the westside park is located by Boulder Point and has been in the works for a few years. Parks Manager Amy Hagin stated that there are a few select locations where dog waste bags are available. The bags were removed about eight years ago due to littering that occurring. It is something that could be

reinstated with a strong outreach campaign.

Economic Vitality Director Heidi Hansen continued the presentation.

ECONOMIC VITALITY
HIGHLIGHTS OF APPROVED BUDGET REQUESTS
KEY COMMUNITY PRIORITIES

Councilmember Salas requested that the business one stop shop program and workforce development program be added to the parking lot for later discussion.

A break was held from 3:08 p.m. through 3:23 p.m.

Interim Water Services Director Erin Young continued the presentation.

WATER SERVICES
HIGHLIGHTS OF APPROVED BUDGET REQUESTS
KEY COMMUNITY PRIORITIES

City Engineer Rick Barrett continued the presentation.

ENGINEERING AND CAPITAL IMPROVEMENTS
HIGHLIGHTS OF APPROVED BUDGET REQUESTS
KEY COMMUNITY PRIORITIES

Mr. Tadder concluded the presentation.

NON-DEPARTMENTAL
HIGHLIGHTS OF APPROVED BUDGET REQUESTS
KEY COMMUNITY PRIORITIES

A break was held from 4:08 p.m. through 4:14 p.m.

Mr. Clifton offered closing remarks for Day One of the Budget Retreat. He thanked Council and staff for their hard work in preparing for and carrying out the retreat. The retreat will resume tomorrow.

5. Adjournment

The Budget Retreat of the Flagstaff City Council held April 22, 2021, adjourned at 4:24 p.m. and reconvened at 8:30 a.m. on April 23, 2021.

6. Call to Order

Mayor Deasy called the meeting of the Flagstaff City Council held April 23, 2021, to order at 8:34 a.m.

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

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§38-431.03(A)(3).

7. **Pledge of Allegiance and Mission Statement**

The Council and audience recited the pledge of allegiance and Councilmember Aslan 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.

8. **ROLL CALL**

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

PRESENT:

ABSENT:

MAYOR DEASY (virtually)
 VICE MAYOR DAGGETT (virtually)
 COUNCILMEMBER ASLAN (virtually)
 COUNCILMEMBER MCCARTHY (virtually)
 COUNCILMEMBER SALAS (virtually)
 COUNCILMEMBER SHIMONI (virtually)
 COUNCILMEMBER SWEET (virtually)

Others present: City Manager Greg Clifton; City Attorney Sterling Solomon

9. **City Council FY 2021-22 Budget Retreat (continued)**

Ms. Lance welcomed the Council and staff back for the second day of the retreat. She turned the time over to Capital Improvements Director Bret Peterson who provided a PowerPoint presentation that covered the following:

CAPITAL IMPROVEMENT PROGRAM
 GENERAL GOVERNMENT
 STREETS/TRANSPORTATION
 BBB
 WATER SERVICES
 DRINKING WATER
 WASTEWATER
 RECLAIMED WATER
 STORMWATER
 SOLID WASTE
 AIRPORT

Councilmember Shimoni asked if there were any plans yet for the million dollars set aside for protected bike lanes. Multi-Modal Transportation Manager Martin Ince stated that there is a detailed list of projects that have evaluated. Bike lanes are a bit more complicated; they include a number of components and options so they are a little behind in costing the projects out. They are working on it and hope to have something for Council to consider soon.

A break was held from 9:53 a.m. through 10:05 a.m.

Mr. Tadder continued the presentation.

FEDERAL RELIEF FUNDING
CARES
FEDERAL RELIEF
AMERICAN RESCUE PLAN ACT(ARPA)
GENERAL FUND REVENUE LOSS – THROUGH 6/30/2021

Council discussed downtown parking and the development of a parking structure. They discussed the parking that will be available with the partnership with Flagstaff Senior Living as well as parking availability at the old courthouse site.

Mayor Deasy expressed a heavy interest in utilizing ARPA funding for broadband infrastructure and moving the master plan forward. IT Director CJ Perry stated that much of the plan is focusing on grants. The approximate total build is around \$15 million, and funding would be needed for grant matching. Mayor Deasy stated that he would like for Council to consider a match for grant funds and if it is not used then it could be reallocated elsewhere.

Vice Mayor Daggett asked about the funding that is available for eviction prevention. Housing Director Sarah Darr stated that the City of Flagstaff is too small to receive a direct allocation of CARES funding but there is a program handled out of DES that staff is helping people apply. There is a lot of funding available and they are trying to get a handle on the number of pending evictions. With moving the expiration of the moratorium, it looks like more and more people are catching up rather than falling more behind. Staff is working hard to get information out to the community and connect people to the available resources.

Vice Mayor Daggett stated that she would like to see the City assist Flagstaff Shelter Services with their issue regarding reimbursement from FEMA.

Councilmember Shimoni asked about funding for rapid rehousing. Ms. Darr explained that there is funding for rapid rehousing but the challenge is that it is difficult to find rental housing, there are just not enough units and many of the people have poor credit, substance abuse issues, and past criminal histories which makes it even more difficult to find housing in such a tight market.

Mr. Tadder stated that staff is still waiting on direction from the U.S. Treasury on what the ARPA funds can be spent on. Staff is looking to Council for ideas and concepts to help guide staff in developing considerations for funding.

Councilmember Shimoni stated that he would like to see money put aside for rapid rehousing. He is also supportive of assisting Flagstaff Shelter Services in their reimbursement needs. He would like to see additional funding for the video budget and he would like additional information on broadband infrastructure before weighing in.

Councilmember Aslan stated that he recognizes the overall need for broadband but he needs more information and would like to focus on housing.

Councilmember Sweet expressed her desire to see funding assigned to supporting small businesses and non-profits who struggled through the past year. She is also supportive of assisting Flagstaff Shelter Services. She indicated that she is open to looking further into broadband infrastructure.

Councilmember McCarthy stated that he is supportive of the recommendations from the Budget

Team. He is supportive of fee waivers for event organizers and assisting Flagstaff Shelter Services. He stated that he is not ready to commit to broadband until the costs are fully vetted and justified to Council although he is supportive of matching grant funds that may present themselves. He also stated that funding should focus on housing.

Mayor Deasy expressed support for assistance to Flagstaff Shelter Services and stated that the County should also be providing assistance to fund the deficit.

Councilmember Salas stated that she supports additional funding for Flagstaff Shelter Services, small business empowerment including microgrants and entrepreneurial training, local nonprofits, and social infrastructure. She is also supportive of broadband infrastructure and allocating funding support for it.

Mr. Tadder thanked Council for their input and indicated that this will help guide future conversations once more is known from the Treasury.

Deputy City Manager Shannon Anderson continued the presentation.

2022 POTENTIAL BOND BALLOT MEASURES AGENDA PROCESS

Mr. Tadder continued the presentation.

GENERAL OBLIGATION BONDS SECONDARY PROPERTY TAX BONDING FOR CAPITAL COSTS VERSUS OPERATIONAL COSTS GENERAL OBLIGATION BOND QUESTIONS LEGAL LIMITS – STATE STATUTE/ASSESSED VALUATIONS POLICY LIMITS – CITY IMPOSED SECONDARY PROPERTY TAX RATE CAPACITY POTENTIAL BOND PROJECTS

Ms. Darr continued the presentation.

HOUSING 2020 HOUSING COMMISSION RECOMMENDATIONS 2021 HAPPENINGS

Sustainability Director Nicole Antonopoulos continued the presentation.

CLIMATE ACTION

Councilmembers Aslan and Shimoni expressed interest in the possibility of a green bond to assist with continuing the city's efforts toward carbon neutrality by 2050 along with the implementation of the Climate Action and Adaptation Plan.

Fire Chief Mark Gaillard continued the presentation.

PUBLIC SAFETY

Public Works Streets Director Scott Overton continued the presentation.

FACILITIES: PUBLIC SAFETY

FACILITIES: CORE SERVICES

Ms. Anderson continued the presentation.

ALTERNATE RESPONSE MODEL

Parks and Recreation Director Rebecca Sayers continued the presentation.

PARKS, RECREATION AND OPEN SPACE

Mr. Perry continued the presentation.

BROADBAND LIST OF PROJECTS

A break was held from 12:18 p.m. through 12:35 p.m.

Ms. Anderson continued the presentation.

COUNCIL DIRECTION AREAS OF FOCUS

Council expressed support and openness for possible bond measures in 2022 but would like more specific information before making a recommendation on what items to carry forward.

Vice Mayor Daggett noted housing, climate action, and parks, recreation, and open space.

Councilmember Aslan offered climate action bond, housing, facilities for core services, and alternate response model.

Councilmember Sweet stated housing, climate action, alternate response, and parks, recreation, and open space.

Councilmember McCarthy offered climate action, public safety equipment and facilities, alternate response, and housing.

Councilmember Shimoni stated housing, climate action, parks, recreation, and open space, and alternate response.

Mayor Deasy stated that he is interested in only two measures to avoid voter fatigue and stated his top two are housing and climate action, and then followed by broadband and alternate response.

Ms. Anderson continued the presentation.

BOND COMMITTEE OR CITY STAFF

Council expressed support for a bond committee or task force.

Mr. Tadder continued the presentation.

RECREATIONAL MARIJUANA SALES AND EXCISE TAX SALES TAX STATE SHARED EXCISE TAX (16%)

Ms. Anderson continued the presentation.

PUBLIC SAFETY ALTERNATIVE RESPONSE MODEL
CRIMINAL JUSTICE COORDINATING COUNCIL (CJCC)
CJCC COORDINATOR
SAFE HARBOR FACILITY
ALTERNATE RESPONSE TEAM
2020 STATISTICS: CALLS FOR SERVICES
ALTERNATE RESPONSE MODEL
ALTERNATE RESPONSE SERVICES
ALTERNATE RESPONSE PROCESS
MOBILE RESPONSE UNIT
CARE CENTER
FUNDING OPTIONS

Council briefly discussed the alternate response model and expressed support to continue on the path forward.

PUBLIC PARTICIPATION

Tyler Denham addressed Council with concerns about the large amount of funding for road widening; it only encourages more people to drive. He asked for the Council to consider adding bike lanes instead of expanding roads.

Joe Galli addressed Council stating the ARPA funds should be used to support small businesses and non-profits. He requested that the Chamber be involved in discussions about possible bonding questions on the ballot.

Joanna Wheaton and Emily Davalos addressed Council requesting that they defund the Police Department by 55%.

Written comments requesting Council defund the police department budget were submitted by the following:

- Sean Parson
- Nickolas Birner
- Matt Dupont
- Claire Hrdi
- Virgil Clark

Written comments requesting Council maintain the police department budget were submitted by the following:

- Deborah Lewis
- Tanya Holliday
- Jamie Turley
- Dillin Hatch
- Callie Hatch
- J.D. Paxton
- Bridget Linn
- JJ Veale
- Jennifer Chastant
- Shelly O'Connell
- Charles Hernandez

- Ben Shantz
- Scott Lasley
- Kassandra Greyson
- Jeannie Brandis

A break was held from 2:02 p.m. through 2:28 p.m.

Mr. Tadder concluded the presentation and turned the time over to Council for discussion and direction.

COUNCIL PARKING LOT (ADDS/DELETES)

Following discussion, Council agreed to the following adds to the budget:

Description	One-Time	Ongoing
Available Balance – Beginning	\$ 376,999	\$ 392,449
Adds:		
Paramedic Pay (3)	0	22,400
Business One-Stop Shop (BOSS) Program	75,000	0
Broadband Grant Match	150,000	0
Videography	15,000	0
CJCC Position	0	44,670
Alternate Response Unit	65,000	776,000
Available Balance – Ending	\$ 71,999	\$ (450,621)

Mr. Clifton concluded the retreat stating that there had been good discussion and good input on the budget. The Budget Team will reconvene to identify options to address the shortfall in the budget for the Alternate Response Unit.

10. Adjournment

The City Council Budget Retreat held April 23, 2021, adjourned at 4:38 p.m.

MAYOR

ATTEST:

CITY CLERK