

MINUTES

1. Call to Order

Mayor Deasy called the meeting of the Flagstaff City Council held September 29, 2022, to order at 8:33 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. **ROLL CALL**

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

PRESENT:

MAYOR DEASY
VICE MAYOR SWEET
COUNCILMEMBER ASLAN (virtually until 10:30 a.m.)
COUNCILMEMBER MCCARTHY
COUNCILMEMBER SALAS
COUNCILMEMBER SHIMONI (virtually)

ABSENT:

COUNCILMEMBER HOUSE

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

3. **Pledge of Allegiance, Mission Statement, and Land Acknowledgement**

The Council and audience recited the pledge of allegiance, Councilmember Sweet read the Mission Statement of the City of Flagstaff, and Councilmember Aslan read the Land Acknowledgement.

MISSION STATEMENT

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

LAND ACKNOWLEDGEMENT

The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's

Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.

4. City Council Retreat

Mr. Clifton offered opening remarks and introduced Julie Lancaster who facilitated the retreat.

FLAGSTAFF CITY COUNCIL RETREAT
WELCOME & OBJECTIVES
AGENDA

Interim Water Services Operations Director Jim Huchel introduced John Ruetten and Brian Renard from Corollo Engineering who continued the presentation.

WASTEWATER TREATMENT BRIEFING
TODAY'S TOPICS
WASTEWATER TREATMENT OBJECTIVES AND STANDARDS
FLAGSTAFF WATER RECLAMATION PLANTS
HISTORY OF WASTEWATER TREATMENT IN FLAGSTAFF
WILDCAT HILL WASTEWATER TRENDS
WATER CONSERVATION EFFECT ON WASTEWATER STRENGTHS
WILDCAT HILL WATER PLAN ISSUES, URGENCY
WILDCAT WATER RECLAMATION PLANT
RIO DE FLAG WATER RECLAMATION PLANT
WILDCAT HILL LIQUIDS EXPANSION DRIVERS
WILDCAT HILL – EXPAND LIQUIDS CAPACITY
NEXT STEPS ON PLAN EXPANSION
FUTURE UPDATES, DISCUSSIONS

Council discussed the opportunities for grant funding and other financing mechanisms.

Water Services Engineer Gary Miller continued the presentation.

STORMWATER UPDATE
2021 FLOOD EVENTS
STORMWATER: ONE YEAR AGO
FLOOD RISK ASSESSMENT OVERVIEW
FLOOD RESPONSE PROJECTS
SPRUCE WASH
PIPELINE WEST
SPRUCE WASH LONG TERM MITIGATION PLANNING
SCHULTZ CREEK LONG-TERM MITIGATIONS
INNER BASIN PIPELINE REPAIRS AND MITIGATIONS

Senior Project Manager Christine Cameron continued the presentation.

RIO DE FLAG FLOOD CONTROL UPDATE

Mr. Ruetten continued the presentation.

STRATEGIC PLANNING
PURPOSE OF THE STORMWATER STRATEGIC PLAN

REVIEW OF STORMWATER BASICS
STORMWATER RATE & PROGRAM HISTORY
STORMWATER STRATEGIC OBJECTIVES
ENVIRONMENTAL & MANAGEMENT CHALLENGES

Mr. Miller continued the presentation.

STORMWATER RATE STUDY
STORMWATER UPDATE

Councilmember Shimoni asked if there were plans to increase the pipe along Highway 180. Mr. Miller stated that they were working with consultants on options and staff would be presenting to Council in the near future to provide an update and secure funding.

A break was held from 10:17 a.m. through 10:32 a.m.

Traffic Engineer Jeff Bauman continued the presentation.

PILOT BIKE LANES AND PEDESTRIAN AND BICYCLE PROGRAM
PILOT BIKE LANES UPDATE
BACKGROUND
THE PILOT PLAN
NEXT STEPS

Councilmember Shimoni asked how maintenance could be improved on the separated bike lanes. Mr. Bauman stated that they would continue to work on the maintenance and keep the candlesticks at the front and end of the sections in place.

Councilmember Shimoni also expressed concern about snow maintenance and trash pickup within the bike lanes. Streets Director Sam Beckett noted that there was a reduction in three snow routes to support the bike lanes and, because it was a combination of equipment types and required multiple staff, it took time to get those areas cleared. Public Works Director Scott Overton added on the trash collection piece that they have been working with residents along the bike lane route on proper placement of cans, but there are a couple of places where there was no alternative. Most of the issues had been resolved.

Senior Transportation Planner Martin Ince continued the presentation.

PEDESTRIAN AND BICYCLE PROGRAMS
PLANNING AND PRIORITIZATION
FUNDING AND PROGRAMMING
FIRST MILE LAST MILE GRANT
SIDEWALK INFILL
SCOPING/15 PERCENT DESIGNS
PED/BIKE PROJECTS
PED/BIKE IN OTHER PROJECTS
GRANT OPPORTUNITIES

Councilmember Salas asked how much funding is needed for the first priority. Mr. Ince stated that \$35 to \$40 million was what was needed. Councilmember Salas stated that there were a number of grant opportunities available and encouraged staff to look into those and pursue them.

Councilmember McCarthy stated that he was supportive of a trial for raised bike lanes.

Councilmember Aslan stated that he would like for staff to consider a cycling overpass over I-40 by the Bow and Arrow neighborhood.

Tyler Denham submitted a written comment that suggested installing separated bike lanes with gaps between the barriers to allow cyclists to move in and out of the bike lane and to also save on cost.

Deputy Fire Chief Mark Wilson and Police Chief Dan Musselman continued the presentation.

PUBLIC SAFETY UPDATE
FIRE DEPARTMENT
POLICE DEPARTMENT

Deputy IT Director Paul Santana continued the presentation.

INFORMATION TECHNOLOGY

Parks, Recreation, Open Space, and Events Director Rebecca Sayers continued the presentation.

PROSE
PARKS
OPEN SPACE

Sustainability Director Nicole Antonopoulos continued the presentation.

SUSTAINABILITY

Mr. Clifton continued the presentation.

PARKING

Capital Improvements Engineer Trevor Henry continued the presentation.

TRANSPORTATION

The Council recessed for lunch at 12:30 p.m. and returned at 1:30 p.m.

Mr. Clifton offered welcome remarks and introduced Steve Eiss and Whitney Cunningham on behalf of Northern Arizona Healthcare.

Mayor Deasy recused himself from the conversation due to a conflict of interest.

Zoning Code Manager Tiffany Antol provided a PowerPoint presentation that covered the following:

NORTHERN ARIZONA HEALTHCARE PROJECT
PROJECT HISTORY
ENTITLEMENT PROJECT REVIEW
DEVELOPMENT APPLICATION SUBMITTED TO DATE
MINOR REGIONAL PLAN AMENDMENT
SPECIFIC PLAN
CONCEPT ZONING MAP AMENDMENT
SIGNIFICANT OUTSTANDING ISSUES

TRANSPORTATION IMPACT ANALYSIS
ROADWAY DESIGN
PROPOSED TRANSPORTATION MITIGATION
TRANSIT
FIRE SERVICE
ADDITIONAL STAFF SUGGESTIONS

Councilmember Aslan requested dark sky compliance and a desire to have the observatory sign off on the plans for the project. Mr. Eiss noted that they should be able to find common agreement on the dark sky component.

Mr. Eiss continued the presentation.

NORTHERN ARIZONA HEALTHCARE HEALTH AND WELLNESS VILLAGE
ABOUT US
HOW WE SERVE THE COMMUNITY
WE'VE OUTGROWN OUR HOME AT FMC
LIMITATIONS OF THE CURRENT FLAGSTAFF MEDICAL CENTER
WHAT WE ARE FACING TODAY
IMPROVED PATIENT EXPERIENCE
PREPARING FOR FUTURE NEEDS
SAMPLE VIEWS OF PROPOSED BUILDINGS
WITH BETTER EMERGENCY TREATMENT FACILITIES
CONSIDERATION OF ALL ASPECTS OF DEVELOPMENT

Mr. Cunningham continued the presentation.

A SAMPLE OF NAH'S OUTREACH AND PUBLIC ENGAGEMENT
SUPPORT FOR OUR PROPOSAL
ESTIMATED ECONOMIC BENEFITS FOR CITY OF FLAGSTAFF
TIMELINE NEEDED FOR CITY COUNCIL CONSIDERATION
FLAGSTAFF FIRE DEPARTMENT SERVICES
TRAFFIC IMPACT ANALYSIS
RECOMMENDED TRAFFIC MITIGATION MEASURES AND SAFEGUARDS

A break was held from 2:54 p.m. through 3:10 p.m.

Councilmember Aslan stated that he understood the pressure that NAH must be under to grow and expand; he did not want to rush into making a decision too quickly. While he appreciated the timeline presented, he did not believe that it would be essential that the current Council make the decision. He stated that Council received a letter from the fire union expressing concerns about the increased burden the new hospital would cause. He would like to know more about those concerns.

Mr. Eiss acknowledged agreement on the concerns that the fire union shared. They were working on a conditions assessment and would be coordinating with the Fire Department on the findings.

Councilmember McCarthy stated that he had heard concerns about the noise that comes from Pepsi Amphitheater at Fort Tuthill. He did not want to be in a situation where the hospital was asking Pepsi Amphitheater to modify their operations to reduce their noise. Mr. Eiss stated that they could accommodate the noise from Fort Tuthill through the acoustical position of the building.

Councilmember McCarthy stated that NAH contributing their proportional responsibility for the Beulah widening made sense. He needed more information from staff on what was needed and what the actual costs may be. He was not as concerned about meeting the timeline but rather getting it right the first time.

Councilmember Shimoni stated that he was excited about the plans and new location. In looking at the project through the lens of the Climate Emergency and the Housing Emergency, he did not feel that the project was there yet. Buildings should strive for net zero, solar use, and electrification of space. He stated that the creation of a transportation demand management program was needed, and he would like to see a partnership with Mountain Line. He advocated for separated bike lanes as part of the development. He asked about the 4,000 employees referenced and if there was a plan for housing.

Mr. Eiss stated that the 4,000 employees referenced would be at the full build-out around 2040. Phase 1 was intended to be employee-neutral for NAH. There would be a 315-unit multi-family facility on site with a low-income tax credit developer interested in providing low-income housing. Most employees would be in the middle-income category, and they have not yet done an internal housing analysis for employees associated with the change.

Councilmember Shimoni stated it would be important to take the fire concerns seriously and work through them before moving forward. He appreciated the timeline presented, but his priority was making sure it was right the first time.

Vice Mayor Sweet stated that she would like to see the project move forward and supported the timeline if it was possible. The fire concerns were a big hurdle that she was not sure could be addressed within the timeline, but was hopeful to find solutions. She noted her appreciation for their work with Mountain Line on a phased approach and the inclusion of a housing element into the plan.

Councilmember Salas expressed appreciation for the presentation and discussion. NAH provided leading healthcare services for Flagstaff and the region, and they were a strategic partner in creating jobs and workforce development. She believed that development should pay for itself and once the fire mitigation piece was determined, that should lead the project to fruition. She believed that NAH had committed to best efforts for integrating sustainability, but NAH also had an opportunity to leverage its resources to partner with many agencies to provide public transportation and infrastructure improvements. ADOT was already embarking on the John Wesley Powell overpass at I-17, so it was a prime time for NAH to partner with them.

Councilmember Aslan stated that the city has a heavy lift on planning ahead for public safety personnel but he did not want to get to an operational stage where the Fire Department was feeling stretched thin because of the development. Mr. Eiss agreed and stated that they were working to understand where the gaps were so they could determine their proportional share of the problem. The conversations were ongoing to make those determinations.

Fire Chief Mark Gaillard stated that there were level of service shortfalls in Flagstaff, and it was important to note that they had not been caused by the NAH move. NAH should not have to make the city whole from the shortfalls of the last ten years. Their application created a new stress and there needed to be a full understanding of the impacts. The results of the Standards of Cover survey would articulate things at a much more realistic level rather than conceptual.

Mr. Clifton stated that the conversation helps identify salient points and how to find agreement. It was the city's responsibility to bring all its divisions and specifically public safety to the level that was demanded of them. He did not know what that translates into in terms of personnel and equipment. There had been discussions about the need for a new fire station, and there

had been some success over the last year with equipment, but personnel and operational costs continue to be a challenge. The city has been working hard to bring firefighter compensation to where it needs to be, but the other part was making sure there were enough boots on the ground. The takeaway was that no new development would be expected to fully close the gap that had come about for different reasons.

Mr. Eiss acknowledged the challenges faced by the city and clarified that NAH seeks to detach the current budgetary and operational issues from what the new development would create.

Councilmember Shimoni noted that he did not feel that the housing component was adequate and that he would like to see additional units added before he would feel comfortable moving forward.

Ms. Antol stated that staff had provided NAH with a detailed list of what needed to be a part of a smaller application. If it meant moving forward with the housing now, the conversation remained fluid. What they were looking at now was the hospital and ambulatory facility being the biggest component that triggers the largest impacts and determining what those impacts are. The biggest issue was transportation, and the mitigation needed to be addressed enough to where staff felt comfortable with the development agreement. The schedule would require a more fluid process that may not include all the details.

Mr. Clifton stated that one scenario that could play out was that the process happened concurrently with the changing of the Council. He asked where NAH was at if that was the reality they were faced with. Mr. Eiss stated that they needed to make a path forward, and they felt they had a well thought out development, and a strong case. It was a project that brought significant community benefit, and they just wanted to start the process now rather than waiting, even if that meant that there was a new Council in place mid-way through the process. Mr. Cunningham added that a phased development agreement would allow for the impacts to be mitigated over time and as the project progresses. Full impacts would not be realized until 2030 and there was so much that could happen between now and the full build-out. NAH was hopeful for an agreement that moved with the development of the project.

Senior Assistant City Attorney Christina Rubalcava stated that with the Council's direction, staff would be starting the process of noticing the public before they had the results of the impact analysis. Council acknowledged that deviation from the standard process and gave direction to move forward.

The following individuals addressed Council about the NAH project:

- Michele James, on behalf of Friends of Flagstaff's Future
- Dustin Wihdle, Program Director for Guardian Air
- Dr. Mark Tasset
- Jeanne Wiles
- Heather Dalmolin, CEO of Mountain Line

The following comments were received:

- The community needs specific details and written commitments from NAH regarding public transportation and collaboration with Mountain Line.
- NAH needs to share information about how they are going to try and achieve the Climate Neutrality Plan.
- There needs to be a commitment to creating a plan, with a rigorous community process to redevelop the existing campus and nearby properties.
- NAH is not ready to go through the rezoning process until they provide more information.
- Guardian Air frequently has to divert patients from all over Northern Arizona to Phoenix for

care because there is not bed capacity or the necessary services in Flagstaff.

- NAH is the only Trauma 1 center in Northern Arizona.
- Taking people to Phoenix presents a significant impact to families in Northern Arizona.
- NAH offers cultural awareness and sensitivities that valley hospitals do not have.
- The sooner they are able to get a patient to care, the sooner they are able to get back in the air and serve the next patient; flying to Phoenix takes up valuable time.
- Shared hospital rooms take away from the rest needed for healing and increases stress levels in patients.
- Expanding services is needed to better care for the population in Northern Arizona.
- Treatments are getting more complicated, more equipment is needed, and the space needed to support the equipment is getting larger.
- An institution that attracts nurses and physicians is key; people do not want to come to a hospital that is overcrowded, does not have space for equipment, and does not have a way to grow and expand their goods and services.
- The NICU does not have private rooms, there is only a curtain to separate patients and their families.
- Research shows that other hospitals that have creative spaces for families to be at the bedside with their babies have babies that are healing faster and being discharged from the hospital sooner.
- The benefit of parents being able to be in the room with their babies is that parents are able to learn how to take care of the special needs their baby has and they feel more comfortable going home to continue that specialized care.
- 70% of Mountain Line riders do not have a car.
- Mountain Line currently serves about 80 employees that work at NAH and they contribute to about 12,000 trips per year.
- The stop at the current hospital is the ninth highest stop in the system with an additional 23,000 trips by visitors to the hospital.
- Mountain Line looks forward to continued conversations about how transit is a part of the plan as NAH looks at their new location.

Mr. Eiss offered closing remarks about NAH's commitment to working with the city to move the project forward. Mr. Clifton thanked NAH for their attendance and participation in the retreat.

5. Adjournment

The Retreat of the Flagstaff City Council held September 29, 2022, adjourned at 4:48 p.m.

MAYOR

ATTEST:

CITY CLERK