

MINUTES

1. Call to Order

Mayor Evans called the Work Session of the Flagstaff City Council held May 12, 2020, to order 3:00 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 attendees recited the pledge of allegiance and City Manager Clifton 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 through other technological means.

PRESENT:

MAYOR EVANS
VICE MAYOR SHIMONI
COUNCILMEMBER ASLAN
COUNCILMEMBER MCCARTHY
COUNCILMEMBER ODEGAARD
COUNCILMEMBER SALAS
COUNCILMEMBER WHELAN

ABSENT:

Others present: City Manager Greg Clifton; 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.

Nat White addressed Council regarding Spruce Trees on Beal Road.

5. Review of Draft Agenda for the May 19, 2020 City Council Meeting

Councilmember Odegaard asked about Item 7B and if the IGA with the County would include adherence to the Arizona State Election Manual. City Clerk Stacy Saltzburg offered that the City and County were legally required to follow the State Election Manual and adhere to all of the requirements.

Councilmember Whelan raised a question about Item 6B concerning lease amendments that included rent abatements for six months for American Airlines, United Airways and the car rental companies. She noted that the companies were national companies and asked if they had previously received CARES funding. Economic Vitality Director Heidi Hansen stated that she would provide the information as part of the final agenda.

6. Update on Downtown Connection Center (DCC) and Bus Rapid Transit (BRT) projects - Mountain Line Transit (NAIPTA)

Community Development Director Dan Folke along with Kate Morely, and Bizzy Collins from NAIPTA presented to the Council about the need for a new Downtown Connection Center (DCC) and its progress.

Councilmember Odegaard expressed support for the project and inquired if NAIPTA would request an Intergovernmental Agreement (IGA) with the city. Councilmember Whelan expressed concern about acquiring a small parcel of land from BNSF, which was critical for the project. Mr. Folke confirmed that the city was in contact with BNSF about acquiring the land.

The Council provided direction for staff to prepare a resolution in support of NAIPTA's effort with the DCC.

Ms. Collins then discussed the Bus Rapid Transit (BRT) project, and highlighted its broader impact and unique funding structure. She explained that the project would seek federal funding for 80% of the costs and local funding for the remaining 20%. Vice Mayor Shimoni expressed enthusiasm for the project but voiced concern about bicycle safety, suggesting that bike lanes be separated from vehicle traffic.

7. City of Flagstaff Business Retention and Expansion Incentive

Business Retention and Expansion Manager John Saltonstall presented the Business Retention and Expansion Incentive program to the Council. Mr. Saltonstall emphasized that the program aimed to help businesses recover from the effects of the pandemic. The program focused on business retention and it generally considered all businesses with fewer than 500 employees as small businesses.

Council expressed support for the program. There was discussion about increasing the funding level and suggestions to consider the creation of mechanisms for businesses to repay or contribute back to the fund, the establishment of a use tax to generate additional funds, and the use of general funds from the airport to support the program.

8. Presentation and Discussion: Community Development Block Grant 2020/2021 Annual Action Plan recommendations, CDBG-CV funds provided by the CARES (Coronavirus Aid, Relief, and Economic Security) Act, and substantial amendments to the 2019/2020 CDBG Annual Action Plan.

Housing Manager Justyna Costa and Housing and Grants Administrator Kristine Pavlik presented on the CDBG (Community Development Block Grant) funding to the Council.

Coconino County Board of Supervisors Chair Liz Archuleta addressed Council in support of rental

assistance and other CDBG-funded programs, highlighting the County's efforts to mitigate COVID-19 impacts.

Kathleen Preston also addressed Council in support for providing hotel rooms for the homeless and requested affordable rates for shelters.

Councilmember McCarthy questioned the sustainability of funding for hotel services for the homeless, with concerns about running out of money and the potential need to reserve funds for public safety or other priorities. Housing Director Sarah Darr suggested that funds for the La Plaza Vieja infrastructure project could be delayed if necessary.

Councilmember Odegaard inquired about The Guidance Center's involvement with the funding, and Ms. Pavlik confirmed that they would receive funds through partners. Councilmember Odegaard indicated that he was not supportive of holding back funds from the La Plaza Vieja project.

Councilmember Whelan expressed concern about the removal of Tynkertopia's funding request and asked about the potential for additional rounds of funding from the America Cares fund. Ms. Pavlik stated that Tynkertopia would be assisted with their future applications for funding.

Councilmember Salas expressed support for full funding for the La Plaza Vieja infrastructure project and \$200,000 for Housing Solutions. Vice Mayor Shimoni added his support.

Councilmember Whelan suggested using enterprise funds for La Plaza Vieja's infrastructure instead of CDBG funds and suggested that there may be other funding avenues due to the current emergency. Ms. Pavlik noted uncertainty about the state's distribution of a second allocation of funds.

Councilmember Aslan and Odegaard both supported moving forward with staff recommendations without holding back La Plaza Vieja funds. Mayor Evans and Councilmember McCarthy agreed on the need for infrastructure improvements in La Plaza Vieja while acknowledging the need for more funding and further discussions with partners.

A majority of Council supported staff's recommendations, with noted concerns about funding allocations and potential alternatives for infrastructure projects.

Mayor Evans called a break through 5:15 pm.

9. Consideration of the Environmental Management Fee restructure and Water Resource & Infrastructure Protection Fee

Sustainability Manager Nicole Antonopoulos and Wildland Fire Manager Neil Chapman presented options for restructuring the Environmental Management Fee and the Water Resource and Infrastructure Protection Fee to the Council. The presentation included a background on the fee and the reasons for the proposed changes.

A written comment in support of the restructure of the Environmental Management Fee and the addition of the Water Resource and Infrastructure Protection Fee was submitted by Karen Malis-Clark.

Councilmember Odegaard questioned the introduction of a second option that was not previously directed by the Council. He preferred Option 1 and expressed concern about the impact of not having a bond question for affordable housing.

Councilmember Aslan supported Option 2, emphasizing the growing needs for watershed protection.

Councilmember McCarthy supported Option 2, praising its minimal cost to households and benefits for water supply protection.

Vice Mayor Shimoni was also supportive of Option 2.

Councilmember Whelan disagreed with both options and suggested that Sustainability should be funded through the Environmental Management Fee rather than through water rates. She advocated for exploring other funding sources.

Councilmember Salas expressed concern about affordability and agreed with Councilmember Whelan's request for additional options.

Mayor Evans acknowledged the lack of consensus and noted her support for Option 1 but recognized the need to balance costs and environmental impact. She noted that Council had been discussing the issue for months without clear direction.

Mr. Clifton noted that there was a majority in favor of a fee, with Option 2 being more favored but lacking overall consensus.

Councilmember McCarthy indicated that he was open to Option 1 as a fallback and requested further exploration of alternative funding sources.

Councilmember Whelan suggested looking into environmental impact funds similar to those in Colorado.

Vice Mayor Shimoni also stated that he was open to Option 1 and suggested raising fees for high-usage customers.

Councilmember Aslan also expressed a willingness to support Option 1 if Option 2 did not gain sufficient support. He stressed the importance of supporting the watershed.

Council provided direction for staff to conduct additional research into alternative funding sources and options. Council would discuss the topic again on June 2, 2020 and finalize their decision based on staff's findings.

10. **Self Insurance of Workers' Compensation and Insurance Renewals**

Risk Manager Dean Coughenour provided a presentation to Council on insurance renewals and a history of city insurance needs. He explained the recommendations from staff and walked through all of the considerations of the two insurance company options.

Councilmember Odegaard asked for examples of like-sized cities in Arizona regarding insurance. Mr. Coughenour stated that Goodyear, Buckeye, Surprise were part of the insurance pool. Smaller entities had left the pool, but it was not frequent. The larger entities that left the pool was to self-insure.

Mr. Clifton added that the current private carrier dropped the coverage due to impending legislation and that he supported a risk-sharing pool for the continuity it provided the city.

Council expressed support for participation in the insurance risk retention pool.

11. **COVID-19 UPDATES**

A. **Discussion:** Forest Service Recreation Site Re-Opening

Mr. Clifton stated that Council received communication from Forest Service Regional Director Matt McGrath soliciting input for reopening locations in proximity to the municipality. Mayor Evans noted that the Grand Canyon was opening on Friday.

Councilmember Odegaard offered that the memo was very thoughtful and he felt that the Forest Service was being very careful and reasonable.

Vice Mayor Shimoni expressed concern about restrooms and their operation. He stated that people were not taking the virus seriously and additional measures were needed for restroom facilities.

Councilmember Whelan stated that she supported waiting for a decline in numbers for 14 days and taking action after a decline happens.

B. Discussion: Potential State Legislation

Management Analyst Jack Fitchett provided an update on the Governor's press conference:

- The stay-at-home order expired on May 15, 2020; a new order starting May 16, 2020 would focus on vulnerable populations and keep schools closed.
- Gyms, spas, pools, and major league sports could reopen with restrictions.
- There had been a decline in positive cases.
- Businesses could reopen if they follow CDC guidelines.
- Cities could not impose stricter regulations but could manage their own facilities as desired.
- Pools, when properly treated, were considered safe, and major league sports could occur without fans in attendance.

Councilmember Whelan asked about Little League practices and games. Mr. Clifton stated that staff was preparing reopening plans that followed CDC guidelines. They expected parks to reopen by May 22, 2020. The use of city facilities for organized sports was still under consideration. Mayor Evans noted that parks were still closed under her Executive Order but she was open to reopening them based on staff's recommendations. Sporting events and facility cleaning remain a concern. She recommended keeping some facilities closed until cases declined for 14 days.

Councilmember Aslan expressed concerns about reopening Council Meetings and the overall state reopening strategy. He supported a conservative approach.

Vice Mayor Shimoni expressed concern with the implementation of CDC guidelines. He stressed the importance of communication to encourage mask-wearing and restrict large gatherings.

Council shared support for Mayor's decisions and highlighted the importance of unity and caution.

Mayor Evans provided a COVID-19 update that covered the following:

- Last week: 70 new cases and 45 deaths in Coconino County.
- Current week: 122 new cases in Flagstaff and 57 deaths in Coconino County.
- The City of Flagstaff was experiencing an increase in cases.
- A majority of cases were in Coconino County and 40% of all cases were in people who aged 20-44.
- Case numbers are expected to increase for the next two to four weeks.
- A new order was issued by the Governor; cities and counties cannot do anything to conflict or increase the Governor's restrictions.
- Governor has recommended that people follow social distancing but it was not mandated. Also recommended masks, but not mandated.
- A majority of people in Arizona have not received unemployment. Unemployment applications would start processing beginning May 12, 2020.
- The Senate and House have been on break since March 23, 2020.

Mayor Evans encouraged Flagstaff residents to wear a mask in public and she asked city employees to model that behavior.

12. Public Participation

None

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

Councilmember McCarthy thanked staff for their quick removal of graffiti from City Hall.

Councilmember Odegaard also thanked staff for the removal of the graffiti. He asked Mr. Clifton to provide information about downtown restaurants and how curbside pickup worked with ParkFlag requirements.

Councilmember Salas expressed her gratitude for the steadfast leadership of Mayor Evans and the work of staff. She stated that she was also thankful for the opportunity to work with Flagstaff Shelter Services to help provide the third hotel.

Councilmember Whelan expressed her gratitude for Mayor Evans' leadership and for the work of staff. She asked that staff be a model for the community with masking and social distancing. She reported that she attended a meeting with restaurateurs facilitated by Jonathan Kersten. They discussed safety, social distancing, menus, supply chain issues, among other things. She requested a FAIR item to look at changing the charter so that citizen's petitions and candidate petitions could go online rather than requiring physical signatures.

Vice Mayor Shimoni echoed the gratitude for Mayor Evan's leadership. He requested free masks and hand sanitizing material outside city facilities. He requested information about how city restrooms would be addressed during staff's next COVID update.

Councilmember Aslan thanked Mayor Evans for her leadership. He stated that it appeared that City Hall would open after cases declined for 14 days. He noted that the technical solution for meetings was working well even though it was not the most accessible for the public. He thanked staff for their work and stated that he was looking forward to being able to get back together with everyone.

Mr. Clifton stated that staff was grateful for Mayor Evan's leadership and for keeping staff safe. The response to parking downtown was that kiosks were still covered and parking was free downtown. He also expressed gratitude to staff for their quick response to the graffiti on City Hall.

Mayor Evans thanked Public Information Officer Jessica Drum for her work. She noted that Flagstaff Shelter Services was able to put 70 people in two hotels due to the redirect of CDBG funds. Two or three were also permanently housed. She suggested a Flagstaff Matters Local First campaign to have a "Show Us Your Mask" contest to encourage people to wear a mask.

14. Adjournment

The Work Session of the Flagstaff City Council held May 12, 2020, adjourned at 7:37 p.m.

MAYOR

ATTEST:

CITY CLERK