

MINUTES

1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held February 2, 2024, to order at 8:31 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 discussion and consultation 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 through other technological means.

PRESENT:

ABSENT:

MAYOR DAGGETT (virtual)
VICE MAYOR ASLAN (virtual)
COUNCILMEMBER HARRIS (virtual)
COUNCILMEMBER HOUSE (virtual)
COUNCILMEMBER MATTHEWS (virtual)
COUNCILMEMBER MCCARTHY
COUNCILMEMBER SWEET

Others present: City Manager Greg Clifton; Deputy City Attorney Kevin Fincel.

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

The Council and audience recited the pledge of allegiance, Councilmember House read the Mission Statement of the City of Flagstaff, and Councilmember Harris 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 Budget Retreat

Mr. Clifton offered opening remarks and turned things over to the facilitator Jeff Kennedy who reviewed the objectives for the day.

Streets Section Director Sam Beckett and Solid Waste Section Director Evan Tyrrell continued the presentation.

RESOURCE ALLOCATIONS AND PRIORITIES OPERATING CAPITAL REPLACEMENTS/MAINTENANCE FACILITIES FACILITIES ADVISORY COMMITTEE FACILITIES ACCOMPLISHMENTS IF ADDITIONAL FUNDING ALLOCATED

Councilmember McCarthy asked about the windows at City Hall. Facilities Maintenance Superintendent Joe Ronnigan stated that the windows were very old, and new windows were needed to mitigate leaks and increase sustainability. The windows had been resealed, the underlining and water shedding had not been able to be addressed. It was a considerable need, and continued exposure to water would deteriorate the infrastructure of the building.

Vice Mayor Aslan asked about the four-million-dollar weatherization efforts and if that addressed any of the window issues at City Hall or the Library. Sustainability Director Nicole Antonopoulos stated that the windows were not included in the weatherization scope of work because they were already in the Facilities work plan. When they did the industrial grade audit, they had to make the numbers pencil out in a manner that allowed them to move forward. They funded all of the projects up front rather than take a loan out to initiate them. The lighting phase was the first big step in the energy conservation contract, and it was nearly complete. The electrical system at City Hall was nuanced and that was causing challenges with the new lighting that was put in. They would be moving into Phase 2 of the project during the spring. Mr. Clifton added that the seals on the library windows had been breached for a long time, and the ability of them to function from an energy efficiency standpoint was nonexistent and the visual element was equally difficult.

FLEET SERVICES FLEET MANAGEMENT COMMITTEE FLEET REPLACEMENT FUNDING

Councilmember Harris asked about the EV first policy. Mr. Tyrrell stated that the Council had adopted the Carbon Neutrality Plan with goals to offset carbon emissions. The EV first policy directed that electric vehicles would be considered for all new and replacement vehicles. If there were inadequate options for EV then the second option would be a hybrid vehicle, and if those were not available or did not meet the need then they would go to a conventional vehicle unit.

Councilmember Harris raised concerns about delays in acquiring electric vehicles, especially in emergencies where timely vehicle procurement was critical. She questioned how quickly exceptions to the EV requirement could be approved and whether the committee had authority to make urgent decisions. Mr. Tyrrell explained that while formal committee meetings happen monthly, urgent needs were handled through supplemental reviews and a focus group was reviewing process efficiency. Fleet Manager Nate Naliborski clarified that EV exceptions were approved within 24 hours by a select few, not the full committee.

Climate Section Director Jenny Niemann added that the EV market still faced high demand and limited inventory. Councilmember Harris further emphasized the importance of balancing the city's carbon neutrality goals with its responsibility to meet public safety and operational needs.

Mr. Clifton asked about EV maintenance and repair readiness. Mr. Tyrrell confirmed that the city was planning for future needs, including specialized tools and training, though current EVs require minimal

maintenance.

FY 2023-2024 FLEET SUCCESSES

Councilmember Matthews asked about the status of five Chevy Silverado EVs on order, noting that EVs typically take longer to receive than hybrids or conventional vehicles. Mr. Tyrrell responded that those vehicles were approved by Council in the fall of 2023, with the understanding that they would be manufactured and delivered in 2024 due to supply chain constraints. The early procurement ensured the city could reserve the vehicles before they were sold to other agencies.

Councilmember Matthews emphasized the importance of planning ahead to avoid disruptions in service delivery. Mr. Tyrrell confirmed the EVs would be distributed across multiple divisions, including Facilities, Solid Waste, Streets, and Park Flag.

Mayor Daggett expressed appreciation for the strategic approach to fleet electrification and emphasized that planning should not delay public safety purchases.

Councilmember McCarthy expressed concern about the cost of EVs but noted that they may be more cost-effective over time. Mr. Tyrell offered that EVs could yield approximately \$5,000 in annual fuel savings, but long-term maintenance data was still limited due to the newness of the technology.

Councilmember Harris reiterated her support for the Carbon Neutrality Plan but stressed that the city must continue to function effectively while working toward long-term sustainability goals.

Vice Mayor Aslan noted that the EV first policy was adopted in 2018 and prioritized electrification within reasonable and safe limits, despite calls from the public to move faster. Ms. Antonopoulos added that new federal tax credits under the Inflation Reduction Act may benefit tax-exempt agencies like the city, and staff were actively monitoring funding opportunities.

FLEET RECOMMENDATIONS

Deputy IT Director Paul Santana continued the presentation.

INFORMATION TECHNOLOGY

A break was held from 9:45 a.m. through 10:00 a.m.

Mr. Clifton continued the presentation.

RESOURCE NEEDS

CITY PUBLIC FACILITY SECURITY

Vice Mayor Aslan asked if there was any possibility of a cross-over of the Park Ranger position. Parks, Recreation, Open Space, and Events Director Rebecca Sayers explained that the Park Ranger position was primarily focused on parks, park rules, coverage for events, and making sure event partners had what they needed and were following the rules. The role of that position was education and support.

Council expressed support for adding a Police Aid for additional facility security.

Management Services Director Rick Tadder continued the presentation.

ONGOING EXPENSE WITH 1X BUDGET PERSONNEL REQUESTS SUBMITTED NEW POSITION REQUESTS SUBMITTED

Councilmember Harris noted earlier discussions about streamlining city processes to improve efficiency, but a lack of staff was cited as a barrier. She suggested using one-time funds to hire consultants to evaluate and improve specific departmental processes, such as building permit approvals, rather than

undertaking a full citywide overhaul. Mr. Tadder acknowledged that consultant support could be funded to assess and improve service delivery, though a citywide review would be a large undertaking. Councilmember Harris suggested a focus on targeted areas where improvements could save time and money.

Community Development Director Dan Folke explained that the city had already streamlined parts of the development services process, especially for commercial and industrial applicants, by involving all relevant divisions in early reviews to speed up approvals. IT Director CJ Perry added that IT had also been assisting departments with process mapping to identify and implement efficiencies.

Councilmember McCarthy expressed interest in seeing a consolidated view of city revenues to understand overall financial trends, shortfalls, and potential areas for increasing funding. Mr. Tadder responded that he had individual revenue figures and compiling a full picture was possible. He also noted that some revenue sources, like charges for services, had not been reviewed in years, and property taxes still offered capacity for increased revenue.

Public Works Director Scott Overton continued the presentation.

RECYCLING SERVICES

Mr. Clifton offered a brief recap of the topics covered during the retreat and opened the floor to Council for their comments and expectations for the continued budget development.

COUNCIL FORUM/BUDGET EXPECTATIONS

Councilmember Harris shared expectations for staff to remain open-minded and emphasized that tradition should not dictate current practices. She also noted that Council decisions had long-term impacts, and that Councilmembers often hear perspectives that staff may not.

Mr. Clifton emphasized the value of having a diverse, elected body with differing viewpoints, as it encouraged direct and assertive conversations, especially on complex issues.

Councilmember McCarthy asked for a broader financial summary, whether the city was facing shortfalls, stability, or opportunities for expansion. Mr. Clifton responded that the city remained financially strong but was entering a phase of flattened revenues. Challenges included inflation, reduced surpluses from pandemic-era federal funding, and continued staffing shortages.

Vice Mayor Aslan reflected on the value of the budget process, and appreciated the time invested in quarterly reviews and the diversity of perspectives. He was concerned about the potential drying up of federal funds and encouraged contingency planning to prepare for a shifting fiscal landscape.

Councilmember Sweet thanked staff and voiced concern about the potential loss of federal funding. She stressed the importance of focusing on core city services.

Councilmember Matthews expressed gratitude for staff's effort and professionalism, and made note of the value of the information shared to help the Council make informed decisions.

Mayor Daggett echoed the support for staff and Council engagement. She emphasized the need to focus on foundational services like water, fire, and public safety. She also emphasized continued investment in employees and housing programs, and noted the progress and the importance of sustaining efforts under the city's declared housing emergency.

Mr. Clifton concluded by noting that more detailed work and discussions would occur with divisions ahead of the next Council retreat in April.

5. Adjournment

The Council Budget Retreat of February 2, 2024, adjourned at 11:35 a.m.

MAYOR

ATTEST:

CITY CLERK