

MINUTES

1. Call to Order

Mayor Daggett called the Work Session of the Flagstaff City Council held March 14, 2023, to order at 3:05 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. Roll Call

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

PRESENT:

ABSENT:

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

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 Matthews read the Mission Statement of the City of Flagstaff, and Councilmember Houses 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. 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.

None

5. Review of Draft Agenda for the March 21, 2023 City Council Meeting

Citizens wishing to speak on agenda items not specifically called out by the City Council may submit a speaker card for their items of interest to the recording clerk.

None

6. City Manager Report

City Manager Clifton highlighted a few items from his report. The highlights included:

- Congratulations to Officer Ty Webster
- LED Light Upgrades and snow removal
- Federal Earmark Appropriation

Councilmember Matthews expressed her gratitude for all the hard work.

Community Development Director Dan Folke gave a high-level overview of the Community Development End of Year Report.

Councilmember Matthews thanked Mr. Folke for all the work his department does.

Mayor Daggett stated that she was pleasantly surprised by the code compliance work.

City Manager Clifton addressed the recruiting efforts and called out Economic Vitality Director Heidi Hansen and the Economic Vitality team. He also added that he recommended a letter to support the Railway Safety Act of 2023, and he would like to write it and ratify it at a later meeting. Council stated they supported this effort.

Andres Aduato (Dapper Dre) addressed Council regarding the safety intersections and the idea of pedestrian and bike infrastructure improvements.

Adam Shimoni addressed Council and commented on the Capital Projects Report, and he addressed a few concerns. The first was the proposed width of the travel lanes and bike lane placements in designs. He also spoke about his excitement about the safety intersections.

7. Discussion and direction on whether to consider an invitation for bid for a lease within the Cheshire Park expansion area for a Telecommunication Facility (cell tower).

Community Development Director Dan Folke, Real Estate Manager Bryce Doty, and Assistant Parks and Recreation Director Amy Hagin gave a presentation to Council on whether to consider a bid for a lease within the Cheshire Park for a cell tower. Slides included:

- Introduction

- Request for Use of City Property
- Telecommunication Facilities
- Vicinity Map
- Request of Consideration
- Siting Requirements
- Considerations
- Service Need/Improvement in Area
- Potential Revenue
- Cheshire Park Expansion
- Property & Development Team
- Considerations Overview
- Next Steps if direction is to move forward

Councilmember House asked if the request was for a 100 ft. cell tower. Mr. Folke stated it would be. She also asked if they would have to reduce the height to 60 feet at this location. Mr. Folke confirmed that they would and anticipated that there would be difficulty siting this tower without a current park plan. Ms. Hagin confirmed that it would be difficult due to design.

Councilmember McCarthy stated that he supports the idea of better cell phone reception in the area but wonders if there are better sites in the area like where the water facility is. Mr. Doty explained that it is not a good site due to helicopter use and that the Schultz Y also has too much infrastructure. Councilmember McCarthy asked about the demonstration that there are no other alternatives for the CUP. Mr. Folke stated that there has not been an application to show other alternatives. Councilmember McCarthy stated that if there were no other alternatives, he could be open-minded, but he is troubled by not having all of the information.

Vice Mayor Aslan stated that he is comfortable with not moving this forward at this time based on the staff advisory committee's recommendation.

Mayor Daggett asked if there are any Council members who feel differently about the staff's recommendation. There are none who do.

8. Update on Minimum Wage and Office of Labor Standards

Management Analyst Chris Rhode provided an update on the Minimum Wage and Office of Labor Standards. Slides included:

- Ordinance Background
- Calculating the Minimum Wage
- Responsibilities of OLS
- 10-year Inflation Detail
- 2-year Inflation Detail (Annual)
- 2-year Inflation Detail (3 month)
- 2024 Minimum Wage
- 2022 OLS Cases
- 2022 Outreach
- 2022 and Future OLS Activities

Councilmember Matthews asked if the State's Labor Department is involved in minimum wage violations. Mr. Rhode stated that he refers cases outside city limits to the state or violations that do not involve wage.

Councilmember McCarthy asked about the staff recommendation and Mr. Rhode addressed the recommendation of yearly changes and how it is not currently addressed in the ordinance.

Joe Bader, representing the Flagstaff Living Wage Coalition, thanked Mr. Rhode for his work and the outreach. He added that the ordinance was proposed by the citizens for the Office of Labor Standards. He stated that he does not see the need for the change and addressed how the ordinance is voter protected.

Mayor Daggett asked if Council was comfortable with staff's recommended action.

Councilmember McCarthy stated that he is comfortable depending on language and the rest of council stated they are comfortable with the change.

9. Council Discussion on Petition to Flagstaff City Council titled: Climate Emergency: Stop the Money Pipeline.

Management Services Director Rick Tadder lead a discussion on the Citizen's Petition. Slides included:

- Citizens Petition
- City of Flagstaff Banking
- Topics for Consideration
- Banking Services
- Partnership
- Current Banking Services Contract
- Current Contract
- Community Banking
- Wells Fargo in the Community
- Wells Fargo approach to Climate Action and fossil fuels
- Staff Discussion/Recommendation

Vice Mayor Aslan stated that he has met with Fossil Free Arizona and County Treasurer Sarah Benatar, who recently went through the procurement process. He asked what the harm in putting out an RFP is. Mr. Tadder stated that his concerns are that the current contracts should not be stopped without cause, and he wonders what value there will be from that long, arduous process of at least eight to ten months with at least two to six months of staff work after to change to a new financial system. He did not want to see staff's time devoted to a change in a financial institution because it would lead to a lot of disruption to staff's time. Vice Mayor Aslan stated that it is valuable to ask what else is out there and what other benefits the City could procure by going through the process.

Councilmember Matthews addressed community banking. She spoke about using the RFP to ensure that an entity is getting the best bank for the buck. She stated that this is not the case here and that the City is not looking for a cost savings at this time. She also addressed the benefit of the partnership the city has with Wells Fargo at this time. She addressed the Navajo County RFP and how it had only three respondents. She added that she does not see the benefits of an RFP at this time. She stated that she has a concern with Council stepping across the line by directing staff in this manner.

Mayor Daggett called a break from 5:22 p.m. through 5:38 p.m.

The following individuals addressed Council in support of issuing an RFP for banking services:

- Kim Curtis, Fossil Free Arizona
- Nora Timmerman
- Nina Porter
- Michele James, Friends of Flagstaff's Future
- Olivia Dunn
- Allison Crane
- Leslie Hanson
- Nate Spangler
- Ynara Halabenda
- Joe Bader
- Eric Souders
- Peter Friederici
- Dave Fronske
- Martha Johnson
- Paul Beier
- Mark Alexander

- Stefan Sommer
- Debra Block
- Sandra Lubarsky
- Rev. Diamond Pate
- Susan Shapiro
- Adam Shimoni

The following individuals submitted written comments in support of issuing an RFP for banking services:

- Millicent Gray
- Ann Heitland
- Annette Nystedt
- Leah Mundell
- Cassandra Dakov
- Marie Jones
- Missy Ellen Ivey
- Deborah Witherspoon McPatter
- Madeline Trilling
- Celia Barotz

The following individuals addressed Council in opposition of issuing an RFP:

- Travis Smith
- Stephen Puhr

J. Richard Hull submitted a written comment in support of keeping the banking services for the city as they are.

Councilmember Matthews expressed her gratitude to the public for attending. She addressed the drilling in Alaska and the reasons for such. She stated that Flagstaff has adopted a very aggressive Carbon Neutrality Plan. She does not know if the plan represents the city as a whole. She added that Council does not direct staff, and it is dangerous to get into the weeds and overstepping. She addressed ethical violations and spoke about how they are spread throughout many banks. She spoke about how small community banks cannot do everything and how the City needs to go with a large bank, which will have issues. She stated that she is also concerned with the possibility of discrimination lawsuits in an RFP process if a limitation on fossil fuel investments is included. She stated that she believes that Council should not move this item forward.

Councilmember McCarthy stated that he is not ready to decide but commented that there is a clear need to phase out fossil fuels. He stated that he hopes these types of discussions go to Congress and our legislature.

Councilmember House asked what the options are in terms of seeking an RFP as we are approaching the deadline for renewal or non-renewal. Mr. Tadder stated that the City is in contract with Wells Fargo for the current term plus two extensions. He added that the City should continue in the contract unless there is a purposeful cause to break the contract.

Councilmember Harris stated that she does not know one institution that has not had some of the same practices as Wells Fargo. She stated that she supports staying with Wells Fargo and letting staff make the determination. She pointed out that this does not mean that she does not care about fossil fuels or climate change.

Mayor Daggett asked Mr. Tadder if there had to be cause to terminate the existing contract. She asked if staff can go out for proposals when the contract is completed. Mr. Tadder stated that staff can be in a procurement process during an existing contract and that an RFP can be issued prior to the contract expiration.

Councilmember McCarthy asked when the City could go to a new bank based on the current contract. Mr. Tadder stated that the contract goes through June 30, 2025. He added that the RFP could be

issued in summer or 2024 and that there will be a transition period.

The Council recessed in Executive Session from 7:22 p.m. through 7:50 p.m.

Vice Mayor Aslan supported a short-term renewal and the issuance of an RFP, suggesting a step-by-step approach for future planning. He cautioned against overburdening city staff at the moment and recommended waiting until the city has the capacity to proceed further. He encouraged regularly exploring banking options, believing better choices may exist in the market. He also noted the need to clarify whether the city can direct lobbyists on fossil fuel issues and suggested revisiting divestment policies. He concluded by touching on community engagement related to the Carbon Neutrality Plan.

Councilmember Matthews clarified that the discussion is about transactional banking, not investments, and referenced the Carbon Neutrality Plan. Councilmembers Sweet and House expressed support for maintaining the current banking arrangement.

Mayor Daggett asked if a policy could be developed to align procurement with climate goals. City Manager Clifton agreed that starting with policy is appropriate but noted it's a complex issue without a quick solution.

Councilmember McCarthy acknowledged ethical concerns about Wells Fargo but felt similar critiques apply to other banks and did not support issuing an RFP at this time, suggesting it might be considered when the contract ends.

Mayor Daggett concluded by thanking staff and advocating for the development of a fossil fuel/carbon neutrality divestment procurement policy to guide future discussions and potential legislative action. Mr. Solomon summarized that the general direction was to maintain the current arrangement while exploring alternatives.

10. Public Participation

None

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

Councilmember Matthews stated we are in tax season and the state tax credit options are great.

Councilmember Harris stated the Airport Commission had a meeting and there was progress on paid parking.

Councilmember Harris stated that Mountain Line will unveil an electric bus next week.

Councilmember House stated that the City of Flagstaff and Coconino County are beginning the process for regional plan.

12. Adjournment

The Work Session of March 14, 2023, adjourned at 8:15 p.m.

MAYOR

ATTEST:

CITY CLERK