

## MINUTES

### 1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held May 28, 2024, to order at 3:04 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 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:

MAYOR DAGGETT  
VICE MAYOR ASLAN  
COUNCILMEMBER HARRIS  
COUNCILMEMBER HOUSE  
COUNCILMEMBER MCCARTHY  
COUNCILMEMBER SWEET

#### ABSENT:

COUNCILMEMBER MATTHEWS

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

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

The Council and audience recited the pledge of allegiance, Councilmember Harris read the Mission Statement of the City of Flagstaff, and Councilmember McCarthy 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. Open Call to the Public

*Open Call to the Public enables the public to address the Council about an item that is not on the prepared agenda. Comments relating to items that are on the agenda will be taken at the time that the*

*item is discussed. Open Call to the Public appears on the agenda twice, at the beginning and at the end. The total time allotted for the first Open Call to the Public is 30 minutes; any additional comments will be held until the second Open Call to the Public.*

*If you wish to address the Council in person at today's meeting, please complete a comment card and submit it to the recording clerk as soon as possible. Your name will be called when it is your turn to speak. You may address the Council up to three times throughout the meeting, including comments made during Open Call to the Public and Public Comment. Please limit your remarks to three minutes per item to allow everyone 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.*

Community Stewards Coordinator Sanoma Boynton addressed Council regarding the Watershed Cleanup Series.

Nadine Hart addressed Council regarding the water rates increase and how it would impact housing choice voucher recipients who live in single family homes.

Assistant Director of the Coconino County Workforce Development Board Regina Salas invited Council to the Arizona Workforce Summit.

A break was held due to audio issues from 3:14 p.m. through 3:48 p.m.

Dapper Dre addressed Council. He started with a moment of silence for Joanna Wheaton who was killed in the bicycle tragedy three years ago. He spoke about the efforts that have been made since the accident. He stressed the importance of bicycle infrastructure.

## **5. Review of Draft Agenda for the June 4, 2024 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. May Work Anniversaries**

Senior Deputy City Manager Shannon Anderson presented the May work anniversaries.

## **7. Review and discuss Procurement Code Manual Amendment to revise Article 4 Definitions and add a new Article 32 Sustainable Procurement**

Purchasing Director Patrick Brown led a discussion on the proposed procurement manual amendments. Slides in his presentation included:

- Overview
- Prelude
- Revised Article 4 related to Sustainable Procurement
- New Article related to Sustainable Procurement
  - Option 1 -- Objective and Measurable, Competitive

Councilmember House asked if there was a difference between will and may in the first sentences of the option. Mr. Brown stated that it depended on the relationship.

Councilmember McCarthy stated that he felt that it would be an overreach to have an entity list the current financing they provide with the fossil fuel industry. Mr. Brown stated that the list of current companies they do business with was a common request. Councilmember McCarthy stated that he did not feel it was appropriate, but Mr. Brown stated that asking them that question was very relevant to what the goal of the amendment was.

Mr. Clifton clarified Councilmember House's question that the first part of the paragraph indicated a mandatory reduction, and the second sentence addressed a discretionary addition. Mr. Clifton asked why one would be a firm requirement and the other would be discretionary. Mr. Brown stated that staff could make both coincide with each other and have them both read "will" rather than "may."

Councilmember Harris asked what would happen if a company did not want to disclose the information. Mr. Brown stated that the company could request for the information be kept confidential and that staff could work with them to ensure their comfort level and allow the information to stay somewhat vague.

Mayor Daggett asked about the legal parameters regarding redaction in an application. Mr. Brown stated that the applicant could request for their whole application be redacted and the legal team at the City reviews all the information to ensure that it is not confidential in general.

Mayor Daggett asked if the amendment options would be strictly for banking entities and Mr. Brown affirmed.

- Option 2 -- Less Objective and Competitive, Still Measurable

Councilmember Harris asked if there are organizations out there that could meet these standards. Mr. Brown stated that the Sustainability Division have identified organizations that meet these standards.

Sustainability Director Nicole Antonopoulos stated that there were third-party verification organizations that list fossil-free investment organizations. She added that there were currently three organizations in Arizona, and she would provide that list to Council.

Councilmember Harris asked what would happen if the City did not like to work with any of the banks on the list. Management Services Director Rick Tadder stated that any bank could reply to the request with options one and two. He stated that option three was the most restrictive and that would prevent other banks from applying. He stated that any bank could apply with options one or two, but that they may not receive full points due to their affiliations.

Councilmember Harris asked if they cannot provide all the services that the City needed, what would happen. Mr. Brown stated that the City would not do business with them if they were not able to provide the services requested. Councilmember Harris asked what the City would do if the highest scoring entity did not meet the requests, and Mr. Brown stated that staff would go with the next highest scoring entity. Mr. Tadder added that if the entity could provide 98% of services, staff may look for other contractual services to fill in the holes.

Vice Mayor Aslan asked if the amendments were deal-breakers or just part of the scoring. Mr. Brown stated that Options One and Two would be part of the scoring, but Option Three would be a yes or no question.

Councilmember McCarthy asked what the difference was between the first two options. Mr. Brown stated that option two was more restrictive.

- Option 3 -- Direct, Exclusion, Clear and Concise

Councilmember Sweet asked Mr. Tadder how in-person banking could be conducted if a bank was identified that was not in the City of Flagstaff. Mr. Tadder stated that the City would have to look to deposit cash at a local bank and then transfer or have the cash delivered by armored car. He added that both solutions would have a cost associated with them and were not ideal, but that they could be done.

- Future Revisions/Amendments
- Council Discussion/Direction
  - Which option would Council want staff to bring back for the Procurement Code Amendments?
    - Option 1
    - Option 2
    - Option 3

Mayor Daggett asked Ms. Antonopoulos what other cities were doing. Ms. Antonopoulos stated that there were a lot of examples and that they are seeing a lot of different approaches. She spoke about Boulder, CO using a fossil-fuel divestment in healthcare and building procurement. She stated there was a wide array of focus areas and that no other community in Arizona had moved forward with this divestment.

Councilmember McCarthy asked if there had been any interest in the issue at the state legislature. Mr. Brown stated that he had not seen any legislature specifically address this issue. Mr. Tadder stated that he had seen bills dropped at legislature and that it could come back around in the future. Councilmember McCarthy asked when the item would come back to Council and suggested that the item come back to Council on June 18, 2024, since Fossil Free Arizona was advised of that date.

Mr. Clifton stated that the email that he sent to Fossil Free Arizona did not have the finalized date. He suggested that the date could be moved. Mr. Clifton also spoke about the history of the discussion and that the current contract with the City's bank expired June of 2025. He added his concerns that solicitations could not happen in ample time if the policy was not decided soon. He added that there was some urgency on getting Council direction.

Vice Mayor Aslan asked if the conversation was only about banking services or if it would apply to other areas of procurement. Mr. Brown stated that the proposed amendments focused only on banking and that the other areas will be presented to Council in the future.

Mayor Daggett asked when staff would need everything together to go out for banking services. Mr. Brown stated that staff would have to start during the summer to get the solicitation out. He also spoke about the length of time required for the banking transition. Mr. Brown stated that staff would like to put an RFP out by the end of summer. Mr. Tadder stated that a lot of work would need to be done to get an RFP together. He also added his thoughts about the current financial services.

Mayor Daggett clarified and asked when a decision from Council was absolutely necessary. Mr. Tadder stated that he would like to see a decision before Council break, but it is not necessary. He stated his belief that he could extend the contract with Wells Fargo.

Councilmember Harris asked if the amendments would set the stage for everything else in purchasing. Mr. Brown stated that it could set the stage for everything the City was doing. He added that this amendment would be just for banking services.

Mr. Clifton stated that staff had proceeded with banking in mind due Council's request from two years ago. He also spoke about a bill to preempt local governments from putting forth criteria that spoke to Environmental, Social, and Governance (ESG) investing as metrics for consideration of the procurement process. He added that he expected to see it come forward again.

#### Public Comment:

Jill Stephenson encouraged exploring other financial organizations instead of Wells Fargo. She stated the City needs to stop supporting big oil and encourage sustainable procurement in all procurements.

David Spence encouraged the Council to divest from Wells Fargo. He stated that this was a step in the right direction.

Gail Jackson addressed what impact the decision on banking services could have on all developers in Flagstaff. She added that the restriction could create issues for other City crises.

Vice Mayor Aslan stated that the conversation would allow for the City to make decisions on working with companies that better hold to the City's goals. He added that he was interested in Option One. He added that it concerned him that no other municipality in Arizona had explored this topic and this option was a good way to "dip the toe in."

Councilmember House stated that she also supported Option One and that the other two options put too many limits on a potential partner.

Councilmember Sweet stated that she had been leaning toward Option Two, but that she believed that Option One was more viable.

Councilmember Harris stated that she was worried about Flagstaff always trying to be the first. She stated that she did not want to move forward with the amendments.

Councilmember McCarthy stated that he was torn between Councilmember Harris's point of view and Option One. He stated that the amendment really would not do much for climate change. He stated that he would go with Option One with some hesitation.

Mayor Daggett stated that she saw this measure as the same as updating the zoning code with an eye toward sustainability. She added that it would be one question of many and that it would allow the City to ask the right questions. She added that she was not interested in having any additional conversations on the topic. She stated that she supported Option One.

Mr. Brown stated that staff would come back with the resolution at the next regular meeting with the revision provided by Councilmember House.

**8. Review and discussion of the City of Flagstaff - Workforce Development Strategic Plan prepared and presented by Keen Independent Research LLC.**

Community Investment Director David McIntire introduced David Keen, Principal, and Dr. Nicole Yates, Senior Consultant from Keen Independent Research. They presented the preliminary results of the Workforce Development Strategic Plan to Council. The slides of their presentation included:

- Presentation overview
- Context
- Workforce development overview
  - Components of workforce development
  - Workforce Innovation and Opportunity Act
- Demographic and labor market trends
  - Population by age
  - Employment projections
- Existing workforce development resources
- Stakeholder feedback
- Case studies
- City Workforce Development Strategy
  - Priority sectors
  - Employment pathways
- Overall goals, target population, suggested actions, and timeframe

Councilmember House asked how they are envisioning the partnership between the economic development plan and the workforce development plan. Mr. McIntire spoke about the Economic Development Plan and how it was more regional than ECoNA's and explained that Stiletto and Keen worked together to ensure that the target sectors were agreed upon but that they did not limit the workforce development plan to the sectors, but also addressed support sectors. He referenced the workforce development ARPA funding that was used to fund internships for astronomy positions which highlighted how the two plans worked well together.

Councilmember House asked how this tied into the Business One Stop Shop (BOSS). Mr. McIntire stated that this study's findings would build upon it and that the BOSS would be used to funnel people to this information.

Councilmember House asked about the employment by industry projection that showed a decline in self-employed workers. Mr. Keen stated that the numbers shown in the projections were provided by the state and that there had not been historical growth in the area. He added that the people who hold four-year-degrees have not historically had a degree in business and that might have influenced the self-employed category.

Councilmember House asked about the case study comparisons. She commented on how there are not typically case studies within the same state and asked if that was because there were not comparable in Arizona. Mr. Keen stated that Flagstaff is a hub in Northern Arizona and that was an advantage. He added that Bend, OR and Missoula, MT were also in similar situations. He stated that it was difficult to even find a third city that matched and that was why Asheville, NC was used as a comparison.

Economic Vitality Director Heidi Hansen stated that it was important to do comparisons to other mountain cities because there are a lot of companies or airlines who do not want to deal with the altitude or the seasonality.

Councilmember Harris asked how the housing issue affected the study. Dr. Yates stated that they heard a lot of anecdotes that they included in the appendices regarding the cost of housing.

Mr. McIntire stated that the effort of supporting the construction and trade industry would help with addressing the construction worker shortage and bring down costs. He also added that bringing higher wage positions into the area would also help locals afford homes against the second home market.

Councilmember Harris asked if what was studied changed, would the plan be able to adapt. Mr. McIntire stated that staff would continue to work with partners to assess the study and results and that they would be building off each other as time moves on.

Councilmember Sweet stated that it was hard to make margins as a small business owner. She added that having a formal business group meet with the City, NAU, and CCC involved was a great idea.

Vice Mayor Aslan stated that he was also concerned about housing and asked about the affect AI would have on the employment landscape. Dr. Yates stated that the plan does consider AI and automation in the priority sectors.

Councilmember Sweet asked if the minimum wage was used in comparison to the other cities. Dr. Yates stated that the state study took the whole county into consideration for their projections.

Mr. Keen spoke about how the City could set the culture with implementing this data and made a pitch on how best the City could position itself to support businesses and employees.

Councilmember Harris asked how to do that. Mr. McIntire stated that a part of the plan was how to have this conversation and how to partner to make disparate voices work together

Ms. Hansen added that staff would look at all workers. She added that staff would continue to come back in front of Council and would work to ensure that no community would be left behind.

Public Comment:

Executive Director of Friends of Flagstaff's Future Michele James addressed Mayor and Council regarding the city's Workforce Development Plan to include specific strategies to assist with increasing the local early childhood support and provided additional suggestions for the Regional Plan 2045.

Assistant Director of the Coconino County Workforce Development Board Regina Salas addressed Council regarding Workforce training funded by federal money. Ms. Salas also spoke about the evolving goals and engagement of employers,

Mr. McIntire stated that the full report would be sent to Council and then presented to Council on July 2, 2024. Mayor Daggett asked for the report to be shared publicly.

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

Councilmember House spoke about a prescribed fire tour on Observatory Mesa with Mayor Daggett and Councilmember Sweet. She also shared that she was a part of the multi-cultural sculpture exhibit opening ceremony at Liz Archuleta Park. She stated that there was a Letter to the Editor with concerns about the Aquaplex with open swim hours. She asked staff to explain how much attention they pay to these concerns.

PROSE Director Rebecca Sayers stated that staff answered a very similar email. She addressed the lifeguard shortage and added that there was a nationwide shortage. She addressed the individual email and how there was a conflagration of events with four lifeguards calling out. She also spoke about the job postings for lifeguards.

Mayor Daggett asked how a person could get certified as a lifeguard. Ms. Sayers stated that PROSE would pay for certification and training for people to get certified and then they would hire them.

Councilmember Sweet stated she attended the CDL ribbon cutting at NAU, the Good Scout Board Luncheon honoring Kimberly Ott, and the Coconino Scroll ribbon cutting and tour.

Councilmember McCarthy stated that he attended the dedication of the new mural in the alley on San Fransico Street at the Murdoch Center.

Councilmember Harris stated she also attended the mural dedication and the Good Scout Board Luncheon honoring Kimberly Ott. She asked what staff can do to let our community know that when things like the lifeguard shortage happens. Mr. Clifton stated the City works to be transparent with the community and recently changed the pay structures. He would work with Public Affairs for more educational material. Councilmember Harris invited everyone to Juneteenth celebration on June 15, 2024.

Mayor Daggett stated she was able to attend the event for the NASA Artemis crew who are training in Flagstaff. She was also able to attend the Memorial Day Event at Citizen's Cemetery. She stated her appreciation for staff on the partnerships for the recent prescribed burns. She spoke of the upcoming DC trip for the National League of Cities. She also spoke of the Flagstaff Green School Yards Initiative.

**10. Open Call to the Public**

Steven Young addressed Council regarding his arrests, evictions, and unjust compensation.

**11. Adjournment**

The Work Session of the Flagstaff City Council held May 28, 2024, adjourned at 7:02 p.m.

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MAYOR

ATTEST:

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CITY CLERK