

MINUTES

1. CALL TO ORDER

Mayor Daggett called the meeting of the Flagstaff City Council held July 2, 2024, to order at 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 regular meeting, 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
VICE MAYOR ASLAN
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 Sweet 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.

Alan Winninger, on behalf of Route 66 Centennial, addressed Council and urged the city to take a more active role in preparing for the upcoming 100th anniversary of Route 66, which was expected to attract millions of visitors. He emphasized the need for a dedicated commission or working group to focus on Centennial planning and ensure Flagstaff received appropriate recognition as a key Route 66 destination.

Dr. Emily Davalos addressed Council and raised concerns about the city's interpretation and enforcement of plumbing code requirements for construction sites, stating that allowing workers to use bathrooms located up to one-and-a-half to three miles away was impractical and undermines sanitation. She questioned whether the code should require on-site facilities and warned that current practices may lead to inconsistent or discriminatory enforcement.

Alicia Formanack, President of High-Altitude Roller Derby, addressed Council, noting the league's presence in Flagstaff since 2012 and its charitable support of local nonprofits. She explained that the loss of practice space had significantly reduced available practice time, limiting the league's ability to serve skaters. She urged the Council to consider a multi-purpose indoor sports complex to support roller derby and other year-round sports.

Kengatta Callen addressed Council and introduced himself as the new Executive Director of the Southside Community Association. He thanked Councilmember Harris for her long-standing commitment to the community. He shared his personal connection to the Murdoch Center and his four years of service as the Association's treasurer. Mr. Callan outlined key initiatives the Association will continue to build upon, including the Lived Black Experience, the Resilience Hub, the Murdoch Center, and Juneteenth celebrations, and stated his goal to strengthen the existing foundation while keeping Council informed and involved.

5. **PROCLAMATIONS AND RECOGNITIONS**

A. **Proclamation:** Arbor Day

Councilmember Harris read and presented the proclamation.

B. **Proclamation:** Disability Pride Month

Councilmember Matthews read and presented the proclamation.

C. **July Work Anniversaries**

Deputy City Manager Joanne Keene recognized employees celebrating their work anniversaries in the month of July.

6. COUNCIL LIAISON REPORTS

Vice Mayor Aslan reported attending a Sustainability Commission meeting, which included a water rate study update and an extensive discussion on equity considerations for the Neighborhood Sustainability Grant Program. He also reported on a Coconino Plateau Water Advisory Council meeting, where stakeholders heard a presentation from Navajo hydrologist Robert Kirk on the regional water settlement.

Councilmember McCarthy reported participating in a tour of the John Wesley Powell Boulevard alignment and noted an upcoming Bicycle Advisory Committee meeting.

Councilmember Sweet reported attending the NACOG meeting where the budget was adopted, and highlighted continued discussion and adjustments related to wage compression.

Councilmember House reported that the Housing Commission discussed advancing affordable housing incentives and sales programs. She also participated in Back to Flagstaff events, read a proclamation recognizing the organization's work preserving local legacy family history, and noted the announcement of an ASU scholarship endowment honoring Mel Hanna, Flagstaff's first African American City Councilmember and Coconino County Supervisor.

7. LIQUOR LICENSE PUBLIC HEARINGS

Applications under Liquor License Public Hearings may be considered under one public hearing and may be acted upon by one motion unless otherwise requested by Council.

A. **Consideration and Action on Liquor License Application:** Douglas Carlton Sweet III, "The Station Cafe", 1800 N. Fort Valley Rd., Series 12 (Restaurant), New License

Mayor Daggett opened the public hearing on the application.

Deputy Chief Collin Seay introduced the application and noted no concerns.

There being no public comment Mayor Daggett closed the public hearing.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to forward the applications to the state with a recommendation for approval.

Vote: 7 - 0 - Unanimously

8. CONSENT AGENDA

All matters under Consent Agenda are considered by the City Council to be routine. Unless a member of City Council expresses a desire at the meeting to remove an item from the Consent Agenda for discussion, the Consent Agenda will be enacted by one motion approving the recommendations listed on the agenda. Unless otherwise indicated, expenditures approved by Council are budgeted items.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve the Consent Agenda as presented.

Vote: 7 - 0 - Unanimously

A. **Consideration and Approval of Contract:** Approve the First Amendments to 21 Job Order Professional Contracting Services Contracts to increase project limits and annual contractor caps for the Job-Order-Contracting Program.

1. Approve the First Amendments to 21 Job Order Professional Contracting Services Contracts to increase individual project limits to \$2,000,000 and annual contractor caps to \$10,000,000 for the Job-Order-Contracting Program for each of the following contractors:

- Horizontal Construction: Eagle Mountain Construction Co., Kinney Construction Services, Inc.

Markham Contracting Co., Inc., and Tiffany Construction Co.

- Vertical Construction: Kinney Construction Services, Inc., Loven Contracting, Inc., and Wespac Construction, Inc.
- Water/Wastewater General Construction: KEAR Civil Corporation, PCL Construction, Inc., and Schofield Civil Construction, Inc.
- Water/Wastewater Controls Construction: M3 Engineering and Technology Corporation and Southwest Automation Services, LLC
- Landfill Construction: Fann Contracting Inc., Markham Contracting Co., Inc. and Rummel Construction, Inc
- Airport Horizontal: Combs Construction Company, Inc., Fann Contracting, Inc., J. Banicki Construction, Inc.
- Airport Vertical: FCI Constructors, Inc., Loven Contracting, Inc., Wespac Construction, Inc.

2. Authorize the City Manager to execute the necessary documents.

B. Consideration of Appointments: Magistrate and On-Call Magistrates for the Flagstaff Municipal Court.

Approve the appointments of Honorable James Speed and On-Call Magistrates Charles Adornetto, Staci Foulks and Roberta McVickers to the Flagstaff Municipal Court

C. Consideration and Approval of Contract: Arizona 911 Grant Agreement between Arizona Department of Administration Office of Grants and Federal Resources and the City of Flagstaff acting as System Administrator for Coconino County.

Approve the acceptance of the grant from the Arizona Department of Administration Office of Grants and Federal Resources in the amount of \$524,958.00 for the 911 budget for Coconino County FY2025.

D. Consideration and Approval of Contract: Professional services contract for the Wastewater Treatment Facilities Master Plan in the amount of \$792,160.

1. Approve the Professional Services Contract with Hazen and Sawyer for the completion of the Treatment Facilities Master Plan in the amount of \$792,160.
2. Authorize the City Manager to execute the necessary documents.

E. Consideration and Approval of Contract: Cooperative Purchase Contract with Pueblo Mechanical and Controls, LLC in the amount of \$599,833.26 for chiller replacement in City Hall.

1. Approve the Cooperative Purchase Contract with Pueblo Mechanical and Controls, LLC ("Pueblo") in the amount of \$599,833.26 for chiller replacement in City Hall; and
2. Authorize the City Manager to execute the necessary documents.

F. Consideration and Approval of Contract: Second Amendment to Contract for Services with TB Real Property Consultants, LLC for property acquisitions necessary for the Rio de Flag Flood Control Capital Project in an amount not to exceed \$150,000.

1. Approve Second Amendment to Contract for Services in an amount not to exceed \$150,000 for property acquisitions necessary for the Rio de Flag Flood Control Capital Project; and
2. Authorize the City Manager or designee to execute the necessary documents.

- G. Consideration and Approval of Contract:** Consideration and Approval of Contract: Second Amendment to Contract for Services with Sonoran Land Resources, LLC for property acquisitions necessary for the Rio de Flag Flood Control Capital Project in an amount not to exceed \$150,000.
1. Approve Second Amendment to Contract for Services in an amount not to exceed \$150,000 for property acquisitions necessary for the Rio de Flag Flood Control Capital Project; and
 2. Authorize the City Manager or designee to execute the necessary documents.
- H. Consideration and Approval of Contract:** Contract for the Purchase of Materials/Services with Empire Pump Corp. in an amount not to exceed \$650,000, annually, for Utilities Well and Pump Maintenance.
1. Approve the Contract for the Purchase of Materials/Services with Empire Pump Corp. in an amount not to exceed \$650,000, annually, for Utilities Well and Pump Maintenance; and
 2. Authorize the City Manager to execute the necessary documents.
- I. Consideration and Approval of Contract:** Professional Services Agreement with Friedman Recycling Company for compaction, transportation, and the processing of recyclable materials.
1. Approve the Professional Services Agreement with Friedman Recycling Company for compaction, transportation, processing, and the processing of recyclable materials; and
 2. Authorize the City Manager to execute the necessary documents.
- J. Consideration and Approval of Letter of Opposition:** Letter of opposition to UNS Electric, Inc. Arizona Power Plant and Transmission Line Siting Committee Application and Appeal to the Arizona Corporation Commission.
- Retroactively approve the Letter of Opposition.
- K. Consideration and Approval of Grant Award Ratification:** Approve the ratification of the U.S. Department of Justice, through the Arizona Criminal Justice Commission, for the Edward Byrne Justice Assistance Grant Agreement in the amount of \$292,485.09 for the Northern Arizona Street Crimes Task Force (METRO Unit).
- Approve the ratification of the grant agreement from the U.S. Department of Justice, through the Arizona Criminal Justice Commission, Edward Byrne Justice Assistance Grant funds in the amount of \$292,485.09 for FY2024-FY2025.
- L. Consideration and Approval of Contract:** Construction Manager at Risk (CMAR) Design Phase Services Contract with Loven-Fann Joint Venture in an amount not to exceed \$700,000 for the Airport Snow Removal Equipment Building Project.
1. Award the CMAR Design Phase Services contract with Loven-Fann Joint Venture in an amount not to exceed \$700,000, subject to approval by the Federal Aviation Administration (FAA) and Arizona Department of Transportation (ADOT) Multi-Modal Transportation Division; and
 2. Authorize Change Order Authority of \$70,000 (10%) to cover potential costs associated with unanticipated or additional items of work. This change order amount is included in the total not to exceed amount of \$700,000; and
 3. Authorize the City Manager to execute the necessary documents.
- M. Consideration and Approval of Contract:** Cooperative Purchase Contract with Hughes Fire Equipment, Inc. in the amount of \$1,064,108.07, plus fees and costs, for the purchase of two Fire Department Water Tenders with Bond funding.
1. Approve the Cooperative Purchase Contract with Hughes Fire Equipment, Inc. in the amount of \$1,064,108.07, plus fees and costs, for the purchase of two Fire Department Water Tenders with

- Bond funding; and
2. Authorize the City Manager to execute the necessary documents.

9. **ROUTINE ITEMS**

- A. Consideration and Adoption of Ordinance No. 2024-17:** An ordinance levying upon the assessed valuation of the property within the City of Flagstaff, Arizona, subject to taxation a certain sum upon each one hundred dollars (\$100.00) of valuation sufficient to raise the amount estimated to be required in the annual budget, less the amount estimated to be received from other sources of revenue; providing funds for various bond redemptions, for the purpose of paying interest upon bonded indebtedness and providing funds for general municipal expenses, all for the Fiscal Year ending the 30th day of June 2025. **(Primary and secondary property tax levies for FY 2024-2025)**

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Lori Matthews to read Ordinance No. 2024-17 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF FLAGSTAFF, ARIZONA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2025

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Lori Matthews to adopt Ordinance No. 2024-17.

Vote: 7 - 0 - Unanimously

- B. Consideration and Adoption of Resolution No. 2024-30 and Ordinance No. 2024-19:** A Resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "*Water Services Rates Code Changes*" and An Ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code Title 3, Business Regulations, Section 3-10-001-0008 License Fees and Title 7, Health and Sanitation, Chapter 7-02 Wastewater Regulations, and Chapter 7-03 Water Regulations, by adopting by reference that certain document entitled "*Water Services Rates Code Changes*"; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date

Mr. Clifton opened the discussion by noting developments since the prior meeting and staff's continued efforts to explore additional options to reduce the proposed water and wastewater rate increases. While Council had already approved a first reading two weeks earlier, staff discussed a potential optional amendment for Council consideration.

Staff presented the concept of further reducing the capital improvement program (CIP) execution rate from the previously approved 86% to 80%, down from the original 100%. The earlier reduction from 100% to 86% resulted in approximately a 5% decrease in water and wastewater rates; the additional reduction to 80% was estimated to reduce rates by an additional 1.5% annually. While relatively small on a year-to-year basis, the cumulative impact could be significant over time. Detailed financial modeling was not yet complete, as the consultants had only been directed that morning to analyze the scenario. A special meeting was proposed for the following day to present complete and accurate numbers if Council wished to pursue the amendment.

Mr. Solomon explained that because the ordinance adopted rates by reference, any substantive change would require recalculating final rates and postponing the second reading to allow staff and

consultants adequate time. A special meeting would allow Council to stay on track with the intended September 1, 2024, implementation date.

The following individuals addressed Council regarding the water rates:

- Stephen Puhr
- Regina Salas
- Paul Beier
- Leah Mundell
- Anthony Garcia

The following comments were received:

- Questioned the financial assumptions in the rate study, particularly reliance on short-term pandemic-era inflation data.
- Argued that long-term historical trends show lower cost escalation and that standard inflation assumptions would significantly reduce projected rate increases.
- Stated that the current methodology overstates costs and should be reconsidered before adopting new rates.
- Emphasized the importance of tourism-related businesses to the local economy.
- Warned that increased water rates would strain businesses with thin margins, potentially leading to closures and job losses.
- Urged Council to explore alternatives to rate increases for funding infrastructure.
- Expressed concern about the impact of rate increases on low- and middle-income households.
- Noted that many families already face significant financial pressure.
- Encouraged the City to consider mitigation strategies and partnerships to support vulnerable residents.
- Supported fully funding water infrastructure despite higher rates.
- Argued that reducing or delaying funding shifts costs to future generations.
- Stated that lower rates disproportionately benefit large water users while increasing long-term risk.
- Expressed personal willingness to pay higher rates to ensure long-term water security.
- Raised concerns about the Inner Basin waterline project.
- Noted the relatively small share of total water supply provided by the Inner Basin.
- Urged Council to pause or reconsider the project due to environmental impacts.
- Suggested exploring restoration of natural systems as an alternative approach.

Councilmember Matthews expressed frustration with the timing of the decision, stating that while Council agreed on the need for infrastructure improvements, the rate impacts were alarming to many residents and business owners. She described prior attempts to explore alternative scenarios that did not result in meaningful hands-on analysis. She emphasized concerns about business viability, especially for restaurants and large households, and warned that cumulative cost increases could lead to closures and job losses. She argued that the proposed rate increases were designed not only to cover operations and maintenance, but also to generate surplus revenue for capital projects over time, even though many projects would realistically take 10--15 years to complete. She supported reducing the execution rate, stating it would not eliminate projects but would align funding with the city's actual capacity to deliver them. She supported postponing final approval to allow review of additional financial scenarios.

Councilmember Sweet acknowledged the difficulty of the process and the emotional weight of decisions affecting residents and businesses. She emphasized her concern for affordability while recognizing the necessity of water infrastructure investment. She stated that she was not convinced the city could realistically maintain an 86% execution rate and reiterated her preference for moving closer to 80%. She supported postponement to allow one final review of the numbers, stating that the community deserved careful consideration.

Councilmember McCarthy expressed concern that reducing the execution rate could delay completion of critical projects. He questioned staff about whether funding reductions would affect project timelines and emphasized that all identified projects were necessary. He raised concerns about emerging contaminants and confirmed that related treatment upgrades were included in the CIP. He argued that

alternative funding sources such as bonding or taxes would still ultimately be paid by the same residents and questioned moving away from the enterprise fund model.

Councilmember House reflected on the broader responsibility of Council to address long-deferred community needs. She emphasized that postponing difficult decisions in the past had contributed to the current situation. While acknowledging the burden on residents, particularly renters and workers living paycheck to paycheck, she questioned how many times Council could delay action before costs increased further. She stated she was open to continuing the discussion but cautioned against indefinite postponement of necessary investments.

Councilmember Harris expressed her concern for residents facing extreme financial hardship. She stated that while infrastructure investment was necessary, Council must consider the downstream impacts on housing stability, food security, and social services. She supported postponing the decision to allow further discussion and exploration of options, framing it as community problem-solving rather than avoidance.

Vice Mayor Aslan expressed appreciation for the desire to fully explore options but stated opposition to reopening the decision made at first reading. He cited concerns about precedent and diminishing returns from further reductions. He argued that the city had already compromised by reducing funding below 100% of identified needs and warned that continued reductions would increase unfunded infrastructure risk. He supported proceeding with the second reading as originally approved.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Lori Matthews to postpone the final read of Ordinance No. 2024-19 for a Special Meeting at 3:30 p.m. Wednesday, July 3, 2024.

Vote: 5 - 2

NAY: Councilmember Jim McCarthy
Vice Mayor Austin Aslan

- C. **Consideration and Adoption of Ordinance No. 2024-18:** An ordinance of the City Council of the City of Flagstaff, authorizing the exchange of real property of substantially equal value with property owners, Gary G. and Mary Eileen Hundelt; providing for severability, authority for clerical corrections, and establishing an effective date; and

Consideration and Approval of Purchase Agreement with Gary G. and Mary Eileen Hundelt.

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Miranda Sweet to read Ordinance No. 2024-18 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AUTHORIZING THE EXCHANGE OF REAL PROPERTY OF SUBSTANTIALLY EQUAL VALUE, WITH PROPERTY OWNERS GARY G. AND MARY EILEEN HUNDELT; PROVIDING FOR SEVERABILITY, AUTHORITY FOR CLERICAL CORRECTIONS, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2024-18.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to approve the purchase agreement and authorize the city manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

- D. Consideration and Adoption of Resolution No. 2024-32 and Ordinance No. 2024-20:** A resolution of the Flagstaff City Council declaring as a public record that certain document filed with the City Clerk and entitled "2024 Revisions to Floodplain Regulations" and an ordinance of the City Council of the City of Flagstaff, amending the Flagstaff City Code, Title 12 Floodplains, Chapter 12-01 Flood Plain Regulations, by adopting by reference that certain document entitled "2024 Revisions to Floodplain Regulations"; providing for penalties, repeal of conflicting ordinances, severability, and establishing an effective date

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-32.

Vote: 7 - 0 - Unanimously

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to read Ordinance No. 2024-20 by title only for the final time.

Vote: 7 - 0 - Unanimously

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF CITY CODE, TITLE 12 FLOODPLAINS, CHAPTER 12-01 FLOOD PLAIN REGULATIONS, BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED "2024 REVISIONS TO FLOODPLAIN REGULATIONS"; PROVIDING FOR PENALTIES, REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE

Moved by Councilmember Lori Matthews, **seconded by** Councilmember Jim McCarthy to adopt Ordinance No. 2024-20.

Vote: 7 - 0 - Unanimously

- E. Consideration and Approval of Contract:** Second Amendment to the Construction Manager at Risk (CMAR) Construction Phase Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Flood Mitigation Suite of Projects to add Guaranteed Maximum Price (GMP) 3.

Capital Improvements Engineer Trevor Henry and Julie Leid with Peak Engineering provided a PowerPoint presentation that covered the following:

SPRUCE WASH
AMENDMENT TWO TO THE CMAR CONSTRUCTION SERVICES AGREEMENT
SUITE OF PROJECTS
AMENDMENT ONE -- PROJECT STATUS
AMENDMENT TWO
AMENDMENT TWO & COST SUMMARY
SCHEDULE
MAJOR MILESTONE
COMMUNITY INVOLVEMENT

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve the Second Amendment to the CMAR Construction Phase Services Agreement with Eagle Mountain Construction, Inc. for the Spruce Wash Flood Mitigation Suite of Projects to include GMP 3 in the amount of \$2,907,375.00 and adding 0 days to the contract duration, approve an Owner's Contingency of \$50,000, which is approximately 2.0% of Guaranteed Maximum Price #3, and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

- F. Consideration and Approval of Contract:** Approve Change Order No. 18 with Shephard Wesnitzer, Inc. in the amount of \$214,480.00 and a 365 calendar day time extension for the Rio de Flag Flood Control Utility Relocation Design Services Contract.

Capital Improvements Engineer Trevor Henry provided a PowerPoint presentation that covered the

following:

RIO DE FLAG FLOOD CONTROL PROJECT CHANGE ORDER NO. 18
 CHANGE ORDER NO. 18
 RIO DE FLAG FLOOD CONTROL PROJECT
 HISTORY OF DESIGN SERVICES WITH SHEPHARD WESNITZER, INC
 STAFF RECOMMENDED ACTION

Councilmember Harris thanked staff for the update and noted the importance of the project to the community, particularly those who lived in the Southside neighborhood.

Moved by Councilmember Deborah Harris, **seconded by** Councilmember Miranda Sweet to approve Change Order No. 18 with Shephard Wesnitzer, Inc. the amount of \$214,480.00 and a 365 calendar day time extension for the Rio de Flag Flood Control Utility Relocation Design Services Contract, and authorize the City Manager to execute the necessary documents.

Vote: 7 - 0 - Unanimously

G. Consideration and Approval of Preliminary Plat: PZ-23-00027-01: Preliminary replat of lots 23-24 and Tract E of the "Final Plat for Coconino Ridge at Pine Canyon"

Planner Ben Mejia provided a PowerPoint presentation that covered the following:

PRELIMINARY REPLAT OF LOTS 23-24 AND TRACT E OF THE "FINAL PLAT FOR COCONINO RIDGE AT PINE CANYON"
 REQUEST OVERVIEW
 VICINITY MAP
 COCONINO RIDGE AT PINE CANYON -- BACKGROUND
 REPLAT OF LOTS 23-24 AND TRACT E OF THE "FINAL PLAT FOR COCONINO RIDGE AT PINE CANYON"
 EXISTING CONDITIONS
 PROPOSED CONDITIONS
 REQUIRED FINDING #1: ZONING CODE (TITLE 10)
 MEETS SINGLE-FAMILY RESIDENTIAL (R1) STANDARDS
 MEETS OTHER RELEVANT STANDARDS
 REQUIRED FINDING #2: ENGINEERING STANDARDS (TITLE 13)
 MEETS ENGINEERING STANDARDS
 REQUIRED FINDING #3: SUBDIVISION STANDARDS (TITLE 11)
 MEETS SUBDIVISION AND LAND SPLIT REGULATIONS (CHAPTER 11-20)
 FINDINGS AND RECOMMENDATION

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to approve the Preliminary Plat in accordance with the findings presented in this report and the Planning and Zoning Commission recommendation of approval (5-0 vote in favor on May 22, 2024).

Vote: 7 - 0 - Unanimously

H. Consideration of Approval: City of Flagstaff Workforce Analysis and Strategic Plan

Community Investment Director Dave McIntire, along with Dr. Nicole Yates, and Dave Keen with Keen Independent Research provided a PowerPoint presentation that covered the following:

CITY OF FLAGSTAFF WORKFORCE DEVELOPMENT STRATEGIC PLAN -- FINAL RESULTS
 PRESENTATION OVERVIEW
 STUDY BACKGROUND
 STUDY BACKGROUND -- POPULATION BY AGE
 STUDY BACKGROUND -- FINDINGS
 WORKFORCE DEVELOPMENT STRATEGY -- EMPLOYMENT PATHWAYS
 OVERALL GOALS, SUGGESTED ACTIONS, AND TIMEFRAME
 THEMES IN FEEDBACK RECEIVED

UPDATES TO STRATEGIC PLAN

Regina Salas, Assistant Director of Arizona@Work Coconino Workforce Development Board, addressed Council and highlighted the board's efforts to strengthen workforce development in Flagstaff. She noted expansion of apprenticeship and training programs, employer-driven upskilling initiatives, and use of federal funding to train current and future employees. She discussed ongoing projects, including the draft WIOA Local Plan, participation in the Northern Arizona Good Jobs Network to pilot skills-based credential training, and implementation of a new online referral system with public kiosks. She emphasized breaking down silos, building public-private partnerships, and aligning workforce efforts across the community.

Councilmember Harris stressed the critical importance of addressing housing. She argued that workforce development efforts would have limited impact unless housing was made available for essential workers, including firefighters, EMTs, teachers, and nurses. She emphasized the need to facilitate development responsibly, balancing the removal of barriers for builders with ensuring standards are maintained, and noted the environmental impact of workers commuting from outside the city. Housing must be a top priority for the community.

Councilmember Sweet inquired about examples of innovative childcare solutions from other cities, noting that the National League of Cities and some local valley cities were exploring such programs. Mr. McIntire discussed several preliminary approaches, including partnering with childcare providers through apprenticeship programs to build workforce capacity, supporting training programs for childcare providers to address staffing shortages, and exploring grants to strengthen the childcare workforce. He acknowledged that while some cities have undertaken direct provision of childcare services, such efforts are on a very large scale, and that most initiatives focus on workforce development, apprenticeships, and potential subsidies, depending on available resources and community needs. He also touched on strategies beyond childcare, emphasizing support for families who do not meet the \$14,000 income threshold but still require assistance. He mentioned potential partnerships with organizations serving higher-income families facing childcare challenges, as well as collaboration with employers to subsidize childcare for employees, addressing workforce retention issues. Many of the ideas were in the early stages, highly dependent on resources, and form part of ongoing community conversations and the implementation strategy for the plan.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Deborah Harris to approve the Workforce Analysis and Strategic Plan.

Vote: 7 - 0 - Unanimously

A break was held from 5:46 p.m. through 6:05 p.m.

10. REGULAR AGENDA

- A. Consideration and Adoption of Resolution No. 2024-33:** A resolution approving the extension of an Intergovernmental Agreement between the City of Flagstaff and Coconino County regarding the County's continued use of the Joe C. Montoya Community and Senior Center to operate its Senior Nutrition Programs.

Assistant Parks and Recreation Director Amy Hagin explained that the agreement was for the continuation of the Senior Nutrition Program at the Joe C Montoya Senior Center that served about 25,000 meals per year.

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to read Resolution No. 2024-33 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL, APPROVING THE EXTENSION OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF FLAGSTAFF AND COCONINO COUNTY REGARDING THE COUNTY'S CONTINUED USE OF THE JOE C. MONTOYA SENIOR CENTER TO OPERATE ITS SENIOR NUTRITION PROGRAMS

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Jim McCarthy to adopt Resolution No. 2024-33.

Vote: 7 - 0 - Unanimously

B. Consideration and Adoption Resolution No. 2024-34: A resolution of the Flagstaff City Council authorizing approval of the Northeastern Arizona Indian Water Rights Settlement Agreement

City Attorney Solomon began by emphasizing the historic and complex nature of the water rights settlement before the Flagstaff City Council. He noted that while settlement agreements typically did not take long to discuss, this one was extraordinary due to its scale and significance. He framed the settlement in the context of decades-long litigation, known as the Little Colorado River Adjudication, which began in 1978 and involves water rights claims by the Navajo Nation, Hopi Tribe, San Juan Southern Paiute Tribe, and the United States acting as trustee for the tribes. He described the settlement as a momentous opportunity to resolve protracted and costly disputes while securing a sustainable water future for Flagstaff.

Mr. Solomon provided a detailed explanation of the agreement, noting that it confirmed the city's surface and groundwater rights and established buffer zones on Red Gap Ranch, where the city already owned multiple wells with defined pumping capacities. He highlighted that the agreement allowed the Navajo Nation access to the city's Regional Water Supply Project, which was a critical component of regional water collaboration, and that the city would coordinate with the Arizona State Land Department regarding potential new wells. The settlement also anticipated federal funding to support water supply infrastructure benefiting both the tribes and the city.

He offered historical context, explaining that Red Gap Ranch was acquired by Flagstaff voters in 2005 to ensure future municipal water security. A previous 2011 stipulation with the Navajo Nation regarding Red Gap Ranch had never been legally binding, but the current agreement formalized groundwater rights, the use of existing wells, and provisions for new wells in coordination with state agencies.

Lastly, Mr. Solomon acknowledged the decades of work by city staff, attorneys, and tribal partners, particularly thanking Water Services staff, former director Brad Hill, and attorney Lee Storey for their long-term contributions to securing Flagstaff's water future.

Dwight Witherspoon, attorney with the Navajo Nation Water Rights Unit, addressed Council and reinforced the settlement's importance. He described the 2024 settlement as the most comprehensive iteration, following proposals in 1999, 2010, and 2012, and highlighted that litigation was expensive and time-consuming. He urged the Council to support the settlement, which benefits the tribes, the city, and all parties in the Little Colorado River watershed.

Council responded with gratitude and recognition for the historic work, noting the extensive effort required to reach the settlement and the significance of the agreement for regional water security. They echoed the sentiment that "Water is Life," reflecting the symbolic and practical importance of the settlement.

Moved by Councilmember Jim McCarthy, **seconded by** Councilmember Miranda Sweet to read Resolution No. 2024-34 by title only.

Vote: 7 - 0 - Unanimously

A RESOLUTION OF THE FLAGSTAFF CITY COUNCIL AUTHORIZING APPROVAL OF THE NORTHEASTERN ARIZONA INDIAN WATER RIGHTS SETTLEMENT AGREEMENT

Moved by Councilmember Miranda Sweet, **seconded by** Councilmember Lori Matthews to adopt Resolution No. 2024-34.

Vote: 7 - 0 - Unanimously

11. DISCUSSION ITEMS**A. Annual Update of the CARE Unit**

Fire Captain Seth Gregar, Brian Gest Director of Northern Arizona Crisis Services with Terros, Marge Chase with Terros, and Firefighter Aaron Corbiere provided a PowerPoint presentation that covered the following:

CARE UNIT ANNUAL REPORT
HISTORY
CARE 2023 CALL LOCATIONS
CALLS FOR SERVICE
FPD & FFD CALLS FOR SERVICE
REDUCTIONS
OMEGA DISPATCH
DISPATCHES PER QUARTER
RESPONSE TIMES (MINUTES)
TYPE OF DISPATCH
RESPONSE OUTCOMES
PRIMARY ISSUE ON SCENE
PROACTIVE OUTREACH
DISTRIBUTION OF BASIC NEEDS
REAL EXPERIENCES
COMMUNITY PARTNERS
ONGOING CHALLENGES
WHAT'S NEXT
IN CONCLUSION

Councilmember House acknowledged the critical work of the CARES Unit, emphasizing the importance of compassionate, culturally responsive care in crises alongside the essential role of basic needs. She praised the team for alleviating pressure on first responders and highlighted the profound impact of providing care in people's own language and meeting them where they are. She asked Mr. Gest how the program was being received nationally and whether it was influencing other communities. Mr. Gest explained that Flagstaff was at the forefront of the movement toward alternative, compassionate first-response models. He shared that while the CARES Unit was not the first of its kind, it was innovative and increasingly sought after. He noted presentations to national conferences, interest from other cities such as Saint Louis Park, Minnesota, and local adoption efforts in Bullhead City.

Councilmember House also asked Captain Gregar about the tangible and intangible benefits to firefighters and other first responders. Mr. Gregar explained that while there were some morale concerns with certain personnel not feeling aligned with the CARES Unit work, overall, it alleviated the repetitive "man down" or third-party calls that previously fell to fire crews. Senior firefighters appreciated the unit's impact, and efforts were underway to ensure newer personnel understand the broader community benefits.

Councilmember McCarthy expressed strong support for the CARES Unit. He emphasized the responsibility of the city to provide alternatives for people in crisis, particularly in light of the no-camping ordinance. He asked whether the program should operate 24/7. Mr. Gregar responded that current after-hours calls were minimal with approximately one to two calls per day, and could be handled by the police department, though future adjustments may be informed by data.

Councilmember Sweet echoed support and asked whether EMTs and firefighters were always necessary on calls, suggesting alternative staffing models might reduce load. Mr. Gregar noted discussions were ongoing regarding Emergency Medical Responder training as a potential alternative to EMTs for certain calls, balancing higher-level care requirements and medical oversight. Councilmember Sweet also raised the possibility of seasonal expansion, given higher call volume in summer months.

Councilmember Harris inquired about CARES Unit shift rotations and how participation affected

firefighter morale. Mr. Gregar clarified that firefighters rotated through the unit, typically ten-hour shifts, with newer personnel receiving month-long immersive assignments. Participation was flexible and ongoing, not a one-time assignment. He acknowledged morale issues among personnel for whom the work was not a passion but emphasized these employees were still valuable.

Councilmember Harris also asked about safety. Terros team members explained that only 1% of calls required police intervention, as their approach emphasized listening, autonomy, and a less confrontational presence compared to traditional first responders. Peer support and culturally informed approaches further reduced risk.

Councilmember Matthews expressed appreciation for the compassionate impact of the program, valuing both stories and data that illustrate its success.

Casey Gonzalez, representing United Flagstaff Firefighters Local 1505, addressed Council and affirmed strong support for the CARES Unit. He acknowledged the exceptional job performed by firefighters despite it being outside their traditional training. He emphasized the importance of continuing to evaluate the appropriate deployment model to ensure sustainability, noting that success comes from adaptability and alignment with community and city goals.

B. Sharing of Information About Crisis Mobile Services

Flagstaff Police Department Communication Manager Katie Brandis and Bill Mitchell First Responder Liaison with Arizona Complete Health provided a PowerPoint presentation that covered the following:

CRISIS SYSTEM OVERVIEW WITH CARE1ST
 INTRODUCTIONS
 HOW WE TRIAGE CRISIS CALLS
 EXAMPLES OF CRISIS CALLS
 MOBILE RESPONSE TEAMS
 CRISIS SYSTEM STRUCTURE
 CRISIS SERVICES: OUR APPROACH
 THE CRISIS SYSTEM GOALS
 SEQUENTIAL INTERCEPT MODEL
 THE CRISIS LINE & CMTS
 NAZ CRISIS SERVICES EXPANSION: GRANT AWARDS
 ON THE HORIZON: ADDITIONAL CRISIS/1ST RESPONDER PROGRAMS

Councilmember House asked about peer leadership within the models. Mr. Mitchell clarified that 25% of crisis mobile team staff are peers with lived experience, providing both mental health expertise and direct community support. Councilmember House also inquired about integration with community-focused crisis respite models, particularly the potential for localized access points, which Mr. Mitchell indicated that they were beginning to address it as part of the broader community stabilization approach.

12. OPEN CALL TO THE PUBLIC

None

13. INFORMATIONAL ITEMS TO/FROM MAYOR, COUNCIL, AND STAFF, AND FUTURE AGENDA ITEM REQUESTS

Councilmember House highlighted that the month of July was BIPOC Mental Health Awareness Month and encouraged everyone to do some reading and research on the topic. She also noted that the day marked the 60th anniversary of the Civil Rights Act of 1964, emphasizing its historical importance in ending legal discrimination based on race, color, religion, sex, or national origin, and its relevance to examining local housing concerns.

Councilmember Sweet shared her recent experiences touring the Inner-Basin Water Line Project and the JWP Extension, thanking staff and encouraging others to participate in the tours if they had not

done so already.

Councilmember Matthews reported that she attended the JWP tour, describing it as informative and enjoyable despite the rain. She also coordinated a meeting between the Sustainability Division and a large nonprofit to discuss transitioning to more energy-efficient, all-electric operations. She noted follow-up meetings were planned to create a master plan, which could significantly advance the city's sustainability and carbon neutrality goals.

Mr. Clifton informed the Council that Economic Vitality Director Heidi Hansen would serve as Acting City Manager during the next work week.

14. ADJOURNMENT

The Regular Meeting of the Flagstaff City Council held July 2, 2024, adjourned at 8:01 p.m.

MAYOR

ATTEST:

CITY CLERK

CERTIFICATION

I, STACY SALTZBURG, do hereby certify that I am the City Clerk of the City of Flagstaff, County of Coconino, State of Arizona, and that the above Minutes are a true and correct summary of the Meeting of the Council of the City of Flagstaff held on July 2, 2024. I further certify that the Meeting was duly called and held and that a quorum was present.

DATED this 6th day of January, 2026

CITY CLERK