

## MINUTES

### 1. Call to Order

Mayor Daggett called the meeting of the Flagstaff City Council held March 28, 2024, to order at 8:33 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: Mayor Becky Daggett  
Vice Mayor Austin Aslan  
Councilmember Deborah Harris  
Councilmember Lori Matthews  
Councilmember Jim McCarthy  
Councilmember Miranda Sweet

Absent: Councilmember Khara House

Staff: 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. Capital Improvement Retreat

Mr. Clifton, Deputy City Manager Joanne Keene, and Public Works Director Scott Overton offered opening remarks and reviewed the objectives for the day.

CAPITAL IMPROVEMENT PROGRAM COUNCIL RETREAT  
AGENDA  
WELCOME, OBJECTIVES AND OPENING COMMENTS

Assistant Finance Manager Martin Donahoe continued the presentation.

OVERVIEW/COLOR OF MONEY  
CAPITAL IMPROVEMENT PROGRAM  
WHAT IT PROVIDES

Council asked whether Sustainability is funded similar to an enterprise fund through charges on the utility bill rather than the general fund. Staff explain that Sustainability is partially supported by an Environmental Management Fee included in utility bills, so residents do contribute through services like water, trash, and reclamation. However, enterprise funds are not always fully self-sustaining. While the goal is for these funds to cover their own costs, some, such as the library, airport, and certain water projects, require additional financial support. Enterprise funds often rely on a combination of funding sources. In addition to user fees, they may receive grants from state or federal agencies, transfers from the general fund, or special appropriations for major needs like stormwater infrastructure. Sustainability efforts, particularly larger initiatives such as carbon neutrality, can also depend on general fund contributions and outside funding, not just utility-based fees.

Staff further explain that each division operates with a base budget that supports ongoing personnel and core services, but any new or expanded efforts must go through an annual budget request and approval process. They note that city needs frequently exceed what fee-based revenues alone can support. As an example of improving financial self-sufficiency, they point to the recent approval of a 32-acre airport parcel lease, which is expected to generate revenue that will help the airport fund move closer to functioning as a true enterprise fund.

GENERAL GOVERNMENT  
OTHER  
COLOR OF MONEY

IT Director CJ Perry, Police Chief Dan Musselman, Community Investment Director Dave McIntire, Public Works Director Scott Overton, and City Engineer Paul Mood covered the General Government portion of the presentation.

GENERAL GOVERNMENT  
INFORMATION TECHNOLOGY – FIBER

Council asked how the signals on Mt. Elden affect the city's internet. Staff shared that when the city's internet goes down, it is often due to issues with mountain-based signal infrastructure that connects our facilities. If those signals fail, some locations lose connectivity. The goal of expanding fiber access to all facilities is to make fiber the primary connection and relegate the current system to a backup role.

Council asked how uniform video service license agreements are issued. Staff explain that the state requires a standardized licensing process for providers, such as cable and internet companies, and applications typically go through a set form handled by the city's legal department.

POLICE

Council asked about the proposed second-story space at the police facility and how it would be used. Staff explain that the area will likely include a multi-purpose room primarily for training, and they are cautious about adding recreational amenities like a pool table or gym because noise could disrupt officers who are resting. While the exact design is not finalized, there is openness to including a modest lounge-type space for downtime, as long as it does not interfere with rest.

Council and staff also discussed the location and funding strategy, with the project potentially built on the north end of the site and initially funded for design so it can be shovel-ready for future federal funding requests. There was an emphasis on the importance of the project for officer well-being, especially given

that many officers live outside city limits. The space would provide a place to rest between shifts or during bad weather, helping reduce fatigue and improve readiness. It could also improve emergency response times by keeping officers and specialized equipment closer to deployment. It was noted that the department is authorized for 119 officers but currently has about 101, and estimate that roughly half live outside the city, reinforcing the value of having on-site rest accommodations.

## PARKING DISTRICT

Council asked about the redevelopment of the Old Courthouse site, confirming that the city is still exploring a flexible public-private partnership that could include parking and housing. The request for proposals asks developers to incorporate parking, though it does not strictly dictate how much, allowing flexibility. The city may also contribute financially, potentially through parking revenues, to help make those spaces viable, while still hoping developers can cover costs themselves. Nearby projects, including one led by Foundation for Senior Living, could also add parking to support the downtown and courthouse area, though timelines and exact numbers remain uncertain.

Council then discussed the Downtown Connection Center design. Staff explained that plans include a bus facility, civic space with public art, and a smaller surface parking lot that could later be replaced by a parking garage. This reflects a compromise balancing the need for public gathering space with the loss of existing parking. While current parking capacity in the area will decrease, the future garage is intended to restore some of that capacity and support the site's role as a park-and-ride hub for transit users, employees, and downtown visitors.

Council emphasized the importance of accessibility, suggesting features like ample bicycle parking. Staff also explain that the future addition of a third railroad track by BNSF Railway will shift north onto existing railroad property, avoiding impacts to city land near the project.

## LIBRARY – COMPLETED

### LIBRARY

### STEM EDUCATION CENTER

### USGS BUILDINGS RENOVATION

Council asked about the source of the funding. Staff explain that the build-to-suit project is funded through a bond, while a separate \$3 million allocation comes from city reserves generated by excess revenues, which will be reinvested into building improvements such as roof replacement and mechanical upgrades. Only some existing buildings will be demolished as part of the project, while others will remain in use, though some may still need maintenance work. The project also involves coordination with USGS, which occupies much of the site. The bond being used is a revenue bond, not a general obligation bond. This means it is repaid through lease payments from USGS rather than taxpayer funds. The intent is for the project to be financially self-sustaining for the city, though some initial city investment may be needed to ensure feasibility.

A break was held from 9:57 a.m. through 10:17 a.m.

Public Works Streets Director Sam Beckett, Capital Improvements Project Manager Eli Reisner covered the Transportation Tax Fund (Road Repair & Street Safety) portion of the presentation.

## TRANSPORTATION TAX FUND (ROAD REPAIR & STREET SAFETY)

### ROAD REPAIR & STREET SAFETY

Questions were raised about the challenges of maintaining roads in a climate with extreme temperature swings, which cause asphalt to expand and contract and wear out more quickly. Staff explain that the city is exploring better materials, such as rubberized asphalt, which performs better in colder conditions, though it is not ideal for hotter regions. They continue to research options for Flagstaff's unique climate.

Council also raised concerns about funding, noting that state fuel tax distributions have not kept pace with inflation or the higher maintenance needs in colder climates. While there is interest in advocating for changes at the state level to better reflect these conditions, staff acknowledge that such changes would be difficult given the long-standing funding formulas. In the meantime, the city relies in part on fuel tax

revenues to support road maintenance. There is also a growing issue with electric vehicles (EVs), which use the roads but do not contribute to gas tax revenues. This is being discussed nationally, with several states implementing fees or taxes on EVs to offset lost revenue. Arizona has considered similar legislation, but it has not yet gained traction as policymakers balance revenue needs with efforts to encourage EV adoption.

#### COCONINO ESTATES IMPROVEMENTS PHASE I – COMPLETED

#### COCONINO ESTATES IMPROVEMENTS PHASE II – SUBSTANTIALLY COMPLETED

Capital Improvements Engineer Trevor Henry, Transportation Engineer Associate David Lemke, Project Manager Alec Latino, and Senior Lead Transportation Manager Martin Ince covered the Transportation Tax Fund portion the presentation.

#### TRANSPORTATION TAX FUND

#### BEULAH & UNIVERSITY

#### DOWNTOWN MILE SAFETY AND CONNECTIVITY PROJECT

#### JW POWELL EXTENSION

Council asked how the connection can be made when the other developers do not have development plans. Staff explain that the city is moving forward with the road anyway, which is seen as beneficial because it allows the project to be shaped proactively rather than being driven entirely by future development pressures. The project has involved extensive coordination among city staff and property owners, and there is broad consensus on the road alignment, which is uncommon for a project of this scale.

An updated design will be presented soon, reflecting detailed engineering work that accounts for terrain, drainage, trails, including the Arizona Trail, and environmental considerations like wildlife crossings. The road will be about two miles long and designed as a complete street, including utilities as well as bike and pedestrian infrastructure. Funding and cost-sharing are still being refined, but generally the city is expected to cover about 40% of infrastructure costs, with property owners covering around 60% as development connects to the system. Even though some major landowners, such as Little America, do not yet have active development plans, they are participating in planning discussions.

Stephen Puhr addressed Council asking about the likelihood of affordable housing coming to the area. Staff explained that the corridor is expected to support significant future growth, with early estimates suggesting over a thousand housing units across various developments, including a mix of single-family, multifamily, and some commercial uses. While the city cannot legally require affordable housing due to state restrictions, they can encourage it through incentives and negotiations, particularly during rezoning and development agreements.

#### LONE TREE OVERPASS AND CORRIDOR

#### BUTLER-FOURTH IMPROVEMENTS

#### BUTLER PROTECTED INTERSECTIONS AND BIKE LANES

#### LOCKETT CEDAR ROUNDABOUT

Council asked about the flashing lights at the crosswalks. Staff confirm that the crossings will be activated crosswalks with push buttons and flashing lights, giving pedestrians a set amount of time to safely cross before needing to reactivate the signal.

There were also questions about the extended timeline of the project. Staff explained that the project has been delayed because of coordination issues with Arizona Department of Transportation, including finalizing an intergovernmental agreement, cost-sharing details, and design coordination. These delays caused the city to miss the original construction advertising window, which pushed the contractor procurement process back. Construction is now expected to begin in spring 2025, after the agreement is finalized, funding is processed, and a contractor is selected later in the year. The city will not begin physical work until nearby projects are sufficiently complete to avoid overlapping disruptions.

A break was held from 11:36 a.m. through 12:08 p.m.

SMOKERISE AND HWY 89 SIGNAL  
BOULDER POINTE TRAFFIC CALMING  
SWITZER CANYON TRAIL  
FIRST MILE LAST MILE  
PED-BIKE SIDEWALKS  
PED-BIKE FUTS TRAILS  
PED-BIKE BIKEWAYS  
PED-BIKE ENHANCED CROSSINGS  
PED-BIKE GENERAL

Beautification, Arts, and Sciences Program Manager Jana Weldon and Assistant PROSE Director Amy Hagin, covered the Beautification, Arts & Sciences, and PROSE portion of the presentation.

BEAUTIFICATION, ARTS & SCIENCE, AND PROSE  
BEAUTIFICATION FUND & ARTS & SCIENCES FUND  
BEAUTIFICATION FUND  
SPRUCE WASH WEDGE  
ROUTE 66 LANDSCAPING  
SWITZER CANYON ROUNDABOUT 3D ARTWORK  
DOWNTOWN CONNECTION CENTER, LONE TREE OVERPASS, FOURTH STREET LOCKET  
BEAUTIFICATION FUND UPCOMING PROJECTS  
ARTS AND SCIENCES FUND  
FY 24-25 PROJECTS  
OUT YEAR PROJECTS  
PROSE  
PROSE – GENERAL GOVERNMENT

Council asked if there was an update on the Indigenous Community Cultural Center (ICCC). Staff explained that the project is beginning to move forward through early planning and coordination. Staff recently met with an Indigenous youth group at Flagstaff High School, which has helped strengthen community partnerships and support ongoing cleanup efforts at the site. With fencing now removed, additional cleanups are underway involving both Parks staff and volunteers. The city is starting the procurement process to determine how the future ICCC will be designed and built. At the same time, staff are assessing what portions of the existing building could be made usable sooner. The western portion of the structure, formerly a fleet maintenance shop, is in better condition than the rest and may be rehabilitated first, while the remainder of the building will require more extensive remediation and funding in a future budget cycle. The final scope is not yet defined and will depend on contractor proposals and comparisons to similar city projects.

PROSE – PROP 419 (TRANSPORTATION)  
PROSE – BBB RECREATION 5-YEAR  
FY23-24

Council asked for an update on the Murdoch Center and expressed concerns that the project has been delayed again. Staff explained that earlier bids came in over budget, so they are now working with a local contractor to re-scope and re-price the full set of planned improvements with the goal of starting work in the spring. They highlighted some of the key improvements including expanding and improving the pocket park area west of Murdoch Center, including better lighting, landscaping, and increased visibility. Enhancing the north side of the property, including sidewalks, landscaping, and a small storage structure for oversized chess pieces. Installing a new monument/signage element identifying Cleo Murdoch Park. General beautification work such as irrigation, plantings, and public art opportunities using native landscaping.

Council expressed frustration that the project has been discussed for years with limited visible progress, and the community has been waiting a long time for clearer timelines, visuals, and delivery. Staff acknowledged the delay and said they are committed to completing the project and improving communication and transparency going forward.

Councilmember Harris exited the meeting at 1:27 p.m.

FY24-25  
FY25-26  
FY26-27 AND FY27-28

Airport Director Brian Gall, Airport Project Engineer Adam Miele, Solid Waste Director Evan Tyrrell, Water Service Director Shannon Jones, Water Services Section Director Mac McNamara, and Mr. Henry covered the Enterprise Fund portion of the presentation.

ENTERPRISE FUNDS  
AIRPORT  
AIRPORT FUND  
ECONOMY PARKING LOT – COMPLETED  
PAID PARKING SYSTEM – INSTALLED  
CAPITAL IMPROVEMENT PROGRAM (5-YEAR PROGRAM)  
SNOW REMOVAL EQUIPMENT BUILDING  
LAND ACQUISITION  
TAXIWAY W RELOCATION AND APRON EXTENSION – DESIGN  
RUNWAY PAVEMENT STUDY  
SOLID WASTE FUND  
LANDFILL ACCESS ROAD RECONSTRUCTION  
CELL D PHASE I EXCAVATION AND DEVELOPMENT

It was asked whether the revenue was gross or net. Staff clarified that the landfill revenue figures are gross revenues based on waste volume and a \$45 per ton tipping fee, and do not include operating or maintenance costs.

There were also questions related to capacity. Staff explained that beyond the current landfill expansion, there is an additional area called Sequence E of about 80 acres currently used for cover material. When combined with existing space and planned expansions, the landfill is projected to have roughly 80+ years of remaining capacity.

Council also discussed future reuse possibilities for closed landfill areas, noting that landfills can be capped and later repurposed for uses such as parks, recreation, or even golf courses depending on conditions and closure requirements.

Council asked about methane gas management, and staff explained that the landfill is currently below federal thresholds that would require active methane capture systems. Monitoring is conducted every five years using sampling and modeling. However, projections show that around 2030 and beyond, the landfill will likely exceed those thresholds, at which point gas extraction systems would need to be installed to capture methane and either flare it or potentially use it for beneficial purposes.

WATER SERVICES DIVISION  
WATER SERVICES DIVISION – SOON TO BE COMPLETED  
WATER SERVICES DIVISION – COMPLETED  
INNER BASIN WATERLINE  
LAKE MARY WTP SEDIMENTATION BASIN IMPROVEMENT  
RECLAIMED WATER FUND  
WASTEWATER FUND  
STORMWATER – COMPLETED  
SCHULTZ CREEK DRAINAGE IMPROVEMENTS @US HIGHWAY 180  
STORMWATER FUND  
RIO DE FLAG IMPROVEMENTS  
PROPOSITION 441 – SPRUCE WASH  
DOWNTOWN LATERAL STORM DRAIN

Mr. Clifton and Ms. Keene concluded the presentation.

LONGER TERM PRIORITIES AND COUNCIL FEEDBACK

Council asked about the Milton Alternative Bike project. Staff stated that it is not currently funded or prioritized in the five-year plan, though it could be reconsidered if desired.

There was additional discussion about the old Public Works Yard and Indigenous Community Cultural Center project. Staff explained that it was moving forward in stages. There is some cleanup and minor site work already underway. The process includes an upcoming solicitation for future use of the property, and parts of the building may eventually be usable before others due to the extent of needed rehabilitation. Staff emphasized that significant building remediation is still required, and timelines remain uncertain.

Council expressed frustration with delays and stressed the need for clearer communication and expectations with the community. There was discussion of potential funding strategies, including a standalone bond measure and grant opportunities, possibly paired with other civic projects like a STEM center. Staff noted that some funding is already set aside but final project costs are still uncertain. Staff also highlighted broader capacity constraints, including major staffing shortages in engineering, HR, and project management roles, which are affecting project delivery timelines. Recruitment efforts, compensation adjustments, and hiring incentives are underway, but turnover and housing challenges continue to make recruitment difficult.

There was agreement that while demand and excitement for community projects is high, realistic timelines, staffing limits, and procurement requirements mean progress will be gradual, with phased or partial openings likely for some facilities.

## 5. Adjournment

The Council Capital Improvement Program Retreat of March 28, 2024, adjourned at 3:41 p.m.

---

MAYOR

ATTEST:

---

CITY CLERK