



EXTRAORDINARY SKIES.  
UNCOMMON GROUND.

### CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minute summary of the regular meeting of the City Council of Sierra Vista held on the 28<sup>TH</sup> day of October, 2021. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 14<sup>TH</sup> day of November 2021

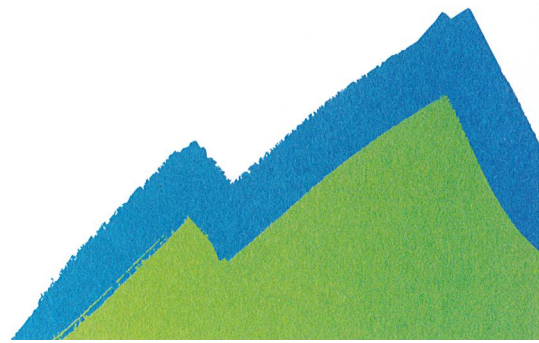
SEAL

A handwritten signature in black ink, appearing to read "Maria G. Marsh", written over a horizontal line.

Maria G. Marsh  
Deputy City Clerk

A handwritten signature in blue ink, appearing to read "Jill Adams", written over a horizontal line.

Jill Adams  
City Clerk



Sierra Vista City Council  
Meeting Minutes  
[October 28, 2021](#)

Mayor Mueller called the October 28, 2021, City Council Regular Meeting to order at 5:00 p.m., City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Roll Call:

Mayor Rick Mueller – present  
Mayor Pro Tem Rachel Gray – present  
Council Member William Benning – present  
Council Member Gregory Johnson - present  
Council Member Angelica Landry – present  
Council Member Mark Rodriguez - present  
Council Member Carolyn Umphrey - present

Others Present:

Chuck Potucek, City Manager  
Victoria Yarbrough, Assistant City Manager  
Adam Thrasher, Police Chief  
Brian Jones, Fire Chief  
Laura Wilson, Parks, Recreation and Library Director  
Sharon Flissar, Public Works Director  
Matt McLachlan, Community Development Director  
David Felix, Chief Finance Officer  
Barbara Fleming, Human Resources Manager  
Tony Boone, Economic Development Manager  
Nathan J. Williams, City Attorney  
Jill Adams, City Clerk

Invocation – Pastor Becky Preiss, Hope and Healing Christian Church, led everyone present in prayer.

Pledge of Allegiance – Council Member Johnson led the Pledge of Allegiance.

**Item 1** Acceptance of the Agenda

Council Member Benning moved that the agenda for the Regular City Council Meeting of October 28, 2021, be approved. Mayor Pro Tem Gray seconded the motion. The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Landry, Rodriguez, and Umphrey voting in favor.

**City Manager's Report:** Mr. Potucek reminded everyone that City offices will be closed in observance of Veteran's Day on Thursday, November 11, 2021, which also coincides with the normal Council meeting dates; therefore, those have been moved to the next week. The Council work session is scheduled for November 16, 2021, at 3:00 p.m. Council Chambers and the next Council meeting will be a special meeting held on November 18, 2021, at 5:00 p.m. also in the Council Chambers. The sanitation services will switch to Monday/Wednesday schedule due to Veteran's Day on Thursday, and the Tuesday/Friday schedule will remain the same for that week. He announced that there are no projects to report on and stated that the first couple

months of sales tax revenues came in at 11% over the previous year. It seems like this trend has been consistent for a while, but it will not last forever. The City also received word that the state shared income and sales tax revenues for this current fiscal year were revised upwards via combined some \$1.5 million, which was not budgeted; therefore, this will be able to add significantly to reserves or other items with the Council's choosing in next fiscal year's budget.

#### Item 2 Consent

[Item 2.1](#) Discussion and Possible Action of the Regular City Council Meeting Minutes of October 14, 2021

[Item 2.2](#) Discussion and Possible Action of Resolution 2021-071, 117 N 5<sup>th</sup> Street Pre-Annexation Agreement

Council Member Rodriguez moved that the Consent Agenda consisting of the Regular City Council Meeting Minutes of October 14, 2021, and Resolution 2021-071, 117 N 5<sup>th</sup> Street Pre-Annexation Agreement, be approved. Council Member Umphrey seconded the motion. The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Landry, Rodriguez, and Umphrey voting in favor.

#### New Business

[Item 3](#) Discussion and Possible Action of Resolution 2021-072, Amendment to Personnel Rules and Regulations

Council Member Landry moved that Resolution 2021-072, Amendment to Personnel Rules and Regulations, be approved. Council Member Benning seconded the motion.

Ms. Fleming stated that the proposed resolution amends the Personnel Rules and Regulations that went into effect on January 1, 2019, which were reviewed during the work session on Tuesday, October 26, 2021; however, during the work session, there were questions about the composition of the Employee Council. She explained that in 2019, SEACOM was not in existence, and provided a slide depicting the number of eligible employees in each department and how the representation goes forward on the Employee Council. Employee Council set the eligibility criteria, and management i.e., supervisors, department managers, administrators, and department directors are not eligible employees. The slide also showed the percentage of the total number of the employees that encompasses the departments, and the breakdown of what the Human Resources Department proposed, which was to separate the Police Department and SEACOM.

Ms. Fleming further explained that with this breakdown, it is not possible to get the numbers to be equal. There is a department that is high at 13 percent; however, it cannot be less than one. The next highest is SEACOM at eight percent, but that number would be a lot smaller if SEACOM was fully staffed because currently there are only 13 eligible employees there.

Dept	Eligible Employees in Dept	% of Total FT Employees	# of Current Proposed Representatives	% of Dept Representation	Alternate Proposal of # of Representatives
Public Works	82	24%	2	2%	1
Police	64	18%	1	2%	1
SEACOM	13	4%	1	8%	1
Fire	55	16%	2	4%	1
Parks, Rec, Library	36	10%	2	6%	1
Comm Dev	8	2%	1	13%	1
Admin Svcs	30	9%	2	7%	1

Mayor Mueller asked if this is based off personnel on hand rather than authorized. Ms. Fleming stated that it is off actuals.

Council Member Johnson stated that he likes the alternative proposal, by cutting down the number of representatives and giving each department of the City equal representation. However, since it was reported during the work session that the group has not met since 2018, this is an opportune time to lower the number of potential representatives and give everybody an equal shot at it, and he would encourage that.

Council Member Rodriguez stated that it is imperative that the employees know that the Employee Council exists. He noted that he is aware that during the onboarding process when a person becomes a city employee, they are offered to a lot of information, but his concern is having this information pushed out. He added that he asked a few city employees about the Employee Council, and they told him that they had not heard of it. Therefore, it should be reiterated or pushed out somehow to notify employees of its existence, especially since they have not met since 2018, and they advocate for the employee.

In response to Mayor Mueller, Ms. Fleming stated that the Human Resources Department goes over everything in the Personnel Rules and Regulations, but not in detail as they set aside two hours to cover the 80-page document. During COVID, the Department implemented the brand new Neogov Onboarding; therefore, an employee can go online and spend as little or as much time as they want in going through the Personnel Rules and Regulations. Neogov Onboarding has been very successful. Lastly, she stated that there are department meetings, and the department directors probably need to push out information.

Mayor Mueller stated that it is exactly the Council's concern because this is a group that is for the benefit of the employees, and if the employees do not know what the options are or why it is there, or what the mission is, then there needs to be something done to make sure that people know that there is a viable operation.

Mr. Potucek stated that the Personnel Rules that Council is looking to amend were put into place in 2019, and the Employee Council was tasked with going through it with Human Resources staff. They would have been involved in any other amendments; therefore, there is a task out there that they could perform and probably others. He added that he does not know why they chose not to meet.

Mayor Mueller stated that Council understands that this is an issue-based meeting, and if there are no issues, then they would not meet and that is probably why they have not met for so long. He added that he is concerned with the comments because there are folks that know this is

available to them if they have an issue or if there is something that comes up in the Personal Rules that does not seem fair, etc. there is a way to deal with that. Council wants for the employees to know that they have an action to be able to address something or bring something that they do not feel comfortable talking to their supervisors about. There needs to be a better way in getting the word out to the employees.

Mayor Mueller stated that Council Member Johnson brought up changing the number of representatives from two to one in some departments. Council Member Umphrey stated that she likes the idea of going with one from each department, especially since there are problems promoting the Employee Council and getting involvement.

Council Member Johnson moved to amend the proposal for the current number of proposed representatives to one for each department. Council Member Umphrey seconded the motion.

Council Member Landry asked if there any guideline for being a representative. Ms. Fleming stated that there are a couple of different things. Those representatives are annually elected within the department, and each representative has an alternate, and the alternates are welcome to attend the meetings. It is not a situation where only representative attends. The alternates are always welcome to attend, and they are inclusive on the meeting invites. There can be a change every year if somebody else wants to step up and do that, and they can also come in as an alternate.

The motion amending the proposal for the current number of proposed representatives to one for each department unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Landry, Rodriguez, and Umphrey voting in favor.

In response to Ms. Fleming, Mayor Mueller stated that Council normally gets the same briefing that they get during the work session. He asked Council if they had anything else they wanted to be briefed on. There was no response.

The motion to approve Resolution 2021-072, amendment to the Personnel Rules and Regulations as amended unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Landry, Rodriguez, and Umphrey voting in favor.

[Item 4](#) Discussion and Possible Action of Resolution 2021-073, Transfer of Funds from the General Fund to the Park, Police and Fire Development Impact Fee Funds

Council Member Umphrey moved that Resolution 2021-073, Transfer of Funds from the General Fund to the Park, Police and Fire Development Impact Fee Funds, be approved. Mayor Pro Tem Gray seconded the motion.

Mr. Felix stated that the Finance Department is still closing the books on Fiscal Year 2021; however, at this stage Council can make some decisions. Per City Policy, the department goes before Council with a recommendation for the General Fund Reserves if there is a decent amount of revenues over expenses. For Fiscal Year 2021, sales tax were double digits over budget over the prior year. The City was conservative in not knowing how COVID would affect the City, the businesses and everything else.

In response to Mayor Mueller, Mr. Felix stated that double digits are percentage growth. In fact, for the General Fund, which has a portion of the sales tax, not all of it, the City was \$2.8 million over budget in transaction privilege tax for Fiscal Year 2021. The revenues were so good that

even without the AZ Cares Act money, the City would have still had an \$853,000 reserve growth potential.

The City ended Fiscal Year 2020 with a \$6 million General Fund Reserve. Due to the excess revenues over expenditures for Fiscal Year 2021, it is recommended to move \$3.1 million from the General Fund to the Park Development Fund, \$1.2 million from the General Fund to the Fire Development Fee Fund, and \$775,000 from the General Fund to the Police Development Fee Fund. This would still leave a reserve growth of about \$720,000 in the General Fund, bringing the total to about \$6.7 million. The Council's current fiscal policy also has a goal of having two months-worth of General Fund operating expenditures in the Reserve, and this would meet that goal.

As part of the Strategic Plan, the Finance Department reviews the numbers and the reserve requirements, debt load, and the public safety situation as part of the City's fiscal responsibility. In addition, part of the reason that there is large growth is that in Fiscal Year 2020, the City was well enough off that it did not need to use any of the Cares Act money and was able to have it all go into Fiscal Year 2021, paying for the Fire department and Police Department salaries.

There were also some expenditures savings since the Police Department is challenged with getting police officers, and the Leisure and Library Services Department was shut down quite a bit because there were no events that resulted in a salary savings on that side, but largely the revenue growth and especially in the transaction privilege tax, and this is more than just the Internet sales. Some businesses did not do well, but overall, the City did unbelievably well with tax revenues.

If the resolution is approved, part of the policy then will be for next Fiscal Year and a recommendation will be included to update the Impact Fee Study. These transfers will not bring the impact fee funds whole. There will still be about \$163,000 in the Park Development Fee Fund, \$107,000 in the Fire Development Fee Fund, \$110,000 in the Police Development Fee Fund deficits. But that is because the current study is based on buying in and bringing the funds whole. If the City brings the funds whole, then it does not have a basis for collecting revenues this year.

Mr. Felix stated that there was the question during the work session about the amount that the City received in Fiscal Year 2021 and the answer is \$39,000 of Park Development Impact Fees, \$17,000 of Police and \$11.5 thousand of Fire. However, for most of the year, that was the old fees. The new 100 percent fees did not go into effect until March 1<sup>st</sup>, and this year the City is already getting close to matching those and in exceeding those. This way the City will look at paying them off next year and can also have the Impact Fee Study going, adjusting, and possibly finish them off next year.

Mr. Potucek encouraged Council to look at this recommendation in terms of the future for the finances of the City. There was discussion about the need to make these development fee funds whole, and before last year, it looked like the City was going to have about a 10-year plan to pay them off, meaning that the City was probably going to have to budget somewhere around \$300,000 a year just to pay off the development fee funds over the next 10 years. Essentially, that is now taken care of, and this can be looked at as an opportunity to change the way that the City does development fees and focus primarily on the Park Development Plan that Council approved for them in the future. This allows the City to proceed more vigorously with that plan, also helps with the debt service, and allows for opportunities to allocate future funds in terms of how well the City is doing so far, this fiscal year to either other projects or public safety

retirement needs. Lastly, he stated that the Finance Department will know a little bit more about public safety retirement obligations in December and will see if what the City is currently doing is working otherwise the City will be able to allocate more funds. This provides an opportunity to do some projects as the City has street maintenance and other needs that that are going to require funding. This proposal also provides more flexibility going forward to accomplish those things as well as any economic storms that may hit over the next decade.

Council Member Landry thanked Mr. Felix for brining good news, breaking that down, and explaining it.

Council Member Benning stated that he is glad the City is going to be able to bring the impact fees close to even but does not understand why the City is not bringing them even. He added that he looks forward to seeing where the City is at before next fiscal year to see if the City can give some of that savings back to new homeowners, new residents of Sierra Vista, people coming in and finding a better way in giving them giving them that break because the housing market has skyrocketed and is going crazy and is going up seven to eight percent more. Lastly, he thanked Mr. Felix for being on top of it.

Mayor Mueller noted that new homeowners do not necessarily get back money and explained that it is the total cost of the property construction is lower.

The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Landry, Rodriguez, and Umphrey voting in favor.

Call to the Public

Brent Kusama introduced himself and stated that he is running for Constable.

Comments and Requests of the Council

Council Member Johnson had nothing to report.

Council Member Benning announced that Sunday, October 31, 2021, from 5:00 p.m. until 8:00 p.m., Halloween will be celebrated in the park with a costume contest from 6:00 p.m. to 7:00 p.m. He encouraged people to bring their kids out to have some fun at Veteran's Memorial Park.

Council Member Rodriguez wished everyone a safe Halloween, thanked the local are first responders and noted that it is First Responder's Day, and thanked the local businesses that take care of the first responders. He stated that Mr. McLachlan and Mr. Boone put on a great meeting on Wednesday, October 27, 2021 for the West End property owners and business owners regarding the West Sierra Vista Redevelopment Area known as the WSVRA, where there was discussion about grant opportunities available to West End owners. He added that he is aware that there are some business owners who do not have a lot of contact with their property owners because the property owners live out of state, and if that is the case, they can reach out to Mr. Boone, and he will provide the slides/information that was put out. Lastly, he encouraged people to support Veterans and announced that the Veteran's Day parade is on Thursday, November 11, 2021 on Fry Boulevard at 9:00 a.m. In closing, he recognized the Be Healthy Organization out in the audience and noted that the group provides information on healthy ways and ideas.

Council Member Landry announced that the animal shelter still has the raffle wagon and encouraged people to check it out. She added that people can get a wingspan of tickets for \$20, which helps the shelter. The shelter also has the 2022 calendars available that features shelter pets of Sierra Vista for \$20, which also helps the shelter. She announced that on November 1 and 2, 2021, the Friends of the Sierra Vista Animal Shelter are hosting a dinner at Texas Roadhouse. In closing, she stated that the animal shelter is still looking for dog walkers, especially for Saturday, Sunday, and Monday mornings. Lastly, she asked everyone to be safe on Halloween, and to remember that it is for all ages, and nobody is too old for Halloween fun.

Council Member Umphrey had nothing to report.

Mayor Pro Tem Gray recognized people in the audience.

Mayor Mueller asked people to be aware on Halloween as kids are out having fun and not thinking about safety. Therefore, drivers need to be extra careful as it gets dark because the little ghouls and goblins will be crossing the streets. He announced that Veteran's Day will start with the parade at 9:00 a.m. followed by a ceremony at Veteran's Memorial Park, and hopefully there will be an overflight as well as the 21-gun salute and taps. Lastly, he announced that Council will meet on November 16, 2021 and on November 18, 2021.


Mayor Mueller adjourned the October 28, 2021 meeting of the Sierra Vista City Council at 5:35 p.m.



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Frederick W. Mueller, Mayor

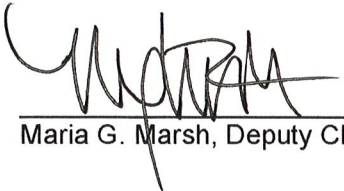
Attest:



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Jill Adams, City Clerk

Minutes prepared by:



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Maria G. Marsh, Deputy Clerk