



Sierra Vista City Council  
Work Session Minutes  
May 12, 2020

1. Mayor Mueller called the May 12, 2020 City Council Work Session to order at 3:11 p.m., Council Chambers, City Hall, 1011 N. Coronado Drive, Sierra Vista, AZ

Mayor Rick Mueller – present  
Mayor Pro Tem Rachel Gray – present  
Council Member William Benning – present  
Council Member Gwen Calhoun – present  
Council Member Sarah Pacheco – present  
Council Member Carolyn Umphrey - present  
Council Member Kristine Wolfe – present

Others Present:

Chuck Potucek, City Manager  
Victoria Yarbrough, Assistant City Manager  
Adam Thrasher, Police Chief  
Brian Jones, Fire Chief  
Laura Wilson, Leisure and Library Services Director  
Sharon Flissar, Public Works Director  
Matt McLachlan, Community Development Director  
Tony Boone, Economic Development Manager  
David Felix, Finance Manager  
Jennifer Osburn, Interim Budget Officer  
Jill Adams, City Clerk

1. Presentation and Discussion:
  - A. May 14, 2020 Council Meeting Agenda Items ([agenda attached](#))

Mayor Mueller stated that the Council Meeting for May 14, 2020 starts at 5:00 p.m. with roll call, invocation, the Pledge of Allegiance, and possibly no awards/presentations.

There was no discussion regarding the Consent Agenda consisting of three items.

Item 3 Resolution 2020-021, Authorization to Accept Arizona Department of Administration, Office of Grants and Federal Resources, Arizona 9-1-1 Program (GFR Grant Number: GFR-ADOA-AZ911-21-001) – Ms. Papatrefon stated that 911 services allow callers to dial a standard nationwide number to reach emergency services. Calls are specifically routed to the nearest

public safety answering point for Primary Service Answering Points (PSAPs) through a stand along network. Each PSAP incurs monthly fees for uninterrupted service and continued equipment maintenance for placement and software updates.

Ms. Papatrefon stated that as the Cochise County 911 Administrator she has secured a grant in the amount of \$447,624, which has been allocated to the Cochise 911 System by the Department of Administration State 911 Program Office. The funds are intended to cover the cost associated with the monthly fees, equipment maintenance for placement and software updates for each PSAP in Cochise County. This award covers the period for Fiscal Year July 1, 2020 through June 30, 2021.

Item 4 Resolution 2020-022, Supporting Fort Huachuca's Joint Resource Utilization Study – Mr. Boone stated that the resolution concerns Fort Huachuca's Joint Resource Utilization Study (JRUS), which was referred to before as Joint Land Use Study. He added that with Council's approval and the final approval from the Office of Economic Adjustment, staff will move forward with the study.

Fort Huachuca requested an updated study in 2019 through the Installation Management Command with it depending on the Office of Economic Adjustment, which reached out to the City because of previous work on OEA grants. Staff has been working on this for about the last two years. The Compatible Use Study reviews military installations and surrounding communities and their use of key resources into the future so that the military can sustain their mission in defense of the nation.

The City's case with Fort Huachuca, the study will look at land, electromagnetic spectrum, and air space. All of these are important to the Department of Defense's mission at Fort Huachuca, but they also play a role in the economic development of the City and Cochise County. A previous study was conducted in 2007 and there have been significant changes in the environment in and around Fort Huachuca. Two key ones are the formalization of Buffalo Soldier Electronic Test Range, which was not captured in 2007 and the designation of Fort Huachuca as a Sentinel Landscape that includes the partnership with Department of Interior and Agriculture.

The identified stake area for the Joint Resource Utilization Study is the 2,500 square miles of the Buffalo Soldier Electronic Test Range. The City of Sierra Vista will serve as the executive agent for the grant and will also have a role in the policy committee, which will set the guidelines for the study and the technical committee that will provide a lot of the data.

The City will be required to have a 10 percent match and utilize that between salaries, fringe and in-kind, which has been included in the upcoming budget to account for the federal grant as well as the match. The expected outcome of this study includes identifying initiatives that the City, County or State can work to minimize encroachment or interference of future Fort Huachuca missions, i.e. policy or legal issues. It also provides deliverables, i.e. GIS products on things like Department of Defense excess property, which in this case are the 203 acres, national resources, endangered species, zoning, land use and others. Also, all those participants will be able to use all these layers in the future. There is currently a public engagement to reinforce the mission and importance of Fort Huachuca. This will identify projects that may be funded by future OEA grants or legislative initiatives to fund projects on Fort Huachuca. Lastly, the study will look at better positioning Fort Huachuca for the future with resiliency and mission orientated efforts while balancing economic development in the local community.

Mr. Boone noted that Pinal County is also going through a study as well as Yuma. The approximate timeline is having the consultants begin in July 2020 with a final report in August 2021.

In response to Mayor Mueller, Mr. Boone stated that the link to Fort Huachuca is Public Works on the Garrison. Mr. Potucek added that for the City it will be Mr. Boone and Mr. McLachlan to deal with the land use/resource.

Council Member Calhoun asked about employee availability between the Fort and the City. Mr. Boone stated that there is not. It comes down to the resource allocation and not personnel management. Mr. Potucek added that encroachment was an important issue during the last study with regards to potential BRACS, but staff does not foresee that coming up. These are important planning documents for the City. He added that Ms. Flissar would be involved if there is an overlap with the Western Regional Partnership and sentinel landscape.

Council Member Calhoun asked about the public involvement. Mr. Boone stated that the consultant will lead the public engagement and there is an element that the Office of Economic Development wants to highlight – the importance of military missions. It is twofold, one to get feedback from the stakeholders for the 2,500 square miles. There will be public engagement as it is one of the tasks, but he is unsure of what the mechanics will look like over the year.

Mayor Mueller stated that this will be in the budget for this year and the City's contribution will be taken out by salaries and time spent. He asked if this is a one-year process. Mr. Boone stated that the current schedule would run through August 2021 when they deliver the report, but other requirements may have an impact on it.

Mayor Pro Tem Gray asked about other nonfederal partners besides Cochise County. Mr. Boone stated that it would involve the communities of Douglas, Benson, Tombstone – local municipalities through Cochise County. Staff tried to reach out to Santa Cruz County because they are impacted by the 2,500 square miles. He added that he has reached out to the Arizona Commerce Authority and he has a commitment for a state representative to be involved. The consultant will go out and work with landowners and those types of stakeholders.

Mayor Mueller suggested reaching out to the civilian that is supposed to advise the State Military Affairs Commission, which is currently vacant.

Mayor Pro Tem Gray asked if the 10 percent match would be \$50,000. She also asked if Cochise County is going to also do an in-kind match out of that \$50,000. Mr. Boone stated that she is correct. If it is \$50,000, the match would be \$550,000. It is 10 percent of the total grant, the City's contribution, and the County's contribution. If the federal grant is \$500,000, the City will have to match that and that puts the City at \$550,000. He added that part of the criteria for this grant is that the City is not advertising the cost because staff wants them to come in at an aggressive pace.

Mayor Pro Tem Gray asked if the 10 percent would be split amongst the nonfederal partners that would participate with services. Mr. Boone stated that she is correct and explained that the base budget is tied to the City and Cochise County, which will do most of the heavy lift.

Item 5 Resolution 2020-023, Authorization of Submission of the Community Development Block Grant (CDBG) Program Year 2020 Annual Action Plan to the United States Housing and Urban

Development (HUD) – Mr. McLachlan stated that this item concerns the City’s regular allotment of CDBG funding for the upcoming program year, which came in at \$271,810. At this point there has been multiple meetings regarding the proposed application towards implementing the final phase of the Eddie Cyr Park Master Plan. The project will consist of adding new parking, a paved multi-use path that will link the existing trail system to connect Eddie Cyr Park with Soldier Creek Park. Any money left over will be used for landscaping.

The buildings on the property were demolished late last year and this is a continuation of the City’s effort to turn the site into an asset for the community. Most of the households within the surrounding neighborhood are within the low to moderate income bracket, providing an area benefit consistent with HUD objectives.

There has been no public comment received through the comment period and staff will be asking for Council’s authorization to submit the Plan to Hud, which normally takes about 60 days for them to review and approve. The City’s engineers will be working on the construction plans for Soldier Creek Park and James Landwehr Plaza during the next part of the fiscal year.

Item 6 Resolution 2020-024, Approval of a Grant from the Federal Aviation Administration (FAA) for CARES Act funding – Ms. Flissar stated that this agenda item will accept a grant from the Federal Aviation Administration for \$30,000 of CARES Act funding for the Sierra Vista Municipal Airport. The funds can only be used for expenses related to the airport but are otherwise reasonably unconstrained. It cannot be used for new construction, but operations, maintenance or debt service are all eligible expenses.

If approved, the funding will be used to offset City expenses associated with the Sierra Vista Municipal Airport and no grant match is required.

Council Member Pacheco asked if the funds are being tied to a project. She added that there have been complaints about the apron at the airport and she wonders if these funds could be used for it. Ms. Flissar stated that a separate grant is being awarded for the airport apron. This is completely different than that project. This grant is \$30,000 offset maintenance expenses associated with increased cleaning and other operational impacts of COVID-19.

Mayor Mueller added that \$30,000 is not going to be enough to cut the concrete that needs to be worked on. Mr. Potucek added that although it is a small amount, it is helpful for O&M in next year’s budget.

In response to Mayor Mueller, Ms. Flissar stated that \$30,000 will be gone in one year.

B. [Update on Fry Boulevard and North Garden Avenue Project](#)

Mayor Mueller stated that the purpose for this meeting is to have consensus by the Council based on public input to be able to provide guidance to staff.

Ms. Flissar stated that the first step was the design concept report that was undertaken by the Metro Planning Organization (MPO) about five years ago. There was no formal action of Council at the end of that process because Council chose not to accept the final design concept report in order to leave open future design ideas and to see how the project moved forward and be able to make the decisions in regard to the design at a later time. In fiscal year 2017 – 2019, Council’s last strategic plan contained an objective to partner with the Sierra Vista Metropolitan

Planning Organization (SVMPO) to fund and construct Phase I of the Fry Boulevard Corridor and North Garden Avenue plans. With those marching orders, staff got started moving forward on the project. At that same time a funding stream opened and the primary funding for the project is the HURF Exchange, a popular state program that existed a few years ago that went away and is now back. The HURF Exchange allows local governments to exchange hard to use federal funding with the State for funds. The State takes the federal funds and pass the state funds down to the local government. The local governments then have this pot of money without strings attached as there is with federal funding, which is easier to use.

Ms. Flissar explained that when the State brought back the HURF Exchange Program, staff applied and were able to get funding for the project in addition to funding coming through the SVMPO. The HURF Exchange Funds go through the SVMPO as well. These funds although they have less strings attached, have some restrictions on how they can be used. Maintenance is not eligible, and neither are local roadways. They must be a functionally classified roadway, i.e. a collector or arterial. Fry Boulevard qualified and the filling of potholes or an overlay project on a local roadway do not qualify.

The next step was the hiring of the EPS Group as the designed consultant for the project through a competitive process. The previous strategic plan was completed, and a new plan was started in 2019 with the objective to implement Phase I of the Fry Boulevard and North Garden Avenue Streetscape Improvement Project.

The EPS Group finished the public participation element and looked at moving onto construction document completion. However, to do that, they need a second notice to proceed from the City and along with that they need the City to tell them which concept to move forward with.

Public meetings were held on November 13, 2019 and March 4, 2020 with about 100 members of the public in attendance at each of the groups of meetings. Many Council Members were also in attendance, so they know how the meeting ran. The first group of meetings was largely focused on elements, and these were not necessarily mutually exclusive, but there were things like bike lanes, multi-use paths, parking, landscaping in trying to get an idea of what types of elements the public wanted to see in this project that would help inform the next stage. The EPS Group incorporated the popular elements into the streetscape concepts. The second group of meetings were held on March 4, 2020 where the public was asked to evaluate the concepts. There were two that were presented at the meeting. The first was boardwalk and the focused on the parking element, which is what was being heard from the businesses that was important. They wanted additional parking, and, in this case, it was on street parking. The parkway concept focused more on landscaping and water harvesting. At both sets of public meetings the public was given tokens and asked to vote their preference. The public was also given comment forms to fill out at the meeting for anything that was not covered by the voting. After the first meeting, most of the comments received were positive. There were a few people that were concerned about traffic delays associated with going down to three lanes on Fry Boulevard. A small minority was not in favor of the project at all and the comments stated that this would not work and that there is too much crime in the area. The second meeting was much the same and there was a small vocal minority that did not want the project at all. There were also less comment forms and there were in attendance about the same number of people.

Ms. Flissar noted that the voting between the boardwalk and parkway concepts was close. The boardwalk concept won by a margin of 56 to 44 percent. Most of the comments were positive, but there were a few concerns about traffic and a small minority were against it. Since the concepts ended up close, the consultant came up with a third concept after the meeting called

the board way concept looks like the boardwalk concept and incorporates water harvesting, which was a popular feature. Of the comment forms that were turned in at the last public meeting, the percentage of people who said that they were very enthused about the projects was 73 percent versus 27 percent who stated that they were not enthused.

The primary feature of the boardwalk concept is the on-street parking. It also has dedicated areas for both pedestrians, minimum of seven feet, and bicycles, a minimum of five feet. It devotes space to alternative traffic modes as well as on-street parking. Potential negatives of the concept are the comfort and adoption of on-street parking, additional cost to construct the pedestrian amenity because concrete is more expensive than landscaping, and less in visual impact. Without the various bump outs for on-street parking the parkway concept looks very linear.

The parkway concept is very linear and gives a lot more attention to landscaping and has space available for pedestrians and bicycles, but it is less. It is a combined 10 feet, five feet for each. The negatives of this concept are that there is no on-street parking, maintenance of landscaping in the long term and less space for pedestrians and bicyclists.

The board way concept is largely the boardwalk concept and the distinction are the rainwater harvesting. The board way concept only states landscaping. The consultant was trying to incorporate the rainwater harvesting element that the public indicated that they really liked in the park way concept into the board way concept. Otherwise it is identical to the boardwalk concept.

Council Member Pacheco asked how the rainwater harvesting is incorporated. Ms. Flissar pointed out the areas for water harvesting on the picture displayed to Council. She added that it looks like a lowered area without curbs or with notches in the curb so that rainwater can flow into. Then a storm drain can be installed under it or have the water soak into the ground, which is the least expensive option. Mayor Mueller further explained that instead of the water hitting the gutter on the side of the street and running off, it moves into a lower basin so that can then be used for the trees and percolation into the ground. There are a couple of places in town where these are being used. These are also used in Tucson as well.

Ms. Flissar stated that they are commonly used in parking lots. It provides a nice irrigation system, especially since there is a better rain characteristic in Sierra Vista than in Tucson and Phoenix. Irrigation is expensive so if the City can get away from that by providing a way for natural drainage to get to the plants is a lower cost alternative in the long term.

Council Member Pacheco stated that there have been discussions about rainwater draining in the West End area and she wonders if this will help with that. Ms. Flissar stated that this will help somewhat in the West End area. There are significant issues with drainage in the West End because it was mainly developed before development codes were in place, which require retention/detention. There are some other things that are being looked at being done with the update of the surface water plan. Staff is looking at opportunities to improve drainage through enhanced green space or retention/detention in the West End. This is an aspect of the greater picture, but it will not address all storm water needs on the West End. However, it will help. Mayor Mueller added that it is a key thing. The City can deal with the water that comes to the roadway, but the water off the roadway will not be addressed. As the City goes further to the east and on the north side of Sixth and Seventh, there are some issues there as well as in County enclave area that will have to be dealt with later.

Council Member Wolfe asked if off-street parking will be available if the existing roadway is at or

over capacity because of drainage and the outer lanes are taken and made into parking. Ms. Flissar stated that it will work because the three lanes that are current passable during monsoons will continue to be. It really comes down to the parking area and what happens there. The enhanced drain water harvesting will help with that issue. The current problem is that there is nowhere for that water to go. It hits a storm drain, backouts and creates a giant puddle. The whole point of the water harvesting is to give that water a place to go and then working in hand with possible upgrades in other areas to install additional green space and possibly find a location for a regional base because that is hard to find in the West End that is largely developed.

Council Member Wolfe asked that if Council votes for either concept, Council can assume that those parking space for the most part are going to be largely useable. Ms. Flissar stated that they will do their best and those are going to be the first areas that get inundated in a big storm and they must be. The flow is preferred to be there than overtopping the center of the road.

Council Member Calhoun asked about parking other than parking on the street being available to shoppers. Ms. Flissar stated that parking on site will have some minor modifications that have to be done because of driveway relocation and consolidations. In general, onsite parking will stay like the way that it currently looks like. She added that she does not foresee a huge reduction in onsite parking capacity and that it one of the things that staff has heard from the businesses loud and clear. They need parking for their businesses to keep it viable and that is certainly a consideration. Mayor Mueller added that staff needs to make sure that they are working diligently with the adjacent landowners to be able to share entrances for their onsite parking and not block access. He added that in the second phase, there are a few commercial vehicles lots that seem to have their cars parked right at the edge or near the edge, hanging over a little. The challenge is going to be doing the vegetation and for them to still have the visibility from the street of their merchandises and hopefully parked on their property.

Mayor Mueller mentioned that on the existing landscape, the Wells Fargo Bank has a nice landscape in front of their property and rather than digging it up, it needs to be integrated so that it is the same. He noted that he does not want to have costs associated with digging up and replacing landscaping because it does not make sense. He further noted that on the north side of town there is a small medical place that has a lot of nice landscaping. Lastly, he stated that since this is an east/west street, shade trees be on the south side of the pedestrian bicycle/walkway as much as possible to give those folks shade. He understands that based on the businesses' entrances this will have to be adaptable.

Ms. Flissar stated that she hopes to get consensus from Council for a preferred option, which will then be translated into design development. It is currently anticipated that the design will be going through the end of the year, possibly into next year with construction then starting immediately thereafter. She noted that there have been impacts associated with COVID-19; therefore, a formal request has been submitted to ADOT for an extension on the project. A preliminary positive response has been received from ADOT and a formal response should be received any time. The City may not use the full extension if not needed, but at the same time it has become hard to anticipate what the next couple of months will look like for construction projections. At this point, staff is making sure that they are covered, and the City will certainly not be the only local government in this position. Sierra Vista is one of the first to ask but will be far from the last to request a time extension due to time impacts associated with the virus.

In response to Mayor Mueller, Ms. Flissar stated that staff is recommending the board way concept.

Council Member Wolfe stated that she enjoys water harvesting and totally agrees with the citizens, but her major concern between the park way and the board way concepts is that in looking at the board way concept, the center medians look long and she is not sure how that will impact businesses. She added that on Wilcox and Highway 92 can be a problem going down Fry Boulevard to have to make a U-turn. Ms. Flissar stated that she had a similar question asked of her and assured Council that the medians are purely conceptual. There has been discussion that placement, yes, if they put a raised or depressed median in the center of the road, then that has the potential to block access and that would need to be a collaborative process with the property owner, moving, consolidating driveways if that can be made to happen. There is no doubt that a landscaped median in the center of the roadway adds a lot visually, but it must be done carefully to not create other anticipated impacts.

Mayor Mueller stated that the other thing on his list are the crosswalks. The City is in desperate need of having safe crosswalks on the eastern end because he has seen people riding bikes or run across the street. He added that putting those in, it comes down to being able to see what is going on in the median area. There is not a situation during the first phase, but in future phases, there needs to be assurances that there are safe walkways that are attractive, but with visual there and the people who are new to town going east or west for the first time, know that there is a crosswalk.

Council Member Pacheco asked about the division of the separate bike lane from the dedicated walkway. Ms. Flissar stated that it would be defined by stripping. In some areas colored pavers will be used to achieve the same impact as stripping, but it would not be a hard line because bicyclists might need to swerve or pass. There would be some sort of soft delineation. Mayor Mueller stated that signage is key for safety. That would be an education piece because currently there are adults riding their bicycles on the sidewalk when in fact they should probably be on the road, even when there is a bike lane.

In response to Council Member Pacheco, Ms. Flissar stated that people generally are supportive of the idea of a bike lane on the street and the sidewalk separated on the side of the road because the bike lane up on the side of the road provided additional opportunities for younger children. Most parents will not let their kid ride in a bike lane on an arterial roadway, but they will let them ride on a multi-use path. People were supportive and asked the question on how they were going to be separated and it will certainly be an education process. Lastly, Ms. Flissar stated that it does work and has seen it at the U of A campus and those are respected.

Mayor Pro Tem Gray stated that she will not ride a bike lane on Fry Boulevard. Council Member Wolfe agreed.

Council Member Calhoun asked about benches, amenities, in the pedestrian areas. Ms. Flissar stated that areas for pedestrian amenities are still being considered. Those would be defined as the project moves forward based on specific location.

Council Member Calhoun asked about locations designated for public art. Ms. Flissar stated that this was another element that was present at the first public meeting for people to vote on. She added that she does not recall that it got a great deal of votes, but public art can still be incorporated into the project and it may be the same zones as the benches and other features. Mayor Mueller added that the City Manager suggested having the local artists for a small amount rent space for them to put their art projects until they sell it.



Council Member Calhoun asked about renting kiosk space for pop up stores to have a place to sell. Mayor Mueller stated that it can be looked at, but that must be decided based on the size of the place where the benches are placed. He added that this concept also lends itself to enhancing the West End Fair.

Mayor Pro Tem Gray asked if on the board way it seven feet is, five-foot split for pedestrians and bicyclists. Ms. Flissar state that she is correct.

Mayor Pro Tem Gray asked if it is thinner where the street parking. Ms. Flissar stated that it varies in width, but seven feet is the minimum on the bikes and five is the minimum on the sidewalk.

Council Member Umphrey asked about the process after Council agrees on a concept design and the design development is done. Ms. Flissar stated that it has not been decided because it is early in the process. Mr. Potucek stated that Council has already approved the project, he is not sure what the need would be to go back to the Planning and Zoning Commission other than for information. Mayor Mueller added that normally what would happen next, is that Council has blessed the concept, it goes back for final design and the project goes from there. It will not come back before Council, but staff can provide updates as the process goes along.

Mr. Potucek stated that the project will be in this year's budget once it is approved.

Council Member Umphrey stated that the project may not look exactly like what is being presented and there might be some hick ups and discoveries along the way and that might change things. Mayor Mueller stated that in the past when doing major projects, if staff has seen a major change or potential problem, they have brought those before Council. Mr. Potucek added that issues that may come up are drainage, access, and cost, but staff will share that information if any of those issues create snags or problems along the way.

Council Member Wolfe stated that she has had multiple business owners ask her about the ability to still be able to get commercial trucks for supply and garbage trucks. Ms. Flissar stated that it was something that she had heard from the business owners at the public meetings on the need for commercial deliveries and that is one thing looked at when looking at driveways and it will be a collaborative process. The businesses know their operations better than staff. They know about the trucks that come in and how frequently. This will be a process with them. Mr. Potucek stated that the City has the same concerns regarding emergency vehicles and that is something that must be reviewed. Ms. Flissar added that the garbage trucks as well as those are some of the biggest ones out on the roadway and there will be a need to be careful about landscaping.

Mayor Mueller asked about appropriate adjustments for bus stops. Ms. Flissar stated that bus routes have been discussed as a part of the project. Traditionally, Vista Transit has tried to avoid going down the center of Fry Boulevard, but depending on the final layout of the project, especially with the board way or board walk concept that have those parking pull outs as part of them, she can see potential to use one of those for a bus stop if the demand is there.

Mayor Mueller asked if there is consensus for the board way with items discussed with Ms. Flissar. There was a consensus.

C. [Balanced FY 20-21 Budget Presentation](#)

Mr. Potucek stated that before Council is the balanced general fund budget presentation. There will be some more work before getting the budget books. A couple of key points is that there are no tax increases within the budget recommendation, and the budget was able to be balanced without the use of general fund reserves. Staff has ratcheted down revenues in certain areas, but for the most part, he believes that this is a good budget given the situation that the City is currently in.

Ms. Yarbrough stated that this is the balanced budget that she is pleased to present to Council. She added that it is staff's best guess at this time of what revenue will be coming in. Unfortunately, March's revenue is not in yet and it is hoped to have the sales tax reports by the end of the week or next that will provide a better idea of revenue going forward. She stated that staff took a hard look at the fiscal year 21 projections that is even to fiscal year 20 projections and decided to adjust the revenue projections to what the actual revenue amounts were through last week in May. The numbers listed are the actual amounts of revenue that have come in over the past fiscal year through last week. This is a \$573,000 reduction to Leisure revenue for next year. There is still too much uncertainty with how things are going to come back in Leisure and Library Services and on how things are going to reopen and who is going to want to participate in programs and how the events are going to turn out. The numbers will be adjusted very conservatively.

The capital projects that are unchanged from the last few presentations were presented. Ms. Yarbrough stated that to balance the budget, some changes were made to the capital fund projects. The projects that are currently included and unchanged are:

- \$300,000 for fire equipment, heart monitors and SCBA replacements
- \$113,000 for Council Chamber AV upgrade
- \$60,000 for fire emission control devices
- \$150,000 for the Police Department female locker room renovation
- \$50,000 for City Hall electrical analysis
- Carryover of \$150,000 for the Rothery irrigation system modifications

Council Member Wolfe asked about the City Hall electrical analysis. Ms. Yarbrough stated that City Hall is older and in past years, there has been discussion about doing electric board placements for the doors and how some of the areas were maxed out. In looking at those projects for this year, it was determined that what is needed is an analysis of the whole building. It would not make sense to go and replace part of it without looking at the entire picture.

Council Members Wolfe and Umphrey asked if this was not addressed as part of the Schneider Electric Project. Ms. Yarbrough stated that it was not because this has to do with the power load.

The changes made to the capital projects for next year include the EMS substation construction. The City will budget \$100,000 to complete the design, but will push back construction to start in July 2021, which will put the budgeting for the construction in next year's budget and taking it out of this year's capital improvement fund.

Council Member Calhoun asked about the cost. Ms. Yarbrough stated that it is estimated at \$1.2 Million.

Ms. Yarbrough stated that the design will be completed this year and if everything goes as planned, the City will be able to put out an RFP for the construction starting next spring so the project would be able to go starting in July. It will most likely only push construction back a few

months.

The Library VDI system, the replacement for the library computer system, was moved to grant funds. Ms. Wilson has been asked to work with the Friends of the Library to see if they will agree to fund part or the whole system.

Council Member Calhoun asked for the total cost. Ms. Yarbrough stated that \$110,000 is the total cost.

One Million Two Hundred Thousand dollars was budgeted this year to replace one of the fire engines, which will be moved to next year's budget. Instead, there were two Fire Department staff vehicles that were budgeted for next year which are being swapped out to cover the two staff vehicles this year and put the truck replacement in the next year's plan.

Mayor Mueller asked if that is the ladder truck. Ms. Yarbrough stated that he is correct.

Council Member Benning stated that on the O&M presentation held at the last meeting, there was \$96,000 plus for the Library and he would like to know if that is for the VDI system for the Library. Ms. Yarbrough stated that it is not as it was just O&M. Those were various increases that the Library had requested. Staff will go over in more detail what some changes were in the department's budget in the budget update sessions in June.

Council Member Benning stated that the fact that the Library had a significant increase was brought up and he does not know where that was supposed to go and not O&M.

Council Member Wolfe stated that she assumes that staff has thought about the fire truck and there being a year or so left for the fire truck and not switching out for a higher maintenance cost later in the year. Ms. Yarbrough stated that she spoke to Fire Chief Jones, who suggested this and stated that it will be ok.

Council Member Calhoun stated that she does not understand why a \$1.2 Million fire truck is being replaced with two staff vehicles. Ms. Yarbrough stated that she is correct and explained that in the City's Vehicle Replacement Plan, it was planned to replace one of the aerial trucks this year. The Plan called to replace two staff vehicles next year, but those are going to be flipped and the two staff vehicles will be for this year and the fire truck next year. Mr. Potucek further explained that the thinking behind some of the changes is that staff is trying to push out some of the debt service into fiscal year out from this next fiscal year, which will give the City a little cushion depending on how the revenues come in during this fiscal year due to the current situation.

Ms. Yarbrough stated that as far as vehicles go in the capital improvement fund there have been no real changes from previous presentations, apart from the fire truck swap for the two staff vehicles, except for how they will be financed. The vehicles will be financed with 10 percent down paid by the capital improvement fund this time, where before that debt service would have been in the general fund. This was done to balance the general fund.

A list of vehicle replacements was shown to Council. Ms. Yarbrough stated that some creative things were done by staff to balance the general fund budget for next year and the capital improvement fund.

In previous years, the City had to do a transfer of \$700,000 for street maintenance when HURF

money was lagging and there was not very much coming in. Last year for the first time in several years, the City did not do this, and that practice is being continued for a second year. Instead the City will use the HURF revenues that have come in and built up in reserves, currently sitting at \$3 Million as of the end of fiscal year 2019. It is a relatively healthy balance and the City will expect to use that over the next two years.

The capital improvement fund will be used to pay the debt service, a total of \$401,000.

Mayor Mueller stated that Ms. Flissar did a presentation on roads and the cost of repairing roads. He asked if it was \$2.2 Million that is needed to be spent every year just to keep even. Ms. Flissar stated that it is in the ballpark.

Mayor Mueller pointed out that \$3 Million over two years, it is a \$1,500,000 potentially for each of those two years, which is a lot more than what the City has had in the past. He added that it is a lot closer to \$2.2 Million and that is a good thing. Mr. Potucek stated that had the City not found itself in this situation and the sales tax projections and state shared sales tax projections would have been up, where staff thought that it would have been. The City would have certainly been able to continue to use capital improvement funds to augment not only the HURF fund balance, but the regular HURF funds. The City would have been very close to that \$2.2 Million. He added that he would hate to budget that now because of the situation.

Mayor Mueller stated that he knows and is glad that the City is making progress towards the right number after being down for so long. Mr. Potucek stated that once the City is out of the current situation, the City should be there.

Ms. Yarbrough stated that staff has the list of streets scheduled for repairs in the next year, which will be shared with Council soon.

Ms. Yarbrough stated that the capital improvement fund will be paying the debt service next year, \$401,000 and the down payment for the vehicle replacement program, \$30,200 instead of using the general fund. This was done to balance the general fund.

Personnel requests for this year were removed for two police officers and a management analyst for Leisure and Library Services. Mr. Potucek stated that the police positions will be left in unfunded for overfill purposes.

Mayor Pro Tem Gray asked if Police Chief Thrasher is ok with this and the City is operating fine. Police Chief Thrasher stated that she is correct. Mayor Mueller noted that this is for now.

Ms. Yarbrough stated that still included in the budget is the two percent step increase for personnel, \$340,000 but the market shift of \$340,000 was removed as staff waits to see how the market adjusts over the next year.

Council Member Calhoun asked for an explanation about the market shift. Ms. Yarbrough stated that last year, the City did two increases for staff, a two percent market shift adjustment and a two percent step increase. This was done because of the change to the minimum wage to shift the Classification and Compensation Plan so that the City was above the minimum wage amount. It was cut in half and it was planned on having the second part of the adjustment done this year, but since the City is now about the minimum wage and it is unknown on how the market is going to adjust this year due to the pandemic, it was decided to have that removed this year and have it re-evaluated next spring.

Mayor Pro Tem Gray asked if it is still thought that the City will be running at 95 percent of the market for salaries to be competitive. Ms. Fleming stated that the City set that originally at 100 percent versus where it was, 105 percent. The City is currently not running below 95 percent.

The next steps are as follows:

- May 22, 2020, Tentative budget book distributed to Council
- June 1 – 5, 2020, individual Council Member meetings
- June 15 – 17, 2020, budget overview work sessions
- June 25, 2020, Tentative budget vote
- July 23, 2020, final budget vote and property tax hearing
- August 13, 2020, property tax vote

Mayor Pro Tem Gray asked if everything will be shifted down percentage wise if projections come in lower than anticipated due to COVID. She also asked if Council would have to pick and choose to rebalance the budget. Mr. Potucek stated that staff is still waiting for data on sales tax and hopefully by next week that data will be available for March. Staff is pushing this back to get April data, which should help make any adjustments for the final budget. The two areas that will need to be looked at in terms of cuts centers around the Leisure and Library Services because there are many part time employees and there may be issues with regards to before and after school programs as well as the Cove. However, the Governor is opening pools so that may alleviate some of that concern. One of the main reasons that staff wanted to balance without using reserves is because if ever there was a year to want to use the reserves or need to use it, it would be next fiscal year. The reserve levels are to a point where the City could use some reserves to offset some of the revenue shortfalls. Lastly, he stated that he believes that the City is currently in good shape going in.

Mayor Pro Tem Gray stated that Council can always revisit mid budget review and not go over the cap. Mr. Potucek stated that revenues and expenditures will have to be monitored closely and staff makes internal adjustments every year. However, staff will share information with Council if there is something that impacts the Strategic Plan or the capital projects.

Council Member Calhoun asked about the significance of moving money from capital improvement to what would ordinarily have been general fund and what that does to the funds. Mr. Potucek stated that the major shift that is being made with regards to capital improvement funds is the movement of debt service that would normally be paid out of the general fund for vehicles. Those are capital items that meets the definition intent of a capital expenditure in moving that debt service to the capital improvements fund. Essentially, this takes away that \$400,000 from potential capital projects for the coming year. Hopefully, this is a one-year issue as the City proceeds until everything is back on track. January 2022 is the date that the staff is trying to get to because that is when the two bond issues come off the books that were consolidated into one payment. Once that is done, significant funds will be freed up for capital improvements in the future.

Council Member Benning stated that several years ago, there was a Q&A session with the community, but last year it was not done, and he would like to see that done this year. He asked if there is any Council interest in that. Mayor Mueller stated that the timeframe for public input would be during the budget work sessions scheduled for June 15 – 17, 2020. This is a public process that is held in a public forum. He then asked Council Member Benning if he is asking for something more than that.

Council Member Calhoun asked Council Member Benning if he is asking for more than discussion of the budget. Council Member Benning stated that he is only asking for public input regarding the budget and explained that in the past there was a setup where the public was able to submit questions and be present during discussions.

Mayor Pro Tem Gray stated that she recalls a town hall, but it was not a budget discussion. Council Member Calhoun agreed. Mayor Mueller noted that the whole purpose of the June 15 – 17, 2020 work sessions is for Council to be briefed on the budget, to be able to ask questions, and the public may attend and ask questions as well.

Council Member Benning stated that the problem is that sometimes not all three days are scheduled, but he wants to make sure that the public can participate. Mayor Mueller noted that there have been times where the public has not shown up because there was nothing controversial. He added that Council may talk to Ms. Hector and have something set up for June 15 or 16, 2020. Mr. Potucek stated that this has not be done, but he can see, given the age of technology, having something set up. The tentative budget being proposed and balanced will be available, which can then be posted on the web so that the public can make comments and have answered provided to them.

Council Member Pacheco stated that she does not know what is meant by a budget town hall and further stated that people can come to the work sessions. She asked if the process extends to a public hearing until the July vote. Mr. Potucek stated that the budget work sessions can be used for the public participate. The Mayor can open it up to the public if people want to ask questions at those meetings. There is a 30-day period after the approval of the tentative budget. The budget cannot be increased during that time, but it can be changed during that time. There can be input then, and Council can determine if they want to make changes.

In response to Council Member Pacheco, Mr. Potucek stated that people can submit comments just like any other item.

Council Member Calhoun stated that the concept that Council Member Benning was putting out there was a town hall and that is different than a public hearing. She added that the town hall was not a budget town hall, it was general with a multitude of topics. However, Council did talk about in the Strategic Plan in having more interface with the public. She added that she believes that this is a good idea and likes what Mr. Potucek suggested about doing it electronically. She likes giving specifically an opportunity to the public to come and talk to the Council face to face about the budget. She added that this setup would need to be developed to an appropriate way for people to have an opportunity to speak, maybe by submitting questions early on.

Mayor Mueller stated that he likes Mr. Potucek's suggestion about doing it electronically and making it a point on June 15 or 16, 2020 to have the public provide input if there are members of the public that want to discuss things before a final determination is made on the tentative budget June 25, 2020. People still have an additional 30-days after the vote to provide additional comments. He does not like the idea of orchestrating a town hall due to the current conditions and the short timeline because it may be hard to do. Mr. Potucek stated that Council is aware since sitting through many budget work sessions, typically there are not a lot of members of the public at those meetings. If the City were announcing a big tax increase perhaps there would be people present. There are people that ask questions and participate that way and maybe there would be more of a response if something is set up electronically.

#### D. Report on Recent Trips, Meetings and Future Meetings

Council Member Pacheco asked when commission meetings will resume. Mayor Mueller stated that the City Manager will be addressing the re-opening of the City and there may be recommendations to Council.

#### E. Future Discussion Items and Council Requests

Mayor Mueller stated that the first portion of the changes to the boards/commissions will be forthcoming to Council during the next work session for discussion. Once that is done, staff must go back and redo the boards/commissions handbook. He added that he has provided his comments to Ms. Adams in detail. There is a portion that she needs to work on regarding Open Meeting Law, which will take place within a month or so. The Youth Commission has not yet been discussed.

Mr. Potucek stated that the development fees will also be on the next work session for discussion.

#### F. Council Discussion (COVID-19 Status)

Mr. Potucek stated that May 15<sup>th</sup> is the last day of the Governor's Stay at Home Order. Most things are going back to normal with appropriate social distancing and other guidance. He added that he does not envision leaping into everything right away. In terms of the City's sport fields, those will re-open on May 16<sup>th</sup> for practices, rentals, and games. The bleachers will be removed to encourage social distancing. Staff will work with those people/teams and try to help figure out what the best way is to encourage social distancing in those settings. The skateboard park, pickle ball courts, outdoor basketball courts, tennis courts and dog parks will reopen. There will be appropriate signage on all these parks to encourage social distancing. The City will be able to do small events, but there is no guidance yet available by the Governor regarding the group recommendations. It seems like has and in that event, the City will be able to do larger groups so things like the Farmer's Market and other permitted events that Leisure Services does will go back into gear.

On May 18<sup>th</sup>, the lobbies at City Hall, Police Department, and the Ethel Berger Center will be opened. The OYCC will still be closed because there is a small renovation going on in the lobby. The museum can open as well as the sports building at the Rothery Center. The Library is tougher because there are a lot more people going in and out, but the Library will start with book returns and curbside service so people will be able to order their books on line and staff will then serve them with curbside service. The facility will continue to remain closed to the public as well as the Cove, but there will be further discussion regarding the Cove because the Governor is reopening gyms and pools. Public Works will reopen their lobby, but the Transit building will still stay closed.

Staff is currently installing plexiglass for all the front desks, which will be ready by May 18, 2020. One of the biggest problems that the City has and the reason why some buildings are not immediately reopening is due to cleaning supplies. The City is in fierce competition with every other city, town, business etc. for cleaning supplies and custodial services. The City has been ordering supplies since early March before shutting down orders were issued, and it has been difficult in securing items. The public needs to be assured that the buildings are being properly cleaned.

Mayor Mueller asked if the bathrooms in the park will remain closed. Mr. Potucek stated that he is correct. The Library and Transit Center will also remain closed. The Cove will be looked at due to new guidance and opening it up after Memorial Day weekend, which would have been a typical opening for the Cove anyway. There still needs to be a lot of work done with the staff in terms of social distancing. It was originally planned to open after Memorial Day and a lot of those plans are already kicked off and being worked on. Sierra Vista will be behind other cities because of this, but not more than a week or two. After Memorial Day, other buildings will be looked at to being reopened to include City Hall, which gets into having the public present for meetings along with boards and commissions at the other buildings. Reinstating face to face commission meetings is scheduled for June.

Council Member Wolfe stated that she has been asked about the July 4<sup>th</sup> festivities. Mr. Potucek stated that he and Mayor Mueller met with the Rotary president and coordinator to discuss proceeding with July 4<sup>th</sup> activities, at least the fireworks and then looking at extreme social distancing. The July 4<sup>th</sup> festivities will continue but in a different mode and some live streaming. With the Governor's orders being lifted, it looks like almost completely the City may proceed with the July 4<sup>th</sup> as it has normally been done, but without the acts at the band shell and maybe not quite all of the support that the City gets from Fort Huachuca because they have been a lag behind the City regarding guidance and lifting their restrictions. He added that he and the Mayor will meet again with Rotary and they will go over the Governor's orders and see what can be done.

Mr. Potucek stated that a few employees have come back to work, but there have been a lot working from home and not only from the public, there will be people that are uncomfortable being in groups, restaurants, public places and that is understood and recognized. He added that he found through this process is that all sides of the issue need to be respected. Therefore, following the Governor's order has been good for the City because it has been a middle road and there is the risk of running both ends of the spectrum. The employees need to get used to being back and working around each other and telecommuting has worked and that may be something that may be looked at in the future in terms of allowing more teleworking. The City is a public service organization and work with the public and other members of staff, so it is probably a good thing to start bringing the employees back. This is being done on a voluntary basis over the next couple of weeks to get people used to that and they can make that choice on how comfortable they are, but by June most of the people should be back and identifying who really has issues and where teleworking may still be appropriate.

Council Member Wolfe asked to be kept updated. Mr. Potucek stated that he did not think that the Governor would go as far as it appears that he is currently doing and that may change the City's stance, but there are plans on having a July 4<sup>th</sup> celebration, maybe scaled down.

Mayor Mueller stated that another celebration is Memorial Day and reported that as of last week, he was informed that that there was not going to be anything at the cemeteries, but possibly remotely. He further stated that due to the recent updates by the Governor, there may be some changes as the United Veterans Council is ready to go even though they have not practiced anything yet.

Council Member Calhoun stated that she has been concerned about the homeless in the community and the fact that the public restrooms are closed. Mr. Potucek stated that there have not been any issues with the homeless. The City is aware that there is a camp forming behind Basha's and staff will start working on that. He added that he has seen panhandling drop during



this time. The restroom had to be closed because it was hard to keep them clean and unfortunately people were stealing toilet paper during the hoarding period. He explained that he wants to make sure that the City has adequate cleaning supplies and obviously if the parks are going to be open, the need for the restrooms will be apparent. Then, hopefully after Memorial Day those can be reopened.

Council Member Calhoun asked about the Café at the Library. Ms. Wilson stated that the café owner will be back because the Library can be locked off from that portion. Some of the tables are being taken out to allow for social distancing.

Mayor Pro Tem Gray stated that the Governor is still limiting congregations to no more than 10 people when feasible. Mayor Mueller stated that there is a month and a half until July 4<sup>th</sup>, so if he takes that back up to 50 that would help the July 4 celebration. Mayor Mueller stated that there must be a couple of contingency plans because things will change.

Council Member Benning stated that he likes the plan going forward and that different options were considered. He added that the State of Florida opened on Friday and since then, they have over 2,500 cases because people went hog wild and did all kind of things and it was out of control. He is glad that the City has a plan and that the City is opening back up, but he likes the plan going forward in that the City is being smart sensibly.

Mr. Potucek stated that he will go over the reopening plans again during his report at the Council Meeting. The community has certainly responded well to the situation and generally, there have not been many enforcement issues in town. Initially the biggest problem was with hoarding and rushing stores, the toughest part and as people adjusted, things settled down. He offered kudos to the community for what they have done and believes that people are sensible and will continue to be so until things improve even further.

Council Member Pacheco stated suggested blocking off Highway 90 for July 4<sup>th</sup> festivities so that people can park to watch the fireworks. Mayor Mueller stated that there is the capability of having a broadcast on the radio, am low voltage. Discussion took place about designating parking areas around the area and not on the State Highway. Police Chief Thrasher stated that Highway 90 is a State Highway and the City would need to acquire a permit to shut it down, but ADOT will not allow parking. It is also in the safety zone of the fireworks and that is why it is blocked off in the first place.

Mayor Mueller stated that there are parking spaces around the area that are not in the safety zone that can be arranged with Walmart and Cal Ranch to use the lots so that people can see the air show and get the narration on the radio. It is not the same as sitting on the blanket on the grass, but there is also talk about working with Cox Communications to put it on video so that the celebration can be viewed by other communities that are not going to be able to have fireworks. Fireworks must be ordered by May 15, 2020. There are a few things in the works and contingencies and as there is more information for the public, he will be able to share it.

Council Member Benning asked about Memorial Day celebrations. Mayor Mueller stated that he was told at the cemetery that the State Director stated that there is nothing going on. They were talking about contingencies to be able to have a video at all three cemeteries; however, now that it appears that they will be open, he is not sure what the Cemetery Director will approve with regard to the 10 person rule. This is not a City operation. The July 4<sup>th</sup> celebration is a Rotary operation, but the City has a bigger hand in that.

Council Member Pacheco wished Happy National Police Week to Police Chief Thrasher and the officers. Police Chief Thrasher stated that the typical ceremony will not take place due to restrictions on social gatherings, but there will be announcements over social media.

Mr. Potucek stated that employees, especially those that have had to continue working out on the streets, working from home and having to change schedules deserve a thank you for what they have been able to do during this time.

## 2. Adjourn

Mayor Mueller adjourned the May 12, 2020 work session of the Sierra Vista City Council at 4:58 p.m.

\_\_\_\_\_  
Frederick W. Mueller, Mayor

Minutes prepared by:

Attest:

\_\_\_\_\_  
Maria G. Marsh, Deputy Clerk

\_\_\_\_\_  
Jill Adams, City Clerk