

Sierra Vista City Council
Work Session Minutes
October 26, 2021

1. Call to Order

Mayor Mueller called the October 26, 2021, City Council Work Session to order at 3:00 p.m., Council Chambers, City Hall, 1011 N. Coronado Drive, Sierra Vista, Arizona.

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:

Victoria Yarbrough, Assistant City Manager
Adam Thrasher, Police Chief
Brian Jones, Fire Chief
David Felix, Chief Finance Officer
Jennifer Osborn, Budget Officer
Barbara Fleming, Human Resources Manager
Blake Fisher, Planner
Jill Adams, City Clerk

1. Presentation and Discussion:

A. October 28, 2021 Council Meeting Agenda Items ([agenda attached](#))

Mayor Mueller stated that the Council Meeting for Thursday, October 28, 2021, starts at 5:00 p.m. with the call to order, roll call, invocation, pledge, and acceptance of the agenda. He asked Council if there is anything to be added/deleted to the agenda. There was no response.

In response to Mayor Mueller, Ms. Yarbrough stated that Mr. Potucek will report on the regular project updates on Thursday, October 28, 2021.

Item 2.1 Discussion and Possible Action of the Regular City Council Meeting Minutes of November 18, 2021 – It was noted that the minutes are for October. Ms. Adams stated that it would be corrected on the agenda and that the agenda would be reposted.

Item 2.2 Discussion and Possible Action of Resolution 2021-071, 117 N 5th Street Pre-Annexation Agreement

Council Member Umphrey referenced the map and asked if the properties must be adjacent to Mr. Fix It's property to eventually get annexed. Mr. McLachlan stated that it must be substantially contiguous. The need for a pre-annexation agreement arises since the property is

not currently eligible for annexation. This gives the City the ability to initiate annexation at such time it does become eligible, and the current issue right now is the lack of continuity to the current municipal boundaries.

Mayor Mueller noted that the reason for the pre-annexation agreement is because there is a property owner that is willing to annex, but incapable of annexing. The pre-annexation agreement is done so that when there is a contiguous border, which is the issue with this property, with another city parcel, then the City can automatically annex them.

Council Member Umphrey asked if it does not matter if it cannot happen for years. Mayor Mueller stated that she is correct. Mr. McLachlan added that the agreement carries through to successors if the person that signs the agreement is not the current owner.

Mayor Mueller asked about the probability and timeline of the property being annexed into the City. Mr. McLachlan stated that he does not currently know, but staff will be revisiting previously expressed interest together with currently accepted pre-annexation agreements to determine a potential annexation petition for next year.

Council Member Rodriguez asked if the new church that was built on the corner on the City's sewer. Mr. McLachlan stated that the Department has a pre-annexation agreement for that parcel. It was built in the County, and it will remain in the County until such time that the City goes through the annexation process.

Council Member Johnson asked if Mr. Fix It wanted to be annexed into the City in to order to hook up to the City's sewer. Mr. McLachlan stated that the main motivation was the desire to connect to municipal sewer, but he has offered up his signature on prior pre-annexation agreements.

Mayor Mueller stated that when he spoke to him awhile back, he was trying to figure out how to get his commercial properties hooked up to the City's sewer. He noted that this is a key thing that needs to be looked at because these are commercial properties, which will generate sales revenue. He asked if the Department has looked to see if there are enough contiguous properties in that area to go and say that one, two, or three lined up together that would in fact result in an annexation. Mr. McLachlan stated that he does not know. He explained that the Department has a color-coded map, but he did not consult that map before the meeting; however, he can find that out and let Ms. Yarbrough know.

Mayor Mueller stated that this is one way, especially in the older part of town, that the City has been able to bring people into the City if they want the services because they do not want to stay on a septic as a commercial facility. It is a big advantage for them to come in and be connected to the City sewer. He asked Mr. McLachlan to monitor this so that as soon as there are three or four properties together, the annexation process can begin. Ms. Yarbrough stated that in Council's Strategic Plan, there is a goal to revisit annexation of this area and Mr. McLachlan and his team are going to be actively working on getting back into contact with people who expressed wanting to annex the last time that the City did this and seeing how many of those properties can be strung together.

Mayor Pro Tem Gray asked if they are still responsible for the sewer connection fee, rates, etc. if they never annex into the City and if it is not a budget impact to the City. Mr. McLachlan stated that she is correct. The Department uses the standard pre-annexation agreement, and there are

no extra considerations or obligations required by the City.

Item 3 Discussion and Possible Action of Resolution 2021-072, Amendment to Personnel Rules and Regulations – Ms. Fleming stated that back in 2018, the Human Resources Department did completely away with the old personnel rules and regulations and built a brand new one from the ground up. The Department spent an extensive amount of time doing that, going over it, and having meetings, but it is not as extensive because a lot of these amendments are definitions and their clarification.

- Rule One, General Provisions, Section 3 - Definitions. A couple of definitions were added along with the removal of the term “senior” from all areas.

- Rule One, General Provisions, Section 4 - Responsibilities. There is a change in responsibilities for the Human Resources Officer due to some intergovernmental agreements that the City did not have before; however, those are covered under the intergovernmental agreements and not in the Personnel Rules and Regulations.

- Rule One, General Provisions, Section 5 - Sierra Vista Employee Council. This is being amended because the Employee Council did not have a SEACOM representative because the dispatchers were under the Police Department. Also, the last paragraph is being removed because there have not been any active meetings.

Council Member Johnson asked why the representatives for the Police Department are being dropped to one and the Fire Department retaining two. He added that he supports both public safety areas, but he would also like to know why Leisure and Library Services has two. Ms. Fleming stated that at the time that it was set up, the Police Department encompassed dispatch, and now they are split apart. Therefore, one was moved over to SEACOM, and one was kept at the Police Department. The reason for the number of representatives was to keep it at an odd number and there has not been an Employee Council meeting since 2018. She added that if Council would like to add one back, it can be done. However, two would need to be added to keep the odd number.

Council Member Johnson stated that he would like to remove one from Leisure and Library Services. Mayor Pro Tem Gray stated that it would then become an even number. Council Member Benning stated that if they gave one back to the Police Department, the Police Department would then have two and Leisure and Library Services would have only one. Mayor Mueller noted that all that is being done is swapping the SEACOM representative for the Police Department. He added that the Police family will still have two.

Mayor Mueller asked why the Fire Department has two representatives. Ms. Fleming stated that at the time the Police Department was set up to have two and the Fire Department was also set up to have two, but the Police Department encompassed dispatch at that time. She added that this was based on the size of the departments.

Mayor Mueller stated that if the Police Chief has 66, 67 people, he would like to know if there is even representation. Police Chief Thrasher stated that he has 80, 85 with the civilians.

Mayor Mueller asked if Parks and Leisure has 80, 85 and the Fire Department has 80,85 and if they are all similar in size. He stated that all the departments need to be represented; however, the larger department should probably have an extra person or two. Ms. Fleming stated that

SEACOM is going to be a small portion. She added that she will go back and get the actual numbers for each department because it is non-management staff as well. It is only those that are non-management that fall into the Employee Council group.

Mayor Mueller stated that it would help Council decide on Thursday, October 28, 2021, to have a breakout of positions and what each department has for representatives.

Council Member Benning asked why the Employee Council has not met since 2018. Ms. Fleming stated that they have not come together, nor scheduled any meetings, nor done anything to meet. They have not elected to have any meetings. Mayor Mueller stated that they would meet if there was an issue that needs to be dealt with or they need to advise or comment on an issue. However, if no issues have come up, he wonders if the City should even have the Employee Council at all. He further stated that the purpose of the Employee Council is to be able to get input from employees, especially when talking about all kinds of things, from discipline to benefits to whatever else may be coming up as things change.

Council Member Benning stated that they are also supposed to have four regular meetings, one a quarter. Council Member Umphrey added that they must have elections annually. Mayor Pro Tem Gray noted that the last thing that they were helping with was the personnel manual back in 2018.

Council Member Landry asked if the departments are interested in having additional representative because if they are not really interested in having additional representatives, then there probably is no need for an Employee Council.

Council Member Rodriguez asked if the employees know that the Employee Council exists. If they have not met since 2018, and somebody got hired in 2019, they probably do not know that there is an Employee Council because they have not had a meeting.

Council Member Benning stated that the argument is about the number of positions, and he wonders if there have been people identified in each department. He asked if the Fire Department has two people that have been identified to be on the Employee Council.

Council Member Rodriguez stated that it sounds like a good thing, but if the employees do not know that it even exists, then maybe that is why they do not meet. Mayor Mueller stated that he believes that the employees know that it exists, and it is probably covered during orientation. Ms. Fleming stated that it is covered in the orientation and there are different things out there. Sometimes they are very interested and very active, and other times they are not. There were many years before 2018 when there was not much Employee Council activity, and this is something that has been seen before.

In response to Mayor Pro Tem Gray, Ms. Fleming stated that the deletion of the paragraph is because they are not meeting, and due to the way that it is currently written, it would delay moving forward with any changes. Otherwise, nothing was done to the Employee Council and in what they would review. Deleted was the requirement that they must meet for a change to be made.

Mayor Pro Tem Gray asked if the Department would still be consulting with major changes. Ms. Fleming stated that the Department meets with the other department directors for each thing, and then they will carry those forward to staff. It is no longer an employee representative

because it is going to be the department management.

- Rule 2, Code of conduct, Section 5 – Relatives. This section was redone to state that there cannot be any relatives working for the same supervisor. Shortly after that, it was recognized that there was a problem because this is a small community, and there was going to be a crossover. Therefore, it was amended to state that if there is a need for a relative working for the same supervisor, that it would be with approval. This way all people understand what is happening; however, under no circumstances can they supervise one another.

In response to Mayor Mueller, Ms. Fleming stated that it is immediate family, and explained that page six states that relatives are defined as follows: related by blood, or marriage, or is a legal dependent and then it states spouse, child, parent, sister, brother, grandparent, grandchild.

Council Member Umphrey asked that if they are cousins, aunts, or uncles then they are ok to supervise one another. Ms. Fleming stated that if they do not fall within the definition then they are ok.

Mayor Pro Tem Gray stated that the City would run into a lot of trouble if it were expanded. Ms. Fleming stated that the Department put that into place with the best of intentions, but then they saw that it was not really working well and that there were some issues, specifically the lifeguards over at the Cove. The City could have a brother and sister both working for the same supervisor, but at the same time the Department wanted to ensure that there was no supervisory control. This change makes it workable and reasonable.

- Rule 3 Recruitment, Selection and Hiring of employees, Section 2 – Eligibility for employment.

Ms. Fleming stated that as mandated by State Statute, there cannot be restrictions on where an employee resides. Therefore, the sentence that states that sworn officers must live within 50 miles has been deleted. This was a 2019 change because this ordinance is superseded by State Statute.

In response to Mayor Mueller, Police Chief Thrasher stated that the Department's policy is that the officers live within 15 miles of the City limits to be able to take their cars home or have any position that requires standby.

Mayor Pro Tem Gray stated the City has a small force and in times of situations, a lot of them will be on standby or potentially be called in. Police Chief Thrasher stated that he is referring to detectives that are designated to be on standby, received standby pay, those types of things. The requirement is that they must live within 50 miles of the City limits to have their cars.

Mayor Pro Tem Gray asked if the City has officers that live outside the City limits. Police Chief Thrasher stated that there is currently one officer that lives in Marana and one that lives in Vail.

Council Member Umphrey stated that she is aware that it is State Statute and agrees with the decision because she does not think that the City should dictate where people live. She asked Police Chief Thrasher if there is a way to promote the officer's safety when they choose to take on a long commute after a long shift. Police Chief Thrasher stated that he does have those conversations, and unfortunately, the officer that lives in Marana was living in the City and then moved to Marina after we hired him. It is a State Statute, a result of issues up in the Valley, the Phoenix Police Department requiring people to live in Phoenix, even though they may have

resided in Glendale, and therefore, they have made it statewide, which does create some issues for the Sierra Vista Police Department, but they manage that. The Department also has an arrangement with the Fire Department for a room for the officer, especially if he is on midnight shift and feels like he cannot make it home to sleep.

Ms. Fleming stated that the Human Resources Department did not make any changes to that portion.

- Rule 4 – Classification and Compensation, Sections 5, Applications of rates and 9, Interim. These next few rules are just clarifications.

- Rule 4 – Classification and Compensation, Section 13, Stand-by and call out duty. Amended to state, “unless they can respond to and correct the issue via telework.” The policies and procedures were written prior to COVID, and the City did not have teleworking. There were no allowances for taking stand by and call out duty. However, now there are many things that IT can do via telework; therefore, the geographic location does not matter with this change if they can handle it via the telework situation.

- Rule 8 - Time and attendance, Section 6, Meal Period. The Human Resources Department changed it so that the employee “must” take 30 minutes to “should” on the lunches. The supervisor can make that determination. This comes in with staffing issues on the six-hour shift, whether they could skip lunch or not.

- Rule 9 – Teleworking. This is a brand-new rule and the only one that is an actual rule that is being added. This rule is teleworking and is just cut and paste from the administrative directives under the Emergency Declaration that were put in place starting on March 2020. This was tweaked a little bit along the way because the City was learning, but no issues have been seen and it has worked well.

- The next change is the renumbering of the rules due to the addition of telework, which became Rule 9; therefore, there are now have 16 rules.

- Rule 10 - Leave of absence, Section 1, Vacation Leave. This is for clarification to the employees who return within five years will have to serve a new six-month waiting period to use the reinstated and new accrued vacation. There is also a change to the accruals for the first five years of service to break out when they can get their vacation time increased. The current policy is on five-year increments. They start at zero because they do not have any tenure and they go to five before they get a raise and how much they accrue, but that is a big thing for new staff in this day and time, and they would like to see that quicker in those early years. The proposal is to allow that first increment change to be at the end of three years versus five years, and then for it to continue the schedule that has been in place.

Council Member Rodriguez referred to the hours of employees and asked if there is a chart that depicts 40-hour employees and 56-hour employees, to include years, and time off. Ms. Fleming stated that Rule 9, which is now moving to Rule 10, under the leave of absence are the schedules. There are two different columns, one column states 40-hour employee and the other states 56-hour employee.

Ms. Fleming provided the following example for the zero to three years that is being proposed: A 40-hour employee receives 8 hours, and a 56-hour employee receives 12, and so it is

technically 1.5. They receive more leave than the 40-hour employees.

Council Member Rodriguez stated that he would like how it equates and referred to the section where a person that works 40 hours gets eight hours off, which is a day off, but a person that works 24 hours a day, gets 12 hours off, which is half a shift. Ms. Fleming stated that the way that those shifts divide out is that it is 12 hours in one day and 12 hours in the other day, and so they get one day. They do 24 hours, but it is two days like saying Monday or Tuesday and they received 12 hours, which is the equivalent. She added that if Monday is the holiday, then they work 12 hours on Monday, and they are following 12 hours or on Tuesday.

Council Member Rodriguez asked about the accrual because it takes a little longer to get a whole day off than a 40-hour person. He added that he is looking for hours and what they equate to the accrual because a person that works 40 hours gets an 8-hour shift off, and it only takes them a month, but somebody that gets an actual day off, works 56 hours, and it probably takes them more than a month. Ms. Fleming stated that technically they would, but they work one off too. They work one day and then are off two days, and then on one, off two.

Council Member Rodriguez asked if the hours even out. Ms. Fleming stated that he is correct. A 40-hour employee gets eight hours, and a 56-hour employee is 16 hours more and they get 12.

Council Member Benning asked if sick leave is capped for full time employees. Ms. Fleming stated that it is not. They can accrue it at no cap, but sick leave is restricted on how it can be used and restricted on payout.

- Rule 10, Leave of absence, Section 2 – Sick leave. Back in 2016, Proposition 206 came out which put sick leave in place after 30 hours for part time employees. The amendment follows the State Statute exactly on how many hours they would get, how many they could accumulate, how many they could carry forward. The City is a few years into this, and it is known that the City's part time employees are a significant percentage of the workforce and are very important to the City's operations. The amendment removes the capping so that they can only go to 40 hours because they can barely get over 40 hours because they only can accumulate every 30 hours, and then to let them be able to carry those hours over, which resembles more as they can as fulltime employees. The City of Sierra Vista is not taking the bare minimum that the State Proposition requires. The City is enhancing those benefits somewhat for the part time employees.

- Rule 10, Leave of absence, Section 3 – Paid Time Off. Added paid time off section as it is commonly being used within contracts versus sick leave and vacation being separate.

- Rule 10, Leave of absence, Section 4 – Holidays. Adding the Juneteenth holiday, which is celebrated June 19th of each year as the federal government added that holiday earlier this year.

- Rule 10, Leave of absence, Section 5 – Requesting and usage of leave. This is just clarification on how to request, how to pick it up, and deal with it.

- Rule 10, Leave of absence, Section 7 – Short term disability. Clarifies that if an employee is on nonjob related short-term disability that it falls under workers compensation.

- Rule 10, Leave of absence, Section 11 – Terminal leave. Clarification on terminal leave, when

they get paid, the order that they are paid out, and it does not affect anybody, nor does it affect how they are paid out.

- Rule 10, Leave of absence, Section 12 – Leave without pay. Clarification on when an employee needs to request the leave without pay.

- Rule 10, Leave of absence, Section 15 – Voting leave. Clarifying that that is applicable to full time employees and not part time, and that is to go with State Law. Full time employees must be given time off, but the part time employees have the flexibility within their schedule to make that happen.

Council Member Rodriguez asked for clarification on the observed holidays. He asked that if an employee has vacation, and they end up having to work that day, he wonders if that employee gets paid straight pay instead of the holiday pay that everyone else would get. Ms. Fleming stated that they get both, holiday pay and straight pay. They get paid for the hours worked and they also get the holiday pay. She further stated that they may get paid for 88 hours, but it is straight pay not overtime because they only actually worked 80 hours. Over time comes into play only when it is actual hours worked; therefore, they would be paid 88 straight hours and not 8 hours of overtime.

In response to Council Member Rodriguez, Council Member Benning stated that the employee is on vacation, and they work, they will get both. Instead of time and a half, it is two times.

In response to Council Member Rodriguez, Ms. Fleming explained that if an employee were to exceed the 40 hours worked, that would be overtime pay.

Council Member Rodriguez asked if someone goes on terminal leave, the order in which they must take leave starts with vacation, followed by their floating holiday, comp time, and then sick time. Ms. Fleming stated that he is correct because that is the way that it is paid out. She further stated that there is no change. Vacation is paid out first, which is paid at 100 percent, floating holiday at 100 percent, comp time paid at 100 percent, and then sick leave, which is scaled by tenure and a maximum number of hours for percentages.

- Rule 15, Employment records, Section 1 – Personnel File. This was added and it goes along with the retention policies to comply.

- Rule 16, Separation of Employment, Section 1 – Resignation. Clarification was added on the separation of employment.

Council Member Landry stated that it is always good practice to go through and review things and she thinks that a lot of organizations, especially after this past year, really need to go in and make any changes or any additions that they need.

Mayor Mueller stated that Ms. Fleming is available for Council if there are additional questions. He voiced his appreciation at all the hard work that was done to get this tightened up because it is always a work in progress as regulations from the State change often.

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

Ms. Yarbrough stated this is a really great opportunity for the City to free up some additional funds next year to improve the budget situation, which provides more flexibility. In addition to this, the City is also still adding \$720,000 to General Fund Reserves for last year, which is more than what the City has ever had. If not, at least for a very long time. The City has been transferring money from the Capital Improvement Fund towards this debt, so it frees up that money. This money that is being freed up in addition to the major bonds that are being paid off next year could go for any number of things that Council is already aware of, i.e., PSPRS, additional money in street projects, North Garden Avenue. This presents a lot of opportunity.

Mr. Felix stated that part of this it goes back to the Council's Financial Policy that was revised and adopted a few years ago, which states that at the end of the fiscal year, the Finance Department would provide a rough estimate since it cannot be done until the actual books are done, of where the City sits for the year and any recommendations that the Department has to use any excess revenues over expenditures in the General Fund.

On the revenue side, the City is about \$2.8 million over budget in transaction privilege tax, and \$1.9 million over in state shared revenues. The key reason for that is because in Fiscal Year 2020, the City did not need to use any of the Arizona Cares Act money; therefore, it was all transferred to last fiscal year. There were savings on the expenditure side because the City had closures due to COVID. There not a lot of people traveling, nor buying fuel from the City; therefore, fuel sales were down as well as revenue and expenses. Events were not occurring and therefore, there were savings on events. City part timers were transferred to other jobs that wanted to work, but others chose not to work; therefore, there were salary savings, along with the Police Department's inability to hire officers, which has continued. Without the transfer, the City is looking at about a \$5.8 million revenue over expenses in the General Fund if the Arizona Cares Act money is taken out. Theoretically, if the City would have not gotten those funds, then the money that the City had to pay salaries with would have been used. However, the Cares Act funds were received and because it may be officially used for paying for public safety, police, and fire, that is what the City used the funds for. By removing that, the City would still be looking at \$853,000 revenue over expenses.

The Finance Department is recommending that the three negative impact fee funds close to whole. The reason for not bringing them whole is that the impact fee was just adopted last year, and it was done as the buy in methodology for parks, police, and fire, which are the ones with the negative impact fee. If the City were to bring them whole, the justification for the fees currently being levied, are no longer there. This brings these recommended transfers close to whole, the City will continue with the revenue coming in this year and there will be a recommendation in next year's budget for an updated Impact Fee Study to consider going forward. The City just passed the Parks Master Plan and then it can be revised as to what could be put in the development fees related to the Parks Master Plan to relook at what the City is doing. It also provides the opportunity to look forward to what is the best impact fees to put for the community and then come forward to Council with this study without recommendation.

The State Budget Law and the City Financial Policy all state that any unbudgeted transfer over \$10,000 must come to the City Council for approval. The recommendation to Council is to transfer \$3.1 million from the General Fund to the Parks Development Fee, \$1.2 million from the General Fund to the Fire Development fee, and \$775,000 from the General Fund to the Police Development Fee Fund. This will give flexibility going forward.

Mr. Felix noted that the park purchase was paid off last year, so the money is being paid for

from the Capital Improvements Fund to the Park Development Fee Fund for the State Land purchase, which is also coming off; therefore, \$126,000 a year of debt service is freed up as well.

Mayor Mueller asked how much the budget balance would be after the Council distributes what is being recommended to the various funds on the positive side. Mr. Felix stated that there is still a \$720,000 gain, close to a \$6 million projected fund balance for the General Fund.

Mayor Mueller asked if this would end out last fiscal year. Mr. Felix stated that it would be June 30th.

In response to Mayor Mueller, Mr. Felix stated that the Department is projecting adding \$720,000 to General Fund Reserves.

Mayor Mueller noted that the City is spending a big wad on the three objectives with the rest going into Reserves.

In response to Mayor Pro Tem Gray, Mr. Felix stated that the Reserve Fund would go up to close to \$5.7 to \$6 million.

Mayor Mueller asked about the percentage that is aimed for in the City budget. Mr. Felix stated that the Financial Policy target is two months of operating expenditures, which for last year was \$38 million divided by six, about \$6.5 million.

Mayor Mueller noted that the City would still be under what is projected to be necessary for two months. Mr. Felix stated that the City would be very close to it.

Council Member Benning asked about the budgeted revenue from the developmental fees. Mr. Felix stated that they had been suspended for quite a few years, but he will provide that number to him.

Mayor Mueller stated this is one of those items that takes him a couple of read throughs and asking questions of Mr. Felix and others; therefore, he encourages Council Members to do the same if they are baffled by something they read. He added that if Council Members have questions of what was done in the past, and why things are being done, it is to make sure that the City remains fiscally sound in a challenging environment.

Council Member Benning asked if they could get the actual negative balances. Mr. Felix stated that with the transfers, the projected negative balance for the Park Development Fee Fund would be about \$163,000, for the Fire Development Fee would be about \$107,000, and for the Police Development Fee it would be about \$110,000.

Mayor Mueller noted that they are currently a lot higher than that. Mr. Felix stated that two of them are major funds in the financial presentation.

B. Report on Recent Trips, Meetings and Future Meetings

Mayor Pro Tem Gray stated that October feels like transportation month for her, but the Rural Transportation Advocacy Committee had their summit in the City of Maricopa. The purpose of that was to do strategic planning for all the rural MPOs, and councils of government within the

State. It was also to advocate the state legislators of which 16 showed up. The Cares money that came in was originally proposed to only go to Maricopa and Pima. Therefore, they advocated and requested that they look at it, and they committed to looking at it. However, the next step will be getting them to do it. Of that money, \$55 million to go into the rural areas. The Sierra Vista MPO asked for \$1.99 million of that \$55 million for a study on Theater Drive because it is a safety issue, and a possible design project, as well as funds for Skyline in Huachuca City, which is where all their heavy trucks go into.

Mayor Mueller asked if it is for both, the City, and the County. Mayor Pro Tem Gray stated that he is correct and noted that a portion is still owned by ADOT.

Council Member Rodriguez asked about ADOT's final resolution because there was some confusion on their project. He asked if it was in front of Target or by the airport. Mayor Pro Tem Gray stated that she had this conversation while she was at the meeting, and ADOT is looking at that because it looks like it is supposed to be in front of Fry's and Target, but they have it labeled as in front of the airport. ADOT will circle back around to her, and they were going through their quality assurance procedures to make sure that it is the right place. She added that she was very clear to ADOT, that if there was a choice, and she talked to Senator Gowan, and he agreed, the City of Sierra Vista wants it in front of Fry's and Target.

C. Future Discussion Items and Council Requests

In response to Mayor Mueller, Ms. Yarbrough stated that the discussion about the Economic Development Council, Committee, or Commission is on the agenda for discussion at the next work session in November. Also included on that agenda is the Council's handbook. The MPO Short Range Transportation Plan Presentation will be in December.

Council Member Johnson stated that he handed out his initial vision for illustrative purposes only on what he feels the Council should be looking at as far as an Economic Development Commission, or Advisory Council, or whatever it is going to be called. He asked Council Members to review those things and see what they think, and maybe come up with some better ideas.

3. Adjourn

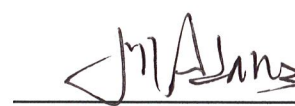
Mayor Mueller adjourned the City Council Work Session at 3:53 p.m.


Frederick W. Mueller, Mayor

Attest:

Minutes prepared by:


Maria G. Marsh, Deputy Clerk


Jill Adams, City Clerk