



EXTRAORDINARY SKIES.
UNCOMMON GROUND.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minute summary of the work session of the City Council of Sierra Vista held on the 23RD day of July 2024. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 8TH day of August, 2024

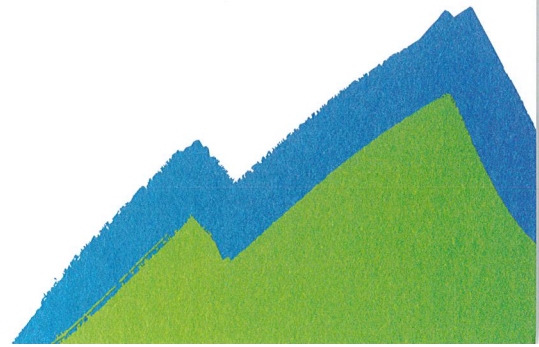
SEAL

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

Maria G. Marsh
Deputy City Clerk

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

Jill Adams
City Clerk



Sierra Vista City Council
Work Session Minutes
July 23, 2024

Mayor McCaa called the July 23, 2024, City Council Work Session to order at 3:00 p.m., Council Chambers, City Hall, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Mayor Clea McCaa – present
Mayor Pro Tem Carolyn Umphrey – absent
Council Member William Benning – absent
Council Member Gregory Johnson – present
Council Member Angelica Landry – present
Council Member Marta Messmer - present
Council Member Mark Rodriguez – present (telephonically)

Others Present:

Chuck Potucek, City Manager
Victoria Yarbrough, Assistant City Manager
Chris Hiser, Police Chief
Brian Jones, Fire Chief
Laura Wilson, Leisure, Parks, and Library Director
Sharon Flissar, Public Works Director
Matt McLachlan, Community Development Director
David Felix, Chief Financial Officer
Jennifer Dillaha, Budget Officer/Management Analyst II
Jill Adams, City Clerk
Mark Slania, Attorney for the Sierra Vista IDA (telephonically)

2. Presentation and Discussion:

A. July 25, 2024 Council Meeting Agenda Items ([agenda attached](#))

Mayor McCaa stated that the agenda starts with the call to order, roll call, invocation led by Council Member Messmer, the Pledge of Allegiance led by Council Member Landry followed by a proclamation declaring the month of August as Hummingbird Moth in the City, a presentation by Heinfeld Meech and Company on Fiscal Year 2023 audit, and a presentation by Mr. Felix regarding the City's compliance with Arizona Revised Statute §41-1494.

In response to Mayor McCaa, Mr. Potucek reported that after the Council approved the acquisition of the PDS Golf Course, staff has been working on a contract with Paradigm Group and they may be taking over the operation by September 6, 2024, but staff is also working in parallel on a contingency plan to operate in case that contract is not done by that date. The golf course name will be the Golf Center of Sierra Vista at Pueblo del Sol. Staff had to move fast on that because Paradigm is also working on setting up the website in the Golf Now App for setting up tee times etc. There will be opportunities if Council feels the need to rename the golf course after somebody in the future. He also reported that the City has received from an estate a donation of \$1,000,000 for the Animal Control Center and that money will be put towards the project that is currently going on. Originally staff thought the City had \$1,000,000 bequest for the facility but found out that the City was only going to get the annual interest from that, which the City is getting.

Item 2.1 Discussion and Possible Approval of the Work Session Minutes of June 25, 2024 – There was no discussion.

Item 2.2 Discussion and Possible Approval of the Special Minutes of June 27, 2024 – There was no discussion.

Item 2.3 Discussion and Possible Approval of the Regular City Council Meeting Minutes of June 27, 2024 – There was no discussion.

Item 2.4 Discussion and Possible Approval of the Special City Council Meeting Minutes of July 8, 2024 – There was no discussion.

Item 2.5 Discussion and Possible Action of Resolution 2024-047, Reappointment of Gary Smith and Victoria Yarbrough to the Fire and Police Pension Boards, said terms to expire August 1, 2028 – There was no discussion.

Item 2.6 Discussion and Possible Action of Resolution 2024-048, Accepting the resignations of Sophia Rosa and Lexi Prickett with regret from the Youth Commission and Appointing Ian Burnett and Anna Burnett, said terms to expire April 30, 2026 – There was no discussion.

Public Hearing Item 3 Discussion of Fiscal Year 2024-2025 Property Tax Levy – Ms. Dillaha stated that for Fiscal Year 2025, the rate is proposed at .1033 per \$100.00 of assessed value, which will generate an estimated \$387,167 this fiscal year. This is a slight increase in revenue from the previous fiscal years due to new construction. The rate was adjusted slightly lower in 2025 due to an increase in valuation of taxable property. Therefore, the actual dollar amount paid by citizens in Fiscal Year 2025 will be the same as what they paid 2024. The City is not required to publish a truth in taxation notice for the property tax levy.

Public Hearing Item 4 Discussion and Possible Action of Resolution 2024-049, Final Budget for FY 2024–2025 – Ms. Dillaha stated that this public hearing is for the adoption of the Fiscal Year 2024-2025 operating budget for the City, the final amount being \$172,359,341.00. There have been no changes since the tentative vote on June 27, 2024. The tentative budget as well as all state budget forms have been posted on the City's website and to date, the City has not received any public comments from the community. The final step in the budgeting process requires for City Council to meet on August 8, 2024 to vote on the primary property tax levy for Fiscal Year 2024-2025.

Item 5 Discussion and Possible Action of Resolution 2024-050, Authorizing the issuance of its Education Facility Revenue Bonds, American Leadership Academy Project, in an aggregate principal amount not to exceed \$250,000,000, the proceeds of which will be loaned to American Leadership Academy Inc., a nonprofit corporation – Mr. Slania stated that this is a bond resolution authorizing education facility revenue bonds for American Leadership Academy. This is in the amount not to exceed \$250 million. The City Council has already approved one issue for American Leadership Academy last year and the Sierra Vista Industrial Development Authority issued its bonds in the amount of \$141 million last year. This is a second issue, and it will again be using the same indenture, loan agreement, but each one with a supplement. It is for one school that they are currently leasing and are operating out of that leased school. However, they wish to buy it and then a second facility that they are in the middle of finishing up so that they can get it ready for the school year. This would be a public offering because of its size and neither the City nor the Sierra Vista Industrial Development Authority are obligated in a financial way on these bonds.

Item 6 Discussion and Possible Action of Resolution 2024-051, Intergovernmental Agreement with Cochise County for Funding of a Consultant to Promote Retention and Expansion of Missions of the U.S. Army at Fort Huachuca – Ms. Yarbrough stated that the City, County, and Huachuca 50 have shared the expenses for a Washington, DC Consultant for several years. The most recent intergovernmental agreement with Cochise County was adopted in 2019. This is simply renewing that intergovernmental agreement that specifies the details of this relationship that was agreed upon in sharing the expenses for the common purpose of promoting retention and expansion of missions on Fort Huachuca. The City and County both pay \$27,000 a year, and the Huachuca 50 currently contributes \$6,000 a year. There has been a contract with Corrigan Ussery, specifically with Joe Corrigan for a few years and he has done a great job for. The contract itself is not up for renewal. This is simply the intergovernmental agreement with the County that says that the City will split these costs, a relationship that has worked very well.

Mr. Potucek added that this group meets monthly with Mr. Corrigan to discuss issues pertaining to Fort Huachuca, congressional actions, and bills. The group is pleased with the work of Mr. Corrigan because his work was instrumental in getting language in the next National Defense Authorization Act for the conveyance of the 203 acres at the City's airport as well as language in there that begins the process of working towards improving the tower at Libby Army Airfield.

Item 7 Discussion and Possible Action of Resolution 2024-052, Approval of Release of Payment Plan with Castle & Cooke Arizona – Mr. Felix stated that a few years back, the City entered into an agreement with Castle and Cooke for the construction of Avenida del Sol also known as Pueblo del Sol interceptor. The City did a reimbursement district. The developer normally fronts the money and through the reimbursement district, the developer gets paid back. However, the City fronted the money, but Castle and Cooke guaranteed that if it was not constructed in 20 years that they would pay the City with interest. The interest rate that was agreed upon was the prime rate and through the terms of the note, their connection fees never covered the interest in a single year. In 2009 due to challenges with the reimbursement districts, the City changed its policy, and all the interceptors are now a part of the system that the sewer connection fee now pays for. The consultant, Tischler Bise, came in and updated the study to come up with new connection fees. A couple years back when Castle and Cooke did not pay off, they agreed to finance the interest over 10 years, \$900,000 of interest. They paid about \$300,000 of that. Upon the successful conveyance of the golf course to the City, the remaining balance of that note is forgiven. It is contingent upon transfer to the City and not a third party and is based on the balance at the closing date. Therefore, if a delay occurs, it will be whatever the balance is on the day of close. Currently it is the \$600,000 and is listed in the note. The City will be making that up with a General Fund transfer. Hopefully the Fiscal Year 24 revenues will be good enough that the City can recommend taking it out of last year's revenues and be done with it. If not, the City will transfer it as it can be afforded every year.

Item 8 Discussion and Possible Action of Resolution 2024-053, Amendment to Personnel Rules and Regulations – Ms. Yarbrough stated that there have been a few groups working on some proposed Personnel Rule changes for a while. Some recommendations came out of the Employee Council last year, the City's Recruitment and Retention Team under a Strategic Plan Goal that has been meeting regularly, and a few situations that have occurred that were collected. These are the first batch of amendments that will be seen throughout the year. This batch includes the addition of the definition of a domestic partner related to the final rule change where added was a domestic partner as an eligible family member to receive bereavement leave. Also changed is the amount of bereavement leave to one week, a recommendation that came out of the Employee Council last year. Previously in the Personnel Rules if somebody was found to have falsified anything on their employment application, they were prohibited indefinitely from ever applying for a city job. There was a situation come up where it was felt that the person should have been given some consideration because they were young and felt that indefinitely was quite a long time. When comparable organizations like Border Patrol and on how AZ Post considers certain things, it was two years that it was appropriate to reduce before re-evaluation. Not that everybody would immediately get considered again, but they could apply and have their application considered again. Another change that was requested came out of the regular meetings with the Fire Department senior leadership. They requested adding a mandatory holdover definition and compensation. There are occasional times when there are not enough personnel for the next shift coming in and have had to hold over the existing shift. This has happened 14 times in the past six months. Anywhere from four to 24 hours at a time, it is typically 12 hours, but being recommended is that the folks who are in a mandatory holdover situation be treated similarly to staff who had have mandatory call outs where they are paid 1 1/2 times their rate for that call out period. A mandatory holdover is a situation where they do not get the choice to go home. They are being held over for a significant amount of time. These folks would receive 1 1/2 times their pay for the mandatory holdover that would be consistent with employees who have mandatory call outs.

Council Member Johnson asked about the purpose of the reason 14 holdovers. Fire Chief Jones stated that the reason for a mandatory holdover is when there is a gap in staff and overtime is put out throughout the organization. When nobody can fulfill that, then a mandatory holdover is necessary. It is based on sick leave, training, etc.

The final change being proposed came out of the Recruitment and Retention Team. It would change vacation usage eligibility from six months to 30 days. Currently a new employee must wait six months to use their accrued vacation time, where on the other hand, if they have accrued sick leave, they can use that accrued sick leave after 30 days. To make it consistent with sick leave, the proposal is to change both to 30 days. Also seen more and more is the situation where employees coming into employment may have a vacation scheduled or something coming up that they cannot avoid. They have accrued time and the Recruitment and Retention Team felt that they should be able to use that.

B. Report on Recent Trips, Meetings and Future Meetings

Council Member Landry announced the Transportation Commission on August 7, 2024 at 3:30 p.m. at City Hall in the second-floor conference room.

Council Member Messmer announced the Arts and Humanity Culture Diversity Commission on August 14, 2024 at 4:30 at the Oscar Yrun Community Center.

In response to Mayor McCaa, Ms. Wilson stated that the Parks and Recreation Commission is not meeting during the month of July, but they will meet on August 13, 2024 at 5:30 p.m., also at the Oscar Yrun Community Center.

Council Member Johnson stated that the Environmental Stewardship Commission will be meeting August 26, 2024 at 4:00 p.m. at City Hall in the second-floor conference room.

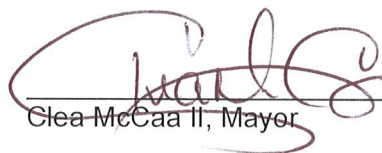
Mayor McCaa announced the Visitor Center's rededication/ribbon cutting on July 23, 2024 at 5:00 p.m.

C. Future Discussion Items and Council Requests

In response to Mayor McCaa, Ms. Yarbrough stated that the executive report will be on Council's next work session.

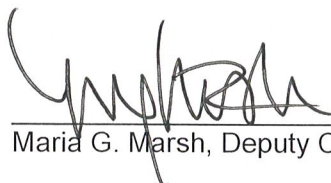
3. Adjourn

Mayor McCaa adjourned the July 23, 2024 work session of the Sierra Vista City Council at 4:15 p.m.


Clea McCaa II, Mayor

Minutes prepared by:

Attest:


Maria G. Marsh, Deputy Clerk


Jill Adams, City Clerk

A recording of the Council Meeting is available at:
https://www.youtube.com/channel/UC8PtUplbkQsixlhSy-jeR_Q/videos