



CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minute summary of the regular meeting of the City Council of Sierra Vista held on the 24th day of June 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 14th day of July 2022

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 purple ink, appearing to read "Jill Adams", written over a horizontal line.

Jill Adams
City Clerk

Sierra Vista City Council
Meeting Minutes
June 23, 2022

Mayor Mueller called the June 23, 2022, City Council Regular Meeting to order at 5:00 p.m., City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Roll Call:

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

Others Present:

Chuck Potucek, City Manager
Victoria Yarbrough, Assistant City Manager
Adam Thrasher, Police Chief
Brian Jones, Fire Chief
Laura Wilson, Parks, Recreation and Library Director
Sharon Flissar, Public Works Director
Matt McLachlan, Community Development Director
Blake Fisher, Planner
Nathan J. Williams, City Attorney
Dianna Cameron, Management Analyst
Barbara Fleming, Chief Human Resources Officer
David Felix, Chief Finance Officer

Mayor Mueller announced that there are two Council Members traveling and another one who had a medical procedure, but there is a quorum with just four Council Members present. However, because the budget is on the agenda and is being voted, the Council Members felt that it was important to make sure that they could be present via telephone so that they could vote and comment on the budget.

Invocation – Council Member Johnson conducted the invocation.

Pledge of Allegiance – Mayor Pro Tem Gray led the Pledge of Allegiance.

Item 1 Acceptance of the Agenda

Council Member Johnson moved that the agenda for the Regular City Council Meeting of June 23, 2022, be approved. Council Member Umphrey seconded the motion. The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Rodriguez, Landry, and Umphrey voting in favor.

Awards and Presentations

Mayor Mueller recognized Kennie Downing, Chief Procurement Officer, and Helen Lee, Contracts Management Analyst, for achieving their Certified Procurement Professional Certification from the National Institute of Governmental Purchasing (NIGP-CPP), the only certification that specifically targets the mid to low level procurement in the public sector and that integrates the National Institute of Governmental Purchasing in seven complementary areas of focus: strategy, policy and legislation, planning and analysis, contract administration, sourcing and solicitation, and leadership and business principles.

Ms. Lee and Ms. Downing thanked Mayor and Council. Ms. Downing stated that this is her 34th year in public government procurement and she has only been at the City of Sierra Vista for a year, and although, embarrassed she stated that she has never been certified until she was encouraged by Ms. Yarbrough; therefore, she wanted to thank her and Mr. Potucek for encouraging her to get the certification. She added that she is proud of Ms. Lee because she has only been in the procurement field for six years and is now a certified procurement professional and she knows her job well.

A Proclamation declaring the month of July as Parks and Recreation Month was presented to Laura Wilson and the Parks and Recreation Commission. Ms. Wilson thanked the Mayor and Council for the wonderful proclamation. She and the Commission are proud of Parks and Recreation in the community, and they love that the month of July is going to be known as Parks and Recreation Month in Sierra Vista. She encouraged the community to look in the Vistas and on the City's website at all the wonderful activities that are on the calendar for next month.

City Manager's Report: Mr. Potucek stated that the next regularly scheduled work session is on Tuesday, July 12, 2022, 3:00 p.m. in the Council Chambers and the next Council Meeting is scheduled for July 14, 2022, 5:00 p.m. in the Council Chambers. He added that on July 4, 2022, City offices will be closed in observance of Independence Day, which means that the refuse schedule will move Monday to Tuesday and then the Tuesday to Wednesday, with no special pickups that week. He reported that the Animal Control Improvement/Expansion Project Design Engineering services and Construction Manager at Risk Project was kicked off on June 8, 2022, and the design is expected to be finished next spring in the April to June timeframe; The Cyr Center parking lot, Community Development Block Grant funded project, is complete and staff is completing the paperwork on that; the bid for the Avenida Escuela Extension Charleston Road Replacement Project looks to be completed by August 2022 and Charleston Road is scheduled to reopen On June 24, 2022, but there will be an overlay after that; therefore, there should be traffic back on that road soon; the Garden Avenue Improvements Design Project, Fry Boulevard to Buffalo Soldier Trail, is underway with completion scheduled for December 2022.

Mr. Potucek further reported that Fort Huachuca was successful in getting \$2.8 million in REPI Challenge funds through the federal government, and the majority of that will go towards the completion of the Bella Vista Wash Project, which is very important given the City's Memorandum of Understanding with the Bureau of Land Management, Cochise County, and Fort Huachuca. This will provide for near stream recharge there and hopefully help base flows in the river to the north of the Environmental Operations Park. Everyone is pleased about that and looking forward to potentially more funds coming in through the Fort for various projects along those lines. Lastly, he reported that the City received six bid offerings for the financing of the Schnieder Electric Project. He thanked the Mayor and Council because they approved moving forward on the financing. Staff would not have been able to move as quickly on those and to lock in the rates that were received from the successful bidder, JP Morgan Chase for a bid of 3.15 percent, \$24 million in bonds. This lowered the City's estimated debt service down to the

\$1.8 million range which was certainly less than originally had projected. The term is 17 years, and it is noncallable, which shows the strength of the City's financial position to be able to receive money at that interest rate in the current environment.

Mayor Pro Tem Gray asked if there is no prepayment penalty. Mr. Potucek stated that there is not.

Item 2 Consent Agenda

[Item 2.1](#) Discussion and Possible Approval of the Regular City Council Meeting Minutes of June 9, 2022

[Item 2.2](#) Discussion and Possible Approval of Resolution 2022-037, Pre-Annexation Agreement for APN # 106-71-331 (313 N 6th Pl)

Council Member Umphrey moved that the Consent Agenda consisting of the Regular City Council Meeting Minutes of June 9, 2022 and Resolution 2022-037, a Pre-Annexation Agreement for Parcel Number 106-71-331, 313 N 6th Place, be approved. Council Member Johnson seconded the motion. The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray, Council Members Benning, Johnson, Rodriguez, Landry, and Umphrey voting in favor.

[Item 3](#) Consideration of Draft PY 2022 Community Development Block Grant (CDBG) Program Annual Action Plan

Mr. McLachlan stated that this is an opportunity for the public to weigh in on the draft Annual Action Plan for the upcoming program year, which is essentially the City's funding application to HUD for Community Development Block Grant funds. The draft was first made available on the City's website on June 8, 2022, and the public comment period runs through July. Any changes that are requested will be incorporated into the final draft schedule for Council's consideration on July 14, 2022. It was announced earlier this month that the City is expected to receive \$252,172 which is one percent less than last year's amount. Historically, the bulk of Community Development Block Grant funds have been spent on upgrading and expanding public facilities and infrastructure in low to moderate income neighborhoods. Staff is proposing to continue that focus and the proposed plan. Staff's recommendation is to allocate \$227,172 towards upgrading the upper portion of Soldier Creek Park as a follow up project to the shared use pathways that were recently installed. The timing of these improvements should coincide with the renovation of streetscape along North Garden to further the City's West End revitalization efforts. The City's internal cost estimates for the project include \$120,000 for an embankment slide and associated site work, \$50,000 to establish utilities, \$47,000 for landscaping and irrigation to include trees, plants and grassy area, and rock, as well as \$10,000 for pathway lighting and benches. The scope will be reviewed and refined with input from the West End, Parks and Recreation Commissions. Staff is further recommending that \$25,000 in next year's grant go towards the Emergency Home Repair Program that was launched this year that will put the City three quarters of the way towards the \$100,000 target in the Five-year Consolidated Plan.

With respect to outside agency requests, the application for parking lot lights at the Dream Center has been withdrawn. Staff is now in the process of pursuing an AFTA Grant for the upcoming grant cycle to install sidewalks and streetlights along the east side of Taylor Drive between the Cyr Center and Nelson Drive to improve safety there. Staff is recommending using the third allocation of CARES Act funding, which was not anticipated when the City began this process to address public service needs in the community.

No action is required other than conducting the public hearing.

Mayor Mueller opened the meeting to the public. There was no response.

Item 4 Consideration of Draft Substantial Amendments to the CDBG Five-Year Consolidated Plan (2019-2023) and PY 2019 Annual Action Plan to program 3rd CDBG-CV CARES Act Allocation (\$77,209)

Mr. McLachlan stated that under consideration are substantial amendments to the Five-year Consolidated Plan and 2019 Annual Action Plan to incorporate the third allocation of CARES Act funds. The City was notified of its eligibility on June 2, 2022, based on performance for carrying out the first two allocations, the \$77,209 award brings the total CARES Act funding issued by HUD to \$476,450. These funds need to be under the same grant which is why staff is amending the 2019 Annual Action Plan. The extent of the amendments essentially covers the process that the City went through to assign the funds, the goal that the City is assigning them to, and the expected beneficiaries that the City is proposing to add the third allocation to Goal Three that is the provision of Needed Services. The project name is the Emergency Crisis Fund, and the description includes all the activities that the City previously carried out through the first two rounds. Added was community outreach to cover the monthly Community Connect One Stop Resource Event at the Ethel Berger Center, which could serve as a conduit for reaching people in need. Staff is taking a pause to take another look at the proposal presented on Tuesday, June 21, 2022, regarding specific uses of the funds and how they are administered to maximize their benefit. This can run on a separate tract and is not tied to the amendments under consideration.

Mr. McLachlan stated that at this time it appears to be a consensus on keeping the focus on rental and utility assistance. The issuance of hotel or motel vouchers and funding again to continue with the Community Connectivity at the Ethel Berger Center. Staff will continue to consult with the City's nonprofit partners to ensure the funding priorities are aligned with the critical needs in the community. SEAGO has a subcommittee, the Continuum of Care to begin formulating a strategic plan on ending chronic homelessness. That meeting will take place at City Hall on Tuesday, June 28, 2022 in the morning. Staff hopes to have the grant agreement in place by late August so that the City can start distributing the funds in September. The public comment period on this item is running concurrent with the 2022 Annual Action Plan. The final draft is scheduled for consideration on July 14, 2022.

Mayor Mueller opened the meeting to the public. There was no response.

Mayor Mueller asked how the public may comment on this or find out the specific details. Mr. McLachlan stated that information is available on the City's website under public hearing items. They may also contact him through his email address or by phone to speak about any comments or issues they would like to submit.

Council Member Johnson noted that this is the third allocation of \$77,000, which was unexpected. The City is very fortunate that staff, when the City received the original CDBG funds that they were spent rapidly and wisely; therefore, the City received what others did not react to.

Mayor Mueller noted that these additional funds are unspent funds that other communities were not able to appropriate properly; therefore, the City of Sierra Vista gets a little bit of a bonus, which is great, a credit to great staff that allowed that to happen.

New Business

Item 5 Discussion and Possible Approval of Resolution 2022-038, Tentative Budget for Fiscal Year 2022-2023

Mayor Pro Tem Gray moved that Resolution 2022-038, Tentative Budget for Fiscal Year 2022-2023, be approved. Council Member Umphrey seconded the motion.

Ms. Yarbrough stated that this resolution is one of the final steps in the budget process for this year, which would adopt the Fiscal Year 2023 Tentative Budget in the amount of \$204,417,694, capping the annual budget at that amount. The final budget amount can be less than or equal to the Tentative Budget, but it may not exceed it. The next and final steps in the budget process would be on July 28, 2022 to approve the final budget and a public hearing on the property tax on August 11, 2022, which would conclude the budget process for the year with the resolution to adopt the property tax levy.

Mayor Pro Tem Gray reiterated her appreciation to Ms. Yarbrough and Ms. Dillaha, and all the staff for the hard work. She added that it is harder when there are more funds to deal with to decide where they are going to go and how to allocate them. Staff did an amazing job at balancing everyone's needs and wants.

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

Item 6 Discussion and Possible Approval of Resolution 2022-039, Pre-Annexation Agreement for APN # 107-56-002L (4029 E Golden Acres Dr) & 107-56-002S (4095 E Golden Acres Dr)

Council Member Johnson moved that Resolution 2022-039, Pre-Annexation Agreement for APN # 107-56-002L and 107-56-002S, Resolution 2022-040, Pre-Annexation Agreement for APN # 107-56-013B, Resolution 2022-041, Pre-Annexation Agreement for APN # 107-56-003F, Resolution 2022-042, Pre-Annexation Agreement for APN # 107-56-003G, Resolution 2022-043, Pre-Annexation Agreement for APN # 107-56-004 and 107-56-003H, Resolution 2022-044, Pre-Annexation Agreement for APN # 107-56-003C, Resolution 2022-045, Pre-Annexation Agreement for APN # 107-56-003D, Resolution 2022-046, Pre-Annexation Agreement for APN # 107-56-008, Resolution 2022-047, Pre-Annexation Agreement for APN # 107-56-002F, and Resolution 2022-048, Pre-Annexation Agreement for APN # 107-56-477, be approved. Council Member Umphrey seconded the motion.

Mr. McLachlan stated that this item (items 6 through 15) is more exciting than it sounds, and this is probably the largest commercial batch of pre-annexation agreements pertaining to commercial property that the City has ever done at one time. Therefore, there is a lot of enthusiasm over what has been accomplished over the last ten months. Staff is seeking the acceptance of ten pre-annexation agreements that were secured in the commercial area, South Golden Acres Drive, east to State Route 92. The agreements are concentrated primarily in the vicinity of the sewer line extension serving the Veritas Christian Community School. Mr. Fisher has been on point communicating with the connecting property owners to survey their interest and communicate the benefits of joining the City, property tax savings, and the ability to connect to public sewer that were the leading reasons for signing the agreements. The agreements authorize the City Clerk to execute annexation documents, should Council vote to proceed with the annexation process.

It is important to note that the agreement contains standard terms and conditions, and do not include any special incentives. The properties are included on the City's long term annexation map and are consistent with the City's annexation policy. Staff is recommending approval of this item which will authorize the Mayor to execute the agreements for recording purposes.

Council Member Johnson asked about the tax benefit to the City once the extension agreements are completed. Mr. McLachlan stated that this item is the acceptance of the pre-annexation agreement then. If the City follows through with the annexation area as outlined on the next agenda item, most of the benefits will be derived from sales taxes from the retail businesses operating in the area.

Mayor Mueller stated that this is the first step of the process. Council accepts the pre-annexation agreements and if Council agrees to allow these people to come into the City, the next step is voting on the annexation, which basically states that the City is going to start the annexation process. Thereafter, all the bullets on all the next steps must be followed. The territory is broader than just the pre-annexation agreements.

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

[Item 7](#) Discussion and Possible Approval of Resolution 2022-040, Pre-Annexation Agreement for APN # 107-56-013B (No Address) - Discussed and approved under Item 6.

[Item 8](#) Discussion and Possible Approval of Resolution 2022-041, Pre-Annexation Agreement for APN # 107-56-003F (No Address) - Discussed and approved under Item 6.

[Item 9](#) Discussion and Possible Approval of Resolution 2022-042, Pre-Annexation Agreement for APN # 107-56-003G (No Address) - Discussed and approved under Item 6.

[Item 10](#) Discussion and Possible Approval of Resolution 2022-043, Pre-Annexation Agreement for APN # 107-56-004 (4545 E Glenn Rd) & 107-56-003H (No Address) - Discussed and approved under Item 6.

[Item 11](#) Discussion and Possible Approval of Resolution 2022-044, Pre-Annexation Agreement for APN # 107-56-003C (No Address) - Discussed and approved under Item 6.

[Item 12](#) Discussion and Possible Approval of Resolution 2022-045, Pre-Annexation Agreement for APN # 107-56-003D (No Address) - Discussed and approved under Item 6.

[Item 13](#) Discussion and Possible Approval of Resolution 2022-046, Pre-Annexation Agreement for APN # 107-56-008 (4109 E Monsanto Dr) - Discussed and approved under Item 6.

[Item 14](#) Discussion and Possible Approval of Resolution 2022-047, Pre-Annexation Agreement for APN # 107-56-002F (Multiple Addresses) - Discussed and approved under Item 6.

[Item 15](#) Discussion and Possible Approval of Resolution 2022-048, Pre-Annexation Agreement for APN # 107-56-477 (No Address) - Discussed and approved under Item 6.

Item 16 Discussion and Possible Approval of Resolution 2022-049, Authorization to proceed with the collecting of signatures for the South City Annexation Area, consisting of 19 Commercially Zoned Tax Parcels

Council Member Umphrey moved that Resolution 2022-049, authorization to proceed with the collecting of signatures for the South City Annexation Area, consisting of 19 Commercially Zoned Tax Parcels, be approved. Council Member Johnson seconded the motion.

Mr. McLachlan stated that the area is the proposed boundary for the annexation that the City can accomplish through ten agreements that staff has in hand. It was delayed to conform with Annexation Statutes for contiguity and compactness and to provide the most strategic economic value. The proposed area covers approximately 67 acres of commercial property that includes the old and new Circle K, Auto Zone, U-Haul Mini Storage along with a few retail strip centers that front Highway 92, south of Golden Acres. Staff has the agreements that were approved during the prior items for ten of the 19 parcels in the proposed boundary, which will exceed the 50 percent threshold, a prerequisite for annexation with respect to ownership and taxable values. To clarify the impact on tax revenue, the property owners will save under \$59,000 in property taxes that will yield just under \$1,700 in additional City property taxes. The \$167,000 that was quoted on Tuesday, June 21, 2022 was a total of all property taxes that would be paid to all districts in the County, down from the \$226,000 that they currently pay. Staff is unable to specifically project the increase in sales tax revenue as that information is not publicly available, but it is anticipated that it will be a substantial increase from the businesses operating in the area. The proposed South City annexation area is included on the long-term annexation map and at this time staff is seeking concurrence to proceed with the formal annexation process. If Council decides to proceed, the next step will be filing a blank petition and holding a public hearing soon thereafter which is anticipated to be in late July, early August timeframe, and at that time staff will provide a detailed report and analysis on the ability to provide public services within that area, which is a requirement of the annexation. Having the pre-annexation agreements in place will allow the City to complete the annexation in relatively short order. Staff has already heard from the Department of Revenue on the valuations of proof of ownership and the annexation area. They had 60 days to respond, and they got back to staff within a week which will allow the City to accelerate the process and get this thing rolling potentially during the second meeting in July.

Mr. McLachlan stated that on the Big O annexation, staff has their projected sales tax revenue and that was anticipated to yield over \$30,000 a year just from that individual use on how valuable commercial annexations can be from a sales tax perspective.

Mayor Pro Tem Gray thanked Mr. McLachlan and Mr. Fisher and stated that she knows this was a big win for them as well and to the leadership of the Community Development Department. This is way more exciting than it sounds in general, and she thinks that it is fantastic when the City can start incorporating these areas and making them a formal part of the City.

Mayor Mueller thanked Mr. McLachlan and Mr. Fisher for all the hard work to get this get this started.

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

Call to the Public – There was no response.

Comments and Requests of the Council

Council Member Umphrey encouraged everyone to celebrate Parks and Recreation Month, which can start on Friday, June 25, 2022 for the City's last movie in the park, Encanto, at 7:00 p.m. at Veterans' Memorial Park. She noted that this an extremely popular movie for kids and everyone has probably heard the soundtrack at least once. She congratulated Ms. Downing and Ms. Lee for earning their procurement certificates, and lastly, wished everyone a Happy Fourth of July.

Council Member Johnson stated that with the upcoming Independence Day, or the Fourth of July, there are always great activities at Veterans' Memorial Park thanks to Parks and Recreation as they always do great job. It is always fun to be out there as well as seeing the Fireworks Show by the Rotary at 8:00 p.m. He encouraged everybody to be safe and enjoy their Independence Day.

Council Member Rodriguez voiced his appreciation at being able to attend telephonically. He congratulated Ms. Downing and Ms. Lee on their procurement certificates and thanked them for taking the initiative, thanked Officer Daryll Scott, who stopped the other day and picked up a big piece of trash in the roadway to keep everyone safe. He also congratulated Parks and Recreation on their proclamation, fitting for their support on the upcoming events.

Council Member Landry also voiced her appreciation at being able to participate telephonically, announced that the Cochise Amateur Radio Association is having their annual field day activity at their club site at Green Acres on Moson Road starting on Saturday, June 25, 2022 at 11:00 a.m. through Sunday, June 26, 2022 at 2:00 p.m. She noted that this group is heavily involved in the community and many of the members also offer communication support for Search and Rescue, and other public service events. Lastly, she wished everyone a safe Fourth of July, and asked that people be mindful of their neighbors, people with PTSD, and pets that may not do well with fireworks being set off in the neighborhood. Instead, she encouraged people to attend other great events in the community on the Fourth of July at Veterans' Memorial Park, where there will be a fireworks display, or to maybe start a new tradition of donating money to the Animal Shelter or helping those in the community.

Council Member Benning thanked Ms. Adams and the IT Department for providing the opportunity to be present telephonically to be able to vote on next year's fiscal year budget. He stated that he appreciates Parks and Recreation Month and all the events upcoming for the Fourth of July. He voiced his appreciation for the proclamation and thanked the Parks and Recreation Commission Members because the City could not do this without them nor Ms. Wilson and her staff. He announced that the Sierra Vista Little League and the Sierra Vista Ponytails League are hosting this year's district tournaments, starting over the weekend at Domingo Paiz and Stone Complex fields, and encouraged people to go out and support them. He also reported that the first public meeting for comments on Roadrunner Park had about 30 individuals show up that filled out surveys and provided input. The next public meeting is scheduled for July 25, 2022 in the morning. Lastly, he thanked Council Member Johnson for conducting the invocation.

In response to Mayor Mueller, Ms. Wilson stated that the next public input meeting on Roadrunner Park is on June 25, 2022 at the Garden Canyon Linear Park from 9:00 a.m. until 11:00 a.m.

Mayor Pro Tem Gray thanked Melanie Lehnhardt from the Sierra Vista Chamber for being present and announced that on July 12, 2022, there is a Good Morning Sierra Vista at 7:00 a.m. and the speaker will be someone from the U.S. Chamber of Commerce. She reported that the State budget passed about 4:00 a.m. and is awaiting the Governor's signature. She added that this is good news for the community regarding the transportation funding of \$10.6 million and another \$43 million for State Route 90, from Moson all the way up and over to the Border Patrol Station, that is in this year's budget to be rehabilitated and repaved.

Mayor Mueller stated that he thought they were going to split it up into a couple of years, but everyone will see what happens. He announced the concert in the park during the evening and he hopes that there is no lightning because it will shut it down. He reported that he attended a meeting with the folks from Sonora Fest, which is scheduled for July 9 and 10, 2022 in the Sierra Vista Mall starting at 10:00 a.m. He voiced his appreciation that the Fourth of July events are run by the Sierra Vista Rotary Club. The City also has the Kiwanis Club holding a concert in the park on July 3, 2022. He noted that all the vendors will be at Veterans' Memorial Park on July 3 and 4, 2022. In closing he voiced his concern about safety issues due to the uncompleted bridge north of Walmart and people attempting to cross and going through the blast area for the fireworks. He asked everyone to follow the directions of the people that will be posted there to make sure that folks do not go in there. He also asked people traveling to take their time while driving and not get overtired, and lastly, he cautioned that there will be a Police Detail out for DWI.

Adjournment

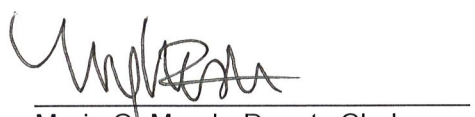
Mayor Mueller adjourned the June 23, 2022 meeting of the Sierra Vista City Council at 5:46 p.m.



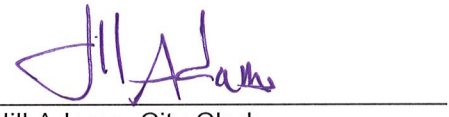
Mayor Frederick W. Mueller

MINUTES PREPARED BY:

ATTEST:



Maria G. Marsh, Deputy Clerk



Jill Adams, City Clerk