

Sierra Vista City Council  
Work Session Minutes  
April 4, 2023

1. Call to Order

Mayor McCaa called the April 4, 2023, 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 – present  
Council Member William Benning – present  
Council Member Gregory Johnson – present  
Council Member Angelica Landry – present  
Council Member Marta Messmer - present  
Council Member Mark Rodriguez – present

Others Present:

Chuck Potucek, City Manager  
Victoria Yarbrough, Assistant City Manager  
Adam Thrasher, Police Chief  
Brian Jones, Fire Chief  
Laura Wilson, Leisure, Parks, and Library Director  
Emily Scherrer, Library, Recreation, and Cultural Services Manager  
Sharon Flissar, Public Works Director  
Gabriel Squires, Public Works Internal Operations Manager  
Matt McLachlan, Community Development Director  
Jeff Pregler, Planner  
Blake Fisher, Planner  
David Felix, Chief Financial Officer  
Jennifer Dillaha, Budget Officer  
Judy Hector, Marketing and Communications Manager  
Adam Curtis, PIO  
Tony Boone, Economic Development Manager  
John Healy, Sports Coordinator

2. Presentation and Discussion:

A. April 6, 2023 Council Meeting Agenda Items (agenda attached)

Mayor McCaa stated that on the agenda for April 6, 2023, is the call to order, roll call, invocation by Council Member Rodriguez, Pledge of Allegiance led by Council Member Landry followed by presentation of a proclamation declaring the month of April as Fair Housing.

In response to Mayor McCaa, Mr. Potucek reported that the Wastewater Master Plan scope has been finalized and staff is currently reviewing the contract for cost and for a scope of work; the bid on the Garden Canyon Linear Park Phase II ADA Paths at Saint Andrews is being worked on by Procurement; the Ramada Replacement Project at Veterans Park has been awarded to KE&G and it is estimated for completion by June 30, 2023; the City is still having issues with

Fleet's restroom at the yard because the first quote was \$60,000 over budget and the second quote was \$40,000 over budget. Therefore, staff is still looking at options on how to get that done because it is certainly needed on behalf of the staff. He also reported that the food tax bill was vetoed by Governor Hobbs, which is helpful to the City's budget, but the rental tax has resurrected itself in the form of a striker and back on the table in the legislature. In closing, he announced the retirement of Police Chief Adam Thrasher, which is in effect middle of July, and Deputy Police Chief's Jon Kosmider's retirement in May.

Consent Agenda – There was no discussion.

Item 2.1 Discussion and Possible Action of the Special City Minutes of March 22, 2023

Item 2.2 Discussion and Possible Action of the Regular City Minutes of March 23, 2023

Item 2.3 Discussion and Possible Action of Resolution 2023-015, Pre-Annexation Agreement for APN #106-71-327

Item 3 Discussion and Possible Action of Resolution 2023-016, Restating the City's Commitment to Fair Housing in Sierra Vista – Mr. McLachlan stated that HUD and local communities across the country celebrate Fair Housing Month. The resolution affirms the City's commitment to furthering fair housing and to fulfill our obligations as a recipient of Community Development Block Grant funding. He added that in prior years, he has been asked about the number of these complaints received by the City, and his answer has always been none. Fortunately, this has not been a significant issue in the community, and it bodes well for Sierra Vista. Lastly, he stated that there is a contact at HUD if somebody does have an issue.

Item 4 Discussion and Possible Action of Ordinance 2023-002, adding Chapter 34, Revenue Collection to Title III – Administration to the City of Sierra Vista Code of Ordinances – Ms. Yarbrough stated that this item if being brought to Council after concluding its public comment period. She added that she does not believe that any comments were received. The City uses a third party for collection when people are not paying their sewer and trash bills; however, the collection agency assesses a fee to the City when they provide that service and so this Ordinance changes that and allows the City to pass on that fee to the nonpaying customer instead of the City paying for it.

Item 5 Discussion and Possible Action of Ordinance 2023-003, amendments to the City of Sierra Vista Code of Ordinances Articles 151.03, 151.06, 151.18, and 151.22 – Mr. Pregler stated that at the regular Council's meeting on February 23, 2023, staff presented a series of Development Code changes that were unanimously recommended for approval by the Planning and Zoning Commission. No comments were received at that public hearing on this item or during the subsequent 30-day public comment period.

The ordinance that will be presented to Council on Thursday, April 7, 2023, would adopt the amendments as proposed. The amendments pertained to four separate articles in the Development Code. The first set relates to the administration and enforcement article, where minor changes are being included for the sake of clarity and consistency with current practice as it relates to the issuance of building permits, zoning compliance certificates and occupancy certificates. The second set of the second set amends the special regulations for uses section to establish permitting requirements and performance standards for unattended donation containers. These are the donation boxes in commercial areas that are not affiliated with the businesses on the parcel. The third set of changes concerns the site plan review process. These proposed changes will clearly delineate a three-tier review process to be calibrated in relative proportion to the degree of impact on the community and better help developers determine the appropriate review process. The final amendments deal with district regulations

where staff is proposing changes to how lot coverage is measured and reductions to residential setback requirements to provide more flexibility in home design, particularly for wider homes with three car garages, which is a growing trend now on multifamily zoned properties. These changes will also facilitate compact redevelopment with more of an urban context on the West End. The changes to lot coverage standards are in line with requirements adopted by communities that were researched throughout the State and through local analysis that was performed using GIS parcel mapping data.

Mr. Pregler stated that staff recommends that the City Council move to adopt Ordinance 2023-003 in accordance with the Planning Zoning Commission's recommendation.

Council Member Benning noted that the mall has moved its containers.

B. [FY 2023-2024 Budget: Revenue and Debt Presentation](#)

Mr. Potucek stated that staff is trying to go through the process and use last year's numbers to finish out what was done in terms of personnel, O&M, and capital so that Council may have an idea of what the balance is going to be at the end to see how far out of balance the budget is or in balance. This will provide an idea as to how much discretionary funds the Council has in the budget. The first step is to start with revenue to be able to do that. He noted that the City received help from the governor on some of the City's revenue sources. In terms of future issues that the City might be dealing with on the revenue front, the City is still having to deal with the income tax reduction, which will not hit for two years; therefore, giving extra funds as will be delineated in the presentation to make up for that in preparation of when that cut comes. The City will see a further reduction in State Shared Revenues because of the census results. Maricopa County grows quickly, but Sierra Vista does not, and the pie does not change; therefore, Maricopa County continues to get more of that pie. The City of Sierra Vista must assume that it will have less, and so, Council needs to be mindful of that as well as any potential recessionary pressures that may hit because of high interest rates. The City is already experiencing the higher costs, just in going over projects; but so far, that is not occurring in the State yet. The City of Sierra Vista is also experiencing the end of the ARPA funds from COVID, which is no longer in place that was an immense help over the last couple of fiscal years. The City's budget is going back to a more normal budget situation, and the City will not see the high sales tax revenue growth going forward; hopefully, it will stay in a good five or six percent range, which historically the City has been able to operate under. Therefore, the City is going to see things a little slower, but more towards the normal end of how the City usually does things.

Ms. Dillaha stated that the first step in the budgeting process is to estimate revenues available for the coming fiscal year. There are three main revenue sources available for municipalities. First one is local revenue made-up of taxes, fees, and other financial mechanisms such as bonds. Federal revenue consisting of grants, and the last is State Shared Revenue.

A slide was shown of what was budgeted versus what was received for Fiscal Year 22 and to date for Fiscal Year 2023. The General Fund had \$46 million budgeted in 2022, but received was \$43 million, and again \$50 million in Fiscal Year 23 and to date only \$33 million is received. The biggest thing to note in this slide is a difference between the Fiscal 22 and 23's total budget. Arizona State Law stipulates that no expenditure can be made for a purpose not authorized in the annual budget. Therefore, for Fiscal year 23, there were a lot of grant opportunities, especially in the HURF LTAFF in the grant funds that ballooned that Fiscal 23 total budget.

Council Member Johnson asked about the ending date on the FY23 actual. Ms. Dillaha stated that it is mid-March. Mr. Potucek noted that there is still a one-fourth. Ms. Dillaha stated that this also explains why the actuals are going to be less than the budgeted amounts (the City did not receive every grant that was applied for).

Council Member Benning asked to have the grants for HURF broken out/highlight in the budget book. Ms. Dillaha stated that it is listed in the FY23 capital budgeted items.

A slide was shown of the Fiscal 22 budget by major fund. The first column is the actual revenue while the personnel, O&M, capital, and debt are actual expenditures, which will give an estimated yearend balance in these funds. These do include allocations, personnel, and O&M, and reflects action taken in December where \$1,000,000 was moved into HURF, \$1,000,000 into CIF, and a small amount to reduce the health insurance. Mr. Potucek noted that the remaining balance went into reserves.

In HURF there is \$5.8 million in capital that includes the carryover items for Avenida Escuela, Charleston, and Fry Boulevard. The reserve was used to pay the \$1.9. LTAF did not have the General Fund transfer and that is why it shows a negative balance; however, the fund reserve was used to pay for that. Capital Improvement did not have any transfers out because it was not needed at the time to pay for grant matches. The Enterprise Fund, even though it shows a positive year-end balance, the Sewer Fund still has a negative cash balance, but a positive fund balance due to assets. Reuse has a positive cash balance, but a negative fund balance.

A slide was shown of the Fiscal Year 23 budget by fund, which are actual numbers to date by mid-March, depicting of where the City is currently. It shows negative numbers for the end of year balance, but staff is not worried about that because the allocations and the year-end transfers are not reflected that normally happen at the end of the year, revenue is still coming in. City sales tax has a two-month lag, and the month of March numbers will be seen in May, and the same with the State Shared Revenue. The City is still waiting on grant reimbursement.

Projections for twenty-four are calculated using historical trend analysis. For the City sales tax, staff is going to do a conservative three percent increase over Fiscal Year 23's budget. Council Member Benning asked if the City is at about eight percent. Mr. Potucek stated that he is correct.

Ms. Dillaha displayed a slide of the Fiscal 24 revenue projects by major category and stated that the levy rate will be proposed at 0.1056 percent, generating \$382,000 for Fiscal Year 24. The following funds were displayed:

- Franchise fees were kept level.
- Licenses and permits consist of business licenses, ACO fees, right-of-way, and building permits, a slight increase for Fiscal Year 24.
- Grants will change because staff is still going through grants. This number is what has been estimated so far.
- Local government payments consist of the DES contract, Fort EMS contract and Cochise College revenue.

Ms. Dillaha stated that it is important to note that Fiscal Year 22 is enlarged because of the HURF swap.

- Health and accident premium, employee premiums, were kept level.
- Ambulance fees have a slight increase for Station IV.

- Public safety fees were kept level.
- GMC revenue are fuel sales, labor, fluid, and part charges, which was increased based off actuals.
- Fare revenue was removed, but the \$20,000 is lease revenue.
- Airport revenue is currently level, but this is one fund that staff will be keeping an eye on.

Ms. Dillaha noted that the breakdown for airport revenue is fuel sales, hangar lease, hanger electrical, tie down lease, office space rentals, and federal grants. The reason the Fiscal Year 23 actuals are so low is because the City just hit fire season. Unfortunately, a bad fire season means good revenue, but the City will see the heaviest revenue in May/June and a little bit into July depending on when the rain starts.

- Fuel tank conversion that is almost complete, and staff will keep an eye out for this and adjust the revenue as need be.
- Sewer revenues are service charges and connection fees, and it has a slight increase.
- Refuse revenue consists of service charges, mulch, and compost.
- Parks, Recreation, and Library revenue has a slight increase based off actuals because performing arts, sports and community events were higher than anticipated during the year.
- Planning revenue is abatements, vacant home registration, which was reduced based off actuals.

Ms. Dillaha stated that staff does not budget for development fee revenue.

- Investment income was kept level.
- Donations, the majority is organizational grants, i.e., baseball football fields, Police Department grants, and some ACO grants. The ACO has been reduced because previous year had the ACO donation that the City is not going to get.
- Sale of fixed assets are kept level.
- Notes payable will change depending on O&M and capital.
- Carryover will also change depending on which projects are not completed for Fiscal Year 23.
- Miscellaneous revenue is a catch all that is normally the SSVEC rebates, and the insurance deposit refunds, which has been reduced.

Currently the projected Fiscal Year 24 revenue is \$93,599,270.

Mayor Pro Tem Umphrey asked why the City does not budget development fees. Mr. Felix stated that it is because two of the funds still have a negative fund balance. They still must build it up and there are no projects coming forward immediately for the infrastructure, which is the only one that is starting at a zero balance. He added that there is one road that the City may be triggered, about \$3 to \$4 million, which is development fee eligible, and the City only has about \$100,000 in the account to pay for that. Staff is going to add an RFP to update the studies again since it has been a few years since a study was done and the City is now getting close to being able to go forward with new projects in it. When that study is done, next year staff will be putting together some tracking for revenues in those funds.

Mayor Pro Tem Umphrey asked if the road that Mr. Felix talked about the Buffalo Soldier Trail extension. Mr. Potucek stated that she is correct. Mayor Pro Tem Umphrey asked if the City could pay for that with the development fee revenue. Mr. Potucek stated that if there is development fee revenue to help pay for it, yes, but there is not any money in that fund to really

offset the cost that the City is going to incur.

Mayor Pro Tem Umphrey asked about the amount that is owed to that fund. Mr. Felix stated that the infrastructure Development Fee Fund has about \$100,000 balance. This year it just went positive, and staff took the remaining funds that were in it that had to be used, \$123,000 in Fiscal Year 22 that was transferred for the Avenida Escuela extension; therefore, the City is starting to build fund balance in it as of this year. He further stated that it will not be a lot. Mr. Potucek added that the only money anticipated to go into that fund, which is again why the City is doing the study, would come from Tribute development.

Council Member Johnson stated that he received information regarding the SVMPO proposal of the Theater Drive enhancement, and the City is going to need some money for that. He asked if this is going to be taken into consideration in the upcoming budget. Mayor Pro Tem Umphrey stated that currently they are hearing that bill to pay help pay for that, and then they will know.

Council Member Johnson stated that he understands that, but the City should be planning. Mr. Potucek stated that without knowing yet, no. He added that when that bill is heard, staff will know how much money is going into that and then obviously if there is a shortfall, the City will need to budget for that. He further stated that he is aware that Council Member Johnson sits on the MPO meetings, and it would really be helpful going forward if the City could get the east extension of Buffalo Soldier to Moson on the tip in the future. This needs to be a priority.

A slide was displayed of the FY 24 State Shared revenue projections. The City received the League's preliminary numbers in mid-March, and the preliminary report uses 2021 population figures. Actual allocations for Fiscal Year 2024 will be based off the US Census population estimates as of July 1, 2022. The City can anticipate receiving that report in late May; therefore, these numbers will change.

Ms. Dillaha noted that the Legislature is still in session and can affect these numbers as well. She stated that the biggest change is the State Shared income tax. Fiscal Year 2024 is the first year that the State distribution increased from 15 percent to 18 percent. The increase in shares also relates to the State moving to the flat 2.5 percent individual income tax rates, which is effective January 1, 2023. The impact of which will significantly reduce the states income tax collections and then again, the URS distributions to the cities and towns. Since there is a two-year lag from when the taxes are levied and the year that they are distributed to the cities, the City of Sierra Vista will see a one-time offset of \$2,000,000 in Fiscal Year 24 and another one again in Fiscal Year 25 until the full effect of the tax rate hits in Fiscal Year 26. This is why seen is the one-time offset underneath that URS which was kept level as last year. Mr. Potucek noted that this is the income source, a significant income source to the City. Therefore, in two fiscal years, the City is going to see those numbers decline instead of instead of going up. Since these are one-time, or in this case two times contributions are offsets in anticipation of that occurring. He does not recommend budgeting that into the normal operating budget. They should be used for you know one-time expenditures or projects, in this case since it looks like the City has an obligation to extend E Buffalo Soldier Trail, that will be the recommendation for the use of these funds.

Council Member Benning asked if this is to the offset funds. Mr. Potucek stated that he is correct, just the just the offset funds.

The State sales number was increased to \$6.5 million, which is less than what the League projected, but historically, the City has received less than what they have stated. HURF and

VLT level, although the League is anticipating a decrease, but their numbers are still high. The numbers will be refined as the City gets the next report in late May.

A slide of the Fiscal Year 24 debt projections was displayed depicting that the Fiscal Year 20 bond issue is Schneider one, the twenty-two is Schneider two. In Fiscal Year 24, the City is expecting to pay the \$3.2 million out of the CIA fund. The FY18 refinancing is the sewer, which will be paid off in Fiscal Year 27. The Fiscal Year 21 annual equipment is one lease purchase for \$119,000 out of refuse. All other vehicles were purchased outright to help reduce the debt.

Mr. Potucek pointed out that Council is not seeing any General Fund or other operating fund debt anymore. As a result of previous budgets and actions taken by the Council, the City has been able to significantly reduce debt service in a several areas. However, that has been replaced with the Schneider Electric Projects, but the results of those can be seen out in the streets. Those have a revenue and a cost reduction component associated with them.

A slide of Fiscal Year 23 and Fiscal Year 24, revenue comparison was shown. Ms. Dillaha stated that the Fiscal Year 24 numbers will be refined throughout the budget process, especially since staff is still working on all the grants.

Council Member Benning asked why transit is not listed as an enterprise fund. Mr. Felix stated that enterprise funds are business type activities that the revenues for that operation support 100percent of the operation. Transit is mostly grant funded and the salaries are not charged to it. To be a true enterprise fund, there would need to be revenue, non-grant revenue to support the operation, and it is not set up that way. Council Member Benning stated that he thought that it was a fee-based fund. Mr. Felix stated that most of the transit fund is grant operated, 50 percent operational grant and 80 to 93 percent capital grant.

A slide was displayed of the Fiscal Year 24 projections, which did not include transfer grant matches and allocations. The slide shows the breakdown in revenue and denotes the reason Fiscal Year 24 is \$118,000,000 less than Fiscal Year 23's budget. In Fiscal Year 23, the City had 3.1 in ARPA funds and \$1.4 million, \$1.2 of which was the ACO donation that was not receive. This is a breakdown of how much revenue was budgeted for grants in HURF. There is also carry over for Avenida Escuela extension, Charleston, and Fry. LTAF has FTA grants for multi-use pass and infrastructure improvements, and the transfer ins for grant matches. Airport notes payable \$2,000,000 was a great match for the \$8,000,000 hanger grant and then 1.5 for the Forest Service. The City also budgeted \$4,000,000 in potential federal stimulus in the grants fund, and the \$10 million broadband study that is not being done.

The City is going to use the revenues from the previous slide to pay for the projects that are shown on the project slide. The first one has an IT infrastructure that is used for UHF and VHF radios, the AV system in the PD and the City Manager Conference room, vehicles, the expansion, some carryover items, the \$807,000 in ambulances, roof, stair, and fleet repairs in the General Fund and then HURF. The \$5.2 million for the shared use path connectors down to the West End Improvement construction were HURF grants. The LTAP had \$5.2 in infrastructure for curb, gutter, sidewalk, lights, and multi-use path connectors. The Airport has the carryovers and then the fuel conversions, Schneider Project, and the grants had the broadband infrastructure, EMS substation carryover, potential grant stimulus. Capital Improvement Fund is all Schneider Projects and then sewer for infrastructure and refuse for machinery and equipment.

Ms. Dillaha displayed a slide that provided an idea of what the City needs to focus on for Fiscal

Year 24. Using Fiscal Year 24 projections and revenue and debt, and then using the Fiscal Year 23 budgeted amounts for personnel, O&M, and capital. This shows a deficit of about \$3.3 million. This slide will change with each presentation as staff goes through each section and this way Council will see the progression as the budget gets closer to adoption.

Mr. Potucek stated that it is not unusual for the City to be currently in a deficit position of the fiscal year. Personnel will be the next presentation and these numbers do not have raises and those associated with them. He further stated that the personnel budget with raises will increase, O&M budget hopefully will stay flat, and the differences to balance, unfortunately will have to come out of the capital budget moving forward. As staff goes through and does personnel, O&M, and capital, there will be a clearer picture of that and then there will be some tough decisions to be made at that point, but staff will try to narrow those down for Council.

Council Member Benning asked about the number of hangers that are being rented out at the airport because he wonders if there is any in kind there. Ms. Flissar stated that she does not have up-to-date numbers with her, but based on what she knows, the airport is full. It went through a dip for a while, and there are a few of the smaller, older hangers left. All the newer ones are rented, all the larger ones are rented.

Council Member Benning asked if there is any in kind space, agreements with anybody to have space free. Ms. Flissar stated that the only that she can think of is the Civil Air Patrol. The airport had agreed to give them a hanger several years ago, but if the airport were to fill up, part of that agreement is that, they would go back to doing a tie down instead of a hanger.

Council Member Rodriguez stated that he sees that the gas and oil are included, but he would like to see a breakdown of what is normally filled for tanker, for helicopter, and what that brings in revenue. Mr. Felix stated that it would take a lot of polling because if the City gets data in, it is based off the tail number, otherwise it is a card swipe. Most of the revenue is jet A because the City pays a lot more Jet A out than what is coming in. The City does not have it down by what type of aircraft the Forest Service is using.

Mr. Potucek asked if staff could do an estimate on what a normal tanker takes. Mr. Felix stated that staff could try and do that, but it also gets incredibly challenging because of the cyclicity. Last year there was a lot of revenue, over \$2,000,000 of revenue. It has been up the last three years, but he can go back to when the City did not get \$500,000 of revenue. Staff can get at least the jet sales, the avgas sales for the pilots.

Council Member Rodriguez stated that he does not need a breakdown of what has been done, he would like to see what it is normally for a tanker. Mr. Felix stated that it is also changing because they are now bringing in the DC8s, 737s, which can take 8,000 gallons in a in a plane load versus where they used to have the four prop jobs that were like half of that.

Council Member Benning asked if the City is not taking anything against the Capital Improvement Fund, which was left at \$1.9, but this is what worries him the most with the \$3.3 negative. If the City starts taking capital improvement funds and project what is want, that \$3.3 is going to start going to \$4.5 and higher. Mr. Potucek stated that this is a good question because most of the money coming out of the Capital Improvement is designated to pay off the Schneider Electric bonds. He explained that Mr. Felix provides him with a monthly report on the cash flow of the Capital Improvements Fund, sales tax and what is projected to be paid. Therefore, when getting to the capital portion of the budget, staff can provide that to Council so that the Council can get a snapshot going forward of what staff thinks the Capital Improvement



Fund balances are. However, staff keeps a close eye on that.

Council Member Benning asked that when talking about the local transportation fund, it includes street repair. Mr. Potucek stated that it is transit, lottery funds and grants associated with it.

Ms. Dillaha stated that the next work section will be April 25, 2023 on capital, personnel, and O&M. On May 9, 2023, the Council will have the balanced budget and the tentative budget book will be out to Council by May 26, 2023, and then in early June, staff will do the one-on-one council meetings.

### C. [Discussion of Fab Avenue Concept Designs](#)

Mr. McLachlan stated the main outcome that staff is looking for is a consensus from Council on how the Fab Avenue property should be used and approved in general terms. Staff can get specific, but the focus is really on the future reuse of the property. The City acquired the property in October 2020. The total site area is approximately 1.3 acres. There was a small strip commercial building on the North End that was subsequently demolished, leaving a blank slate or a dirt lot depending on one's perspective. Staff will be concentrating on the possibilities. The site is currently planned and zoned for General Commercial use. If the preference is to use the property as a park or a public facility, those designations will need to be adjusted accordingly. The reuse plans provided in Council's packet were prepared by Stantec, an EPA-funded grant administered by the County. They offer two conceptual alternatives that are delineated into three phases as a beginning framework for discussion. The main objectives provided that were driving this process are resolving the ponding issues South of the intersection, adding public parking, centrally located public parking on the West End, and creating a vibrant, attractive space for people of all levels of society to and enjoy.

The first phase on both alternatives includes a parking pocket park on Fry Boulevard as well as street improvements to Fab Avenue. The right-of-way includes perpendicular parking along the north side, parallel parking along the south, curb, gutter, sidewalks, streetlights, and landscaping that ties in with Fry Boulevard would be added as part of the construction. Within the parking pocket park, there would be a storm water conveyance channel to direct the drainage to the culvert running under Fry Boulevard. The pocket park, which includes a plaza feature, is .29 acres, or 23 percent of the site.

Phase two is mostly green space with landscape walkways, which can include graphic wall panels, public art, a movie screen wall, an arbor shade structure, depending on the budget, and public preferences discovered during the design process. This area accounts for .41 acres, or 33 percent of the site.

Mr. McLachlan stated that he believes that there was a consensus on these first two phases indicating that staff is on the right track. The cause for pause was on whether to retain or convey the phase three area for public or private redevelopment. This area accounts for .55 acres of the site or 44 percent, and the concept before Council shows the potential for private redevelopment into a live work type of village format with on-site parking. This could be a myriad of uses under the current zoning which is highly flexible.

Concept B would extend the green space and adds a second plaza surrounded by landscaping, which is view by staff as more of a placeholder concept until more formal plans could be developed. Staff did put the plans out for public comment just over a year ago, and 84 percent

of those who took the poll favored the public option. Also received were thirty-two comments that offered a variety of suggestions, including making sure that there is enough parking, using the space for events and adding kid-friendly features, i.e., a splash pad or interactive play equipment. A one person cited Heritage Square in Flagstaff as a potential template for the plaza feature. In reading the other comments, people are looking for a nice, relaxed setting with artwork and seating, green grass, colorful plants, and trees.

Specific equipment requests include hookups for food trucks and EV chargers adjacent to the parking, trash cans, hydration stations, chess boards, and other type of features. Another comment heard outside the survey is devoting a portion of the property for some type of civic use or government facility. The Phase three area could be adapted to accommodate building or other active uses down the road. Stantec did provide conceptual cost estimates for Phases one and two.

The City was successful in receiving an FTA grant in the amount of \$365,424 to carry out the street improvements along Fab Avenue. The scope will also include the convenience channel to resolve the ponding issue and better facilitate drainage. Once staff has a future direction, staff recommends moving ahead with the engineering and landscape architecture plans for the site to improve the City's odds of receiving a grant for funding the construction. Staff will continue to collect public input along the way during the design process, as well as engaging City commissions on the specific attributes they would like to see incorporated into this site.

Mr. McLachlan stated that staff is interested in a high-level understanding of the Council's preferences and how the property should be used. Staff can get more detailed in terms of the specific amenities during the design process, which will engage the stakeholders in the community.

Council Member Benning stated that a mile away the City has two parks. There is one in the Park Master Plan to do a lot of stuff to it; therefore, turning this into another park in a small space of time, is hard for him to put his mind behind. He asked if the City would sell the live work area and noted that he does not believe that the City should get into the rental game. Mr. McLachlan stated that the typical approach is for the City to develop an RFP with specific objectives that is put out for consideration by the development community and see what kind of response the City gets. The City could offer a minimum purchase price, or leave it open depending on the public objectives that are fulfilled in in the responses that are received. He recommended to set that aside for when the revitalization is further along, and the City can have a higher potential of receiving the type of development that the public would want to see on the .55 acres.

Mr. Potucek stated that when looking at this parcel and think of some of the successful downtown redevelopment initiatives around the State like Flagstaff or Cottonwood, they usually have a piece of land set aside for green space, gathering and additional parking to help facilitate events that occur in those areas. This parcel is in an excellent location, down the West side to be able to accommodate some of those things. The first question that probably staff needs direction from the Council on is does Council like the public private concept, in which case the City would either sell it or put out an RFP that kind of drove how it would be developed, or does Council want it to remain totally in public hands, and then be able to use that to facilitate more parking and gathering area for events. Once that question is answered, then staff can then we can move forward in a more constructive fashion.

Council Member Rodriguez stated that the comments from the public indicate that is not the way

they want to go, selling it off and making it a restricted area and leaving it up to the developer to do whatever they want on their side while the City is trying to do something on the other side. He added that he does not believe that it would be a clever idea because the City would not have control of what it looks like when it comes to parking and things like that because the City would have to comply with whatever they are doing on that side, development wise. The City is not going to be a proprietor; therefore, it would have to be an outside development agency and not consider the City's ideas that would compete with what the City is trying to do. Comments indicate that the public would prefer for this to all be public use, both sides.

Council Member Johnson concurred with Council Member Rodriguez with respect to this being a municipal parcel of land. He further agrees with the potential Phase one, pocket park and the expansion. He noted that during the strategic planning session, there was discussion about the remaining area being an ideal place for municipal court. Council Member Benning and Mayor Pro Tem Umphrey added that it could also be for a museum/visitor center.

Council Member Johnson stated that he does not agree with the museum part, but he does agree with the municipal court part. The City has two years to work on this because the City is in a current agreement with the current JP, but he thinks that this would keep it in the City's hands. It would also develop the property and it would enhance that use of the West End.

Council Member Benning suggested putting in a fabricated lake. He added that in looking at other places that compare to Sierra Vista, i.e., Prescott, which people mention a lot because there is something to be said about sitting by a little lake and watching the ducks play, i.e., the golf course at PDS. It is relaxing and gives people another reason to go there. The area is to get people to the West End. Council Member Johnson suggested a fountain out in front of the municipal court.

Council Member Benning suggested a fountain in front of a museum. He added that there should not be any buildings and a municipal court is served better on Coronado Drive with the rest of the City services provided. A downtown area is a place where he wants to go with his kids, with a date or whoever to enjoy it, and that is the goal that the City is trying to create with all the western redevelopments. He further stated that a little pond like PDS' pond, which can be environmentally friendly and help with water drainage and water sharing. This is something to investigate and this can separate Phase one and Phase where the parking lot is. Lastly, he stated that from talking to the citizens about Roadrunner Park that was one of the most suggestions that came up, water ponds.

Council Member Rodriguez stated that water already goes to Roadrunner Park, water ponds there naturally. That area would lend itself to any water feature and it already has trees, but this area lends itself for parking for food trucks, which would be easy to do. There are other parks in the area; however, comments mentioned other parks, terrace sitting and smaller stage. Sierra Vista does not have a gazebo where people can have weddings, etc. on the municipal side. He also suggested a small court building and a space to have the wedding ceremony. He also suggested a splash pad and not like the ones at the other parks. A splash pad like the one in Glendale where the League Conference was held. They have an amazing little splash pad set up in the middle and it is terraced, and they had live music on one side, and the parents were sitting around while the kids were doing their thing. There is also space for vendors, some were permanent and others temporary.

Council Member Benning agreed and noted that there are plans for those splash pads in other parks within the City. There are a lot of people saying that they are missing things for kids to go

to, but missing are places for adults to go to. Some people do not want to be around kids playing in the splash pads. Council needs to look at what the City has and what the City does not have. The City has parks, and within a one-mile radius, there are two parks that are splash pad worthy where kids can go play on the jungle gyms, play around the parks, play on the fields, and enjoy the splash pad. The families can spend time together and enjoy it too, but the City needs something that ties into the West End, an old downtown concept to visit, hang out, and enjoy.

Council Member Rodriguez stated that they have a similar park in San Antonio, TX, Hemisfair Park, and they have a splash pad, but it is turned off at a certain time. He added that he loves people's feedback, they want to make it their own, they want the art, and he imagines a huge hummingbird like the one on the tower out there. Some of these ties in and that represents the City.

Council Member Landry thanked Mr. McLachlan for explaining this and noted that reading the public comments is good too, but in her mind, she feels that it should be for the people and the people want a place where they can go, and they can spend time together. With the revitalization of the West End, having a place for people to go to hang out is what they want. She added that during the West End Fair, people liked it, and they wanted it to happen more often; therefore, something like this would be perfect for that, where the streets do not have to be closed off. She also added that looking at some of the pending issues and other ideas that the public has suggested is great. Lastly, she stated that she has heard a lot of people talk about food truck places and noted that she has seen a lot of cities have food truck Fridays, and she likes the idea of having a place where people can go hang out and added that now that Tombstone Brewery is opening, people will be wanting to hang out there. However, one of her concerns is parking and making safe because there are a lot of parking lots in town where it is not safe. There should parking that is wide enough for vehicles to be able to go in and out. She also suggested that the landscaping be desert friendly.

Mr. Potucek stated that in hearing the discussion, it seems like there is a consensus to keep it in public hands, a good starting point for staff. There is not a lot of disagreement in terms of Phase one and two, where the City is getting the parking and the drainage taken care of, and then having an area for people to congregate in. The discussion is really focusing on Phase three, where there is still time to decide what needs to be done there. There are many great ideas and sifting through them is not going to be easy.

Mayor McCaa stated that he agrees in keeping it in the public's hands, that there is a need for a municipal court, and he likes the idea of a museum, but he is also looking at the cost to the City for building those structures. He noted that State Shared Revenues are decreasing. He added that he like the parks, a pond, seeing glass pond with a tank on top with fish.

Mayor Pro Tem Umphrey stated that a pond may not be allowed in the Development Code. Splash pads are one thing, but sitting water, and fountains are something different.

Council Member Rodriguez stated that he hears from the public a lot about a farmer's market on the weekend. The City has two other parks in the area, and he wonders which one is the best one to have a farmer's market. There needs to be a space on this end of town to bring produce to the unrepresented side of the town that has been needed because there are no grocery stores in this area. Council Member Benning stated that this can be done a unique way and not by having a farmer's market. The City needs to entice a grocery store to come to the West End.

Council Member Benning asked Council to look at the best famous park in the United States, the mall in Washington, DC. They do not have anything but land, they have monuments in the capital on each end, but the City of Sierra Vista can build something. Mr. McLachlan stated that there are a lot of permutations that can be explored during the design process and the budget request will be for the engineering and landscape architecture. Staff will be engaging and collaborating with the City Commissions and making sure that it reflects the community in terms of their desires, and be novel and different, and attract people of all ages and backgrounds. Lastly, he stated that the only construction that will be taking place is along Fab Avenue through the funds received through the FDA.

D. [Discussion of City Council Handbook and Board and Commissions Handbook](#)

Ms. Yarbrough stated this is partially the next step in the Council's Board and Commission process. Staff also added Council's handbook; therefore, these are two items that the Council will be looking at. Staff needs direction on the Board and Commission Handbook on how Council wants the commissions, now that most of them have gone back to being City Council Advisory Commissions, to be updated. The first item in the Board and Commission Handbook is on membership eligibility. Traditionally, and in the past Council has required commission members to live within the Sierra Vista postal boundaries. There are a couple commissions that are required to live within the City limits by State Statute, but the City Council in the past has allowed residents of the postal boundaries, Sierra Vista SE, and Fort Huachuca to serve on commissions.

Council Member Johnson noted that with the difficulty that has been experienced in the past in getting full cooperation and full councils, he believes that Council should allow people that are within the Sierra Vista postal boundaries to participate because otherwise it is too limiting. They also have a lot to add because they may not be in the City limits, but they are a part of the City.

Ms. Yarbrough pointed out that people who live outside the boundaries could still participate as a nonvoting member. They would be able to participate in everything the commission does except for voting.

Mayor McCaa agreed with Council Member Johnson because Council does not want to limit those great minds.

Council Member Benning stated that those great minds can still show up. Council Member Rodriguez asked Council Member Benning if he foresees having an influx of people that Council would have to tell them that they do not reside in the city limits because he does not see that.

Council Member Benning stated that in looking at the current numbers, he does not see it either.

Council Member Messmer stated that she believes that Council should allow outside of the postal boundaries because during the Youth Commission meeting that she attended, there are students that are outside of that boundary and that would limit them from participating. Everyone is a part of Cochise County, but Council needs to involve all the citizens that we can to help the City.

Council Member Benning stated that he agrees with people participating, but for the same

reason that Council on the dais does not live outside of the City and votes on matters, it is pertinent to where people live and play, and reiterated what Mayor Pro Tem Humphrey stated during the last Council Meeting to one of the young men that was pushing the meet and confer, "they do not even live in Sierra Vista, and they are pushing the issue on the City." It goes to that same effect, whether they live outside the City, or do not live outside of the City, they can still participate and be involved; but voting members just like voting members on the dais, should live within the City to vote on matters that affect the City.

Mayor McCaa noted that they will not be making policy. Council Member Benning stated that some of them are and clarified that no one is making policy but Council; therefore, so it does not matter what they do or where they live.

Council Member Rodriguez stated that he does not care where they live and added that another demographic that is out there and is important is because there are a lot of business owners that do not live in the City, but owned businesses in the City. The City needs those businesses and needs to support them. Currently, they feel that since they do not pay taxes in the City, they do not have a voice, but their business is in the City and the City can tell me what to do with their business, but they cannot affect anything because they do not live in the City. These people need to be represented as well and the City should ever forget them, especially those people. Not only those people, but anybody that is in the postal area because their voice is important, whether they live on Fort Huachuca, Cochise County, etc. If there ever is a problem where there are people banging on the door, and there are 20,000 people on a commission, then Council can relook at it and take back a step. However, he does not see that happening.

Council Member Benning stated that they are talking about two different things, hearing someone's voice, which he does not care if they live in Douglas, he will still hear their voice, and voting on matters that is going to be presented to Council. There are two distinct aspects because he can have forty people come to the Parks and Recreation Commission, but he has five to seven people that are going to vote that affects and lives within Sierra Vista. He added that whether they live in Hereford or Sierra Vista property, they still pay the same taxes. There is no difference in the taxes, except for the City tax.

Council Member Rodriguez stated that if there was a high school, Fry's, Walmart out in the County, Council could say to them to deal with that, but there is not. Everyone uses the same stuff and that is why he thinks that it is important to keep them involved. Council Member Benning explained that he is not saying to, but there are two distinct differences between hearing somebody and letting someone vote on matters within the City. In my opinion.

Council Member Rodriguez noted that the commissions still come to Council afterwards. Council Member Benning stated that he understands that, and it does not matter to him, he is just throwing it out there to talk about it. They will be trying to change something in the City, and they do not even live in the City. Mayor McCaa stressed that they do not make policy.

Council Member Benning stated that some of the commissions help make policy and he understands that, but just like the people that come in and talk to Council, Council listens to them and try to change things and noted that he does not think that there will ever be a problem due to the number of people on some of the commissions. Council Member Rodriguez stated that Council is unable to talk back to people who come talk to Council and he would not include that as an example.

Council Member Landry stated that she is in favor of the postal area because they are a part of

the community as voting members. Mayor Pro Tem Umphrey stated that this is what she was going to say too.

Mayor McCaa noted that there is a consensus to go within the postal area. Mr. Potucek stated that Council will have another chance to vote on it, but this is the way that staff will write it out.

Ms. Yarbrough stated that when Council changed most of the commissions to department advisory, the number of commissioners was also changed to five commissioners. Therefore, the question is whether Council would like to go back to seven members of the appointed commissions or stay at five. She noted that a call for applicants for commissions has not yet been put out, but as it currently stands with the number of commissioners, who have indicated that they want to remain on commissions, the commissions that would be fine whether Council chooses five or seven are Parks and Recreation, Arts and Humanities, Cultural Diversity, Library Commission, Environmental Stewardship and Neighborhoods. The commissions that would not have a quorum yet for a seven-member body would be CoDI (they have three currently), Youth (they currently have three), and Transportation and tourism both have one member at this point and so either way that the Council would go, they would not yet have a commission. Lastly, she asked Council if they would like to stay at five or go back to seven.

Council Member Benning stated that he would like to increase the number, especially if the area is going to be increased.

Council Member Messmer stated that at five, three would be a quorum. However, if they go to seven, which is what she really wants, a quorum would be increased.

Council Member Rodriguez stated that his commission is the Youth Commission and sometimes because they are youth, it is like herding cats in trying to get them in one place. Therefore, he does not want to disservice them or make it harder for them. He added that he does not want to add red tape onto that commission. The lower number is fine and if on some days it overflows because nobody has practice, meetings, and they can all be there great, but next month they may all have school things going on because they are at that age, and he does not want to wonder if he will have enough members to make a quorum.

Council Member Johnson stated that the issue that Council is looking at with respect to the commission members is about voting members. Any of these commissions can have interested standbys that would be nonvoting members that could still speak at these meetings and provide input. Looking at the numbers that Ms. Yarbrough presented, he does not think that Council has a problem with five, but they might with seven, and he does not want to throw any barriers in the way of these commissions because of a rule change that Council makes to expand to seven members.

Council Member Benning disagreed and asked who sets a quorum. Ms. Yarbrough stated that all the commissions that are now City Council Advisory Commissions fall under the Open Meeting Law, and the Open Meeting Law determines what the quorum is, how many must be present for the group to be able to continue the meeting. Therefore, since they all fall under the Open Meeting Law, There would need to be a quorum which is 50% + 1 to hold the meeting.

Council Member Benning stated that five members works for him except the Neighborhood Commission because there are other people on this commission other than the current West End Commission members. Mayor Pro Tem Umphrey stated that they can stay on until they term out. Mr. Potucek noted that Council does not want to lose anybody that is already

participating, and attrition can take care of those situations.

Mayor Pro Tem Umphrey agreed with five members since Council will let the current members that exceed that stay on. This will be easier because it is sad when trying to have meetings and they hear that they cannot have a meeting for a few months because they have four people that could not show up. Mayor McCaa stated that he also agrees with five members.

Ms. Yarbrough stated that term limits has come up a few times in the past. Currently the handbook states that the term limits are three two-year terms and then the person would have to take a one-year break, and they can go serve on another commission before they could be reappointed to that same commission.

Mayor Pro Tem Umphrey stated that she has never noticed an issue with it. She noted that Rosie Mackie termed out of the West End Commission, but still attended every meeting.

Council Member Rodriguez stated that he does not think Council has an issue with this.

Ms. Yarbrough stated that in the handbook, the meeting schedule for department advisory commissions was written that the commissions would meet on a quarterly basis. The draft currently has quarterly meetings at a minimum, but states that work sessions or special meetings as needed could be called if desired.

Council Member Rodriguez stated that the Youth Commission must meet monthly. Council Member Johnson agreed with the recommendation by staff. Council Member Rodriguez stated that he thinks that it is commission dependent. He noted that the Youth Commission must meet every month for them to get stuff done. There is no way that they can meet once a quarter because then they would meet twice during the school year.

Council Member Landry noted that the handbook says at a minimum. Therefore, they must at least meet four times, but they can meet as many times as they need to. Council Member Rodriguez stated that she is correct. Ms. Yarbrough stated that the way it is phrased in the handbook is that commissions meet at least once per quarter. Therefore, if the commission so chooses, they can meet once a month, etcetera.

Ms. Yarbrough stated that the commissions will advise the departments; therefore, the departments are responsible for the agenda. However, the way it was handled in the past as City Council Advisory Commissions, the creation of the agenda would go to the chair and then staff would assist as necessary and distribute meeting materials and post agendas. She asked Council if they want the responsibility for creating the agenda to go back to the commission chair.

Council Member Rodriguez stated that this is what they are looking at as chair as part of their duties. Mr. Potucek stated that clearly there is a Council liaison and a staff liaison that can assist the chair in putting the agenda together.

Ms. Yarbrough stated that in the past before the commissions became City Council Advisory Commissions, which could be put back in, if that is Council's desire, they would be invited to present to Council at work sessions during the budget and be asked to provide any input on projects. The current draft has that back in where the commissions would be invited to present during the budget starting in 2024.

Council Member Rodriguez stated that it is fine with him. Council Member Benning stated that he



is good with it. Mayor Pro Tem Umphrey suggested that it be only as an option. Ms. Yarbrough stated that the draft states that they may be invited. Mr. Potucek noted that Council has stated their desire in getting more input on strategic planning or budget. He added that they used to come during the budget season and present to Council. Staff would need to work with them earlier in the process to get their ideas.

Ms. Yarbrough stated that what goes along with that is a standing item that would go on the work session agenda for Council liaison reports. This would be the time for the Council liaison to share any updates from their commissions that they would be assigned to as liaisons.

Ms. Yarbrough stated that the companion changes in the Council Handbook were also made on page 15. Council Member Rodriguez stated that when it comes to the liaisons, and he can only speak for the commissions that he has been a part of, he had some really good staff liaisons that have been doing a lot of work for a long time, and he would love for them to know that they do have the opportunity to continue doing that with that commission. He did not like that they received an e-mail saying, hey, you are out. He added that he does not like the way that is perceived.

Council Member Benning stated that there is still a staff liaison, i.e., Parks and Recreation where Ms. Wilson is the staff liaison, but now it is Miss Killberg. He added that there is a staff liaison and a Council liaison. Therefore, the Youth Commission's staff department head or whoever is running it will still stay on board. Council Member Rodriguez stated that he is incorrect, because that is not the e-mail that was sent. He noted that some of the staff liaisons that have been helping in getting the ball rolling, they were told no, and that it is a senior level staff member that would be taking over those commissions. He further noted that this does not do the Youth Commission any service because he needs somebody who is going to do work, not at a senior level. They are not going to go out there and drive a truck, do cleanups, order shirts, etc. He would have liked having a sit down with the liaisons and asking them if they wanted to continue and requested to have this issue looked at. Mr. Potucek stated that he would investigate it.

Ms. Yarbrough stated that the changes to the Council Handbook were made regarding boards and commissions on page 15 that go along with the changes being made to the City Council Advisory Commissions. She asked Council if they wanted to change anything else in the handbook to which there was no response.

Ms. Yarbrough stated that these items come back before Council for adoption by resolution at an upcoming meeting.

#### E. [Council Executive Report](#)

Mr. Potucek stated that some of the information on the report might be a little outdated. He added that Council is aware that this is busiest time of year, spring is always busy, not only in terms of time spent on the budget, but staff working on grant applications for the budget, some of which the City was unsuccessful, but staff is going to take another swing at them. Therefore, staff is working on those for budget inclusion. Ms. Wilson's staff has several events coming up. There is also going to be some staffing and leadership changes moving forward as well. He noted that this is what is taking up the bulk of his time as well as working with SEACOM. He further noted that there has not yet been a SEACOM meeting for April; but they are working through the administrative issues with the changes there as well.

Mayor Pro Tem Umphrey asked if the YouTube stats were put in. Council Member Benning

stated that he has not yet seen the new table. Mayor Pro Tem Umphrey stated that she likes the way the department put this together and noted that the City is doing well on Facebook, 692,000.

Council Member Landry stated that she always looks forward to the executive report and the breakdown of stuff. She noted that her favorite thing in this report was Public Works' outreach to the schools. She also liked reading about the gifted programs, kids from Palominas, who came and did a tour.

Council Member Benning stated that he would like to see a picture in the next executive report of the Mayor filling potholes.

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

Mayor Pro Tem Umphrey stated that she and Council Member Rodriguez just returned from Washington, DC, and she will have a report within the next couple of days. Council Member Rodriguez stated that he will have his report in by the next Council meeting. He added that it was a good trip, meet a lot of people at the national level, talked to other cities and towns, seeing what works and does not work for them as opposed to the State League, which is good as well. It was good to see the national perspective at the at that conference, and they had a chance to talk to the legislators in the area to make sure that they do not forget the City of Sierra Vista.

Mayor McCaa stated that on April 5, 2023, he will be meeting with Senator Kyrsten Sinema and Congressman Juan Ciscomani in Bisbee, and on Friday, April 7, 2023, there is a meeting at the Sierra Vista Chamber of Commerce with Senator Mark Kelly.

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

Ms. Yarbrough stated that staff has three items for the next work session, an update on the Schneider Electric Project, the 18-month update on Council's Strategic Plan and a budget presentation on capital, personnel, and O&M.

Council Member Rodriguez stated that staff is doing a fantastic job with the parks in the town, and these have drawn a lot of people, a lot of sports, a lot of activities; but it has also drawn a lot of speeders. The Police Department is out there a lot and they have issued lot of tickets; however, they cannot be everywhere. He added that he has noticed this and has received feedback from the community on two parks in particular, Stone Park and Cyr Park with the soccer. People speed through there and there is youth crossing the streets, parents crossing the street with kids, and it is getting to the point where it is getting dangerous. He added that he does not want to spend \$1,000,000 on a traffic study, where Council already knows that there is a problem. He further added that he parked at the Oscar Yrun Center and the Police Department were giving tickets left and right, and people just keep doing it. There is only one sign when going in that way, and he does not know if putting up more signs, a blinking sign, would help. A lot of the feedback that he received from the community is that they want speed bumps around those parks. This is an idea that could be looked at. It is great that the parks are getting a lot of attention, but there are also people that are not obeying speed limits and it is dangerous for the little kids that are out there crossing those streets, especially at Stone and Cyr Park. Lastly, he stated that he does not want to see the same thing happen when the new football field is opened as well because there will be more traffic as well. In closing, he stated

that he talked to some of the police officers, and they want to help, but they cannot be everywhere.

Mayor McCaa stated that he understands, and he had a discussion with Ms. Flissar about speed bumps. Mr. Potucek stated that he will ask Ms. Flissar to convene the Traffic Safety Committee to look at some options.

3. Adjourn

Mayor McCaa adjourned the April 4, 2023, work session of the Sierra Vista City Council at 4:37 p.m.

\_\_\_\_\_  
Clea McCaa II, Mayor

Minutes prepared by:

Attest:

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

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