

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
AND PUBLIC HEARING
22 W. 2nd St., Eagar, AZ
June 2, 2015 - 7:50 P.M.**

Mayor Bryce Hamblin called the Regular Council Meeting to order and welcomed those present. Mayor Hamblin stated that James Nelson, Jr. and Allen Browning are excused absent. Mayor Hamblin led the Pledge of Allegiance and Councilor Winslow McNeill offered the invocation.

COUNCIL PRESENT: Bryce Hamblin, Mayor
Winslow McNeill
John O. Phelps
Steve Erhart
Debra Seeley

COUNCIL ABSENT: James Nelson, Jr., Vice Mayor
Allen Browning

STAFF PRESENT: Tami Ryall, Town Manager
Doug Brown, Town Attorney
Bruce Ray, Public Works Director
Frank Adams, Fire Chief
Katie Brady, Finance Manager
Mike Hogan, Police Chief
Jeremiah Loyd, Community Development Administrator
Marion Wiltbank, Assistant Town Clerk

ITEM #5: SUMMARY OF CURRENT EVENTS

A. MAYOR

None.

B. COUNCIL

None.

C. STAFF

Town Manager Tami Ryall reminded Council that they had three days left to sell raffle tickets, before turning their tickets back into her. Ms Ryall also reminded Council and members of the audience of John Wayne Days and the dates and times each rodeo started: Friday, June 5th is the Junior Rodeo at 9:00 a.m. and Ranch Rodeo at 6:00 p.m., and Saturday, June 6th is the Open Rodeo at 11:00 a.m. The Hopi 3 Canyon Ranch will have the donated steer in the pen at the rodeos.

ITEM #6: OPEN CALL TO THE PUBLIC

None.

ITEM #7: PRESENTATIONS

A. RECAP OF THE 2015 LEGISLATIVE SESSION FROM THE LEAGUE OF ARIZONA CITIES AND TOWNS

Dale Wiebusch from the League of Arizona Cities and Towns presented an update on the new laws that were passed and summarized significant legislation affecting Arizona Cities and Towns.

B. UPDATE BY THE ARIZONA DEPARTMENT OF TRANSPORTATION ON THE HIGHWAY 260 AND LITTLE COLORADO RIVER BRIDGE PROJECT

Matt Moul, Assistant District Engineer Northeast District from the AZ Department of Transportation, presented the Bridge project across the Little Colorado River and Hwy 260:

- The current structure was identified for replacement. The new structure will be several feet higher and wider than the structure that is there.
- It will be constructed a half at a time, bridge open on south side and demolish the north side. Construct half of the bridge in place and move traffic over and demolish the south side and finish it up.
- Hardware project will include the extension of the box culvert that is just east of the bridge near the golf course.
- Flatten slopes and make it safer for traffic.
- Construction will last a little over ten months.
- Traffic Control – set up a temporary traffic signal, ADOT has used this system successfully quite a few times on projects similar to this one.

Council, staff, residents, and business owners questioned ADOT:

- Council - could the time frame be shortened to five or six months by closing the road down completely and detour traffic around? Answer – It is a challenge to close down a state route to a route that is not a state route, because it would be a system they would have no control over.
- Resident - wouldn't it be more cost effective to close the route down completely and building one unit, instead of shutting down half and building half, then switching over? Answer – the construction cost would not be significant.
- Resident and business owner – is there a reason that it will take so long? It seems like an extremely long amount of time and the major impact to the economy of Round Valley isn't strong. If we could minimize that time frame is there any way to speed up that process or create an alternate route? We have a small window of opportunity for

commerce and that is the summer window. Answer – ADOT doesn't see a huge impact of people changing their travel plans based on travel. One of the challenges is constructing in the Little Colorado River area is the unique environment.

- Staff – what are you anticipating for the bridge type and how would changing the bridge type account for construction duration? Could you pre-assemble and drop it into place? Answer – they couldn't pre-cast a bridge off site.
- Council – our economy relies a lot on summer travelers going up to the mountains. Now there is a paved road that by-passes our communities up to Big Lake and maybe the people won't want to run into the road construction and drive two more miles and by pass us and that is our concern. We don't want that to happen, especially during the summer months, as that is when businesses make it to last through the whole year. Answer – there is never a convenient time. However not doing this job when scheduled from now, the town could lose funding and it needs the repair and that is a safety issue. Most construction projects take more than a year.
- Council – what month will construction begin? Is it possible to avoid the summer months? Answer – probably since it has been pushed out so far into fiscal year 2018, which starts July 1, 2017 it probably hasn't been targeted in a certain quarter for advertisement at this time. We could aim for a certain quarter, but we couldn't guarantee that, but we could try for the off peak season. The city could give a recommendation.
- Council – what is the environmental issues that are holding you up? Answer – ecology concerns, nesting and breeding seasons for protective wildlife, historic features, four different environmental issues that span the twelve months. So there is not a month that we can avoid any of those issues. It is a wetland and the irrigation has expanded the area and increased the project.
- ADOT - Rod Whitman's ASOT office is here and we will always be in touch and contact with the town. They did construct on the side of a bridge and slid the bridge into place, but there is such a little work zone over the water here that it makes it hard to make that feasible, but there is talk of that. So maybe something can be done on that front.
- Council – if you could take our concern of the economic impact and how much can be done in the dead of winter up here.

ITEM #8: PUBLIC HEARING

A. PUBLIC HEARING – FISCAL YEAR 2015-16 FINAL BUDGET AND CAPTIAL IMPROVEMENT PLAN

Town Manager Tami Ryall stated that the Council has the Final Budget and there is nothing new. This is just following statutory procedure. There were no questions from the public or Council. Councilor Winslow McNeill complimented the staff; he thought the budgetary process this year was better and smoother than in years previous where he has been involved.

ITEM #9: CONSENT AGENDA

- A. APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETING(S) HELD MAY 2015
- B. APPROVAL OF APRIL 2015 NATIONAL BANK OF ARIZONA TRANSMITTALS, CHECKS WRITTEN, PAYROLL DIRECT DEPOSIT VOUCHERS, AND CREDIT CARD PURCHASES
- C. ACCEPTANCE OF APRIL 2015 FINANCIAL REPORT AND SALES TAX REPORT
- D. APPROVAL OF A MUNICIPAL MAGISTRATE CONTRACT WITH ROBERTA REED
- E. APPROVAL OF A TEMPORARY CELL PHONE SITE LICENSE WITH NEW CINGULAR WIRELESS PCS, LLC AND ITS AFFILIATES
- F. ADOPTION OF RESOLUTION 2015-07 ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR A SAFE ROUTE TO SCHOOL PROJECT "ELK TRAIL"
- G. APPROVAL OF RESOLUTION 2015-09 ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT RENEWAL WITH THE NORTHLAND PIONEER COLLEGE NORTHEASTERN TRAINING CENTER TO EXCHANGE NO COST POLICE CADET TRAINING WITH INSTRUCTOR HOURS
- H. PROCLAMATION OF APRIL 24, 2015 AS ARBOR DAY
- I. AUTHORIZATION TO SOLICIT BIDS FOR ASPHALT CONCRETE PAVEMENT FOR THE WATER CANYON FLOOD MITIGATION PROJECT FOR AN AMOUNT NOT TO EXCEED \$84,000 (COSTS REIMBURSABLE THROUGH FEDERAL EMERGENCY MANAGEMENT AGENCY PRE DISASTER MITIGATION GRANT) AND TO ALLOW THE TOWN OF EAGAR TO ENTER INTO A CONTRACT WITH THE LOWEST RESPONSIBLE BIDDER
- J. AUTHORIZATION TO ENTER INTO A SERVICE AGREEMENT WITH ENVIROSYSTEMS MANAGEMENT, INC. TO PROVIDE ARCHEOLOGIST SERVICES FOR THE WATER CANYON FLOOD MITIGATION PROJECT FOR AN AMOUNT NOT TO EXCEED \$12,425 (COSTS REIMBURSABLE THROUGH FEDERAL EMERGENCY MANAGEMENT AGENCY PRE DISASTER MITIGATION GRANT)
- K. AUTHORIZATION TO SOLICIT BIDS FOR CHIPS AND OIL FOR THE CHIP SEAL PROJECT AT CEDAR RIDGE SUBDIVISION NOT TO EXCEED \$130,000 AND TO ALLOW THE TOWN OF EAGAR TO ENTER INTO A CONTRACT WITH THE LOWEST RESPONSIBLE BIDDER
- L. AUTHORIZATION TO ENTER INTO INTERGOVERNMENTAL AGREEMENT RENEWAL WITH ARIZONA STATE FORESTRY

Councilor Steve Erhart moved to approve the Consent Agenda. Councilor Debra Seeley seconded; all were in favor, motion carried unanimously. 5-0

ITEM #10: UNFINISHED BUSINESS

A. DISCUSSION, CONSIDERATION, AND SECOND READING OF ORDINANCE 2015-02 AMENDING THE EAGAR TOWN CODE BY AMENDING CHAPTER 2.44 – FIRE DEPARTMENT

Fire Chief Frank Adams said this Ordinance is really housekeeping and not a lot of substantial changes. Chief Adams recommends the change.

Councilor Debra Seeley moved to approve Ordinance 2015-02 amending the Eagar Town Code by amending Chapter 2.44 – Fire Department. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 5-0

ITEM #11: NEW BUSINESS

A. DISCUSSION AND FIRST READING OF ORDINANCE 2015-03 ADOPTING BY REFERENCE THE 2012 INTERNATIONAL FIRE CODE

Fire Chief Frank Adams said after approval of the ordinance 2012 International Fire Code the Section 15.04.020 adopting the 2012-IFC will satisfy the requirements of the Insurance Service Office (ISO) rating for the Town of Eagar and provide the fire code necessary for the fire department to fulfill Town of Eagar ordinance 2.44.040, F.

B. DISCUSSION AND CONSIDERATION OF RESOLUTION 2015-08 ADOPTING THE FISCAL YEAR 2015-16 FINAL BUDGET

Councilor Steve Erhart moved to approve Resolution 2015-08 adopting the Fiscal Year 2015-16 Final Budget. Councilor Debra Seeley seconded; all were in favor, motion carried unanimously. 5-0

C. DISCUSSION AND CONSIDERATION TO ADOPT THE TOWN OF EAGAR PUBLIC WORKS MAINTENANCE / CONSTRUCTION POLICY

Public Works Director Bruce Ray said that there was a discussion of what could be done in-house and what sent out for bid for construction. A Maintenance / Construction Policy is proposed that addresses water, sewer and streets. Ms Ryall informed Council that subsequent to sending the packet out, we received some really good feedback relative to the section on sewer and water. The feedback was within the definition of a maintenance activity, we should expand it to include any of our minor infrastructure projects that fall under our Achen Gardner limits. So that would have it close to parallel with what we are doing with streets. I would recommend that Council amend this and adopt it as written, with the exception we

create a caveat carve out within the sewer/water section that also allows us to do in-house the minor projects that are under the Achen Gardner threshold. Mr. Ray said something around \$20,000. Ms Ryall said something they could do cheaper in-house. What we don't want to run into is a situation where it is incidental to a maintenance project where we go ahead and do it and we don't have the authority because we hadn't contemplated with Council how to handle these really minor little projects.

There is a limit they have to calculate every year and it is called the Achen Gardner Numbers and it is prescribed by statute. Councilor Erhart said what they are asking is to be able to do a small amount of new construction under the statutory limits. Mr. Ray said they have done most of our water/sewer improvements in-house that fall below the Achen Gardner Numbers. Ms Ryall said that most of the discussions have focused on street projects. We added sewer and water because we thought we wanted to look at everything comprehensively, when the focus has been when a street project is maintenance and when a street project is new construction. With the adoption of this policy Council will be saying and allowing when it is going to be maintenance and when it is going to be construction. Prior to an argument expressed prior was if it is new construction we want the warranty period and there are certain advantages to bidding that out and having the contractor be liable for any project errors.

Councilor Steve Erhart moved to adopt the Town of Eagar Public Works Maintenance/Construction Policy as amended with Part One of Water and Sewer. Councilor Winslow McNeill seconded; all were in favor, motion carried unanimously. 5-0

Councilor Winslow McNeill questioned as our equipment ages, then where at some point maybe we have some piece of equipment down or something like that , do we have the ability or should we adopt this as proposed to go ahead and bid things out if it becomes necessary due to equipment failure or whatever else. Mr. Ray said they had looked at that and they would have the option if it is cheaper to rent the equipment or to contract it out.

Ms Ryall said this isn't limiting the Town from bidding maintenance activities. It is essentially precluding the Town from doing new construction in-house.

D. DISCUSSION AND CONSIDERATION TO ADOPT THE TOWN OF EAGAR VEHICLE AND EQUIPMENT REPLACEMENT POLICY

Public Works Director Bruce Ray stated that previous to this policy we have been doing vehicle replacement by the seat of our pants. The Town is in the 2000's now and have got out of the 70's. We developed this vehicle and equipment replacement policy that sets milestones for hours, mileage, and cost of repairs. Unfortunately we are not going to need those, as a lot of the vehicles that we are buying are almost at the threshold of what we set, but we can still get five or six years out of them, which pays for them in that time. All this covers is emergency services- police dept., fire dept and all our general fleet, heavy equipment. These are goals that are not set in stone but it gives the Town the guidelines.

Councilor Winslow McNeill moved to approve adopting the Town of Eagar Vehicle and Equipment Replacement Policy. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 5-0

E. DISCUSSION AND CONSIDERATION OF A REVISION TO THE TOWN OF EAGAR FISCAL POLICY AND PROCEDURES RELATED TO LOCAL PREFERENCE IN PROCUREMENT

Town Manager Tami Ryall informed Council that in our Procurement Policy the Town is allowed to give up to 5% benefit of the lowest bid to any of the bidders if they are a local businesses. There are many cities in Arizona that have similar local preference policies to help out local businesses. The City of Tucson was sued by the Goldwater Institute and the final adjudication was finalized with Tucson losing. So Town of Eagar's Procurement Policy did not apply with the terms of that lawsuit. What this does is change it to bring it into compliance. The Town is not allowed to give a benefit to a local business that is not the lowest bidder. Instead what this is doing is saying how important our local businesses are and on the front end the Town will make an earnest effort, if we know that the local business provides the product, to reach out to them and let them know that the procurement is going to take place. But the Town will not be able to give it to them if they are not the lowest bidder.

Town Attorney Doug Brown said the Goldwater Institute has sent a letter not directly to us, but to the League and Town of Eagar is named on the list. Before the Tucson case the 5% benefit for local businesses was meaningless and with this new case it is not worth it. Ms Ryall said you can't do it if it requires spending the tax payer's money, and not get the low bidder. You can have local preference programs that help to cultivate local businesses, like making it easier for them to bid and begin the process. You just can't give them a financial advantage. It has been found prior to this case that it is still using tax payer's money for enrichment.

Councilor John Phelps gave an example that if a local business bid \$100 and a business from across the state bids \$99.99, then he would get it. Ms Ryall stated there is threshold that we have to bid. From personal experience she has only seen this kick in with printing. Printers are so inexpensive now that they can generally under bid local businesses. The local printer is such a part of the community. They are the ones that donate the flyers, posters and generally very helpful for community events. It always creates a lot of ill feelings and we want to give business to the local outfit but we can't if they are not the lowest bidder.

If the lowest bidder doesn't do a good job or is known to not complete projects, there is discretion for past performance in the policy. Doug Brown said it is really difficult to disqualify a bidder for past performance.

Councilor Steve Erhart directed the staff to always get shipping included in the price of the total cost, when they are getting quotes of products. Because that is part of the cost of getting it here and that might give a local business the edge. Get the total price delivered.

Councilor Steve Erhart moved to approve the revision to the Town of Eagar Fiscal Policy and Procedures related to Local Preference in Procurement. Councilor Winslow McNeill seconded; with Councilor John Phelps opposed, motion carried. 4-1

ITEM #12: SIGNING OF DOCUMENTS

Necessary signatures were obtained for the Minutes of May 2015; the April Financial Page; the Municipal Magistrate Contract with Roberta Reed; temporary Cell Phone Site License with New Cingular Wireless PCS, LLC and its affiliates; Resolution 2015-07, 2015-08, and 2015-09; Ordinance 2015-02; Envirosystems Management, Inc. Agreement; and Intergovernmental Agreement Renewal with Arizona State Forestry.

ITEM #13: ADJOURNMENT

Councilor Steve Erhart moved to adjourn the meeting [at 8:28 p.m.]. Councilor Winslow McNeill seconded; all were in favor, motion carried unanimously. 5-0

Attest: _____

Mayor: _____

Vice-Mayor: _____

Council: _____

CERTIFICATION OF COUNCIL MINUTES

I hereby certify that the foregoing minutes is a true and correct copy of the minutes of the Regular Council Meeting and Public Meeting of the Town of Eagar, Arizona held on June 2, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Marion Wiltbank, Assistant Town Clerk