

MINUTES

TUSAYAN TOWN COUNCIL REGULAR MEETING MINUTES

PURSUANT TO A.R.S. § 38-431.02 & §38-431 .03

Wednesday, July 14, 2021 at 3:00 p.m.

TUSAYAN TOWN HALL BUILDING

845 Mustang Drive, Tusayan Arizona

Pursuant to A.R.S. § 38-431 .02, notice is hereby given to the members of the Tusayan Town Council and to the public that the Tusayan Town Council will hold a meeting open to the public on Wednesday, July 14, 2021, at the Tusayan Town Hall Building. If authorized by a majority vote of the Tusayan Town Council, an executive session may be held immediately after the vote and will not be open to the public. The Council may vote to go into executive session pursuant to A.R.S. § 38-431.03. A.3 for legal advice concerning any matter on the agenda, including those items set forth in the consent and regular agenda sections. The Town Council may change, in its discussion, the order in which any agenda items are discussed during the meeting.

Persons with a disability may request reasonable accommodation by contacting the Town Manager at (928) 638-9909 as soon as possible.

As a reminder, if you are carrying a cell phone, electronic pager, computer, two-way radio, or other sound devices, we ask that you silence it to minimize disruption of today's meeting.

TOWN COUNCIL REGULAR MEETING MINUTES

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Clarinda Vail called the meeting to order at 3:00PM and led the group in the Pledge of Allegiance.

2. ROLL CALL : One or two Council Members may attend by Zoom or Telephone.

MAYOR CLARINDA VAIL

COUNCILMEMBER ROBB BALDOSKY

VICE MAYOR BRADY HARRIS

COUNCILMEMBER BECKY WIRTH

COUNCILMEMBER GREG BRUSH

Present: Mayor Clarinda Vail, Vice Mayor Brady Harris, Councilmember Robb Baldosky

Via Zoom: Councilmember Becky Wirth; Councilmember Greg Brush

Staff Present: Town Manager Charlie Hendrix, Town Clerk Dalia Lopez, Bookkeeper Marla Wortmann

3. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA

Members of the public may address the Council on items not on the printed agenda. The Council may not discuss, consider or act upon any matter raised during public comment. Members of the audience who wish to speak to the Council on an Item listed as Public Hearing should complete a Request to Speak Card and turn it into the Town Clerk. Comments will be limited to three minutes per person.

Pete Shere spoke with the forest service regarding cloud seeding. Mr. Shere encouraged council to consider cloud seeding for forest water conservation in hopes to bring forest back to health after the recent fires.

4. CEREMONIAL AND/OR INFORMATIONAL MATTERS

- A. Presentation-Bi-Monthly Law Enforcement Report, Lieutenant Jason Lurkins, Coconino County Sheriff's Office. (10 min)

Lieutenant Lurkins presented the bimonthly law enforcement report. A copy of the report is available to the public through the Town's website. Lieutenant Lurkins emphasized the challenges Coconino County Sheriff's Office (CCSO) faced due to the Rafael fire and the evacuation protocols and added CCSO's enforcement and citations of fire ban violations. Tusayan Fire District Chief Greg Brush thanked Lieutenant Lurkins and CCSO for their help of the fire ban enforcement.

Call to the Public: None

Mayor Vail thanked Lieutenant Lurkins for his report and his participation.

5. CONSENT AGENDA

Moved by Mayor Vail, Seconded by Vice Mayor Brady Harris. Motion to approve consent agenda items 5A, 5B, and 5D and remove item 5C. Vote 5-0. Motion Passed.

- A. Billings of payable accounts (June 1-31-Bills Payable in July 2021).
- B. Billings of Electronic and Automatic Payable Accounts (June 1-June 30, 2021).
- C. Minutes of Council Meeting held on April 14, 2021, June 9, 2021, and June 23, 2021.
- D. Approval of Amended Intergovernmental Agreement (IGA) with the Tusayan Fire District.

6. ACTION ITEMS-Staff Report Summaries

Motion by Mayor Vail, Seconded by Councilmember Baldoskyto hear item 6G first, then all Executive Session Items, including the addition of 6I & 6J for purposes of receiving legal advice in Executive Session, and then to finish hearing all other agenda items in order after Executive Session. Vote 5-0. Motion Passed.

G. Consideration, discussion, and possible action regarding Sports Complex: Ramada/Outdoor Classroom, project schedule and other related projects, Mike Loven CMAR. (10 min)

Town Manager Hendrix addressed council, directed them to their agenda packets, and explained the two alternative quotes for the Ramada structure provided by Loven contracting. The documents are available to the public through the Town's website. Town Manager Hendrix thanked Mike Loven and Loven contracting for their work and taking the time to provide the information in a short amount of time for the meeting.

Mike Loven appeared via Zoom and presented alternative cost estimates for the ramada and site work. Several weeks ago, Loven contracting provided their first cost estimate of for the 800sf ramada and was asked by council to provide alternatives to the original quote. The second cost estimate, in the amount of \$340,000-\$380,000, would be a construction of an 800 sq ft ramada in a new location adjacent to the tennis courts. The third option, provided to staff the morning of the meeting, was for the ramada construction, in the original location, with only site work, site grading, and the construction of the ramada for the amount of \$560,000-\$575,000. Mr. Loven and staff provided their thoughts that the third option would be the would be most beneficial to the Town.

Vice Mayor Harris asked if the gravel base, would inhibit the construction of additional items in any way. Mr. Loven believes it wouldn't and would create a bigger public space which could be "accessorized" as the council sees fit. Mr. Loven added, although gravel was indicated in the proposal, decomposed granite could also be used. Mayor Vail asked if the price quote for the "third option", in the original location, had the pad that is already constructed in mind. Mr. Loven answered that another pad would need to be prepared in the original area, the concrete areas, and the ramada itself. Mr. Loven advised to purchase the materials now as construction prices, although may stabilize, will not go down and to take into consideration labor costs and wage increases.

Call to the public: None.

Mayor Vail thanked Mr. Loven for their consideration and providing alternative options in construction and pricing.

Moved by Mayor Vail, Seconded by Councilmember Baldosky. Motion to move into executive session at 3:16PM. Vote 5-0. Motion Passed.

Back in session at 4:40PM

A. PUBLIC HEARING

Town Manager advised council to move to hear item 6B ahead of the public hearing so the public could hear discussion regarding an alternative FY 21-22 budget.

Mayor Vail agreed and directed staff and council to hear item 6B first before the public hearing.

B. Consideration, discussion, and possible action regarding the adoption of the FY 2021-2022 final budget and Resolution 2021-08. (10 min)

Town Manger Hendrix presented two budget proposals: the primary budget and an alternative budget. The budget proposals are available to the public via the Town website. Town Manager Hendrix explained the changes proposed in the alternative budget proposal, at the request of Mayor Vail, that would allow the Town to pay off the bond payment. It was further explained that the bond payment would be paid from funds in the contingency budget and would not impact the bottom line. Town Manager Hendrix advised council of uncertain revenues for this 2021-2022 fiscal year and will need assistance from council to make sure revenues and expenses match. Town Manager Hendrix added that staff was, however, in support of the alternative budget.

Mayor Vail explained, after the bond payment was made on June 30, 2021, it made more sense to stop paying the high interest rate and pay off the debt entirely. Mayor Vail also provided council with actuals from the Town bank statements and reported on the tax revenue percentages for the month of January through June 2021 for some reassurance that council was on the right track with the budget and revenues may be higher than expected in the budget.

Town Manager presented the alternative and primary budget to council and explained where payment of the bond was taken out of. Mayor Vail asked for any input from council. Councilmember Wirth agreed that paying off the loan is a fiscally sound decision.

A. PUBLIC HEARING

The Council will hold a Public Hearing regarding the Fiscal Year 2021-2022 Final Budget.

Open of the public hearing.

Call to the public to speak about the budget.

Mayor Vail advised the public of council's support of the alternative "A" budget.

Closed to public hearing at 4:55PM

Moved by Vice Mayor Harris, Seconded by Councilmember Baldosky. Motion to adopt the Fiscal Year Alternate 2021-2022 Budget and Final Budget Resolution 2021-09A. Vote 5-0. Motion Passed.

C. Consideration, discussion, and possible action regarding Tusayan Rain and Flow gauge project. (5 min)

Town Manager Hendrix reported, staff had requested to wait until this 2021-2022 fiscal year to speak on this item and requested to approve the project. Staff asked the instruction would be to have the approval from the forest service to purchase equipment and do the installation. Town Manager advised that Rick Schuller is on zoom in case council had any questions.

Councilmember Baldosky asked if approval for the scoping phase was granted by the forest service. Town Manager Hendrix first thanked Mr. Schuller for his assistance in grant funding and providing letters of support to the senator's office for financial requests made by staff, however it was her understanding that the final approvals were still needed from the forest service regarding the scoping phase. Town Manager Hendrix gave the floor to Mr. Schuller to answer any further questions from council.

Mr. Schuller concurred with Town Manager's report and mentioned to council of the tentative permits he would need to obtain from the forest service and all they ask in return is shareable data. Formal approvals are still needed. Mr. Schuller answered Vice Mayor Harris' question about issues to get approvals, but he does not believe any issues will come about. Mr. Schuller also responded to Mayor Vail's question regarding additional land owner approvals and stated that apart from the forest service, a handful of other approvals are still needed, such as the Tusayan Airport, the Sanitary District, and ADOT. It was noted that no equipment would be purchased until approval was obtained to add in the flow gauge to any property sought after.

Call to public: None.

First by Mayor Vail, Seconded by Councilmember Baldosky, Approval of the Tusayan Rain & Flow Gauge project as presented and adding that no equipment will be purchased until the agency or owner of the land approves to add the equipment. Vote 5-0. Motion passed.

- D. Consideration, discussion, and possible action regarding procurement quotes for landscaping and generator installation. (10 min)

Town Manager Hendrix requested council to table this item for the next meeting as staff is still waiting on final price quotes and added, regarding landscaping, the Town is trying to go off of state jock and will be having their own RFQ to compare the results.

- E. Consideration, discussion, and possible action regarding Engineering Department Job Descriptions. (5 min)

Town Manager Hendrix updated council of the June 9th meeting regarding job descriptions within the engineering department. Staff had compiled job descriptions from around neighboring cities and have provided those to Jack Moody. Mr. Moody will be compiling the reports from staff and have job descriptions ready for the next meeting in August for council to review.

Call to public: None.

- F. Consideration, discussion, and possible action regarding IGA with Coconino County Community Development for permit and inspection services, Jason Cristelman. (10 min)

Town Manager Hendrix updated council on the Intergovernmental Agreement with Coconino County and anticipates a final draft from the Coconino County attorneys before the August meeting. Town Manager advised council to refer to the staff report for any additional questions or additional details.

Call to public: None.

Town Manager added she would like council authorization to give notice to Willdan regarding the intergovernmental agreement with Coconino County as a courtesy. Council is in consensus and agrees to give Willdan notice.

- G. Consideration, discussion, and possible action regarding Sports Complex: Ramada/Outdoor Classroom, project schedule and other related projects, Mike Loven CMAR. (10 min)

Mayor Vail presented her support of "option 3" of the ramada construction. Councilmember Baldosky agreed with Mayor Vail and stated he believed it would still be within the budget. Councilmember Baldosky stated his opinion on the time frame of the project, as the drainage wouldn't be a concern due to the gravel base, so that work on the Master Plan could move forward. Councilmembers discuss the

drainage and the master plan. Vice Mayor Harris emphasized his support of the bigger structure and the original plan but does not agree with option 3 and would rather see a completed ramada/outdoor classroom for community use in the future than a ramada that would need continuous modifications and improvements. Councilmembers continue to discuss the budget, gravel vs. concrete for drainage purposes, and moving the Master Plan forward. Town Manager Hendrix added, for council's consideration, that one option would be to use the funds donated by rotary for the first improvement to this project if the council decided to go with the phased approach.

Call to public: None

Moved by Mayor Vail, Seconded by Councilmember Badolsky. Motion to Modify the project schedule and direct staff to modify the project schedule to reflect the base price option (#3). Vote 3-1, with councilmember Harris voting against Motion passed.

Councilmember Brush left the meeting due to connection issues.

A quorum was still present.

Vice Mayor Harris explained he is not opposing because he is not for the ramada project, but he is against cutting corners with regards to public safety, the children, and the school. Mayor Vail added that she hopes no further cuts would be necessary but emphasized the importance of cost savings.

- H. Consideration, discussion, and possible action regarding Norris Design change order #1 for additional Grading and Drainage. (5 min)

Council agreed to move on from this item as they have agreed to a modified change order per item 6G in this agenda.

Call to the public: None.

- I. Consideration, discussion, and possible action regarding possible acquisition of the Hydro-Resources Inc. Public Water System. (10 min)

Vice Mayor Harris presented the item to re-enter discussion. Councilmember Baldosky spoke about the background of how the item was tabled previously. Councilmembers discussed their opinions on whether to acquire the Hydro-Resources Inc. (Hydro) for the benefit of the town. Mayor Vail emphasized that the water system cannot be subsidized and has to be self-sustaining. Councilmembers discussed providing an offer to Hydro so that they are aware of council's intention.

Call to the public: None.

Moved by Vice Mayor Harris, Seconded by Councilmember Wirth. Motion to direct staff to reopen negotiations with Hydro-Resources, Inc. and prepare materials to call an election at a future date as necessary and appropriate. Vote 3-1. Motion passed.

Mayor Vail opposed the acquisition because she doesn't believe there is an amount within the budget for this item this year and would rather focus on housing for the Town. Town Manager noted if Hydro does not consider the agreement, specifically if staff is unable to enter a purchase agreement with Hydro, then staff will not move forward with preparing materials to call an election., Council agreed with this direction to staff.

- J. Consideration, discussion, and possible action regarding placing Public Water System acquisition on WIFA priority list. (5 min)

Town Manager Hendrix requested direction from council to add the Town on the priority list and reserving a spot.

Call to the public: None.

**Vice Mayor Harris, Councilmember Wirth, Councilmember Baldosky voted to add the town on the priority list.
Mayor Vail opposed.**

- K. Consideration, discussion, and possible action regarding Intergovernmental Agreement (IGA) with the Tusayan Sanitary District. (10 min)

Jon Vail presented some changes to the Intergovernmental Agreement (IGA) and requested to be added to next month's agenda. Council discussed whether to approve the IGA as to form and whether an ordinance or resolution would be needed. Staff noted that either way would work. One would allow the council to approve the agreement as to concept and direct staff to make final changes for the final approvals (which could then appear on the consent agenda).

Call to public: None.

Moved by Mayor Vail, Seconded by Councilmember Baldosky. Motion to approve, as to form, the Intergovernmental Agreement with Tusayan Sanitary District with the changes as presented by staff. Vote 3-0-1 abstain.

Councilmember Wirth abstained as she has not had a chance to review the IGA.

- L. Consideration, discussion, and possible action regarding Broadband Internet Services and possible contract with ATNI. (10 min)

Mayor Vail presented where lines would look like for private properties and would need stakeholder involvement. Mayor Vail announced that a Stakeholder meeting will be held on August 25, 2021 during the regularly scheduled council workshop meeting.

- M. Consideration, discussion, and possible action regarding year end coding and budget adjustments in the Clerkbooks accounting program. (10 min)

Town Manager Hendrix presented to council a list of coding changes from the last fiscal year. Town Manager requested approval from council to make these changes and make the year end adjustments. Town Manager Hendrix added some coding changes were for covid related items. For some reason COVID expense items were accidentally coded to COVID income and then others perpetuated the error in an effort to be consistent. This action will enable this error to be corrected.

Call to the public: None.

Moved by Mayor Vail, Seconded by Vice Mayor Harris. Motion to approve year end coding and budget adjustments in the Clerkbooks accounting program as presented by staff. Vote 4-0. Motion passed.

- N. Consideration, discussion, and possible action regarding holiday lights. (5 min)

Town Manager presented the proposal for the Christmas lights and requested council approval to purchase the items. This is being presented now due to an annual sale that always goes on in July. This will enable the town to build on last year's collection.

Moved by Vice Mayor Harris, Seconded by Mayor Vail. Motion to approve the order of holiday lights as presented by staff. Vote 4-0. Motion passed.

7. EXECUTIVE SESSION

- A. Pursuant to A.R.S. § 38-431.03 A.3. and A.4. Discussion regarding legal update and advice regarding Coconino County Flood Control District v. Town of Tusayan, Coconino County Sup. Ct. Case No. CV-201800616. (20 min)

- B. Pursuant to A.R.S. § 38-431.03 A.3. and A.4. Discussion regarding Intergovernmental Agreement (IGA) with the Tusayan Sanitary District. (20 min)
- C. Pursuant to A.R.S. § 38-431.03 A.3. and A.4. Discussion regarding contract with Broadband Internet Services, ATNI. (10 min)
- D. Pursuant to A.R.S. § 38-431.03 A.3. and A.4. Discussion regarding legal update and advice regarding Eric Duthie v. et. Al. Town of Tusayan. (5 min)

8. REPORTS

A. Town Manager

1. Town Manager Report

Town Manager updated council of the outreach for the fourth of July event and referred them to their packets for further information. All documents discussed are available to the public through the Town's website.

Councilmember Brush and Town manager met with members of the forest service to continue the Neepa process for the trails project and hopes to get that going for the summer.

a) Town Financial report

Quarterly Investment Report

b) July 4th update

Town Manager played a TV news report from Phoenix regarding the fourth of July drone show. Mayor Vail thanked Town Manager Hendrix family for their help and Town Manager thanked council who was present during the event.

c) 2021 Meeting Schedule

d) Annual Town Calendar

e) Annual Budget Calendar

f) Strategic Planning Updates

2. Organization reports

B. Council Members

Vice Mayor Harris mentioned the great turn out for the Fourth of July event and was happy to have been a part of the event.

C. Mayor

Mayor Vail thanked everyone who helped with the Fourth of July event. Thanked the Chamber, the drone company, and eventbrite who helped with taking down the decorations.

Mayor Vail mentioned the recovery funds awarded to the Town are to be used as directly for cash assistance for people, and although there is room in the budget for further assistance, she would like to further discuss guidelines on how the funds will be distributed and to whom.

9. FUTURE AGENDA ITEMS

Sanitary District IGA

Recovery Funds payment distribution
Analyzing Stilo and the agreement within the PADA

10. MOTION TO ADJOURN

Moved by Councilmember Baldosky, Seconded by Vice Mayor Harris, Motion to adjourn at 6:10PM. Vote 4-0. Motion passed.

Clarinda Vail 8/17/21
Clarinda Vail, Mayor Date

ATTEST:

Dalia Lopez
Town Clerk

CERTIFICATION

STATE OF ARIZONA)

) ss

COCONINO COUNTY)

I, Dalia Lopez, do hereby certify that I am the Town clerk of Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on July 14, 2021. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 19 day of August 2021.

Dalia Lopez
Town Clerk

