

**CITY OF KINGMAN  
MEETING OF THE COMMON COUNCIL  
Council Chambers  
310 N. 4<sup>th</sup> Street**

**5:30 P.M.**

**MINUTES**

**Tuesday, June 16, 2015**

**REGULAR MEETING**

<b>Members</b>	<b>Officers</b>	<b>Visitors Signing in</b>
<b>Richard Anderson – Mayor</b>	<b>John Dougherty, City Manager</b>	<b>See attached list</b>
<b>Mark Wimpee, Sr. – Vice-Mayor</b>	<b>Jackie Walker, Human Resources Director</b>	
<b>Mark Abram</b>	<b>Carl Cooper, City Attorney</b>	
<b>Larry Carver</b>	<b>Jake Rhoades, Fire Chief</b>	
<b>Jen Miles</b>	<b>Greg Henry, City Engineer</b>	
<b>Stuart Yocum</b>	<b>Robert DeVries, Chief of Police</b>	
<b>Carole Young</b>	<b>Mike Meersman, Parks and Recreation Director</b>	
	<b>Tina Moline, Finance Director</b>	
	<b>Gary Jeppson, Development Services Director</b>	
	<b>Rob Owen, Public Works Director</b>	
	<b>Joe Clos, Information Services Director</b>	
	<b>Kathy McCoy, City Magistrate</b>	
	<b>Sydney Muhle, City Clerk</b>	
	<b>Erin Roper, Deputy City Clerk and Recording Secretary</b>	

**CALL TO ORDER & ROLL CALL**

Mayor Anderson called the meeting to order at 5:30 P.M. and roll call was taken. All councilmembers were present. The invocation was given by Grif Vautier of Kingman Presbyterian Church after which the Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A)3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**1. APPROVAL OF MINUTES**

**a. The Special Meeting minutes of September 12, 2014.**

Mayor Anderson stated Vice-Mayor Wimpee, Sr., Councilmember Abram and Councilmember Yocum were not present at the meeting.

Councilmember Carver made a MOTION to APPROVE the Special Meeting minutes of September 12, 2014. Councilmember Miles SECONDED and it was APPROVED with a vote of 4-0 with Vice-Mayor Wimpee, Sr., Councilmember Abram and Councilmember Yocum ABSTAINING.

**b. The Regular Meeting and Executive Session minutes of June 2, 2015.**

Mayor Anderson stated he and Councilmember Miles were not present at the meeting.

Councilmember Young stated on page four in the sixth paragraph the sentence should read “2% bed tax” not “2.5% bed tax.”

Councilmember Abram made a MOTION to APPROVE the Regular Meeting and Executive Session minutes of June 2, 2015 with the correction on page four. Vice-Mayor Wimpee, Sr. SECONDED and it was APPROVED by a vote of 5-0 with Mayor Anderson and Councilmember Miles ABSTAINING.

**c. The Special Meeting and Executive Session minutes of June 4, 2015.**

Mayor Anderson stated items “1c” and “1d” would be approved together as Councilmember Carver was the only councilmember not present at both meetings.

Vice-Mayor Wimpee, Sr. made a MOTION to APPROVE the Special Meeting and Executive Session minutes of June 4, 2015 and June 5, 2015. Councilmember Young SECONDED and it was APPROVED by a vote of 6-0 with Councilmember Carver ABSTAINING.

**d. The Special Meeting and Executive Session Minutes of June 5, 2015.**

**2. CALL TO THE PUBLIC - COMMENTS FROM THE PUBLIC**

Those wishing to address the Council should fill out request forms in advance. Action taken as a result of public comments will be limited to directing staff to study the matter or rescheduling the matter for consideration and decision at a later time. Comments from the Public will be restricted to items not on the agenda with the exception of those on the Consent Agenda. There will be no comments allowed that advertise for a particular person or group. Comments should be limited to no longer than 3 minutes.

Mark Sippel stated he had an office in Kingman and he was speaking on behalf of the Kingman America’s Best Communities (ABC) Competition committee, the Downtown Merchants’ Association and the Downtown land owners. Mr. Sippel stated there were many lots in Downtown that were smaller than the 5,000 square feet required for development by the Planning & Zoning Department. Mr. Sippel stated a small lot development ordinance should be created and adopted in order to allow development on the lots, many of which had utility infrastructure in place.

Mayor Anderson directed City Manager John Dougherty to research Mr. Sippel’s proposal.

Dean Wolslagel stated the issues with the Valle Vista water supply occurred because of in-house testing. Mr. Wolslagel stated the City conducted in-house testing of its water supply and the water should be tested by an outside company in order to eliminate doubts about its safety.

Mayor Anderson directed Mr. Dougherty to prepare a report on the current water testing process and the possibility for spot testing by an outside company.

Tom Carter stated the City needed town hall meetings and workshops in order to understand the full implications of the decisions being made for the community.

Harley Petit stated he wanted to resubmit a request for improved Americans with Disabilities Access (ADA) for the Council meetings. Mr. Petit stated he was told the door had to be locked for security reason and he suggested having a person monitor the door.

Mayor Anderson directed Mr. Dougherty and Chief of Police Robert DeVries to investigate Mr. Petit's concerns.

**3. CONSENT AGENDA**

All matters listed here are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired that item will be removed from the CONSENT AGENDA and will be considered separately.

**a. Arizona Criminal Justice Commission Grant Award DC-16-007**

On June 3, 2015 the Arizona Criminal Justice Commission (ACJC) awarded the Kingman Police Department, on behalf of the Mohave Area General Narcotics Enforcement Team (MAGNET), a grant in the amount of \$345,254.00 to fund our drug task force. Total grant funding is for \$258,940.00 with matching funds totaling \$86,314.00 required from MAGNET. Those matching funds will be paid from the MAGNET RICO account. **Staff recommends approval.**

**b. Resolution No. 4955 – Approving Water Service for an Unsubdivided Parcel at 2800 Hualapai Mountain Road for an Office Building (ENG15-034)**

On May 28, 2015 the Municipal Utility Commission reviewed a request from Doug Angle for water service to an unsubdivided parcel at 2800 Hualapai Mountain Road (Tax Parcel 321-06-084). This water service request is for development of a new office building on a 1.68 acre commercial property. Resolution No. 4955 grants water service to the subject parcel with the following condition: (1) that any connection to the water or sewer system is made in accordance with the Utility Regulations and applicable building codes. The Commission voted 5-0 to recommend approval of water service to Tax Parcel 321-06-084. **Staff recommends approval of Resolution No. 4955.**

**c. Resolution No. 4954 – Sale of Real Property at 854 Berk Avenue**

This item was originally approved March 3, 2015, with Resolution No. 4936. Due to a clerical error, Resolution No. 4936 was assigned to two separate items. This item will re-approve the authorization for the sale of certain real property located at 854 Berk Avenue. The property was bid on through a sealed competitive bid process on February 23, 2015. **Staff recommends approval.**

**d. Authorizing the purchase of real property on Gates Avenue for drainage purposes, ENG15-018**

On March 17, 2015, Council approved Resolution 4936, which authorized staff to proceed with acquiring vacant property on Gates Avenue for drainage purposes. The property is owned by Gregory V. Davis and is identified as tax parcel 311-14-326. The property is 5,000 square feet in area and is a natural low point which ponds with storm runoff. Staff recommends proceeding with

the Gates property acquisition. Upon Council approval, staff will open an escrow with one of the local title agencies to finalize this land purchase. **Staff recommends approval.**

**e. Mohave County Jail Costs IGA FY15-16**

Staff has submitted the Mohave County Jail Costs IGA dated July 1, 2014, email correspondence with Mohave County, and Mohave County Board of Supervisors May 5, 2015 agenda item and meeting minutes regarding the FY15-16 booking and per diem fees for city inmates. The booking fee has been reduced from \$62.00 to \$61.00. The per day fee has been reduced from \$69.50 to \$66.64. **Staff recommends approval.**

**f. Resolution 4956 Authorizing an Intergovernmental Agreement between the Arizona Department of Revenue (ADOR) and the City of Kingman for ADOR administration, billing, collection, auditing and licensing of transaction privilege taxes, use taxes or other taxes imposed by the City or State**

The Arizona Department of Revenue has prepared a revised intergovernmental agreement to renew authorization for the Department of Revenue to act on behalf of the City of Kingman in regard to joint taxpayer audits and the uniform method of administration, collection, audit and licensing of transaction privilege taxes, use taxes or other taxes imposed by the City of Kingman or State of Arizona. With the modification of ARS §42-6001 as it relates to the Local Transaction Privilege Tax administration, there are significant improvements in the State collection program as a result of the simplification process. The intergovernmental agreement includes revisions to 1) address confidentiality, 2) provide clear direction regarding the sharing of general taxpayer license information, legal interpretations and written guidance, and rate and fee tables, 3) identify exact data fields to provide to the DOR and detailed reports that will be provided to the cities, 4) provide guidance for handling voluntary disclosure by taxpayers, and 5) provide a formal review process using the new “State and Local Uniformity Group” made up of four city and four DOR tax experts who will work together to iron out any problems or conflicts between the cities and the State. The terms of the intergovernmental agreement run on an annual basis from July 1, 2015 through June 30, 2016 and will renew automatically each year. **Staff recommends approval.**

**g. National League of Cities Service Line Program**

At the June 2, 2015 Regular Meeting of the Common Council, Utility Service Partners presented information on the National League of Cities Service Line Program, which provides citizens with the opportunity to purchase insurance to cover water and sewer line repairs that are the responsibility of the property owner. Staff has worked with Utility Service Partners to draft a contract to allow the City to participate in this program. **Staff recommends approval.**

Mayor Anderson stated item “3g” needed to be removed.

Vice-Mayor Wimpee, Sr. made a MOTION to APPROVE Consent Agenda items “3a” through “3f.” Councilmember Young SECONDED and it was APPROVED by a vote of 7-0.

Councilmember Miles asked what the City’s liability would be in the case of work discrepancies since the City’s logo and an elected official’s signature would be used on the marketing material.

City Attorney Carl Cooper stated the “hold harmless” language in the contract was standard.

Councilmember Miles asked that the letter state the program was optional.

Mr. Cooper agreed.

Councilmember Miles made a MOTION to APPROVE the contract with Utility Services Partner with the stipulation that the letter included a disclaimer that the program was optional and not a City program. Councilmember Young SECONDED and it was APPROVED by a vote of 7-0.

**4. EXECUTIVE SESSION**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A)(1). THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**a. Review and discussion of the draft contract for the City Magistrate position.**

**b. Discussion and/or action concerning the contract for the City Magistrate position.**

Vice-Mayor Wimpee, Sr. made a MOTION to ENTER into Executive Session. Councilmember Young SECONDED and it was APPROVED by a vote of 7-0.

The Council entered Executive Session at 5:50 P.M. The Council returned from Executive Session at 5:56 P.M.

**5. OLD BUSINESS**

**a. Ratification of City Magistrate Employment Agreement**

On June 5, 2015, Council appointed three Council members and HR Director to negotiate terms and conditions of an employment agreement with Jeffrey Singer for City Magistrate. Attached is the agreed upon contract with City Magistrate Jeffrey R. Singer. Highlights of the contract include: effective June 29, 2015; two year contract; annual base salary of \$111,936.

Vice-Mayor Wimpee, Sr. made a MOTION to RATIFY the City Magistrate Employment Agreement with Jeffery R. Singer. Councilmember Young SECONDED and it was APPROVED by a vote of 7-0.

**b. Swearing in ceremony for new city magistrate**

Pending approval of the proposed contract for new City Magistrate Jeffrey R. Singer, retiring Magistrate Kathy McCoy will swear in Judge Singer to his new position before the Mayor and Council.

Judge Kathy McCoy administered the oath of office to Mr. Singer.

**6. NEW BUSINESS**

**a. Discussion and direction concerning possible consolidation and extension of repayment of WIFA loans for infrastructure improvements**

Upgrades to the Downtown and Hilltop Wastewater Treatment Plants were completed in 2011 and 2012. The primary funding source for each of these projects was through loans obtained from the Water Infrastructure Finance Authority (WIFA), \$14,439,487 for the Downtown plant and \$33,783,632 for the Hilltop plant. Both loans are on a 20-year repayment schedule. The combined interest rate and administrative fee for the Downtown plant's loan is 3.185% and Hilltop plant's

loan is 3.60%. The Downtown plant's outstanding loan balance is \$13,125,155 and has 16 years remaining on it. The Hilltop plant's outstanding loan balance is \$27,924,337 and has 14 years remaining on it. There has been some inquiry into the possibility of consolidating and extending these loans if additional funding from WIFA is needed for infrastructure improvements. **Staff is looking for direction on whether or not to research the inquiry of consolidation and extension of repayment of the WIFA loans if additional funding is needed for infrastructure improvements.**

Finance Director Tina Moline stated there was a request to look into consolidating and extending the loan payments in case additional funds were need for future infrastructure costs. Ms. Moline stated she was asking for Council direction because it would involve borrowing funds from WIFA in the future.

Mayor Anderson stated Lake Havasu City was initially told by WIFA they would have to pay a prepayment penalty if they consolidated their loans, but when the matter was brought to the legislature WIFA was told that was incorrect. Mayor Anderson stated the City would need certain infrastructure as it expanded and if it was completed at a steady pace it did not become a burden. Mayor Anderson stated the elimination of impact fees had made steady expansion difficult.

Vice-Mayor Wimpee, Sr. asked if Lake Havasu City had to pay fees for consolidating the loan.

Mayor Anderson stated Lake Havasu City took out a new loan and paid off the old one.

Councilmember Miles stated the City needed to know the debt level across different scenarios including potential penalties and fees. Councilmember Miles stated she would like to know if the Lake Havasu City legislative action was formal.

Mayor Anderson directed Ms. Moline to start researching options.

**b. Golf Course Manager Agreement**

The term of the current Golf Course Manager Agreement ends December 31, 2015. After lengthy discussion at the May 20th meeting of the Golf Course Advisory Commission, the commission voted 5 in favor of renegotiating the Golf Course Manager Agreement with the current Golf Course Manager Levi Pitts of Cerbat Golf L.L.C. One commissioner cast an opposing vote. The current term of the Golf Course Manager Agreement ends December 31, 2015. **Council discretion.**

Parks & Recreation Director Mike Meersman stated the golf industry struggled in the past years due to the poor economy, but Levi Pitts was able to maintain and expand services at the golf course. Mr. Meersman stated Mr. Pitts improved the restaurant, pro shop and customer service and he worked well with Staff. Mr. Meersman stated Mr. Pitts would like the option to renegotiate his contract.

Bill Shade stated he was a Kingman resident and golfer and fully supported Mr. Pitts' continued management of the golf course and the renegotiation of his contract.

Jim Powell stated he also supported renegotiating the contract. Mr. Powell stated he sent a letter to each councilmember with an attached petition of golfers showing support for Mr. Pitts. Mr. Powell

stated Mr. Pitts met or exceeded all the financial goals set by the City and made many improvements.

Mayor Anderson asked Mr. Meersman if he had statistical data showing the increase in revenue attributed to Mr. Pitts' management.

Mr. Meersman stated he did not have that information with him, but Mr. Pitts had met all goals associated with his bonus.

Mayor Anderson stated he wanted to see numerical evidence. Mayor Anderson stated the City controlled the cost of maintaining the course and Mr. Pitts boosted the revenue, including marketing and advertising. Mayor Anderson stated he realized it was an initial contract and changes were needed.

Mr. Meersman stated he could provide data and any terms the Council wanted could be included in the renegotiated contract. Mr. Meersman stated the current contract with Mr. Pitts provided an 18% savings over the previous manager in addition to the items Mr. Pitts financed that the previous manager did not, such as driving range equipment and a portion of the point of sales system.

Councilmember Miles stated the contract was valid until December 31, 2015 so there was time to make changes.

Councilmember Young stated the City may not have exact numbers until next year due to the repayment of the loan.

Vice-Mayor Wimpee, Sr. asked how Mr. Petit met his bonus.

Mr. Meersman stated there are certain percentage increases in revenue Mr. Pitts had to meet and he successfully met them the last two years and most likely would again this year.

Councilmember Carver made a MOTION to RENEGOTIATE with Levi Pitts and to CREATE A COMMITTEE with Mr. Meersman, Ms. Moline, Mr. Dougherty and Councilmember Carver.

Mayor Anderson stated the committee should have five people, not four.

Councilmember Abram SECONDED and it was APPROVED by a vote of 6-1 with Mayor Anderson voting NAY.

**c. Discussion and/or action regarding possibly changing the date of or cancelling the second Regular Council Meeting in August**

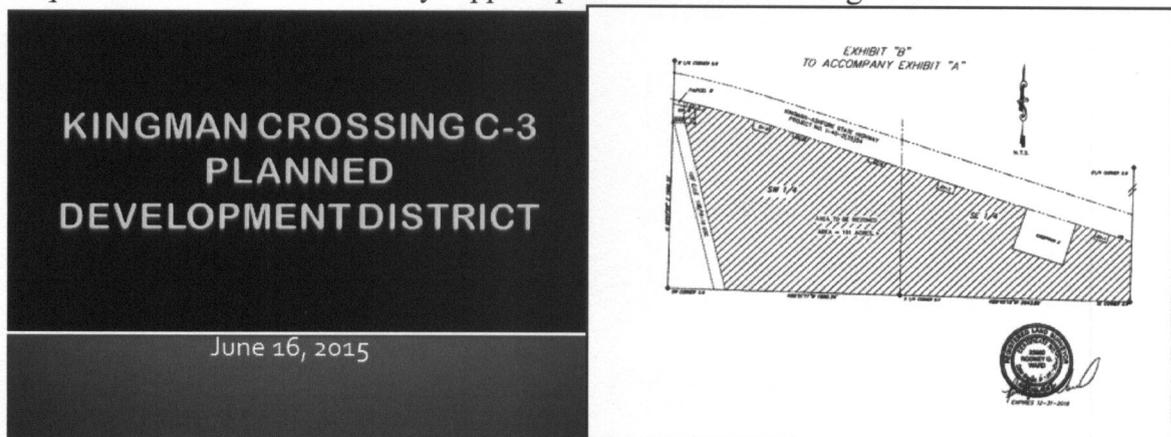
The second Regular Council Meeting for the month of August is currently scheduled to take place August 18<sup>th</sup>. The League of Cities and Towns Annual Conference is scheduled to take place Tuesday, August 18<sup>th</sup> through Friday, August 21<sup>st</sup> in Tucson, Arizona. Given that the majority of the Council is scheduled to attend this conference beginning August 19<sup>th</sup>, staff has requested an item for the Council to discuss and possibly take action regarding changing the date of or cancelling the second Regular Meeting of August 18, 2015. **Council discretion.**

Vice-Mayor Wimpee, Sr. made a MOTION to CANCEL the Regular Council meeting of August 18<sup>th</sup>, 2015. Councilmember Carver SECONDED and it was APPROVED by a vote of 7-0.

**d. Consideration of the City Council Initiating a C-3 Planned Development District Zoning for the 151-Acres of City Owned Property in the Kingman Crossing Area that is Designated “Regional Commercial”**

With the adoption of Resolution 4949 on May 5, 2015, the 151.32-acres of the Kingman Crossing area owned by the City is designated “Regional Commercial” on the Projected Land Use Map of the Kingman General Plan Update 2013. The property can be rezoned to a zoning district that is in conformance with the General Plan. A compatible zoning district for a Regional Commercial Zoning District is Commercial: Service Business (C-3). However, as was discussed in the General Plan Amendment public meetings and other discussions with the land owner on the north side of the future Kingman Crossing Traffic Interchange, some uses permitted in the C-3 Zoning District are not desirable. Therefore, a Planned Development District, which permits a change in the permitted, conditionally permitted uses, and minimum development standards, can be adopted to establish a desirable zoning district. Staff and Council will discuss stipulations for the development of the property. If the City Council desires to initiate rezoning of its Kingman Crossing property, direction on what zoning district and/or planned development district is desired needs to be made. If initiated at this meeting, the Planning and Zoning Commission can hold its public hearing on July 14, 2015, and the City Council can hold its public hearing on August 4, 2015. **Staff recommends initiation of the C-3 PDD zoning district and rezoning of the Kingman Crossing property.**

Development Services Director Gary Jeppson presented the following slides:



Slide one was an introductory slide. Slide two depicted the property.

Consideration of Council Initiating Planned Development District	Kingman Crossing Characteristics
<ul style="list-style-type: none"> <li>▪ A Planned Development District is designed to provide various types of land uses and development standards to ensure compliance with the General Plan and good zoning practices while allowing certain desirable departures from the strict provisions of specific zone classifications.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Land Use Designation of "Regional Commercial".</li> <li>▪ A future interchange is planned.</li> <li>▪ The area to the north has a "C-3 PDD" Zoning Classification.</li> </ul>

Mr. Jeppson read slide three. Mr. Jeppson reviewed the information on slide four and stated the goal was to have the zoning match the existing Planned Development District for property to the north.

Consideration of Differences from the C-3 Zoning District.	Consideration of Differences of C-3 Conditional Permitted Uses:
<p><b>The following uses permitted in the C-3 Zoning District not be permitted in the PDD:</b></p> <ol style="list-style-type: none"> <li>1. Storage and equipment yards associated with contractors offices,</li> <li>2. Truck sales and service, new and used,</li> <li>3. Truck and trailer rental and service, and</li> <li>4. Vehicle towing and storage.</li> </ol>	<p><b>The following uses shall not be permitted by Conditional Use Permit within the area zoned Kingman Crossing C-3-PDD:</b></p> <ul style="list-style-type: none"> <li>▪ 1. BMX racetrack,</li> <li>▪ 2. Mini-storages,</li> <li>▪ 3. Motocross racetrack,</li> <li>▪ 4. Off premises signs (billboards),</li> <li>▪ 5. Recreational vehicle parks,</li> <li>▪ 6. Swap meets (indoor and outdoor),</li> <li>▪ 7. Tire retreading and recapping,</li> <li>▪ 8. Travel trailer park, and</li> <li>▪ 9. Truck stops for truck stop facilities.</li> </ul>

Mr. Jeppson read slides five and reviewed the information on slide six.

Enhanced Development Standards	Architectural Controls
<ul style="list-style-type: none"> <li>▪ When a development directly abuts any residential zoning district, all buildings are to be setback at least 25 feet from the abutting property line.</li> <li>▪ Parking areas may be allowed within the setback areas, but those areas cannot be used for commercial truck deliveries or outdoor storage purposes, including the placement of shipping containers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Building designs and colors shall be appropriate to the southwestern United States.</li> <li>▪ Colors should include warm earth tones and highly reflective materials such as all metal or all glass buildings shall be avoided.</li> <li>▪ Building designs shall include the use of varied parapets, columns, popouts and pilasters to avoid the appearance of long blank walls.</li> </ul>

On slide seven Mr. Jeppson stated increasing the setback would help buffer the residential areas from the retail areas. Mr. Jeppson read slide eight.

Walkability	Signage
<ul style="list-style-type: none"> <li>▪ At least ten (10) feet of walkway shall be required between the front entrance of any buildings and parking lot traffic aisles to provide adequate walking room and to reduce pedestrian/vehicle conflicts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Overall sign plans shall be submitted at the time of development which compliments the architectural theme of the principal buildings in terms of design and color.</li> <li>▪ All free-standing signs shall have skirting around the pole supports at the base. The sign base shall be at least 50-percent of the width of the sign width.</li> </ul>

Mr. Jeppson read slides nine and 10.

Parking	Landscape Buffering
<ul style="list-style-type: none"> <li>▪ All parking areas shall include landscaped tree islands for every 15-parking spaces.</li> <li>▪ A raised landscaped berm or a continuous wall at least 3 feet in height or some combination of both, shall be used to screen all parking areas from adjacent public streets.</li> <li>▪ Perimeter planting strips at least 10 feet in width along the street frontages shall be required.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Heavy landscaping and a buffer wall shall be located at the time of development where the Kingman Crossing C-3-PDD district directly abuts any residential zoning district.</li> </ul>

Mr. Jeppson read slides 11 and 12.

Driveways	Effective Date of Zoning District
<p>All commercial driveways shall align on both sides of the streets where there are no medians.</p>	<p>The issuance of building permits by the City of Kingman on the subject properties shall not occur until a notice to proceed has been made by ADOT and construction of the Kingman Crossing interchange has begun.</p>

Mr. Jeppson read slides 13 and 14.

Timeframe on Process
<ul style="list-style-type: none"> <li>▪ Planning and Zoning Commission public hearing on July 14, 2015.</li> <li>▪ City Council public hearing and consideration of an ordinance on August 4, 2015.</li> </ul>

Mr. Jeppson reviewed the timeline on slide 15.

Councilmember Young stated she wanted a workshop on Kingman Crossing in order to see all the factors in one presentation.

Councilmember Miles asked if there was a study being done on the roads.

Mr. Jeppson stated there was a design concept for how the interchange would connect to roads.

Councilmember Abram stated the City could not know exactly how the property would look until a developer purchased it; however, it was important to pass the planned development district in order to ensure that certain businesses were not built.

Councilmember Miles stated the City needed a strategic plan to know how many businesses and what types it could accommodate. Councilmember Miles stated the City did not know the value of the land.

Councilmember Carver stated the value depended on the land's zoning.

Councilmember Miles stated she wanted to see different zoning scenarios before approving conditions.

Mr. Petit stated the public was misled by Mayor Anderson and Mr. Dougherty. Mr. Petit stated the City would be responsible for infrastructure and a portion of the interchange, which would cost a great deal of money. Mr. Petit stated the City should not fund an interchange that would primarily benefit private companies. Mr. Petit stated selling the property before Interstate 11 was built would not be wise since the purchaser would hold on to the land until the interstate was built and then sell it at a higher cost. Mr. Petit stated the people should be able to vote on the issue.

Councilmember Miles stated she wanted to see a comprehensive vision even if it had to include estimations.

Mr. Carter stated the public voted against the issue. Mr. Carter stated the rezoning should be presented in a town hall meeting so people could understand what was happening since people did not attend or watch Council meetings.

Mr. Shade stated he disagreed with Councilmember Miles' and Councilmember Young's hesitancy. Mr. Shade stated the City should move forward so it could continue with the process of developing the property.

Councilmember Abram made a MOTION to TABLE the item until a public workshop could be held in the next 30 days. Councilmember Young SECONDED and it was APPROVED by a vote of 5-2 with Mayor Anderson and Councilmember Carver voting NAY.

Mayor Anderson directed Mr. Dougherty to find adequate meeting space.

**e. Adopt Public Notice for Public Hearing on July 21, 2015 to Amend the City of Kingman Tax Code by Removing the Sunset Date on the Increased Taxation Rate of 0.50% on All Categories**

On May 7, 2013, Council adopted Ordinance 1751R which increased the taxation rate on all categories by 0.50% effective July 1, 2013 through June 30, 2016. The purpose of the temporary TPT increase was to supplement funding for necessary public safety equipment and fleet replacement, public safety facilities, street improvements and maintaining a general fund balance of 25% of its operating expenditures. Some of these items are ongoing and need funding to complete and other items, such as general fund expenditures, have become a priority. During budget work sessions there was much discussion surrounding the 0.50% TPT tax increase and removing the June 30, 2016 sunset date. Since there was not a consensus during budget work sessions on moving forward with a public hearing process to remove the sunset date, staff is looking for direction from Council on how to proceed. It should be noted that if Council directs staff to move forward with a public hearing process, as other revenue sources are implemented, the 0.50% TPT increase can be revised or removed in its entirety. **Staff is looking for direction from Council on whether to proceed with a public hearing process to amend the City of Kingman tax code or to allow the temporary 0.50% TPT increase to expire on June 30, 2016.**

Ms. Moline presented slides for the Council, which are included at the end of this report. On slide one Ms. Moline read the above summary. On slide two Ms. Moline stated the economy crash in 2007 resulted in large revenue reductions to the general fund, which resulted in serious budget cuts. Ms. Moline reviewed the figures on slide three. On slide four Ms. Moline stated Ordinance 1751R was adopted in 2013 with an expiration date, required projects, and top priorities. On slide five Ms. Moline stated all requirements have been met including restoring the general fund balance. Ms. Moline reviewed slides six and seven. On slide eight Ms. Moline reviewed the figures and stated City expenditures had come in 10% under budget for about the past seven years. Ms. Moline stated the City would have to cut \$2.8 million from the budget and face general fund decreases if the sunset clause was not removed. On slide nine Ms. Moline stated she provided data from the Arizona League of Cities and Towns on types of taxes. Ms. Moline stated 45 out of 90 cities did not have a property tax; however only 18 of those cities provided police and fire services. Ms. Moline stated 16 of the 18 cities had a tax on food.

Ron McJunkin stated he read that \$60,000 to \$70,000 was left over from the \$900,000 budget for improving the 9-1-1 call center. Stated the remaining money was spent on new furniture. Mr. McJunkin stated if the tax was kept in place he wanted to know if the money would be spent responsibly. Mr. McJunkin stated it seemed that reasons were invented in order to spend the remaining money on the call center.

Councilmember Young asked Chief DeVries if the \$900,000 came from impact fees.

Chief DeVries stated a portion came from impact fees.

Councilmember Young stated the money did not come from sales tax and the furniture was purchased in order to expand the center in the future.

Mr. McJunkin stated all money came from some sort of taxation and the citizens worried that temporary taxes would become permanent.

Councilmember Abram stated sales tax did not place the entire burden on the City residents.

Councilmember Abram made a MOTION to ADOPT public notice for a public hearing on July 21, 2015. Vice-Mayor Wimpee, Sr. SECONDED.

Councilmember Carver stated the City relied on visitors too much. Councilmember Carver stated the 0.5% was temporary in order to provide time to find a permanent revenue source, such as a property tax.

Councilmember Miles stated a permanent revenue source would not be able to be implemented by June, 2016 and if the City did not remove the sunset clause it would have to make drastic budget cuts. Councilmember Miles agreed with looking at different revenue sources, but alternatives could not be implemented in time to save the budget.

Ms. Moline stated if a property tax appeared on the ballot in November, 2016 the resulting revenue would not be received until November, 2018.

Mr. Cooper stated a primary sales tax could only appear on May ballots.

Councilmember Miles requested workshops to find other revenue sources.

Mayor Anderson stated it would be impossible to annex additional land such as the industrial park without a property tax or fire district and the issue needed to be examined if the City planned to annex the airport.

Mayor Anderson called for a VOTE and the MOTION was APPROVED by a vote of 6-1 with Councilmember Carver voting NAY.

## 7. **REPORTS**

### **a. Historical Preservation Commission (HPC) report to Council on member's attendance to State Annual Historic Preservation Conference, May 12-16, 2015 in Flagstaff, AZ.**

From May 12th through the 16th, 2015, Historical Preservation Commission members D'Arcy Wagner and Angele Florisi attended the State Historic Preservation Office's annual preservation conference in Flagstaff, Arizona. These commissioners attended various workshops which provided a wealth of information about local government preservation and redevelopment methods and strategies. Commissioners wish to report to Council on the education they received during this valuable conference.

Chair of the HPC D'Arcy Wagner stated the notes from the conference were included in the councilmembers' packets. Chair Wagner stated there were many excellent presentations and she was impressed by what some of towns smaller than Kingman had accomplished. Chair Wagner stated the commission would hold a workshop on Monday, June 22, 2015 in order to begin working on goals and objectives and she was excited to apply what she had learned from the conference to Kingman.

Commissioner Angele Florisi stated the community was a vital partner for revitalization and many impressive transformations were taking place in communities with small budgets.

Commissioner Florisi stated a supportive City Council, economic development, and local land and business owners were required for successful revitalization. Commissioner Florisi stated many cities undervalued their local businesses and pursued big box retailers; however, large corporations did not keep as much money in the community because they utilized outside vendors.

**b. Board, Commission and Committee Reports by Council Liaisons**

There were no reports from the councilmembers.

**8. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER**

*Limited to announcements, availability/attendance at conferences and seminars, requests for agenda items for future meetings.*

**If needed.**

Mr. Dougherty stated there would be a Fourth of July block party in Downtown with free food, drinks and music. Mr. Dougherty stated glow sticks would be handed out at 8:30 P.M. and a photo would be taken to submit to the ABC Competition. Mr. Dougherty stated the Tri-City Council meeting in Bullhead City was rescheduled for July 29<sup>th</sup>, 2015.

Councilmember Yocum stated the Metcalfe stage dedication took place on Saturday along with the Sounds of Kingman concert.

Councilmember Young stated the Lee Williams Booster Club would hold a night golf tournament on Friday, June 26, 2015.

Councilmember Miles stated the dig it community garden was coming along.

Mayor Anderson stated on Thursday, June 18, 2015 at 4:30 P.M. the Kingman Airport Authority (KAA) would have an executive board meeting and an orientation for the new board. Mayor Anderson stated councilmembers were invited to attend the orientation.

**9. EXECUTIVE SESSION**

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A)(4) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

**Discussion and guidance provided to staff for contract negotiations with Kingman Visitor Center Inc.**

Councilmember Abram made a MOTION to ENTER Executive Session. Vice-Mayor Wimpee, Sr. SECONDED and it was APPROVED by a vote of 7-0.

The Council entered Executive Session at 7:45 P.M. The Council returned from Executive Session at 7:59 P.M.

Mayor Anderson directed Mr. Dougherty to set up a public workshop.

Councilmember Carver made a MOTION to ADJOURN. Councilmember Young SECONDED and it was

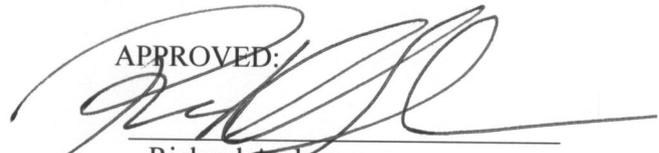
APPROVED by a vote of 7-0.

**ADJOURNMENT 8:01 P.M.**

ATTEST:

  
Sydney Muhle  
City Clerk

APPROVED:

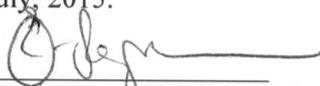
  
Richard Anderson  
Mayor

STATE OF ARIZONA)  
COUNTY OF MOHAVE)ss:  
CITY OF KINGMAN)

**CERTIFICATE OF COUNCIL MINUTES**

I, Erin Roper, Deputy City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the Common Council of the City of Kingman held on June 16, 2015.

Dated this 7<sup>th</sup> day of July, 2015.

  
Erin Roper, Deputy City Clerk and Recording Secretary