

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

**5:30 PM**

**MINUTES  
REGULAR MEETING**

**Tuesday, February 16, 2016**

**CALL TO ORDER AND ROLL CALL**

<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>Carole Young - 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>Kenneth Dean</b>	<b>Greg Henry, City Engineer</b>	
<b>Jen Miles</b>	<b>Robert DeVries, Chief of Police</b>	
<b>Stuart Yocum</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>Sydney Muhle, City Clerk</b>	
	<b>Erin Roper, Deputy City Clerk and Recording Secretary</b>	

Mayor Anderson called the meeting to order at 5:30 P.M. All councilmembers were present.

**INVOCATION**

The invocation will be given by Mike Herdt of St. John's United Methodist.

City Attorney Carl Cooper provided the invocation as Pastor Herdt was not present. The Pledge of Allegiance was said in unison.

**PLEDGE OF ALLEGIANCE**

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 Regular Meeting minutes of February 2, 2016

Vice-Mayor Young recused herself as she was excused from the meeting.

Councilmember Miles made a MOTION to APPROVE the Regular Meeting minutes of February 2, 2016. Councilmember Abram SECONDED and it was APPROVED by a vote of 6-0 with Vice-Mayor Young ABSTAINING.

## 2. APPOINTMENTS

### a. Consideration of Commissioner Tyler Angle's status on the Planning and Zoning Commission

Planning and Zoning Commissioner Tyler Angle moved out of the corporate limits of Kingman. Section 2-131 of the City Code requires city residency of the Planning and Zoning commissioners during the commissioner's term. If the commissioner moves out of the City during the term, the commissioner must immediately notify the mayor in writing and may be required to resign at the discretion of the Council. **Council discretion.**

Mr. Cooper stated an individual was no longer able to serve once he or she moved outside of the City limits as outlined in State statute.

Development Services Director Gary Jeppson stated the City code provided Council discretion on whether the individual could continue to serve.

Mr. Cooper stated the City code needed to be rewritten to clear up the confusion.

Councilmember Abram made a MOTION to REMOVE Tyler Angle from the Planning & Zoning Commission. Mayor Anderson SECONDED and it was APPROVED by a vote of 7-0.

## 3. 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.

There were no comments from the public.

## 4. 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. Consideration of Resolution 4998: a resolution of support to create a subzone of Foreign Trade Zone #75 at the Kingman Airport Industrial Park

Laron Industries has the opportunity to do business with equipment companies in

China. Laron can act as the distributor, service facilitator, perform assembly/subassembly operations for these Chinese equipment companies. To allow Laron to be more competitive, a foreign trade subzone can allow the equipment to be imported without intervention of customs authorities. When the products are moved to consumers within the country, the goods are then subject to the prevailing customs duties. Foreign Trade Zone #75 is located in Phoenix and the Laron Industries facilities at the Kingman Airport Industrial Park can become a subzone of Foreign Trade Zone #75. Laron is looking for the City of Kingman's support. Resolution 4998 is the documentation of the City's support. **Staff recommends adopting Resolution 4998.**

**b. Recommendation from TDC for quarterly payment to Kingman Visitor Center, Inc. for tourism related services**

The Kingman Visitor Center, Inc. receives a quarterly payment of \$51,250 from the City upon submission and acceptance of the tourism quarterly report. The most recent quarterly report was submitted and accepted by TDC at the February 4, 2016 regular meeting and is attached for review. **Staff supports the TDC recommendation for Council approval of the quarterly payment to Kingman Visitor Center, Inc. for tourism related services.**

**c. Fire Station design development**

The Kingman Fire Department selected the professional services of Selberg Associates, Inc. for the design and development of documents for preparation of Fire Station 2 and Fire Station 5. The selection process is pursuant to A.R.S. 34-103. **Staff recommends Council approve acceptance of the bids from Selberg Associates, Inc. to include the costs associated with the proposal including construction administration for both Fire Station 2 and Fire Station 5.**

**d. Resolution 4999: approving the final plat and improvement plans for Legacy at Walleck Ranch, Tract 1965-E and accepting assurance for sidewalks**

A request from Pioneer Title Agency, Inc., Trustee under Trust No. 4836, property owner, and Mohave Engineering Associates, Inc., project engineer, for the approval of a final subdivision plat and improvement plans for Walleck Ranch, Tract 1965-E. The subdivision is 4.45 acres and is proposed to have 26 residential lots which will be accessed from three new streets. The proposed resolution states that once all required improvements, with the exception of sidewalks, are certified as completed by the City Engineer, they will be accepted for City maintenance by the Council. A cash assurance from Pioneer Title for the completion of sidewalks in the subdivision in the amount of \$55,900.00 has been offered and approved by the City Engineer. **Staff recommends adopting Resolution 4999.**

**e. Special event liquor license**

Applicant Daniel Patrick Lara of the Mohave County Community College Foundation, Inc. has applied for a Series 15 Special Event Liquor License for an event to take place Saturday, May 14, 2016 from 11:00 A.M. to 6:00 P.M. at Kingman Firefighter's Memorial Park, 2001 Detroit Avenue in Kingman. **Staff recommends approval.**

**f. Resolution 4997: consideration of an intergovernmental agreement (IGA) for the Firefighter Grant Program Regional Information Technology Project Hosting Services**

This IGA will commit each participating agency to contribute a 10% project match to

the total share of the requested items. The remaining 90% will be provided through federal funds if awarded. **Staff recommends approving the IGA between the City of Kingman, Colorado City Fire District, Quartzsite Fire District, Yucca Fire Department, Hualapai Nation Emergency Services, and North County Fire and Medical District by adopting Resolution 4997.**

Councilmember Miles made a MOTION to APPROVE the Consent Agenda as presented. Councilmember Yocum SECONDED and it was APPROVED by a vote of 7-0.

## 5. OLD BUSINESS

### a. **Fireworks/Block Party**

Staff will ask Council to make a decision on the date of the fireworks and block party. **Council discretion.**

City Manager John Dougherty stated July Fourth would fall on a Monday and Staff needed the Council to decide whether to have the fireworks and block party on Monday or Saturday. Mr. Dougherty stated the festivities would generally be held on the holiday, but last year's block party was held on Saturday, which allowed for clean up on Sunday. Mr. Dougherty stated holding the block party on Monday would mean the City would not have to budget for clean up overtime on Sunday, but people may prefer to have it on Saturday.

Vice-Mayor Young asked when the other firework shows in the area would be held.

Mr. Dougherty stated he heard the majority of the shows would be held on Saturday.

Councilmember Abram stated Monday would be the better day if the other shows would be on Saturday. Councilmember Abram stated Monday was the true holiday and many people would have the day off.

Mayor Anderson stated the Council needed to prepare for the additional burden on Staff and budget. Mayor Anderson stated the block party could be held on Saturday and the fireworks on Monday.

Vice-Mayor Young asked for cost estimates.

Mr. Dougherty stated the cost of the block party was approximately \$1,500 last year, but he did not have an estimate for the clean up costs.

Councilmember Yocum made a MOTION to APPROVE holding the block party on Saturday, July 2, 2016 and the fireworks display on Monday, July 4, 2016. Councilmember Abram SECONDED and it was APPROVED by a vote of 7-0.

### b. **Review of loan options for Hilltop Wastewater Treatment Plant (HTWWTP) Loan**

Staff will review WIFA's alternative to the original request to refinance and extend the term of the HTWWTP's loan. If Council agrees to WIFA's recommended alternative and the WIFA Board approves it, the fiscal impact could be an annual savings in debt service payments. Use of the savings must be addressed in the revised request. **Staff recommends Council revise its original request by selecting proposal #1. This**

**proposal reduces the annual debt service payment by \$356,443 and saves \$983,847 in interest over the life of the loan.**

Finance Director Tina Moline stated the City was required to set aside a certain amount of money until the end of a Water Infrastructure Finance Authority (WIFA) loan and WIFA staff recommended revising the City's refinancing request to ask for the restriction to be lifted in order to use the funds. Ms. Moline displayed the excel spreadsheet included in the agenda packet. Ms. Moline stated the first column was the current loan structure. Ms. Moline stated proposal one would use the reserve to pay down the principal on the loan, proposal two would pay down the principal but also extend the term of the loan by two years, which would not save interest but would free up \$500,000 per year, and proposal three was to pay down some of the loan and keep the term the same for a saving of \$200,000. Ms. Moline stated the remaining funds could be used for capital improvement projects or a rate reduction. Ms. Moline stated the City could also submit the original request and even though WIFA staff would recommend to deny it as the WIFA board could ignore the recommendation and approve it.

Councilmember Miles thanked Ms. Moline for her hard work and asked if using the entire reserve had the best effect for the City, even though only \$2.6 million was directly related to the HTWWTP.

Ms. Moline stated that was correct and proposal one was her top recommendation.

Mayor Anderson asked if the Council could make an adjustment in the rate schedule.

Ms. Moline stated she would recommend making an adjustment on any of the proposals.

Councilmember Dean stated proposal one was the best since the City would save almost \$1 million in payments.

Councilmember Miles made a MOTION to SUBMIT a revised request to WIFA with the details of proposal one. Councilmember Carver SECONDED and it was APPROVED by a vote of 7-0.

## **6. NEW BUSINESS**

### **a. Finance Department staffing and budget update**

Staff was asked to bring Council an update on the recent Finance Department staffing changes and a status on the budget process.

Ms. Moline stated she had two finance administrators and a budget analyst on her Finance Department staff before November 16, 2015. Ms. Moline stated she took over the budget process after Diane Richards was terminated from her position as budget analyst. Ms. Moline stated one of her finance administrators resigned at the end of December, 2015 and she needed help in order to complete the department's work. Ms. Moline stated she hired a consultant named Pat Walker, who was the finance director in Chandler, worked with Glendale when the city put together the bonding for the stadium, and has worked as a consultant for the past 12 years. Ms. Moline stated she started the budget process with Ms. Walker and hired a budget analyst who was a former Mohave County employee, certified public accountant, and assistant finance director in Ohio.

Ms. Moline stated the new budget analyst was previously the senior management analyst for Mohave County and worked on internal controls and auditing. Ms. Moline stated the department was moving forward and thanked the Council for their patience in allowing the department to put together policies and procedures. Ms. Moline thanked the Staff for their patience and support of the department.

**b. Financial review: pre-audit Fiscal Year (FY) 2015 and first half of FY 2016**

Staff will provide Council with a pre-audit financial review for FY 2015 and a financial review for the first half of FY 2016.

Ms. Moline displayed the slides included in the agenda packet. On slide one Ms. Moline stated the figures she would present would be pre-audit figures. On slide two Ms. Moline stated the sales tax increased by 32.6% from 2013 to 2015 due to the 0.5% increase. Ms. Moline stated other increases to the General Fund came from the room tax, franchise fees, and other fees. Ms. Moline stated the State shared revenues also increased. Ms. Moline stated recreation fees and miscellaneous fees were down a minimal amount. Ms. Moline stated some of the difference between years could be attributed to a one time \$500,000 refund in 2013 from the Arizona Department of Revenue (DOR). Ms. Moline stated the expenditures were up approximately 15% from 2013 to 2015, but 2013 was a bare bones year. Ms. Moline stated cash transfers decreased because the City was no longer making payments on the golf course. Ms. Moline stated the General Fund balance in 2013 was \$7.6 million, which was 33% of the City's operating expenses. Ms. Moline stated the City was at \$12.8 million today, which was 54.82% and very healthy. On slide three Ms. Moline stated charts provided a different way to view the same information. On slide four Ms. Moline stated the General Fund balance showed the same trend. On slide five Ms. Moline stated she would review some of the revenue producing departments. Ms. Moline stated the golf course provided minimal fluctuation, though the expenses decreased. Ms. Moline stated the golf course operated at a loss, but it was less than in the past. On slide six Ms. Moline stated there was not a lot of change in the parks and pools. On slide seven Ms. Moline stated there was less of a loss this year. On slide eight Ms. Moline stated the fees increased, the operational expenses decreased, and the overall loss decreased. On slide nine Ms. Moline stated the decrease in operations was related to jail fees as the City had fewer prisoners in jail. On slide 10 Ms. Moline the revenue was the same, but the operational expenses increased due to hiring a position. On slide 11 Ms. Moline stated revenue increased and operational expenses decreased due to personnel changes. On slide 12 Ms. Moline stated Highway User Revenue Funds (HURF) increased over the past three years with the remaining funds attributed to restaurant and bar tax. Ms. Moline stated \$200,000 was put into the Streets Department, primarily due to the chip sealing project.

Mayor Anderson stated the bottom line of the chart showed 15-20% of HURF money was not used and the amount used should be closer to the budgeted figure. Mayor Anderson stated that was too much money to leave unused.

On slide 13 Ms. Moline stated a large part of the Kingman Area Rapid Transit (KART) budget was supplied by grants. Ms. Moline stated the grant money had declined, but the fares increased. Ms. Moline stated the program operated at a loss and was subsidized by the General Fund.

Councilmember Dean asked if the City could address the drop in grant funding.

Public Works Director Rob Owen stated the City had limited control and was trying to address it with the price of fares.

Vice-Mayor Young stated the majority of the expenses were gas and personnel.

On slide 14 Ms. Moline stated the City water operations had a decline, which was related to a reduced rate granted in 2013. Ms. Moline stated there were no expected changes in the utility billing operations. Ms. Moline stated the Engineering Department and water operations made some capital improvement purchases; however, the City was still operating in the black. Ms. Moline stated there was a jump in wastewater funds due to a 25% increase in user and base rates in 2014. Ms. Moline stated there was a small drop due to investment fees and conservation efforts. Ms. Moline stated the department's operating expenses decreased due to personnel vacancies. Ms. Moline stated the City debt payments came from the wastewater fund and the reserves. On slide 16 Ms. Moline stated sanitation fees did not change much, though operational expenses were lower due to not purchasing a truck. On slide 17 Ms. Moline stated the FY 2016 sales tax was 2.2% over 2015 with State shared revenues remaining nearly the same as 2015. Ms. Moline stated golf course and wastewater revenue was down but not significantly and zoning fees and building permits were up. Ms. Moline stated HURF, water, and sanitation revenue also increased compared to 2015. On slide 18 Ms. Moline stated all collected tax was up except for construction. Ms. Moline stated she was unable to determine the construction tax yet due to the changes to the system, but she would continue to monitor it and overall everything looked promising. Ms. Moline stated the sewer expenses looked low because the debt payment would not be withdrawn until June. On slide 19 Ms. Moline stated the dark line was where the City was today and all departments except one was operating below budget. Ms. Moline stated the department heads were good stewards of their budgets.

## 7. REPORTS

### a. **Kingman Police Department report**

Staff will provide an overview of the 2015 Kingman Police Department annual report. The presentation is for informational purposes only.

Chief of Police Robert DeVries displayed the slides included in the agenda packet. On slide one Chief DeVries stated the Kingman Police Department's annual report was provided to the Council last week and would be available for the public and media on Wednesday, February 17, 2016. Chief DeVries stated the department implemented its first K-9 patrol units in 2015 at no cost to the General Fund. Chief DeVries stated the department also created a Facebook page and would be launching a mobile app in the future. Chief DeVries stated social media tools helped the department communicate with residents. On slide two Chief DeVries stated there was a 10% increase in calls for service in 2015 as well as many significant crimes, including a spike in the homicide rate. Chief DeVries stated the Detective Bureau had an 83% clearance rate, which was excellent when compared to the national average of 64%. On slide three Chief DeVries stated the arrest rate was slowly climbing and drug related crimes continued to be a challenge. Chief DeVries stated the department worked hard to prevent prescription drug abuse, which became a large issue in the community's youth. Chief DeVries stated two of the individuals that helped with the preventative program Rx360 were in Washington, D.C. being recognized for their hard work and success. Chief DeVries stated traffic citations and warnings rose 500%, but the department was finally back at a healthy staffing level. Chief DeVries stated the goal of the department was to address

bad driving habits, not generate revenue, and the statistics showed that approach.

Mayor Anderson stated the charts appeared to show a decrease in the number of juvenile arrests, which was a wonderful sign.

Chief DeVries stated the officers worked towards being mentors in young people's lives, not just enforcers. Chief DeVries stated this was accomplished through many programs, such as the Police Explorers Program and school resource officer program. On slide four Chief DeVries stated many people asked about the Code Enforcement Officers' job duties. Chief DeVries stated the officers handled 3,000 calls in 2015 including animal control and neighborhood cleanup projects. Chief DeVries stated the division would continue to target different trouble areas in the City and try to bring about change and pride in the residents through the cleanups. On slide five Chief DeVries stated the volunteer program donated over 3,000 hours of service in 2015. Chief DeVries stated the work the volunteers provided was excellent and they were a great group of people.

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

Vice-Mayor Young stated the Board of Appeals held a special meeting to examine possible changes to the board's duties, which they would bring before Council in the future. Vice-Mayor Young stated she would attend the Kingman Airport Authority meeting on Thursday.

Councilmember Miles stated she heard a nice review of the Kingman Visitors Center quarterly report at the Tourism Development Commission meeting on February 4, 2016. Councilmember Miles stated she attended the Planning & Zoning annual report presentation and would attend the Arizona Association for Economic Development (AAED) mayoral forum in Kingman on Thursday.

Mayor Anderson stated he had two other meetings on Thursday in addition to the AAED forum and asked any councilmember willing to attend the Western Arizona Council of Governments (WACOG) meeting in Parker at 11:30 A.M. if able.

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

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

Mr. Dougherty stated he would be in Bullhead City for the Northwest Arizona Employee Benefits Trust meeting on Wednesday and the majority of Thursday.

Councilmember Carver stated he attended the Youth Advisory Commission meeting and was happy to be back with the group. Councilmember Carver stated he attended the Mohave County Republican Forum on Wednesday, February 10, 2016 and received a lot of good information from an individual who attended the New Hampshire Republican Presidential Primary.

Councilmember Yocum stated the Sandbox Committee would meet on Wednesday, February 17, 2016 at 5:30 P.M. at the Garlic Clove and the Clean City Commission would meet on Thursday, February 18, 2016.

Mr. Jeppson stated the International Council of Shopping Centers (ICSC) Las Vegas

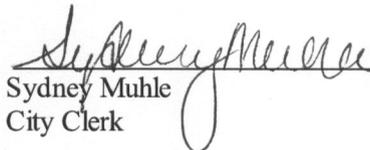
convention would be held May 22 through 25, 2016 and the deadline to register at a lower price was March 29, 2016. Mr. Jeppson stated the ICSC San Diego Convention would be held August 30 through September 1, 2016.

Mayor Anderson stated the next community cleanup at the Moahve County Fairgrounds would be held on Saturday, March 12, 2016. Mayor Anderson stated the career and technical education programs at the high schools were doing amazing things, including placing students in jobs in Kingman. Mayor Anderson stated it was also great to see the peer support for the theater program at Lee Williams, but he was disappointed that very few parents attended. Mayor Anderson stated the Arizona Court of Appeals would hold their verbal arguments in April at the Kingman High School.

Councilmember Miles made a MOTION to ADJOURN. Councilmember Abram SECONDED and it was APPROVED by a vote of 7-0.

**ADJOURNMENT - 6:30 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 February 16, 2016.

Dated this 1st day of March, 2016.

  
Erin Roper, Deputy City Clerk and Recording Secretary

