



City Council Regular Meeting Minutes - Final

Tuesday, July 24, 2018

6:00 PM

1. CALL TO ORDER

Mayor Nexsen called the meeting to order at 6:00 p.m.

2. INVOCATION: Pastor Dale Ray, Lakeview Community Church

Pastor Dale Ray with Lakeview Community Church gave the invocation.

3. PLEDGE OF ALLEGIANCE

The Mayor led in the Pledge of Allegiance.

4. ROLL CALL

Present: 7 - Mayor Mark S. Nexsen, Councilmember Jeni Coke, Councilmember Gordon Groat, Councilmember David Lane, Councilmember Michele Lin, Councilmember Donna McCoy and Vice Mayor Cal Sheehy

5. CALL TO THE PUBLIC

There were no requests to address the Council.

6. CONSENT AGENDA

- 6.1 [ID 18-1713](#) Approve the July 10, 2018, City Council Regular Meeting Minutes (Kelly Williams)
- 6.2 [ID 18-1703](#) Adopt Resolution No. 18-3247 Approving and Authorizing the City Manager to Execute an Intergovernmental Agreement with the Western Arizona Vocational Education Joint Technical Education District for Events Performed in Conjunction with the City During 2018-23 (Mike Keane)
- 6.3 [ID 18-1710](#) Adopt Resolution No. 18-3248 Approving the Intergovernmental Agreement with the City of Phoenix for the Arizona Internet Crimes Against Children Task Force (Daniel P. Doyle)
- 6.4 [ID 18-1715](#) Call for Executive Session Pursuant to A.R.S. § 38-431.03(A) 5:00 p.m. Tuesday, August 14, 2018 (Kelly Williams)

Councilmember Groat requested items 6.2 and 6.3 be removed from the Consent Agenda for separate discussion.

Councilmember Coke moved to approve the Consent Agenda minus items 6.2 and 6.3, seconded by Councilmember Lane, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

[ID 18-1703](#) Adopt Resolution No. 18-3247 Approving and Authorizing the City Manager to Execute an Intergovernmental Agreement with the Western Arizona Vocational Education Joint Technical Education District for Events Performed in Conjunction with the City During 2018-23 (Mike Keane)

City Attorney Kelly Garry stated the agreement with the Western Arizona Vocational Education Joint Technical Education District (WAVE) is the same type of agreement the City has with the School District. She said WAVE provides culinary students to help prepare and serve food for the Community Dinner and would also assist the City in other similar events that may come up in the five-year term involving food handling and preparation.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Vice Mayor Sheehy moved to adopt Resolution No. 18-3247 approving and authorizing the City Manager to execute the Intergovernmental Agreement with the Western Arizona Education Joint Technical Education District for events performed in conjunction with the City during 2018-23, seconded by Councilmember McCoy, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

[ID 18-1710](#) Adopt Resolution No. 18-3248 Approving the Intergovernmental Agreement with the City of Phoenix for the Arizona Internet Crimes Against Children Task Force (Daniel P. Doyle)

Police Chief Dan Doyle stated this agreement is with the City of Phoenix Police Department who is the recipient of federal funding from a number of federal agencies to investigate crimes against children and focuses on general internet exploitation of children. He said participating with this task force allows all of the resources to look for people that are downloading child pornography and any other exploitation of children. Chief Doyle stated by using these resources, the City of Phoenix Police Department can search the internet and locate people that are downloading child pornography and if the search turns

up within our jurisdiction the case is forwarded to us, and if staff is able to locate the IP address, they would take on the case.

Councilmember Groat stated that he understood the part about sex crimes but wondered if there was anything involved with this arrangement that focuses on bullying. Chief Doyle stated with the resources and methods that are being used to data mine the internet, it is primarily focused toward pornography and sexual exploitation of children.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Lane moved to adopt Resolution No. 18-3248 approving the Intergovernmental Agreement with the City of Phoenix for the Arizona Internet Crimes Against Children Task Force and authorize the Police Chief to execute the Agreement on behalf of the City, seconded by Councilmember Groat, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

7. CORRESPONDENCE, COMMUNICATIONS, PETITIONS, ANNOUNCEMENTS, CITY MANAGER REPORT

7.1 [ID 18-1714](#) Announce Vacancies on Lake Havasu City Boards, Committees, and Commissions (Kelly Williams)

City Clerk Assistant Sacia Graber announced the current vacancies on various Lake Havasu City Boards.

7.2 [ID 18-1712](#) City Manager's Report (Jess Knudson)

City Manager Jess Knudson reported on the following:

- Havasu Explorer Academy and Training Graduation
- Kudos to Fire Station 3
- Crews Repair Sewer Force Main
- Wellness Update
- Veterans Resource Team
- Veterans Treatment Court Family Day held on July 14
- Veterans Treatment Court Family Day renamed to Annual Mark S. Nexsen Veterans Treatment Court Family Day
- Havasu Mobility Volunteers Needed
- ADOT Roadway Widening Project, Lake Havasu Avenue from Palo Verde Boulevard South to Industrial Boulevard
- Coffee with the Mayor and City Manager will be held Friday, August 3, 2018 from

7:30 a.m. to 9:00 a.m.

8. PUBLIC HEARINGS

- 8.1 [ID 18-1701](#) Series #09S Sampling Privileges Liquor License, Smith's Food & Drug Store #188, 80 Acoma Boulevard North/Pace (Kelly Williams)

Ms. Graber advised that Mr. Stephen Troy Pace has applied for a Series #09S Sampling Privileges Liquor License for Smith's Food & Drug Store #188, located at 80 Acoma Boulevard North. Ms. Graber said all posting requirements have been met and no objections were received. She said the location is properly zoned for a liquor license.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember McCoy moved to recommend that the Arizona Department of Liquor Licenses & Control approve a Series #09S sampling privileges liquor license for Smith's Food & Drug Store #188, 80 Acoma Boulevard North, seconded by Councilmember Coke, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

- 8.2 [ID 18-1702](#) Series #12 Restaurant Liquor License, Shotgun Jenny's Saloon, 3557 Maricopa Avenue/Guardalabene (Kelly Williams)

Ms. Graber advised that Mr. Anthony Edward Guardalabene has applied for a Series #12 Restaurant Liquor License for Shotgun Jenny's Saloon, located at 3557 Maricopa Avenue. Ms. Graber said all posting requirements have been met, all fees have been paid, and no objections were received. She said the location is properly zoned for a liquor license.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Lane moved to recommend that the Arizona Department of Liquor Licenses & Control approve a Series #12 restaurant liquor license for Shotgun Jenny's Saloon, 3557 Maricopa Avenue, seconded by Vice Mayor Sheehy, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

- 8.3 [ID 18-1704](#) Series #18 In-State Craft Distillery Liquor License, Copper Still Distillery, 1600 Acoma Boulevard West, Unit #65/Andersen (Kelly Williams)

Ms. Graber advised that Mr. Anthony Tigh Andersen has applied for a Series #18 In-State Craft Distillery Liquor License for Copper Still Distillery, located at 1600 Acoma Boulevard West, Unit 65. Ms. Graber said all posting requirements have been met, all fees have been paid, and no objections were received. She said the location is properly zoned for a liquor license.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Vice Mayor Sheehy moved to recommend that the Arizona Department of Liquor Licenses & Control approve a Series #18 In-state Craft Distillery liquor license for Copper Still Distillery, 1600 Acoma Boulevard West, Unit #65, seconded by Councilmember Lane, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

8.4 [ID 18-1711](#) Approve the Agreement with Paymentus Corporation to Provide the City a Payment Platform for City Customers (Jill Olsen)

Administrative Services Director Jill Olsen stated this agreement is related to the implementation of the new financial ERP system and is a one-time payment solution that will be used as a cash receipts module. She said the new ERP system does not have a cash receipts module and this will fill that need and includes online payments, payment by phone and payments taken at the counter.

Vice Mayor Sheehy asked if this will impact the people who currently pay their utility bills online through bill pay. Ms. Olsen stated staff has not looked at all the details but said the bill pay should still continue. Ms. Olsen stated staff will try and implement the payment solution by January 1 along with the new ERP system but added, staff is hoping it can be implemented earlier and transfer everybody over to reduce the impact. Vice Mayor Sheehy asked if it was always intended to use a third party for the receivables, to which Ms. Olsen stated that when the ERP contract with Oracle was signed, there was an understanding that this module was not included as part of that package so staff found a payment solution that would interface with the new ERP system.

Councilmember Groat stated that he agreed that we have to have a good solution to interface with Oracle but wondered if staff has to collect all of that information and then enter that into the database from the front office or if it is maintained in two different data sections. Ms. Olsen apologized for using the word cash and explained it would be for all forms of payments.

Councilmember Lane stated the way he understands this is it will make it easier for our citizens to be able to make any payments they need to make and in the long run save the City money. Ms. Olsen stated that was correct and added staff anticipates there will be savings with this product and should be more robust and allow much more ease for the customers as they pay their bills.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember McCoy moved to award the Agreement for the City's payment solution to Paymentus Corporation, seconded by Councilmember Coke, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

- 8.5** [ID 18-1718](#) Approve the Lease Agreement with Havasu Community Health Foundation for Property Located at 1980 North Kiowa Boulevard to Operate a Food Bank (Jess Knudson)

Mr. Knudson stated that the City was approached by Havasu Community Health Foundation (Foundation) a couple of weeks ago as they have taken on some of the many projects and program activities that were previously administered by Interagency. He said the Foundation approached the City regarding opportunities that they might have as far as a City facility to operate a food bank in absence of the previously operated food bank. Mr. Knudson said the City owns property at 1980 North Kiowa Boulevard that has not been utilized in over a year and a half to two years that was previously used as a Park maintenance facility. He stated this area is a very good fit as there are no residential properties in the area with regard to noise and traffic. Mr. Knudson said through discussions with the Foundation, staff identified a draft lease agreement to present to Council. He said the agreement abides by State statutes which means that we have to charge a market rate for the property but staff was able to identify a few different approaches that make it best suited for their needs. Mr. Knudson stated the Foundation would be charged \$.55 per square foot and the City would give them credit for any dollar that they put into the facility. He added the estimate to improve the facility is approximately \$40,000 which will allow them to open the food bank and the City would credit those amounts on the lease. Mr. Knudson stated it is a five-year agreement with the option of another five-year term for a total of ten years.

Mayor Nexsen stated the other element to assist the Foundation get started is the City is not charging them any rent for the first year but it would be amortized over the remaining four years to avoid running up against the Arizona Gift Clause. He said that would allow

them to focus on other things that are more important than paying rent.

Councilmember Groat thanked the Foundation for taking over the community needs with a food bank and expressed his deep appreciation to them, the city manager and everyone else who participated. He expressed concern if the facility was big enough to meet the needs of the food bank, to which Mayor Nexsen stated there are two buildings at that location and said one building will likely be used for storage and the other building will store food but will also be used as a distribution center. Mr. Knudson added that the main facility is approximately 2,200 square feet and the Foundation said it would certainly meet their needs and would provide a great service to the community.

Vice Mayor Sheehy thanked the Foundation Board for immediately stepping up when the need was there and sought out opportunities to take care of the citizens. He said he appreciated all of the effort that has been done.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Vice Mayor Sheehy moved to approve the Lease Agreement with Havasu Community Health Foundation for property located at 1980 North Kiowa Boulevard, Lake Havasu City, Arizona, to operate a food bank, seconded by Councilmember Groat, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Coke, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

9. CURRENT EVENTS

There were no council committee reports.

10. CALL TO THE PUBLIC

There were no requests to address the Council.

11. FUTURE MEETINGS

Tuesday, August 14, 2018 @ 6:00 p.m. – Regular Meeting

Tuesday, August 28, 2018 @ 6:00 p.m. – Regular Meeting

12. FUTURE AGENDA ITEMS

There were no requests for future agenda items.

13. ADJOURN

Upon motion by Councilmember Coke and seconded, the meeting adjourned at 6:34 p.m.

CERTIFICATION

I hereby certify that the foregoing is a full and true copy of the Regular Meeting Minutes of the Lake Havasu City Council held on the 24th day of July, 2018. I further certify that the meeting was duly called and posted, and that a quorum was present.

Sacia Graber, City Clerk Assistant/CMC