

Mayor Cal Sheehy
Vice Mayor Michele Lin
Councilmember Nancy
Campbell
Councilmember Jeni Coke
Councilmember David Diaz
Councilmember Jim Dolan
Councilmember Cameron
Moses



Lake Havasu City
Council Chambers
92 Acoma Boulevard South
Lake Havasu City, Arizona
86403
www.lhcaz.gov

City Council Regular Meeting

Minutes - Final

Tuesday, February 11, 2025

5:30 PM

1. CALL TO ORDER

Mayor Sheehy called the meeting to order at 5:30 p.m.

2. INVOCATION

Pastor Tim Giles, Inspire the Church, gave the invocation.

3. PLEDGE OF ALLEGIANCE

Mayor Sheehy led in the Pledge of Allegiance.

4. ROLL CALL

Present: 8 - Mayor Cal Sheehy, Councilmember Nancy Campbell, Councilmember Jeni Coke, Councilmember Jim Dolan, Councilmember David Diaz, Councilmember Cameron Moses, Councilmember Michele Lin and Vice Mayor Michele Lin

5. CONSENT AGENDA

- 5.1 [ID 25-4649](#) Action: Approve the January 28, 2025, City Council Regular Meeting Minutes (*Kelly Williams*)
- 5.2 [ID 25-4663](#) Action: Resolution No. 25-3805 Approving and Authorizing the City Manager to Execute the Fourth Amendment to the Environmental Access Agreement with the Arizona Department of Environmental Quality to Extend the Agreement (Bahama Avenue and Bimini Lane Site) (*Kelly Garry*)
- 5.3 [ID 25-4642](#) Action: Resolution No. 25-3806 Approving Abandonment of the Easterly 3-Foot Portion of the Existing 8-Foot by 173-Foot Public Utility and Drainage Easement on the Westerly Property Line of 2001 Spruce Drive, Tract 2302, Block 1, Lot 16 (*Trevor Kearns*)
- 5.4 [ID 25-4645](#) Action: Resolution No. 25-3812 Approving Abandonment of the Entire 8-Foot Public Utility and Drainage Easement on the Westerly Property Line of Lots 1 through 12 of Tract 2402 (*Trevor Kearns*)

- 5.5 [ID 25-4638](#) Action: Resolution No. 25-3807 Approving the Submission of a Grant Application to the Arizona Governor's Office of Highway Safety, Police Traffic Services/Speed Control Program (*Chief Stirling*)
- 5.6 [ID 25-4640](#) Action: Resolution No. 25-3808 Approving the Submission of a Grant Application to the Arizona Governor's Office of Highway Safety, Accident Investigation Program (*Chief Stirling*)
- 5.7 [ID 25-4641](#) Action: Resolution No. 25-3809 Approving the Submission of a Grant Application to the Arizona Governor's Office of Highway Safety, Impaired Driving Program (*Chief Stirling*)
- 5.8 [ID 25-4650](#) Action: Call for Executive Session Pursuant to A.R.S. § 38-431.03(A) 4:30 p.m., Tuesday, February 25, 2025 (*Kelly Williams*)

Councilmember Coke moved to approve the Consent Agenda as presented, seconded by Councilmember Moses, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

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

- 6.1 [ID 25-4651](#) Investment Report as of December 31, 2024 (*Jill Olsen*)

Mayor Sheehy noted that this item was for informational purposes only.

- 6.2 [ID 25-4652](#) Announce Vacancies on Lake Havasu City Boards, Committees, and Commissions (*Kelly Williams*)

City Clerk Kelly Williams announced the current vacancies on various Lake Havasu City Boards, Committees, and Commissions. She added that applications are available at City Hall and on the City's website at www.lhcaz.gov.

- 6.3 [ID 25-4653](#) City Manager's Report (*Jess Knudson*)

City Manager Jess Knudson reported on the following:

- Announced various awards, ceremonies, events, and proclamations.
- The City is seeking help to finalize the name of the Downtown Catalyst event space. Citizens can cast their vote on the City's website or Facebook page.
- City offices will be closed on Monday, February 17, 2025, in observance of Presidents Day holiday.
- Public Service Announcement Video regarding health, planting techniques, and long-term care of plants and trees as well as smart irrigation and conservation practices in Lake Havasu City.

7. PUBLIC HEARINGS

- 7.1 [ID 25-4605](#) Discussion and Action: Series #7 Beer and Wine Bar Liquor License, Oasis Eateries, 201 Swanson Avenue/Candito (*Kelly Williams*)

Ms. Williams advised that Mr. Rudolph Valentino Jr. Candito applied for a Series #7 Beer & Wine Bar Liquor License for Oasis Eateries located at 201 Swanson Avenue. She said all posting requirements have been met, all fees have been paid, and no objections were received. Ms. Williams added that the location is properly zoned for a Series #7 liquor license.

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

Councilmember Moses moved to recommend that the Arizona Department of Liquor Licenses & Control approve a Series #7 beer and wine bar liquor license for Oasis Eateries, 201 Swanson Avenue, seconded by Councilmember Dolan, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

- 7.2 [ID 25-4657](#) Discussion and Action: Ordinance No. 25-1353 Amending Lake Havasu City Code Section 2.04.280, Council Requests (Adoption) (*Kelly Garry*)

City Attorney Kelly Garry advised that this item was introduced at the previous City Council meeting. She said certain changes were requested by the Council which were made and incorporated into the final ordinance.

Mayor Sheehy opened the public hearing.

Ms. Bonny Toy, citizen, addressed the council and asked if further changes could be made to the ordinance.

Mayor Sheehy said the Council is free to make any changes as long as the changes are within City Code Chapter 2.04.280, Council Requests.

There being no further comments, Mayor Sheehy closed the public hearing.

Councilmember Diaz moved to adopt Ordinance No. 25-1353 amending City Code Section 2.04.280, seconded by Councilmember Moses, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

- 7.3 [ID 25-4648](#) Discussion and Action: Resolution No. 25-3810 Approving a Minor General Plan Amendment Revising the Future Land Use Map Designations for 1719 Magnolia Drive, Tract 2304, Block 1, Lot 38, Approximately 0.31 Acres, from High Density Residential (HDR) to Medium Density Residential (MDR) (*Trevor Kearns*)

City Planner Trevor Kearns advised that the subject property is 0.31 acres, undeveloped, and located on Magnolia Drive between Saguaro Drive and Stonecrop Drive. The abutting property to the east is developed with a four-unit residential complex, to the west is developed with a single-family home, and to the north is undeveloped. Mr. Kearns explained that the General Plan Future Land Use Map designates the subject property as High Density Residential (HDR) which allows primary uses such as attached single-family residences, townhouses, patio homes, apartments, condominiums, co-housing, and live work dwellings. He said the applicant's letter of intent requests to amend the General Plan Future Land Use Map for the subject property from HDR to Medium Density Residential (MDR) to facilitate development of a two-unit residential use in the existing Residential-Commercial Health District (R-CHD). The General Plan amendment is the first step in this process and a rezone application for the property immediately follows this General Plan amendment request. Mr. Kearns said the proposed amendment is in conformance with many goals and policies within the City's General Plan and is compatible with the surrounding neighborhood.

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

Councilmember Coke moved to adopt Resolution No. 25-3810 approving a Minor General Plan Amendment revising the Future Land Use Map Designations for 1719 Magnolia Drive, Tract 2304, Block 1, Lot 38, from High Density Residential to Medium Density Residential, seconded by Councilmember Moses, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

- 7.4 [ID 25-4654](#) Discussion and Action: Ordinance No. 25-1354 Approving the General Development Plan and Planned Development Rezone of 1719 Magnolia Drive, Tract 2304, Block 1, Lot 38, from Residential - Commercial Health (R-CHD) District to Residential - Commercial Health/Planned Development (R-CHD/PD) District to Reduce the Minimum Required Dwelling Unit Density from 15 Units Per Acre to 5 Units Per Acre and Eliminate the Requirement for 50% of the Structure to be Two-Story (Adoption) (*Trevor Kearns*)

Mr. Kearns advised that the subject property is zoned R-CHD which requires a minimum of 15 dwelling units per acre and 50 percent of the structure to be two-story. The property measures 0.31 acres; therefore, the minimum number of dwelling units required on the

subject parcel is 4.65 which would round up to five units. The applicant's letter of intent requests to reduce the minimum density from 15 units per acre to five units per acre to build a single-story two-family residence on the property which would require an exemption from the requirements to have 50 percent of the building be two-story. He said the rezone request complies with the findings of the Development Code and is compatible with the surrounding neighborhood.

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

Councilmember Moses moved to adopt Ordinance No. 25-1354 approving the General Development Plan and Planned Development Rezone of 1719 Magnolia Drive, Tract 2304, Block 1, Lot 38, from Residential - Commercial Health District to Residential - Commercial Health/Planned Development District to reduce the minimum required dwelling unit density from 15 units per acre to 5 units per acre and eliminate the requirement for 50% of the structure to be two-story, seconded by Councilmember Dolan, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

- 7.5** [ID 25-4626](#) Discussion and Action: Professional Services Agreement with Southwest Behavioral Health Services, Inc., for Substance Abuse and Behavioral Health Treatment Services for the Building Bridges Court (*Mitchell Kalauli*)

City Magistrate Mitchell Kalauli advised that this item is to approve an agreement for professional services with Southwest Behavioral Health Services, Inc., for substance abuse and behavioral health treatment services for the Building Bridges Court. He explained that the Building Bridges Court is a co-occurring court that is a specialized problem-solving court to address individuals that have a mental health disorder or substance use disorder commonly referred to as "dual diagnosis" or "co-occurring disorders" with a focus on treatment and rehabilitation. He added that funding for these services is available through the opioid settlement funds.

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

Councilmember Dolan moved to authorize the City Manager to execute the Professional Services Agreement with Southwest Behavioral Health Services, Inc., not-to-exceed the amount budgeted for these services annually, contingent on receiving the allotted opioid settlement funds, seconded by Councilmember Campbell, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

7.6 [ID 25-4627](#) Discussion and Action: Professional Services Agreement with Avertest, LLC, for Alcohol and Drug Testing Services for the Building Bridges Court (*Mitchell Kalauli*)

Judge Kalauli advised that this item is to approve a professional services agreement for alcohol and drug testing services with Avertest, LLC, for the Building Bridges Court. He explained that through the Building Bridges Court individuals with substance use and mental health disorders are tracked and monitored through drug testing to ensure they are adhering to treatment plans and address their diagnosis.

Councilmember Diaz asked if the city currently has an agreement and utilizes these services, to which Judge Kalauli explained that the city has an agreement with Avertest, LLC, for Veterans Court and Youth Court purposes; however, this agreement is for the Building Bridges Court.

Vice Mayor Lin asked how much opioid settlement funding the city has received and how the city plans to continue these services once the opioid funds have been exhausted, to which Judge Kalauli said they are currently in the process of identifying other opportunities for funding. He added that the current fund balance from the opioid settlement (through December 2024) was \$750,869, which would provide services (if they were not to receive any additional funding) for approximately five years.

Vice Mayor Lin asked if the opioid settlement funds were allowed to be used for these services, to which Judge Kalauli replied yes. Mayor Sheehy said the opioid settlement is the result of a major class action lawsuit and noted that though that settlement the city will continue to receive funding over the next 20 years.

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

Councilmember Diaz moved to authorize the City Manager to execute the Professional Services Agreement with Avertest, LLC, not-to-exceed the amount budgeted for these services annually, contingent on receiving the allotted opioid settlement funds, seconded by Councilmember Moses, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

- 7.7 [ID 25-4628](#) Discussion and Action: Professional Services Agreement with SCRAM of Arizona, Inc., for Continuous Alcohol and Drug Monitoring Services for the Building Bridges Court
(*Mitchell Kalauli*)

Judge Kalauli advised that this item is to approve an agreement for professional services to SCRAM of Arizona, Inc., for continuous alcohol and drug monitoring services for individuals with substance use and mental health disorders for the Building Bridges Court.

There was discussion regarding the drug monitoring patches.

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

Councilmember Dolan moved to authorize the City Manager to execute the Professional Services Agreement with SCRAM of Arizona Inc., not-to-exceed the amount budgeted for these services annually, contingent on receiving the allotted opioid settlement funds, seconded by Councilmember Moses, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

- 7.8 [ID 25-4655](#) Discussion and Action: Task Order Number 10 under the Master Professional Services Agreement for As-Needed Aviation Consultant Services for Hangar Development Services with C&S Engineers, Inc. (*Robert C. Kane*)

Airport Manager Robert Kane advised that this item is requesting approval of Task Order Number 10 under the Master Professional Services Agreement for As-Needed Aviation Consultant Services for Hangar Development Services with C&S Engineering, Inc. Mr. Kane explained that there has been significant interest in hangar development with over 120 individuals currently on the waitlist. He said staff will be validating the hangar list and surveying the community on buy or lease preferences, design (type, size) and amenities (A/C, plumbing), and will be developing new waitlist procedures to include making an application with deposit. He reviewed the project area and preliminary design that was done several years ago, and said the goal of Task Order Number 10 is to develop an economically feasible and executable plan for the city to develop additional hangar space and increase revenue over the long term.

Councilmember Dolan asked if the Request for Proposal (RFP) for the south portion of the airport is separate from this hangar development, or if this Task Order would assist in the planning and coordinating of the south portion as well. Mr. Kane said the negotiations for the development of the south portion of the airport have been ongoing for approximately two years. He explained that the city tried to do the north area several years

ago; however, the RFPs were found to be nonresponsive when they were reviewed, therefore what they are doing now is a different approach. Mr. Knudson explained the need for more hangar space at the airport and the city's effort to collaborate with the resources that they have and work in concert with their partner that the city is currently in negotiations with for hangar space at the south end of the airport. He said they do not want to do anything that will hurt hangar development at the north end or negatively impact the hangar development at the south end, and vice versa, and want to have a global plan and do what is right for the users at the airport.

Councilmember Diaz asked how many additional hangar spaces the north end could potentially create, to which Mr. Kane said the preliminary design had approximately 30, but it would depend on the type of hangar built. He said the comprehensive demand survey would help determine what should be built in that space. Mr. Kane added that the consultant would also provide options in terms of hangar purchase, lease, etc.

Councilmember Campbell expressed concern that the city was only using the consultant for one portion of the airport and asked why the city would not use the consultant to assist with the north and south portions of the airport. She said it was her understanding that the RFP out there is still waiting on direction from the city on how to move forward. Mr. Kane said they do provide consulting on the entire airport and made a preliminary design for the south area years ago. He said he would certainly consider the entire airport in this process; however, the focus of this effort is on the north area.

Mayor Sheehy opened the public hearing.

Ms. Toy addressed the council and asked if this project included all the concrete and runways to the hangars or if that would be under a separate task order.

Mayor Sheehy said this task order is for the planning of hangars and all the components would be taken into consideration.

Mr. Dante Marinelli, Havasu Air Center, addressed the council and said the Havasu Air Center has been at the airport for 15 years he has some background as to need and wants. He said there is no debate that there is a need for hangar space; however, the debate is how we get it, the most efficient way to get it, and how the city can benefit from it with the developing growth at the airport. He said this is a different approach as it is using city funds to develop hangars, which normally cities only do that when no one else steps up to develop city hangars and there are no other options. He said \$20,000 is a lot of money but really is a drop in the budget as he was one of the applicants the first time for this spot and they spent significantly more than that developing a plan for that site that ultimately did not work from an economic standpoint because the space is too small. He said he does not

want to get into the RFP, but he knows that the council has seen a little of what they have proposed there, and there is a lot more space to do more things with and do it more economically. He said the city needs to focus on a large plan that will focus on a longer term, and said \$20,000 is not going to get us where we need to go. He said the previous plan does not take into consideration runoff water or retention basins which will result in even less space in that area. He said there are certain things that a city does well and certain things that a private party does well, and as a city you are limited to what you can charge and how you raise fees. He said the airport right now is behind where we need to be as far as charging for assets that the city owns which is more reason why the city should be scared about building a development where you cannot charge ROI costs to get your money back in a real way. He said what he would like to see for their company who has spent a lot of money, time, and effort on the south end is to partner with the city to use the \$20,000 to get a real plan that is going to take into consideration the next 50 years and not just a small site.

There being no further comments, Mayor Sheehy closed the public hearing.

Vice Mayor Lin asked if the funding could be used to look at the entire airport area, to which Mr. Knudson said there is a direction on the table that staff is pursuing based on council guidance. He said the city is going to work together and the city will always be a part of the project and development on the south side as the city is the owner of the property. He noted that the goal is the big picture of the users at the airport and how to develop hangars for the users at the airport and whether that is in concert with the partners at the airport or effort led by the city. He said both are achievable and not independent of each other.

Vice Mayor Lin asked if Mr. Kane has worked on projects similar to this and if \$20,000 is typical for this type of service, to which Mr. Kane said he has worked on much larger projects; however, in discussions with the consultant, this is the magnitude of how much they think it would take to get to the point to move to a Task Order 11 which would be the design and construction management for the project.

Councilmember Campbell moved to adjourn to executive session for legal advice, seconded by Councilmember Moses.

The City Council adjourned to executive session at 6:34 p.m.

The City Council reconvened to regular meeting at 6:45 p.m.

Councilmember Dolan moved to approve Task Order Number 10 under the Master Professional Services Agreement with C&S Engineers, Inc., for hangar development services in the amount of \$20,000, seconded by Councilmember Moses, and carried

by the following vote:

Aye: 6 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Moses and Vice Mayor Lin

Nay: 1 - Councilmember Diaz

7.9 [ID 25-4656](#) Discussion and Action: Bid for Rehabilitation of Water Well 9 with Mike’s Drilling, LLC
(Timothy Kellett)

Deputy Director of Public Works Tim Kellett advised that this item is to award a bid for the rehabilitation of Water Well 9 with Mike’s Drilling, LLC, in the amount of \$105,186.75. He said staff has identified Water Well 9, which was last rehabilitated in 2017, for the rehabilitation program. In 2017, the well was producing 500 gallons per minute less and is currently producing 1,000 gallons per minute less. He added that once this well is rehabilitated it will be the city’s second highest producing well and is the largest well in the North Well Field.

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

Councilmember Moses moved to award the bid for the Rehabilitation of Water Well 9 in the amount of \$105,186.75 to Mike’s Drilling, LLC, seconded by Councilmember Coke, and carried by the following vote:

Aye: 7 - Mayor Sheehy, Councilmember Campbell, Councilmember Coke, Councilmember Dolan, Councilmember Diaz, Councilmember Moses and Vice Mayor Lin

8. CALL TO THE PUBLIC

There were no requests to address the council.

9. CURRENT EVENTS

There were no council committee reports.

10. FUTURE MEETINGS

Tuesday, February 25, 2025 @ 5:30 p.m. – Regular Meeting

Tuesday, March 11, 2025 @ 5:30 p.m. – Regular Meeting

11. FUTURE DISCUSSION ITEMS

There were no requests from council for future discussion items.

12. ADJOURN

Upon motion by Councilmember Moses and seconded, the meeting adjourned at 6:52 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 11th day of February, 2025. I further certify that the meeting was duly called and posted, and that a quorum was present.

Kelly Williams, City Clerk/MMC