

Mayor Mark S. Nexsen  
Vice Mayor Cal Sheehy  
Councilmember Jeni Coke  
Councilmember Gordon Groat  
Councilmember David Lane  
Councilmember Michele Lin  
Councilmember Donna McCoy



Lake Havasu City  
Police Facility  
2360 McCulloch Blvd North  
Lake Havasu City, Arizona  
86403  
www.lhcaz.gov

## City Council Regular Meeting Minutes - Final

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Tuesday, May 22, 2018

6:00 PM

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### 1. CALL TO ORDER

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

### 2. INVOCATION: Pastor Andrew Cave, Lamb of God Lutheran Church

Pastor Andrew Cave with Lamb of God Lutheran Church gave the invocation.

### 3. PLEDGE OF ALLEGIANCE

The Mayor led in the Pledge of Allegiance.

### 4. ROLL CALL

**Present:** 6 - Mayor Mark S. Nexsen, Councilmember Gordon Groat, Councilmember David Lane, Councilmember Michele Lin, Councilmember Donna McCoy and Vice Mayor Cal Sheehy

**Absent:** 1 - Councilmember Jeni Coke

### 5. CALL TO THE PUBLIC

Ms. Marcia Cox addressed the Council and stated last April, Lake Havasu City won 2nd place in the America's Best Communities Contest. She said Vision 20/20 was focused on five pillars including education and community engagement. Ms. Cox said five months later on September 21, one of the community's children took his own life, the third child that has committed suicide in approximately a two-year period. Ms. Cox stated that we always say something needs to be done but we do not know what to do. She said fortunately our community we have a very informed, engaged and caring superintendent of public schools, Ms. Diane Asseier, who knew of a plan called "Pastors on Campus" that was successful in other school districts. She said with the help of Captain Stephanie Lueras of the Salvation Army and her experience, trained one-third of the 35 pastors, and their goal is to have all of the pastors trained by the end of summer. Ms. Cox said Citizens for Havasu Schools was quick to embrace the idea of supporting a program that had brought awareness of childhood suicide and bullying and approached Ms. Asseier with a nationally recognized program called "Rachel's Challenge", a program that began after the first school shooting in Columbine and the school shooting in Littleton, Colorado in 1999. She said the program was named after Rachel Scott, the first child killed in

Columbine. Ms. Cox stated in the 19 years since this program has started, her legacy has touched over 25 million lives and the foundation has continued to create programs to promote positive and kindness in the climate in the K-12 programs. She said Ms. Asseier presented “Rachel’s Challenge” to the School District Board along with a pledge from Citizens for Havasu Schools and other members to help offset the cost of the program by hosting significant fundraising events. She stated the first year will cost \$59,000 and will include children in all schools including district, home, private and charter schooled children. Ms. Cox asked the Mayor, City Council, community leaders, businesses, business owners, civic organizations, political candidates, public and private citizens, parents and the kids in our community to help them in this effort to raise the money needed to make “Rachel’s Challenge” a success and to make sure we keep its lessons of kindness and compassion a part of our school admission and in education for years to come.

## **6. CONSENT AGENDA**

- 6.1 [ID 18-1644](#) Approve the May 8, 2018, City Council Regular Meeting Minutes (Kelly Williams)
- 6.2 [ID 18-1600](#) Adopt Resolution No. 18-3221 Approving an Intergovernmental Agreement with Mohave County for the County’s Rental Assistance Program (Jess Knudson)
- 6.3 [ID 18-1607](#) Adopt Resolution No. 18-3225 Approving an Intergovernmental Agreement with the Mohave County Flood Control District for Flood Control Purposes (Jeremy Abbott)
- 6.4 [ID 18-1625](#) Approval of a Final Subdivision Plat for Tract 2399, a 35-Acre Portion of Havasu Riviera Marina View Village to Include 78 Residential Lots, 2 Mixed Use Parcels, Public Right-of-Way, and Private Streets (Stuart Schmeling)
- 6.5 [ID 18-1637](#) Approve the Wastewater Treatment Agreement with North Point, LLC, to Provide Wastewater Service to the Viewpoint Estates Subdivision (Jeremy Abbott)
- 6.6 [ID 18-1641](#) Adopt Resolution No. 18-3227 Approving the Submission of a WaterSMART Grant Application to the Bureau of Reclamation for the Infrastructure Design from the Recovery Well to the Effluent Pipeline (Doyle Wilson)
- 6.7 [ID 18-1645](#) Call for Executive Session Pursuant to A.R.S.§ 38-431.03(A) 5:00 p.m. Tuesday, June 12, 2018 (Kelly Williams)

**Vice Mayor Sheehy moved to approve the Consent Agenda as presented, seconded by Councilmember McCoy, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

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

### **7.1 [ID 18-1626](#) Announce Vacancies on Lake Havasu City Boards, Committees, and Commissions (Kelly Williams)**

City Clerk Kelly Williams announced the current and upcoming vacancies on various Lake Havasu City Boards, Committees, and Commissions.

### **7.2 [ID 18-1643](#) City Manager's Report (Jess Knudson)**

City Manager Jess Knudson introduced Lake Havasu City's new Administrative Services Director Jill Olsen. He stated Ms. Olsen comes with an impressive budget, financial, and accounting background from the City of Reno, Nevada.

Mr. Knudson reported on the following:

- National Public Works Week May 20-26
- Good Luck to our HYAC; High School Senior graduates Carla Betancourt and Jersey Orias
- Lake Havasu City featured in Sunset 2018 Summer Guide and Bee News
- National Police Officer's Week – Officer Earl Chalfant, Lake Havasu Police
- Coffee with the Mayor and City Manager will be held at the Bagel Bin on Friday, June 1 from 7:30 a.m. to 9:00 a.m.
- City Offices Closed for Memorial Day – May 28

## **8. PUBLIC HEARINGS**

### **8.1 [ID 18-1638](#) Discussion and Possible Action, If Necessary, to Comply with Arizona Open Meeting Law Following the Executive Session Regarding Evaluation of City Manager.**

Possible Actions Include, but are not Limited to, Finding of Satisfactory or Unsatisfactory Performance, Salary Adjustment, or Any Direction or Action Necessary to Place an Item on a Future Agenda Relating to the City Manager's Evaluation, Salary Adjustment, or Employment Agreement.

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

hearing.

**Councilmember Lane stated based on a favorable evaluation, he moved to direct staff to draft an addendum to the City Manager's employment contract as discussed in Executive Session to be brought back at the June 12 meeting, seconded by Councilmember Groat, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.2**     [ID 18-1639](#)     Discussion and Possible Action, If Necessary, to Comply with Arizona Open Meeting Law Following the Executive Session Regarding Annual Evaluation of City Magistrate.

Possible Actions Include, but are not Limited to, Finding of Satisfactory or Unsatisfactory Performance, Salary Adjustment, or Any Direction or Action Necessary to Place an Item on a Future Agenda Relating to the City Magistrate's Evaluation, Salary Adjustment, or Employment Agreement.

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

**Councilmember Lane stated based on a favorable evaluation, he moved to direct staff to draft an addendum to the City Magistrate's employment contract as discussed in Executive Session to be brought back at the June 12 meeting, seconded by Councilmember McCoy, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Page Coke

- 8.3**     [ID 18-1640](#)     Discussion and Possible Action, If Necessary, to Comply with Arizona Open Meeting Law Following the Executive Session Regarding Annual Evaluation of City Attorney.

Possible Actions Include, but are not Limited to, Finding of Satisfactory or Unsatisfactory Performance, Salary Adjustment, or Any Direction or Action Necessary to Place an Item on a Future Agenda Relating to the City Attorney's Evaluation, Salary Adjustment, or Employment Agreement.

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

**Councilmember Lane stated based on a favorable evaluation, he moved to direct staff to draft an addendum to the City Attorney's employment contract as discussed in Executive Session to be brought back at the June 12 meeting, seconded by Councilmember Groat, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.4**     [ID 18-1621](#)     Recommendation of an Off-Track Pari-Mutuel Wagering License Renewal for Quality Inn & Suites, 271 Lake Havasu Avenue South / Turf Paradise (Kelly Williams)

Ms. Williams stated that Turf Paradise submitted a request for an Off-Track Pari-Mutuel Wagering License renewal for Quality Inn & Suites located at 271 Lake Havasu Avenue South. She said Turf Paradise's Permit to operate is valid through May 31, 2018 and the request is for the term renewal be extended to May 31, 2021. In response to Councilmember Lane's question, Ms. Williams stated that staff forwarded this internally to the departments and no objections were received.

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 Gaming, Division of Racing, approve an Off-Track Pari-Mutuel Wagering License renewal for Turf Paradise at Quality Inn & Suites, 271 Lake Havasu Avenue South, through May 31, 2021, seconded by Councilmember Lin, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.5**     [ID 18-1593](#)     Approve a Base Hospital Agreement with Havasu Regional Medical Center, LLC (Brian Davis)

Fire Chief Brian Davis stated this item is for periodic renewal of the Base Hospital Agreement with Havasu Regional Medical Center. He stated the most notable change is historically there were narcotic addendums attached to the agreement and every time those changed, the agreement had to go before council for approval. Chief Davis stated to avoid that, the agreement now references the state narcotic list.

Mayor Nexsen opened the public hearing.

Ms. Cox asked because our hospital is a for-profit hospital if that affects the relationship with city government. Mr. Knudson explained the agreement helps with the operations and efficiency of responding to emergency situations and the ability to go back to the hospital to restock supplies so they are able to provide good services to the public. He added the impact for a non-profit or for-profit hospital has no bearing.

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

**Councilmember McCoy moved to approve the Base Hospital Agreement with Havasu Regional Medical Center and authorize the City Manager to execute the agreement on behalf of the City, seconded by Councilmember Lin, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.6**     [ID 18-1614](#)     Approve the 2018-2019 Memorandum of Understanding with the Lake Havasu Professional Firefighters (Brian Davis)

Chief Davis stated this is the annual renewal of the Memorandum of Understanding (MOU) with the Lake Havasu Professional Firefighters. He added there were only slight language changes to the agreement.

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

**Vice Mayor Sheehy moved to approve the Memorandum of Understanding with the Lake Havasu Professional Firefighters for a term of July 1, 2018 to June 30, 2019, and authorize the City Manager and Fire Chief to execute the Memorandum of Understanding on behalf of Lake Havasu City, seconded by Councilmember McCoy, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.7**     [ID 18-1627](#)     Approve the 2018-2019 Memorandum of Understanding with the Lake Havasu Police Officers Association (Daniel P. Doyle)

Police Chief Dan Doyle stated the Lake Havasu Police Officer's Association is the designated employee group per City Code to represent the employees at the Police

Department. He noted no changes were proposed in the MOU.

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

**Councilmember McCoy moved to approve the Memorandum of Understanding with the Lake Havasu Police Officers Association for a term of July 1, 2018 to June 30, 2019, and authorize the City Manager to execute the MOU on behalf of the City, seconded by Councilmember Lane, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.8**     [ID 18-1611](#)     Approve Amendment to the Services Agreement with CherryRoad Technologies Inc. for the Purchase, Implementation and Support of additional Modules for the Oracle Fusion Enterprise Resource Planning (ERP) System (Rob Sweeney)

Interim Administrative Services Director Rob Sweeney stated this is an amendment to an agreement that was approved by the Council in November for the purpose of replacing the City's 20-year old ERP System. He said the item before Council is to seek an amendment to the existing agreement to bring forward the customer service and human capital management system. Mr. Sweeney stated by adding these two modules at this time the City will forego approximately \$146,000 in fees from CherryRoad. He added staff is looking at going live on January 1, with the vast majority of the first part of the system which includes the budget module, financials and pieces of the human capital management system.

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

Vice Mayor Sheehy asked if any of the program is currently implemented or if it will start January 1. Mr. Sweeney stated the project has just commenced moving forward this spring but nothing has been implemented to date. He said it is critical that we look at our human capital management system, payroll and the like to go on that particular date to not bridge any calendar year for tax purposes.

**Councilmember Groat moved to approve the amendment to the Services Agreement between Lake Havasu City and CherryRoad Technologies Inc., seconded by Councilmember Lane, and carried by the following vote:**



**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.9**     [ID 18-1624](#)     Adopt Ordinance No. 18-1199 Approving the Rezoning of a 19.6-Acre Parcel APN 110-05-063 South of the Chemehuevi Wash from A-P (Agricultural Preservation) District to R-1 (Single Family Residential) District (Stuart Schmeling)

Zoning Administrator Stuart Schmeling stated the property is on the far east end of town just north of Horizon Six. He said the surrounding zoning includes some C-1 and the 40 acres immediately south of the property is zoned R-1. Mr. Schmeling noted this 19-acre parcel was part of a re-zone in May of 2016. He said the owner of the subject property also owns the R-1 property to the south and recently submitted a preliminary plat which was approved by the Planning & Zoning Commission in April for the entire 59 acres. He added the 19-acre lots are all established and meet the R-1 standards.

Mayor Nexsen stated at the Planning & Zoning meeting it was a 6-1 vote and asked for an explanation of the dissenting vote. Mr. Schmeling stated he believed the dissenting vote to be Ms. Cunningham but was not sure what her objection was. City Attorney Kelly Garry stated she did not recall that Ms. Cunningham gave a specific reason for her dissenting vote.

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

**Councilmember McCoy moved to adopt Ordinance No. 18-1199 approving the rezoning of a 19.6-Acre Parcel APN 110-05-063 south of Chemehuevi Wash from A-P district to R-1 District, seconded by Councilmember Lane, and carried by the following vote:**

**Aye:** 6 - Mayor Nexsen, Councilmember Groat, Councilmember Lane, Councilmember Lin, Councilmember McCoy and Vice Mayor Sheehy

**Absent:** 1 - Councilmember Coke

- 8.10**     [ID 17-1457](#)     Discussion, Direction, and Selection Process of Vice Mayor (Kelly Garry & Kelly Williams)

Ms. Garry stated after reviewing the vice mayor selection process it was discovered that the current practice to elect a vice mayor annually does not match up with City Code Section 2.08.030. She said that section states “the Councilmembers shall at their first



regular meeting after the election designate one of its members as Vice Mayor.” Ms. Garry stated to cleanup that language staff has brought this before Council to receive direction on whether to make this an annual process and continue our current practice, or change it to every two, three or four years. She added there is nothing set by State Statute so the City Code would be the only thing that would direct that.

Mayor Nexsen stated one of the reasons he likes the annual appointment of the vice mayor is to give everybody an opportunity at some point in time to be the vice mayor. He said the vice mayor’s duties are not simple and being able to substitute for him is invaluable for him when he has a conflict. Mayor Nexsen stated in addition, he typically includes the vice mayor on many of the internal meetings so someone else has background on particular items if something should happen to him.

Councilmember Groat stated he appreciated Mayor Nexsen’s comments and agreed with them but said he thought six months was more reasonable to give fellow councilmembers a chance to be deputy mayor and also gives them the ability to say they are not able to do that right now. He said the protocol when he was on the council before and generally what follows here is that the vice mayor tends to go to the person who has been holding the elected office longest which would be Councilmember Lin. He added if the term would go to two or three years the people of the city should decide who that is going to be. Councilmember Groat stated what he was suggesting is six months to give the Mayor more flexibility but also gives that someone to say they do not have the ability right now for whatever reason.

Vice Mayor Sheehy stated that he disagreed with six months and added vice mayor is not ceremonial in nature, it is work. He said that he was nominated before and declined because he did not have the ability at that time and when he was nominated this time he did have the availability to serve as vice mayor. Vice Mayor Sheehy stated that anything less than one year would really be off the table for him. He said only the people that want to serve in that capacity in a real meaningful manner is beneficial to the office of the Mayor and if somebody is just doing it for ceremonial reasons it is not really going to help the position of the Mayor.

Mayor Nexsen noted for the benefit of the public some of the other vice mayor duties include gathering the information necessary to evaluate the city manager, city attorney and city magistrate and also represent the City at the League Conference as part of the resolutions committee which is a very important committee. He stated that he understood the point of Councilmember Groat but what he would hope is that it is not always the most senior councilmember. Mayor Nexsen stated Councilmember Lin is the only one that has been on the Council four years that has not yet had that opportunity, assuming she wants to do it. He added that he stays out of that part of the process because he wants the Council to decide on the vice mayor.

Ms. Garry stated one thing to consider if we do anything other than a year is the challenge of dealing with elections and if you do it every six months and even every two years when are you not going to have conflict with an election. She said when the code was originally written we probably did not have staggered terms so it was easy to say after the first election you appoint somebody. Ms. Garry stated now that we have staggered terms, a one-year term makes it easier because you do not have to worry about somebody timing out right in the middle of serving two years or trying to stagger six months.

Councilmember Lane stated it is not a ceremonial position and they learned in executive session the duties of the vice mayor and how important it is to have some continuity. He said he did not care either way but suggested a one-year minimum or a two-year maximum term for vice mayor. He added that Council needs to give staff direction whether or not to change the code.

Councilmember McCoy stated she has also have had the privilege of serving as vice mayor and thoroughly enjoyed it but it was a tremendous amount of work. She added as an individual who has their own business you really have to dedicate yourself to be there because when you take the position of stepping in for our mayor you need to be there. Councilmember McCoy stated it is important to have consistency of somebody with at least a one-year term but added a two-year would be very beneficial because that individual would really understand what happens.

Vice Mayor Sheehy stated he preferred a one-year term and if that person has interest to continue for a second year we can check with them annually and potentially re-elect them for a second year. Mayor Nexsen stated that Mr. Callahan was vice mayor for two years running primarily because he was helping with the refinancing of the sewer project and the Council did not want to change horses in mid-stream.

Councilmember Groat stated he would not want anybody to be under the impression that serving is only ceremonial. He added if we are going to go to a two-year term then he thought the people should have the right to elect the vice mayor because when you start talking about a two-year term, in his opinion, that becomes a democratic need. He added eight months is a reasonable compromise because it accords everybody to have an opportunity. Councilmember Groat stated that he would be more than happy to give his term up for somebody who has not had the chance to serve as vice mayor.

Councilmember Lin stated that she feels comfortable with leaving it the way it has been with a one-year term.

Mayor Nexsen noted that there was a consensus of the Council to leave the vice mayor

term at one-year.

Mayor Nexsen opened the public hearing.

Mr. Chuck Vaughn addressed the Council and stated one year would be a good time frame but give a second year option if nobody else on the Council is interested in serving in that capacity or cannot put in the time.

Ms. Nichole Cohen stated that she did not feel the Council needed a buy-in from the public because the council have all been elected so obviously the people have put their trust in them. She said whatever works best for Council is what they should consider.

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

**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**

Wednesday, May 23, 2018 @ 9:00 a.m. – Budget Work Session

Tuesday, June 12, 2018 @ 6:00 p.m. – Regular Meeting & Tentative Budget Adoption

Tuesday, June 26, 2018 @ 6:00 p.m. – Regular Meeting & Final Budget Adoption

Tuesday, July 10, 2018 @ 6:00 p.m. – Regular Meeting & Property Tax Levy Adoption

**12. FUTURE AGENDA ITEMS**

There were no requests for future agenda items.

**13. ADJOURN**

Upon motion by Councilmember McCoy and seconded, the meeting adjourned at 6:55 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 22nd day of May, 2018. I further certify that the meeting was duly called and posted, and that a quorum was present.

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Kelly Williams, City Clerk/CMC

Prepared By:

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Sacia Graber, City Clerk Assistant/CMC