

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

---

Tuesday, November 13, 2018

6:00 PM

---

### 1. CALL TO ORDER

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

### 2. INVOCATION: Pastor Ryan Speakman, Living Word Family Church

Pastor Ryan Speakman with Living Word Family 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 18-1820](#) Approve the October 23, 2018, City Council Regular Meeting Minutes (Kelly Williams)
- 6.2 [ID 18-1817](#) Adopt Resolution No. 18-3267 Ratifying the Submission of a Grant Application to the Department of Homeland Security for the Fiscal Year 2018 Assistance to Firefighters Grant Program for the Purchase of Self-Contained Breathing Apparatus; and Authorizing Execution of Necessary Documents and Implementation of the Activities Funded by the Grant (Brian Davis)
- 6.3 [ID 18-1822](#) Call for Executive Session Pursuant to A.R.S. § 38-431.03(A) 5:00 p.m. Tuesday, November 27, 2018 (Kelly Williams)

**Councilmember Coke moved to approve the Consent Agenda as presented,**

**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

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

### **7.1 [ID 18-1804](#) Investment Report as of September 30, 2018 (Jill Olsen)**

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

### **7.2 [ID 18-1821](#) 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.

### **7.3 [ID 18-1818](#) City Manager's Report (Jess Knudson)**

City Manager Jess Knudson reported on the following:

- Kiwanis and Key Clubs from Lake Havasu High School and Telesis Preparatory Academy clean-up on Highway 95.
- Mayor Nexsen was awarded the Copper Star (Bucky O'Neil) Award from the Unified Arizona Veterans.
- Metropolitan Planning Organization (MPO) awards scholarships to ASU students.
- Sales Tax Updates.
- Household Hazardous Waste Day will be held on Saturday, December 8, 2018, at the Lake Havasu City Public Works Maintenance Yard, 900 London Bridge Road, at 9:00 a.m.
- The Annual Community Dinner will be held on Friday, December 14, 2018 at the Lake Havasu Aquatic Center, 100 Park Avenue, at 4:00 p.m. and 6:00 p.m.
- Upcoming Events:
  - o November 17, 2018 - Annual Turkey Trot at the Island Walking Path at 9:00 a.m.
  - o November 23, 2018 – Annual Swim Across the Bridgewater Channel at 6:00 p.m.
  - o November 30, 2018 through December 1, 2018 – Annual Christmas Boat Parade of Lights at Bridgewater Channel at 6:30 p.m.
  - o December 1, 2018 – Annual Jingle Bell Walk at the Island walking path at 7:00 a.m.

## **8. PUBLIC HEARINGS**

### **8.1 [ID 18-1828](#) Award Agreement for Engineering Services for the Design of the 2019**

---

Water Main Replacement Project to Civil & Environmental Consultants,  
Inc. (Chris Rosetti)

Project Manager Chris Rosetti stated that this item is to award the professional services agreement for engineering services for the 2019 Water Main Replacement Project (WT7460).

Mr. Rosetti outlined the following in his presentation:

Replacement Criteria

- Diameter
- Material
- PSI
- Break History
- Age of Pipe

Contract Details

- Design contract for approximately 15,000 linear feet of water main and appurtenances
- Civil & Environmental Consultants, Inc.
- 182-day contract
- November 2018 – May 2019
- \$125,000

Councilmember Groat asked what type of digital package the City would receive from the consultants when the project is complete, to which Mr. Rosetti explained that the City will receive contract documents, technical specs, front-end specs governing the project, and construction plans to which they will coordinate approvals with the Arizona Department of Environmental Quality (ADEQ). Councilmember Groat asked if the AutoCAD Civil 3D format is what is needed for data interpretation as the City receives the underlying data sets from the consultants, to which Mr. Rosetti stated that the City will be using the plan views and profile views.

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

**Councilmember Lane moved to award the Agreement for Engineering Services for the design of the 2019 Water Main Replacement Project to Civil & Environmental Consultants, Inc., 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

**8.2**     [ID 18-1816](#)     Award Bid for the Lake Havasu Avenue Reconstruction Project Between Mesquite Avenue and Swanson Avenue to C.S. Legacy Construction, Inc. (Jeffrey Herb)

Project Manager Jeffrey Herb stated that this item is to award a construction bid to C.S. Legacy in the amount of \$3,570,372 for the Lake Havasu Avenue Reconstruction Project. He said the project is to improve public safety, traffic flow and an aging infrastructure. Mr. Herb said the project will encompass two full city blocks and three major signalized intersections in the area. He added that all four roadways are classified as minor arterial. Mr. Herb explained that the traffic volumes are in an excess of 15,000 vehicles per day, and within a five-year period there have been 86 accidents mostly due to left turn movements across the center left turn lane into driveways. He stated that two public meetings were held, with a good turnout of business owners and councilmembers.

Mr. Herb outlined the following in his presentation:

Roadway Improvements

- Pavement Replacement
- ADA Sidewalk
- Medians Driveway Access
- Signals

Utility Improvements

- Drainage
- Water
- Sewer

Lake Havasu Avenue Reconstruction

- Bid Advertisement August 21
- Construction Bid Opening September 19
- Two Responsive Bidders
- C.S. Legacy, Inc. Low Bidder
- Bid Contract: 150 Calendar Days
- Likely duration between late November and late April
- Base Bid \$3.57M
- Total Budget \$3.79M
- Budgeted through HURF, waste water, and IDD Funds

Mayor Nexsen said there will be business disruptions and asked if the City will have any signs assisting the businesses indicating that business access is open and that this is temporary, to which Mr. Herb said they will be working with all business owners and said it is likely that there will be signs stating that business access is open. Mayor Nexsen said

he has received comments that the median will make it harder to get to businesses and is unfair to the businesses, but said in the end this is about safety.

Councilmember McCoy asked what the difference was between the two bids received, to which Mayor Nexsen said the difference was just over \$300,000.

Councilmember Lane stated that in the last five years there have been 86 traffic collisions reported to the Lake Havasu City Police Department, and noted that this is the third time the project has gone out to bid; however, this time instead of coming up with more money for things such as stamped concrete, the City re-engineered it to bring it under budget. He added that recently there was a water main break in the area and said if the City does not fix the roadway now, there will be more breaks or an emergency situation that will cost more to replace the water main. He said in doing this project the City will be fixing the infrastructure, saving money in the long run.

Vice Mayor Sheehy said he attended the public meeting and it seemed that most businesses were in favor of the project, to which Mr. Herb stated that was correct. Vice Mayor Sheehy clarified that the project is an asphalt project, due to the asphalt in the area failing, and the City is adding in the safety features.

Mayor Nexsen opened the public hearing.

Mr. Steve Jones addressed the Council and asked why the work was not being done at night when there is less traffic, to which Mr. Herb replied that most of the work would occur during the day as it is more expensive to operate at night.

Councilmember Lane noted that the project is being scheduled during the winter versus the summer because while there is less population during the summer, there are larger vehicles and restricted lanes.

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

**Councilmember McCoy moved to award the Base Bid for the Lake Havasu Avenue Reconstruction Project to C.S. Legacy Construction, Inc., 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 18-1832](#)     Award Agreement for Professional Services (Construction Management) for the Lake Havasu Avenue Reconstruction Project to Civil & Environmental Consultants, Inc. (Jeffrey Herb)

Mr. Herb advised that the item before the Council is a professional services agreement with Civil & Environmental Consultants, Inc., commonly referred to as CEC, Inc. Mr. Herb added that this item is in conjunction with the Lake Havasu Avenue Reconstruction Project and noted that CEC, Inc., will provide a full-time inspector, construction management services, and approximately 1,156 hours of professional services. Mr. Herb said staff recommends approval of the contract in the amount of \$159,746.

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

**Councilmember Lane moved to award the Agreement for Professional Services (Construction Management) for the Lake Havasu Avenue Reconstruction Project, Project No. ST3270, to Civil & Environmental Consultants, Inc., 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

- 8.4**     [ID 18-1831](#)     Approve Cooperative Purchase Agreement with Econolite Control Products, Inc., for Traffic Signal Equipment Required for the Lake Havasu Avenue Reconstruction Project (Jeffrey Herb)

Mr. Herb advised that the item before the Council is a cooperative purchase agreement with Econolite Control Products, Inc., for traffic and signal equipment associated with the Lake Havasu Avenue Reconstruction Project. Mr. Herb explained that the advantages of using a cooperative purchase agreement is to piggy-back off another jurisdiction's purchase agreement, in this case with Maricopa County, to leverage a lower cost.

Councilmember Groat commented about the discount using the Maricopa County contract and asked what it would cost without the savings, to which Mr. Herb explained that the signals are typically \$25,000 each; however, using the Maricopa County contract it would cost around \$15,000 or \$16,000 each, which equates to approximately \$30,000 in savings.

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

**Councilmember Coke moved to approve the multi-term Cooperative Purchase Agreement and expenditure over \$50,000 for FY 2018-19 with Econolite Control Products, Inc. utilizing Maricopa County, Arizona's agreement 13043-C, 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

- 8.5**     [ID 18-1806](#)     Approve Cooperative Purchases for Tires, Tubes, and Services from Redburn Tire Co., and Tire Mart Inc. from State Contracts (Kenneth Porosky)

Transportation and Maintenance Superintendent Kenneth Porosky stated that the item before the Council is a cooperative purchase agreement utilizing the State contract for tires, tubes, and services from Redburn Tire Co., and Tire Mart Inc. Mr. Porosky explained that this will cover replacement tires for the City's fleet of approximately 500 vehicles and equipment.

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

**Vice Mayor Sheehy moved to approve the cooperative purchase of tires, tubes, and services exceeding \$50,000 from Redburn Tire Co. and Tire Mart Inc. utilizing Arizona State Procurement Office Contracts ADSPO12-021289 and ADSPO016-122307, as amended, through March 31, 2019, the term of the cooperative agreements, not to exceed \$75,000 in each instance, 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

- 8.6**     [ID 18-1825](#)     Award Bid for Fiscal Year 2018-19 Crack Seal Program to Regional Pavement Maintenance of Arizona, Inc. (Kenneth Porosky)

Mr. Porosky stated that this item is to award bid for the annual Crack Seal Program to Regional Pavement Maintenance of Arizona Inc. He explained that Regional Pavement Maintenance will apply the crack seal sealant to approximately 40 miles of city streets this year, and noted that funding is available in the HURF fund.

Vice Mayor Sheehy asked how the streets are determined, to which, Mr. Porosky replied that a Pavement Condition Indicator (PCI) report is performed each year that determines a condition rating on the streets.

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

**Councilmember Lane moved to award the bid for Fiscal Year 2018-19 Crack Seal Program to Regional Pavement Maintenance in the amount of \$186,100, 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

- 8.7**     [ID 18-1829](#)     Award Bid for Annual Water System Maintenance Parts Supply to Arizona Water Works, Dana Kepner, Core & Main, and Ferguson Waterworks (Mark Clark)

Operations Manager Mark Clark stated that the item before the Council is the annual Water System Maintenance bid award for parts.

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

**Councilmember Coke moved to award the bid and issue open purchase orders for the Annual Water System Maintenance Parts Supply on an as required basis to Arizona Water Works, Dana Kepner, Core & Main, and Ferguson Waterworks, and authorize the purchase from the next lowest bidder per item if necessary, in an amount not to exceed \$150,000, 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

- 8.8**     [ID 18-1827](#)     Adopt Resolution No. 18-3268 Amending Resolution No. 93-874 Fixing Monthly Compensation of Mayor and City Councilmembers, Effective July 1, 2019 (Jess Knudson)

City Manager Jess Knudson stated that during the budget work session in May of 2018, discussion took place regarding compensation for Mayor and Councilmembers. Mr. Knudson said council compensation was last addressed in May of 1993 by resolution that identified compensation as \$650 per month for Councilmembers and \$950 per month for Mayor. He said this resolution went into effect in 1995. He said staff looked at comparable cities, which is how the City does its analysis in terms of employee compensation, and determined that Lake Havasu City is the 17th largest city in Arizona based on population; therefore, staff looked at the compensation for the 12th through the 20th largest cities to determine an average based on salaries and stipends, which resulted in an average of \$1,211 for Councilmembers per month and \$1,904 for Mayor per month. Mr. Knudson said funds are readily available in next year's budget for this purpose if Council moves forward with this direction effective July 1, 2019.

Mayor Nexsen said the City Council has not been awarded an increase since 1993, which was 25 years ago, and the reason the amount has not changed is because there really is no



mechanism for it to change except by the courage of a council to bring up the topic. Mayor Nexsen said the article in the newspaper stated that the optics do not look good; however, when asked when would be a good time, the newspaper replied never but said they hoped it passed because they would like to see other people come into the realm of possible councilmembers with a compensation that is more than just covering expenses to gain more of a wide range of councilmembers.

Councilmember Lin questioned what the urgency was for this item, adding that at the last budget session there was also discussion regarding compensation issues for City employees. She said she realized these are two different things, but felt that it should be addressed to be transparent. Mayor Nexsen said what the Council was going to do was wait until next July to address the compensation/compression issues after Proposition 409 passed. He added that this would not go into effect until July of 2019.

Councilmember Lane said the article in the newspaper stated that the Council receives various stipends for phones and internet service; however, he clarified that some councilmembers use a City phone and others choose to use their own personal cell phone. He added that the Council also does not receive a stipend for internet service, as all communication for the City Council comes through a City-issued iPad which is paid by the City to receive the council agenda packets and emails. Councilmember Lane said as a councilmember he receives a paycheck of \$650 per month and is allowed to sign up for the City's health benefits and trust. He added that there is no retirement with the City Council, and added that after benefits and taxes his take home pay is \$440, which is about what it costs him out-of-pocket to be on the City Council after attending various events and functions each month.

Councilmember Lane added that he signed up to run for City Council to serve the public, not to make money, but councilmembers should not have to take money from their families to serve on the City Council. He added that it was mentioned that raising the salaries would attract younger people; however, he thinks the city is already attracting younger people. He said after Mayor Nexsen retires, he will be the only retired councilmember. He said he would like to see the Councilmembers and Mayor salary study included in the employee compensation study, and then make a recommendation based on that study along with all other City employees. Councilmember Lane said he would be voting against the pay raise tonight because he feels the timing is wrong.

Councilmember McCoy said during the budget discussions the City Council told City employees that they could not raise salaries; therefore, she is not comfortable raising the council salaries at this time. Councilmember McCoy added that she signed up to be on the City Council to serve the citizens, and believes that all City employees need to be brought up at the same time as the city is low compared to other cities. Councilmember McCoy

said even though this would not take effect right away, she would be voting no on this as she does not think the City Council should put themselves in front of the other employees.

Mayor Nexsen suggested that if the timing is off the City Council could approve the resolution and change the date to be effective when the analysis is complete. Mayor Nexsen stated that the Mayor position makes \$11,400 a year, which over the last 12 years as Mayor, equates to \$4.38 an hour. He added that serving on the City Council is by no means a living wage, as it should not be, but it also should not become a position where councilmembers and mayors are taking the job just for a salary as the City Council should have the community at heart and invest in the community.

Mayor Nexsen said he understands the reluctance for an increase and suggested the following solutions: 1) defer it until a final analysis is done, or 2) wait until July 1, 2019, and if the Councilmembers do not want the raise, refuse it or give it to charity. Mayor Nexsen asked the City Council to not think about the Councilmembers sitting next to them, but about future councilmembers. He said if the Council defers it now, it will most likely not be brought up again as no one had the courage to do it for the last 25 years.

Mayor Nexsen reiterated that if the Council thinks it is a good idea but the timing is wrong, then fix the timing in the suggested motion as opposed to deferring it until someone brings it up again.

Councilmember Lane said if the item is deferred tonight, he would bring it up again when the City Manager does the study for all City employees including the study for Councilmembers and Mayor, and added that if the study shows there should be a raise in council compensation, then he will bring it up at that time.

Councilmember Groat stated that he makes \$365.89 after benefits and taxes which does not account for the time and pay he loses when he has to request time off from work to go to City Council meetings and functions. He said deferring the date is not the best idea and would agree with the Mayor's idea of changing the timing. Councilmember Groat said at the end of the day the underlying theme is to make it attractive enough for a deep pool of candidates, and added that the dollar figures that have been proposed are not exorbitant and are in keeping with the way we do this for every employee. He stated that the resolution should include language that ties in when administration goes through a salary renewal process, the City Council should be brought in as well. Councilmember Groat noted that even 25 years later this is still difficult for a City Council to decide, and said if the Council decides to defer this, he feels that it will get lost for another 25 years.

Vice Mayor Sheehy noted that State law dictates the timing and how this process can happen. He thanked Mayor Nexsen for bringing the item up as he does feel that the

discussion is very beneficial for people to have a better understanding of what the pay is and what the City Council does for that pay. Vice Mayor Sheehy said in response to Councilmember Lin's question, the timing of this is because of State law.

Mayor Nexsen explained that under State law, the City Council cannot give themselves a raise. He explained that they can only give a future councilmember, or anyone that is newly elected or re-elected, a raise. Mayor Nexsen added that come July 1, 2019, the raise would not apply to Councilmembers Lane, Groat and McCoy, but only to the others because it was passed prior to them taking office or re-elected on November 27, 2018. He said the City Council can make the timing at any time; however, it will not change who receives the raise unless the three Councilmembers not receiving the raise were to run and be re-elected to office.

Mayor Nexsen stated that he agrees with Councilmembers Lane and Groat that he took the job to give back to the community, but said there is a point in time that if it gets so low, it is nothing but a volunteer job that people feel is not worth their time.

Mayor Nexsen opened the public hearing.

Mr. Doug Carr, resident, addressed the Council and stated that 25 years is a long time for a raise. He said they just heard how the City saved money on street signals, and this is only a couple thousand dollars a month. Mr. Carr said the City Council deserves a raise and should vote in favor, as it is not much money and hopefully more people in the public will see that.

Mayor Nexsen said the numbers that Council suggested for the year equates to \$52,000 for everyone. He said it is not a high profile item from a financial standpoint when the threshold for an item to go to the City Council for approval is \$50,000 and tonight the City Council approved over \$4.4 million in other types of expenditures.

Councilmember McCoy added that she would also bring this topic up at the next opportunity.

Mayor closed the public hearing.

**Councilmember Groat moved to adopt Resolution No. 18-3268 amending Resolution No. 93-874 fixing monthly compensation of Mayor and City Councilmembers, effective July 1, 2019. Motion failed for lack of a second.**

## **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, November 27, 2018 @ 6:00 p.m. – Regular Meeting

Tuesday, December 11, 2018 @ 6:00 p.m. – Regular Meeting

**12. FUTURE AGENDA ITEMS**

There were no future agenda items.

**13. ADJOURN**

Upon motion by Councilmember Coke and seconded, the meeting adjourned at 7:08 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 13th day of November, 2018. I further certify that the meeting was duly called and posted, and that a quorum was present.

---

Kelly Williams, City Clerk/CMC