

Mayor Cal Sheehy
Vice Mayor David Lane
Councilmember Jeni Coke
Councilmember Jim Dolan
Councilmember Gordon Groat
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, July 9, 2019

6:00 PM

1. CALL TO ORDER

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

2. INVOCATION: Pastor Dale Ray, Lakeview Community Church

Chaplain Bea Evans with City on a Hill International Church gave the invocation.

3. PLEDGE OF ALLEGIANCE: Lake Havasu Chamber Foundation for Education and Leadership (CFEL) Education Committee

The Lake Havasu Chamber Foundation for Education and Leadership (CFEL) Education Committee led in the Pledge of Allegiance.

Ms. Jerri Bracamonte, Executive Assistant to the City Manager and Mayor, was presented with the Lake Havasu Chamber of Commerce Whelan Leadership Award.

4. ROLL CALL

Present: 6 - Mayor Cal Sheehy, Vice Mayor David Lane, Councilmember Jeni Coke, Councilmember Gordon Groat, Councilmember Donna McCoy and Councilmember Jim Dolan

Absent: 1 - Councilmember Michele Lin

5. CALL TO THE PUBLIC

There were no requests to address the Council.

6. CONSENT AGENDA

- 6.1 [ID 19-2085](#) Approve the June 25, 2019, City Council Regular Meeting Minutes (Kelly Williams)
- 6.2 [ID 19-2075](#) Adopt Resolution No. 19-3328 Approving and Authorizing Execution of Instruments Necessary to Vacate and Convey Parcel E, Approximately 5,000 Square Feet of Roadway, Between Lots 9 and 10 of Tract 2257, Block 10 (Stuart Schmeling)

- 6.3 [ID 19-2076](#) Adopt Resolution No. 19-3329 Approving and Authorizing Execution of Instruments Necessary to Vacate and Convey Parcel J, Approximately 5,000 Square Feet of Roadway, Between Lots 15 and 16 of Tract 2217, Block 17 (Stuart Schmeling)
- 6.4 [ID 19-2071](#) Adopt Resolution No. 19-3330 Approving the Submission of a Grant Request to the Mohave County Flood Control District to Facilitate Receiving FEMA Pre-Disaster Mitigation Funding to Construct the Havasupai Wash #3 Stabilization Improvements (Dustin Salisbury)
- 6.5 [ID 19-2072](#) Approval of a Final Condominium Subdivision Plat for Luxelocker, 3510 Sweetwater Avenue, Creating 30 Condominium Storage Units and a Parcel A, Common Area (Stuart Schmeling)
- 6.6 [ID 19-2073](#) Approval of a Final Condominium Subdivision Plat for Absolute Boat and RV Storage Creating 51 Condominium Storage Units (Stuart Schmeling)
- 6.7 [ID 19-2074](#) Approval of a Final Condominium Subdivision Plat for Esperanza Condos Plat of Tract 2252, Block 3, Lot 7, 490 N. Lake Havasu Avenue, Creating 18 Residential Condominiums, a Storage Unit, Pool House, Covered Parking, and Parcel A Common Area (Stuart Schmeling)
- 6.8 [ID 19-2083](#) Call for Executive Session Pursuant to A.R.S. § 38-431.03(A) 5:00 p.m. Tuesday, July 23, 2019 (Kelly Williams)

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

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

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

- 7.1 [ID 19-2084](#) Announce Vacancies on Lake Havasu City Boards, Committees, and Commissions (Kelly Williams)

City Clerk Assistant Shannon Davis announced the current vacancies on various Lake Havasu City Boards, Committees, and Commissions.

- 7.2 [ID 19-2082](#) City Manager's Report (Jess Knudson)

City Manager Jess Knudson reported on the following:

- The Clean Colorado River Sustainability Coalition (CCRSCo) held a meeting at the

Clark County Wetlands Park in Las Vegas, Nevada, on Monday, July 1, 2019. Dr. Doyle Wilson was recognized at the meeting for his contributions to CCRSCo and to the Colorado River since 2005.

- Mayor Sheehy proclaimed the month of July as “Distracted Driving Awareness Month.” Lake Havasu City Metropolitan Planning Organization (MPO) Manager Vinny Gallegos shared two short videos on distracted driving that were filmed in Lake Havasu City. The videos had special appearances from Mayor Sheehy, Councilmember McCoy, Police Chief Dan Doyle, and Fire Chief Brian Davis.

8. PUBLIC HEARINGS

8.1 [ID 19-2086](#) Adopt Resolution No. 19-3335 Appointing an Alternate Member to the Lake Havasu City Planning and Zoning Commission (Kelly Williams)

City Clerk Kelly Williams advised that the City received two applications requesting consideration to fill a current vacancy of an alternate member on the Planning and Zoning Commission with a term expiring on June 30, 2020.

Mr. Kevin Murphy, applicant, addressed the Council and said he has lived in Lake Havasu City for approximately 20 years and worked for the City for 11 years. He said he is willing to serve on this committee and help the City.

Mr. Robbie Sampson, applicant, addressed the Council and said he has lived in Lake Havasu City for two years and has worked for Selberg and Associates for 20 years. He said he is willing to be of assistance to the Council and serve on this committee.

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

Councilmember McCoy moved to adopt Resolution No. 19-3335 appointing Kevin Murphy as an alternate member to the Lake Havasu City Planning and Zoning Commission with a term ending June 30, 2020, seconded by Vice Mayor Lane, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

8.2 [ID 19-2050](#) Series #12 Restaurant Liquor License, Red Baron Wings & Pizza, 125 Paseo Del Sol/Spillman (Kelly Williams)

Ms. Williams advised that Lynda Mae Spillman has applied for a Series #12 Restaurant Liquor License for Red Baron Wings & Pizza located at 125 Paseo Del Sol. Ms. Williams noted that 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 Series #12 restaurant liquor license.

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

Councilmember Coke moved to recommend that the Arizona Department of Liquor Licenses & Control approve a Series #12 restaurant liquor license for Red Baron Wings & Pizza, 125 Paseo Del Sol, seconded by Councilmember Dolan, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

8.3 [ID 19-2032](#) Adopt Resolution No. 19-3332 Adopting Lake Havasu City's Property Tax Levy for Fiscal Year 2019-20 (Jill Olsen)

Administrative Services Director Jill Olsen advised that the item before Council is to adopt the Lake Havasu City property tax levy for Fiscal Year (FY) 2019-20. Ms. Olsen explained that the General Fund property tax levy rate will remain the same as FY 2018-19, but with an increase in assessed valuation and new construction, the City will see an increase in revenue.

Ms. Olsen said the Irrigation & Drainage District (IDD) property tax levy rate will remain the same per acre and the amount collected in FY 2019-20 will remain the same as the previous fiscal year at \$5,684,564. She explained that the IDD is for water service.

Ms. Olsen said in Improvement District No. 2, London Bridge Plaza, the rate per \$100 in assessed value is decreasing from \$0.7740 to \$0.7370; however, the tax levy remains the same as FY 2018-19 with the City collecting \$16,001.

Ms. Olsen said in Improvement District No. 4, McCulloch Median, the rate per \$100 in assessed value remains the same at \$0.5040; however, the tax levy is increasing from the previous fiscal year with the City collecting \$59,375 in FY 2019-20.

Mayor Sheehy said this item is the adoption of the property tax levy for FY 2019-20; but noted that Ms. Olsen also presented the information and rates for the following three items.

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

Councilmember Dolan moved to adopt Resolution No. 19-3332 adopting the Lake Havasu City property tax levy rate of \$0.6718 per \$100 assessed value for Fiscal Year 2019-20, seconded by Councilmember Groat, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.4** [ID 19-2034](#) Adopt Resolution No. 19-3333 Adopting Lake Havasu City Improvement District No. 2 (London Bridge Plaza) Property Tax Levy for Fiscal Year 2019-20 (Jill Olsen)

Mayor Sheehy stated that Ms. Olsen presented this information in the previous item.

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

Mayor Sheehy explained that Improvement Districts No. 2 and No. 4 are special districts in which the property owners tax themselves for improvements in their area.

Vice Mayor Lane moved to adopt Resolution No. 19-3333 adopting Lake Havasu City Improvement District No. 2 (London Bridge Plaza) property tax levy rate at \$0.7370 per \$100 assessed value for Fiscal Year 2019-20, seconded by Councilmember McCoy, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.5** [ID 19-2035](#) Adopt Resolution No. 19-3334 Adopting Lake Havasu City Improvement District No. 4 (McCulloch Median) Property Tax Levy for Fiscal Year 2019-20 (Jill Olsen)

Mayor Sheehy stated that Ms. Olsen presented this information in the previous item. He added that Improvement District No. 4 is the McCulloch Median for improvements to the Wheeler Park area.

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

Councilmember McCoy moved to adopt Resolution No. 19-3334 adopting Lake Havasu City Improvement District No. 4 (McCulloch Median) property tax levy rate at \$0.5040 per \$100 assessed value for Fiscal Year 2019-20, seconded by

Councilmember Dolan, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.6 [ID 19-2033](#) Adopt Resolution No. IDD-19-7-1 Adopting the Lake Havasu Irrigation and Drainage District Property Tax Levy for Fiscal Year 2019-20 (Jill Olsen)

Mayor Sheehy stated that Ms. Olsen presented this information in the previous item.

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

Councilmember Coke moved to adopt Resolution No. IDD-19-7-1 adopting the Lake Havasu Irrigation and Drainage District property tax levy rate at \$268.85 per acre for Fiscal Year 2019-20, seconded by Councilmember Dolan, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.7 [ID 19-2036](#) Introduce Ordinance No. 19-1219 Amending City Code Section 11.08.710, Fueling and Defueling, Regarding Hot Fueling (Damon Anderson)

Airport Supervisor Damon Anderson advised that the item before Council is an introduction of an ordinance regarding hot fueling, which is fueling while an engine is running. Ms. Anderson explained that the practice of hot fueling is occurring at the airport; however, by City Code it is not allowed, and said the military and Fixed-Based Operators (FBO) have requested that hot fueling be allowed. He added that he researched other airports and found that they let the FBO's decide whether they will allow hot fueling and whether their insurance will provide it. Mr. Anderson said staff recommends introduction of this ordinance which would allow hot fueling at the airport.

Vice Mayor Lane asked if some military aircraft are required to go through hot fueling when refueling, to which Mr. Anderson said they definitely want to due to the cycles of the aircraft and the number of hours they can operate, and added that it is beneficial for turbine aircraft to use hot fueling because the act of turning it off and on diminishes the life of the aircraft. Vice Mayor Lane asked if some aircraft require the auxiliary power unit (APU) to be running to accept fuel, to which Mr. Anderson replied yes.

Vice Mayor Lane said this ordinance is simply changing the language in the City Code to allow the practice of hot fueling to continue.

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

Councilmember Dolan moved to introduce Ordinance No. 19-1219 amending City Code Section 11.08.710, Fueling and Defueling, seconded by Councilmember McCoy, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.8** [ID 19-2077](#) Award Professional Services Contract for Positional Analysis and Compensation Study to Baker Tilly Virchow Krause, LLP (Shirlee Palbicki)

Human Resources Manager Shirlee Palbicki advised that the item before Council is to award a professional services contract to begin the positional analysis and compensation study. Ms. Palbicki said the City last conducted a study in 2007 and since then there have been several changes to position classifications, new position additions, and compensation adjustments. She said the study will include defining the cities that are comparable to Lake Havasu City, conducting orientation meetings with employees and supervisors to provide training on how to accurately complete the questionnaires which are necessary to properly band or evaluate the positions, performing an analysis and development of accurate job descriptions, conducting a comprehensive salary and benefits survey with the comparable cities as determined in conjunction with the City Manager, recommendations for revisions to the City's current compensation plan to allow for merit based pay, and training of key staff on maintaining the classification and compensation plan moving forward. She said in addition to the positional analysis, City staff and the consultant will develop a customized performance measurement and evaluation system for each position. Ms. Palbicki said once the award is approved the City will begin the positional analysis and anticipates the final recommendation to the City Manager in December 2019, with the performance measurement and evaluation system (in conjunction with the consultant) scheduled to be completed by the end of January 2020.

Councilmember Dolan asked how the timing of the results fit into the City's budget process and whether there will be enough time to make changes before the next budget cycle, to which Mr. Knudson said the award of the contract in July allows the City a six-month timeframe to receive the findings in December 2019, which is when the budget

process begins and decisions are made regarding what gets funded and at what levels. Mr. Knudson said the big question will be the cost of implementing the findings of the study.

Councilmember McCoy asked if the consultant has assured the City that the information will be received in time for the next budget cycle, to which Ms. Palbicki replied yes.

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

Vice Mayor Lane noted that this was Ms. Palbicki's last council meeting before retiring and thanked her for all that she has done for the City.

Vice Mayor Lane moved to award the Professional Services Contract for Positional Analysis and Compensation Study to Baker Tilly Virchow Krause, LLP to begin conducting the study immediately and authorize the City Manager to execute the contract, make necessary disbursements, and to take all actions consistent with carrying out the contract, seconded by Councilmember Coke, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.9** [ID 19-2081](#) Adopt Resolution No. 19-3331 Approving the Intergovernmental Agreement with Horizon Six Improvement District (Mohave County Acting as Board of Directors) Regarding Water Services (Mark Clark)

Public Works Manager Mark Clark said the item before Council is a resolution to continue operating, under the direction of the Mohave County Board of Supervisors, the water system in Horizon Six which serves approximately 260 properties. He said this agreement has been in place for over 20 years, and explained that because the City maintained a large water system it made sense to provide water to Horizon Six versus having a remote water system for that area. Mr. Clark said the agreement before Council was adjusted to recover all City costs so that the taxpayers in Lake Havasu City are not supporting that water district. Mr. Clark added that the agreement will go before the Mohave County Board of Supervisors on July 15, 2019.

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

Vice Mayor Lane moved to adopt Resolution No. 19-3331 approving the Intergovernmental Agreement with Horizon Six Improvement District for water services and to authorize the City Manager to execute the Agreement on the behalf

of the City, seconded by Councilmember McCoy, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.10** [ID 19-2079](#) Approve Renewal of Cooperative Purchase Agreement and Annual Expenditures Over \$50,000 for Various Water and Wastewater Pumps, Equipment, Parts, and Services with Hennesy Mechanical Sales, LLC (Mike Slettebo)

Utility Supervisor Mike Slettebo said the item before Council is to approve the renewal of a contract with Hennesy Mechanical Sales, LLC, to purchase large pumps and equipment for the pump stations throughout the city. He explained that pumping is expensive due to the distance that sewage must be pumped to reach the pump stations. Mr. Slettebo stressed the importance of having spare parts available to continue service to residents.

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

Councilmember Dolan moved to approve renewal of the Cooperative Purchase Agreement for an additional two-year term for various water and wastewater pumps, equipment, parts and repair services with Hennesy Mechanical Sales, LLC, for annual expenditures exceeding \$50,000 for the term of this agreement, seconded by Councilmember Groat, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

- 8.11** [ID 19-2080](#) Approve Renewal of Cooperative Purchase Agreement and Annual Expenditures Over \$50,000 with James, Cooke, and Hobson, Inc., for Wastewater Pumps and Parts (Mike Slettebo)

Mr. Slettebo said the item before Council is to approve the renewal of a contract with James, Cooke, and Hobson, Inc., for pump parts at various lift stations throughout the city. He reiterated the importance of having spare parts and pumps available to respond when there is a failure. Mr. Slettebo said the City plans to purchase a spare pump for the London Bridge Road lift station and another pump for the lift station on the corner of Chip Drive and Lake Havasu Avenue, where recently there was an electrical panel explosion. He said James, Cooke, and Hobson, Inc., provides the pumps as quickly as they can, as some pumps are shipped from Sweden and can take up to five to six months to receive.

Mr. Slettebo noted a correction in the council communication, and said the total expenditures for FY 2018-19 were \$212,178.55.

In response to Councilmember Groat's comment about the electrical panel explosion, Mr. Slettebo explained that the incoming electrical service exploded and it is unknown if it was due to a fluctuation from the line power coming in from Unisource or what may have caused it. Mr. Slettebo said a portable generator was brought in to run a single pump.

Councilmember Groat asked about the expected lifespan of the pumps and what kind of capacity the City has to overhaul a pump, to which Mr. Slettebo said the life expectancy of a pump is approximately five to seven years. He said the City was sending the pumps to Phoenix, Arizona, to be rebuilt after five to seven years; however, a \$40,000 rebuild was only extending the lifespan of the pump by another six to 19 months. He said the City changed gears and started sending the pumps to Wisconsin and Virginia to be rebuilt, which costs more, but they give a full year or two warranty after the rebuild. Mr. Slettebo noted that the cost to rebuild is still less expensive than purchasing a new pump.

Councilmember Groat asked about the lifespan of the rebuilt pumps from Wisconsin and Virginia, to which Mr. Slettebo said they just started sending them there and do not have any data yet from those pumps.

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

Councilmember Groat moved to approve renewal of the Cooperative Purchase Agreement for an additional two-year term with James, Cooke, and Hobson, Inc., and approve annual expenditures exceeding \$50,000, seconded by Vice Mayor Lane, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

8.12 [ID 19-2078](#) Award Agreement to Evoqua Water Technologies, LLC, for Purchases of Odor Control Mitigation Chemicals for Wastewater's Odor Control Program (Mike Slettebo)

Mr. Slettebo said the item before Council is the award of an agreement for odor mitigation chemicals used along the Highway 95 corridor. Mr. Slettebo said because the City has to pump sewage a long distance, it produces Hydrogen Sulfide (H²S) gases that create odors. He said there are two chemicals that have been tested over the years that work the best: Calcium Nitrate and Calcium Hydroxide. He explained that Calcium Nitrate works the

best with trapping odors on short distances (detention times), and Calcium Hydroxide for long detention times. Mr. Slettebo added that they will be conducting a trial at five of the short-run lift stations using a new chemical.

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

Councilmember Groat moved to award the Agreement for Odor Mitigating Management Control Program to Evoqua Water Technologies, LLC, seconded by Councilmember Dolan, and carried by the following vote:

Aye: 6 - Mayor Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember McCoy and Councilmember Dolan

Absent: 1 - Councilmember Lin

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, July 23, 2019 @ 6:00 p.m. - Regular Meeting

Tuesday, August 13, 2019 @ 6:00 p.m. - Regular Meeting

12. FUTURE DISCUSSION ITEMS

There were no requests from Council for future discussion items.

13. ADJOURN

Upon motion by Vice Mayor Lane, and seconded, the meeting adjourned at 6:58 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 9th day of July, 2019. I further certify that the meeting was duly called and posted, and that a quorum was present.

Kelly Williams, City Clerk/CMC