

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 14, 2020

6:00 PM

1. CALL TO ORDER

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

2. INVOCATION: Pastor Kay Zimmerman, City On A Hill International Church

Pastor Kay Zimmerman, City on a Hill International Church, gave the invocation (present via remote conferencing).

Mayor Sheehy announced that due to the COVID-19 pandemic, public attendance is suspended and the council meeting is being held through technological means. He said public participation is encouraged through several options, including viewing the meeting on Channel 4, live stream on the City's website, or by calling in to listen by telephone. He added that public comments are being accepted by the City Clerk's office by emailing the City Clerk at cityclerk@lhcaz.gov.

3. PLEDGE OF ALLEGIANCE: Go Lake Havasu

Mr. Terrance Concannon, Go Lake Havasu, led in the Pledge of Allegiance (present via remote conferencing).

4. ROLL CALL

Present: 7 - Mayor Cal Sheehy, Vice Mayor David Lane, Councilmember Jeni Coke, Councilmember Gordon Groat, Councilmember Michele Lin, Councilmember Donna McCoy and Councilmember Jim Dolan

* Vice Mayor David Lane, Councilmember Jeni Coke, Councilmember Jim Dolan, Councilmember Gordon Groat, Councilmember Donna McCoy, and Councilmember Michele Lin were present via remote conferencing.

5. CALL TO THE PUBLIC

City Clerk Kelly Williams said one written public comment was received by email on Friday, July 10, 2020, with a subject line of "Comments for July 14 Council Meeting." Ms. Williams read the written public comment into the record as follows:

“1. Headline in the July 2 edition of the News Herald:

Under the mask: Education to continue as no penalties planned for violators of new requirement How does this change anything?! Those wearing masks will continue to do so. Those that don't will continue not to. It won't work unless there is some sort of penalty. As the very least, mandate that the grocery stores require masks for entry. Please protect me, my family, my friends and fellow residents of Lake Havasu City. Allowing folks from out of town to come here and not follow the city's requirements (wearing masks, social distancing) is just laughable. It's time that the Council looks out for it's citizens first.

2. We had illegal fireworks going off in our neighborhood beginning on Thursday, July 12 and continuing through Monday, July 6 from about 5:00 p.m. through 2:00 and 3:00 a.m. The launching tubes were left in the streets so there was no question that what was being set off were illegal. The noise alone should have made it pretty easy for the offenders to be found. I could forgive this being ignored on the 4th because law enforcement was more than likely busy at Rotary Park, but for it to go on for 5 days is just ridiculous. Thank you for your time and attention to these comments, (submitted by) Kris Ebert.”

6. CONSENT AGENDA

- 6.1 [ID 20-2441](#) Approve the June 23, 2020, City Council Regular Meeting Minutes (Kelly Williams)
- 6.2 [ID 20-2444](#) Approval of the Final Subdivision Plat for Havasu Riviera, Tract 2400B, Wren Cove, Phase II, Dividing Approximately 19 Acres into 38 Residential Lots (Stuart Schmeling)
- 6.3 [ID 20-2446](#) Ratify Amendment No. 3 to the Services Agreement with CherryRoad Technologies, Inc., for Implementation Services for the Oracle Fusion Enterprise Resource Planning System (Shawn Marie Irula)
- 6.4 [ID 20-2442](#) Call for Executive Session Pursuant to A.R.S. § 38-431.03(A) 5:00 p.m. Tuesday, July 28, 2020 (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 Sheehy, Vice Mayor Lane, Councilmember Coke, Councilmember Groat, Councilmember Lin, Councilmember McCoy and Councilmember Dolan

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

- 7.1 [ID 20-2451](#) Announce Vacancies on Lake Havasu City Boards, Committees, and Commissions (Kelly Williams)

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

- 7.2 [ID 20-2443](#) City Manager's Report (Jess Knudson)

City Manager Jess Knudson reported on the following:

- New bocce ball courts installed at Jack Hardie Park.
- A Veterans Treatment Court Graduation was held on July 10, 2020.
- Building report updates.
- Census 2020 update.

8. PUBLIC HEARINGS

- 8.1 [ID 20-2456](#) Introduce Ordinance No. 20-1236 Amending Lake Havasu City Code Chapters 11.06 and 11.08, Regarding the Parks and Recreation and Airport Advisory Boards (Kelly Williams)

Ms. Williams advised that the item before the Council is an introduction of an ordinance amending Lake Havasu City Code Chapter 11.06, Parks and Recreation Advisory Board, and Chapter 11.08, Airport Advisory Board. She said at the City Council Planning Session City staff sought direction from the Council on processes for advisory boards including meeting frequencies and powers and duties. Ms. Williams said the proposed ordinance makes the following changes to Chapters 11.06 and 11.08 necessary to carry out the direction received along with other proposed revisions and housekeeping items.

Ms. Williams outlined the proposed changes to Chapter 11.06 as follows:

- Revising §11.06.020 "Appointment and Terms of Office of Members" to add term limits for regular members, clarifying that members shall be appointed by the Mayor and City Council and any vacancy shall be filled by appointment for the unexpired term of the vacancy, changing the student member position from a two-year term to a one-year term, and clarifying that the Chairperson and Vice Chairperson shall be elected annually at the first regular meeting following July 1.
- Removing §11.06.030 "Compensation of Members" in its entirety as compensation is addressed in §11.06.020.
- Replacing §11.06.050 "Officers" with "Quorum" and adds that five members of the board shall constitute quorum and be necessary for transaction of business.
- Revising §11.06.070 "Powers and Duties" changing the meeting frequency to hold meetings quarterly, or as needed if there is business to transact, and streamlining and simplifying the powers and duties of the Parks and Recreation

Advisory Board to provide recommendation and feedback on matters under the purview of the City Council.

Ms. Williams outlined the proposed changes to Chapter 11.08 as follows:

- Revising §11.08.970 “Board Established; Composition” correcting a typographical error from member to members.
- Revising §11.08.980 “Appointment and Terms of Office of Members” to add term limits for regular and alternate members and clarifying that the Chairperson and Vice Chairperson shall be elected annually at the first regular meeting following July 1.
- Revising §11.08.1000 “Attendance at Meetings” removing that the Chairperson is to inform the City Council of any resignation in writing or request a replacement.
- Revising §11.08.1010 “Powers and Duties” changing the meeting frequency to quarterly meetings, or if needed if there is business to transact, streamlining and simplifying the powers and duties of the Airport Advisory Board to provide recommendation and feedback on matters under the purview of the City Council.

Councilmember Lin said she serves as the Council Liaison on the Parks and Recreation Advisory Board (PRAB) and wanted to address concerns with several of the revisions to Chapter 11.06. She said the Board's first concern is regarding meeting frequency, and asked who would determine when a meeting is needed. She said the PRAB board members feel that quarterly meetings would be a challenge in having any real dialect, and expressed interest in receiving monthly communications/updates from the staff liaison. She said the Board's second concern is regarding shortening the student member term from two-years to one-year as this could result in the student member attending only four meetings. She said another concern is regarding the duties and responsibilities of the board as they have not been given any direction and the proposed description is vague. She said the Board's fourth concern is regarding the term limits. She said the PRAB has struggled with filling vacant positions and having term limits might make filling positions more difficult. Councilmember Lin said she cannot support the changes as proposed.

Mayor Sheehy clarified that the initial discussions regarding quarterly meetings began at the City Council Planning Session in February 2020. He said any monthly communications or updates would need to be determined by the staff liaison. He said the reasoning behind quarterly meetings is to make the meetings more effective and valuable to the board members. Mayor Sheehy noted that the PRAB has had difficulty filling the student member position; therefore, by changing the term from two-years to one-year it would allow any student (even a senior) to apply, but does not prohibit a student member from serving more than one term.

Councilmember Lin said due to cancelled meetings, the PRAB has not had an opportunity to discuss these changes. She added that the PRAB is not in favor of quarterly meetings.

Councilmember Dolan said he serves as the Council Liaison on the Airport Advisory Board (AAB). He said he agrees with Councilmember Lin concerning the language and direction under “Powers and Duties” being a little vague. He added that his interpretation regarding quarterly meetings is that if there is a business to transact then they can hold meetings when needed, not just quarterly.

Mayor Sheehy said the revisions to §11.06.070 “Powers and Duties” are broad enough to allow the Council through the Council Liaisons to give direction to the Boards on recommendations that matter. He said the City Council gave direction to staff in February to revise the advisory boards to be more effective and useful. He added that the proposed ordinance changes and a letter describing the changes was sent to all current advisory board members and no feedback was received.

Councilmember Dolan suggested that the City Council provide guidance to the advisory boards at the annual planning session outlining specific goals and topics going into the new year versus identifying specific duties and roles in the City Code. He said the advisory boards serve at the pleasure of the Council; therefore, the City Council through a process could guide them and provide clear direction.

There was further discussion regarding tabling the item to allow additional input from the liaisons and boards regarding the proposed changes.

Councilmember Lin asked who would determine if there is business to transact to hold a meeting, to which Mayor Sheehy stated that it would follow a process with the Council Liaison working alongside the City Manager’s office and department director. Councilmember Lin stated that she did not like the language on who deems if a meeting is needed or valid.

Councilmember Dolan stated that he felt clarity in the language would help solve issues on the boards. He said it is important for the boards to receive updates, but for informational purposes only not for discussion. He said it is also important for the public to be able to attend the meetings, voice their opinions and concerns, and provide input.

There was consensus from the Council for staff to clarify the language regarding meeting frequency and provide recommendations on the powers and duties of the advisory boards.

Mayor Sheehy opened the public hearing. He noted that no public comments were received, and closed the public hearing.

There was consensus from the Council in favor of the proposed changes regarding the term limits and the student member term.

The item failed for lack of a motion.

- 8.2 [ID 20-2422](#) Adopt Ordinance No. 20-1235 Amending the Zoning Classification and District Boundary for 386 and 390 Lake Havasu Avenue N., Tract 2252, Block 2, Lots 6 & 7, from MU-N/PD (Mixed Use - Neighborhood/Planned Development District) to R-M (Multiple-Family Residential District) (Luke Morris)

City Planner Luke Morris addressed the Council and said the applicant is requesting to rezone the subject property located on Lake Havasu Avenue North (on the southeast corner of Sabino Drive) from MU-N/PD (Mixed Use – Neighborhood/Planned Development District) to R-M (Multiple-Family Residential District). He said in 2008, a Planned Development (PD) was approved that included seven lots. He said within the PD, Lots 3, 4, and 5 were approved for a hotel and later in 2012, Lots 6 and 7 were added to the original PD to include a second hotel. Mr. Morris said the sites have sat undeveloped; therefore, the applicant is requesting to remove Lots 6 and 7 from the PD and rezone to R-M.

Mr. Morris said the Planning and Zoning Commission unanimously approved this request 7-0, and noted that Mr. Mike Dagon, applicant, was present via remote conferencing.

Councilmember Dolan said the Planning and Zoning Commission received one citizen complaint regarding this request; but noted that the applicant is requesting to revert the property from hotel/motel to its original zoning designation (R-M).

Mayor Sheehy opened the public hearing. He noted that no public comments were received, and closed the public hearing.

Vice Mayor Lane moved to adopt Ordinance No. 20-1235 rezoning 386 & 390 Lake Havasu Avenue N, Tract 2252, Block 2, Lots 6 & 7, from MU-N/PD to R-M, seconded by Councilmember Groat, and carried by the following vote:

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

- 8.3 [ID 20-2447](#) Adopt Resolution No. 20-3421 Levying Upon the Assessed Valuation of the Property Within Lake Havasu City Subject to Taxation of a Certain Sum, Upon Each One Hundred Dollars (\$100.00) of Valuation, Sufficient to Raise the Amount Estimated to be Required in the Annual Budget Less

the Amount Estimated to be Received from Fines, Licenses, and Other Sources of Revenue; Providing for a General Fund for the General Municipal Expenses for the Fiscal Year Ending June 30, 2021 (Jill Olsen)

Administrative Services Director Jill Olsen advised that the item before Council is adoption of the Lake Havasu City property tax levy rate for Fiscal Year (FY) 2020-21. She said the general fund property tax levy rate is proposed to remain the same as FY 2019-20 at \$0.6718 per \$100 assessed valuation, with an increase in revenue from appreciation in assessed valuation and new construction.

Ms. Olsen outlined the following in her presentation:

General Fund Property Tax Levy

- Primary Assessed Value
 - o \$738,991,584 (Adopted FY 2019-20)
 - o \$785,881,634 (Proposed FY 2020-21)
- Tax Levy
 - o \$4,964,545 (Adopted FY 2019-20)
 - o \$5,279,553 (Proposed FY 2020-21)
- Rate Per \$100
 - o \$0.6718 (Adopted FY 2019-20)
 - o \$0.6718 (Proposed FY 2020-21)

*The \$315,008 Tax Levy increase in FY 2021-21 is due to new construction and increase in assessed value (rate not changing).

Mayor Sheehy opened the public hearing. He noted that no public comments were received, and closed the public hearing.

Councilmember McCoy moved to adopt Resolution No. 20-3421 adopting the Lake Havasu City property tax levy rate of \$0.6718 per \$100 assessed value for Fiscal Year 2020-21, seconded by Councilmember Dolan, and carried by the following vote:

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

- 8.4** [ID 20-2448](#) Adopt Resolution No. 20-3422 Adopting the Property Tax Levy and Certifying the Annual Financial Requirements of Lake Havasu City Improvement District No. 2 (London Bridge Plaza) for Fiscal Year 2020-21 (Jill Olsen)

Ms. Olsen advised that the item before the Council is adoption of the property tax levy rate for the Lake Havasu City Improvement District No. 2. She noted that the rate is proposed to remain the same as FY 2019-20 at \$0.7370 per \$100 assessed value, and

added that the change in levy is due to assessed valuation.

Ms. Olsen outlined the following in her presentation:

Improvement District No. 2 London Bridge Plaza

- Tax Levy
 - o \$16,001 (Adopted FY 2019-20)
 - o \$14,429 (Proposed FY 2020-21)
- Rate Per \$100
 - o \$0.7370 (Adopted FY 2019-20)
 - o \$0.7370 (Proposed FY 2020-21)

Mayor Sheehy opened the public hearing. He noted that no public comments were received, and closed the public hearing.

Councilmember Coke moved to Resolution No. 20-3422 adopting the Lake Havasu City Improvement District No. 2 (London Bridge Plaza) property tax levy rate at \$0.7370 per \$100 assessed value for Fiscal Year 2020-21, seconded by Councilmember McCoy, and carried by the following vote:

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

- 8.5** [ID 20-2449](#) Adopt Resolution No. 20-3423 Adopting the Property Tax Levy and Certifying the Annual Financial Requirements of Lake Havasu City Improvement District No. 4 (McCulloch Median) for Fiscal Year 2020-21 (Jill Olsen)

Ms. Olsen advised that the item before the Council is adoption of the property tax levy rate for the Lake Havasu City Improvement District No. 4. She noted that the rate is proposed to remain the same as FY 2019-20 at \$0.7370 per \$100 assessed value, with an increase due to assessed valuation.

Ms. Olsen outlined the following in her presentation:

Improvement District No. 4 McCulloch Median

- Tax Levy
 - o \$59,375 (Adopted FY 2019-20)
 - o \$61,554 (Proposed FY 2020-21)
- Rate Per \$100
 - o \$0.5040 (Adopted FY 2019-20)
 - o \$0.5040 (Proposed FY 2020-21)

Mayor Sheehy opened the public hearing. He noted that no public comments were received, and closed the public hearing.

Councilmember Dolan moved to adopt Resolution No. 20-3423 adopting the Lake Havasu City Improvement District No. 4 (McCulloch Median) property tax levy rate at \$0.5040 per \$100 assessed value for Fiscal Year 2020-21, seconded by Councilmember Lin, and carried by the following vote:

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

- 8.6** [ID 20-2450](#) Adopt Resolution No. IDD-20-7-1 for the Irrigation and Drainage District, Levying Upon the Taxable Property within the District a Per Acre Tax Sufficient to Raise the Amount Estimate to be Received from User Fees and Other Sources of Revenue for the Fiscal Year Ending June 30, 2021 (Jill Olsen)

Ms. Olsen advised that the item before the Council is adoption of the property tax levy rate for the Irrigation and Drainage District (IDD). She said the rate is proposed to remain the same as FY 2019-20 at \$268.85 per acre, and noted that the IDD is for water service.

Ms. Olsen outlined the following in her presentation:

IDD Property Tax Levy

- Tax Levy
 - o \$5,684,564 (Adopted FY 2019-20)
 - o \$5,684,564 (Proposed FY 2020-21)
- Rate Per Acre
 - o \$268.85 (Adopted FY 2019-20)
 - o \$268.85 (Proposed FY 2020-21)

Mayor Sheehy opened the public hearing. He noted that no public comments were received, and closed the public hearing.

Vice Mayor Lane moved to Resolution No. IDD-20-7-1 adopting the Lake Havasu Irrigation and Drainage District property tax levy rate at \$268.85 per acre for Fiscal Year 2020-21, seconded by Councilmember Coke, and carried by the following vote:

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

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 28, 2020 @ 6:00 p.m. – Regular Meeting

Tuesday, August 11, 2020 @ 6:00 p.m. – Regular Meeting

12. FUTURE DISCUSSION ITEMS

Councilmember Groat requested an update regarding COVID-19 during the City Manager's report. The request was seconded by Councilmember Lin.

Mayor Sheehy noted that more information related to the City's response efforts to COVID-19 is available on the City's website at www.lhcaz.gov and on the Mohave County Health Department and Arizona Department of Health Services website.

13. ADJOURN

Upon motion by Vice Mayor Lane and seconded, the meeting adjourned at 7:11 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 14th day of July, 2020. I further certify that the meeting was duly called and posted, and that a quorum was present.

Kelly Williams, City Clerk/MMC