

**THE REGULAR MEETING  
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA  
HELD OCTOBER 29, 2012, AT 7:00 P.M.  
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**CALL TO ORDER:**

Vice Mayor McGoffin called the meeting to order at 7:01 p.m. with the Pledge of Allegiance. Vice Mayor McGoffin then introduced Pastor Blair of the First Baptist Church who gave the invocation.

**ROLL CALL:**

Present were: Vice Mayor Lori McGoffin, Councilmembers Ron Brooks, David Lambert, Nick Maldonado, Chris Moncada and Al Sacco. Excused was Mayor Toney D. King, Sr.

**EMPLOYEE RECOGNITION:**

Vice Mayor McGoffin recognized Clint Montijo for 20 years of service with the City of Benson.

**PROCLAMATION:**

Vice Mayor McGoffin asked Councilmember Sacco to read a proclamation urging all citizens of our community to commend America's veterans and to observe with solemn pride November 11, 2012 as Veterans Day and to take part in as many ceremonies and events as possible to honor these men and women. Councilmember Sacco then presented the proclamation to Edward Meza of the American Legion, Post 45. Vice Mayor McGoffin stated the proclamation will be read and presented to the American Legion on Veterans Day, November 11, at 10:00 a.m. and invited those present to attend the ceremony. Mr. Meza then thanked the Council and informed them that their organization has been able to put a flag at the 7th Street Cemetery, which is a historical cemetery. Mr. Meza then asked the Council to place a plaque saying the American Legion, Post 45 erected the flag in honor of veterans in our community.

**PUBLIC HEARING:**

City Clerk Vicki Vivian addressed Council stating the public hearing is to receive comments and questions from the public regarding the Home Rule Option (Alternative Expenditure Limitation). Ms. Vivian then stated this is the first public hearing, the second would be held on November 5, 2012 at 7:00 p.m., adding there is information in the Council packet and on the City's website, as well as flyers on the back table for the public. Ms. Vivian then stated no one had signed up to speak. Vice Mayor McGoffin then opened the public hearing at 7:13 p.m., asking if there were comments from any others present who wished to speak. After receiving no comments from the public or the Council, Vice Mayor McGoffin closed the public hearing at 7:14 p.m.

**CALL TO THE PUBLIC:**

Jim Grey addressed Council stating he would like to speak when the Council addresses item 7, the billboard signs, since he has additional information for the Council. Vice Mayor McGoffin stated that would be fine.

Mr. Paul Lotsof addressed Council regarding advertising, stating he has seen how billboards are used and how common it is to misuse them. Mr. Lotsof then stated he had given Council examples of poorly done billboards stating they have strange artwork, are hard to read and one of them has 22 words, which can't be read at the high rate of speed the public travels. Mr. Lotsof then stated if the Council puts everything they want on the billboards; they will be too cluttered, adding a professional billboard has about 6 words on it. Mr. Lotsof then stated at the last meeting, the Council discussed putting Wal-mart on the billboard and

either Wal-mart should do their own advertising or should pay a share of the bill. Mr. Lotsof then spoke about the locations and visibility of billboards stating where the terrain is rugged, there are very few billboards and at about 5:30 p.m. when it becomes dark, the billboards can't be seen unless they pay a lot more for a lighted billboard. Mr. Lotsof then sated a solution would be to advertise on the radio, adding the City can mention everything they want in a 30-second commercial which could reach all the traveling public on Interstate 10, Highway 80 and Highway 90. Mr. Lotsof then stated the City could enter into a contract for 30 days with the cost being \$2.50 per ad. Mr. Lotsof then stated the money spent for advertising would stay locally, adding that outdoor advertising is a good idea, but asked the Council to please also consider radio advertising, because it can do a lot of things billboards can't.

### **CITY MANAGER REPORT:**

City Manager Glenn Nichols addressed Council, giving the dates of upcoming meetings and events.

- November 5, 2012 – Economic Development Subcommittee, 5:15 p.m., City Hall  
City Council Public Hearing, 7:00 p.m., City Hall  
City Council Meeting, 7:00 p.m., City Hall
- November 6, 2012 – Planning & Zoning Meeting, 7:00 p.m., City Hall
- November 13, 2012 – Library Advisory Board, 4:00 p.m., Library
- November 17, 2012 – Historic Preservation Commission, 9:00 a.m., City Hall
- November 26, 2012 – City Council Worksession, 6:00 p.m., City Hall  
City Council Meeting, 7:00 p.m., City Hall
- November 27, 2012 – Community Watershed Alliance, 6:30 p.m., City Hall
  
- October 31, 2012 – Halloween Carnival, 6:00 p.m., at the Fire Station located at 375 E. 7th Street in Benson. The Carnival is sponsored by GFWCAZ Benson Juniors.
- November 1, 2012 – Potential City Council Candidate Forum, 6:00 p.m., City Hall
- November 6, 2012 – Election Day
- November 12, 2012 – Veterans Day – City Offices Closed
- November 13, 2012 – City Council Candidate Packets Available
- November 22-23, 2012 – Thanksgiving Holiday – City Offices Closed

Mr. Nichols reminded those present of the continuing work on the Interstate 10/State Route 90 Traffic Interchange project, adding up-to-date information can be found at [www.azdot.gov](http://www.azdot.gov). Mr. Nichols also stated the Potential Candidate Forum will give information on City government, the services we provide and the election process. Mr. Nichols stated candidate packets will be available in the City Clerk's office beginning November 13, 2012 and the deadline for submitting completed candidate packets is 5:00 p.m. on December 12, 2012 at the City Clerk's office.

### **NEW BUSINESS:**

#### **1. Consent Agenda**

- 1a. Minutes of the October 8, 2012 Worksession
- 1b. Minutes of the October 8, 2012 Regular Meeting
- 1c. Minutes of the October 16, 2012 Special Meeting
- 1d. Invoices processed for the period from September 25, 2012 through October 18, 2012

Councilmember Lambert moved to approve the Consent Agenda. Seconded by Councilmember Moncada. Motion passed 6-0.

#### **2. Contract for Dispatch Services between Mescal/J6 Fire District and the City of Benson**

Chief of Police Paul Moncada stated 2 years ago per a Council directive, he contacted surrounding fire

districts to see if there was any interest in the City providing dispatch services, resulting in the contracts with Mescal/J6 and Pomerene before Council now, adding a third contract with St. David will be presented at the next meeting. Councilmember Brooks asked if the equipment needed to provide these services had been put in the budget with Chief Moncada stating some of the equipment has been installed, which was provided by a grant Fire Chief Keith Spangler had received. Chief Moncada then stated any remaining equipment or upgrades needed are to be paid for by the fire districts prior to implementing the agreements. Vice Mayor McGoffin asked who the Police Department has been dispatching for with Chief Moncada stating they have previously dispatched for Pomerene, with other entities being dispatched by the County. Councilmember Moncada moved to approve the contract for dispatch services between Mescal/J6 Fire District and the City of Benson. Seconded by Councilmember Maldonado. Motion passed 6-0.

3. **Contract for Dispatch Services between Pomerene Fire and the City of Benson**

Chief of Police Paul Moncada stated this contract is the same as the contract with Mescal/J6, but with the fee reduced since Pomerene's cost for the service is far less than Mescal/J6. Councilmember Lambert moved to approve the contract for dispatch services between Pomerene Fire District and the City of Benson. Seconded by Councilmember Sacco. Motion passed 6-0.

4. **Resolution 54-2012 of the Mayor and Council of the City of Benson, Arizona, authorizing the City to enter into an agreement with AJP Electric, Inc., for the emergency generator at the Benson Municipal Airport in an amount not to exceed \$196,500.00**

Public Works Director Brad Hamilton stated he would like to address both this item and the next since they were related. Mr. Hamilton then stated this item is the construction contract for the backup generator the Council recently accepted a grant for and the next item is the contract with Stantec to design and perform the construction management for the generator. Councilmember Lambert asked how the grant was split with Mr. Hamilton stating the Federal portion of the grant was 95% with the remaining 5% being shared evenly between the City and the State. Councilmember Sacco asked if the project went out to bid with Mr. Hamilton stating the City received 3 bids on the project, with AJP being the least expensive. Councilmember Brooks asked about the coverage the backup generator would supply with Mr. Hamilton stating after a lot of underground and cabinet work to redo the way the power comes in, the backup generator would power the parking lighting, taxiway and runway lighting, apron lighting, the beacon, AWOS and other critical systems, as well as provide power to rail and fire pumps, adding it will not cover the FBO or hangars, which have their own service. Councilmember Brooks asked about the fuel with Mr. Hamilton stating at this time, the City doesn't need anything for fuel, but if the City develops a fuel farm later, it can be tied into the system. Councilmember Moncada then moved to approve Resolution 54-2012. Seconded by Councilmember Sacco. Motion passed 6-0.

5. **Resolution 55-2012 of the Mayor and Council of the City of Benson, Arizona, authorizing Stantec Consulting, Inc., to proceed with Construction Management Services for the construction of an Emergency Generator in an amount not to exceed \$69,358.00**

Councilmember Moncada moved to approve Resolution 55-2012. Seconded by Councilmember Brooks. Motion passed 6-0.

6. **Discussion and possible direction to Staff regarding the possibility of electronic Council packets by purchasing electronic communication devices for Councilmembers**

City Manager Glenn Nichols stated Councilmembers Lambert and Moncada expressed interest in paperless Council packets. Mr. Nichols then stated he had included information on some iPad models, stating the item was up for Council discussion. Councilmember Moncada then stated he had attended a class at the League of Cities & Towns conference on electronic Council packets, adding more and more Councils are moving toward electronic packets instead of paper packets. Councilmember Lambert stated he had not been able to attend the class, but had met with the class trainer to discuss electronic Council packets.

Councilmember Lambert then stated it eliminates a lot of Staff time spent assembling Council packets and saves a lot of paper. Councilmember Lambert then stated there is money in the budget for audio/video equipment and now would be the time to move forward with electronic Council packets, adding he feels Council should purchase the devices with the large memory capacity and the cellular capability, noting the cellular service doesn't need to be activated, but should the Council decide to utilize that service, the devices can not be upgraded later.

Vice Mayor McGoffin stated she had spoken to some entities that utilize iPads and found not only does the electronic Council packet save paper, but many other things can be done with it, such as storing other records. Vice Mayor McGoffin then stated other entities have even moved further along in technology by purchasing agenda programs, but they were too expensive for Benson at this time. Councilmember Lambert then stated he felt the City should purchase 9 devices; 7 for Council and 1 for the City Manager and 1 for the City Clerk.

Councilmember Brooks stated he thinks it would be great to have something like that, but he prefers the paper Council packets to make notes on, adding he would much rather use the money in the audio/video fund to enable the public to participate more in Council meetings by utilizing Cox Communications and streaming the meetings on the internet. Councilmember Brooks stated he thinks iPads will benefit the Council, but he doesn't see how they will benefit the public as much, so they are not what he wants to do right now.

Councilmember Lambert then moved to purchase 9 new iPads with 64 GB and with cellular capability at \$829 each with the funding coming from the Council audio/video line item. Seconded by Councilmember Moncada. Motion passed 5-1 with Councilmember Brooks voting nay.

7. **Discussion and possible action to select a design or designs and approve its/their display on billboard(s) along I-10 to advertise and promote the community of Benson to the traveling public**

City Manager Glenn Nichols stated when billboard designs were presented to the Council, the Council directed Staff to incorporate their suggestions and bring back more designs for their approval. Mr. Nichols then stated before the Council now are those additional designs as well as two more designs brought in by Mr. Jim Grey and one more brought in by Councilmember Brooks.

Vice Mayor McGoffin then invited Mr. Grey to speak. Mr. Grey then stated he had spent quite a bit of time speaking to business owners and managers, adding he went to 42 businesses with the designs brought to Council at the last meeting and the designs Mr. Larry Scott and he worked on and 24 liked the cowboy sign and 18 liked the train sign, adding no one voted for any other sign. Mr. Grey then stated the only discussion or suggestion was to move the train to the middle of the billboard, making the print easier to read. Mr. Grey then stated he felt the two designs had good information and maybe Council could consider putting them both up if they put up more than 1 sign. Mr. Grey then stated if the Council chooses, they could change Wal-mart and the museum and replace them with something else, adding the main purpose of the billboards is to show that Benson has hotels, RV parks, restaurants and a golf course and to pull people off the freeway. Mr. Grey then stated any billboard should be bold, clear and concise, adding location always makes a difference, noting if the sign can't be seen, it doesn't matter what is on it. Mr. Grey then discussed the possible locations with the two companies, the locations that are available now and that will be available in the future, adding he feels one location the City has been looking at is on the wrong side of the freeway, noting the Amerind Foundation currently has a billboard there, but is giving it up due to the location and not getting the traffic they expected for their advertising there. Mr. Grey then stated the location is key to the success of the billboards and it may take a little while to get the signs in the right location.

Vice Mayor McGoffin stated Mr. Grey had run past his allotted time to address the Council and thanked him for his input and hard work. Vice Mayor McGoffin then opened the item for Council discussion. Councilmember Sacco stated Benson has 2 box stores and he feels the City is always putting the emphasis

on Wal-mart and should include Safeway. Councilmember Sacco then stated he had spoken to Safeway and they are excited about the billboards and are willing to participate in them, so he feels they should be on the billboard also.

Councilmember Lambert stated Council has several designs to look at and he likes the ones Mr. Grey suggested, adding he agrees the train should be moved to the center of the billboard and he would like to find out about putting the Wal-mart logo on the sign and if they would participate in some of the payment for it, noting the same can be done for Safeway. Councilmember Lambert then asked if the Council was only selecting 1 design for eastbound traffic with Councilmember Moncada stating at this time, there wasn't a good location for a westbound billboard. Councilmember Moncada then stated he feels the City should put 1 sign up each way, adding he also liked the 2 designs Mr. Grey suggested. City Manager Glenn Nichols then stated Council could approve 2 designs and when billboards became available, he could move forward with Council's selections.

Councilmember Brooks stated this has been a pet project for him, adding he wasn't sure if a westbound billboard should include exit 302 and an eastbound should include exit 306, since traffic that exits there wouldn't see Benson. Councilmember Moncada disagreed, stating those exits are in the City of Benson with taxpaying businesses located there and it was imperative to take care of the entire City. Councilmember Brooks then stated Wal-mart didn't need to be printed as big as the rest of the billboard language, adding when their logo is used, it is recognized, so it could be moved to the bottom of the billboard. Councilmember Brooks then stated he did talk to Wal-mart and while they don't have any advertising in their corporate budget, the local store could do it out of a cash fund they have. Councilmember Brooks then stated he was waiting to hear back from Safeway, but if they also wanted to participate, the City could come back and do an overlay on the billboard adding them or their logo. Councilmember Brooks then stated he had a friend do a design using a different train and a scenic background, adding he likes the train on his design since it was less cartoonish and a graphic artist would be able to put that train on the billboard Mr. Grey suggested. Councilmember Brooks then stated the main purpose of the billboards was to get people off the freeway by letting them know Benson has a Wal-mart, Safeway, restaurants, hotels, RV parks and a golf course.

Councilmember Maldonado stated the design Councilmember Brooks brought in had Kartchner Caverns on it and he feels the caverns has its own advertising. Councilmember Maldonado then stated he also felt exit 302 should be included on the billboards, adding he likes the 2 designs Mr. Grey suggested and agrees the train should be moved to the center of the billboard.

Councilmember Sacco then stated Benson is supposed to be a railroad town and the City needs to incorporate that into our advertising to attract railroad enthusiasts. Vice Mayor McGoffin then stated if we use any logos, it takes away from the signs, which are concise and easy to read, adding if the City starts putting logos and gets into advertising businesses, they may need to put the offer out to all businesses in the City. Vice Mayor McGoffin then stated she's good with making Wal-mart smaller but feels it should be moved to the bottom and kept in the same font as the rest of the billboard. Vice Mayor McGoffin then stated she likes the train design, since we are a railroad town, but could see putting up one of each of the designs Mr. Grey suggested.

Vice Mayor McGoffin then moved to approve the designs Mr. Grey presented, moving Wal-mart to the bottom and moving the train to the middle. Seconded by Councilmember Moncada.

Councilmember Brooks then stated travelers have only 7 seconds to read a billboard and if they see the emblem, they won't miss it, but if Wal-mart is in the same black font, it's absorbed into the sign and might not be seen. Councilmember Brooks then stated the City could include other businesses on the billboard, but needs to identify what will pull people off the freeway and go with that, adding the message the City is trying to advertise is that we have motels, RV parks, restaurants and a golf course.

Councilmember Sacco then stated he felt the City needed to promote more than Wal-mart and asked if

Wal-mart was going to participate in the costs with Councilmember Brooks stating they would be willing to give some petty cash, but he didn't know about Safeway. Councilmember Sacco then stated Safeway was interested. Councilmember Brooks stated the City could do an overlay on the billboard if they were interested with Councilmember Lambert agreeing, and stating the Council needed to select the designs tonight in order to move forward. Vice Mayor McGoffin then repeated her motion and called for a vote. Motion passed 5-1 with Councilmember Brooks voting nay.

**8. Resolution 56-2012 of the Mayor and Council of the City of Benson, Arizona, amending the Fiscal Year 2012-2013 Budget**

Finance Director Jim Cox stated Council had recently approved the purchase of two properties, adding the purchases were not contemplated during the budget sessions, so he recommended moving \$85,000 out of the contingency line item to a new account called Land Purchase in Administration. Mr. Cox then stated he would like to emphasize it's a change within the General Fund, so there is no effect on the bottom line of the budget. Councilmember Sacco asked if Mr. Cox was going to increase the expenditures with Mr. Cox stating there will be no increase or affect on the bottom line, since the change was to move \$85,000 out of contingency expenditures to the an expenditure of \$85,000 in the new Land Purchase account. Councilmember Lambert moved to approve Resolution 56-2012. Seconded by Councilmember Moncada. Councilmember Brooks then asked what the purpose of a contingency fund was under State law with Mr. Cox stating a contingency fund is not required by State law, adding this is something set annually by Council for unforeseen expenditures. Councilmember Brooks then stated he didn't feel these purchases were an unforeseen expenditure and the Council should have allocated funding for these purchases in the budget process so they wouldn't have to dip into the contingency funds now, adding he doesn't feel comfortable with it. Vice Mayor McGoffin then called for a vote. Motion passed 6-0.

**9. Review of City Finances with emphasis on August, 2012, financial results, the City's financial position at August 31, 2012, and discussion of expected future net revenue streams**

Finance Director Jim Cox addressed Council stating he would quickly review the financial highlights for month of August. Mr. Cox began with citywide financial highlights, stating the City's cash is down \$300,000 to \$1.8 million in unrestricted cash, adding this happens every year, with the City generally consuming cash during the first 6 months of the year and building excesses back up the second 6 months of the year. Mr. Cox then stated the Bond proceeds balance is \$1.6 million. Mr. Cox then continued with citywide fund balances stating they are up \$17,000 for the month of August and up \$83,000 year-to-date. Mr. Cox then stated the City consumed slightly more cash this year than last year. Mr. Cox then continued with citywide financial results, stating August revenues were \$725,000, which is \$57,000 less compared to Fiscal Year 2011, adding the City had \$64,000 less in grant reimbursements and have additional grants that are outstanding that haven't been reimbursed. Mr. Cox then stated the construction sales tax is down \$30,000, primarily due to a slowdown of construction on the interstate. Mr. Cox then stated personnel costs were \$344,000 for the month of August and \$730,000 year-to-date, with other costs at \$365,000 for August and \$662,000 year-to-date.

Mr. Cox then addressed the General Fund, stating revenues for the month of August were \$340,000, which is up \$92,000 compared to Fiscal Year 2011, adding this is normal and is due to timing, noting last year there was a delayed receipt of sales tax revenues that will show up in September and also the same thing on franchise taxes, some that were due in August, being paid in September, noting there really isn't an increase. Mr. Cox then stated in General Fund expenditures, personnel costs were \$216,000, down \$17,000 compared to Fiscal Year 2011, but again, was due to timing, and other costs were \$102,000, which were virtually the same as last year. Mr. Cox then stated fund balances were up \$22,000 for the month of August and up \$111,000 year-to-date so far.

Mr. Cox then addressed the enterprise funds, beginning with the Gas Fund stating it was down \$10,000 for August and \$20,000 year-to-date, which is roughly the same as last year and is to be expected during the low gas consumption months. Mr. Cox then stated the Water Fund is up \$15,000 for the month of August

and is up \$50,000 year-to-date, which is down slightly compared to last year. Mr. Cox then stated the Wastewater Fund is down \$4,000 for the month of August, which is due to a large licensing fee of \$18,000 the City had to pay for, adding the fund is still up \$7,000 year-to-date, which is down considerably compared to last year, because last year the City received a \$65,000 payment for the vault and haul of the Whetstone wastewater treatment plant, adding this year the City has to pay for it, but we are in the process of minimizing that cost by recently purchasing the equipment to do it ourselves. Mr. Cox then stated we will see the Wastewater Fund stay positive, but it will be a lot less positive than last year.

Mr. Cox then addressed the golf course, stating during the summer, the costs are at their highest and revenues are at their lowest, but with the \$25,000 received from Arizona Golf Systems, the golf course is up \$8,000 for the month of August and up \$15,000 year-to-date. Mr. Cox then stated what is encouraging is the revenues are up and the costs are down, adding all of the cost cutting and revenue enhancing measures taken in the last 12 months are beginning to show. Mr. Cox then stated the larger increase in revenues in August was due to Tucson play, adding the course is in very good shape and Tucson courses are having problems, noting another Tucson course on the eastside will be closing at the end of winter and a central golf course will be dramatically reducing their play.

Councilmember Sacco asked about the improvement at the restaurant with Mr. Cox stating there is a slight increase in revenues, but there is a better margin on food costs, so they have been able to lower their costs and hold their revenues up through a variety of moves. Councilmember Maldonado then noted the Santa Rita golf course closed with Mr. Cox stating the City is in current negotiations with the former men's club at Santa Rita to get them to play in Benson on a frequent basis. Councilmember Sacco asked what will happen when the subsidies from Arizona Golf Systems stops with Mr. Cox stating it will be hard to breakeven over the course of a year, but he believes it is achievable and if the current trend continues, it is reasonable to predict it will be close to breakeven. Mr. Cox then stated each month gives us better feedback and he feels more optimistic than he did a year ago, adding a year ago, the course lost its greens, which affected our reputation and resulted in a loss in revenue, plus we had the increased costs to fix it. Mr. Cox then stated today the golf course is where he wanted it to be a year ago, but it is making faster strides in the right direction. Mr. Cox then stated operations-wise, the restaurant continued to improve, adding it's not where he wants it yet, but is also moving in the right direction. Mr. Cox then stated the golf course is operating as smooth as it can get with our maintenance crews and the Department of Correction (DOC) crews doing a great job, adding the overseeding has been completed and the grass is beautiful. Mr. Cox then stated the membership is expanding dramatically and he believes the overseeding will enhance play during the winter. Mr. Cox then stated he believes the Tucson play will increase and hopefully we can get the word out to the RVers who used to play Turquoise Hills that Benson now has an executive course and pull those players in also.

Mr. Cox then addressed tax collections showing State tax collections being steady and City tax collection slightly improving, adding the City's financial performance overall is slightly below last year, with the Fiscal Year 2012-2013 cash flow being a challenge. Mr. Cox then stated every year at this point in time, he says this and worries, but then in January, the City sees revenues pick back up, adding the City remains financially sound under current conditions, but he would like to stress that if we have any further economical downturns, it could affect operations and Council may be forced to make some tough decisions. Mr. Cox then stated the General Fund sales tax is slightly better than last year, but not as good as the year before that and the bed tax is all over, but on a positive note, we did have one taxpayer pay several months of back taxes. Mr. Cox then stated in construction sales tax he doesn't expect to see a lot of good news until we have more construction in the City. Mr. Cox then addressed retail sales tax collections, stating they are right where we would expect them, which is between the two prior years, adding retail sales tax is the largest sector of our collections. Mr. Cox then stated the State retail sales tax collections improved year-to-year significantly and it appears it may continue in 2013. Mr. Cox then stated the total City sales tax collections look a little better than last year, but are still not where we need them to be.

**DEPARTMENT REPORTS:** None

**ADJOURNMENT:**

Councilmember Moncada moved to adjourn at 8:17 p.m. Seconded by Councilmember Sacco. Motion passed 6-0.

ATTEST:

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Toney D. King, Sr., Mayor

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Vicki L. Vivian, CMC, City Clerk