

**THE REGULAR MEETING
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD NOVEMBER 26, 2007 AT 7:00 P.M.
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**MAYOR FENN
OPENED THE MEETING AT 6:59 P.M WITH
THE PLEDGE OF ALLEGIANCE.**

**PRESENT WERE: MAYOR FENN, VICE MAYOR KING,
COUNCILMEMBERS LODZINSKI, McGOFFIN, SACCO, SUAGEE and TIPTON**

PUBLIC HEARING: The Mayor and Council held a public hearing to receive comments and questions from the public regarding the Use of approximately \$335,025 in Fiscal Year 2008 federal Community Development Block Grant (CDBG) funds from the Arizona Department of Housing Regional Account.

Mayor Fenn opened the public hearing at 7:01 p.m. and began informing the public about the CDBG funds and what criteria the projects must meet to be eligible for the funding. Mayor Fenn then introduced Bonnie Williams from Southeast Arizona Governments Organization (SEAGO) who gave a power point presentation detailing the CDBG program, eligibility requirements and outlining possible projects.

Mayor Fenn then asked for comments from those who signed in for the public hearing and from any others present who wished to speak.

Richard Leland spoke stating the CDBG funds should be spent to complete the North Benson Road Project.

Mayor Fenn asked if there were any further comments from the public. Mayor Fenn then addressed staff for proposed projects. City Manager Martin Roush stated Finance Director Jim Cox would speak going over the Capital Improvement Plan (CIP), followed by Public Works Director Brad Hamilton who would address paving projects, followed by Building Official Mike Lockett to address building projects. Mr. Cox informed the public of how the City identified projects that may be eligible for CDBG funds utilizing the formally adopted CIP, which covers the next five years. Mr. Cox stated the CIP's purpose is to identify needed capital improvement projects as well as the potential funding sources. Of the projects in the CIP, two projects were identified for possible CDBG funding; a senior center and pavement management projects. Mr. Cox stated the CIP is revisited each year with the CIP committee and public hearings starting in February 2008. At that time, some projects may be added or deleted from the CIP. Mr. Cox encouraged public awareness and participation in the CIP process.

Building Official Mike Lockett then addressed Council regarding a possible Senior Center. Mr. Lockett stated he had completed a cost estimate and that a 2,560 sq. ft. building could be constructed at an approximate cost of \$150.00/sq. ft. for a total of \$384,000.

Mayor Fenn clarified for the public that the current senior center facility is now a community center. Therefore, a senior center could be an eligible project; however, the City would need to address the issue of land for the senior center.

Mr. Hamilton, Public Works Director addressed Council advocating the continuation of the streets projects. Mr. Hamilton stated much progress has been made in the eligible areas and with CDBG funding, it could be possible to finish the eligible streets. Mr. Hamilton stated another possible project could be to address the drainage issues in the eligible areas. Mr. Hamilton thanked Council for the past CDBG funding that was used for pavement management in the past.

Mayor Fenn stated another public hearing should be scheduled in January 2008.

Mayor Fenn then closed the public hearing at 7:37 p.m.

PROCLAMATION: Mayor Fenn asked Councilmember Suagee to read the proclamation declaring support for the goals and efforts of “All the Kings Horses Children’s Ranch, Ltd.” to provide assistance to the children and young persons whose needs they will serve.

EMPLOYEE
RECOGNITION: None

Call to the Public: Mr. Richard Leland spoke regarding a pile of dirt blocking part of Commerce Street off of Days Inn stating it is a hazard that needs to be taken care of. Mr. Leland then asked if the City was making progress in becoming a Railroad Quiet Zone. City should also request from ADOT a sign East Bound that semi trucks should not use air brakes as they go down the hill, these will contribute to the overall well being of citizens of Benson.

Kim Lockhart, President of San Pedro Valley Chamber of Commerce stated she was there to voice Chamber support for the Southeast Arizona Economic Development Group. Ms. Lockhart stated the Chamber recognizes the benefits of a productive working relationship between the City of Benson and the Southeast Arizona Economic Development Group and stated we need to work together to bring primary incomes that will support the community and in turn fuel our economy. Ms. Lockhart closed by asking the City to offer its support to creating a productive working relationship with the Southeast Arizona Economic Development Group.

CONSENT AGENDA: Councilmember McGoffin moved to approve the consent agenda. Seconded by Councilmember Sacco. Motion passed 7-0.

- 1a. Approval of Minutes of the October 15, 2007 Special Meeting *
- 1b. Approval of Minutes of the October 22, 2007 Regular Meeting *
- 1c. Approval of Minutes of the November 5, 2007 Joint Worksession *
- 1d. Appointment of Jacquilyn Fenn to the Benson Arts Commission *
- 1e. Bills *

NEW BUSINESS:

Presentation on Southeast Arizona Economic Development Group and possible action regarding support for economic development:

Mr. Larry Dempster, President of the Southeast Arizona Economic Development Group stating Cochise College has agreed to put a packet together of the community's assets to market Southeast Arizona for economic benefit. Mr. Dempster then stated the group would like a resolution of support from Council. Councilmember Tipton stated she would like to see Council form a sub-committee to study economic development. Councilmember Tipton then moved to form a sub-committee with Councilmember Lodzinski as chair and City Manager Martin Roush, Larry Dempster, Mayor Fenn, and herself as members. Councilmember Suagee seconded the motion and stated she commended the Southeast Arizona Economic Development Group, but felt she was not ready to move forward with a resolution of support. Councilmember Suagee stated Council should have a set of guidelines or criteria for a group to work with Council.

Mayor Fenn then asked City Attorney Thomas Benavidez if the formation of a sub-committee was possible at this meeting under the description of this item on the agenda. Mr. Benavidez stated the formation of a sub-committee is not on the agenda. Mayor Fenn also asked for City Manager Martin Roush's input. Mr. Roush stated there are resources available to regional groups that the City cannot utilize, but there are other things the City can do. Mr. Roush stated there is a possibility of a good marriage with the City and a group such as this.

Mr. Dempster then stated the group was a regional group and did not feel he would have the time for a City sub-committee.

Councilmember Lodzinski stated he would like any economic development group work not just with new proposed businesses, but with existing businesses for retention.

Vice Mayor King expressed his desire for a worksession with the Southeast Arizona Economic Development Group, stating Council could then discuss concerns and gather more information.

Councilmember Sacco stated he is concerned about the duplication of efforts with the Southeast Arizona Economic Development Group and a City sub-committee. Councilmember Sacco stated he is all for economic development and would like to see industry and high tech jobs come to the community and welcomes a group that can get it off the ground. Councilmember Sacco then stated that concern was voiced that the Southeast Arizona Economic Development Group would take control away from the City, but that he is not concerned because he sees the group enhancing the City with economic development. Councilmember Sacco then asked Mr. Dempster what kind of help or support the Southeast Arizona Economic Development Group was looking for and Mr. Dempster stated the group was seeking cooperation, to be able to dialogue and a good relationship with the City and was looking for no other help at this time.

Councilmember Tipton stated she had concerns that the Council and the community would not have control with a group such as this. Councilmember Tipton stated she felt a City sub-committee would be open to the public and a private group would not necessarily be open to the public. Councilmember Tipton then stated a letter or resolution of support was not necessary for this group to attract economic development.

Councilmember Suagee then withdrew her second, noting the formation of a sub-committee was not an agenda item, stating she would like to table any action until more information can be gathered, studied or a worksession can be scheduled. Councilmember Suagee stated she would not like to commit Council through a resolution at this time.

Mayor Fenn then addressed Council stating the goals of this economic development group are to help local businesses thrive and expand as well as to help economic growth county wide. The group initially looked at specifically addressing Benson, but as meetings went on, they decided to focus regionally. Mayor Fenn applauded the goals of Council with the formation of a sub-committee to study economic development, but stated Council would not have tried to form it if the Southeast Arizona Economic Development Group had not formed. Mayor Fenn stated Council should not respond to their formation by forming their own group, but should support their efforts. Mayor Fenn stated he did not understand the concern that the City would not be involved, saying the City would be involved and would benefit from any economic development. Mayor Fenn then stated the support this group was seeking was the spirit of cooperation.

Councilmember Sacco then stated he agreed with the Mayor's comments, saying if this group can stimulate economic growth, the City benefits.

Vice Mayor King stated a worksession with more details and information may alleviate any concerns.

Mr. David DiPeso, of the Southeast Arizona Economic Development Group then addressed Council stating a private non-profit economic development company can do several things a City cannot do. Certain grants, land donations and other incentives limit the City. Mr. DiPeso then stated most employers do not want negotiations open. Mr. DiPeso also stated this group could give tax write-offs for land donations and the City could not do that. Mr. DiPeso stated this group is attempting to follow the successful Sierra Vista Economic Development Group. Mr. DiPeso stated they could move forward without the formal support of Council, but that groups working together are more successful.

Councilmember Suagee then stated a lot of information was presented and would like to have Council revisit this issue after Council had time to examine the information and that a worksession would be useful.

Mayor Fenn stated more comments and information could be presented to the Council in the near future.

Instructions to staff and possible
action regarding abatement of nuisance
conditions at Property at
303 W. 4th Street, further identified
as Tax Identification #123-20-059:

Building Official Mike Lockett addressed Council concerning this item giving the timelines of communication between the City, the property owner and the historic preservation commission.

Councilmember Suagee stated she would like a more thorough report as to the safety issue of this property.

Mr. Lockett stated without a structural engineer, this was difficult, but that some buildings have obvious safety concerns, such as leaning. Mr. Lockett stated he had calls regarding vagrants and that could be dangerous in itself. Mr. Lockett then noted the buildings were cited under the City's current building codes.

Councilmember Tipton expressed concerns regarding asbestos and the cost of the asbestos abatement and the demolition of the buildings. Mr. Lockett stated another notice would be sent to the property owner giving him the opportunity to have it done. It was clarified if the property owner did not comply and the City were to proceed with the abatement, the cost for this would be placed on the City, however, a lien would be placed on the property to recover that cost in the event of a future transaction on the property.

Councilmember Sacco moved to have Mr. Lockett send out a final letter giving the property 30 days to make the necessary corrections. Seconded by Councilmember Lodzinski. Motion passed 7-0.

City Manager and Finance
Director's Annual Report
to Council:

Finance Director Jim Cox addressed Council giving a summary of the City's financial history over the last year. Mr. Cox stated the City's net equity increased by approximately two million dollars. Mr. Cox stated approximately \$1.3 million of this increase was in cash and the City had decreased its debt by approximately \$400,000. Mr. Cox also stated the City had been able to purchase some of the needed vehicles and equipment and had paid for those items with no new debt. Mr. Cox also informed Council that the City Hall facility is now paid for. Mr. Cox stated the General Fund Sales Tax revenues have increased in the last fiscal year by approximately 30%. The finance office was studying the sales tax collection increase and had determined approximately 30% of the increase had come directly from Walmart's addition to our economy, approximately 28% was from construction sales tax and another 25% increase was from other retail sales. Mr. Cox stated the financial health of the City is better, with the enterprise funds now operating as they should with no contributions from other funds. Mr. Cox stated he is now looking for long term financial stability, building up contingency funds to 20% of our annual operating costs. Mr. Cox stated he is looking at other communities to see ways to promote this. Mr. Cox stated a good rule is to match revenue sources with expenditures and a good tool for this was the Capital Improvement Plan.

Councilmember Lodzinski asked Mr. Cox about the investment of the City's funds. Mr. Cox stated he was very pleased with the State Pool Investments and did not see anywhere else he would like to see the money invested.

Vice Mayor King stated the decisions Council had made over the last year had been hard decisions, but that he was proud of the results.

City Manager Martin Roush stated this report will be brought to Council on an annual basis.

Adoption of Resolution 46-2007
of the Mayor and Council of the
City of Benson, Arizona, appointing
Councilmember E. Kathy Suagee
as the City's Representative to
Coronado Resource Conservation
and Development Area, Inc.:

Councilmember McGoffin moved to approve Resolution 46-2007. Seconded by Vice Mayor King. Motion passed 6-0 with Councilmember Suagee abstaining.

Mayor Fenn called for a short recess at 8:50 p.m. Council reconvened at 8:54 p.m.

Review and possible action regarding
approval and adoption of Municipal
Legal Services Contract for
the City Attorney:

City Manager Martin Roush addressed Council stating after the Request for Proposal was advertised, two firms submitted proposals. Mr. Roush then informed Council of the criteria set by the committee formed to make a recommendation and rating to Council. Mr. Roush stated he took the committee's recommendation and started contract negotiations and the contract placed before Council was the result of those negotiations.

Discussion was then had regarding the committee to look at these proposals. Mr. Roush stated this was under the City Manager's jurisdiction, but he felt a committee of the City Manager, the Finance Director and the Mayor would be a better alternative to an interview process. Council then recognized the size of the firms, the availability and the quick response time were all items that should be considered as well as the responsibility of the Council to obtain the best legal representation while being fiscally responsible. Council stated they would like to see a monthly report of the time spent with the attorney.

Councilmember Suagee moved to approve the Municipal Legal Services Contract for the City Attorney with the corrections to read in Section 1.1 "...in the approved job description for the position of City Attorney, and ~~to~~ **shall** perform such other legally permissible and proper duties..." and Section 1.4 "...Contractor is not responsible for the performance of due diligence in **those** transactions." Seconded by Councilmember Tipton. Motion passed 5-2 with Councilmembers Sacco and McGoffin voting nay.

Review and possible approval
of Lions Park, Skate Facilities
Improvements at a cost
of \$45,559.34 (Portion of CIP
PR 06-01, Lions Park Phase I):

Vice Mayor King stated this was the result of local citizens and he was happy to see this done. Vice Mayor King then moved to approve the Lions Park, Skate Facilities Improvements at a cost of \$45,559.34 (Portion of CIP PR 06-01, Lions Park Phase I). Seconded by Councilmember McGoffin. Motion passed 7-0.

Adoption of Resolution 47-2007
of the Mayor and Council of the
City of Benson, Arizona, authorizing
the purchase of equipment for the
Benson Fire Department from

LN Curtis and Sons: Fire Chief Keith Spangler addressed Council stating this award was part of a grant the fire department received. The advertisements for the Request for Proposals were advertised and the results were before Council. Chief Spangler also stated more Request for Proposal had been advertised and awards of those would be coming to Council in the near future.

Vice Mayor King moved to approve Resolution 47-2007. Seconded by Councilmember Sacco. Motion passed 7-0.

Possible action regarding the
support of the Red Cross Lifeguard
Certification Scholarship Program

for Youth Leadership: City Manager Martin Roush addressed Council stating this scholarship program would assist in providing qualified applicants for the swimming programs the City would implement. Councilmember Sacco moved to approve six Red Cross Lifeguard Certification Scholarships in the amount of \$100.00 each for a total of \$600.00. Seconded by Vice Mayor King. Motion passed 7-0.

EXECUTIVE SESSION:

As per A.R.S. §38-431.03(A)(7), discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property to include possible land acquisitions required to start the Capital Improvement Project, "Public Safety Building" (CIP CM 07-01) and the property located at 102 W. 6th Street.

Vice Mayor King moved to enter into Executive Session at 9:31 p.m. with the City Manager, the City Attorneys and the City Clerk attending. Seconded by Councilmember McGoffin. Motion passed 7-0.

Council reconvened at 9:45 p.m.

Possible action and instructions
to staff regarding Land Acquisitions
required to Start the Capital Improvement
Project "Public Safety Building"
(CIP CM 07-1), the status of the
property located at 102 W. 6th Street
and other possible Land Acquisitions
in the City Limits:

Councilmember Suagee moved to direct staff to proceed as discussed in executive session; to move forward with negotiations necessary to start the Capital Improvement Project, "Public Safety Building" (CIP CM 07-01), and to advise the property owner of the property located at 102 W. 6th Street that the City is not going to pursue the purchase of the property. Seconded by Councilmember McGoffin. Motion passed 7-0.

EXECUTIVE SESSION:

As per A.R.S. §38-431.03(A)(1), discussion or consideration of employment, assignment, appointment, promotion, or salaries of a public officer, appointee or employee of any public body, specifically, the Building Official.

Vice Mayor King moved to enter into Executive Session at 9:36 p.m. with the City Manager, the City Attorneys and the City Clerk attending. Seconded by Councilmember Suagee. Motion passed 7-0.

Council reconvened at 10:04 p.m.

Consideration of and possible instructions to staff regarding combining the position of the building official and the planning & zoning director and creating the position of the Senior Planner:

Councilmember Lodzinski moved to approve the combining the positions of the Building Official and the Planning & Zoning Director, to appoint Building Official Mike Lockett to the position and to create the position of the Senior Planner. Seconded by Councilmember Sacco. Motion passed 7-0.

Consideration of and possible instructions to staff regarding assignment of Tourism Development to the Finance Department:

City Manager Martin Roush addressed Council stating that tourism under the Finance Department would be better suited, citing Bob Nilson would be able to assist in providing the asset determination to economic development as well as the work done in the Events area, working directly with the Finance Department for their budgeting and showing these events in the narrative of the budget. Councilmember Suagee moved to approve the assignment of the Tourism Department to the Finance Department. Seconded by Vice Mayor King. Motion passed 7-0.

CITY MANAGER REPORT:

City Manager Martin Roush informed Council that the first annual Alzheimer's Candle Lighting ceremony was held on November 8, 2007 at City Hall. Mr. Roush then informed Council of the following upcoming events:

The Toy Drive sponsored by the Junior Women's Club and assisted by the Benson Volunteer Fire Department will begin on November 24, 2007.

The City of Benson Employee Council will hold an open house for the Salvation Army Angel Giving Tree on November 28, 2007 from 6:00 to 8:00 p.m. with names available for adoption until December 21, 2007.

The Chamber of Commerce will hold Christmas on Main Street on December 8, 2007.

The City of Benson Employee Council is sponsoring a winter food drive to help the Benson Food Bank. Items may be taken to the Benson Police Department, the Benson Fire Department, City Hall, the Library, the Visitor Center and the Community Center.

On December 11, 2007 Benson's Animal Control is participating at the Movie Gallery/Dollar General Store customer appreciation and will offer a DVD training tape for adopted dogs and cats and the FEMA Animals in Disaster Program. At the last program, two dogs were adopted and food was donated to the Benson Animal Shelter.

COUNCIL DIRECTIVES:

None.

Adjournment:

Councilmember Sacco moved to adjourn at 10:12 p.m. Seconded by Councilmember Tipton. Motion passed 7-0.

Mark M. Fenn, Mayor

ATTEST:

Vicki L. Vivian, City Clerk