

**THE REGULAR MEETING
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD FEBRUARY 9, 2009 AT 7:00 P.M.
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**MAYOR FENN
OPENED THE MEETING AT 7:04 P.M WITH
THE PLEDGE OF ALLEGIANCE.**

**PRESENT WERE: MAYOR FENN
COUNCILMEMBERS BONCQUET, LAMBERT, LODZINSKI, McGOFFIN and SACCO
ABSENT WAS: VICE MAYOR KING**

INVOCATION:

Mayor Fenn introduced Catherine Cook of the Baha'i Faith gave the invocation.

**EMPLOYEE
RECOGNITION:**

None.

CALL TO THE PUBLIC:

Kathy Suagee addressed Council regarding the San Pedro Golf Course and gave a brief history of the golf course and the treatment plant. Ms. Suagee then stated Mr. Hartley and the previous City Manager, Mark Holt had conflicts stating Mr. Hartley had problems with the previous landfill caving in and that his pleas for help went unanswered by the City. Ms. Suagee stated both sides had different ideas about what was promised in the way of impact fees, etc. and that after years of arguing, lawsuits were filed and the City lost hundreds of thousands of dollars, eventually settling the suit. Ms. Suagee then asked Council to think about high dollar condos next to a sewage treatment plant and who would buy them and stated those foolish enough to buy one will begin complaining about the noise and the smell of the treatment plant and while probably not having any legal recourse against the City, doesn't mean they won't be very annoying. Ms. Suagee then stated she had a bad feeling about the City entering into any more agreements with Mr. Hartley, stating she doesn't think any business involvement is advisable and that she hoped Council would consider the history and look into it themselves.

Sylvia Burnside addressed Council regarding the Arts Commission resignations stating that the resignations didn't happen at once, were not due to any particular event, but were a matter of progression; that one person hadn't been able to participate, but was just submitting her letter and another member staying as long as she could. Ms. Burnside then stated they will get back to work and get more people on the Board.

Dianne Tipton addressed Council concerning the Economic Development Subcommittee stating she was instrumental in forming the subcommittee, which is essential to Benson to ensure that we seek and secure the businesses best suited to Benson. Ms. Tipton stated outside economic development groups have their place, but when they try to grow the County, they tend to spread themselves too thin and will be serving too many interests, and will inevitably put their own financial interests first, which is good business for them, but not necessarily good business for Benson. Ms. Tipton then stated the subcommittee will be looking out for Benson as a community and nothing else and that Benson needs to take hold of its own destination and be the one making the decisions regarding what, when, where and how we grow in the future. Ms. Tipton stated there are many hungry businesses looking for a new place to land and Benson needs to be selling

itself and all that it has to offer. Ms. Tipton stated this should be done by members of the community that understand the needs of Benson and have a stake in the future economic health and viability of the community. Ms. Tipton stated an outside economic development group will not be subject to the open meeting laws which will set the stage for too many secrets, stating that while she understood the need for confidentiality, she knew it could still be achieved while allowing open meetings without being specific as to the name of a potential business. Ms. Tipton stated Benson taxpayers need to know what types of businesses are seeking to operate from our community before the wheels are set in motion, not after. Ms. Tipton then stated the subcommittee will be subject to the open meeting laws and will provide the opportunity to every Benson resident to know what is being planned for their community. Ms. Tipton then asked Council to take into consideration that the subcommittee has spent a considerable amount of time and effort in going forth with the development of a strategic plan and now need to be allowed to put the plan into action. Ms. Tipton stated the Council needs to keep the subcommittee in place, properly staffed with professionals and sufficiently funded with enough money to make a difference as soon as possible. Ms. Tipton stated this was in the best interest of the community and suggested the subcommittee start looking for ways to assist our local businesses to expand and to employ and that as we look to the future, we begin working with educators to properly train and prepare future generations as a workforce to supply potential businesses with the trained employees they will be searching for in the future. Ms. Tipton stated we need to give our youth a reason to stay, work and live in Benson. Ms. Tipton stated we as a community cannot wait any longer and cannot trust others with Benson's future, stating the potential for greatness is here in Benson, among its residents and within the physical boundaries of the community itself. Ms. Tipton then stated on a personal note, she would like to see growth along Highways 80 and 90 and would like to see a large convention center surrounded by hotels, motels and restaurants on Highway 90. Ms. Tipton stated she would like to see entertainment addressed and that if we grow along Highway 90, we can leave the precious rural areas alone. Ms. Tipton then stated she would like to see a place in the future of Benson for more tourist business with specialty shops in the downtown area. Ms. Tipton then stated we did not have to annex everything along the way to benefit from tax dollars, stating there may be the need to annex some, but that good sense should be used, looking beyond today, at the impact that may come to the community based on the decisions made by those in charge. Ms. Tipton then stated one big, properly planned event at a convention center can bring 10,000 people to Benson to stay in our hotels, eat in our restaurants, buy from our gas stations and local businesses; leaving their tax dollars behind, while leaving the rest of our community to enjoy and maintain our rural atmosphere. Ms. Tipton then asked Council to give the subcommittee the tools it needs to be successful and see it through to the end and be successful together as a community.

John Whiteside addressed Council regarding the selection committee to review the proposals for the position of City Attorney stating we had 11 proposals come in and that he suggested including some citizens on the committee. Mr. Whiteside then addressed Council regarding the Benson Economic Development Strategic Plan stating the plan was good overall, but there were one or two items that could be improved, suggesting Council table the plan for additional study.

CONSENT AGENDA:

- 1a. Approval of Minutes of the August 18, 2008 Special Meeting
- 1b. Approval of Minutes of the January 26, 2009 Regular Meeting
- 1c. Resignation of Judith Francis from the Benson Arts Commission
- 1d. Resignation of Barbara English Hay from the Benson Arts Commission
- 1e. Resignation of Judith Matas from the Benson Arts Commission
- 1f. Manuel Santiago proposed Eagle Scout project
- 1g. The Salvation Army presented The City of Benson with a Certificate of Appreciation
- 1h. Processed Invoices for January 21, 2009 through February 2, 2009

Councilmember Lambert requested to remove items 1a and 1f from the Consent Agenda. Councilmember Lambert then moved to approve the remaining Consent Agenda items with a correction on item 1b to reflect his abstaining on new business item 6 in the vote count. Seconded by Councilmember Sacco. Motion passed 5-0 with Councilmember McGoffin abstaining.

Councilmember McGoffin then moved to approve item 1a. Seconded by Councilmember Sacco. Motion passed 4-0 with Councilmembers Boncquet and Lambert abstaining.

Councilmember Lambert then stated he wanted to address item 1f separately, stating Council had been approached by Manuel Santiago, who has requested to be allowed to furnish headstones to approximately 130 gravesites at the High Street Cemetery, asking the City to only supply the cement at a cost of approximately \$150.00. Councilmember Lambert moved to approve item 1f with a cost not to exceed \$150.00. Seconded by Councilmember McGoffin. Mayor Fenn then expressed thanks to Mr. Santiago. Motion passed 6-0.

NEW BUSINESS:

1. **Resolution 8-2009 of the Mayor and Council of the City of Benson, Arizona, approving and authorizing the application by the Benson Volunteer Fire Department for Rural Fire Assistance Grant Funds from the Arizona State Forestry**

Fire Chief Keith Spangler addressed Council stating this grant is offered by the State Forestry Division and is for wildland equipment. Chief Spangler stated the grant required 10% matching funds from the City with the application requesting a total of \$10,000 leaving the City's matching funds at \$1,000, which is allocated in the budget. Mayor Fenn asked about the likelihood of grant approval with Chief Spangler stating it depended on the amount of money the State Forestry Division will be allocated from Federal sources. Councilmember Lodzinski moved to approve Resolution 8-2009. Seconded by Councilmember Lambert. Motion passed 6-0.

2. **Resolution 9-2009 of the Mayor and Council of the City of Benson, Arizona approving authorizing the application by Benson Volunteer Fire Department for Volunteer Fire Assistance Grant funds from the Arizona State Forestry Division**

Fire Chief Keith Spangler addressed Council stating this application was for volunteer fire assistance grant and required a 50% match from the City. Chief Spangler stated with the \$10,000 application, the City's matching funds would be \$5,000 and was allocated in the budget. Chief Spangler stated he could ask for both structural and wildland equipment, and that the application asked for chainsaws, an abrasive cutoff saw and some hose. Mayor Fenn stated both grant applications were for equipment that would benefit the City. Councilmember Lodzinski moved to approve Resolution 9-2009. Seconded by Councilmember McGoffin. Motion passed 6-0.

3. **Appointment of Selection Committee to review the Municipal Legal Services (City Attorney) Proposals**

Mayor Fenn stated a total of 11 proposals had been received by the City and asked Interim City Manager to address Council. Mr. Nichols stated at the December 8, 2008 meeting, Council had directed staff to re-advertise the request for proposals and that staff was now coming back to Council to request a committee be established to review the proposals and make recommendations to Council. Councilmember Lodzinski stated in the past, the review committee would review the proposals choosing 3 or 4 and then would conduct interviews and make recommendations to Council. Councilmembers Boncquet, Lodzinski and Sacco volunteered to be on the selection committee. Councilmember Lambert then stated he would like to have the City Clerk be on the committee, citing that the City Clerk worked with the City Attorney at all times. Councilmember McGoffin stated she liked the idea of having a citizen in the City limits on the

committee as well, stating she had a couple of suggestions the selection committee could contact and see who would be willing to participate on the committee. Councilmember Lodzinski suggested the City resident complete an application to be appointed. Councilmember McGoffin then moved to appoint Councilmember Lodzinski, Councilmember Bonquet, Councilmember Sacco, a private citizen and City Clerk Vicki Vivian to serve on the selection committee to review the Municipal Legal Services (City Attorney) Proposals. Seconded by Councilmember Sacco. Motion passed 6-0. Mayor Fenn then stated the formal selection would not proceed until Council established the committee at the next regular Council meeting.

4. **Contract for proposed American Crown Circus event on March 17, 2009, in Benson**

Interim City Manager Glenn Nichols addressed Council stating this event was held last year and was very successful. Mr. Nichols then stated the Recreation Department would like to make this an annual event and to utilize any revenue generated to hold other recreation events. Mr. Nichols then stated the City had received the liability insurance certificate, but that we had not yet received the vehicle liability. Mr. Nichols then recommended Council approve the contract with the stipulation that the vehicle liability insurance certificate be presented to the City prior to the event taking place. City Attorney Thomas Benavidez then addressed Council stating since the vehicles were not used as part of the show, he asked for American Crown Circus to provide \$500,000 aggregate total on the vehicles. Councilmember Lambert moved to approve the contract with American Crown Circus with the stipulation the City receive a certificate of insurance on the vehicles. Seconded by Councilmember McGoffin. Motion passed 6-0.

5. **Resolution 10-2009 of the Mayor and Council of the City of Benson, Arizona, appointing a City Engineer**

Interim City Manager Glenn Nichols addressed Council stating in 2007, the City Council passed Resolution 1-2007 appointing Mr. Bradley Hamilton, as the City Engineer with the former City Manager Martin Roush to serve as the City Engineer in Mr. Hamilton's absence. Mr. Nichols stated Resolution 10-2009 would reaffirm the appointment of Public Works Director Brad Hamilton as the City Engineer, and that the City has several on-call engineers who could serve as the City Engineer in Mr. Hamilton's absence, if needed. Councilmember Lodzinski moved to approve Resolution 10-2009. Seconded by Councilmember Sacco. Motion passed 6-0.

6. **Resolution 11-2009 of the Mayor and Council of the City of Benson, Arizona Approving and Adopting Records Retention and Disposition Schedules for City Records**

City Attorney Thomas Benavidez addressed Council stating the City is required to adopt a records retention schedule, which is established by the State Department of Archives. Mr. Benavidez stated there are a few City records that must be retained permanently, but most City records must be purged according to the schedule. City Clerk Vicki Vivian addressed Council stating each department will have training on these retention schedules. Councilmember McGoffin moved to approve Resolution 11-2009. Seconded by Councilmember Lambert. Motion passed 6-0.

7. **Discussion and possible adoption of the City of Benson Economic Development Strategic Plan; Discussion will include the Economic Development Subcommittee's future role**

Mayor Fenn opened this item asking the Benson Economic Development Subcommittee Chairman John Lodzinski to address Council. Chairman Lodzinski stated the Economic Development Subcommittee had been working on the City of Benson Economic Development Strategic Plan, which is intended to be a living document. Chairman Lodzinski stated the plan contained the items the subcommittee felt were major draws to businesses, some action items, which included working with other groups in the area, such as the Tucson Regional Economic Organization (TREO) and the Chamber of Commerce and producing a list of designated "shovel-

ready” properties. Chairman Lodzinski stated the subcommittee would also like to work with the Chamber of Commerce and existing businesses in the City to assist with business retention and expansion, but would probably not move forward with that until a City Manager was selected by Council. Chairman Lodzinski then stated the subcommittee was recommending the approval of the City of Benson Economic Development Strategic Plan and that the subcommittee would like to continue on implementing the plan in the future, with possibly reducing the number of subcommittee members and meeting bi-monthly.

Mayor Fenn thanked Chairman Lodzinski and the subcommittee for their work on the strategic plan and asked about the distribution of the plan. Chairman Lodzinski stated the strategic plan would be posted on the City’s website, could be available at the businesses in town, the Visitor Center, the Southeast Arizona Economic Development Group, through TREO, as well as being sent to any inquiries we received.

Chairman Lodzinski then introduced David Welsh of TREO, who addressed Council stating the strategic plan sets up best how the City can partner with TREO, by deciding the direction the City wants to go with in our economic development efforts. Mr. Welsh stated that while TREO would not be Benson’s best tool for small business assistance, there were components in the strategic plan, such as business attraction, marketing Benson, the establishment of the shovel-ready program, in which partnering with TREO would be an asset to the City. Mr. Welsh stated with the economic environment, it looks like the Department of Commerce, along with their job training grants, may be eliminated, which he feels will affect rural areas more than populated areas. Mr. Welsh stated Benson was ahead of the curve with the establishment of the strategic plan and that TREO could work with the City on how to move further in the direction that has been established. Mr. Welsh stated without City staff on board dedicated to economic development, he felt keeping the subcommittee in place would help the City implement the strategic plan and that he would be willing to continue helping the subcommittee get into implementation mode so that TREO could come to the City and propose how they would be of most assistance.

Chairman Lodzinski stated he felt the subcommittee should continue with the current members, with the exception of David Woodall and Ernie Graves and the addition of the new Chamber of Commerce Director. Chairman Lodzinski then stated the first goal of the subcommittee was the establishment of the list of shovel-ready properties, and then addressed other goals, including meetings with the local area businesses, long range work with the airport and establishing other long range goals.

Mayor Fenn then thanked the members of the subcommittee for their work and Mr. Welsh for attending the Council meeting and stated the item before Council was the City of Benson Economic Development Strategic Plan and keeping the subcommittee in place to ensure the plan continues to move forward.

Councilmember Lambert moved to adopt the City of Benson Economic Development Strategic Plan as presented. City Clerk Vicki Vivian stated the removal and appointment of members to the subcommittee would be on the consent agenda at the February 23, 2009 regular Council meeting. Motion seconded by Councilmember Bonquet. Motion passed 6-0.

8. **Review and Projection of City Finances: The City’s Finance Director will make a presentation to the Council concerning the present and future financial status of the City. His presentation will emphasize January 2009 results, projection of fiscal 2008-2009 year end and City Transaction Privilege Tax collections**

Finance Director Jim Cox addressed Council stating he would do his best to keep the Council accurately informed throughout the economic crisis the City is facing and that his goal was to further Council’s understanding of the situation the City is facing. Mr. Cox then addressed the

summary of all City funds, which includes the utility funds and the general fund. Mr. Cox stated our fund balances look better at this point than they did at this point in the previous fiscal year. Mr. Cox then stated year-to-date personnel costs were up 2.8% and other expenditure costs were down 14% in January. Mayor Fenn questioned the increase in personnel costs, since the City has lost staff. Mr. Cox stated while the number personnel has changed, there was a 9% increase in healthcare costs; stating he would give Council those specific numbers at the next Council meeting.

Mr. Cox then addressed City Tax collections, including Sales Tax, Construction Tax and Bed Tax collections. Mr. Cox stated overall tax collections are just below where we were last year, and that he thinks we'll continue to stay just below last year's collections. Mr. Cox then stated the construction sales tax is used to fund capital projects; therefore the outlook for money available for capital spending did not look good. Mr. Cox stated in the past two years, the City was able to build up the reserves, but did not think we would be able to do that in the current fiscal year.

Mayor Fenn thanked Mr. Cox and asked him to keep Council up to date regarding the City's finances.

CITY MANAGER REPORT:

Interim City Manager Glenn Nichols addressed Council with upcoming meetings:

- February 10, 2009 – Arts Commission, 9:00 a.m., City Hall
– Library Board, 4:00 p.m., City Library
- February 16, 2009 – HOLIDAY – City Offices Closed
- February 21, 2009 – Historic Preservation Commission, 9:00 a.m., City Hall
- February 23, 2009 – Council Worksession, 6:00 p.m., City Hall
– Council Meeting, 7:00 p.m., City Hall

Mr. Nichols then stated on February 14-15, 2009 would be Arizona Ranger Days in Benson.

COUNCIL DIRECTIVES:

None.

DEPARTMENT REPORTS:

None.

ADJOURNMENT:

Councilmember Lodzinski moved to adjourn at 8:16 p.m. Seconded by Councilmember Sacco. Motion passed 6-0.

Mark M. Fenn, Mayor

ATTEST:

Vicki L. Vivian, City Clerk