

**THE REGULAR MEETING  
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA  
HELD JANUARY 28, 2019 AT 7:00 P.M.  
AT THE BENSON COMMUNITY CENTER, 705 W. UNION STREET, BENSON, ARIZONA**

**CALL TO ORDER:**

Vice Mayor Konrad called the meeting to order at 7:00 p.m. with the Pledge of Allegiance. Vice Mayor Konrad then introduced Kirk Sorensen of the First Assembly of God who gave the invocation.

**ROLL CALL:**

Present were: Vice Mayor Joe Konrad, Councilmembers Pat Boyle, Larry Dempster, Lupe Diaz and Barbara Nunn. Absent were: Mayor Toney D. King, Sr. and Councilmember Levi Garner.

**EMPLOYEE RECOGNITION:** None

**PROCLAMATION:** Vice Mayor Konrad invited Ed Meza from the American Legion to come forward; then read a proclamation declaring February 2, 2019 and hence forth every year on the first Saturday of February to be “The Four Chaplains Memorial Ceremony Day.” Vice Mayor Konrad then presented the proclamation to Mr. Meza. Mr. Meza informed the public of the American Legion activities and invited the public to attend the Chaplains Memorial Ceremony on February 2, 2019.

**PROCLAMATION:** Vice Mayor Konrad invited Thomas Farnsworth from the Veterans of Foreign Wars to come forward; then read a proclamation declaring February as “Veterans Suicide Awareness Month.” Vice Mayor Konrad then presented the proclamation to Mr. Farnsworth.

**PUBLIC HEARING:** None

**CITY MANAGER REPORT:**

City Manager Vicki Vivian addressed Council, giving the dates of upcoming meetings and events.

- Monday, February 11, 2019 – Council Meeting, 7:00 p.m., Community Center
- Thursday January 31, 2019 – Talking Books Library, 10:30 a.m., City Library  
Are you unable to read the printed word? Or cannot hold a book? The Talking Book Library will be discussing their free audio listening services
- Thursday February 7, 2019 – Library Guest Speaker George Whitehead, 10:30 a.m., City Library  
Benson Historian – Healers, Quacks, and Elixirs – Territorial medicine in Cochise County
- Thursday February 14, 2019 – Library Guest Speaker Bob Nilson, 10:30 a.m., City Library  
City of Benson – Tourism Department  
“Benson photos now and then”  
Benson photos from 100 years ago and new photos taken from the same place and angle today
- Monday, February 18, 2019 – Presidents’ Day – City Offices Closed

- Thursday February 21, 2019 – Library Guest Speaker Ann Gurr & Jean Sneed, 10:30 a.m., City Library Cave Unit Ranger II and Volunteer – Kartchner Caverns State Park  
 “The Bats of Arizona” General information on bats (where they live, what they eat) and which families/species of bats live in Arizona
- Thursday February 28, 2019 – Library Guest Speaker Donna Morley, 10:30 a.m., City Library Benson Hospital Director of Nutrition Services – Healthy Eating

**NEW BUSINESS:**

1. **Discussion and possible action on the Consent Agenda**

- 1a. Minutes of the January 4, 2019 Special Meeting
- 1b. Minutes of the September 24, 2018 Regular Meeting
- 1c. Appointment of David Lambert to the Benson Planning & Zoning Commission
- 1d. Invoices processed for the period from December 13, 2018 through January 15, 2019

Councilmember Boyle moved to approve the Consent Agenda. Seconded by Councilmember Nunn. Motion passed 5-0.

2. **Discussion and possible action regarding a contract with Shell Energy North America for supply of Natural Gas and related services**

Bradley J. Hamilton, P.E. Director of Public Works/City Engineer, stated this item is the City’s gas supply contract and it is identical to the previous contract with the same supplier and same rates, adding the rates are market based with a monthly fee. Councilmember Boyle asked if there was an increase in the cost with Mr. Hamilton stating gas prices are market based but the administration fee is still \$1,500 a month so the contract is the same as the previous contract for the last few years. Councilmember Nunn questioned if Armstrong was involved with Mr. Hamilton stating they were not as this was only dealing with natural gas and had nothing to do with the airport.

Councilmember Dempster moved to approve the contract with Shell Energy North America for supply of natural gas and related services. Seconded by Councilmember Diaz. Motion passed 5-0.

3. **Discussion and possible action(s) to improve the conditions, safety, and/or profitability of the Benson Municipal Airport, including but not limited to Staff direction about the AEPCO (Arizona Electric Power Cooperative) Revolving Loan offer and funding fuel tanks installation**

City Manager Vicki Vivian stated this item is on the agenda to request direction from Council regarding the installation of fuel tanks at the Benson Municipal Airport, noting the Airport Manager has put out an Invitation for Bids (IFB) for the tanks and related equipment and Staff will present a recommendation on the award of the IFB at a future Council meeting, however, research and quotes show the project will cost over the approved funding offered through the Rural Economic Development Loan & Grant (REDLG) program, which is \$181,736 at 0% interest over 10 years. Ms. Vivian then stated Arizona G & T Cooperatives has offered additional funding in the amount of \$177,600 at 3% over the same 10-year period and Council can decide and direct Staff to either move forward and request the additional loan or can direct Staff to pull additional funds needed from the General Fund to complete the project. Ms. Vivian then stated currently, in the General Fund there is a separate account of about \$180,000 earning 2% interest that could be used for the project, but an additional \$40,000 would also need to come from the General Fund. Ms. Vivian then stated should Council choose to accept the loan offer from Arizona G&T, the paperwork would come back to Council at a future Council meeting, along with the award of the bid for the tanks and related equipment. Public Works Director Brad Hamilton stated there was a request for bids and the City received two bids; the first one was \$360,000 and the second one was \$397,000, noting the one for \$360,000 required the City to pay for any additional sales tax and the one for \$397,000 has the sales tax included so they were pretty equal bids with the total cost being about \$400,000. Councilmember Nunn asked if Armstrong was involved with Mr. Hamilton stating they were not. Councilmember Nunn asked why there were only two bids with Mr. Hamilton stating he had some inquires but what he is finding is that the economy is so

good that most of the companies are busy, adding that seems to be across the market. Ms. Vivian then stated she had her Assistant Barbara Thompson contact the companies that the City had sent bids to, adding she considered extending the deadline before the bid opening, but the only company that responded other than with a “no” was Phillips 66 Aviation who basically said that they are not in the market to put in the tanks, but they would sell the fuel to the City direct and cut out the middleman. Ms. Vivian stated Ms. Thompson summarized her responses and found that fuel companies are not interested in providing storage and pumping equipment on a fuel buyback basis because the cost per gallon added to the retail price would make the airport fuel sales non-competitive in the market. Councilmember Boyle asked about the amount the tanks would actually cost with Ms. Vivian stating the original estimate for the project was about \$360,000 but it increased to approximately \$400,000. Ms. Vivian then stated the additional amount over and above the approved REDLG loan is about \$220,000, adding the City has a separate account with \$182,000 which is what would have been needed originally, but due to the increased costs, the additional amount needed is about \$220,000, adding the City can use that account, plus another \$40,000 from the General Fund or can borrow \$178,000 at 3% from Arizona G&T and take another \$40,000 from the General Fund.

Councilmember Dempster stated when the project first came out Council thought it would be considerably less and the economic activity at the airport has not happened yet. Councilmember Dempster then stated in his opinion, right now the City would be putting itself on the line for \$400,000 or about \$42,000 a year. Councilmember Dempster stated he feels the City is better off just postponing this project for a year and seeing what happens in the next year and if the City can support that kind of payment, adding at this point, the Council doesn't have good information. Councilmember Dempster stated in his opinion, this seems a little risky and it wouldn't be a problem to postpone it another year, noting he didn't want to kill the project, he just wanted to postpone it because with the economic activity the City wants to have here, the airport will have to have a fuel farm with self-service, but there was no reason to support it right now. Ms. Vivian then stated she would like to provide all the information she can and gave the Council information on the invoices of the current airport fuel supplier for the months of June, July and August of 2018, which shows 6,000 gal of the 100LL Avgas and 10,500 gal of JetA fuel being purchased. Ms. Vivian then stated the profit from the fuel sales for those months was about \$28,000, but she didn't know if this was typical. Councilmember Dempster asked about the profit margin with Ms. Vivian stating the fuel supplier purchased the 100LL Avgas for \$4.83 a gallon and advertised it for \$5.25, making \$.42 a gallon and he purchased the JetA fuel for \$2.77 a gallon and advertised it for \$5.25 also, noting he made \$2.48 a gallon. Ms. Vivian then stated \$5.25 was the published price and she was not positive what the selling price actually was. Ms. Vivian stated there is a volume discount when ordering 8,000 or more gallons and if the City were to put in a 12,000-gallon tank, the price per gallon would be substantially lower, but she didn't know what the amount would be, adding the lower the cost, the more the City would make per gallon. Councilmember Dempster questioned what the bid was for with Ms. Vivian stating it was for 2 12,000-gallon tanks, so the City would be able to get the discount when ordering fuel. Councilmember Dempster stated he would feel more comfortable if there were comprehensive surveys on the margins and better data on what additional volume the City could expect, noting \$400,000 is a big risk to the City and its cash flow. Councilmember Dempster stated the money would be better spent somewhere else and the City would not be losing anything if the project were postponed until there was more activity. Ms. Vivian stated she was not sure how the Rural Economic Development Program works and she thinks there are people in line for the funding, but she didn't know if it would affect the City in future applications or not. Councilmember Dempster stated his understanding it won't hurt the City, it would just hurt Mr. Oldfather's feelings because he went to bat for the City to get it, and the City would apologize to Mr. Oldfather.

Councilmember Nunn stated as it stands right now the City only get \$.05 per gallon from the fuel vendor and in her opinion, the City is getting hosed. Ms. Vivian then stated she does not believe the contract has been renewed and the City can look at putting out an RFP for an FBO who sells fuel.

Councilmember Diaz asked what the deadline for the Rural Economic Development program was with Ms. Vivian stating Geoff Oldfather needed a commitment from the Council for the additional loan by the 31st of January. Ms. Vivian stated she asked Mr. Oldfather if the loan documents would be ready for the next Council meeting and he stated they would not, but that he has a resolution of support going to his Board for both the Rural Economic Development program and the loan. Ms. Vivian stated if the City would not move forward, she would tell Mr. Oldfather that the additional funding would not be requested. Councilmember Diaz asked what the revenues and profits and losses for the airport look like with Finance Director Seth Judd stating as of November,

the airport costs are at \$29,753.61, adding that is normal for the airport around this time of year. Mr. Judd then stated the airport is subsidized by the General Fund every year. Vice Mayor Konrad stated he wanted to make sure he understood everything and asked about Southwest Aviation still being able to sell fuel if the City installs a fuel farm with Mr. Hamilton stating this would have to be discussed with the City Attorneys. Ms. Vivian stated she doesn't recall who she spoke to, but she does remember being told that the City cannot ban another business from selling fuel at the airport as long as the City is receiving FAA funding. Ms. Vivian then stated in all likelihood, most consumers would purchase their fuel from the tanks where they can swipe their card. Vice Mayor Konrad stated so the competition at the airport adds to the risk of the City's ability to pay the loan back given the current economic conditions. Mr. Hamilton stated the City's tanks would be the self-serve provider and his understanding is that full-service is riskier than self-serve as most people prefer to swipe their card and go. Mr. Hamilton then stated he doesn't see anyone else coming in and building a fuel farm, but other fuel providers would be able to bring fuel trucks in. Ms. Vivian then stated her husband has both a fixed-wing and rotor-wing pilot's licenses and he believes pilots plan out flights to land at airports with self-serve tanks they know are available 24 hours a day so they don't have to rely on the varying hours full-serve is available. Vice Mayor Konrad asked about pilots not wanting to land at the airport due to limitations with Ms. Vivian stating the only pilots that don't want to land in Benson are those who physically can't due to the runway length.

Airport Coordinator Dave Thompson then addressed Council stating the current supplier isn't wealthy enough to buy a large quantity of fuel, so he is purchasing it in 5,000 and 1,000 gallon lots, and is paying premium price, but if the City were to install self-fueling tanks, the current supplier could be on the airport as a competitor, but it would benefit him to buy his fuel from the City because our price would be much cheaper than he could buy it for. Mr. Thompson then stated there are some people who want full-service fuel so he could make an additional \$.25 to \$.50 per gallon by pumping the fuel for them, but he would still be better off buying the fuel from the City because the City would buy it at the volume discount rate. Mr. Thompson then stated he traveled to Cottonwood this weekend and their fuel system is almost identical to the one the City is proposing, adding in Cottonwood, about 18 months ago, they paid \$358,000 for their fuel farm and they \$1.40 per gallon on JetA and \$.76 per gallon on 100LL. Mr. Thompson then stated Cottonwood also buys their fuel from Phillips Petroleum at 8,000 gallon lots and they buy direct.

Councilmember Diaz stated he knows the \$400,000 will go to purchase the tanks, but he wanted to know the estimated cost on the site preparation with Mr. Hamilton stating the concrete and electrical will be about \$15,000 to \$20,000, noting that estimate is on the high side, then added the labor would be provided by the City crews. Councilmember Boyle stated there is only 3 month's worth of data on the current fuel provider sales and asked how the Council could get the balance of the year with Mr. Judd stating he would be sending a request to the fuel provider this week and hopefully by the next Council meeting he would have that information ready. Councilmember Boyle stated if Council is not comfortable tonight, the deadline of January 31st will be missed. Councilmember Diaz asked what the estimated monthly payment would be for both loans with Ms. Vivian stating \$180,000 over 10 years at zero percent interest would be \$18,000 a year so \$178,000 at 3% interest over 10 years would be a little more, adding the total of both payments would be a little more than \$36,000. Ms. Vivian stated the City is looking at an average profit margin of a little over \$1.00 a gallon, and with the fuel sales from the current provider, it looks like he sales 30,000-40,000 gallons each year. Ms. Vivian then stated if the City sells around 30,000 gallons, the City is looking at about \$32,000 per year in income, adding that is a conservative estimate. Ms. Vivian then stated now that the Council can see 3 months' worth of invoices, it looks a little bit different, but she doesn't know if those sale numbers are typical or not.

Councilmember Nunn stated she is at the airport a lot and she knows that two weekends out of the month lately, the supplier has had no fuel, adding there have been planes land and the vendor has let his tanks run out and that's not service. Councilmember Nunn then stated the City needs people to come every day, every weekend and not have them worrying about if there will be mystery fuel or not, as it happens quite regularly.

Vice Mayor Konrad asked Ms. Vivian if this was one of the items that was created in the City's strategic plan with Ms. Vivian stating the project created was to look at and evaluate fuel tanks. Vice Mayor Konrad asked Ms. Vivian about her confidence level that this will pay for itself and not become a drain to the City with Ms. Vivian stating she thinks this project would be an investment in the airport and that the City would be okay but instead of committing to 2 loan payments, her first reaction was that she would rather take the money out of the General Fund and pay ourselves back at zero percent interest and that way if something did happen, the City would only

be committed to \$18,000 a year instead of over \$36,000 a year. Ms. Vivian then stated her next reaction was to do one tank with the REDLG loan at zero percent interest for 10 years, but that leaves a conflict of which fuel to offer because people say it would be better to offer 100LL fuel, but if you look at the figures for those 3 months the supplier sold almost twice the JetA fuel. Ms. Vivian then stated she is not at the airport and she is not sure what the traffic is. Mr. Thompson stated the City would have to sell 100LL, as its 80% of the general aircraft fuel. Ms. Vivian then stated if the Council looks at the 100LL for the 3-month period, the profit was only \$2,500 so if the City sold the same amount the current supplier did the Airport would be making \$10,000 a year and would be making an \$18,000 loan payment. Councilmember Dempster asked if the City has an active contract with the current fuel supplier with Ms. Vivian stating there is an FBO contract with him, but it has expired and is running month-to-month. Councilmember Dempster stated the tanks are going to run \$400,000 and the cost of inventory for 20,000 gallons or so would have to be figured into the cost also. Councilmember Dempster then stated he figured the annual loan payments would be about \$42,000. Councilmember Dempster then stated there are a few glitches out there on who's doing what and what our contract is and what we would get with what happens out there, adding the Council doesn't have enough data. Councilmember Diaz stated one of the goals of the City is to have good infrastructure and he believes the airport falls within that infrastructure. Councilmember Diaz then stated he was looking at the timing of the City purchasing the tanks, adding looking at this project a year later wouldn't hurt, but he does believe the City needs the tanks, adding again the airport is part of the infrastructure of the City.

Vice Mayor Konrad asked about pulling the trigger on the loan agreements, but not spending the money, which would give the Council time to do additional research; then asked what the consequence would be of borrowing the money and not spending it. Ms. Vivian stated she doesn't imagine there would be a pre-payment penalty, but that the City would have to pay the 3% interest for the time we do have the loan. Ms. Vivian then stated this has to go to the Arizona G&T Board and the disbursement of the funds could take place 10 days after the Board approval. Ms. Vivian then stated Staff could look at this information and come back to Council at the second meeting in February, if they have the information they request. Ms. Vivian stated she could check with Mr. Oldfather tomorrow and the Council could hold a special meeting if needed. Vice Mayor Konrad confirmed that the City is already approved for \$180,000 for 10 years with Ms. Vivian stating she was notified that the REDLG loan was already approved and the Arizona G & T loan just needed formal action of the Board. Vice Mayor Konrad stated he sensed some apprehension on the timing of the project, but not on the project itself. Councilmember Diaz stated the airport was \$29,000 in the hole for November and if that's the actual deficit, the annual deficit would be much higher with Mr. Judd stating the -\$29,000 was the year-to-date figure. Councilmember Diaz stated any profit the airport would make right now would just go to pay off the loan and asked about it taking 10 years to make a profit on the tanks with Ms. Vivian stating if the airport makes \$8,000 a month profit from fuel sales, she would suggest paying the loan back faster. Ms. Vivian then stated she can get more information from Mr. Oldfather. And should Council decide they would want to talk about it, they could call a special meeting with a 24-hour notice, adding Council could even meet on the 31st. Ms. Vivian then stated Mr. Oldfather may say that the deadline could be extended to February since he was planning on addressing his Board in March. Councilmember Dempster stated if the City can make a \$1.00 or more per gallon and make \$60,000 to \$70,000 each year, the funds over and above the annual payment could be put into an account earning interest and would average out the 3% interest the City would be paying if they borrowed the extra funding from Arizona G&T.

Mr. Thompson stated one thing to consider is what other airports have found when they went to self-fueling; their sales doubled and in some cases tripled, resulting from fuel being available all the time. Mr. Thompson then stated pilots have come to our airport looking for fuel but the supplier was closed and there is no self-service. Mr. Thompson then stated he believes that would apply to the City's airport, and sales would either double or even possibly triple. Vice Mayor Konrad stated that if he understands correctly the margin could be from \$.40 to \$.70 per gallon with Mr. Thompson stating currently the average profit in the state is \$.74 a gallon, adding with an 8,000-gallon tanker truck, if the City is going to be competitive in the market, the profit will be about \$.75 a gallon, but added the City could make a \$1.00 a gallon on jet fuel, adding the City currently is only making \$.06 a gallon from the current fuel sales from the supplier.

Councilmember Boyle moved to go forward with the Arizona G&T Cooperatives loan and the Rural Economic Development Loan. Seconded by Councilmember Nunn. Motion passed 4-1 with Councilmember Dempster voting nay.

4. **Discussion during and/or after presentation by City staff of City Finances, with emphasis on November 2018 financial results, current year budget process, and the City's financial position at November 30, 2018**

Finance Director Seth Judd stated he will be comparing FY18 and FY19 and at this point 42% of the fiscal year has passed so revenues and expenditures should also be right around 42%. Mr. Judd then stated he would be covering citywide finances instead of each fund, adding revenues in November were \$1,004,199 which is an increase of \$211,503 over last year at this time. Mr. Judd then stated year-to-date revenues were \$4,422,533 which is 22% of budget, noting this is an increase of \$248,627 over last year's revenue amount of \$4,173,906. Mr. Judd stated citywide expenditures for November were \$691,976, which is a slight increase over last year of just under \$16,000 and the year-to-date expenditures were just over \$4,000,000 which is just under 19% of the budget and is an increase of \$308,781 over last year. Mr. Judd then stated the citywide net position for November was \$312,223 compared to last year which was \$116,483, noting this year the City has had more revenues over expenditures than last November. Mr. Judd then stated year-to-date, the City's net position was \$404,644, while last year at this time, it was \$464,799, which is a slight decrease. Mr. Judd stated Council requested a budget update and currently Staff is working on their Capital project sheets which are due February 15. There was no Council discussion.

**CALL TO THE PUBLIC:**

Stephen Insalaco, West Pinto Place, J-6 Ranch stated he would like to address the Council about his concern with a distressful piece of legislation, currently being proposed in the state capital, that he believes would negatively impact the economy of Benson. Mr. Insalaco stated in the January 18th edition of the Sierra Vista Herald/Review read that Congressman Jay Lawrence of Scottsdale, was "floating a proposed bill" that would suggest that winter visitors coming to Arizona, and staying more than 30-days, should "volunteer" to pay a vehicle registration fee during their stay in Arizona. Mr. Insalaco stated the proposed legislation, as worded, also proposes that the Department of Transportation Director, John Halikowski, should be authorized to establish the dollar amount of this visitor registration fee. Mr. Insalaco stated this is the same John Halikowski that was authorized to establish the recent annual vehicle registration fee increase for resident vehicles, adding many of our state legislators were stunned by the final \$32 increase, which was nearly twice the \$18 proposed fee increase discussed in the state senate chambers. Mr. Insalaco stated in his opinion the new fee levied on our winter visitors will hurt the economy of Benson and other hospitality-based communities within Arizona. Mr. Insalaco stated the fee is basically a tax by any other language imposed on guests that come here and spend their money in Arizona. Mr. Insalaco stated it is a basic economic principal that any student of economics understands, that any tax, tariff or transaction fee, whether it be a sales tax or a vehicle registration fee, while bringing in possible new revenues streams for the governmental agency that imposes them, also results in induced economic strain that limits commerce. Mr. Insalaco stated while the revenue generated by the new tax goes to the state capital, you have to ask yourself, what does Benson get for the reduced hospitality commerce; then stated he finds so many things wrong about this new piece of state legislation that the very notion of it is incomprehensible, that any Arizona law maker would even propose such an idea. Mr. Insalaco stated our state representatives feel that they need to write a bill, any bill, regardless of how ludicrous it is, just to demonstrate to their constituents that they are worthy of their vote, adding this is a bill that will not work well for Arizonians. Mr. Insalaco stated there are several things that can be said about this new non-resident vehicle registration fee; first and foremost, if the current Department of Transportation Director should be authorized once again, to establish the dollar value of this new vehicle registration fee, which is a tax, it will not be "voluntary"; second, like the recent vehicle registration fee imposed on state residents, the final fee will once again be much larger than advertised; third and more significantly, such a fee will just give Benson's winter visitors another reason to go somewhere else, where the sun belt communities are more receptive to their winter visitors and have more to offer than Benson. Mr. Insalaco stated that Benson and Arizona are not the only southwest communities that have something to offer northern visitors during the winter months. The "Land of Enchantment" is right next door, offers the same warm winter months under blue skies and sunshine, with landscape, scenery, and cultural wealth that match or rival, anything that can be found here in Arizona, so Arizona should not give winter visitors another reason to go somewhere else, and drive fewer miles to New Mexico. Mr. Insalaco stated the annual economy and economic health of this community, is comprised of the short spurt of revenue streams generated by winter visitors, during their short stay here in Benson and as community leaders, the Council should take up the lead in voicing to the law makers in the state capital their opposition to this proposed legislation. Mr. Insalaco then stated action is required now, as killing this

bill before it is passed is critical, adding reversing its effects once the bill passed, will become more challenging. Mr. Insalaco then thanked the Council for listening.

Paul Lotsof, a non-resident and business owner of the Cave FM radio station in Benson stated his comments were directed at Mayor King, adding the Call to the Public has been moved from the start of the meeting to the final item on the agenda. Mr. Lotsof then stated this is nothing new, adding this was done in the late 1990's by Mayor Jim Crawford, who used the excuse that there were important people with tight schedules who appeared before the Council who shouldn't have to sit through to the Call to the Public. Mr. Lotsof stated Mr. Crawford's real intent was to discourage public participation at Council meetings and he didn't want to waste his time hearing from his constituents, so he wanted them to wait till the end of the meeting. Mr. Lotsof stated shortly after Mr. Crawford made the switch, he pointed out that the Call to the Public enabled interested citizens to bring facts and opinions to the Council before the Council acted on an item, which was made impossible when the Call to the Public was moved to the end after the agenda item has been acted on. Mr. Lotsof stated even Mr. Crawford recognized his mistake, so he created two Calls to the Public; one at the start of the meeting for items that were on the agenda and the other at the end of the meeting for items that were not on the agenda. Mr. Lotsof stated in 2003 the City appointed a new Mayor, George Scott and Mr. Scott's first action was to restore the Call to the Public to the beginning of the meeting where it belonged all along. Mr. Lotsof then stated in about 2001, the Mayor decided that the members of the press had to sit at a special table, adding he was asked to sit in the corner while the newspaper reporters could sit anywhere they pleased. Mr. Lotsof stated at the time there were ridiculous allegations that his microphone interfered with the public address system at City Hall, adding not a shred of evidence was presented on this claim, but the real issue was that he felt he needed to be put in his place literally and figuratively. Mr. Lotsof pointed out that the Mayor's directive wasn't equally enforced, it was clearly aimed at him and there were clear first amendment implications of freedom of the press and the protection the law requires under the 14th amendment. Mr. Lotsof then stated after conferring with the City Attorney. Mr. Lotsof was given the same rights as any other member of the public. Mr. Lotsof then stated he would like to point out that Arizona public meetings law specifically allows the members of the public to make recordings of the City Council meetings, adding he feels this means quality recordings and he cannot make quality recordings if he's forced to sit in the corner of the room when City Staff are on the other side of the room. Mr. Lotsof stated Mayor King's vindictiveness is little more than segregation, not unlike requiring black people to sit in the back of the bus. Mr. Lotsof continued stating he feels he is being punished for criticizing the Mayor and the City government. Mr. Lotsof stated his intention is to pursue his civil rights as a news reporter; then stated the City has plenty of open meeting law violations with the Attorney General's office and the City doesn't need more. Mr. Lotsof then thanked Council for their consideration.

**DEPARTMENT REPORTS:** None

**ADJOURNMENT:**

Councilmember Boyle moved to adjourn at 7:59 p.m. Seconded by Councilmember Dempster. Motion passed 5-0.

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Toney D. King, Sr., Mayor

ATTEST:

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Vicki L. Vivian, CMC, City Clerk