

**THE REGULAR MEETING  
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA  
HELD SEPTEMBER 23, 2013, AT 7:00 P.M.  
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**CALL TO ORDER:**

Mayor King called the meeting to order at 7:00 p.m. with the Pledge of the Allegiance. Mayor King then then introduced Steve Medeiros of the New Life Family Worship Center who gave the invocation.

**ROLL CALL:**

Present were: Mayor Toney D. King, Sr., Vice Mayor Al Sacco, Councilmembers Ron Brooks, Jeff Cook, Chris Moncada and Peter Wangsness.

**EMPLOYEE RECOGNITION:** None

**PROCLAMATION:** None

**PUBLIC HEARING:** None

**CALL TO THE PUBLIC:**

Virgil Mustain stated he was present to support the purchase of the golf cars. Mr. Mustain stated he was also representing the Benson Rotary Club, adding he is a co-chairman of the annual golf tournament the club holds just before Thanksgiving each year. Mr. Mustain then stated last year, the Rotary club was able to provide 200 turkeys to the Benson Food Bank through the tournament and with the addition of new golf cars, they hope to be able to provide 250, adding new cars will let them add more golfers to the tournament. Mr. Mustain then stated on the website, [www.golfnow.com](http://www.golfnow.com), the comments are mostly positive about the golf course, adding the negative comments have to do with dust on the cars path and the condition of golf cars, adding the staff is addressing the dust with recycled asphalt, but something needs to be done about the cars. Mr. Mustain then stated he had his own experience with the golf cars when he had to get out and push the car up the hill, adding he knows it has happened to others. Mr. Mustain then stated he knew the golf cars were coming in well under budget and supported their purchase, adding in the long run, they will bring back the money many times over.

J.T. Moffett stated for the past 2 weeks, the public has been inundated with more twisted propaganda and rhetoric, adding at the Call to the Public 2 weeks ago, we were subjected to outright slander against the Mayor; accusing him of passing along confidential information to Mr. Moffett. Mr. Moffett then stated as usual, there was never any proof or facts presented; just another attack against the Mayor in the old smear campaign from the usual suspects. Mr. Moffett then stated for the record, he didn't need any confidential information, adding the public records he requests are more than enough to prove any point he wishes to make. Mr. Moffett then stated it is getting very old listening to that rubbish and asked the Mayor to not tolerate any more of it, adding there is an obvious difference between an opinion and an accusation. Mr. Moffett stated the Mayor was accused of malfeasance without a shred of evidence and that is a violation of the Mayor's civil rights and it should be dealt with severely if anyone ever tries to pull that again in these chambers. Mr. Moffett then spoke about former Councilmember Brian Crafts and his resignation letter followed by a letter to the editor of the newspaper in support of his resignation. Mr. Moffett then stated in Mr. Crafts' letter, he blames everyone but himself for his inability to perform his duties on Council. Mr. Moffett then stated Mr. Crafts campaigned quite heavily on the platform of downsizing the government, defending the rights of the people and being a strong voice for the community and he never seemed to get around to any of that. Mr. Moffett stated Mr. Crafts, like Councilmember Wangsness, suddenly began to follow after a strange voice and adopted someone else's agenda, adding they actually tried to swear

themselves in on Council and then joined forces with a person suing the City of Benson for \$1 million in an attempted coup on the City Manager. Mr. Moffett then asked who advised Mr. Crafts and Councilmember Wangsness to do this. Mr. Moffett then stated Councilmember Wangsness' supporters criticized Mayor King's and Vice Mayor Sacco's choice of friends and asked which of Councilmember Wangsness' friends led him down that dark path. Mr. Moffett then stated if Councilmember Wangsness was going to belabor the public with a rebuttal, he would like his question answered. Mr. Moffett then stated since July 1, which was the legal swearing in of Council, Mr. Crafts had missed 6 meetings he was scheduled to be in attendance and in the 2 months he was on Council, he hardly uttered a word; choosing instead to simply vote yes or no, seeming to follow Councilmember Brooks. Mr. Moffett then stated in the supporting letter to the editor, it stated that it became clear to Mr. Crafts that he was fighting a losing battle, that the Council had become ineffective and there was a lack of strong leadership. Mr. Moffett then stated his first thought was to ask when Mr. Crafts fought for anything on Council, adding the most he ever said was, "I'll second the motion," in support of Councilmember Brooks. Mr. Moffett then stated the bottom line is it would appear that Mr. Crafts couldn't take the heat for not keeping his word to the people of Benson and could not fulfill his duties on Council because of his new job, as he lives and works too far from Benson to be present on Council. Mr. Moffett then stated the public has been subjected by Mr. Crafts, Councilmember Wangsness and their supporters to their personal agenda gone haywire, adding everything they have tried to do has blown up in their faces and they have failed. Mr. Moffett then stated they have to blame someone, so they choose to blame the Mayor, the Vice Mayor, the Council and of course, their favorite scapegoat, J.T. Moffett. Mr. Moffett then stated this campaign of Mr. Crafts, Councilmember Wangsness and their advisors to shed a bad light on the Mayor and Vice Mayor in order to undermine the Mayor is not working. Mr. Moffett then stated he would like to note some political facts, stating Mayor Toney King and Vice Mayor Al Sacco have been serving this community for decades in many ways, with Mayor King being on the Council for 12 consecutive years and Vice Mayor Sacco being on the Council for 10 consecutive years, adding they have been community leaders all these years. Mr. Moffett then stated Councilmember Wangsness comes along and has been on Council for less than 3 months, adding he won the election by only 5 votes and Mayor King won by 700 votes, and Councilmember Wangsness has done nothing to keep his promises to the people of Benson. Mr. Moffett then stated 2 months ago, he made a public records request for all of Councilmember Wangsness' emails to any public official and for 2 months, Councilmember Wangsness refused to submit to the law regarding his cooperation. Councilmember Wangsness stated he had submitted his emails, stating open meeting law allows him to interrupt Mr. Moffett to contradict information like that. Mayor King stated Councilmember Wangsness would be able to speak after Mr. Moffett, adding Mr. Moffett had the floor. Mr. Moffett then resumed his comments stating Councilmember Wangsness refused to submit to the law requiring his cooperation and finally, after Mr. Moffett had no alternative but to take Councilmember Wangsness to court, he began releasing his emails. Mr. Moffett then stated he found it very interesting and alarming that there was not a single email to or from Mr. Crafts or Councilmember Brooks included in those emails, adding that pretty much explains why it took Councilmember Wangsness 2 months to release the emails and he can only surmise that Councilmember Wangsness had to do some serious deleting before releasing them. Mr. Moffett then stated coming from Councilmember Wangsness, with all his spouting off about violations of the law and transparency in government, it reeks of hypocrisy. Mr. Moffett then stated in those emails is 2 months of quoting the law, legal threats and insinuations toward the Mayor, City Manager and the City Clerk and it has gotten Councilmember Wangsness nowhere, adding he has failed at each and every turn to accomplish a single thing since he has been on the Council. Mr. Moffett then stated how dare Councilmember Wangsness criticize the Mayor, when Mayor King has kept his campaign promises time and again, adding he was a pillar on Council as was Vice Mayor Sacco in the fight against the Chapter 7 codes. Mr. Moffett then stated Mayor King has defended the rights of employees and citizens and best of all, he's taken a lot of flack and criticism and hasn't resigned and blamed everyone else and in spite of all Councilmember Wangsness' efforts, Mayor King still has the confidence of the people of Benson, adding that is what is needed leading this Council and that is what we have. Mr. Moffett then stated contrary to what was written in the letter to the editor, being a leader isn't taking the Council by the hands and singing Kumbaya, adding Mayor King and Vice Mayor Sacco lead by voting according to the needs and the desires of the majority of their constituents, not 1 or 2 individuals with a personal score to settle. Mr. Moffett then stated it is funny how the accusations from the usual suspects is that he is the one with the agenda, yet no one has been able

to say just what his agenda is, adding the strategy is to point a finger at the other guy, so people won't see that it's really the person pointing who is doing the dirty deeds. Mr. Moffett then stated Councilmember Wangsness' supporters are the ones with the personal agenda. Mr. Moffett then stated his agenda is the same as the Mayor's; to support and protect the rights and lifestyles of the majority of this community. Mr. Moffett then suggested Councilmember Wangsness cease his fruitless game and smear campaign, start doing what he was elected to do and keep his campaign promises. Mr. Moffett then stated Mr. Crafts could not and if Councilmember Wangsness could not, he should follow suit and resign. Mr. Moffett then stated personally, he would prefer Councilmember Wangsness stay on the Council and do what he said, adding he liked what he heard from Councilmember Wangsness during his campaign and would support any effort Councilmember Wangsness makes in that direction.

Councilmember Wangsness stated he would be brief in his comments, stating he did not undermine the Mayor or the Vice Mayor, adding he didn't know where that was coming from. Councilmember Wangsness then stated he never accused Mr. Moffett of doing any of that and then verified with City Clerk Vicki Vivian that he had submitted at least 250 emails plus attachments, adding there is no time limit to respond to records requests and he did it as quickly as he could.

Lupe Diaz stated he was present on behalf of the Chamber of Commerce, stating one of the goals for the Chamber is to preserve and promote businesses in the area and also to partner with other organizations. Mr. Diaz then stated one of the most important things the Chamber has come to realize is that our community will not grow unless we begin to build unity and coherence between organizations and really strive to work together. Mr. Diaz then stated the Chamber has been watching the City work at really getting the businesses moving forward and they understand the permitting process ran very smoothly with the Tractor Supply Company, adding they reported the process went really well. Mr. Diaz then stated he wanted to thank Building Official Luis Garcia for the good job he is doing with that. Mr. Diaz then stated the Verizon store had similar reports, adding that is really important, especially in the environment that we're in right now. Mr. Diaz then stated it had been reported that 8 businesses have closed over past 12 months, but the number is more like 12 businesses have closed over the last 12 months and stated it is really important we all work together to try to see our community build up. Mr. Diaz then stated in preserving the economic community, we really need to strive to work together and put differences aside. Mr. Diaz then stated he knows the City is doing the best they can with shopping locally and really trying to buy from the businesses around us, but a couple of concerns were voiced to him and asked Council to encourage the staff members in the City to buy local, adding it helps the business community and even if the cost is a few pennies more, he thinks it is really important for the community.

Aaron Kramm stated there was approximately 7 people who came to the City Manager interviews, adding we need to spread information to friends, coworkers and others because having 7 people show up to the interviews almost isn't fair because the people of Benson aren't really knowing what they're getting. Mr. Kramm then stated he was really impressed with Mr. Howard, adding he liked his work ethics and he was very knowledgeable in many fields of business as well as ones that are suitable for Benson. Mr. Kramm then stated what was even better was his salary requirement of \$85,000, adding if Benson was willing to pay Mr. Pauken \$105,000 plus the pay package, that would mean there is \$15,000 left in the budget and some of that money could go toward a youth fund, adding between the \$9,000 from the Bluegrass fund, there is \$24,000 the Council could use. Mr. Kramm then asked if Benson wouldn't be more appealing for people with children to move here if they saw there are things to do and that the City cares. Mr. Kramm then spoke about the airport problems Mr. Thompson addressed at the last Council meeting, adding Interim City Manager Jim Cox assured the Mayor that repairs were already underway but they had been delayed with the City's engineering firm and that Public Works Director/Airport Manager Brad Hamilton could provide an update if necessary. Mr. Kramm then stated if Mr. Hamilton is present, he would like for Mr. Hamilton to give an update on the repairs and why it's taking so long, adding the issues should be addressed as many times as it takes until the problems get repaired. Mr. Kramm then stated he agrees with Councilmember Brooks that the airport is a great asset and it deserves more attention than it is presently receiving. Mr. Kramm then stated campaign promises need to be priority number 1 for all

Councilmembers, adding they need to keep their promises or he promises there will be recalls in the near future.

Will Jacobek stated he seldom comes to Council meetings, but he has been reading the press and listening to the radio, adding he probably weathered a lot of mud by staying away. Mr. Jacobek then stated he would like to read a quote about ethical behavior. The statement read "The priority is that all of us continue to zealously guard our company's reputation; we cannot be perfect, but we can try to be. As I've said in these memos for more than 25 years, we can afford to lose money, even a lot of money, but we can't afford to lose reputation, even a shred of reputation. We must continue to measure every act against not only what is legal, but what it is that we would be happy to have written about us on the front page of the newspaper and written by an unfriendly but intelligent reporter. Sometimes your associates will say everyone else is doing it; that rationale is almost always a bad one if it is the main justification. Any business decision that is justified by that manner is totally unacceptable as a moral decision. Whenever someone offers that phrase as a rationale, in effect they are saying that they can't come up with a good reason. If anyone gives this explanation, tell them to try using it with a reporter or a judge and see how far it gets them. Someone is doing something today at this company that you and I would be unhappy about if we knew of it. That's inevitable, we may now employ more than 250,000 people and the chance of that number getting through the day without any bad behavior occurring is nil. But we can have a huge effect in minimizing such activities by jumping on anything immediately when there is the slightest odor of impropriety. Your attitude on such matters expressed by behavior as well as words will be the most important factor in how the culture of your business develops. Culture more than rulebooks determines how an organization behaves." Mr. Jacobek stated the quote is from a gentleman speaking about his own business, adding the person is Warren Buffet, who, depending on the stock market, is the world's richest man. Mr. Jacobek stated Mr. Buffet got that way by following some of these ethics, adding we don't need to just follow the law, but need to keep an image above any possible incrimination of bad ethics. Mr. Jacobek then stated tonight he has seen all kinds of acrimony and divisive problems in the community, all kinds of rude personal attacks from the audience and all kinds of obvious problems amongst the Council, adding the Council has to get on the same page and realize that there are differences but they have to work them out within the quadrant of a dignified process. Mr. Jacobek then stated in the past, he gave the Council the Riggins Rules, which is how the City of Phoenix proposes to conduct business in their government, adding it is also rules they attempt to use at the County government and it would probably be a good idea to follow those rules here as well.

George Scott stated he was representing the Southeastern Arizona Economic Development Group, stating he would first like to thank Council and City staff for their attention to the new businesses that are opening here in Benson. Mr. Scott stated last week he had the opportunity to talk to the people from the Tractor Supply Company who will be opening their doors at the old Alco building on Ocotillo, adding they indicated they had a very good experience in dealing with Building Official Luis Garcia. Mr. Scott then stated there have been no delays as a result of Mr. Garcia's service, adding the plan review and permitting process went well and everything has been done in a very timely manner. Mr. Scott then stated he was told they plan on being open around November 23 and will employ between 12 and 17 people. Mr. Scott then stated again, they appreciate the way they've been treated by the City of Benson and by Mr. Garcia. Mr. Scott then stated he hadn't been involved with the Verizon store that is opening next to the Subway sandwich shop, but it seems there have been no issues with them either and thanked the City for making these businesses welcome in Benson, adding this is the kind of service the Benson community should give to all existing and potential new businesses. Mr. Scott then asked the Council to please encourage the City Manager and Staff to work with local businesses to improve service and the image of Benson so that other businesses will want to locate here in our community. Mr. Scott then stated one of the biggest economic engines in Benson right now is the golf course, adding it takes care of all the winter visitors and brings people in from outside the community and he would encourage the Council to please move forward with the lease-purchase of the golf cars.

Stephen Insalaco stated he is very excited about the idea of the Tractor Supply Store coming to Benson. Mr. Insalaco then stated as Council discusses the municipal budget concerns, he wished to address them

once again on the topic of AIP grant assurances; specifically the requirement to maintain a separate accounting of airport operating costs and revenue streams. Mr. Insalaco then stated of the many grant assurances for accepting a Federal Aviation Administration Airport Improvement Program (FAA AIP) grant award includes the idea that the sponsor of the receiving airport will keep a separate accounting ledger on the airport operating costs and revenue streams. Part of that grant assurance also includes the idea that revenue generated by the airport airside operations and made possible by FAA AIP capital improvement grant awards must remain within the accounting budget at the airport. Mr. Insalaco stated in essence, the General Fund should be separate from the Airport Fund and each accounted for by their own accounting ledgers, adding generally speaking, funds may move from the General Fund to the Airport Fund but not vice versa, with some exceptions. Mr. Insalaco then stated the City of Benson is doing their part in supporting the airport financially and he is certain that financial resources are being provided by the City to balance the required support for the current airport operating expenses, maintenance and repair of airside infrastructure and in providing the airport sponsor's portion of matching FAA AIP grant funds. Mr. Insalaco then stated the purpose of his remarks was to make sure City personnel are aware of the requirement to keep and maintain a separate airport accounting ledger, the requirement that revenue generated by the airport airside operations and other resources generated directly by AIP grant funds must stay within the airports operating budget and that by doing so, the FAA and the City of Benson can quantitatively measure the airport's progress toward self-reliance in terms of operating costs. Mr. Insalaco then stated he would also like to take this opportunity once again to express his gratitude and that of the airport-using community to the City of Benson for the continuing support of the Benson Municipal Airport. Mr. Insalaco then stated he would like to provide a simple status discussion he had with Public Works Director/Airport Manager Brad Hamilton about the airport. Mr. Insalaco then stated the mechanical drive on the rotating beacon is broken and the company who produced that equipment is out of business, so the City is faced with an obsolescence issue, adding he understands Mr. Hamilton is seeking FAA emergency funds to seek replacement of that rotating beacon, noting there will be some delay in that. Mr. Insalaco then stated with respect to the security gates, he understands contractors are looking at it, but have not isolated the problem and with respect to the AWOS; it was struck by lightning and replacement circuit cards are being sought to repair it. Mr. Insalaco then stated resurfacing the runway is an ADOT project, which has been funded and approved, but is waiting for the ADOT contractor to get back on schedule. Mr. Insalaco then stated with respect to Aviation Drive, the entrance to the airport, he understands that the roadway was groomed and was to be scheduled to be paved, adding the airport community is waiting patiently for that event to transpire.

Interim City Manager Jim Cox stated he would like to amplify what Mr. Insalaco had to say and wanted to assure him and those present that the City has always accounted for airport operations in a separate fund, adding Staff is very knowledgeable about the accounting rules.

Leisa Cotten stated she was representing the Senior Meals on Wheels program but she had 2 issues she would like to talk about. Ms. Cotten then stated people don't hear a lot of positive things and challenged the audience and anyone else in the community to share something positive at Council meetings. Ms. Cotten then stated about 2 months ago there was a concern about their freezers and the air conditioning system failing, adding she called Public Works Director Brad Hamilton and he and some City employees jumped up and came to their rescue, adding within 30 minutes, they showed up and everyone was scrambling to try and figure out what the situation was. Ms. Cotten then stated she would like City employee Al Carruthers to be recognized, adding he took it upon himself to move all the very large freezers and got up underneath them to clean and work on them, adding when he finished, he came in and explained exactly what needed to be done to prevent the problem in the future. Ms. Cotten then stated it wasn't Mr. Carruthers' job to do that and she thinks these kinds of things, people who go the extra mile and do some positive things in this community, need to be brought up, adding she is sure she is not the only one who has seen it. Ms. Cotten then spoke in support of the lease-purchase of the golf cars, stating they have a Senior Meals tournament each year with the last one being held at the San Pedro Golf Course, adding they raised approximately \$10,000, which was  $\frac{1}{4}$  of their fundraising goal of \$40,000. Ms. Cotten then stated she wanted to give Director of Golf Jay Tomerlin credit and thank him for arranging for 12 additional cars for the tournament, adding about 10 days before the tournament she was hearing that they were going to have

to turn away 24 golfers. Ms. Cotten then stated the cars should be purchased for the golfers and for the charity organizations that hold tournaments at the golf course, adding it is vitally important to their fundraising efforts. Ms. Cotten then stated this year they have to raise \$55,000 and she doesn't want to have to reach out to someone privately and ask them or the City to pay to rent cars to use for their tournament. Ms. Cotten then asked the Council to move forward with the lease-purchase of the golf cars for the sake of all the golfers in Benson and everywhere else that come and support the golf course and for all the charity tournaments who hope to have a full course of players.

Mayor Toney King stated he was speaking to clear the air on things he has been accused of, adding first of all, he has never given any information out to anyone that would do harm to the City. Mayor King then stated he believed those that are accusing him need to look in their own closets. Mayor King then stated he is the only Mayor in the history of Benson that has been overridden by Council. Mayor King then stated he has been with the City for 14 years, serving 2 years on the Planning & Zoning Commission and 12 years on Council, adding he has never once given anything out that would put the City in jeopardy. Mayor King then stated he was tired of the fighting and was asking the Council to start getting along, adding they have a lot of work to do. Mayor King then stated for 2 months the Council hasn't gotten anything done, adding they need to hire a City Manager, a City Attorney and need to get the Planning & Zoning codes fixed so what he is asking of the Council is to start focusing on what they need to do and stop worrying about all the little things. Mayor King stated he is asking the Council to agree to disagree, adding right now the Council is not helping the public or the City and all they are doing is fighting. Mayor King then stated again, he is asking the Council to focus on what they need to do instead of who is friends with whom, adding just because he is friends with someone doesn't mean he is doing what they tell him to do. Mayor King then stated he is not responsible for Brian Crafts leaving the City Council and he is tired of being accused of things he hasn't done. Mayor King stated in the last 18 months, he fell on the hardest times of his life with his illness, but he still made it to as many meetings as he could. Mayor King then stated, once again, that he was asking the Council to quit fighting, adding they need to learn to start getting along and get their jobs done.

**CITY MANAGER REPORT:**

Interim City Manager Jim Cox addressed Council, giving the dates of upcoming meetings and events.

- Tuesday, September 24, 2013 – Community Watershed Alliance, 6:30 p.m., City Hall
- Tuesday, October 1, 2013 – Planning & Zoning Commission, 7:00 p.m., Library
- Tuesday, October 8, 2013 – Library Advisory Board, 4:00 p.m., City Hall
- Monday, October 14, 2013 – City Council Worksession, 6:00 p.m., City Hall  
City Council Meeting, 7:00 p.m., City Hall
- Saturday, October 19, 2013 – Historic Preservation Commission, 9:00 a.m., City Hall
- Tuesday, October 22, 2013 – Community Watershed Alliance, 6:30 p.m., City Hall
- Monday, October 28, 2013 – City Council Worksession, 6:00 p.m., City Hall  
City Council Meeting, 7:00 p.m., City Hall
  
- Saturday and Sunday  
October 12 and October 13, 2013 – 28th Annual Butterfield Overland Stage Days. Events starting at 8:00 a.m. at the Benson Museum on Saturday, Parade at 9:00 a.m., and the Pony Express Mail Office opens at the Arena Bar at 10:00 a.m. Fireworks at 8:30 p.m. Saturday night at Lions Park. For schedules and information, go online to [www.cityofbenison.com/whattodotoday](http://www.cityofbenison.com/whattodotoday)
  
- Thursday, October 31, 2013 – Halloween Carnival at the Benson Fire Station, 375 E. 7th Street, Benson, sponsored by the Junior Women's Club. More details to follow.

Mr. Cox stated information for continuing projects on Interstate 10 could be found at [www.adot.gov](http://www.adot.gov). Councilmember Moncada then stated Butterfield Overland Stage Days would also consist of a 2-day rodeo at the Arena Bar.

## **NEW BUSINESS:**

### **1. Consent Agenda**

- 1a. Minutes of the August 26, 2013 Regular Meeting
- 1b. Minutes of the August 31, 2013 Special Meeting
- 1c. Minutes of the September 4, 2013 Special Meeting
- 1d. Invoices processed for the period from August 29, 2013 through September 11, 2013

Councilmember Moncada made a motion to approve the Consent Agenda. Seconded by Councilmember Brooks. Motion passed 6-0.

### **2. Authorization of expenditures to replace golf car fleet lease/purchase under approved budget CIP Project GC 14-01**

Interim City Manager Jim Cox stated the golf car fleet has gone beyond serving its purpose, noting the cars are 13 years old and the golf course has cars down every week so on any given day, they are down to 50-55 cars that operate which means the golf course has to turn away business. Mr. Cox then stated last year, this resulted in a lot of revenue being lost. Mr. Cox stated the current fleet would require about \$40,000 of maintenance during the next fiscal year and the annual cost of the lease/purchase agreement for new cars would be \$57,000, but noted the cost for the current fiscal year will only be \$37,952.00 and the current approved budget contains \$60,000 for this expenditure. Mr. Cox then stated he would like to give the Council an idea of the pure economics of the golf cars, adding the golf course is going to add a \$2.00 surcharge to green fees in order to pay for the cars, which will generate \$50,000 per year and he expects a bare minimum of 2,500 additional rounds of golf played in prime time, which will generate about \$75,000 of revenue. Mr. Cox then stated since the fleet will be new, the \$40,000 expenditure for repairs and maintenance will not be needed. Mr. Cox then stated the purchase of the golf cars will allow the golf course to complete the operating plan we have that will bring the course into profitability, adding it is already ahead of projections this year and is expected to finish this year very strong with new cars. Councilmember Moncada asked how many rounds are played per year with Director of Golf Operations Jay Tomerlin stating last year the course had 23,000 rounds, but he is projecting 25,000 rounds for this year. Councilmember Moncada asked about prime time rounds with Mr. Tomerlin stating in March there were 31 days for rounds and he had to block tee times and keep rounds from being played on 20 different days in March because he ran out of cars, adding it happened several more times during the year, even in the middle of the summer. Mr. Tomerlin then stated the lease/purchase was for 72 cars and he was able to also get a beverage car and a picker car. Councilmember Brooks asked about the life of the fleet with Mr. Tomerlin stating the cars should last about 8 years, adding he is hoping to start a fleet rotation program when the City completes the lease/purchase. Mr. Tomerlin stated after the agreement is completed, he expects to have no expense for one year and then in the following year, picking 10 cars to purchase and continuing a rotation of 10 cars every 2 years. Mr. Tomerlin then stated the retail price of the golf cars is \$9,500 and the State contract price is \$7,100, but he was able to negotiate the price down to \$3,500, adding it's a good time to buy right now, because not a lot of courses are purchasing cars right now. Mr. Tomerlin then stated the golf course increased rounds by 34% last year, noting some of that is due to some course closures, which he hates to see, but is also due to the course being in great shape, noting on [www.golfnow.com](http://www.golfnow.com) the golf course has a 4-star rating and a lot of positive reviews with the only negative reviews being about the cars. Councilmember Brooks asked if the new golf cars were in the budget with Mr. Tomerlin stating they were and not only was he able to come in under the budgeted amount, but he was able to get the beverage and picker cars that he didn't expect. Councilmember Cook asked about the net financial benefit of the golf cars, noting this gain would more than wipe out the deficit of the previous year's budget. Mr. Cox then stated the current budget for the golf course included the purchase of the golf

cars and it is anticipated that the golf course will breakeven. Councilmember Brooks then stated the golf course budget doesn't take into consideration the other possible revenues that come into the City because of the golf course. Mr. Cox then stated as Councilmember Brooks noted, there is a tremendous overall economic effect in addition to the actual sales tax the golf course collects which is approximately \$60,000, so the golf course is pushing breaking even on a dollar-for-dollar basis. Councilmember Brooks moved to approve the authorization of expenditures to replace golf car fleet lease/purchase under approved budget CIP Project GC 14-01. Seconded by Councilmember Moncada. Motion passed 6-0.

3. **Resolution 25-2013 of the Mayor and Council of the City of Benson, Arizona, amending the Fiscal Year 2013-2014 Budget**

Finance Director Megan Moreno stated this resolution is the result of Council directing Staff to reduce the General Fund contingency fund by \$21,000 to account for the reduction in anticipated property tax revenues. Councilmember Brooks asked if the State required the City to have a certain amount in the contingency fund or if the City just uses its own figures with Ms. Moreno stating the contingency fund is based on the City's cash reserves. Councilmember Moncada moved to approve Resolution 25-2013. Seconded by Vice Mayor Sacco. Motion passed 6-0.

4. **Ordinance 565 of the Mayor and Council of the City of Benson, providing for compliance with A.R.S. §16-204 as amended by the Arizona State Legislature in 2012**

City Clerk Vicki Vivian stated due to the review of recently passed State legislation regarding consolidated elections and Councilmembers' terms being presented to Council at a worksession on August 12, 2013, Council directed Staff to schedule a Public Hearing on September 9, 2013 at 6:00 p.m. to solicit comments from the public regarding Councilmembers' term lengths. At the public hearing, Council consensus was to consider shortening the current Council terms by approximately 6 months and Council directed Staff to prepare the necessary documents to do so and present it for action on September 23, 2013. Councilmember Wangness asked if the ordinance had legal review with Ms. Vivian stating the prepared ordinance was reviewed by the City Attorney, adding when Staff brings an item to Council, any required legal review is done prior to presenting the item to Council. Councilmember Brooks asked about the next election with Ms. Vivian stating if the ordinance is approved, the next election cycle will be in the fall of 2014 and Council will have a resolution before them calling the election at least 90 days before the election. Councilmember Moncada moved to approve Ordinance 565. Seconded by Councilmember Brooks. Councilmember Cook spoke about the cost of an election, stating with an election being held in conjunction with regular County, State and Federal elections, the cost should be lower with Ms. Vivian stating the cost would depend on the Intergovernmental Agreement (IGA) with the County for their election services, adding in theory, the costs should be lower since all entities will share an election board, location and other expenses, but noted the administration fee, which assists the County with their costs and equipment, is unknown at this time. Ms. Vivian then stated the IGA will also be brought to Council for action several months before the election is to be held. Motion then passed 6-0.

5. **Review of City Finances with emphasis on June, 2013 financial results, the City's financial position at June 30, 2013 and discussion of expected future net revenue streams**

Interim City Manager Jim Cox asked to go to the next item and come back to this item.

6. **Discussion and possible Council action regarding the installation of video equipment in City Council Chambers in order to record Council and other committee meetings**

Councilmember Brooks stated this project has been in the budget for 2 years and he thinks it's a good time to move forward with it. Councilmember Brooks then stated he thinks this will get more public input from the community, adding a lot of people would like to be here but just can't make the meetings and this would be a way to bring these meetings into their homes. Councilmember Brooks then stated he would like to see it done both with Cox Communications and the internet. Councilmember Brooks then stated he

thinks it can be done very inexpensively, adding he would like to get the most versatile system they can without spending a fortune. Councilmember Brooks then stated there are also Boards and Commissions meetings people would like to attend and those could be provided as well, adding someone from IT can come in the week after the meetings and upload them to the internet. Councilmember Brooks then stated he spoke to the City of Sierra Vista and their system is quite expensive and includes someone coming in to run the equipment, adding they have the tax base for it, but Benson doesn't. Councilmember Brooks then stated he would at least like to look at the possibility of some sort of automated system like C-Span does, where it can be turned on and left to record the meeting. Councilmember Brooks then stated he would like to have an RFP put out to see what kind of expenses it would require. Councilmember Moncada stated he felt this was something that could wait, especially in light of the financial news the Council was about to get. Councilmember Cook spoke stating he wasn't totally opposed to the idea if it was certain that the recording was not editable, adding he knows some people who edit audio recordings so the recording will mean whatever they want it to, and then use it to create problems, mischief and misinformation. Councilmember Brooks then stated the City of Tucson or Sierra Vista wouldn't do it if they thought people were going to abuse the feeds and he really wasn't too concerned about something like that, adding people are going to say what they want regardless. Councilmember Brooks then stated he thinks there is a value in bringing these meetings into people's homes to let them see what their government is doing and making them want to come to the Council meetings and be a part of what is going on. Councilmember Brooks then stated a lot of times the Council doesn't know what the public wants, adding he would like to have them come to the meetings to tell the Council what they want and this may be a way to facilitate that. Councilmember Brooks then stated he would like to at least entertain putting out an RFP to see what the expense would be, adding it doesn't mean it has to be done, but he would like to know what the Council would be looking at. Councilmember Wangsness stated he would agree with putting out an RFP, adding meetings could be posted to youtube or something like that and people would always have access to them. Councilmember Cook stated if it is determined that the video isn't downloadable and if it cannot be edited, then he would not be opposed to it, but he is worried, adding he does know people who edit things to their own advantage and to other people's disadvantage. Councilmember Brooks then moved to direct Staff to put out an RFP for some services to get recommendations of what the Council would need. Interim City Manager Jim Cox stated he was a little confused as to how to put together an RFP for this, because there are certain parameters that Councilmembers Cook and Brooks have expressed they would like to see, adding if Council could get together and give Staff a wish list of what they would like to see, he will investigate what kind of capability the system has to have in order to accomplish their needs and can then put out an RFP, noting right now, he wouldn't know where to start. Councilmember Brooks then stated he would like to direct Staff to advertise for video recording companies to respond and make suggestions on recording systems so the Council could then determine what they would need. Mr. Cox then stated Staff had done a solicitation to try and get a feel for how this might come together, using the company who provided the new audio system, adding the quote was approximately \$10,000, but Council has brought up some great points tonight and he doesn't know if the quoted system accomplishes what Council wants it to accomplish. Mr. Cox then stated any feedback Staff can get regarding what Council wants, he can pass that along and begin to formulate what might make some sense to put into an RFP. Councilmember Brooks asked if it was possible to have a worksession with 1 or 2 companies coming in so Council could ask questions and get recommendations with Mr. Cox stating it would make sense so everyone could be educated a little further, then Staff could investigate the situation and report back to Council. Councilmember Wangsness suggested talking to a couple of cities who have their meetings recorded to see what they have done and what they would do differently. Councilmember Brooks then amended his motion to direct Staff to investigate having a video recording service come to a Council worksession and make recommendations on recording systems. Vice Mayor Sacco stated he would like to add to the motion to get some public input since the entire system is for the public's use and then seconded the motion. Motion passed 6-0.

5. **Review of City Finances with emphasis on June, 2013 financial results, the City's financial position at June 30, 2013 and discussion of expected future net revenue streams**

Finance Director Megan Moreno stated before beginning her presentation, she wanted to make Council and the public aware that they can now pay their utility bills online. Ms. Moreno stated this can be done by using the City's website and looking for the X-press Bill Pay link or by going directly to the X-press Bill Pay website. Ms. Moreno then stated not only can people make their payments online, but they can also sign up for paperless statements and automatic payments.

Finance Director Megan Moreno then addressed Council with the financial highlights for the month of June, which is also the end of Fiscal 2012-2013. Ms. Moreno stated the City's unrestricted cash balance remains at \$1.5 million, noting July 1 is when the bond payment leaves the bank account so the unrestricted cash balance will decline in the next report. Ms. Moreno then stated bond proceeds as of June decreased to \$1.2 million, adding we have now made the 4th bond draw requesting reimbursement for various projects done throughout the City. Ms. Moreno then stated projects that have been completed using bond funding include the installation of the Union Park playground, upgrades to Lions Park fields, benches and ramadas, a new roof at the library and various pavement projects around the City, as well as continuing electronic meter upgrades for water and gas utilities. Ms. Moreno then stated citywide for the month of June, the fund balance was down \$101,000 but the year-to-date amount for Fiscal Year 2012-2013 is the most discouraging, which is down \$841,000. Ms. Moreno then stated a negative fund balance means the City spent more than it took in in revenue and when that happens, we have to dip into the cash reserves. Ms. Moreno then stated luckily the City was able to build up cash reserves during boom years, which we have been able to use during the recession years, but if we continue the trend of consistently dipping into the cash reserves, we will run out of reserves. Ms. Moreno then stated she is coming to Council today saying that the City needs to be proactive and basically stop the bleeding. Councilmember Brooks asked if the lack of revenues was partly due to a lack of grants with Ms. Moreno stating that was not the case, noting grant revenue was up this year over last year by \$65,000, adding there was also an increase of golf revenue of \$167,000 the City didn't have last year. Ms. Moreno then stated the overall decrease in revenues compared to June, 2012 was \$168,000, which includes a decrease in construction sales tax of \$105,000 from the prior year, a decrease in the utility funds revenues of \$109,000 and a \$63,000 decrease in impacts fees. Ms. Moreno then stated not only did the City experience a decrease in overall revenue, but personnel costs increased \$189,000 over the prior year, which can be attributed to a 3% COLA which was granted to all employees effective July 1, 2012. Ms. Moreno then stated another personnel increase of approximately \$100,000 was recently approved by Council for the Police Department in the current fiscal year.

Ms. Moreno then reviewed the General Fund, stating General Fund revenues are also down, but surprisingly enough, City sales tax was up \$101,000 and the City also saw State revenue sharing up \$91,000 and State sales tax collections up \$17,000. Ms. Moreno then stated in some areas there were decreases such as building permits and property tax, while General Fund personnel costs increased \$145,000 from the prior year, again attributing it to the COLA approved by Council, resulting in the fund balance in the General Fund alone being down \$539,000 from the previous fiscal year. Ms. Moreno then stated one of the major expenditures coming from the General Fund every year is the debt service payment in the amount of \$400,000, which is for the bond issue done in 2010.

Ms. Moreno then reviewed the Enterprise Funds stating the only enterprise fund set to actually cover its expenses this year was the Water Fund, adding every other fund lost money, which means either the Water Fund is going to have to subsidize the others or the General Fund will have to subsidize them. Ms. Moreno then stated the Gas Fund was down \$33,000, adding revenues were down and expenses were up, attributing it to higher gas prices, noting gas purchases were up \$55,000. Ms. Moreno then stated the Water Fund was operating well, attributing it to the installation of electronic meters, adding the City continues that process of upgrading the meters and needs to continue because the more electronic meters we implement, the more revenue we see produced. Ms. Moreno then stated the Wastewater Fund is down \$15,000 for the year, but the major component here is that the City was responsible for paying \$70,000 in Whetstone Wastewater hauling fees that weren't reimbursed. Ms. Moreno then stated sanitation also lost money, noting it is down \$25,000 year-to-date, which is consistent with where it was last year. Ms. Moreno then stated the City charges \$16.61 for twice-a-week pickup, which is very cheap, adding anyone who lives in the County or in another city nearby probably pays more for weekly pickup.

Ms. Moreno then stated the golf course did lose money this year, being down \$29,000 year-to-date and the food and beverage side of the golf course was down \$58,000 year-to-date, but with the contributions from Mr. Hartley, they were able to purchase mowers and seed that were needed at yearend. Ms. Moreno then stated even though the golf course did lose money, revenues increased by \$167,000, which is 117% of the budgeted numbers, adding we are seeing a lot of growth and improvement at the course and while it is not quite at the breakeven point, it is making huge strides. Ms. Moreno then stated the food and beverage side was able to control food costs toward the end of the year, adding personnel costs hurt them the most. Councilmember Brooks asked if the City ever put out an RFP to lease the restaurant portion of the golf course with Interim City Manager Jim Cox stating a formal RFP has not been done, but Staff continues to talk to people he thinks might be likely candidates. Mr. Cox then stated it would probably make sense to go out with an RFP, adding the restaurant operation has reduced their hours and dramatically simplified the menu and he believes it made money in the month of August. Councilmember Brooks stated it sounds like Staff is doing a good job to minimize the loss, with Mr. Cox stating they are trying to cut costs dramatically, but it still would be nice to not have the City in the food and beverage business. Councilmember Brooks asked to put the RFP up for a Council discussion in the future.

Ms. Moreno then moved to sales tax, stating the City retail sales tax ended the year with \$237,000 for the month of June and \$6.5 million year-to-date, adding we hit the budgeted number and a strong showing in May helped achieve that. Ms. Moreno then stated bed tax also had an unusual month that helped end the year with \$78,000 vs. \$52,000 for the previous fiscal year. Ms. Moreno then stated construction sales tax has seen a huge decrease over the prior year, adding the construction sales tax funds capital projects, so when it is high, more projects can be accomplished, but when it is down, projects are put on the back burner. Ms. Moreno then stated the City's total sales tax collections were slightly up from \$2.98 million last year, adding the State retail sales tax collections are following a trend nicely with another slight increase which should continue this fiscal year. Ms. Moreno then stated she gave the Council a report with the recommendation to stop spending now and for the City Manager and Finance Director to meet with all Department Heads to examine what expenses are mission critical, adding Department Heads know what they need and what they can go 6 months without. Ms. Moreno then stated this will allow Staff to take that first step to tighten our belts on expenditures and then in a couple of months, we can reevaluate and see if other steps need to be taken.

Councilmember Moncada asked if the results of those meetings could be presented to Council at the October 14 Council meeting with Ms. Moreno stating she thought it would be possible. Mayor King stated he would like to attend those meetings so he can be more involved in the finances and know what we will do to stop spending as fast as we can. Mr. Cox stated he would like to schedule the meeting for Monday morning, adding he has already had informal discussions over the past few weeks in preparation of what we knew was coming, and we are now at a point where we can ask Department Heads to put pencils to paper and gather it all together for the meeting on Monday morning with Mayor King stating he would be available then. Councilmember Moncada then stated it is very important that Department Heads look at this very seriously since they know their departments far better than the Council does and it would be beneficial for Department Heads to make suggestions rather than having the Council make these decisions entirely on their own. Councilmember Brooks stated he tries to look at these things as a household, adding he knows times are tough and prices go up, so people have to start clipping coupons, but the first thing to come to his mind is that he needs a better paying job because he can only cut so many coupons. Councilmember Brooks then asked Ms. Moreno what her suggestion is for the City to start bringing in more revenue. Ms. Moreno stated one suggestion would have been to leave the budget-approved property tax rate in place. Ms. Moreno then stated while we are waiting for the economy to pick back up, she has been looking at expenses that may be reduced, adding she is investigating a rebate program offered through our local bank and while she doesn't know how much savings it will amount to, she feels that we have to look at all the expenses to see if there is a way to reduce them. Ms. Moreno then stated one thing Council will have to talk about is rate increases for our utilities, adding they need to be self-sufficient and while she knows that is not a popular thing to say, if we continue to have to subsidize every enterprise fund from the General Fund, we're not running a business like we should. Councilmember Brooks then stated he had

spoken to George Scott of the Southeastern Arizona Economic Development Group about trying to capitalize on RVers, since they are the City's big moneymaker, and Mr. Scott is thinking of putting together some kind of a festival for them to try and pack our town with them. Councilmember Brooks then stated these are things the City should be thinking about, because we can only cut so far. Councilmember Moncada stated another important element, mentioned in the Call to the Public, is a good relationship with businesses that want to come to Benson, citing the Tractor Supply Company and Verizon, adding the City needs to continue to encourage businesses to come to Benson and to stay in Benson, which will help the City move forward.

7. **Discussion and Possible action regarding the City Manager Candidates**

Mayor King stated he asked for this to be put on the agenda to see if the Council can move forward with hiring a candidate. Councilmember Moncada stated he liked 2 of the 3 candidates they interviewed. Vice Mayor Sacco stated he thinks Mr. Howard is well-qualified to do an excellent job. Councilmember Cook stated he feels a lot more goes into someone doing their job besides qualifications, such as their education, skills, background and whether they have done something very similar in another city. Councilmember Cook then stated Mr. Holsinger last worked in a city that had a \$3 million dollar budget, whereas our budget is approximately \$20 million, adding Mr. Holsinger's last city also did not have a golf course, airport, library or fire department and while the Council may make assertions about Mr. Holsinger's qualifications, he sees no background, experience or skills. Councilmember Cook then stated Mr. Gunty has been out of work for just over 4 years and the last place he worked, he submitted a \$22,000 moving expense bill, adding it frightens him that Mr. Gunty would do that to a city he is moving to. Councilmember Cook then stated Mr. Howard has been out of work for about 18 months and his last job was in a stagnant community, without all of the departments we have, without a budget similar to ours and without growth or the potential for growth. Councilmember Cook then stated he would only speak on those 3 candidates and everyone should have a good idea of where he stands on the 4 people they interviewed. Vice Mayor Sacco asked why it was so important for a City Manager to have a job when he applies for a new position, adding there's a lot of cities that have City Managers that were out of work and it's the same with Councilmembers, noting Councilmember Cook was unemployed before he became a Councilmember and it should have no relevance whatsoever. Councilmember Cook replied, stating the position of a City Manager is not like someone who works at Circle K and gets food stamps and rental and utility assistance; a City Manager is someone who supposedly has a great deal of responsibility and they need to stay current in their skills, adding they need to develop their potential and themselves above the stagnant community they're in in order to make themselves hireable by someone else. Councilmember Cook then stated when he sees someone who has been out of work for 1 ½ or 4 years, he doesn't see that they would be the kind of person the Council would want for Benson. Mayor King then stated he has been looking at all 3 candidates and he likes Mr. Howard the most, adding he feels Mr. Howard would get the work done, is very eager to become part of Benson and he would be a great fit for Benson. Vice Mayor Sacco stated Mr. Howard strikes him as the type of guy who's going to roll up his shirt sleeves and go to work the same day he reports for duty. Vice Mayor Sacco then stated he believes in equal opportunity and Mr. Howard not working for a couple years should not disqualify him. Councilmember Moncada stated 4 years seems like a lot of time to him, noting Mr. Gunty did have a pretty decent reason for being unemployed, adding Mr. Gunty's wife went back to work and he helped with his family, but he does see what Councilmember Cook is saying. Councilmember Moncada then stated in 4 years of not being in City management, a candidate could lose a lot in keeping up-to-date, but he didn't know how much could be lost in 18 months. Vice Mayor Sacco stated being unemployed should not be a reason to disqualify a candidate, adding if the candidate had sufficient experience, the Council needs to give him a shot, adding otherwise, they're not going to get anyone. Councilmember Cook then stated of his objections to Mr. Howard, being out of work for 18 months is minor, adding his major objection is that Mr. Howard comes from a stagnant community that doesn't have a golf course, an airport, the utilities we have or the number of employees, adding Mr. Howard doesn't have the skills and the experience we need. Vice Mayor Sacco interrupted Councilmember Cook stating he disagrees and Mr. Howard coming from a stagnant community does not disqualify him, adding Mr. Howard has the skills and if he has the skills and experience, he should be considered. Councilmember Cook stated if Mr. Howard hasn't worked for a community that has the

elements Benson has, then he does not have the skills, adding Mr. Howard is coming from a place that does not compare to Benson. Councilmember Moncada then stated it will be hard to find a candidate from a community that offers all the services Benson does, especially for what the Council is willing to pay, adding Benson is unique for a city of our size. Councilmember Wangsness stated he would be fairly happy with either Mr. Howard or Mr. Gunty, adding he thought Mr. Gunty did a little better in the interview with his answers being more direct, but noted he rated them both pretty high. Councilmember Wangsness stated he agreed with Councilmember Moncada that Mr. Gunty had a good reason for his unemployment, adding Mr. Gunty basically retired with 2 pensions and took his family back to the mid-west to have them all go to one school until they got out of high school and now he is back on the job market. Councilmember Wangsness then stated the last 2 towns Mr. Gunty worked in had a lot of tourism in them and he thought that would be beneficial to Benson. Councilmember Wangsness then stated Mr. Howard did oversee a million dollar visitor center and the Council doesn't know why he hasn't had a job for the last 1 ½ years, adding maybe Mr. Howard is just picky, but again, he would be happy with either Mr. Howard or Mr. Gunty. Councilmember Brooks stated although he wasn't able to see Mr. Howard's entire interview, he did remember Mr. Howard from the earlier interview and he was pretty impressed with him, adding Mr. Howard was very sure about his answers, unlike some of the other candidates. Councilmember Brooks then stated Mr. Howard didn't seem to be reaching for the correct answer just to make the Council think he was the person for the job, so he knows that Mr. Howard knows what he's doing and like Mayor King said, Mr. Howard seems like the right fit for Benson, as well as being in the payrange the Council is looking at. Councilmember Brooks then stated as far as the comments about the golf course and airport, personally, he wouldn't even mess with Mr. Tomerlin, adding Mr. Tomerlin is doing a great job at the golf course, so the Council didn't need to worry about that. Councilmember Brooks then stated he was pretty impressed with Mr. Howard and if he had to choose, Mr. Howard would be his choice. Councilmember Moncada then moved to enter into contract negotiations with Don Howard. Seconded by Vice Mayor Sacco. Motion passed 5-1 with Councilmember Cook voting nay.

**DEPARTMENT REPORTS:** None

**ADJOURNMENT:**

Councilmember Brooks moved to adjourn at 8:44 p.m. Seconded by Councilmember Moncada. Motion passed 6-0.

ATTEST:

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Toney D. King, Sr., Mayor

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Vicki L. Vivian, CMC, City Clerk