

Upon notice duly given under Arizona Revised Statutes, Section 38-431, et seq., as amended, the City Council of the City of Bullhead City held a Special Meeting on March 21, 2017, in the Council Chambers, 1255 Marina Blvd., Bullhead City, Arizona.

CALL TO ORDER

Mayor Brady called the special meeting to order at 4:00 p.m.

ROLL CALL

Council Present

Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann

Council Absent

None

Staff Present:

CITY MANAGER: Toby Cotter

CITY ATTORNEY: Garnet Emery

CITY CLERK: Susan Stein

FINANCE DIRECTOR: Rudy Vera

PUBLIC WORKS DIRECTOR: Pawan Agrawal

REVENUE MANAGER: Loretta Kearns

DISCUSSION ITEM

1. Discussion regarding the Bullhead City Wastewater Fee Structure.

City Manager Cotter said staff would make a presentation to the Council on the city's wastewater fund.

Public Works Director Agrawal presented a five-year look at the wastewater capital improvement projects. He said there was approximately \$2 million budgeted for this fiscal year's capital improvement projects and \$2 million in the following fiscal year; \$1,650,000 in the third year; \$1,050,000 in the fourth year; and \$750,000 in the fifth year. He said the next three years' estimates were more reliable, but said it was difficult to project what would be needed in years four and five or beyond. He said most utilities like to have at least 15 percent of their cash in reserve, or \$1.5 million for Bullhead City. He said this was the last year the city would have that amount in reserve.

Public Works Director Agrawal stated funding options including borrowing, deferring maintenance, a rate increase, or a combination of the above. He said the current wastewater rate was lower than the 1994 rate of \$32.00. He said after a rate study was conducted in 2003, the amount was decreased to \$31.00. He said this saved the city's rate payers approximately \$7 million over the years. He said capacity fees had been placed on a moratorium resulting in \$4,080 savings per home. He said capacity fees of \$25 million were waived on properties in the Sewer Improvement District areas. He said for approximately 14 and one-half years, the residential monthly rate had been \$31.00. He said discounts could also be applied to that rate. He said a 50 cent per month discount for the Automated Clearing House (ACH) deduction was approved in 2001. He said in 2008, the ACH discount rate increased to \$1 per month and the e-bill discount rate of 50 cents per month was added. He said early pay discounts were added in 2009. He provided the 2014-2015 wastewater rates survey for Mohave County. He said Bullhead City's rate was \$31.00; Sunrise

Vistas Utilities \$35.31; Colorado City \$55.20; Epcor-Mohave \$55.55; Kingman \$70.25; and Lake Havasu City \$73.16. He said Epcor's rate was expected to increase to \$77.00 in September 2017. He said this showed that Bullhead City was extremely competitive.

Public Works Director Agrawal said they looked at the scenario if the rate was restored to \$33.50. He said by 2021, they would reach the reserve levels.

Council Member Clark said the Fort Mojave Indian Tribe was not represented in the study, and said it charged a current utility rate of more than \$40 per month. He said even with an increase, Bullhead City's rate would be reasonable.

Mayor Brady confirmed that after the end of the current fiscal year, the cash flow would not meet the reserve needs. He confirmed the current rate of \$31 per month was lower than the 1994 rate.

City Manager Cotter stated one of their options was to borrow more money, but said eventually this would catch up to them and add more debt. He said that capital improvement projects were needed, and said they should not be deferring maintenance. He said it would be nice to get to a point when there was positive cash flow and be able to pay cash. He said they would discuss borrowing, deferring maintenance, going back to the \$33.50 rate, conducting a study in-house or hiring a consulting firm, and possibly eliminating the discounts.

Council Member Clark asked if there were any wastewater projects or maintenance work that had to be deferred. Public Works Director Agrawal said up to the current fiscal year, they were able to fund every project; but said they would have to begin deferring maintenance in the next fiscal year. Council Member Clark said the city had maintained the same rate for many years, and said the staff had done a great job in keeping the facilities in shape. He said it was a small increase that would allow the wastewater system get back on its feet. He said they needed to keep the system in good operating condition in order to avoid any leaks into the river.

Vice Mayor D'Amico asked when the city could sell the injected water. Public Works Director Agrawal stated his best estimate at this point would be approximately four years from June of 2017.

Mayor Brady said he was not interested in incurring more debt and would like to be able to pay cash. He confirmed that staff was recommending to raise the rate back to the same rate from 2003 of \$33.50 per month.

Council Members Bruck and Wegmann stated they agreed with Council Member Clark.

City Manager Cotter stated the city must follow the statutory process which would take time and include public hearings for citizen engagement. He said the discount rates cost the city approximately \$65,571 annually. He said many years ago, there was rational decision making behind offering the discounts; but said thinking ahead in 2017, businesses operated differently.

City Manager Cotter said they would need to decide on either hiring an outside consulting firm to conduct a study or perform the study in-house. He said they anticipated a consulting firm would recommend charging a higher amount than \$33.50; and cost approximately \$30,000 to \$35,000. Council Member Ring and Vice Mayor D'Amico said they were in favor of performing the study internally.

EXECUTIVE SESSION

MOTION: Council Member Clark made a motion to adjourn the special meeting and convene into executive session at 4:22 p.m. Council Member Ring seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

2. Discussion or consultation with the attorney of the public body for legal advice and consultation with city staff pursuant to A.R.S. § 431.03(A)(3)&(7), in the matter of a pending development and acquisition of right-of-way necessary for the new Colorado River bridge in the general vicinity of Highway 95 and the Bullhead Parkway.

MOTION: Council Member Bruck made a motion to adjourn from executive session and the special meeting at 5:14 p.m. Council Member Wegmann seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Shutts, Ring, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

ADJOURNMENT

Mayor Brady declared the special meeting adjourned at 5:14 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct record of the special meeting of the City Council of the City of Bullhead City held on the 21st day of March 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4th day of April 2017.

Susan Stein
for Susan Stein, MMC, CPM
City Clerk

Upon notice duly given under Arizona Revised Statutes, Section 38-431, et seq., as amended, the City Council of the City of Bullhead City held a regularly scheduled meeting on Tuesday, March 21, 2017, in the City Council Chambers, 1255 Marina Boulevard, Bullhead City, Arizona.

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Brady called the meeting to order at 5:30 p.m. Council Member Ring delivered the invocation. Mayor Brady led the assembly in the Pledge of Allegiance to the Flag.

ROLL CALL

Council Present

Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann

Council Absent

None

Staff Present:

CITY MANAGER: Toby Cotter

CITY ATTORNEY: Garnet Emery

CITY CLERK: Susan Stein

POLICE CHIEF: Brian Williamson

FINANCE DIRECTOR: Rudy Vera

PUBLIC WORKS DIRECTOR: Pawan Agrawal

HUMAN SERVICES/TRANSIT DIRECTOR: Susan Betts

PRESENTATIONS AND PROCLAMATIONS

None

OPEN CALL TO THE PUBLIC

Mayor Brady opened the call to the public.

Lori Fonzi invited the public to attend the Colorado River Women's Council Western Auction fundraising event on May 13th.

Susana Van Sloten encouraged the public to purchase Honey Baked Hams for Easter to help raise funds for the Soroptimists of Bullhead City/Laughlin.

Julie Hassett invited the public to attend the Colorado River Concert Association's last performance of the season on March 30th.

Keith Servillas of the U. S. Coast Guard Auxiliary said there was a flotilla in Bullhead City. He said the Auxiliary was the uniformed volunteer component of the U. S. Coast Guard. He said the Auxiliary directly supported the Coast Guard in all missions, except military and law enforcement action. He urged members of the public to consider joining the Auxiliary as a volunteer.

Having no one else present wishing to speak, Mayor Brady closed the call to the public.

AGENDA MODIFICATIONS

None

WAIVER MOTION

MOTION: Vice Mayor D'Amico made a motion to waive the reading in full of all ordinances and resolutions presented for adoption at this meeting. Council Member Wegmann seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

MANAGER'S REPORT

1. Report on Amnesty Day

City Magistrate Psareas stated the Municipal Court's first Amnesty Day was held on February 24th. He said the program was a success and better than they had hoped. He said they did not arrest anyone, and information about the program was shared through social media. He thanked Court Administrator Solano for her work on the program.

2. DOT Foods Ground Breaking

City Manager Cotter said the official ground breaking would be held on April 5th at 3:00 p.m., and said Governor Ducey would be in attendance. He said the ground had already been broken and work had begun on the project.

3. Gold Rush Road Connector Project

City Manager Cotter stated a ceremony was held on March 16th to commemorate the completion of the connector road from North Oatman Road to Silver Creek Road.

4. Street Maintenance Program

Public Works Director Agrawal stated staff had installed 490,000 square yards of slurry seal and micro surfacing. He said a contractor completed another 80,000 square yard project. He said this was approximately 12 to 13 percent of the city's paved streets this fiscal year, not including Bullhead Parkway. He said the maintenance work was on schedule for the year.

MAYOR AND COUNCIL MEMBERS' REPORTS ON CURRENT EVENTS

Mayor Brady invited the public to attend a ribbon cutting for the second phase of the Splash Park located at Ken Fovargue Park on March 31st.

ITEMS WITHDRAWN FROM CONSENT AGENDA

None

CONSENT AGENDA

MOTION: Council Member Clark made a motion that Item No. 1 on the consent agenda be approved in accordance with the reports, certifications and recommendations furnished each Council Member and without further discussion. Council Member Bruck seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

Items on the consent agenda were approved as follows:

1. Approval of the Minutes of the Special Council Meeting held on March 7, 2017; and the Minutes of the Regular Council Meeting held on March 7, 2017. (City Clerk Stein)

PUBLIC HEARINGS ON ITEMS PULLED FROM CONSENT AGENDA

None

BOARD/COMMISSION/COMMITTEE APPOINTMENTS

None

PUBLIC HEARINGS ON LIQUOR LICENSE APPLICATIONS

2. **PUBLIC HEARING.** Discussion and possible action to make a recommendation to the Arizona Department of Liquor Licenses and Control to approve the Special Event Liquor License Application submitted by Louise Zaborsky on behalf of the Colorado River Women's Council for the Western Auction to be held on Saturday, May 13, 2017, at the Bullhead Area Chamber of Commerce located at 1251 Highway 95 in Bullhead City. (City Clerk Stein)

City Manager Cotter stated staff reviewed the application and had no concerns.

Mayor Brady opened the public hearing. Having no one present wishing to speak, Mayor Brady closed the public hearing.

MOTION: Council Member Wegmann made a motion to make a recommendation to the Arizona Department of Liquor Licenses and Control to approve the Special Event Liquor License Application submitted by Louise Zaborsky on behalf of the Colorado River Women's Council for the Western Auction to be held on Saturday, May 13, 2017, at the Bullhead Area Chamber of Commerce located at 1251 Highway 95 in Bullhead City. Council Member Ring seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

ACTION ITEMS

Building, Planning and Zoning Items

None

Bid Awards, Contracts, Intergovernmental Agreement, and Purchases

None

Other Business

3. **PUBLIC HEARING.** Discussion and possible action to adopt Ordinance No. 2017-03 amending Chapter 5.32 Medical Marijuana of the Bullhead City Municipal Code “Medical Marijuana Business License Amendment 2017,” by reference; and adopt Resolution No. 2017R-09 declaring the amendment a public record. (City Manager Cotter)

City Manager Cotter said, after the Arizona Medical Marijuana Act was approved by the voters in 2010, the city established certain conditions for the placement of medical marijuana dispensaries within city limits. He said, since that time, a facility had operated within the city but had now moved on to Phoenix. He said observations and experience by staff indicated that state licensing and policing of this industry appeared to be less than zealous. He said staff learned as the previous dispensary was leaving the city, that some activities potentially violating the state statute as well as city code could be taking place. He said another related business from the Lake Havasu City area also appeared to be attempting to take advantage of the previous business’s departure and indicated intent by written advertising to continue in some of those practices. He said both of those establishments, as well as the State Department of Health Services, were formally placed on notice of the city’s position concerning those points. He said at the same time, a locally owned medical marijuana dispensary operating in Mohave Valley, appeared to be cognizant of and desired to operate by the rules established by law and code, desired to relocate in Bullhead City. He said based upon the recent experience with the existing business, the lack of clarity of certain dispensary operational issues and impending trends concerning medical marijuana and/or other wise use of marijuana coupled with current federal enforcement posturing, staff proposed limiting the operation of medical dispensaries to one with the city. He said this approach would allow the issues surrounding this subject to achieve more clarity and give staff an opportunity to observe trends and react to any impending changes. He said due to those concerns, staff requested the Council to find it reasonable to temporarily license only one dispensary within city limits at any one time for the next two years during which time it is anticipated that issues surrounding the subject might become more defined. He said this request was not meant to be in any way a negative comment or opinion expressed specifically towards the dispensary currently contemplating to move into the city, but was simply a reasonable regulatory measure given the current status of this industry and the developing law.

Curtis Devine from Mohave Green stated they have been operating in Fort Mohave for four years. He said they currently employed 60 from the area. He said their goal would be to move within the city limits in order to expand their business which would allow them to serve more patients. He said they had donated close to a quarter million dollars to non-profit organizations within the community.

Vice Mayor D'Amico asked if the dispensary would include edibles. Mr. Devine said new child-resistant packaging was available.

Mayor Brady opened the public hearing.

Eva Corbett asked about the location of the proposed dispensary. Dave Patterson, realtor, stated they were considering a site located in the vicinity of the Target Center.

Billy Pershing asked if marijuana would be cultivated at the proposed location. Mr. Devine said the building would be used as a dispensary.

Having no one else present wishing to speak, Mayor Brady closed the public hearing.

MOTION: Council Member Shutts made a motion to adopt Ordinance No. 2017-03 amending Chapter 5.32 Medical Marijuana of the Bullhead City Municipal Code "Medical Marijuana Business License Amendment 2017," by reference; and adopt Resolution No. 2017R-09 declaring the amendment a public record. Council Member Wegmann seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

4. **PUBLIC HEARING.** Discussion and possible action to adopt Ordinance No. 2017-04 amending Section 5.30.060 of the Bullhead City Municipal Code "Watercraft Consumer Advisory Amendment 2017," by reference; and adopt Resolution No. 2017R-10 declaring the amendment a public record. (Police Chief Williamson)

City Manager Cotter said the city code was amended as a result of the Council work session held on February 21, 2017.

Police Chief Williamson said each watercraft operator that rents a watercraft would have to have their name on the form. He said the ordinance would require that all those operating the watercraft would have to view a video and sign the form. He said each rental agency would be required to provide a safety video prepared by the city. He said renters could watch the video through many different ways, but they all would have to sign that they had viewed it before renting the watercraft. He said the form was required to be on the watercraft at all times. He said the violation was subject to a civil violation with a fine of \$25. He said they would not use this requirement to pull watercraft over. He said they were hopeful that people would pick up additional video safety tips specific to the river.

Council Member Wegmann asked if there was a significant cost to this change. Police Chief Williamson said the city currently had some good video footage and would complete the video in-house. City Manager Cotter stated the forms would be approximately \$1,000.

Mayor Brady asked if staff would have enough time to finalize the form and the video within the 30 day time frame as stated in the ordinance. City Manager Cotter asked the Council to consider

extending effective date to allow those operating rental shops enough time to set up the videos for viewing.

Council Member Bruck suggested extending the deadline to May 15th in order for the ordinance to become effective by Memorial Day.

Mayor Brady opened the public hearing.

Eva Corbett asked if this ordinance would apply to privately owned watercraft. Mayor Brady said it applied only to rental watercraft. City Manager Cotter said the safety video would be available online for the public to view.

Keith Servillas from the U. S. Coast Guard Auxiliary offered their assistance to keep the river safe.

Having no one else present wishing to speak, Mayor Brady closed the public hearing.

Mayor Brady said the city was aware of the amount of traffic on the river and were concerned about the number of accidents and deaths. He said it was not possible for the city to limit the number of watercraft on the river. He said this was an effort to educate the public on how to operate a watercraft safely.

MOTION: Council Member Bruck made a motion to adopt Ordinance No. 2017-04 amending Section 5.30.060 of the Bullhead City Municipal Code "Watercraft Consumer Advisory Amendment 2017," to become effective on May 15, 2017, by reference; and adopt Resolution No. 2017R-10 declaring the amendment a public record. Vice Mayor D'Amico seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

5. Discussion and possible action to approve the Agreement for Lifeguard Services - Bullhead City Police Colorado River Safety Program between the City of Bullhead City and Contemporary Services Corporation; and authorize the City Manager to execute the agreement, make resulting payments, and take all actions consistent with the implementation of the agreement. (Police Chief Williamson)

Police Chief Williamson stated over the past several years, the city had seen an increase in watercraft on the Colorado River within the jurisdiction of the city. He said a large portion of these watercraft were personal watercraft (PWC) rented from one of 12 liveries registered to conduct business within the city. He said in 2016, 75 percent of all reported watercraft accidents in the city jurisdiction involved a rented watercraft. He said according to Arizona Game and Fish statistics, this portion of the Colorado River was ranked as one of the top three most dangerous waterways in Arizona in 2015 and 2016. He said in 2016, there were 51 watercraft accidents on this portion of the river with 21 involving injuries and 2 involving fatalities.

Police Chief Williamson said due to these facts, the Bullhead City Police Department was proposing a pilot program to engage in more prevention activities with a goal to reduce watercraft accidents. He said they proposed to enter into a contract with Contemporary Services Corporation (CSC) to provide two PWCs staffed with two lifeguards Friday through Sunday every weekend throughout the summer for eight-hour shifts during peak house. He said CSC personnel would adjust their schedules to provide additional coverage for long holiday weekends. He said these units would be tasked with educating the public on safety concerns such as no-wake zones, dock avoidance and other related practical and regulatory safety issues, acting as a high visibility deterrent, being eyes and ears for the police patrol boats and ensuring that PWCs with mechanical issues do not become a safety hazard. He said CSC would also provide two lifeguards to work on two police patrol boats to assist with operations that did not require a certified officer. He said this would allow the Police Department to save on overtime expenses of placing a second certified officer on each boat. He said with decreased staffing and increased budget challenges; this was a necessary adjustment to normal operations.

Police Chief Williamson said the total cost of this pilot program would be absorbed in the current FY 2016-2017 fiscal year budget. He said the cost associated with the FY 2017-2018 budget would be included in the Council budget presentation in May 2017. He said the Police Department had past positive experience with CSC, working together at the River Regatta event for several years. He said CSC possessed the required equipment, personnel, skills and abilities to make this program a success. He said attempting to increase prevention efforts on the river using police personnel would require paying overtime and would be cost prohibitive.

Council Member Bruck asked if the lifeguards were certified. Police Chief Williamson stated all of the operators were ocean certified and said they were comfortable with the skills of the CSC staff.

Mayor Brady asked if CSC would use their PWCs. Police Chief Williams confirmed, and said the CSC watercraft would have a sled and would be marked with the Bullhead City logo.

Paul McDermott of CSC stated that all the lifeguards were employees of CSC. Mayor Brady asked if the city was comfortable with a \$1 million insurance policy requirement. City Attorney Emery stated this was the standard insurance clause, and said he was comfortable with this amount.

Mayor Brady asked if anyone from the public wanted to speak.

Eva Corbett asked if the same service was available locally. City Manager Cotter said this service was not available locally and said there were no local safety programs or paramedic lifeguards available.

Police Office Andrew Sevillano, President of the Fraternal Order of Police Association, said CSC had always done a great job. He said he was not in favor of taking a certified police officer off a boat because when it came to police action, the CSC personnel got in their way. He urged the Council to table the item.

Police Chief Williamson said the boating program continued to evolve, and said for many years, a single officer with a volunteer on board was used. He said they would still have a second officer on one boat, and said the other boats would have one police officer and one CSC lifeguard. He said the majority of calls dealt with stranded boaters and swimmers, and said there was not an

overabundance of incidents that required two officers. He said he needed to be responsible with the city's money, and said there was a significant cost increase when two officers were used on one boat.

Billy Pershing asked if licensing and other fees could be used to offset the cost of the program. City Manager Cotter stated some city fees were charged and said TOT and sales tax was also collected from those that rented PWCs. He said they needed to look at the global specificity of the city's budget.

Vice Mayor D'Amico asked if the program would run through the end of 2018 fiscal year. Police Chief Williamson said July 1st through Labor Day would be included in the 2017-2018 budget year.

Evan Corbett stated she was not in favor of this agreement because she wanted to support local businesses.

City Manager Cotter said they would work with their partners across the river to save money on hotel rooms and fuel. He said they have not reached out to Arizona Game & Fish or Nevada Wildlife but said as the program developed, more agencies other than just the city would have to become involved. He said they would share the data collected from the pilot program with their partners, and would report the results to the Council.

MOTION: Council Member Bruck made a motion to approve in substantial form the Agreement for Lifeguard Services - Bullhead City Police Colorado River Safety Program between the City of Bullhead City and Contemporary Services Corporation; and authorize the City Manager to execute the agreement, make resulting payments, and take all actions consistent with the implementation of the agreement. Council Member Ring seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

COUNCIL REQUESTED ITEMS

None

ADJOURNMENT

MOTION: Vice Mayor D'Amico made a motion to adjourn. Council Member Clark seconded the motion.

VOTE: AYES: Brady, Bruck, Clark, D'Amico, Ring, Shutts, Wegmann NAYS: None
ABSENT: None

MOTION CARRIED

There being no further business to come before the Council, the Mayor declared the meeting adjourned at 7:00 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct record of the regular meeting of the City Council of the City of Bullhead City held on the 21st day of March 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4th day of April 2017.

Susan Stein, MMC, CPM
Susan Stein, MMC, CPM
City Clerk