

## CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES  
AGENDA ITEM

PAGE 1

OCTOBER 14, 2010  
COUNCIL ACTION

### I. PROCEDURES:

- A. Call to Order Mayor Moore called the meeting to order at 7:00 p.m.
- B. Pledge and Invocation Bob Herman led the pledge of allegiance, and Justice of the Peace-Elect Rob Krombeen offered the invocation.
- C. Roll Call Mayor John Moore and Councilmen Bernie Hiemenz, Frank McNelly, Bill Miller, Lee Payne, and James Wurgler were present and constituted a quorum. Councilman Don Dent (Vice-Mayor) was absent  
Present from City Staff were Interim City Manager/Finance Director Joe Duffy, Police Lieutenant Darrell Hixson, Public Works Director Glenn Cornwell, and City Clerk/HR Director Susan Kerley.  
City Attorney (Mangum, Wall, Stoops & Warden) Kellie Peterson was present.
- D. Approval of Minutes Councilman Miller moved to approve the minutes of September 23, 2010. Councilman Payne seconded and the motion carried 5-0.
- E. Adoption of Agenda Councilman Hiemenz moved to adopt the agenda with one change: Delete Presentation A. *Presentation on metal recycling*. It will be rescheduled for October 28<sup>th</sup> when recycler Cam Dan can attend.  
Councilman Miller seconded and the motion carried 5-0.

### II. PRESENTATIONS:

- A. **ITEM DELETED AND RESCHEDULED FOR 10.28.10** Presentation on metal recycling: J. Moore
- B. Matt Gomes of NextEra gave a brief presentation about the Perrin Ranch Wind Energy Center project.
- Matt Gomes introduced himself as the Project Director for NextEra Energy, a subsidiary of Florida Power & Light.
  - NextEra views the City of Williams as a significant partner.
  - NE's business model includes building, owning and operating wind farms.
  - \$186 million will be invested, and 62 turbines will be on Perrin Ranch. This should generate 99.2 megawatts of electricity that would be sold to APS for distribution. NE would like to begin construction in June 2011 and start operation in December 2011.
  - Construction financing is secured.
  - The project site will remain a fully operational ranch.
  - During the construction phase, approximately 250 construction workers would be employed. The completed project would generate eight to ten permanent, high-end jobs paying \$76,000 – 95,000 annually.
  - NE projects it will pay \$3.8 million in property taxes and \$7 million to the State over 20 years, and \$1 million to local firefighters in equipment.
  - Game & Fish has established a set of guidelines for wind farms, and corporately, NE has its own stringent set of guidelines. Game & Fish supports wind energy in Arizona.

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES  
AGENDA ITEM

PAGE 2

OCTOBER 14, 2010  
COUNCIL ACTION

**III. PUBLIC PARTICIPATION:**

Laura Duncan of 601 S. Third Street thanked the City for placing trash cans on the west shore road at Santa Fe Dam. She noted that she was following up on the placement of signs.

Mayor Moore said that Staff is looking into ordering signs because the City doesn't have the necessary signs in stock.

Ms. Duncan stated that she understood that the Parks and Recreation Commission could get universal "no fires" signs free from the Forest Service and asked that this action be taken.

Mayor Moore pointed out that Council could only listen during Public Participation. It cannot take action if an item is not an Agenda item.

Ms. Duncan thanked Council for trying to prevent fires in this area.

**IV. CONSENT AGENDA ITEMS:**

C. Approval of Purchase Orders: J. Duffy

D. Approval of check register month ending September 30, 2010: J. Duffy

Councilman Wurgler moved to approve the consent agenda items. Councilman Miller seconded, and the motion carried 5-0.

**V. NON-CONSENT AGENDA ITEMS:**

E. Discussion and decision regarding Resolution #1261, supporting the permitting and development of the Perrin Ranch Wind Energy Center: J. Moore

Mayor Moore asked Matt Gomes to respond to questions.

Linda Webb, President of the Howard Mesa HOA and co-author of *Coconino Citizens for Responsible Wind Power* was the first public participant to speak: She pointed out that she was speaking for a group of residents who live near the site for the proposed project, but they are not against wind power energy. One of their concerns is wind power being developed in a comprehensive way. People move here for the viewscape and that should not be compromised. They are concerned that residents will lose property values greater than the recent 27% drop during the economic slump if the turbines are installed. Although this area does not have a high avian population, there are raptors in the area. Ms. Webb requested tabling of Resolution #1261 until more research and study could be done and to decide at that time if the project would benefit the community.

Ann Wittke, who gave Barry Malpas' address at 1033 W. Morse Avenue, spoke next, asking what the return on tax dollars would be. She pointed out that the Rainy Day Fund is gone, and the leather seats installed by the auto industry did nothing to increase automobiles' gas mileage. She asked if turbines become outdated, would they be removed?

Mr. Gomes explained that there are governmental tax incentives for every type of power generation and that their equipment consists of newer, larger, more efficient, state-of-the-art G.E. 1.6 turbines. NextEra is the North American leader in wind and solar energy, and they keep up with technology to optimize their operations. Also, he has

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES  
AGENDA ITEM

PAGE 3

OCTOBER 14, 2010  
COUNCIL ACTION

a property value study available that he will email to anyone requesting it.

Councilman Payne said that in his travels, he is seeing more installations around the country that must be reducing the carbon footprint.

Mayor Moore read aloud Resolution #1261 for those who had not read it.

Councilman Miller noted that one item that might impact Williams is the Red Lake Plan that would restrict signs, etc. Its concept is to maintain as natural a corridor as possible on Highway 64 leading to one of the Seven Wonders of the World.

Councilman Hiemenz said he believed this to be a County issue, not a City issue.

Councilman Miller made a motion to table this item until more information becomes available. Councilman Hiemenz seconded it, and a roll call vote was taken:

Councilman Hiemenz	Yes
Councilman Miller	Yes
Councilman Payne	No
Councilman Wurgler	No
Mayor Moore voted	No to break the tie.

The motion was defeated, 3-2.

Councilman Wurgler made a motion to pass Resolution #1261, and it was seconded by Councilman Payne. A roll call vote was taken:

Councilman Hiemenz	No
Councilman Miller	No
Councilman Payne	Yes
Councilman Wurgler	Yes
Mayor Moore voted	Yes to break the tie.

The motion carried, 3-2.

Councilman McNelly recused himself because of a potential conflict of interest and was absent for the discussion and the roll call votes.

F. Discussion and decision regarding Resolution #1262, designating the week of October 25-29, 2010, Arizona Cities & Towns Week: J. Moore

Mayor Moore explained that the League of Arizona Cities and Towns sponsors this designated week every year. Williams has no special events planned.

Councilman Miller made a motion to approve Resolution #1262, designating the week of October 25-29, 1020, as Arizona Cities and Towns Week. Councilman Hiemenz seconded the motion, and it carried 4-0.

G. Discussion and decision regarding Arizona Public

Kent Jones of APS explained that improvements are needed in Williams' distribution system to relieve some of the load on a sub-

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES  
AGENDA ITEM

OCTOBER 14, 2010  
COUNCIL ACTION

Service Work Order  
#W439027 for  
Westside Voltage  
Conversion Project:  
K. Jones

station in Williams. In order to do this, the City must move some of the load in the infrastructure. Moving some of the load from the east side feeder to the west side feeder, which is operating under capacity, would offer a 1 – 1.5 megawatt reduction of the load. Initially, the cost of the project was estimated at around \$500,000. APS engineers revisited the estimate to help meet the City’s budget constraints. From a construction and operation perspective, APS’ engineering staff has helped reduce costs. By reducing the size of the feeder wire for some underground portions and eliminating extra poles, the cost of this phase was reduced to \$190,051.70.

APS has an internal bid process through which contractors who are qualified to work with energized wire may submit bids, whether local or from other areas.

Joe Duffy explained that the funds to pay for this Work Order would come from the Electric System Fund. APS is our contracted electrical supplier. The City has a contract with APS until 2017 to operate and maintain its electrical system.

Kent Jones estimated that, if larger feeder wire were used, the price would increase by about \$160,000. However, if it is not needed now, he would not recommend increasing the size of overhead wire.

Mayor Moore reminded everyone that APS is responding to a request made by the City to evaluate and determine what infrastructure improvements were needed to optimize the current electrical system.

Councilman McNelly made a motion to approve Work Order #W439027 for the Westside Voltage Conversion Project. Councilman Hiemenz seconded the motion, and it carried 5-0.

H. Discussion and approval of Intergovernmental Agreement between Coconino County and City of Williams regarding Cataract Lake Campground: G. Cornwell

The City would provide this as a day-use facility while the County will make repairs and maintenance. The City has the option to operate the Campground as an overnight facility.

Joe Duffy mentioned the possibility of hiring a campground host in the spring. In response to Councilman Miller’s question of estimated costs, Joe Duffy said the City’s hope is that overnight fees will make it a break-even operation. The projections will be brought to Council during budget work sessions.

Councilman Wurgler made a motion to approve the IGA with Coconino County for Cataract Lake Campground. Councilman Miller seconded the motion, and it carried 5-0.

I. Discussion and decision regarding Change Order for sidewalks on Rodeo Road: G. Cornwell

Joe Duffy explained that GADA funds would cover the \$66,440 cost of this change order for a sidewalk on the south side of Morse Avenue. Councilman Hiemenz made a motion to approve the Change Order for \$66,440, and it was seconded by Councilman McNelly. The motion carried 4-0 with Councilman Miller abstaining.

J. Discussion and

Mayor Moore introduced this item, saying that the City continually gets

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES  
AGENDA ITEM

PAGE 5

OCTOBER 14, 2010  
COUNCIL ACTION

decision on City of Williams Policy and Procedure for Subdivision Requests for Time Extensions on zoning, development, water allotments and related issues:

requests for extensions from developers. Council cannot take cases individually – the same standards must apply to all. There is a need to come up with policy and procedures.

Joe Duffy added that City Attorney Kellie Peterson has done some research and may have a proposal. Attorney Peterson put forth the caveat that she was not here when agreements were made, they were not approved by Code and were not protected under Development Rights.

Bill Ring, Attorney for Cataract Creek Estates Subdivision, said that Council approved Cataract Creek, then they went through a long period with the former City Attorney unsuccessfully. In evaluation of the Ordinance, they thought the right and prudent thing was to request an extension from City Council. They did not mean to bring about a policy debate. He made three points:

- Infrastructure improvements result from developments, like the improvements on Airport Rd.
- Projects increase tax base.
- Development presents opportunities to bring work force and move-up housing to Williams. Most housing stock here was built when houses were small, and some owners want to move up to a larger space.

He urged Council members to think of the benefits the City would derive from developments, to consider if the City has the capacity to serve developments, and to remain cautious about rescinding and revoking agreements.

Attorney Peterson agreed with Attorney Ring's points. However, the City must consider counter-balance, looking to see if a developer is financially stable and whether they will be around to do their proposed development.

Mayor Moore asked Attorney Peterson if Council could ask her to draft a policy, yet act on the next Agenda item to grant an extension for two years even though we have no policy in place now.

Attorney Peterson replied that Council could extend an Agreement for two years and be on solid ground because the City has no policy in place now. She believes it is unfair to ask a developer to wait until a policy is in place. However, the City must have a rational and consistent basis for variation in decisions.

Councilman Wurgler made a motion to ask Attorney Peterson to draft policy and procedures and/or an Ordinance that would provide guidelines for dealing with developers' requests for extensions. Councilman Hiemenz seconded the motion, and it carried 5-0.

K. Discussion and decision regarding Cataract Creek

Councilman McNelly made a motion to approve this request for an extension of zoning and water allotments, limiting it to a one-year extension. Councilman Miller seconded the motion, and it carried 5-0.

Estates Subdivision  
Request for Time  
Extension (2 years)  
of Entitlements for  
the following  
components: G.  
Cornwell (This item  
was tabled from the  
September 9, 2010,  
Council meeting.)

- The rezoning of the property to Single Family (R-1-7) and Multiple Family Residential (R-3)
- The preliminary plat of the Cataract Creek Estates Subdivision
- The allocation of water rights for the entire Subdivision
- The final plat for Phase I of the Subdivision

L. Discussion and decision regarding redesigning the Employee Longevity Award Program: S. Kerley

Susan Kerley explained that she and Joe Duffy wish to reinstate the Employee Longevity Award Program to recognize employees for their years of service. At the same time, they want to do so in a way that will not have a major impact on the budget. Their recommendation is to move from a plaque to a certificate, and issue a check rather than offering gift cards. Councilman Payne urged that employees with 20-30 years of service continue to receive plaques.

Councilman Payne made a motion to reinstate the Employee Longevity Awards at Staff's discretion. Councilman Wurgler seconded the motion, and it carried 5-0.

M. Discussion and decision regarding a

Mayor Moore said that he, Susan Kerley and Rob Krombeen met and

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES  
AGENDA ITEM

PAGE 7

OCTOBER 14, 2010  
COUNCIL ACTION

two-year Magistrate contract between the City of Williams and Rob Krombeen: J. Moore

later, the Mayor and Rob Krombeen met to discuss the Magistrate position. The contract was drawn by Attorney Peterson and it offers \$1,157.00/monthly salary, \$30/monthly phone service, and \$1,000/annual travel allowance. Rob Krombeen intends to do more with community service projects.

Councilman McNelly asked Justice of the Peace-elect Krombeen if he wanted the Magistrate position. Mr. Krombeen asked the Mayor to restate the monthly salary, and the Mayor corrected the \$1,157.00/month to \$1,357.00/month. Mr. Krombeen then replied that he would like the position.

Councilman Miller made a motion to accept the two-year Magistrate's contract with Rob Krombeen to fill that position. Councilman Payne seconded the motion, and it carried 5-0.

**VI. REPORTS AND INFORMATION ITEMS:**

- A. Mayor and Council Mayor Moore announced that the Fireball Run selected Williams as the all-American City from all the cities they visited this summer. The Chamber of Commerce wants the Mayor to go to Orlando to accept the award. He will go if the Chamber's tourism funds cover the expenses.
- B. Staff Reports Joe Duffy recommended that the one Council meeting in November, scheduled for November 11<sup>th</sup>, which is Veterans' Day, be moved to November 18<sup>th</sup>. The meeting schedule will be changed.

**VII. ADJOURN:** The meeting adjourned at 9:05 p.m.

\_\_\_\_\_  
Mayor John Moore

\_\_\_\_\_  
City Clerk

ATTEST