

**PAGE CITY COUNCIL  
REGULAR MEETING MINUTES  
FEBRUARY 24, 2016**

A Regular Meeting of the Page City Council was held at 6:30 p.m. on February 24, 2016, in the Council Chambers at City Hall in Page, Arizona. Mayor Bill Diak presided. Vice Mayor John Kocjan, Councilors Scott Sadler, Levi Tappan, Korey Seyler and Dennis Warner were present. Councilor Mike Bryan was excused. There was a moment of meditation. City Manager Crystal Dyches led the Pledge of Allegiance.

Mayor Diak called the meeting to order.

Staff members present: City Manager, J. Crystal Dyches; IT Director, Mike Bergner; Page Utilities General Manager, Bryan Hill; Page Utilities Engineer, Matthew Wood; Finance Director, Linda Watson; Human Resource Administrator, Kay Eddlemon; Community Development Director, Kim Johnson; Tourism Director, Lee McMichael; Fire Chief, Jeff Reed; Police Chief, Frank Balkcom; Deputy City Clerk, Sue Kennedy; and City Clerk, Kim Larson.

**PRIORITY LIST**

Discussion and possible action by the City Council pertaining to the City Council Strategic Priorities

There was no discussion by the City Council.

Discussion and possible action by the City Council pertaining to the City Councilors individual priorities

Councilor Seyler stated that he completed his individual priorities, and will go over them at the next City Council Meeting.

**MINUTES**

Special City Council Meeting – February 3, 2016

Regular City Council Meeting-February 10, 2016

Motion made by Vice Mayor Kocjan to approve the minutes. The motion was duly seconded and passed upon a vote.

**CONSENT AGENDA**

**MINUTES**

Airport Board – December 14, 2015

Planning and Zoning Commission – January 5, 2016

Page Utility Enterprises – January 12, 2016

**INFORMATION**

Resignation – R.B. Ward – Planning and Zoning Commission

## **Page City Council Regular Meeting- February 24, 2016**

Motion made by Vice Mayor Kocjan to approve the consent agenda. The motion was duly seconded and passed upon a vote.

### **HEAR FROM THE CITIZENS**

Steve Blevins, 327 Aero, stated concerns that he had not received a response from a complaint he submitted to the City Manager approximately six (6) weeks ago, and he stated that, per City Ordinance, during the "Hear From The Citizens" portion of the agenda, a citizen has 10 minutes to speak to City Council.

### **UNFINISHED BUSINESS**

Discussion and possible action by the City Council pertaining to the sewer rates- tabled February 10, 2016

At the February 10, 2016 Regular City Council Meeting, City Council voted to table the agenda item until the next meeting when all members of Council were present.

Motion made by Mayor Diak to remove the agenda item from the table. The motion was duly seconded and passed upon a vote.

Vice Mayor Kocjan made a motion to direct Page Utility Enterprises (PUE) to set a Rate Hearing to implement the Commercial Sewer Rates recommended on Page 12 (attached hereto and by this reference made a part of herein) of the Rate Study of this fiscal year. The motion was duly seconded.

There was lengthy discussion.

Vice Mayor Kocjan stated that the commercial sewer monthly base rate is the only thing that will change effective July 1, 2016. With this change it should give the City a clearer view, after the first year, to see what needs to be done with the sewer rates, as there are too many unknowns.

There was discussion pertaining to the rate hearing process.

Mayor Diak asked PUE Manager Bryan Hill if this is what the PUE Board recommended.

PUE Manager Bryan Hill stated that the PUE Board was looking to see what direction the Council would like to take the utility. The budget states that \$400,000.00 should be put back into capital improvements every year. There is a long list of severe deferred maintenance items. He stated that within the past two decades automated equipment has become available to make the work at the sewer plant less labor intensive, as much of the work is currently being done manually. Some of the machines that were originally installed at the sewer plant are not functioning, and have not for over a decade. He then stated that the pond liners are in bad shape. The pond liners hold and store water after the water has been treated, and is pumped onto the golf course throughout the

## **Page City Council Regular Meeting- February 24, 2016**

summer. The liners are in bad shape and are being patched every year; they are in stage 4 of being able to continue working. The pond liners are a seven figure project. The liners are below average to poor, and if something is not done it will become critical.

The consultant with GDS Associates, Inc. compared the City's sewer rates with the rest of the country. The survey points out that the higher the overall fixed revenue ratio, the more stable the revenue stream. Fixed revenue ratios of 30-40% provide a reasonable level of stability, and the City of Page is at 10%.

Vice Mayor Kocjan suggested changing just the commercial rate. Mr. Hill was not sure how much of the gap between \$140,000.00 and the \$400,000.00 needed that would close, but said it would certainly be helpful.

Lengthy discussion continued.

The motion passed upon a vote.

### **NEW BUSINESS**

#### Discussion and possible action by the City Council pertaining to Page Utility Enterprises (PUE) utility rates

Vice Mayor Kocjan made a motion to direct PUE General Manager to begin Electric Rate Hearings. The motion was duly seconded.

There was discussion.

General Manager Bryan Hill stated that the electric utility was between very good to excellent. PUE has double the infrastructure capacity in the last 12 years with miles of underground cable being installed. There are still things to do, however the utility is in a good position.

He then stated the following cost savings items: The automated smart meters reduced 2 ½ positions equal approximately \$120,000.00 in personnel cost; there was a lot of IT contract work that PUE is no longer having to contract out; the plant purchased from Arizona Public Service has been fully depreciation and will go down \$160,000.00, and the power contracts with Western, the Native American Benefit contracts, are way outperforming the PUE budget. With the above he felt that a rate reduction could be offered to the PUE customers.

Mr. Hill also stated that the utility is structured, by ordinance, that each utility has a separate fund. Electric and sewer customers are different and they cannot use funds from one utility for another utility.

Councilor Sadler asked if the rate reduction was for both residential and commercial.

## **Page City Council Regular Meeting- February 24, 2016**

Mr. Hill said it would be for both residential and commercial, and it would be roughly a 3.2% rate decrease in the energy rate.

The motion passed upon a vote.

### Discussion and possible action by the City Council pertaining to an Events Assistance Program and Revised Special Event Permit Application

At the December 2015 Community Development Advisory Board (CDAB) Meeting there was discussion regarding the outcome of the November 18, 2016 Joint Work Session with the CDAB and City Council. The consensus of Council was to have staff make minor modifications to the existing Special Event Permitting Application, and make a separate handout for event assistance requests.

At the January 26, 2016 Community Development Advisory Board meeting, the Board voted to recommend approval of the Event Assistance Program and modifications to the Special Events Permit Application.

Kim Johnson introduced the agenda item and reviewed the Special Event Permit Application.

There was lengthy discussion pertaining to:

- The assistance the City would provide
- A separate grant application
- Funding 501c3's only
- Not participating in marketing
- Providing in-kind service such as closing streets, facilities, or public safety versus funding

Chief Balkcom stated that when someone having an event calls the Police Department, they ask what they can do for them and the expenditures for special events are tracked.

City Manager Crystal Dyches asked if event assistance of in-kind support consisted of things such as insurance, garbage or anything that the City of Page can do.

There was discussion.

Motion made by Councilor Warner to not change the existing Special Event Application, and not add the highlighted changes. The motion was duly seconded and passed upon a vote.

### Discussion and possible action by the City Council pertaining to a funding request for the Page High School Unity Club for a Pow Wow Event

Staff approached the advisor of the Unity Club to inquire how to increase awareness and attendance to the annual Pow Wow.

## **Page City Council Regular Meeting- February 24, 2016**

At the February 16, 2016 Community Development Advisory Board (CDAB) Meeting the Page High School Unity Club presented a request for funding in the amount of \$2,000.00 and requested a banner for marketing support for their event. The funding will assist paying for the event operation costs. The CDAB voted to recommend approval of the funding request in the amount of \$2,000.00 along with a banner, for promotions, for placement over Lake Powell Boulevard.

Kim Johnson presented the agenda item.

Brian Begay, Page resident, President of Unity Club, stated the event will bring in thousands of people, and will promote the Native American culture to the community. The funds will help pay for the Unity National Conference. The Unity fosters physical, mental, and social strength to Native American youth to get involved in the Unity Club and become future leaders.

There was discussion.

Tamara Rivara, Page resident, mother of one of the Unity Members, stated that for the Pow Wow, there is a \$5.00 per person fee for one day or \$8.00 for two days, and there is no charge for age five and under. She stated that people come from as far as Canada and back east to attend the Pow Wow. The event will be held in the Page High School gym.

Jaylynn Smallcanyon, Page resident, Unity Secretary, advised Council that people from the Pacific and Northeast region, Alaska, Massachusetts, Maine, The Iroquois people, Dakotas, Creed and Mohawks will be invited. A lot of people will be invited to the Pow Wow through their western representative Lisa Chavez. Ms. Smallcanyon stated that the four-points of view of the Pow Wow are: sport, spiritual, mental and social. The operating cost for the event will be \$10,000.00. The Unity Club will have Navajo taco sales and ticket sales for fundraising, and they will be asking the Chapter House and Trading Post for funding.

Mayor Diak asked if this fit the grant criteria.

There was discussion.

Motion made by Councilor Tappan to approve the Page High School Unity Club's funding request for funding and Pow Wow Promotions support in the form of a banner. The motion was duly seconded and passed 4 to 2 with Mayor Diak, Vice Mayor Kocjan, Councilors Tappan and Sadler voting in favor and Councilors Warner and Seyler voting against.

Discussion and possible action by the City Council pertaining to a funding request for event assistance for the Downriver Campfire Storytelling Festival

## **Page City Council Regular Meeting- February 24, 2016**

At the January 26, 2016 CDAB Meeting, Steven Law, owner of Captain Mushroom Cloud Productions, presented a request for funding in the amount of \$3,175.00. The funds would be used to promote "Tales from a Downriver Campfire, Colorado River Trips." The event is scheduled for April 22, 2016 at the Colorado River Discover in conjunction with their official launch of an electric boat.

*Councilor Seyler recused himself and stepped down from the dais at 8:10 p.m.*

Kim Johnson introduced the item.

Steven Law, Page, AZ, presented his idea for "Tales from a Downriver Campfire, Colorado River Trips." He said that Amy Alexander, a travel writer, and Tim Cahill, writer for Esquire Magazine, would be telling a story of their experience on the Colorado River. He stated that both of the story tellers have huge followers around the world and that they would promote our area on social media. Mr. Law said that he planned on paying both Amy and Tim \$750.00, and \$3,000.00 would be used for advertising the event.

Councilor Warner asked Mr. Law how many people they plan on attending.

Mr. Law stated that they think there will be about 200 people.

Councilor Warner stated that the maximum revenue would be \$2,400.00 at \$12.00 per person.

There was lengthy discussion.

The consensus of Council was not to support this request. No motion was made.

*Councilor Seylor returned to the dais at 8:24 p.m.*

### Discussion and possible action by the City Council pertaining to a Tourism and Marketing One-Year Plan 2016 and Five-Year Plan 2015-2019

At the November 17, 2015 CDAB Work Session, the Community Development Advisory Board discussed a one and five year marketing plan. The goals and objectives from the existing five-year plan were reviewed and amended, and then goals and objectives for 2016 were identified.

At the January 26, 2016 CDAB Meeting the Board voted to recommend approval of the One and Five-Year Marketing Plans.

Kim Johnson presented the agenda item and reviewed the one and five year plans.

There was discussion.

**Page City Council Regular Meeting- February 24, 2016**

Motion made by Councilor Sadler to approve the Tourism & Marketing Five-Year Plan 2015-2019. The motion was duly seconded and passed upon a vote.

Motion made by Councilor Sadler to approve the Tourism & Marketing One-Year Plan 2016. The motion was duly seconded and passed upon a vote.

Discussion and possible action by the City Council pertaining to a Coconino County Multi-Jurisdictional Hazard Mitigation Plan-Resolution 1158-16

The Coconino County Multi-Jurisdictional Hazard Mitigation Plan is a document that helps guide the County toward greater disaster resilience. The plan identifies hazard mitigation measures in the form of long term solutions intended to reduce the effects of future disasters throughout the County and lessen the impact to County residents. The plan is required to be updated every five years. This year the Page Fire Department actively participated on the revision committee. The Mitigation Plan must be formally adopted by each participating jurisdiction to qualify for Hazard Mitigation Grants.

Motion made by Vice Mayor Kocjan to introduce Resolution 1158-16 by title only. The motion was duly seconded and passed upon a vote.

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, ADOPTING THE "COCONINO COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN" ("CITY OF PAGE JURISDICTIONAL SUMMARY") DATED 2015.

Fire Chief Jeff Reed presented the agenda item. He stated that the City of Page entered into the program in 2010. The program was established to allow funding for hazards in our area and that by entering into this agreement the City is eligible for different types of grants. The Page Fire Department attended many of the meetings and helped with data research.

Motion made by Vice Mayor Kocjan to adopt Resolution 1158-16. The motion was duly seconded and passed upon a vote.

Discussion and possible action by the City Council pertaining to an Intergovernmental Agreement (IGA) between the City of Page and the State of Arizona for a Pedestrian and Bicycle sidewalk on the western side of Lake Powell Boulevard -Resolution 1159-16

The City of Page received a Transportation Enhancement Grant in the amount of \$426,926.00 to construct a sidewalk along the west side of Lake Powell Boulevard from Quality Inn to Clubhouse Drive. The City is responsible for a match of 5.7%, (a total of \$25,624.00 over two years). The City is also responsible for any differences more than the estimates during the design/scoping and construction phases. The project will be administered by the Arizona Department of Transportation (ADOT).

**Page City Council Regular Meeting- February 24, 2016**

Motion made by Vice Mayor Kocjan to introduce Resolution 1159-16 by title only.

The City Clerk introduced Resolution 1159-16 by title only.

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, APPROVING THE INTERGOVERNMENTAL AGREEMENT (IGA) FOR THE PROVISION OF FACILITIES FOR PEDESTRIANS AND BICYCLES ALONG THE WEST SIDE OF LAKE POWELL BOULEVARD.

PUE Engineer Matthew Wood introduced the agenda item.

There was discussion.

Councilor Warner asked about lighting.

City Manager Crystal Dyches stated that Matt Wood would provide an estimate for the pedestrian lighting, so that it can be included in next year's budget.

Motion made by Vice Mayor Kocjan to adopt Resolution 1159-16. The motion was duly seconded and passed upon a vote.

Discussion and possible action by the City Council pertaining to a renewal for the City of Page's General Liability Insurance

The City's annual liability policy renews each year on March 1<sup>st</sup>. The City's insurance broker is Willis of Arizona and Staff has been working with Willis updating the application data, and sought proposals from underwriters. Staff's recommendation to City Council is to approve underwriting with Travelers.

City Manager Crystal Dyches presented the agenda item. She stated that there was an increase in the premium due to an additional vehicle and cyber protection.

There was discussion.

Motion made by Vice Mayor Kocjan to purchase the City's Comprehensive General Liability insurance as presented by Willis of Arizona in the amount of \$225,054.04. The motion was duly seconded and passed upon a vote.

Discussion and possible action by the City Council pertaining to a renewal for Page Utility Enterprises Insurance

The insurance policy for Page's Water, Sewer, and Electric utilities is due for renewal on March 1, 2016. Hurtado & Associates are insurance professionals who specialize with the electric utility industry and have served Page Electric since 2005. PUE received a quotation for renewing the electric, water and sewer utility insurance program from Hurtado & Associates.



## **Page City Council Regular Meeting- February 24, 2016**

At the February 9, 2016 Regular Page Utility Board Meeting, the Board discussed the insurance program proposal and voted unanimously to recommend to the City Council to award the insurance program to Hurtado & Associates.

The total program cost is \$141,462.00, a reduction of \$16,952.00 from last year's premium, with the Electric share at \$73,930.00, and the Water and Sewer share at \$67,532.00.

PUE General Manager Bryan Hill presented the agenda item.

Motion made by Vice Mayor Kocjan to authorize payment of the Utility insurance program to Hurtado & Associates for \$141,462.00 as presented. The motion was duly seconded and passed upon a vote.

### Discussion and possible action by the City Council pertaining to vacation leave overages

In June 2012, the City Council adopted Resolution 1090-12 that amended Section 10.1.D of the Personnel Rules. This section pertained to the Accrual of Vacation Leave. The Resolution states that vacation leave was to be capped at 240 hours and any vacation leave balances in excess of 240 hours at the end of the calendar year was to be forfeited.

The resolution also allows those employees who had accumulated balances greater than 240 hours, to utilize their earned hours through normal pay periods until earned hours beyond 240 hours were exhausted or be paid in full, at the City's discretion.

Employees with vacation leave balances that have accumulated higher than 240 hours have not been able to lower their vacation leave balances below the 240 hour cap. Staff is recommending paying out those employees that have vacation leave balances that exceed 240 hours. Currently there are 27 employees that have vacation leave balances in excess of 240 hours on the books.

City Manager Crystal Dyches presented the agenda item.

There was discussion.

Motion made by Mayor Diak to authorize the City Manager to reduce the maximum vacation hours of all regular employees to 240 hours and make a payment to those employees with vacation leave balances that exceed 240. The motion was duly seconded and passed upon a vote.

## **BID AWARDS**

### Discussion and possible action by the City Council pertaining to an award of bid for the Portable Toilet Rental and Service

## **Page City Council Regular Meeting- February 24, 2016**

The City has contracted with Three Peaks Glass, Inc. for the rental and service of portable toilet units placed in City's parks and special event locations, including: Golliard Park, John C. Memorial Park, Children's Park, Tennis Courts and the Vermillion Cliffs Corrals. These units are located in heavily used parks that do not have appropriate alternative restroom facilities or the existing restrooms do not meet American With Disabilities Act requirements. In January staff conducted a competitive Request For Proposal (RFP) process to obtain proposals for a new contract. 3 Peaks Glass, Inc. was the lowest responsive bidder.

City Manager Crystal Dyches presented the agenda item.

Motion made by Vice Mayor Kocjan to authorize the City Manager to execute a contract for the rental and maintenance services of portable toilet units to 3 Peaks Glass, Inc. The motion was duly seconded and passed upon a vote.

### Discussion and possible action by the City Council pertaining to an award of bid for the Infrastructure Upgrade Bid #200 for Page Utility Enterprises

Page Utility staff wrote and advertised a Request for Proposal (RFP) for the Infrastructure Upgrade Bid #200. The project location includes an area around North and South Wahweap, and Myrtle Drive in Grenehaven. The electrical infrastructure (some primary and mostly secondary) serving these customers are unprotected direct buried cable experiencing failures and has served beyond its projected end of life.

The competitive sealed Bids for the project were due at 4:00 p.m. on February 3, 2016. A total of three proposals were received from the following:

Niels Fugal Sons Co. for \$219,459.94  
MP Nexlevel, LLC for 259,917.69  
Nexworx Cabling Systems, Inc. for 257,833.10

The proposals were reviewed and staff recommended the award of this contract to Niels Fugal Sons Company of Washington, Utah. Their total base bid fell within the low bid description as well as their qualifications package as submitted.

At the February 9, 2016 Board Meeting, the PUE Board reviewed staff's summary of the bids and recommendation. The Board voted unanimously to recommend Niels Fugal Sons Company in the amount of \$219,459.94 to Page City Council.

Bryan Hill presented the agenda item.

Motion made by Vice Mayor Kocjan to award Bid #200 to Niels Fugal Sons Company of Washington, Utah in the amount of \$219,459.94. The motion was duly seconded.

There was discussion.

**Page City Council Regular Meeting- February 24, 2016**

The Motion was passed upon a vote.

**BUSINESS FROM THE MAYOR**

None scheduled

**BUSINESS FROM THE MANAGER**

None scheduled

**BUSINESS FROM THE CITY ATTORNEY**

None scheduled

**BUSINESS FROM THE COUNCIL**

Discussion and possible action by the City Council pertaining to appointment of liaison to Boards and Commissions

Mayor Diak appointed Councilor Seyler to the Planning and Zoning Commission.

Mayor Diak stated that Councilor Sadler would no longer be serving as board liaison for the Planning and Zoning Commission, due to a conflict in his work schedule. He thanked Councilor Sadler for serving as board liaison for the Planning and Zoning Commission.

**BOARDS & COMMISSIONS**

Discussion by the City Council pertaining to reports by Board Liaisons

Councilor Warner stated that the Parks and Recreation Advisory Board's mission was to create a master plan study for the City Parks. There was an all day park walk on February 18<sup>th</sup> with a consultant from Planet to begin working on the master plan.

**DEPARTMENTS**

None scheduled

**CLAIMS**

None scheduled

**ADJOURN**

The meeting was adjourned at 8:48 p.m.



Kim L. Larson  
City Clerk



William R. Diak  
Mayor

**Page City Council Regular Meeting- February 24, 2016**

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the City Council Regular Meeting, held on the 24th day of February, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 9th day of March, 2016



---

Kim Larson, City Clerk

**Recommended Wastewater Rate Structure**

Presented below is a side-by-side comparison of the current and recommended wastewater rates by class:

Current Residential Rates		Recommended Residential Rates	
Meter Size	Customer Charge	Meter Size	Customer Charge
All Meters	\$4.00	5/8"	\$12.52
		3/4"	\$12.52
		1"	\$12.52
		1.5"	\$31.30
		2"	\$50.08
		3"	\$93.90
		4"	\$156.50
		6"	\$313.00
<p><i>Volumetric Charge</i> All Gallons: \$4.18 per 1,000 Gallons</p>		<p><i>Volumetric Charge</i> All Gallons: \$4.18 per 1,000 Gallons</p>	
Current Commercial Rates		Recommended Commercial Rates	
Meter Size	Customer Charge	Meter Size	Customer Charge
All Meters	\$4.00	5/8"	\$12.52
		3/4"	\$12.52
		1"	\$12.52
		1.5"	\$31.30
		2"	\$50.08
		3"	\$93.90
		4"	\$156.50
		6"	\$313.00
<p><i>Volumetric Charge</i> All Gallons: \$4.18 per 1,000 Gallons</p>		<p><i>Volumetric Charge</i> All Gallons: \$4.18 per 1,000 Gallons Commercial Customers with meter sizes 5/8" - 1" billed the following monthly flat usage: 5/8" Customers - 5,000 Gallons 3/4" Customers - 5,000 Gallons 1" Customers - 10,000 Gallons</p>	

Below are the average usage bill impacts for each class and meter size:

**Residential Bill Impacts @ 3,000 Gallons Winter Averaging Usage**

Meter Size	FY 2015 Customers	Current Bill	Recommended	Increase (\$)	Increase (%)
5/8"	792	\$ 16.54	\$ 25.06	\$ 8.52	52%
3/4"	587	\$ 16.54	\$ 25.06	\$ 8.52	52%
1"	911	\$ 16.54	\$ 25.06	\$ 8.52	52%
1.5"	6	\$ 16.54	\$ 43.84	\$ 27.30	165%