

AGENDA



4:30 P.M.

CITY COUNCIL MEETING

REVISED

TUESDAY, MARCH 24, 2020

NOTES:

- Public Forum: Comments are generally limited to **3 minutes**.
- Consent Items: Items listed under Consent Items have been distributed to Council Members in advance for study and will be enacted by one motion. Any member of the Council, staff or the public may remove an item from the Consent Items for discussion. Items removed from the Consent Items may be acted upon before proceeding to the next agenda item.
- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

www.SedonaAZ.gov

GUIDELINES FOR PUBLIC COMMENT

PURPOSE:

- To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
- This is not a question/answer session.

PROCEDURES:

- Due to precautions related to the COVID-19 pandemic and pursuant to A.R.S. § 38-431.01 (H), there will NOT be a public forum for this meeting.
- Public input on agenda items will be limited to written comments submitted to the City Clerk in advance of the 4:30 p.m. Call To Order.
- All public comments submitted in advance of the 4:30 p.m. Call To Order will be made part of the official record.

PLEASE BE ADVISED THAT IN CONFORMANCE WITH THE PROCLAMATION OF EMERGENCY ISSUED MARCH 18, 2020 TEMPORARILY CLOSING CITY FACILITIES TO THE PUBLIC, NO PUBLIC ATTENDANCE WILL BE ALLOWED FOR THIS MEETING. THE MEETING CAN BE VIEWED LIVE ON THE CITY'S WEBSITE AT WWW.SEDONAAZ.GOV.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE/ROLL CALL

2. CITY'S VISION

3. CONSENT ITEMS - APPROVE

LINK TO DOCUMENT =

- a. Minutes - March 4, 2020 City Council Special Meeting - Executive Session.
- b. Minutes - March 10, 2020 City Council Special Meeting - Executive Session.
- c. Minutes - March 10, 2020 City Council Regular Meeting.
- d. Minutes - March 11, 2020 City Council Special Meeting.
- e. Approval of Proclamation, Stand with Me, Be Drug Free Week March 23-28, 2020.
- f. Approval of Proclamation, National Vietnam War Veterans Day, March 29, 2020.
- g. AB 2561 Approval of a recommendation regarding an application for a Series 12 Restaurant Liquor License for Fresh and Natural Thai Kitchen located at 1439 W SR 89A, Sedona, AZ (File #97895).
- h. AB 2568 Approval of the reappointment of Judge Ronald Ramsey and Judge Paul Julien as Magistrate Pro-Tem Judges for the Sedona Municipal Court.
- i. AB 2570 Approval of a Resolution authorizing a Real Estate Purchase and Sale Agreement for the City of Sedona to purchase the property located at 430 Forest Road (APN 401-16-071) located in Coconino County, City of Sedona, Arizona, for the sum of \$480,000 for use as a future parking structure.

4. APPOINTMENTS - None.

5. SUMMARY OF CURRENT EVENTS BY MAYOR/COUNCILORS/CITY MANAGER

6. PUBLIC FORUM - Due to precautions related to the COVID-19 pandemic and pursuant to A.R.S. § 38-431.01(H), there will NOT be a public forum for this meeting.

7. PROCLAMATIONS, RECOGNITIONS & AWARDS

- a. Presentation of Proclamation, Stand with Me, Be Drug Free Week March 23-28, 2020.
- b. Presentation of Proclamation, National Vietnam War Veterans Day, March 29, 2020.
- c. New employee introductions & recognition of staff accomplishments.




CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.



Page 2, City Council Meeting Agenda Continued

8. REGULAR BUSINESS

- a. AB 2564 **Discussion/possible action** regarding an ordinance repealing Ordinance No. 2016-02 related to the sales tax subsidies from the General Fund to the Wastewater Fund and a resolution approving and adopting the schedule of subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027. 
- b. AB 2571 **Discussion/possible direction** regarding issues surrounding the COVID-19 pandemic and the City's response. 
- c. AB 2555 **Discussion/possible action** regarding proposed State legislation and its potential impact on the City of Sedona. 
- d. **Reports/discussion** regarding Council assignments.
- e. **Discussion/possible action** regarding future meeting/agenda items.

9. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action on executive session items.

10. ADJOURNMENT

Posted: 03/18/2020

By: SLI

Susan L. Irvine, CMC
City Clerk

Note: Pursuant to A.R.S. § 38-431.02 notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with materials relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at www.SedonaAZ.gov. The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

**Action Minutes
Special City Council Meeting
Magistrate Judge Interviews
Schnebly Conference Room, Sedona City Hall,
104 Roadrunner Drive, Sedona, Arizona
Wednesday, March 4, 2020, 10:00 a.m.**

1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Moriarty called the meeting to order at 10:03 a.m.

2. Roll Call

Council Present: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor Bill Chisholm, Councilor John Currivan, Councilor Janice Hudson, Councilor Scott Jablow, Councilor Jessica Williamson.

Staff in attendance: City Attorney Robert Pickels, Jr., City Clerk Susan Irvine.

3. Special Business

Motion: Vice Mayor Martinez moved to enter into Executive Session at 10:03 a.m. Seconded by Councilor Chisholm. Vote: Motion carried unanimously with seven (7) in favor (Moriarty, Martinez, Chisholm, Currivan, Hudson, Jablow, and Williamson) and zero (0) opposed.

a. **Interviews with candidates for City Magistrate Judge. Discussion and consultation regarding personnel matters per A.R.S. § 38-431.03(A)(1) specifically to discuss the employment and/or appointment of a person to fill the City Magistrate Judge position. Candidates to be interviewed are:**

- i. **Lisa Parsons 10:00 a.m.**
- ii. **Catherine Kelley 11:00 a.m.**
- iii. **Lisa Kiser 1:00 p.m.**
- iv. **Douglas Suits 2:00 p.m.**

Reconvened in open session at 3:51 p.m.

b. **Return to open session. Discussion/possible action regarding executive session items.**

No action was taken.

4. Adjournment

Mayor Moriarty adjourned the meeting at 3:51 p.m.

I certify that the above are the true and correct actions of the Special City Council Meeting held on March 4, 2020.

Susan L. Irvine, CMC, City Clerk

Date

Action Minutes
Special City Council Meeting - Executive Session
Vultee Conference Room, Sedona City Hall,
106 Roadrunner Drive, Sedona, Arizona
Tuesday, March 10, 2020, 2:30 p.m.

1. Call to Order

Mayor Moriarty called the meeting to order at 2:30 p.m.

2. Roll Call

Council Present: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor Bill Chisholm, Councilor John Currivan, Councilor Janice Hudson, Councilor Scott Jablow, Councilor Jessica Williamson.

Staff in attendance: City Manager Justin Clifton, Assistant City Manager/Community Development Director Karen Osburn, City Attorney Robert Pickels, Jr., Human Resources Manager Brenda Tammarine, City Clerk Susan Irvine.

3. Executive Session

Motion: Councilor Williamson moved to enter into executive session at 2:30 p.m. Seconded by Vice Mayor Martinez. Vote: Motion carried unanimously with seven (7) in favor (Moriarty, Martinez, Chisholm, Currivan, Hudson, Jablow, and Williamson) and zero (0) opposed.

Upon a public majority vote of the members constituting a quorum, the Council may hold an executive session that is not open to the public for the following purposes:

- a. **Discussion/consideration regarding the employment, assignment, and appointment of the City Attorney including review of applications and the selection process. This matter is brought in executive session pursuant to A.R.S. § 38-431.03(A)(1).**
- b. **Discussion/consultation with legal counsel to consider the City's position and instruct the City Attorney regarding the matter of City of Sedona vs. Son Silver West Gallery, Inc., et al., Coconino County Civil Case No. CV201900022. This matter is brought in executive session pursuant to A.R.S. § 38-431.03(A)(3) & (4).**
- c. **Discussion/consultation with staff and the City Attorney regarding the possible acquisition of property on Forest Road for the development of a public parking garage. This matter is brought in executive session pursuant to A.R.S. § 38-431.03(A)(7).**
- d. **Return to open session. Discussion/possible action on executive session items.**

Reconvened in open session at 3:27 p.m.

No action taken.

4. Adjournment

Mayor Moriarty adjourned the meeting at 3:27 p.m.

I certify that the above are the true and correct actions of the Special City Council Meeting held on March 10, 2020.

Susan L. Irvine, CMC, City Clerk

Date

Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, March 10, 2020, 4:30 p.m.

1. Call to Order/Pledge of Allegiance/Moment of Silence/Roll Call

Mayor Moriarty called the meeting to order at 4:30 p.m.

Council Present: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor Bill Chisholm, Councilor John Currivan, Councilor Janice Hudson, Councilor Scott Jablow, Councilor Jessica Williamson.

Staff Present: City Manager Justin Clifton, Assistant City Manager/Community Development Director Karen Osburn, City Attorney Robert Pickels, Jr., Assistant City Attorney/City Prosecutor Lisa Parsons, Chief of Police Charles Husted, Lieutenant Stephanie Foley, Officer Aldo Ortega, Officer Catherine Beers, Sustainability Coordinator McKenzie Jones, AmeriCorps Sustainability Specialist Kaileigh Walker, Arts & Culture Coordinator Nancy Lattanzi, Communications & Public Information Manager Lauren Browne, City Clerk Susan Irvine.

2. City's Vision/Moment of Art

A video of the City's Vision was played.

Nancy Lattanzi.

3. Consent Items

- a. **Minutes - February 25, 2020 City Council Regular Meeting.**
- b. **AB 2558 Approval of recommendation regarding a new Series 11 Hotel/Motel Liquor License for Sedona Rouge Hotel and Spa located at 2250 W ST RT 89A, Sedona, AZ 86336 (File #95909).**
- c. **AB 2562 Approval for the City Clerk to call the 2020 Primary Election for the offices of City Councilor (three seats with four-year terms) and Mayor (two-year term), to call the 2020 General election, if needed, and identifying associated deadlines for the Primary Election.**

Motion: Vice Mayor Martinez moved to approve consent items 3a, 3b, and 3c. Seconded by Councilor Williamson. Vote: Motion carried unanimously with seven (7) in favor (Moriarty, Martinez, Chisholm, Currivan, Hudson, Jablow, and Williamson) and zero (0) opposed.

4. Appointments

- a. **AB 2567 Discussion/possible action regarding appointment of Lisa Parsons as Magistrate Judge and approval of a two-year contract and a budget transfer from contingency.**

Motion: Councilor Jablow moved to approve the appointment of Lisa Parsons as Magistrate Judge for the City of Sedona and approve the two-year employment contract and budget transfer from contingency. Seconded by Vice Mayor Martinez.

Vote: Motion carried unanimously with seven (7) in favor (Moriarty, Martinez, Chisholm, Currivan, Hudson, Jablow, and Williamson) and zero (0) opposed.

5. Summary of Current Events by Mayor/Councilors/City Manager

Mayor Moriarty stated that the Mountain Bike Festival last weekend was very successful. Vice Mayor Martinez advised that the 50th St. Patrick's Day Parade will be held on Saturday, March 14th, followed by an Irish concert at Posse Grounds Park from 2:00 to 5:00 p.m. Councilor Chisholm stated that the Sedona Marine Corps League and Elks will be marching in the parade and invited any veterans to march with them. The City has a budget survey available online, and Councilor Chisholm encouraged everyone to express their opinion. The notices for Census 2020 are being mailed out March 12th through 20th and urged people to follow the process to respond. He also asked everyone to complete a NACOG survey for Yavapai County related to transportation. The Welcome Home Vietnam Veterans Day ceremonies will take place on March 29th at approximately 12:00 p.m. at the Sedona Elks Lodge.

6. Public Forum

Jon Thompson, Sedona, advised that the Sustainability Alliance has started a Sustainable Solutions Speaker Series beginning on March 20th which will relate to climate and food and will run on Fridays from 9:00 to 11:00 a.m. through April 10th. The main focus will be on solutions and ideas you can take home with you, and there is no cost to attend.

Thea Draaisma, Sedona, spoke about the importance of the role of artistic women in business success in Sedona. She encouraged the City Council to continue to support the return

Peggy Chaikin, Sedona, gave petitions with 644 signatures in support of the climate action plan for Sedona. She advised that they also presented petitions with 500 signatures in November 2017 and an additional 500 signatures in February of 2018.

Jan Sitts, Sedona, spoke about her history as an artist, the importance of women in the arts, and advised that she has taught painting throughout the United States.

Dev Ross, Sedona, advised that she is a writer and spoke about the need for a small, professional theater in Sedona.

Todd Winant, Sedona, stated that he was here to support the climate and the need for protecting it. He encouraged everyone to step up and take care of the earth.

7. Proclamations, Recognitions, and Awards

a. Recognition of Sedona Police Department Explorers and their recent achievements.

Chief Husted recognized the Sedona Police Department Explorers for their recent successes at a competition between 62 teams from around the United States. The Explorers placed first in 3 areas, second in one area, and **.

8. Regular Business

a. AB 2560 Discussion/possible action regarding approval of the City joining the Global Covenant of Mayors for Climate and Energy.

Presentation by McKenzie Jones and Justin Clifton.

Sedona City Council
Regular Meeting
Tuesday, March 10, 2020
4:30 p.m.

Questions from Council.

Opened to the public at 6:07 p.m.

The following spoke in favor of this matter: Steve Schliebs, Sedona, Jenna Ortega, Munds Park, Nancy Matthews, Sedona, Jordan Reinke, Sedona, Jim Gale, Sedona, Jo Kontzer, Sedona, Isaiah Castro, Cornville, Jeremy Brown, Sedona, Russell Gransten, Fort Collins, Colorado, Jon Thompson, Sedona.

The following spoke in opposition to this matter: Jim Kapsalis, Sedona, Dale Casey, Sedona, Kurt Gehlbach, Sedona, Peter Galea, Sedona, Jim McCabe, Sedona, Mike Schroeder, Sedona, Simeon Haritos, Sedona.

Brought back to Council at 6:48 p.m.

Comments from Council.

Discussion only. No action taken.

Break at 7:38 p.m. Reconvened at 7:55 p.m.

b. AB 2555 Discussion/possible action regarding proposed State legislation and its potential impact on the City of Sedona.

Presentation by Robert Pickels, Jr.

Questions and comments from Council.

Discussion only. No action taken.

c. Reports/discussion regarding Council assignments - None.

Councilor Chisholm advised that Sedona Recycles held a board meeting, market conditions remain unchanged, and they are looking into a possible fundraiser. He also attended a NACOG meeting last week.

d. Discussion/possible action regarding future meeting/agenda items.

Mayor Moriarty advised that there is a meeting tomorrow at 3:00 p.m.

9. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).**
- b. Return to open session. Discussion/possible action on executive session items.**

No Executive Session was held.

10. Adjournment

Mayor Moriarty adjourned the meeting at 8:08 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on March 10, 2020.

Susan L. Irvine, CMC, City Clerk

Date

Sedona City Council
Regular Meeting
Tuesday, March 10, 2020
4:30 p.m.

**Action Minutes
Special City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Wednesday, March 11, 2020, 3:00 p.m.**

1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Moriarty called the meeting to order at 3:00 p.m.

2. Roll Call

Roll Call: Mayor Sandy Moriarty, Vice Mayor John Martinez, Councilor Bill Chisholm, Councilor John Currivan, Councilor Janice Hudson, Councilor Scott Jablow, Councilor Jessica Williamson.

Staff Present: City Manager Justin Clifton, Assistant City Manager/Community Development Director Karen Osburn, City Attorney Robert Pickels, Jr., Finance Director Cherie Wright, Deputy City Clerk Cherise Fullbright, City Clerk Susan Irvine.

3. Special Business

a. AB 2462 Discussion/possible direction regarding a draft financial plan and local funding options for the operations of a future Sedona/Oak Creek Canyon transit system.

Presentation by Karen Osburn, Justin Clifton, and Cherie Wright.

Questions and comments from Council.

Opened to the public at 4:22 p.m.

The following spoke regarding this item: Kent Ellsworth, Village of Oak Creek, and Harvey Bershader, Sedona.

Brought back to Council at 4:27 p.m.

Additional questions and comments from Council.

By majority consensus, Council agreed that transit should be funded by a dedicated source. Council directed staff to conduct a survey to determine if the ½ cent transportation tax should be extended to fund transit. Council will revisit this issue once they have input from the survey.

b. Discussion/possible action regarding future meetings/agenda items - None.

4. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).

b. Return to open session. Discussion/possible action on executive session items.

No Executive Session was held.

5. Adjournment

Mayor Moriarty adjourned the meeting at 4:38 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council Meeting held on March 11, 2020.

Cherise Fullbright, Deputy City Clerk

Date



City of Sedona Proclamation Request Form

Full Name of Contact Person	Sherri O'Connor
Contact Phone Number	928-203-5170
Contact Mailing Address	100 Roadrunner Drive
Contact Email Address	soconnor@sedonaaz.gov
Group, Organization, Activity or Event Being Recognized (Please make sure you provide complete and current information about the group or event)	MatForce - Stand With Me, Be Drug Free
Website Address (if applicable)	http://matforce.org
Name of the sponsor(s) of the Proclamation (2 Council members or the City Manager)	
What is the proclaimed day, days, week or month? (e.g. 10/11/12, October 11-17, 2012, October 2012)	March 23 - March 28 with proclamation during the March 24th council meeting
Would you like to attend a Council meeting for formal presentation of the Proclamation or would you like to pick it up?	<input checked="" type="checkbox"/> Presentation at Meeting <input type="checkbox"/> Pick up Proclamation
If you would like the Proclamation presented at a Council meeting, please provide the full name and contact information (phone number and email address) of the party who will accept it on behalf of the group.	Merilee Fowler 928-300-7129

Provide information about the organization/event including a mission statement, founding date, location and achievements.

The vision of MATFORCE is - Working together reducing substance abuse in Yavapai County.

MATFORCE works to increase the number of youth participating in coalition sponsored activities and provide support for successful prevention programs. They are working on implementing a comprehensive plan that includes a media campaign, promotional marketing, a Speaker's Bureau, educational programs and various community activities to raise awareness and to advocate for positive changes in substance abuse issues and public policies. MATFORCE also provides educational resources for treatment professionals, strengthening treatment options and promoting prevention programs.

MATFORCE also address the issue of underage drinking in Yavapai County. They developed a public awareness campaign to educate the community about the problem of underage drinking and developed strategies that produce change.

Please explain why this Proclamation and any events accompanying it are important to the Community and are consistent with the City's vision statement and Community Plan goals. What is the clear reason for the Proclamation and why are you requesting this honor? What activities/events are planned around this Proclamation and how do you plan to promote this to the community?

MATFORCE is asking cities/towns in Yavapai County to join in the celebration as they raise awareness of the fact that the majority of people in our county do not use illegal drugs.

MATFORCE is planning Walk With Me, Be Drug Free throughout the County. Posters and flyers will also be placed medical offices, businesses, restaurants, etc. through Yavapai County.

Please include a draft of the proposed Proclamation with this request, preferably a Word file in electronic format.

*Office of the Mayor
City of Sedona, Arizona*



**Proclamation
Stand with Me, Be Drug Free Week,
March 23 – March 28, 2020**

WHEREAS, the City of Sedona celebrates the fact that a majority of adults and youth in our community do not abuse drugs and alcohol; and

WHEREAS, citizens of Sedona recognize the adverse effects of drug and alcohol abuse impacting individuals, families, friends, adults and children alike; and

WHEREAS, drug and alcohol abuse are community health issues leading to physical illness, use disorder, accidental death, economic loss, child abuse, destruction of families, driving while impaired, and crimes against persons and property; and

WHEREAS, the City of Sedona encourages all its youth to be free of drug and alcohol abuse.

NOW THEREFORE I, SANDY MORIARTY, MAYOR OF THE CITY OF SEDONA, ARIZONA, ON BEHALF OF THE SEDONA CITY COUNCIL, do hereby proclaim March 23rd through 28th, 2020 to be Stand with Me, Be Drug Free Week and support the planned events, which encourage youth and adults alike to strive for a healthy, drug-free community.

Issued this 24th day of March, 2020.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk



City of Sedona Proclamation Request Form

Full Name of Contact Person	John Martinez
Contact Phone Number	(928) 639-2693
Contact Mailing Address	305 Calle Del Norte, Sedona, AZ 86336
Contact Email Address	JMartinez@sedonaaz.gov
Group, Organization, Activity or Event Being Recognized (Please make sure you provide complete and current information about the group or event)	National Vietnam War Veterans Day
Website Address (if applicable)	
Name of the sponsor(s) of the Proclamation (2 Council members or the City Manager)	Vice Mayor John Martinez Councilor William Chisholm
What is the proclaimed day, days, week or month? (e.g. 10/11/12, October 11-17, 2012, October 2012)	March 29, 2020
Would you like to attend a Council meeting for formal presentation of the Proclamation or would you like to pick it up?	<input checked="" type="checkbox"/> Presentation at Meeting <input type="checkbox"/> Pick up Proclamation
If you would like the Proclamation presented at a Council meeting, please provide the full name and contact information (phone number and email address) of the party who will accept it on behalf of the group.	Guy Lamunyon (928) 963-4179

Provide information about the organization/event including a mission statement, founding date, location and achievements.

Welcome Home Vietnam Veterans Day Celebration

Please explain why this Proclamation and any events accompanying it are important to the Community and are consistent with the City's vision statement and Community Plan goals. What is the clear reason for the Proclamation and why are you requesting this honor? What activities/events are planned around this Proclamation and how do you plan to promote this to the community?

As Vietnam Veterans began returning home after their service in the war, a county that failed to differentiate between the war and the troops who served greeted them. In 2011, the United States Senate unanimously passed a resolution establishing March 30 as Welcome Home Vietnam Veterans Day.

Please include a draft of the proposed Proclamation with this request, preferably a Word file in electronic format.

*Office of the Mayor
City of Sedona, Arizona*



**Proclamation
NATIONAL VIETNAM WAR VETERANS DAY,
March 29, 2020**

WHEREAS, the Vietnam War was fought in the Republic of South Vietnam from 1961 to 1975 and involved North Vietnamese regular forces and Viet Cong guerrilla forces in armed conflict with the United States Armed Forces and the Army of the Republic of Vietnam; and

WHEREAS, the United States Armed Forces became involved in Vietnam because the United States Government wanted to provide direct military support to the Government of South Vietnam to defend itself against the growing Communist threat from North Vietnam; and

WHEREAS, members of the United States Armed Forces began serving in an advisory role to the Government of the Republic of South Vietnam in 1961; and

WHEREAS, as a result of the Gulf of Tonkin incidents on August 2 and 4, 1963, Congress overwhelmingly passed the Gulf of Tonkin Resolution (Public Law 88-408), on August 7, 1964, which provided the authority to the President of the United States to prosecute the war against North Vietnam; and

WHEREAS, in 1965, United States Armed Forces ground combat units arrived in Vietnam, and, by the end of 1965, there were 80,000 United States troops in Vietnam, and by 1969, a peak of approximately 543,000 troops was reached; and

WHEREAS, more than 58,000 members of the United States Armed Forces lost their lives in Vietnam and more than 300,000 members of the Armed Forces were wounded, and in 1982, the Vietnam Veterans Memorial was dedicated in the District of Columbia to commemorate those members of the United States Armed Forces who died or were declared missing-in-action in Vietnam; and

WHEREAS, the Vietnam conflict was an extremely divisive issue among the people of the United States that caused a generation of veterans to wait too long for the United States public to acknowledge and honor the efforts and services of such veterans; and

WHEREAS, members of the United States Armed Forces who served bravely and faithfully for the United States during the Vietnam War were often wrongly criticized for the policy decisions made by four presidential administrations in the United States; and

WHEREAS, the establishment of a 'National Vietnam War Veterans Day' would be an appropriate way to honor those members of the United States Armed Forces who served in South Vietnam and throughout Southeast Asia during the Vietnam War.

NOW THEREFORE I, SANDY MORIARTY, MAYOR OF THE CITY OF SEDONA, ARIZONA, ON BEHALF OF THE SEDONA CITY COUNCIL, do hereby proclaim March 29, 2020 as "National Vietnam War Veterans Day" in the City of Sedona.

Issued this 24th day of March, 2020.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk



**CITY COUNCIL
AGENDA BILL**

**AB 2561
March 24, 2020
Consent Items**

Agenda Item: 3g

Proposed Action & Subject: Approval of a recommendation regarding an application for a Series 12 Restaurant Liquor License for Fresh and Natural Thai Kitchen located at 1439 W SR 89A, Sedona, AZ (File #97895).

Department	City Clerk
Time to Present	N/A
Total Time for Item	
Other Council Meetings	N/A
Exhibits	Liquor License Application is available for review in the City Clerk's office.

City Attorney Approval	Reviewed 3/16/20 RLP	Expenditure Required	\$ 0
City Manager's Recommendation	Recommend approval of a new Series 12 Restaurant Liquor License for Fresh and Natural Thai Kitchen.	Amount Budgeted	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: State liquor laws require Sedona's City Council to forward a recommendation for approval or denial of applications for liquor licenses.

The City has received an application for a Series 12 Restaurant Liquor License for Fresh and Natural Thai Kitchen located at 1439 W SR 89A, Sedona, AZ (File #97895). The liquor license application is available for review and inspection in the City Clerk's office or by email.

A Series 12 Liquor License is a non-transferable, on-sale retail privileges liquor license that allows the holder of a restaurant license to sell and serve all types of spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Failure to meet the 40% food requirement may result in revocation of the license.

Community Development, Finance, the City Clerk's Office, the Sedona Police Department (SPD), and Sedona Fire District (SFD) have conducted a review of the application. No objections regarding its approval were noted.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Recommend denial of a new Series 12 Restaurant Liquor License Fresh and Natural Thai Kitchen located at 1439 W SR 89A, Sedona, AZ (File #97895). Reasons for a recommendation of denial would need to be specified.

MOTION

I move to: recommend approval of a new Series 12 Restaurant Liquor License for Fresh and Natural Thai Kitchen located at 1439 W SR 89A, Sedona, AZ (File #97895).



**CITY COUNCIL
AGENDA BILL**

**AB 2568
March 24, 2020
Consent Items**

Agenda Item: 3h
Proposed Action & Subject: Approval of the reappointment of Judge Ronald Ramsey and Judge Paul Julien as Magistrate Pro-Tem Judges for the Sedona Municipal Court.

Department	Municipal Court
Time to Present	N/A
Total Time for Item	
Other Council Meetings	N/A
Exhibits	N/A

City Attorney Approval	Reviewed 3/16/20 RLP	Expenditure Required	\$ Varies
City Manager's Recommendation	N/A	Amount Budgeted	\$ 5,000
		Account No. (Description)	10-5520-01-6011
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: A Pro-Tem Judge is a judge who serves on an on-call basis when the Presiding Judge is not available due to illness, training, vacation, or when it is necessary for the Presiding Judge to recuse herself due to a conflict of interest.

For eight years, Ron Ramsey was the magistrate for the Town of Clarkdale Municipal Court while serving as Pro-Tem Judge for various magistrate and justice courts in Yavapai County. He is currently serving as a Pro-Tem Judge for the Sedona Municipal Court.

Paul Julien serves as a Pro-Tem Judge for the municipal and justice courts in Yavapai County. Currently, he is the Judicial Education Officer for the Arizona Supreme Court and also serves as a Pro-Tem Judge for the Sedona Municipal Court.

The above judges are persons of high integrity with a wealth of judicial experience. Pro-Tem Judges are paid at a rate of \$50 per hour.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): N/A

MOTION

I move to: approve the reappointments of Judge Ronald Ramsey and Judge Paul Julian as Magistrate Pro-Tem Judges for the Sedona Municipal Court for two-year terms.



**CITY COUNCIL
AGENDA BILL**

**AB 2570
March 24, 2020
Consent Items**

Agenda Item: 3i

Proposed Action & Subject: Approval of a Resolution authorizing a Real Estate Purchase and Sale Agreement for the City of Sedona to purchase the property located at 430 Forest Road (APN 401-16-071) located in Coconino County, City of Sedona, Arizona, for the sum of \$480,000 for use as a future parking structure.

Department Community Development

Time to Present N/A

Total Time for Item

Other Council Meetings December 10, 2019, February 25, 2020, March 10, 2020 Executive Session

Exhibits
A. Resolution
B. Real Estate Purchase and Sale Agreement (APN 401-16-071)

City Attorney Approval	Reviewed 3/16/20 RLP	Expenditure Required	
		\$ 480,000	
City Manager's Recommendation	Approve a resolution authorizing the purchase of the property located at 430 Forest Road.	Amount Budgeted	
		\$ 0	
		Account No. 22-5320-89-6836 (Description)	(Uptown Parking Improvements)
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: The properties located at 430 Forest Road (APN 401-16-071) and 460 Forest Road (401-16-100), within Coconino County, Arizona, have been identified by the City of Sedona as having prospective use for a public purpose, which may include the future location of a parking garage.

The City has the legal authority to acquire property for public purposes in accordance with A.R.S. § 9-401.

The City of Sedona has been in negotiations with both owners and has reached terms with the owner of the 430 Forest Road parcel, Mr. Daniel Saunders, for the potential purchase by the City of this property. The terms outlined in the enclosed Real Estate and Purchase Agreement (Exhibit B) reflect best and final offers from each party and are now presented to the City Council for consideration and approval.

The fair market value for the parcel was identified through two separate professional valuations performed by Appraisal Technology and Karl Wiseman. The parcel was valued at \$375,000 and \$380,000 respectively.

Budgetary Implications: Adequate cash balances exist in the accumulated paid parking monies to pay for this purchase; however, the land acquisition was budgeted for the later years in the Capital Improvements Plan. Excess budget capacity is available in the Affordable Housing Fund. Of the \$2,000,000 Affordable Housing contingency budget, only \$105,000 has been obligated for Fiscal Year 2019-20. If approved, a budget transfer will be made from the Affordable Housing contingency budget to cover the land purchase and any ancillary costs such as title fees that will be paid from accumulated paid parking monies.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: approve Resolution 2020-__ authorizing the Real Estate Purchase and Sale Agreement for the City of Sedona to purchase the property located at 430 Forest Road (APN 401-16-071) Sedona, Arizona, for the sum of \$480,000.

RESOLUTION NO. 2020-__

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA,
ARIZONA APPROVING AND AUTHORIZING THE PURCHASE REAL PROPERTY
FOR PUBLIC PURPOSE USE.**

WHEREAS, the City has the legal authority to acquire property for public purposes in accordance with A.R.S. § 9-401; and

WHEREAS, the City Council has determined that the property located at 430 Forest Road (APN 401-16-071), within Coconino County, Arizona (Subject Parcel) has viable uses for a public purpose for the future location of a parking structure; and

WHEREAS, the City has negotiated with the owner of the Subject Parcel and arrived at a mutually agreeable purchase price of Four Hundred Eighty Thousand Dollars (\$480,000) which reflects fair market value for the Subject Parcel.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, that the City of Sedona, through its Mayor and Council, hereby approves the purchase of the Subject Parcel and authorizes the Mayor to execute any and all documents on behalf of the City of Sedona, Arizona necessary for the completion of the transactions.

PASSED AND ADOPTED this 24th day of March, 2020 by the Mayor and Council of the City of Sedona, Arizona.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert L. Pickels, Jr., City Attorney

REAL ESTATE PURCHASE AND SALE AGREEMENT

This Real Estate Purchase and Sale Agreement ("Agreement") is made and entered into by and between the City of Sedona, an Arizona municipal corporation ("Buyer") and Daniel E. Saunders, Trustee of the Daniel Saunders Revocable Trust dated June 5, 2012 ("Seller"), upon the date signed below (the "Effective Date").

RECITALS:

Whereas, Seller is the owner of a parcel of real property located at 430 Forest Road, Coconino County Assessor's Parcel No. 401-16-071, legally described on Exhibit "A" attached hereto (the "Property"); and

Whereas, Seller desires to sell the Property to Buyer and Buyer agrees to purchase the Property in accordance with the terms and conditions set forth herein.

Now, therefore in consideration of the mutual terms and conditions set forth herein, the parties agree as follows:

1. **Incorporation of Recitals.** The parties agree the Recitals set forth above are accurate and are hereby incorporated as part of this Agreement.
2. **Sale of Property.** Seller agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Seller upon the terms and conditions set forth herein.
3. **Purchase Price.** The Purchase Price for the Property shall be the sum of \$480,000.00 to be paid in full upon the Close of Escrow.
4. **Escrow Agent and Title Report.**
 - (a) Buyer and Seller agree to employ Empire West Title Company as the Escrow Agent to handle the Escrow.

(b) Buyer agrees to pay the cost for a standard owner's title policy for the Property in the Escrow Agent's standard coverage form and to pay the cost to record a Special Warranty Deed in favor of Buyer. Buyer shall pay for any extended form of title insurance coverage as determined and requested by Buyer.

(c) Immediately following the Effective Date, Seller shall instruct the Escrow Agent to deliver to Buyer, at Buyer's expense, if any: (i) a preliminary title report for a standard coverage owner's policy of title insurance for the Property setting forth the current status of title ("Title Report"); (ii) copies of all items appearing as exceptions to title insurance coverage; and (iii) an estimate of the additional charges required by Escrow Agent to upgrade the title insurance coverage to an extended form.

(d) Seller agrees Buyer shall be entitled to object to any matters disclosed by the Title Report, by delivering written notice of objection (a "Title Objection Notice") to Seller and Escrow Agent no later than five (5) days from Buyer's receipt of the Title Report. Any Title Objection Notice delivered by Buyer shall specify in reasonable detail any matter to which Buyer objects (the "Title Objection(s)"). If Escrow Agent subsequently issues any amendment to the Title Report disclosing any additional title matters, changes in the legal description, or additional requirements of Buyer, or if any revision to a survey procured by Buyer discloses any additional matter(s) affecting the Property, then Buyer shall be entitled to object to any such newly discovered matter by delivering a Title Objection Notice to Seller and Escrow Agent on or before five (5) business days after Escrow Agent has delivered to Buyer the amendment to the Title Report and any Schedule B items, if applicable (or Buyer has received the revision to a survey). If Buyer fails to deliver a Title Objection Notice objecting to any matter set forth

in the Title Report or any survey (or any subsequent amendment thereto) within the time period required under this Section 4(d), Buyer shall be deemed to have approved the matter as of the last day of that time period. All matters to which Buyer has not objected to are referred to in this Agreement as the “Permitted Exceptions.”

(e) If Buyer timely delivers a Title Objection Notice, then Seller shall notify Buyer on or before the date that is five (5) days after Seller’s receipt of the Title Objection Notice that either (i) the Title Objection(s) have been removed from the Title Report by Escrow Agent such that the Title Objection(s) no longer affects or encumbers the Property or any portion thereof, and in such event, the Closing shall go forward as provided for in this Agreement, or (ii) Seller irrevocably commits prior to Closing to cause Escrow Agent to remove objectionable items from the Title Report such that the Title Objection(s) no longer affect or encumber the Property or any portion thereof, and in such event, the Closing shall go forward as provided for in this Agreement, or (iii) Seller is unable or unwilling to have the Title Objection(s) removed. If Seller fails to provide such notice to Buyer within the time period required under this Section 4(e)(1), it shall be deemed that Seller is unwilling to cure the Title Objection(s). If Seller timely notifies Buyer (or fails to notify Buyer within the time period) that it is unable or unwilling to have the Title Objection(s) removed or is otherwise unable or unwilling to cure the Title Objection(s) to Buyer’s satisfaction, then Buyer, by delivering written notice to Seller no later than five (5) days following Seller’s notice to Buyer and Escrow Agent (or the date set as the deadline for Seller to deliver such notice to Buyer and Escrow Agent) in accordance with this Section 4(e)(1), may elect either: (A) as Buyer’s sole remedy hereunder, to terminate this Agreement and receive the entire sums deposited with the Escrow Agent (and any

interest earned thereon) and thereafter the parties shall have no further rights or obligations under this Agreement except those rights which specifically survive termination; or (B) waive such objections and take title as it then is (subject to, and the Closing is expressly conditioned upon, removal of any other Title Objection(s) that Seller has agreed to cause to be removed from the Title Report and/or cured as provided hereinabove), in which event all title Objection(s) not removed from the Title Report and cured as provided above will thenceforth be deemed Permitted Exceptions; and this Agreement shall remain in full force and effect. The failure by Buyer to timely elect either clause (A) or (B) above shall be deemed Buyer's election to proceed with clause (A) above.

(f) Notwithstanding anything to the contrary contained in this Agreement, at or before the Close of Escrow, and without the need for Buyer to object to same in its Title Objection Notice, Seller shall remove all financing encumbrances; mechanics', materialmen's and supplier's liens; judgment liens; federal or state income or sales tax liens; and lis pendens without cost to Buyer. Seller may not allow additional liens or encumbrances to be placed upon the Property after the Effective Date. The Purchase Price proceeds shall first be applied by Escrow Agent to pay off any and all financing encumbrances or any of the foregoing liens before any remaining Purchase Price proceeds are released to Seller on the Closing.

(g) Buyer's obligation to purchase the Property, to pay the Purchase Price therefore, and otherwise to close the Escrow is subject to Title Insurer being unconditionally committed to issue at the Close of Escrow to Buyer, as the insured, a standard owner's title policy and any requested extended coverage owner's policy of title

insurance (with no exception for mechanics' liens or similar encumbrances) in the amount of the Purchase Price, subject to only the Permitted Exceptions with such title endorsements as Buyer shall require (the "Title Policy"). Seller and Buyer shall each execute, acknowledge (if applicable), and/or deliver to Escrow Agent prior to the date of the Closing, any documents pertaining to Seller or Buyer, as applicable, or matters relating to the Property required by Escrow Agent as a condition to the issuance of the Title Policy.

(h) Buyer agrees to pay on, or before, the Close of Escrow to the Escrow Agent the standard closing costs and escrow fees for a commercial real estate transaction as determined by the Escrow Agent. Buyer and Seller shall timely execute or provide any documentation required by the Escrow Agent to close the sale and purchase of the Property.

5. **Survey, Engineering, Inspection and Due Diligence.** Seller agrees that prior to the Closing, Buyer may conduct and complete any additional inspections or tests of the Property and conduct any other due diligence of the Property, without limitation, which Buyer determines is necessary for Buyer's intended use of the Property for industrial/commercial development (the "Inspection Period"). Buyer agrees to pay for any additional inspections, tests and due diligence of the Property Buyer desires to procure in its discretion. Buyer shall be responsible to restore the Property to its original condition upon the completion of any additional inspection, test, or other due diligence of the Property. If during the Inspection Period, Buyer determines in its sole discretion that any survey, inspection, test, or other due diligence of the Property is unacceptable for Buyer's intended use, Buyer may, upon written notice to Seller and the Escrow Agent, terminate this Agreement, but subject to the right to Seller's equal contribution for the payment of

any surveys, engineering or related work previously agreed to by the parties completed as of such date as to the Property.

6. **Close of Escrow.** Buyer and Seller agree to the Close of Escrow upon Buyer's acceptance of the Closing Conditions set forth in Section 7 ("Closing" or "Close of Escrow"), in any event, not later than April 25, 2020.

7. **Closing Conditions.** Seller and Buyer agree Buyer's obligation to purchase the Property is contingent upon Buyer's approval of, and the occurrence of, each of the following condition:

(a) Buyer and Seller agree that no commissions shall be paid.

(b) Buyer agrees to lease-back the Property to Seller at no cost for a period of up to nine (9) months from the date of this Agreement under terms and conditions as mutually agreed upon by the Parties and set forth in a separate document which is incorporated herein by reference and made part of this Agreement.

8. **Seller's Representations.** Seller represents the following to Buyer:

(a) Seller has not received notice of any pending condemnation or similar proceeding affecting the Property or any portion thereof, and Seller, to the best of its knowledge, is not aware of any threatened condemnation or similar proceedings affecting the Property or any portion thereof.

(b) To the best of Seller's actual knowledge, the Property is not in violation, nor has it been or is it currently under investigation for a violation of any federal, state or local law, ordinance or regulation including, without limitation, any relating to environmental conditions, in, at, on, under or about the Property including, but not limited to, soil and ground water conditions and that neither Seller nor, to the best of Seller's

actual knowledge, any third party has used, generated, manufactured stored or disposed in, at, on, under or about the Property or transported to or from the Property any hazardous waste, toxic substances or related materials except in accordance with applicable law; and, to the best of Seller's actual knowledge, there is not now nor has there even been on or in the Property underground storage tanks or surface impoundments, any asbestos-containing materials or any polychlorinated biphenyls used in hydraulic oils, electric transformers or other equipment.

(c) There are no attachments, assignments for the benefit of creditors, receiverships, conservatorships, or voluntary or involuntary proceedings in bankruptcy pending against Seller.

(d) Seller has not previously taken any action and will not take any action, which would cause any lien or claim of lien to be made against the Property under the mechanics' and materialman's lien laws of the State of Arizona.

(e) Seller has not received any notifications from any governmental authority having jurisdiction over the Property requiring any work to be done on the Property or alleging any violation of law with respect to the Property.

(f) Seller has no actual knowledge of any claims, administrative actions or lawsuits pending or threatened against the Property.

(g) Seller has no actual knowledge of any parties in adverse possession of the Property or of any prescriptive rights or unrecorded easements upon or across the Property, or any portion thereof.

(h) Seller is not aware of any agreements or leases relating to the Property other than those identified as "Closing Conditions" in Section 7 herein.

(i) Seller represents that to the best of its actual knowledge, any documents, information and records provided by Seller to Buyer in connection with the transaction contemplated herein contain true and accurate information.

(j) Seller is not required to obtain the approval or consent of any other person or entity to execute this Agreement or to perform Seller's obligations under this Agreement.

9. Buyer's Representations. Buyer represents the following to Seller:

(a) Buyer has full authority to execute this Agreement.

(b) Buyer is not aware of any adverse actions against Buyer that would limit or impair Buyer's right to perform its obligations under this Agreement or upon the Close of Escrow.

10. Survival of Representations. The representations of Seller and Buyer as set forth in Sections 8 and 9 shall survive the Close of Escrow and shall not merge with the Special Warranty Deed.

11. Real Estate Brokerage. Buyer and Seller affirm neither party has contracted with, retained or otherwise employed a real estate broker relative to this Agreement. Buyer and Seller agree if any real estate broker asserts or claims the payment of a real estate commission or fees relative to this Agreement the party who contracted with such broker shall be responsible for the payment of such commission or fees and shall forever defend, indemnify and hold harmless the other party from such claim.

12. Title. Seller agrees to transfer the title to the Property to Buyer upon the Close of Escrow by Special Warranty Deed without any exceptions or encumbrances,

subject only to the usual printed exceptions and exclusions contained in such title insurance policies, to the matters shown on the Title Report or any Amended Title Report approved in writing or waived by Buyer.

13. Taxes and Assessments. All real and personal property taxes and any assessments against the Property shall be pro-rated through the Close of Escrow.

14. Closing Documents.

(a) Seller's Closing Documents. By the Close of Escrow, Seller shall deposit with the Escrow Agent the following documents for delivery to Buyer at the Close of Escrow, each of which shall have been duly executed and, where appropriate, acknowledged:

- i. The Special Warranty Deed for the Property in the form required by Escrow Agent;
- ii. An Affidavit of Value for the Property as required by law;
- iii. The standard owner's title policy required;
- iv. The Non-Foreign Affidavit as required;
- v. Such other documents as may be necessary or appropriate to transfer and convey the Property to Buyer and to otherwise consummate this transaction in accordance with the terms of this Agreement.

(b) Buyer's Closing Documents. On, or before, the Close of Escrow, Buyer shall deposit with the Escrow Agent the following documents for delivery to Seller at the Close of Escrow, each of which shall have been duly executed and, where appropriate, acknowledged:

- i. An Affidavit of Value for the Property as required by law;
- ii. The Non-Foreign Affidavit as required;
- iii. Appropriate evidence of due authorization and proper formation of Buyer;
- iv. Such additional extended coverage and endorsements as requested by Buyer, at Buyer's expense; and
- v. Such other documents and monies as may be necessary or appropriate to transfer and convey the Property to Buyer and to otherwise consummate this transaction in accordance with the terms of this Agreement.

15. Seller's Default. In the event Seller fails to perform upon the Close of Escrow, and if Buyer is not otherwise in default under any term or provision of this Agreement, Buyer may elect to proceed with any remedy available to Buyer under Arizona law, including, but not limited to an action for specific performance.

16. Buyer's Default. In the event Buyer fails to perform upon the Close of Escrow, and if Seller is not otherwise in default under any term or provision of this Agreement, Seller may elect to proceed with any remedy available to Seller under Arizona law, including, but not limited to an action for specific performance.

17. Notices.

(a) Notices shall be in writing and shall be given by personal or air courier service delivery to a responsible person, by telephone facsimile, by email, or by deposit in the United States mail, certified mail, return receipt requested, postage prepaid.

Notices shall be delivered or addressed to Seller and Buyer at the following or at such other address as a party may designate to the other in writing:

Seller:

Daniel E. Saunders
P.O. Box 1294
Sedona, Arizona 86339

Buyer:

c/o City of Sedona
City Attorney
102 Roadrunner Dr.
Sedona, Arizona 86336

With a copy to:

Empire West Title Agency
3000 West State Route 89A, Suite 2000
Sedona, Arizona 86336

The date notice is deemed to have been given, received and become effective shall be the date on which the notice is delivered, if notice is given by personal or air courier service delivery or by telephone facsimile, or two (2) days following the date of deposit in the mail, if the notice is sent through the United States mail; and

(b) Copies of all notices shall also be given to Escrow Agent by regular mail.

18. Further Documentation. Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.

19. **Governing Law.** Seller and Buyer agree this Agreement shall be interpreted under the laws of the State of Arizona and not elsewhere.

20. **Attorney's Fees.** If either party commences an action to enforce any term or condition of this Agreement, the prevailing party to such action shall be entitled to recover a reasonable additional sum as and for its attorneys' fees and costs, said sum to be fixed by a court of competent jurisdiction.

21. **Jurisdiction and Venue.** Any action to enforce or interpret any provision of this Agreement shall be commenced and completed in the Superior Court of the State of Arizona in and for the County of Coconino and not elsewhere. Each party specifically submits itself to the jurisdiction of said Court and waives any objection to venue.

22. **Waiver.** The waiver by any party hereto of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted hereunder, nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

23. **Time is of the Essence.** Time is of the essence of this Agreement and each provision hereof.

24. **Entire Agreement.** This document constitutes the entire agreement between the parties and may not be amended or otherwise modified except by the express written agreement of the parties.

25. **Counterpart and Facsimile Signatures.** This Agreement may be executed in any number of counterparts all of which shall be deemed to constitute one and the same instrument, and each of which shall be deemed an original hereof. Signatures transmitted by facsimile shall be deemed to be originals.

26. Binding on Heirs. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

EFFECTIVE this ____ day of March, 2020.

SELLER:

Daniel E. Saunders
Trustee of the Daniel Saunders
Revocable Trust

By: _____

BUYER:

City of Sedona

By: _____
Sandra J. Moriarty, Mayor

EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

Sixteenth: SE Quarter: NE Section: 07 Township: 17N Range: 06E PCL OF LAND IN SW4 SE4 NE4 Sec 7 17N 6E; BEG AT SE COR OF SW4 SE4 NE4 SEC 7 TH N 0 DEG 21 MIN W 171' TH S 89 DEG 31 MIN 44 SEC W 165' TH S 0 DEG 21 MIN E 171' TH N 89 DEG 31 MIN 44 SEC E 165' TO POB



**CITY COUNCIL
AGENDA BILL**

**AB 2564
March 24, 2020
Regular Business**

Agenda Item: 8a

Proposed Action & Subject: Discussion/possible action regarding an ordinance repealing Ordinance No. 2016-02 related to the sales tax subsidies from the General Fund to the Wastewater Fund and a resolution approving and adopting the schedule of subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027.

Department	Financial Services/Wastewater
Time to Present	10 minutes
Total Time for Item	15 minutes
Other Council Meetings	April 26, 2017 (Wastewater Fund analysis) November 13, 2018 (approval of consultant contract) March 26, 2019 (policy direction) August 13, 2019 (findings/recommendations) January 29, 2020 (updated findings/recommendations)
Exhibits	A. Ordinance B. Resolution

City Attorney Approval	Reviewed 3/16/20 RLP	Expenditure Required	\$ 3,447,000 (FY 2020 transfer from General Fund to Wastewater Fund)
City Manager's Recommendation	Approve and adopt the schedule of subsidies from the General Fund to the Wastewater Fund and repeal the Ordinance No. 2016-02.	Amount Budgeted	\$ 3,447,000 (FY 2020)
		Account No. (Description)	10-4900-01-6997 (Transfer to Wastewater Fund)
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: On November 13, 2018, Council approved a contract award to Willdan Financial Services (consultants) for a wastewater rate study. On March 26, 2019, the consultants presented preliminary findings and recommendations of the wastewater financial plan, cost of service analysis, and rate study, as an opportunity for Council to provide direction regarding policy decisions related to the rate structure.

On August 13, 2019, the consultants presented the rate study results based on the policy direction given. During that meeting, Council asked the consultants to update the study to provide a modified water-based option, a flat rate option, and an alternative capacity fee option.

On January 29, 2020, the consultants presented additional options and Council asked that additional adjustments be made to several of the options presented. The consultants are tentatively scheduled to present those changes on May 13, 2020.

During the Fiscal Year (FY) 2019-20 budget process, it was assumed that the rate study would be completed in time to implement the proposed subsidy from the General Fund to the Wastewater Fund. Since the timeline for the completion of the rate study has been extended beyond FY 2019-20, the difference in the subsidy amount budgeted and the existing ordinance needs to be addressed.

General Fund Subsidies to the Wastewater Fund:

The prior rate study recommended a gradual elimination of the General Fund subsidies as follows:

Fiscal Year	Percent of General Fund Sales Tax Revenues
FY 2019-20	20%
FY 2020-21	20%
FY 2021-22	20%
FY 2022-23	15%
FY 2023-24	15%
FY 2024-25	15%
FY 2025-26	15%
FY 2026-27	0%

A.R.S. § 9-530 requires municipal utilities to set rates sufficient for the utility to be self-supported. The City Attorney has previously indicated that he feels comfortable with the previous rate study’s recommendation for the gradual elimination of the General Fund subsidies as a demonstrated plan for the Wastewater Fund to become self-supported.

The current elimination of the subsidy was timed with the final bond payment. The remaining Wastewater bond payments for FYs 2019-20 through 2025-26 average \$4.6 million per year.

Due to the significant growth in sales tax revenues over the past several years, the estimated subsidies in the last rate study were significantly lower than the actual subsidies realized since the actual subsidies were calculated based on a percentage of actual sales tax revenues.

Staff recommended and Council concurred with a continued gradual reduction of the General Fund subsidies based on a fixed dollar amount instead of a percentage of actual sales tax revenues calculation. The rate forecasting model prepared by the consultants includes the following General Fund subsidies:

Fiscal Year	Proposed General Fund Subsidies
FY 2019-20	\$3,447,000
FY 2020-21	\$3,400,000
FY 2021-22	\$3,300,000
FY 2022-23	\$3,200,000
FY 2023-24	\$3,100,000
FY 2024-25	\$3,000,000
FY 2025-26	\$2,900,000
FY 2026-27	\$0

Ordinance and Resolution:

The proposed resolution sets the subsidies from the General Fund to the Wastewater Fund to those amounts proposed in the wastewater rate study.

The proposed ordinance repeals the current ordinance which sets the subsidies from the General Fund to the Wastewater Fund based on a percentage of General Fund sales tax revenues.

Historical and Estimated Impacts:

A comparison of the estimated subsidies from the prior rate study to the actual subsidy amounts, as well as the subsidies proposed in the new rate study are as follows:

Fiscal Year	Subsidy Rate in Prior Rate Study	Estimated Subsidy in Prior Rate Study	Actual and Estimated Subsidy Based on Prior Rate Study	Proposed General Fund Subsidies
FY 2013-14	35%	\$4,010,818	\$4,256,660 (act.)	
FY 2014-15	30%	\$3,506,601	\$3,980,931 (act.)	
FY 2015-16	30%	\$3,576,733	\$4,379,054 (act.)	
FY 2016-17	30%*	\$3,648,268	\$4,038,211 (act.)	
FY 2017-18	25%	\$3,101,027	\$4,351,138 (act.)	
FY 2018-19	25%	\$3,163,048	\$4,599,709 (act.)	
FY 2019-20	20%	\$2,581,047	\$3,883,200 (est.)	\$3,447,000
FY 2020-21	20%	\$2,632,668	\$4,038,500 (est.)	\$3,400,000
FY 2021-22	20%	\$2,685,321	\$4,072,000 (est.)	\$3,300,000
FY 2022-23	15%	\$2,054,271	\$3,017,100 (est.)	\$3,200,000
FY 2023-24	15%	\$2,095,356	\$3,131,700 (est.)	\$3,100,000
FY 2024-25	15%	\$2,137,356	\$3,202,900 (est.)	\$3,000,000
FY 2025-26	15%	\$2,180,009	\$3,275,400 (est.)	\$2,900,000
FY 2026-27	0%	\$0	\$0	\$0

* Was later amended by Ordinance 2016-02 to 25%.

From FY 2013-14 to FY 2018-19, the subsidies based on percentages of sales tax revenues have resulted in surpluses of \$4.6 million. Based on current estimates for FY 2019-20 to FY 2025-26, the subsidies based on percentages of sales tax revenues would result in surpluses of \$8.3 million.

As of June 30, 2019, the fund balance of the Wastewater Fund exceeded reserve requirements by \$11.7 million and is currently project to grow to \$12.8 million by June 30, 2020.

An analysis of Wastewater Fund was conducted in 2017, which included a review of the subsidies compared to the debt service expenditures based on prior expressed intentions for the subsidies to cover the debt costs. Based on updates to that analysis, as of June 30, 2019, the General Fund subsidies have exceeded debt service costs by \$11.9 million.

One option offered in the new rate study is to use the currently accumulated surplus to offset the need for rate increases for the next several years. Another option offered in the new rate study is to set aside a portion of the currently accumulated surplus in an endowment fund. These options will be discussed further in next meeting with the rate study consultants.

Since the City Council is considering funding options for several priorities, staff recommends reducing the subsidies to Wastewater Fund to the proposed amounts in the rate study in order to free up funding for those priorities and to further the City's goal to comply with A.R.S. § 9-530 and the requirement to achieve self-sufficiency of the Wastewater Fund.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s): Continue with the 20% subsidy for Fiscal Year 2019-20 or propose alternatives.

MOTION

I move to: approve Resolution No. 2020-___, approving and adopting the schedule of subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027.

I move to: approve Ordinance No. 2020-___, repealing Ordinance No. 2016-02 related to the sales tax subsidies from the General Fund to the Wastewater Fund.

ORDINANCE NO. 2020-__

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, REPEALING ORDINANCE NO. 2016-02 RELATED TO THE SALES TAX SUBSIDIES FROM THE GENERAL FUND TO THE WASTEWATER FUND.

WHEREAS, Ordinance 2014-05 provided for the reduction of the sales tax subsidies from the General Fund to the Wastewater Fund from the then current 35 percent to 30 percent, followed by a reduction to 25 percent in fiscal year 2017-18; and

WHEREAS, Ordinance 2016-02 provided for the reduction of the sales tax subsidies from the General Fund to the Wastewater Fund from the then current 30 percent to 25 percent in fiscal year 2016-2017; and

WHEREAS, the City Council has been presented with and approved Resolution No. 2020-__ which establishes a Schedule of Subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027 at a fixed amount to replace the current 25 percent subsidies.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, THAT:

Section 1. Repealing Ordinance No. 2016-02

Based on the adoption of Resolution No. 2020-__ and its Schedule of Subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027 as a replacement for the 25 percent subsidies identified in Ordinance No. 2016-02, Ordinance No. 2016-02 is rendered moot and is hereby repealed.

PASSED AND ADOPTED by the Mayor and City Council of the City of Sedona, Arizona, this 24th day of March, 2020.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert L. Pickels, Jr., City Attorney

RESOLUTION NO. 2020-__

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, APPROVING AND ADOPTING THE SCHEDULE OF SUBSIDIES FROM THE GENERAL FUND TO THE WASTEWATER FUND FOR FISCAL YEARS 2019-2020 THROUGH 2026-2027.

WHEREAS, the revenue generated from those properties connected to the City of Sedona Wastewater System (hereinafter referred to as the "Wastewater System"), based upon the current Base Sewer User Rates, is insufficient to pay for the costs and expenses of operating and maintaining the Wastewater System; and

WHEREAS, the City Council has been obligated to subsidize the operation and maintenance of the Wastewater System from the General Fund and shall be obligated to continue subsidizing the Wastewater System notwithstanding a rate increase; and

WHEREAS, the City Council has been presented with a Schedule of Subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027 which is attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA, that the City formally approves and adopts the Schedule of Subsidies from the General Fund to the Wastewater Fund for Fiscal Years 2019-2020 through 2026-2027 attached hereto as Exhibit A.

Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

Robert Pickels, Jr., City Attorney

Exhibit A

Schedule of Subsidies from the General Fund to the Wastewater Fund for Fiscal Years
2019-2020 through 2026-2027

Fiscal Year	General Fund Subsidies
FY 2019-20	\$3,447,000
FY 2020-21	\$3,400,000
FY 2021-22	\$3,300,000
FY 2022-23	\$3,200,000
FY 2023-24	\$3,100,000
FY 2024-25	\$3,000,000
FY 2025-26	\$2,900,000
FY 2026-27	\$0



**CITY COUNCIL
AGENDA BILL**

**AB 2571
March 24, 2020
Regular Business**

Agenda Item: 8b
Proposed Action & Subject: Discussion/possible direction regarding issues surrounding the COVID-19 pandemic and the City's response.

Department	City Manager
Time to Present	15 minutes
Total Time for Item	45 minutes
Other Council Meetings	N/A
Exhibits	None

City Attorney Approval	Reviewed 3/18/20 RLP	Expenditure Required	\$ 0
City Manager's Recommendation	For discussion and possible direction only.	Amount Budgeted	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: This item was added to ensure opportunity to discuss the latest updates with the COVID-19 pandemic and the City's response.

The situation regarding the COVID-19 pandemic has changed significantly over the last 7-14 days. City staff has been in regular communication with state and county health departments, hospitals, other health care providers, emergency responders, emergency managers, and policy experts. The City continues to monitor all new guidelines and rules and continues to consider any additional local response to the pandemic. As cases of COVID-19 have been confirmed in both Coconino and Yavapai counties, we have seen an expansion of restrictions imposed by state and county governments.

Parallel with expanding restrictions and providing guidance regarding social distancing etc., staff has heard growing concern about the economic and social implications of COVID-19. With the slowdown of visitation and many non-essential business activities, there have been mass layoffs and/or furloughs leaving many people without income. Small and large businesses fear that prolonged economic decline could force permanent closure. City staff is learning about resources to respond to this situation and is pushing information on the City's website and social media. Staff is also thinking about how this crisis will impact the City's budget as the economic decline will inevitably impact the City's tax collection.

The purpose of this item will be to provide an update on the COVID-19 pandemic and response and to start to strategize ways the City might help with community needs.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: for discussion and possible direction only.



**CITY COUNCIL
AGENDA BILL**

**AB 2555
March 24, 2020
Regular Business**

Agenda Item: 8c
Proposed Action & Subject: Discussion/possible action regarding proposed State legislation and its potential impact on the City of Sedona.

Department	Legal
Time to Present	15 Minutes
Total Time for Item	30 Minutes
Other Council Meetings	January 28, 2020, February 11, 2020, February 25, 2020, March 10, 2020
Exhibits	None

City Attorney Approval	Reviewed 3/16/20 RLP	Expenditure Required	\$ 0
City Manager's Recommendation	N/A	Amount Budgeted	\$ 0
		Account No. (Description)	N/A
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: During the course of the State Legislative Session, many bills are introduced that have a potential impact on the City of Sedona. The League of Arizona Cities and Towns and City staff routinely monitor bills of interest as they progress through the legislative process. This item is scheduled to provide a summary update on relevant bills, to answer questions that the City Council may have regarding any individual bill, and to consider the need for the City Council to take a formal position in support or opposition of any particular bill.

Community Plan Consistent: Yes - No - Not Applicable

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: for informational purposes only, unless there is a preference to take a position on a particular issue.