

**Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, June 25, 2024, 4:30 p.m.**

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

Mayor Jablow called the meeting to order at 4:35 p.m.

Council Present: Mayor Scott Jablow, Vice Mayor Holli Ploog, Councilor Melissa Dunn, Councilor Brian Fultz, Councilor Pete Furman, Councilor Kathy Kinsella, and Councilor Jessica Williamson.

Staff Present: City Manager Anette Spickard, Deputy City Manager Andy Dickey, City Attorney Kurt Christianson, Assistant City Attorney Monique Cody, Planning Manager Cari Meyer, Director of Community Development Steve Mertes, Accounting Manager Renee Stanley, Assistant Engineer Hanako Ueda, Budget & Financial Analyst Sterling West, Director of Public Works/ City Engineer Kurt Harris, Jean McGann Interim Director of Financial Services, Revenue Supervisor Bernadette Krchnavy, Associate Engineer Bob Welch, Police Officer Kevin Hudspeth, Deputy City Clerk Marcy Garner, and City Clerk JoAnne Cook.

2. Roll Call

3. Consent Items

- a. **Minutes - June 11, 2024 City Council Special Meeting - Executive Session.**
- b. **Minutes - June 11, 2024 City Council Regular Meeting.**
- c. **Minutes - June 12, 2024 City Council Special Meeting.**
- d. **AB 3080 Approval of a contract change order with Abdo Financial Solutions, LLC for Interim Director of Finance services and certain accounting, audit, budget, and software implementation services.**
- e. **AB 3057 Approval of an updated Construction Manager at Risk (CMAR), Construction Services contract for the Uptown Sedona Parking Garage Project with McCarthy Building Companies, Inc. in an amount not-to-exceed \$17,545,098.**

Motion: Councilor Williamson moved to approve consent items 3a - 3e. Seconded by Councilor Dunn. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

4. Appointments - None.

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

Councilor Furman gave an update on the June 13th Az Cities and Towns League Public Safety, Military Affairs and the Courts (PSMAC) Committee Meeting and stated that a resolution proposing the use of police aids as traffic conductors will not be going forward in the state's legislative process.

6. Public Forum

Opened to the public at 4:38 p.m.

Nancy Rob Dunst, Sedona, stated the Mural Project that was installed in 1999 at the Sedona Art Center by Marlys Powell and Kevin Karnes was recently painted over. She said the work was in the collection of the City and was historic in that it told the history of the Sedona Art Center through viewing. She urged Council to never let this happen again.

Brought back to Council at 4:41 p.m.

7. Proclamations, Recognitions & Awards - None.

Per the request of Mayor Jablow, item 8b was moved up prior to item 8a.

8. Regular Business

- a. **AB 3061 Public hearing/discussion/possible action regarding an appeal of the Planning and Zoning Commission's April 16, 2024, approval of a development review application for the Oak Creek Heritage Lodge located at 65-195 Schnebly Hill Road & 20 Bear Wallow Lane. PZ23-00004 (DEV), APPE24-00001, APPE24-00002.**

Mayor Jablow introduced parties to the Appeal, Sedona Residents Unite, Lauren Thomas, and Christine Wagner, and introduced the applicant RD Olson Development.

Mayor Jablow polled all Council members and asked them indicate that they had received and reviewed the administrative record in this matter, including the written appeals, the staff report, any items submitted by the applicant, and any public comments received. All councilors confirmed yes.

For the record, Mayor Jablow asked Council member to state whether they have spoken with the Appellant(s) and/or the Applicant.

Councilor Fultz stated he had spoken with Sedona Residents Unite and had an inconsequential email with the applicant. Councilor Dunn stated she spoke with Sedona Residents Unite and was unable to make the times given to her by the applicant. Vice Mayor Ploog stated she spoke with the applicant and Sedona Residents Unite and was not contacted by the other appellant. Mayor Jablow stated he spoke with the applicant and Sedona Residents Unite and was never contacted by the other appellant, Councilor Kinsella stated she spoke with the applicant and Sedona Residents Unite and did not receive a request to meet with the other appellant. Pete Furman stated he met with the applicant and Sedona Residents Unite and did not receive a request from the other appellant. Councilor Williamson stated she met with the applicant and Sedona Residents Unite and did not receive a request to meet from the other appellant.

Mayor Jablow stated the applicant has accused two city councilors of an open meeting law violation and asked that the two recuse themselves from voting on the matter. Nick Wood, Attorney for RD Olson Development stated he believed the violation happened when a signed petition (signed by the two council members) was included in the council meeting packets without being redacted. Kurt Christian stated he concluded there was no meeting violation. Mayor Jablow asked Councilors Dunn and Fultz if they wished to recuse themselves, they said they would not recuse themselves.

Mayor Jablow advised each party will be given 20 minutes to present their position and

respond to questions from the Council. Since the Appellants(s) bear the burden of proof, they will go first, and then the Applicant. The Council will then allow public comment in accordance with the three-minute rule governing such comment. Following the public comment period, each party will have 5 minutes for rebuttal, with Appellant(s) going first and then the Applicant.

Presentation by Cari Meyer.

5:04 - 5:24 p.m. Presentation by Appellant -Sedona Residents Unite, Mark TenBroek, Ann Kelley, and Sean Smith.

5:25 - 5:45 p.m. Presentation by Appellant - Lauren Thompson & Christine Walters.

5:46 - 6:26 p.m. Presentation by Applicant - RD Olson Development Attorney Nick Wood, P.L.L.C., Vice President of R.D. Olson Development Tony Wrzosek, Founder of R.D. Olson Development Robert Olson, Architect Greg Viegas, Landscape Architect Sandeep Walia, local Architect Eric Brandt, Luke Sefton of Sefton Engineering, , Civil Engineer, Kimley Horn Engineering Michael Lepore, and Leading Transportation Engineer, Kimley Horn, Brent Crowther Leading Transportation Engineer, Kimley Horne, and Sound Consultant Samuel Horde.

Break at 6:27 p.m. Reconvened at 6:51 p.m.

Opened to the public at 6:52 p.m.

Nancy Rob Dunst, Sedona, and Stephen Thompson, Sedona voiced concerns regarding the riparian zone.

Martin "Jake" Weber, Village of Oak Creek, spoke in favor of the development.

Mike McCarthy, Sedona/Scottsdale, spoke about the noise from all hotels in the area and asked Council to come up with a plan to deal with the noise.

The following spoke against the development:

Pandora Harris, Sedona, Kris Huss, Sedona, Alec Chapman, Sedona, Sarah Watts, Sedona, Michelle Thomas, Scottsdale, Suzanne Gosar, Sedona, Donna Sgariglia.

Jack Armstrong, Phoenix, Arizona Republic, wanted to direct a question to the developer and was not permitted by the Mayor.

Brought back to Council at 7:26 p.m.

7:26 - 7:30 p.m. Appellant Rebuttal - Mark TenBroek and Ann Kelley, Sedona Residents Unite

7:30 - 7:35 p.m. Appellant Rebuttal - Christine Walters

7:36 - 7:45 p.m. Applicant Rebuttal - RD Olson Development

Questions from Council.

Comments from Council.

Motion: Councilor Fultz moved to approve case numbers APPE24-00001 and APPE24-00002, thereby reversing Planning and Zoning Commission's approval of case number PZ23-00004 (DEV), Oak Creek Heritage Lodge, at 65-195 Schnebly Hill

Road & 20 Bear Wallow Lane, based on the following findings:

Councilor Fultz stated the findings-

1- LDC Section 8.3.E(5)c

- **The applicant is not consistent with the Sedona Community Plan and other applicable plans including aspect of traffic being less than medium density residential in particular and small designer hotel aspect.**

2- LDC Section 8.3.E(5)g Minimized Adverse Environmental Impact

- **There is significant environmental impact in scraping the ground not preserving the riparian area, soils and native vegetation, and wildlife habitat.**

3- LDC 8.3.E. (5)j Providing Adequate Road Systems and Traffic Mitigation

- **There is excess traffic being generated by the property and inadequate facility to support it.**

Vice Mayor added a friendly amendment that there is not adequate space on site for fire, public safety, and EMS services. Councilor Fultz accepted the amendment.

Mayor Jablow added a friendly amendment that the applicant's design is not modestly scaled to meet the CFA. Councilor Fultz accepted the amendment.

Seconded by Mayor Jablow. Vote: Motion passed with four (4) in favor (Jablow, Ploog, Dunn, Fultz) and three (3) opposed (Furman, Kinsella, Williamson).

- b. AB 3073 Discussion/possible action regarding approval of an Agreement for Sharing of Information Regarding Water Consumption and Water Service Disconnection with Arizona Water Company.**

Presentation from Kurt Christianson.

Motion: Councilor Furman moved to approve the Agreement for Sharing of Information Regarding Water Consumption and Water Service Disconnection with Arizona Water Company and authorize the City Attorney to execute the Joint Application for Approval of Water Information Sharing Agreement and Water Service Disconnection with the Arizona Corporation Commission. Seconded by Councilor Kinsella. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

- c. AB 3066 Discussion/possible action regarding future meeting/agenda items.**

Mayor Jablow requested a future meeting for discussion regarding speed reduction on Morgan Road to 15 miles per hour and to have staff research as they have capacity. Vice Mayor Ploog supported the request. Councilor Dunn proposed adding the option of resident only parking on Morgan Rd. Councilor Kinsella suggested all options be considered. Councilor Williamson seconded her request. Annette advised Northern Arizona Healthcare will be presenting at the October 8, 2024 Council meeting.

9. Executive Session

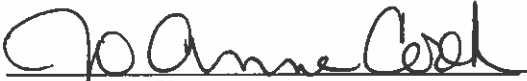
Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- 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.

10. Adjournment

Mayor Jablow adjourned the meeting at 9:56 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on June 25, 2024.


JoAnne Cook, CMC, City Clerk

7/9/2024
Date