

Action Minutes
Regular City Council Meeting
City Council Chambers, Sedona City Hall,
102 Roadrunner Drive, Sedona, Arizona
Tuesday, August 13, 2024, 4:30 p.m.

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

Mayor Jablow called the meeting to order at 4:30 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, Planning Manager Cari Meyer, Communications Manager Lauren Browne, Director of Community Development Steve Mertes, Assistant Director of Public Works Sandy Phillips, Director of Public Works/City Engineer Kurt Harris, Associate Engineer Bob Welch, Police Chief Stephanie Foley, Police Lieutenant/Manager Erin Loeffler, Assistant Engineer Hanako Ueda, Accounting Manager Renee Stanley, Revenue Supervisor Bernadette Krchnavy, Contract Administrator Ian Coubrough, Arts & Culture Specialist Nancy Lattanzi, Sustainability Coordinator Zach Schwarz, Short-Term Rental Specialist Teresah Arthur, Community Services Aide Jack Ross, Budget and Financial Analyst Sterling West, Assistant Project Manager Gillian Arnold, Transit Administrator Robert Weber, Director of Wastewater Roxanne Holland, Assistant Attorney Monique Coady, Deputy City Clerk Marcy Garner, and City Clerk JoAnne Cook.

2. Roll Call/Moment of Art

Nancy Lattanzi introduced the Acapella Quartet Surround Sound. They sang, "Red Rock Rag", and a "Wish for the City Council Meeting".

3. Consent Items

- a. **Minutes - July 09, 2024 City Council Special Meeting - Executive Session.**
- b. **Minutes - July 09, 2024 City Council Regular Meeting.**
- c. **Minutes - July 10, 2024 City Council Special Meeting.**
- d. **AB 3093 Approval of award of a Professional Services Agreement with Carollo Engineers for design services for the WWRP Facility Plan in the amount of \$250,000.**
- e. **AB 3094 Approval of a recommendation regarding an application for a New Series 12 Restaurant Liquor License for Costa Modern Latin Cuisine, located at 150 SR 179, STE #9, Sedona, AZ (File # 23678964).**
- f. **AB 3100 Approval of a recommendation regarding an application for a New Series 12 Restaurant Liquor License for Nicks West Side located at 2920 W HWY 89A, Sedona, AZ (File# 23664461).**
- g. **AB 3104 Approval of a recommendation regarding an application for a New Series 12 Restaurant Liquor License for Sound Bites Grill, located at 101 N HWY 89A, #F29, Sedona, AZ (File# 23682070).**

- h. **AB 3096 1) Approve acceptance of the FFY 2024 FTA 5311 Grant award in the amount of \$155,000. 2) Approve the expenditure of \$51,900 which is included in the FY2025 budget as the city's local share to satisfy the conditions of the grant. 3) Direct staff to apply all stated FTA grant and local funding for only approved activities as specified within the grant.**
- i. **AB 3103 Approval of change order to Questica Budget Software in relation to CIP IT-01 Citywide Business Software.**
- j. **AB 3102 Approval of additional fiscal year contract with Tourism Economics for tourism data platform software in amount not-to-exceed \$57,000.**
- k. **AB 3105 Approval of a Contract Change Order with Banicki Construction, Inc for the Pedestrian Crossing at Oak Creek Project in the amount of \$201,938.**

Item 3k was pulled off Consent Items by Councilor Furman for public discussion regarding costs. Bob Welch and Kurt Harris spoke to the item regarding the change order.

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

Motion: Councilor Furman moved to approve consent items 3k. Seconded by Councilor Kinsella. 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

Mayor Jablow announced Alex Schroder was promoted to the US Forest Service District Ranger position. Vice Mayor Ploog stated she attended a Meals for Wheels delivery; she encouraged councilmembers to do the same.

6. Public Forum

Opened to the public at 4:51 p.m.

Julie Richard, Sedona (Sedona Arts Center), spoke regarding the status of the Art Mural restoration efforts. She stated the Sedona Arts Center recently received a large grant for an entrepreneurial development program. She invited all to the next opening and the Myrna Harrison Exhibit on October 6th.

Brought back to Council at 4:53 p.m.

7. Proclamations, Recognitions & Awards - None.

8. Regular Business

Items 8c and 8d were moved ahead of item 8b.

- a. **AB 3089 Public Hearing/possible action regarding a request for the Sedona City Council to take administrative action to extend or remove the schedule for development or take legislative action to cause the property to revert to its former zoning classifications. The property is currently zoned PD**

(Planned Development) - The Preserve at Oak Creek Condominiums and is located on both sides of N State Route 89A in the area generally surrounding the Owenby Way Roundabout. APN 401-08-002A; 401-08-006A; 401-09-001A; 401-09-001B; 401-09-001C; 401-13-059; 401-14-015; 401-14-016; 401-14-017; 401-14-064; 401-14-065; 401-14-075A; 401-14-163; 401-14-164. Case Number: PZ24-00008 (ZC) Applicant: Dutchman's Cove, LLC Owner: Axys Capital Total Return Fund, LLC.

Presentation by Cari Meyer, Stephen W. Polk, Esq., Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C., and Nicholas J. Wood, P.L.L.C.

Questions and comments from Council.

Opened Public Hearing at 5:56 p.m.

The following spoke in favor of item 8a: Heiner Zacher, Sedona, Joe Huff, Sedona, Nicolas Pigati, Clarkdale, Lew Hoyt, Sedona, Joe Franquero, Phoenix, Christina Hemingson, Sedona, Deborah Waldvogel, Sedona, Joetta Winer, Sedona, Patrick Schweiss, Sedona, Mike Wise, Sedona,

Gabriel Browne, Sedona, asked a question regarding the proposal adjacent to Ownby Way.

Joe Huff left prior to his turn to speak.

Closed Public Hearing at 6:20 p.m.

Questions and comments from Council.

Motion: Vice Mayor Ploog moved to go into executive session for legal consultation per 9a, regarding item 8a at 6:21 p.m. Councilor Williamson seconded. Entered into executive session at 6:30 p.m. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

Reconvened in open session 6:56 p.m.

Questions and comments from Council.

Motion: Councilor Kinsella moved to approve Ordinance No. 2024-02, case number PZ 24-00008 (ZC), reverting the zoning of the property identified herein from PD (Planned Development) to CO (Commercial), RS-35 (Single Family Residential), and RM-2 (Multifamily Residential), based on conformance with the 2018 LDC conversion chart and the requirements for reversionary rezoning of A.R.S. § 9-462.01(E) and LDC § 8.6(B)(3)(g)(2). Seconded by Councilor Williamson. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

b. AB 3071 Public hearing #1/discussion on the Land Use Assumptions and Infrastructure Improvement Plan (IIP) developed by consultant Tischler/Bise, Inc. as required by A.R.S. § 9-463.05 for the City of Sedona to adopt updated Development Impact Fees.

Presentation from Anette Spickard and Ben Griffin, Senior Fiscal/Economic Analyst, Tischler Bise, Inc.

Questions and comments from Council.

Opened the Public Hearing at 9:30 p.m.

Sean Smith, Sedona, spoke regarding using an increase in fees to support the construction of more city shared use paths.

Closed Public Hearing at 9:31 p.m.

Questions and comments from Council.

Public Hearing only, no action taken.

- c. **AB 3072 Public hearing/possible action regarding adoption of a Resolution and Ordinance updating the City of Sedona's Fee Schedule to reflect a 3.6% Wastewater rate increase, effective October 2024.**

Presentation by Renee Stanley, Bernadette Krchnavy, and Roxanne Holland.

Comments and questions from Council.

Opened Public Hearing at 7:58 p.m.

The following spoke against the wastewater rate increase in Thunder Mountain Ranch: Donna Foreman, Sedona, Glenn Mann, Sedona, Patricia Corral, Sedona.

Kate Mauldi, Oracle AZ, spoke regarding the rate structure and usage.

Ronald Rovey, Sedona, spoke against the increase at his commercial property.

Closed Public Hearing at 8:12 p.m.

Questions and comments from Council.

Motion: Councilor Williamson moved to approve Resolution No. 2024-18, creating a public record entitled "Exhibit A - Proposed Changes to the Sedona Consolidated Fee Schedule, Finance, Wastewater Rates". Seconded by Councilor Furman. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

Motion: Councilor Williamson moved to approve Ordinance No. 2024-03, adopting by reference that document known as "Exhibit A - Proposed Changes to the Sedona Consolidated Fee Schedule, Finance, Wastewater Rates" reflecting a 3.6% Wastewater rate increase, effective October 2024, providing for a savings clause, and repealing all ordinances or parts of ordinances or code provisions in conflict herewith. Seconded by Councilor Dunn. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

- d. **AB 3081 Public hearing/possible action regarding proposed revisions to the Sedona Land Development Code. The proposed revisions include revisions to the Urban Agriculture Section (LDC Section 3.4.D(2)) to comply with recently adopted state legislation and a change to purpose statements of the M1 and M2 districts (LDC Sections 2.11.A & 2.12.A) to accurately reflect the permitted uses. Case Number: PZ24-00007 (LDC) Applicant: City of Sedona.**

Presentation by Cari Meyer.

Opened Public Hearing at 9:54 p.m.

No public comments heard.

Closed Public Hearing at 9:54 p.m.

Questions and comments from Council.

Motion: Councilor Williamson moved to approve Resolution 2024-19, establishing as a public record “Exhibit A – August 13, 2024 Proposed Land Development Code Revisions”. Seconded by Councilor Dunn. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

Motion: Councilor Williamson moved to approve Ordinance 2024-04 consistent with the approval criteria in Section 8.6.C(4) of the LDC, amending the LDC, adopting by reference that document known as “Exhibit A – August 13, 2024 Proposed Land Development Code Revisions”, providing for a savings clause, and repealing all ordinances or parts of ordinances or code provisions in conflict herewith. Seconded by Councilor Dunn. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

- e. **AB 3075 Discussion/possible action regarding approval of the Small Grant Review Committee recommendations for the fiscal year 2025 small grants program in the amount of \$350,000.**

Presentation by Small Grants Chair and Program Facilitator Stephanie Geisberg and Teresah Arthur.

Questions and comments from Council.

By majority consensus, Council requested the Bridge Group reach out to the community to recruit new members.

Motion: Vice Mayor Ploog moved to approve the Small Grants Review Committee Fiscal Year 2025 recommendations in the total amount of \$350,000 as itemized in Agenda Bill 3075, Exhibit A, and subject to approval by the City Attorney’s Office of a Small Grants Agreement with each grantee. Seconded by Councilor Kinsella. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

- f. **AB 3097 Discussion/possible action regarding a Resolution approving the canvass of the City's Primary Election held on July 30, 2024.**

Presentation by JoAnne Cook.

Motion: Vice Mayor Ploog moved to approve Resolution No. 2024-20, a Resolution of the Mayor and Council of the City of Sedona, Arizona declaring and adopting the results of the Primary Election held on July 30, 2024. Seconded by Councilor Fultz. Vote: Motion passed with seven (7) in favor (Jablow, Ploog, Dunn, Fultz, Furman, Kinsella, Williamson) and zero (0) opposed.

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

Councilor Kinsella requested a detailed discussion regarding the closure of the Tlaquepaque pedestrian crossing HWY179 during the next SIM update. Councilor Fultz supported her request.

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 10:03 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on August 13, 2024.


JoAnne Cook, CMC, City Clerk

9/10/24
Date