

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
MAY 10, 2021
6:00 P.M.**

Staff Present: Harvey Krauss-City Manager; Stephen R. Cooper-City Attorney; Mary Myers-City Clerk; Jon Vlaming-Community Development Director; Brian Wright-Finance Director; Roger Valdez-City Magistrate; Paul Anchondo-Community Services Director; Jeff Fairman-Economic Development Specialist; Christopher Vasquez-Police Chief

I. CALL TO ORDER

Mayor Micah Powell called the meeting to order at approximately 6:00 p.m.

II. ROLL CALL

Council Members Present: Councilmember George Reuter; Councilmember Sara Curtis; Vice Mayor Andrew Rodriguez; Mayor Micah Powell; Councilmember Dan Snyder; Councilmember Jose Garcia; Councilmember Sylvia Guanajuato Rodriguez

Council Members Absent: None

III. INVOCATION

Mr. Bob Skier gave the invocation.

IV. PLEDGE OF ALLEGIANCE

Councilmember Snyder led the Council and the public in the Pledge of Allegiance.

V. PUBLIC APPEARANCES

A. Scheduled

B. Unscheduled

1. Vice Mayor Rodriguez read an email from Mr. Ron Wolf who resides in Eloy. Mr. Wolf expressed concern about not being able to suspend his garbage service with the city for the summer. He said he do not spend his summers in Eloy and that it is a waste of money having to retain garbage service when he is not at this residence. Mr. Wolf writes that if residents gives the city a stop and start date, this should keep people from using other people's containers. Vice Mayor Rodriguez said Mr. Wolf hopes the city will consider making changes to its garbage service.

Councilmember Curtis stated that she received a similar letter from a different resident on the same topic which she shared with Mr. Krauss.

Councilmember Snyder conveyed that this is a hot topic at Robson Ranch because residents leaving for the summer. He said this stem from a letter from Mr. Krauss in 2015 when the Council at that time, decided to charge. The policy was implemented because it was nearly impossible for the city to keep track of when residents would leave and return. Councilmember Snyder said the city discovered that after Robson Ranch residents returned, some would dump their trash in the construction dumpsters instead of the city. He said this became a real logistical nightmare for the city to try to keep track of everything. Councilmember Snyder said number of residents had no issue with paying while out of state. They pointed out that Casa Grande require residents to pay full year, whether residents are here or not. Councilmember Snyder said he sees this as being no different to paying HOA fees that are paid each year.

2. Barry McCain – resides in Arizona City.

Mr. McCain conveyed that he is a registered lobbyist at the state capital for Arizona veterans with disabilities and for Pinal Partnership. He is concerned about several things in the city and posed the following questions to the Council:

- Why does is cost \$265 to start water service in the city?
- Why do people have to pay for trash containers to clean up trash in Eloy?
- Why doesn't the city have a sitting city attorney?

Mayor Powell told Mr. McCain that the city has an attorney who is sitting in the audience.

Mr. Cooper explained that he does not sit on the dais at this time because of the pandemic and social distancing.

3. Alan Miller – 3455 W. Romano Drive, Eloy

City landfill - Mr. Miller conveyed that if the city agrees to sell, lease or rent the city landfill, he asked the Council to consider having a provision in the contract that allows Eloy residents to continue to dump 1,000 pounds of trash per day at no

cost for 5 to 10 years. Mr. Miller said a large number of residents dump trash on the weekend, and if residents have to start paying to dump, the city would probably see a lot more illegal dumping in the desert and trash piling up around homes.

Solar panel project - Mr. Miller wanted to know if the Council could encourage the company that has the solar project along Estrella Road to plant their vegetation now rather than waiting until the end of the project. He said the city is requiring the solar company to plant vegetation to block the view of the panels. With phase one of the project at Eleven Mile Corner Road, he said the company installed the fencing and solar panels, then planted oleanders. Mr. Miller stated that it would probably take four to five years for the oleanders to be high enough to block the view of the panels.

VI. REPORTS AND ANNOUNCEMENTS

A. Council Members' Announcements

1. Councilmember Reuter wanted to comment on Mr. Miller's statement regarding illegal dumping. He said the Council agrees with his concerns about illegal dumping and is working on reducing the practice and apprehending violators.

Councilmember Curtis also mentioned to Mr. Miller that when the Council discussed the possible selling or leasing of the landfill, they told the staff they would like to see a provision for continued free dumping for residents negotiated into the proposed contract.

B. Mayor's Announcements

1. **Proclamation – May 9-15, 2021 as National Police Week**
The city clerk read the proclamation into the record. Mayor Powell presented the proclamation to Chief Vasquez.
2. **Proclamation – May 2-8 as Professional Municipal Clerks Week**
Mayor Powell read the proclamation into the record.
3. Mayor Powell provided the Council and public with the latest COVID-19 data:

Number of cases reported in Pinal County	51,758
Number of deaths reported in Pinal County	873
Number of cases reported in Eloy	3,932
Number of deaths reported in Eloy	43

Mayor Powell pointed out that 128 of the 142 new cases reported in Eloy over the past two weeks were from the correctional facility.

4. Mayor Powell conveyed that last Tuesday, he and Councilmembers Reuter and Curtis visited the Sun Life Family Health Center in Eloy to meet Senator Mark Kelly who was visiting the center. Mayor Powell said the senator and his staff were extended an invitation to attend the ribbon cutting ceremony of the new police station and tour city hall.
5. Mayor Powell said he would be chairing the SCMPO meeting tomorrow at Casa Grande city hall. Steve Miller who is the chairman, will not be able to attend the meeting.
6. Mayor Powell invited the public to participate in a new program called, "Miles with the Mayor." He said this is an opportunity for the Council to engage with residents while enjoying the outdoors. Mayor Powell said everyone would meet at city hall on Wednesday (5/12), at 6:00 p.m. and walk two miles.
7. Mayor Powell conveyed that the city will have a graduation parade on Friday, May 21st for all Eloy graduating high school and junior high school students. He said Main Street would be closed to traffic from 6:00 p.m. to 9:00 p.m. for the parade followed by the Cruise Night event.
8. Mayor Powell conveyed that last Saturday (Mother's Day weekend), a local resident posted pictures of the cemetery on social media. The resident commented on the poor appearance of the memorial park. Mayor Powell said the pictures showed weeds, dirt, dying grass in some areas and grass not mowed throughout the park. He said more pictures and comments were posted on Sunday by others who visited the cemetery. Mayor Powell said he and Vice Mayor Rodriguez met with Mr. Krauss and Mr. Anchondo today to express their frustration, disappointment and embarrassment about the appearance of the cemetery. Mr. Anchondo and Mr. Krauss both agreed that this should not have happened and have accepted full responsibility. They both have assured him and Vice Mayor Rodriguez that this would not happen again. Mayor Powell announced that a city ground crew employee will attend to the cemetery three times a week until a full-time employee for the cemetery is hired. He assured the public that he would hold staff accountable and ensure that all employees put more time, care and respect into the city.

C. City Manager's Announcements

1. Quarterly Financial Report – Ending March 31, 2021 - included in the packet for Council review.
2. April Check Register – included in the packet for Council review.
3. Mr. Krauss reminded the Council of two scheduled budget work sessions; May 17th and 18th, starting at 6:00 p.m. He said department directors will present their budget proposals to the Council.
4. Mr. Krauss conveyed that Pinal Partnership will host their first in-person breakfast since the pandemic. The meeting will be at the Windmill in Florence

starting at 8:00 a.m. He said Representative David Cook and Senator T.J. Shope will provide updates on legislation at the state house.

VII. CONSENT AGENDA

Mayor Powell announced that staff requested item C withdrawn from tonight's agenda.

- A. Approval of Minutes: 4/26/2021 (regular)
- B. Adoption of Ordinance No. 21-907 approving the rezoning of approximately 0.19 acres of land (Lot No. 321 of the Midway City Subdivision) from R1-12 (Single Family Residential) to I-1 (Light Industrial) as submitted by Ron Stevens on behalf of Louis A. Tsakiris Family Partnership, and the subject property is located at 4440 W. Bosque North Drive, Eloy, Arizona, Pinal County Assessor's Parcel Number: 403-24-321 in a portion of Section 28, Township 7 South, Range 7 East of the Gila & Salt River Base & Meridian, Pinal County, Arizona (Project Name: Midway City Parcel 40324321)
- C. ~~Approval of the Map of Dedication, submitted by Central Line Solar LLC., for the dedication of Rights of Way and Public Utility Easements along Cornman Road, Eleven Mile Corner Road, Hanna Road, and Tweedy Road required for completion of road and utility improvements necessary to serve their Solar Farm. (Item withdrawn from tonight's agenda)~~
- D. Resolution No. 21-1496 for the appointment of Brian Wright, Finance Director, as the designated authorizing agent to submit the Annual Expenditure Limitation Report (AELR) as the Chief Fiscal Officer (CFO) for the City of Eloy for Fiscal Year 2021-2022.
- E. Adoption of Resolution No. 21-1499 approving the Reappointment of Steve Falek and the Appointment of Micah Powell, Andrew Rodriguez, and Paul Rodriguez to serve on the Board of Commissioners of the Eloy Housing Authority effective January 1, 2021 through December 31, 2025.

Motion by Councilmember Garcia, seconded by Councilmember Reuter to approve items A, B, D and E on the Consent Agenda as presented, passed unanimously by roll call vote.

VIII. BUSINESS

- A. **CONDITIONAL USE PERMIT (CUP) NO. 2021-009 SUBMITTED BY CAROLYN OBERHOLTZER WITH BERGIN, FRAKES, SMALLEY & OBERHOLTZER, PLLC FOR A MEDICAL MARIJUANA CULTIVATION FACILITY LOCATED AT 924 N. TWEEDY ROAD, ELOY, ARIZONA, PINAL COUNTY ASSESSOR'S PARCEL NUMBERS: 408-02-021 AND 408-02-022 IN A PORTION OF SECTION 1, TOWNSHIP 8 SOUTH, RANGE 7**

EAST OF THE GILA & SALT RIVER BASE & MERIDIAN, PINAL COUNTY, ARIZONA (PROJECT NAME: NEW GEN ELOY)

Staff Cover Sheet Report: *City Council approve a request by Bergin, Frakes, Smalley & Oberholtzer, PLLC for a Conditional Use Permit (CUP) for a Medical Marijuana Cultivation facility at 924 N. Tweedy Road, Eloy, Arizona, Pinal County Assessor's Parcel Numbers: 408-02-021 and 408-02-022 in a portion of Section 1, Township 8 South, Range 7 East of the Gila & Salt River Base & Meridian, Pinal County, Arizona, subject to the stipulations listed below.*

The Property Owner shall:

Combine the Pinal County Assessor's Parcel Numbers: 408-02-021 and 408--02-022 through a Lot Combination Application;

Adhere to the Medical Marijuana Dispensary Off-Site Operating Procedures (attached);

Adhere to the Medical Marijuana Dispensary Off-Site Security Plan (attached);

Adhere to the Medical Marijuana Dispensary Off-Site Cultivation Waste Disposal Plan (attached);

Adhere to the Medical Marijuana Dispensary Off-Site Cultivation Odor Control Concept Plan (attached);

Maintain and remain in good standing with all applicable application/license fees as required by any and all state, county, and local governmental jurisdictions.

Not conduct any activities or processing on the premises which, directly or indirectly, is engaged in any form of cannabis extraction.

Submit and receive approval for any amendments to the Conditional Use Permit in the same manner as the original application, except that the Zoning Administrator may authorize minor amendments

The subject property includes a vacant warehouse building of approximately 71,000 square feet that was constructed in 2008 on two parcels of land comprising approximately 15.19 acres. This request is for a Conditional Use Permit (CUP) to facilitate the reuse of the vacant building (Elrus Aggregate Extraction Equipment) as a Medical Marijuana Cultivation location to support a growing Phoenix Medical Marijuana dispensary that requires a larger cultivation operation to meet the demands of their patients.

Section 21-2.5.1 of the Eloy Zoning Ordinance permits Medical Marijuana Cultivation with an approved CUP in Business Park (BP), Light Industrial (I-1) and General Industrial (I-2) Zoning Districts. However, the zoning code limits the size of the cultivation facility to 2,000 square feet. The CUP will facilitate the continued utilization of the properties for an industrial purpose, which is the cultivation of Medical Marijuana within an entirely enclosed building, as well as its use that exceeds the 2,000 square foot space limitation.

The Eloy General Plan identifies the subject property as General Industrial. If approved, this request would be in conformance with the Eloy General Plan and the Eloy Zoning Ordinance. The entire surrounding area of this property is also designated at General Industrial on the Eloy General Plan, from Interstate 10 to Frontier Street. The property to the west and south is currently vacant; the property to the north is the vacant Owens Corning Building and the property to the east is Otto Industries.

The existing south face of the Elrus building is located 1,307 feet directly north of residential zoning (R1-43). This zoning district is also located south of Interstate 10. The Eloy Zoning Ordinance identifies that a minimum distance of 1,320 feet is required, so a variance of 13 feet will be requested by the applicant at the Eloy Board of Adjustment meeting to be held on May 20, 2021.

Notification of the Planning & Zoning Commission public hearing for the requested CUP was provided at least fifteen (15) days prior to the public hearing through its publication in the Eloy Enterprise. A copy of the notice has been sent, via regular mail, to the property owners within three hundred (300) feet and posting of the Planning and Zoning Commission meeting agenda has occurred at the official City posting locations. There were not any members of the public who spoke out for or against this request at the public hearing. The applicant also conducted a virtual "Community Meeting" through their notification of the property owners within 300' of this property. There were not any attendees at this virtual meeting. City Staff has received one comment from the adjacent property owner to the south and west (Jerry Ivy Separate Property Revocable Trust), who indicated their objection and request for Council denial of this application as it would adversely affect their property values.

FISCAL IMPACT: *The approval of this request will re-purpose an existing 71,000 square foot industrial building, generating approximately 30 full time jobs. The majority of those positions will earn salaries above \$40,000, contributing to an annual payroll of over \$2,000,000. Such investment will enhance and diversify Eloy's local job base, as well as increase property taxes and indirectly, sales tax collections for the City.*

Mr. Vlaming gave a brief overview of a request for a Conditional Use Permit (CUP) for a medical marijuana cultivation facility in the city's industrial park. He said the applicant hosted a virtual community meeting and notified all property owners within 300 feet of the property, but there were no attendees. Mr. Vlaming stated the Planning and Zoning Commission met last month to consider the request and there were no attendees at the meeting. However, he did receive a written comment from a property owner who has property adjacent to the facility, objecting to the request. Mr. Vlaming said the Planning and Zoning Commission voted unanimously to recommend Council approve moving forward with the request.

After his presentation, Mr. Vlaming introduced Ms. Carolyn Oberholtzer, representative for the applicant and CEO of New Gen Eloy, Mr. Eric Ofenberger as being present to answer questions.

Councilmember Snyder posed a number of questions to Mr. Vlaming, Ms. Oberholtzer and Mr. Ofenberger about the facility:

- What was the adjacent property owner's objection to the CUP
- Would employees be full-time or part-time
- What would be the shipping process for safe transportation of the product
- How much product would be kept onsite and how would it be maintained
- Who will the third party security system monitoring company initially contact in the event of a security breach

There being no further questions, Mayor Powell called for a motion.

Motion by Councilmember Reuter, seconded by Vice Mayor Rodriguez to approve a Conditional Use Permit (CUP) No. 2021-009 submitted by Carolyn Oberholtzer with Bergin, Frakes, Smalley & Oberholtzer, PLLC for a Medical Marijuana Cultivation facility located at 924 N. Tweedy Road, Eloy, Arizona, Pinal County Assessor's Parcel numbers: 408-02-021 and 408-02-022 in a portion of Section 1, Township 8 South, Range 7 East of the Gila & Salt River Base & Meridian, Pinal County, Arizona (Project Name: New Gen Eloy), passed unanimously by roll call vote.

IX. EXECUTIVE SESSION

No executive session requested by the Council or city staff.

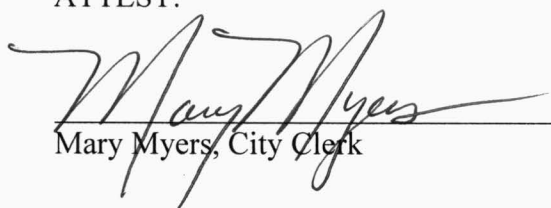
X. ADJOURNMENT

There being no further business, Mayor Powell adjourned the meeting at approximately 6:46p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk