

**MINUTES OF THE SPECIAL MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
THURSDAY, DECEMBER 29, 2022
12:00 P.M.**

Staff Present: David Malewitz-City Manager; ***Stephen R. Cooper;** Myers-City Clerk; Kazi Haque-Assistant City Manager

***Participated via telephone conference**

I. CALL TO ORDER

Mayor Micah Powell called the meeting to order at approximately 12:00 p.m.

II. ROLL CALL

Council Members Present: ***Mayor Micah Powell; *Vice Mayor Sylvia G. Rodriguez;** Councilmember George Reuter; Councilmember Dan Snyder; Councilmember Jose Garcia; ***Councilmember Michelle Tarango**

***Participated via telephone conference**

Council Members Absent: Councilmember Sara Curtis

III. PLEDGE OF ALLEGIANCE

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

IV. PUBLIC APPEARANCES

There were no appearances from the public.

V. BUSINESS

ADOPTION OF RESOLUTION NO. 22-1551 ACCEPTING THE ELOY HOUSING AUTHORITY (EHA) BOARD OF COMMISSIONERS' AMENDMENT TO RESOLUTION APPROVING THE EXTENSION OF THE DISSOLUTION OF THE ELOY HOUSING AUTHORITY BOARD OF COMMISSIONERS FROM DECEMBER 31, 2022 TO JUNE 20, 2023.

Staff Cover Sheet Report: *City Council to approve adopting Resolution No. 22-1551 accepting the Eloy Housing Authority (EHA) Board of Commissioners' Amendment to Resolution dated December 13, 2022 reflecting board approval for the extension of the dissolution of the Eloy Housing Authority Board of Commissioners from December 31, 2022 to June 20, 2023.*

Due to recent issues that have arisen in regard to the transfer of the Eloy Housing Authority (EHA) program and assets to Pinal County, the EHA Board of Commissioners has been advised that amending the board's resolution to dissolve on December 31st and extending the deadline to June 30, 2023, would provide the stability required to appropriately handle matters requiring board approval past the December 31st date. In particular, the completion of a year-end audit and the disposition of 26 units and property previously used as part of the RAD program. Pinal County's housing authority is currently in its due diligence process to determine whether or not to accept the asset into its program. HUD has granted the County additional time past the December 31st deadline to make their determination. The 26 units and property were not included as part of the original overall program and assets transfer to the County as previously approved through resolution by the EHA Board of Commissioners, City of Eloy City Council, and the Pinal County Board of Supervisors. At the EHA board's regularly scheduled meeting on December 13, 2022, commissioners unanimously approved extending the EHA dissolution date to June 30, 2023.

In order to accept the revised dissolution date of June 30, 2023, and provide HUD with the appropriate documentation, the proper procedure for City Council will be to approve an amended resolution to the previously approved Resolution No. 22-1536 dated August 22, 2022, that was formally submitted to HUD in September as part of the packet for the overall EHA transfer of the housing program and assets.

FISCAL IMPACT: *No fiscal impact on the City of Eloy's operations.*

Verbatim

Malewitz: Up for consideration by city council today is adopting Resolution No. 22-1551, in which city council accepts the resolution from the Eloy Housing Authority Board of Commissioners, on December 13, 2022 where they effectively amended one of their previous resolutions to extend the board of commissioners dissolution date from December 31st to June 30, 2023. This action was done as a result of the ongoing issues and board actions that are needed to continue the dissolution of the Eloy Housing Authority and program and asset transfer to Pinal County. So, the board of

commissioners stated at their regular meeting on December 13th deemed it necessary under legal counsel from the Eloy Housing Authority to extend that dissolution past this December 31st date to June 30th to effectively be able to take into consideration certain matters of board subject to make actions to approve the transfer of the program and assets to Pinal County as this continue to be ongoing with HUD.

Mayor: As the chairman of the housing authority board, a couple of things that were brought to our attention was that Pinal County needed some time to assess the 26 units that were not included in the original transfer. HUD told Pinal County or told us at a later date that we need to accept them all or nothing. And Pinal County didn't feel comfortable accepting the whole transfer on December 31st. Therefore, it came back to our board to extend it for six months. So, Pinal County can do their due diligence with title searches, inspections of the 26 units. That's why the extended time was needed. The board unanimously accepted that and also for administrative reasons as well too for complete closeout of the Eloy Housing Authority. So, that's why we're here moving forward today. Does anybody have any questions or comments regarding this?

Snyder: Micah, this is Dan. Question. What happened that the 26 units were not included in the original?

Mayor: So, the 26 units were originally were going to go to the nonprofit that takes care of the Maddox and be sold at that time. And HUD said we don't want that to go to the nonprofit that oversee Maddox. We want those 26 units to be included in there. Now, Pinal County had said what we're going to do, we're going to sell them and that's the same thing that the nonprofit was going to do. Just sell them to the highest bidder. They don't have to go into a whole group – they can be sold individually because one of those 26 units are on individual lots or parcel; so, they can be sold individually. So, that's why we have all this confusion right now. Not confusion, the change of the 26 units. It all comes down to those 26 units from HUD.

Snyder: Okay. That explains that. Does this have any impact on the police operations in that building that we were discussing with HUD?

Mayor: With the administrative building? No, that has already been transferred over. That was already transferred over in the original transfer. So, that doesn't belong on this side, it's just the 26 units.

Malewitz: Mayor, so that is not entirely true. In communications with Pinal County this week, we are not sure whether or not this will have an effect on that building. I talked to the executive director of the Pinal County Housing Authority, Rolanda Cephas, and I particularly asked that and she said, "I'm not sure right now." She goes, "We're waiting for final approval from HUD," but she goes, "I hope it does." I don't think it will since we already did pass resolutions that included that admin. building transfer. But, in order to make sure we cross our t's and dot our i's, she is checking. She's just going to make sure that HUD is okay with that – that we can still move forward.

Mayor: Okay. Thank you for clearing that up. I didn't know that part.

Malewitz: New information that just came through this week.

Snyder: So, there's two separate things going on here. One for the building and one for these 26 units. If I understand that correctly.

Malewitz: You can say it that way, yes. That's the way we hope it's going to; that HUD's going to see it that way – as two separate transfers since resolutions were already created to allow for the building transfer, but that as noted, Ms. Cephas is going to double check with HUD and I'll confirm with counsel.

Mayor: This one right here to my knowledge as of right now, is due to the 26 units that were not included into the original transfer. Originally, this was supposed to go to the Board of Supervisors meeting for approval on the 21st. Me and David looked online; this was not on their agenda and nobody told us until David called Himanshu and he said yeah, we want to wait on this. So, now that's why we're all here. Does anybody else have any questions?

Verbatim Ends

Mayor Powell pointed out several typos in the staff report. He noted that in the "Subject" box and under "Recommendation," the extension date is incorrect. He said the staff report shows the deadline date as June 20, 2023. The correct date is June 30, 2023.

Mr. Malewitz conveyed that the staff report does in fact reflect the incorrect date, however, the resolution shows the correct date of June 30, 2023.

The city clerk conveyed that the correction would be noted in the minutes.

There being no further questions, Mayor Powell called for a motion to read the resolution by title only.

Motion by Councilmember Garcia, seconded by Councilmember Snyder to read Resolution No. 22-1551 by title only, passed unanimously (6-0).

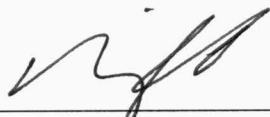
The city clerk read the resolution title into the record.

Mayor Powell called for a motion to adopt.

Motion by Councilmember Snyder, seconded by Councilmember Garcia to adopt Resolution No. 22-1551 as presented, passed unanimously by roll call vote (6-0).

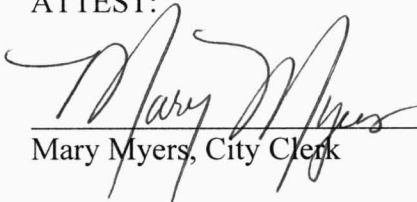
VI. ADJOURNMENT

There being no further business, Mayor Powell adjourned the meeting at approximately 12:11 p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk

**MINUTES OF THE REGULAR MEETING OF
THE ELOY CITY COUNCIL
CITY OF ELOY
595 NORTH C STREET
JANUARY 9, 2023
6:00 P.M.**

Staff Present: David Malewitz-City Manager; Kazi Haque-Assistant City Manager; Stephen R. Cooper-City Attorney; Mary Myers-City Clerk; Brian Wright-Finance Director; Paul Anchondo-Community Services Director; Matt Rencher-Public Works Director/City Engineer; Sylvia Payne-HR Director; Jon Vlaming-Community Development Director

I. CALL TO ORDER

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

II. ROLL CALL

Council Members Present: Mayor Micah Powell, Vice Mayor Sylvia Guanajuato Rodriguez, Councilmember Sara Curtis, Councilmember Dan Snyder, Councilmember Jose Garcia, Councilmember Michelle Tarango

Council Members Absent: Councilmember George Reuter

III. INVOCATION

Moshe Sasonkin gave tonight's invocation.

IV. PLEDGE OF ALLEGIANCE

Mayor Powell led the Council and the public in the Pledge of Allegiance.

V. PUBLIC APPEARANCES

A. Scheduled - None

B. Unscheduled - None

VI. REPORTS AND ANNOUNCEMENTS

A. Council Member Announcements

Councilmember Garcia conveyed that students would be marching on Thursday and Monday in honor of the Martin Luther King, Jr. holiday. Breakfast will be served at the Eloy Jr. High School starting at 9:00 a.m.

B. Mayor's Announcements

Mayor Powell had the following announcements:

- Recognized Pinal County Board of Supervisor Jeff McClure in the audience.
- The State of the City address will be held January 18, 2023, 11:30 a.m., at city hall. Tickets are \$30 for members and \$35 for non-members. The event is sponsored by the Eloy Chamber of Commerce. Mayor Powell said this year's theme is "Opportunity Together for the Future of Our Community."
- He was a guest speaker today at two Casa Grande Union High School 10th grade English classes for their journalist learning project.
- Mr. Malewitz will be a panelist at the city managers roundtable, January 13th at this month's Pinal Partnership breakfast.
- Several staff members attended the Arizona Chamber of Commerce legislative luncheon January 6th. He said Eloy was mentioned twice by a couple of panelists as a city that is moving forward.
- Extended condolences to the city clerk on the loss of her brother last week and to Sheriff Mark Lamb and his family on the loss of their son, granddaughter and their son's fiancé in a tragic car accident last month.

C. City Manager's Announcements

Mr. Malewitz conveyed the following announcements:

- City employee Juan Melendez retired after 16 years of service with the city.
- City offices will be closed January 16th in observance of Martin Luther King, Jr. holiday.
- There will be a ribbon cutting event, January 17th at 11:00 a.m., to recognize the new owner of the recently completed owner occupied housing program.

VII. CONSENT AGENDA

- A. Approval of Minutes: 12/12/2022 (regular)
- B. Acceptance of Governor's Office of Highway Safety Grants
- C. Re-Appointment of Dina Decker as a member of the Eloy Municipal Airport Advisory Board for a three-year term, with the term of appointment expiring on December 31, 2025.
- D. Appointment of Jeff Saforek as a new member of the Eloy Municipal Airport Advisory Board for a three-year term, with the term of appointment expiring on December 31, 2025.

Mayor Powell recognized Mr. Jeff Saforek in the audience as the newly appointed Airport Advisory board member (item D).

There being no requests from Council to remove any item(s) from the Consent Agenda, Mayor Powell called for a motion.

Motion by Councilmember Garcia, seconded by Councilmember Curtis approve the Consent Agenda as presented, passed unanimously by roll call vote (6-0).

VIII. BUSINESS

A. AUTHORIZE THE CITY TO RENEW AN AGRICULTURAL LEASE AGREEMENT WITH TWITTY FARMS, REPRESENTED BY CONWAY BARNES, FOR FARMING 216 ACRES OF CITY-OWNED LAND GENERALLY LOCATED AT THE NORTHWEST CORNER OF SHEDD ROAD AND TUMBLEWEED ROAD FOR FIVE (5) YEARS EXPIRING DECEMBER 31, 2027, WITH AN OPTION FOR AN ADDITIONAL THREE (3) YEAR LEASE EXTENSION.

Staff Cover Sheet Report: *The City of Eloy agrees to enter into an Agricultural Lease Agreement with Twitty Farms, represented by Conway Barnes, for farming 216 acres of City-owned land generally located at the northwest corner of Shedd Road and Tumbleweed Road for five (5) years expiring December 31, 2027, with an option for an additional three (3) year lease extension.*

In 2012, the City acquired approximately 280.25 acres of property generally located at the northwest corner of Shedd Road and Tumbleweed Road. The purpose of this acquisition was to obtain the water well and water rights on the property, as well as to provide for future industrial development adjacent to the Eloy Municipal Airport. Prior to its acquisition by the City, the subject property had been used for agricultural production by the Brynn-Conn Farms and the City assumed an agricultural lease when the property was purchased. On March 4, 2013, the City entered into the existing Agricultural Lease Agreement with Brynn-Conn Farms to farm approximately 220 acres of the 280.25 acres acquired by the City. This original Lease Agreement has subsequently been renewed by the City of Eloy on several occasions; March 2016, December 2015, and 2017. The current lease was for a three-year term expiring on December 31, 2022.

The Lessee, Conway Barnes, has expressed his intent to continue utilizing 216 acres of the property for farming purposes and has requested that the lease be renewed. Mr. Barnes has additionally requested a longer-term lease in order to recoup planned improvements to the property, at his cost, in order to provide for more efficient use of water for crop irrigation. The annual rent payment to the City of Eloy will be \$145 for the first three (3) years of the agreement and \$147 for years four (4)

and five (5) per FSA cropland acre plus any governmental taxes (i.e. including but not limited to governmental real property tax, rental of transaction, privilege taxes or irrigation taxes set forth in Paragraph 7H) associated with the use of Leased Property.

The City and Mr. Barnes have engaged in conversations regarding future plans for the Eloy Municipal Airport, including the pending master plan update, as well as the planned southern extension of the runway that will remove part of the farmland. Mr. Barnes is supportive of the airport's growth and willing to make concessions to facilitate any planned expansions that impact available acreage for farming purposes when the time arrives. An addendum to the lease may be needed to address changes to the available acreage for farmland use and associated fees. For the time being, staff recommends the proposed agricultural lease be approved for a period of five years expiring on December 31, 2027, with the possibility for an additional three-year extension.

FISCAL IMPACT: *The proposed lease agreement rental payment will be \$145 per acre of cropland, beginning on January 1, 2023, for the first three (3) years of the agreement and \$147 for years four (4) and five (5) per FSA cropland acre. Mr. Barnes will pay any governmental taxes (i.e. including but not limited to governmental real property tax, rental of transaction, privilege taxes or irrigation taxes set forth in Paragraph 7H) associated with the use of Leased Property. The annual revenue to the City for the first three (3) years will be \$31,320 per year and \$31,752 per year for years four (4) and five (5).*

Mr. Malewitz gave an overview of the proposed lease renewal agreement with Twitty Farms, to farm 216 acres of land owned by the city. He pointed out that the Barnes family have farmed the land since 2017. Mr. Malewitz conveyed to Council that staff is requesting for a five (5) year lease with an option for a three (3) year extension. He said Mr. Barnes wants to make improvements to the land, such as better irrigation for his crops. However, in order for him to do this, he needs a return on his investment, which is why he asked for the five year lease. Mr. Malewitz said this would also benefit the city whenever the decision is made to take over the property for business purposes. Mr. Malewitz stated that the fees have been increased; \$145 the first three (3) years of the agreement and \$147 for years four (4) and five (5), per FSA cropland acre.

Councilmember Snyder wanted to know would the city be restricted doing anything to the property during the five year lease period.

Mr. Cooper conveyed that there is a provision in the agreement that allows either party to terminate the lease upon giving a 180 day notice prior to the renewal date.

Councilmember Snyder wanted to know what would happen if the Barnes family make the improvements and the city wants to terminate the lease giving the 180 days' notice.

Mr. Cooper said as long as 180 days is given prior to the renewal date that is in the agreement. However, the Barnes family is taking it on good faith that the city is going to do some things to the property as well. Mr. Cooper said it gives the Barnes family protection that if they cannot economically farm the land because of any type of a drought or restriction of CAP water, they have an out. He said if the city has a chance to development it for some other prospect, the city has the right to go ahead and do that as well.

Councilmember Snyder said his concern is that if in five years with the extension of three (3), the Barnes family may hold onto the property to get an appreciation of the property for whatever may happen around the airport.

Mr. Cooper explained that when Mr. Malewitz negotiated the agreement, this was one of the things that he considered. If the city is not using it, the city wants to farm it. But at the same time, the city does not want to tie up the property for eight years if there is a quality developer coming in that would have a use that is compatible with the airport and the airport master plan.

There being no further questions, Mayor Powell asked for a motion to approve.

Motion by Councilmember Snyder, seconded by Vice Mayor G. Rodriguez to authorize the city to renew an Agricultural Lease Agreement with Twitty Farms, represented by Conway Barnes, for farming 216 acres of city-owned land generally located at the northwest corner of Shedd Road and Tumbleweed Road for five (5) years expiring December 31, 2027, with an option for an additional three (3) year lease extension, passed unanimously (6-0).

B. APPROVAL TO SUBMIT A GRANT APPLICATION TO PINAL COUNTY REQUESTING FY23 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING IN THE AMOUNT OF \$130,000 FOR THE INSTALLATION OF A LIGHTED CROSSWALK AT MAIN AND FRONTIER STREETS.

Staff Cover Sheet Report: *Council approves the recommendation from City Staff to formally submit an application to Pinal County for the U.S. Department of Housing and Urban Development (HUD)'s Community Development Block Grant Program (CDBG) FY23 funding in the amount of \$130,000 for consideration of a City project to install a lighted crosswalk and safety equipment at the intersection of the Main Street and Frontier Street.*

The City proposes to submit an application to Pinal County for the U.S. Department of Housing and Urban Development (HUD)'s Community Development Block Grant Program (CDBG) FY23 funding. The allotment for each city within the Pinal County entitlement consortium (Eloy, Mammoth, Florence, Maricopa) is \$130,000. Pinal County held a public workshop on November 15, 2022, to consider possible projects for CDBG funding. At the public hearing, several potential projects were discussed. Those projects were solar LED street lights, sidewalk improvements, ADA ramp improvements, housing rehabilitation for low-income candidates, playground replacement at Shumway Park, culver replacement at Battaglia and 11 Mile Corner, lighted crosswalk at Main and Frontier Streets, ballfield light replacement at Trekell Park, and outdoor fitness equipment at Shumway Park.

A committee of six staff members from various departments ranked the projects based on the following priorities:

- *Suitable living environment for the majority of the community*
- *Safety and accessibility*
- *Infrastructure*
- *Visibility to the community*

The ranking chart below represents the total ranking of all the projects by the committee.

<i>CDBG Proposed Projects</i>	<i>Ranking</i>
<i>Lighted Crosswalk Project</i>	<i>1</i>
<i>ADA Ramp Improvements</i>	<i>2</i>
<i>Sidewalk Improvements</i>	<i>3</i>
<i>Solar LED Street Lights</i>	<i>4</i>
<i>Culver Replacement</i>	<i>5</i>
<i>Playground Equipment Replacement</i>	<i>6</i>
<i>Housing Rehabilitation</i>	<i>7</i>
<i>Ballfield Lighting Replacement</i>	<i>8</i>
<i>Outdoor Fitness Equipment</i>	<i>9</i>

The staff recommendation is to install a lighted pedestrian crosswalk at the intersection of Main and Frontier. In the City's Five-Year CIP, this project was slated for funding in the 23-24 fiscal year with a total project cost of \$350,000. Additionally, this particular project has been a priority for the City Council for several years ago due to an unfortunate accident in the intersection that resulted in serious of a pedestrian trying to cross the street. If the City Council accepts the staff's recommendation, this project would be completed through the use of City and CDBG funding.

The deadline to submit applications to Pinal County for the U.S. Department of Housing and Urban Development (HUD)'s Community Development Block Grant Program (CDBG) FY23 funding is February 6, 2023.

FISCAL IMPACT: *The anticipated revenue from the CDBG is \$130,000. The City will leverage Streets funding as part of the CDBG application to complete this project.*

Mr. Wright provided a brief overview of staff's request to submit an application to Pinal County for funding of a lighted crosswalk at Main and Frontier Streets.

Mayor Powell said he remembers staff bringing the idea of a lighted crosswalk before Council a few years ago.

Mr. Wright said the lighted crosswalk was included in the city's Capital Improvement Plan (CIP) in 2019.

Mayor Powell wanted clarification that the total cost of \$350,000 is at today's cost.

Mr. Wright said yes, based on what is in the city's CIP program. He said as part of the application process, if Pinal County through their process – the county actually has \$200,000 to give the city based on the project. It would only cost the city about \$150,000. Mr. Wright said currently the funding amount per cycle is \$130,000. He said this is why he mentioned \$130,000 in the report. Mr. Wright said if Pinal County goes through their process and discover they have more money to give the four communities (Mammoth, Eloy, Maricopa and Florence) the city could receive more than \$130,000.

Mayor Powell asked is the \$350,000 at last year's estimates or 2019?

Mr. Wright said he would have to defer to Mr. Rencher to answer the question.

Mayor Powell also wanted to know would the \$350,000 be for the lighted crosswalk only or would it be for the entire intersection.

Again, Mr. Wright said he would have to defer to Mr. Rencher.

Mr. Rencher conveyed that this would be the first phase of the overall improvements for the intersection. He anticipates doing curbs, gutters and sidewalk improvements when funds are available.

Mayor Powell wanted to know how much would it cost to do it all at once.

Mr. Rencher said approximately \$600,000.

Mayor Powell said he wants to make sure residents are crossing the street safely.

Mr. Rencher said staff is looking at other funding sources such as SCMPO for additional funding.

Councilmember Snyder said he looked at the area in question and wondered where the lighted crosswalk would be located based on the turn lanes, the railroad, and 3rd Street being one-way. He said there is no crosswalk identified in that area. Councilmember Snyder said Casa Grande has one on Florence Avenue and one on Cottonwood Lane, both with no intersection. However, this one is being proposed at an intersection. He wanted to know would the crosswalk be located away from the intersection.

Mr. Rencher explained that crosswalks are typically located at the point of curvature – a little ways beyond the intersection itself. He said if Council agrees to move forward with this project, staff would identify and install a designated crosswalk.

Councilmember Snyder pointed out that sidewalks would have to be install. If the crosswalk is moved west, there are no sidewalks on either side of Frontier Street.

Mr. Rencher said this is correct. He said this is something staff could look at within the public works department to install sidewalks to coincide with the installation of the lighted crosswalk.

Mayor Powell said the city still has some planning to do, but at this time staff is requesting approval to submit a grant application.

Councilmember Curtis conveyed that if the city has a greater plan that is potentially in work, it would be good to hear about it. However, agreed that Council should approve submitting the application at this time.

Mr. Rencher said he has plans to bring this back to Council at a future meeting.

Councilmember Snyder thought this would be a good idea for purposes of future planning in the area.

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

Motion by Councilmember Snyder, seconded by Councilmember Tarango to approve the submittal of a grant application to Pinal County requesting FY23 Community Development Block Grant (CDBG) funding in the amount of \$130,000 for the installation of a lighted crosswalk at Main and Frontier Streets, passed unanimously by roll call vote (6-0).

IX. EXECUTIVE SESSION

Mayor Powell called for a motion to go into executive session for approximately one (1) hour.

Motion by Councilmember Garcia, seconded by Councilmember Tarango to hold an Executive Session at approximately 6:33 p.m., for approximately one (1) hour with the following city staff: Mr. Cooper, Mr. Malewitz, Mr. Vlaming, Mr. Rencher and Mrs. Myers (transcribing) for:

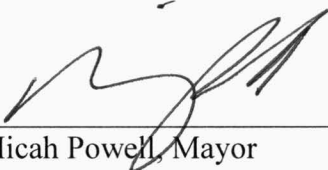
Discussion of legal matters/consultation with City Attorney, City Staff and/or the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding permitting, zoning and development agreement issues involving solar and renewable energy projects and developments including contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. pursuant to A.R.S. § 38-431.03 (A) (3) and (4).

Motion passed unanimously (6-0)

Mayor Powell reconvened the public meeting at approximately 7:39 p.m.

X. ADJOURNMENT

There being no further business, Mayor Powell adjourned the meeting at approximately 7:40 p.m.



Micah Powell, Mayor

ATTEST:



Mary Myers, City Clerk