

MINUTES OF THE JOINT STUDY SESSION OF THE SHOW LOW CITY COUNCIL AND PINETOP-LAKESIDE TOWN COUNCIL HELD ON WEDNESDAY, MAY 9, 2018, AT 6:00 P.M. AT THE PUBLIC SAFETY HEADQUARTERS BUILDING (DARRIN REED MEMORIAL COMMUNITY ROOM), 411 EAST DEUCE OF CLUBS, SHOW LOW, NAVAJO COUNTY, ARIZONA

1. Call to Order.

Mayor Seymore of the City of Show Low called the meeting to order at 6:00 p.m.

2. Roll Call.

SHOW LOW CITY COUNCIL MEMBERS PRESENT: Mayor Daryl Seymore; Vice Mayor Brent Hatch; and Council members Rennie Crittenden, John Leech, Jr., and Gene Kelley (arrived at 6:02 p.m.).

SHOW LOW CITY COUNCIL MEMBERS ABSENT: Council members Mike Allsop and Connie Kakavas.

PINETOP-LAKESIDE TOWN COUNCIL MEMBERS PRESENT: Mayor Stephanie Irwin; Vice Mayor Jerry Smith; and Council members Jim Snitzer, Kathy Dahnk, Norris Dodd, and Carla Bowen.

PINETOP-LAKESIDE TOWN COUNCIL MEMBERS ABSENT: Council member Cathy Penrod.

CITY OF SHOW LOW STAFF PRESENT: Ed Muder, City Manager; F. Morgan Brown, City Attorney; Joe Shelley, Police Chief; Brad Provost, Police Commander; Justin Hart, Police Sergeant; Lisa Robertson, Grants and Transit Manager; Cassie Maschino, Lead Dispatcher; and Ann Kurasaki, City Clerk.

TOWN OF PINETOP-LAKESIDE STAFF PRESENT: Keith Johnson, Town Manager; Dan Barnes, Interim Police Chief; Matt Patterson, Public Works Director; and Tony Alba, Community Services Manager.

GUESTS: Paul Watson, Assistant County Manager/Economic and Workforce Development Director, Navajo County; Stephanie Ray, Assistant Economic and Workforce Development Director, Navajo County; Barbara Wyse, Principal, Highland Economics; Travis Greenwalt, Principal, Highland Economics; and Mike Leiby.

3. Invocation.

Mr. Watson (Navajo County) gave the invocation.

4. Pledge of Allegiance.

Chief Shelley (Show Low) led the Councils and audience in the pledge of allegiance.

5. Update and Discussion Regarding Emergency Communications Dispatching Center.

The meeting began with a tour of the dispatch area in the public safety building.

Chief Shelley (Show Low) said the dispatch area had been designed specifically for use as a regional dispatch center. There were six stations and an elevated console for one more station in the back. The community room in which tonight's meeting was being held was built to serve as an emergency operations center, working in association with Navajo County. If there was an emergency, a smaller version of this room was located on the other side of the building that would be set up with terminals to house decision-makers (such as elected officials).

Chief Shelley noted that the regional dispatch concept had been discussed for the past eight to ten years. The signing of an intergovernmental agreement by Pinetop-Lakeside, Show Low, and other partners (fire districts and Show Low EMS) was the first major step toward that goal. Since the idea had been on hold for the past three to four years, the agencies had fallen behind in technology and would now be moving forward with upgrades.

Chief Shelley introduced Brad Provost, the commanding officer on the administrative operations side; Sergeant Justin Hart, supervisor of dispatching and communications; and Cassie Maschino, lead dispatcher.

Councilman Crittenden (Show Low) asked about the changes in the communications center with Pinetop-Lakeside's participation. Chief Shelley said the first step was to address technology issues, e.g., working through the state's 911 process. Show Low and Pinetop-Lakeside staff would share information and resources such as adding CAD (computer-aided dispatch) systems, aligning communication systems in police vehicles, and making sure contingencies were in place to ensure full personnel coverage. He said Show Low had eight trained officers to do dispatching in case of staff shortages, although they weren't certified in EMD (emergency medical dispatching).

Councilman Leech (Show Low) asked how the current dispatch employees would be affected by this move. Chief Shelley said another reason why Ms. Maschino was present at tonight's meeting was she was an integral player in the consolidation process. He said personnel matters were some of the most important components to address. They had reviewed and discussed salaries, benefits, and leave issues. Councilman Leech asked if both agencies were at the same level. Chief Shelley said they were really close. Time off was the only question that was asked.

Councilman Leech asked how the dispatchers felt. Ms. Maschino said she understood both agencies since she used to work for Pinetop-Lakeside. She said originally a private entity was supposed to organize and manage the dispatch center, but it led to problems. Since then much progress had been made said it was being organized and managed internally. Councilman Leech asked how many dispatchers there were in Pinetop-Lakeside. Mr. Johnson said there were four, with three planning to work in Show Low. He said they wondered if they'd be as well off financially or even earn more and that issue had been worked out.

Mayor Seymore acknowledged growing pains came from territorial differences and any changes in routine. It would take some meshing but the upside would be sharing resources.

Commander Provost agreed that the difference was this move was being driven from the bottom up, not the top down.

Councilman Leech asked if there would be more dispatchers working during the day. Chief Shelley said yes, noting that the schedules were based on total workload. The number of phone calls per year was close to 100,000, with 20,000 of them as calls for service. He explained that the first ten seconds were the most critical of any call, and within a minute and ten seconds all first responders (fire and police) were sent out. He added that certain days experienced a higher number of calls, and typically slowed down after 10:00 p.m. until about 6:00 a.m.

Sgt. Hart said all the regional talk had created uncertainty but now that the consolidation process had been established, they were seeing an increase in candidates interested in applying and working as dispatchers.

6. Presentation by Highland Economics on Adverse Effects on Coal Communities.
(Paul Watson, Navajo County)

Mr. Watson (Navajo County) said with the existence of three coal-fired power plants and a coal mine, and the loss of direct revenues, the county applied for and was recently awarded an ACC (Assistance to Coal Communities) grant from the Economic Development Administration (EDA). The grant will fund a study to estimate the type and scope of adverse effects on communities in the region once dependent on coal and identify and attract industries to replace the loss of this economic engine.

Mr. Watson said in addition to the EDA grant, the county secured matching funds from APS (Arizona Public Service) and Real AZ Development Council. The Real AZ Council chose Highland Economics because it had done a similar study in northwestern New Mexico, in a region that was also coal-dependent. There were three goals in the first phase of the study: 1) to assess the economic impact of

these coal industries (done in order to pursue funding from other federal sources), 2) to identify industries to target based on the area's natural and other resources, and 3) to look at infrastructure needs (such as broadband access) in an effort to attract new industries to the area. The second phase of the study addresses action plans and identifying appropriate actions to pursue. The executive committee of the Real AZ Council would meet, followed by a meeting of the full board, to talk about the action plans. He said there would be a more detailed presentation given at the Real AZ meeting Thursday in Snowflake at noon, if anyone was interested in attending.

Mr. Watson introduced Travis Greenwalt and Barbara Wyse of Highland Economics, the two consultants hired to conduct the study. Ms. Wyse said they suggested focusing on three growth industries—tourism, attracting telecommuters or high-skilled workers, and outdoor manufacturing—and the strategies to target those industries.

Ms. Wyse said she would briefly review two case studies in which Highland Economics was involved that matched what they were proposing for this region. The first was Ogden (Utah), which focused on attracting outdoor manufacturing, and the second was Bend (Oregon), which focused on outdoor tourism and entrepreneurship.

Ms. Ray (Navajo County) reiterated that this was a proposed action plan, with three goals: to attract industry, to attract skilled workers and develop a skilled local workforce, and to attract visitors. She said they had looked at specific action steps to develop entrepreneurs, including creating a think tank to help budding entrepreneurs and/or building business incubators. They were also looking at gaps in recreational amenities to attract visitors. She said the timeline for completing the action plan included presenting the draft plan to local stakeholders (May 2018), refining and prioritizing action items in the plan (June 2018), presenting the outcomes (July 2018), and presenting the final strategic action plan to local stakeholders (September 2018).

Mr. Watson said one action would be to create a revolving loan fund to provide funding assistance as well as mental capital. They would recruit CPAs, bankers, and attorneys to help and provide advice to entrepreneurs.

Councilman Kelley asked what had happened to the plans to open potash mines. Mr. Watson explained that natural resources, particularly minerals, were so market-driven it created a challenge. When potash was over \$500 per metric ton, other countries showed interest in controlling the potash market, which resulted in the cost dropping dramatically. Studies had been done to prove the mineral was available in the county and an economic assessment conducted of what it would take to start it. It would cost about a billion dollars to start a potash mine and venture capital was hard to come by for such a vulnerable industry. As a result, the proposals had been put on indefinite hold.

Vice Mayor Hatch thought one major competitor was New Mexico. Mr. Watson said much of the potash used in the United States came from Canada. Russia was also a big player.

7. Presentation and Discussion Regarding Regional Broadband Access. (Paul Watson, Navajo County)

Mr. Watson said a consortium of schools and libraries in Navajo and Gila counties was created to apply for e-rate funding from the federal government to build broadband infrastructure. Apache County formed its own consortium. The funds would be administered by USAC (Universal Service Administrative Company), a not-for-profit corporation designated by the Federal Communications Commission to manage funds to communities lacking consistent and affordable broadband connectivity.

Mr. Watson said the consortium advertised for bids for an Internet service provider and awarded a bid to Red Rock Telecommunications, a company that builds and manages high-speed fiber optic networks. Broadband access would come from Phoenix into Payson and into Navajo County and south to Gila County.

Mr. Watson said this was a \$60 million project. The consortium requested slightly less than \$50 million from USAC (the application was still being considered, with the consortium asked to respond to questions), \$5.1 million from the state (which was granted), and the balance from other federal sources. He noted that once USAC approved the funding, Red Rock would have 18 months to complete the broadband project.

8. Update on Regional Transit System. (Lisa Robertson, City of Show Low)

Ms. Robertson said Four Seasons Connection and White Mountain Connection were the two bus lines servicing the White Mountains. Four Seasons Connection began operating in 1997, serving Show Low, Pinetop-Lakeside, and the Hon-Dah Resort Hotel and Conference Center. White Mountain Connection between Pinetop-Lakeside and Holbrook began in 2009 (running three times a day, five days a week). Daily operations were provided by MV Transportation, with Show Low acting as the fiscal agent.

Ms. Robertson said the two transit partners for the Four Seasons Connection were Show Low and Pinetop-Lakeside. There were six partners for the White Mountain Connection: Pinetop-Lakeside, Taylor, Snowflake, Northland Pioneer College, Navajo County, and Show Low.

Councilman Leech asked if the transit system connected to Whiteriver. Ms. Robertson said the White Mountain Apache Tribe started its own transit service

last June or July, which connects to the Four Seasons Connection at Hon-Dah. The Tribe was looking to expand the system by driving the Fort Apache Connection bus between Cibecue and Show Low via US60.

Ms. Robertson said statistics demonstrated how important a service this 20-year partnership provided to the citizens. In terms of ridership for Four Seasons Connection, figures from October 2016 through September 2017 showed that of the 170,908 total riders, 52% were from Pinetop-Lakeside and 48% from Show Low. The same percentages were reflected over a ten-year period from October 2007 through September 2017, with total riders exceeding 1.5 million. For White Mountain Connection, figures from October 2016 through September 2017 showed that the majority of the 15,369 total passengers exited or entered the route at the Navajo County complex in Holbrook. The system continued its connection with Greyhound, with the in-kind match reducing partner contributions for operations by about \$2,200 a month.

Ms. Robertson said the systems conducted a ridership survey annually. Based on the latest survey, 64% of Pinetop-Lakeside passengers rode the bus daily and 26% rode it weekly vs. 70% of Show Low riders riding it daily and 9% weekly. Of the White Mountain Connection riders surveyed, 55% used it daily, 24% rode it weekly, and 14% used it monthly. When asked their destination, it was significant to note that 31% of Pinetop-Lakeside riders used it for medical purposes, while 36% of Show Low riders rode it to go to work. For White Mountain Connection riders, 60% used it to get to work.

Ms. Robertson said for operating expenses in 2017, the Arizona Department of Transportation contributed \$394,810 in grant funds, matched by \$203,116 from the six partners, for a total of \$597,926. Fare revenue came to \$43,902 and other revenue (from advertising and contributions from Hon-Dah and MV Transportation) contributed \$26,314.

Councilman Leech referred to advertising on the buses and asked if consideration had been given to finding another vendor to recruit advertisers. Councilman Crittenden, chair of the Transit Advisory Committee, said the committee had decided to not renew the current contract with White Mountain Publishing when it expired in July and was considering options on how to proceed.

Mayor Seymore agreed that the transit system provided a vital service to the community. He thought it remarkable that ridership was nearly equally distributed between Show Low and Pinetop-Lakeside. He appreciated the decades-long partnership and thought it would be wonderful to have Holbrook return as a transit partner. He suggested having rural transit as a topic of discussion at the next Apache and Navajo Counties Mayors and Councilmembers Association meeting, adding that maybe the communities in Apache County would be

interested in expanding this service to their citizens. Mayor Irwin (Pinetop-Lakeside) agreed this could be added to an upcoming meeting agenda.

9. Adjournment.

The joint study session of the Show Low City Council and the Pinetop-Lakeside Town Council of May 9, 2018 adjourned at 7:23 p.m.

ATTEST:

APPROVED:

Ann Kurasaki
City Clerk

Daryl Seymore
Mayor

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CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **JOINT STUDY SESSION** of the City Council of Show Low and the Town Council of Pinetop-Lakeside held on May 9, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 20____.

(SEAL)

Ann Kurasaki, City Clerk