

MINUTES OF THE REGULAR MEETING OF THE HONORABLE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD ON THURSDAY, MAY 18, 2023, IN THE TOWN COUNCIL CHAMBERS LOCATED AT 325 W. WHITE MOUNTAIN BOULEVARD, LAKESIDE, AZ 85929

➤ **Call to Order**

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

➤ **Roll Call**

The following Council Members were present:

Name	Position
Stephanie Irwin	Mayor
Sterling Beus	Vice Mayor
Jim Snitzer	Council Member
Jerry Smith	Council Member
Lynn Krigbaum	Council Member
Taber Heisler	Council Member
James Brimhall	Council Member

Also Present:

Name	Position
Keith Johnson	Town Manager
Kevin Rodolph	Assistant Town Manager/Finance Director
Kristi Salskov	Town Clerk
Jeremiah Loyd	Community Development Director
Daniel Wilkey	Police Commander
Dan Barnes	Chief of Police
Matt Patterson	Public Works Director
Rob Hephner	Creative Services
Tony Alba	Community Services Manager
Stacy MacArthur	Accountant
Harry Turner	Planning and Zoning Vice Chairman

➤ **Pledge of Allegiance and Invocation**

Mayor Irwin led the Pledge of Allegiance to the Flag.

Council Member Brimhall offered the Invocation.

B. Call to the Public

Mayor Irwin called for public comments.

Charles Kane offered the following comments, *“My name is Charles Kane, 1289 Walnut Creek Trail, The Retreat at Walnut Creek. Both Dale and I are newly appointed Board of Directors for the HOA at the Retreat at Walnut Creek. We were hoping to reverse a policy that was put in place, I think in 2005 when the development first opened. At that time I think there was some opposition to the use of the back exit for other anything other than emergency use. We have abided by that, mostly, we got in trouble, I guess a year and a half ago. I am not sure who complained, but we were reminded that we were not allowed to use that entrance for construction trucks. So, we stopped doing that. In the mean time we have experienced a lot of damage to our front gate and to mailboxes at the entrance. Trucks are driving up into the cinders and so forth which causes damage. The large trucks have a really difficult time maneuvering that front entrance which has a little island in the middle. We are hoping that we will be allowed to, on a limited basis, be able to allow extra-long construction trucks to enter through the back entrance. This would be on an individual basis and very limited use. This would help the drivers to maneuver into our subdivision and also minimize damage in the future. There is a lot of construction going on in the subdivision now.*”

Dale Mukavetz offered the following comments, *“ I am Dale Mukavetz, 1383 West Walnut Creek. I would like to add that we handed out photos which shows the traffic flow from the north and the west into the Retreat. The Pictures will also show the Google view showing where the housing is. If we had access to the back gate for trucks that are oversized, like with trusses, it would be a straight shot into the subdivision. The other picture shows my dear wife at the entrance looking out and looking into the entrance. You can see that there just is not room there for a truck with any length at all. We get 50-footers and longer trying to get in. I think we even had one that got stuck.*”

Charles Kane added, *“Yeah, they got stuck and we had to call the police to block the road so he could back out.”*

Dale Mukavetz finished with, *“ Our gate has been damaged. One truck ran into the gate for about \$5,000.00 worth of damage. The mailbox has been damaged, the keypad has been knocked over a couple times. The mailbox of a neighbor has been knocked over a half a dozen times. So, it would be great if we just had access from the back for those really long loads and nothing else. Thank you.”*

C. Consent Agenda

Mayor Irwin announced consideration of the Consent Agenda and explained that all items listed would be acted upon by a single vote of the Council, unless a member of the Council asked that specific items be removed from the Consent Agenda, discussed, and voted upon separately.

Vice Mayor Beus moved for passage of the Consent Agenda as presented. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Snitzer	X		
Council Member Smith	X		
Lynn Krigbaum	X		
Taber Heisler	X		
James Brimhall	X		

Mayor Irwin then declared that all Consent Agenda items in these minutes were approved, passed, and adopted with a 7-0 vote.

**C.1 Consider approval of the Minutes of the Town Council
Regular Meeting held on May 4, 2023.**

By a vote of 7-0 under the Consent Agenda, Town Council approved the minutes of the Town Council Regular Meeting held on May 4, 2023.

D. Business Before the Council

Mayor Irwin announced that Public Comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by Staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.

**D.1 Town of Pinetop-Lakeside Proclamation
“National Public Works Week, May 21-27, 2023”**

Mayor Irwin read the Proclamation.

Mayor Irwin Proclaimed May 21 – May 27, 2023 as “*National Public Works Week*” in the Town of Pinetop-Lakeside.

Mayor Irwin thanked the Public Works Department for all they do for the Town.

D.2 Town of Pinetop-Lakeside Proclamation
“*National Wildfire Awareness Month*”

Council Member Heisler read the Proclamation.

Mayor Irwin Proclaimed May 2023 as “*National Wildfire Awareness Month*” in the Town of Pinetop-Lakeside.

D.3 Navajo County Public Health Services presentation of
“2023 Wildfire Season/Ready Set GO!”

Catrina Jenkins, Navajo County Emergency Manager presented.

Chief Chevalier of Timber Mesa Fire and Chief Morgan Pinetop Fire offered comments.

D.4 Discussion and Consider Ordinance No. 23-463 for the Deannexation
of 16.52 acres in the vicinity of the Show Low Lake Pumphouse.

Community Development Director Loyd stated that the City of Show Low approached the Town with a request to deannex several acres around the pumphouse at Show Low Lake and Show Low Lake Road. Director Loyd added that the request is driven by a developer that would like to develop a subdivision in the area and stated that they do not want to split it between Pinetop-Lakeside and Show Low due to discontinuity of service for the utilities. Director Loyd stated that Pinetop-Lakeside and Show Low do not have the same utility providers which is one of the driving factors of this deannexation request. Director Loyd added that there is a proposed 58 home subdivision and only four of those homes would be in the Town of Pinetop-Lakeside. Director Loyd stated that from the Navajo County Website it looks like this land is approximately 16.52 acres and asked Justin Tregaskes from the City of Show Low if he knew the answer to this.

Justin Tregaskes, Planning and Zoning Director for the City of Show Low stated that the City of Show Low did a rough calculation using an aerial photo and ArcGIS mapping software and said they came up with approximately 19 total acres between the privately owned parcel which is owned by the developer and the three other parcels, two of which are under water and one that was previously utilized as a pump

station by the Phelps Dodge Corporation. Director Tregaskes stated that the two parcels underwater and the pump station parcel are owned by the City of Show Low. Director Tregaskis added that the actual acreage that is able to be developed appears to be approximately six (6) acres.

Community Development Director Loyd stated that it is his recommendation to move forward with the deannexation.

Vice Mayor Beus offered the following comments, *“I have got a few questions. What size are the individual lots in the development?”*

Director Tregaskes stated that the developer has given a proposed lot layout and preliminary development plan adding that the average lot size for the development is .49 acre per lot.

Vie Mayor Beus asked, *“I always want to be a good neighbor to Show Low but I have to say as an elected official of the Town of Pinetop-Lakeside, I also have to look at this and say, do we give up something without getting anything? So, I would ask Jeremiah, If this land were developed, and I realize we are not going to get any tax money out of it, but with the fees and things we would get out of it, what are we looking at? So, just a half an acre for one lot, according to what I looked at online, it was about six acres, so, you could put several homes on that property. What would we be looking at there?”*

Director Loyd stated that in our code it would be R-14 which is roughly a quarter acre lots. Director Loyd said with that, it would be roughly five (5) homes which would be anywhere from \$15,000 to \$25,000 depending on the size of the homes and permitting fees. Director Loyd said as far as the construction tax, maybe Finance Director Rodolph can answer that question.

Finance Director/Assistant Town Manager stated that the TPT tax rate that the Town would get would be 3% of a taxable value.

Mayor Irwin shared that you exclude the value of the land and take off 35% of it adding that you would be taxed on 65% of that number.

Vice Mayor Beus stated, *“I am looking at it as if it was six acres which I see here, none of which is under water but it is actually waterfront property. So, it could be quiet valuable. If we are going under a half an acre, you could do ten (10) lots on there and ten homes.”*

Director Loyd said it would be contingent on the zoning and said the preliminary plan is five (5) lots and will more than likely be high-end homes.

Vice Mayor Beus asked, “ *Where is the closest hook-up if they went with Pinetop-Lakeside Sewer District?* ”

Director Loyd said he cannot address this specifically, because he does not have access to the shape files. It sounds like they have access to the sanitary facilities in the County Island. Director Loyd added that the City of Show Low does have water there and does not allow access to sewer outside of their limits.

Vice Mayor Beus asked, “*for clarification, and this question would go to Show Low. There are parts of the county island that are serviced by Show Low Water and serviced by Pinetop by the Pinetop-Lakeside Sanitary District. Is that correct?*”

Director Tregaskes stated that was correct, adding that when the City of Show Low purchased the water system that was in that area, there were areas that were located within the Show Low City limits and some of which were located outside of the city limits. Director Tregaskes stated that they continues to provide water to the properties that were in the franchised area when Show Low purchased the water system. Director Tregaskes stated that if residents are in the Sanitary District, they are able to connect to the Sanitary District in accordance with their rules and procedures. Lastly, Director Tregaskes said that it was an accurate statement to say that Show Low does not extend their sewer system outside of the limits of Show Low.

Vice Mayor Beus asked, “*Is there some reason why you could not do that in a situation like this?*”

Director Tregaskes said it would take a special exception by the Show Low City Council adding that their policy has always been, if you want to be on City sewer, you need to be in the Show Low City limits.

Vice Mayor Beus stated, “ *I did check with the Pinetop-Lakeside Sanitary District and it is approximately 100 feet as the crow flies to the nearest hook-up for this area. It would not be an easy thing to do. I understand that. I guess I just go back to, as an elected official for the Town of Pinetop-Lakeside, it seems to me people are going to think, well, why are we giving something away when we are not getting anything from it. That would be my question.* ”

Council Member Brimhall asked if the land were to be deannexed, would the fees for the five properties that are now in the Pinetop-Lakeside town limits be paid to the Town of Pinetop-Lakeside?

Mayor Irwin stated that she does not feel we have any precedent on that. Mayor Irwin asked if Show Low City Manager, Morgan Brown had an answer on that.

Morgan Brown, Show Low City Manager, stated that if the Town of Pinetop-Lakeside feels like they need the construction tax or the permitting fees for the parcel deannexed, Show Low would gladly give it to the Town. Manager Brown added that he feels this development will be beneficial to both, Pinetop-Lakeside and Show Low.

Mayor Irwin stated the idea of TPT tax and permitting fees may ease some of the concerns. Mayor Irwin said she believes Show Low City tax is 2% and Pinetop-Lakeside is 3% adding that Pinetop-Lakeside would receive the 2% rate. Mayor Irwin feels this is a fair trade and asked Manager Brown if this is something we would ask the Show Low City Council to approve.

Show Low Manager Brown stated if Pinetop-Lakeside wants to add that in their motion tonight they are willing to accept it.

Council Member Brimhall asked Show Low if they could implement an Open Space area in the deannexed parcel.

Show Low Manager Brown shared that the area around the pump house is Open Space and there is access for fishing and parking.

Council Member Heisler said he feels that the collection of the permitting fees on this project is petty adding that Pinetop-Lakeside will no longer have to send our officers to the area. Council Member Heisler said he does not feel like it will be a lot of money for the Town, maybe, \$20,000.

Mayor Irwin stated that there were two components proposed. One component was the building permit fees and the second component was the sales tax on the construction. Mayor Irwin added that if they are high-end homes, it would be worth the ask.

Council Member Heisler stated that the monetary value is not as important to him, rather, if he were looking for something in exchange it would be a similar land swap but feels the right thing to do would be to move forward as proposed without compensation from the deannexed parcel.

Mayor Irwin stated that the City of Show Low will collect ongoing revenue from the homes being built.

Council Member Smith shared that if he asked himself, would we annex this piece to be part of the Pinetop-Lakeside limits and he said his answer would be no adding that there is not enough population there to make a difference in state shared revenue.

Keith Johnson, Pinetop-Lakeside Town Manager stated that Finance Director Rodolph did some quick figures and the profit would only be around \$25,000 for five (5) home builds.

Vice Mayor Beus stated that with both, permitting fees and the TPT tax he feels it would be double that amount or more.

Finance Director Rodolph shared how he arrived at that calculation.

Vice Mayor Beus moved to approve Ordinance No. 23-463 authorizing the deannexation of the area around the Show Low Lake Pumphouse, with the following APN’s: 212-11-102A, 212-11-103A, 212-11-102B, 212-11-103B, with the following conditions; The City of Show Low is to pay the Town of Pinetop-Lakeside 2% TPT Tax on construction as well as the building permit fees for any home built on the annexed parcels. Council Member Smith seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Snitzer	X		
Council Member Smith	X		
Lynn Krigbaum	X		
Taber Heisler	X		
James Brimhall	X		

Mayor Irwin declared the motion passed with a 7-0 vote.

D.5 Consider Resolution No. 23-1669 and the approval of the Intergovernmental Agreement with Navajo County to receive financial assistance for the Top of the Woods subdivision drainage project.

Public Works Director Patterson said he would like to thank Supervisor Dawnafe Whitesinger, as she was a big part of this project. Director Patterson shared that in 2019 the Town experienced a thousand-year storm that affected multiple communities in Pinetop-Lakeside. Director Patterson stated that he has worked diligently with engineers, the County, and FEMA, trying to figure out what caused such destruction to some of the communities. Director Patterson shared that they were able to pinpoint the issue and devise a plan to correct the issues. Director Patterson shared that the Town was two million dollars in to the project and realized it is not something the Town could afford. Director Patterson said they came up with a plan to do the project in house but this

still left us short of funds as he did not want to take funds from the Streets Fund due to major issues with streets and the repairs needed there. Director Patterson stated the Town continued to look for money to help fund the project. The Town spoke with the County and with Supervisor Whitesinger on accessing some of the flood money that is paid by residents every year in their property tax. Director Patterson shared that Pinetop-Lakeside has never used these funds so the County agreed to give the Town \$140,000 in material costs to go towards the project. Director Patterson stated that he feels this will allow the Town to make the necessary repairs.

Vice Mayor Beus asked if this project was mainly up in the Top of the Woods?

Director Patterson answered, Yes. Adding that it is Top of the Woods Phase One.

Council Member Heisler moved to adopt Resolution No. 23-1669 approving an Intergovernmental Agreement with Navajo County for financial assistance for the Top of the Woods subdivision drainage project. Vice Mayor Beus seconded the motion and by show of hands the following vote was recorded:

	AYES	NAYS	ABSTAIN
Mayor Irwin	X		
Vice Mayor Beus	X		
Council Member Snitzer	X		
Council Member Smith	X		
Lynn Krigbaum	X		
Taber Heisler	X		
James Brimhall	X		

Mayor Irwin declared the motion passed with a 7-0 vote.

D.6 Reports from Council Committee Liaisons and Town Manager.

Council Member Krigbaum shared the following updates:

- The Leave No Trace Program which highlights the importance of protecting the land will host an event with workshops June 2- 3, 2023 from 1:00-4:00 p.m. at the Nature Center. For more information visit LNT.org.

Council Member Brimhall shared the following updates:

- Blue Ridge High School graduation is May 19, 2023 at 7:00 p.m.

Council Member Heisler shared the following updates:

- White Mountain Humane Society is using funding they received from Happy Tails to do some improvements including block walls between cages and a dog play area.

Council Member Jim Snitzer shared the following updates:

- TRACKS trail work and installing roll-over gates on trails continues adding that there are over 200 miles of non-motorized trails to maintain.
- White Mountain Nature Center will host a Spring Carnival on May 25-29, 2023, at Mountain Meadow Park. Tickets can be purchased at Town Hall, the Library, or at the White Mountain Nature Center. Early bird prices will save you \$10.00. Prices at the door are \$35.00 for all day/all rides.
- The White Mountain Nature Center, Guinness Book of World Records Science Exhibit continues through early June. There are interactive exhibits and donations are appreciated.
- The Nature Center Construction is under way for the bird structure and is hopeful to have it completed by the end of July.
- The White Mountain Nature Center has a bird show daily at 3:00 p.m.
- The White Mountain Nature Center has applied for an eagle and are awaiting news.
- The White Mountain Nature Center is planning educational programs with the birds and are hoping to have the ability to visit schools.
- The Back Country Horseman Group is working with the Nature Center to host a cowboy breakfast on weekends at the Nature Center.
- Rainbow Lake Coalition is trying to work with the Irrigation Company to solve some problems.

Council Member Jerry Smith shared the following updates:

- Transit Advisory Council met to review the Town's contributions for FY 2023-2024 and addressed issues the bus line is having with disorderly conduct.
- Council Member Smith thanked the staff and Council that served lunch at the Community Center today, May 18, 2023.

Vice Mayor Beus shared the following updates:

- The White Mountain Back Country Horsemen Group was just established here in the White Mountains. This group will be involved in the Leave No Trace Event and are looking forward to partnering with TRACKS and the Forest Service in maintaining the trails in the back country .

Mayor Irwin shared that she will be heading to Gilbert tomorrow to attend the State Transportation Board Meeting and advocate on the Town’s behalf for additional funding for roads.

Town Manager Johnson shared the following updates:

- Town Manager Johnson thanked Council and staff for helping with the Backpacks for Kids program last week.
- Pinetop-Lakeside Library will be closed this Saturday, May 20, 2023.
- A Community Meeting will be held on June 1, 2023 immediately after the Town Council Meeting adjourns (The Town Council Meeting has been moved to 5:00 p.m.). The topic will be the results of the Community Survey.
- An Armed Forces Day Flag Ceremony will be held on Saturday, May 20, 2023, at 11:00 a.m. at the Town Hall Veterans Memorial.
- A Memorial Day Flag Ceremony will be held on Monday, May 29, 2023, at 11:00 a.m. at the Town Hall Veterans Memorial.
- The weekend of Memorial Day the Town will operate on modified hours. Town Hall, The Visitors Center, and the Library will close at noon on Friday, May 26, 2023. Public Works will Close at 11:00 a.m. on Friday, May 26, 2023. To view all Town Facilities hours, please visit PinetopLakesideaz.gov.
- The first Music and Movies in the Park will be held on Saturday, June 3, 2023 at Jack Barker Memorial Park. The Music will be provided by a group called, Covered in Sun, starting at 6:30 p.m. The movie, Encanto, will play on the Blue Ridge High School softball field, once the sun sets. There will be a food truck for food for purchase, and popcorn, and candy will be donated by Carin Rubin, State Farm Agent.

Adjournment

Mayor Irwin

There being no further business at this time, the regular meeting was adjourned at 7:20 p.m.

Stephanie Irwin

Stephanie Irwin, Mayor

ATTEST:

Kristi Salskov CMC


Kristi Salskov, CMC
Town Clerk



CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular meeting of the Town Council of Town of Pinetop-Lakeside, Arizona, held on the 18th day of May 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18th day of May 2023.


Kristi Salskov, CMC
Town Clerk

