

**MINUTES OF THE REGULAR MEETING  
OF THE HONORABLE TOWN COUNCIL  
OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA,  
HELD ON THURSDAY, FEBRUARY 4, 2021  
IN THE TOWN COUNCIL CHAMBERS LOCATED AT  
325 W. WHITE MOUNTAIN BOULEVARD, LAKESIDE, AZ 85929**

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➤ **Call to Order**

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

➤ **Roll Call**

The following Council Members were present:

Stephanie Irwin	Mayor
Jerry Smith	Vice Mayor
Lynn Krigbaum	Council Member
Jim Snitzer	Council Member
Mazie Hastings	Council Member
Sterling Beus	Council Member
Paul Watson	Council Member

Also Present:

Keith Johnson	Town Manager
Kevin Rodolph	Finance Director
Kristi Salskov	Assistant Town Clerk
Dan Barnes	Police Chief
Cody Blake	Community Development Director
Tony Alba	Community Services Manager

➤ **Pledge of Allegiance and Invocation**

Mayor Irwin led the Pledge of Allegiance to the Flag.

Curtis Fahrlender delivered the Invocation.

**B. Call to the Public**

Mayor Irwin called for Public comments. No comments were offered.

**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.

Mayor Irwin stated the Vice Mayor Smith has requested to pull item C.2 to discuss in more detail.

Vice Mayor Smith moved for passage of the Consent Agenda with the exception of item C.2. Councilmember Beus seconded the motion and by show of hands the following vote was recorded:

<u>AYES</u>	<u>ABSTAIN</u>	<u>NAYS</u>
Mayor Irwin		
Vice Mayor Smith		
Council Member Snitzer		
Council Member Hastings		
Council Member Krigbaum		
Council Member Beus		
Council Member Watson		

Mayor Irwin then declared that consent agenda items C.1 and C.3 in these minutes were approved, passed and adopted with a 7-0 vote.

C.1 **Approval of the Minutes of the Town Council**  
**Meeting held on January 21, 2021.**

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By a unanimous vote under the Consent Agenda, Town Council approved the minutes of the Town Council Meeting held on January 21, 2021.

**C.3 Consider approval of the Town Check Register for the period  
December 1 through 31, 2020.**

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By a unanimous vote under the Consent Agenda, Town Council approved the Town Check Register for the period December 1 through 31, 2020.

**C.2 Consider Resolution No. 21-1571 authorizing an Intergovernmental Agreement (IGA) between Navajo County and the Town of Pinetop-Lakeside for the Provision of Election Services for the Town of Pinetop-Lakeside for a term of four years to expire on January 1, 2025.**

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Vice Mayor Smith said that he would like to discuss item 2.a on the IGA regarding the following wording “further supplementation as necessary, to conduct an all-mail ballot election, in the event such an election is authorized by the City/Town.” He said that this is very controversial and said that he wants to make sure the Town is not doing anything improper. He feels that it should be up to the voters if they want an all-mail ballot election, they should choose that in a separate election for approval. He said that he has a problem with an all-mail ballot election, it is very controversial and said that is his main concern regarding this statement.

Town Manager Johnson said, for example, when the Town held franchise elections those were all-mail ballot elections and said that this is the same agreement that we currently have in place with Navajo County. At the time that the Town approves an election the Town Council would approve the method that would be done. He says this is a standard agreement and this is how state law reads right now.

Vice Mayor Smith said that he believes an all-mail ballot election is very controversial.

Councilmember Beus stated that he does not believe the IGA is stating that an election has to be an all-mail ballot only.

Vice Mayor Smith stated that this wording takes away the right of people to vote at the polls.

Mayor Irwin stated that she does not agree and said that this does not take away public voting at the polls.

Town Manager Johnson explained that the last part of item 2.1 says “in the event such an election is authorized by the City/Town.” meaning that a special election will be authorized by the City or Town and how they want the election held. He said that we do not want to eliminate the possibility of using all-mail ballots as an option and said that whatever course the Town decides to take would be authorized by the Town Council.

Finance Director Rodolph stated that the statement qualifies it and said it is not going to be an all-mail in ballot unless the Town Council approves to have an all-mail ballot election.

Town Manager Johnson added that the current Council cannot stop the action of a future Council on this subject and a future Council would make the choice.

Councilmember Snitzer stated that in the past the Town has only held mail-in only elections to save money.

Councilmember Watson said that he understands that there may be a time, for example a franchise election, where it may be conducive for the Town and the community to conduct an all-mail ballot election.

Town Manager Johnson stated that the last franchise election for UniSource was an all-mail in ballot election, but he said that this allows the Town Council to choose how they want to run a special election.

Councilmember Watson stated that how he reads this is that it does not mandate one way or another and said that it gives the ability to allow the Town for an all-mail ballot election. He said that the agreement with Navajo County makes sense how it is written. He said that he understands the concern but said that he believes this does not mandate an all-mail ballot election but said that it does allow the possibility for the Town to decide.

Town Manager Johnson said that the only elections the Town has any control on are the special elections and said that the Council elections would all be under whatever the County and State decide to do for the General and Primary elections.

Councilmember Beus moved for passage of the Consent Agenda item C.2. Councilmember Watson seconded the motion and by show of hands the following vote was recorded:

**AYES**

**ABSTAIN**

**NAYS**

Mayor Irwin  
Vice Mayor Smith  
Council Member Snitzer  
Council Member Hastings  
Council Member Krigbaum  
Council Member Beus  
Council Member Watson

By a unanimous vote the Town Council approved Resolution No. 21-1571 and the IGA between the Town of Pinetop-Lakeside and Navajo County.

**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 Presentation and Information regarding Pledged Revenue Obligations Bond.**

Nick Dodd, Managing Director with Piper / Sandler, presented to the Town Council the Pledged Revenue Obligations (excise Tax Revenue Bonds) Series 2021A (tax-exempt) and Series 2021 B (taxable). He presented on the following topics: Bond Market Update, Town of Pinetop-Lakeside Existing Dept, Proposed Series 2021A Pledged Revenue/Excise Tax Revenue Obligations (tax-exempt), Proposed Series 2021B Pledged Revenue/Excise Tax Revenue Obligations (taxable) and Proposed Timetable.

Mr. Dodd stated that if the Town decides to move forward this item would be brought back to the Town Council for legal action on March 4, 2021.

In response to Councilmember Watson, Mr. Dodd explained that when the bonds were sold there was a ten year “call”, which means for the first ten years the bonds are not “callable”. He explained that in todays tax world and under current federal law they have to wait until they are 90 days from that “call” date. He said that in 2027 those bonds would be called and said that if the Town has any new bonds in

2027, they try to “marry-up” the bonds at the same time. He said that in 2027 the Town could look at refinancing all of the debt.

In response to Councilmember Watson, Mr. Dodd said that the Town would have to earn at least the 7.3% or better and the Town would have the responsibility for the trust and to hire a money manager.

In response to Councilmember Watson, Town Manager Johnson said that he has attended various conferences over the years regarding PSPRS and said that the State does not appear to acknowledge that they have any responsibility regarding the funding problems associated with PSPRS.

In response to Councilmember Watson, Mr. Dodd said that 2017 was the first public bond sale for the Town and the rules were set for the Town to borrow. He said as long as the Town maintains those covenants that the Town can borrow for the Police Station and paying of the PSPRS liability.

In response to Councilmember Watson, Mr. Dodd said that the ramifications for the Town if they do not cover the bond would be: The Town would not be able to borrow again; if the Town went into default the investors could come in and force the Town Council to raise local sales tax for additional revenue to cover the bond.

Finance Director Rodolph thanked Mr. Dodd for a comprehensive presentation and said that there are huge, potential benefits but said there are also potential risks involved. He said that the resolution for approval would be brought back to the Town Council at the March 4, 2021 meeting.

**D.2 Public Hearing and Consider Ordinance No. 21-439, amending the official zoning map of the Town to rezone APN 311-49-050F and APN 311-49-050G totaling 1.13 acres from R-Low, Rural Residential to R1-2 Single Family Residential.**

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Community Development Director Cody Blake explained that Tim Kendzlic is requesting to change the zoning of parcels 311-49-050G and 311-49-050F for R-Low Rural Residential (minimum 1-acre lot) to R1-2 Single Family Residential (minimum .5-acre lots). Currently both lots are undersized and considered legal non-conforming. Parcel 311-49-050G is .85 acres and parcel 311-49-050F is .23 acres and only 50 feet wide and considered unbuildable as a standalone lot. Mr. Kendzlic would like to keep the two lots separate and realign the parcels to be a minimum of .5 acre giving him the ability to build a home on each of the two lots. Directly to the

north of Mr. Kendzlic lots, the lots are zoning R1-4 and are .5 acre lots. To the east and south the lots are zoned R-Low 1-acre minimum lots.

Director Blake stated that the Planning and Zoning Commission at their regular meeting on January 28, 2021 voted 7 to 0 in favor of recommending approval to the Town Council for the requested zone change. He said that it is the recommendation of staff to approve the zone change.

Director Blake said that the Town is working with Mr. Kendzlic regarding some right-of-way issues. He said that part of Mr. Kendzlic's property goes out into the Town's right-of-way along Woodland Lake Road and said that Mr. Kendzlic has agreed to give the Town that portion of the right-of-way so that the Town will be able to fix the right-of-way issues and so that his property does not extend out into the road.

Director Blake explained that at the Planning and Zoning Commission meeting one homeowner spoke out against the zone change stating that they were opposed because there was the potential for an increase in traffic, but he said that they are also on half acre lots.

Councilmember Krigbaum stated that the homeowner in opposition is using the ingress to this property.

Director Blake stated that is correct and said that the easement crosses Mr. Kendzlic's property to get to their property.

In response to Councilmember Hastings, Director Blake stated that the driveway is a private easement and said that there is an agreement with Navajo County from 1965 for all of the property owners to maintain the driveway.

Mayor Irwin called for the public hearing. No members of the public wanted to address the Town Council and Mayor Irwin closed the public hearing.

In response to Councilmember Watson, Mr. Kendzlic explained that he plans to leave as many trees as possible on the properties.

In response to Mayor Irwin, Director Blake explained that a variance would have to be granted to be able to build on the smaller lot if the zone change request is not granted.

In response to Mayor Irwin, Director Blake said that the owner of the property behind these lots is not opposed to the zone change and said that this property owner has seven acres that are zoned R1-4 residential, which is a ¼ acre lot. He said that there is a potential that properties could be built on these lots and a secondary exit would have to be provided.

Vice Mayor Smith moved to approve zone change Z-081 changing the zoning of APN’s 311-49-050F and 311-49-050G from R-Low Rural Residential to R1-2 Single Family Residential and Ordinance No. 21-439. Councilmember Snitzer seconded the motion and by show of hands the following vote was recorded:

AYES

ABSTAIN

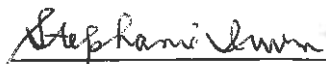
NAYS

- Mayor Irwin
- Vice Mayor Smith
- Council Member Snitzer
- Council Member Hastings
- Council Member Krigbaum
- Council Member Beus
- Council Member Watson


Mayor Irwin then declared zone change Z-081 and Ordinance No. 21-439 approved with a 7-0 vote.

**E. Adjournment**

There being no further business at this time, the meeting was adjourned at approximately 7:30 p.m.

  
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 Stephanie Irwin  
 Mayor

ATTEST:

  
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 Jill Akins, MMC  
 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 4<sup>th</sup> day of February 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4<sup>th</sup> day of February 2021.

Jill Akins  
Jill Akins, MMC  
Town Clerk

