LAKE HAVASU CITY

Mayor Mark S. Nexsen
Vice Mayor Don Callahan
Councilmember Crystal Alger
Councilmember Dean Barlow
Councilmember Donna Brister
Councilmember Jeni Coke
Councilmember David McAtlin

Lake Havasu City

Regular Meeting Minutes - Final

City Council

Lake Havasu City
Police Facility
2360 McCulloch Blvd North
Lake Havasu City, Arizona 86403
www.lhcaz.gov

Tuesday, May 27, 2014 **6:00 pm**

Regular Meeting

1. CALL TO ORDER

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

2. INVOCATION: Pastor Doug Bock, Lamb of God Lutheran Church

Pastor Doug Bock, Lamb of God Lutheran Church, gave the invocation.

3. PLEDGE OF ALLEGIANCE

The mayor led in the Pledge of Allegiance.

4. ROLL CALL

Present: 7 - Mayor Mark S. Nexsen, Councilmember Dean Barlow, Councilmember Crystal Alger, Councilmember Donna Brister, Vice Mayor Don Callahan, Councilmember Jeni Coke and Councilmember David McAtlin

5. CALL TO THE PUBLIC

Mr. Tony Simonis, 2296 Bryce Lane, addressed the City Council and stated that it looks as though there is going to be some action on the Mayor and Council races and said it looks like the same kind of people are coming in that the citizens did not want before in government when there was a lot of turmoil. He said it has been pretty peaceful and Mayor Nexsen has done a good job. He said one of the things he wanted to remind the people is back in 2006 when 10,000 people voted against the English Village, he was the chairman of Citizens Against The English Village Acquisition Committee. He stated there were a lot of people that wanted to put the city into dire straits by spending another $26 million to $30 million without a vote of the people. He said he does not like the way the English Village looks but does not want the City involved with it.

6. CONSENT AGENDA

6.1 ID 14-0282 Approval of May 6, 2014, City Council Budget Overview and Budget Work Session, and May 13, 2014, City Council Regular Meeting Minutes

6.2 ID 14-0269 Recommend Approval of a Special Event Liquor License Application for the 33rd Annual PWC Race on October 9, 10, 11, 12, 2014, at 1534 Beachcomber Boulevard / Walker

6.3 ID 14-0265 Adopt Resolution No. 14-2824 abandoning the northeasterly 5-foot by 28-foot portion of a 10-foot by 50-foot public utility and drainage easement along the southern property line of Lot 56, Block 10, Tract 2227, Ruff/Owner

6.4 ID 14-0264 Adopt Resolution No. 14-2825 Abandoning the entire 15-foot public utility and drainage easement along the southern property line of Tract 2315A Block 1, Parcel "B" except for the westerly 10-feet parallel with the front property line, Messmer/Owner

6.5 ID 14-0266 Approve Procurement of Food Services for City Jail Program from Sysco Arizona Food Services.

6.6 ID 14-0280 Call for Executive Session Pursuant to A.R.S. 38-431.03(A) 5:00 p.m. Tuesday, June 10, 2014.

Councilmember McAtlin moved to approve the Consent Agenda as presented and seconded by Councilmember Barlow.

City Attorney Kelly Garry suggested that item 6.6, the Executive Session scheduled for 5:00 p.m. on Tuesday, June 10, 2014, be changed to 4:00 p.m.

Councilmember McAtlin amended his motion to approve the Consent Agenda with the change on item 6.6 calling an Executive Session on Tuesday, June 10, 2014, from 5:00 p.m. to 4:00 p.m., seconded by Councilmember Barlow, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

7. CORRESPONDENCE, COMMUNICATIONS, PETITIONS, ANNOUNCEMENTS, CITY MANAGER REPORT

7.1 ID 14-0289 Legislative Update by Brian Tassinari of Willetta Partners

City Manager Charlie Cassens stated that Mr. Tassinari was not available to attend tonight's meeting and this item would be postponed to a later date.

7.2 ID 14-0248 Lake Havasu City Convention & Visitors Bureau Quarterly Update

Mr. Doug Traub, President/CEO of Lake Havasu City Convention & Visitors Bureau, reviewed the top five highlights of the 3rd Quarter, January through March 2014 as follows:

#5 – Visitor Center Exterior Upgraded/Introduced New Branded Products in Visitor Center
#4 – Brand Partnership with Arizona Game & Fish
#3 – Local Brand Introduction Campaign
#2 – Launched New Responsive Website
#1 – Presented Coalition CIP Projects

7.3 ID 14-0287 FY 2013-14 3rd Quarter Reports of Contracted Agencies

Mayor Nexsen noted that this item was for informational purposes only.

7.4 ID 14-0288 FY 2013-14 3rd Quarter Reports of Grant Agencies

Mayor Nexsen noted that this item was for informational purposes only.

7.5 ID 14-0281 Announce Vacancies on Lake Havasu City Boards, Committees, and Commissions

City Clerk Kelly Williams announced the current vacancies for various Lake Havasu City Boards, Committees, and Commissions.

7.6 ID 14-0279 City Manager's Report

Mr. Cassens reported on the following:

- To date 17 candidate packets have been pulled for the upcoming 2014 fall election, of which 9 packets have been filed with the City Clerk's office. Mr. Cassens advised that tomorrow, Wednesday, May 28, 2014, is the deadline for filing candidate packets.
- During the week of June 2nd, there will be dozens of military helicopters flying in the area. Approximately 37 helicopters are scheduled to arrive at the airport over a one to two day period to refuel and feed the flight crews.
- The Lake Havasu City Fire Department still has one session available for the babysitting-home seminars for 5th through 12th grade students, beginning July 14th through July 17th. The course covers fire safety, water safety, kitchen and bathroom safety, first aid, and more.
- Welcomed Luke Morris to Code Enforcement. Reported that there are 49 new code enforcement cases that have been opened in the month of May, 31 cases have been closed, and 54 active code enforcement cases are being worked on. Mr. Cassens added that four violation notices were issued in the month of May with 74 re-inspections.
- Sales tax updates

Mayor Nexsen asked if staff was in the process of abatement on a property, to which Mr. Cassens said the City has several abatements at this point, two residential burn-outs and one commercial burn-out. He said abatements are a much more complex process and often the people who are responsible for those properties are very difficult to find and to bring into compliance. He added that there is one scheduled for demolition relatively soon on Palo Verde Boulevard.

8. PUBLIC HEARINGS

8.1 ID 14-0268 Recommend Approval of a Special Event Liquor License Application for the Chamber of Commerce After-Hours Business Networking Mixer on June 19, 2014, at 730 North Acoma Boulevard / Krueger

Councilmember Coke recused herself from participating and voting on this item.

Ms. Williams stated that staff is recommending that the City Council recommend approval of a Special Event Liquor License application for a Chamber of Commerce After-Hours Business Networking Mixer on June 19th from 5:00 p.m. to 7:00 p.m. at 730 Acoma Boulevard North. She said all fees have been paid and no objections have been received.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Barlow moved to recommend that Arizona Department of Liquor Licenses & Control approve a Special Event Liquor License for the Lake Havasu Area Chamber of Commerce After-Hours Business Networking Mixer, on June 19, 2014 from 5:00 p.m. to 7:00 p.m., at 730 North Acoma Boulevard, seconded by Councilmember Callahan, and carried

Aye:	6 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan and Councilmember McAtlin
Recused:	1 -	Councilmember Coke

8.2 ID 14-0243 Series #12 Liquor License, Waldos BBQ, 25 Acoma Boulevard North/Navarro

Ms. Williams stated staff is recommending that the City Council recommend approval of a Series #12 Restaurant Liquor License for Waldo's BBQ located at 25 Acoma Boulevard North. She said all posting requirements have been met, all fees have been paid, and no objections were received. She added a liquor license was previously held at this location.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Callahan moved to recommend that the Arizona Department of

Liquor Licenses & Control approve a Series #12 liquor license for Waldo's BBQ, 25 Acoma Boulevard North, seconded by Councilmember Coke, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.3 ID 14-0283 Discussion and possible action, if necessary, to comply with Arizona Open Meeting Law following the executive session noticed above regarding

A) Annual Evaluation of City Attorney

B) Annual Evaluation of City Manager

Possible actions include, but are not limited to, finding of satisfactory or unsatisfactory performance, salary adjustment, or any direction or action necessary to place an item on a future agenda relating to the City Manager and City Attorney's evaluation, salary adjustment, or employment agreement.

Mayor Nexsen stated that the City Attorney's evaluation was found to be satisfactory with a few general comments but nothing significant. He added that everyone was pleased with her performance.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Callahan moved that staff prepare a two-year contract for the City Attorney, seconded by Councilmember Alger, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

Mayor Nexsen stated that the performance review indicated a satisfactory performance of the City Manager. He said there were comments on items of improvement and generally speaking the City Council felt that the City Manager had performed his duties in a satisfactory manner over the past couple of years.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Mayor Nexsen clarified the process regarding the City Attorney and City Manager evaluations, by stating that when a contract is drafted it will be reviewed by the City Council and discussions will occur again in Executive Session regarding any details in the contracts. He added that the contracts would be brought back for a public hearing once that process is complete.

Councilmember Brister moved that the City Attorney draft a two-year contract for City Manager Charlie Cassens, seconded by Councilmember McAtlin, and carried by the following vote:

Aye:	6 -	Mayor Nexsen, Councilmember Barlow, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin
Nay:	1 -	Councilmember Alger

8.4 ID 14-0286 Adopt Resolution No. 14-2827 Terminating the Lake Havasu City Employee Benefit Trust (LHCEBT) and Transferring All Remaining Funds

HR/Risk Management Division Manager Shirlee Palbicki advised that in February of 2012 staff began the process to wind down and terminate the Lake Havasu City Employee Benefit Trust (LHCEBT). She said it was anticipated that would take approximately 29 months, worst case scenario, assuming any appeals and hearings the City may have to go through. She stated that on October 2013 she had analyzed all claims to determine if there were any outstanding issues, and as of February 2014 any outstanding issues had been resolved. Ms. Palbicki said on October 15, 2013, the LHCEBT Trustees met and unanimously recommended that the City Council approve the final resolution to close the trust and transfer all remaining funds to the General Fund per Arizona Revised Statutes (A.R.S.) § 11.981. She said this is the only option the City has with regards to those funds with the understanding that if something unknown were to arise, the City would have financial liability for that. She stated that staff did an in depth review of all outstanding claims and any potential appeal issues, and felt confident that the City is safe to move forward with the resolution.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Barlow asked for an estimate on how much would be transferred to the General Fund, to which Ms. Palbicki replied around $4,150,000.

Councilmember Brister moved to adopt Resolution 14-2827 terminating the LHCEBT and transferring all remaining monies to the Lake Havasu City General Fund and agree for the City to accept financial responsibility should an unknown obligation arise, seconded by Councilmember McAtlin, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.5 ID 14-0256 Introduce Ordinance No. 14-1112 Authorizing the Exchange of a City

Owned Parcel on Park Avenue per A.R.S. § 9-407 with an Adjacent Parcel of Substantially Equal Value

Senior Planner Stuart Schmeling stated that the item before the City Council is the introduction of an ordinance which would direct staff to move forward with an exchange of two small pieces of property that are approximately 4,500 square feet each. He said this was the introduction of the ordinance and public hearing. Mr. Schmeling explained that staff was requesting the land exchange to provide a vehicle connection between the upper parking lot at the Aquatic Center and the new parking lot that was created on the east side of Rotary Park.
Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Alger moved to introduce Ordinance No. 14-1112 authorizing the exchange of property of substantially equal value located on Park Avenue as allowed by Arizona Revised Statutes §9-407 with Dr. Faibisoff including completion of parcel plat and the creation of deeds, seconded by Councilmember Callahan, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.6 ID 14-0253 Adopt Ordinance No. 14-1113 Request for a Major Amendment to PD 97-001 Rezoning of Tract 2336, Block 1, Parcel "A," 1425 McCulloch Blvd. N., from C-1/R-4/PD to C-1/R-4/CR/PD to Allow a Bridal Honeymoon Suite (Motel Room) within the Existing Commercial Building as a Permitted Use at the Island Fashion Mall

Mr. Schmeling advised that the item before the City Council is at the request of the applicant who has asked that an element be allowed to allow a bridal suite, or motel room, to compliment the other wedding related uses they have on their site. He said this would allow the lower room to be converted to a motel room.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Barlow moved to adopt Ordinance No. 14-1113 amending PD 97-001 rezoning the property from C-1/R-4/PD to C-1/R-4/CR/PD to allow a motel room within the existing commercial building as a permitted use, seconded by Councilmember Coke, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.7 ID 14-0259 Approve Wastewater Treatment Agreement with VRE North Pointe, LLC, to Provide Wastewater Service to the North Pointe Subdivision Phases A &

B

Project Manager Jeremy Abbott advised that staff was before the City Council to request approval of a Wastewater Treatment Agreement with VRE North Pointe, LLC. He clarified that the treatment capacity fees had been paid by the prior developer so the fiscal impact would be with Phase B. He added that there are 45 new lots proposed which would equate to $90,000 for the treatment capacity fees. He reviewed a vicinity map of the North Pointe development and noted that Phase A had already been approved. He said this agreement would wrap Phase A and Phase B in a new agreement with the new owner. Mr. Abbot explained that the current pump station was designed with sufficient capacity to handle the entire North Pointe development, Phases A through C. He said the developer is responsible for design, permitting, and construction of the sewer facilities and added that staff has also asked the developer to perform some grading and maintenance on the current dirt roadway which extends from the end of Phase A down to the existing pump station. He said the intention is once the development of Phase C commences, the roadway would be paved at that point.

Mayor Nexsen asked why Phase C was not included in the contract, to which Mr. Abbott replied that the developers are not proposing to move forward with Phase C at this point and are focusing on completing and filling up Phase A. He added due to the economy, the contractor also wants to get a feel for development potential. He said if Phase B is successful they would come back and look at fully developing Phase C.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Alger asked if the City would be constructing the wastewater pump station and if it would handle Phase C, to which Mr. Abbott explained that the pump station is already in existence as it was constructed as part of Phase A. He added that there is no construction or improvements needed for the pump station; this would only entail the construction of the gravity sewer for Phase B.

Councilmember McAtlin moved to approve the Wastewater Treatment Agreement with VRE North Pointe, LLC, to provide wastewater service to the North Pointe Subdivision Phases A & B and authorize the City Manager to execute the Agreement on behalf of the City, seconded by Councilmember Callahan, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.8 ID 14-0263 Approve Amendment No. 6 to Consultant Agreement with Atkins North America for Water System Improvements, Tanks 4 & 5A, Project No.s WT7200, WT7040 & WT7050

Project Manager Rich Wells advised that in 2012 the City Council awarded a contract for construction of Tank Sites 4 and 5A, and shortly after that Atkins North America was awarded a contract for construction management oversight services to help City staff manage the construction. He said unfortunately the report indicated that construction would take 90 days; however, it is anticipated to be well over 100 days before completion. Mr. Wells advised that staff was requesting that the City Council approve the amendment to the contract to finish up construction.

Mayor Nexsen said it appears that the contractor is behind and wondered why the contractor was not paying for this extension, and wondered why the project is behind schedule. Mr. Wells stated that there is probably fault on both sides as there may have been an unrealistic expectation as to what the contract time should have been. He added that once construction is complete, staff will sit down with the contractor and look at the history of what has happened during construction to work out something that is fair. He said if staff finds that the contractor is partially at fault the City may be able to recuperate some of those costs.

Councilmember Callahan asked if Atkins North America was part of the blame, to which Ms. Garry stated that until there is reconciliation, she preferred not to have discussions regarding blame or fault. She added that she does not know enough about this to make comments into the public record and cautioned the City Council on their comments. She added that she did not want to place any blame or make any accusations when she has no knowledge of exactly what was going on.

Mayor Nexsen asked if $18,000 would cover the additional costs, to which Mr. Wells replied that the agreement has a not to exceed clause that he felt comfortable with.

Councilmember Alger asked what would happen if the City Council does not approve the contract, to which Mr. Wells said the services that Atkins North America has been performing, is assisting staff on specialized oversight services where staff is not trained and does not have the background. Councilmember Callahan questioned whether the City Council has enough information to make a decision at this point.

Mayor Nexsen said what he is hearing is that $18,000 is needed to finish the project and the City Council will rely on the City Attorney to work this out with the contractor. He asked if there was a retainage amount with the contractor, to which Mr. Wells replied there is a retainer and also contract language that allows the City to utilize that if necessary.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Water Division Manager Chuck Michalski added that this has been a very long process and a very cumbersome contract with a lot of intricate detail to the construction. He said in the end the extra work, deducted work, and additional time get lumped together and then the Engineering Department will review these throughout the contract. He added that there are possibly some credits that the City will get and some deductions that the City will get; therefore, the whole contract should come out as a good contract even as cumbersome as it has been.

Councilmember Alger asked what would happen if this was brought back in two weeks to get an exact number, to which Mr. Wells explained that the $18,000 is the not to exceed amount to finish the project.
Councilmember Alger asked what if it only costs $8,000, to which Mr. Wells said he met with Atkins North America and asked them to detail out the additional services based on the expected time frame to finish the project.

Mayor Nexsen said he realized the intricacies, trying to deal with the numerous contractors, and getting behind. He added that he was okay with the amendment so long as there is a concerted effort to work this out at the end. Mayor Nexsen said if they stop work now it will end up costing the City more. Mr. Wells added that they would not stop the contractor regardless.

Councilmember Brister moved to approve Amendment No. 6 to the Consultant Agreement with Atkins North America for Water System Improvements, Tanks 4 & 5A, in an amount not to exceed $18,718 and authorize the City Manager to execute this Amendment on behalf of the City, seconded by Councilmember Barlow, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.9 ID 14-0284 Approve Sole Source Purchase of Case 580 Super N Backhoe (4WD) Extendahoe from Hertz Equipment, Las Vegas

Maintenance Services Manager Mark Clark advised that staff elected going to a sole source as it will result in additional savings to the City. He said staff would normally purchase from a co-op bid but found that the Houston Galveston Bid is covered by the Phoenix area which Lake Havasu City is not part of, but is part of the Las Vegas area. He said it was determined that Hertz could sell the equipment cheaper at the standard government rate. Mr. Clark stated the sole source approval is based on the City already using case backhoes and a savings over and above the cooperative purchase price; therefore, staff recommends approval of this item.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Callahan moved to approve and authorize the Sole Source Purchase of one (1) Case 580 Super N Backhoe (4WD) Extendahoe from Hertz Equipment, Las Vegas, for $87,315, plus appropriate taxes, seconded by Councilmember Alger,

and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.10 ID 14-0278 Award Bid for Bituminous Paving Materials to Campbell Redi-Mix, ITB No. B15-OP-03, for FY 2014-15

Mr. Clark advised that this is a bid award for the City's normal construction materials for asphalt. He said only one bid was received and after comparing the bid prices to last year, staff felt comfortable bringing this request before the City Council.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Barlow said he was glad to see a local firm awarded.

Councilmember Alger stated that she was for small businesses and supporting our local businesses, but wanted to point out that there is a list of everywhere the City advertises for these bids on the city website.

Councilmember Barlow moved to award the bid for supply and delivery of Bituminous Paving Material, in both asphalt cold mix and in asphalt hot mix designs, to Campbell Redi-Mix for the itemized unit prices listed on the attached FY 2014-15 bid tabulation plus applicable sales tax for FY 2014-15, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.11 ID 14-0276 Award Bid for Redi-Mix Concrete Products to Campbell Redi-Mix, ITB No. B15-OP-1, for FY 2014-15

Mr. Clark stated this item is a bid award for the City's annual concrete supplies. He said staff appreciates the opportunity for a local supplier to do this, as it saves the City on trucking costs.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Alger moved to award the bid for supply and delivery of Redi-Mix Concrete Products to Campbell Redi-Mix for the itemized unit prices as listed on the attached FY 2014-15 bid tabulation, plus applicable sales tax, for FY 2014-15, seconded by Councilmember Barlow, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.12 ID 14-0277 Award Bid for Aggregate Materials to Campbell Redi-Mix, ITB No. B15-OP-2, for FY 2014-15

Mr. Clark advised that this bid award was for the City's annual aggregate materials.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Councilmember Callahan moved to award the bid for supply and delivery of Aggregate Material to Campbell Redi-Mix for the itemized unit prices listed on the attached FY 2014-15 bid tabulation, plus applicable sales tax for FY 2014-15, seconded by Councilmember Coke, and carried by the following vote:

Aye: 7 - Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

8.13 ID 14-0262 Award Bid for Pump Station Rehabilitation Project at Chip Drive & London Bridge Road to Fann Environmental, Project No.s SS2910 & SS2930

Mr. Abbott advised that this project is to rehabilitate two existing wastewater pump stations. He said the first rehabilitation will be the Chip Drive Pump Station, because the internal discharge piping is a ductal iron pipe that is degrading very badly. Mr. Abbott said staff will be removing the piping and replacing it with PVC C900 pipe as it will not degrade due to hydrosulfide corrosion issues. He added that staff would also be replacing the existing check valves in this station as this is a 20-plus year old pump station and the valves are no longer working properly and simply cannot be maintained. Mr. Abbott stated that by-pass pumping may be necessary, that is solely due to the means and methods of the particular low bid contractor but may be able to schedule the work at night and/or in various sections to accommodate continual operation of the station. He said Alternate No. 2 of this project is to install a new flow meter which has not worked in over a year.

Mr. Abbott said the London Bridge Road Pump Station, located near the Channel, was upsized in 2007 with the Wastewater System Expansion Program to accommodate the larger downtown flows. He said staff would be removing the ductile iron pipe from the inside of the wet well and replacing it with stainless steel. He added that they would be replacing the pipes with stainless steel and not PVC because of higher pressure. He said staff would be replacing the check and plug valves on the discharge side of the pumps and would also sand blast, inspect, repair, and re-coat the wet well. Mr. Abbott reviewed photos displaying deterioration of the London Bridge Road Pump Station.

Mayor Nexsen asked if the Chip Drive Pump Station was part of the original sewer system before the Wastewater System Expansion Program, to which Mr. Abbott replied yes, and added that no improvements were made as part of that program.

Mr. Abbott added that the London Bridge Pump Station was built 25 years ago and what was done in 2007 was installation of larger pumps and larger discharge piping. He said the piping that they are replacing is only seven years old but the problem is the hydrogen sulfide corroding the ductile iron pipe. He added that when the ductile pipe was installed it was the only material that could handle higher pressures but now stainless steel and C900 PVC will handle pressures and also have a longer lifespan than ductile iron pipe.

Mayor Nexsen opened the public hearing. There being no comments, he closed the public hearing.

Mayor Nexsen said there was a much lower bidder but they were listed as unresponsive. He asked Mr. Abbott for clarification, to which Mr. Abbott explained that the low bid came in at $120,000; however, they did not acknowledge the addendums that were issued as part of this project and in discussion with that contractor and what those addendums entailed, they were not able to complete the project for their bid price so staff considered them unresponsive.

Councilmember Barlow moved to award the Base Bid, Alternate No. 1, and Alternate No. 2 for the Chip Drive & London Bridge Road Pump Station Rehabilitation Project, Project No.'s SS2910 & SS2930, to Fann Environmental, LLC, for an amount not to exceed $321,580, seconded by Councilmember Callahan, and carried by the following vote:

Aye:	7 -	Mayor Nexsen, Councilmember Barlow, Councilmember Alger, Councilmember Brister, Vice Mayor Callahan, Councilmember Coke and Councilmember McAtlin

9. CURRENT EVENTS

Councilmember Brister reported that the Vietnam Veteran Partnership along with many other service groups would be observing the actual day of remembrance for Memorial Day on Friday, May 30, 2014, at 7:30 p.m. on and around the London Bridge.

10. CALL TO THE PUBLIC

There were no requests to address the City Council.

11. FUTURE MEETINGS

Tuesday, June 10, 2014 @ 5:00 p.m. - Executive Session
Tuesday, June 10, 2014 @ 6:00 p.m. - Regular Meeting

change to 4:00 p.m. Ex Ssn

12. FUTURE AGENDA ITEMS

There were no requests for future agenda items.

13. ADJOURN

Upon motion by Councilmember Callahan and seconded, the meeting adjourned at 7:19 p.m.

I hereby certify that the foregoing is a full and true copy of the Regular Meeting Minutes of the Lake Havasu City Council held on the 27th day of May, 2014. I further certify that the meeting was duly called and posted, and that a quorum was present.

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Kelly Williams, City Clerk