Upon notice duly given under Arizona Revised Statutes, Section 38-431, et seq., as amended, the City Council of the City of Bullhead City held a regularly scheduled meeting on Tuesday, September 16, 2025, in the City Council Chambers, 1255 Marina Boulevard, Bullhead City, Arizona.

CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Head called the meeting to order at 5:40 p.m. and invited Captain John Burks of the Salvation Army to deliver the invocation. Council Member Smith led the assembly in the Pledge of Allegiance to the Flag.

ROLL CALL

Council Present

Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith

Council Absent

None

Staff Present:

CITY MANAGER: Toby Cotter

CITY ATTORNEY: Garnet Emery (via telephone)

CITY CLERK: Debie Ogden POLICE CHIEF: Robert Trebes

FINANCE DIRECTOR: Robert Drexler

PUBLIC WORKS DIRECTOR: Angie Johnson

UTILITIES DIRECTOR: Mark R. Clark

PRESENTATIONS AND PROCLAMATIONS

1. Certificate of Appreciation to retiring Chief of Police Robert E. Trebes Jr.

Mayor Head presented Chief Trebes with a Certificate of Appreciation. Chief Trebes read a prepared statement.

2. National Night Out Proclamation

Mayor Head read the proclamation and presented it to Lorrie Duggins of the Bullhead City Police Department and Lori Viles of the Bullhead City Fire Department.

3. Fire Prevention Week Proclamation

Mayor Head read the proclamation and presented it to Lori Viles of the Bullhead City Fire Department.

4. Constitution Week Proclamation

Mayor Head read the proclamation and presented it to members of the Daughters of the American Revolution (DAR).

OPEN CALL TO THE PUBLIC

Mayor Head opened the call to the public.

Elizabeth Aldrich said she drives to Las Vegas to get free Narcan and delivers it for free to seniors that have addicts in their families. She said Narcan needed to be available in churches and libraries and said Bullhead City needed a dispensary where someone can just walk in and take a free box of Narcan. She said students will not ask a police officer or their school counselor for Narcan because they are mandated reporters.

Nancy Horn said she was representing Veterans in Motion. She said Veterans in Motion is a 501 nonprofit organization, and said they started in April 2021. She said their fall classes will start at the Bullhead City Community Center, Room 408 and will be offering the following classes: ballroom dancing on Mondays at 6:00 p.m.; ukulele voice class on Tuesdays at 2:00 p.m.; and the Veterans Patriot Band meets on Thursdays at 6:00 p.m. She said line dancing will start on October 6th from 2:00 p.m. until 4:00 p.m. in the Fiesta RV Resort ballroom. She said they offer a transportation program six days a week that will take veterans to their medical appointments in Kingman, Lake Havasu, Henderson, and the VA Hospital in Las Vegas. She said donations for gas, insurance, and vehicle maintenance is needed as well as volunteer drivers. She thanked the Legacy Foundation for their recent \$5,000 donation to help with the cost of the transportation program.

Jill Ramelot said she was representing the River Fund. She said the annual Duck Pluck event is going to be held at the Bullhead City Municipal Pool on November 15th from 4:00 p.m. until 7:00 p.m. She said every duck adoption helps the River Fund continue to support our neighbors who are facing hardships and crisis in emergency situations, and said every dollar stays in the local community. She said they are still accepting prize donations, and said sponsorships are also available.

Paula Hamby read a short poem written by John F. Kennedy.

Sean Regan said the execution of Charlie Kirk opened his eyes to how he needed to be as a Christian man and how he addresses his government and people he opposes. He said he is also representing Arizona Veteran K-9 Services. He said they are looking for 1,000 people to donate \$5.00 a month to assist them in promoting their facility, feed animals, and help veterans. He said they are now an Arizona qualified charitable organization. He said they have saved 108 dogs from euthanasia, placed 88 veterans with dogs, donated 2,260 pounds of food and 1,860 pieces of clothing, and roomed 119 veterans that were unhoused.

Julie Hassett spoke about the Colorado River Concert Association's upcoming season.

Scotty McClure said he was still angry that Captain Harms is not being promoted to Chief of Police, and said the city should not be doing a nationwide search. He said he wanted to know if City Manager Cotter received permission from the Council to do a nationwide search, and asked how much the search will cost.

Eva Genovese spoke about the Charle Kirk Memorial that is taking place on September 17th at Rotary Park.

Having no one else present requesting to speak, Mayor Head closed the call to the public.

AGENDA MODIFICATIONS

None

WAIVER MOTION

Vice Mayor Alfonzo made a motion to waive the reading in full of all ordinances and resolutions presented for adoption at this meeting. Council Member Newlin seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

MANAGER'S REPORT

1. Farmer's Market

City Manager Cotter said the next farmers market will take place at Community Park on October 4th from 9:00 a.m. until 1:00 p.m.

2. New Website

Public Information Officer Mackenzie Covert said the city's new website will go live on September 29th and said the new website address will be bullheadcityaz.gov. He said the .gov address will provide users with an extra level of assurance that they are in fact using the city's website. He said all the current services will be available on the new website and said the website will be very accessible. He thanked all the employees that helped with the new website.

3. RV Tourism

City Manager Cotter said Bullhead City has ranked 15th place in the entire country to bring an RV. He said all the RV resorts in Bullhead City rank very high because all of them are pet friendly, have electricity, water, restrooms, showers, and a high index for air quality.

4. Interim Police Chief Daniel Sharp

City Manager Cotter announced Danny Sharp will be the Interim Chief of Police until a permanent police chief is hired. He said Mr. Sharp has been in law enforcement for 33 years, most recently as the Oro Valley Police Chief for 20 years. He said before that he worked for the Tucson Police Department where he was the Assistant Chief, Police Captain, and Lieutenant. He said he has a lot of credentials and is highly qualified. He said he wanted to respond to the comments made during call to the public about Captain Harms and the Chief of Police position. He said he has had many conversations with Captain Harms about his continued service with the city and said he is a great Captain. He said he has full faith in him to do the job of the captain and said he has done an excellent job for the police department for many, many years. He said he is having a meeting with Captain Harms and Interim Chief Sharp on how to best align themselves as they go through the recruitment process. He said Captain Harms is going to continue operating in the police department, no questions about it. He said there is no cost to do the recruitment because it is going to be done in house. He said no one on the Council has directed him to do anything regarding this. He said the council members know they make policies and he hires the city's department directors.

City Manager Cotter said City Attorney Emery is joining tonight via telephone because he is in Phoenix for the appeal hearing regarding the food sharing ordinance. City Attorney Emery said he attended the session with the Ninth Circuit Court of Appeals, which periodically sits in Phoenix, Arizona. He noted that the city had prevailed at the trial court level, with the Institute for Justice being denied all relief and the ordinance being upheld. He explained that the Institute for Justice had appealed, the appellate briefs had been filed, and oral arguments were held earlier that day. He stated that counsel for both parties was present and that the city was represented in a competent and professional manner by Attorney Larry Crown of the Titus Brueckner law firm, which works with the city through the municipal risk pool. He said the representation and arguments on behalf of the city were excellent and expressed his expectation that the city would ultimately prevail. He further commented that the Ninth Circuit has a particular reputation and noted that some of those tendencies were evident during the proceedings. He explained that if the Court were to issue a decision not favorable to the City, options would be available, including requesting reconsideration through an en banc review or pursuing an appeal directly to the United States Supreme Court. He said the hearing was another important step in the process of defending the ordinance, which the Council had adopted to be fair and reasonable to all parties involved in the use of the parks.

MAYOR AND COUNCIL MEMBERS' REPORTS ON CURRENT EVENTS

Council Member Ring said she wanted to address the comments Mr. McClure made during open call to the public. She said the Council are the policy setters. She said City Manager Cotter does work for the Council, and said he is doing a great job. She said lousy leaders try to strip the employees that are doing a good job. She said the Council stays out of the hiring process because the Council knows he will do a good job in filling the chief of police position, and said he has been doing a good job in filling all the department director positions as the positions open.

Council Member Newlin said last Saturday the Special Olympics Arizona hosted its annual swimming competition at the Bullhead City Municipal Pool. He said over 50 athletes from Bullhead City, Kingman, and Lake Havasu participated in the event. He congratulated all the athletes and said the hosts, coaches, and volunteers did a great job.

Mayor Head congratulated the Mohave High School football team for bringing home the Golden Shovel.

ITEMS WITHDRAWN FROM CONSENT AGENDA

None

CONSENT AGENDA

Council Member Newlin made a motion that Items 1-3 on the Consent Agenda be approved in accordance with the reports, certifications and recommendations furnished each Council Member and without further discussion. Council Member Smith seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

Items on the Consent Agenda were approved as follows:

- 1. Approve the minutes of the July 8, 2025 Special Council Meeting and August 5, 2025 Regular Council Meeting (City Clerk Ogden)
- 2. Approve the preliminary condominium plat for a project known as Toy Shack Storage, located at 2599 Laughlin Ranch Boulevard and described as Toy Shack Subdivision, Tract 5158, Lot 1, Section 7, R20N, R21W, Bullhead City, AZ. (Development Services Director Chooniyom)
- 3. Approve 1) the City Manager's execution of the Agreement for Full Patrol Upfits 2025 Ford Expeditions with Airwave Communications AZ LLC., under estimate dated August 11, 2025 for the full upfit of seven patrol vehicles in the amount of \$207,309.92 and issuance of resulting payments; and 2) adopt RESOLUTION NO. 2025R-40 approving the utilization of City of Phoenix solicitations and awarded agreements. (Police Chief Trebes)

PUBLIC HEARINGS ON ITEMS PULLED FROM CONSENT AGENDA

None

BOARD/COMMISSION/COMMITTEE APPOINTMENTS

None

PUBLIC HEARINGS ON LIQUOR LICENSE APPLICATIONS

None

ACTION ITEMS

Building, Planning and Zoning Items

4. <u>PUBLIC HEARING:</u> Discussion and possible action to adopt ORDINANCE NO. 2025-9 approving an amendment to Z06-007, Ordinance No. 2022-28, Stipulation No. 3 and S06-016, Stipulation No. 4 to allow the applicant additional time to record the final plat for a project known as Palm Villas Estates that is described as Palm Villas Ranchos, Tract 1226, Parcel C.

Planner Laura said this property is approximately 5 acres located on the south side of the city, just south of the Mohave Crossroads Shopping Center. He said the final plat has been in the works since 2006, and said if approved, it will be their sixth extension of time. He said they have submitted all their plans and they have been approved. He said they are currently out to bid for their contractors, but they do need additional time to get a contractor under contract and to get their financial assurances worked out. He said the Planning and Zoning Commission voted to recommend approval of this item.

Mayor Head opened the public hearing. Having no one wishing to speak, Mayor Head closed the public hearing.

Council Member Smith made a motion to adopt Ordinance No. 2025-9, approving an amendment to Z06-007, Ordinance No. 2022-28, Stipulation No. 3 and S06-016, Stipulation No. 4 to allow the applicant additional time to record the final plat for a project known as Palm Villas Estates that is described as Palm Villas Ranchos, Tract 1226, Parcel C. Council Member Ring seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

Bid Awards, Contracts, Intergovernmental Agreement, and Purchases None

Other Business

5. Discussion and possible action to approve the Turf Reduction Water Conservation Grant Agreement Arroyo Vista Park, between the City of Bullhead City and the Arroyo Vista Estates Homeowners Association, Inc., and direct the City Manager to execute the agreement and to take all actions consistent with its implementation. (Assistant to the City Manager Kajirwa)

Assistant City Manager Kajirwa said last year the council approved a grant agreement in support of the city's water conservation and rebate program with the Water Infrastructure Finance Authority of Arizona, and said the city applied for a \$3million grant. He said the grant is reimbursement based and facilitates the replacement of nonfunctional turf in areas owned by the city with artificial turf or low water usage landscaping. He said the other component of this program consists of rebates and incentives to replace turf owned by HOA's and local businesses. He said this program aligns with the city's previously approved water conservation program that was adopted by the Council on February 15, 2022. He said the Arroyo Vista Estates Homeowners Association proposed the agreement and if approved, will remove approximately 52,000 square feet of turf. He said the project consists of \$500,000 total grant funds with a match of \$100,000. He said \$50,000 would come from the Arroyo Vista Estates Homeowners Association and \$50,000 from the city's water conservation fund. He said city staff members have had discussions with several community members and said they have attended several board meetings and had several discussions with several board members. He briefly spoke about previous meetings staff attended with residents of Arroyo Vista Estates and spoke about how the conceptual plan came to fruition.

Mayor Head asked if a member from the HOA Board is present.

Lee Messer said he is the Board President and said last year they used just under 6 million gallons of water to water their park. Steve Buck said he is the Manager of the HOA. He thanked Assistant City Manager Kajirwa and Utility Director Clark for helping them through the process.

Council Member O'Neill said he just received a petition from residents that are opposed to this item. He asked if the Board took a vote from residents in the community to approve this item. Mr. Buck said it started as a grass roots effort by posting notices in the mailroom area. He said he did see the petition Council Member O'Neill had and said there were some issues with it. He said they feel they have addressed concerns that some of the residents had with the design of the park.

Assistant City Manager Kajirwa said he had the opportunity, through one of the community members in attendance, to make contact with the individual who was believed to have organized the petition. He stated that he spoke with the individual, who confirmed his initial involvement and explained that he had serious concerns at the outset. However, after receiving feedback from members who attended the meetings and gaining a clearer understanding of the project, the individual developed a better overall perspective of what the project entailed. He said most of the concerns the Council will hear tonight relate to how the HOA runs their business, not necessarily the grant project.

Vice Mayor Alfonzo asked how many residents are currently in the subdivision. Mr. Messer said there are currently 519 residents. Vice Mayor Alfonzo asked how many people there are on the HOA. Mr. Buck said there are currently 5 board members and said one of the board members was recently appointed. Vice Mayor Alfonzo asked if all board members voted in favor of this item. Mr. Messer said all board members voted in favor of this item, and said the new board member did not vote.

Mayor Head asked if anyone from the public wanted to speak on this item.

Ashley Hook said she has lived in Arroyo Vista for 6 years and said she was speaking on behalf of the neighbors to present a petition signed by nearly 200 homeowners. She said the signatures represent their opposition to the proposed grant project. She said the park is part of their neighborhood and is used everyday by people who walk their pets and residents who are staying active. She said the park is one of the few amenities they have, and it is what keeps the neighborhood connected. She said to diminish or disrupt the green space would diminish the quality of life they value so deeply. She said they would not be in attendance tonight if the HOA handled this differently. She said many residents have expressed displeasure about the lack of transparency and communication regarding the proposed project. She said it is unfortunate that the residents did not get to be involved in the process or have an opportunity to vote. She said a simple poll or survey of homeowners would have revealed the communities stance long ago. She said that the current board represented a limited demographic and said it would be beneficial to obtain a more well-rounded poll from the entire neighborhood. She expressed that many residents felt the board had been determined to push the project forward despite overwhelming opposition from those who live in and utilize the space. She said Arroyo Vista Estates had long been recognized as a flourishing community and one of the prime areas where young professionals seek to put down roots. She noted that one of the key reasons for that desirability was the large recreational field and stated that reducing the grass field by half would fundamentally alter that shared recreational green space. She added that if the grant project were approved, it would not only threaten the open green space but could also reduce property values, increase neighborhood heat, and limit community recreation areas for families and pets. She emphasized that residents were not opposed to progress or improvement but were advocating for representation, transparency, and a voice in preserving the shared resources that unite the community. She urged the council to table the agenda item and allow Arroyo Vista Estates homeowners the opportunity to vote on the matter before any decisions are made.

Sue Hazlitt said she lives in Arroyo Vista. She said she was appalled by many of the HOA board members. She said this has been a topic of the annual board meetings for the past 3 years. She said the cost of water is going up, and said residents are going to complain when their dues go up to cover the rising cost of water. She said she thought there was a compromise to take out a little bit less grass. She said there will still be enough grass to have an entire baseball field. She said she did get a flier that said she could vote against the project, but she never received a flier that said she could vote in

favor of the project. She said it was all one sided by people that came in at the last minute saying they did not want the project to move forward.

Gary Davis said he is a resident of Arroyo Vista. He said the aquifer is being reduced in the area and around Mohave County. He said an acquaintance of his told him that the aquifer has dropped 10 feet since last year and there is 10 feet of water remaining to the bottom. He said there is a definite water shortage, and said the project is an effort to save water.

Council Member Smith said the Council is to decide whether to approve the grant request to assist the homeowners' association with costs related to reducing the grass area. She noted that a petition had been mentioned, reportedly containing signatures from 200 homeowners; however, the petition presented included 90 addresses. She said of those, 17 were owned by the same individual, and another four belonged to one owner with multiple parcels. She said the subdivision contained approximately 519 households, meaning the petition represented roughly 17 percent of residents. She said it appeared the HOA had internal issues that needed to be addressed.

Council Member Dallman said her comment is for transparency sake. She said she owns 2 homes in Arroyo Vista and said she walks in the park every day with her dogs. She said she sat through the Arizona League of Cities and Towns class on water. She said there is a 23 percent reduction in the amount of water we currently have, and said we are in a 25 year drought. She said she sees this project as a way for the Arroyo Vista Park to benefit by reducing some of the grass. She said a portion of the grass they are considering removing is already dead, and said when she walks her dogs, she does not see a lot of people utilizing the entire grassy area. She said she does see the grassy area at the volleyball court area being used, but the grass is going to be replaced with a sand court. She said there is a problem with the HOA and some of the homeowners, but the homeowners voted in the board members and they must make the best decisions they can. She said she saw this project as a good thing, and said they are using 6 million gallons of water to water partially dead grass.

Vice Mayor Alfonzo said the residents needed to remember that they voted the board members in. He said if the residents read their conditions, covenants and restrictions, there are provisions on how to get current board members out and get new people in. He said he is more worried about the amount of water the city has. He said the cost of water and the sewer rates are going up and said this project will help preserve water.

Council Member Newlin thanked the residents that reached out to him, and said he appreciated hearing all sides. He said he is basing his decision on the vote of the Arroyo Vista board members which was in favor of the project.

Mayor Head said it always bothers him when they are left to be the arbitrator of an HOA. He said he does not like doing it and does not think they are supposed to. He said the residents elected the HOA board members and said there are ways for the residents to get them off the board. He said the board came to the city and asked to apply for the grant. He said the grant is in place to save water, and said the only reason why Bullhead City has the current amount of water is because they have been very stingy with it.

Council Member Smith made a motion to approve the Turf Reduction Water Conservation Grant Agreement Arroyo Vista Park, between the City of Bullhead City and the Arroyo Vista Estates Homeowners Association, Inc., and direct the City Manager to execute the agreement and to take all actions consistent with its implementation. Council Member Newlin seconded the motion.

City Attorney Emery said there will be some changes to Exhibit A. He said the agreement has been presented to the Council in substantial final form. He said if Council votes to approve this item, they will be approving it with the understanding that Exhibit A will most likely change with some minor modifications to the xeriscape or to the lands that are going to be replaced. Mayor Head said he understood.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

6. Discussion and possible action to adopt RESOLUTION NO 2025R-41, approving acquisition of the Chaparral Golf Course. (City Manager Cotter)

City Manager Cotter stated that the city had been approached several years prior by CCC Inc., owner of the Chaparral Golf Course, regarding the potential for city acquisition. He said the alternative could have been bankruptcy and closure of the course and clubhouse, which would create a neighborhood nuisance. He said the nine-hole golf course, founded before city incorporation, included a clubhouse with restaurant, bar, meeting room, pro shop, and storage buildings. He said the proposed agreement would transfer all course assets, including maintenance equipment, restaurant supplies, and furnishings to the city, and would assume approximately \$406,000 in liabilities, largely back taxes. He said the city would take over course maintenance immediately upon council approval, with full operational control by November 1st. He emphasized that the acquisition supported the city's infrastructure and open-space goals, as the property adjoins Rotary Park, protects flood-control easements along Fox Wash, and contains a city lift station and pond that could utilize reclaimed water. He noted that the course currently generated about \$650,000 annually in golf and food-and-beverage revenue, with potential to exceed \$1 million under city management through stronger marketing and operational efficiencies. He said the city intended to maintain Chaparral as a nine-hole municipal golf course, but long-term use would remain limited to parks and public purposes, such as future recreational or infrastructure projects. He also highlighted the facility's community importance, noting that nearly 20 civic and nonprofit groups met there. He said if someday golf down the road is not attainable, the city could turn it into a greenbelt and other recreational amenities. He said the record will reflect that it will always be used for parks and public spaces, never condominiums or redevelopment. He estimated the total asset value at approximately \$4 million, calling the proposed liability assumption a favorable exchange that preserved neighborhood character, maintained critical infrastructure, and expanded public recreation opportunities. He said the lift station is critical infrastructure and said no matter what the Council votes tonight, the lift station is not going anywhere. He said if this became a dormant property the city would have to fight through a bankruptcy court.

Mayor Head asked if anyone from CCC Inc. would like to speak on this item.

Kevin Estrich said he is representing the members and member owners of Chaparral Golf Course and Country Club. He said also in attendance are the board of directors, many current members, and may

current Chaparral Manor Subdivision residents. He said he currently serves as the treasurer of CCC Inc. and has been a member of Chaparral for 48 years. He said he has served on the board of directors, starting in 1977 as secretary, and said he has served as treasurer of the board since February. He said prior to this, he was board president from 2015-2019. He said he started a pharmacy business in Bullhead City and is now retired. He said as a member of Chaparral, he has had the privilege of meeting and getting to know hundreds of people from nearly every state and several people from foreign counties have come to visit them. He said Chaparral has traditionally been an integral part of the community since the golf course opened in 1968. He said they are asking for the Council to support the purchase agreement. He said their goal is to improve the golf conditions, which is beyond the financial capabilities of CCC Inc. and is also important to the property owners in the neighborhood. He said the agreement is not to continue with the country club, but to support the community recreation area. He said homeowners purchased property on a golf course in good faith, anticipating a view of green open space next to their property and over the years Chaparral has not always been successful in offering true value to these property owners. He said they want to enjoy the clubhouse and the facilities available in their neighborhood, but it is not a club. He said a club is not buildings, dirt, and grass; a club is a neighborhood, it is people. He said the people in the neighborhood want to preserve the amenities as long as they can.

Mayor Head said he understood that Mr. Estrich held a meeting with his group and inquired or had a vote about this issue. Mayor Head asked Mr. Estrich about the meeting and what the outcome was. Mr. Estrich said the Chaparral board does not have the authorization to negotiate and sell corporate assets. He said in the early weeks of August, they held a member only meeting and the only item was a resolution that gave the membership board of directors the right to negotiate and execute a favorable agreement that the golf course would remain part of the agreement. He said as a board member, it is their fiduciary responsibility to follow what they are instructed to do. He said they believe the proposed agreement is fair for all parties involved and the community.

Mayor Head asked if anyone from the public wanted to speak on this item.

Penny Risingers said she lives on Via Arroyo which is sandwiched between the area they are talking about and Rotary Park. She said she has lived in her home for 22 years and was never notified of the proposed changes. She said she has a lot of new neighbors and none of them knew anything about this. She said she hoped the Council votes to take over Chaparral. She said she hoped that if the city does take over Chaparral, staff members will look at flooding and parking issues.

Sean Regan said the previous item had to do with water and grass issues, and now they are discussing the expenditures of water and acquiring another entity. He said the city just acquired the old Colorado Belle and it costs him \$25.00 to have lunch there. He said he should not have to pay additional fees to use amenities when his tax dollars are paying for them. He said the costs at Chaparral are going to increase because the city will now have to pay for additional employees and additional maintenance equipment. He said he is not opposed to this item, but he is opposed to it being done quietly.

Bart Anderson said if this was a ballot issue, does the Council believe their constituents would vote in favor of spending taxpayers money to buy a sinking ship. He said the purchase price does not include the cost of what it will take to restore it. He said taking over Chaparral will be a disaster, much like when the city purchased EPCOR. He said he does not think the city is in the business of running private enterprises or competing with them. He said Bullhead City is spending and expanding

recreational services instead of shrinking in size. He said the city needs fewer employees, not more, to manage all the assets.

Jan Heath said she lives in Arroyo Vista and is a member of Chaparral Country Club. She said the city taking over Chaparral was not a secret. She said people who live in Chaparral should go to the country club every once in a while to check in and find out what is going on. She said people who are not in the HOA would not be informed of what is going on because they do not live there.

Jackie Miller asked City Manager Cotter if the city was to take over Chaparral, what the timeline was and if management will change. City Manager Cotter said they have committed to hiring the people who currently work at Chaparral. He said they believe the golf course is in need of repair and said the city has the best staff available to repair the golf course. He said there is deferred maintenance on the facilities will have to be addressed in the future. He said they believe that as an enterprise fund, it will make a profit under the city's ownership. He said they have committed to the current members that they are not going to raise prices and will have neighborhood meetings. He said what Chaparral needs is more players and more people visiting every day. He said under the city's leadership and care the parks currently get ten of thousands of visitors every year. He said by using city staff, he is confident Chaparral will get thousands of visitors every year.

Scotty McClure said the last time he played golf was in 1966 and his club ended up in the river. He said the city has a pretty good hold on the flooding issues at Chaparral. He asked if the city will also own the easement where Country Club and Camino Del Rio meet. City Manager Cotter said the easement is not related to this agenda item and said they can talk about it offline. Mr. McClure said he would like to see a road built by Anderson Fieldhouse to help get traffic off Highway 95. Mayor Head told Mr. McClure he knew he wanted a road built, and asked him to stay on this agenda item. Mr. McClure said he turned in maps to Planner Loera regarding new roads and he just threw them away. He said there should be an amendment to the agreement stating that if Chaparral does not make any money in 5 years the city must sell it.

Bob Art said he lives in Arroyo Vista. He said if the city was the federal government or by statute in the state of Arizona, it would not be running businesses that directly compete with private enterprise. He said you can own it, but you put it out for bid and bring in a concessionaire to run it. He said he thought it was a great idea to have a municipal golf course, but did not think the city should be running it. He said he felt the same way with the city engaging in restaurants directly and competing with private business. He said he takes issue with the city being engaged in selling and advocating for the purchase of alcohol.

Eva Genovese said the Colorado River Republican Women's Club hold their monthly meetings at Chaparral County Club and said it is in disrepair. She said the bathrooms are in very bad shape and there is not a lot of parking. She asked what property in included in the purchase and if the lift station is a separate agreement because the city already owns it. City Manager Cotter said it is all of the greenspace, all the four parcels that the golf course is on including the clubhouse, lift station, flood control, pool, restaurant, fixtures, all equipment, and all golf carts.

Council Member O'Neill said he thought it was a good idea to buy the golf course, and said he has lived in many cities that have a municipal golf course. He said they are basically purchasing a \$4 million property for 10 percent.

Council Member Newlin said it is important to consider items such as this carefully. He said the specific circumstances of the agreement are a determining factor in this situation. He said the city was approached by Chaparral Golf Course, not the other way around. He said the city is not building a new golf course, but would be assuming the outstanding liabilities of a declining property. He said the Chaparral Golf Course has been an institution in Bullhead City since the 1970's and said he shares the position of CCC Inc. that the City of Bullhead City is the best entity to take the Chaparral Golf Course to the next era.

Vice Mayor Alfonzo said if the golf course deteriorates and turns into a dust bowl, the property values are going to go down. He said if the Council decides to take it over, city staff will do a first class job in fixing it up. He said everyone's property values along the golf course will go up once the area is fixed up.

Mayor Head said he understood both sides of the story. He said he knew that the golf course has been a big part of the community for many years. He said he knew there is a lot of work that needs to be done, and said there was also a lot of work at the Optimum Community Center and all the parks that needed to be done and the city was able to do all of it. He said they were able to use park revenues for most of the work, and said using park revenues for those types of things was just common sense. He said he hoped that they are able to keep not just an amenity that the city could be proud of, but also that the neighborhood will be happy with. He said he does not want to see the golf course turned into a dust bowl, and said that is exactly what will happen if the city does not take it over.

City Attorney Emery stated that negotiations over the controlling language of the agreements had been ongoing for several weeks. He explained that before the council there were two agreements: a Purchase and Sale Agreement, which addressed the acquisition of the real property, and an Asset Purchase Agreement, which governed the operations, acquisition of operations, and related liabilities. He noted that both agreements were being presented in substantial final form, with only a few minor issues and adjustments remaining to be finalized. Mr. Emery pointed out one material provision that differed from the version provided to council, referencing Paragraph 3.6 of the Asset Purchase Agreement. He explained that, as referenced earlier, the original paragraph affirmed that the city could use the land as it deemed in its best interest. However, the revised provision established that the City agreed to continue operating the property as a golf course for at least ten years. He said after that period, if it became financially impractical to continue operating as a golf course, the City could, at its discretion, repurpose the property for another recreational or public use. He emphasized that this ten-year obligation would be incorporated into the final Asset Purchase Agreement.

City Manager Cotter said golf courses do operate through leases, and said it is something the city could consider in the future. He said they would not recommend it now because there are things that have to be done. He said no business owner would come in and lease it as it is today.

Council Member Ring made a motion to adopt Resolution No. 2025R-41, approving acquisition of the Chaparral Golf Course. Council Member Newlin seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

Mayor Head called for a break at 8:02 p.m. and reconveyed the meeting at 8:12 p.m.

7. <u>PUBLIC HEARING:</u> Discussion and possible action to approve an application to the Arizona Department of Liquor Licenses and Control for a Series 5 (Government) Liquor License for the Chaparral Golf Course, facilities and all premises; and authorize the City Manager or his designee to submit the application and execute all required documents. (City Manager Cotter)

City Manager Cotter said this item is for the Council's approval to apply for a liquor license for the Chaparral Golf Course. He said if approved, the City Clerk will post the premises for 20 days and an item will be placed on the October 21st council meeting agenda for a public hearing and final approval from the Council.

Mayor Head asked if anyone from the public wanted to speak on this item. No one spoke.

Council Member Ring made a motion to approve an application to the Arizona Department of Liquor Licenses and Control for a Series 5 (Government) Liquor License for the Chaparral Golf Course, facilities and all premises; and authorize the City Manager or his designee to submit the application and execute all required documents. Vice Mayor Alfonzo seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

8. <u>PUBLIC HEARING AND ADOPTION OF WATER AND SEWER RATES:</u> Discussion and possible action to adopt RESOLUTION NO. 2025R-42, approving an increase in water and sewer rates effective January 1, 2026. (Assistant City Manager Kajirwa)

Assistant City Manager Kajirwa said this agenda item had been discussed over several prior presentations and acknowledged the public's patience throughout the process. He stated that the purpose of the item was to present the proposed water rate increase, followed by a brief discussion, a public hearing, and council consideration for a vote. He said staff explained that various market factors had influenced the current rate discussion and emphasized that the city had not raised water rates since assuming operation of the system. He explained that the city had invested more than \$10 million in the water system and over \$17 million in the wastewater system during that time. He said comprehensive study conducted earlier in the year determined that the city was not in a strong financial position, and it was not financially prudent to continue operating while relying on the general fund.

Utilities Director Clark explained that the utility enterprise funds for water and wastewater did not receive any general fund money, except in cases of loans, which were required to be repaid. He said that although some funds had been borrowed from the general fund to provide additional support since the city took over operations, these were treated strictly as loans. He said utility rates were required to be established to recover at least the full cost of providing each utility service, including ancillary services, and to maintain adequate fund reserves. He explained that since the city assumed control of the utilities, substantial investments had been made to repair or replace aging infrastructure, as the system acquired had been poorly maintained. He said approximately \$10 million had been spent on the water system alone to bring it to its current condition, with additional upgrades still needed. He said financially, current revenues were sufficient to cover operational expenses; however, once the debt service from the \$100 million borrowed to acquire the water company was factored in,

the enterprise funds did not have adequate capacity to manage that debt under the existing rate structure, which had been set only to keep the utilities marginally in the black. He gave a brief slideshow presentation and said it was reported that Bullhead City had approximately 20,000 total customers, with about 19,600 of them being residential. He said the vast majority of customers were residential users, and outlined upcoming rate adjustments. He said the Mohave base rate would increase from \$14.61 to \$17.39, while the North Mohave rate, which had previously been lower at \$11.00, would also align at \$17.39. He said staff reviewed the rate structure, which consisted of both a base rate and a volumetric rate. He said the average residential customer in Bullhead City used approximately 6,000 gallons of water per month. Comparative data was presented for various usage levels ranging from 4,000 to 27,000 gallons per month. He said for customers using 4,000 gallons, the monthly increase would be about \$5.00; for 8,000 gallons, about \$7.70; for 17,000 gallons, about \$15.00; and for 27,000 gallons, about \$23.00. It was noted that customers using higher volumes, typically those with water features or larger landscaped lots along the parkway, should bear the additional costs associated with the infrastructure needed to support that usage. He said even after the proposed increases, Bullhead City's rates remained well below those of comparable utilities in the region and across Arizona. He said after the third year of the phased-in adjustments, rates would still be on the lower end statewide, averaging around \$39.00 compared to other jurisdictions that reached up to \$56.00. He said on the sewer side, a similar three-year phase-in was presented. He highlighted several completed capital improvement projects, including the 18-1 lift station, which went live earlier in the week and marked completion of the city's three largest lift stations. Additional sewer infrastructure projects totaling approximately \$17 million were also discussed, including the planned expansion of the Section 10 Wastewater Treatment Plant, the first major upgrade since the early 2000s. He said current financial projections showed the sewer fund operating only slightly in the black, with future capital expenditures expected to increase costs. He stated that the proposed rate increases would bring the enterprise funds just back into positive balance and were designed to eventually enable the city to fund its capital improvements from internally generated revenues. He said residential customers made up the majority of sewer accounts, with rates increasing from \$36.36 to \$39.16 and said commercial and other classifications were billed at different rates based on wastewater output. He said even after the increase, Bullhead City's sewer rates remained among the lowest in the state.

Assistant City Manager Kajirwa said the Assistance Program is a program designed to support income-eligible households and active service members by reducing the burden of increased utility rates. He said the program allowed participants to combine qualifying discounts up to a maximum of \$20.00 per account, and said eligibility was based on the United States Federal Poverty Guidelines, which are updated annually. He said for reference, the 200% income thresholds were outlined as follows: one individual: \$31,300; two individuals: \$42,300 three individuals: \$53,300 and; four individuals: \$64,300. It was noted that the previous proposal had been based on 100% of the poverty level, so the adjustment represented a significant increase to better accommodate qualifying customers. He said eligible participants could receive a \$10.00 monthly discount for low-income status, which could be combined with an additional \$10.00 for qualifying active duty, deployed, or disabled veteran status, not to exceed a total of \$20.00. He said applicants were required to be City Utilities customers with an active residential account in their name, maintain the account in good standing, and notify the Utilities Department within 30 days if they are no longer qualified. He said only one application per household would be accepted and accounts disconnected for nonpayment would forfeit eligibility for one year from the original application date. He stated that the city continued to offer other forms of assistance through the Utilities Department, including high bill water considerations and payment plans arranged through customer service representatives for

residents unable to make payments by the due date. He provided a brief overview of the rate case schedule. It was noted that the City Council meeting and public hearing were held on September 16, 2025 during which the proposed rates were presented for consideration and potential adoption. He said if approved, the official effective date for the new rates would be designated at the meeting, with implementation proposed for January 1, 2026 and said this timeline had been reviewed multiple times and provided a visual overview of the schedule for reference.

Mayor Head opened the public hearing.

Bernadette Scutaro said she does not mind the increase, but something must be done about the quality of the water. She said the water is undrinkable and said she cannot let her dogs swim in a pool anymore because all her dogs have skin conditions because of the water. She said there is a very bad sewer odor in her neighborhood and said she called the city about it and was told to hire a plumber. She said there is nothing wrong with her plumbing, and said the odor is coming up from the manhole. She said the city is forcing everyone to purchase bottled water because the tap water is unusable.

Having no one else present wishing to speak, Mayor Head closed the public hearing.

Council Member Newlin said his position is the same four years after the city purchased the water company. He said he is seeing responsible rate structures presented. He said one common theme he has heard from the public is how this will affect people who are on a fixed income. He said people need to look into the Assistance and Discount Program to see if they qualify.

Council Member Smith said that while many residents expressed concern that the North Mohave area would experience a higher rate increase, the change was intended to bring rates to an equal level across the city. He said North Mohave residents, including themselves, would see about a \$12.00 total increase between water and sewer rates, acknowledging that it would be a noticeable adjustment. Mayor Head said North Mohave had long paid significantly lower rates than the rest of the city and that it was time to normalize rates for all customers. City Manager Cotter added that staff would continue outreach efforts over the coming months to help residents understand how the new rate structure and implementation would work, particularly for those in North Mohave. He said it was important to remind residents that if the city had not taken over the system, their rates would already have been consolidated and would likely be higher under prior ownership. He stated that staff would work with the utilities team to explain where the collected revenue goes and how it is reinvested back into the system. Council Member Smith noted that the city had originally promised no rate increases for two years following the acquisition but had now gone four years without raising rates, thereby exceeding that commitment.

Council Member O'Neill said he moved to the area in 2018 and had voted against the city taking over EPCOR. He said he had no idea at the time that he would later serve as a city council member. He noted that the majority of the current council members had not been on the council when that vote occurred. He stated that now, as elected officials, the council must abide by the decisions made by previous councils. He said that during his first few days as a council member, he toured the entire system with Utilities Director Mark Clark, spending about two hours reviewing it. He stated that what they saw confirmed that the system was not worth the acquisition. However, he said that since the city now owns it, the council has the responsibility to fix it and ensure water continues to flow to the community.

Council Member Smith made a motion to adopt Resolution No. 2025R-42, approving an increase in water and sewer rates effective January 1, 2026. Council Member Dallman seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

9. Adopt RESOLUTION NO. 2025R-43, approving a change in the Colorado River Water Safety Fee assessed under the Consumer Protection Advisory Form from \$20.00 per multi-copy form to \$10 per multi-copy form. (Finance Director Drexler)

City Manager Cotter stated that the Consumer Protection form was a document signed by individuals renting commercial watercraft within the community. He explained that anyone renting a jet ski or boat would be required to sign the form and either pay the \$20.00 fee or have the business pay it on their behalf. He said that he and Finance Director Drexler were recommending that the fee be reduced from \$20.00 to \$10.00. He said for council members who were serving when the fee was first implemented, the main purpose of setting it at \$20.00 was to help fund the commercial launch ramp, which was exclusively used by commercial operators. He said the council and staff at that time believed that those businesses should contribute toward the cost of the ramp, since the public was not permitted to use it. He stated that the cost of the ramp had now been paid off, and therefore staff believed the fee could reasonably be reduced to \$10.00. He noted that administrative expenses would still be associated with the form, including the cost of producing it and the staff time involved in processing it through departments such as Code Enforcement, Police, and Finance.

Council Member Smith said once again, the city kept their word because they did say when the ramp was paid for, they would reduce the fees back down.

Mayor Head asked if anyone from the public wanted to speak on this item. No one spoke.

Vice Mayor Alfonzo made a motion to adopt Resolution No. 2025R-43, approving a change in the Colorado River Water Safety Fee assessed under the Consumer Protection Advisory Form from \$20.00 per multi-copy form to \$10 per multi-copy form. Council Member Smith seconded the motion.

<u>VOTE:</u> AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith <u>NAYS</u>: None

MOTION CARRIED

10. Discussion and possible action to approve the Agreement for Professional Assessment Engineering Services CityCentre Improvement District with EPS Group Inc., in an amount not to exceed \$61,750.00 and directing the City Manager to execute the Agreement and to take all actions consistent with its implementation. (Assistant to the City Manager Kajirwa)

Assistant City Manager Kajirwa said Council considered an agreement to enter into a contract with EPS Group for professional assessment engineering services for the CityCentre Improvement District. City Manager Cotte said that all of the associated fees would generally be reimbursed to the city. He said the CityCentre Improvement District encompassed approximately 270 acres bordered

by Highway 95, Riverview, Marina, Hancock, and Lakeside. He said the developer would be working with the city on this substantial improvement district project, which included adding a third lane on Highway 95 and other related infrastructure improvements. The agreement with EPS Group was required to move the project forward.

Mayor Head asked if anyone from the public wanted to speak on this item. No one spoke.

Council Member Ring made a motion to approve the Agreement for Professional Assessment Engineering Services CityCentre Improvement District with EPS Group Inc., in an amount not to exceed \$61,750.00 and directing the City Manager to execute the Agreement and to take all actions consistent with its implementation. Council Member Newlin seconded the motion.

VOTE: AYES: Alfonzo, Dallman, Head, Newlin, O'Neill, Ring, Smith NAYS: None

MOTION CARRIED

COUNCIL REQUESTED ITEMS

None

ADJOURNMENT

There being no further business to come before the Council, Mayor Head declared the meeting adjourned at 8:46 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct record of the regular meeting of the City Council of the City of Bullhead City held on the 16th day of September 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 16th day of October 2025.

Debie Ogden, MMC, CPM

City Clerk