

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Monday, January 14, 2013**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Monday, January 14, 2013, at 9:30 AM at the Administration Building Conference Room, Administration Building 39 N. 9th Street, Clarkdale, Arizona.

CALL TO ORDER – Meeting was called to order at 9:30 A.M. by Mayor Von Gausig.

Town Council:

Mayor Doug Von Gausig

Vice Mayor Richard Dehnert

Councilmember Reynold Radoccia – arrived at 9:43 AM

Councilmember Curtiss Bohall

Councilmember Bill Regner

Town Staff:

Town Manager Gayle Mabery

Clerk/ Finance Director Kathy Bainbridge

Wayne Debrosky Utilities Director

PUBLIC COMMENT – The Town Council invites the public to provide comments at this time. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Persons interested in making a comment on a specific agenda item are asked to complete a brief form and submit it to the Town Clerk during the meeting. Each speaker is asked to limit their comments to five minutes

There was no public comment

EXECUTIVE SESSION - The Council may vote to discuss the following matters in executive session pursuant to A.R.S. § 38-431.03:

A.R.S. §38-431.03(A)(3) discussion or consultation for legal advice with the attorney representing the public body;

- A) MEMORANDUM OF AGREEMENT BETWEEN THE TOWN OF CLARKDALE, CITY OF COTTONWOOD AND YAVAPAI COLLEGE RELATING TO USE OF RECLAIMED WATER AT YAVAPAI COLLEGE

The Executive Session will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Council may resume the meeting, open to the public, to address the remaining items on the agenda.

Without opposition, the Council moved into the Executive Session at 9:31 A.M.

Without opposition, the Council adjourned the Executive Session at 9:55 A.M. and reconvened to open session.

MEMORANDUM OF AGREEMENT – Discussion, consideration and possible action regarding the proposed MOA for Use of Reclaimed Water between the City of Cottonwood, the Town of Clarkdale and the Yavapai Community College District.

The Town of Clarkdale and Yavapai College have been discussing opportunities for providing water for the irrigation for the expansion of the vineyards at the Southwest Wine Center on the College campus in Clarkdale for approximately a year. As discussion progressed between Clarkdale and the College, the City of Cottonwood brought forward a revised proposal (which was originally developed several years ago in coordination with a grant proposal) that would facilitate the use of reclaimed water from the City of Cottonwood's wastewater treatment plant on the College vineyards. Clarkdale, Cottonwood and the College have been in discussions since August, 2012 in support of that opportunity.

Staff at the City of Cottonwood and Yavapai Community College have proposed an agreement between their two organizations to facilitate the extension of an effluent delivery system from the Cottonwood Wastewater Treatment plant to the Yavapai College boundary in Clarkdale. Notably, as part of the agreement, the City proposed to install a meter on the pipeline inside of Cottonwood's City boundary, and the College will extend water lines across their property in Clarkdale to the vineyards. With these facts in mind, Clarkdale agrees that there is no legal requirement for Clarkdale to give permission to either party for the extension of reclaimed water infrastructure into the Clarkdale Town Boundaries, as both parties are working within property boundaries that are not subject to Clarkdale's jurisdiction (lands owned by Yavapai College are not subject to Clarkdale jurisdiction). The Town of Clarkdale is supportive of the project as it will allow for reclaimed water to be used for irrigation, instead of groundwater either from the Town's Haskell Springs wells or from a well that could have been developed by the College (which could ultimately have impacted the Town's wells at Haskell Springs).

In parallel with the agreement between Cottonwood and the College, the Town of Clarkdale has proposed a MOA between the 3 parties with the following Purpose & Scope:

The purpose of this Memorandum of Agreement (MOA) is to clarify areas of agreement between the parties as they relate to the provision and use of reclaimed water on the College Campus located in Clarkdale, Arizona.

Cottonwood and Clarkdale have each been duly authorized by their electors to own and operate municipal water and wastewater utilities, and are committed to active participation in efforts designed to better understand and manage the water resources of our region. Clarkdale and Cottonwood are both dependent on groundwater to meet their potable water needs, and the parties support measures that encourage efficient use of our regional water resources. The parties recognize the importance that collection of accurate data plays in the process of water management.

Clarkdale and Cottonwood are supportive of Yavapai College's efforts to promote regional economic development and to develop and teach innovative water management practices as they move forward with the Southwest Wine Center at the College's campus in Clarkdale. Recognizing this, the parties to this MOU have

identified reclaimed water as a viable water resource that can be used for irrigation of the vineyards on the College campus.

The parties also acknowledge that this is a unique project, undertaken and supported by three governmental jurisdictions of the State of Arizona.

As drafted, the parties to the MOA agree to the following:

Clarkdale

1. Clarkdale agrees that it is in the best interest of all parties for Cottonwood to extend reclaimed water delivery/sales to the border of Clarkdale in order to facilitate the sale of effluent to the College in Clarkdale.
2. Clarkdale agrees that, regardless of legal interpretation about the requirement to do so, in order to facilitate cooperation between the communities, Clarkdale will not extend effluent infrastructure in an effort to serve customers within the Cottonwood corporate boundaries without prior agreement between Clarkdale and Cottonwood.

Cottonwood

1. Cottonwood agrees that, regardless of legal interpretation about the requirement to do so, in order to facilitate cooperation between the communities, Cottonwood will not extend effluent infrastructure in an effort to serve customers within the Clarkdale corporate boundaries without prior agreement between Clarkdale and Cottonwood.
2. Cottonwood agrees that, in light of #1 above, this MOA limits reclaimed water delivery/sales in Clarkdale exclusively to the College. No other customers in Clarkdale shall be served without a separate agreement between Clarkdale and Cottonwood.

College

1. The College agrees that no 3rd parties are provided with reclaimed water from the College, unless it for incidental purposes on the campus (i.e. such as for construction water by a contractor, etc).
2. The College agrees to report any expansion of use of reclaimed water on the campus (beyond the use on the vineyards) to Clarkdale and Cottonwood.
3. The College agrees to provide Clarkdale with the data showing the amount of reclaimed water received from the City of Cottonwood in order for Clarkdale to be informed as to the amount of water delivered within Clarkdale. The data will be provided at least annually, and will show volumes received on a monthly basis.

With respect to other projects that might take place in the future, the Clarkdale Town Attorney believes that the permission from any city or town is required for another city or town to extend utility services into its jurisdiction. While there are differing legal opinions on this subject, Clarkdale believes it is an appropriate practice to confer with a neighboring community if there is a proposal to extend reclaimed water utilities or services into their boundaries, and this principle is incorporated into the MOA.

Clarkdale is also committed to data collection with regard to water resource issues in the region, and have asked for an annual report from Yavapai College that demonstrates the amount of reclaimed water used on the campus in Clarkdale.

The City of Cottonwood has scheduled consideration of the Agreement between the College and Cottonwood on their January 15, 2013 agenda. Town Manager Mabery has requested that the City of Cottonwood also consider this MOA on the same agenda, but as of the time of this meeting did not have definitive confirmation whether the MOA would be considered by Cottonwood on January 15th or not.

The Clarkdale Town Council noted that there were a number of issues that need to be worked out cooperatively in the future between the communities including utility and other issues. They noted their desire to develop a proactive and cooperative approach at anticipating and discussing those issues between the communities, and felt that would be a better approach than focusing on the need for an MOA that focuses only on the desire to cooperate with each other when reclaimed water infrastructure is extended to serve customers in the other municipality.

Councilmember Regner moved to withdraw the request for Cottonwood to consider the Memorandum of Agreement providing for Use of Reclaimed Water between the Town of Clarkdale, City of Cottonwood and Yavapai College and to pursue a two party Memorandum of Agreement with Yavapai College relating to sharing water data and 3rd party sales in Clarkdale. Mayor Von Gausig seconded the motion. The motion was approved unanimously.

ADJOURNMENT: Without opposition, the Council adjourned at 10:00 A.M.

APPROVED:


Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:

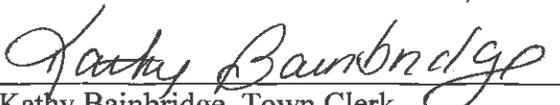

Kathy Bainbridge, Town Clerk

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 the Town of Clarkdale, Arizona held on the 14th day of January, 2013. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 13 day of February, 2013.

SEAL



Kathy Bainbridge, Town Clerk