

**Minutes of a Regular Session of the Common Council of the Town of Clarkdale
Held on Tuesday, August 13, 2013**

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, August 13, 2013, at 6:00 P.M. in the Men's Lounge of the Clark Memorial Clubhouse, 19 N. Ninth Street, Clarkdale, Arizona.

CALL TO ORDER – Meeting was called to order at 6:02 P.M. by Mayor Von Gausig.

Town Council:

Mayor Doug Von Gausig

Councilmember Bill Regner

Vice Mayor Richard Dehnert

Councilmember Curtiss Bohall

Councilmember Rennie Radoccia

Town Staff:

Town Manager Gayle Mabery

Town Clerk/Finance Director Kathy Bainbridge

Community Services/Human Resources Director Janet Perry

Community Development/Economic Director Jodie Filardo

Utilities/Public Works Director Wayne Debrosky

Senior Planner Beth Escobar

Police Chief Randy Taylor

Deputy Clerk Mary Ellen Dunn

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.

Jerry Wiley, Clarkdale resident, addressed Council regarding the tax levy, roads, and pension funds.

REPORTS

Current Events – A brief summary of current events. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary.

Mayor's Report –

July 15, 2013 Met with Russ Martin and Steve Ayres in Camp Verde regarding Hwy. 260 – had some maps indicating possible intersections or roundabouts;
Attended Altria Introduction dinner and gave talk about project

July 17, 2013 Attended Middle Verde WAC meeting – discussed how to achieve policy changes and what types might be needed to have a sustainable water supply

- July 19, 2013 Led kayak trip with Maggie Gallogly, firefighters and ambulance personnel, Councilmember Regner, and Karen Bowers
- July 22, 2013 Participated in conference call for Clarkdale Water Resource Management Study; Attended ADEQ water quality grant webinar
- July 26, 2013 Attended Arizona Forward meeting in Sedona regarding the Navajo Generating Station
- July 30, 2013 Attended Verde Front Leaders meeting – the trails coalition that tries to coordinate all Verde Valley trails
- July 31, 2013 Spoke with Kris Mayes regarding study on public opinion on solar energy issues; Met with Matt Meierbechtal and Councilmember Regner
- August 1, 2013 Attended Flinn-Brown Summer Retreat in Verde Valley
- August 2, 2013 Attended Flinn-Brown retreat
Led Verde paddle trip – Tapco to Tuzigoot
- August 3, 2013 Attended Flinn-Brown retreat
- August 5, 2013 Participated in conference call with Lisa Shipek from Watershed Management Group
- August 6, 2013 Attended Arizona Forward Water Committee meeting;
National Night Out
- August 7, 2013 Attended WRMP Advisory Group meeting;
Attended dinner with the Advisory Board;
Attended public meeting regarding groundwater in Clarkdale
- August 8, 2013 Led Verde River Familiarization Trip with Water Resource Management Plan Advisory Committee
- August 9, 2013 Verde River Paddle Trip – Tapco to Tuzigoot with staff of Arizona Forward
- August 12, 2013 Attended Water Panelist Meeting
- August 13, 2013 Attended Flinn Scholars photography workshop
- Vice-Mayor's Report –
- August 10, 2013 Attended Clarkdale's Concert in the Park. Rotary Club of the Verde Valley also attended

Councilmember Bohall's Report –

July 23, 2013 – Participated in review committee for a Library Advisory Board application

July 30, 2013 – Attended Arizona Public Service get together

August 6, 2013 – Attended National Night Out

August 7, 2013 – Participated in NACOG TPAC conference call discussing inaction of Congress

Councilmember Regner's Report –

July 17, 2013 – Attended MVWAC meeting

July 19, 2013 – Went on kayak trip with Mayor

July 30, 2013 – Attended Arizona Public Service meeting

August 6, 2013 – Attended National Night Out

August 7, 2013 – Attended second presentation by Water Resources Management

August 8 and 9, 2013 – Attended Rural Policy Forum conference

August 8, 2013 - Attended presentation at "Expect More Arizona" regarding support of education

August 10, 2013 – Attended Clarkdale's Concert in the Park

Councilmember Radoccia's Report –

Spent some time with Finance Director Kathy Bainbridge and Town Manager Mabery regarding budget issues

Attended Arizona Public Service meeting

Town Manager's Report –

A video presentation of the last month's activities was presented.

River:

- Viewing deck, boat launch site and handicap accessible area at TuziRAP;
- Tapco RAP – shaping/trimming mesquite trees near boat launch to create shaded picnic/meeting area;

- Signage installation at Tapco RAP and TuziRAP with focus on paddlers' etiquette, care for the environment and safety;

July 29, 2013 – There was an emergency planning opportunity that stemmed from a flood event that started in Ashfork. This provided a good opportunity to plan and put out signs and emphasized the importance of stream flow gauges;

Art in Public Places - the current project is to amass and display a permanent collection from Clarkdale talent

Road projects:

- Centerville Road and Avenida Macias connection is moving forward. A different kind of seal (not chip seal) will be tested;
- Clarkdale Jerome School paving/signage

Meetings:

- Intergovernmental meeting on August 22, 2013 – Hwy. 260 and APS rooftop solar proposal are topics on agenda;
- Cliffrose Trail Grand Opening celebration will be on August 26, 2013 at 8:30 a.m.
- August 27 – 30, 2013 - Annual League of Cities and Towns conference, Showcase of Cities and Towns, Councilmember Regner will be the flag bearer

As of August 2nd we now have 101 installations and 9 more proposed of solar hot water, electric and/or geothermal power in Clarkdale

Reminders:

- Town offices will be closed Monday, September 2 for Labor Day;
- The Council meeting August 27th has been cancelled as councilmembers will be attending the League Conference
- Concerts in the Park: Shri Blues on August 24th and Rio Flamenco on September 7th

Friends of Verde River Greenway coordinated with the Town of Clarkdale to set up a volunteer project for October 19, 8:30 a.m. to noon to provide trail maintenance and brush removal at the Tapco to Tuzigoot sites.

Organizational Reports – Reports regarding regional organizations.

CAT/ VVTPO – Cottonwood Area Transit and the Verde Valley Transportation Planning Organization & other transportation affiliations. Councilmember Bohall

CAT – planning to cut service on the Blue Line and creating a new route; looking at a third route to run from Old Town Cottonwood to Walmart; LYNX is planning a second route; the buses are full going to Sedona and coming back

VVTPO – July 24, 2013 meeting minutes are in the packet

NACOG - Northern Arizona Council of Governments – No report

NAMWUA - Northern Arizona Municipal Water Users Association - No report

VRBP – Verde River Basin Partnership - No report

VVLP – Verde Valley Land Preservation - Councilmember Radoccia

Meeting focused on River Runs Through Us Art Show opening at Mannheim Gallery in Old Town Cottonwood; website statement put out regarding state trust land

WAC - Yavapai County Water Advisory Committee – No report

VVREO – Verde Valley Regional Economic Organization. Councilmember Regner

- Attended the Expanded Session of the August 2nd Board Meeting – there was a presentation by Buddy Rocha, Jr., the Economic Development Director of the Yavapai-Apache Nation that included a run-down of their current and planned activities. It was announced that the new Fire Mountain Wines has a tasting room in Old Town Cottonwood.
- Heard presentation from Kevin Snyder, the Community Development Director for the City of Sedona, in which Sedona's economic development vision was discussed
- Annual Speakers Series event is in the planning stages

YCL – A report from the Yavapai College Liaison. Councilmember Regner

- Attendance is down to about 300 students at Verde Valley campuses and up to 2.6% overall; the Smith Group consultants are creating master plan for determining needs for space and efficiency
- The design for the Southwest Wine Center will include chilling center for white wines. Groundbreaking tentatively set for October.
- The Culinary Arts Program is continuing to explore placement in Sedona and Prescott
- The District Governing Board will hold its meeting in the Verde Valley on September 10th and there will be a dedication of Chuck Mabery Pavilion at an open house later that day from 4:30 to 5:00 p.m.

- The search committee is reviewing applications for the new Vice President
- Classes begin August 19th
- Foundation raised \$158,000 for the Granite Mountain Hot Shot Families Scholarship.
- The Art, Wine and Dine event is set for October 18th at the Clarkdale campus; volunteers are being sought to assist with the Adopt-A-Vine table

CONSENT AGENDA - The consent agenda portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items are approved with one motion. Any items may be removed for discussion at the request of any Council Member.

- A. Approval of Minutes of the Common Council** - Approval of the minutes of the Regular Meeting held July 9, 2013 and Special Meetings July 9 and July 23, 2013.
- B. Claims** - List of specific expenditures made by the Town during the previous month. July, 2013 check log and PPE dated July 13, 2013 and July 27, 2013.
- C. Board and Commission Minutes** – Acknowledgement of receipt of minutes and draft minutes of the previous month’s Board and Commission Meetings.
Board of Adjustments Notice of Cancellation of meeting July 24, 2013
Design Review Board minutes of the meeting held July 1, 2013
Planning Commission Notice of Cancellation of meeting July 16, 2013
Library Advisory Board minutes of the meeting held July 11, 2013
Parks and Recreation Committee Notice of Cancellation of meeting July 10, 2013
- D. Special Event Liquor License** - Approval of a recommendation to the State Department of Liquor License and Control to approve a Special Event Liquor License for the Clarkdale Historical Society and Museum fundraising event to be held on Sunday, September 22, 2013 from 2:00 – 5:00 p.m. at the Clark Memorial Clubhouse, 19 N Ninth Street, Clarkdale, AZ.
- E. Attorney Robert Pecharich Disclosure and Consent Form** - Approval of a ‘Disclosure and Consent’ for the Town Attorney.

Councilmember Radoccia moved to approved Consent Agenda items A – E as presented. Councilmember Regner seconded the motion. The motion was approved unanimously.

NEW BUSINESS

CLARKDALE MAGISTRATE COURT UPDATE– An update to discuss the administration and operations of the Clarkdale Magistrate Court.

The Town Magistrate’s employment contract contains provisions for an annual meeting with the Council in order to provide updates on the administration of the Clarkdale Magistrate Court. Judge Ramsey will be providing a summary presentation of the courts’ operations to Council.

Judge Ron Ramsey gave a presentation that outlined new laws, the updated and streamlined monthly report, new forms, and procedures concerning orders of protection. The court is also updating its website within the Town site.

This is an update to Council and no action is required by Council.

WORKSESSION ON RATE STRUCTURES FOR ROOFTOP SOLAR AND DEREGULATION OF ELECTRIC UTILITIES— A worksession between the Town Council and representatives from Arizona Public Service (APS) Company relating to APS's recent proposal to the Arizona Corporation Commission relating to rate structures for rooftop solar customers and the possibility of future deregulation of electric utilities.

APS has submitted a recommendation to the Arizona Corporation Commission that would update the rules governing compensation for solar rooftop customers who are generating power to the electric grid and using power from the grid.

As one of 6 officially designated Arizona Solar Communities, the Town of Clarkdale has a particular interest in actions taken by the Arizona Corporation Commission relating to rooftop solar. Approximately 7.5% of the owner-occupied homes in Clarkdale currently utilize solar electric or solar hot water heating in their homes.

Representatives from Arizona Public Service have been invited to attend this worksession and discuss their proposal with the Town Council.

Greg Bernoski from Arizona Public Service addressed Council regarding APS's request to the Arizona Corporation Commission to accept their proposal for changes to the way net metering is figured. APS has seen considerable growth in the participation of their solar programs. Net metering is the billing mechanism used to support and jump start solar growth. He stated that when less energy is used the costs for infrastructure still must be collected. Rates must be recalibrated. Two proposals that are focused solely on residential customers have been devised:

- 1) Move people that are future solar customers to a "demand-based rate" that would better collect the costs that would be needed to serve their home or business;
- 2) Customer takes full delivery of their power from APS and pays whatever rate they are on and APS pays customer for all production their system uses.

The proposals will create no changes for existing solar customers but rates will change for future solar customers.

Discussion followed regarding the reported \$50 - \$100 increase in billing per customer per month and Mr. Bernoski stated that the figures had been reported by the media and were not fees requested in either proposal.

The Council consensus was that either proposal would increase new rooftop solar rates about \$50 - \$100 per month but those who don't have solar won't have increased rates. Existing solar customers would

be penalized when they sell their home because the new owner would be subject to the increased rates thereby devaluing home prices. APS incentives for converting to solar seem to be nonexistent.

Reference was made to the R.W. Beck study of 2008 commissioned by APS. The summary of that study says the percentage of solar that APS has been able to capture has created no significant value for APS. It further stated that an increase in solar customers across the board would ultimately benefit APS. The Council agreed that it is not the time to put these proposals forward without causing damage to the solar industry.

Mayor Von Gausig stated that the Arizona Corporation Commission is the ultimate responsible body for the decisions this discussion generate. APS has to have a grid and it needs to be subsidized so the decisions of who will pay for the grid will go before the Commission. The Commission has to decide whether to subsidize solar and find a way to charge rates that everyone contributes to. APS is pointing out that they have a problem and addressing it to the Commission. The ACC needs to hear that there is a public good to going solar and that public good has to be subsidized by everybody.

Mr. Bernoski stated that he believes this will come before the commission within the next month and a half.

This is a worksession for informational purposes only. No action by the Council is required.

ROOFTOP SOLAR RATE STRUCTURE AND DEREGULATION OF ELECTRIC UTILITIES

– Discussion and possible action relating to APS's recent proposal to the Arizona Corporation Commission relating to rate structures for rooftop solar and the possibility of future deregulation of electric utilities.

Representatives from Arizona Public Service have been invited to attend a worksession at the August 13, 2013 Council meeting and discuss their proposal to the Arizona Corporation Commission with the Town Council.

The Arizona Corporation Commission will have the final decision with regard to implementation of any or all of the APS proposal.

Doug's recommendation is that a letter goes to Corporation Commission that states that they must decide whether there is a public good to solar and, if there is, it has to somehow remain subsidized.

Councilmember Regner moved to authorize Mayor Von Gausig to submit official comments to the Arizona Corporation Commission on behalf of the Town of Clarkdale, relating to rate structures for rooftop solar. Vice Mayor Dehnert seconded the motion.

Discussion followed with suggestions for the letter including that it is Clarkdale's position that the timing of this type of increase is not good for the economy or reputation of the State. Would like more emphasis on the impact and that we are not in favor of this proposal at this time.

The motion was approved unanimously.

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA, SETTING FORTH THE VALUATIONS OF PROPERTY IN THE TOWN OF CLARKDALE FOR THE YEAR 2013-2014 ALONG WITH ADOPTING THE TAX LEVY FOR SAID PROPERTY – Discussion and consideration of Ordinance 353, adopting the tax levy and setting the valuations of property in the Town of Clarkdale for fiscal year 2013-2014.

On July 23, 2013 the Council adopted the Property Tax Levy Resolution and the Fiscal Year 2013-2014 Budget. The Council now needs to adopt the property tax levy for the Town. The levy is placed on each one hundred dollars of assessed value of all property, both real and personal, within the corporate limits of the Town of Clarkdale, except property that the law exempts from taxation.

The tax levy for 2013-2014 is 1.60000 to raise \$438,220 for primary tax purposes. A valuation as quoted by the Yavapai County Assessor's Office for primary taxes is \$27,388,845. The following is a history of tax rates and the revenues raised with each tax rate:

<i><u>FISCAL YEAR</u></i>	<i><u>TAX RATE</u></i>	<i><u>TAXES</u></i>
2006-2007	1.1281	\$327,383
2007-2008	.7100	\$246,169
2008-2009	.7100	\$288,949
2009-2010	.9121	\$403,892
2010-2011	.9121	\$412,724
2011-2012	1.0950	\$412,395
2012-2013	1.3333	\$412,391
2013-2014	1.6000	\$438,220

Finance Director Bainbridge presented historic background and information on this last step for the Council in the adoption of the budget and tax rate and tax levy. Yavapai County is aware of our intent. This increase balanced the budget.

Councilmember Bohall moved to approve Ordinance #353, an Ordinance of the Mayor and Common Council of the Town of Clarkdale, Yavapai County, Arizona, setting forth the valuations of property in the Town of Clarkdale for the year 2013-2014 along with adopting the tax levy for said property. Vice Mayor Dehnert seconded the motion.

Councilmember Radoccia stated he met with Town Manager Mabery and Finance Director Bainbridge to research this issue. He noted that the Council didn't raise the tax levy for the last three years and part of the Council's strategy was to hold that line. In conclusion, he stated he still has difficulty supporting this increase.

Councilmember Regner stated he felt it was a difficult decision but thinks the information tracked over the past four years demonstrates the amount of savings the staff has realized through a lot of different avenues and stated he felt he had no choice but to support this item.

The motion was approved with Councilmember Radoccia opposing.

WIRELESS COMMUNICATION FACILITIES WORKSESSION – Discussion regarding possible revisions to Ordinance 352 – Wireless Communication Facilities.

At the August 6, 2013 Council Special Session, Councilman Radoccia requested that a discussion regarding amending the recently adopted Wireless Communication Facilities Ordinance to exclude facilities located within the Clarkdale Historic District be placed on a future agenda.

Economic/Community Development Director Filardo presented information on this agenda item. The new wireless ordinance takes effect today.

Town Manager Mabery stated that the Council needed to choose between two maps to define the historic district. Staff is requesting Council’s direction in prioritizing making amendments to this ordinance.

Council discussed the ordinance and Councilmember Radoccia stated that cell tower placement within the historic district was not a good fit and creating amendments to the ordinance should be a priority.

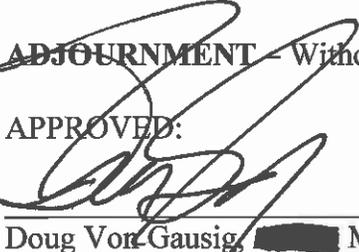
Senior Planner Escobar confirmed that, according to the new ordinance, each application would still need to be approved by the Planning Commission and the Council.

Council directed staff not to explore any possible amendments to the Wireless Facilities Ordinance.

FUTURE AGENDA ITEMS - Listing of items to be placed on a future council agenda.

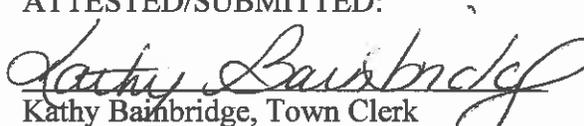
ADJOURNMENT - Without objection, Mayor Von Gausig adjourned the meeting at 9:18 P.M.

APPROVED:



Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:



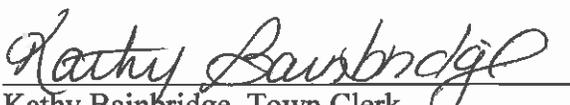
Kathy Bainbridge, Town Clerk

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 13th day of August, 2013. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 18 day of Sept, 2013.

SEAL



Kathy Bainbridge, Town Clerk