

**Minutes of a Regular Session of the Common Council of the Town of Clarkdale  
Held on Tuesday, November 12, 2013**

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, November 12, 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

Public Works Superintendent Art Durazo

Public Works Administrative Assistant Chris Keller

Police Chief Randy Taylor

Senior Planner Beth Escobar

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.

**Bill Cowan and Cindy Emmett, Rimrock resident and historian and Clarkdale resident, respectively,** presented invitation to the Council to participate in the “bank robbery” re-enactment along with other members of the community during the Fifth Annual Historic Building and Home Tour.

Mayor Von Gausig re-ordered the agenda items to allow presentations and New Business to precede the Reports and Consent Agenda items.

**NEW BUSINESS**

**PUBLIC HEARING REGARDING A WASTEWATER RATE INCREASE** –A public hearing to gather information regarding increasing wastewater rates for the Wastewater Treatment Plant construction.

At Council's direction, the Town Staff requested funding from WIFA for a new wastewater treatment plant and to work with SEC to complete the design of the new WWTP. Felix Construction was selected as the prime contractor for this project and is working for the Town of Clarkdale under a JOC with Peoria.

WIFA is an independent agency of the State of Arizona and is authorized to finance the construction, rehabilitation, and/or improvement of drinking water and wastewater. On July 26, 2011 the Town Council approved debt authorization for the new WWTP in the amount of \$5,500,000 during a Special Council Meeting.

The Clean Waters funding application for the WWTP Project was submitted to WIFA on August 18, 2011. WIFA approved the Clean Waters funding application for \$5,500,000.00 at their September 18, 2011 WIFA Board Meeting and the first draw on the WIFA loan was submitted to WIFA on January 5, 2012. The amount to be financed from WIFA would be \$5,500,000.00 which will represent a rate increase of approximately \$25.00 over a five (5) year period to cover the additional debt.

There were four (4) sewer rate increases of \$5.00 each slated to go into effect over a four year period and a fifth (5<sup>th</sup>) sewer rate increase of \$5.00 which may not be necessary depending on the actual amount of money financed through WIFA. After the construction is finished, the Town will be reviewing the need for that final rate increase based on the actual amount of money financed through WIFA. Council approved two previous \$5.00 monthly sewer rate(s) increases which went into effect with the January 2012 and 2013 utility billings.

The Notice of Intent to Impose or Increase Fees or Taxes, as required by A.R.S. 9-499.15, was posted on September 12, 2013 in order to comply with providing notice at least sixty days prior to the date the proposed new or increased fee or tax is scheduled to be approved or disapproved at a meeting of the Clarkdale Town Council.

The Notice of Intent to Set Wastewater Rates will satisfy WIFAs initial requirements concerning commitment by the Town of Clarkdale to the repayment of the Clean Waters Loan that the Town has to fund the design and construction of this new WWTP.

The Notice of Intent to Set Wastewater Rates approved by Council on October 8, 2013, scheduled this required public hearing in order to officially consider the wastewater rate increase before Council for discussion and consideration as required by A.R.S. 9-511.01.

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|--------------------|--|
| September 12, 2013 | Post Notice of Intent to Impose or Increase Fees or Taxes<br>(60 days prior to action by Council)                    |
| October 8, 2013    | Council Adopts Notice of Intent to Set Wastewater Rates at a Regular Council meeting.                                |
| October 8, 2013    | File report with data supporting the increase of rates with Town Clerk at least 30 days prior to the Public Hearing. |
| October 13, 2013   | Public Hearing Notice published in newspaper.  |

(Not less than 20 days prior to the public hearing.)

November 12, 2013 Hold Public Hearing & Consider Adoption of Rates by Resolution.  
(Not less than 30 days after adoption of Notice of Intent.)

December 12, 2013 Rates become effective. (30 days after the adoption of the Resolution or upon specific future date).

Finance Director Kathy Bainbridge presented information on this agenda item. Mayor Von Gausig gave background information on the new Wastewater Treatment plant. He reported that we now have a plant that gives us the ability to provide rechargeable water to Clarkdale.

**This item is scheduled for a Public Hearing only, no action necessary.**

**RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA AMENDING RESOLUTION #1417, SETTING FEES FOR THE TOWN OF CLARKDALE BY INCREASING WASTEWATER UTILITY RATES** - Discussion and consideration of Resolution #1446, a resolution increasing the wastewater rates for the construction of a Wastewater Treatment Plant in the Town Fee Schedule.

Pursuant to A.R.S. 9-499.15, The Town of Clarkdale has posted notice at least sixty days prior to this meeting, the proposed new or increased fees scheduled to be approved or disapproved at a meeting of the Clarkdale Town Council on the Town of Clarkdale website.

On October 8, 2013, the Notice of Intent to Set Wastewater Rates and the report with the data supporting the increased rate was submitted to the Town Clerk as required by A.R.S. 9-511.01.

The Notice of Intent to Set Wastewater Rates that scheduled the required public hearing in order to officially consider the new rate as required by A.R.S. 9-511.01 was adopted on October 8, 2013. The Public Hearing Notice was published in the Verde Independent on October 13, 2013, as required, not less than 20 days prior to the public hearing.

**PROPOSED AMENDED WASTEWATER USER RATE**

	Effective Date	Rate Increase	Total Base Rate
Residential	December 13, 2013	\$5.00 Per Month	\$43.00 Per Month
Commercial	December 13, 2013	\$5.00 Per Month	\$43.00 Per Month Minimum base rate, plus a usage fee of \$2.25 per one thousand gallons of water in excess of 5,000 gallons per month.

Rates become effective 30 days after the adoption of the Resolution.

Clarkdale resident, Don Mesaros, asked how long the rate increase would be in effect and was informed that the increase would most likely be permanent.

**Vice Mayor Dehnert moved for the approval of Resolution #1446, a Resolution of the Mayor and Common Council of the Town of Clarkdale, Arizona amending Resolution #1428, Setting Fees for the Town of Clarkdale, by increasing wastewater utility rates. Councilmember Bohall seconded the motion. The motion was approved unanimously.**

**WORKSESSION ON STATE ROUTE 260** – Discussion relating to the proposed improvements to S.R. 260 and a related Intergovernmental Agreement between the Arizona Department of Transportation and the Cities of Cottonwood and Sedona, the Towns of Camp Verde, Clarkdale and Jerome, Yavapai County and the Yavapai-Apache Nation.

Representatives from the Arizona Department of Transportation (ADOT), the Cities of Cottonwood and Sedona, the Towns of Camp Verde, Clarkdale and Jerome, Yavapai County and the Yavapai-Apache Nation have been meeting since 2012 in an effort to secure funding and construction of improvements to the S.R. 260 corridor between Cottonwood and Camp Verde.

The Town of Clarkdale joined with others in the region to adopt resolutions in support of this project in January, 2013. In the adopted resolution, the Town of Clarkdale committed to:

- 1) Assign a staff professional to work with a team from ADOT and other Verde Valley communities to develop a recommended design for SR 260; and,
- 2) Join with other Verde Valley community leaders to advocate for the widening of SR 260 into a four-lane divided highway between Cottonwood and Camp Verde.

In June, 2013, the ADOT Board voted to include \$66 million for the project in the ADOT 5-Year Construction Plan. \$4 million was included for scoping and project design in FY14 and \$62 million was included for construction in FY16.

With the ADOT Board's approval, a team of technical representatives from the Verde Valley jurisdictions has been meeting with ADOT staff to get consensus on design criteria for the road based on objective transportation and access management practices. Preliminary design concepts were presented at the August 22, 2013 Intergovernmental Meeting in Jerome.

ADOT is requesting that the Verde Valley jurisdictions enter an Intergovernmental Agreement (ideally before the end of calendar year 2013) in order to obtain approval of intersection access points from the seven (7) jurisdictions. Although unusual, the purpose of the IGA is to demonstrate the support of the entire region, as that unified, regional voice was missing when this project failed a number of years ago.

The proposed IGA outlines the improvements to SR 260 to allow four lanes between Thousand Trails Road and Wilshire Drive, and includes the following stipulations:

- SR 260 will have a rural divided highway cross section from Thousand Trails Road to Horseshoe Bend Road.

- A fringe urban cross section will be added from Horseshoe Bend Road to Wilshire Drive.
- One westbound and one eastbound left-in only access point will be permitted between Horseshoe Bend Road and Wilshire Drive.
- Right-in/Right-out access will be limited to ¼ mile minimum spacing.
- SR 260 intersections will be designed to maintain a level of service B on main line (SR 260) for a minimum of 20 years. Large developments may be required to do minor intersection improvements.
- Seven (7) full access intersections will be constructed at or near;

Thousand Trails Road

Coury Drive

Mile post 214

Mile post 215

Cherry Creek Road

Horseshoe Bend Road

Wilshire Drive

ADOT District Engineer Alvin Stump and Town Manager Gayle Mabery (Clarkdale's representative on the technical working group) made a presentation.

The goal of the worksession is to identify any questions that any city/town Council may have with regard to the IGA and/or design, so that a final version of the IGA can be presented for adoption at the December meetings of all the jurisdictions. It is important to try to identify any concerns now, so that we have a version of the IGA in final form before presenting it to Councils for adoption.

Following his presentation, Mr. Stump, ADOT District Engineer, fielded questions from the Council with regard to timelines, traffic problems during construction, and existing traffic signal status. He stated that it is anticipated that the design would be mostly complete in the first half of 2014 and completion would be approximately 2 years.

The construction process would include working on one direction at a time to minimize traffic issues. The existing traffic signal at Cherry Road would be abandoned in favor of a roundabout. That signal was installed prior to the decision was made to go on with the corridor improvement plans.

Town Manager Mabery noted that design and aesthetics in the roundabouts would be addressed in a different agreement between Camp Verde and ADOT. Camp Verde would have the responsibility for maintenance and cost.

In response to a question about speed limit changes, Mr. Stump noted that there would be some changes along that route.

**This is a worksession only, so no official action by the Council is expected.**

**PUBLIC HEARING FOR CDBG PROJECTS**– Public Hearing to receive input regarding the use of FY14 federal Community Development Block Grant (CDBG) funds.

The Town of Clarkdale is scheduled to receive approximately \$264,219.00 in FY14 federal Community Development Block Grant (CDBG) funds from the Arizona Department of Housing Regional Account. CDBG funds must be used to benefit low to moderate income persons and areas, alleviate slum and blight, or address health hazards. A public hearing is required to gather citizen input on the use of the CDBG funds.

**Sample types of CDBG projects are:**

- 1) **Public infrastructure** (e.g., water, wastewater, drainage improvements);
- 2) **Community facilities** (e.g., halfway houses, senior centers, food banks);
- 3) **Housing** (e.g., owner occupied housing rehabilitation, utility connections on private property, rental housing rehabilitation);
- 4) **Public services** (e.g., emergency assistance, purchasing a van to transport persons with disabilities, services for homeless persons);
- 5) **Economic development** (e.g., a loan to a business for job creation, micro-enterprise development, acquisition of land for an existing business expansion)

**CDBG Public Process Schedule:**

10/25/13 Advertise Public Hearing Regarding Use of CDBG Funds

11/12/13 Public Hearing

11/22/13 Advertise Public Hearing Regarding Use of CDBG Funds

12/10/13 Public Hearing

1/14/14 Discussion of and prioritization of projects by Council and possible resolution

1/28/14 Discussion of and prioritization of projects by Council and resolution (if no action taken by Council at 1/14/14 meeting)

1/31/14 Submit Letter of Intent (new requirement due 120 days prior to State CDBG Application Deadline of 5/31/14)

8/31/14 CDBG Funding Award letter expected from ADOH

**Sample list of types of CDBG projects for the Town of Clarkdale:**

**High priority projects:**

- Water & wastewater system improvements
- Flood & drainage improvements
- Install ADA bathrooms in the Clubhouse complex
- Update ADA structures in Town Hall complex (parking lot & sidewalks) including ADA compliant ramps, landings/rest areas, striping and signage
- Removal of architectural barriers in Town Hall Complex buildings.
- Update ADA structures in the Town of Clarkdale (business district, Upper & Lower Clarkdale) including ADA compliant ramps, landings/rest areas, striping and

signage

- Purchase equipment used to provide public services at senior center(s)
- Emergency assistance (utility, rent, mortgage) not to exceed a three-month period

Medium priority projects:

- Historic preservation (rehabilitation, preservation, or restoration of historic properties)
- Public Safety (fire & police stations, ADA improvements, vehicles, equipment & apparatus)

Low priority projects:

- Parks, playgrounds, and other recreational facilities
- Libraries
- Public housing rehabilitation and modernization

Other potential projects as generated during the Public Hearing process.

Isabelle Rollins, NACOG representative, presented information and overview of this agenda item. Ms. Rollins noted that to be eligible for funding the projects have to meet at least one of three national objectives: 1) benefit 51% low to moderate income persons; 2) aid in the prevention or elimination of slums or blight; or 3) must solve and urgent need health hazard. Target populations that automatically qualify for the funds include older adults (62+ years of age), i.e., senior center projects automatically qualify, adults with severe disabilities, homeless persons, abused children, battered spouses, illiterate persons, persons living with AIDS, and migrant farm workers.

Apache, Coconino, Navajo and Yavapai Counties are included in this funding area. Each of the communities within each county is on a four year rotation cycle. Next year, Clarkdale becomes eligible to receive these CDBG funds and NACOG is expecting there will be approximately \$264,000 available for Clarkdale.

Project proposal forms must be in to Chris Keller by November 22, 2013. In January, the Council will decide which project the Town will move forward with. Applications are finalized by NACOG and submitted to the State CDBG by the end of May, 2014. The funds will be available at the end of 2014.

Types of projects that might be funded are:

- public works and safety projects, i.e., water and waste water, road and street improvements, fire protection, flood and drainage
- community and supportive housing
- accessibility improvements, i.e., funding food banks, senior centers, shelters or halfway houses
- public service projects, i.e., education, job training, emergency assistance
- housing rehabilitation or lead based paint evaluation
- economic development project, i.e., infrastructure improvements (as long as you can prove that the improvements will create permanent full time jobs)
- neighborhood revitalization and redevelopment, i.e., clearance or demolition
- planning projects (as long as they serve low to moderate income people)
- funds can also be set aside for administration of projects

Ms. Rollins stated that projects that help with building improvements that are not in Clarkdale, however serve residents of Clarkdale, would be eligible for funding.

**Veronica Vida, Clarkdale resident**, suggested a project that would restore the community pool.

Ms. Rollins stated that that project would not fulfill the criteria for projects. The entire community would have to be income qualified.

Town Manager Mabery noted that if there is any possibility that a project could be listed it should be proposed in one of the two public hearings so it is permitted to go forward. Tonight staff is trying to get a comprehensive list of project possibilities and the staff will work with Ms. Rollins on that list and pare it down to a realistic list for probable funding. The Council may continue to gather ideas between now and the 10<sup>th</sup> of December Council meeting.

**Elaine Bremner, Executive Director of Verde Valley Senior Center, Clarkdale resident**, Verde Valley Senior Center qualifies for CDBG funding because their services are aimed at senior citizens aged 62+. Some of their needs to complete their project include:

- Replacement of parking lot electric lighting fixtures;
- Seal coat and striping of parking lot;
- Signage;
- Startup funds for newly constructed greenhouse;
- Guttering or rain water collection system to prevent water sheeting onto parking lot/front entrance walkway and directed into collection tank to help with water conservation for existing landscaping and greenhouse;
- Continuing phases for completing solar heating and cooling project;
- Electric refrigerated salad bar.

**This is scheduled for Public Hearing only. No Council action is required.**

**A RESOLUTION OF THE MAYOR AND THE TOWN COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE TOWN CLERK AND ENTITLED: "CIVIL UNION CODE"** – Discussion and consideration of Resolution #1447, declaring as a public record that certain document filed with the Town Clerk and entitled: "Civil Union Code".

The Clarkdale Town Council held a worksession on October 8, 2013 to discuss the possibility of the adoption of a Civil Union ordinance. Following the worksession, Council directed staff to draft an ordinance recognizing civil unions and bring the ordinance forward for consideration at an upcoming meeting.

There are currently four communities in Arizona that have passed civil union ordinances: Bisbee, Tucson, Jerome and Sedona. Cities and towns can enact ordinances recognizing agreements creating civil unions to the extent that those agreements concern matters within their authority. Ordinances cannot however, pre-empt state law or attempt to grant rights and authority to couples that contravene state or federal law.

The Arizona Attorney General's office weighed in on this issue after the City of Bisbee adopted an original draft of an ordinance earlier this year. As a result of the Attorney General's opinion that cities and towns may only include provisions in civil union ordinances which legislate on matters within the jurisdiction and control of the municipality, Bisbee modified and adopted a new version of their ordinance. Subsequent ordinances that have been adopted by the other cities and towns also comply with the Attorney General's position, and spell out only two areas that cities and towns legislate: hospital visitation rights and city/town insurance benefits.

In the ordinances, persons who have entered into civil unions are entitled to have the same visitation rights in hospitals and emergency rooms that a married couple would have. On this issue, the Clarkdale Town Council asked that, if possible, our ordinance be written to give reciprocity on hospital visitation issues, with the intent that any person in a registered civil union would have the same hospital visitation rights in Clarkdale as they would in the city or town where their civil union is registered.

It should be noted that hospitals and medical facilities have their own visitation/consent rules, and generally the institution's regulations will prevail over a Town's Civil Union ordinance. However, having the provisions in an ordinance may help convince the facility administration that they should allow access and patient review.

With regard to town health insurance, our ordinance is drafted so that persons who have entered into a civil union have the right to be beneficiaries on the town sponsored insurance policies and any other town benefits that would otherwise be offered to married couples. The Town of Clarkdale's health insurance provider already offers benefits for domestic partners; however they have their own definition for what qualifies as a domestic partner for health insurance benefits. Because the Town's ordinance cannot override particular health insurance companies' policies, the Town's ordinance includes a provision that states:

"Town employee benefits. Any Town employee who is registered as a civil union partner may designate his or her partner as a beneficiary of any of the benefits provided by the Town in the same manner as a spouse of an employee, to the extent that the Town is able to do so."

The following provisions have also been included in Clarkdale's draft ordinance, in accordance with direction received by the Council at the October 8, 2013 Council meeting:

1. *Filing fee amounts.* Filing fee amounts have been established and align with the lower fees adopted by Tucson and Sedona (as compared to Bisbee and Jerome). In information received from Tucson (who have the most experience with program administration), the administrative costs for this program are nominal, and our staff is confident that the fees we are suggesting are appropriate to cover any costs the Town would incur as a result of the ordinance.
2. *Criteria for Civil Unions.* The criteria in the Clarkdale ordinance mirror the criteria in the Sedona and Jerome ordinances.
3. *Additional documents memorializing rights between parties:* The Clarkdale ordinance allows the parties to file a list describing separate documents and contracts that the parties have entered into. This separate list is a public record, but the documents themselves are not. This method

helps to preserve the privacy and public non-disclosure of personal agreements and creates less of a burden on the Town Clerk in terms of document retention and storage.

4. *Issuance of a "Civil Union Certificate"*: The ordinance requires the Town Clerk to issue a civil union certificate upon receiving a notarized affidavit from the parties requesting a civil union.

If adopted, the attached Resolution would make the "Civil Union Code" a public record, and would then require a separate action to also adopted the associated Ordinance. The Civil Union Code would be effective 30 days after adoption.

Town Manager Mabery gave background and information on this agenda item.

Mayor opened to public comment. There was no public comment.

**Councilmember Bohall moved to approve the Resolution #1447, declaring as a public record that certain document filed with the Town Clerk and entitled: "Civil Union Code". Councilmember Regner seconded the motion. The motion was approved unanimously.**

**AN ORDINANCE OF THE TOWN OF CLARKDALE, ARIZONA, MAKING CHANGES TO THE TOWN CODE BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED THE "CIVIL UNION CODE" REPEALING CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY** – Discussion and consideration of Ordinance #356, an ordinance adopting by reference Article 8-6 titled "Civil Union Code".

During the November 12, 2013 Council meeting, the Council will first consider the adoption of a Resolution that articulates the details of the Civil Union Code. If the Council supports the adoption of a Civil Union Code, and has voted to make it a public record by adopting the previous Resolution, then the adoption of this proposed Ordinance would be the final step in the process to formally adopt a Civil Union Code.

This ordinance adopts the document made a public record by Resolution #1447. If the ordinance is approved, the Civil Union Code would be effective 30 days after adoption.

**Councilmember Bohall moved to approve the Ordinance #356, an ordinance making changes to the Town Code by adopting by reference that certain document entitled the "Civil Union Code"; repealing conflicting ordinances; and providing for severability. Vice Mayor Dehnert seconded the motion. The motion was approved unanimously.**

**LETTER TO ARIZONA CORPORATION COMMISSION RELATING TO SMART METERS** -  
– Discussion and possible action of filing a letter with the Arizona Corporation Commission relating to Docket No. E-01345A-0069 with regard to smart meters.

Following a presentation at the October 8, 2013 Council meeting relating to smart meters, Council Member Radoccia asked that an item be placed on the Council's agenda relating to smart meters.

The Arizona Corporation Commission (ACC) is the elected body that regulates the electric utility company in the Verde Valley. The ACC opened a Generic Docket for the investigation of Smart Meters

on August 29, 2011. Comments on that docket were on-going through 2011, 2012 and early 2013. On May 23, 2013, the ACC issued a memo asking for submission of all remaining scientific studies, surveys, review or findings by governmental, educational or research institutions by **June 28, 2013**. The May 23, 2013 memo noted, "after the Commission has had an opportunity to review the written comments that they received, they may convene an Open Meeting or other proceedings on the smart meter matter."

All of the studies and information presented to the ACC are accessible on their website, [www.azcc.gov](http://www.azcc.gov)

Prior to the June 28, 2013 deadline, the City of Sedona issued a statement to the ACC, "*expressing concerns on behalf of our Sedona citizens that smart-meters have not been proven safe and until such time as definitive proof exists, the Arizona Corporation Commission should allow the Sedona Community to opt-out without penalties.*" (The letter in its entirety is included in your Council packet.)

Following the conclusion of the public comment period, on August 5, 2013, the ACC held a staff meeting which resulted in a request that Arizona Department of Health Services conduct a study on the potential health effects of exposure to radio frequencies emitted from smart meters. The study is expected to take up to 12 months.

Separately, Arizona Public Service (APS-the local electric utility provider) filed an application with the ACC for approval of automated meter opt-outs on March 22, 2013. The docket number for this case at the ACC is #E-01345A-13-0069 and the APS filing is included in your Council packet. The proposal includes a \$75 upfront fee and a \$30 per month charge for customers who opt-out from the use of a smart meter. The Commission does not currently have a hearing set for this particular case, but continues to take comments on it. The letter that is being considered under tonight's agenda item would provide comment to the ACC on APS's application for approval of an automated meter opt-out program.

APS has approximately 1.1 million customers, of which approximately 950,000 are currently served with smart meters. Current customers who do not want smart meters can opt out at no cost (but this will change if the ACC grants approval to the APS application referenced above). Approximately 1% of APS's customers have currently opted out of the use of smart meters. According to APS staff, smart meter deployment in the Clarkdale/Cottonwood/Jerome/Camp Verde area will begin in January, 2014 and take about 12 weeks, concluding by April, 2014.

The Town of Clarkdale has received several pieces of correspondence since the October 8, 2013 Council meeting, and those were included in the packets as information.

Two versions of comment letters to the ACC have been drafted and were included in the Council packets (Version 1 from Council Member Radoccia, and Version 2 from Mayor Von Gausig). Either version could be adopted in its entirety or modified, or the Council may choose to not send any letter, or send a letter that is different from either version presented.

Followed by one of these options:

- as presented in Version 1 of the letter in the Council packet.
- as presented in Version 2 of the letter in the Council packet.
- by modifying Version 1 as follows: (reference modifications)

- by modifying Version 2 as follows: (reference modifications)

Councilmember Radoccia and Mayor Von Gausig each read the contents of his letter to the Corporation Commission and the Council discussed them.

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VERSION 1
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RE: APS's Application for Approval of Automated Meter Opt-Out Service Schedule 17  
Arizona Corporation Commission Docket No: E-01345A-13-0069

Dear Commission Members:

The proposed installation of smart meters by Arizona Public Service Company (APS) was an agenda item that included a presentation and public comment at the October 8, 2013 Clarkdale Town Council meeting. Following the presentation, during the public comment portion of the agenda item, all of the citizens who spoke expressed serious concerns relating to health, safety, fees and privacy issues associated with smart meters.

It is our understanding that, as a result of comments and information that the Commission received in response to your generic docket for investigation of smart meters (E-00000C-11-0328), the Commission has requested that the Arizona Department of Health Services undertake a study on the potential health effects of exposure to radio frequencies emitted from smart meters. We also understand that the ACC is continuing to allow APS to install meters while the Department of Health Services study is underway.

While it was understood that the radiation from smart meters is similar to that emitted by other devices such as cell phones and microwave ovens, there was a serious concern that installation of thousands of smart meters throughout our Town would only serve to substantially increase the cumulative effects of electro-magnetic radiation. One of the major themes we heard from the citizens who spoke about smart meters was a request to delay the implementation in our community until more scientific information and study comes available. There is a window of opportunity for this delay. Although APS has deployed smart meters to over 90% of their customers in Arizona, they are not scheduled to do so in Clarkdale and the Verde Valley until January-April, 2014.

During our recent meeting, we also heard concerns relating to APS's application to impose "opt-out" charges of \$75 initially and \$30 per month for customers who request to continue to use non-automated meters. It was understood that APS has a right to recoup the costs incurred in having to physically read the meters of people opting out. However, the consensus of those who spoke was to join with our neighbor, the City of Sedona, in proposing that the solution to these exorbitant fees and to the need for more definitive health and safety information is to give the Town of Clarkdale the right to opt-out entirely. By allowing this, there will be substantial cost saving on the part of APS by not having to replace existing meters, and in addition, the present economies-of-scale for physically reading all meters within the Town will be maintained. In other words, the existing cost of \$1.86 per household for meter reading could conceivably continue at no economic detriment to APS.

The solutions offered are the best balance between preservation of the safety and comfort of our citizens and the economic concerns of APS. We strongly urge you to consider this proposed option when you consider APS's Application (E-01345A-13-0069) related to opt-out options for smart meters.

Sincerely,

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Dear Chairman Stump and Commissioners,

VERSION 2

As the Arizona Corporation Commission continues to consider questions surrounding Advanced Metering Systems, or "smart meters," the Clarkdale Town Council hopes you will consider the following:

There is a portion of the population of ratepayers who wish to continue to be served by their standard manual-read electric meters. Some of these have safety or health concerns, some are concerned that smart meters may compromise their privacy, and some do not agree that extra charges that often accompany opting out of a smart meter program are fair or appropriate.

The Clarkdale Town Council urges you to gather all available data on the possible health impacts that may accompany smart meters, and make informed, logical choices about their implementation based on those data. We applaud your decision to ask the Department of Health Services to examine the possibility of negative health effects caused by smart meters, and are confident you will consider their findings appropriately when making decisions about smart meter deployment.

We also urge you to give thoughtful consideration to the charges those who opt out of the smart meter program must pay. While we understand that the cost to service and read traditional manual-read meters is greater than that of smart meters, we hope the Commission will set rates that are logical and based on real costs to the utilities.

We believe that it should be a simple and affordable matter to opt out of a smart meter program, and that people who elect to opt out should find the process easy to request and easily granted.

Clarkdale also understands and supports the implementation of a "smart grid" system in Arizona and across the United States which will help make renewable energy more efficient and allow renewables to become a larger portion of our total generating capacity than it is today.

Thank you very much for your consideration of our ideas, and please do not hesitate to ask if there is any additional information that we can supply to the Arizona Corporation Commission.

Sincerely,

Councilmember Bohall and Vice Mayor Dehnert stated preference for Version 2 although would support either one. Councilmember Regner read a statement he previously wrote on the topic and stated his preference for sending no letter to the Corporation Commission. Following is an excerpt of the statement; the entire letter is on file:

*“...I do not believe that a letter on a subject such as Smart Meters from the Town of Clarkdale on a decision to be made by the Arizona Corporation Commission will have a beneficial impact that outweighs the potential to diminish our record on policy decisions based on data gathered according to accepted scientific principles that when examined objectively allow a conclusion that makes sense to a majority of those who seek to understand it.*

*I do not support any question that might call into question Clarkdale’s legitimately obtained credibility in the scientific community and our local residents that has been so carefully thought out, nurtured, and presented by the leadership of this council and town staff.”*

Councilmember Radoccia suggested that the first version of the letter be amended to delete the final paragraph. His intent in this letter was to request that the subject be tabled until further data is available. He stated he favors the first version though as it offers an option. He also stated he would like to add the word “affordable” to the fifth paragraph of second version of the letter if the council prefers that letter.

Mayor Von Gausig stated his preference of the second version as it requests the commission’s judicious consideration, asks that they weigh the results of the Department of Health Services study, and asks them to be reasonable in the charges imposed on “opt out” customers. He stated that he is against the entire community of Clarkdale “opting out” as offered in the first version as he believes in the smart grid as it supports renewable energy.

Mayor Von Gausig opened the discussion to public comment.

**GINNA BUCHANAN, Clarkdale resident**, stated she does not support the gamble presented by smart meter installation. Stated her neighborhood of Hollow Reed Lane is opting out of the smart meter installation.

**DON MESAROS, Clarkdale resident**, stated he likes both letters but prefers Version 1 of the letter. Stated his family is opting out.

**KIM WRIGHT, Clarkdale resident**, stated he felt the Version 2 letter was preferable.

**DAVID PERRELL, Clarkdale resident**, stated he was concerned about the privacy issues and feels it’s too soon to install these meters.

**DEBRA CRINCOLI, Cottonwood resident**, stated she had concerns that increases in certain diseases have not yet been linked to electromagnetic frequencies but it is a concern as well as fire danger and cyber terrorism.

**CHARLES SEIVERD, Clarkdale resident**, stated he believes that APS, being a monopoly and major corporation, is forcing the smart meter installation on its customers before there is adequate proof of safety.

**CAROL WRIGHT, Clarkdale resident**, Windmill Lane, her neighborhood, has discussed and is agreed upon opting out. Stated she supports Clarkdale opting out as a community.

**Andrea Radoccia, Clarkdale resident**, requested a moratorium on smart meters in Clarkdale. Stated she prefers Version 1 of the letter.

Mayor Von Gausig closed the public comment.

Councilmember Radoccia suggested eliminating the last paragraph of Version 1 letter and changing the second to last paragraph to state “to give the neighborhoods and local communities in Clarkdale the right to opt out” rather than “to give the Town of Clarkdale”.

**Councilmember Radoccia moved to accept that the Town of Clarkdale file a comment with the Arizona Corporation Commission relating to Docket No. E-01345A-0069 as presented in Version 1 of the letter in the Council Packet with the deletion of the last paragraph. Motion died due to the lack of a second.**

Vice Mayor Dehnert asked the audience whether they would support smart meter installation if the Department of Health Services came back with a report that concluded that there is no scientific evidence supporting that radiation from smart meters causes health problems or death to the people that live in proximity of those meters. No member of the audience raised a hand. Dehnert stated that after this discussion and further thought, he concluded that there is a lot of money being made not only by the utility company but also by the people propagandizing against smart meters and instilling fear. He further stated he is now in agreement with Councilmember Regner that the Council should not send any letter to the Corporation Commission.

**Vice Mayor Dehnert moved that neither letter be sent. Councilmember Regner seconded the motion.**

Councilmember Radoccia stated that he feels that the motion is a huge mistake. He feels that there are not only health issues, but privacy issues. He stated he feels this motion ignores the situation. He further stated he was shocked at the way the council has leaned on this issue as well as the cell tower issue. He stated those two issues were the major issues that he wanted to serve on the Council.

**The motion carried with Councilmember Radoccia opposing.**

Mayor Von Gausig called a five minute recess.

**RE-STATEMENT OF DEVELOPMENT AGREEMENT FOR THE CROSSROADS AT MINGUS SUBDIVISION** – Discussion and consideration regarding the Re-statement of Development Agreement for the Crossroads at Mingus Subdivision.

Subsequent to the September 24, 2013 worksession with Council, staff and representatives of PTM Enterprises, LLC (Developer) continued to work on a re-statement of all of the previous development agreements for this project. The re-statement is being generated to consolidate the original development agreement with three subsequent amendments to the development agreement and to reflect additional agreements between the Developer and the Town.

**Previously Discussed Issues:**

**Section 11: Infrastructure – Water Meter Retrofits**

Section 11.1 states the Developer will replace the non-compliant water meters with correct connections by blocks of lots prior to the sale of any lots within the designated block. Identification of the replacement schedule is included as an exhibit attached to the re-statement.

Section 14: Circulation System – Mescal Spur Road Improvements:

The Developer will pay one-hundred percent of the cost of the required improvements to the extension of Mescal Spur Road and the necessary intersection at Mescal Spur Road Extension and Old Jerome Highway.

In addition, the Developer will fund fifty percent of the cost of construction of the Mescal Spur/SR 89A Intersection.

A maximum total cost of \$300,000 for all Mescal Spur Road Improvements has been set. The Developer will be obligated to a maximum expense of \$150,000. The maximum total cost of \$300,000 includes all expenses related to the construction, design, engineering and permitting. If costs exceed this maximum, the two parties agree to renegotiate an alternate agreement.

Due to the Developer's lack of funds, the Town will fund all of the upfront costs related to all of the Mescal Spur Road Improvements and collect the Developer's portion in two equal payments. Funding is available to allow the Town to undertake and complete this project. Staff feels this is the most cost-efficient way to proceed since construction and permitting fees are anticipated to increase.

Per the re-statement, the first payment would be due from the Developer for their one-hundred percent share of the Mescal Road Extension Improvement and Old Jerome Highway Intersections and their fifty-percent share prior to issuance of the 65<sup>th</sup> building permit to the Developer, or the recorded sale of the 65<sup>th</sup> lot by the Developer. The second and final payment would be due prior to issuance of the 129<sup>th</sup> building permit or the recorded sale of the 129<sup>th</sup> lot. Failure to make either of the two required payments will result in the Developer being in default of the Re-statement. The Developer shall establish an escrow account and deposit a pro-rata amount for each lot or home sale. The per-sale amount will be determined once all costs for improvements are established.

Further, prior to the completion of the sale of the entire Project or all lots within the Project, the Developer's portion of the total project costs for the Mescal SR89A Intersection Project shall be reimbursed to the Town in full.

Section 17: Wastewater and Water System:

The Developer shall receive wastewater capacity fee credits up to a maximum of \$2,112,015. This is the Developer's contribution to the cost of the design and construction of the new wastewater treatment plant.

The Developer shall receive water capacity fee credits in exchange for the designated value of \$200,000 for the Mescal Well.

Wastewater and water fee credits will be reimbursed to the Developer on an annual basis from wastewater and water capacity fees collected as new homes within the subdivision connect into the Town's wastewater and water systems.

In addition, the re-statement outlines the wastewater and water fee credits related to the 49 third party-owned lots. The total wastewater fee credit for the 49 lots equals \$246,323 and is credited against the maximum wastewater fee credit total of \$2,012,015. Similarly, the total water fee credit for the 49 lots equals \$113,778 and is credited against the maximum water fee credit of \$200,000.

#### Section 19: Trails/Drainage and Recreational Facilities – Phasing of Park Development

The re-statement will allow the Developer to phase development of Tracts F and K as public parks. The development, construction and subsequent dedication of these two parks will be phased using the same timeline as the circulation improvements. The park on Tract F, at the corner of Mescal Spur and Old Jerome Highway, shall be completed prior to issuance of the 65<sup>th</sup> building permit to the Developer, or the recorded sale of the 65<sup>th</sup> lot by the Developer. The park on Tract K, located on Skyline Boulevard, shall be completed prior to the issuance of the 129<sup>th</sup> building permit or recorded sale of the 129<sup>th</sup> lot. The Developer will be required to establish an escrow amount for the total costs of park improvements.

#### **New Issues:**

Attorneys' Fees and Costs: Language in Section 20.4 has been revised. Previously, the Section stated:

*'If legal action by any party is brought because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing party is entitled to reasonable attorney fees and court costs.'*

The Developer has stated they are not responsible for any of the Town's legal fees up-to-date since no legal action has been brought.

The Developer has agreed to pay the Town's future legal fees for resolving issues to move the project forward up to a maximum of \$2,500 per issue, as agreed in advance.

Economic/Community Development Director Filardo presented information on this agenda item.

Town Manager Mabery suggested that the statement in 14.2.4.4 add in the third sentence that starts "...before the issuance of the 65<sup>th</sup> building permit or lot sale, the Town shall withdraw payment 1..." to "...the Town shall withdraw payment 1, or portions of payment 1, from the account." The same language would be changed in the next sentence regarding Payment 2. Mabery also suggested that if that language was not acceptable to Council, the motion could be passed with direction to staff to craft language amending that section.

**Councilmember Regner moved for the approval of the Re-Statement to the Development Agreement for Crossroads at Mingus Subdivision with modified language regarding pro-rated payments to be constructed by staff and approved by the Mayor. Vice Mayor Dehnert seconded the motion. The motion was approved unanimously.**

#### **COMMUNITY ORIENTED POLICING SERVICES (COPS) AWARD DOCUMENT – Discussion and consideration regarding accepting the COPS Grant Award Documents.**

Earlier this year the Clarkdale Police Department, in cooperation with the Clarkdale Jerome School, competed with agencies across the country for a COPS grant to restore the School Resource Officer that had been cut in our school two years prior. In late September we received notification that we were one

of the few agencies in the State to be awarded the grant. The award total is for \$125,000 over a three year period to cover salary and benefits. The first year is funded 75% federally and 25% locally. During the second and third year of the grant cycle the federal percentage decreases and the local portion increases. The fourth year requires the grant recipient to cover the entire cost of the School Resource Officer.

The preliminary approximate financial breakdown as follows is based upon estimated health and retirement costs for year two and three:

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
Federal Share	\$42,397	\$41,501	\$41,102	\$125,000
Municipal Share	\$14,133	\$16,140	\$17,650	\$ 47,923
Percentages	75% - 25%	72% - 28%	70% - 30%	

The Police Department is currently working with the Clarkdale Jerome School District, who hopes to contribute 50% of the municipal share for the first year.

Police Chief Taylor presented information on this agenda item.

Mayor Von Gausig expressed support for the statements regarding the large concentrations of people twice a day at the school when school begins and lets out. He also stated that the ability to have an officer back on campus is appreciated.

Chief Taylor stated that the officer would be trained at the State and Federal level teaching curriculum. Town Manager Mabery stated that the fourth year funding would need to be included in our budget. We would need that position anyway and this award would help us to prepare for that event.

**Councilmember Regner moved to accept the COPS Grant Award Documents as presented. Councilmember Bohall seconded the motion. The motion was approved unanimously.**

Councilmember Radoccia excused himself from the meeting.

## 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 Von Gausig's Report –

October 9, 2013:

- Attended Clarkdale Sustainability Project workgroup meeting
- Met with SEDI representative, Russ Yelton and others

October 10, 2013:

- Attended Yavapai College Campus Master Plan Presentation and Listening Session
- Attended meeting regarding Easement for Jerome across Cottonwood Ranch

October 12, 2013:

- Participated in ASCOT meeting and float trip
- October 15, 2013:
- Attended Verde River Basin Partnership general meeting at Yavapai College
- October 17, 2013:
- Attended Ruth Waddell Art dedication at Clark Memorial Library
- October 18, 2013:
- Attended Art Wine and Dine at Yavapai College
- October 22, 2013:
- Met with Elva Coor and Julie Gustafson
- October 23, 2013:
- Participated in conference calls for Water Resource Management Working Group
- October 25, 2013:
- Attended 4-8 Wine Works opening (new Clarkdale business)
  - Met with Alex Wright from Yavapai College
- October 29, 2013:
- Attended Waste Water Treatment Plant dedication
  - Attended Verde Front meeting at Verde Ranger District
- November 1, 2013:
- Led Verde float trip
- November 5, 2013:
- Attended WRMP Advisory Board meeting
  - Attended WRMP public meeting
- November 6, 2013:
- Attended WRMP team meetings
- November 12, 2013:
- Met with Kim Schonek
  - Met with Alvin Stump from ADOT

#### Vice-Mayor Dehnert's Report –

- The Halloween event was wonderful in Clarkdale – handed out 23 pounds of candy.
- Met with Town Manager, Mayor and Alvin Stump from Arizona Department of Transportation regarding State Route 260.

#### Councilmember Bohall's Report –

- Made a public service announcement/public announcement and admonition: There was a fire in a Prescott business caused by sunlight passing through and concentrated by a glass sphere which set fire to a clothing display. Be cautious of this possibility of reflective lights and sunlight in home.

#### Councilmember Regner's Report –

- October 17, 2013 Art dedication at Clarkdale Library
- Wastewater Treatment Plant dedication

- Clarkdale Water Fair.

Councilmember Radoccia's Report – No report.

Town Manager Mabery's Report – No report.

**Organizational Reports** – Reports regarding regional organizations.

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

Councilmember Bohall - No report.

NACOG - Northern Arizona Council of Governments.

Vice Mayor Dehnert reported that there was a meeting on October 24, 2013 –

- Councilmember Bohall was reappointed to the Transportation Policy Advisory Committee
- Slide show presentation of Clarkdale created by Town Manager Mabery.

NAMWUA - Northern Arizona Municipal Water Users Association. No report

VRBP – Verde River Basin Partnership. No report

VVLP – Verde Valley Land Preservation. No report

WAC - Yavapai County Water Advisory Committee. No report.

VVREO – Verde Valley Regional Economic Organization. No report.

YCL – A report from the Yavapai College Liaison.

- October 18, 2013 Art Wine and Dine event – 220 people in attendance; sold 122 Adopt-A-Vines;
- Upcoming groundbreaking of the Southwest Wine Center from 11 a.m. – noon on November 19, 2013.

**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 October 8, 2013 and Special Meetings of October 22, 2013.
- B. Claims** - List of specific expenditures made by the Town during the previous month. October, 2013 check log and PPE dated October 5, 2013 and October 19, 2013.

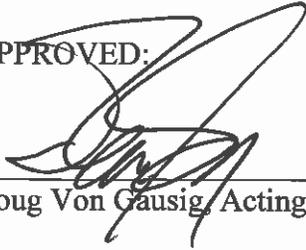
- C. Board and Commission Minutes** – Acknowledgement of receipt of minutes and draft minutes of the previous month’s Board and Commission Meetings.  
Board of Adjustments minutes of the meeting held October 23, 2013  
Design Review Board minutes of the meeting held October 2, 2013  
Planning Commission Notice of Cancellation of meeting October 15, 2013
- D. Reports** - Approval of written Reports from Town Departments and Other Agencies  
Building Permit Report – October, 2013  
Capital Improvements Report – October, 2013  
Magistrate Court Report – September and October, 2013  
Water and Wastewater Report – September, 2013  
Police Department Report – October, 2013
- E. Made In Clarkdale, Inc. Facility Reimbursement Agreement** – Approval of a Facility Reimbursement Agreement for use of Town facilities by Made In Clarkdale, Inc.
- F. 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 “Made in Clarkdale, Inc.” during their annual art show and festival event to be held on Friday December 6, 2013 through Saturday, December 14, 2013 at the Clark Memorial Clubhouse, 19 N Ninth Street, Clarkdale, AZ.
- G. Request for Extension of the Financial Assurance Time Requirement for Wildhorse Acres Estates Minor Subdivision** - Approval for a request for extension of the financial assurance time requirement for Wildhorse Acres Estates Minor Subdivision.
- H. A Resolution of the Mayor and Common Council of the Town of Clarkdale, Yavapai County, accepting the dedication of a wastewater lift station (“Mescal Spur Lift Station”)** – Approval of Resolution 1448 accepting dedication of the Mescal Spur lift station.
- I. A Resolution of the Mayor and Common Council of the Town of Clarkdale, Yavapai County, accepting the dedication of a public right-of-way (“Mescal Spur Road Extension”)** – Approval of Resolution # 1449 accepting dedication of the Mescal Spur Road Extension.
- J. A Resolution of the Mayor and Common Council of the Town of Clarkdale, Yavapai County, accepting the internal streets system, the grading and drainage system, the water and wastewater systems, including the Alamos Lift Station and associated Tract D, and trail system infrastructure of the Crossroads at Mingus Subdivision** – Approval of Resolution #1450 accepting the dedication of the Crossroads at Mingus Subdivision infrastructure.

Vice Mayor Dehnert moved to approve Consent Agenda items A – J as presented. Councilmember Regner seconded the motion. The motion was approved unanimously.

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

**ADJOURNMENT** – Without objection, Mayor Von Gausig adjourned the meeting at 9:35 P.M.

APPROVED:



\_\_\_\_\_  
Doug Von Gausig, Acting 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 12<sup>th</sup> day of November, 2013. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 12 day of December, 2013.

SEAL

  
\_\_\_\_\_  
Kathy Bainbridge, Town Clerk