

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Tuesday, March 24, 2015**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, March 24, 2015, at 3:00 p.m. in the Clarkdale Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

Town Council:

Mayor Doug Von Gausig
Vice Mayor Richard Dehnert
Councilmember Scott Buckley

Councilmember Bill Regner
Councilmember Curtiss Bohall

Town Staff:

Town Manager Gayle Mabery
Town Clerk/Finance Director Kathy Bainbridge
Public Works/Utilities Director Wayne Debrosky
Public Works Supervisor Art Durazo
Community Services/Human Resources Director Janet Perry
Community Services Supervisor Dawn Norman
Administrative Assistant Joni Westcott
Finance Supervisor Kathy Cwiok
Police Chief Randy Taylor
Deputy Clerk Mary Ellen Dunn

Meeting was called to order at 3:00 P.M. by Mayor Von Gausig.

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.

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. **Reports** - Approval of written Reports from Town Departments and Other Agencies
 - Building Permit Report – February, 2015
 - Capital Improvements Report – February, 2015
 - Magistrate Court Report – February 2015
 - Police Department Report – February, 2015

- B. **Proclamation Declaring April, 2015 As Water Awareness Month** – Approval of a Proclamation declaring April, 2015 Water Awareness Month in the Town of Clarkdale.

- C. Proclamation Declaring April 12 to April 18, 2015 As Volunteer Appreciation Week** – Approval of a Proclamation declaring April 12 to April 18, 2015 as Volunteer Appreciation Week in the Town of Clarkdale.
- D. Resolution Adopting a Fair Housing Policy** – Approval of Resolution # 1494, a Resolution Adopting a Fair Housing Policy, Making Known its Commitment to the Principle of Fair Housing, and Describing Actions it Shall Undertake to Affirmatively Further Fair Housing.
- E. “Arizona Gives Day” Proclamation** - Approval of a proclamation designating April 7, 2015 as Arizona Gives Day, a day for Arizonans to come together to make donations to as many nonprofits as possible in 24 hours.
- F. Resignation from the Public Safety Personnel Retirement Board** – Acceptance of a letter of resignation from Amy Bayless from the Public Safety Personnel Retirement Board.
- G. Resolution Making an Appointment to the Public Safety Personnel Retirement Board** – Discussion and consideration of Resolution #1495, amending Resolution #1479, making an appointment to the Public Safety Personnel Retirement Board.

Vice Mayor Dehnert moved to accept Consent Agenda items A – G as presented. Councilmember Regner seconded the motion. The motion passed unanimously.

NEW BUSINESS

RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, AMENDING RESOLUTION #1488, SETTING FEES FOR THE TOWN OF CLARKDALE, BY AMENDING FACILITY REIMBURSEMENT FEES -

Discussion and consideration of Resolution #1496, a resolution amending Facility Reimbursement Fees in the Town Fee Schedule.

Over the last few months our Public Works, Finance and Community Services Departments have coordinated a review of the existing Facility Reimbursement Fees. As a result, revised fees are recommended here which consider updated expenses for upkeep/maintenance, staff time, supplies and Clubhouse Ambassador time. Additionally, staff has taken this opportunity to include a restructuring of certain rental categories and terms used in order to simplify and clarify the information.

While a strike-through (deleted text), underlined (added text) version of the changes are provided in the proposed Resolution draft included later in this Staff Report, the following table is also provided to illustrate the changes in an easier-to-read format.

Facility Reimbursement Fees – Proposed:

CLARK MEMORIAL CLUBHOUSE FEES:

Cleaning, Damage and Key Deposit	CURRENT FEE	PROPOSED FEE
Event with no alcohol	\$300.00	
Event with alcohol	\$800.00	

Security - Town Police Officers required with alcohol event - Minimum two Officers, Minimum two hours	See PD Fees	
Staff Charge (Flat hourly rate)		See Public Works Fees
Ladies Lounge and Kitchen - Non-resident		
0 - 8 consecutive hours Four (4) hour minimum		\$35.00/hour
Hourly rate after reaching 8 hours		\$13.00/hour
Ladies Lounge and Kitchen - Resident		
0 - 8 consecutive hours Four (4) hour minimum		\$30.00/hour
Hourly rate after reaching 8 hours		\$13.00/hour
Men's Lounge-Non-resident		
0 - 8 consecutive hours Four (4) hour minimum		\$35.00/hour
Hourly rate after reaching 8 hours		\$13.00/hour
Men's Lounge - Resident		
0 - 8 consecutive hours Four (4) hour minimum		\$30.00/hour
Hourly rate after reaching 8 hours		\$13.00/hour
Auditorium - Non-Resident		
0 - 8 consecutive hours Four (4) hour minimum		\$50.00/hour
Hourly rate after reaching 8 hours		\$13.00/hour
Auditorium - Resident		
0 - 8 consecutive hours Four (4) hour minimum		\$45.00/hour
Hourly rate after reaching 8 hours		\$13.00/hour

Currently, when each rental request is initially received and reviewed, a requirement for (staff) Event Support is determined by using the following matrix (with a relative fee of \$42/hour per staff member added to estimated rental fees):

RENTAL SCENARIO	EVENT SUPPORT COMMITMENT
A. UNDER 50 PEOPLE	<ul style="list-style-type: none"> • NO ON-SITE EVENT SUPPORT NECESSARY. PUBLIC WORKS WILL BE ON CALL.
B. 50- 125 PEOPLE	<ul style="list-style-type: none"> • 1 HOUR AT BEGINNING OF RENTAL PERIOD START TIME • 1 HOUR DURING EVENT • 1 HOUR PRIOR TO RENTAL PERIOD END TIME
C. 126 OR MORE PEOPLE	<ul style="list-style-type: none"> • 1 HOUR AT BEGINNING OF RENTAL PERIOD START TIME • 1/2 HOUR PRIOR TO EVENT START TIME • ENTIRE EVENT THROUGH THE END OF RENTAL PERIOD

The fees and changes now proposed are anticipated to eliminate existing inconsistencies in rates and terms, and cover current overhead costs (utilities, supplies, upkeep, staff time, etc.) associated with the facility rental process, including facilitation of the new Clubhouse Ambassador program. The referenced staff time includes Community Services time for meeting with prospective renters and executing required paperwork.

The Notice of Intent to Impose or Increase Fees or Taxes, as required by A.R.S. 9-499.15, was posted on January 23, 2015 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.

Public Works Supervisor Art Durazo presented information to the council on this agenda item and explained the purpose of the new fee structure. He stated that fees cover the Town's costs for the first eight hours and thereafter decreasing to only cover the Town's cost for the hourly Clubhouse Ambassador position.

Vice Mayor Dehnert would like to see the new fee structure generate money to provide for future improvements and rehabilitation of the buildings.

Town Clerk Bainbridge explained that due to upcoming construction and other remodeling activities to soon take place in the buildings, the Town was not looking to market the buildings until those efforts were complete.

Councilmember Regner moved for the approval of Resolution #1496, a RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, AMENDING RESOLUTION #1488, SETTING FEES FOR THE TOWN OF CLARKDALE, BY AMENDING FACILITY REIMBURSEMENT FEES. Councilmember Bohall seconded the motion. The motion passed unanimously.

REPORT OF THE 105TH ARIZONA TOWN HALL "ARIZONA'S ECONOMY" - Presentation and discussion regarding the Arizona Town Hall report on Arizona's Economy.

Council Member Regner will be giving a report (including Council discussion) on the results of the 105th Arizona Town Hall, "Arizona's Economy. The Background Reports which were compiled and distributed to Town Hall delegates in advance of the Town Hall sessions in order to provide a source of common information leading into the Town Hall discussions were provided to Council prior to the meeting in preparation for discussion.

At the conclusion of the Arizona Town Hall, a Final Report is issued as a result of the consensus reached among the delegates and is available at <http://aztownhall.org/Resources/Documents/105th-Recommendations-Report.pdf>

Councilmember Regner reported on his Arizona Town Hall experience to the Council and introduced documents that were presented there, including:

- "Arizona's Economy" pamphlet presented at the Town Hall and distributed to council and staff for review.
- Priority listing document which included -

- Education
- Work Force Development
- Infrastructure
- Tourism
- Entrepreneurship
- Tax increment financing possibilities

This is a presentation and discussion only, no action required.

2015 STRATEGIC PLANNING UPDATE – Discussion and direction to staff regarding the Strategic Planning priority focus areas along with their goals and objectives.

The Town Council met with the Town Manager and Department Heads on March 4-5, 2015 in their Annual Strategic Planning Session. The purpose of this initial meeting was to develop Priority Focus Areas, Goals and Objectives for the next 1-3 years in Clarkdale. The Council identified seven broad goals (with goals 1-3 identified as our Priority Focus Areas) for this planning time period, which included:

- 1) Economic Development
- 2) Financial Resiliency
- 3) Capital Improvements Planning
- 4) Workforce/Human Capital
- 5) Enhanced Partnerships
- 6) Technology Upgrades
- 7) Community Engagement

The Council also identified 26 objectives of the 38 that they considered during the session to be established as priorities over the next 3 years. Following the initial meeting, staff analyzed all of the Council's input on each of the specific objectives in order to put them in a priority order, resulting in the chart that is listed at the end of this report.

At this time, the Town Staff would like further confirmation from the Council on the priority order of the items listed above. If any items need to be shifted to a different one of the three priority categories, we would like that direction this evening.

In addition, the staff would like to suggest that the Council consider adding two additional strategic objectives into the list:

- Verde River @ Clarkdale Master Plan (Important Priority Objective)
- Monitoring and Adaptation of the Commercial River Runner Outfitter Permitting Program (High Priority Objective)

Following any clarifying direction received on the above items, the Town Staff will to provide additional specificity to the goals and objectives, and will bring them back to the Council for final approval in late April or early May.

Staff recommends that the Council give direction to staff relating to the re-categorization of the 2015 Strategic Planning Objectives.

Highest Priority Objectives
Enhance Revenues
Actively Support Clarkdale Downtown Business Alliance
Reward Staff
Streets Capital Improvements Plan
Increase Staff Compensation
Agricultural Zoning Review
Upgrade Clark Memorial Clubhouse & Move Towards Enterprise Fund
<i>Monitoring and Adaptation of the Commercial River Runner Outfitter Permitting Program (proposed addition)</i>
Important Priority Objectives
USSSA Ball field Improvement Project
Geo-Tourism/National Geographic Project
Employee of the Year/Quarter
Maintain Level of IT Infrastructure and Equipment
Increase Amount of Annual Dedicated Streets Maintenance Fund
Verde Valley Broadband/Gigabit Project
Refinance 2006 Water Bonds
Enhance Police Department Community Engagement
<i>Verde River @ Clarkdale Master Plan (proposed addition)</i>
Priority Objectives
Develop PSPRS Unfunded Liability Policy
Verde Front/String of Pearls
Court Technology Efficiency
Council Tablets
Public Engagement on Community Services/Library/Events Priorities
Reduce Amount of Non-Revenue Water
Retrofit 89A Reservoir to Support Haskell Springs Wells
Police Department Policy/Procedure Manual
Internship Program

Town Manager Mabery presented a summary of the strategic planning sessions and asked for council feedback regarding priority groupings.

A review of the “agricultural zoning review” item was delivered and discussion followed with Council agreeing it should be left at the priority level it’s currently at.

Mayor Von Gausig suggested combining the “Verde Front/String of Pearls” and Geo-Tourism/National Geographic Project items and feels they should be in the “Important Priority Objectives” category.

Councilmember Regner would like to see the Verde Valley Broadband/Gigabit Project in the highest priority objective area and add succession planning to the list.

Mabery noted that succession planning could be incorporated under work force and human capital or internship program.

This is a presentation only. No council action is required.

FISCAL YEAR 2015-2016 PRELIMINARY BUDGET WORKSESSION– A work session with the Council regarding the Preliminary Budget for FY 2015-2016

A Power Point presentation of the 2015-2016 Fiscal Year Preliminary Budget will show the combination of projected expense and revenue reductions/increases throughout the Enterprise Funds which include the Water Fund, Sewer Fund, Sanitation Fund and Cemetery Fund. These projections will be fine tuned as we continue to receive additional information over the next two months.

Several dates should be kept in mind during the budgeting process. State law requires that, on or before the third Monday of July of each fiscal year, the Town Council must adopt a preliminary budget. Functionally though, the Town of Clarkdale adopts a preliminary budget prior to June 30th so that the staff has a guideline for expenditures on July 1st, which is the beginning of the fiscal year. The preliminary budget sets the maximum “limits” for expenditures.

There is no specific date set by state law for adoption of the final budget. However, the deadline for adoption of a property tax levy is the third Monday in August. Since state law requires a period of at least fourteen days between adoption of the final budget and adoption of the tax levy, the deadline for adoption of the final budget becomes the first Monday in August.

Proposed Timeline:

March 24, 2015	Preliminary Budget Worksession
April 28, 2015	Preliminary Budget Worksession
May 26, 2015	Preliminary Budget Worksession
June 9, 2015	Preliminary Budget Worksession (If Needed)
June 23, 2015	Approval of Preliminary Budget
July 28, 2015	Public Hearing for:
	Final Budget
	Property Tax Levy
	Truth In Taxation
	Resolution on Primary Property Tax Rate
	Adoption of Final Budget
August 11, 2015	Adopt Property Tax Levy

2015-2016 Preliminary Operational Budgets:

<u>Fund</u>	<u>Expense Budget</u>	<u>Revenue Budget</u>
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▪ Water O & M	\$ 1,296,134.49	\$ 1,348,000.00
▪ Water Capital Improvement	\$ 1,387,506.60	\$ 1,387,506.60
▪ Water Capacity Fees	\$ 125,718.00	\$ 125,718.00
▪ Wastewater O & M	\$ 405,497.62	\$ 605,110.00
▪ WW Plant & Equipment	\$ 1,481,615.38	\$ 1,481,615.38
▪ WW Sludge Removal	\$ 9,520.00	\$ 9,520.00
▪ WW Line Replacement	\$ 514,000.00	\$ 514,000.00
▪ WW Lift Station	\$ 52,920.00	\$ 52,920.00
▪ WW Capacity Fees	\$ 40,335.00	\$ 40,335.00
▪ Sanitation Fund	\$ 286,965.89	\$ 293,000.00
▪ Sanitation Capital Fund	\$ 51,784.11	\$ 51,784.11
▪ Cemetery Fund	\$ 42,500.01	\$ 42,500.00
▪ Cemetery – Perpetual Care	\$ 34,550.00	\$ 34,550.00

Finance Director Bainbridge presented a PowerPoint presentation for this agenda item. She noted that we are starting this early this year due to a lot of decisions that are required.

Mayor Von Gausig asked if we were using an outside source for chemical testing for our wastewater plant. Utilities Director Debrosky informed that council that were do use outside sources due to the prohibitive costs of having an in-house lab.

Bainbridge provided options for the pay down of the wastewater debt service. Loan is now closed and current debt service is going out about 22 years. Each customer per month currently pays approximately \$27 toward debt service. Bainbridge stated if we do not supplement funding toward debt service, rates would increase to fund 2% increase each year for operations and maintenance along with additional \$5 increases for the next few years for debt service. Using the funds from Mountain Gate would decrease that impact. Staff will come back to council with figures of what the long-term impact on fees will be if the council decides to use the funds.

Council discussed the expenditure options of using the Mountain Gate funds. Vice Mayor Dehnert believes it would be a service to the community to use the cash on hand toward the debt service and be able to delay future debt service increases after the next \$5 increase.

Mayor Von Gausig asked if we could pay down the debt and apply the Mountain Gate money toward the principle. Bainbridge stated that as the loan is closed there would be a new debt service and re-opening the loan would be required but it would be possible and she further added she would investigate that option. Council agreed they prefer the idea of paying down the principle if that would be a viable possibility.

The Wastewater Fund needs to address the rate structure prior to the 2016-2017 budget process.

The Water Fund will monitor revenues to get an accurate accounting of the annual impact of the adjusted water rates prior to the 2016-2017 budget process

The Sanitation Fund will be review rates during the current years to address the rate structure prior to the 2016-2017 budget process.

The Cemetery Fund will be monitored closely during the 2015-2016 budget year in order to determine when the General Fund will need to supplement funding for the cemetery.

This is a worksession only and no action by Council is required.

MESCAL SPUR DECELERATION LANE PROJECT PROPOSAL FROM FANN ENVIRONMENTAL AND ISSUANCE OF THE NOTICE TO PROCEED – Discussion and possible action regarding entering into a contract with Fann Environmental, under a Job Order Contract (JOC), to construct the Mescal Spur Deceleration Lane (right turn lane) and direction by the Council for the Utilities Department to issue a Notice To Proceed to Fann Environmental for this project.

The 2014 Development Agreement with Crossroads @ Mingus required the Developer and Town to divide the cost of the SR 89A Intersection (deceleration lane) equally and that the Town would fund all construction up front. The Developer, at its initial expense arranged for the preparation of engineering plans for the intersection which will apply towards the Developers share.

Fann Environmental and Felix Construction participated in a pre-bid meeting and project on-site visit. Both prepared sealed JOC Cost Proposals and submitted the sealed cost proposals to the Public Works March 5, 2015. The two cost proposals submitted were opened and filed with Chris Keller, Public Works Administrative Assistant:

Fann Environmental - \$115,650.00 plus a \$3500.00 contingency for a total of \$119,150.00. The \$3500.00 contingency to be refunded if not used.

Felix Construction - \$211,320.00 with no contingency

Public Works met with PTM (Crossroads @ Mingus), the developer on March 19, 2015 to review the cost proposals and the Town and PTM both agreed to proceed with construction under the Fann Environmental cost proposal.

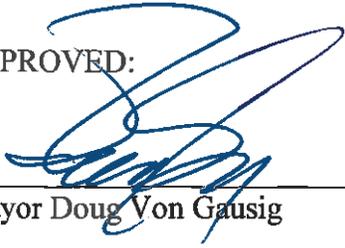
Utilities/Public Works Director Debrosky presented information on this agenda item. Debrosky noted that the design work is done and was paid by the developer. PTM will be reimbursing the Town for portions of the project costs as determined in the Development Agreement.

Councilmember Bohall moved for the approval of entering into a contract with Fann Environmental, under a Job Order Contract (JOC) to construct the Mescal Spur Deceleration Lane (right turn lane) and direction by the Council for the Utilities Department to issue a Notice To Proceed to Fann Environmental for this project. Councilmember Regner seconded the motion. The motion carried unanimously.

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

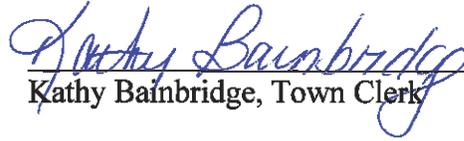
ADJOURNMENT – without objection the meeting was adjourned at 5:32 P.M. by Mayor Von Gausig.

APPROVED:



Mayor Doug Von Gausig

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 special meeting of the Town Council of the Town of Clarkdale, Arizona held on the 24th day of March, 2015.

I further certify that meeting was duly called and held and that a quorum was present.

Dated this 15 day of April, 2015.

SEAL



Kathy Bainbridge, Town Clerk