

**Minutes of a Special Session of the Common Council of the Town of Clarkdale  
Held on Tuesday, April 28, 2015**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, April 28, 2015, at 3:00 p.m. in the Clarkdale Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

Town Council:

Mayor Doug Von Gausig

Councilmember Bill Regner

Vice Mayor Richard Dehnert

Councilmember Curtiss Bohall

Councilmember Scott Buckley (absent)

Town Staff:

Town Manager Gayle Mabery

Town Clerk/Finance Director Kathy Bainbridge

Finance Supervisor Kathy Cwiok

Community Development/Economic Director Jodie Filardo

Senior Planner Beth Escobar

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 – March, 2015
  - Magistrate Court Report – March 2015
  - Water and Wastewater Report – March, 2015
  - Clarkdale Fire District Report and Mutual Aid Responses Report – March, 2015
  - Police Department Report – March, 2015
  
- C. **Verde Valley Humane Society Impound Animal Agreement** – Approval of a 2015-2016 Verde Valley Humane Society Impound Animal Agreement.
  
- 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 Verde Valley Wine Consortium's event to be held on Saturday, May 30, 2015 from 9:00 a.m. – 6:00 p.m. at Yavapai College, 601 Black Hills Road, Clarkdale, AZ.

- E. Wine Festival License** - Approval of a recommendation to the State Department of Liquor License and Control to approve 13 Wine Festival Licenses for the Verde Valley Wine Consortium's event to be held on Saturday, May 30, 2015 from Noon – 6:00 p.m. at Yavapai College, 601 Black Hills Road, Clarkdale, AZ.
- F. Amendment to Transit Intergovernmental Agreement** - Approval of an amendment to the Intergovernmental Agreement between the Town of Clarkdale and the Yavapai-Apache Nation regarding public transportation.

Councilmember Regner pulled item B from the consent agenda.

**Vice Mayor Dehnert moved to accept Consent Agenda items A, and C – F as presented. Councilmember Bohall seconded the motion. The motion passed unanimously.**

- B. Proclamation Declaring May 3, 2015 through May 9, 2015 as Youth Week in Clarkdale, Arizona** – Approval of a Proclamation declaring May 3, 2015 through May 9, 2015 as Youth Week in the Town of Clarkdale.

Each year the Benevolent and Protective Order of Elks selects a week to honor our local youth. This year they have selected May 3<sup>rd</sup> through May 9<sup>th</sup> as National Youth Week to honor America's Junior Citizens for their accomplishments and to give a fitting recognition of their services to Community, State, and Nation.

Janet Leuer and Jeannette Kullmann from the Jerome Elks were present to give comments and read an essay from a 12-year old Camp Verde Middle School student, Eli Gagnon. Mayor Von Gausig read the proclamation for the record.

**Councilmember Regner moved to approve the Proclamation declaring May 3, 2015 through May 9, 2015 as Youth Week in the Town of Clarkdale. Vice Mayor Dehnert seconded the motion and it carried unanimously.**

## **NEW BUSINESS**

**YAVAPAI COLLEGE COMMUNITY OUTREACH PRESENTATION** – A presentation by Yavapai College representatives.

Dr. Penny Wills, President of Yavapai College will present an update on Yavapai College.

- Dr. Wills recognized the work of Councilmember Regner on the Advisory Committee.
- She announced that College for Kids is back after a one-year hiatus and will start on June 1<sup>st</sup>.
- Verde Valley Wine Consortium and Southwest Wine Center are doing well.
- District Governing Board has a 2014 annual report that is being distributed.
- Noted Education, Economic Development and Cultural Enrichment are college's strategic plan focuses.

- Student recognitions ceremony tonight.
- Discussion of budget process and recent legislative cuts.
- Plant-A-Vine this Saturday on campus.
- Two \$100K donations received
- Hospitality, culinary arts, oenology certificate, and certificate of integrated systems engineering technician programs now available.

**This is a presentation only, no action required.**

**VERDE FRONT/STRING OF PEARLS PROJECT UPDATE** – A presentation regarding an update on the Verde Front/String of Pearls Project.

A presentation regarding the String of Pearls project.

**This agenda item was omitted as the presenter was not able to attend.**

**AMENDMENT TO TOWN OF CLARKDALE'S CONTRACT FOR LEGAL SERVICES WITH SQUIRE PATTON BOGGS** – Discussion and consideration to initiate an amendment to the Town of Clarkdale's contract with Squire Patton Boggs to include legal advice and consulting on issues relating to the United Verde Soil Program.

The Town of Clarkdale was informed on April 14, 2015, that Freeport McMoRan, Inc. (FMI) has submitted an application with the Arizona Department of Environmental Quality's Voluntary Remediation Program to undertake the United Verde Soil Program. It is our understanding that, under the program, FMI will implement a soil sampling and mediation program at selected residential, publicly-owned, and commercial properties that could have been impacted by historic smelter operations in Clarkdale. The United Verde Copper Company's Clarkdale smelter operated in the community from 1913 until 1953 and this project is tied to smelter emissions during that era.

The Town of Clarkdale is in the early stages of identifying its resource needs in order to effectively address issues relating to this project. As a first step, the Town Staff is asking for direction from the Town Council to amend the Town's current contract with Squire Patton Boggs to include legal advice and consulting on issues relating to this project, and to develop an initial project scope and budget for those services, for approval by the Town Council at an upcoming meeting. Lead Counsel for Squire Patton Boggs on this project will be Christopher Thomas (see attached resume).

Clarkdale has also invited Freeport McMoRan, Inc. to present an outline of the United Verde Soil Program and their public outreach plan for the program to the Town Council during a Special Clarkdale Town Council meeting that will be held at 6:00 p.m. on Tuesday, May 19, 2015. The Arizona Department of Environmental Quality has also been invited to attend this Council meeting to share information about their Voluntary Remediation Program.

Announcements for dates and times of future public meetings on this topic will be made available on the Town of Clarkdale's website: <http://www.clarkdale.az.gov>

Town Manager Mabery presented information on this agenda item. Suggestions were made that cleanup areas need to be expanded. Establishment of a Citizens' Advisory Committee was also suggested.

Mayor Von Gausig added that an environmental consultant will be contracted by the attorney after council approval of attorney's appointment. He stated he was impressed with Christopher Thomas, the proposed counsel. The Mayor noted that the testing levels recommended by Freeport McMoRan might need to be negotiated pursuant to attorney advice.

Mabery added that advice from other communities has been very helpful as well as advice from ADEQ and noted that it "behooves our community to have the right team in place from the very beginning."

**Councilmember Regner moved that Council direct the staff to draft an amendment to the Town's current contract with Squire Patton Boggs, LLP to include legal advice and consulting on issues relating to the United Verde Soil Program, and to develop an initial project scope and budget for those services. Councilmember Bohall seconded the motion and the motion passed unanimously.**

**MEMORANDUM OF UNDERSTANDING WITH THE YAVAPAI TRAUMA INTERVENTION PROGRAM (TIP) – Discussion and consideration of the 2015-2016 Intergovernmental Agreement between the Yavapai Trauma Intervention Program and the Town of Clarkdale for emotional and practical support to victims of traumatic events.**

TIP is a nonprofit organization whose primary purpose is to ensure that those who are emotionally traumatized receive the support they need immediately following a crisis event. The TIP program is designed to prevent the secondary victimization that all too often occurs with the loss of life incidents. The Yavapai Chapter of TIP is a group of specially trained volunteers who provide emotional aid and practical support to victims of traumatic events and their families in the first few hours following a tragedy.

TIP Volunteers are available 24 hours a day, 365 days a year. They are called by police officers, firefighters, paramedics, and hospital personnel to assist family members and friends following a natural or unexpected death; victims of violent crime including rape, assault, robbery, or burglary; victims of fire; disoriented or lonely elderly persons; people involved in motor vehicle accidents; people who are distraught and seeking immediate support; and survivors of suicide.

The Clarkdale Police Department has not had a formal relationship with TIP in the past, but have utilized their services with increasing frequency over the past year (through the MOU in place with the Clarkdale Fire District). Due to the increased usage of TIP by the Clarkdale Police Department, TIP has requested that we sign a Memorandum of Understanding, specific to the Town of Clarkdale.

The requested funding for the program is \$2,650.00 which has been included in the 2015-2016 Police Department Budget.

Town Manager Mabery presented information on this agenda item in Police Chief Randy Taylor's absence.

**Vice Mayor Dehnert moved to approve the 2015-2016 Intergovernmental Agreement between the Yavapai Trauma Intervention Program and the Town of Clarkdale for support services. Councilmember Regner seconded the motion and the motion carried unanimously.**

**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 General Fund, Streets Fund, Capital Project Fund, along with the Donations, Impact Fees, Court Enhancement and Grant Funds. 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 30<sup>th</sup> so that the staff has a guideline for expenditures on July 1<sup>st</sup>, 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 - Completed
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

Finance Director Kathy Bainbridge presented information on this agenda item.

**Budget assumptions were:**

1. There were no cost of living adjustment (COLA) or town wide wage increases
2. Health insurance premium increase of 7%
3. Worker’s Comp e-mod decrease from 1.69 to 1.14
4. Public Safety Retirement employer contribution rate increase from 24.15% to either 34.07% or 26.08%

Discussion followed regarding the State Shared Income Tax fund’s decrease due to lower income levels among citizens and the mechanics of managing the Soil Remediation Project expenses.

Police department budget discussion included the options for the council in paying the unfunded liability of the Public Safety Personnel Retirement funds of \$1,288,737. The PSPRS Board adopted a

3 year phase-in policy for increased 2014 valuations allowing employers the choice to either pay the full effect rate of 34.07% or choose the phase-in rate of 26.08%. The unfunded liability amortization of \$1,288,737 over 22 years totals \$3,112,265 without the phase-in option and \$3,182,751 with the phase-in option, a total of \$70,485 more over 22 years. The proposed budget included the full effect or without phase in option which left the budget \$32,385 short. One of the options for paying that unfunded balance would be to increase the property tax.

There was a 2% increase in net assessed values for the Town which were \$28,546,654. The 2015/2016 allowable levy limit is \$490,546 and the levy last year was \$442,083. The difference in the "Truth in Taxation" levy (the levy that reflects no dollar change to property owners) and the maximum allowable levy limit is \$42,990.84. The maximum allowable levy of \$490,546 reflects about a 9.5% levy increase and about \$14.87 per \$100,000 assessed value increase on property.

Direction given to the Finance Director was to come back with the following changes to the General Fund budget:

1. A budget reflecting the maximum allowable levy limit of \$490,546.
2. Payment budgeted towards the PSPRS unfunded liability at the "phase-in" rate of 26.08% for 2015/2016 budget.
3. A 1% cost of living adjustment (COLA) for staff.
4. Remaining funds to be held for payment towards the unfunded liability at a later date.
5. Transfer of \$40,000 to Streets from Sanitation

2015-2016 Preliminary Operational Budgets:

<u>Fund</u>	<u>Expense Budget</u>	<u>Revenue Budget</u>
▪ General Fund	\$ 3,422,934.47	\$ 3,390,539.47
▪ HURF - Streets	\$ 404,821.93	\$ 404,821.93
▪ Capital Projects	\$ 694,533.00	\$ 711,500.00
▪ Developer Reimbursements	\$ 800,000.00	\$ 800,000.00
▪ Impact Fees	\$ 272,614.79	\$ 272,614.79
▪ Grant Fund	\$ 3,974,283.53	\$ 3,974,283.53
▪ Donation Fund	\$ 556,850.00	\$ 556,850.00
▪ Court Enhancement	\$ 2,500.00	\$ 2,500.00

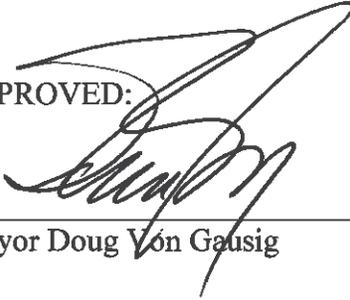
Town Manager Mabery reminded Council that the United Verde Remediation Project financial impact is currently unknown.

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

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

**ADJOURNMENT** – without objection the meeting was adjourned at 5:48 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 28<sup>th</sup> day of April, 2015.

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

Dated this 18 day of May, 2015.

SEAL

  
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Kathy Bainbridge, Town Clerk