

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Tuesday, August 25, 2015**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, August 25, 2015 at 3:00 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 3:01 P.M. by Mayor Von Gausig.

Town Council:

Mayor Doug Von Gausig

Councilmember Bill Regner - absent

Vice Mayor Richard Dehnert

Councilmember Curtiss Bohall

Councilmember Scott Buckley

Town Staff:

Town Manager Gayle Mabery

Community Services/Human Resources Director Janet Perry

Community Development/Economic Director Jodie Filardo

Acting Town Manager and Utilities/Public Works Director Wayne Debrosky

Utilities Supervisor Ellen Yates

Police Chief Randy Taylor

Deputy Clerk Mary Ellen Dunn

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

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 – July, 2015
 - Capital Improvements Report – July, 2015
 - Magistrate Court Report – July, 2015
 - Water and Wastewater Report – July, 2015
 - Clarkdale Fire District Report and Mutual Aid Responses Report – July, 2015

- B. **Improvement Agreement for Paloma Way** – Approval of an Improvement Agreement with Capital Telecom obligating Capital Telecom to develop the existing right-of-way to a private road standard.

Councilmember Bohall moved to accept Consent Agenda items A & B as presented. Vice Mayor Dehnert seconded the motion. The motion passed unanimously.

NEW BUSINESS

VERDE VALLEY MILITARY SERVICE PARK PRESENTATION – a presentation by Keith Vogler, Verde Valley Detachment, Marine Corps League to provide information on a military park that is being constructed in the Verde Valley to honor our veterans for their many sacrifices.

Keith Vogler, Verde Valley Detachment, Marine Corps League will be present for a presentation regarding the Verde Valley Military Service Park. The purpose of this presentation is to provide information on a military park that is being constructed in the Verde Valley to honor our veterans for their many sacrifices.

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LIQUOR LICENSE APPLICATION – Discussion and consideration of a recommendation to the Arizona Department of Liquor License, for a Series 7 Location Transfer for a Beer and Wine Bar application from Rebecca Backus, Clarkdale, LLC d/b/a Clarkdale Hotel at Town Park located at 921 Main St., Clarkdale, AZ.

Applicant: Rebecca Backus, Clarkdale LLC d/b/a/ Clarkdale Hotel at Town Park

Address: 921 Main St., Clarkdale, AZ

Type of License: Location Transfer for a Beer and Wine Bar Application - Series 7

Beer and Wine Bar Application Kit - Series 7: The beer and wine bar (series 7) liquor license is a "quota" license available only through the Liquor License Lottery or for purchase on the open market. Once issued, this liquor license is transferable from person to person and/or location to location within the same county and allows the holder both on- & off-sale retail privileges. This license allows a beer and wine bar retailer to sell and serve beer and wine (no other spirituous liquors), primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises. A retailer with off-sale ("To Go") privileges may deliver spirituous liquor off of the licensed premises in connection with a retail sale. A.R.S. 4-206.01.F. states that after January 1, 2011, the off-sale privileges associated with a bar license shall be limited to no more than 30% of the total annual sales receipts of liquor by the licensee at that location. Off-sale ("To Go") package sales can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the one provided for the bar. Payment must be made no later than the time of delivery. Internet sale of liquor is not permitted in the state of Arizona. Liquor must be delivered to an Arizona liquor-licensed wholesaler, then an Arizona liquor-licensed retailer prior to delivery to the consumer.

The application from Rebecca Backus is requesting a Location Transfer for a new Series 7 beer and wine bar liquor license in Clarkdale. The bar is located at 921 Main St., Clarkdale, AZ.

If a person other than those persons originally licensed acquires control over a license or licensee, the person shall file notice of the acquisition with the Director within 15 business days after such acquisition of control and a list of officers, directors or other persons on a form prescribed by the Director.....On receipt of a notice of an acquisition of control or pre-investigation, the Director shall forward the notice within 15 days to the local governing body of the city or town. The Local Governing Body of the city, town or county may protest the acquisition of control within sixty days based on the capability, reliability and qualification of the person acquiring control. If the Director does not receive any protests, the Director may protest the acquisition of control or approve the acquisition of control based on the capability, reliability and qualification of the person acquiring control.

To determine whether public convenience requires and the best interest of the community would be substantially served by issuing or transferring a license to a particular licensed or unlicensed location, the State Liquor Board and/or local governing authorities may apply criteria (as listed in the Arizona Administrative Code) as documented on the attached Town of Clarkdale Liquor License Application Review Form which has been completed by the Clerk's Department, Community Development Department, Police Department, Utility Department, Public Works Department and the Clarkdale Fire District.

Applicant, Rebecca Backus, was present to give information and answer questions from council.

Councilmember Buckley moved to approve a recommendation to the State Department of Liquor License and Control to approve the Series 7 Liquor License for Rebecca Backus, Clarkdale LLC, d/b/a the Clarkdale Hotel at Town Park located at 921 Main St., Clarkdale, AZ. Vice Mayor Dehnert seconded the motion which passed unanimously.

FINANCIAL ASSISTANCE PROGRAM – Discussion & consideration regarding an Agreement between the Town of Clarkdale and Northern Arizona Council of Government for Water Utility Assistance.

In every community across the country there is a portion of the population struggling to pay their bills. Clarkdale is not immune to this situation. The Utilities Department staff work with Clarkdale residents in this situation daily. Clarkdale has a large portion of residents on fixed incomes from retirement and Social Security, and as utility rates increase, it becomes more difficult for them to pay bills. Staff has been tracking the financial assistance our customers have been receiving from Catholic Charities, St. Vincent DePaul, the Salvation Army, and other local charities and churches. All of these programs have a limited amount of funds to distribute and are overburdened. We would like to help by setting aside \$2,300.00 for a financial assistance program and contract with a third-party administrator to manage the program. The cost for administering these funds initially was \$500.00 but has since been negotiated down to \$300.00. Also by having a third party administrator there will be no additional work added to staff.

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of our residents have received funds through LIHEAP that were previously managed and administered through Catholic Charities. Under this program a family can only receive help once every 366 days and funds from this program are only available May through October. If someone needs help outside of this time frame they have to go elsewhere.

Atty. Robert Pecharich and Gene Neil have studied the Agreement and have reviewed Cottonwood's position that they do a similar contract, and justify the public expense based on public benefit of assisting those in need because it avoids water shut offs, resulting them to be living on the streets, lose their jobs and the resulting drain on other public resources to then assist them. Since this is a small expense, even though this is a gray area, it seems practical not to incur more legal expense in review. They have requested the Agreement to approve as to form.

Utilities Supervisor Ellen Yates presented information on this agenda item. Yates clarified that this would be the first time the program would be funded by the Town of Clarkdale.

Councilmember Bohall moved to approve the Agreement between the Town of Clarkdale and Northern Arizona Council of Governments for Clarkdale Municipal Water Utility Assistance Program. Vice Mayor Dehnert seconded the motion and the motion carried unanimously.

PROFESSIONAL SERVICES FOR THE DESIGN OF THE TOWN OF CLARKDALE MEMORIAL CLUBHOUSE ADA IMPROVEMENTS – Discussion and consideration of the recommendation from the Selection Committee for Architecture Works Green as the architectural/engineering firm to provide professional services for the design of the Town of Clarkdale Memorial Clubhouse ADA Improvements Project for the Town of Clarkdale.

On July 8, 2014 Town Council Approved Resolution #1471 allowing staff to move forward with the submission for FY14 Federal Community Development Block Grant (CDBG) funds and to submit the Letter of Intent with Resolution #1453 to the Arizona Department of Housing for project review and funding. The total amount of funding that was approved for this project was \$266,693.00. After payment of \$5,000.00, to Northern Arizona Council of Governments (NACOG) for project administration, the total balance that is left for design and construction is \$261,693.00.

On July 12th and 17th, 2015 the Town of Clarkdale (Town), by printed legal notices, solicited SEALED Statement of Qualifications (SOQs) for Architectural/Engineering (A/E) Services from qualified firms to design, prepare/develop engineering plans, and prepare construction bid documents for the Memorial Clubhouse ADA Improvements Project (Project). The A/E will be required to prepare and complete project plans, plan documents and specifications. This is a federally funded project through a Community Development Block Grant (CDBG) and will be administered by the Arizona Department of Housing (ADOH).

Project Description: The Town of Clarkdale plans to make ADA improvements to the Memorial Clubhouse located at 19 N Ninth Street, Clarkdale, AZ 86324. This facility is owned and maintained by the Town of Clarkdale. Improvements include: 1) ADA modifications to the existing men's and women's restrooms, including sinks, toilets, urinals, partitions, grab bars, dispensers, mirrors, flooring and wall tile, and relocating or replacing existing doors and door frames; 2) Construction of one women's restroom, including two (2) toilets, two (2) sinks, partitions, dispensers, flooring, plumbing and electrical work; 3) Installation of a double entry door with push button operator; and; 4) Installation

of one (1) ADA compliant entry ramp. No land acquisition or easements will be necessary. The project will benefit approximately 763 disabled residents of the Town, all (100%) of whom are considered low to moderate income.

The Town conducted a pre-proposal meeting on July 22, 2015 at 2:00 pm. The meeting was held in the Ladies Lounge, and included a tour of the Clarkdale Memorial Clubhouse Complex.

All SOQs delivered to the office of the Town of Clarkdale, 15 N. Ninth St., Clarkdale, AZ 86324 or mailed to the office of the Town of Clarkdale, P.O. Box 308, Clarkdale, Arizona, 86324, on or before 11:00 am (Arizona Time) on August 3, 2015 were reviewed for completeness and forwarded to the Selection Committee for review and ranking. The Selection Committee consisted of:

- Wayne Debrosky, Public Works/Utilities Director
- Art Durazo, Public Works Superintendent
- Ellen Yates, Administrative Supervisor
- Curt Bohall, Town Council
- Dennis Inman, Citizen Representative

Two (2) complete SOQ packets from the following A/E were forwarded to the Selection Committee for review:

- Architecture Works Green, Inc.
- M3 Engineering & Technology Corp.

Following the evaluation criteria, outlined in the RFQ Packet dated May 2015, the Selection Committee ranked Architecture Works Green, Inc. the higher of the two SOQ submissions. The Selection Committee also directed the Public Works/Utilities Director to prepare a Staff Report for Town Council to approve the recommendation for Architecture Works Green, Inc. to provide professional services for the design of the Town of Clarkdale Memorial Clubhouse ADA Improvements. The Committee also recommended that Town Council direct staff to enter into contract discussions with Architecture Works Green, Inc. to provide those services. Any contract or agreement for professional services would be brought before Town Council at a later date for review, discussion, and action.

Oral interviews were not part of the selection process.

Utilities/Public Works Director Wayne Debrosky presented this item to Council. Debrosky explained the selection process and noted that the firm that was chosen would not interfere with ongoing activities taking place in the facility and they should also submit plans and examples of similar designs they have created for other jobs. Construction must start by March of 2016 and be complete by November 21, 2016. Selection committee felt that Architecture Works Green, Inc. presented a more compatible and realistic plan.

Vice Mayor Dehnert asked why the cost was so high and if they didn't expend all of the funds would they be available to use for something else. Debrosky stated that is was conceivable they would come in under budget and it is possible that they could use excess funds for other qualifying projects but would require approval from the Department of Housing to make any amendments. Because there are a lot of structural issues with the building, the allocated funds may be used on this project in their entirety. He went on to explain the various unexpected issues that might arise during the project.

Councilmember Bohall moved for the approval of the recommendation of the Selection Committee for Architecture Works Green, Inc. to provide Professional Architectural/Engineering Services for the design of the Town of Clarkdale Memorial Clubhouse ADA Improvements, and authorize staff to enter into contract discussions with Architecture Works Green, Inc. to provide those services. Vice Mayor Dehnert seconded the motion and the motion passed unanimously.

AMENDMENT NO. 1 TO EXCHANGE AGREEMENT NO. 950132, AN AGREEMENT AMONG THE CITY OF COTTONWOOD, TOWN OF CLARKDALE, THE CITY OF SCOTTSDALE, THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT AND THE UNITED STATES FOR THE EXCHANGE OF CENTRAL ARIZONA PROJECT WATER –

Discussion and consideration on the amended Central Arizona Project Trust Fund Agreement between the Central Arizona Water Conservation District (CAWCD) and the Town of Clarkdale.

Cottonwood Water Works, Inc. (CWW) received an allocation of 1,789 acre-feet per annum of Central Arizona Project (CAP) municipal and industrial (M&I) water from the United States Secretary of the Interior in 1983. CWW was unable to utilize that allocation following the issuance of a United States Fish & Wildlife Study (USFWS) completed in 1989 due to loss of habitat for fish, amphibians, garter snakes, and other aquatic animals; loss of riparian resources along the Verde River; and the recommendation that no water withdrawals be made from the relevant reaches of the Verde River.

On August 24, 1998 the Parties entered into Exchange Agreement No. 950132, which allowed for the exchange of CWW's CAP M&I allocation in the amount of 1,789 acre-feet per annum, for monies put in escrow by the City of Scottsdale in the form of an irrevocable trust fund for the benefit of CWW.

On August 2, 2005, CWW entered into an Asset Purchase Agreement whereby its assets were transferred, seventy-four percent (74%) to the City of Cottonwood and twenty-six (26%) to the Town of Clarkdale. As part of that Asset Purchase Agreement CWW's funds and rights under Exchange Agreement No. 950132 were transferred to the City of Cottonwood and the Town of Clarkdale. On January 23, 2006 funds held pursuant to the CWW Trust Fund Agreement were transferred to the City of Cottonwood (76%) and the Town of Clarkdale (26%).

These funds were held in escrow for the purposes of defraying the expenses associated with designing, constructing, acquiring and/or developing an alternative water supply, or acquiring surface water rights in the Verde Valley to replace the CAP allocation which was assigned to the City of Scottsdale under the Exchange Agreement No. 950132.

The Arizona Department of Water Resources (ADWR), which must be consulted prior to the amendment of the Exchange Agreement, has provided a letter consenting to this Amendment of the Exchange Agreement. ADWR also states that, upon execution of this Amendment, ADWR will consider the requirement to acquire surface water rights by the City of Cottonwood and the Town of Clarkdale to have been met for the purposes of reviewing future proposed general plans and individual projects pursuant to the trust fund agreements.

In order to receive monies currently held in escrow, from the Amended Trust Fund Agreement, the Town of Clarkdale needs to have an ADWR determination that a proposed project meets the requirements to

acquire surface water rights, or develop an alternative water supply, as outlined the Amended Trust Fund Agreement.

Utilities/Public Works Director Wayne Debrosky presented background on this agenda item. Debrosky noted that the approval of this amendment would only free up funds for future projects and was not designated for any specific project at this time.

Councilmember Bohall moved to approve and execute Amendment No. 1 to Exchange Agreement No. 950132, the Central Arizona Project Trust Fund Agreement between the Central Arizona Water Conservation District (CAWCD) and the Town of Clarkdale. Vice Mayor Dehnert seconded the motion.

Discussion followed. Town Manager Mabery noted that the money from the Scottsdale sale has been held in trust since approximately 1997. The Town of Clarkdale's portion of the trust is \$186,000. By loosening the parameters of how these funds could be spent, Vice Mayor Dehnert asked what the benefit to the Town would be and Mabery stated that \$6500 of the total is restricted for purchase of surface water rights and that is the total of what has been loosened up by this agreement.

The motion passed unanimously.

THE 89A BOOSTER PUMP STATION AT THE 89A HASKELL SPRINGS WELL AND RESERVOIR PROJECT – Discussion and consideration of the Booster Pump Station at the 89A Haskell Springs well and reservoir project and direction to the Public Works/Utilities Director to draft a contract with Felix Construction for the design and construction of the project.

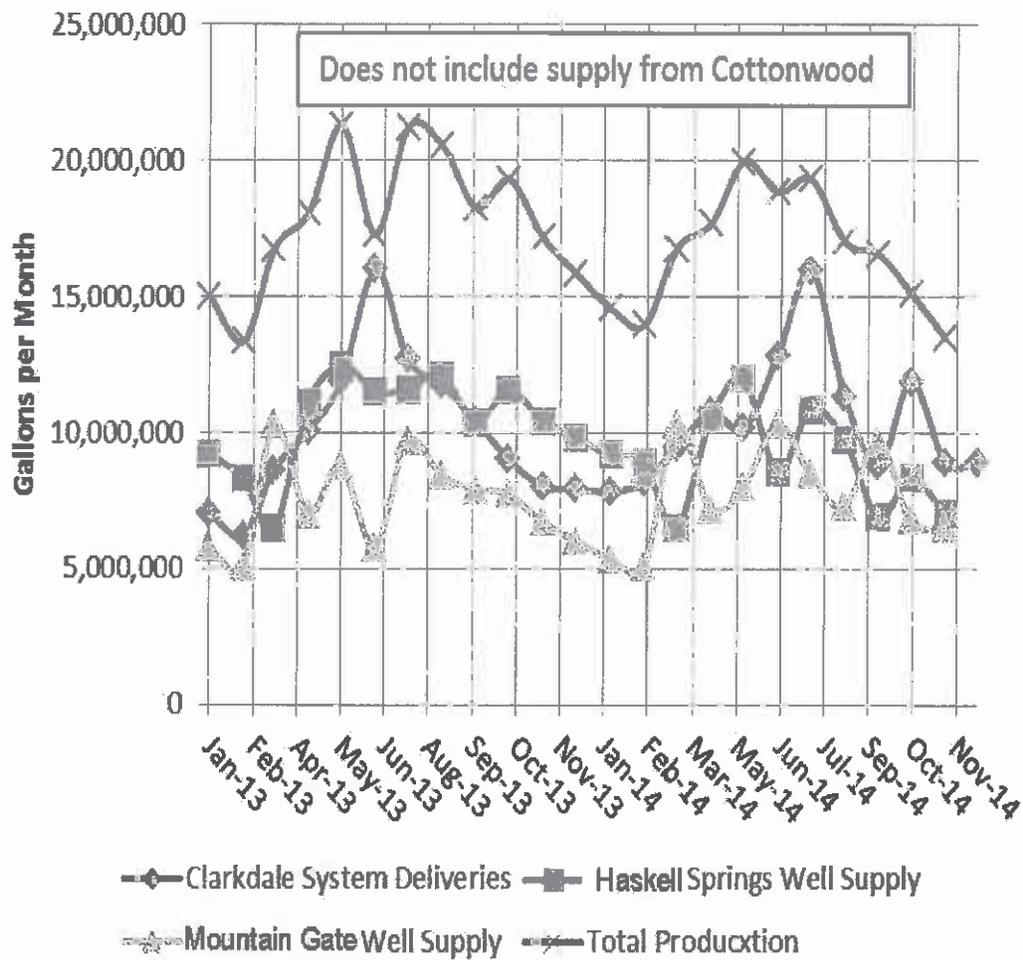
The Haskell Springs Well and Reservoir System has historically been stressed yearly during the summer months when the user demand has increased and well production has decreased. The Haskell Springs Well, in recent years, has been impacted by lowering ground water levels that are likely due to the continuing drought conditions in the Verde Valley. During the summer, that well's static level has been lowered to point that the Town of Clarkdale has had to curtail pumping and supplement the Haskell Springs Well production with potable water supplied from the inter-municipal connection with the City of Cottonwood. During June 2013 the City of Cottonwood supplied 2.8 million gallons to the Town of Clarkdale through the inter-municipal connection, and by June 2014 this amount had increased by 25% to 3.5 million gallons.

The normal Haskell Springs Well production rate is 360 gallons per minute (gpm) while the Mountain Gate Well can produce more than 660 gpm. In June 2014, due to high usage and dropping dynamic well levels, the production from the Haskell Springs well had dropped off from 360 gpm to 250 gpm with a maximum production capability of 360,000 gallons per day. This means that the Haskell Springs Well would need to run 24 hours per day or 1440 minutes per day in order to produce 360,000 gallons with no time off in order to rest the well and allow recovery. This represents a drop of over 30% in production from the Haskell Springs Well. Demand during this same time for the area served by the Haskell Springs Well averaged over 400,000 gallons per day. This necessitated supplementing production from the Haskell Springs Well with water from the City of Cottonwood via the inter-municipal connection to meet daily usage demands and allow the Haskell Springs well some time to recover.

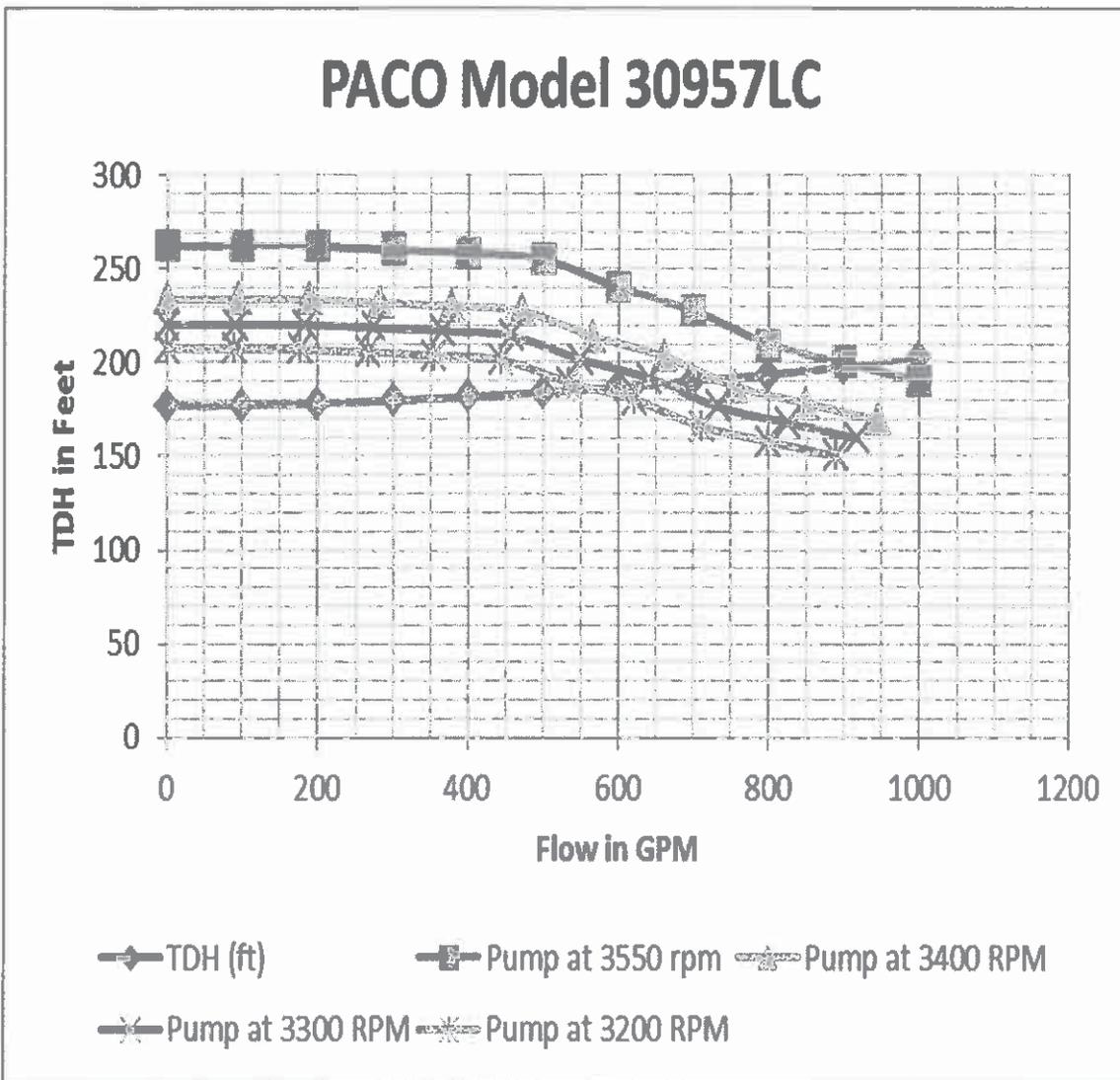
Instead of receiving water from Cottonwood the Town of Clarkdale could use the excess capacity from the Mountain Gate Well, if there was a way to convey water from the 89A Reservoir to the Haskell Springs Reservoir. The Haskell Springs Reservoir site is approximately 150 feet higher in elevation than the 89A Reservoir site. In order to transfer water from the 89A Reservoir to the Haskell Springs Reservoir we would need to install a booster pump system at the 89A Reservoir Site that could pump water to the Haskell Springs Reservoir. This would allow the town to independently manage Haskell Springs Well shortfalls without purchasing water from the City of Cottonwood. Also, with this excess pumping capability, the Mountain Gate Well would serve as a backup to the Haskell Springs Well. Currently the only backup to the Haskell Springs Well is the inter-municipal connection with the City of Cottonwood.

The following graph shows the water demand and the supply sources (except flow from Cottonwood). The chart reveals that, although the Mountain Gate Well has a higher capacity than the Haskell Springs Well (660 gpm v. 300 gpm), most of the water that is supplied to the distribution system comes from the Haskell Springs Well. This is because there are two separate service areas: one served from the Haskell Springs Reservoirs and one served from the 89A Reservoirs.

Clarkdale Water Supply



The following curve shows a 50 horse power (hp) pump driven by a variable frequency controller could supply from 600 to 800 gpm:



Over an 8 hour night time pumping period, the pump could supply 300,000 to 384,000 gallons into the Haskell Springs storage tanks, which is three times the average daily supply from Cottonwood during June, 2014. Mountain Gate supplied 10,000,000 gallons during June, 2014. At 550 gpm pumping (and treatment capacity) the pumps operated about 10 hours/day. Supplying the required 3,000,000 gallons per month amounts to 115,000 gallons/day or another three hours/day of operation. If a booster pump is installed, the Clarkdale system would be independent and each well system would back up the other well system and excess water could be moved from the Mountain Gate system to the water short Haskell Springs system.

A memorandum dated March 30, 2015, from Fred Goldman P.E. the design engineer, was used as a basis for the further development of this project. The Town has engaged with Mr. Goldman and Felix Construction in a design-build process, a state approved procurement method, to design and construct this project. The attached cost proposal from Felix Construction shows a guaranteed maximum price (GMP) for this project of \$210,240.37, and when adding a ten percent (10%) Owner's Contingency of 21,024.03 it brings the total project cost to \$231,264.30. The Town intends to use Central Arizona Project (CAP) Trust Fund Monies in the amount of \$186,000.00 to fund a majority of project costs. The

amount of \$45,264.30 that is in excess of the \$186,000.00 available from the CAP Trust Fund Monies would be funded, by Council action, from designated funds for Water Resource Development Projects.

Utilities/Public Works Director Wayne Debrosky presented information on this agenda item. This item would use the trust funds of \$186,000 with some additional water development funds to finish design on and build the 89A booster pump system project.

Debrosky clarified the cost and what the \$231,264.30 would entail and stated that booster pump system would extend the life of the Haskell Springs Well. He stated that improvements would be included in the price including costs for security, modifications to bring current site up to code, controls would be moved, new chlorination site with all safety features (eye wash station), etc.

Councilmember Buckley moved to approve this project for the amount of \$210,240.37, plus a ten percent (10%) owner contingency of \$21,024.03, for a total amount of \$231,264.30 and direct the Public Works/Utilities Director to draft a contract with Felix Construction for the design and construction of the 89A to Haskell Springs Water Booster System Project. Councilmember Bohall seconded the motion. The motion passed unanimously.

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

- Request for Yavapai-Apache Nation’s Chairman Beauty or his representative to make presentation on Federal Water Settlement for the Verde Valley.

ADJOURNMENT – Without objection Mayor Von Gausig adjourned the meeting at 4:04 P.M.

APPROVED:

ATTESTED/SUBMITTED:

Doug Von Gausig, Acting Mayor

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 25th day of August, 2015. I further certify that meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2015.

SEAL

Kathy Bainbridge, Town Clerk

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of our residents have received funds through LIHEAP that were previously managed and administered through Catholic Charities. Under this program a family can only receive help once every 366 days and funds from this program are only available May through October. If someone needs help outside of this time frame they have to go elsewhere.

Attys. Robert Pecharich and Gene Neil have studied the Agreement and have reviewed Cottonwood's position that they do a similar contract, and justify the public expense based on public benefit of assisting those in need because it avoids water shut offs, resulting them to be living on the streets, lose their jobs and the resulting drain on other public resources to then assist them. Since this is a small expense, even though this is a gray area, it seems practical not to incur more legal expense in review. They have requested the Agreement to approve as to form.

Utilities Supervisor Ellen Yates presented information on this agenda item. Yates clarified that this would be the first time the program would be funded by the Town of Clarkdale.

Councilmember Bohall moved to approve the Agreement between the Town of Clarkdale and Northern Arizona Council of Governments for Clarkdale Municipal Water Utility Assistance Program. Vice Mayor Dehnert seconded the motion and the motion carried unanimously.

PROFESSIONAL SERVICES FOR THE DESIGN OF THE TOWN OF CLARKDALE MEMORIAL CLUBHOUSE ADA IMPROVEMENTS – Discussion and consideration of the recommendation from the Selection Committee for Architecture Works Green as the architectural/engineering firm to provide professional services for the design of the Town of Clarkdale Memorial Clubhouse ADA Improvements Project for the Town of Clarkdale.

On July 8, 2014 Town Council Approved Resolution #1471 allowing staff to move forward with the submission for FY14 Federal Community Development Block Grant (CDBG) funds and to submit the Letter of Intent with Resolution #1453 to the Arizona Department of Housing for project review and funding. The total amount of funding that was approved for this project was \$266,693.00. After payment of \$5,000.00, to Northern Arizona Council of Governments (NACOG) for project administration, the total balance that is left for design and construction is \$261,693.00.

On July 12th and 17th, 2015 the Town of Clarkdale (Town), by printed legal notices, solicited SEALED Statement of Qualifications (SOQs) for Architectural/Engineering (A/E) Services from qualified firms to design, prepare/develop engineering plans, and prepare construction bid documents for the Memorial Clubhouse ADA Improvements Project (Project). The A/E will be required to prepare and complete project plans, plan documents and specifications. This is a federally funded project through a Community Development Block Grant (CDBG) and will be administered by the Arizona Department of Housing (ADOH).

Project Description: The Town of Clarkdale plans to make ADA improvements to the Memorial Clubhouse located at 19 N Ninth Street, Clarkdale, AZ 86324. This facility is owned and maintained by the Town of Clarkdale. Improvements include: 1) ADA modifications to the existing men's and women's restrooms, including sinks, toilets, urinals, partitions, grab bars, dispensers, mirrors, flooring and wall tile, and relocating or replacing existing doors and door frames; 2) Construction of one women's restroom, including two (2) toilets, two (2) sinks, partitions, dispensers, flooring, plumbing and electrical work; 3) Installation of a double entry door with push button operator; and; 4) Installation

of one (1) ADA compliant entry ramp. No land acquisition or easements will be necessary. The project will benefit approximately 763 disabled residents of the Town, all (100%) of whom are considered low to moderate income.

The Town conducted a pre-proposal meeting on July 22, 2015 at 2:00 pm. The meeting was held in the Ladies Lounge, and included a tour of the Clarkdale Memorial Clubhouse Complex.

All SOQs delivered to the office of the Town of Clarkdale, 15 N. Ninth St., Clarkdale, AZ 86324 or mailed to the office of the Town of Clarkdale, P.O. Box 308, Clarkdale, Arizona, 86324, on or before 11:00 am (Arizona Time) on August 3, 2015 were reviewed for completeness and forwarded to the Selection Committee for review and ranking. The Selection Committee consisted of:

- Wayne Debrosky, Public Works/Utilities Director
- Art Durazo, Public Works Superintendent
- Ellen Yates, Administrative Supervisor
- Curt Bohall, Town Council
- Dennis Inman, Citizen Representative

Two (2) complete SOQ packets from the following A/E were forwarded to the Selection Committee for review:

- Architecture Works Green, Inc.
- M3 Engineering & Technology Corp.

Following the evaluation criteria, outlined in the RFQ Packet dated May 2015, the Selection Committee ranked Architecture Works Green, Inc. the higher of the two SOQ submissions. The Selection Committee also directed the Public Works/Utilities Director to prepare a Staff Report for Town Council to approve the recommendation for Architecture Works Green, Inc. to provide professional services for the design of the Town of Clarkdale Memorial Clubhouse ADA Improvements. The Committee also recommended that Town Council direct staff to enter into contract discussions with Architecture Works Green, Inc. to provide those services. Any contract or agreement for professional services would be brought before Town Council at a later date for review, discussion, and action.

Oral interviews were not part of the selection process.

Utilities/Public Works Director Wayne Debrosky presented this item to Council. Debrosky explained the selection process and noted that the firm that was chosen would not interfere with ongoing activities taking place in the facility and they should also submit plans and examples of similar designs they have created for other jobs. Construction must start by March of 2016 and be complete by November 21, 2016. Selection committee felt that Architecture Works Green, Inc. presented a more compatible and realistic plan.

Vice Mayor Dehnert asked why the cost was so high and if they didn't expend all of the funds would they be available to use for something else. Debrosky stated that it was conceivable they would come in under budget and it is possible that they could use excess funds for other qualifying projects but would require approval from the Department of Housing to make any amendments. Because there are a lot of structural issues with the building, the allocated funds may be used on this project in their entirety. He went on to explain the various unexpected issues that might arise during the project.

Councilmember Bohall moved for the approval of the recommendation of the Selection Committee for Architecture Works Green, Inc. to provide Professional Architectural/Engineering Services for the design of the Town of Clarkdale Memorial Clubhouse ADA Improvements, and authorize staff to enter into contract discussions with Architecture Works Green, Inc. to provide those services. Vice Mayor Dehnert seconded the motion and the motion passed unanimously.

AMENDMENT NO. 1 TO EXCHANGE AGREEMENT NO. 950132, AN AGREEMENT AMONG THE CITY OF COTTONWOOD, TOWN OF CLARKDALE, THE CITY OF SCOTTSDALE, THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT AND THE UNITED STATES FOR THE EXCHANGE OF CENTRAL ARIZONA PROJECT WATER –

Discussion and consideration on the amended Central Arizona Project Trust Fund Agreement between the Central Arizona Water Conservation District (CAWCD) and the Town of Clarkdale.

Cottonwood Water Works, Inc. (CWW) received an allocation of 1,789 acre-feet per annum of Central Arizona Project (CAP) municipal and industrial (M&I) water from the United States Secretary of the Interior in 1983. CWW was unable to utilize that allocation following the issuance of a United States Fish & Wildlife Study (USFWS) completed in 1989 due to loss of habitat for fish, amphibians, garter snakes, and other aquatic animals; loss of riparian resources along the Verde River; and the recommendation that no water withdrawals be made from the relevant reaches of the Verde River.

On August 24, 1998 the Parties entered into Exchange Agreement No. 950132, which allowed for the exchange of CWW's CAP M&I allocation in the amount of 1,789 acre-feet per annum, for monies put in escrow by the City of Scottsdale in the form of an irrevocable trust fund for the benefit of CWW.

On August 2, 2005, CWW entered into an Asset Purchase Agreement whereby its assets were transferred, seventy-four percent (74%) to the City of Cottonwood and twenty-six (26%) to the Town of Clarkdale. As part of that Asset Purchase Agreement CWW's funds and rights under Exchange Agreement No. 950132 were transferred to the City of Cottonwood and the Town of Clarkdale. On January 23, 2006 funds held pursuant to the CWW Trust Fund Agreement were transferred to the City of Cottonwood (76%) and the Town of Clarkdale (26%).

These funds were held in escrow for the purposes of defraying the expenses associated with designing, constructing, acquiring and/or developing an alternative water supply, or acquiring surface water rights in the Verde Valley to replace the CAP allocation which was assigned to the City of Scottsdale under the Exchange Agreement No. 950132.

The Arizona Department of Water Resources (ADWR), which must be consulted prior to the amendment of the Exchange Agreement, has provided a letter consenting to this Amendment of the Exchange Agreement. ADWR also states that, upon execution of this Amendment, ADWR will consider the requirement to acquire surface water rights by the City of Cottonwood and the Town of Clarkdale to have been met for the purposes of reviewing future proposed general plans and individual projects pursuant to the trust fund agreements.

In order to receive monies currently held in escrow, from the Amended Trust Fund Agreement, the Town of Clarkdale needs to have an ADWR determination that a proposed project meets the requirements to

acquire surface water rights, or develop an alternative water supply, as outlined the Amended Trust Fund Agreement.

Utilities/Public Works Director Wayne Debrosky presented background on this agenda item. Debrosky noted that the approval of this amendment would only free up funds for future projects and was not designated for any specific project at this time.

Councilmember Bohall moved to approve and execute Amendment No. 1 to Exchange Agreement No. 950132, the Central Arizona Project Trust Fund Agreement between the Central Arizona Water Conservation District (CAWCD) and the Town of Clarkdale. Vice Mayor Dehnert seconded the motion.

Discussion followed. Town Manager Mabery noted that the money from the Scottsdale sale has been held in trust since approximately 1997. The Town of Clarkdale's portion of the trust is \$186,000. By loosening the parameters of how these funds could be spent, Vice Mayor Dehnert asked what the benefit to the Town would be and Mabery stated that \$6500 of the total is restricted for purchase of surface water rights and that is the total of what has been loosened up by this agreement.

The motion passed unanimously.

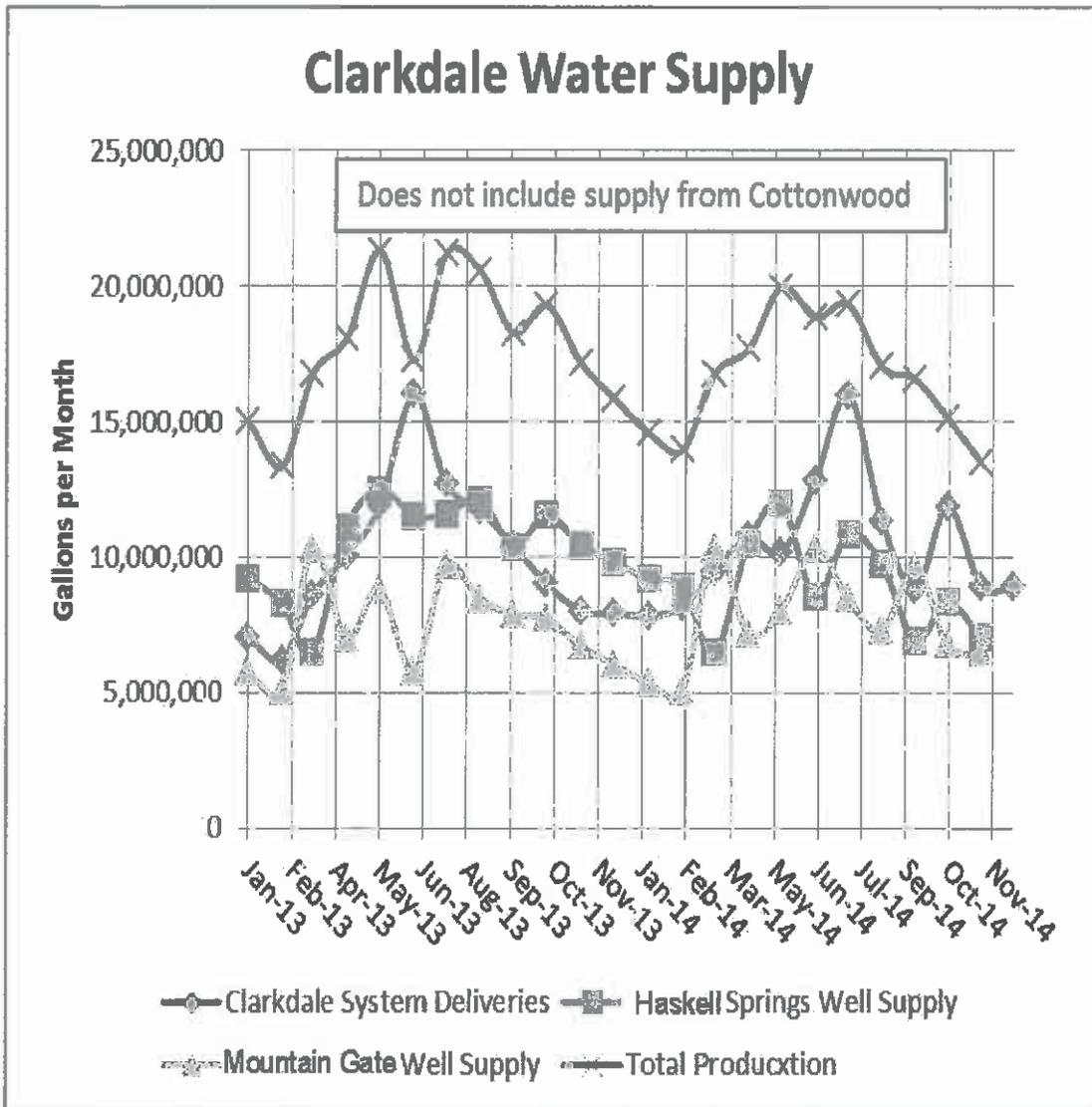
THE 89A BOOSTER PUMP STATION AT THE 89A HASKELL SPRINGS WELL AND RESERVOIR PROJECT – Discussion and consideration of the Booster Pump Station at the 89A Haskell Springs well and reservoir project and direction to the Public Works/Utilities Director to draft a contract with Felix Construction for the design and construction of the project.

The Haskell Springs Well and Reservoir System has historically been stressed yearly during the summer months when the user demand has increased and well production has decreased. The Haskell Springs Well, in recent years, has been impacted by lowering ground water levels that are likely due to the continuing drought conditions in the Verde Valley. During the summer, that well's static level has been lowered to point that the Town of Clarkdale has had to curtail pumping and supplement the Haskell Springs Well production with potable water supplied from the inter-municipal connection with the City of Cottonwood. During June 2013 the City of Cottonwood supplied 2.8 million gallons to the Town of Clarkdale through the inter-municipal connection, and by June 2014 this amount had increased by 25% to 3.5 million gallons.

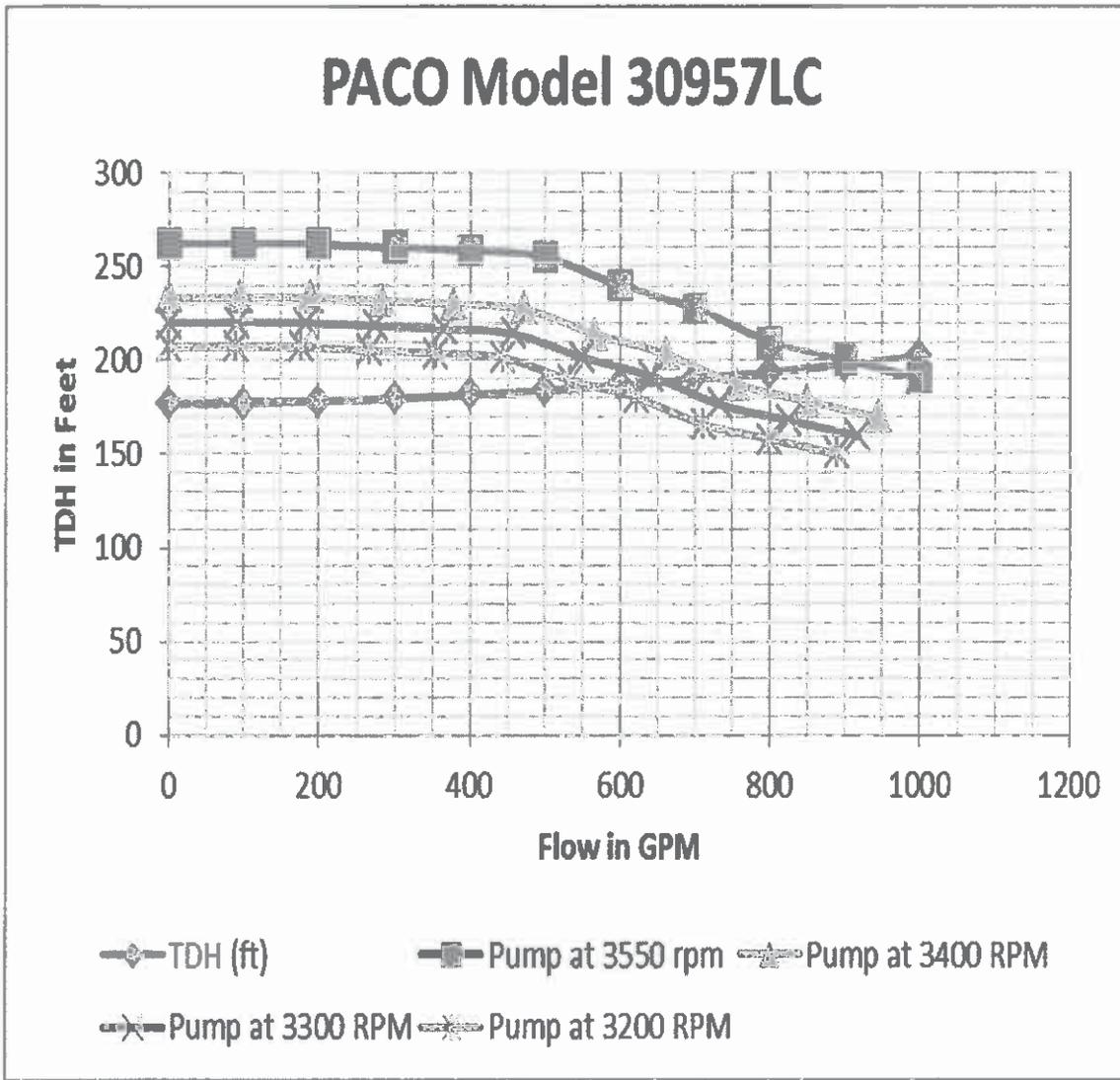
The normal Haskell Springs Well production rate is 360 gallons per minute (gpm) while the Mountain Gate Well can produce more than 660 gpm. In June 2014, due to high usage and dropping dynamic well levels, the production from the Haskell Springs well had dropped off from 360 gpm to 250 gpm with a maximum production capability of 360,000 gallons per day. This means that the Haskell Springs Well would need to run 24 hours per day or 1440 minutes per day in order to produce 360,000 gallons with no time off in order to rest the well and allow recovery. This represents a drop of over 30% in production from the Haskell Springs Well. Demand during this same time for the area served by the Haskell Springs Well averaged over 400,000 gallons per day. This necessitated supplementing production from the Haskell Springs Well with water from the City of Cottonwood via the inter-municipal connection to meet daily usage demands and allow the Haskell Springs well some time to recover.

Instead of receiving water from Cottonwood the Town of Clarkdale could use the excess capacity from the Mountain Gate Well, if there was a way to convey water from the 89A Reservoir to the Haskell Springs Reservoir. The Haskell Springs Reservoir site is approximately 150 feet higher in elevation than the 89A Reservoir site. In order to transfer water from the 89A Reservoir to the Haskell Springs Reservoir we would need to install a booster pump system at the 89A Reservoir Site that could pump water to the Haskell Springs Reservoir. This would allow the town to independently manage Haskell Springs Well shortfalls without purchasing water from the City of Cottonwood. Also, with this excess pumping capability, the Mountain Gate Well would serve as a backup to the Haskell Springs Well. Currently the only backup to the Haskell Springs Well is the inter-municipal connection with the City of Cottonwood.

The following graph shows the water demand and the supply sources (except flow from Cottonwood). The chart reveals that, although the Mountain Gate Well has a higher capacity than the Haskell Springs Well (660 gpm v. 300 gpm), most of the water that is supplied to the distribution system comes from the Haskell Springs Well. This is because there are two separate service areas: one served from the Haskell Springs Reservoirs and one served from the 89A Reservoirs.



The following curve shows a 50 horse power (hp) pump driven by a variable frequency controller could supply from 600 to 800 gpm:



Over an 8 hour night time pumping period, the pump could supply 300,000 to 384,000 gallons into the Haskell Springs storage tanks, which is three times the average daily supply from Cottonwood during June, 2014. Mountain Gate supplied 10,000,000 gallons during June, 2014. At 550 gpm pumping (and treatment capacity) the pumps operated about 10 hours/day. Supplying the required 3,000,000 gallons per month amounts to 115,000 gallons/day or another three hours/day of operation. If a booster pump is installed, the Clarkdale system would be independent and each well system would back up the other well system and excess water could be moved from the Mountain Gate system to the water short Haskell Springs system.

A memorandum dated March 30, 2015, from Fred Goldman P.E. the design engineer, was used as a basis for the further development of this project. The Town has engaged with Mr. Goldman and Felix Construction in a design-build process, a state approved procurement method, to design and construct this project. The attached cost proposal from Felix Construction shows a guaranteed maximum price (GMP) for this project of \$210,240.37, and when adding a ten percent (10%) Owner's Contingency of 21,024.03 it brings the total project cost to \$231,264.30. The Town intends to use Central Arizona Project (CAP) Trust Fund Monies in the amount of \$186,000.00 to fund a majority of project costs. The

amount of \$45,264.30 that is in excess of the \$186,000.00 available from the CAP Trust Fund Monies would be funded, by Council action, from designated funds for Water Resource Development Projects.

Utilities/Public Works Director Wayne Debrosky presented information on this agenda item. This item would use the trust funds of \$186,000 with some additional water development funds to finish design on and build the 89A booster pump system project.

Debrosky clarified the cost and what the \$231,264.30 would entail and stated that booster pump system would extend the life of the Haskell Springs Well. He stated that improvements would be included in the price including costs for security, modifications to bring current site up to code, controls would be moved, new chlorination site with all safety features (eye wash station), etc.

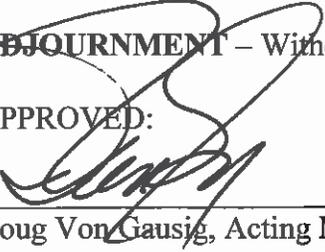
Councilmember Buckley moved to approve this project for the amount of \$210,240.37, plus a ten percent (10%) owner contingency of \$21,024.03, for a total amount of \$231,264.30 and direct the Public Works/Utilities Director to draft a contract with Felix Construction for the design and construction of the 89A to Haskell Springs Water Booster System Project. Councilmember Bohall seconded the motion. The motion passed unanimously.

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

- Request for Yavapai-Apache Nation’s Chairman Beauty or his representative to make presentation on Federal Water Settlement for the Verde Valley.

ADJOURNMENT – Without objection Mayor Von Gausig adjourned the meeting at 4:04 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 25th day of August, 2015. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 04th day of Sept, 2015.

SEAL



Kathy Bainbridge, Town Clerk