

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Tuesday, February 23, 2016**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, February 23, 2016 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 3:00 P.M. by Mayor Von Gausig.

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

Community Development/Economic Director Jodie Filardo

Police Chief Randy Taylor

Utilities/Public Works Director Wayne Debrosky

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 – January, 2016
Magistrate Court Report – January, 2016
Water and Wastewater Report – December, 2015
Residential Garbage and Recycling Statistics – December, 2015 and January, 2016
Clarkdale Fire District Report and Mutual Aid Responses Report – January, 2016
RICO Quarterly Report – October through December, 2015
NAIPTA Transit Report – January, 2016
- B. **Start by Believing Proclamation** – approval of a proclamation declaring the first Wednesday of April of each year to be Start by Believing Day throughout the Town of

Clarkdale.

- C. **Special Event Liquor License for Made In Clarkdale-** Approval of a recommendation to the State Department of Liquor License and Control to approve a Special Event Liquor License for a Made in Clarkdale event to be held on Saturday, March 12, 2016 from 11 a.m. to 3:00 p.m. Town Hall Complex parking lot located at 890 Main Street, Clarkdale, AZ.

Councilmember Buckley moved to accept Consent Agenda items A – C as presented. Vice Mayor Dehnert seconded the motion and the motion passed unanimously.

NEW BUSINESS

VERDE RIVER BASIN WATER RESOURCES PRIMER PRESENTATION – Presentation regarding the "Verde River Basin Water Resources Primer", a book about the Verde River and the threats to its long term health.

The Verde River Basin Partnership has finished a 2 year effort to publish its "Verde River Basin Water Resources Primer". The "Primer" is a scientific 138 page book about the Verde River and the threats to its long term health. The Partnership would like to present this document to the Town of Clarkdale.

Verde River Basin Partnership representative, Chris Jensen, presented information about the Verde River and the book that the partnership formulated to help citizens and governments assist in protecting its long term health. Mr. Jensen presented each Councilmember, Mayor, Vice Mayor and Town Manager with copies of the publication.

Mayor Von Gausig expressed support for the Partnership in its work in educating the public in advocacy for the River.

This agenda item is a presentation only and no Council action is necessary.

PERMANENT BASE ADJUSTMENT WORKSESSION – Discussion regarding options and timelines for a proposed Permanent Base Adjustment Proposition on the August 30, 2016 Primary Election.

The Arizona Constitution imposes expenditure limitations on all cities and towns in the state. These limitations are based on each municipality's actual expenditures in 1979-80. The Constitution also allows the voters of a city or town to approve a temporary or permanent adjustment to these limitations. Approximately 87 percent of all Arizona cities and towns, including Clarkdale, operate under either a temporary or permanent alternative expenditure limitation.

A Permanent Base Adjustment is an adjustment to the maximum amount of money the Town would otherwise be allowed to spend under state law. It simply allows the Town to spend the money it already collects on needed services and infrastructure projects. A Permanent Base Adjustment does not increase taxes or allow the Town to spend more money that it has, it simply asks voters to allow the Town to spend the money it collects.

Like most municipalities in Arizona, Clarkdale has experienced significant growth since 1979. In fact, the Town's population has more than tripled in that time, from approximately 1,200 residents in 1979 to a current population of approximately 4,093. Moreover, the Town now provides many services it did not provide in 1979.

In 2014, the Town of Clarkdale received voter approval to adopt a Home Rule Option to apply to the town for four years beginning in 2015-2016. Under the Home Rule Option approved by the voters, the town is allowed to expend approximately \$21,268,974 in 2015-2016, \$22,332,423 in 2016-2017, \$23,449,044 in 2017-2018 and \$24,621,496 in 2018-2019. Without the adopted Home Rule Option the base limit of \$2,570,908 along with estimated exclusions would be about 9.5 million dollars. The 2015-2016 Budget was \$16,720,460.

Any city or town can permanently adjust its State imposed expenditure limitation base if a majority of the qualified electors voting on the issue at a regular (primary or general) city or town election or the state general election vote in favor of the adjustment. A base adjustment may be referred to the voters of the city or town by an affirmative vote of two-thirds of the members of the council.

The Call of Election should include the base limitation adjustment proposal, as one of the purposes of the election. Formerly, a city/town council contemplating the adoption of a Permanent Base Adjustment was required to hold two public hearings on the proposed action, and to publish a record of the vote on the proposed Permanent Base Adjustment. The Auditor General's office has issued an interpretation stating that A.R.S. § 41-563.01 does not apply to Permanent Base Adjustment elections and thus the requirements for hearings and publications in that section are not applicable. However, the city/town council is still required to pass a resolution on the proposed Permanent Base Adjustment in an open meeting, but no record of that vote needs to be published.

At least 60 days prior to a regular election, a detailed analysis and summary of the adjustment must be submitted to the Auditor General for review. Within 15 working days of receiving these reports, the Auditor General must correct any errors or deficiencies in the analysis and summary and provide the council with a copy of each report. No revisions of the analysis or summary can be made after the Auditor General review is complete.

The detailed analysis of a proposed base adjustment to the expenditure limitation must contain the following:

1. Specific area or areas in which expenditures are adjusted.
2. Specific amounts of estimated revenue from each and any source, and any assumptions used in estimating such revenue.

Arguments supporting or in opposition to the proposed base adjustment must be filed with the city/town clerk not less than 90 days before the election.

Not less than 10 days prior to the election, the council must provide, to each household, within the city or town containing a registered voter, a publicity pamphlet which contains the following:

1. A true copy of the title and text of the measure.

2. The form in which the measure will appear on the ballot, the official title, the descriptive title prepared by the clerk and the number by which it will be designated.
3. Arguments for and against the measure.
4. Date of the election.
5. Polling places and the time such polling places are open.
6. A comparative summary of the proposed adjusted expenditure limitation to the State expenditure limitation, as reviewed by the Auditor General.
7. A summary of the source or sources of estimated revenues that are to be used for financing the adjustment to the expenditure limitation or the source or sources of estimated revenues to be reduced as a result of a downward adjustment, as reviewed by the Auditor General.
8. A statement of the purpose or purposes for which the adjustment to the expenditure limitation is to be made. The detailed analysis of the base adjustment must also be made available to registered voters by the clerk upon voter request.

The ballot used for the election must contain a section stating the impact of the modification. If only one proposed adjustment is offered to the voters, the ballot should be in the form used for initiatives and referendums pursuant to A.R.S. § 19-125. If there is more than one proposed adjustment, the ballot must be in a form that allows electors the opportunity to vote on each base limitation adjustment.

Any approved Permanent Base Adjustment must be used in determining a city or town's expenditure limitation beginning with the fiscal year immediately following the approval and every year thereafter or until the city or town again adopts a new base.

Should Permanent Base Adjustment be defeated, the Town would still fall under their current adopted Home Rule through the 2018-2019 budget cycle.

The Call of Election along with the Permanent Base Adjustment Resolution will be brought before Council on March 22, 2016.

Finance Director/Town Clerk Kathy Bainbridge presented an overview of the Permanent Base Adjustment resolution/proposition to the council. After Bainbridge's voice gave out, Town Manager Mabery continued the presentation.

Mayor Von Gausig noted it was good bookkeeping to adopt a Permanent Base Adjustment and wise planning to put it on the ballot in the middle of the adoption by the voters of the Alternate Base Adjustment (Home Rule).

Bainbridge noted that the resolution would probably come back to council in April.

This agenda item is a presentation only and no Council action is necessary.

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

ADJOURNMENT – Without objection Mayor Von Gausig adjourned the meeting at 3:26 P.M.

APPROVED:

ATTESTED/SUBMITTED:



Doug Von Gausig, 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 23rd day of February, 2016. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 9 day of March, 2016.

SEAL



Kathy Bainbridge, Town Clerk