

**Minutes of a Regular Meeting of the Common Council of the Town of Clarkdale
Held on Tuesday, November 8, 2005.**

A Regular meeting of the Common Council of the Town of Clarkdale was held on Tuesday, November 8, 2005 at 6:00 p.m. in the Men’s Lounge of the Clark Memorial Clubhouse, 19 North Ninth Street, Clarkdale, Arizona.

Town Council:

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| Mayor | Doug Von Gausig |
| Vice Mayor | Jerry Wiley |
| Councilmember | Frank Sa |
| | Patricia Williams |
| | Tim Wills |

Town Staff:

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| Town Manager | Gayle Mabery |
| DeputyTown Clerk | Janet Perry |
| Town Attorney | Anna Young |
| Com. Dev. Director | Sherry Bailey |
| Public Works Director | Steven Burroughs |
| Police Chief | Pat Haynie |

Others in Attendance: Robyn Prud’homme-Bauer, Charlie Scully and Curt Bohall.

AGENDA ITEM: CALL TO ORDER - Mayor Von Gausig called the meeting to order at 6:05 p.m. and noted that all Council members were present.

AGENDA ITEM: PUBLIC COMMENT – None.

AGENDA ITEM: INFORMATIONAL REPORTS-

MAYOR’S REPORT – A report from the Mayor on current events. Mayor Von Gausig stated the following:

1. He attended a regional training on meetings conducted by Jessica Funkhouser, which always offers something new. He noted that special consideration should be given to conflict of interest.
2. The Town is waiting for the Corporation Commission so the town can assume ownership of the water company.
3. There will be a presentation by the Preservation Institute at the Planning Commission meeting.

4. He attended a County Board of Supervisors meeting where many concerns were expressed regarding the county facility in Prescott. They voted to eliminate the proposed site yesterday.
5. There is now a monthly schedule for meetings with the Mayor, Town Manager and individual council members.

TOWN MANAGER’S REPORT – A report from the Town Manager on current events.

Town Manager Mabery stated the following items:

1. Town Hall will be closed Friday for Veteran’s Day and Thursday and Friday for Thanksgiving.
2. The Special Council meeting will be on November 15th. Staff is looking at holding the December 13th meeting, but not the 27th. Potentially there will be additional water related meetings coming up in December.
3. Santa will be in the park December 3rd.
4. The roundabout seems to be working well for all vehicles.
5. She recognized Don Eberle and thanked him for his service to the Town. He is the only Department Head that is a contracted employee.

NACOG - A report regarding the Northern Arizona Council of Governments. No report.

NAMWUA - A report regarding the Northern Arizona Municipal Water Users Association. Mayor Von Gausig stated he attended the 10/14 meeting where they talked about various techniques of arsenic abatement, issues affecting wells in the area and the wide ranging levels of arsenic. Tom Witmer explained HB2277, which the Town will have to comply with in 2008. Arizona Department of Water Resources announced the new water atlas is due out in January 2006 and will contain information on over 600 studies and 600 maps in Arizona. Most communities, including Clarkdale, use a coagulation filtration system. NAMUA has amended its dues structure and the Town’s portion

of expenses should be less.

WAC - A report regarding the Yavapai County Water Advisory Committee.

Mayor Von Gausig stated this group discussed many of the same issues as NAMUA and Chino Valley gave a report on water use land preservation.

CATS - A report regarding the Cottonwood Area Transit System. No report.

COCOPAI - A report regarding the Coconino Yavapai Resource Conservation District. Meeting will be on 11/21.

VVLPI - A report regarding the Verde Valley Land Preservation Institute.

Councilmember Williams stated they set an agenda for November 30th when they will discuss the Sonoran Desert Conservation Plan.

AGENDA ITEM: 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 approved with one motion. Any items may be removed for discussion at the request of any Council Member.

Councilmember Sa pulled Item G. Vice-Mayor Wiley moved to approve Items A, B, C, D, E, F, and H. Councilmember Wills seconded and the motion passed unanimously.

Item G - Councilmember Sa noted the phrase "support Council meetings with attendance" in paragraph 6.2 on page 4 of the Fire District IGA, and asked why the Fire Chief was not represented at the Strategic Planning meeting on November 5th. Town Manager Mabery stated she excused the Fire Chief for various reasons and had a discussion prior to the meeting with the Mayor to approve it. Councilmember Sa moved to approve Item G. Councilmember Williams seconded and the motion passed unanimously.

A) Approval of Minutes of the Common Council - Approval of the minutes of the Regular Meeting held September 13, 2005 (tabled from the October 11, 2005 Regular Meeting), the Regular Meeting held October 11, 2005, and the Special Meeting held October 25, 2005.

B) Claims - List of specific expenditures made by the Town during the previous month.

C) Board and Commission Minutes - Acknowledgement of receipt of minutes and draft minutes of the previous month's Board and Commission meetings.

Board of Adjustment - October 26, 2005

Design Review Board - October 24, 2005

Heritage Conservancy Board - October 10, October 17 and October 19, 2005

Library Advisory Board - October 6, 2005

Parks and Recreation Commission - September 26, October 10 and October 17, 2005

Planning Commission - October 17, 2005

D) Reports - Approval of written Reports from Town Departments and Other Agencies.

Cottonwood Area Transit System (CATS)

Operations - September, 2005,

Fire Department and Mutual Aid Responses - October, 2005,

Magistrate Court - September, 2005,

Police Department - October, 2005.

E) Resolution - Approval of a Resolution declaring as a public record that certain document filed with the Town Clerk and entitled the "Zoning Code of the Town of Clarkdale".

F) Ordinance - Approval of an Ordinance adopting that certain document filed with the Town Clerk entitled the "Zoning Code of the Town of Clarkdale", by reference.

G) Agreement - Approval of an intergovernmental agreement with Verde Valley Fire District for Fire Department Administrative Services.

H) Agreement - Approval of restated employment agreement between the Town of Clarkdale and Town Manager Mabery.

AGENDA ITEM: PUBLIC HEARING - A hearing to receive input from the public regarding the Home Rule Option (Alternative Expenditure Limitation).

Town Manager Mabery noted this was the first of two hearings regarding the Home Rule Option, with the second one to be held on November 15th and read the following report:

In 1980, Arizona voters approved a measure that placed an expenditure limitation on cities and towns. However, recognizing that individual communities have vastly different revenues and expenses, the legislation allowed local voters to approve an exception to the state imposed expenditure limitation. Under that exception, or Home Rule, the local voters give their locally elected officials the right to analyze the city or town's revenues and expenses and adopt a budget each year wherein expenses for local services are provided in a manner that is appropriate, given the local revenue sources.

The alternative to Home Rule is the state imposed expenditure limitation, wherein a city or town may only expend a certain amount of funds regardless of the revenue or needs. The budget is limited by the state-imposed ceiling, which is set by a 1980 formula that has been adjusted each year for inflation. For most cities and towns in Arizona, including Clarkdale, the state imposed limitation is below the amount of revenues that it generates. This creates a situation where the city or town has the revenue on hand to provide needed services, but is unable to expend those funds and provide the services the community desires because of the state imposed spending limit.

Under the Alternative Expenditure Limitation (Home Rule Option) the city or town may determine its own expenditures based on its budget. With voter approval, the Town is limited to the expenditure of estimated available revenues, whether such expenditures are less than, or more than, the state imposed limit.

For cities and town to use the Home Rule Option, the voters must initially approve the Option on a ballot, which Clarkdale did in 1980. For the Home Rule Option to continue, it must be approved by the voters every four years. Clarkdale voters have approved the Home Rule Option every four years since 1980. Therefore the Town currently operates under the Home Rule Option.

If voters approve the Home Rule Option on March 14 2006, Clarkdale will continue to use that authority to set the local budget to meet our expected needs, including emergency services, municipal utilities, parks/historic preservation, cemetery, streets, grants/other funds and other government services. Revenues received from federal, state and local sources will be used to fund such expenditures (the town property is limited to the amount prescribed in the Arizona State Constitution.

In order to place the extension of the Home Rule Option on the ballot, the council must adopt a resolution to that effect at the second public hearing.

Town Manager Mabery, in response to a question whether any income over the state imposed limitation, if not spent, would be retained, stated it would be banked by the town, but would not be usable. In areas where growth is an issue, the implications are more critical because expenditure amounts were based on 1980 statistics. She does not know of any municipalities not under Home Rule. Sedona at one time did not pass the Home Rule Option and it posed numerous problems. They ended up re-educating the public and presented the Option again before the four years were up and it passed.

Without objection, the public hearing was opened. There was no public comment.

AGENDA ITEM: CONTRACT – Discussion and consideration of acceptance of a grant from Water/Wastewater Infrastructure Finance Authority (WIFA).

Public Works Director Burroughs stated this grant was begun under the previous financial director. It requires approval to sign and move forward.

\$35,000 goes to design documentation for a new wastewater treatment plant.

Councilmember Wills moved to authorize the application to Water Infrastructure Finance Authority (WIFA) for a Technical Assistance Grant. Councilmember Sa seconded and the motion passed unanimously.

AGENDA ITEM: CONTRACT – Discussion and consideration of a contract for the design of the new wastewater treatment plant with Stantec Consulting.

Public Works Director Burroughs explained that the \$530,111 cost of this contract is a bit deceiving as it does not encompass everything. He discussed the costs of discharge engineering reports, design and mechanical engineering. The time frame includes nine month design time, two months bid time, and fourteen to fifteen months of build-out time to be online by January 2008. Discussion included the

following issues:

1. The development of a riverfront park site as a reclamation area would link up well with the trail system.
2. Have to use odor control and visual screening due to proximity of homes.
3. The railroad trestles that go along the wash will be utilized for the pipelines.
4. The property owner does not wish to open easement near one trestle due to liability exposure.
5. Trestles are a habitat for bats – looking for relocating ideas.
6. Advantages of bats living in the area.

Vice-Mayor Wiley moved to approve Attachment A with Stantec Consulting Inc. Councilmember Sa seconded and the motion passed unanimously.

AGENDA ITEM: STRATEGIC PLANNING SESSION – A discussion and review of the Town Council’s November 5, 2005 Strategic Planning Retreat.

Town Manager Mabery reported that the Council selected seven priorities for focus in the coming year:

Highest Ranking Priorities

1. Develop a reclaimed water master plan.
2. Develop short and long-term water policies.
3. Adopt policies for use the 1% Construction Sales Tax revenue and one-time construction generated revenues.

Other Goals for the year:

4. Initiate a study on development impact fees and adopt a set of impact fees.
5. Finalize and adopt a 5-year staffing plan.
6. Analyze staff compensation and make adjustments to remain competitive in the regional (Verde Valley) market.

7. Complete the upgrades to the current wastewater plant. Construct an effluent delivery line to the new disposal location. Embark on design, permitting and construction of a new wastewater treatment facility.

8. Schedule a worksession with Parks and Recreation to discuss long-term facilities planning.

Mayor Von Gausig noted the Town has accomplished many things since last year. Reclaimed Water is the plan that states where all of the water will go in the future. The Town has responsibility for creating water policies. No decisions were made on how to use the construction sales tax when it was instituted. An impact fee study will be on the December 13th agenda. Staff is working on a 5-year staffing plan now because the Town needs to keep attracting and retaining quality people.

Town Manager Mabery stated that project managers to keep council advised and on track for these priorities will be assigned at the staff meeting on Monday.

AGENDA ITEM: FUTURE AGENDA ITEMS - Listing of items to be placed on a future council agenda. None.

AGENDA ITEM: ADJOURNMENT - With no further business before the Council, and without objection, the meeting adjourned at 7:13 p.m.

APPROVE:

Doug Von Gausig, Mayor

ATTEST:

Janet Perry, Deputy Town Clerk

SUBMIT:

Charlotte Hawken, Admin. Assistant