

Minutes of a Special Meeting of the Common Council of the Town of Clarkdale Held on Tuesday, April 24, 2007

A Special meeting of the Common Council of the Town of Clarkdale was held on Tuesday, April 24, 2007 at 6:00 p.m. in the Men’s Lounge of the Clark Memorial Clubhouse, 19 North Ninth Street, Clarkdale, Arizona.

Town Council:

Mayor	Doug Von Gausig
Vice Mayor	Jerry Wiley
Councilmember	Frank Sa
	Curtiss Bohall
	Patricia Williams-Absent

Town Staff:

Town Manager	Gayle Mabery
Ass’t to the Town Manager	Janet Perry
Public Works Director	Steven Burroughs
Finance Director	Carlton Woodruff
Police Chief	Patrick Haynie
Fire Chief	Don Eberle
Community Dev. Dir.	Sherry Bailey

Others Present: Robyn Prud’homme-Bauer, Ellie Bauer, Katie Cannon, Marie Hall, Dave Andrews, Lynn Treimer, Roberta Westcott, Bill and Curt Snyder, carol Johnson, Drake Meinke, James Picone, Marshall Vitale, Peg Sarkisian and others whose names were not legible.

AGENDA ITEM: CALL TO ORDER –

Mayor Von Gausig called the meeting to order at 6:00 p.m. and noted that all Council members were present.

AGENDA ITEM: PUBLIC COMMENT – No public comment.

Robyn Prud’homme-Bauer, Clarkdale, invited everyone to be at the park at noon May 5th for a town picture. The photograph will be used for a commemorative poster for the 50th anniversary of incorporation. She stated that on April 1, 2007 Alcora Marble ceased operation as a manufacturer, but still exists in Clarkdale.

Ellie Bauer, Clarkdale, stated she is not able to stay for the budget item. She stated she knows the

federal government is not funding the Verde River Basin Partnership, and she hopes the town is also not funding it.

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

Councilmember Wiley moved to approve the Consent Agenda items. Councilmember Sa seconded and the motion passed unanimously.

A) Municipal Property Corporation

Appointment – Approval of Resolution #1226 appointing Kerrie Bluff to a term on the Municipal Property Corporation Board of Directors.

B) Council Meeting Location Change – Approval of relocating regularly scheduled Town of Clarkdale Council meetings to Yavapai College, Verde Valley Campus from May 22 through August 28, 2007.

C) Fee Resolution – Approval of Resolution #1227 making changes to the Town’s fee schedule, including pool and private street sign fees.

D) Special Event Liquor License – Approval of a Special Event Liquor License, and the closure of a portion of 10th Street, for a Clarkdale Chamber of Commerce Block Party to be held May 19, 2007.

AGENDA ITEM - WORKSESSION ON SIGN CODE – A worksession and possible direction to staff on Garage/Yard Sale Signs, other temporary signs and the sign code.

Mayor Von Gausig noted that previous Council discussions about enforcement of temporary signs inadvertently resulted in disallowing yard sale signs, which he feels was not the Council’s intent. The police are picking up temporary signs in right-of-ways. He would like to come up with some way to accommodate them, but still is in favor of them not being in right-of-ways.

Vice Mayor Wiley stated that garage sales should

be limited to one per quarter. Signs should be up no earlier than 16 hours in advance and 2 hours after and the address should be on them. He feels it is okay to have signs at the curb line. Some property lines are far away from the road.

Councilmember Sa feels yard sale signs are okay in the right-of-way and on the sidewalk, but not in the street.

Councilmember Bohall noted that in upper Clarkdale people take care of the town right-of-way between the property line and the road surface. He doesn't have a problem with yard sale signs as long as they are taken down. He doesn't mind having them in the right-of-way as long as they are not in the street.

Police Chief Haynie stated that to have signs on state right-of-way is against state law. He noted the possible problems with boxes blowing across the road. They have large rocks in them or are affixed on stop signs. He feels that if signs are off the pavement and are not creating visibility problems, then they are probably okay. She noted that there can be visibility issues with multiple signs at one location. The width of a car off the pavement would be reasonable.

Community Development Director Bailey stated that the Planning Commission talked about a number of temporary signs. They felt that as long as they don't block traffic, proliferate in one spot, or blow away they may be okay. There was discussion of limiting the height of the signs so they don't block visibility. She noted another community that got rid of yard signs and they produced a map of yard sale locations in a free paper every week. Generally the Planning Commission didn't want temporary signs in the right-of-way, not just the road surface.

There was discussion of right-of-way areas maintained by adjacent property owners.

Mayor Von Gausig stated he likes the Planning Commission suggestions and also likes yard sale signs being allowed in the right-of-way as long as it is not on the road surface. He opened the item to public comment.

Mayor Von Gausig read a letter from **Peg**

Sarkisian, as follows:

I need to voice my concern about the "Sign Rule". It is my understanding that all "Yard, Estate & Garage Signs" will be removed by either Police Officers or Town maintenance if placed on public land, that is just wrong. Most (not all) people in Clarkdale that have sales on their property are pretty responsible when it comes to picking their signs up after their sales, but there will always be those few who do not pick up after themselves.

When I have sales my signs are up at 8 am and down by 4 pm, always. Many people advertise their sales in the newspaper, it is not wise to put the address of the sale in the ad. So signs are a must for getting people to the sales, we rely on them.

I do understand the reasons for putting restrictions on signs and am all for it to a degree. I would not like to see large billboards or advertising signs in our Town, but we need to be reasonable when it comes to yard sale signs. If it starts there, what about Auctions, Real Estate and Political Signs? Where does it stop? There has to be a compromise.

I was very disappointed to hear that the Lions club rummage sale signs were removed, the sale was not a great success because no one could find it. What a shame for Clarkdale, if a non-profit club like the Lions club can't make a few dollars and this is money that finds its way back into our community.

Roberta Westcott, Clarkdale, stated she has been holding yard sales for thirty years and never once saw more than three signs in one location. She puts hers off the curb. She had a yard sale and put signs on private property and it didn't work. This is the truest form of recycling. She stated she doesn't understand why this is a problem. It is a simple thing. You can put the address on a sign and fine people if they leave them up. Please don't take away yard sales.

Discussion about yard sale signs included the following issues:

1. Signs staying 6 feet from the pavement
2. Signs between curb and sidewalk may not be an issue.
3. Don't obstruct vehicular or pedestrian traffic.

- 4. Write code to allow yard sale signs with the above considerations.
- 5. Common practice to place a rock in a box. This is low in height, but should not contain a boulder. This way they are not attached to signs and fences.

- 4. Impact fees for library and park services are not charged to commercial buildings.
- 5. There is latitude in how much to charge commercial development.

AGENDA ITEM - IMPACT FEE STUDY

WORKSESSION – A worksession and possible direction to staff on the Preliminary Impact Fee Study

Mayor Von Gausig explained impact fees, their purpose and the fees discussed in the study. Community Development Director Bailey presented the staff report, as follows:

Background: MuniFinancial has been working with staff to refine the Impact Fee Study to address some of the issues identified at the last worksession.

The traffic facilities section was reworked to include the expansion of development into the foothills area. The transportation study developed by staff and Willdan, some of the streets were removed because they did not meet the criteria for collector streets.

The tough issues the council still needs to deal with are related to commercial impact fees and the effect they may have on commercial development. Staff has included in this packet a comparison sheet of the commercial development fees charged by other communities in the area..

Recommendation: This is a worksession only, and requires no formal action from the council. Staff would appreciate direction from the council on what refinements they would like to see to the study.

Discussion included the following issues:

- 1. Flagstaff is in the process of doing impact fees.
- 2. Clarkdale’s proposed impact fees, compared to other Arizona communities, are on the higher end.
- 3. Concern of negatively affecting commercial development.

Mayor Von Gausig opened the item to public comment. **Robyn Prud’homme-Bauer**, Clarkdale, thanked Community Development Director Bailey for meeting with a group of citizens about the fees. She asked where the numbers in the study came from and about specific items. A number of roads included only benefit residences. She feels businesses will be deterred from coming to Clarkdale, especially when neighboring communities have no or low impact fees. She believes that someone building a commercial structure wants a two to three year return on investment, but impact fees stretch over thirteen years. Rental rates will go up. There is a negative impact to businesses in the short term. In the long term, infrastructure can be a benefit. Do we want businesses to come to Clarkdale? Do we want to continue to be a bedroom community? The cost of impact fees are rarely paid by developers. They are passed on to residences. Fees can negatively affect the ability to have reasonable or affordable housing. She suggests impact fees be proportionate to the size of the house. She encouraged the council to reach out to talk to residents and businesses. Do we want to be the working town of our history with many income levels?

Mayor Von Gausig noted staff had a discussion with MuniFinancial about commercial impacts to residential roads, who said there is an impact.

Community Development Director Bailey stated the discussion with MuniFinancial about the number of workers they used was a standard accepted formula that generally balances out over time. If you look at employers and residential development, the figure is not far off. They look at the replacement value of parks and that establishes the level of service. The average water demand came from rate studies.

Ellie Bauer, Clarkdale, questioned the notion of using a formula and base outside of Clarkdale. She stated she thinks that is a lousy and inaccurate statistical base to use. It is generalized from somewhere and has no meaning for Clarkdale. She

stated she has lived through impact fees and appreciate they are a quick fix. She urged the Council to really do a study of Clarkdale that reflects this community. She stated she feels that Clarkdale should forget the whole idea.

Mayor Von Gausig stated that MuniFinancial did very specific studies of Clarkdale and he feels the study is very Clarkdale specific.

Michael Bluff, Clarkdale, stated he reviewed the study. He asked what the town envisions as commercial development. He has one of the businesses downtown and would like to make a profit. It is a philosophical policy decision if the town really wants to encourage commercial development or not. He stated he feels fees will scare off commercial businesses from locating here. Add another \$30,000 to the cost of a permit and maybe they won't build here. He questioned the model and the premise that Clarkdale needs 50 acres of park space. Does Clarkdale really need it or did someone from somewhere else decide that is what it should be? Other places that have impact fees for administration have huge beautiful facilities. That standard may not be appropriate. The level of service for streets is 90% of the impact fee. Does Clarkdale really need this level of service? New development is putting in streets, so what streets will Clarkdale need to put in? If the town is going to assume dedication of private roads and pay to bring them up to a standard, then these fees are justified. The town has always taken the position that if you are on a private road, the town won't accept dedication unless the owners improve it.

Community Development Director Bailey stated that Willdan conducted a study of collector roads, not small private roads. The collector roads have to start improving. Developers do not improve collector roads.

Town Manager Mabery stated there are some cases where a developer may make an offsite improvement to a collector road in exchange for a credit to their impact fees. Forty five percent of the cost of these roads, the study says, should be borne by new development.

James Picone, Clarkdale, stated he got heavily

involved in a Verde Valley economic development group. Using impact fees to control growth will not work. This is a healthy discussion since growth has an impact. He noted other communities who have been successful. The most important thing businesses consider when relocating is the readiness of the community's infrastructure and the town's ability to respond quickly. Credits are low on the list of importance. Residential development doesn't pay for itself. No growth means the death of the town. He feels the suggested fees are a heavy deterrent.

Mayor Von Gausig stated the study reflects the actual costs of growth and therefore someone has to pay for it. He is sensitive to the fact of what businesses need and is grappling with the threshold. He stated he feels water and wastewater impact fees should not be discounted for commercial businesses. The cost/benefit of supplementing streets impact fee for commercial. He stated he is sensitive to affordable housing issues. Clarkdale is competing with Cottonwood for new businesses. He feels they should accept MuniFinancial figures and feels they are applicable to Clarkdale.

Vice Mayor Wiley stated that real estate taxes are already at a maximum. He stated he doesn't feel that new development should be supplemented by existing businesses and residents. He could go to Cottonwood and avoid some fees, but he doesn't want to live in Cottonwood. He is also leery, but still feels the town can bring in businesses.

Councilmember Sa stated he feels businesses will be deterred by the proposed impact fees. He relayed a discussion he had with a resident recently who wants to leave Clarkdale. The town needs development, but he feels the numbers being considered will be a deterrent. He feels the base fees used need to be looked at closer to reflect Clarkdale. The fees are high for residential construction also. He agrees the streets need improvement and have to be paid for somehow, but fees need to be looked at more closely. How can Prescott Valley do what they are doing with a small fee of \$1,400 for commercial construction?

Town Manager Mabery noted that the commercial fee in Prescott Valley is likely subsidized through

the residential fee.

Councilmember Bohall stated that in reality, the town has to have impact fees. It is going to come to a point when someone will have to pay for satisfying the needs. He is willing to pay some as a resident, but not all. He would like to see a lower commercial impact fee if possible.

There was a consensus that the Council is comfortable with all but street fees. There was a suggestion that the Council look at a map with the roads included in the study and they could elect to remove roads from being funded by impact fees.

Councilmember Sa stated he is not in agreement with the residential impact fee amount. He questioned the methodology for determining the park impact fee.

There was discussion that the cost of land has a big affect on the cost of developing fees.

AGENDA ITEM - COMMERCIAL WATER RATES – Worksession discussing Commercial Water Rates

Mayor Von Gausig presented the staff report, as follows:

Background: The existing water rate structure went into effect in January, 2006, when the Town purchased the water utility. At that time, and on several occasions since then, several commercial water users have approached Town staff and Council Members regarding their desire to see the Town adopt alternate water rate structures for certain or all commercial uses. The Town had been advised that it was important to operate under the original rate structure for at least one year before considering any changes to that structure.

Since 16 months have passed since the rates went into effect, Mayor Von Gausig has asked for this worksession to discuss whether the Council is at all interested in a different rate structure for commercial users, and what considerations we might ask for in exchange for different rates. Two specific requests for altered rate structures have been from multi-unit residential customers on a single meter (such as Lampliter Village) and from laundromats.

If the Council is interested, they can direct staff to analyze rate structures from other communities to compare how they treat commercial customers and whether those rates are based on specific considerations, and analyze the impact of any change to Clarkdale's rate structure.

Recommendation: This is a worksession only and requires no action by the Council.

Mayor Von Gausig opened public comment. He read a letter from **Darrel Macy**, as follows:

This letter is to request a review of your water rate schedule for the business customers of the Clarkdale Water System.

We recognize and support the efforts toward water conservation, which is greatly needed. Hopefully, those efforts have lowered the average water consumption of each household in Clarkdale.

However, some businesses are unable to reduce water consumption due to the type of business they operate. As you know, a business that has higher costs must, in fact, pass those costs on to their customers. Higher prices can send consumers looking for a better deal, and a loss of customers to that business.

Reduced water consumption in a business can often indicate a reduction in the number of customers they serve, and their ability to operate a profitable business. Without a reasonable return on their investment and time, a business will either close or relocate. Neither closing nor relocating is beneficial to a town's economy or tax revenues.

Speaking as a Clarkdale taxpayer, we believe it would be appropriate to ask you to review your rates for businesses. Clarkdale needs to continue to grow in a health business environment in order to attract and maintain the facilities and services needed by the residents of Clarkdale.

Bill Snyder, Clarkdale, stated he owns the local Laundromat. He passed around a handout regarding his water usage. He feels the water rate is another issue that can affect business. Water rates have been devastating to his business. He has competition in Cottonwood paying a lot less for the same water.

Before the water rate increase, he got customers because their rate was low. Now he had to raise rates 75 cents per load and he has lost customers. He spoke about Lampliter Village and the affect the water rates has had on them.

Discussion included the following issues:

1. People who use the Laundromat would by and large be people who can least afford higher rates.
2. Types of businesses that cannot reduce their water consumption, i.e. businesses with a large number of employees.
3. Reuse water and infrastructure.
4. Some businesses can pass higher costs along to customers, but some cannot.
5. There are businesses for which tiered rates do not accomplish their goal of reducing water usage.

Town Manager Mabery suggested that the rate consultant look at the rate structure and balance it against the bond liability.

AGENDA ITEM - BUDGET WORKSESSION –
A worksession to discuss the FY2007-08 Budget.

Finance Director Woodruff led a discussion of the following issues:

1. CIP gets 1% of the construction sales tax.
2. Budget assumptions.
3. Staff additions.
4. Budget requests.
5. Debts included in the general fund.
6. Contingency fund.
7. Administration fund.
8. Town Clerk fund.
9. Internet, Communication and Technology (ICT) fund.
10. Town-wide fund (professional fees).
11. Library fund.
12. Community development fund.

13. Parks and recreation fund.
14. Pool fund.
15. Fire fund.
16. Court fund.
17. Police fund.
18. Buildings fund.
19. Donation funds (heritage).
20. Summary of expenses for all departments.
21. Revenue projections and percentages.
22. Revenue sources.

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 9:20 p.m.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Joyce Driscoll, Town Clerk

SUBMITTED:

Charlotte Hawken, Admin. Assistant