



# Staff Report

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**Agenda Item:** Waiver of Conflict of Interest- Approval of Waiver of Conflict of Interest requested from the Town Attorney related to his representation of Verde Exploration, in regard to the proposed Settlement Agreement with Phelps Dodge.

**Staff Contact:** Kathy Bainbridge, Town Clerk

**Meeting Date:** November 13, 2007

**Background:** The Town of Clarkdale is represented by Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C. and they also serve Verde Exploration, Ltd. As a client, a waiver for the conflict of interest must be agreed to by the Town for Robert Pecharich, Town Attorney, to represent the Town in the settlement agreement with Phelps Dodge.

**Recommendation:** Staff recommends the approval of the Wavier of Conflict of Interest for the Town Attorney.

WAIVER OF CONFLICT OF INTEREST

WHEREAS, The Town of Clarkdale is represented by the law firm of Boyle, Pecharich, Cline, Whittington & Stallings, P.L.L.C.; and

WHEREAS, said law firm serves as Town Attorney; and

WHEREAS, said law firm has many other clients, one of which is Verde Exploration, Ltd.; and

WHEREAS, the Town Attorney has represented the Town in negotiating a Settlement Agreement with Phelps Dodge Development Corporation related to reimbursement to the Town for Phelps Dodge's share of the costs associated with construction of a wastewater effluent pipeline; and

WHEREAS, the Settlement Agreement indicates, in part, that the Town of Clarkdale will meet with Phelps Dodge representatives in the future to discuss release of the real property known as the Clark Mansion property, from the Development Agreement between the Town of Clarkdale and Phelps Dodge for the project known as the Verde Valley Ranch; and

WHEREAS, release of the Clark Mansion property from the Development Agreement is intended to permit Phelps Dodge to sell or otherwise transfer the property to a third party; and

WHEREAS, Verde Exploration is one of the third parties to which Phelps Dodge has considered conveying said real property, as part of a real estate exchange between Phelps Dodge and Verde Exploration, in order for Phelps Dodge to obtain land from Verde Exploration necessary for environmental remediation located in the unincorporated area of Yavapai County, between the towns of Jerome and Clarkdale; and

WHEREAS, the Town Attorney has fully disclosed said information to the Town of Clarkdale.

NOW, THEREFORE, the Town Council of the Town of Clarkdale waives any potential conflict of interest in the Town Attorney, and the law firm of Boyle, Pecharich, Cline, Whittington & Stallings, representing Verde Exploration in the possible acquisition of the Clark Mansion by Verde Exploration from Phelps Dodge, and in the Town Attorney's representation of the Town in negotiating the Settlement Agreement described herein with Phelps Dodge.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2007.

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Jerry Wiley, Vice Mayor  
Town of Clarkdale