

**Minutes of a Regular Meeting of the Common Council of the Town of Clarkdale
Held on Tuesday, February 12, 2008**

A Regular meeting of the Common Council of the Town of Clarkdale was held on Tuesday, February 12, 2008, 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 Patricia Williams
Councilmember Curtiss Bohall
Councilmember Frank Sa

Town Staff:

Town Manager Gayle Mabery
Finance Director Carlton Woodruff
Police Chief Pat Haynie
Public Works Director Steve Burroughs
Building Official, Mike Baker

Assistant Town Manager Janet Perry
Community Development Director Sherry Bailey
Interim Utility Director Ron Doba

Others in Attendance:

Richard Dehnert, Drake Meinke, Robyn Prud'homme-Bauer, Ellie Bauer, Matthew Morris, Charlie Scully, Mary Fassaway, R. Brunt, Betty Klassen, Laura Jones, Peg Sarkisian, Phil Sarkisian and Shelby Maynard.

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

PUBLIC COMMENT – Mayor Von Gausig informed the audience that the Council could not reply to comments on items that are not on the posted agenda per state law. The Council is interested in the public's comments, but may not be able to respond other than to offer clarification or direct staff.

No public comment.

INFORMATIONAL REPORTS

MAYOR'S REPORT –

1. Attended the Governor's State of the State speech.
2. Attended the Verde River Greenway 'Braintrust' meeting.
3. Met with Cottonwood Chamber of Commerce representatives to discuss the Birding & Nature Festival.
4. Attended the Town of Clarkdale's Strategic Planning Session.
5. Attended Yavapai County Mayors & Managers meeting.
6. Attended the Natural Resources Committee meeting.
7. Salt River Materials Group meeting to discuss future Industrial Road and Cement Plant Road and future ideas of rail service to the area.
8. Meeting with Mountain Gate residents.
9. Attended the "Meet the Candidates" session.
10. Attended Mike Bluff's investiture.
11. Meeting with Patty West from Ecological Monitoring & Assessment to discuss river issues and environmental impacts.

12. Lunch meeting with Town Manager Mabery, Lisa O'Neill & Teresa Propeck to discuss the train operations and ways to improve future operations.

The Mayor introduced information on water related legislation that will be in the upcoming election, and a copy of a letter from Salt River Project regarding Prescott's water rights. He will email copies to anyone interested in reading either one.

The Mayor introduced information regarding Searchlight Minerals (parent company of Clarkdale Metals) about their company and current projects, including the slag pile remediation in Clarkdale. He will email copies to anyone interested in reading it.

TOWN MANAGER'S REPORT - Town Manager Mabery informed the Council:

1. The Fire District will hold their regular meeting on February 14th – it is open to the public.
2. Many representatives and Town employees will participate in a legislative Open House in Phoenix on February 19th.
3. The Town of Clarkdale will be hosting the quarterly Intergovernmental meeting at 6:00 pm in the Men's Lounge on February 28th.
4. Upcoming election information – Election day is March 11, 2008 and ballots should be in the mail.
5. ADOT improvement project update – slight delay, but moving forward. ADOT intends to comply with Town of Clarkdale's construction hours but if there is some reason they need to alter those hours, they are a state agency and can do so on their own authority.

NACOG - A report regarding Northern Arizona Council of Governments.

Their annual retreat was held in January where all department reports were received and the annual audit was approved.

NAMWUA - A report regarding Northern Arizona Municipal Water Users Association –

1. 2/1 attended NAMWUA meetings

WAC - A report regarding Yavapai County Water Advisory Council –

1. 1/14 attended a Natural Resource Committee meeting regarding various water related issues. Mayor Diane Joens will take position of WAC co-chair from the Verde side, Mayor Von Gausig will take that position next year.
2. 1/16 WAC meeting

CAT – A report regarding Cottonwood Area Transit – No meeting

COCOPAI - A report regarding Coconino Yavapai Resource Conservation District – Councilmember Williams reported on the meeting held 1/28 where Chino Valley growth and service issues were discussed. That area is hopeful about annexation plans to have positive economic impacts.

VVLPI – A report regarding Verde Valley Land Preservation Institute – Councilmember Williams Nothing to report

VVTPO - A report regarding Verde Valley Transportation Planning Organization. Councilmember Bohall reported on the meeting held January 23, 2008.

- Plans for a new bridge to be built over Oak Creek at Talequepaque was discussed.

- John Bradshaw from Sedona was recognized as the new chairman.
- Tim Costello reported for Cottonwood that there is a \$650,000 NACOG grant for the Willard St. extension from 89A to Monte Tesoro project. The last of the right of way has been obtained. Construction to start this summer.
- West Mingus Avenue from 89A to Willard. New development, mixed use. New land owner. Traffic has increased from 1600 cars per day to over 7000 cars per day since the new bridge over the Verde River opened.
- Charles Mosley reported for Sedona that a traffic signal at 89A and Airport Road will be installed. No definite date. Development is planned at that intersection with turn lanes during the 08/09 fiscal year.
 - Street lights on 89A a very contentious issue.
 - SR 179 construction from "Y" South. A new bridge over Oak Creek South of the current bridge. Joint use until the end of the project, when old bridge will be removed and new bridge widened.
- VOC, Big Park - John Gillam reported 2 ½ roundabouts so far. Positive reception from public. 16' median with landscaping. Trying to form an improvement district for maintenance. Public opposition, they need 60% approval and so far have 40%.
- Beaver Creek - Janet Aniol reported that residents are pleased with the Beaver Creek Road improvements. There are a lot of illegal roads in the Beaver Creek area. No right of way or legal easements. Some property owners are ditching and fencing illegal roads that cross their property.
- Cornville - George Dana reported they are currently undertaking a trails study. NAU to do a study on 80 acres adjacent to Windmill Park to determine best use.
- ADOT - Flagstaff District representative reported SR 179 roundabouts in Phase 2. SR 260 Stakeholders meeting on January 30.
- Next meeting March 26, 2008.
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VERDE RIVER BASIN PARTNERSHIP –

1. 1/14 VRBP coordinating committee meeting

CONSENT AGENDA – The consent agenda portions 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. Approval of Minutes of the Common Council** – Approval of the minutes of the Regular Meeting 1/8/08 Special Meeting 1/22/08 and Strategic Planning 1/23/08 - 1/24/08
- B. Claims** – List of specific expenditures made by the Town during the previous month. PPE 1/5/08, PPE 1/19/08 and Check Summary/Chase Report
- C. Board and Commission Minutes** – Acknowledgement of receipt of minutes and draft minutes of the previous month's Board and Commission Meetings.
 - Planning Commission minutes of the meeting held 1/3/08, 1/24/08
 - Board of Adjustments minutes of the meeting held 1/23/08
 - Design Review Board minutes of the meeting held 1/9/08
 - Library Advisory Board minutes of the meeting held 1/3/08
 - Parks and Recreation Board minutes of the meeting held 1/7/08, 1/14/08, 1/22/08
 - Heritage Conservancy Board minutes of the meeting held 1/16/08, 1/23/08

D. Reports – Approval of Written Reports from Town Departments and Other Agencies.

Building Permit Report – January 2008

Capital Project Report - January 2008

Magistrate Court Report – December 2007

Police Department Report - January 2008

Clarkdale Fire District Report and Mutual Aid Responses Report - January 2008

Cottonwood Area Transit System (CATS) Operational Report – December 2007

Verde Valley Humane Society – December 2007, January 2008

E. Waiver Of Fees For Operation Graduation – Approval of a request by Operation Graduation 2008 to waive user fees for use of Clark Memorial Clubhouse.

F. Board & Commission Appointments – Approval of Resolution # _____ making an appointment to the Library Advisory Board.

Approved, Resolution # 1251

G. Town Manager Evaluation Review – Approval of the review of the Town Manager’s Evaluation conducted on November 13, 2007, by Town of Clarkdale Common Council in Executive Session.

H. Board & Commission Appointment – Approval of a Resolution # _____ making an appointment to the Design Review Board.

Approved Resolution # 1252

Vice Mayor Wiley moved to accept items A, B, C, D, E, F, G and H of the consent agenda and Councilmember Bohall seconded the motion. Motion passed unanimously.

NEW BUSINESS

PRESENTATION BY COTTONWOOD AREA TRANSIT (CAT) – Presentation from Cottonwood Area Transit on the new “Branding” program.

Cottonwood Transportation Director, Shirley Scott, presented Council with the new design concepts for Cottonwood Area Transit. CAT’s history contains a perception of service provided to seniors and people with disabilities. Other services are not being used as much as they would like. Their rebranding efforts took this into consideration. Draft logo designs were shared with Council. A new electric bus is part of the fleet and they are in the process of building a new site. There are 9 buses in current fleet with 14 seats in each. Unveiling of the new bus and logos will take place tomorrow at old substation in Cottonwood. The “s” is being dropped from CAT.

Councilman Bohall commented that at a recent meeting he attended comments were made as to Shirley Scott’s good reputation of running an effective and successful transit business.

PURCHASE OF WATER METERS AND WATER METER READING EQUIPMENT – Consideration of bid award for water meters and water meter reading equipment to HD Supply Waterworks for a total bid price of \$56,788.17.

Interim Utilities Director, Ron Doba, provided Council the information on the water meters and the water meter reading equipment being considered in awarding a contract for purchasing. Meter

reading is scheduled to start 3/17/08. Discussion included: bid specifics; different types of meters were described; meter standards; meter functions; cost factors.

Vice Mayor motioned to accept the bid as moved, Councilmember Williams seconded, passed unanimously.

NOTICE OF INTENT TO SET RECLAIMED WATER RATES AND ADJUST POTABLE WATER RATES AND FEES – Discussion and possible action to adopt a Notice of Intention to set rates for reclaimed water and adjust potable water rates and fees along with establishing March 25, 2008 as the date for a public hearing on the proposed reclaimed water rates and potable water rates and fees.

Interim Utilities Director, Ron Doba, provided Council with the A.R.S. timeline required to enact Reclaimed Water Rates. Two things that will be addressed: establishing a rate for the sale of reclaimed water and consideration of the new Water Code verbiage – specifically that verbiage pertaining to water line taps. The 3/25/08 Public Hearing will take place at Council's Special meeting held in the Men's Lounge. Town Manager Mabery added that a few requests for purchase of reclaimed water have already been received and that we need to get rates set in order to start responding to those requests. In the future, when the new water treatment facility is on-line, these rates will need to be reevaluated in consideration of the ability at that time to provide an improved class of reclaimed water.

Councilmember Bohall mentioned that the recent newspaper article press release on this topic was not clear leading to unnecessary confusion and concern among residents. Town Manager Mabery suggested how this notice can be stated more clearly. There was general discussion about Notice of Intent verbiage and how the Ordinance can be presented in the most efficient manner.

Vice Mayor Wiley moved to accept the Notice of Intent to set reclaimed water rates and amend the Town's water fees relating to water line taps. Councilmember Bohall seconded, passed unanimously.

UPDATE MOUNTAIN GATE SUBDIVISION – Informational update and discussion regarding Empire Constructions – Mountain Gate Subdivision.

Town Manager Mabery noted that a meeting was held last week with Mountain Gate residents; relayed history of Mountain Gate financial issues. January 22, 2008 the Town of Clarkdale was notified that Empire was freezing all operations in Clarkdale, in Arizona and in California. Frozen is the term used by Empire Construction not the Town of Clarkdale. January 31, 2008 the President of Operations for Empire in Arizona called to inform the Town he was submitting his resignation that to his knowledge Empire would be filing Chapter 11 Bankruptcy. Town Attorney has no confirming reports that Empire Corporation has filed for Chapter 11/bankruptcy. Town's has varying levels of concern, first, resident issues and second, infrastructure in the Mountain Gate Subdivision. Current site status and evaluation has been completed by the Town staff. The subdivision agreement has bonding company functions and processes available to the Town to complete projects. Staff has developed a punch list with financial capacity of the town to address punch list items, site safety issues and prioritized those items with which ones have to be done now and which ones can wait. The Town has requested the Town Attorney send a letter to Empire outlining concerns. Concerns and confusion from the residents about the community center, warranty issues, homes not yet completed, status of the HOA's, will be discussed at the upcoming meeting for Mountain Gate residents on 2/19 in Men's Lounge.

Mayor Von Gausig described the bonding process and what types of items are allowed under bonding and that only items that would become public property would be covered like streets, water and sewer. The roundabout needs repair and is on public property but has never been accepted by the Town because it is in need of repair.

Warranty issues can be dealt with through AZ Registrar of Contractors – claims need to be filed by affected individuals and followed through by each person filing.

Mayor opened the meeting to Public Comment.

Public comments:

Matthew Morris, resident of Clarkdale. Thanked the Town and the excellent staff for reaching out to the Mountain Gate residents on these issues. Will there be Public Comment on use of bonds? Town Manager Mabery explained current staff is working on prioritizing outstanding issues, would like Council’s consent to work with neighborhood group when finalizing the decisions to address items to be dealt with.

Richard Dehnert, resident of Clarkdale. Question about dust abatement – will the Town take on responsibility of that? Town Manager Mabery explained that as we move forward dust and weeds might become serious issues. Those issues will be weighed amongst all other issues in prioritizing the problems to deal with as we move forward.

Mayor closed Public Comment.

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

None

ADJOURNMENT - With no further business before the Council and without objection the meeting adjourned at 7:32 PM.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk

**Minutes of a Special Meeting of the Common Council of the Town of Clarkdale
Held on Tuesday, February, 26, 2008**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, February 26, 2008, at 6:00 PM. 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 Patricia Williams
Councilmember Curtiss Bohall
Councilmember Frank Sa

Town Staff:

Town Manger Gayle Mabery
Public Works Director Steve Burroughs
Finance Director Carlton Woodruff
Town Clerk Kathy Bainbridge
Interim Utility Director Ron Doba

Assistant Town Manger Janet Perry
Community Development Director Sherry Bailey
Police Chief Pat Haynie
Attorney Robert Pecharich
Attorney Kurt Dawn

Others in Attendance: Robyn Prud’homme-Bauer, Ellie Bauer, Angie Smith Mahape, Thomas Beauty and Norman Smith – Yavapai-Apache Nation, Mary Gauaway, Charlie Scully, Vic Viaengo, Josh Stackhouse, Charles Libkie, Bill Bounce, Mannuel Trujillo, Kenny Porter, Bill Regven

CALL TO ORDER - Mayor Von Gausig called the meeting to order at 6:00 PM and noted that all Council members were present.

PUBLIC COMMENT – Mayor Von Gausig informed the audience that the council could not reply to comments on items that were not on the posted agenda per state law. The Council is interested in the public’s comments, but may not be able to respond other than to offer clarification or direct staff. There was no public comment at this time.

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.

Resolution Acceptance of Quick Claim Deed of Tract A, Black Hills Estates, Unit 2 – Approval of Resolution # _____ for a Quick Claim Deed accepting Tract A from Yavapai County Flood Control District.

Approved Resolution # 1253

Vice Mayor Wiley moved that the consent agenda be accepted as submitted, seconded by Councilmember Sa, passed unanimously.

The order of the agenda was changed while the Council waited for Thomas Beauty and Norman Smith of the Yavapai-Apache Nation to arrive.

RESOLUTION DECLARING THE “WATER CODE” A PUBLIC RECORD – Discussion and consideration of a resolution declaring, as a public record, those certain documents filed with the Town Clerk and entitled “Water Code”

Ron Doba, Interim Utilities Director, presented the “Water Code” to Council and requested the document be declared a Public Record. Adoption of this resolution allows the Water Code to be kept on file by the Town Clerk for public viewing in lieu of publishing the entire code in the local newspaper. The Water Code was revised after the worksession the Council had in review of the draft ordinance.

Vice Mayor Wiley questioned 19-3-1 regarding the statement of water being supplied to property or equipment through meter only, except for commercial sprinkler-type fire suppression systems. He wondered where the cost of the water was covered for fire suppression. Mr. Doba replied that typically water suppliers do not charge for water used for fire suppression.

Mayor Von Gausig reported that there was a proposed amendment to the ordinance in 19-3-7, Abandonment of Existing Wells. The section dealt with property owners abandoning their existing well in order to join the municipal water supply system. The procedure for abandonment can be very expensive. In an attempt to give the public both the incentive to join the Town system and abandon the well, an amendment was drafted to give the property owners the choice either to abandon their well per DWR regulations or render the well unusable for any domestic or irrigation purposes and grant the Town permission to use as a monitor well.

The Mayor opened the meeting to public comment and *Robyn Prud’homme Bauer* wondered what incentives there were for people to abandon their well to join the Town system and what the benefit for doing so was. With the cost being very prohibitive, the majority of property owners will probably will only abandon their well and join the Town system if they are having problems with that well. Access to the abandoned well on private property was also questioned, which would be addressed in a water service agreement.

Kenny Porter, an operator of major well drilling outfits in the Verde Valley, was present in the audience. Councilmember Bohall questioned an average cost for drilling a successful well. Mr. Porter answered, depending on the area, costs could be \$8,000 - \$20,000. Abandonment of a well that was drilled up to code when you get the driller that actually drilled the well, costs could be \$1,500 which could go much higher with any complications.

Public comment was closed.

Vice Mayor Wiley moved to adopt Resolution #1254 that declares the “Water Code” document be a Public Record as amended and be kept on file by the Town Clerk, seconded by Councilmember Sa. Approved unanimously.

**YAVAPAI-APACHE NATION PRESENTATION OF LOCAL REVENUE SHARING
Presentation of a revenue distribution from the Yavapai-Apache Nation.**

Proposition 202 passed by Arizona voters in 2002, specifies various guidelines for new gaming compacts between the State of Arizona and the respective Indian tribal nations in the state. A key

provision of Proposition 202 is the sharing of gaming revenue with the state. The stipulations for gaming compacts also permit each individual Indian tribe to retain and administer a portion of the revenue. Specifically, the compacts permit an Indian tribe to make 12% of its total annual contribution to “cities, towns, or counties for government services that benefit the general public, including public safety, mitigation of the impacts of gaming, or promotion of commerce and economic development.”

Chairman Thomas Beauty and Vice Chairman Smith, Yavapai-Apache Nation, presented the Town with a check for \$46,368.75. The requested distribution from the Yavapai-Apache Nation is: 40% - Clarkdale-Jerome School District for education and tutoring programs, 25% - Town priority, 25% - Chamber of Commerce, and 10% - Clarkdale-Jerome School District for athletics program. Mayor Von Gausig accepted the check and thanked the Yavapai-Apache Nation for their continued support of the Town of Clarkdale.

WATER CODE ORDINANCE - Discussion and consideration of adopting by reference a document entitled “Water Code” on file as a public record with the Town Clerk, as an Ordinance creating Chapter 19, Article 19-1 through Article 19-10 and renumbering the Drought and Water Shortage Preparedness Plan from Article 19-1 to Article 19-11, and reserving Article 19-12, of the Town Code of the Town of Clarkdale; Providing for Severability; and Repealing Conflicting Ordinances.

Ron Doba, Interim Utilities Director, presented the “Water Code” Ordinance to Council. This ordinance is adopting the “Water Code”, which was made a public record, as amended, through the Resolution by the previous agenda item. The new Water Code has been crafted by Willdan Engineering under contract with the Town of Clarkdale. The Council has received presentations in the past on the Code and has provided input to Willdan Engineering. The most recent presentation was by Mr. Grant Anderson on January 8, 2008. The Code was modified by Willdan to address the Council’s comments.

Councilmember Bohall moved to approve Ordinance #305 that establishes the “Water Code” Chapter 19, Article 19-1 through Article 19-10, renumbering existing Article 19-1 to Article 19-11 and reserving Article 19-12, seconded by Vice Mayor Wiley. Approved unanimously.

RESOLUTION DECLARING THE “REIMBURSEMENT AGREEMENT” A PUBLIC RECORD – Consideration of a resolution declaring as a public record those certain documents filed with the Town Clerk and entitled “Reimbursement Agreements” Chapter 21, Town of Clarkdale - Town Code.

Ron Doba, Interim Utilities Director, presented the “Reimbursement Agreement” to Council and requested the document be declared a Public Record.

Councilmember Bohall moved to approve Resolution #1254 that declares the “Reimbursement Agreement” document be a Public Record and be kept on file by the Town Clerk, seconded by Vice Mayor Wiley. Approved unanimously.

REIMBURSEMENT AGREEMENT ORDINANCE - Discussion and consideration of adopting by reference a document entitled "Reimbursement Agreement" on file as a public record with the Town Clerk, as an Ordinance creating Chapter 21, Article 21-1 through 21-8, of the Town Code of the Town of Clarkdale; Providing for Severability; and Repealing Conflicting Ordinances.

Ron Doba, Interim Utilities Director, presented the "Reimbursement Agreement" Ordinance to Council. This ordinance is adopting the "Reimbursement Agreements" Chapter of the Town Code, which was made a public record through the Resolution by the previous agenda item. The new Code has been crafted by Willdan Engineering under contract with the Town of Clarkdale. The Council has received presentations in the past on the Code and has provided input to Willdan Engineering. The most recent presentation was by Mr. Grant Anderson on January 8, 2008. The Code has been modified by Willdan to address the Council's comments.

Vice Mayor Wiley moved to approve Ordinance #306 that establishes the "Reimbursement Agreement" as Chapter 21 of the Town Code, seconded by Councilmember Williams. Approved unanimously.

The order of the agenda was changed in order to address the Mountain Gate agenda items.

UPDATE MOUNTAIN GATE SUBDIVISION – Informational update and discussion regarding Empire Construction's – Mountain Gate Subdivision.

Town Manager Mabery reported that the Town Attorney has still received no response from Empire to his letter dated February 5, 2008 or to follow up phone calls after the letter was sent. The Town Attorney has started to get telephone calls from home/land owners in Mountain Gate. The Town Attorney represents the Town of Clarkdale as an organization, and not individual residents, and he cannot provide any legal guidance for home/land owners in Mountain Gate. The Town Attorney's staff is suggesting that any home/land owners who do call him directly secure their own legal counsel.

Attorney Pecharich reported that he has continued checking with the Bankruptcy Courts in California, and finds no verification that Empire has filed for Chapter 11 Reorganization. There are bonds that have been posted by the developer and there are many unfinished items that are required to be finished by the Developer Agreements with the Town. Developer Agreements are recorded and go with title to the property so that Empire or any subsequent owner of the property would be responsible for the obligations due the Town under that Agreement. The lender to Empire, Indy Mac Bank who owns the land, has given a Notice of Trustee Sale, which is a foreclosure proceeding for non-payment of their loan for Empire. It should not affect titled property sold to owners, but will affect property that Empire still owns. The date of the sale is April 29th which means that Empire either needs to complete their informal reorganization by refinancing and go back into business or they will file something with the bankruptcy court before that date in order to avoid the trustee sale. The attorney will advise the town if a filing is recorded before the sale.

Community Development Director Bailey attended the February 19th Mountain Gate Community Association meeting. There was confusion regarding where each one of the home owners stood and

what they could do as a group or individually. The Home Owners Group provided the homeowners a list of subcontractors for each lot for warranty work. The homeowners were interested in knowing the Town's position and that they were not alone. They were informed that the Town would be going through the priority process and would be asking them for feedback on the priority three items which are items that are not immediate public safety issues, but items that homeowners want to be completed.

MOUNTAIN GATE DEVELOPMENT BONDS – Consideration of directing staff and the Town Attorney to proceed to file claims against the bond companies for obligations due to the Town of Clarkdale under the Development Agreement between the Town and Empire Residential Construction for the Mountain Gate Subdivision.

Town Manager Mabery informed the Council that the Town Staff and the Town Attorney have been working to identify the outstanding infrastructure issues and development agreement obligations that relate to the Mountain Gate subdivision. Town Attorney's advise is for the Council to direct staff and the Town Attorney to complete the punch list as much as possible, and move forward with a claim against the bond companies associated with the Mountain Gate project.

At this point in the evaluation, it appears that, although the bonds will not be in an amount sufficient to complete all remaining infrastructure in the project, we should be able to address the most critical needs in priority levels one and two and some of level three priority with the money available in the bonds.

Part of the assessment of the outstanding infrastructure issues and development agreement obligations consists of prioritizing those obligations from most to least critical. Priority levels have been established along with phases. The list is in excess of one hundred items, which has been identified into priorities from one to three, with one being the highest priority for completion and three being the lowest.

Mayor Von Gausig wanted to make sure that everyone in the subdivision is aware that the Town would be soliciting information regarding the level three priority items, not just a few representatives of the Home Owners Association.

The Town has remaining bonds from Arch Insurance in the amount of \$450,572, Bond Safeguard Insurance Company in the amount of \$139,514, and Bond Safeguard Insurance Company in the amount of \$1,710,000.

Vice Mayor Wiley moved and seconded by Councilman Sa to direct staff and the Town Attorney to proceed to file claims against the bond companies for obligations due to the Town of Clarkdale under the Development Agreement between the Town and Empire Residential Construction for the Mountain Gate Subdivision. Motion carried unanimously.

WORKSESSION WITH PLANNING COMMISSION - Worksession between the Town Council and the Planning Commission to discuss the Smart Growth Checklist and Form Based Codes.

Due to the fact that an agenda had not been posted for the Planning Commission, the meeting was opened to public comment at which time the Planning Commission Chair reported for the Planning Commission. A quorum of the Planning Commission was not present.

Community Development Director Bailey reported that the state adopted the Growing Smarter legislation on August 21, 1998. Growing Smarter Plus legislation became effective on May 18, 2000. Growing Smarter legislation provides comprehensive land use planning and zoning reforms including the acquisition of open space. This legislation was intended to give residents of Arizona cities, towns, and counties a number of tools to shape growth in their own communities, such as the right to vote on general plans and restrictions on how general and comprehensive plans can be amended. Both acts required reforms to local planning and zoning laws for municipal, county, and State land including mandatory rezoning conformance with general plans and more effective public participation in planning.

In 2007 the Growing Smarter Guiding Principles were adopted which gave further guidance to towns and cities on future development and handling growth issues. The Governor and the Growth Cabinet Advisory Board have now developed a proposed checklist which is a valuable tool for a community to use to conduct a self-assessment on meeting the goals of the Growing Smarter legislation. Communities were asked to review the checklist and provide comments back to the Growth Cabinet Advisory Board by March 3, 2008.

Planning Commission Chairperson Biel and Commissioner Regner presented the comments the Commission would like to include in their comments back to the Growth Cabinet Advisory Board.

- 1) If the items on the checklist are important " Growing Smarter" issues then all communities, regardless of size, should be encouraged meet all of the guidelines. This checklist should be considered a communities chance to assess itself and the efforts the communities have taken. Regional approaches to solutions, particularly for smaller communities should receive recognition.
- 2) How are the score card answers evaluated and verified?
- 3) Sustainability items were not a measureable issue, and they should be.

The Community Development Department will draft a comment letter and send it to the Growth Cabinet Advisory Board by March 3, 2008.

Community Development Director Bailey informed the Council that the Town moving towards a more Form Based Code approach which will meet the guiding principles guidelines. Section II of the Smart Growth Checklist assesses the Preservation of Community Character. Form Based Codes and the regulations and standards associated with them are a way to designate the appropriate character of development rather than only distinctions in land-use types. Mayor Von Gausig questioned how the design review function was affected by form based codes. Community Development Director Bailey replied that you have your districts, standards and formats but you encourage specific approaches or design elements and that goes to design review and the applicant has the responsibility to propose their design and support how it meets standards. There will be different zones in the community and form based codes will be used for infill. Future designs will have to have a positive impact on the surrounding area.

WORKSESSION - A worksession to discuss and update the Council on a section of the Centerville Road connection going through the Centerville neighborhood.

Steve Burroughs, Public Works Director, updated the Council on the proposed connection of Centerville Road from Hwy 89A to Broadway. As part of the Mountain Gate development, Centerville Road has been constructed to their South property line adjacent to the Centerville Community. Also as part of Mountain Gate Subdivision Agreement, Empire was obligated to construct the connecting road once the Town had secured the needed property within the Centerville Community. This extension of Centerville Road will connect from Mountain Gate property line passing through the Centerville Community to the new road alignment ADOT is constructing as part of the Highway 89A widening project.

Public Works Director Burroughs reported that this was a review of connection options for the Centerville Road as it passes through the Centerville Community. Road costs would approximately \$225,000 - \$255,000. Option "A" alignment impacts four properties and would have approximate additional costs of \$220,000. Option "B" alignment impacts of one property with close proximity to a second with approximate additional costs between \$125,000 - \$130,000. Option "C" alignment impacts one property with a greater distance from others with an approximate additional cost of \$175,000. There would be additional costs for land purchase also. Mountain Gate would be responsible for the construction costs and the Town would be responsible for land acquisition costs. The Council directed Public Works Director Burroughs to pursue Option "C".

FUTURE AGENDA ITEMS – Listing of items to be placed on a future council agenda.
Verde River Basin Partnership Intergovernmental Agreement

ADJOURNMENT - With no further business before the Council and without objection the meeting adjourned at 8:45 PM.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk