

**Minutes of a Special Meeting of the Common Council of the Town of Clarkdale
Held on Tuesday, April 8, 2008**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, April 8, 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
Deputy Town Clerk Walt Good

Assistant Town Manger Janet Perry
Community Development Director Sherry Bailey
Police Chief Pat Haynie
Interim Utility Director Ron Doba

CALL TO ORDER - Mayor Von Gausig called the meeting to order at 6:05 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.

Ellie Bauer – Clarkdale, Clarkdale Chamber thanked Doug and Sherry for coming to the Chamber meeting. As a Clarkdale resident Ms. Bauer thanked the Mayor for his clarification of noting when you are speaking as a resident and when you are representing an organization.

Marsh Foutz, Clarkdale – Boucherville giant reed planted grows fast could cause flood problems and/or fire hazard. To eradicate it has to be cut down and then poisoned. Mayor, the Town and Clarkdale Fire District can look at it as a flood hazard.

INFORMATIONAL REPORTS

MAYOR’S REPORT – A report from the Mayor on current events

Mayor’s Report

1. Attended the Verde Valley Mayors and Managers meeting at the Yavapai-Apache Nation in Camp Verde with Town Manager Mabery. Thomas Beauty, the Tribal Chairman, told us that he would like to see a greater participation in regional affairs on the part of the tribe, and that he'd like to see the tribe included more in decisions made by regional governments. We all spoke about what was going on in our towns and ways that we could all work together more effectively.
2. Attended Clarkdale Chamber of Commerce meeting with Community Development Director Bailey. Primary topic was economic development and the Town’s perspectives. We discussed the Chamber’s role and look for realistic, relevant and affordable projects.

3. Met with Arizona Dept. of Water Resources Director Herb Guenther, Mayor Gioia of Camp Verde and the Mayor and Town Manager of Williams to talk about HB 2772. We discussed several points that the Town would like addressed in the final bill.
4. Rode in the Sedona St. Patrick's Day parade with Mayor Colquitt.
5. Attended the Yavapai County Mayors, Managers, Representatives, and Supervisors meeting in Prescott. The program was a presentation by DWR Director Herb Guenther about the current state and future of Northern Arizona water, with concentration on Big Chino issues.
6. Toured the Salt River Materials Group with Kristen Mayes, who is a current Corporation Commissioner and is exploring a run for Congress.
7. Met with Town Manager Gayle Mabery, topics we discussed were future possibilities for the new wastewater treatment plant, potential board and commission self appraisals, and various General Plan processes.
8. Was informed that Gayle Mabery was Certified as an International City Manager.
9. Met with John Papo in Sedona has solar panel business. He will provide enough power to industry for 20 years. Way to get this done without a large out of pocket outlay. If he is able to get some individual companies to do this then he would like to move the manufacturing to Clarkdale down in the Industrial area.

TOWN MANAGER'S REPORT - A report from the Town Manager on current events.

1. Town Manager Gayle Mabery stated that the Town had held a primary election in March. All candidates had run unopposed and had received over 50% plus one of the votes cast so all candidates were elected in the primary and no General Election was required. Ms. Mabery handed out the Certificate of Election prepared by the Town Clerk to Mayor Elect Von Gausig, Councilmember Elect Williams and Councilmember Elect Dehnert.
2. Ms. Mabery also recognized Ron Doba, Interim Utilities Director, and stated the Town was fortunate to secure his services on an interim basis while we were taking over the water system from Cottonwood and planning for the wastewater plant. Mr. Doba's expertise has provided the Utilities Department base for the incoming Utilities Director to start with. The Town of Clarkdale will miss Mr. Doba and would like to say thank you for the help and expertise.
3. The next 'Talk About The Town' on May 15, 2008, will be held at Alcora Marble on Main Street.

NACOG - A report regarding Northern Arizona Council of Governments - No Report

NAMWUA - A report regarding Northern Arizona Municipal Water Users Association
Mayor Von Gausig attended the NAMWUA TAC meeting in Prescott Valley. The main topic was refining water augmentation strategies for Northern Arizona.

WAC - A report regarding Yavapai County Water Advisory Council

Attended the WAC Meeting in Cottonwood. The main topics were a report from DWR's Doug Dunham on the DWR rule making process for SB1575, which is the water adequacy legislation that allows counties of municipalities to adopt adequacy requirements. Since DWR will be responsible for administering the adequacy portions of

that bill, they have entered into a new rule making process which will define how they will define adequacy in 1575 situations. They are holding meetings in several cities in the state about the process, and will be adding the Verde Valley to their itinerary now, after being urged to do so by WAC members. In the process they will be taking public comment about the rules, and it seems that most of the Verde Valley's WAC members will be at these meetings. So far only Cochise County has adopted 1575, the rest are apparently waiting for the rule making to be finalized.

CATS – A report regarding Cottonwood Area Transit System – No Report

COCOPAI - A report regarding Coconino Yavapai Resource Conservation District
Pat Williams – March 17, 2008 meeting report was handed out.

VVLPI – A report regarding Verde Valley Land Preservation Institute – No Report

VVTPO - A report regarding Verde Valley Transportation Planning Organization – No Report

VERDE RIVER BASIN PARTNERSHIP – No Report

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 held 3/11/08 and the Special Meeting held 3/25/08.
- B. Claims** – List of specific expenditures made by the Town during the previous month. PPE 3/1/08, PPE 3/15/08, Check Log for March and Chase Report.

Councilmember Sa inquired why the Willdan payments are still at \$32,000.00. Town Manager Mabery and Finance Director Woodruff will pull the Willdan bill and advise Councilmember Sa.

Councilmember Williams moved to approve consent agenda item B. Seconded by Councilmember Sa. Approved unanimously.

- 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 3/6/08 and 3/25/08 and 3/27/08
Board of Adjustments minutes of the meeting held 3/25/08 and 3/26/08
Design Review Board minutes of the meeting held 3/12/08 and 3/25/08
Library Advisory Board minutes of the meeting held 3/6/08 and 3/25/08
Parks and Recreation Board minutes of the meeting held 3/12/08 and 3/25/08
Heritage Conservancy Board minutes of the meeting held 3/19/08 and 3/25/08

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

Building Permit Report – March 2008

Capital Project Report – March 2008

Magistrate Court Report – February 2008

Police Department Report - March 2008

Clarkdale Fire District Report and Mutual Aid Responses Report – March 2008

Cottonwood Area Transit Operational Report – January 2008, February 2008

Verde Valley Humane Society – February 2008

- E. Resolution -** Approval of Resolution # _____ declaring as a public record that certain document filed with the Town Clerk entitled “The 2008 Amendments to the Tax Code of the Town of Clarkdale”.

Resolution # 1258

- F. Ordinance –** Approval of Ordinance # _____ relating to the privilege license tax; adopting “The 2008 Amendments to the Tax Code of the Town of Clarkdale” by reference; establishing an effective date, providing for severability and providing penalties for violations, in Article 8-2 of the Town Code.

Ordinance # 307

- G. Resolution Accepting a Gift Deed of Dedication of Mescal Spur Road Extension –** Approval of a Resolution # _____ accepting the Gift Deed of Dedication of Mescal Spur Road Extension from Old Jerome Highway to Highway 89A as a proposed public right-of-way from Selna and Mongini Investments.

Resolution # 1259

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

Resolution # 1260

- I. Proclamation For Clarkdale Volunteer Appreciation Week -** Approval of a Proclamation declaring the week of April 28 – May 4, 2008 as Clarkdale Volunteer Appreciation Week.

- J. Sedona Recycles, Inc. Agreement –** Approval of an agreement with Sedona Recycles, Inc. for recycling drop off services in the Town of Clarkdale.

Vice Mayor Wiley moved to accept the consent agenda items A, C, D, E, F, G, H, I, & J as presented. Councilmember Bohall seconded the motion. Passed unanimously.

NEW BUSINESS

WORKSESSION UPDATE ON 89A PROJECT – A Worksession to update the Council on the Highway 89A project by ADOT & S.J.L. Construction.

Presentation on the Highway 89A project was made by Bill Williams, ADOT; Tom Ward, ADOT; and Mike Sick, S.J.L. Construction, to Council. The 800 number has changed and a

live person will be available on weekends. A PowerPoint presentation was shown detailing Hwy 89A and Hwy 260 projects. Hwy 89A is a 2.1 mile, 4 lane highway with an 8 foot median that runs from Cement Plant Road to Black Hills Road. Only yield signs will be utilized in the 5 roundabouts, which will provide for increase traffic capacity. Roundabouts have been shown to reduce auto crashes by 75% and injury accidents by 95% because of the counter-clockwise movement by all vehicles. There are 75 fewer conflict points in the roundabouts than at a standard stop light. Construction began February 2008 with first roundabout (Cement Plant Road and Clarkdale Parkway) scheduled for completion in May 2008. Mayor asked what is the co-efficiency of the rubberized asphalt friction for fuel efficiency? Bill Williams from ADOT will get the Mayor that information but the rubberized asphalt does decrease the noise on the highway. Mike Sick started on February 4th and appreciates the help of the Clarkdale Police Department. The project will build from roundabout to the next roundabout, and when all four lanes are built, they will build the roundabout. The first one will take six weeks to do the other four will take about a week each. Mayor Von Gausig inquired about the proposed grade change on the Cement Road roundabout? Mike Sick explained how they will build Clarkdale Parkway up ramp at 400 feet from the intersection to obtain the height needed for safety. Councilmember Sa said this is the cleanest project that he is has ever seen and that the contractor has done an excellent job of removing debris. Councilmember Williams inquired if Mingus Shadows residents will still be able to enter 89A from Mingus Shadows Road. Reply was that by turning right on to Hwy 89A, as you do now, you come into Town, but you would no longer be able to turn left to go to Cottonwood. To go to Cottonwood the vehicle will have to use a roundabout to change direction of travel. Questions regarding the height of the center of the roundabout were answered with a four to six inch roll curb will run around the center area and the center will be about 6 foot high. Gayle Mabery reminded Council that this project has been on the books for 15 years. Tom Ward stated they would stripe Hwy 89A as no passing down the complete length of the project next week. Crews will only work 24/7 while working on the roundabouts. Environmental benefits of roundabouts are reduced noise, air pollution and fuel consumption. Safety yield to drivers in the inside lanes, speed is about 15-20 mph in the roundabouts. Speed between roundabout 45-55 mph.

Presentation discussion by ADOT on the Hwy 260 Thousand Trails to Western Drive. Twenty foot high retaining walls being built at Prairie Road much like the walls by Del Rio road. This project should be completed by February 2009. Foundations for the roadway supports are nearly complete in some areas already and work is progressing. The cost of the road is about \$14,000,000.00. Ames Construction is the contractor. The project information line is 1-866-751-2083. ADOT stressed project safety while driving through the construction area, 85% of injury accidents are due to the public speed. Motorists are advised to obey all posted speed and safety signs and that the officers present can and will cite offenders.

DEVELOPMENT AGREEMENT WITH VERDE VALLEY CHRISTIAN CHURCH – Discussion and consideration of a Development Agreement for the extension of Water and Sewer lines with the Verde Valley Christian Church (VVCC).

Interim Utilities Director Ron Doba presented the water and wastewater development agreement with the Verde Valley Christian Church to Council. The Church would be able to

put in a well and onsite wastewater plant at a lower cost than working with the Town and extending Town services. The VVCC wishes to work with the Town and bring Town water and wastewater services to this area. This would benefit the Town and VVCC in the future. The Town could participate by purchasing the materials for the project. One problem is how the materials will be delivered, also possible delivery problems in the project. Robert Pecharich, Town Attorney also had concerns on the wording in the agreement. The Town has to be sure that the purchases of products to be used in the project have gone to bid in the appropriate manor. The Town and VVCC should consider rewording the contract. Town Attorney can change the agreement reflecting in the development agreement that we have the materials delivered by a third party because the VVCC can then be designated the Town's Agent, if the Agent complies with Arizona statutes on the competitive bid process. VVCC also requested to receive a credit/reimbursement agreement to VVCC for cost that would be above their share.

Tom Pender, owner Pender Engineering and acting as Agent for VVCC, stated that they have a low bid on the materials now but the time line on the bid is short and that they will have to go back out to bid soon. When they rebid a legal 'Notice of Invitation to Bid' could be published to ensure that all the Town's legal requirements are followed. Robert Pecharich, Town Attorney, recommend this agenda item be tabled until those requirements be addressed in the agreement and returned to Council for consideration.

Mayor stated that the agreement may require major changes and will have to be addressed by Council. Town Manager said she thinks that changes could be made in paragraph 4 and the paragraph 8 and returned to Council next meeting.

Tom Pender said that VVCC also would like to cap the Town inspection cost. The church is trying to minimize their cost of this project. Inspection of Town infrastructure is required by state law and the Town has a responsibility for the complete length of the line. Tom Pender does these inspections for other communities already and would like to discuss the possibility of performing the inspections on this project.

Town Attorney Pecharich complimented VVCC on their efforts and that this is a great example of what cooperation between a government agency and a private property owner can accomplish when both sides are willing to work together for the common good.

Mayor moved this item be tabled until staff and applicant make changes and return to Council at the earliest possible date. Councilmember Sa seconded the motion. Passed unanimously.

Town Attorney requested to be excused from the meeting, the Mayor excused Town Attorney Pecharich, thanking him for his service.

BUDGET WORKSESSION – A worksession to discuss the 2008-2009 Fiscal Year Budget.

Finance Director Woodruff described the assumptions for next year and stated that the Wastewater Fund Transfer is supporting several wastewater projects. Both major capital projects in Wastewater have had delays in the funding sources. The first project was the Effluent line and disposal site. This project was initially to be funded by Phelps Dodge (1/2) and the other half funded through a Rural Development Grant/Loan. The Empire Mountain Gate development agreement was amended to allow for \$1,000,000.00 to be used for the Town's share of the projects after the requirement costs for the Rural Development funding got to be excessive. The effluent line project was completed in 2007, but the Phelps Dodge funding agreement was not finalized until fiscal year 2008. This delay put the Wastewater fund in a negative fund balance situation in the short term. The agreement with Phelps Dodge for their portion of the effluent project also included deducting \$347,000 in cash and signing over ownership of the fisher Property as part of the payment. This resulted in a project funding delay that totaled \$447,000. Project funding for the new Wastewater Treatment Plant was scheduled to be a partial development contribution and partial WIFA financing package. Current design costs for the plant are currently approaching \$500,000 and a design loan through WIFA was to be closed in February of 2008. In February, when we were notified that Empire Construction was freezing operations at the Mountain Gate Project, we put the WWTP project on hold. With this delay, it has put in question the WIFA financing package and the close of the design portion was also delayed. The operations of the current plant are running approximately \$100,000 over budget due to increase testing requirement under our APP. That amount, as well as the \$500,000, current design costs is the total that must be funded before the close of the fiscal year.

Finance Director Woodruff stated staff would come back to the Council at the next scheduled meeting with possible options to overcome this budgetary funding delay.

Fiscal YEAR 2006 and Fiscal year 2007 Audited Financial Statements – Presentation of the audit reports and consideration of approval of the 2006 and 2007 Fiscal Year Audits.

Finance Director Carlton Woodruff submitted to Council the 2006 Fiscal Year Audit and the 2007 Fiscal Year Audit for their review. The unrestricted net assets increased in the 2007 audit and the economic downturn did affect the town. In the 2007 portion, page 42 there is a mistake and Finance is working with the auditors to make the adjustment changes.

Mayor stated the findings have fairly minor discrepancy comments. Mr. Woodruff replied that Industry Standards for most small communities is that contract audits are done and this being forwarded to the auditor general. If required to complete audits per state it will be a financial impact on smaller towns. Both audits were brought to Council in a single agenda item. The Mayor asked about the delay for the 2006 audit, Mr. Woodruff stated that the Fundware software was the major problem and the audit firm itself was slower. The audit firm got the report to the Town the day before it was due. Finance is looking into a RFP for a new audit company.

Councilmember Williams inquired about page 39 on 2007 – line on delinquent property taxes, Mr. Woodruff replied that the County will collect.

Ms. Williams also inquired on page 36 on 2007 – deficit due to higher cost. Mr. Woodruff stated that research and work on lot sales, reduce staff cost, some rate changes and an interment wall are areas that will have to be worked on and the Town Fee Schedule reviewed.

Councilmember Sa moved to approve the 2006 Fiscal Year Audit and the 2007 Fiscal Year Audit. Councilmember Williams seconded the motion. Passed unanimously.

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

Vice Mayor Wiley requested a form based planning presentation.

ADJOURNMENT - With no further business before the Council and without objection the meeting adjourned at 8:42 PM.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk