

Minutes of a Special Meeting of the Common Council of the Town of Clarkdale Held on Tuesday, June 17, 2008

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, June 17, 2008, at 3:00 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 Richard Dehnert

Town Staff:

Town Manager Gayle Mabery
Public Works Director Steve Burroughs
Finance Director Carlton Woodruff
Town Clerk Kathy Bainbridge

Assistant Town Manager Janet Perry
Community Development Director Sherry Bailey
Police Chief Pat Haynie
Utility Director Wayne Debrosky

CALL TO ORDER - Mayor Von Gausig called the meeting to order at 3:00 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.

No public comment

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

Finance Director Woodruff presented the Cemetery, Wastewater, and Water 2008/2009 proposed budgets.

Cemetery Budget – Approximately 73% of the lots are sold. A change in policy for the price of lots and possible increase along with separating out the additional costs of opening and closing grave payments at time of use instead of purchase will bring revenues up to cover and balance the budget. An interment wall with approximately 240 slots could be constructed with the endowment funds.

Wastewater Budget - Council thought that \$1,500 for equipment purchases was very low and that budgeting needed to be more realistic for that item. Chemical Testing budget seems low, but this year expenditure overages were due to the testing of the monitor well. The Utility Department hopes to be able to purchase equipment and get credentials to be able to perform testing instead of using outside sources. This would save about ½ the costs. Utility Director Debrosky would like to study a sewer rate increase based upon flat fee vs user fee. The line replacement projected expenditure is based upon line replacement impact fees and line replacement cash carryover revenues. Vice Mayor Wiley would like to see a proposal of how line replacement will be reimbursed. A sewer rate increase will bring revenues up to cover the deficit and balance the budget.

Water Budget – Were not able to set aside funds as expected. 2007/2008 expenses were high due to the number of water line breaks. Recommendation is to keep the water rates the same, get operations under control and then review the fund. There is a lot of room for added efficiencies. Water rate increases need to be looked at for future projects and the long term.

The Mayor thanked Finance Director Woodruff for cleaning up the budget process. Town Manager Mabery stated that Utility Director Debrosky walked a good balance with Cottonwood to maintain good relationships.

The tentative budget will be brought back to the Council in July.

IGA LEASE AGREEMENT WITH YAVAPAI COUNTY FOR COURT FACILITIES - Discussion and consideration of an Intergovernmental Agreement between the Town and Yavapai County for use of the Clarkdale Magistrate Courtroom.

Town Clerk Bainbridge explained that Yavapai County Superior Court has run out of room to provide the necessary services for Family Law proceedings. The County is in the process of constructing new court facilities, but in the interim, has been looking for space until the project is completed. Yavapai County contacted Clarkdale regarding leasing the Clarkdale Magistrate Court for one day a week to hold their proceedings. The monthly lease payment of \$400.00 has been calculated to cover the additional utility charges and janitorial services. Yavapai County Board of Supervisor approved the Agreement on June 16, 2008.

Vice Mayor Wiley moved to approve the Intergovernmental Agreement between the Town of Clarkdale and Yavapai County as presented. Councilmember Williams seconded the motion. Passed unanimously.

LETTER OF COMMENT TO ARIZONA DEPARTMENT OF WATER RESOURCES – Discussion and consideration of a Letter of Comment to Arizona Department of Water Resources on their rulemaking regarding inter-basin transportation of groundwater in the Big Chino sub-basin of the Verde River Basin.

Mayor Von Gausig explained that Clarkdale is an important stakeholder in the Groundwater Transportation rulemaking procedure that is currently being undertaken in the Big Chino sub-basin of the Verde River Basin. The concern is that there may be rules promulgated in this process that could negatively affect the flow and ecology of the Verde River, and which would therefore adversely affect the Town of Clarkdale.

The Mayor continued to explain that the belief was that the clear intent of the specific exemption granted to the Prescott AMA in ARS 45-555, which allows transportation of an allotment based upon the retirement of Historically Irrigated Acres (HIA), was written in such a way as to minimize impact on the sub-basin and on the Verde River. HIA lands are distributed throughout the Big Chino in large and small parcels, and entities inside the PrAMA are allowed to retire these lands from agriculture and transport the water that would have been pumped from them to the AMA. The theory behind allowing transportation of

HIA water was that impact to the Big Chino aquifer and to the Verde River would be minimized by allowing no more withdrawal than was historically used.

The Mayor brought before the Council a letter for Clarkdale to send to the Arizona Department of Water Resources and continued to state that it was important to consider that the historical agricultural use was distributed throughout the Big Chino, and that the pattern of withdrawals on those HIA lands was critically important to predicting the impact that future withdrawals would have. In essence, withdrawing water from a diffuse array of points in the Big Chino would have a different impact on the aquifer and the river that drains it than withdrawals from a single point might have.

The Mayor's letter from Clarkdale urged DWR to grant allotments and withdrawals from HIA lands only from the same parcels that were withdrawn from production, and that the total HIA allotment not be aggregated and allowed to be pumped from a single location. In the case of proposals which could serve the intent of ARS 45-555 and still allow pumping from a single site without potential harm to base flows, Clarkdale may have no objection. These would be situations where the single well site is actually further from the Verde River headwaters than the HIA lands upon which the allotment is granted and where the single extraction point would be less harmful to the base flow of the river.

Prescott and Prescott Valley may not be happy that Clarkdale is sending this letter, but the Mayor stated that this needs to happen to have a flowing Verde River.

Councilmember Dehnert moved to approve sending a Letter of Comment to the Arizona Department of Water Resources on their rulemaking regarding inter-basin transportation of groundwater in the Big Chino sub-basin of the Verde River Basin. Councilmember Bohall seconded the motion. Passed unanimously.

FUTURE AGENDA ITEMS – Listing of items to be placed on a future council agenda. No new listings.

ADJOURNMENT - With no further business before the Council and without objection the meeting adjourned at 5:15 PM.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk