

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

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, August 12, 2008, at 6:00 PM. At Yavapai College Verde Campus, 601 Black Hills Drive, Room M-137, 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 6:02 PM.

PUBLIC COMMENT – The Town Council invites the public to provide comments at this time. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Persons interested in making a comment on a specific agenda item are asked to complete a brief form and submit it to the Town Clerk during the meeting. Each speaker is asked to limit their comments to five minutes.

Councilmember Williams spoke during public comment reporting that the Heritage Museum had assembled a display regarding Vesta Northcross which included the scrap book of the renovation of the Clubhouse, and that Vesta would be celebrating her 100th birthday on August 23rd at the Elks Club from 11:00 – 3:00.

INFORMATIONAL REPORTS

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

1. Met with Dan Campbell of the Nature Conservancy and Dave Harris, the property manager regarding the status of Pecks Lake.
2. Attended the Planning Commission meeting for a presentation from Clarkdale Metals regarding their operation.
3. Attended the Natural Resources Committee meeting - Verde Valley Basin WAC where effluent was discussed with Mayor Adams from Sedona.
4. Met with the assimilation work group - Verde River Basin Partnership, Yavapai County Water Advisory Board, and the Upper Verde River Protection Coalition, where discussions were held regarding the partnership becoming a subcommittee of WAC, and that subcommittee performing the mandate of Title 2.
5. Met with Mayor Adams from Sedona and discussed water issues.
6. Attended National Night Out at the Town Park

7. TWIG – Technical Working Group of the US Bureau of Reclamation Study, continues to refine who all of the water suppliers are in the Verde River Basin.
8. Met with Mayor Adams from Sedona regarding effluent and regional disposal.

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

1. Still dealing with the line item in the State Budget regarding the DPS Crime Lab and fees associated that assess fees to local jurisdictions which would mean approximately \$5,000 for Clarkdale, if based upon last years usage. The League is working to educate the legislature to get this out of the budget for next year.
2. Will be keeping a close eye on Clarkdale's budget with new monthly update procedures for Department Heads and additional budget updates for the Council, with a first quarter update in October. For July revenues are as expected.
3. The League Conference will be attended by Mayor Von Gausig, Vice Mayor Wiley, Councilmember Dehnert, and Town Manager Mabery next week. Mayor Von Gausig and Town Manager Mabery will be sitting on a panel discussing forms of government.
4. The Fire District had nine nomination packets turned in for the five seats up for election in November.
5. There will be an Intergovernmental Meeting on August 28th with the Yavapai Apache Nation as host.
6. Town offices will be closed for Labor Day.
7. Renewed the Regional Law Enforcement Dispatch Group with the Town of Camp Verde and the Yavapai Apache Nation joining. Cottonwood has budgeted for design money for the current fiscal year and construction money next year.
8. Thanked Clarkdale Metals for working with staff this week planning for their monolithic pour for their new building floor.
9. The next Talk About the Town is scheduled for Wednesday, August 27th at Lamplighter Village Clubhouse.

NACOG - A report regarding the Northern Arizona Council of Governments. No meeting.

NAMWUA - A report regarding the Northern Arizona Municipal Water Users Association. The Mayor reported that Mayor Evans from Payson was a new member and had a tremendous amount of knowledge regarding water issues along with water rights issues. NAMWUA has decided that we need 30,000 acre feet to augment the water supplies in Northern Arizona by 2050 for about 130,000 households, which Mayor Evans said could cost one billion dollars.

WAC - A report regarding the Yavapai County Water Advisory Committee. The Mayor reported that long term growth scenarios for 2050 were discussed and that the regional groundwater flow model is about ready to be run for the first iteration. They hope to get some idea of where the ground water is flowing in the whole Verde River Basin.

CAT – A report regarding the Cottonwood Area Transit. No meeting.

COCOPAI – A report regarding the Coconino Yavapai Resource Conservation District. Councilmember Williams presented draft Minutes from July 21st and reported that Bob Arambula handed out his Coordinator's Report and stated that he is still working with the Lower Colorado River RC&D, but a new coordinator has been chosen. He is also working

with a number of other RC&Ds on various projects. Dues letters will be sent out during the next few weeks. The Prescott Valley food bank is experiencing some difficulties in their operation and another food bank is being planned for Chino Valley. They will be sending out letters to recruit members. The complete Minutes are available at the Town Hall.

VVLPI – A report regarding the Verde Valley Land Preservation Institute. Councilmember Williams presented Minutes from July 14th and reported that Jane Whitmire presented a short report on her research project. They discussed the projects of a website, a public education project, and continuing the search for an Executive Director. Thank you postcards will be sent out to those sending checks during the fundraising and new people that joined. Mayors of the local towns as well as the unincorporated areas in the county will get letters requesting them to appoint a person to serve on the board. Jane Moore provided the group with information on the new County Planning and Zoning Ordinance entitled “Open Space Preservation Subdivision”. The complete Minutes are available at Town Hall.

VVTP – A report regarding the Verde Valley Transportation Planning Organization. Councilmember Bohall presented July 23rd Minutes and reported that Yavapai County, Camp Verde, Clarkdale, Cottonwood, Sedona, Big Park, Bridgeport, and ADOT reported on the status of projects in their areas. Councilman Bohall reported that the one percent sales tax will probably not be on the ballot this fall. The complete Minutes are available at Town Hall.

VRBP – A report regarding the Verde River Basin Partnership. The Mayor reported that there was a general membership meeting where they discussed assimilating the three largest water groups in the county – Verde River Basin Partnership, Yavapai County Water Advisory Board and the Upper Verde River Protection Coalition.

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 item 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 7/8/08 and the Special Meetings held 6/24/08, 7/22/08, and 7/29/08.
- B) **Claims** - List of specific expenditures made by the Town during the previous month.
PPE 7/5/08, PPE 7/19/08, Month end check and credit card report.
- C) **Board and Commission Minutes** – Acknowledgement of receipt of minutes and draft minutes of the previous month’s Board and Commission Meetings.
 - Board of Adjustments minutes of the meeting held 7/23/08
 - Design Review Board minutes of the meeting held 7/3/08, 7/9/08
 - Library Advisory Board minutes of the meeting held 7/3/08
 - Planning Commission minutes of the meeting held 7/3/08, 7/17/08, and 7/24/08
 - Parks and Recreation Board minutes of the meeting held 7/9/08
 - Heritage Conservancy Board minutes of the meeting 7/16/08, 7/30/08
- D) **Reports** - Approval of written Reports from Town Departments and Other Agencies

Building Permit Report – July 2008
Capital Improvements Report – July 2008
Magistrate Court Report – June 2008
Police Department Report – July 2008
Water and Wastewater Report – July 2008
Clarkdale Fire District Report and Mutual Aid Responses Report – July 2008
Cottonwood Area Transit (CAT) Operations Report – June 2008
Verde Valley Humane Society – June 2008

- E) Light Heart Foundation Proclamation-** Approval of a request from the Light Heart Foundation that the Town of Clarkdale proclaim September, 2008 Grandparents/Elder Recognition month.
- F) Lease Agreement for Folding Machine** – Approval of a Lease Agreement between the Town of Clarkdale and Pitney Bowes for a folding machine.
- G) Proclamation Declaring Vesta Northcross Day** – Approval of a Proclamation declaring August 23, 2008 Vesta Northcross Day, to celebrate her 100th birthday and recognize her accomplishments.

Mayor Von Gausig pulled consent agenda Item G.

Councilmember Williams moved to approve consent agenda items A, B, C, D, E, and F as presented, Vice Mayor Wiley seconded the motion. Motion was approved unanimously.

Mayor Von Gausig pulled consent agenda Item G in order to read the Proclamation Declaring Vesta Northcross Day

A PROCLAMATION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF
CLARKDALE, ARIZONA DECLARING AUGUST 23, 2008 “VESTA NORTHCROSS
DAY”

WHEREAS, Vesta Northcross is an important treasure in our community, and will be celebrating her 100th birthday on August 23, 2008; and
WHEREAS, Vesta Northcross was born in 1908 in Grand Junction, Colorado, traveled by locomotive to Tempe, Arizona in 1914, and bought a house in Clarkdale, Arizona in 1971 where she lives today; and
WHEREAS, Vesta Northcross has 4 children, 12 grandchildren, 20 great grandchildren, and 6 great-great grandchildren; and
WHEREAS, Vesta Northcross was a part of the Historical Society in Clarkdale; and
WHEREAS, Vesta Northcross was a member of the Clarkdale Clubhouse Restoration Commission and kept a scrapbook of photos and newspaper clippings of the restoration of the Clarkdale Clubhouse which has been donated to the Clarkdale Heritage Museum; and
WHEREAS, Vesta Northcross helped to hand-stencil designs for the curtains in the auditorium to match the original curtains of the Clubhouse that had fallen into disrepair; and
WHEREAS, Vesta Northcross volunteered at the Senior Center in Cottonwood, delivering food to those in need; and
WHEREAS, citizen volunteerism is of enormous benefit in building a better community.

NOW, THEREFORE, the Town of Clarkdale Common Council does hereby proclaim August 23, 2008 as "VESTA NORTHCROSS DAY" in Clarkdale, Arizona and wishes that all citizens celebrate this day in recognition of her accomplishments.

Councilmember Bohall moved to accept consent agenda item G with all Councilmember's signatures on the Proclamation. Vice Mayor Wiley seconded the motion. Motion was approved unanimously.

NEW BUSINESS

WORKSESSION ON THE DEVELOPMENT AGREEMENT WITH CLARKDALE METALS – A worksession to discuss a Development Agreement with the Town of Clarkdale and Clarkdale Metals.

Community Development Director Bailey reported that Clarkdale Metals Corporation and staff have been working for the past few weeks to finalize an agreement for the industrial road development that was a requirement of both the Conditional Use Permit and Site Plan Review for the Slag Recovery Project.

A framework for an agreement has been reached and it was felt the points were definitive enough that it was appropriate to bring the discussion to council as a work session before the agreement comes to council for approval. There are four major points which form the basis for the agreement.

1. A 100 foot easement for dedication has been defined extending from the Broadway extension to Cement Plant Road. Discussions with the SRP Cement Plant have begun for the dedication across their property which will allow for the completion of an industrial road from the Clarkdale Metals Corporation processing area to Cement Plant Road.
2. The road has been designed in two stages. Stage one being to construct a 24 foot wide road with 4 inch deep asphalt over 8 inches of base, the entire way from Broadway to Cement Plant Road. Construction of that road will be accomplished in two years from the date of agreement with the SRP Cement Plant. Stage two provides for expanding the width to 36 feet and including curb and gutter and a hard surfaced pathway from the Broadway intersection to Cement Plant Road. Stage two will be started within 10 years of stage one.
3. The road will be paid for entirely by Clarkdale Metals Corporation keeping with the two stage proposal.
4. The assurance for this construction will be a Performance Deed of Trust on the entire slag processing property which is owned free and clear by Clarkdale Metals Corporation.

Since this is more of an infrastructure extension rather than a development agreement, staff will be bringing the agreement forward in a line extension agreement format. This agreement deals only with the development and construction of the industrial road and does not include any other development issues or annexation plan proposal. Although a Certificate of Occupancy is at least four months off for Phase 1 of the project, all of the participants in the

discussion felt it was appropriate to bring the matter forward to council for discussion and direction.

Tom Pender and Tom Piccioli from Clarkdale Metals were present to review a map of the proposed road. There will be some reconstruction of existing Broadway. Turn lanes will need to be added on Cement Plant Road. Salt River Materials has some concern regarding the air quality monitor and the location of the road. The alignment comes very close to the Yavapai Apache Nation lands. Mayor Von Gausig thought that the Nation should know about the location of the roadway in case there was some opportunity for them to plan for.

Mayor Von Gausig was interested in the legal status of Cement Plant Road. Mr. Piccioli stated that during a very extensive legal research process, it was just discovered that Clarkdale Metals does not own Cement Plant Road. The documents that transferred title to Transylvania in 1983 did not convey Cement Plant Road, and Landmark Land owns the road. Their immediate plan is to advise Landmark what has happened and request a quit claim for the property which would avoid an adverse possession battle in court.

An underlying issue for the Town is to work with Salt River Materials regarding the portion of land that SRM owns that the industrial road will go across. To date, SRM has not voiced any dissention to Clarkdale Metals regarding the industrial road.

Normally, the Town requires an assurance to cover development and construction of a road. Clarkdale Metals has proposed a Performance Deed of Trust as a different type of assurance to cover the construction, building B, the new electro-winning building, and 140 acres. The Performance Deed of Trust was handed out at the meeting so the Council had no time to review the document. The attorney has not reviewed the document either. Clarkdale Metals feels that any form of surety, whether a bond or a letter of credit, costs money to keep them going, approximately \$70,000 per year for Clarkdale Metals. A Performance Deed of Trust is the same document that secures the mortgage on a house. It is linked to the default in the completion of the obligations that will be specified monetarily by the engineering estimate. The 140 acres included would be the bulk of the current smelter site and everything that all of the buildings are on. It does not include any of the road, which the Mayor would not want included. They would move forward with whatever the Town would be comfortable with.

Town Manager Mabery informed the Council that the original concept of the road was that the Town and Clarkdale Metals were going to partner on the funding of the construction of the road. The Town had a grant for a portion of the funding. The federal and state money had some complications for Clarkdale Metals, so they decided to take on the \$600,000 to \$800,000 cost themselves, for additional flexibility, and the Town can use the grant funds for other projects.

Direction to staff from the Mayor was to stabilize the issue of Cement Plant Road, and to look into the Performance Deed of Trust.

ARCHIVE POLICY MANUAL – Discussion and consideration of the Archive Policy Manual which governs the preservation and accessibility of the Town’s archives and artifacts regarding the history, prehistory, culture, or natural history of the Verde Valley of Arizona as recommended by the Heritage Conservancy Board.

Town Clerk Bainbridge reported that a worksession was held on the Archive Policy Manual on June 24, 2008 at which time the Council requested changes to the policy. The term volunteer was changed to "person", and a provision for an annual inventory was included. The majority of revisions changed the position of the Heritage Conservancy Board to make recommendations to the Council regarding accessions, deaccessions, loan requests and disposal of material and the Council being the approving entity. Staff misunderstood the intention of the Council's requested changes regarding the authority of the Heritage Conservancy Board. Town Manager Mabery reported that the Council adopts the policy so whatever is in the policy manual is the guiding document for the Heritage Conservancy Board's actions.

Appeal of Decisions will be revised so that there is an appeal process regarding the decisions made by the Heritage Conservancy Board.

Bailees Customer Insurance, or fine arts insurance was included in the Policy as requested. Bailees Customer Insurance provides coverage for legal liability resulting from damage or destruction of the bailor's property while under the bailee's temporary care, custody, and control. This includes property on or in transit to and from the bailee's premises. The cost associated with restoring an item needs to be established. Mayor Von Gausig stated that a blanket policy of \$5,000 or \$10,000 should be sufficient coverage for loans.

The Archive Policy will be revised and brought back to the Council as a consent agenda item.

PRESENTATION ON FORM BASED CODES - Presentation by Community Development Director Bailey on the concept of Form Based Codes.

Community Development Director Bailey reported that Vice Mayor Wiley requested a presentation on Form Based Codes, what they are, and how they might be used in Clarkdale. The Planning Commission has been reviewing the concept and are in the process of developing a Form Based Code for specific districts in Clarkdale.

Form Based Coding regulates the form of the building, not the use. The public sector sets the rules for the public space including the building's façade, the height of buildings within their environment, the build to line, and elements of the buildings. Districts where Form Based Codes are appropriate need to be identified. Once a district is identified, a district/community charrette is held to identify the elements of the district. Then, a regulating plan will be developed from the combined design plan. The impact on the neighborhood is minimal because the buildings themselves fit within that area. Councilman Dehnert asked if the build to line precludes someone from having the front entrance being an open space or courtyard. Director Bailey replied that it would depend on the design standards of each district.

Vice Mayor Wiley asked about Proposition 207. Director Bailey replied that 207 is a use based initiative and this is form based. Vice Mayor Wiley wondered if this could set architectural standards too expensive for property owners to build on their property, therefore taking away the ability to utilize that property. Director Bailey stated that there is a challenge in the Flagstaff historic district along the same lines, and they are waiting to see how it comes out.

Councilman Williams questioned how the architectural process works, are they hired, do we pay them? Director Bailey stated that Flagstaff and the Form Based Code Institute have said they would work with us.

Mayor Von Gausig asked about the process of when current zoning is changed to form based zoning and Director Bailey stated that the procedures would be slightly different from the regular zoning change process.

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA, SETTING FORTH THE VALUATIONS OF PROPERTY IN THE TOWN OF CLARKDALE FOR THE YEAR 2008-2009 ALONG WITH ADOPTING THE TAX LEVY FOR SAID PROPERTY – Discussion and consideration of Ordinance # _____, adopting the tax levy and setting the valuations of property in the Town of Clarkdale for fiscal year 2008-2009.

Finance Director Woodruff explained that on July 29, 2008 the Council adopted per Truth in Taxation, the Property Tax Levy Resolution and the Fiscal Year 2008-2009 Budget. The Council now needs to adopt the property tax levy for the Town. The levy is placed on each one hundred dollars of assessed value of all property, both real and personal, within the corporate limits of the Town of Clarkdale, except property that the law exempts from taxation.

The tax levy for 2008-2009 is .7100 to raise \$288,949 for primary tax purposes. A valuation as quoted by the Yavapai County Assessor's Office for primary taxes is \$40,697,041.

Vice Mayor Wiley moved to approve Ordinance #313, an Ordinance of the Mayor and Common Council of the Town of Clarkdale, Yavapai County, Arizona, setting forth the valuations of property in the Town of Clarkdale for the year 2008-2009 along with adopting the tax levy for said property. Councilmember Bohall seconded the motion. Motion passed unanimously.

ORDINANCE AMENDING SECTION 12-1, SUBDIVISION REGULATIONS, GENERAL PROVISIONS, BY CREATING SECTION 12-1-21, WATER ADEQUACY OF THE CODE OF THE TOWN OF CLARKDALE, AND DELETING SECTION 12-3-6 (B) (12) (d) AND SECTION 12-3-13 (B) (12) (d) - SUBDIVISION REGULATIONS, SUBDIVISION PLATTING PROCEDURES AND REQUIREMENTS, STAGE IV – FINAL PLAT, FORM OF PRESENTATION FOR THE FINAL PLAT - Discussion and consideration of Ordinance # _____, providing for new subdivisions located in the Town of Clarkdale to have an adequate water supply and repealing conflicting ordinances and providing for severability.

Community Development Director Bailey reported that at the July 8, 2008 Council Meeting Mayor Von Gausig reviewed the options for the Town to consider concerning SB 1575 - the Water Adequacy Certification requirement for subdivisions located outside an Active Management Area. After discussion by the Council, staff was directed to bring to Council an ordinance approving this requirement. As was stated in the Council Meeting on the 8th, Yavapai County will not be approving this requirement at this time, so each community must decide for themselves if they want to adopt an ordinance requiring certification. Adopting this ordinance will allow the Town to require an adequate water supply determination from

ADWR for approval of new subdivisions located outside an Active Management Area, or the director of ADWR can allow an exemption and issue a finding of inadequate water supply determination under specified circumstances. In turn, the Department of Real Estate can not approve a public report without an adequate water supply determination.

For Clarkdale it means all subdivisions located outside an Active Management Area and minor subdivisions over six lots must have such a determination. Each subdivision located outside an Active Management Area will have to indicate whether they are obtaining their water from an approved city, town, or private well system which has already received certification as an adequate water service provider. Minor subdivisions with five lots or less do not fall under this requirement. There are certain circumstances where the Director of the Arizona Department of Water Resources can approve a subdivision with an inadequate water supply and issue an exemption, but the ordinance narrowly defines those circumstances.

The Mayor stated that the purpose was not to deny subdivisions, but was to make sure that any subdivision that comes into Clarkdale has adequate water and ADWR makes that determination. Mayor Von Gausig stated that this is a step. Town Manager Mabery reported that the reason we were only taking this step was that the other steps require legislative action to give us the opportunity to pursue those. Clarkdale has never had a subdivision that has not been able to get an adequate water certificate determination. Clarkdale will be the second municipality in Arizona to adopt this ordinance.

Councilmember Williams moved to approve Ordinance #314, an Ordinance of the Town of Clarkdale, Arizona, amending Section 12-1, Subdivision Regulations, General Provisions; by creating Section 12-1-21, Water Adequacy of the Code of the Town of Clarkdale, deleting Section 12-3-6 (b) (12) (d) and Section 12-3-13 (b) (12) (d), Subdivision Regulations, Subdivision Platting Procedures and Requirements, Stage IV – Final Plat, Form of Presentation for the Final Plat; repealing conflicting ordinances and providing for severability. Vice Mayor Wiley seconded the motion. The motion passed unanimously.

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

Vice Mayor Wiley requested that the Yavapai Apache Nation funding come back on an agenda and was informed that it is scheduled for the regular meeting in September.

ADJOURNMENT at 8:10 PM

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk