

**Minutes of a Regular Meeting of the Common Council of the Town of Clarkdale
Held on Tuesday, January 13, 2009.**

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, January 13, 2009, at 6:00 PM at Clark Memorial Clubhouse, 19 North Ninth Street, Men's Lounge, Clarkdale, Arizona.

CALL TO ORDER at 6:04 PM

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
Deputy Town Clerk Walt Good

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

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.

Drake Meinke, Clarkdale, updated Council on the Rural Tourism Grant. Phase One - the sign tops denoting Clarkdale's Historic area is almost complete with only a few more brackets and sign post tops to be installed. Phase Two - is continuing and will begin installing in the near future after meeting with Design Review Board.

INFORMATIONAL REPORTS

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

1. Attended the Verde Valley Mayor & Manager's Meeting where discussion on how to keep staff and manage budgets during these economic times.
2. Attended Negotiation Webinar put on by the League of Arizona Cities and Towns.
3. Met with Steve Pierce, Bill Field and Margie Beach to discuss and explore opportunities on transportation route alternatives for the Salt River Materials Group.
4. Yavapai County Supervisors and Mayors meeting to discuss the current issues and the innovated ways of balancing the budget. Representative Ann Kirkpatrick was in attendance and involved in the discussion.
5. Met with Senator McCain regarding the Verde River Basin Partnership (VRBP) and the

- need to assimilate this group into WAC. Have had further discussion with the Senator's aid Carlos Sierra and direction on what is needed for the Senator to get Representative Kirkpatrick and Senator Kyl involved in financial support on behalf of WAV and VRBP.
6. Attended the General Plan focus Group on water.
 7. Met with Ray Selna, Rex Williams and John Stevenson on the portion of Old Jerome Highway from Highway 89A to Lanny Lane. The Town and Yavapai County consider this portion of Old Jerome Highway as a private road and not in the Town's road inventory. The Town did chip seal the road and the residents feel that it is the Town's road. Research is being done to evaluate the situation.
 8. The Mayor showed the pictures that he had taken of a coati in upper Clarkdale. State Game and Fish believe that there is a troupe of coati's in the SRMG area thus their breeding area has moved north in the State.
 9. The death of Paul Tavasci was noted. Mr. Tavasci had served as a Councilmember and Mayor.
 10. The Mayor presented Carlton Woodruff a picture of the Town Gazebo and Flagpole signed by all the Councilmembers in recognition of his service to the Town. Mr. Woodruff has taken a position with the State of Arizona.

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

1. Town held its annual Board and Commission Training, it was well attended.
2. This Friday evening a benefit is being held for Mary Stein, Clarkdale Explore who is having medical issues. The benefit will be at 6 PM at Hobo Joes.
3. On January 20, 2009 at 1 PM Jim B yrkit will make a presentation at Clemesau Museum. The subject is "Why is there a Clarkdale."
4. The January 27, 2009 Special Meeting is canceled and Council will meet on January 30, 2009 all day for Strategic Planning.

COCOPAI – A report regarding the Coconino Yavapai Resource Conservation District – No meeting.

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

NACOG - A report regarding the Northern Arizona Council of Governments – Vice Mayor Wiley attend the annual NACOG retreat where all departments made their year-end reports. Also the NACOG board toured a BIO Fuel Plant and a large hydroponic tomato operation.

NAMWUA - A report regarding the Northern Arizona Municipal Water Users Association. – No meeting.

PFSG – A report regarding the Prescott Forest Stewardship Group – Vice Mayor Wiley has not been able to get any connection with this group.

VRBP – A report regarding the Verde River Basin Partnership – No meeting.

VVREO – A report regarding the Verde Valley Regional Economic Organization – Councilmember Dehnert is not able to attend these meeting as the new date conflicts with his work requirements. Mayor Von Gausig requested that this item be discussed in the future.

VVLPI – A report regarding the Verde Valley Land Preservation Institute – No meeting.

WAC - A report regarding the Yavapai County Water Advisory Committee – Mayor attended meeting no action items.

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.

A) Approval of Minutes of the Common Council - Approval of the minutes of the Regular Meeting held 12/9/08 and the Special Meetings held 12/09/08, 12/16/08.

B) Claims - List of specific expenditures made by the Town during the previous month. PPE 12/5/08, PPE 12/19/08, Check Log & 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 No meeting

Design Review Board minutes of the meeting held No meeting

Library Advisory Board minutes of the meeting held 12/4/08

Planning Commission minutes of the meeting held 12/04/08

Parks and Recreation Board minutes of the meeting held No meeting

Heritage Conservancy Board minutes of the meeting 12/17/08

D) Arizona State Library, Archives and Public Records State Grants-in-Aid Construction Agreement – Approval of the construction agreement indicating acceptance of the approved State Grants-in-Aid grant in the amount of \$10,000 for library construction.

E) Non-Profit Funding 2008 Year-End Report – Presentation of the year-end reports from the non-profit agencies that were awarded funds in 2008.

Mayor Von Gausig pulled item E for discussion.

Vice Mayor Wiley moved to accept the Consent Agenda items A, B, C, & D as prepared. Motion seconded by Councilmember Williams. Motion approved unanimously.

Mayor Von Gausig discussed the Relay for Life Non-Profit in-kind funding and stated that the Town could look for in-kind opportunities with other agencies because of the economic times and the unavailability of budget funds.

Mayor Von Gausig moved to accept Consent Agenda Item E. Motion seconded by Councilmember Dehnert. Motion approved unanimously.

OLD BUSINESS

DEVELOPMENT AGREEMENT WITH CLARKDALE MINERALS –Discussion and

consideration for approval of a Development Agreement with Clarkdale Minerals Corporation LLC.

Community Development Director Bailey presented the Development Agreement with Clarkdale Minerals to Council. Tom Piccioli, Clarkdale Minerals, spoke on the agreement and explained the difference between Clarkdale Metals Corp., the operating company for the slag pile reclamation project and Clarkdale Minerals LLC, the real estate managing company for the property holdings. Both are wholly owned subsidiaries of Searchlight Minerals.

Discussion was held on the changing the completion of Phase One from “in two years” to “within two years” to allow for earlier completion of that Phase. Council also requested that an assignment of the effluent site Lease Agreement with Verde River Iron Company to Clarkdale Minerals LLC.

Mayor Von Gausig moved to accept the Clarkdale Minerals Development Agreement with changes of “in two years” to “within two years” and an assignment of the effluent site agreement. Councilmember Williams seconded the motion. Motion was approved unanimously.

NEW BUSINESS**VERDE VALLEY LAND PRESERVATION INSTITUTE UPDATE – Update from Bob Rothrock on the Verde Valley Land Preservation Institute (VVLPI) activities, accomplishments and future plans.**

Bob Rothrock, President VVLPI, presented Council a Powerpoint presentation updating them on the VVLPI activities. Mr. Rothrock thanked the Council for funds in the past and requested that the council consider making VVLPI a budget item in future budgets.

WORKSESSION REGARDING THE FINANCIAL OPERATION GUIDE REVISIONS- Discussion and direction regarding revisions to the Financial Operations Guide for the Town of Clarkdale.

Finance Director Woodruff presented Council the proposed Financial Operation Guide (FOG) for the Town. Mr. Woodruff noted that the Exhibits had not yet been revised and that there are several formatting errors. The FOG is comprised on State rules and statutes, Town Code and items needed for the new software. The purpose of this guide is to give departments and employees a guide on how to perform their job as it relates to the Town’s financial business. The reason for the FOG revision is the implementation of the new Town Finance Software - Incode.

Mr. Woodruff mentioned that the Town is still working on finding out if the Town can require individuals who use their personal vehicle to obtain a higher level of personal insurance. Discussion is between the Town and Town Attorney. Mayor Von Gausig stated that we should be dealing with the Town insurance carrier to find out if the premiums would be reduced to the Town if the Town required individuals to provide proof of a higher than State minimum rates for insurance.

Mayor Von Gausig went through the FOG with several areas of discussion.

Prior approval for travel – sometimes meetings are called on short notice and prior approval cannot be feasibly obtained.

Lunch – sometimes meetings are all day and even when within twenty miles it would be difficult to go home to eat.

Drivers License – who checks to see if the license is current? To reduce Town liability the Town needs to review driving records and evaluate if the driver has a valid license, and an acceptable driving record.

Incode – why mention by name? The Town may change software again in the future and that would require the revision of this document.

Pool – good procedure on the petty cash reconciliation but what about the inventory control so the Town can identify shrinkage or other possible situations.

Procurement – Department Heads and Council levels of approval was discussed. The current amount is set in Town Code and was done several years ago before the Town owned the Clarkdale Municipal Water Company. Items required for O&M often cost more than the current set limits and the Town should review the Town Code and evaluate new limits.

Performance Bond & Assurances – discussion on what could go wrong and how the Town should protect itself.

Used Equipment – more discussion and guides should be had on the procurement of used equipment. In the past the Police Department has acquired most of its patrol vehicles used.

Credit Card Policy – well written but the Town needs to ensure we have limited our liability. Mr. Woodruff said that the Town's credit cards carry limits. Also no Town employee should keep Town credit Card information on their own personal computer.

Vehicle Repair – need to ensure that repairs are only done to Town vehicles not personal.

Bids – the State does not have a limit on what price level the Town should require a bid just that the Town should have a policy in place. The cost of obtaining bids is costly to the Town in labor, time and publication cost.

Changes will be made to the FOG and it will be returned to the Council.

INTERGOVERNMENTAL SERVER SOFTWARE AGREEMENT WITH THE CLARKDALE FIRE DISTRICT – Discussion and consideration of an IGA with the Clarkdale Fire District regarding Windows Server STD 2003 Govt-6 software and the thirteen licenses that go with the server.

Kathy Bainbridge, Town Clerk, explained that the Town is no longer in need of the server and

software and the Clarkdale Fire District is in need of the server and software.

Councilmember Williams moved to approve the Intergovernmental Agreement with Clarkdale Fire District transferring the server and software licenses. Motion seconded by Councilmember Bohall. Motion was approved unanimously.

BUDGET UPDATE – A worksession to discuss the second quarter of the 2008-2009 Budget year.

Finance Director Woodruff presented Council a review of the first quarter numbers and the second quarter budget figures. Each enterprise fund was discussed as well as the General Fund accounts as of December 31, 2008.

Streets Fund - expenditures exceed revenue by \$17,980.00. Also mentioned was that Flying J has filed bankruptcy and had not paid their November or December 2008 fuel and sales taxes. The State is working on the shortage and at the present Clarkdale's share would be about \$1,200.00.

Wastewater - expenditures exceed revenue by \$16,066.45. The Town had identified this account as the expenditures not covered by revenue. Utility Director Wayne Debrosky is currently working on gathering information from various local municipalities on their rates and will bring recommendations to Council in the near future.

Sanitation – revenues exceed expenditures by \$31,929.64. The expenditures in this fund are basically set with few variables so this fund should continue to be in the positive.

Water - revenues exceed expenditures by \$92,498.37. Accounts are stable but usage is low now with expenditures rising because of maintenance repairs. Usage will begin to increase in April.

Cemetery - expenditures exceed revenue by \$16,645.86. The major expense in this fund is labor. The Town is evaluating the cost and the Town Fee Schedule for possible revision.

General Fund – Parks & Recreation is above the 50% in budget expenditures because most of their expenses are incurred in the first half of the fiscal year, the General Fund, revenues exceed expenditures by \$5,315.51.

The budget revenues still appear to be short but with the budget expenditure changes that have been made the Town should end the year with a balanced budget. With the 2009-2010 budget process beginning, the town not only needs to be aware of our budget shortfalls but also those that the State may place upon communities to balance their budget.

The Mayor and Councilmembers all expressed their gratitude to Mr. Woodruff on his bringing Clarkdale up to date in the Finance Department and wish him the best with his new position with the State of Arizona.

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

None

ADJOURNMENT at 8:37 PM

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk