

**Minutes of a Regular Meeting of the Common Council of the Town of Clarkdale  
Held on Tuesday, May 12, 2009.**

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, May 12, 2009, at 6:00 PM at Clark Memorial Clubhouse, 19 North Ninth Street, Men’s Lounge, 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  
Police Chief Pat Haynie  
Deputy Town Clerk Walt Good

Town Clerk/Finance Director Kathy Bainbridge  
Community Development Director Sherry Bailey  
Utility Director Wayne Debrosky

**CALL TO ORDER at 6:00 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.

No public comment.

**NEW BUSINESS**

**COTTONWOOD AREA TRANSIT ROUTES SERVING THE TOWN OF CLARKDALE –**

Presentation to Council for consideration and recommendation of the revised Cottonwood Area Transit routes serving the Town of Clarkdale.

Public Works Director Steve Burroughs submitted three options to Council for the new proposed CAT service routes in the Clarkdale community. The Clarkdale Transit Committee recommended Option 3 to the Council for recommendation to the City of Cottonwood. This option will come down Broadway to Main to the Clarkdale Jerome School to Hwy 89A to the Lisa/Lincoln roundabout and return to Cottonwood via Broadway.

Town Manager Mabery stated that the Clarkdale Transit Committee was comprised of Councilmember Dehnert, Councilmember Bohall, Town Manager Mabery, and Public Works Director Burroughs; they met with City of Cottonwood Mayor Joens and City Manager Bartosh, CAT and NAIPTA staff to formulate options that would provide Clarkdale with the best continued transit access. Clarkdale Transit Committee decided that option three would provide Clarkdale residents with the greatest route coverage. Areas that are more than a quarter of a mile from a designated stop will have access to the dial-a-ride program.

Public Works Director Steve Burroughs mentioned that he had had preliminary discussions with ADOT and the State is willing to work with the Town on the transit routes and on collection points.

Town Manager Mabery informed Council that the first intended stop on Hwy 89A will be at Lamplighter with an additional three stops to be identified.

Councilmember Williams asked about the service to Pine Shadows. Town Manager Mabery replied that Pine Shadows is in the City of Cottonwood and that Cottonwood wants to service Pine Shadows via dial-a-ride.

Mayor Von Gausig asked if CAT and NAIPTA had seen and agreed with this option. Town Manager Mabery replied that they had seen the options and been involved in the discussions.

Mayor Von Gausig thanked everyone for their work on this project.

Vice Mayor Wiley moved to recommend line route Option 3 as Clarkdale's preferred alternative for the Cottonwood Area Transit route serving the Town of Clarkdale. Motion was seconded by Councilmember Williams. Motion approved unanimously.

## **INFORMATIONAL REPORTS**

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

1. Mayor Von Gausig attended budget workshop.
2. The Mayor attended the Water Forum at Yavapai College Verde Campus that was put on by the League of Women Voters. Mayor thanked the League of Women Voters for the forum.
3. Mayor Von Gausig judged the custom car show.
4. Mayor Von Gausig had lunch with Deni Phinney, owner of the old elementary school property, and discussed the possibilities for the property.
5. Mayor attended the Phoenix Cement's ADEQ Permit Public Hearing.
6. Mayor and the Plasma group met with Dr. Wolfe for a discussion on the feasibility of the project.
7. Mayor attended the Verde Birding and Water Festival, led tour of Tavaschi Marsh.
8. Mayor attended the final budget workshop.
9. Mayor attended meeting on the City of Cottonwood's proposed annexation of state trust land.
10. Mayor had meeting with Yavapai County Supervisor Chip Davis.
11. Attended the Bureau of Land Management technical workshop meeting for continued discussion on population projections.
12. Mayor Von Gausig asked Councilmember Dehnert to report on his meeting with Maury Herman and his plans for the old market building.

Councilmember Dehnert reported that he had met with Mr. Herman and discussed his plan for the old market building and Councilmember Dehnert's concerns for the building. There is a plan that had been presented to the Town and approved by Design Review to remodel the building into three businesses that would all have Main Street accessibility. The economic market is not favorable at this time for this project and Mr. Herman is not inclined to move forward until he has committed tenants or a buyer. Councilmember

Dehnert explained the need to make some improvements which would prevent further deterioration and protect the public safety. Mr. Herman said that he would work on protecting public safety and preserving the building. Councilmember Dehnert volunteered to assist Mr. Herman's efforts to market the building by making area economic development organizations aware of the potential for the building.

13. Mayor Von Gausig met with Virginia Turner, Representative Kirkpatrick's local aide, to discuss the USGS study and the possibility of funding future water studies.

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

1. Town Manager Mabery informed the Council that May 30, 2009, will be the Town of Clarkdale Volunteer Appreciation Event. The event will be held in the Main St. Park at 5 PM. After the event Major Lingo will perform at the Town's Concert in the Park.
2. Town Manager Mabery reminded Council that the Town is actively recruiting volunteers to assist the Town in various events; Fourth of July, Concerts in the Park, Halloween, and Santa Comes to Clarkdale to name a few.
3. June 3, 2009, Town of Clarkdale and City of Cottonwood Councils will have a joint meeting in the Cottonwood Public Safety building to discuss the Cottonwood Forest Land annexation and discuss possible ways to protect the forest land between the two communities without annexation.

COCOPAI – A report regarding the Coconino Yavapai Resource Conservation District  
Councilmember Williams reported no meeting held.

CAT – A report regarding the Cottonwood Area Transit  
Councilmember Williams reported no meeting held.

NACOG - A report regarding the Northern Arizona Council of Governments  
Vice Mayor Wiley reported he attended the NACOG board meeting which discussed normal business and the possibility of accepting the over one million dollar increase to Head Start. The point of Board discussion was that accepting the money would mean that all Head Start employees would receive a 4.9% pay increase. Problem was that there are no funds to increase pay of other employees of NACOG and the board felt that was not right. The board decided to accept the money with the stipulations.

NAMWUA - A report regarding the Northern Arizona Municipal Water Users Association.  
Mayor Von Gausig reported that he attended the NAMWUA Executive board meeting where discussions continued on the possibility of augmenting water supplies with Colorado River water from Lake Powell or from Lake Mohave.

VRBP – A report regarding the Verde River Basin Partnership  
Mayor Von Gausig reported they discussed water flow models for the Verde Valley.

VVLPI – A report regarding the Verde Valley Land Preservation Institute  
Councilmember Williams provided minutes in the packet for the April meeting.

VVTPO – Report regarding the Verde Valley Transportation Planning Organization.  
Councilmember Bohall reported that no meeting was held in April.

WAC - A report regarding the Yavapai County Water Advisory Committee Mayor Von Gausig attended the meeting, WAC budget was discussed and the groundwater flow model update.

**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 April 14, 2009 and the Special Meetings held April 28, 2009 & April 30, 2009
- B) **Claims** - List of specific expenditures made by the Town during the previous month. PPE 4/11/09, PPE 4/25/09 & April 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 April 15, 2009
  - Design Review Board minutes of the meeting held April 8, 2009
  - Library Advisory Board minutes of the meeting held April 2, 2009
  - Planning Commission minutes of the meeting held April 23, 2009
  - Parks and Recreation Board minutes of the meeting held no meeting
  - Heritage Conservancy Board minutes of the meeting April 15, 2009
  - General Plan Update Committee minutes of the meeting April 16, 2009
- D) **Proclamation for Town of Clarkdale Volunteer Appreciation Day**- Approval of a Proclamation declaring May 30, 2009 as Clarkdale Volunteer Appreciation Day.
- E) **Resignation of Alice Burroughs From Parks and Recreation Commission** – Acceptance of the letter of resignation from Alice Burroughs from the Parks and Recreation Commission.
- F) **Clarkdale Fire District Mechanical Repair Services Agreement** - Approval of the 2009-2010 Intergovernmental Agreement between the Clarkdale Fire District and the Town of Clarkdale for mechanic repair services.
- G) **City of Cottonwood Mechanical Repair Services Agreement** - Approval of the 2009-2010 Intergovernmental Agreement between the City of Cottonwood and the Town of Clarkdale for mechanic repair services.
- H) **Clarkdale-Jerome School District Mechanical Repair Services Agreement** - Approval of the 2009-2010 Intergovernmental Agreement between the Clarkdale-Jerome School District and the Town of Clarkdale for mechanic repair services.
- I) **Clarkdale-Jerome Lions Club Facilities Use Agreement** – Approval of the 2009-2010 Reimbursement Agreement for the use of Town Facilities by the Clarkdale-Jerome Lions Club.

Vice Mayor Wiley moved to accept the Consent Agenda as submitted by staff. Councilmember Bohall seconded the motion. Motion approved unanimously.

**NEW BUSINESS****BUDGET WORKSESSION** – A worksession to discuss the 2009 - 2010 Fiscal Year Budget.

Town Manager Gayle Mabery and Finance Director/Town Clerk Kathy Bainbridge provided the Council a PowerPoint presentation reviewing the most commonly asked questions from the Trial Budget Workshops and updated Council with revised revenue and expense estimates for FY 2008-2009, and new estimates on proposed Budget FY 2009-2010.

Town Manager Mabery reviewed the Frequently Asked Questions from the Trial Budget Workshops.

Finance Director/Town Clerk Bainbridge informed Council of a projected year end deficit of about \$50,000.00. The steps that are being considered to cover the shortfall include;

- Limit all department spending for balance of the fiscal year to mission critical items.
- Reduce the transfer of sales tax monies from the General Fund to the Streets Fund.
- The Street Fund appears to be in the positive for about \$25,000.00 and with Council approval fund transfer can be done.
- Transfer the unobligated portion of funds recently received from the Highlands Subdivision reimbursement to the General Fund. A resolution authorizing fund transfers is required and will be brought before Council at the June 23, 2009, meeting.

The 2009 - 2010 budget numbers continue to come in with more negatively impacting figures. The State has yet to adopt a budget and that unknown is going to impact the new 2009-2010 budget. Town Manager Mabery informed Council that in the past the Town has been able to prepare a preliminary budget and be ready to submit it to Council for approval in June. This year the Town will be using the full legal time to submit the budget to get the best estimates of State impacts. With the Town expecting further shortfalls in revenue and additional expenses, a 5% furlough in work hours is recommended, instead of returning to a full 40 hours. This should save the Town's General Fund about \$103,500.00, for the year and leaves the possibility of reducing or increasing. The town will reevaluate the need to remain on a reduced work schedule each quarter and staff will advise Council of its recommendation.

Mayor Von Gausig stated that this budget is not just a one year situation but the new way government is going to have to review budgets. The State is looking at possibilities of taking funds from Cities and Towns that were set aside for other purposes.

Councilmember Williams asked why choose going to 38 hours instead of staying at 36 hours. Town Manager Mabery stated that to stay competitive the Town needs to keep staff close to regional pay rate; however, to balance the budget the Town needs to keep the ability to change hours available. Budget revenues may require returning to a 36 hour week at a later date.

Councilmember Dehnert asked if the 5% work week reduction in the 2009-2010 Budget has the same effect as the current reduction of 10%. Projections will be made as we get into the fiscal year and consequently there may need to be adjustments. Projections over the last eighteen months have not been met and adjustments have had to be made by the Town to balance the budget. Five percent across the board for a full year would have the same basic effect as the ten percent cut for the half year the Town employed this fiscal year.

Councilmember Dehnert asked about tracking of the declining revenues in the State, and if it appears that the revenues are flattening out and beginning to stabilize, or getting worse. Finance Director/Town Clerk Bainbridge replied that sales tax, because of the time lag, still has some holiday sales numbers in them. The construction tax numbers are at about one half from those of last year. The Town is suppose to be at 83% of our sales tax revenues at this time of the year and sales tax revenues received so far are in the low 70 percentile and are expected to see a projected 15% shortfall over last year.

Mayor Von Gausig opened the Budget Worksession to public comment.

Frank Sa, Clarkdale, had a couple of statements and questions to ask and would like the responses held until the next meeting or next budget worksession so that additional residents could be present to hear the responses.

- At last Council meeting there was an agenda item regarding a salary range change. Was that adopted? ( Yes) Parks and Recreation Supervisor title was changed and at a higher rate.
- I received the organizational chart for the Town and everyone else has a pay scale except the Finance Director/Town Clerk position.
- Requested the actual salaries of staff not just the salary range but the actual gross amount paid. In tonight's Council packet financial report it shows the Town pays about \$250,000 each month. When Mr. Sa was on the Council that was the amount being spent two years ago. If there has been a reduction then Mr. Sa does not see it.
- General Fund Revenues are getting transferred to the Administration from the various departments. Where do these funds go and what do they benefit?

Mr. Sa again requested these answers at a future meeting as he had to leave.

Robyn Prud'homme Bauer, Clarkdale, wanted to thank staff for the budget meetings. They were informative and well attended. Ms. Prud'homme Bauer was concerned about the accumulative effect of all the increases from the sales tax, property tax, sewer rate and APS tax. For many residents that could be hundreds of dollars for the total consequence for a year. For local business owners it is a double hit, the business and home. Ms. Prud'homme Bauer stated that she does spend as much money in Clarkdale as she can and the sales tax change will affect her buying and her business sales. If you want a voluntary donation added to the utility bill I would like it to be designated for assistance to those who cannot pay. She suggested the Town take the same types of cuts business have had to take, be willing to look at your benefit packages and make adjustments there also.

Mayor Von Gausig replied the Town is looking for about \$280,000.00, and the accumulative affect on a Town resident is less than \$100 per resident per year.

Jackie Leslie, Clarkdale, has been a resident of the Town of Clarkdale since 1977 and at that time there were only 6 or 8 people employed by the Town and they got the job done. Ms. Leslie had attended the last Trial Budget Workshop and got a copy of the budget from the Town and discovered it was an enormous budget with over fifty staff. Because of the paid health benefit cost increase of 12% added over last year, even without merit or COLA increases, staff will be receiving a higher fringe supplement. The Town pays all of the staff health insurance payment, and a large portion of family cost. That is a lot of money; nobody did that for her or ever had. The Police Department numbers are over a million dollars of the budget, how many Police on

each shift and how many shifts are there? Are vacancies going to be filled in the future? How can the Town increase the rate of the Franchise Tax that should have gone to the Corporation Commission for approval?

Mayor Von Gausig replied that he could not say the total number of employees we had in 1977. The requirements that the Town has to abide by are more stringent and we only had about a third of the population in 1977. There will be about 45 staff in the next fiscal year budget and Mayor Von Gausig does believe that tracts well per capita for the Town. Health insurance is required by large employers, and is needed to stay competitive in the marketplace. If you want good people to work for the Town, you need to be competitive.

Town Manager Mabery asked Ms. Leslie to stop and talk with Police Chief Haynie in regards to the Police shifts and coverage as they have public safety concerns. There is broad coverage and some shifts do overlap with some shifts having one officer and some having three officers, depending on the time of day and the Town experience.

Vice Mayor Wiley remarked that Town staffing is affected by unfunded mandates.

Mayor Von Gausig closed public comment.

**ADJOURNMENT at 7:59 PM**

APPROVED:

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Doug Von Gausig, Mayor

ATTESTED:

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Kathy Bainbridge, Town Clerk

SUBMITTED:

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Walt Good, Deputy Town Clerk