

**Minutes of a Special Meeting of the Common Council of the Town of Clarkdale
Held on Tuesday, May 26, 2009**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, May 26, 2009, at 3:00 PM. in the Clark Memorial Clubhouse, Men’s Lounge, 19 N. Ninth, 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
Community Service Supervisor Dawn Norman
Police Sergeant Chris Wylie

Town Clerk/Finance Director Kathy Bainbridge
Community Development Director Sherry Bailey
Utility Director Wayne Debrosky
Assistant Town Manager Janet Perry
Admin Assistant Margie Hardie

CALL TO ORDER at 3:06 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.

Vincent Ashworth, Clarkdale, spoke on the Town’s ordinance which only allows two vehicles at a residence under repair. Mr. Ashworth believes that these should be reviewed on a case by case basis. His personal cars are Jaguars and are collector items. They are never on jacks. Mayor Von Gausig request that Mr. Ashworth visit the Community Development Department for clarification.

Curt Bohall, Clarkdale, advised Council that Interstate Highway 17 Southbound will begin a pavement preservation project from Sunset Point Rest Area to Black Canyon City. The project will begin on May 25, 2009 and continue until January 2010. Beginning the week of May 25, expect long delays southbound from 8 PM to 8 AM daily.

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) Reports - Approval of written Reports from Town Departments and Other Agencies

Building Permit Report – April 2009
Capital Improvements Report - April 2009
Magistrate Court Report – April 2009
Police Department Report – April 2009
Water and Wastewater Report – April 2009
Clarkdale Fire District Report and Mutual Aid Responses Report – April 2009
Cottonwood Area Transit (CAT) Operations Report – April 2009
Verde Valley Humane Society – No report

- B) Verde Valley Humane Society Impound Animal Agreement** – Approval of a 2009-2010 Verde Valley Humane Society Impound Animal Agreement.
- C) Reimbursement Agreement for Use of Town Facilities with Verde Valley Theatre** – Approval of a 2009-2010 Reimbursement Agreement for the use of Town Facilities by the Verde Valley Theatre.

Vice Mayor Wiley requested that consent item A and C be pulled for discussion.

Vice Mayor Wiley moved to approve item B of the Consent Agenda as prepared by staff. Motion was seconded by Councilmember Bohall. Motion approved unanimously.

Vice Mayor Wiley asked that the April Police Report and the April Water/Wastewater report be pulled for discussion.

On the Police report Vice Mayor Wiley asked about the increase on the Suspicious People/Vehicle section and in the Other Types section. Police Chief Haynie replied that the Other Types section is up because of increased Police involvement on civil matters. This is also the reason for the Domestic Violence increase. The Suspicious People/Vehicle increase results from educating the public and getting increased calls to prevent car thefts. Councilmember Williams asked about the increase in the Traffic Warnings section. Police Chief Haynie replied that all officers are documenting all warnings, even verbal warnings, and that traffic is back on Hwy 89A now that the construction is finished.

On the Water/Wastewater report Vice Mayor Wiley noticed that there were 85 accounts that have wells and stated that these accounts affect our wastewater revenues. Vice Mayor Wiley wondered what could be done to determine the total flow/gallons into the Town wastewater system from these accounts.

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

Vice Mayor Wiley asked if the problems from the past have been corrected with the Verde Valley Theatre Group. Kathy Bainbridge, Town Clerk/Finance Director replied that the Town had experienced difficulties with one play this past year. An agreement between the Town and the theatre had a damage deposit provision which had been changed. Additional vigilance by the theatre group helped ensure that the rules were being followed.

Vice Mayor Wiley moved to accept Consent Agenda Item C as presented by staff. Councilmember Dehnert seconded the motion. Motion was approved unanimously.

NEW BUSINESS

PRESENTATION BY THE COMMUNITY SERVICES DEPARTMENT - Discussion with Council regarding future plans for the Clark Memorial Library.

Assistant Town Manager Perry presented Council the newly formed Community Services Department. The Town is looking at ways of doing a better job of outreach and volunteer management with fewer Town staff. The new department will report to Assistant Town Manager Perry and be comprised of Community Services Supervisor Dawn Norman, Administrative Assistant Margie Hardie, Library Aide Carolyn Grey and Library Manager Charlotte Hawken. Ms. Norman and Ms. Hardie will move to the Library by the end of this week.

Assistant Town Manager Perry noted that this reorganization would enable the Town to staff the library and increase hours of operation from 24 to 40 hours per week. The library will be open 8:30 AM to 5:30 PM Monday through Thursday and 12:30 PM to 4:30 PM on Saturday and closed Friday and Sunday. Flyers announcing the increased hours will be distributed to the school this week for every child to take home. Assistant Town Manager Perry thanked Ms. Norman, Ms. Hardie and Ms. Hawken for their work at bringing this change about.

The Community Services Department will also be tasked with growing and managing the Town of Clarkdale Volunteers. This will help the Town staff areas with volunteers.

Discussion on the proposed phased remodel of the library was held and Council was informed construction would begin in the fall and would probably take about a month. Funds to cover Phase I of the remodel will come from the library grant that was used to re-roof the building already. Phase I plans will be needed to facilitate the Library improvements. Conceptional architectural drawings were handed out to Council.

Assistant Town Manager Perry thanked Public Works Director Steve Burroughs for his work on the conceptional drawings. Town Manager Mabery added that this work saves the Town considerable money over a consultant doing the master planning.

Public Works Director Steve Burroughs provided Council with the conceptional drawings for Phase I and described the changes. There will be limited funds and time to do the work. The building will use the existing furniture and equipment to save the Town money.

Vice Mayor Wiley asked if the remodel would have enough book shelf space. Public Works Director Steve Burroughs replied that it would, the existing shelves are not used to capacity. Vice Mayor Wiley reminded him that the bottom shelves are not used because of the difficulty to get down and back up when retrieving books from the bottom.

Mayor Von Gausig asked if the conference room would have windows for viewing into the Library. Public Works Director Steve Burroughs replied that there had been discussion to have windows and it would allow light into the area. Also the existing exterior windows in that area are single pane and should be replaced. Work on Phase I items are work that could be done in house.

Councilmember Williams asked why the Library needs two restrooms if it is short on space. Public Works Director Steve Burroughs replied that by bringing in a full department and being open more hours, more people using the facilities is expected. Councilmember Williams asked if the current restroom was used. Public Works Director Steve Burroughs said that it does get heavy use. The proposed restrooms would also be ADA compliant. Town Manager Mabery informed Council that Phase I would be done in the fall if funds for Phase II do not become available. The Town can do Phase I items with existing grant funds

Vice Mayor Wiley asked if there is a need for a conference room in the Library. Town Manager Mabery replied that staff is proposing the conference room to be used as a public meeting space bringing in more people to the Library.

Town Manager Mabery informed Council that Phase II is completely dependent on the Town getting stimulus money to perform the work as there are no Town funds available for Phase II.

Public Works Director Steve Burroughs presented Council with the conceptional drawings for Phase II and described the changes. This phase is predicated on the Town being successful in being awarded stimulus funds. The building will be expanded to the North, back of the building and to the East, right side looking at the building. This new construction will also allow a mezzanine area for more space.

Councilmember Williams asked what the construction support would be for the expansion. Public Works Director Steve Burroughs replied it would be post and beam.

Community Development Director Bailey spoke to Council about stimulus funding for the broadband infrastructure money for rural areas from the Department of Commerce. Funding is related to rural areas and looks at innovative programs that have been built into this concept on those guidelines.

Councilmember Dehnert asked Ms. Bailey about what economic stimulus this could bring to the area. Community Development Director Bailey replied that the proposed changes for long distance communication would allow the Town to expand and meet future demands. These innovative communication offerings would open the Town up for economic growth.

Vice Mayor Wiley asked if the building structure design could handle the new weight. Public Works Director Steve Burroughs stated that the design of the floor usage at a diagonal will spread the weight over several beams instead of one set. Closed circuit monitoring for the mezzanine area is being discussed.

Councilmember Williams congratulated staff on a terrific job of covering all the bases in both Phases and the conceptional drawings.

GRANT SUBMITTAL – Discussion and consideration for submittal of an application to the Greater Broadband Technology Operations Program for federal stimulus funding.

Community Development Director Bailey presented Council the reasons for applying for the Greater Broadband Technology Operations Program and that when the rules come forth the Town will have to react very fast. The National Telecommunication and Information Administration (NTIA) has provided local meetings in the area and Ms. Bailey and Ms. Norman attended the one in Flagstaff. Since then we have been monitoring what NTIA is sending out and expect the rules to be finalized by June 2009. NTIA has been frontloading the information and asking how the rural community would like the grant funding to be handled. This will be a onetime funding for the rural areas that are underserved on non-served. To qualify, the proposal has to be innovative. It is unknown at this time if there will be any Town liability, but if the grant is awarded the Council will review the grant before it is accepted. This grant is for the Library only, not the area broadband service. The area broadband service is a Verde Valley grant and the Town would be doing that with the other communities in the valley.

Councilmember Dehnert asked if we received the grant would there be a need for additional Town employees and other infrastructure needs that might affect the Town budget. Community Development Director Bailey explained that staff is looking at the sustainability of this and believes that this is manageable with existing staff and with working with others like an IGA with the Clarkdale-Jerome School District.

Councilmember Williams moved to approve staff to submit an application to the Greater Broadband Technology Operations Program for federal stimulus funding. Motion was seconded by Vice Mayor Wiley. Motion was approved unanimously.

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

Mayor Von Gausig reviewed a PowerPoint presentation to Council that he had received at the League of Arizona Cities and Towns Executive Committee Meeting pertaining to the Arizona State Budget situation. Clarkdale has been concerned about the transference of the state vehicle tax money; this was not dedicated money but funds that the Town could use in the General fund. The State is looking for \$84 million of the money and Clarkdale's portion of that is expected to be about \$85,000.00. The League of Arizona Cities and Towns will be representing Arizona communities informing the State that we believe this is illegal. They are also looking at impact fees and a moratorium on construction sales tax. Mayor Von Gausig has spoken with Representative Peirce on both matters.

Representative Peirce believes that the impact fees are going to be reviewed. The impact fees are perceived to be mismanaged.

Mayor Von Gausig continued with the Powerpoint presentation describing the expenses and revenues of the State and the biggest problems the state is experiencing.

The Deputy Secretary of State said that the League may be able to stop the reduction of money going to communities this year but communities need to know that it will happen and begin to prepare for the reduced funds.

The State needs to do a better long term planning on how to fund for its needs.

Kathy Bainbridge, Town Clerk/Finance Director, described the repercussions of the proposed State budget item cuts on the Town of Clarkdale. Right now the State is talking about taking about 42% of the motor vehicle tax money. That may change and most likely go up instead of down.

Last meeting we came to Council with updates and revisions to the trial budget and recommendations for balancing the budget. \$85,000.00, represents 42% of the motor vehicle tax money the State is possibly holding.

Some of the options that Council will have for budget remedy for the \$85,000 shortfall are:

- Increasing the staff furlough from 5% (38 hours per week) to 10% (36 hours per week). For each every two hours reduction the Town General Fund is saving \$66,000 and the other funds about \$37,000.
- Emergency Services Sales Tax is a ¼% of the tax we are collecting. This year we balanced that budget with Police Department expenditures. The option would be Police Department equipment expense be set at \$35,000, which would return about \$33,000 to the General Fund.
- The transfer of street taxes from the General Fund to the HURF Fund can be decided at year end, based upon revenues.

Mayor Von Gausig stated that the State Budget numbers are affecting the Town and will in the future.

Town Manager Mabery stated that even when the Town gets those numbers some of those State reduction items may be litigated by the League and the Town could see more revenue. The Town needs to know what the options are and what the Town's plan to meet shortfalls will be.

The Mayor opened the agenda item up for public comment.

Frank Sa, Clarkdale, Mr. Sa thanked Kathy Bainbridge for the information that he had requested and received. On the wage calculation he had received, he asked if those were wages currently being paid. Town Manager Mabery replied that the current wages are at a 10% furlough rate and they have been since January 1, 2009. So the Town is operating at a 10% furlough and this reflects those current rates. Mr. Sa requested seeing one pay period. Town Manager Mabery replied that if he would like to come in to the Finance Department

that they could provide that information to him. Calculations provided are for a one week period and if you multiply that number by two you would have a pay period amount. Mr. Sa asked if he could get a copy of the Town expenditures for last month. Town Manager Mabery replied that that information is online and approved by the Council and is accessible through the Town web site.

Vice Mayor Wiley asked Mr. Sa if he had any suggestion for the Town with all the financial information that he is collecting. Mr. Sa replied that he did not at the present but would.

Jackie Leslie, Clarkdale, Ms. Leslie stated that she had gone to the Town and requested the Finance Director to provide her a list of employees, their salary/hourly wage, and job duties. What she gave me was an updated version, but Ms. Leslie believes that this did not tell her exactly who is getting what. She feels that she has been “snookered” and would like the information presented to be broken down into some pie charts to make it easier for her to understand for each department. Ms. Leslie said she was denied that because the Finance Director does not currently have that information in that form. Town Manager Mabery responded the Finance Director is correct we do not have that information in a pie chart form, we do have the information available to anyone and are willing to allow you to come in and review the information in the office or explain the information that you have already been provided. You can interpret the information that the Town has provided you and put that information into a pie chart form if you would like. The Town does not have the time or the funds to create information into new forms. Town Manager Mabery continued that she is sorry that this was not in the form that Ms. Leslie had wanted but that the information that was requested was supplied. Ms. Leslie stated she had asked others and the information could be turned into a pie chart with no effort by the Town.

Ellie Bauer, Clarkdale, stated that she was glad that the Mayor had stated that sales taxes are regressive. She understands the financial straits that the Town is in as most members in the community are experiencing financial difficulties. One of the items that the State could look at to help its financial woes is the sales tax on professional services. We have no service based tax. We can do a lot with the staff we have now and do not need to add staff. We are at the point of realizing that salary and fringe benefits are the Town’s biggest expense.

The Mayor closed public comment.

This agenda item was a worksession and Council took no action.

ADJOURNMENT – Mayor Von Gausig adjourned the meeting by unanimous consent at 5:00 PM.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk