Minutes of a Regular Meeting of the Common Council of the Town of Clarkdale Held on Tuesday, April 13, 2010.

A Regular Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, April 13, 2010, at 6:00 PM at Clark Memorial Clubhouse, Men's Lounge, 19 North Ninth Street, Clarkdale, Arizona.

CALL TO ORDER 6:00 PM

Town Council:
Mayor Doug Von Gausig
Vice Mayor Jerry Wiley
Councilmember Patricia Williams - Absent
Councilmember Curtiss Bohall
Councilmember Richard Dehnert

Town Staff:
Town Manager Gayle Mabery
Utility Director Wayne Debrosky
Police Chief Pat Haynie
Assistant Town Manager Janet Perry
Town Clerk/Finance Director Kathy Bainbridge
Community Development Director Sherry Bailey
Public Works Director Steve Burroughs

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.

Ellie Bauer, Clarkdale - invited all to the April showing at the Made in Clarkdale e-Go Gallery.

Christine Schwab, Clarkdale – discussed the Feasibility Study Scope of Work – thought that the study was biased and that there was already a decided location. Ms. Schwab decided to finish her comments later when the issue comes up on the agenda.

INFORMATIONAL REPORTS

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

1. Went with Councilmember Dehnert to the Sedona Council meeting to discuss the Town's Boundary Agreement with the City of Cottonwood as they were interested in the possibility of an agreement.

2. Held a presentation regarding CSP at the Arizona League of Cities and Towns offices in Phoenix. The Department of Environmental Qualities sent representatives, along with the Department of Water Resources, some legislative representatives, Arizona Public Service, and others were in attendance.

3. Held CSP presentations for the Verde Valley Leadership and COCOPAI at the Men's Lounge.

4. Attended the Mayors and Managers meeting in Sedona where much of the discussion regarded the status of state parks and their closing. Sedona is trying to keep Red Rock State Park open and several other municipalities are trying to keep their parks open. Some legislation is proposed regarding voluntary donations with license plate purchase of $10.00. Probably over ½ of parks will be closed next year.

5. Had a phone conversation with a representative from the Walton Family Foundation regarding Verde River drainage. They have funds for the Mississippi and Colorado River drainage which the Verde River is a part of. They would like to see how they could most effectively spend the money to maintain the flows of the rivers to maintain the ecosystems in a healthy fashion.

6. Met with John DePoe from Sedona who has various ties to renewable energy and has some ideas for the Sustainability Park.

7. Attended the Mingus Car Show and presented the Clarkdale Mayor's award.

8. Held a CSP presentation in Clarkdale with good attendance and questions.

9. Attended the NACOG Economic Development Committee with Community Development Director Bailey and held a CSP presentation. This organization vets federal grants.

10. Attended the Arizona League of Cities and Towns Executive Committee meeting per conference call where they decided to publicly support Prop 100 regarding the sales tax.

11. Attended Nature Conservancy Economic Value Study group meeting in Cottonwood. They are in the very beginning stages of creating an economic study which will identify the economic value of Verde River and what kind of balance can be had between the environmental value of the river and the economic value.

12. Attended the Volunteer Appreciation event. Clarkdale has the highest percentage of volunteers/population in Verde Valley.

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

1. Trial Budget Workshops dates are Tuesday, April 27th at 6:00 p.m., Monday, May 10th at 10:00 a.m., and Wednesday, May 19th at 2:00 p.m. All meetings will be in the Men's Lounge.

2. Apologized to portions of Clarkdale for an unplanned water outage that was much greater than expected and lower Clarkdale was out of water.

3. ADOT notices – construction resurfacing between Carefree Highway and Loop 101 - 24 hour project and they anticipate delays through end of May.

4. Elimination of some funding sources for next year of about $25,000 – LTAF funds from the lottery and power ball – We use those funds to help with the transit contract, but are looking at scenarios to address that issue.

5. The sidewalk project on 89A has been selected for funding from ADOT enhancement funds and includes sidewalk on both sides. The project should be under construction before December and we might get some construction tax revenues from that project. The Broadway and Main Improvement Project for a round-about has found funding from Yavapai County excess project funds from their project and should be available for next fiscal year.

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

COCOPAI – A report regarding the Coconino Yavapai Resource Conservation District – Minutes are available.

VVLPI – A report regarding the Verde Valley Land Preservation Institute – Minutes are available.

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

VVTPO – A report regarding the Verde Valley Transportation Planning Organization & other transportation affiliations – No meeting.

NAMWUA - A report regarding the Northern Arizona Municipal Water Users Association - Met by phone and discussed House Bill 2661which establishes a Water Resource Development Commission to look at future water supply and demand with recommendations to the Governor on what needs to be done to achieve sustainability.

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

WAC - A report regarding the Yavapai County Water Advisory Committee - WAC meeting at the Yavapai County building and discussed the 2nd phase of the CYHWRMS – Central Yavapai Highlands Water Resource Management Study and project WET – Water Education for Teachers program, which goes out to teachers in grade schools and run programs that teach the children about the value of water and where the water comes from and how it is distributed. WAC continues to fund Project WET. Also discussed Senate Bill 1355 and 1359 which are proposed to fund DWR through various mechanisms, but both bills have been withdrawn.

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 3/9/2010 and Special Meetings held 2/26/2010 and 3/23/2010.

B. **Claims** - List of specific expenditures made by the Town during the previous month. March check log and PPE 3/13/10 and 3/27/10

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 3/24/2010
Design Review Board minutes of the meeting held 3/10/2010

Heritage Conservancy Board minutes of the meeting held 3/17/2010
General Plan Update Committee minutes of the meeting scheduled 3/15/2010 - cancelled
Library Advisory Board minutes of the meeting held 3/4/2010
Parks and Recreation Board minutes of the meeting held 3/10/2010
Planning Commission minutes of the meeting held 3/16/2010

D. **Proclamation Declaring April 2010, As Water Awareness Month** – Approval of a Proclamation declaring April 2010, Water Awareness Month in the Town of Clarkdale.

E. **Proclamation Declaring April 18 to April 25, 2010, As Volunteer Appreciation Week** – Approval of a Proclamation declaring April 18 to 25, 2010, as Volunteer Appreciation Week in the Town of Clarkdale.

F. **Resolution of the Town of Clarkdale Authorizing Application for a Designation of Adequate Water Supply –** Approval of Resolution #1328 authorizing the Town Manager to apply for the Designation of Adequate Water Supply for the Town of Clarkdale.

G. **Contract Between The State Of Arizona, Department Of Commerce, Energy Office And The Town Of Clarkdale Regarding American Recovery And Reinvestment Act (ARRA) Arizona Balance Of State Energy Efficiency Block Grant Program –** Approval of the Contract between the Department of Commerce, Energy Office and the Town of Clarkdale accepting the ARRA Arizona Balance of State Energy Efficiency Block Grant.

H. **A Resolution Requesting That The Arizona Department Of Transportation (ADOT) Establish A Dedicated Winter Maintenance Fund In The FY 2011 ADOT Operating Budget –** Approval of Resolution #1329, dedicating a winter maintenance fund in the ADOT operating budget.

I. **Authorization for the Submission of a Grant Application to the Walton Family Foundation Relating to the Clarkdale Sustainability Park –** Approval for the CSP Work Group to submit a grant application to the Walton Family Foundation for the Clarkdale Sustainability Park.

J. **Approval Of Waiver Of Town Fees For Missoula Children's Theater** – To approve a request for a waiver of the Town's Fees for the use of Clark Memorial Clubhouse by Missoula Children's Theater June 14th through June 19th, 2010.

Councilmember Bohall pulled Item E.

Councilmember Dehnert pulled Item I.

Mayor Von Gausig pulled Item J.

Vice Mayor Wiley moved to accept items A, B, C, D, F, G, and H of the Consent Agenda items as prepared by staff. Seconded by Councilmember Dehnert. Motion approved unanimously.

Item E – Proclamation Declaring April 18 to April 25, 2010, As Volunteer Appreciation Week – Approval of a Proclamation declaring April 18 to 25, 2010, as Volunteer Appreciation Week in the Town of Clarkdale.

Mayor Von Gausig read the Proclamation.

Councilmember Bohall moved to accept Item E of the Consent Agenda as prepared by staff. Seconded by Councilmember Dehnert. Motion approved unanimously.

Item I – Authorization for the Submission of a Grant Application to the Walton Family Foundation Relating to the Clarkdale Sustainability Park – Approval for the CSP Work Group to submit a grant application to the Walton Family Foundation for the Clarkdale Sustainability Park.

During the Council's February 26, 2010 Strategic Planning Session, the Council identified the solicitation of funding for administrative support for the Clarkdale Sustainability Park project as the highest priority focus for that project. Since that time, the CSP Work Group has developed a grant application to be submitted to the Walton Family Foundation.

In July, 2009, the Walton Family Foundation developed a five year strategy for their Freshwater Initiative. The Freshwater Initiative is a component of the Foundation's Environment Program, which has a primary objective to achieve lasting conservation outcomes in ocean and river systems that benefit both people and wildlife by aligning economic and conservation interests. The Freshwater Initiative's primary objective is to ensure healthy and resilient communities of both wildlife and humans in targeted river systems. The Initiative accomplishes its goals through economic incentives and other conservation tools, including engaging in demonstration projects, pursuing policy reforms at the federal and state levels, supporting targeted scientific and economic analysis, and advancing communications strategies. The Initiative's geographic focus is on the Mississippi and Colorado River Basins.

The CSP Work Group believes that the goals of the Walton Family Foundation's Freshwater Initiative fit perfectly with the goals of the CSP, and particularly with the primary focus of the first phase of the CSP. As established in our 2010 Strategic Planning session, the first phase of the CSP will address water sustainability and reduce dewatering of the adjacent Verde River by treating municipal effluent to drinking water standards. This water will then initially be used as "non-potable reuse" water for irrigation, aquifer recharge and such non-potable uses as secondary water in commercial buildings (toilet flushing, etc.). Producing the energy required for this process on-site from a renewable source will be included in the first phase as well.

Although we hope to eventually apply for 3 years of gradually reducing funding from the Foundation, the primary focus for our initial application is for 1 year. The application will seek funding in the amount of $156,000 from the Foundation for the first year ($135,000 for consultant expenses; and $21,000 for direct expenses such as travel, postage, supplies, and equipment). The application demonstrates a $74,100 match towards those funds, 96% of which is in-kind contributions of staff salary/benefits and general overhead. Included is 4% of the match as cash ($3,000) for travel, printing/publications and miscellaneous supplies which will come from our existing travel/education budgets and office supply budgets.

If approved for funding, we will solicit applications from a private contractor/consultant to serve as Project Manager for the CSP under the direction of the Town Manager for the next year.

Vice Mayor Wiley read a statement regarding the Council stating that the financial burden of the Sustainability Park would not fall on residents of Clarkdale, but continued stating that funds have been spent on staff time and now we are being asked to approve more spending to apply for a grant from Walton Foundation for the CSP.

The Town Manager stated that the $74,000 would be in-kind funding made up from 25% Town Manager Mabery's time, 20% Assistant Town Manager Perry's time, and 20% of Community Development Director Bailey's time over a one year timeline. The in-kind funding shows the Town's commitment towards the project and is not mandatory. If we do not get the grant, we would continue as we currently are, unless Council states that NO funds be spent at all.

Vice Mayor Wiley suggest that staff time should not be spent working on this project but on something else due to the economy.

Councilmember Dehnert questioned if they were not working on CSP what would they be working on?

Town Manager Mabery stated that current staff cannot devote any more time on this project than they already are. They anticipate hiring a Project Manager plus ½ person or intern with a minimum of one person with qualifications of a bachelors/masters in economic development, energy sciences, business/government experience, and administrative experience. The position would depend on grant funding and initially would only be for one year. Staff would still be spending time with a hired position.

Councilmember Bohall was in favor of the concept, but was not sure about any of the three locations, and thought we still needed to do research The Feasibility Study will be looking at site selection, the Project Manager will not be involved in site selection, but involved in Feasibility Study.

Town Manager Mabery clarified that the first phase of the project will be a water reclamation facility for potable water reuse. The Scope of Work Group has been asked to develop a Scope of Work for the Feasibility Study, they have not been asked for the business plan. The business plan will be a part of the Scope of Work for the Feasibility Study.

Mayor opened to public comment:

Ellie Bauer, Clarkdale – remembers resident discussions of opening the pool and refurbishing the clubhouse. One has to maintain that which is important and valuable that is already here and part of our heritage. Forward looking (CSP) overshadows some of the smaller important items for today so there is a tomorrow.

Mayor Von Gausig stated that the project is about "tomorrow".

Phil Terbell, Clarkdale – Stated that the project sounds really good and too good to be true but does not understand any piece of the puzzle. The staff has excess capacity with time to work on this project, but still need to raise property tax, sales tax, impact fees. Does not think it is feasible that the residents of Clarkdale should be responsible to fund a project of this size and the project is way beyond the scope of Clarkdale. He thought that the Stakeholders and writers of the letters of support should put up the $74,000 match.

Mayor Von Gausig said that this type of money would be spent with staff trying to find something or some way to change the economy of Clarkdale and that it is important to have Economic Development to move communities forward.

Bill Regner, Clarkdale - Thanked the Council for having these discussions. The definition of depression is when you are powerless to affect your situation. He sees a realistic staff in Clarkdale and feels they see a situation and a way to get out of that situation and is engaged and energized with the proposal.

Jerry Brown, Clarkdale – Concurs that it is difficult to be in opposition to this plan, but thinks that answers are very difficult to find. There is commitment to in-kind resources along with hiring a person. Then the Feasibility Study – what would the match for that be? His opinion is that this is the tip of the iceberg. Alternative energy depends on subsidies and it is hard in this economy to depend on the subsidies being there in the future. Alternative energy seems to be elusive. Sustainability of citizen takes precedence.

Councilmember Dehnert stated that although staff time has been spent, he feels that the time was spent above and beyond the work hours and they have not neglected other duties because of the time spent on the project. If an application is approved, it comes back to the Council and the Council has to move to accept the grant. The Council, at that time, could decide if they should continue in the project. If you believe in what you are doing, you work the extra hours and make choices for your future. We should give the project a chance as far as applying for grant. Volunteers and staff have put time in preparing grant application, and we should at least give it a chance.

Mayor Von Gausig moved to approve the CSP Work Group to submit a grant application to the Walton Family Foundation for the Clarkdale Sustainability Park. Seconded by Councilmember Dehnert. Motion carried with Vice Mayor Wiley opposed.

Item J - Approval Of Waiver Of Town Fees For Missoula Children's Theater – To approve a request for a waiver of the Town's Fees for the use of Clark Memorial Clubhouse by Missoula Children's Theater June 14th through June 19th, 2010.

Betsy Williams, Clarkdale and Nic Williams were present to request a reduction or waiver of fees for using the Clubhouse. Nic Williams explained that the Theatre teaches confidence and life building skills at a young age along with being great fun.

The Missoula Children's Theatre (MCT) is a not-for-profit organization funded in part by Montana's Cultural Trust, State of Montana and the National Endowment for the Arts. It is the largest touring children's theatre in the United States. MCT is preparing for their 25th annual production in Clarkdale on June 19, 2010.

The tour is presented free to Clarkdale children ages K-12. The MCT holds an open audition, ultimately casting 50-60 Clarkdale students to perform in the production. The show is rehearsed throughout the week and two public performances are presented on Saturday.

MCT promotes social skills, goal achievement, communication skills, confidence and self-esteem through participation in this unique, educational project. It is a wonderful opportunity for children to experience the performing arts. MCT's mission is "the development of life skills in children through participation in the performing arts".

In the past, the local production was held at the Clarkdale-Jerome school at no cost to MCT. Due to scheduling conflicts now, the school is unable to provide a venue for the 2010 production. MCT is requesting the use of the Clark Memorial Clubhouse Auditorium as a venue for their 2010 local event which will run for five (5), ½ days and one (1) full day. MCT is also requesting a waiver of fees for that use which would normally total $700.00.

Mayor Von Gausig stated that it is good to invest in the youth of Clarkdale, that this would be $700 in-kind funding, not actual cash, and we would have all the normal agreements drafted.

Councilmember Dehnert moved to approve a waiver of Facility Use Fees for use of the Clark Memorial Clubhouse Auditorium by the Missoula Children's Theater from June 14, 2010 – June 19, 2010. Seconded by Vice Mayor Wiley. Motion carried unanimously.

NEW BUSINESS

RESOLUTION DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE TOWN CLERK AND ENTITLED "AN ORDINANCE OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA, AMENDING THE ZONING MAP OF THE TOWN OF CLARKDALE, ARIZONA TO REZONE CERTAIN REAL PROPERTY DESCRIBED HEREIN FROM PLANNED AREA DEVELOPMENT (PAD) TO COMMERCIAL (C) AND RESTRICTING THE USE OF THE PROPERTY WHICH SHALL CONFORM TO THE C ZONING DISTRICT WITHIN THE TOWN OF CLARKDALE, AND IMPOSING CONDITIONS" – Discussion and consideration of Resolution # 1330, declaring as a public record the above named document which will be filed with the Town Clerk.

The Clark House is part of the existing Planned Area Development on the former Phelps Dodge property at Pecks Lake. This land is covered by an existing development agreement and conceptual design for the Verde Valley Ranch. In the conceptual plan the Clark House was intended to remain residential when the Verde Valley Ranch developed.

Over the past two years Freeport McMoRan has been conducting a remediation project at the Jerome mine site. Part of that work required acquisition of an adjoining piece of property owned by Verde Exploration. In negotiating with Verde Exploration, it was suggested an exchange of land could occur that would benefit Freeport and allow Verde Exploration to acquire the Clark House and preserve it from additional deterioration. At this time, there are no particular plans

for developing the Clark House although there have been numerous suggestions for the use of that property. Most of the suggested uses would require commercial zoning. In order to complete the exchange transaction Freeport McMoRan is requesting rezoning the House and the five acres to commercial and they will be requesting the Town Council to remove the Clark House and the five acres now platted with the house from the development agreement. The rezoning will replace the Planned Area Development zoning.

The Planning Commission, at their March 16th meeting held a public hearing and voted unanimously to recommend that the Town Council approve the request for rezoning with the following findings:

A. That the proposed Zoning Change conforms to the adopted goals, objectives and policies of the Town.

B. That the proposed Zoning Change, as reviewed and approved, will not be detrimental to the public health, safety and general welfare.

Changing the zoning on this parcel to Commercial would allow for development of any of the permitted uses in Clarkdale's Commercial Zone. All commercial development is subject to design review. The historic nature of the Clark House will require sensitivity in how any purposed use and site plan is developed and should have the following conditions:

1. That the Historic Nature of the Clark House figures prominently in any future use of the property and the site plan design takes that place's history into consideration.
2. That the Town Building Inspector and the Fire District Chief review the security and structure stabilization measures that the new owner puts in place to secure the safety of this historic building.
3. That a future fifty foot right of way be granted on either the northern or southern edge of the property connecting from Sycamore Canyon Road to an internal road system constructed when the rest of the Freeport McMoRan property develops.

On July 28, 2009, the Town Council waived any potential conflict of interest in the Town Attorney, and the law firm of Boyle, Pecharich, Cline, Whittington & Stallings, representing Verde Exploration in the possible acquisition of the Clark Mansion by Verde Exploration from Phelps Dodge, and in the Town Attorney's representation of the Town in negotiating any necessary amendments to the Restated Development Agreement, necessary rezoning, or other legal matters arising due to Freeport McMoRan's desire to convey the Clark Mansion and surrounding property to a third party.

To save the cost of publishing in the newspaper a lengthy ordinance, this change is being first made a public record by resolution (this agenda item) and then is adopted by reference by an ordinance.

Vice Mayor Wiley moved to adopt Resolution # 1330, declaring as a public record that certain document filed with the Town Clerk entitled "An Ordinance Of The Town Of Clarkdale, Yavapai County, Arizona, Amending The Zoning Map Of The Town Of Clarkdale, Arizona To Rezone Certain Real Property Described Herein From Planned Area Development (PAD) To Commercial (C) And Restricting The Use Of The Property Which Shall Conform To The C

Zoning District Within The Town Of Clarkdale, And Imposing Conditions". Seconded by Councilmember Bohall. Motion carried unanimously.

AN ORDINANCE OF THE TOWN OF CLARKDALE, YAVAPAI COUNTY, ARIZONA. AMENDING THE ZONING MAP OF THE TOWN OF CLARKDALE, ARIZONA TO REZONE CERTAIN REAL PROPERTY DESCRIBED HEREIN FROM PLANNED AREA DEVELOPMENT (PAD) TO COMMERCIAL (C) AND RESTRICTING THE USE OF THE PROPERTY WHICH SHALL CONFORM TO THE C ZONING DISTRICT WITHIN THE TOWN OF CLARKDALE, AND IMPOSING CONDITIONS - Discussion and consideration of Ordinance #326 which rezones that portion of Freeport McMoRan property which includes the Clark House and five acres.

Councilmember Bohall moved to approve Ordinance #326, an Ordinance of the Town of Clarkdale, Yavapai County, Arizona, amending the zoning map of the Town of Clarkdale, Arizona to rezone certain real property described herein from Planned Area Development (PAD) to Commercial (C) and restricting the use of the property which shall conform to the C Zoning District within the Town of Clarkdale, and imposing conditions. Seconded by Vice Mayor Wiley. Motion carried unanimously

FIRST AMENDMENT TO RESTATED DEVELOPMENT AGREEMENT BETWEEN THE TOWN OF CLARKDALE AND FREEPORT-MCMORAN CORPORATION – Discussion and consideration of amending the Freeport McMoRan Restated Development Agreement to remove approximately five acres of property known as the Clark House Property.

Ordinance #326 rezoned the Clark House and five acres and required removing that property from the development agreement between the town and Freeport-McMoRan that covers the Verde Valley Ranch property. The five acres as described on the agreement exhibit and the house will be transferred to Verde Exploration thus requiring removing it from the stated development agreement.

Councilmember Bohall moved to approve the First Amendment to the Restated Development Agreement which removes the Clark House and five acres from the Development Agreement for the Verde Valley Ranch. Seconded by Vice Mayor Wiley. Motion carried unanimously.

RELEASE OF EASEMENT FOR A PORTION OF VERDE VALLEY COUNTRY CLUB ROAD – Discussion and consideration of a Release of Easement for a portion of Verde Valley Country Club Road no longer necessary for access to the Clark House.

The transfer of the Clark House and five acres to Verde Exploration and the rezoning of that property to Commercial also necessitate releasing the easement for the old Verde Valley Country Club Road. The Clark House now has frontage on Sycamore Canyon Road and is addressed off that road. The old easement is no longer necessary for access to the house and simply complicates the future development of the property. The rezoning ordinance conditioned the zone change with a requirement for a fifty foot right of way either on the north or south of the property that would connect with an interior road system when one is developed. Both Freeport-McMoRan and Verde Exploration have agreed to that condition. Releasing this unnecessary easement will not impede future interior circulation planning.

Vice Mayor Wiley moved to approve the Release of Easement for a portion of Verde Valley Country Club Road. Seconded by Councilmember Bohall. Motion carried unanimously.

POLICE CANINE TRANSFER OF OWNERSHIP AGREEMENT – Discussion and consideration of retiring Clarkdale Police Department's Narcotics Detection Canine, Laser, and relinquishing ownership and liability to his long time handler, Sergeant Chris Wylie.

Clarkdale Narcotics Detection Canine Laser is 8 years old and has been with the Clarkdale Police Department since December 10, 2005 when he was obtained through a K-9 grant program. Typically police canines retire at around age ten or when they start to decline in health or play drive. Most canine officers retire to their handler's home, where they have been raised and trained. Sergeant Chris Wylie has been Laser's sole handler for Clarkdale and has provided his housing, care and training since December, 2005.

Although the average retirement age for police canines is 10 years old, Laser is exhibiting early signs of hip dysplasia and his play drive has diminished considerably. We do have another officer certified as a Canine Officer who could take over the role as Laser's handler, but the time and resources required to retrain Laser to a new handler do not justify the transition given Laser's deteriorating condition and remaining service life. There are other narcotic detection trained dogs available in the Verde Valley area that we can rely on should the need arise.

Sgt. Chris Wylie, who retired from the Clarkdale Police Department on April 03, 2010, is willing to accept ownership and liability for Laser, should the Council approve the relinquishment of ownership.

Sgt. Chris Wylie stated that he had enjoyed his 22 years serving the community along with having the ability to bring a canine program to the Town and be able to utilize it.

Vice Mayor Wiley moved to approve the Police Canine Transfer of Ownership Agreement between the Town of Clarkdale and retired Police Sergeant Chris Wylie. Seconded by Councilmember Bohall. Motion carried unanimously.

RESOLUTION APPOINTING THE TOWN'S REPRESENTATIVE TO THE NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG) – Discussion and consideration of Resolution #1331, making appointments as the Town of Clarkdale's representative to NACOG, effective June 8, 2010.

Vice Mayor Jerry Wiley is the Town's current representative to NACOG. With the expiration of the Vice Mayor's term in office in June, we will need a new representative to NACOG. Vice Mayor Wiley has asked that we take action to appoint a new NACOG representative at this time in order to make a smooth transition.

Although the appointment would be made now, the staff recommends that the appointment be effective June 8, 2010, to coincide with the expiration of Vice Mayor Wiley's term in office.

Councilmember elect Regner feels that he would best serve on something within the Verde Valley instead of a regional meeting. Councilmember Dehnert was not sure if his schedule would allow him to attend the five meetings a year on the 4th Thursday.

Councilmember Bohall moved to table Item 10 until the next council meeting on April 27th. Seconded by Councilmember Dehnert. Motion carried unanimously.

WORKSESSION WITH THE CLARKDALE SUSTAINABILITY PARK (CSP) FEASIBILITY STUDY SCOPE OF WORK GROUP - An update to Council from the Clarkdale Sustainability Park Feasibility Study Scope of Work Group regarding their work in progress on the Feasibility Study.

Group members have been tasked with creating a document for providing an outline of information that will be used to develop the application for CSP Feasibility Study funding. The scoping work is the starting point and central piece for the Economic Development Agency grant application.

Normally, a Scope of Work is not done for a project in the beginning, but due to some requirements of the federal grant that it is anticipated that we will apply for with EDA, it is a requirement of their grant process. The Scope of Work focused the work group on specific questions regarding what needed to come out of the Feasibility Study. They looked at describing the project and concept broad enough to start fluid. Three study areas were described. Two phases were set up, first is an initial look and examination of all three sites with an expected outcome of site recommendation. The second phase would be a detailed study of the preferred site with the analysis including site design, market survey, park operation & management, research & educational opportunities, economic &fiscal analysis, and community impact/quality of life assessment. An Interim Report will be submitted within 60 days of the commencement of the study. The Study Schedule includes a Phase 1 Report within 120 days and Phase 2 Report within 240 days from inception of study, a Draft Final Report no more than 12 months after award of contract, and Final Report one month after that.

The Scope of Work will be included in the federal grant application.

Vice Mayor Wiley questioned number of employment base being 800. That number includes 200 on site employees and 500 off site employees, using industry standards, at total build out. Verbiage could be changed to eliminate a definite number and instead use the verbiage that it is anticipated to generate a significant number of well paying jobs instead.

Companion grants could provide match that may be needed when there is a grant available. Volunteer time will also be work in-kind costs.

The timeline is to come back at next meeting with final Scope of Work and request approval to move forward in the process of starting the pre-application process for the Feasibility Study. There are no deadlines for submittal.

Mayor opened to audience for public comments.

Rennie Radoccia, Clarkdale thought that everyone had done a fantastic job and wondered if Phase One and Phase Two were in one grant or two. (One grant) He saw no place that refers to a plan being completed in Phase Two. Phase One seems very practical. He is having difficulty with Phase Two and thought they needed to develop some concept other than the white paper. The Feasibility Scope of Work may be asking for too much information for a realistic turn around or may need to be separated out. What are you really needing and is it really possible? Time frame is really aggressive.

Mayor Von Gausig wondered at what time do you get into the design work of the Park? The Feasibility Study will give the parameters to design the park and will be a separate grant.

Councilmember Dehnert wanted to make sure that there was some narrative explaining the concept of what a sustainability park is.

FISCAL YEAR 2009-2010 BUDGET UPDATE – A worksession to discuss the third quarter of the 2009-2010 FY budget.

Finance Director/Town Clerk Kathy Bainbridge provided Council a PowerPoint presentation on the 3rd quarter of the Town budget.

The Street Fund shows a surplus of $62,490 at three-quarters of the fiscal year. This is based upon the full street transfer tax being made. The Town does not anticipate losing any State funds this year but will lose LTAF funds next year. None of the street repairs have been scheduled yet this year and probably will not be scheduled. Expenditures are at 54.75% and revenues are 65.29%.

The Wastewater Fund also has a positive amount at three- quarters of the fiscal year of $2,204.86.

The Sanitation Fund, trash collection, is positive to $47,009.75. The Council was reminded that this fund was to pay for improvements to the Town computer upgrade and Council will be requested to authorize a transfer to the General Fund at fiscal year end.

The Water Fund shows a surplus of $11,171.54 at the end of the third quarter with revenues collected being on target at 75% of budget. Expenditures are at 57.82% due to some of the anticipated project costs of operation the first year being budgeted high.

The Cemetery Fund shows a shortfall of $12,319.53 at the third quarter. Staff expenses continue to be the largest expense for the cemetery along with sales of lots being very sporadic. The Council will be requested to authorize a transfer from the Cemetery Perpetual Care fund to cover the shortfall.

The General Fund Revenue is at about 58% of the total budgeted revenues instead of the target of 75%. Sales tax collection is the biggest area of deficiency. Building permits and court revenues are also below where they should be at now, creating a shortfall.

The General Fund Expenditures are at about 58% of total budgeted expenditures. The reduced

revenues are being mirrored by the reduced expenditures as staff identifies a shortfall; we find an area to reduce expenditures to offset the shortfall. In review of revenue versus expenditure at the third quarter, the Town has a shortfall of $6,461.74.

Finance Director Bainbridge reviewed that:

- Motor Vehicle Licenses close but over budget by 2.86%.
- Highway Urban Revenue Fund (HURF) close but over budget by .08%.
- State Sales Tax currently close to budget with a 3.29% shortfall. Project a 5% shortfall by June 30th.
- Projected shortfall for Local Sales Tax is at 34% by June 30th which is $303,326, but we have been making accommodations in expenditures to cover that shortfall.
- Only 16.50% of the $74,119 Construction Tax budgeted to fund the Capital Projects has been received. Projected collection is only $18,530 which leaves a deficit of about $56,000 in the Capital Project Fund.
- We do not have the surplus funds we hoped we would have in order to fund opening the pool.
- General Fund projected ($34,500) at year end - With full Street Tax Transfer of $192,686 and carryover of $36,000 for Emergency Vehicle Tax.
- Street Fund projected $42,600 at year end - With full Street Tax Transfer of $192,686 and a beginning fund balance correction ($41,405).
- Capital Projects projected ($168,800) at year end- Shortfall in collection of Construction Tax ($56,000) and beginning fund balance correction ($112,800).
- Wastewater Operations Fund projected ($33,000) at year end.
- Sanitation Fund projected $33,400 at year end.
- Cemetery Fund projected ($14,000) at year end.
- Water Operations Fund projected $66,000 at year end – due to cautious budgeting for first year operations.

Shortfall Planning:

- Eliminated two General Fund positions.
- One retirement in Police Department (GF).
- Use School Resource Officer wages and contingency funds budgeted in General Fund.
- Continue limiting non-essential expenditures.
- Hold a portion of Street Transfer Tax in GF.
- Use Sanitation Capital Funds to fund Capital Projects Fund shortfall.
- Use Perpetual Care funds for cemetery operations.

FISCAL YEAR 2010-2011 TRIAL BUDGET WORKSESSION– A worksession with the Council regarding the Trial Budget for FY 10-11.

Councilmember Bohall moved, due to the time of the evening, to table Item 12 until the next council meeting on April 27th. Seconded by Councilmember Dehnert. Motion carried unanimously.

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

Tabled items:

FISCAL YEAR 2010-2011 TRIAL BUDGET WORKSESSION
RESOLUTION APPOINTING THE TOWN'S REPRESENTATIVE TO NACOG

ADJOURNMENT at 10:00 p.m.

APPROVED:

_____
Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:

_____
Kathy Bainbridge, Town Clerk