

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Tuesday, May 25, 2010**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, May 25, 2010, at 3:00 p.m. in the Clark Memorial Clubhouse, Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

CALL TO ORDER - Mayor Von Gausig called the meeting to order at 3:00 P.M.

Town Council:

**Mayor Doug Von Gausig
Vice Mayor Jerry Wiley**

**Councilmember Patricia Williams
Councilmember Curtiss Bohall
Councilmember Richard Dehnert**

Town Staff:

Town Clerk/Finance Director Kathy Bainbridge

Utility Director Wayne Debrosky

Police Chief Pat Haynie

Public Works Director Burroughs

**Community Development Director Sherry Bailey
Assistant Town Manager Janet Perry**

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 the Council to the e-Go Gallery Friday evening, May 29th from 7:00 – 8:30 P.M.

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, 2010
 - Capital Improvements Report – April, 2010
 - Magistrate Court Report – April, 2010
 - Police Department Report – April, 2010
 - Water and Wastewater Report – April, 2010
 - Clarkdale Fire District Report and Mutual Aid Responses Report – April, 2010
 - Cottonwood Area Transit (CAT) Operations Report – April 2010

- B. Resignation of William Regner from the Planning Commission** – Acceptance of the letter of resignation from William Regner from the Planning Commission.
- C. Resolution Making Appointments To The Planning Commission** – Approval of Resolution #1332, amending Resolution #1311, making an appointment to the Planning Commission.
- D. Clarkdale Fire District Mechanical Repair Services Agreement** - Approval of the 2010-2011 Intergovernmental Agreement between the Clarkdale Fire District and the Town of Clarkdale for mechanic repair services.
- E. Clarkdale-Jerome School District Mechanical Repair and Maintenance Services Agreement** - Approval of the 2010-2011 Intergovernmental Agreement between the Clarkdale-Jerome School District and the Town of Clarkdale for repair and maintenance services.
- F. Authorizing the Submittal of an Application to the Department of Commerce for an Energy Efficiency and Conservation Block Grant** - Approval to authorize the submittal of an application to the Department of Commerce for an Energy Efficiency and Conservation Block Grant (EECBG).
- G. Approval of Resolution # 1333, Designating the Agent for the Arizona Division of Emergency Management Designation of Applicant's Agent Form** – Approval of Resolution #1333, a Resolution designating the Town's agent for the Arizona Division of Emergency Management.

Councilmember Williams pulled Item E

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

Item E: Clarkdale-Jerome School District Mechanical Repair and Maintenance Services Agreement - Approval of the 2010-2011 Intergovernmental Agreement between the Clarkdale-Jerome School District and the Town of Clarkdale for repair and maintenance services.

Public Works Director Burroughs informed the Council that the School requested that if the Town could help with small quick projects, they would contact the Town prior to contacting an outside vendor. Councilmember Williams was concerned that since the Town was already short of staff, would we have the time. Public Works Director Burroughs stated that depending on the project, we could decline work if the Department was too busy.

Councilmember Williams moved to approve the 2010-2011 Intergovernmental Agreement between the Clarkdale-Jerome School District and the Town of Clarkdale for Repair and Maintenance Services. Motion seconded by Vice Mayor Wiley. Motion approved unanimously.

NEW BUSINESS

RESOLUTION PROVIDING FOR THE DEPOSIT OF ACTIVE AND INACTIVE TOWN FUNDS – Discussion and consideration of Resolution #1334, a Resolution providing for the deposit of active and inactive Town funds.

Currently, the Town holds all funds that are not in their checking account in the State of Arizona's Local Government Investment Pool. At this time, the LGIP 30 day annual yield is at .06%. In an effort to find better rates for our savings, Notice of Bids for an interest bearing savings account were sent out to 5 banks and 2 credit unions in Cottonwood based on the requirements in A.R.S.35-323. Bids were required to be returned by May 11, 2010. Two bids were returned, one from Wells Fargo Bank N.A. and one from the National Bank of Arizona. Comparison based upon the yields only proposed in the returned bids and the yield on the \$5,072,644 currently at the LGIP are:

| LGIP 30 day Yield | LGIP Annual Earnings | Wells Fargo 30 Day Yield | Wells Fargo Annual | National Bank 30 Day Yield | National Bank AZ Annual Earnings |
|-------------------|----------------------|--------------------------|--------------------|----------------------------|----------------------------------|
| .06% | \$3,043 | .50% | \$25,632 | .20% | \$10,145 |

Along with Wells Fargo bidding the highest yield return, they also will provide a Depository Pledge Agreement to cover all uninsured funds and have waived monthly and additional service fees.

Councilmen Dehnert questioned the safety of funds versus the higher rate of return. Councilmember Dehnert would like information on what the Wells Fargo collateralized mortgage obligations were and how they are rated by a rating agency along with what portion of the portfolio they are pledging as collateral is in government securities and what portion is in the collateralized mortgage obligations.

Councilmember Dehnert wondered if a better rate of return could be gained by laddering Certificate of Deposits. Finance Director Bainbridge stated that she had not gone out for bids for anything other than an interest bearing savings account and that when the economy was more stable and we had project funds that we would be accumulating for certain lengths of time she would look into other options.

Vice Mayor Wiley moved to approve Resolution #1334, a Resolution providing for the deposit of active and inactive Town funds. Motion seconded by Councilmember Williams. Motion approved unanimously.

MAGISTRATE CONTRACT – Discussion and consideration of an Employment Agreement between the Town of Clarkdale and Ronald Ramsey for the Town Magistrate position.

On March 18, 2010 Harry Cipriano tendered his resignation as Clarkdale's Town Magistrate. In the process following, a committee comprised of two Council members and two staff members ranked the 11 applications received. Based on those results, the six top candidates were interviewed by a different committee comprised of the Mayor, Councilman Dehnert, the Town Manager and the Yavapai County Court Administrator.

The Mayor received authority from Council on May 13th to negotiate an Employment Agreement with a new Town Magistrate. Based on the results of the interview committee's recommendation, the Mayor has since successfully negotiated contractual terms with Ronald Ramsey to serve as Clarkdale's Magistrate. While the 2-year contract will have an effective date of June 1, 2010, Mr. Ramsey will be spending time prior to that date with Judge Cipriano and the Clarkdale Court staff to facilitate a successful transition.

Mr. Ramsey is a long-time resident of Arizona, with most of that time spent in the Verde Valley. He comes to us with a strong legal background, having served as Town Attorney in Camp Verde and Bullhead City, and most recently as Asst. City Attorney in Sedona.

Councilmember Williams moved to accept the terms of the Employment Agreement between the Town of Clarkdale and Ronald Ramsey for the Town Magistrate position as presented. Motion seconded by Councilmember Dehnert. Motion withdrawn.

Councilmember Williams moved to accept the terms of the Employment Agreement between the Town of Clarkdale and Ronald Ramsey for the Town Magistrate position as presented with the correction in Number 6 on Page 3 of "lease" to least". Motion seconded by Councilmember Dehnert. Motion approved unanimously.

FISCAL YEAR 2010 – 2011 PRELIMINARY BUDGET WORKSESSION – A worksession with Council regarding the Preliminary Budget for the 2010-2011 Fiscal Year Budget.

A Power Point presentation of the 2010-2011 Fiscal Year Preliminary Budget on May 11, 2010 reviewed the projected expense and revenue reductions/increases throughout the General Fund, HURF (Streets) Fund, Sewer Fund, Sanitation Fund, Water Fund, Grant Fund, Cemetery Fund, and Capital Improvement Fund.

Finance Director Bainbridge presented the remaining non-operational funds of Wastewater Development Projects, Wastewater Plant & Equipment Improvements, Water Capital Improvements, Development Reimbursement Fund, Impact Fees, Grant Fund, and Donation Fund.

An additional \$500,000 will be added as a miscellaneous revenue and expenditure to the Development Reimbursement Fund as a safety factor. The Impact Fee fund will be revised to have revenues and expenditures for impact fees on 100 homes in case a development opens along with the Wastewater Impact Fee. The Donation Fund will be revised to include an additional \$70,000 in Parks and Recreation with pool donations along with an additional \$100,000 for miscellaneous.

Mayor Von Gausig would like information included in the Weekly Report regarding the dedicated funds being charged by the Water Utility.

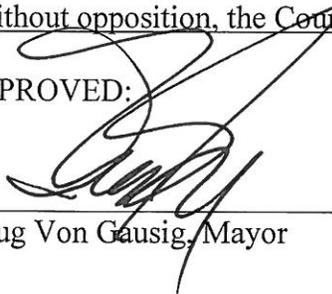
Councilmember Dehnert would like the Town to provide some type of footnote explaining the dollar amount budgeted for anticipated revenues and expenditures budgeted as place holders.

FUTURE AGENDA ITEMS - Listing of items to be placed on a future council agenda
No future agenda items

ADJOURNMENT

Without opposition, the Council adjourned at 3:55 P.M.

APPROVED:



Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:



Kathy Bambridge, Town Clerk