Minutes of a Special Session of the Common Council of the Town of Clarkdale Held on Tuesday, July 24, 2018 at 3:00 P.M.

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, July 24, 2018, at 3:00 P.M. in the Clark Memorial Clubhouse, Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

CALL TO ORDER – Meeting was called to order at 3:00 P.M. by Mayor Von Gausig.

Town Council:
Mayor Doug Von Gausig
Vice Mayor Richard Dehnert
Councilmember Scott Buckley
Councilmember Bill Regner
Councilmember Ben Kramer

Town Staff:
Town Manager Gayle Mabery
Community Development/Economic Director Jodie Filardo
Program Manager Mike Gray
Administrative Services Director Kathy Bainbridge
Utilities/Public Works Director Maher Hazine
Finance Manager Kathy Cwiok
Human Resources Manager Lonnie Hovde
Police Chief Randy Taylor
Community Services Manager Joni Westcott
Community Services Technician Allyn Backus
Town Clerk Mary Ellen Dunn

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.

There was no public comment.

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 – June, 2018
Capital Improvements Report – June, 2018
Water and Wastewater Report – April, May 2018

CAT/LYNX Transit Report – June, 2018
Verde Valley Humane Society Report – May, June 2018

B. **Salary Range Placement Table Resolution** – Approval of Resolution #1576 a resolution adopting a change to the Salary Range Placement Table.

Action: Approve Consent Agenda items A – B as presented.
Motion: Councilmember Kramer
Second: Councilmember Regner

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Ben Kramer	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

NEW BUSINESS

TOWN PARK CONSTRUCTION ON TRACT F OF CROSSROADS AT MINGUS SUBDIVISION – Discussion/possible action regarding a Town park to be constructed on Tract F of the Crossroads at Mingus Subdivision.

Location:
Tract F located at the northwest corner of the intersection of Mescal Spur Road and Old Jerome Highway.

Zoning: The property is part of the Planned Area Development zoning of the Crossroads at Mingus Subdivision.

Project:
Tract F will be a public community park with a restroom, shade ramadas, playground equipment, multi-use hard surface courts, an approximately 1,200 square foot grassy area, and a passive area with benches and trail connections. A PAR course, with fitness stations, is proposed along the trail system. Approximately two-thirds of the area will be left in its natural state. The park at Tract F will be the first public amenity on the west side of SR 89A in Clarkdale.

Per the Crossroads at Mingus Development Agreement, the park will be turned over to the Town once construction is completed. As a town facility, the park will be subject to the rules and regulations outlined in Article 12-1 of Town Code. Unless otherwise posted or allowed by issuance of a Town permit, the park would be open daily to the public as a day-use area. The park will be available for special events.

In 2014, Town Council approved a Development Agreement with PTM, LLC, the owner of the Crossroads at Mingus project. This document includes the agreed upon park phasing and costs of building out the park and related equipment. This exhibit is attached to this report.

The Development Agreement for the subdivision requires that the developer maintain the landscaping and irrigation system at the park for a period of two years after the park has been dedicated to (and accepted by) the Town.

Previous Meetings:

- October 12, 2011 Parks & Recreation Commission Public Hearing
  - Identified issues for further discussion regarding site design
- January 5, 2012 Public Meeting at Town Hall
  - Input received from the community regarding site design and equipment
- February 8, 2012 Parks & Recreation Commission
  - Input on the park design, the balance of passive and active areas and the general layout of the park.
- July 24, 2012 Town Council
  - Direction was given to staff to present the draft plan to the Design Review Board for consideration

Due to financial considerations, the applicant chose not to bring forward the application for approval until recently. The Development Agreement for Crossroads at Mingus requires the construction of this park be completed prior to issuance by the Town of the 65th residential building permit on the property or prior to the sale by the Developer of the 65th lot, whichever occurs first. No building permits beyond the 64th lot shall be issued on the Property until park improvements for Tract F are accepted for dedication by the Town. This threshold is quickly being approached. Upon Council approval, the applicant is hoping to complete construction of the park by November 2018.

2018 Meetings:

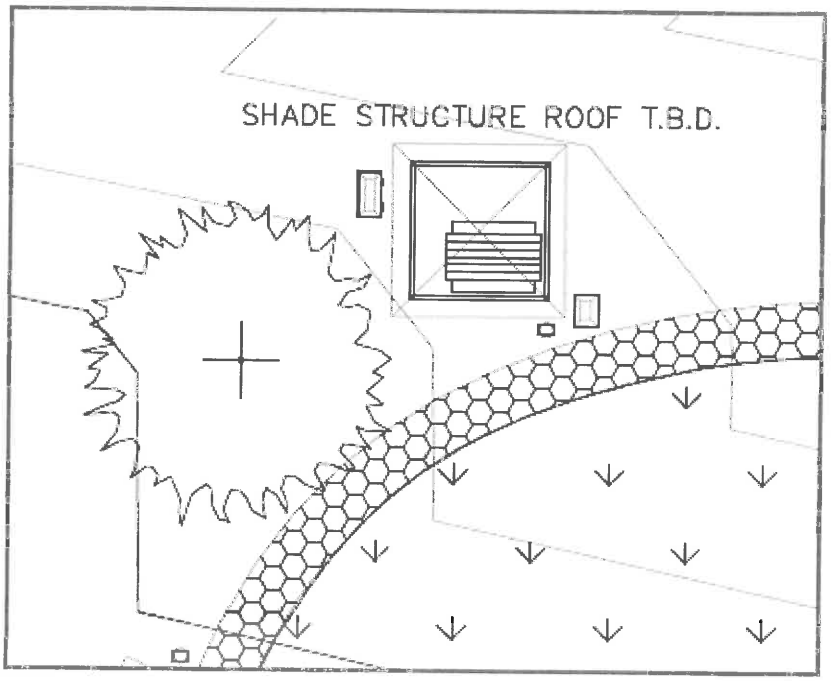
- June 13, 2018 Parks & Recreation Commission
  - Input on specific design elements related to ramadas and playground equipment
- July 5, 2018 Design Review Board
  - Final review of the site plan and design and recommendation to move forward to Council for review.

Upon approval of the site plan and design review, the applicant will be required to post a bond to cover construction costs. Specific building and grading and drainage plans would be required prior to construction, and those permits and associated inspections will be coordinated through the Community Development Department (who issues the permits) and the Public Works/Utilities Department (who are tasked with maintaining parks and other Town facilities once they are turned over to the Town). The completed park will be inspected by the Town throughout the construction process, and the Town's inspection and ultimate approval is required prior to the Town's acceptance of the park into the Town's public park system. Upon approval of the site plan and design, staff anticipates the park might be completed (i.e. ready for the Town's acceptance) by the end of this calendar year.

Staff is requesting Council allow staff the ability to approve the final details for equipment and structure design during the building permit review period.

Design and Amenities:

- An off road parking area with a total of nine parking spaces including two ADA van parking spaces.
- One public restroom. Per a request from the Public Works Utilities Director the restroom will be installed with an electronic key pad programmable lock with auto locking and unlocking capabilities. The restroom will be connected to the Town's water and wastewater system.
- A looped trail with connectors to Old Jerome Highway at the northern end of the tract and Mescal Spur Road at the southern end of the tract.
- Three pet waste cleanup stations placed along the trail.
- Five par course stations (fitness stations) along all portions of the trail.
- Ten benches placed around the park.
- Hard court surface with a ½ basketball court and a full size pickelball court.
- A four foot high wrought iron fence between the hard court area and Old Jerome Highway.
- Two horseshoe pits, one with the ability to convert to a corn hole game.
- One bicycle rack placed near the restroom.
- Three shade ramadas each with a picnic table, charcoal grill, trash bin and a low level solar bollard. The grills will be placed at a safe distance from the ramada structures for fire safety.



- Landscape throughout the park will be a mix of deciduous and evergreen trees. All landscaping will be connected to the Town's water systems. The irrigation system will

incorporate WaterSense principals. Shrubs and flowers are not included in the landscape plan due to maintenance needs and attracting wildlife.

- A minimum amount of fully shielded low-height solar bollards are proposed along the trail system. Per a request from the Police Department, the restroom will have an exterior mounted motion-sensing light. Per the Outdoor Lighting Code motion sensing lights can be unshielded. Staff will work with the Police Department regarding the best place to install this light so that public safety is maintained with the least visible intrusion possible. These details will be finalized during the building permit phase.
- One monument sign is proposed at the entrance to the parking area. This sign will be constructed by the applicant with a design to be determined by the Town prior to issuance of a building permit. The name of the park will be decided at the same time.

Sustainable Elements

Staff will work with the developer to incorporate a number of sustainable design elements into the project. Possibilities include using a permeable surface system for the parking lot area, designing the structures to direct rainwater into landscape areas and incorporating berms and topographical features to collect the maximum amount of rainwater and direct to the landscape areas. Details regarding these concepts will be finalized at the building permit stage.

Procedure for a Town Park

Per Section 11-10 of the Zoning Code the Design Review Board is authorized to conduct Site Plan review and the decision of the Design Review Board is final. However, since this application is for a park which will eventually become part of the Town park system, staff will be presenting this application to Town Council in a public hearing on August 14, 2018 for review and possible approval.

Planning Manager Beth Escobar presented this agenda item information to council.

Discussion followed focusing on design elements of the park, restrooms, water fountains and equipment. Council expressed agreement that safety is one of the primary considerations.

Mayor Von Gausig invited the developer, John Tobias of PTM Enterprises, to discuss his thoughts. Mr. Tobias discussed costs, surface materials and the benefits of the single toilet option.

Council Direction: Council is comfortable with staff making final decisions on specific design elements after they have approved the project. Escobar will bring this agenda item back to council for final approval on August 14th.

Non-Action Item: Staff is requesting Council input specific to concerns or questions regarding this application. Based on Council input, this item will be scheduled for a public hearing at the August 14th Town Council meeting.

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA AUTHORIZING FINANCIAL SUPPORT FOR THE CLARKDALE DOWNTOWN BUSINESS ALLIANCE – Approval of Resolution #1577, a Resolution authorizing financial support for the Clarkdale Downtown Business Alliance.

In 2015, this Council, during Strategic Planning, placed "Actively support the Clarkdale Downtown Business Alliance" in the "highest priority" category of the objectives. At this time the CDBA was not a legal entity, but was encouraged to form a more structured organization, so that the Town Council could consider options for working with the group in the future.

Since this time staff has regularly attended the Clarkdale Downtown Business Alliance (CDBA) meetings as a show of support and continued to work directly with their organization on the special events they put on for the Clarkdale community.

In January of 2018, the CDBA partnered with Clarkdale Foundation (CF) to become a legal entity under the Foundations 501(c)3 umbrella. This move put them in the position to be considered for financial support from the Town of Clarkdale to assist with the Special Events they put on each year. These signature events include the Poker Stroll, Clarktoberfest, Main Street Block Parties (3) and recently took over the Clarkdale Car Show adding their own spin on the event with a Chili Cook-off.

These events enhance the economic development and quality of life in Clarkdale. In addition, the proceeds **benefit the community by providing financial assistance for arts, education and cultural activities.**

Community Services Supervisor Joni Westcott presented information on this item to council.

Discussion followed about the intent and wording of the resolution. Mayor Von Gausig stated that it is important to him that it be stated on the record that the council approves expenditures of the $4000 in funding in any way that they decide best supports their functions and events.

Mayor Von Gausig opened the discussion to public comment and **the following people addressed council in public comment:**

Henri Prud'homme – Clarkdale resident and president of Clarkdale Foundation, supporter of Clarkdale Downtown Business Alliance, asked for Council support for this resolution in whatever form they choose. Foundation has a fiduciary responsibility as a 501(c)(3). He explained that the Clarkdale Foundation has a contractual relationship and is the 501(c)(3) umbrella for the CDBA. The foundation has to approve CDBA's activities and budgets for all events but not authority over the CDBA other than that of a fiduciary.

Mayor Von Gausig closed public comment.

Action: Approval of Resolution #1577, as amended, a Resolution authorizing financial support for the Clarkdale Downtown Business Alliance with the following changes: "Now therefore be it resolved that the Town Council authorizes funding of $4,000 in the 2018-2019 budget to the Clarkdale Foundation in support of the Clarkdale Downtown Business Alliance events".
Motion: Councilmember Regner
Second: Councilmember Kramer

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Ben Kramer	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

PUBLIC HEARING REGARDING THE FISCAL YEAR 2018-2019 PRIMARY TAX LEVY AND FINAL BUDGET – A hearing to receive public input regarding the Town of Clarkdale's proposed primary tax levy, property tax collection, and the final budget for fiscal year 2018-2019.

The public hearing is to allow the public a chance to speak in favor, or against the proposed budget and the Primary Tax Levy. The complete budget has been published in the newspaper and is available at the Town Hall for inspection. The only deadline for adoption of the final budget is triggered by the statutory adoption date of the third Monday in August of the property tax levy. The property tax levy must be adopted at the August 14th, 2018 Council meeting.

The Town had to notify the property taxpayers of its intention to raise the primary property taxes over the previous year's level in order to stay in compliance with Section 42-17107, Arizona Revised Statutes. The Property Tax Oversight Commission informed the Town of Clarkdale that they would need to hold a truth in taxation hearing if the Town intended to levy a tax rate greater than $1.6138. Truth in Taxation is a legislative practice to inform residents that their property taxes will increase due to either an increase to their property tax values or an increase in the property tax levy.

The current year net assessed real and personal property values for the Town of Clarkdale are $33,049,963, up 5% from last year's value of $31,513,346. The 2018-2019 adopted preliminary budget and proposed final budget includes a property tax levy of $543,838 with a levy rate of 1.6455. Clarkdale is proposing an increase in primary property taxes of $10,284.00 or 1.96%. The proposed tax increase will cause the primary property taxes on a $100,000 home to increase from $161.38 to $164.55, or $3.17.

Year	Net Assessed Values	% Change	Tax Levy	Tax Rate
2016/2017	29,164,544	+2%	505,000	1.7316
2017-2018	31,513,346	+8%	523,500	1.6612

On June 26, 2018, Town Council adopted the preliminary budget for the Town of Clarkdale, which set the maximum limits the Town could spend for fiscal year 2018-2019. All cities and towns in Arizona are subject to some form of expenditure limitation (the amount they can spend in a fiscal year). The Town of Clarkdale has adopted an alternative expenditure limitation in the form of a permanent base adjustment. This option states that each year the Council will, after a public hearing, set the coming year's expenditure limitation (the fiscal year budget).

Our 2018-2019 preliminary adopted budget is $21,892,957, which reflects a 51.19% increase from the 2017-2018 adopted budget of $14,480,795. This reflects a 6,000,000 General Obligation Bond, which will be on the ballot of the November 2018 election.

The final budget of $21,892,957 on the Summary of Estimated Revenues and Expenditures/Expenses includes the expenditures for the following major funds:

DEPARTMENT	**2017-2018**	**2018-2019**	%
General Fund (Department Budgets & Donations)	$ 4,328,851	$4,804,659	+ 10.99%
Special Revenue Funds (Streets, Grants, Impact, Develop)	$ 3,420,989	$9,965,448	+191.30%
Capital Projects	$ 859,580	$853,818	-0.67%
Permanent Funds (Cemetery Perpetual Care Funds)	$ 26,150	$4,000	- 84.70%
Enterprise Funds (Water, Sewer, Sanitation, Cemetery)	$ 5,845,225	$6,265,033	+ 7.18%
TOTAL ALL FUNDS	$14,480,795	$21,892,957	+51.19%

Finance Manager Kathy Cwiok presented this item to council. Cwiok state that there have been no changes in the Final Budget from the Preliminary Budget.

Mayor Von Gausig opened the discussion to public comment. There was no public comment.

Non-Action Item: This is a Public Hearing only and no action is required.

RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, ACKNOWLEDGING THE PROPOSED PRIMARY TAX LEVY OF $543,838, WHICH REFLECTS A TAX RATE OF $1.6455 FOR PROPERTY TAX COLLECTIONS IN THE 2018-2019 FISCAL YEAR BUDGET FOR THE TOWN OF CLARKDALE – Discussion and consideration of Resolution # 1574 a Resolution acknowledging the proposed primary tax levy of $ 543,838, which reflects a tax rate of $ 1.6455 for 2018-2019 property tax collections.

The Town had to notify the property taxpayers of its intention to raise the primary property taxes over the previous year's level in order to stay in compliance with Section 42-17107, Arizona Revised Statutes. The Property Tax Oversight Commission informed the Town of Clarkdale that they would need to hold a truth in taxation hearing if the Town intended to levy a tax rate greater than 1.6138. Truth in Taxation is a legislative practice to inform residents that their property taxes will increase due to either an increase to their property tax values or an increase in the property tax levy.

The current year net assessed real and personal property values for the Town of Clarkdale are $33,049,963, up 5% from last year's value of $31,513,346. The 2018-2019 adopted preliminary budget and proposed final budget includes a property tax levy of $543,838 with a levy rate of 1.6455. Clarkdale is proposing an increase in primary property taxes of $10,284.00 or 1.96%. The proposed tax increase will cause the primary property taxes on a $100,000 home to increase from $161.38 to $164.55, or $3.17.

Year	Net Assessed Values	% Change	Tax Levy	Tax Rate
2017-2018	31,513,346	+8%	523,500	1.6612
2016/2017	29,164,544	+2%	505,000	1.7316

This vote by Council will be taken by roll call.

Action: To approve Resolution #1574, a Resolution acknowledging the proposed primary tax levy of $543,838, which reflects a tax rate of $1.6455 for 2018-2019 property tax collections in the 2018-2019 fiscal year budget for the Town of Clarkdale.
Motion: Vice Mayor Dehnert
Second: Councilmember Regner

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Ben Kramer	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

DESIGNATED FUNDS – Discussion and consideration of designated funds for FY 2018-2019.

Fund balance is created from excess revenues over expenditures. This can be a combination of collections/revenues being higher than budget and actual expenditures being lower than budget.

Fund balance is comprised of different categories:

Unreserved (Undesignated) Fund Balance – That portion of fund balance that reflects expendable, available financial resources.

Reserved (Designated) Fund Balance – The portion of fund balance that reflects financial assets that are not available for spending. Reserved Fund Balance categories include reserves required for special projects, funds dedicated to expenditures associated with an initiative to be completed prior to June 30, or legally restricted funds from dedicated revenue sources.

Officially designating anticipated year-end funds for special projects, funds dedicated to expenditures associated with an initiative to be completed prior to June 30, or legally restricted

funds from dedicated revenue sources will help track those funds and follow accounting for those projects throughout the year and, depending on the project, future years.

The auditors also report in the Annual Financial Statement, the amount of fund balance reserved (designated) and unreserved (undesignated) so there is a clearer picture of the Town's overall financial abilities.

Attached are the recommended Designated Fund balances for approval, which reflect the preliminary year-end balances and are included in the 2018-2019 final budget.

Finance Manager Kathy Cwiok presented this information to council. She stated that there have been no changes to designated funds from the preliminary budget numbers.

Action: Approval of the 2018-2019 designated funds in the amount of $4,472,757.18
Motion: Councilmember Regner
Second: Vice Mayor Dehnert

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Ben Kramer	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

RESOLUTION FOR THE ADOPTION OF THE FINAL BUDGET FOR FISCAL YEAR 2018-2019 – Discussion and consideration of Resolution **#1575,** a Resolution adopting the FY 2018-2019 Budget per A.R.S. § 42-17105 (A) to consider, finally determine and adopt estimates of the proposed expenditures for the purposes stated in the published budget of the Town.

On June 26 2018, Town Council adopted the preliminary budget for the Town of Clarkdale which set the maximum limits the Town could spend for fiscal year 2018-2019. All cities and towns in Arizona are subject to some form of expenditure limitation (the amount they can spend in a fiscal year). The Town of Clarkdale has adopted an alternative expenditure limitation in the form of a pure home rule option. This option states that each year the Council will, after a public hearing, set the coming year's expenditure limitation (the fiscal year budget).

Our 2018-2019 preliminary adopted budget is $21,892,957, which reflects a 51.19% increase from the 2017-2018 adopted budget of $14,480,795. This reflects a 6,000,000 General Obligation Bond, which will be on the ballot of the November 2018 election.

The final budget of $21,892,957 on the Summary of Estimated Revenues and Expenditures/Expenses includes the expenditures for the following major funds:

DEPARTMENT	2017-2018	2018-2019	%
General Fund (Department Budgets & Donations)	$ 4,328,851	$4,804,659	+ 10.99%
Special Revenue Funds (Streets, Grants, Impact, Develop)	$ 3,420,989	$9,965,448	+191.30%
Capital Projects	$ 859,580	$853,818	-0.67%
Permanent Funds (Cemetery Perpetual Care Funds)	$ 26,150	$4,000	- 84.70%
Enterprise Funds (Water, Sewer, Sanitation, Cemetery)	$ 5,845,225	$6,265,033	+ 7.18%
TOTAL ALL FUNDS	$14,480,795	$21,892,957	+51.19%

There have been no changes in the Final Budget from the Preliminary Budget.

Finance Manager Kathy Cwiok presented this information to council.

Action: To approve Resolution # 1575 a Resolution for the Adoption of the Final Budget for Fiscal Year 2018-2019.
Motion: Councilmember Kramer
Second: Councilmember Regner

Voting Member	Aye/Nay
Council Member Scott Buckley	Aye
Vice Mayor Richard Dehnert	Aye
Council Member Ben Kramer	Aye
Council Member Bill Regner	Aye
Mayor Doug Von Gausig	Aye

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

- Vice Mayor Dehnert invited councilmembers to attend the NACOG Regional Council meeting activities to be held in Clarkdale.

ADJOURNMENT: Without objection Mayor Doug Von Gausig adjourned the meeting at 4:11 P.M.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:

Mary Ellen Dunn, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Clarkdale, Arizona held on the 24th day of July, 2018. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 15 day of August, 2018. SEAL

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Mary Ellen Dunn, Town Clerk