

MINUTES OF THE WORK SESSION OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD JANUARY 13, 2009, AT 6:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

Mayor Joens called the meeting to order at 6:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
James Chapman, Council Member
Tim Elinski, Council Member
Duane Kirby, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager	Mike Casson, Fire Chief
Richard Smith, Deputy Clerk	Rudy Rodriguez, Finance Director
Mike Kuykendall, Fire Captain	Kyla Allen, Executive Assistant
Scott Mangarpan, Project Manager	

ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE DIRECTION TO STAFF:

PROJECT STATUS UPDATE FOR THE PROPOSED RECREATION CENTER

Mr. Mangarpan stated this would be an update on the status of the recreation center project. The contract for the project had been signed. Five change orders would be submitted for approval at the next Council meeting. These were: 1) \$50,000 allowance added for material testing special inspection. This had been budgeted in the owner's portion of the project budget and increased the Gross Maximum price (GMP) but not the project budget; 2) \$14,000 for structural steel upgrades for future solar water heating panels which had previously been approved by the Council, increasing the GMP but not the project budget; 3) \$8,000 for simulated rock veneer, previously been approved by the Council, increasing the GMP but not the project budget; 4) \$241,000 for Paula Street upgrades to be funded by separate road funds, increasing the GMP but not the project budget; 5) \$130,000 removed for the pre-construction services budget from the GMP, previously funded separately, reducing the GMP but not the project budget.

The net addition to the GMP would be \$173,000. The construction trailer had been delivered to the site. Construction fencing would be put up on Wednesday, with ground breaking tentatively scheduled for February 9, 2009. Construction would necessitate making a major detour to the tennis courts because of safety considerations. Notices would be posted for users of that facility and temporary lighting installed.

CONTINUING PURSUIT OF THE STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (S.A.F.E.R.) GRANT

Chief Casson stated last year the City submitted an application for an Adequate Fire & Emergency Response (SAFER) grant. Last month the Department of Homeland Security, which awarded the grant, requested additional information for the City's application. Its award would entail a serious commitment by the City, and an acknowledgement to the federal government of its awareness of that commitment. Commitment would assure receipt of \$1.3 million in grant funds, together with the associated obligations.

Captain Kuykendall stated our grant request was to cover the cost of 12 new firefighters for a second engine company. The grant package would be paid to the City over a four-year period. The City's commitment to the new staff would be to assume all costs by the fifth year and retain the newly hired firefighters on staff for that period of time. The bulk of the grant funds would be paid to the City in the first two years, while the City's share would gradually increase until the fifth year, when it would assume all costs. Cost projections included staff benefit packages and salaries. The number of calls for emergency responses had increased to a level above 2,000 annually for a standard 4-man crew. Last year there were 2,478 responses. Multiple calls had become more commonplace and there was a risk of a reduction in response times and training if the trend continued. Growth had resulted in the construction of big box stores, a multi-storied hospital structure, and care facilities with risks of needing to evacuate large numbers of people and those with disabilities in the event of an emergency. More staff would reduce potential risks in such situations. Our engine company was the busiest in the Sedona-Verde Valley area. The calls per firefighter and per engine company were the greatest and accomplished on a budget that was close to the lowest of any department in the area. Future growth would require an increase in service. This grant was one of the few available to fund fire department staffing. The grant would be awarded, provided the City made a formal commitment to accept it. The service it would permit was needed and the opportunity for federal funding was now available. There was no guarantee that such funding would be available in the future. Acceptance of this grant would give the City priority consideration to receive other Assistance to Firefighter Grants related to equipment acquisition.

Vice Mayor Pfeifer asked how much was paid to the Verde Valley District Fire Department for the Belsanti property.

Chief Casson stated about \$3,000 a year since it was a low risk, low response situation in an area where the District would have faster response times.

Council Member Chapman asked why it was that our needs were recognized for federal assistance at this time and not before.

Captain Kuykendall stated that previous grant requests had only been submitted requesting several additional firefighters. This request was for a full engine company of 12 firefighters which had priority for grant awards.

Council Member Pratt expressed his support for accepting the grant, if the City could afford it.

Council Member Kirby asked if a report for sales tax revenue was available.

Mr. Rodriguez replied that the State had not yet supplied that report. Spending authority for the grant had been planned for, in case it was awarded. It was estimated there would be a shortfall of \$900,000 from previously estimated revenues. With departmental cutbacks totaling \$1.2 million, it could be afforded. He cautioned if the economy continued to sour, it might be necessary to cover shortfalls from reserves.

Council Member Elinski asked what the estimated benefit would be of the additional 0.8 percent sales tax.

Mr. Rodriguez stated the original estimate was it would bring in \$1.8 million in seven months. It was now estimated it would actually bring in a little over \$1 million.

Council Member Norman asked about affordability; whether he meant this year or for five years.

Mr. Rodriguez stated this and next year were adequately covered. If the economy went super bad, there will be other issues to resolve.

Mayor Joens asked if there would be penalties and if the money could be given back.

Captain Kuykendall stated the money would have to be paid back if we defaulted. But if the economy got that bad, it would affect everyone and the federal government was likely to take that into consideration.

Mr. Rodriguez stated the federal government would try to reach an accommodation to enable the City to fulfill its obligations.

Vice Mayor Pfeifer expressed her support for accepting the grant.

Mayor Joens asked how the fire department would handle a doubling of staff at the existing facility.

Chief Casson stated that although it would be crowded, all staff could be adequately accommodated.

Mayor Joens stated that in the fifth year after accepting the grant the cost to the city would be approximately \$900,000 which was still substantially less than other departments in the area.

Mr. Bartosh stated the costs were convincing for maintaining the high level of service offered by the City. It was expected that reserve funds would be adequate unless the economy got unexpectedly much worse.

Mayor Joens stated Council Member Kirby had been forced to leave early, but the Council direction was to move forward and to have this put on an agenda to discuss for acceptance on January 20, 2009.

PROPOSAL FOR THE FORMATION OF A NEW COUNTY (VERDE COUNTY ARIZONA) FROM A PORTION OF YAVAPAI COUNTY

Mayor Joens, noting the absence of Council Member Kirby who had expressed a desire to address this issue, moved to table this item. Vice Mayor Pfeifer seconded the motion, which passed unanimously.

ADJOURNMENT

Mayor Joens moved to adjourn. Vice Mayor Pfeifer seconded the motion, which passed unanimously.

The work session adjourned at 7:20 p.m.

Diane Joens, Mayor

ATTEST:

Richard Smith, Deputy Clerk