

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD JULY 7, 2009, AT 6:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

CALL TO ORDER AND ROLL CALL

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

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
Tim Elinski, Council Member
Duane Kirby, Council Member
Linda Norman, Council Member
Darold Smith, Council Member (participated via telephone)

COUNCIL MEMBERS ABSENT

Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager	Jeff Dollins, City Attorney
Marianne Jiménez, City Clerk	Dan Lueder, Utilities Director
Rudy Rodriguez, Finance Director	Tim Costello, City Engineer
George Gehlert, Comm. Development Director	Mike Casson, Fire Chief
Richard Faust, Parks & Recreation Director	Scott Mangarpan, Project Manager
Kyla Allen, Exec. Asst. to City Manager	Charlie Scully, Planner

PLEDGE OF ALLEGIANCE TO THE FLAG

The Pledge of Allegiance was led by Mary Eichman, a volunteer who assisted Mayor Joens.

BRIEF SUMMARY OF CURRENT EVENTS BY MAYOR, CITY COUNCIL AND/OR CITY MANAGER--THE PUBLIC BODY DOES NOT PROPOSE, DISCUSS, DELIBERATE OR TAKE LEGAL ACTION ON ANY MATTER BROUGHT UP DURING THIS SUMMARY UNLESS THE SPECIFIC MATTER IS PROPERLY NOTICED FOR LEGAL ACTION

Mr. Bartosh informed the Council the city's Fourth of July event was very successful and he thanked the Parks and Recreation staff.

Vice Mayor Pfeifer stated she attended the Fourth of July event and wanted to thank Richard Faust who took care of her and informed her what was going to happen during the event.

Mayor Joens thanked Vice Mayor Pfeifer for all the work she had done while she was gone on vacation.

Council Member Kirby stated he had attended the last NACOG meeting with Kyla and the VISTA worker, Jon. He received a lot of good information which he had passed on to the City

Manager, and they were moving in a good direction for a grant for the fire department.

Mayor Joens stated there was a Coffee Talk scheduled for Wednesday at 5 p.m. in the Public Safety building and invited everyone to attend.

CALL TO THE PUBLIC

There were no comments from the public.

APPROVAL OF MINUTES—Special Meetings of 5/21/09, 6/9/09, Work Sessions of 6/9/09, 6/10/09, 6/11/09 and Regular Meeting of 6/16/09

Mayor Joens noted a correction to be made to a comment she made on page one of the May 21 minutes, and Council Member Kirby noted a typo that needed correction on page 8 of the May 27 minutes.

Council Member Kirby then moved to approve the minutes with the corrections. The motion was seconded by Council Member Norman, and carried unanimously.

PRESENTATION BY DR. CHERYL COTHRAN, FROM NAU'S CENTER FOR BUSINESS OUTREACH AND MARSHALL WITMIRE REGARDING THE SUSTAINABLE ECONOMIC DEVELOPMENT INITIATIVE TO CREATE A NORTHERN ARIZONA WORKFORCE TRAINING CENTER

Marshall Whitmire and Dr. Cheryl Cothran of the Sustainable Economic Development Initiative (SEDI), a 501c 3 organization, reviewed the mission and goal of SEDI, which was to promote a regional entity for sustainability, prosperity, and equity and vitality in Northern Arizona. They had identified three factors critical to the region's success: 1) education, 2) workforce training, and 3) support for business development. One of the major projects identified to help achieve this goal was the creation of a Northern Arizona Workforce Training Center that would focus on practical skills training and certification for today's jobs and those in the emerging green economy in weatherization, solar power, smart grid technology, wind energy, and more. Operating through cooperative and management agreements with area community colleges, this training center would also provide customized skills training in many other areas and as a strategic tool for regional business retention and expansion.

Dr. Cothran explained a key first step in creating such a center and securing federal grants and other possible support was to conduct a market demand study of the need for such a training center. The Council was requested to fill out an opinion survey about the center and return it in the envelope provided with the questionnaire she handed out to the Council.

Mayor Joens read a list of questions which the city's Economic Development Director had pertaining to the training center, which Dr. Cothran and Mr. Whitmire answered.

INFORMATIONAL PRESENTATION REGARDING UNITED WAY OF YAVAPAI COUNTY BY

DEBORAH DARBY, VERDE VALLEY COORDINATOR FOR UNITED WAY

Deborah Darby, the coordinator for United Way in the Verde Valley, read the United Way's Information Network's mission statement, which was to provide centralized information and referral to health and human services for Yavapai County residents through enhancement of non-profit and public partnerships, networking, and the development of service coordination among non-profit organizations. The reason she wanted to speak to the Council, and she had spoken to staff, was to find some way for United Way to work with the city.

OLD BUSINESS—None.

CONSENT AGENDA

RESOLUTION NUMBER 2454—AUTHORIZING THE EXECUTION OF AN AGENCY AFFILIATION AGREEMENT BETWEEN THE CITY AND YAVAPAI COLLEGE EMERGENCY MEDICAL SERVICES DEPARTMENT, AND FURTHER AUTHORIZING THE CITY FIRE CHIEF TO EXECUTE THAT AGREEMENT ON BEHALF OF THE CITY

RESOLUTION NUMBER 2456—AUTHORIZING THE CITY TO ENTER INTO A JOINT POWERS AGREEMENT TO ALLOW FOR THE COMBINATION OF FINANCIAL RESOURCES FOR THE USE OF SPECIALIZED TRAINING EQUIPMENT AND FACILITIES FOR THE REGIONAL FIRE SERVICE TRAINING CENTER

CHANGE ORDER NUMBER 1 FOR Z&H ENGINEERING FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE PERIMETER ROAD PROJECT AT THE COTTONWOOD MUNICIPAL AIRPORT

AWARD OF AN UNDERGROUND PIPING JOB ORDER CONTRACT FOR ARSENIC REMEDIATION EQUIPMENT PIPING MODIFICATIONS FOR WELL FIVE OF THE CITY'S WATER UTILITY

AWARD OF AN UNDERGROUND JOB ORDER CONTRACTING BID FOR INSTALLATION OF A SANITARY SEWER LINE FOR THE WELL 8/9 FACILITY OF THE CITY'S WATER UTILITY

APPROVAL OF A COLLATERAL ASSIGNMENT OF LESSEE'S LEASEHOLD INTEREST AND CONSENT PERTAINING TO THE PREVIOUSLY APPROVED CONSENT OF ASSIGNMENT FOR LOT 111 AT COTTONWOOD AIRPARK

Mayor Joens stated she would like to remove item number six for discussion.

Dr. Bob Richards requested items four, five, and six be removed from the Consent Agenda.

Council Member Elinksi moved to approve items one through three of the Consent Agenda. The motion was seconded by Council Member Kirby, and carried unanimously.

AWARD OF AN UNDERGROUND PIPING JOB ORDER CONTRACT FOR ARSENIC REMEDIATION EQUIPMENT PIPING MODIFICATIONS FOR WELL FIVE OF THE CITY'S WATER UTILITY

Mr. Lueder stated the city was mandated by State and Federal regulations to provide arsenic remediation treatment at all of its well sites having an arsenic concentration above 10 parts per billion. These sites required modifications to the existing underground piping at these facilities to accommodate the arsenic remediation equipment. The three contractors were selected to be under contract to the city based on a statement of qualification process for underground contracting services which was a one-step qualifications based selection process as authorized by A.R.S. § 34-601 through 34-611. Specifications for the underground piping modifications were developed and Tiffany Construction submitted a bid for \$92,510, Arizona Northern Equipment for \$61,800, and Rocky Construction for \$29,400. The bids were checked and all found to be in compliance with the bid specifications. Because Rocky's bid was significantly lower than the other two contractors, staff contacted them to verify the price they submitted was correct, and they indicated work was extremely slow and they would complete the work for the price they submitted.

Dr. Bob Richards, of Cottonwood, stated he was concerned with the description in the bids for both items four and five. Rocky Construction was only going to make \$9,000, and it seemed to him to be quite a bit of discrepancy. He questioned if they were qualified to do the work.

Mr. Lueder responded Rocky Construction was picked based on qualifications and we were very confident in their ability to perform this work. The city had no say in what their bids were.

Council Member Norman moved to award the job order contracting bid for underground piping modifications at well five to Rocky Construction. The motion was seconded by Council Member Elinski, and carried unanimously.

AWARD OF AN UNDERGROUND JOB ORDER CONTRACTING BID FOR INSTALLATION OF A SANITARY SEWER LINE FOR THE WELL 8/9 FACILITY OF THE CITY'S WATER UTILITY

Mr. Lueder stated the well 8/9 facility required modifications to the existing underground piping to accommodate the arsenic remediation equipment. One of the modifications identified was a sanitary sewer line for discharge of the backwash from the coagulation/filtration arsenic remediation system. Three bids were received from the job order contractors that had been selected to be under contract to the city, based on a statement of qualifications process for underground contracting services. Tiffany Construction submitted a bid for \$59,490, Arizona Northern Equipment for \$53,100, and Rocky Construction for \$18,820. Again, Rocky Construction was contacted to see if their numbers were correct and they indicated they wanted to keep their people working. Staff was confident they could do the work.

Council Member Kirby moved to award the underground job order contract for installation of a sanitary sewer line for the well 8/9 facility to Rocky Construction for a total cost of \$18,820. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

APPROVAL OF A COLLATERAL ASSIGNMENT OF LESSEE'S LEASEHOLD INTEREST AND CONSENT PERTAINING TO THE PREVIOUSLY APPROVED CONSENT OF ASSIGNMENT FOR LOT 111 AT COTTONWOOD AIRPARK

Council Member Smith questioned if they were going to go into executive session on this.

Mr. Dollins stated it was the city's prerogative to go into executive session.

The consensus of the Council was to continue discussion in open session.

Council Member Smith stated it was his understanding the bank wanted to loan money for this assignment and make the city partially responsible if the lessee were to default.

Mr. Dollins stated the city was not taking on any liability for default under this loan. What it provided for is if Willow Bee was in default for any of the provisions the bank would step in and assume the leasehold.

Council Member Smith questioned since the city was responsible for the acreage and not the building, why would the city even have to sign anything. His understanding in reading the master lease, Section 16 or 18, was if they defaulted everything reverted to the city.

Mr. Dollins stated the reason why the city was asked to sign off on this was under the terms of the original ground lease the underlying terms require one party to consent if one party is going to be substituted out. The city was not assuming any financial obligation on this. What we are doing was required under the original ground lease.

Mark Tufte, Vice-President of Country Bank, stated the collateral assignment allowed the bank to maintain its collateral position on the loan. The city had an agreement with Willow Bee LLC for the lease and as a lender the bank tried to have some form of collateral as they did not want any risk.

Bob Backus stated this process had been going on for almost 25 years. He thought everyone was looking out for the city's interest. They were not asking the city for anything more than what was in their original agreement.

Council Member Smith questioned if any changes were made to the master lease would that mean we could renegotiate and put in an escalation clause.

Mr. Dollins stated we were not changing the underlying terms of the lease; it was just changing the parties. If both parties agreed, contract agreements could be modified. In this case there were complications that would not make it that simple to do.

Mr. Smith stated he wished the city would take a really close look at this and he thought we should change the leases when they come up and add escalating clauses.

Mr. Dollins suggested it would be more appropriate to place that matter on another agenda as a separate matter.

Bob Oliphant addressed the Council and stated they were talking about a piece of commercial land owned by the citizens valued at \$150-250,000 depending on the market. We are giving that property away. Second, he was not certain that Section 12 applies at all to this. This is a sub-assignment and the city should not have anything to do with it. Third, he encouraged the city to include, whenever it has an agreement with anyone, the language that is contained in the background of the original agreement "you are creating new employment opportunities." That language should be in this document. Finally, when he read Section 18 of the original lease and compared it to this agreement he was concerned the default provisions written in this were not in the best interest of the citizens of Cottonwood.

Mayor Joens stated somewhere she read the business employs 16 people and there are economic development positives.

Mr. Backus stated what they were doing was growing business from the inside. We have a business that is hiring in town that wants to improve the business. The reason the property is valuable is we have put in the roads, curbs, sidewalks, etc. It has not cost the city any money. He did not know how we could talk about giving money away when the city had not put any money in. In 75 years the building improvements will belong to the citizens.

Mr. Dollins stated they were getting beyond the limited scope of the agenda. In regards to Section 12 of the original lease, it allowed assignment of the lease not to be unreasonably withheld. The language from the original lease regarding promoting economic development and the creation of new employment opportunities had been added to the Consent of Assignment that went along with these financial based documents.

Dr. Bob Richards stated he objected to this being on the consent agenda. The Council just tonight approved the minutes of the June 16 meeting and they did not allow the public the opportunity to review these minutes. He questioned the appropriateness of the Council discussing this item before the minutes had been approved. He also did not consider it a valid item for the consent agenda.

Mr. Dollins stated the minutes were available in draft form pursuant to state law. It was the prerogative of the Council, and the Council allowed the public the prerogative, to pull an item off the consent agenda and discuss the item.

Council Member Kirby stated he had been a defender of leases because of his familiarity of what was going on at the airport, and he had to agree with Mr. Backus.

Council Member Kirby then moved to approve the collateral assignment for Lot 111 of Cottonwood Airpark.

Council Member Smith stated his feeling was this should go again to the attorney for several reasons. This \$125 per square foot was extremely unfair to any competing business in town, and this building did not show up on any tax roles.

Mr. Dollins stated he did not want to stifle discussion, but the agenda was fairly specific and he thought they were getting a bit afar by looking at the underlying policy.

Mr. Bartosh stated an important point to make was the reassignment was done at the previous Council meeting, and this was just the collateral agreement.

A vote on the motion was then taken, which carried with a dissenting vote by Council Member Smith.

NEW BUSINESS—The following items are for Council discussion, consideration, and possible legal action.

PUBLIC HEARING REGARDING ADOPTION OF THE CITY'S TENTATIVE BUDGET FOR FISCAL YEAR 2009-10

Mr. Rodriguez gave a Power Point presentation on the tentative budget. He indicated the total of the tentative budget was \$132,562,405, which was \$55,215,690 over the 2009 fiscal year's budget and \$38,277,080 over the proposed budget. The bulk of the increase was due to refunding \$29.1 million for 2004 and 2006 water Municipal Property Corporation bonds, the transfer of \$8.1 million for the Riverfront Park reclamation project from the capital improvement fund, operating transfers between the funds due to the reorganization, and other changes due to the outcome of the budget meetings.

Mr. Rodriguez then reviewed the reorganization of city departments and explained the meetings that were held with staff, the Council, affected departments, and individuals with concerns. The full change to the reorganization in regards to the general managers assuming their duties would take place in 60 to 90 days. The recommended salary range for the new General Managers was 72 (\$87,760-\$127,252). The Administrative Services General Manager's estimated salary was budgeted at \$95,342. The Developmental Services General Manager's estimated salary was budgeted at \$96,342, and the Community Services General Manager's salary was budgeted at \$94,342.

Mr. Rodriguez finished his presentation by reviewing the anticipated reserve status for budget year ending June 30, 2009. The carryover-restricted fund balance totaled \$1,899,670, the accumulation reserve fund totaled \$1,000,000, the undesignated reserves totaled \$390,110, the .2 percent sales tax capital improvement reserves totaled \$266,745, the 1 percent sales tax general fund capital improvement project reserves totaled \$827,265, with totaled \$4,383,790 for the entire estimated reserve accounts. The fiscal year 2009-10 budget requests for these funds were as follows: carryover-restricted fund balance totaled \$2,186,000, the accumulation reserve fund totaled \$1,000,000, the undesignated reserves totaled \$22,830, the .2 percent sales tax capital improvement

reserves totaled \$201,850, the 1 percent sales tax general fund capital improvement project reserves totaled \$697,800, and the recreation center operations reserve at \$609,575, with a total of \$4,718,115 for the entire estimated reserve accounts for fiscal year 2009-10.

Council Member Elinski questioned if those numbers were worked into the budget as far as pumping up the general managers' salaries.

Mr. Bartosh stated these salaries were still not competitive to the market and were consistent with their increased duties.

Vice Mayor Pfeifer questioned how it was going to sit with someone in the street or engineering departments when they saw these increases.

Mr. Bartosh stated we were promoting people into new positions with larger duties. This was not a cost of living or market increase; it was based on the job they were going to be performing.

Mayor Joens questioned why Fire Chief Casson and Police Chief Fanning were not addressed.

Mr. Bartosh stated because they were remaining as department heads.

Mayor Joens opened the floor to the public for comments regarding the adoption of the tentative budget, and there were no comments from the public.

Mr. Rodriguez stated the entire budget grew to \$132,562,405. There was an error in the Council's budget under the youth commission where he thought it was supposed to be \$5,000.

Mayor Joens stated she was still distraught that we were axing our support of the veterans van. She thought \$5,000 was a nominal amount we were supporting them with. Our attorneys were looking at if we could fund some of these things.

Vice Mayor Pfeifer stated she agreed with Mayor Joens.

Council Member Kirby stated he noticed we picked off from our \$45,000 contribution to the Senior Center to \$30,000 again.

Mr. Rodriguez stated he would make that adjustment. It was supposed to be \$45,000.

Mayor Joens questioned if Mr. Rodriguez wanted to address the Verde Valley Humane Society.

Mr. Rodriguez stated he had a talk with Cindy Sessoms and they were trying to come up with

a compromise. They settled on we would give her \$32,000 and make an adjustment to the agreement. We had decided on \$50,000 depending on what the economy does and she will come back at a later date and request funding for the building. She had agreed to the \$32,000.

Mayor Joens requested that be reflected in the minutes.

Mr. Rodriguez stated it was reflected under animal control.

ADOPTION OF THE TENTATIVE BUDGET & EXPENDITURE LIMITATION FOR FISCAL YEAR 2008-09

Mr. Rodriguez stated items that were going to happen with the adoption of the budget were: continued funding of the city's merit program; added positions discussed during the budget work sessions; institute the city-wide reorganization plan as previously discussed; authorize the recruitment of all vacancies when scheduled; approved reclassifications and salary adjustments as discussed during the budget work sessions; continue the present employee contribution structure toward dependent health insurance coverage; permission to purchase budgeted equipment using existing procurement procedures; approve the acquisition, planning, and/or construction of budgeted capital projects using established guidelines; and acceptance of the expenditures as noted in the budget document as presented and discussed during the budget work sessions. Staff would return in August for approval of the final budget and make the adjustments discussed earlier.

Council Member Kirby stated somewhere in the proposed budget he believed he read there was \$2,000 budgeted for the Senior Commission.

Mr. Rodriguez responded funds were budgeted for covering the cost for the phone line at the Senior Center.

Council Member Kirby moved to adopt the tentative budget presented, the amount as will be reflected in the minutes of this meeting. The motion was seconded by Mayor Joens, and carried unanimously.

Mayor Joens stated if no one objected, she would like to consider item number eight next, as there were people who were waiting for this item to be discussed. There were no objections.

AWARD OR REJECTION OF BID(S) RECEIVED FOR WEED CONTROL SERVICES FOR CITY FACILITIES

Mr. Faust stated the Council has authorized services for this city-wide contract over the past 10 years pertaining to the eradication of weeds at all city parks, the cemetery, airport, and city campus facilities. Four bids were received in response to this year's bid deadline of December 30, 2008, from High Desert Pest & Weed Control for \$6,900, J & S Landscape Maintenance, Inc., for \$9,885, Common Ground Services, L.L.C., for \$18,600, and SOS

Exterminating, Inc., for \$19,200. The current bid document did not address the verification of chemicals used, notification by contractor pertaining to site locations being sprayed, application processes, public notification of spray applications to park lands, and log response and submittals for accountability purposes. Due to the extreme difference in bid amounts from the low end to the high end, along with the increased need by the public for verification of chemical controls and application methodology, staff would like the Council to reject all bids based on the need for better control standards for public accountability. This would be re-bid at a later date adding the additional standards and requirements as identified.

Mayor Joens stated Mr. Faust had documented why he wanted to go out to bid again, and she supported his request.

Ginny Rench, co-owner of J & S Landscape Maintenance Services, stated they have that information and the bid asked if you were willing and able to provide this information. She indicated they would be willing to do that.

Mayor Joens moved to reject all bids and authorize staff to move forward with providing more specific standards for chemical use and criteria for controlled application of chemicals to city property. Motion was seconded by Council Member Norman, and carried.

Council Member Kirby was not present during the vote.

Mayor Joens stated if there was no objection, she would like to move item number four up on the agenda. There were no objections.

APPROVAL OF AN ADDENDUM TO THE CABLE ONE FRANCHISE LICENSE AGREEMENT TO PROVIDE A GOVERNMENT ACCESS CHANNEL FOR USE BY THE CITY

Mr. Bartosh stated a year ago Grant Hafley, the owner of Yavapai Broadcasting Company approached him regarding the city televising council meetings. This was a common practice among municipalities, and he thought Camp Verde and Sedona televised their meetings. The city had the opportunity through the franchise agreement with Cable One to request a cable channel, and he made such a request. This was not a public access channel. Cable One agreed to provide channel 20. Our cost will be installing half of the cable connection here at the council chambers. They will make the connection with Yavapai Broadcasting who will set up cameras to film live. This is actually two council items. Number 4 deals with the addendum to Cable One and there is no charge for the cable channel. Number 5 is the agreement with Yavapai Broadcasting who has the filming capability to come in and do this live and broadcast it live and play it over again a variety of times day and night. The agreement also allows for programming by the city for other meetings, meet the candidates, election results, and a program hosted by the city manager two times a week.

Mr. Hafley stated it would cost approximately \$20,000 to wire and set up the cameras for filming. He was asking for the ability to sell some of the air time for advertising to make up

their expenses and provide the services to the city.

Mayor Joens asked if there was any opportunity for them to have video streaming on their web site.

Mr. Hafley stated they will do it live on TV as well as radio and have the ability to playback at various times. They would like to see some other shows, and not only the programs Doug talked about. They would film parades and other activities throughout the community. They would also be looking at upgrading the sound system and might be coming back in the future to ask for reimbursement for the cost of the upgrade.

Council Member Kirby moved to approve the addendum to the original license agreement with Cable One allowing Cable One to provide a government access channel for use by the City of Cottonwood. Motion was seconded by Vice Mayor Pfeifer, and carried with a dissenting vote by Council Member Elinski.

APPROVAL OF AGREEMENT WITH YAVAPAI BROADCASTING COMPANY TO FILM AND BROADCAST CITY EVENTS AND MANAGE THE CITY'S GOVERNMENT ACCESS CHANNEL

Council Member Kirby moved to approve the agreement with Yavapai Broadcasting Company to film and broadcast city meetings and events and to manage the city's government access channel. Motion was seconded by Council Member Norman, and carried with a dissenting vote by Council Member Elinski.

Mayor Joens requested item number six be moved up on the agenda if there was no objection. There were no objections.

DIRECTION TO STAFF REGARDING THE NAMING OF THE NEW RECREATION CENTER FACILITY

Mr. Faust stated he was asking for direction on the naming of the new recreation center so they could move forward and identify this to the contractor so they could get started on that.

Mary Eichman stated she thought it would be appropriate to name a special area in the recreation center after Brian Mickelsen. She felt it needed to be named the Cottonwood Recreation Center.

Council Member Kirby stated he thought we should try to sell the naming rights and if we were not going to do that then keep it in the community and name it the Cottonwood Community Recreation Center.

Council Member Elinski stated he did not like the idea of selling the naming rights and thought it should be named the Cottonwood Recreation Center.

Vice Mayor Pfeifer stated in talking to people Brian knew, they had come to her personally and in confidence and said if you really knew Brian he would want to name it the

Cottonwood Recreation Center.

Council Member Norman stated she agreed it should be named the Cottonwood Recreation Center. She would like to see the meeting room or the gymnasium with Brian's name on it.

Mayor Joens stated knowing Brian, we couldn't name anything in the community that did not have the word Cottonwood. She would like to see a picture of Brian or a plaque of Brian and make a nice display in the recreation center in honor of him. She also wanted to ask the Council about naming a street for Brian; perhaps the River Front Park 10th Street.

Vice Mayor Pfeifer stated someone mentioned that would affect Blazin' M, and suggested the street off of 10th Street leading into the park.

Mayor Joens stated it might be great to change Paula Street to Brian Mickelsen Parkway.

Mayor Joens stated what she heard the consensus of the Council was to name the recreation center the Cottonwood Recreation Center and some type of display honoring Brian be placed in the recreation center.

Council Member Kirby stated he did not agree with all that. We need to name the recreation center the Cottonwood Recreation Center.

Mayor Joens asked the City Clerk to put the discussion regarding a display to honor Brian on a future agenda.

Mayor Joens then asked if it was okay to move items nine and ten on the agenda up as there were people present for these items. There was no objection.

RESOLUTION NUMBER 2457— DECLARING A PUBLIC RECORD THAT CERTAIN DOCUMENT PERTAINING TO THE COTTONWOOD ZONING ORDINANCE ENTITLED "SECTION 404. GENERAL PROVISIONS, Y. GROUP HOME FOR HANDICAPPED, Z. BOARDING HOME REGULATIONS, AA. CORRECTIONAL TRANSITIONAL FACILITY, AND BB. BED & BREAKFAST ESTABLISHMENTS; AND ADDING NEW DEFINITIONS TO SECTION 201. DEFINITIONS"

Mr. Gehlert stated there had been a lot of public input regarding changes to the Zoning Ordinance pertaining to group homes, and he had invited some of the providers to the meeting who were in the audience. This resolution declared the changes a public record.

Council Member Kirby moved to adopt Resolution Number 2457 and the first reading of Ordinance Number 547. Motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution Number 2457 by title only.

RESOLUTION NUMBER 2457

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, DECLARING A PUBLIC RECORD THOSE CERTAIN DOCUMENTS PERTAINING TO THE COTTONWOOD ZONING ORDINANCE ENTITLED "SECTION 404. GENERAL PROVISIONS, Y. GROUP HOME FOR HANDICAPPED, Z. BOARDING HOME REGULATIONS, AA. CORRECTIONAL TRANSITIONAL FACILITY, AND BB. BED & BREAKFAST ESTABLISHMENTS; AND ADDING NEW DEFINITIONS TO SECTION 201. DEFINITIONS".

ORDINANCE NUMBER 547--ADOPTING CHANGES TO THE COTTONWOOD ZONING ORDINANCE ENTITLED "SECTION 404. GENERAL PROVISIONS, Y. GROUP HOME FOR HANDICAPPED, Z. BOARDING HOME REGULATIONS, AA. CORRECTIONAL TRANSITIONAL FACILITY, AND BB. BED & BREAKFAST ESTABLISHMENTS; AND ADDING NEW DEFINITIONS TO SECTION 201. DEFINITIONS"; FIRST READING

Mr. Gehlert stated this was a proposal to amend the Zoning Ordinance and address a variety of different lodging establishments within the City, notably group homes for the handicapped, boarding houses, correctional transitional facilities (halfway homes), and bed and breakfast establishments. The ordinance changes provided for a series of different definitions. It also assigned them to the various use districts, highlighted requirements for conditional use permits for some of them, and acknowledged the significance of the Federal Fair Housing Act requirement to accommodate some of these uses, given certain performance criteria. It established registration and spacing requirements for group homes and for correctional transitional facilities. These matters had been discussed previously with the Council and at the Planning and Zoning Commission level. This was the first reading of the proposed ordinance.

Mayor Joens asked if there were any comments from the public, and there were none.

Mayor Joens requested the City Clerk read Ordinance Number 547 by title only.

ORDINANCE NUMBER 547

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, AMENDING THE CITY OF COTTONWOOD ZONING ORDINANCE BY DELETING DEFINITIONS UNDER SECTION 201. DEFINITIONS AND ADDING NEW DEFINITIONS; AND AMENDING SECTION 404. GENERAL PROVISIONS BY ADDING NEW SECTIONS Y. GROUP HOME FOR THE HANDICAPPED, Z. BOARDING HOUSE REGULATIONS, AA. CORRECTIONAL TRANSITIONAL FACILITY, AND BB. BED & BREAKFAST ESTABLISHMENTS.

RESOLUTION NUMBER 2455--AMENDING THE CITY'S FINANCIAL OPERATIONS GUIDE BY

REPEALING EXISTING SECTION VIII, TUITION REIMBURSEMENT POLICY; AND ADOPTING A NEW SECTION VIII, TUITION REIMBURSEMENT POLICY; AND PROVIDING FOR AN EFFECTIVE DATE

Mr. Rodriguez stated staff was requesting approval to repeal the current Section VIII, Tuition Reimbursement Policy and replace it with a new Section VIII, Tuition Reimbursement Policy. The replacement policy set some general reimbursement guidelines by capping the maximum amount allowed for reimbursement for any given fiscal year to \$5,000, documents the ability of the city to make changes to allocations based on economic conditions and budgetary constraints, and provides for penalties for policy violations up to and including termination.

Mayor Joens stated she was 100 percent in support for providing college classes for city employees. She had signed off on some pretty large amounts of tuition reimbursement. She questioned if we were paying \$6,000 for someone's degree, was requiring they stay with the city for two years enough.

Mr. Rodriguez stated it kept extending until they completed their degree. Two years seemed to be the standard out there.

Council Member Kirby stated it seemed to him to be some kind of servitude. They needed to understand what they were doing and when people agreed to it that they understand this.

Mayor Joens stated she thought the cap was appropriate and she was in total support of it.

Council Member Kirby moved to adopt Resolution Number 2455. Motion was seconded by Council Member Elinski, and carried unanimously.

APPROVAL OF THE PURCHASE OF STRENGTH CONDITIONING EXERCISE EQUIPMENT FOR THE NEW RECREATION CENTER FACILITY

Mr. Faust stated staff researched multiple vendors throughout the State of Arizona and throughout the Southwest pertaining to the purchase of strength conditioning for the new Cottonwood Recreation Center. Staff's goal was to find a one-stop-shop vendor who supplied this type of equipment through either State Contract, Mohave Contract or other acceptable procurement agencies recognized by the City of Cottonwood's procurement policies. Outright purchase of strength conditioning equipment was considered over lease options due to the heavy duty construction and durability of equipment such as weight benches, barbells, dumbbells, pulley and cable draw systems. These types of equipment apparatus had long life durability such as 10 to 20 years overall, whereby cardio equipment such as treadmills, elliptical machines, recumbent bicycles etc., have a shorter life span such as 3 to 4 years maximum. Staff reviewed one particular company with a satellite office in the Phoenix area (Advanced Exercise Equipment, Inc. out of Littleton, Colorado) who had supplied equipment in similar types of purchase arrangements with other state-wide municipalities. Advanced Exercise Equipment, Inc., worked through GSA (General Services

Administration) procurement and had previously done so with the following Municipalities: City of Mesa - Red Mountain Recreation Center, Sun City - Beardsley Recreation Center and Palm Ridge Recreation Center, City of Peoria - Peoria Recreation Center, and City of Chandler - Chandler Tumbleweed Recreation Center. The total equipment amounts were divided into plate/stack equipment (131 equipment pieces) at \$52,050.00 and 43 types of Hammer press, curl, pulley and motion strength equipment totaling \$75,159.00. The total amount of Strength Equipment costs were \$127,209.00. Costs for equipment purchases of this type were part of the Exercise Equipment budget for the Recreation Center project. The project budget authorized \$258,000 for exercise/strength and cardio equipment purchases.

Council Member Kirby questioned if they were planning on moving some of the existing equipment in the weight room to the new facility.

Mr. Faust indicated only a few pieces of exercise equipment would be moved over to the new facility.

Mayor Joens questioned the purchase of the 36 month warranty agreement.

Mr. Faust stated that type of warranty was for equipment which is commercial grade.

Mayor Joens questioned if it broke and only cost \$1,000 to fix, wouldn't that save the city money.

Mr. Faust stated they were breaking down every 3-6 months and they were seeing close to \$7,000 for repairs that could get higher after the warranty expired.

Council Member Kirby moved to approve the purchase of the recreation center exercise equipment in the amount of \$127,209. The motion was seconded by Council Member Norman, and carried unanimously.

APPROVAL OF A CONTRIBUTION IN THE AMOUNT OF \$2,000 TO BE USED FOR THE MATCH FUNDING REQUIRED AS PART OF THE VERDE VALLEY HOUSING TASK FORCE GRANT PROPOSAL BEING SUBMITTED BY THE ARIZONA COMMUNITY FOUNDATION FOR THE PURPOSE OF DEVELOPING A REGIONAL HOUSING ASSESSMENT FOR THE VERDE VALLEY

Mr. Gehlert stated the Council directed staff to get involved in the Verde Valley Task Force as part of the Council's strategic initiative. This regional assessment would provide a review of the current demography, basic housing issues, and an assessment of regional assets and other opportunities for addressing them. The grant proposal would result in a grant of \$20,000 from the Arizona Community Foundation. The application required a fifty percent match contribution by the applicants (\$10,000). The City of Sedona was requesting contributions from the other communities toward the match and was requesting a \$2,000 contribution from the City of Cottonwood. He did not know how much the other communities were contributing. It was suggested the \$2,000 come out of Council's contingency budget.

Mayor Joens stated she knew our own housing study was conducted in 2002, and questioned if this would update that.

Mr. Gehlert responded this was more of an assessment.

Mayor Joens questioned if they had heard from any of the other communities.

Jon Rolf, VISTA worker, stated he spoke with Camp Verde today and it was on their July 14 agenda. The Town of Jerome had it on their upcoming agenda as did the City of Sedona. Clarkdale indicated they did not have any money and would like to do in-kind matching.

Council Member Elinski stated he thought this was important, and moved to approve the grant proposal through the Arizona Community Foundation for the purpose of developing a regional housing assessment for the Verde Valley and to approve the \$2,000 contribution toward the required match funding. Motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

CLAIMS & ADJUSTMENTS

Council Member Kirby moved to pay the claims and adjustments. Motion was seconded by Vice Mayor Pfeifer and carried unanimously.

ADJOURNMENT

Mayor Joens moved to adjourn. Motion was seconded by Council Member Kirby, and carried unanimously. Regular meeting adjourned at 9:24 p.m.

Diane Joens, Mayor

Marianne Jiménez, City Clerk

CERTIFICATION OF MINUTES

I hereby certify that the attached is a true and correct copy of the minutes of a regular meeting of the City Council of the City of Cottonwood held on July 7, 2009. I further certify that the meeting was duly called, and that a quorum was present.

Marianne Jiménez, City Clerk

Date