

8INUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD SEPTEMBER 8, 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
Terence Pratt, Council Member
Darold Smith, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager	Marianne Jiménez, City Clerk
Dan Lueder, Utilities Director	Tim Costello, City Engineer
Rudy Rodriguez, Finance Director	Shirley Scott, CAT Manager
Kyla Allen, Executive Assistant to the City Manager	Charlie Scully, Planner

PLEDGE OF ALLEGIANCE TO THE FLAG

Travis and Allen Vinson co-led the Pledge of Allegiance.

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 stated Saturday, September 19, was the date for the Cowboy Cruiz-In in Old Town to raise money for rehabbing the Old Town Jail. Rhythm 'N Ribs would be held October 2-3. The Old Town sign renovation was nearing completion and it was hoped there could be a lighting ceremony.

Council Member Smith stated he and all Council Members except Council Member Kirby attended the Arizona League of Cities and Towns conference.

Council Member Kirby stated Council Members toured the new Recreation Center on September 25 and on September 27 he attended a NOCAG meeting in Flagstaff, a Senior Commission meeting in town, and an intergovernmental meeting in Camp Verde.

Mayor Joens stated there would be a Coffee Talk in Old Town tomorrow at 9 a.m. Council Member Smith would attend. On August 24, she and Vice Mayor Pfeifer met with Maria Baier, the newly appointed State Land Commissioner, to discuss the annexation of State Trust Land. Discussions with the Director of State Parks covered possible future collaboration with the City. She also attended the Verde Valley Humane Society open house several weeks ago.

Ms. Jiménez stated a Council Work Session was scheduled for Thursday, September 10 at 6 p.m.

Mr. Bartosh stated a follow up meeting with State Parks was held today to further discuss collaboration. Cottonwood was the first city to offer such collaboration with State Parks.

CALL TO THE PUBLIC

There were no comments from the public.

PROCLAMATION—NATIONAL ALCOHOL & DRUG ADDICTION RECOVERY MONTH

Mayor Joens proclaimed September 2009 as National Alcohol and Drug Addiction Recovery Month.

OLD BUSINESS—None

CONSENT AGENDA—The following items are considered to be routine and non-controversial by the Council and will be approved by one motion. There will be no separate discussion of these items unless a Council Member or a citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda

RESOLUTION NUMBER 2467--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF CLARKDALE, ARIZONA, TO PROVIDE COTTONWOOD AREA TRANSIT TRANSPORTATION SERVICES FOR RESIDENTS OF THE TOWN OF CLARKDALE

RESOLUTION NUMBER 2468--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH YAVAPAI COUNTY TO PROVIDE COTTONWOOD AREA TRANSIT TRANSPORTATION SERVICES FOR RESIDENTS OF YAVAPAI COUNTY

SPECIAL EVENT LIQUOR LICENSE APPLICATION FOR THE VERDE VALLEY FAIR ASSOCIATION FOR AN EVENT SCHEDULED FOR OCTOBER 16 & 17, 2009

SPECIAL EVENT LIQUOR LICENSES FOR THE COTTONWOOD CHAMBER OF COMMERCE FOR EVENTS SCHEDULED FOR SEPTEMBER 17, 2009, OCTOBER 2, 3, AND 15, 2009, AND DECEMBER 10, 2009

NEW LIQUOR LICENSE APPLICATION FOR LARRY W. PRITCHARD (ZOOMER'S SPORTS BAR &

GRILL) LOCATED AT 1100 HIGHWAY 260

APPROVAL OF AN AGREEMENT WITH THE OLD TOWN ASSOCIATION FOR THE PROMOTION, DEVELOPMENT, AND ENHANCEMENT OF OLD TOWN COTTONWOOD

Mayor Joens stated she wished to pull items 1 and 2 for discussion.

Vice Mayor Pfeifer declared a conflict of interest with item 4.

Council Member Pratt moved to approve consent agenda items 3, 5, and 6. Council Member Elinski seconded the motion, which carried unanimously.

SPECIAL EVENT LIQUOR LICENSES FOR THE COTTONWOOD CHAMBER OF COMMERCE FOR EVENTS SCHEDULED FOR SEPTEMBER 17, 2009, OCTOBER 2, 3, AND 15, 2009, AND DECEMBER 10, 2009

Ms. Jiménez stated the Cottonwood Chamber of Commerce had submitted applications for four special events. The September 17 event was for a Chamber mixer, The October 2 and 3 event was for Rhythm 'N Ribs, and the October 15 and December 10 events were also Chamber mixers.

Council Member Elinski moved to approved the special event liquor license applications for the Chamber of Commerce for the events scheduled for September 17, October 2, 3, and 15, and December 10, 2009. Council Member Kirby seconded the motion, which carried.

RESOLUTION NUMBER 2467--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF CLARKDALE, ARIZONA, TO PROVIDE COTTONWOOD AREA TRANSIT TRANSPORTATION SERVICES FOR RESIDENTS OF THE TOWN OF CLARKDALE

RESOLUTION NUMBER 2468--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH YAVAPAI COUNTY TO PROVIDE COTTONWOOD AREA TRANSIT TRANSPORTATION SERVICES FOR RESIDENTS OF YAVAPAI COUNTY

Mayor Joens stated she had these two items pulled in order to discuss funding. By putting items such as these on the consent agenda, the public really didn't see how the City was working on a regional basis with other governmental entities. She had asked staff to provide the true costs of transit. We did receive payments from other governmental entities to help pay for these services to those communities. Cottonwood did, however, pay any differences that arose from these services. Staff was asked about liability, finance employees' contributions in time spent, C.A.T.'s contributions in time, and contributions from the Highways User Revenue Fund (HURF).

Mr. Rodriguez stated over the course of the last five years ending in June 2009, the City's HURF fund contributions had increased from \$67,000 to \$268,000. Fares taken in had decreased while expenses had increased. In the last three years, ridership had been 14.9

percent from Clarkdale, 38.7 percent from Yavapai County, and 46.3 percent from Cottonwood. Cottonwood absorbed ten percent more than it should for its use, Clarkdale four percent more, and the County ten percent less. The City did continue to absorb the lion's shares of costs of fare boxes.

Ms. Scott stated fares were down because Head Start cut their funding as a cost saving measure. Two new buses, the new transit building, the shade structures and solar panels were obtained from outside funding sources. Those using the transit system did so to come to town, thus contributing to its economic wellbeing.

Mayor Joens stated the record proved Cottonwood was a good regional partner and worked on behalf of other communities.

Council Member Pratt moved to approve consent agenda items numbers 1 and 2, Resolution Number 2467 and Resolution Number 2468. Council Member Kirby seconded the motion, which carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Numbers 2467 and 2468 by title only.

RESOLUTION NUMBER 2467

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF CLARKDALE, ARIZONA, FOR PUBLIC TRANSPORTATION SERVICES FOR CLARKDALE RESIDENTS.

RESOLUTION NUMBER 2468

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH YAVAPAI COUNTY, FOR PUBLIC TRANSPORTATION SERVICES FOR YAVAPAI COUNTY RESIDENTS.

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

RENEWAL OF WASTEWATER SLUDGE HAULING CONTRACT WITH D&K FARMING ENTERPRISES

Mr. Lueder stated in June 2008 the Council awarded the contract for sludge hauling and disposal to Southwestern Land Reclamation following a competitive bidding process. In December 2008, Southwestern Land Reclamation sold their business to D&K Farming Enterprises (D&K), which assumed the contract. It was now time for the contract to be renewed and D&K had indicated they wished to do so. This would be the first extension of the contract. D&K had waived their right to have a 3 percent cost increase. Staff

recommended approval of the first of two optional extensions of the contract and to authorize the Mayor to execute the contract.

Mayor Joens asked if anyone from the public wished to speak. There were no comments from the public.

Council Member Kirby moved to approve the renewal of the sludge contract with D&K Farming Enterprises, with no increase in prices, and to authorize the Mayor to execute the contract. Council Member Elinski seconded the motion, which carried unanimously.

TERMINATION OF THE INDEPENDENT CONTRACTOR AGREEMENT WITH TIFFANY CONSTRUCTION COMPANY, INC., FOR ON-CALL REPAIR OF WATER AND WASTEWATER UTILITY SERVICES & AUTHORIZATION TO HIRE TWO NEW EQUIPMENT OPERATORS

Mr. Lueder stated the Council had given direction to the Utility Department that it should take over on-call repair of water and wastewater services. The contract agreement that had been signed with Tiffany Construction in May 2009 allowed for its termination with 30 days notice, without cause, by either party. Staff requested approval for the City Manager to send a termination letter and authorization to advertise for two utility equipment operators, who together with existing staff, would be able to provide the necessary after hours operations staffing. Staff was now sufficiently trained and experienced that these types of repairs could be handled in house with costs savings compared to outsourcing.

Council Member Pratt asked how much money would be saved.

Mr. Lueder stated, to give an idea, in fiscal year 2008 there were approximately 400 leaks with 40 percent occurring in Clarkdale. He was uncertain exactly what the cost savings would be.

Council Member Pratt asked if the monthly cost for Tiffany fluctuated.

Mr. Lueder stated yes, depending on how often they were called, the type of equipment needed, and number of crewmembers needed.

Council Member Elinski asked how the positions would be advertised.

Mr. Lueder stated it would be done internally for a week.

Council Member Elinski asked if the two new operators would work just for the Utility Department or if they could provide assistance to Parks and Recreation and move around within the city.

Mr. Lueder stated services would be provided between departments and cross-training was contemplated for staff at Public Works and Parks and Recreation. The desire was to involve as many city staff members as possible.

Mayor Joens asked if anyone from the public wished to speak. There were no comments from the public.

Council Member Smith moved to approve the termination of the independent contractor agreement dated May 6, 2009, between the City of Cottonwood and Tiffany Construction Company, Inc., effective 30 days from the date hereof, pursuant to Section 3 of the agreement, and to authorize the hiring of two new utility equipment operators. Council Member Pratt seconded the motion, which carried unanimously.

AWARD OF BID FOR AN UNDERGROUND PIPING JOB ORDER CONTRACT FOR INSTALLATION OF A WATER LINE FROM WELL ONE TO WELL TWO

Mr. Lueder stated Well 1 was located on Yuma Street in Kindra Heights and Well 2 was on Cactus Street near City Hall. This was one of only two areas where it was possible to combine treatment for arsenic, which was the preferred method. Treating both wells at the Yuma site would be substantially less expensive than treating both wells separately. The estimated treatment equipment cost of such equipment was \$400,000. The bids for running a "raw" water line from Cactus to Yuma for treatment were from the job order contractors previously chosen by the City Council. Staff recommended approval of the bid by Arizona Northern Equipment as the most cost effective way of treating arsenic at these sites.

Mayor Joens asked about the long term costs of pumping the water.

Mr. Lueder stated the additional costs would be negligible since the system automatically pumped there already. Another issue was that Well 2 was located on a small, residential lot where it was felt there was insufficient room to locate additional equipment and where there would be a potential nuisance to neighbors.

Council Member Smith asked if the bids had been handled absolutely properly.

Mr. Lueder stated they were done correctly with the same contractors the Council had already authorized to be used. All the contractors were local.

Mr. Horton stated the award was essentially the selection of the three contractors who were available to do these bids. Any challenge to the process would have happened when these contractors were placed on the selection panel. He was comfortable the process was valid.

Mayor Joens asked if anyone from the public wished to speak. There were no comments from the public.

Council Member Norman moved to award the job order contracting for installation of a water line from Well 1 to Well 2 to Arizona Northern Equipment in the amount of \$81,000. Council Member Kirby seconded the motion, which carried unanimously.

RESOLUTION NUMBER 2470—APPOINTING A MEMBER TO THE AIRPORT COMMISSION

Mr. Costello stated a vacancy had been created on the Airport Commission when Michael Casebier resigned because he took a position out of town. Applications had been received from four individuals, all of whom had the requisite aviation experience.

The candidates present, Robert Kiekenapp, Doug Palmquist, and Rex Williams were asked to explain their qualifications and how they believed they could be of assistance to the Airport Commission.

At the conclusion of the statements by the applicants, and questions by Council Members, Council Member Kirby moved to approve Resolution Number 2470 appointing Doug Palmquist to the Airport Commission. The motion was seconded by Council Member Norman, which carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2470 by title only.

RESOLUTION NUMBER 2470

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPOINTING DOUG PALMQUIST A MEMBER OF THE COTTONWOOD AIRPORT COMMISSION.

RESOLUTION NUMBER 2469—DECLARING A PUBLIC RECORD THE 2009 AMENDMENTS TO THE TAX CODE OF THE CITY OF COTTONWOOD

Mr. Rodriguez stated all cities annually had to approve changes to the tax code as mandated by the legislature.

Mayor Joens asked if anyone from the public wished to speak. There were no comments from the public.

Council Member Kirby moved to approve Resolution Number 2469 declaring the 2009 Model City Tax Code amendments to be a public record. The motion was seconded by Council Member Norman, and carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2469 by title only.

RESOLUTION NUMBER 2469

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED “THE 2009 AMENDMENTS TO THE TAX CODE OF THE CITY OF COTTONWOOD.”

ORDINANCE NUMBER 548--RELATING TO THE PRIVILEGE LICENSE TAX; ADOPTING "THE 2009 AMENDMENTS TO THE TAX CODE OF THE CITY OF COTTONWOOD" BY REFERENCE; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES FOR VIOLATIONS; FIRST READING

Mr. Rodriguez stated this would be the first reading of amendments to the Model City Tax Code. It was an annual occurrence for all cities and towns in the State of Arizona. It was an exercise for them to bring tax codes into conformity with statutes. The changes for the past year in Sections 1 through 3 made amendments to construction contracting. This was retroactive to September 1, 2006. Sections 415, 416, and 417 of the Model City Tax Code were now aligned with A.R.S. 42-604 concerning development exemptions. Section 4 was a technical correction for Section 2-450 referencing tangible personal property and aligning it with solar amendments of 2008. Section 5 concerning out of state sales was clarified effective July 1, 2008. Once adopted these changes would be forwarded to the Arizona League of Cities and Towns who would ensure all cities had adopted these changes. They would then post the revised Model City Tax Code.

Council Member Kirby asked how these could be done in arrears.

Mr. Rodriguez stated these were clarifications and technical changes so as to align with State Statutes.

Mr. Horton stated these were conforming changes and did not change tax liability retroactively. They were just housekeeping in nature.

Mayor Joens asked if anyone from the public wished to speak. No one from the public chose to speak.

Mayor Joens asked the City Clerk to read the first reading of Ordinance Number 548 by title only.

ORDINANCE NUMBER 548

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, RELATING TO THE PRIVILEGE LICENSE TAX; ADOPTING "THE 2009 AMENDMENTS TO THE TAX CODE OF THE CITY OF COTTONWOOD" BY REFERENCE; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES FOR VIOLATIONS.

RESOLUTION NUMBER 2473--DECLARING THAT CERTAIN DOCUMENT ENTITLED SECTION 13.24, STORMWATER POLICY, PERTAINING TO THE COTTONWOOD MUNICIPAL CODE A PUBLIC RECORD

Mr. Costello stated the storm water ordinance was new and had been mandated by the

Arizona Department of Environmental Quality (ADEQ). It was similar to those of other northern Arizona cities. The ordinance attempted to protect the Verde River from pollutants arising from rain runoff. Pollutants included pesticides, oil, animal waste, litter, fertilizers, silt runoff from construction activity, etc. There was nothing currently in our Code that covered this. Construction activity, such as grading, had until now been governed by State issued permits. Illicit and legal discharges were established for discharge to the storm water system.

Council Member Smith asked what people were supposed to do to get rid of oil, paint, grease and other prohibited materials.

Council Member Pratt stated there was every reason to have such an ordinance to protect the Verde River.

Mr. Costello, replying to Council Member Smith, stated there was no program for dealing with such materials. There were ways to deal with them. Service stations accepted motor oil for recycling. Paints could be turned into solids by commercial catalysts or by drying and disposed of, like all solids, in waste containers which went to landfills.

Council Member Smith stated if the City was going to demand people couldn't do certain things it had to tell them what they could do.

Council Member Pratt agreed.

Council Member Smith asked what could be done with chlorinated water from pools and spas.

Mr. Costello stated that could be disposed of through the sewer system, but not through storm drains, or it could be de-chlorinated.

Council Member Elinski stated staff should look into stenciling streets with reminders to people that drainages went into the river, as was done in other environmentally aware cities.

Mr. Costello stated it could be looked into.

Council Member Pratt suggested a public awareness program.

Mayor Joens suggested a future discussion on the topic of hazardous waste.

Council Member Pratt moved to adopt Resolution Number 2473 which declared that certain document entitled "Section 13.24, Stormwater Policy", pertaining to the Cottonwood Municipal Code, a public record. Council Member Kirby seconded the motion, which carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2473 by title only.

RESOLUTION NUMBER 2473

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, DECLARING THAT CERTAIN DOCUMENT ENTITLED SECTION 13.24, STORMWATER POLICY, PERTAINING TO THE COTTONWOOD MUNICIPAL CODE A PUBLIC RECORD.

ORDINANCE NUMBER 549--AMENDING THE MUNICIPAL CODE OF THE CITY OF COTTONWOOD, BY ADDING A NEW CHAPTER 13.24, STORMWATER POLICY, TO TITLE 13, PUBLIC SERVICES; FIRST READING

Mayor Joens asked if anyone from the public wished to speak. There were no comments from the public.

Mayor Joens asked the City Clerk to read the first reading of Ordinance Number 549 by title only.

ORDINANCE NUMBER 549

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, AMENDING THE MUNICIPAL CODE OF THE CITY OF COTTONWOOD, BY ADDING A NEW CHAPTER 13.24, STORMWATER POLICY, TO TITLE 13, PUBLIC SERVICES.

CLAIMS & ADJUSTMENTS

Council Member Norman moved to pay the claims and adjustments. The motion was seconded by Council Member Kirby, which carried unanimously.

ADJOURNMENT

Council Member Kirby moved to adjourn. Council Member Elinski seconded the motion, which carried unanimously. The regular meeting adjourned at 7:22 p.m.

Diane Joens, Mayor

Marianne Jiménez, City Clerk