

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD JANUARY 17, 2012, 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
Jesse Dowling, Council Member
Tim Elinski, Council Member
Ruben Jauregui, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Marianne Jiménez, City Clerk
Steve Horton, City Attorney
Dan Lueder, Development Services General Manager
Roger Biggs, Utilities Department Administrative Manager
Mike Casson, Fire Chief
Brandon Wacker, Firefighter/EMT
Casey Rooney, Economic Development Director
Jody Fanning, Police Chief
Richard Faust, Community Services General Manager

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was lead by Gunner Tillemans, a Cottonwood Middle School student, and he was presented with a certificate of appreciation by Mayor Joens for leading the Pledge.

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 reported that there were three main water line breaks in the area of 89A and Main Street and staff had worked successfully with ADOT to get the repairs made; the internet phone lines at the Utilities Department were down for about half the day and they now knew they had a backup system in case that happened again; the game day activities

at the library on Thursdays have been attracting about 20 kids and they were also doing a program called “Fun with Drawing” on the computer on Friday; the city was holding an electronic recycling event on February 11 from 9 a.m. to 1 p.m. at the Public Works Department. He then passed around publications from Allegiance Airlines, US Airways, and Phoenix Magazine to the Council that contained articles or ads about Cottonwood.

Vice Mayor Pfeifer stated before they saw the article in the Phoenix magazine they received a call at the Chamber from a gentleman from Scottsdale requesting information to plan a trip up here.

Council Member Pratt stated he attended the Verde Valley Land Preservation Institute’s meeting yesterday.

Mayor Joens announced the following:

- She conducted an “Inside Cottonwood” interview with Big Brothers/Big Sisters which could be viewed on CableOne TV or on the internet (www.verdevalleytv.com) and Doug and Police Chief Fanning talked about the new “Bath Salt” ordinance.
- On January 7 she was a judge for the Boys and Girls Club art show.
- On January 9 she visited Mary Buzzard’s fourth grade class at Mt. View Preparatory school, which is located in the Dr. Daniel Bright School, and she discussed redistricting with the students.
- On January 12 she had lunch with Steve Woodhams who served as an intern for the city who is very interested in pursuing a degree in political science.
- On January 16 in honor of the Martin Luther King community day of service she and Debbie LaFrance went out with the Stewards of Public Lands and cleaned up an illegal dump site on the Prescott National Forest just south of the city; and later she met with Bobbie Gooslin at the community garden to talk about projects for the coming year for the Let’s Move project.

CALL TO THE PUBLIC

There were no comments from the public.

PRESENTATION OF A RESOLUTION OF RECOGNITION OF THE CITY OF COTTONWOOD FROM THE ARIZONA STATE PARKS BOARD

George Christianson, Park Manager for Dead Horse Ranch State Park, presented a Resolution of Appreciation to the Council that had been awarded by the State Parks Board for the city’s assistance in running the park’s water and wastewater systems.

EMPLOYEE QUARTERLY SAFETY AWARD—BRANDON WACKER, FIREFIGHTER/EMT

Chief Casson reviewed the reasons Mr. Wacker was nominated to receive the city’s Employee Safety Award for the 4th quarter. Mayor Joens, Vice Mayor Pfeifer, Mr. Bartosh, and Chief Casson, then presented Mr. Wacker with a certificate and check.

APPROVAL OF MINUTES—Regular Meeting of 1/3/12 and Special Meeting of 1/10/12

Council Member Dowling moved to approve the minutes of the regular meeting of 1/3/12 and the special meeting of 1/10/12. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

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.

APPROVAL OF A GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT CONTRACT IN THE AMOUNT OF \$3,000 FOR OVERTIME EXPENSES THAT WILL BE INCURRED FOR UNDERAGE ALCOHOL ENFORCEMENT

SPECIAL EVENT LIQUOR LICENSE SUBMITTED BY LANA TOLLESON, APPLICANT FOR THE COTTONWOOD CHAMBER OF COMMERCE, FOR A CHAMBER BUSINESS MIXER TO BE HELD ON FEBRUARY 16, 2012, AT THE ASPEN RIDGE APARTMENT COMPLEX LOCATED AT 831 E. MINGUS AVENUE

Vice Mayor Pfeifer declared a conflict of interest on the Special Event Liquor License item as she is employed by the Chamber of Commerce.

Council Member Pratt also declared a conflict of interest on this item as he is now a member of the Chamber Board, and both Council Members removed themselves from the dais.

Mayor Joens stated they were pulling item number 2 off the agenda for discussion.

Council Member Norman moved to approve Consent Agenda item number 1. The motion was seconded by Council Member Jauregui, and carried.

Council Member Elinski moved to approve the Special Event Liquor License. The motion was seconded by Council Member Norman, and carried.

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

AWARD OF BID FOR WASTEWATER INFLUENT FLOW SCREEN, WASHER/ COMPACTOR AND APPURTENANCES TO HYDRO-DYNE ENGINEERING INC

Mr. Biggs stated this was an award of bid for an influent flow screen, washer/compactor and appurtenances needed at the wastewater treatment plant to remove non-organic debris from the wastewater before it continued into the treatment process. The screening process

was necessary to prevent damage to the pumps and mixers in the downstream treatment process. The new purchase is to replace the current screening process, which has been problematic since it was installed in 2000. The low bid was submitted by Hydro-Dyne Engineering, Inc., in the amount of \$105,936, which was inclusive of all fees and taxes.

Mayor Joens stated it would be a good time to remind the public of what not to be flushing down toilets.

Mr. Biggs stated anything that is not considered biodegradable.

Council Member Pratt moved to award the Influent Flow Screen, Washer and Compactor bid to Hydro-Dyne Engineering Inc., for the total amount of \$105,936. The motion was seconded by Council Member Elinski, and carried unanimously.

AWARD OF CONTRACT FOR MAINLINE WATER VALVE EXERCISING AND DOCUMENTATION TO M.E. SIMPSON COMPANY

Mr. Biggs stated to effectively operate a water distribution system according to regulatory guidelines, it was crucial to not only document the location of the valves, but also be assured they were fully operational and in sufficient numbers to avoid disruption of service to a large area. The Council approved \$40,000 for fiscal year 2012 to perform a valve location and exercise project. A valve exercising and plotting program of the Cottonwood water system mainline water valves was completed in 2005 and 2006 and it identified inoperable valves and documented the location and condition of the operable valves. This project involved an analysis of these existing valves to ensure they were still operational and document those valves which have been replaced since the previous program. The low bid received for this project was submitted by M.E. Simpson Company in the amount of \$53 per valve that have been previously located and exercised, and \$67 per valve that have not been previously located or exercised. There were about 2,000 valves in the system, and we were aware of where three quarters of them were located.

Council Member Elinski questioned if they do find some valves that are inoperable, did they replace them.

Mr. Biggs stated they would replace them and that is done in-house.

Council Member Pratt asked why we don't know where all the valves are.

Mr. Biggs stated they have been buried, paved over, and bushes have grown over them. If we don't need them, then we don't necessarily know where they are at. They are on maps, but we don't know how accurate the maps are.

Council Member Elinski moved to approve the award to M.E. Simpson Company in the amount of \$53 per valve. The motion was seconded by Council Member Norman, and carried unanimously.

Mr. Horton stated that motion excluded the second part about the valves that had not been previously located with a separate contract price.

Council Member Elinski revised his motion to include \$67 per valve not previously located or exercised. The revised motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

APPROVAL OF THE FORM OF A BUSINESS ASSISTANCE CENTER (BAC) LEASE FOR OFFICE SPACE IN THE CENTER

Mr. Rooney stated he was asking for the Council's support and approval for the Business Assistance Center lease which was a legal document Mr. Steve Horton put together to lease office space in the Business Assistance Center building to small entrepreneurial businesses. There were three to five offices available for lease. Right now there were two businesses that wanted to lease three offices. Clients would be able to lease space within the Business Assistance Center for three to twelve month terms. It would include an office and business support. He also recommended that the City Manager be able to sign the leases on behalf of the city.

Council Member Pratt stated it looked good to him, and Kimber Lanning with Arizona First had already done a lot of good things for Cottonwood and the Verde Valley and helped promote us.

Mr. Rooney stated one of the people that would be leasing space is Kimber Lanning from Local First, who was all about supporting local businesses and buying and promoting locally. Jamie Fulmer was another client with the Blue Stone Strategy group who would be leasing space, and the Verde Valley Land Preservation Institute was taking two offices. He was asking the Council approve this so he could bring in a little bit of money.

Mr. Bartosh stated our hope was these turn over frequently, and like the airport leases which he currently approved, unless the Council desired to see everyone of these leases, it was more expeditious for him to sign off on the leases.

Mayor Joens questioned if there would be a time limit on them.

Mr. Rooney stated he was setting a limit of one year.

Council Member Elinski stated under the term in the lease it did not state that they will leave in a year. The rent was so cheap they might not want to leave and then there was not enough opportunity for other people to move in.

Mayor Joens stated you would think that after six months you might charge a teeny bit more to encourage them to move.

Mr. Horton stated all of these points were within the Council's prerogative to place whatever constraints would make the Council comfortable between saying "go forth and do what staff thinks is right" or "we would like to see these arrangements one by one."

Mr. Elinski stated he did not want to see the arrangements one by one, he just thought they should say a period of no more than twelve months.

Council Member Dowling asked how they determined the rate for the lease.

Mr. Rooney stated that was just a good introductory rate.

Council Member Dowling questioned what was used to determine the rates we were charging.

Mr. Rooney stated they were looking at about the same square footage on each office and he came up with figure of \$150 a month. It was not rocket science, it was just a good introductory rate for a small struggling business to get started. It was below market rate what they were getting.

Council Member Dowling questioned if there was a system to decide who gets to get space, and if it was on a first come first serve basis, and if there was a mechanism in place that will isolate the city from liability as far as determining who gets space.

Mr. Horton stated in this lease we will recite the scope of the permitted use, so there is an opportunity on the front side to know what they intend to do and confirm that was consistent with what the city's vision is. The city can make choices but it can't discriminate based on some protected status, but the city can make reasonable, defensible choices. If the tenant was exceeding that scope or creating some kind of nuisance, then there was an opportunity to intervene there as well.

Mr. Rooney stated in the future we will insist on a business plan before leasing any space and that they give us a written proposal of what their plans are. It could be a competitive situation in the future which would be a good problem for us.

Mayor Joens stated she really liked what he said about the business plan, and that should almost be part of the lease.

Council Member Pratt stated ultimately he didn't understand why we wouldn't do this because it was going to help the city and small businesses.

Mayor Joens stated it was kind of an incubator idea that Councils have promoted throughout the years.

After further discussion regarding the amount of space available for lease and the services offered by BAC, Council Member Pratt moved to approve the current, proposed leases for

the Business Assistance Center and grant the City Manager the authority to sign future leases. The motion was seconded by Council Member Dowling, and carried unanimously.

AUTHORIZATION FOR STAFF TO SUBMIT ANY AND ALL SECTION 5310, 5316 AND 5317 APPLICATIONS AND CONTRACT DOCUMENTS TO THE ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT) FOR FEDERAL GRANT FUNDING ASSISTANCE FOR ANY "COORDINATED MOBILITY PROGRAMS" IN CONJUNCTION WITH THE OPERATION OF THE COTTONWOOD AREA TRANSIT (CAT) AND VERDE LYNX SYSTEMS

Mr. Faust stated staff was seeking approval to apply for federal grants to help support the Cottonwood Area Transit and Verde Lynx Systems. These grants would provide potential funding for both senior and disabled patrons for taxi voucher operations and transportation operations. He then reviewed the deadlines for filing the Section 5310, 5316, and 5317 applications.

Mayor Joens asked if we were going to be applying for everyone.

Mr. Faust stated that would be correct—the grant is Verde Valley wide.

Council Member Norman moved to authorize staff to submit any and all Section 5310, 5316 and 5317 applications and contract documents with the Arizona Department of Transportation (ADOT) to provide federal grant funding assistance for any "Coordinated Mobility Programs" in conjunction with the operation of the Cottonwood Area Transit (CAT) and Verde Lynx Systems. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

APPROVAL TO HIRE A TRANSPORTATION MANAGER TO PROVIDE FOR THE TRANSITION AND CONTINUITY OF SERVICES AND MANAGEMENT OF THE COTTONWOOD AREA TRANSIT AND VERDE LYNX TRANSIT SYSTEMS

Mr. Faust stated staff was requesting approval to advertise and hire a transportation manager within the community services department to oversee the Cottonwood Area Transit and Verde Lynx Transit Services. They would be overseeing six full-time drivers for CAT and three full-time drivers for the Verde Lynx systems and six part-time employees, which included two dispatchers. The minimum salary level would be \$45,056 with the top level of \$65,331, which was a range 45. The hope was to have the position filled by the end of February. He had spoken to ADOT representatives who indicated they would try to find additional funding in order to help us out during the next seven months prior to us actually seeing the 5311 grant come on board to help pay the salary for this position. We also had a little over \$200,000 that would be coming back from NAIPTA.

Mayor Joens asked Mr. Bartosh if with all of these changes in taking back CAT and Verde Lynx, were we still going to be under the amount that NAIPTA was going to charge us.

Mr. Bartosh he believed so, but again it depended on what funding we got from ADOT. The

amount we had previously funded to NAIPTA was \$269,000 and they came back with an amount of \$375,000.

Mayor Joens stated when we had it, it was even less than that.

Mr. Faust stated in 2008 and 2009 our budget was \$180,000 to \$195,000. Our budget figures included in the 5311 grant to ADOT was around \$146,000 for operational costs and an additional \$8,000 or so for administrative costs, which puts us at a lot less than where we have been. Sedona identified they would be spending close to \$103,000 with NAIPTA. Their costs would be around \$91,000 to the city.

After discussion regarding the ridership figures for the Verde Lynx system, Council Member Pratt moved to approve the hiring of a Transportation Manager at a Range 45 to provide for transition/continuity of services and management of the CAT and Verde Lynx transit systems. The motion was seconded by Council Member Norman, and carried unanimously.

CLAIMS & ADJUSTMENTS

Mr. Bob Oliphant, of Cottonwood, stated a question had come to him about the claim of Tierra Verde Builders. According to the minutes of the August 2, 2011, Council meeting the Council approved expending the amount of \$39,954. He was unable to discover that the Council had voted to increase the expenditure to \$51,581. He questioned if the Council was prepared to spend about 28% more above what the bid was voted on.

Mr. Bartosh stated the original bid was for \$39,954 and they had change orders for hidden conditions to repair a deteriorated exterior wall, fill in two openings in the Council building, add glass block to west windows, replace two south windows, wall and door modifications to accommodate reoriented stairs to fit existing space, electrical revisions, repair and re-roof the front overhang and fascia, and adding a rear door overhang for weather protection.

Mayor Joens stated the first bid was for the basic tear down, and as time went on some things were added as change orders which the City Manager had the authority to do under his ability to spend up to \$50,000 on a project without approval. She asked Mr. Horton how that worked with the bidding process and if there was any problem there.

Mr. Horton stated the scope was advertised as a particular job, and this was more common than not. In a hard bid situation when there are hidden conditions that were not specified in the scope, and a reasonable contractor would not have been expected to find on inspection of the job prior to bid, that gives rise to change orders. Any time the owner of the project changes the scope of the work by asking once the job is started for something else to be done beyond what the contractor bid, it requires an extra expense on the part of the contractor.

Mr. Bartosh stated when you get into these old buildings a lot of times you find stuff that you didn't know was there that has to be repaired or corrected. He did not think these were

unusual expenditures for the age of the building and what we were trying to get accomplished. It was also important to note that this bid was extremely low and even with these change orders it was below what we had budgeted for this remodel.

Council Member Elinski moved to pay the Claims and Adjustments. The motion was seconded by Vice Mayor Pfeifer and carried unanimously.

EXECUTIVE SESSION - PURSUANT TO A.R.S. §38-431.03.A.7 THE COUNCIL MAY VOTE TO CONVENE IN EXECUTIVE SESSION TO CONSIDER ITS POSITION AND INSTRUCT ITS REPRESENTATIVES REGARDING NEGOTIATIONS FOR THE POSSIBLE PURCHASE OF REAL PROPERTY

Mr. Bartosh stated this item had been placed on the agenda by the City Attorney and City Clerk in his absence as a place holder related to the purchase of property, and there had not been any update on it and there was nothing to discuss at this point.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously. The regular meeting adjourned at 7:29 p.m.

Diane Joens, Mayor

ATTEST:

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 January 17, 2012. I further certify that the meeting was duly called, and that a quorum was present.

Marianne Jiménez, City Clerk

Date