

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD DECEMBER 4, 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
Ruben Jauregui, Council Member
Terence Pratt, Council Member
Linda Norman, Council Member

COUNCIL MEMBERS ABSENT

Tim Elinski, Council Member
Jesse Dowling, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Matt McLean, Deputy Clerk
Steve Horton, City Attorney
Dan Lueder, Development Services General Manager
Gary Eisenga, Police Commander

PLEDGE OF ALLEGIANCE

Jessica Schieffer led the pledge and Mayor Joens presented her with a certificate of appreciation.

BRIEF SUMMARY OF CURRENT EVENTS

Mr. Bartosh reported the VIP Chocolate Walk on Friday night, which was wine and chocolate, sold 75 tickets, and on Saturday the Chocolate Walk was a sellout. There is a sale going on at the Recreation Center and if you buy 90 days and above (memberships,) it has a 10% discount. Last weekend there was a Toys for Tots collection at Wal-Mart, and our transit buses have collections as well.

Mr. Bartosh then announced there were new employees to introduce: Debbie Calkins, Administration Coordinator for Cottonwood Area Transit; and new Dispatchers Alicia Richardson, Denise Brennan, and Melody Corset.

Council Member Pratt stated he attended the Chocolate Walk and it was great to see so many people in Old Town and he rode on the Christmas parade float with Vice Mayor Pfeifer and Council Member Norman. He also attended the lighting and heard so many positive comments about how wonderful it is, and people love the one on the water tank too. On Sunday he was the MC for the Cottonwood Community Band concert.

Vice Mayor Pfeifer stated she assisted the Fire Department and Old Town Mission collect food and turkeys by climbing the fire truck ladder. They let her start at the top of the ladder and work her way down. They collected a lot of turkeys and it was a lot of fun being able to climb that ladder. Richard Faust needs to hear that we got a compliment on our Fourth of July fireworks.

Council Member Norman stated last Thursday she attended the Arizona Economic Development Symposium at the Recreation Center. They had two different panels, one in the morning and one in the afternoon.

Mayor Joens stated we will be having the lighting display until maybe after Christmas. This beautiful lighting display is a private public partnership between the City of Cottonwood and Yavapai Broadcasting. We are hoping that people will shop locally, come down and see the lights, go have some dinner, taste some wine or go shopping in one of wonderful stores. She also thanked Dan Lueder, because his staff was the one who has been spending all the time helping set up the light display.

Vice Mayor Pfeifer stated we didn't think we were going to be able to replace the tree on the water tanks off of Willard and 89A, and Mr. Hafley and Dan Lueder's department made sure, and it's beautiful and she just wanted to thank them.

Mayor Joens stated she would also like to mention that Cottonwood in its effort to become a more transparent government created a government channel on Channel 2, both with Suddenlink and CableOne. There has been quite a few activities, but the thing she does remember most is that Senator John McCain called and set up an appointment to come and talk with her, and he wanted to talk about water issues. He is very aware of water issues, not only here but in the whole southwest, so she thinks we will be hearing more about this issue since he is tuned into it.

CALL TO THE PUBLIC

Fred Piper, a Cottonwood resident, thanked the city for the flags that were out on Veteran's Day, and stated he is an honorary crew member on the Sentimental Journey B-17 bomber.

PRESENTATION OF A CHECK TO THE NORTHERN ARIZONA VETERANS ADMINISTRATION OF FUNDS RAISED AS PART OF THE COTTONWOOD FALL VETERANS DAY CLASSIC DISC GOLF TOURNAMENT

Mr. Lueder stated on November 11 we held the second annual disc golf fall classic. This year it was dedicated to Veterans and Veterans Day. They had a full field of pros and amateurs there and the Mayor and Vice Mayor made some nice opening remarks. We did honor all the vets that did play in the tournament that day. The person that really held this together was Sharon Caldwell. She was the tournament treasurer, took all the registrations, put everything together and was the liaison to the VA. We wanted to do a fundraiser for the Veterans Home in Prescott. He introduced Mike Downes, the tournament director and

Jessica Shaffer, from the Northern Arizona VA Healthcare System. Mr. Lueder then presented Ms. Shaffer with a check in the amount of \$1,760.

Ms. Shaffer stated on behalf of the medical center director for the Northern Arizona VA Healthcare System, she would sincerely like to thank the City of Cottonwood for doing this. They do appreciate it and it makes a difference in the lives of our Northern Arizona Veterans.

Mayor Joens stated we would like to thank the VA hospital and the clinic for taking such wonderful care of our citizens here in the area.

Mr. Downes stated he would like to thank Mr. Lueder also. He was responsible for a lot of the donations that came in.

PRESENTATION OF THE NATIONAL LEAGUE OF CITIES MEDALS RECOGNIZING THE CITY'S ACHIEVEMENTS IN ADDRESSING CHILDHOOD OBESITY THROUGH LET'S MOVE! CITIES, TOWNS, AND COUNTIES

Mayor Joens stated she would like to table this item for another meeting.

Mayor Joens then moved to table it. The motion was seconded by Council Member Pratt and carried unanimously.

CONSENT AGENDA

SUBMITTAL OF A LIBRARY SERVICES AND TECHNOLOGY GRANT APPLICATION FOR A SMALL COMPUTER LAB WITH SOFTWARE FOR THE COTTONWOOD PUBLIC LIBRARY

Council Member Pratt moved that we approve the consent agenda. The motion was seconded by Vice Mayor Pfeifer and carried unanimously.

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

Mayor Joens stated some citizens would like to speak regarding item number 6 and if there were no objections she would move it up on the agenda.

RESOLUTION NUMBER 2674—SUPPORTING THE WIDENING OF STATE ROUTE 260 BETWEEN COTTONWOOD AND CAMP VERDE

Mr. Bartosh stated he has been keeping the Council updated in the management report regarding Camp Verde's effort to revitalize discussions about completing Highway 260 between Cottonwood and I-17. In that effort they have met with the various city and town managers in Sedona, Clarkdale, Cottonwood and the County to talk about their desire to get this back on the ADOT board agenda. The intent is to work with the surrounding communities to come to some consensus about the design and access for 260. Camp

Verde has expressed the prospective that they felt their position last time caused this project not go forward, so they are taking responsibility for that and are moving forward to get this up and going again. What this resolution does is indicate to both Camp Verde, and more importantly to ADOT, that all the communities in the Verde Valley are interested in working to come to a consensus on the design of the improvements and encourage ADOT to pursue funding for this project when it comes up in 2016. There will be several meetings between staff and council members from the various jurisdictions before coming up with a final agreement of what the roadway is going to look like, but this is the first step to demonstrate that we are committed to working towards this goal of getting Highway 260 completed.

Vice Mayor Pfeifer stated we did have the item on the intergovernmental meeting and it was discussed in a much more positive attitude and atmosphere this time around.

Vice Mayor Pfeifer moved that we approve Resolution 2674.

Mayor Joens stated there were a couple of people that would like to speak on this item.

Dr. Bob Richards, from Cottonwood, stated as a member of the Verde Valley Transportation Planning Organization and as a motorist and also a bicyclist, he strongly encouraged the council to approve this resolution and give their support to Camp Verde. Also we would like to have the city council send a letter to supervisors Davis and Thurman recommending reconstruction of the southbound shoulders between Western Drive and Thousand Trails to eight foot widths and moving the guardrails latterly to accommodate the widening of the shoulders and placed in the Yavapai County five year plan. When 260 between Cottonwood and Camp Verde and Thousand Trails was done, the shoulders were hit and miss as to whether they were going to be reconstructed and most of it is not. Also, economically there is a program going on throughout the United States to create what might be the largest official bicycling network in the world called the U.S. Bicycle Route System and there are several states that have approved programs to do that. It would be an economic benefit to be included in the system.

Kevin Dix, from Cottonwood, who is a kindergarten school teacher and a board member for the Verde Valley Cycling Coalition and an active member of Bicycle Advisory Committee in Cottonwood, asked that the council approve the Resolution. The main concern of cyclists is the shoulders and he was very depressed when they redid 260 they didn't touch the shoulders. The cracks are huge and they are hard to see in a car as you are going by. As the water gets in there it forces the asphalt up on either side and it is bone jarring when you are forced to go through there and it forces us to ride in the roadway. Then the cars are yelling at us and honking at us and everything else to get us out of the roadway. He had been to a council meeting for Supervisor Chip Davis and he told him that he has parents that live in Camp Verde and when he commutes to ride over to see them he will go through Cornville over to Beaver Creek and up the freeway to get to Camp Verde before going down 260, because it is so dangerous to go down that road because you are forced in the street.

Dr. Bob Richards stated we are asking that guardrail be moved over off of the shoulder and have that eight foot shoulders for vehicles to pull off the roadway as well as cycling. We are asking for the council to send a letter to Supervisors Davis and Thurman encouraging that.

Mayor Joens asked Mr. Bartosh if that was something he could contact ADOT about directly besides writing a letter to the supervisors.

Mr. Bartosh stated it is a state highway so it is an ADOT responsibility, not the supervisors.

Council Member Norman stated at the VVTP0 meeting last Wednesday this was one of the discussions and the division engineer was there and heard all of this, so he is aware that this is what they are wanting.

Mayor Joens asked the council if they wanted to write a letter to both ADOT and the supervisors.

Council Member Pratt stated he would think just ADOT. He guesses the supervisors would be responsible for writing their own letter, so us writing a letter to them would be asking them to write a letter to ADOT.

Mayor Joens stated she had this discussion with Dr. Bob, but he still felt that writing the supervisors to have them support it was also important.

Dr. Richards stated basically what we are asking is that by writing a letter to the supervisors you are asking them to put that shoulder project between Western and Thousand Trails in their five year plan.

Council Member Pratt stated he would support writing the letters.

Vice Mayor Pfeifer moved to approve Resolution 2674 and also suggest that we write the letters to ADOT and the board of supervisors. The motion was seconded by Council Member Pratt and carried unanimously.

Mayor Joens requested the Deputy Clerk read Resolution Number 2674 by title only.

RESOLUTION NUMBER 2674

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, SUPPORTING THE WIDENING OF STATE ROUTE 260 BETWEEN COTTONWOOD AND CAMP VERDE.

ORDINANCE NUMBER 591-AMENDING TITLE 5, BUSINESS TAXES, LICENSES AND REGULATIONS, OF THE MUNICIPAL CODE BY DELETING CHAPTER 5.04, BUSINESS LICENSES, AND ADDING A NEW CHAPTER 5.04, BUSINESS REGISTRATION; REGULATIONS; FIRST READING

Mr. Rodriguez stated that this was discussed at a workshop recently. Currently we are charging \$20 almost across the board with a 50% discount for non-profits or religious organizations. He included in the information packets a business registration comparison with the other communities in the area. Right now we are at the bottom end of this spectrum. The notice of intent to increase the business registration fees had been posted for a sixty day period. We will read this ordinance again on December 18, and the reason we are trying to get it in before the end of the year is so we can go ahead and send out notices on the new business registrations. Usually they go out in November but this year we are delaying them till this is passed so we can send them out. The last time we looked at these fees was 1985. We are asking that we still maintain the 50% discount for religious organizations and 501(c)'s. We still want to maintain the 25% penalty for people who do not register. We are also asking that if we find anyone violating the business registration policy and they have been around for the entire year, we will go ahead and charge the full fee plus the penalty, which is only fair to those other business that are playing fair. Another issue is we would push the people to pay any debt that they owe the city of Cottonwood prior to issuing a business registration. That is so we can make sure that everyone stays current and pays all the fees that are due the city. We also understand that these fees don't begin to cover the cost of issuing the business registrations. It is not just the finance department that is involved; we also involve planning and zoning and sometimes utilities in these issues. It is not just one or two people it is sometimes an entire department to try and get these things done. We are just trying to get these fees up to a reasonable level, not the highest, but we don't want to be at the bottom of the barrel any longer.

Mayor Joens stated watching the City Clerk work on business licenses for many years now, she has noticed that it takes a lot of time, and asked how will his department absorb this very time consuming function and do they have enough people to take this on.

Mr. Rodriguez stated we have assigned it to all the front staff in the office and there are four individuals that can attend the front counter. Currently Lisa Elliot, our purchasing manager, has been handling most of the data entry part of it.

Mayor Joens stated so the public members will actually come to your office now.

Mr. Rodriguez replied yes. January 1st, if the Council approves this, the new fees will go into effect and everyone who currently has a business licenses with us will get a notice and they will have a time period where they have to pay the registration fees or notify us that they have closed the business down. He did want to mention that the utility department has started a door to door campaign, that they are basically going to every business and verifying a lot of these. So we are getting a very good comparison to the current listing that we have. We are trying to develop some checks and balances and make sure that we close out those businesses that no longer exist and also pick up those businesses that haven't registered in the past.

Mayor Joens stated it sounds very thorough and well thought out.

Council Member Norman stated on page 13 under number 15 it says special events and the proposal is \$250; she questioned if that is going to cover people like Corey coming in and setting up for a day or two and the trailers sales with the motor homes.

Mr. Rodriguez stated that is different. That comes under the temporary use permitting system. He overlooked that in (the fee) posting or he would have had that on this agenda. You may recall we talked about a fee structure for anyone with an average item costing over \$5,000. He has that ready to go, but he has not posted it up on the website, and will have to go up on the website before it can come before council at some point.

Mayor Joens requested the Deputy Clerk read Ordinance 591 by title only.

ORDINANCE NUMBER 591

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, AMENDING TITLE 5, BUSINESS TAXES, LICENSES AND REGULATIONS, OF THE MUNICIPAL CODE BY DELETING CHAPTER 5.04, BUSINESS LICENSES, AND ADDING A NEW CHAPTER 5.04, BUSINESS REGISTRATION; REGULATIONS.

AWARD OF A CONTRACT FOR THE CITY'S LEASE PURCHASE FINANCING FOR FISCAL YEAR 2013 FOR THE ACQUISITION OF NECESSARY EQUIPMENT

Mr. Rodriguez stated before the council is the lease purchase for this current fiscal year. We are asking that we award it to US Bancorp Government Leasing Financing, Inc. We had nine bids that were submitted and one was a no bid. This was for \$613,510 for this current fiscal year for some vehicles for the fire department, the Spillman server for the police department, some utility trucks, and there is one that is called undetermined. We are looking at a financing rate of 1.61% and the term for them was four and one-half years, rather than five years. What they are looking at is once this is signed the first payment is up front so they count four and half years rather than five full years. He wanted to touch base on the undetermined part of this that is \$300,000. You may recall that in 2012 we issued \$600,000, and \$300,000 was for enterprise software for the city of Cottonwood, which included finance, payroll, all of the accounting portions, utilities and also planning and zoning permitting. We had some issues with that so what we decided to do was pay for that with cash from our capital funds and just reimburse at \$300,000 at 2% interest. What we did was shift \$300,000 of equipment off of 2013 to 2012. What it had done was open a \$300,000 gap in the current financing package. He asked both fire and PD to look at what their needs are going to be for fiscal year 2014 and rather than issue another lease purchase next year, slide that into this year. The money will be available as of July 1st of 2013 and they will be able to purchase their equipment right up front rather than waiting late into the year. What we are trying to do know is basically give ourselves a rest from lease purchase from year after year.

Council Member Pratt stated he thought the interest rate was terrific and the loan over five

years would only cost us a little over \$26,000 and that is not too bad.

Council Member Pratt moved to award the contract for fiscal year 2013 lease purchase financing to US Bancorp Government Leasing and Financing, Inc., for the acquisition of necessary equipment and authorize staff to negotiate a final agreement for execution by the Mayor. The motion was seconded by Council Member Norman and carried unanimously.

AWARD OF BID FOR THE PARTIAL DEMOLITION AND REMODEL OF THE CITY COUNCIL CHAMBERS BUILDING PROJECT

Mr. Mangarpan stated they did go out to bid and received bids from four contractors, and Woodruff Construction out of Flagstaff was the lowest bidder for the project. They haven't done work for us before, so he double checked on some of the references and everything has come back excellent. They do a lot of work for the City of Flagstaff. The general gist of the project is we are tearing down the newer section in the back compared to the older section up front and replacing it with a small addition which will contain a unisex bathroom and little bit of storage. We are also going to add a little bit of storage space to the right of the ramp as you go up. We still have to do the ramp because of the elevation change in the back. We had another bid to do the carpet in here (council chambers) and we will see budget wise toward the end of the project whether we can afford to do that or not. We are also reworking on the front doors. That will all get rebuilt, since it is rotting out on the sides and the jams aren't reusable. In the front (of the building) very little is changing. We are going to change the lighting so instead of the square lights we have now, we are going to put in lights that come out higher and shine light on the building.

Council Member Pratt stated it looks good and we got a good bid.

Council Member Norman asked how soon would the project start.

Mr. Mangarpan stated they are looking to start about the first of the year depending on material deliveries. Right now the plan is the council meetings will be rescheduled to PD.

Council Member Norman moved to award the bid for the partial demolition and remodel of the council chambers building to Woodruff Construction in the amount of \$87,600, subject to final review and approval of the construction contract by the city attorney. The motion was seconded by Council Member Pratt and carried unanimously.

APPROVAL OF A GROUND LEASE WITH JEROME VERDE DEVELOPMENT COMPANY FOR THE SUNSHINE HILL PUBLIC SAFETY COMMUNICATIONS REPEATER SITE

Mr. Horton stated since at least 2007, maybe earlier, we have leased a site up on Sunshine Hill for a radio tower that we use to dispatch for our police department as well as Jerome and Clarkdale. During the term of that lease we have also allowed Sedona Fire District, which dispatches our fire department, to co-locate some equipment up there. That lease expired some time ago and we have been in discussions with the landowner and there was

a little consternation over the fact that we had allowed Sedona Fire District to have some equipment up there and we think that we didn't need let them know or they thought there should be additional value attached to having fire dispatch equipment up there as well. We were able to work through that issue and come up with a fair lease rate and we have a lease agreement to present tonight. It will be a year to year agreement as we continue to explore what the best option for dispatching our public safety departments are.

Vice Mayor Pfeifer questioned if by allowing Sedona Fire to use Sunshine Hill where would they put their equipment if it wasn't on Sunshine Hill.

Mr. Horton stated we have heard from them that they need to have equipment there and that actually serves us so they can dispatch services on this side of the valley. What their other options are is we have talked about Mingus Mountain and there is no immediate obvious equally desirable option for either us or Sedona Fire District.

Vice Mayor Pfeifer asked if they pay to be up there too.

Mr. Horton stated not directly. We pay for the site and allow them to co-locate and you can view what we have agreed pay Sedona Fire District. If they had to pay us that would be part of their budget and they would just pass it through to us for dispatching.

Chief Kuykendall stated the Sunshine Hill site is where the dispatch service has been a number of years, but as we went to Sedona for dispatching services, there is a repeater for the channel that is used by Cottonwood Fire and the ambulances in the area. Part of the problem is there was interference on the top of Mingus. The problem would be if we tried to charge Sedona for it, they are just going to charge us back because it is only used by these agencies in this geographic area.

Chief Fanning stated some of the equipment that is up there, the shed and the cement slab, was work in-kind by Sedona Fire for us allowing them to install it. It prevented us for paying for some of the stuff that is up there. They paid for it and installed it which benefits our abilities up there.

Council Member Pratt stated this does sound like a good partnership and it seems to me that if the staff and both chiefs think we ought to renew this lease, this would be a no brainer.

Mayor Joens asked when we build our new communication center eventually, will this tie into Sunshine Hill.

Mr. Bartosh stated it will depend a lot on who ends up coming into our communication center. We do need to look at some strategies for long-term sustainability of our communication system.

Mayor Joens stated it is good that it is a year to year lease so it was good that they were able

to negotiate those terms.

Council Member Pratt moved to approve the ground lease for the Jerome Verde Development Company and authorize the Mayor to execute the lease on the city's behalf. The motion was seconded by Vice Mayor Pfeifer and carried unanimously.

SUBMITTING A SECTION 5311 APPLICATION AND CONTRACT TO THE ARIZONA DEPARTMENT OF TRANSPORTATION (ADOT) FOR FEDERAL GRANT FUNDING FOR THE COTTONWOOD AREA TRANSIT (CAT) AND VERDE LYNX SYSTEMS

Mr. Morrow stated every year we go through this process where we go begging to ADOT and FTA to fund our transit system. Staff is working diligently on getting the grant filled out. We have made a pretty good effort at it so far, currently we are up to the budget part of the grant and we are looking to be able to continue and keep the transit wheels turning round and round. We are looking for the okay to continue this process and continue filling out the grant and get that to you folks for authorization and approval.

Mayor Joens stated she saw one thing on page 12; number 2 that said the CAT system provides service to the city of Cottonwood with a population of approximately 20,000, the Town of Clarkdale and incorporated areas of Yavapai County surrounding Cottonwood. Our population is really 12,000.

Mr. Morrow stated he grabbed the stats right off the county website.

Mayor Joens stated if you counted Cottonwood unincorporated and Cottonwood incorporated you would be right around 20-21,000, but the city itself is not that much.

Mr. Morrow stated he can make that adjustment.

Council Member Pratt stated this is an interesting item and he noticed how many people are using the CAT system. Being up at the college he sees a lot more of the students riding it. It wouldn't cost the city anything and it really serves the citizens in our city and the surrounding area, so we should go for it.

Mayor Joens stated looking at the ridership percentages the major number one purpose was medical.

Mr. Morrow for a lot of our seniors it is the primary way they get to and from their doctor's office visits and other medical procedures. We have a lot of people that go into the hospital and we provide transport for them.

Council Member Norman moved to authorize staff to submit the Section 5311 application and contract to the Arizona Department of Transportation (ADOT) for federal grant funding for the Cottonwood Area Transit and Verde Lynx Systems. The motion was seconded by Vice Mayor Pfeifer and carried unanimously.

CONSIDERATION OF CLOSING CITY OFFICES MONDAY, DECEMBER 24, 2012, AS PART OF A CITY HOLIDAY

Mayor Joens stated she asked staff to put this on the agenda for consideration.

Mr. Bartosh stated this is something we have done in the past and our experience has shown us that when we have one day in-between a weekend and a holiday we don't get a lot of business at city hall. So again we come back to the council asking to consider this Monday as an extra holiday so our employees can spend that extra time with their families and recharging during the holiday season. It has been his experience in working with our staff is they don't focus on a 40 hour week, they focus on getting the job done and whether that is 50 hours or 60 hours, staying after work long hours, they get it done. This is not an issue where the tax payers aren't getting their money's worth. They get their money's worth and more from our employees.

Council Member Pratt stated he thinks that anyone who would deny this would justifiably be called a scrooge.

Vice Mayor Pfeifer moved to approve closure of the city offices on Monday, December 24, 2012, as part of the city holiday with public safety and other essential services remaining staffed as appropriate. The motion was seconded by Council Member Pratt and carried unanimously.

CLAIMS & ADJUSTMENTS

Vice Mayor Pfeifer moved to pay the claims. The motion was seconded by Council Member Norman and carried unanimously.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Vice Mayor Pfeifer and carried unanimously.

The regular meeting adjourned at 7:24 p.m.

Diane Joens, Mayor

ATTEST:

Matthew McLean, Deputy 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 December 4, 2012. I further certify that the meeting was duly called, and that a quorum was present.

Matthew McLean, Deputy Clerk

Date