

MINUTES OF THE WORK SESSION OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD FEBRUARY 8, 2011, AT 6:00 P.M. AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

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CALL TO ORDER AND ROLL CALL

Mayor Joens called the work session to order at 6:00 p.m.

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor  
Karen Pfeifer, Vice Mayor  
Tim Elinski, Council Member  
Linda Norman, Council Member  
Terence Pratt, Council Member

COUNCIL MEMBERS ABSENT

Duane Kirby, Council Member  
Darold Smith, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager  
Marianne Jiménez, City Clerk  
Rudy Rodriguez, Finance Director  
Casey Rooney, Economic Development Director

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

PRESENTATION BY REPRESENTATIVES OF THE YAVAPAI COUNTY PLANNING DIVISION REGARDING YAVAPAI COUNTY'S COMPREHENSIVE PLAN UPDATE PROCESS

Elise Link, Planning Division Manager for Yavapai County Development Services, gave a presentation to introduce the Council to the County's plan process for the Comprehensive Plan update and ways to get involved in the process. Arizona Revised Statutes require counties as well as cities to prepare general plans. The County's General Plan was adopted in 2003 and was the first one since the original one was adopted in 1975. The 2003 plan consists of four elements: land use, transportation, open space, and water. When the County updates its Plan based on the population threshold of 200,000, Yavapai County was required to add four additional elements: environment, energy, cost of development, and growth areas. State law requires counties to readopt their plan at least every 10 years. Yavapai County felt it would be important to start the plan now. Based on the census the average household size is getting smaller and the average age is getting older. Yavapai County is hopeful to have the plan done by August. They want to engage the public and plan to outreach to the community in doing these presentations and going to the cities and towns throughout the County. They are looking into online social networks to engage people and have had advertisements on the radio. They will be forming four citizen advisory committees which will help create some of the policies and implementation strategies. They will be posting applications online for volunteers.

Mayor Joens stated the general plan areas of municipalities influence anything the County does in the general plan affects cities and town and hopefully we will be an active partner in the process. Cottonwood people are also county residents and pay the same taxes and hope their opinions are also heard.

CHANGING THE FINANCIAL INSTITUTION THE CITY USES FROM BANK ONE TO WELLS FARGO.

Mr. Rodriguez stated the City of Cottonwood has had the same banking services since 1993 when it was known as Valley Bank, then Bank One and finally J.P. Morgan Chase & Co. He is suggesting it was time to change financial institutions. One of the reasons was because the city was with one financial institution for too long, and secondly we can find better services and prices for a different institution. Wells Fargo approached the City of Cottonwood nearly a year ago with a proposal from the Strategic Alliance for Volume Expenditures (S.A.V.E.), of which we are members. Mr. Rodriguez introduced Tony Hannigan, Assistant Vice President and Industry Specialist from Wells Fargo.

Mr. Hannigan stated he works with the government banking team at Wells Fargo, and has been in banking for ten years. He has done apples to apples comparison and they are able to save the city over a \$1,000 a month in banking fees. They earn 1 percent earnings on the credit rate and a \$2,500 transition credit. He would oversee the implementation process to ensure it runs smoothly. They offer treasury management services (fraud protection, purchasing card, lock box) and are a full financial institution.

Council Member Elinski asked what the \$2,500 transition credit was.

Mr. Hannigan stated that fee is used to offset the cost of purchasing checks and stamps, etc, and is a one-time fee.

Council Member Pratt asked Mr. Rodriguez if we would be compromising our banking services at all.

Mr. Rodriguez stated staff is really comfortable with Wells Fargo and we wouldn't be compromising our banking services. We have a chance to save \$1000/month in fees.

Mayor Joens asked how protected is the city's money.

Mr. Hannigan stated the FDIC covers all checking accounts and are fully insured unto infinity as long as they are not interest bearing accounts. Saving accounts, FDIC will cover up to \$250,000 and the bank is fully collateralized. They send the collateral statements once a month.

Mayor Joens asked Mr. Rodriguez the reason we didn't have to bid for banking services since he was using SAVE and was wondering what the process would be if we put this out to bid for the banks in Cottonwood.

Mr. Rodriguez stated it would be very time consuming and we could take it out for bid. The problem is it won't happen anytime soon. We have multiple accounts and it would be very complicated to put a Request for Proposals together.

Council Member Pratt stated it would be costly too.

Mayor Joens stated as a small city and a small finance department we don't have the resources to go out to bid and this way is the go.

Mr. Pratt stated they score really high on diversity issues and environmental issues and are considered one of the greenest banks.

Bob Oliphant, from Cottonwood, addressed the Council and asked Mr. Rodriguez how much money is going to pass through the account on an annual basis and how much money is static.

Mr. Rodriguez stated approximately \$40 million in investments and that would depend on what capital projects are going on. The revenues that come through Cottonwood could be about \$30 million dollars.

Mr. Rodriguez asked the Council if they would want this on a future agenda for approval and staff would like to have new banking services in place by July 1.

Council Member Elinski stated he fully trusts the Finance Director and thinks he is going to make the right decision and it is well researched.

Council Member Pratt seconded that recommendation.

Council directed staff to bring this forward for approval at a future meeting.

#### CITY SUPPORT OF LOCAL INDEPENDENTLY OWNED BUSINESSES

Council Member Pratt stated considering the economy and started doing research and it really seems to him that cities and towns that have a strong buy local movement seem to have the healthier economies, and the greatest part of the dollar seems to stay in the local economy. His interest was in the privately owned local businesses. There might not be much the city can do to promote this and is happy that the Chamber of Commerce attended the meeting.

Mayor Joens asked Lana Tolleson, the President of the Chamber of Commerce, to address the Council.

Ms. Tolleson, stated they have started to discuss some type of shop local program. When you purchase from a totally locally owned business .43 cents out of a dollar stays within the local economy versus \$.13 cents out of a dollar for a larger chain. They were discussing an

education process with local radio to let the citizens know what the local businesses have.

Council Member Pratt stated he has seen a full page ad in the newspaper supporting shopping local in Sedona. He also suggested part of the partnership would be the Old Town Association.

Mayor Joens asked about the survey that was sent out to citizens and the returns indicated that the people want chain stores.

Mr. Bartosh stated the survey did indicate the citizens wanted more big chain stores and restaurants, but he had talked with Ms. Tolleson and they discussed that it can take a balance. If people do want that, then we need to include that, since they will go elsewhere to find it.

Council Member Pratt stated he has seen campaigns where they bring the human element into it.

Vice Mayor Pfeifer stated if you need something at Kohl's and something at Costco, you end up eating lunch or breakfast or dinner over there too. So if we had them here, then we can keep them here to eat in our local restaurants and for our unique shopping.

Mr. Bartosh stated the Chamber has done a great job in getting the tourist market here.

Mayor Joens stated we should support every single business and not just Old Town. There are businesses all over the community. We want to ensure that all 1,800 businesses are successful.

Vice Mayor Pfeifer stated the Old Town Association has come a long way in educating the businesses in Old Town to be open more often and at least display their hours and be more accommodating to the public than they were five or six years ago.

Council Member Pratt stated he has talked to a few of the business owners in Old Town and one the things that was good for them was the Walkin' on Main event and he would like to see more of those types of events through the year. He suggests that we look into it. If people are coming to Old Town, they do stop at the other businesses along the way. He thinks Walkin' on Main should be twice a year and maybe even more.

Mr. Bartosh stated they are discussing bringing back the Sizzling Salsa event, and they are talking about a Saint Patty's Day Parade.

Council Member Elinski stated we might want to look at our Zoning Ordinance and loosen up some of the zoning requirements for smaller home based business. That could diversify the economy.

Mayor Joens asked staff to look into some type of zoning that would help small business or

maybe staff would have some good ideas on that.

Council Member Elinski stated zoning does allow home based occupations but you can hit road blocks when it comes to parking. If we could loosen it up, we might attract more business.

Vice Mayor Pfeifer stated she has read somewhere that one of the signs of a successful business district is when you go down to the business district and you see them sweeping the sidewalks and chatting and talking.

Kelley Foy, owner of Crema Café in Old Town, addressed the Council. She is excited about the great ideas and promoting the local business and loosening up permitting things to really support business. She goes out in the morning and sweeps the sidewalks. Recently, she has been trying to organize meetings at her business for local business to join a small organization called Local First AZ that is available to anyone in Arizona. They have brought a chapter up to northern Arizona. They create a network online and create a price comparison between bigger businesses like Wal-Mart and local businesses in the community that sell the same products.

Mayor Joens stated one of the strategic initiatives was a shop local campaign.

Mr. Rooney stated there was an Old Town Association meeting before this meeting. He has seen Old Town growing by leaps and bounds. He believes we are doing a shop local program, but have not formalized it. We do have a five year economic development plan that includes categories like tourism and sustainability. He would like to work with the Chamber and have a retreat on March 3. They can add a formal shop local plan to that retreat.

Vice Mayor Pfeifer stated she has seen other businesses referring people to the restaurants in Old Town, and that's a cooperation she hasn't seen in a long time.

Mr. Bartosh stated that is a benefit of a Chamber with networking.

Mayor Joens asked if the Council would agree with this statement and thanked Mr. Bartosh and Mr. Rooney for their hard work on this and the two of them supporting the Chamber makes a big difference.

Council Member Pratt agreed with that statement.

Mr. Bartosh stated it takes a lot of people and they have pulled together to make this successful.

Mayor Joens stated they really have and it's not just locally, but the whole Verde Valley.

Mr. Bartosh stated one of the ideas is to talk with the Old Town Association to do a block

party on New Year's Eve. There is nothing in this area to give people the opportunity to go out and celebrate and knows that is a gigantic boost for Tempe.

Mary Eichman, from Cottonwood, addressed the Council and stated one of the events she enjoyed in Mesa was the Native American Pow Wow. She was wondering if there would be an interest in that.

Mrs. Jiménez stated she wanted to clarify the number of registered businesses. At the end of 2010 we had approximately 1,500 and at the end of the renewal process we had approximately 1,200.

Vice Mayor Pfeifer stated as the year goes on, we will probably gain some.

Council Member Pratt stated having the Chamber and Mr. Rooney's group working on a shop local program is important, and he offered his time to help them.

Mr. Bartosh stated the Mayor, Dan Lueder and he met with the director of the state parks today and they are working on extending the disc golf course into Old Town. They are also working on a plan to extend parking in the north part of Old Town with the acquisition of Gardner's property and hopefully create a park setting.

#### ADJOURNMENT

Council Member Norman moved to adjourn. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously. The work session adjourned at 7:30 pm.

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Diane Joens, Mayor

ATTEST:

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Marianne Jiménez, City Clerk

#### CERTIFICATION OF MINUTES

I hereby certify that the attached is a true and correct copy of the minutes of a work session of the City Council of the City of Cottonwood held on February 8, 2011. I further certify that the meeting was duly called, and that a quorum was present.

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Marianne Jiménez, City Clerk

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Date

