

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD MAY 17, 2011, 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
Linda Norman, Council Member
Terence Pratt, Council Member
Darold Smith, Council Member

COUNCIL MEMBERS ABSENT

Duane Kirby, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Matt McLean, Deputy Clerk
George Gehlert, Community Development Director
Steve Horton, City Attorney
Tim Costello, Public Works Director
Dan Lueder, Development Services General Manager

PLEDGE OF ALLEGIANCE

Danise Parker a member of The Professional Businesswomen's Group, lead the Pledge of Allegiance.

PRESENTATION OF A PLAQUE OF APPRECIATION TO FORMER AIRPORT COMMISSION MEMBER AL GRADIJAN

Mr. Bartosh stated Al Gradijan could not be here tonight, but the city wanted to recognize the service that he contributed to the Airport Commission which he had served on as one of the first commissioners and the only chair of the commission until he recently resigned.

Mayor Joens showed the plaque to the Council and directed staff to mail Mr. Gradijan the plaque along with a letter of appreciation.

PRESENTATION OF THE PROFESSIONAL BUSINESSWOMEN'S GROUP "YOU MAKE A DIFFERENCE" AWARD TO MAYOR DIANE JOENS

Danise Parker, a member of the Professional Businesswomen's Group, a networking organization for professional women in Cottonwood, stated along with their mission of

providing a place for businesses to network they also at each luncheon honored a woman in our community that they feel makes a difference in the community. At their last luncheon Mayor Joens was nominated and selected to receive the award, which she then presented to 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 reported the city had two new police officer cadets graduate from the basic academy and they will now be going into their 14 week field training program; the weekend of Memorial Day we have a Disc Golf Tournament that is being sponsored by Page Springs Winery and we will also have the additional nine holes in to make it a full course; our fire department participated in a physical fitness training program at Mingus High School where they worked with 300 students to adopt a lifestyle of fitness; and Fred Piper's wife, Joanne, passed away this morning.

Council Member Elinski reported he attended the Sizzlin' Salsa event and the Historic Preservation Commission had a booth there and it was a good event.

Council Member Norman reported last Saturday there was a Prime Time Fair at the American Heritage Academy sponsored by the Chamber, the newspaper and the Senior Center. There was a lot of information for seniors whether it was about insurance or health care--whatever anybody needed it was there. The Senior Commission had volunteered their help for the event.

Vice Mayor Pfeifer reported she missed the last MatForce meeting, but right now MatForce was tackling prescription drugs and coming up with some ways that we can get more information out to the community and working with the hospital, some doctors, and the Guidance Clinic.

Mayor Joens reported on May 5 she went to the Jerome/Verde Valley Elks Club and read the Governor's Proclamation; she attended a National Day of Prayer with many local citizens and churches participating; on May 6 there was a Bike to Work event which Council Member Elinski rode in on behalf of the Mayor and Council; May 6 she attended Y.E.S. the ARC Mother's Day Tea; in the evening she attended the Barrels and Poles Race at the Cottonwood Equestrian Center; she attended the Prime Time Fair and then judged the Slick Trick bike contest; May 10 she attended a ground breaking ceremony for the waterline that will be extended to Pine Shadows; they had a ribbon cutting for the new ambulance building; she attended an open house and met the new Prescott National Forest supervisor, Betty Matthews; on Wednesday she was a guest at Rotary and Dan Lueder gave a presentation about the water reclamation plant; she attended the League of Cities and Towns executive meeting regarding the various bills that tax cities and towns; there was a ribbon cutting for the La Terraza Plaza; she attended the Verde River Basin Partnership Coordinating

Committee meeting; she met with Laura Sutton from the Honor and Remember Group and on May 28 there will be a motorcycle ride starting in Prescott Valley to Riverfront Park where we have our Veteran's Memorial Monument for servicemen who have been killed in action; and she and the Council sponsored a "Let's Move" garden planting and weed control event at the community garden, and master gardener Bobbi Gooslin provided the training.

CALL TO THE PUBLIC

Carol Lucas, a Cottonwood resident, stated she was representing the Friends of Cottonwood to speak in opposition to the proposed sewer plant for Riverfront Park. They had circulated petitions in their area and had obtained 500 signatures from local citizens opposed to the new sewer plant. The majority of signatures were from Cottonwood and the rest were from the surrounding communities who obviously had a stake in this. They recently picketed at the corner by Walgreens for an hour using the sign in the back of the room and handed out 200 flyers to the folks who asked for them who signified their opposition to the sewer plant at the proposed location. This plant is not needed, there is no development pressure to build it, and the new system will continue to pump solids uphill. They hoped the Council scrapped the project completely, or at the very least such a controversial matter needed to be placed on the ballot for the citizens to decide.

Bunny Jochim, a Cottonwood resident, stated she was representing herself and her husband who live next door to one of the proposed sites for the sewer treatment plant. They obviously had a strong objection to this for several reasons. It has been stated that the plant would be state of the art but that does not necessarily translate to fail safe. Things happen and that means there is a possibility to pollute the groundwater, the river, the air and it would definitely diminish their property values. They hoped this would be tabled for further examination because she did not want to live next door to a smelly sewer. There were so many instances where state of the art equipment was put in, which sooner more than later, was not state of the art after a while and it did create hazards.

Jesse Dowling, a Cottonwood resident, stated after reading about the petition presentation in the paper he was concerned there would not be a counter point to the presentation because no Council Members are allowed to respond on the comments presented in the Call to the Public. He was not yet on the Council, but maybe would be later today. Locating a sewage treatment plant was never going to be a popular job. Everybody needs the service it provides but nobody wants it in their backyard or side yard or any place close to them in general. In the end it comes down to a specific process of elimination and where to place a plant. This process had been taking place for quite some time now. There have been multiple public council meetings at which concerns have been voiced, and on top of that city staff is always available to discuss the project. Having lived in the valley for all of his 40 years he had just as much of a stake here as anybody and as much of an attachment to this place. Being in the civil engineering field he has seen how projects like this that can be made to seem big and scary are not as ominous as they can be made out to be. In the time that was taken to gather 500 signatures of city residents and non-city residents and the time it took to picket, a lot of education and positive advancement could have taken place.

He questioned what facts were the signers provided and did they make an educated decision or was it one based on fear of a list of facts that were provided to them that were possibly inflammatory.

Doug Hulse, a Cottonwood resident, stated please consider the following facts about the wastewater treatment plant at Riverfront Park. These facts have not been refuted and were based upon studies carried out by experts in the field: 1) Lift Station three is working well beyond its intended capacity--the Riverfront plant will take a load off of Lift Station three; 2) there is no proof that the plant will have an offensive smell associated with it--the odor from the plant will be less than the odor from lift stations; 3) the plant will remove pharmaceuticals which will improve the quality of our ground water thus improving the quality of our drinking water; 4) the plant will be green using solar power; 5) the plant will also be educational; 6) flooding is always a consideration--in this case the plant will be built two feet above the 500 year flood plane with an additional flood wall built around the plant as a second precaution against flooding. The water discharged from the plant will be cleaner than potable water, cleaner than the water we are presently drinking. The plant will reduce demands for water from the Verde River and allow more water for other uses downstream.

Mr. Hulse further stated he was confident that the City Council would remember they were elected by the people of Cottonwood to conduct the business of the City of Cottonwood. It would be unfortunate if we were to give up our representative power for a petition driven government that does not represent all the people of Cottonwood.

UNFINISHED 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.

SUBMITTAL OF GRANT APPLICATION FOR A YAVAPAI COUNTY COMMUNITY FOUNDATION CANINE ENFORCEMENT GRANT TO BE USED FOR NARCOTIC CANINE TRAINING AND VETERINARY EXPENSES FOR TWO (2) K-9 UNITS

Council Member Smith moved to approve the Consent Agenda. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

NEW BUSINESS

AWARD OF BID FOR RECYCLING SERVICES FOR THE CITY'S RECYCLING OPERATION LOCATED ON SIXTH STREET

Mr. Costello stated the city went out to bid for an annual service for recycling and there were two bidders. The low bidder was Verde Earth Works in the amount of \$20,890, and the other bid was from Sedona Recycles for \$24,000. This was a program the city had been providing

since 2000 and since that time Sedona Recycles had been the vendor. He checked out their facility and found it to be adequate. Staff recommended going with the low bidder with the start date of July 1.

Mayor Joens stated the Council had received a letter from Sedona Recycles, and asked in comparing services of Sedona Recycles and Verde Earthworks, were the services comparable or were we considering apples and oranges in what services are provided.

Mr. Costello replied they may not be exact but they are comparable. There are the various components of the items that we recycle and we are looking to see that they are being recycled and they may be recycled in a different way and going off to different locations, but they are all recycled that was one thing he was checking to be sure of.

Council Member Pratt stated in the letter they received it did say that Sedona Recycles would take certain types of plastics, the ones that are numbered and non-bottle shaped, that the other company won't take, so if that's true that would suggest that the service is different. There are services they provide that may not be in the request for proposal that he worried they would lose because they (Sedona Recycles) are doing a good job of really keeping that clean. Thirty percent of the plastics are ones that won't be recycled now, according to the letter he received.

Mr. Costello responded it would be appropriate to have Kate Blevins could respond to the plastics question.

Mayor Joens asked if they would provide the same type of collection bins or would we be taking a step back to the old kind we used to have.

Mr. Lueder stated in the RFQ's sent out to these companies there was a space to comment on the specifications and we received no comments on those. He had a real problem with somebody bidding on something and then coming back and saying we're doing this, and this, and this. They have ample time to review them and if they have an issue with something that is in or not in the specs, say something before you submit your bid, not after the notification that somebody else has come in with a lower bid.

There was further discussion regarding the RFQ and specifications, after which Kate Blevins addressed the Council and stated when it comes to the mixed material or mixed beverage it is specified in this bid that the container for plastic bottles and tubs, aluminum cans and steel cans shall have a weather-proof cover and appropriate openings. When it says plastic bottles and tubs, tubs are the other plastics; it means that Verde Earthworks does accept all plastics one through seven. There is an exception that Styrofoam, the big Styrofoam packing, is not recyclable in the State of Arizona at this time. That is the only thing they will not accept is Styrofoam packing. She had a 20 year history in recycling and was part of the Verde Valley Recycling Coalition back in 1999 when all the communities, municipalities, and property owner associations came together to form all the drop offs in the Verde Valley. She was at that time the executive director of Sedona Recycles and it was through those efforts

and all the communities and homeowners in the county coming together to establish what we call the synchronized drop off sites in the whole Verde area. Their containers were very much equal to the eight yard containers that are out there, but the slot was not as big. They had a 10 inch slot in their containers, which was a design she came up with years ago because it makes people break their stuff down.

Vice Mayor Pfeifer stated she remembered when Ms. Blevins first came to the Council and at that time her husband (Vice Mayor Pfeifer's) was solid waste supervisor for Yavapai County and they couldn't get garbage companies or anyone else to recycle until Ms. Blevins started the trend and then they realized there was something to it and they jumped on board. That letter that came in yesterday was a little bit after the fact because the bids were in. She really didn't see a problem with the bid at all or the bid process.

Ms. Blevins stated all the containers will be equal as far as capacity and yardage goes. The color will be different; it will be Verde Earthworks Green which is a little bit brighter green. There is a drop off that Sedona Recycles provides for toys, books and small appliances that might be a part of their bid but that was not in this bid, so if that was something the Council would want to do they could look at working with Goodwill or the Humane Society Thrift store to see if they wanted to provide a service for big and small appliances, books and clothing. Verde Earthworks was really proud to let everybody know that all five of their trucks ran on bio-diesel. They also hired seven fulltime employees in the Verde. They were also doing composting in their new facility that was another branch of their business, but something they were offering to turn the organic material coming out of the Verde back into something that could be put back into our soil.

Council Member Pratt asked if there was a stipulation in the request about keeping the yard clean and what were those details.

Ms. Blevins answered yes and read as follows: "Maintenance of Site - it is the responsibility of the successful contractor to monitor the site. This will include monitoring and cleanup of the site including recycled materials or trash left outside of the containers at least three times per week."

Tom Stanley, a Cornville resident, stated he had served on the board for Sedona Recycles for various periods of time and wanted to apologize for the letter. It was intended to help make an informed decision. All the other things that came along with Sedona Recycles that weren't in the bid and weren't asked for--they were just provided. Unless the Council knew what those were they felt they couldn't make a totally informed decision.

James Bishop, a Sedona resident, stated he realized this was a historic evening because they were going from a non-profit situation to a profit one. He wanted them to know that in the 11 years they had done everything they could possibly do to please this town and he was sorry there wasn't the opportunity to debate this beforehand.

Council Member Elinski stated he didn't think there were any hard feelings about the way

Sedona Recycles was handling it. They were trying to level the playing field to come up with an accurate cost on where the citizen's tax money was going to go. He thought they were required to choose the lowest bidder to be fair to our citizens.

Mayor Joens stated they did appreciate Sedona Recycles and what they had done for the community for the past 11 years. She thought the City Attorney would probably advise the Council that all things being equal they couldn't determine whether some things were for profit or non-profit in a bid.

Mr. Horton stated in some procurements there was an opportunity to weigh things other than cost and we would have said in the procurement that we will weigh things other than cost, and asked Mr. Costello what kind of bid this was.

Mr. Costello replied we called it a request for quotes because we actually expected to come under our threshold in sealed bid which it did. We did have the language that says the City of Cottonwood reserves the right to award the contract to the contractor with the lowest responsive and responsible quote, and reject any and all quotes for any reason the City determines and waives any informalities in the quotes received. This was written for a service, and while Sedona Recycles offers many really great educational services, it wasn't specified in the bid; it was more the direct recycling activities.

Vice Mayor Pfeifer moved to award the one-year contract for recycling services to Verde Earthworks L.L.C., in the amount of \$20,890 with the term beginning July 1, 2011. The motion was seconded by Council Member Smith, and carried with a dissenting vote by Council Member Pratt.

CONSENT OF ASSIGNMENT OF LEASEHOLD RIGHTS OF HIGH FIVE HANGARS
CONDOMINIUMS UNIT NUMBER 1 FROM BACKUS FAMILY INVESTMENTS, LLC, TO TOM
REMMLER

Mr. Horton stated some months ago the Council approved the conversion of the High Five Hangars project into a condominium style of ownership, and right around that time the Council also approved the lease of one of those condominium units. The next two items on the agenda were two more of those transactions that allow Backus Family Investments, who developed the property, to transfer to purchasers two more of those hangar condominiums.

Bob Backus, representative of Backus Family Investments, stated at this time they had two individuals who were purchasing units to use for different things. Dr. Remmler was a veterinarian from Sedona, but also had a different business here in Cottonwood and would be using this hangar for that particular use.

Dr. Remmler stated he had been in the Verde Valley for 30 years and ran a practice called Oak Creek Small Animal Clinic. In his profession the patients don't often times cooperate for obvious reasons--they're dogs and cats, and they occasionally have to x-ray their bodies and they protest this and what happens is personnel have to expose themselves to ionizing

radiation. He designed and patented a product that would hold the animal long enough to take the picture. Most of their business was international and they export the majority of their product to Australia, England, Germany, Spain, France, and Singapore because their laws regarding human exposure to radiation is much, much more stringent than ours are here. But we are now starting to see states such as New York, California and New Jersey produce legislation which prohibits people from being in the x-ray rooms with their patients so we are now marketing this product here in the United States. He was also a pilot and a flight instructor.

Mr. Bob Oliphant, a Cottonwood resident, stated that it sounded like a very commendable project and a terrific idea. However, the specific provisions of the ground lease were very specific. A business going into this property must serve the public interest by: 1) opportunities for industrial development; 2) promoting economic development; and 3) the creation of new employment opportunities. This lease was designed specifically to try and get businesses to come to Cottonwood, provide them almost free land, have them build on that land with the understanding that it really was for economic development, and that there really would be in the not very distant future new employment opportunities. Everything that he heard failed to meet those objectives.

Council Member Elinski moved to approve the proposed Consent of Assignment of High Five Hangars Condominiums Unit No. 1 from Backus Family Investments to Tom Remmler.

Dr. Remmler stated when he first came to this Valley he started a veterinary clinic in Sedona that had no employees as well. He had a large veterinary practice in this entire area and employed 18 people and this is exactly what he intended to do with this business here.

Mayor Joens commented not every business starts out with 50 employees but it gives people the opportunity to hire 50 employees, but it may not be the first day.

The motion was seconded by Vice Mayor Pfeifer, and carried with a dissenting vote by Council Member Smith.

CONSENT OF ASSIGNMENT OF LEASEHOLD RIGHTS OF HIGH FIVE HANGARS
CONDOMINIUMS UNIT NUMBER 2 FROM BACKUS FAMILY INVESTMENTS, LLC, TO RICHARD
MARBURGER

Mr. Backus stated that Mr. Marburger could not be here tonight as he was in North Dakota tending to his crop spraying business and he should be back in about three weeks. Mr. Marburger wanted to buy this unit for his own personal use, but he is an airplane and helicopter mechanic. He builds parts for airplanes and last year he had one employee helping him. Mr. Backus continued the explanation regarding how Mr. Marburger's purchase of the hangar fit the specific provisions of a ground lease that had been brought up by Mr. Oliphant.

Council Member Norman moved to approve the proposed Consent of Assignment of High

Five Hangars Condominiums Unit No. 2 from Backus Family Investments, L.L.C., to Richard Marburger. The motion was seconded by Council Member Pratt, and carried with a dissenting vote by Council Member Smith.

RESOLUTION NUMBER 2588--SUPPORTING THE GOALS OF THE ARIZONA SOLAR CHALLENGE

Steve Lawrence a solar coach with Arizona SmartPower, stated the Arizona Solar Challenge was a challenge they were putting forth to communities around Arizona to encourage the use of solar technology such as floatable plates for creating electricity and solar hot water heating systems. The challenge specifically asks communities to encourage five percent of the owner occupied homes in the community to install systems. In doing so Cottonwood would be recognized as an Arizona Solar Community, and of course provide leadership for their community and surrounding communities.

Council Member Pratt stated it showed we are a progressive city and that we are thinking about things and being responsible. He then moved to approve Resolution Number 2588 supporting the goals of the Arizona Solar Challenge. The motion was seconded by Council Member Elinski, and carried unanimously.

Mayor Joens requested the Deputy Clerk read Resolution Number 2588 by title only.

RESOLUTION NUMBER 2588

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, SUPPORTING THE GOALS OF THE ARIZONA SOLAR CHALLENGE.

CHANGE OF THE SALARY RANGE FOR THE NATURAL RESOURCES DIRECTOR'S OPEN POSITION FROM A RANGE 58 TO 72

Mr. Bartosh stated the city's Director of Water Resources, Bob Hardy, retired about a year ago. While he had been working diligently on our behalf and on behalf of our citizens (under contract) he expressed a desire to reduce the number of hours required. We had reached the point because of Bob's reduction in hours and the need to be better represented locally and throughout the state regarding water resources, that it was time to bring a Natural Resources Director back on board. They looked at what kind of a salary range was needed to attract the level of knowledge, understanding, and credibility we needed for this important position and set it at 72, which was consistent with our general managers. It started at \$87,000 and we would be trying to bring somebody in at that range, but it gave a little more flexibility to make sure we get a really top notch person because Bob had some pretty big shoes and it was going to be tough to fill them in terms of his qualifications.

Council Member Pratt stated Bob Hardy was going to be tough to replace as he was an incredible expert and well respected. They had looked at the market and to draw somebody

with that expertise they needed to raise the salary range.

Vice Mayor Pfeifer stated Bob was not just working on the adjudication there were some others like the AD water. He had been hand-picked by different people in Phoenix and with the government to work on these committees that someone we might be hiring in this position wouldn't have the connections and wouldn't have the knowledge to be on these committees. He was being sought out statewide and countrywide for his knowledge on these water issues.

Council Member Norman moved to approve the recommended range and salary change on the Natural Resources Director position. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

CLAIMS & ADJUSTMENTS

Council Member Smith moved to pay the Claims and Adjustments. The motion was seconded by Council Member Elinski, and carried unanimously.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Council Member Norman, and carried unanimously. The regular meeting adjourned at 7:36 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 May 17, 2011. I further certify that the meeting was duly called, and that a quorum was present.

Matthew McLean, Deputy Clerk

Date