

MINUTES OF THE SPECIAL MEETING OF THE COTTONWOOD CITY COUNCIL HELD JUNE 13, 2011, AT 2:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

CALL TO ORDER AND ROLL CALL

Mayor Joens called the special meeting to order at 2:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor
Karen Pfeifer, Vice Mayor
Jesse Dowling, Council Member
Ruben Jauregui, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member

COUNCIL MEMBERS ABSENT

Tim Elinski, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Marianne Jiménez, City Clerk
Steve Horton, City Attorney
Rudy Rodriguez, Administrative Services General Manager
Roger Biggs, Utilities Department Administrative Manager

AUTHORIZATION FOR STAFF TO PURCHASE A GENERAC SG 275 ELECTRICAL GENERATOR FOR LIFT STATION FOUR FROM AGM SALES AND SERVICE

Mr. Biggs stated the city relied heavily on the lift stations to transfer sewage from the city up to the treatment plant and the most critical of these lift stations was lift station number four. The 20 year old emergency generator at this site was becoming increasingly problematic and it was nearly impossible to get scrap parts for it. If it were to fail we would have a sewer spill and associated costs for cleanup and regulatory infractions. Staff put out seven requests for bid for the generator and three valid quotes were submitted from AGM, Empire Power Systems, and Cummins Rocky Mountain. The low bid was from AGM in the amount of \$72,209. Due to the critical nature of this lift station and the potential for significant contamination, cleanup, and regulatory costs, it was in the city's best interest to replace this generator as rapidly as possible.

Council Member Dowling stated he looked up the specs on the generator and it was a fine generator, very substantial, and should do the job quite well.

Vice Mayor Pfeifer stated pursuant to Section VI-C of the city's Financial Operations Guide, she moved that the Council find that due to extenuating circumstances, it is in the city's best interest to purchase a Generac SG 275 electrical generator for lift station four from AGM

Sales and Service in the amount of \$72,209; and to authorize staff to make that purchase. The motion was seconded by Council Member Norman, and carried unanimously.

AUTHORIZATION OF THE USE OF A PORTION OF THE FUNDS INITIALLY BUDGETED FOR THE EMPLOYEE MERIT PROGRAM IN FISCAL YEAR 2011 FOR AN ALTERNATIVE, ONE-TIME PAYMENT OF UP TO 2.5 PERCENT OF AN ELIGIBLE EMPLOYEE'S BASE SALARY, WITHOUT ADJUSTMENT TO THE BASE SALARY

Mr. Rodriguez stated there had been a bit of discussion over the past 12 months about employee compensation. Originally they had set aside about \$450,000 for the potential of either implementing the merit program or some sort of compensation for employees. In the course of the year there had been numerous memos or emails sent to the Council concerning issues the city had with state shared revenues, so they had sidelined this. They had set aside \$240,000 for a onetime discretionary payment to employees based on their annual salary and the full months of employment with the city; meaning anyone who was employed during this fiscal year they would take the number of months they were employed and prorate their compensation. This two and a half percent discretionary payment by no means covered the amount of increase employees will have in health insurance and retirement costs for this year, but was a token that we value them and appreciate the hard work they've done considering all the extra work they have taken on board with all the different freezes we've had in various departments. Currently, we still had a balanced budget and all of our reserves were in place as required in the Financial Operations Guide. If the Council approved this it would be taken care of before the close of the fiscal year.

Council Member Pratt stated our employees have been great, their spirits are good, they work hard and they really haven't gotten extra compensation, and he was glad we found a way to help them out.

Mayor Joens stated it would be a onetime payment and seemed very fair to all that were impacted by this. It was maybe not as good as they had hoped to do, but it was better than nothing at all and she would be supportive of it.

Mr. Bartosh stated he was not sure if Mr. Rodriguez had mentioned it or not, but this was intended to offset some of the increasing costs. Employees would be paying more for health insurance and retirement as well. This represented a little less than a breakeven point for our employees.

Mary Eichman questioned if the employees' pension and insurance expenses went up a flat rate for each employee or if it was based on a percentage of their income.

Mr. Rodriguez stated it was a percentage of the income and with the health insurance it depended on which plan they had.

Council Member Pratt moved to approve the City of Cottonwood do a onetime 2.5 percent disbursal to all current fulltime employees based on the criteria outlined in the communication. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

AUTHORIZATION TO USE COUNCIL CONTINGENCY FUNDS FOR THE PURCHASE OF CITY PINS AND OTHER MEMORABILIA

Mayor Joens stated seven years ago the Council authorized funds for city pins and other types of city souvenirs. When she had asked the City Clerk if we had keys to the city to hand out she was informed we did not, and it was brought up that we were out of all the other things that were ordered seven years ago that the Council usually took to the League meetings.

Ms. Jiménez handed out samples of the city pin, pens, key chains, and mugs that she still had left. She stated she had looked up items in catalogs that were the least inexpensive in cost and were useful such as post-it notes, small flashlights, bags, and pencils. The cost to purchase these types of souvenirs ranged from 65 cents for post-it notes, to \$4.65 for cotton tote bags, with a required minimum order of 50-100 per item. The cost for city logo pins was approximately \$2.95 each with a minimum order of 500 required.

Council Member Pratt stated these things were good to promote the city and they got them from the other cities and towns when they went to the League of Cities & Towns. He questioned how much the Council had in its contingency fund.

Mr. Rodriguez stated they had \$35,000 and he did not believe it had been tapped into very heavily this year.

Council Member Pratt stated he had done some quick math and in considering the bags and the logo pins it was a little over \$1,700, so they certainly had enough money to cover some of these things.

There was further discussion regarding the promotional products and an amount of \$2,500 to purchase the products.

Council Member Dowling requested that in the future we incorporate local artisans or craftspeople and integrate some of things that make Cottonwood unique into what they gave out.

Council Member Norman moved to approve \$2,500 of Council contingency funds for the purchase of city logo pins and other memorabilia. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

ADJOURNMENT

Mayor Joens moved to adjourn. The motion was seconded by Council Member Pratt, and

carried unanimously. The special meeting adjourned at 2:28 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 special meeting of the City Council of the City of Cottonwood held on June 13, 2011. I further certify that the meeting was duly called, and that a quorum was present.

Marianne Jiménez, City Clerk

Date