

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD JULY 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

COUNCIL MEMBERS ABSENT

Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Steve Horton, City Attorney
Matthew McLean, Deputy Clerk
George Gehlert, Community Development Director
Nikki Arbeiter, Planner
Morgan Scott, Development Services Operations Manager
Mike Kuykendall, Fire Chief
Jody Fanning, Chief of Police
Richard Faust, Community Services General Manager
Rudy Rodriguez, Administrative Services General Manager
Bruce Morrow, Transportation Manager
Kyla Allen, Executive Assistant to the City Manager

PLEDGE OF ALLEGIANCE

Barbara U'Ren, Cottonwood-Oak Creek School Superintendent, lead the Pledge of Allegiance, and Mayor Joens presented her with a certificate of appreciation.

BRIEF SUMMARY OF CURRENT EVENTS

Mr. Bartosh stated the fire ban for the City of Cottonwood was lifted that morning.

Mayor Joens stated the Council, Verde Valley Medical Center and Fit Kids of Arizona will sponsor a Luau on August 11 that is part of the Let's Move activities. She attended a Project Central alumni camp out with Casey Rooney in Williams.

CALL TO THE PUBLIC

Gary LeMaster, from Verde Village, read a letter from Mary Rodriguez. Her letter addressed a program for low income NAIPTA bus riders that were given a 50 percent fee reduction. Riders now must go to Catholic Social Services office weekly to request passes.

Steve Hiatt, from Cottonwood, stated he has been disabled since 2003 and moved here from Sedona in 2004 and he had no transportation. He has been riding CATs buses during that time.

PRESENTATION OF A PLAQUE OF APPRECIATION TO THE CITY BY THE COTTONWOOD-OAK CREEK SCHOOL DISTRICT

Barbara U'Ren presented a plaque to Mayor Joens and the City Council in recognition of the work the city does in acknowledging Teacher Appreciation Week.

EMPLOYEE OF THE QUARTER AWARD—NIKKI ARBEITER, PLANNER

Mr. Gehlert reviewed the reasons Ms. Arbeiter had been selected to receive the Employee of the Quarter award.

As the certificate and check were not brought to the meeting, Mayor Joens stated she will present Ms. Arbeiter with her award personally tomorrow.

EMPLOYEE QUARTERLY SAFETY AWARD—TOM HALL, BUILDING INSPECTOR

Mayor Joens stated Mr. Hall was not available to attend this meeting and tabled this item for next meeting.

APPROVAL OF MINUTES—Budget Work Sessions of May 21, 22, & 23, 2012

Vice Mayor Pfeifer moved to approve the minutes. The motion was seconded by Council Member Elinski 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.

APPLICATION FOR EXTENSION OF PREMISES/PATIO LIQUOR LICENSE PERMIT SUBMITTED BY LARRY PRITCHARD, LICENSEE FOR PLAYERS SPORTS BAR & GRILL LOCATED AT 1100 SOUTH HIGHWAY 260 FOR AN EVENT SCHEDULED FOR AUGUST 4, 2012

SPECIAL EVENT LIQUOR LICENSE APPLICATIONS SUBMITTED BY TERRA SHANKS ON BEHALF

OF THE VERDE VALLEY FAIR ASSOCIATION FOR EVENTS SCHEDULED FOR SEPTEMBER 29, OCTOBER 19 & 20, AND NOVEMBER 17, 2012, AT THE VERDE VALLEY FAIRGROUNDS LOCATED AT 800 EAST CHERRY STREET

ACCEPTANCE OF A GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT IN THE AMOUNT OF \$6,000 FOR POLICE DEPARTMENT OVERTIME EXPENSES INCURRED DURING SELECTIVE TRAFFIC ENFORCEMENT DETAILS AND APPROVAL OF THE GRANT CONTRACT

ACCEPTANCE OF A GOVERNOR'S OFFICE OF HIGHWAY SAFETY GRANT IN THE AMOUNT OF \$15,000 FOR OVERTIME EXPENSES INCURRED DURING DUI PATROLS AND APPROVAL OF THE GRANT CONTRACT

ACCEPTANCE OF A YAVAPAI COUNTY COMMUNITY FOUNDATION 2012 CANINE ENFORCEMENT GRANT, CONTRACT NUMBER 20130879, FOR VETERINARY EXPENSES FOR THE POLICE DEPARTMENT'S CANINES AND APPROVAL OF THE GRANT CONTRACT

AWARD OF JOB ORDER CONTRACTING FOR UNDERGROUND CONTRACTING SERVICES FOR THE CITY'S UTILITY DEPARTMENT

REJECTION OF ALL BIDS RECEIVED FOR THE PURCHASE OF TWO EMERGENCY GENERATORS FOR THE CITY'S UTILITY DEPARTMENT

RENEWAL OF THE CITY'S WASTE/RECYCLING SERVICES FOR AN ADDITIONAL ONE YEAR PERIOD WITH NORTH AMERICAN WASTE SYSTEMS FOR CITY FACILITIES

Council Member Elinski moved to accept the consent agenda. The motion was seconded by Council Member Norman, and carried unanimously.

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

DISCUSSION, CONSIDERATION, AND POSSIBLE LEGAL ACTION REGARDING THE CITY'S CONTINUED INVOLVEMENT AND PARTICIPATION IN A TAXI-VOUCHER PILOT PROGRAM, INCLUDING A PROPOSED MEMORANDUM OF UNDERSTANDING WITH THE NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (NACOG) AREA AGENCY ON AGING

Mr. Faust stated as part of the re-integration of the Cottonwood Area Transit (CAT) and the inclusion of the Verde Lynx Transit system, the City of Cottonwood applied for a Section 5317 "New Freedom Formula" grant in the amount of \$10,000 in February, 2012. Funding amounts were provided by the Area Agency on Aging through NACOG in the amount of \$5,000 with an additional \$5,000 being matched by the State of Arizona ADOT for the Taxi Voucher program for the Verde Valley region for expanded transportation mobility options for people with disabilities beyond the requirements of the ADA as set into law in 1990.

Council Member Elinski stated we inherited the 5317 money from NAIPTA.

Mr. Faust stated we applied for a grant separate outside of NAIPTA in February. They (NAIPTA) had originally applied for a grant the previous year and had been awarded \$20,000 from both agencies for a total of \$40,000. Knowing that NAIPTA was closing down operations, they wanted to transfer the responsibilities for the three months between July to October. NACOG has identified that there would be \$2,500 available for the three month period. The remainder would be available starting October 1 to June 30, 2013.

Mr. Bartosh stated NAIPTA had \$40,000 and there was nothing left when we took over the program. The money had been exhausted.

Mayor Joens asked if the \$40,000 was spent in seven or eight months.

Mr. Faust stated that is correct.

Mayor Joens stated now we are only looking at receiving \$2,500 compared to \$40,000 for the three months until the federal fiscal year starts. After that we receive \$7,500. It sounds like we had \$40,000 that went that quickly. We are not looking at very much money to fund this program. But we are looking at a lot of staff time and effort in exchange for that grant money. She asked if there was grant money available for hiring another person to administer the \$10,000.

Mr. Faust stated no, there is not.

Mayor Joens stated we just approved another supervisor, and questioned if there is any chance that position could take on all of this work.

Mr. Faust stated no. The two supervisors operate in the context of making sure the transportation vehicles are ready and available, the drivers are fit for duty in the mornings as well as on the weekends. Those are hands on working supervisors in reality. There would not be time to administer that type of grant.

Mayor Joens stated the taxi voucher program would allow someone to go somewhere on a Saturday or Sunday. She questioned if there is any hope for this program to be funded on the state or federal level.

Mr. Faust stated the circumstances with transportation at the federal level is that there may be cutbacks as well as programs being put on hold. At this point and time it is rather hard to identify if funding will be available. When we originally looked at doing this grant, there were 20-30 people utilizing the funds from NAIPTA. The program is very successful, but it supersedes the amount of money that was even identified by NAIPTA. That money will be gone very rapidly unless monitoring take's place and the specifics of the program are monitored very specifically.

Vice Mayor Pfeifer stated he mentioned that a voucher could be used for emergencies to the medical services and isn't that what our emergency services are all about.

Mr. Faust stated the voucher program allows the participant to use them to go to their doctors.

Council Member Norman asked if he has talked to Verde Valley Caregivers about what they can provide and when they can provide it. Her understanding at the public meeting a couple of weeks ago was that they would take a call and pick anyone up and it was free.

Mr. Faust stated yes, at this point and time the Verde Valley Caregivers coalition is called mobility management in the Verde Valley sub-region and we have talked with the executive director. Their primary goals are to fully develop the call center and looking at volunteer transportation services. The one thing they are looking at in their goals is to establish a network of all transportation providers including organizations that use 5300 program vehicles in cities and towns to share and make available vehicles and resources to establish a coordinated and accessible spectrum of mobility assets to serve mobility challenged populations.

Council Member Norman stated on the para-transit they have to call the day before.

Mr. Morrow stated general speaking that is correct, but we can take same day service.

Mary Eichmann, from Verde Valley Caregivers, stated she has been a volunteer for several years. This afternoon she took a lady and dropped her off to her physical therapy appointment, went back two hours later and picked her up from her appointment and took her back to her apartment for no charge. She has the ability to be reimbursed for her mileage. There is about 1,500 people that they help in the Verde Valley with less than 300 volunteers.

Mr. Faust stated there are over 1,600 clients and approximately 800 are definitely in the Cottonwood area.

Council Member Dowling stated there is no guarantee that we will receive grant funding just because we applied for it.

Mr. Faust stated that is correct.

Gary Le Master read a letter from Mary Rodriguez, which stated she wants to keep the taxi voucher program going as it was under NAIPTA.

Mary Rodriguez stated she has used the Verde Valley Caregivers in the past. They cannot transport people in wheelchairs or walkers. Unfortunately, she was taken to the hospital to have a mastectomy for breast cancer. She had originally scheduled with the CAT van and she had to be at the hospital by 6:30 am. Her pickup time was not until 7:30 am. She had no way of getting there as requested. It would have been ridiculous for her to have used the ambulance for surgery. She did use a taxi voucher at that time. Two days later when she was released from the hospital, it was after CAT's hours of operation. Her understanding was that after 5:00 the switchboard closes down. The other thing she would like to address

is the fact that there is matching funds available. She did not understand the \$10,000 grant portions and where the funding is coming from; NAIPTA or ADOT. This is a very necessary program. The other thing is Kathy Chandler not only did the voucher program but was also the ADA representative for CAT, so she is wondering who is going to assume the responsibility of all the ADA needs.

Mr. Horton stated the rest of the funding involved two different contracts. His understanding of the patchwork of funding post transition from NAIPTA back to Cottonwood is for the balance of this federal fiscal year and there are two different contracts with two different agencies. What we are talking about now is \$2,500 from NACOG that is DES money, not federal dollars. In order to receive that money and \$7,500 which would come in the new federal fiscal year, we have to comply with NACOG requirements, state of Arizona requirements, and DES requirements which is a 51 page contract under discussion. There is also the NACOG stated purpose of helping us out with this amount of funding offer is to match 5317 money that is exhausted for this fiscal year. Come October 1, we have been offered \$7,500 from ADOT which we would have to meet ADOT requirements and FTA requirements.

Jason Kelly, from NACOG, stated the answer to his question is 50% correct. There is \$2,500 available from NACOG to match whatever available funds in 5317 from July 1 through September 30 of this year. Following that, NACOG has committed \$7,500 in matching funds to the 5317 program. Pursuant to the ADOT award, the City of Cottonwood was awarded \$5,000. NACOG would match \$5,000 to the ADOT award creating a \$10,000 program from October 1st through June 30. In our negotiations with Mr. Faust, NACOG would be willing to contribute those funds on the fiscal cycle that we are a part of as is the City of Cottonwood. But any additional dollars following this particular cycle that we are talking about, which is July through June, it would be up to the City to seek those funds through the competitive bidding process. The intent of the NACOG money with NAIPTA and the City of Cottonwood is to help the program get airborne and to determine if the pilot program is warranted and worthy. Once the program is in place, any additional monies could be solicited through the competitive bidding process ongoing starting next fiscal cycle.

Mary Rodriguez stated Kathy Chandler also did the CAT program as well as her duties with the voucher program. She asked if the new transportation director was going to take over the administration of the ADA program and ADA has to be followed. She really wants the ADA rules followed.

Mr. Faust stated at the time NAIPTA was running Monique Woods was in the position of budget analyst for NAIPTA. She also had ADA background and certification in that area. Kathy Chandler was directly involved with the ADA program, which you basically have to do to run the ADA program. At this point in time, Monique has left the City of Cottonwood, and they have hired Debbie Caukens as an administrative assistant as a replacement who will be going through that training. Mr. Morrow and Debbie will be going through the ADA training.

Mayor Joens asked when we will have someone certified.

Mr. Faust stated within a month and a half.

Mayor Joens asked who Mary would contact about ADA issues.

Mr. Morrow stated it would be him.

Mary Rodriguez stated Mr. Morrow had sent her a letter, which she could not read, telling her the procedure for complaints about the CAT system. She would like to be able to find out exactly what is going on, because it affects a lot of people.

Mr. Faust stated he has talked directly with Dan Herrington from ADOT about the 5317 programing. We indicated we would be sending Title 6 information as it pertains to complaints, and that would be doing our due diligence. The taxi voucher program is just one leg of the 5311 funding; there is also the trips program. The trips program is part of what NAIPTA is doing. There is no transportation offered through the taxi vouchers system to and from the senior center, that is what that is, it is a recreational social program.

Nancy Scavangela, from Cottonwood, stated we should all be aware that we are in this together and she would like to see the voucher system stay in place.

James Barker, from Cottonwood, stated this information is new to him. What we are dealing with is the transportation system that should be in pretty good shape and collecting a lot of information anyway, and it should be simple enough to get to the other agencies.

Norris Klein, from Cottonwood, stated he has been riding that CAT bus when there was only one purple bus. He was never told how to get his low income pass straightened out. He was told to talk with Kathy Chandler. He was never told there was a voucher system. It is essentially needed.

Steve Haitt, from Cottonwood, when he tried to call CATS the line wasn't working. He would like to keep the voucher system going.

Mr. Bartosh stated it is a wonderful program and everyone recognizes that we would like to keep it. Trying to monitor this program is very difficult and it would almost be like we were taking on the taxi companies as an employee. We were trying to find a third party that could actually provide the service in the same fashion as the taxi voucher program. We haven't found anyone to do that yet. His concern is our ability to meet the requirements of the MOU in terms of DES regulations, ADOT regulations, and NACOG regulations and it does put the city in a certain amount of liability. It will require a lot of staff time for a minimal amount of money. Strictly from a business prospective, it doesn't make sense.

Mr. Horton stated Mr. Bartosh has it exactly right. We will do whatever Council directs us to do.

Council Member Dowling stated we are in process of starting over from square one, and we

all know that we want the program and it might take some time to get to the point that we were at previously when NAIPTA was handling it with their infrastructure.

Mr. Faust stated Kathy Chandler had addressed the Council in April of 2011 that they were going to start this pilot program and see if it worked the Verde Valley. They did not get the program in place in reality until November.

Vice Mayor Pfeifer stated she had received a call from a neighbor about 10 times to take her to the emergency room. It wasn't very life threatening at the moment but needs immediate care. She didn't mean to offend anyone about her calling emergency personal earlier.

Council Member Elinski stated he doesn't see how we can right now keep this program alive beyond the \$2,500 we will get.

Mr. Horton stated under the MOU we would we get \$2,500 for the next three months and a balance of \$7,500 for this contract term which would be the balance for the federal fiscal year. So this MOU is for \$10,000 and we have applied for a grant from ADOT that will kick in in October and that is the pot of money we have.

Council Member Elinski stated he felt we have tried to do a good thing here and we can all be proud that we have a CATs program in Cottonwood. We are really a small city and NAIPTA is much better staffed to handle this sort of thing. We are doing the best we can. Maybe we can get the program back on its feet sometime in the future, but right now based on the information we have tonight, he just doesn't see how this would be possible.

Mayor Joens stated she doesn't think the \$2,500 is going to take very many people or meet the expectations we have from our disabled population.

Mr. Faust stated we would probably see the entire system tapped out in November or December.

Vice Mayor Pfeifer stated she hates to think it is going to go away but if we can scale back until we can fund it ourselves without waiting for a grant. Grants aren't guaranteed. We need to see if we can implement and fund a plan over the next year so the disabled don't have to sweat it if they need a ride somewhere. She would like to see it where we could do it ourselves and not depend on the grants.

Council Member Norman stated she served on the NACOG board for the City of Cottonwood. She was very impressed with Kathy Chandler and she had a lot of knowledge about para-transit and all of the needs she had to deal with and all of the requirements. We don't have that staff person and that is a huge amount of money that is not there. She agrees that this is something we need to work on and whether it lasts six months to a year and maybe go away, but we need to work on it and come up with a good plan.

Mr. Bartosh stated it is fair to say that even NAIPTA had difficulty monitoring this program. Kathy Chandler was not offed down in this location. Some of the data we have received

there wasn't the level of monitoring that should have gone on. They struggled with providing enough staff to monitor this program as well. And there was some question as to whether they were meeting the ES requirements to monitoring and inspecting and those kind of things. It is a difficult program to monitor.

Council Member Jauregui stated he would like to see this program continue at least until we finish out this year. It might give us a chance to look for some alternatives and there can't be any guarantees that after these funds that are committed to us are expended. There is just no way to do it. He agrees that it is a good program. Hopefully in the future we can expand our CAT vans to some longer hours and weekends, but for the meantime he would like to finish out the year.

Mayor Joens asked if we have staff available to finish out the year and follow all the rules.

Mr. Faust stated Mr. Morrow has stated that we do not have the staff available.

Mayor Joens stated we would need to figure out funds to have a person administer this, because our current staff cannot do it.

Council Member Jauregui stated he understands that, but we can continue to work on this and come up with a solution in the future. We don't have to quit now just because we have these shortcomings now.

Mr. Bartosh suggested to Council to recommend against signing the MOU tonight and directing staff to continue on with our efforts to see if there is an alternative that we can come up with, such as a third party provider and/or some additional funding. Some other way we can continue to provide this program at least until the money runs out.

Mayor Joens asked if staff would continue on with negotiations with the caregivers and if they would be interested in taking it on or maybe another non-profit that might be able to provide services to seniors and disabled people.

Mr. Faust stated they have been in touch with Kent Tompson of Easter Seals and he has indicated he would follow up there and see what they might be able to do for this area. It might give us the opportunity and chance to continue on with the Verde Valley Caregivers Coalition.

Vice Mayor Pfeifer stated basically we can't afford to continue with the status quo, but we will not quit. We need to find a solution.

Mr. Bartosh stated one, this was an experimental program and in essence it doesn't exist when it ran out of money in June. The only reason we had found this \$2,500 is through the work of Mr. Morrow and Mr. Faust. We are continuing to find some way to make this work and we will be bringing it back to Council.

Mayor Joens stated what she is hearing from Council is we want staff to continue to work

with organizations within the community who might be able to enhance services that are provided by the city, and the city is going to find ways to provide services to our disabled and whatever we can do to help within our limitations of resources which means people or staff resources and funding resources. She is seeing a consensus on this to provide services to those who need them.

Mary Rodriguez stated as this is an open issue she requested whenever it is being discussed to please invite the disabled to have the opportunity to come and participate in this process.

Mayor Joens stated that is the intention of our city that whenever we do have an issue about the bus that does impact members of the community that we provide transportation for the meetings.

PUBLIC HEARING REGARDING THE ADOPTION OF THE CITY'S FINAL BUDGET FOR FISCAL YEAR 2012-2013

Mr. Rodriguez stated as we do every year, we hold a public hearing before we adopt our final budget. This document is not necessarily set in concrete. We do have an expenditure limitation we have to abide by and we will hold fast to that.

Mayor Joens opened the floor to the public on the budget.

Bob Oliphant, from Cottonwood, stated he has four questions which may or may not be able to be answered. The first question is if there was any excess revenue in the 2011-2012 budget and if there is how much that excess is. The second question has to do with reserves. The budget contains a lot references to reserves and how they are going to be used, and he wonders if it is possible that the tax payers be provided a simple straight forward list of all of the City's reserve accounts or reserve like accounts. The third question has to do with the recreation center. In this current budget what are the total dollars that are going to be spent in this budget. Overall, can you provide how much money will be spent on the recreation center? And finally, the city returns on investments in 2009 was \$1.7 million and the return on investments estimated this year is only \$344,000. What was the total corpus in 2009 and what is the total corpus for this year.

Mr. Rodriguez stated most of those questions are in the document themselves if you go through them. The breakdowns of the reserves are very clear; there is a little over \$4 million in reserves which is required for 60 day coverage. As far as excess funds, we haven't completed our audit and probably will not complete it until later on this fiscal year, but traditionally we don't have very much left over. At some point Mr. Oliphant needs to call him to discuss which funds he is talking about. In 2007 we financed \$20 million to build the recreation center and expand the library, and we were able to invest it at nearly 6 percent and bring in a lot of revenue, which allowed us to build Brian Mickelsen Parkway.

Mr. Oliphant asked if we were going to be spending \$2.5 million on the recreation center which includes the bond, the solar project, and maintenance.

Mr. Rodriguez stated in reality it will be over \$3 million. Our debt service is \$1.5 million and \$600,000 for the solar project. Obviously, if there are no revenues coming in that we have to make adjustments. Budget wise we are looking at \$3.3 million. He stated the final budget for the year is set at \$73,430,000 which includes the merit program and also has some frozen positions and there was very few reclassifications except in fire, and we still contribute quite a bit for dependent health care. We also are looking to implement the works the compensation study and it will be retro to July 1st of this fiscal year. With adopting the budget, we have authorization to purchase all budget equipment. Also, the Council accepts the budget expenditures as noted in the budget document itself. We have a balanced budget.

Council Member Dowling thanked Mr. Rodriguez for his comments and if the public had any questions they can call him directly.

Mayor Joens stated just because we have set our budget at \$73.4 million that does not mean will be spending that amount of money. We have to account for any possible grants we might receive, but we might not get that grant.

RESOLUTION NUMBER 2649—ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2012-2013 AND ESTABLISHING AN EXPENDITURE LIMITATION

Council Member Norman moved to approve Resolution Number 2649, adopting the Fiscal Year 2013 final budget with the previously established City's fiscal year 2013 expenditure limitations as presented. The motion was seconded by Council Member Dowling, and carried unanimously.

Mayor Joens requested the Deputy Clerk read Resolution Number 2649 by title only.

RESOLUTION NUMBER 2649

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2012-2013 AND ESTABLISHING AN EXPENDITURE LIMITATION.

RESOLUTION NUMBER 2650—APPROVING A JOINT PROJECT AGREEMENT WITH THE STATE OF ARIZONA THROUGH THE ARIZONA DEPARTMENT OF TRANSPORTATION FOR AN ASPHALT OVERLAY PROJECT AT THE COTTONWOOD AIRPORT

Mr. Scott stated the Arizona Department of Transportation Multimodal Planning Division Aeronautics Group completed a statewide survey of pavement conditions at all of the state's public airports. The City of Cottonwood is scheduled for a crack seal, asphalt overlay and pavement re-marking in the state's fiscal year 2013. ADOT will administer the \$390,345 grant and the city is obligated to pay only 10 percent of the total cost of the project (\$39,034.50). The runway could not be used for approximately one week. The construction

would start at the end of August.

Mayor Joens asked if this had gone before the airport commission.

Mr. Scott stated it has and they will have one meeting in August and we can go over details and notify our local pilots. The FAA will notify any pilot wishing to fly into our airport.

Council Member Elinski moved to approve Resolution Number 2650, which approves the Joint Project Agreement (JPA 12-118) with the Arizona Department of Transportation to construct an asphalt overlay project at the Cottonwood Airport. The motion was seconded Vice Mayor Pfeifer, and carried unanimously.

Mayor Joens requested the Deputy Clerk read Resolution Number 2650 by title only.

RESOLUTION NUMBER 2650

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, APPROVING A JOINT PROJECT AGREEMENT (JPA 12-118) WITH THE STATE OF ARIZONA, ARIZONA DEPARTMENT OF TRANSPORTATION, FOR A PAVEMENT PRESERVATION PROJECT TO BE COMPLETED AT THE COTTONWOOD AIRPORT.

CONFIRMATION OF THE APPOINTMENT OF MIKE KUYKENDALL AS THE FIRE CHIEF OF THE CITY AS RECOMMENDED BY THE CITY MANAGER

Mr. Bartosh stated Chief Kuykendall has served as the interim fire chief for approximately two months and he has performed his duties well during the interim period and recommends he be appointed as Fire Chief.

Council Member Dowling moved to confirm the appointment of Mike Kuykendall as the permanent fire chief as recommended by the City Manager. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

CREATING A NEW FULL-TIME POSITION IN THE PARKS AND RECREATION DEPARTMENT TO BE SHARED WITH AND JOINTLY FUNDED BY THE COTTONWOOD/OAK CREEK SCHOOL DISTRICT

Mr. Faust stated this is the establishment of a new position in the parks and recreation department that will be jointly funded as it pertains to the Cottonwood Oak Creek School District. Staff is asking to approve this position and also entering into an Intergovernmental agreement whereby the City of Cottonwood and Cottonwood Oak Creek School district would share the total cost of a full time employee. They would work 20 hours for the city and 20 hours for the district. This position would take on the youth programs at the recreation center. It would cost approximately \$20,000 to \$22,000 for this position. This is a full time position that is a benefit eligible position jointly funded by the City of Cottonwood and the Cottonwood Oak Creek School District.

Council Member Elinski stated we have been funding this part time position for awhile now, so we are not going to have to come up with new money to fund this.

Mr. Faust stated we would have to add an additional \$10,000 on top of the part time funding to fund this position.

Council Member Elinski asked what would happen if the district didn't need that employee anymore. Would the city still retain that employee on a part time basis.

Mr. Faust stated yes we could do that.

Council Member Norman moved to authorize the creation of a new full-time position within the Parks and Recreation Department, contingent on the development and approval of an agreement with the Cottonwood Oak Creek Elementary School District which provides for the joint funding and sharing of that position. The motion was seconded by Council Member Elinski and carried unanimously.

REQUEST FROM ARIZONA STRONGHOLD VINEYARDS FOR WAIVER OF SECTION 9.12.030, A., ALCOHOLIC BEVERAGES, OF THE MUNICIPAL CODE, IN ORDER TO SERVE AND SELL WINE AT THE OLD TOWN ACTIVITY PARK FOR AN EVENT SCHEDULED FOR AUGUST 25, 2012

Mr. McLean stated we had received a request from Arizona Stronghold Vineyards to serve and sell wine at the Old Town Activity Park for a movie night event scheduled for August 25, 2012. In order to do that they would need to have a waiver from the City Council authorizing them to serve and sell wine at the park. It is illegal to have alcohol at city parks per Section 9.12.030. They will still need to be approved for a special event liquor license from the State Liquor Board.

Mayor Joens asked how this would benefit the citizens of Cottonwood.

Justin Ovey, event manager for Arizona Stronghold Vineyards, stated by bringing people to Old Town and encouraging people to attend the local restaurants.

Mayor Joens asked how late this would last since there are no lights at that park.

Mr. Ovey stated it would go from dusk dark until the movie ended or about 10:30. We would stop serving alcohol before that.

Council Member Elinski stated we have granted these exceptions in the past and it doesn't seem too far out of line with that.

Council Member Jauregui moved to waive Section 9.12.030 A., of the Municipal Code to allow Arizona Stronghold Vineyards to serve and sell wine at the Old Town Activity Park on August 25, 2012, subject to the approval from the Arizona Department of Liquor Licensing and Control and being allowed to served until 10:00 pm. The motion was seconded by Vice

Mayor Pfeifer and carried unanimously.

CONSIDERATION OF A REQUEST BY SEDONA/VERDE VALLEY PRIDE FOR WAIVER OF SECTION 9.12.030, A., ALCOHOLIC BEVERAGES, OF THE MUNICIPAL CODE, IN ORDER TO SERVE AND SELL BEER AND WINE AT THE OLD TOWN ACTIVITY PARK FOR AN EVENT SCHEDULED FOR SEPTEMBER 29, 2012

Mr. McLean stated this was another request that we had received to serve and sell wine in the Old Town Activity Park for an event scheduled for September 29, 2012, from the Sedona/Verde Valley Pride.

Council Member Jauregui asked what is the Sedona/Verde Valley Pride.

Greg Luckey, the president of the Sedona Verde Valley LBGT, stated it will be the fourth festival. They are looking to bring a great event to Old Town. The participant level is about 500-600 and the hours are from 11:00 a.m. to 6:00 p.m. They already have the temporary use application into planning and zoning.

Council Member Dowling moved to waive section 9.12.030, A., of the Municipal Code to allow Sedona/Verde Valley Pride to serve and sell beer and wine at the Old Town Activity Park on September 29, 2012, subject to approval by the Arizona Department of Liquor Licenses and Control. The motion was seconded by Council Member Elinski and carried unanimously.

AUTHORIZING THE CITY ATTORNEY TO REPRESENT THE CITY AT THE ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL BOARD HEARING SCHEDULED FOR AUGUST 2, 2012, REGARDING THE SAMPLING PRIVILEGE LIQUOR LICENSE APPLICATION SUBMITTED BY THE DON'S SMOKE SHOP AND RECOMMENDED FOR DENIAL BY THE CITY COUNCIL

Mr. Horton stated in April we received a sampling privilege liquor license application from the Don's Smoke Shop. At the time there were some issues with bath salt type cleaner. Those substances were regulated around that time. Based on that, the Council recommended denial of that application. Subsequently, we came to learn that the facility to be categorically disqualified because of the footprint requirement for that privilege. The board has listed their own objection to this as well. There is a hearing set in this matter, so the question for the Council is do they want the city attorney to represent the city at the hearing. He is happy to go down, but he has more than enough to do without going down.

Council Member Elinski stated he felt strongly that they will not get their approval.

Mr. Bartosh stated that he has it on very good authority that their lease will expire in either September or October and it will not be renewed.

Mayor Joens advised that Mr. Horton should use his time in the most expeditious way.

The Council directed Mr. Horton he can go down there if he wants, but not to go if he feels

that his time will be better well spent doing other work.

CLAIMS & ADJUSTMENTS

Mayor Joens moved to pay the claims and adjustments. The motion was seconded by Council Member Norman, and carried unanimously.

ADJOURNMENT

Council Member Norman moved to adjourn. The motion was seconded by Mayor Joens, and carried unanimously. The regular meeting adjourned at 9:05 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 July 17, 2012. I further certify that the meeting was duly called, and that a quorum was present.

Matthew McLean, Deputy Clerk

Date