

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD AUGUST 16, 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
Jesse Dowling, Council Member
Tim Elinski, Council Member
Ruben Jauregui, Council Member
Linda Norman, Council Member
Terence Pratt, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager
Marianne Jiménez, City Clerk
Steve Horton, City Attorney
Dan Lueder, Development Services General Manager
Rudy Rodriguez, Administrative Services General Manager
Mike Casson, Fire Chief
Kyla Allen, Executive Assistant to the City Manager

PLEDGE OF ALLEGIANCE

Airport Commission member, Doug Palmquist, lead the Pledge of Allegiance and Mayor Joens presented him with a certificate of appreciation for leading the Pledge.

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 stated the Fire Department won the Guns-N-Hoses game by a score of 58 to 37 and they raised \$1,200 to support the football team; the Pink Heels/Fire Department open house was well attended and \$2,500 was raised; and 900 children had participated in the city's summer reading program at the library.

Council Member Pratt announced that he, along with the Mayor, attended the Luau held at the city's outdoor pool that 190 people attended.

Mayor Joens thanked Mr. Bartosh for lending staff to assist with the Luau. She also thanked the Verde Valley Medical Center and Fits Kids for providing the healthy food for the barbeque, and Dr. Pico for providing the cooking demonstration. This event was part of the city's Let's Move events. Bobbie Gooslin, through the Dr. Jay Fleishman Trust, provided a Wi and 10 monthly passes to the Recreation Center as raffle prizes for the event.

Ms. Jiménez reminded the Council and public that tomorrow night at 5:30 p.m. a special work session would be held to discuss water rates.

Mayor Joens announced that on August 23 at 5:30 p.m., an open house to provide information to the public regarding the 12th Street reconstruction project would be held at the Cottonwood Recreation Center.

CALL TO THE PUBLIC

Kevin Dix addressed the Council and requested the informal Bicycle Advisory Committee be made an official committee so it would have posted minutes and agendas to become more structured, and it was more likely that things that take part in that committee would be brought back to the Council and probably put in place.

Mr. Bob Oliphant, of Cottonwood, stated as he understood the description of the work session that was posted for tomorrow night, it involved direction to staff regarding the potential increase in water rates, which affected somewhere between 9,000-10,000 individuals not only in Cottonwood but in Verde Villages, and Verde Santa Fe. He believed the 5:30 time was not a convenient time for many working citizens and 6 o'clock would have been a much better time. Work sessions are not televised and the minutes for these work sessions were often weeks or months behind; the result of that is citizens have no way of knowing what was discussed during this extraordinarily important meeting. Although the posting of the meeting was posted properly, it seemed to him that the Council should exercise a great deal more care on such an important issue as to give the citizens of this community a sufficient notice so they can rearrange their calendars and attend a work session such as this. He respectfully requested the work session be cancelled and the matter be put on for special Council session where it is televised and that a reasonable amount of notice be given the citizens so they can hear what is going on.

APPROVAL OF MINUTES—Work Session of 5/10/11 & Special Meeting of 8/10/11.

Council Member Elinski moved to approve the minutes. The motion was seconded by Council Member Norman, and carried unanimously.

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.

EXTENSION OF PREMISES/PATIO LIQUOR LICENSE PERMIT FOR LARRY PRITCHARD, FOR AN EVENT SCHEDULED SEPTEMBER 17 & 18, 2011, AT PLAYER'S SPORTS BAR & GRILL

Council Member Elinski moved to approve the Consent Agenda. The motion was seconded by Mayor Joens, and carried unanimously.

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

PURCHASE OF PROPERTY TO BE UTILIZED FOR ADDITIONAL PARKING IN OLD TOWN (APN 406-22-041B & APN 406-22-034--LOCATED BETWEEN AND BEHIND THE ORION BREAD COMPANY AND ADVENTURES UNLIMITED BOOKS)

Mr. Lueder stated staff had been directed to research available parcels of vacant land in Old Town to try and lessen the parking situation. The Council received a report on these two parcels and directed staff to begin negotiations. Staff initiated discussions with the property owners for APN's 406-22-041B and 406-22-034. Appraisals were done on the properties and the city made an initial offer on the two parcels for \$75,000, the owners countered with \$85,000 and we settled at \$80,000. The engineering department completed a soil analysis on the property which indicated the soils were suitable for a parking lot and there were no concerns regarding removing and disposing of the few concrete structures that were found on the property.

Council Member Pratt stated he thought it was really important for the city to own as much property as it can in Old Town, and it added to our economic development by providing more parking spaces.

There was a brief discussion regarding the 18 foot driveway entrance to the parking area being one-way, signage, handicap accessibility in the walkway, the use of non-heat absorbing surfacing, and solar lighting for the parking lot.

Mr. Bob Oliphant asked how many appraisals on behalf of the city were made on this property, what were the approximate dates of the appraisals, and what are the names of the appraisal companies that were used to appraise the property.

Mr. Lueder stated as is common and as he was directed, one appraisal was obtained on this property by Bach Appraisal Company who specializes in commercial property, and the appraisal was completed approximately six to eight weeks ago.

Council Member Jauregui questioned what kind of work was going to be done in this alleyway, and Mr. Lueder replied it was their intent to pave the alleyway up to the parking lot from Pinal down to where the parking lot comes in.

Council Member Jauregui stated the way the alleyway was graded it threw a lot of water on three properties there, his being one of them, and they continually got flooded when there was a heavy rain. He hoped it was something they could look at to prevent some of that.

Mr. Lueder stated they had been looking at quite a few of the alleyways in Old Town and it was their intent to provide proper drainage for the parking lot and the alleyway to try and channelize it. It was one of Troy O'Dell, the utility P.E.'s specialty—storm water drainage.

Council Member Pratt moved to approve the purchase of APN 406-22-041B in the amount of \$70,000 and APN 406-22-034 in the amount of \$10,000 and authorize the Mayor to sign the purchasing documents subject to the City Attorney's approval of said documents. The motion was seconded by Vice Mayor Pfeifer.

Council Member Jauregui stated the City Attorney had asked him to abstain from this vote as he was a property owner there.

The motion carried.

APPROVAL OF A 12 FOOT APS ELECTRICAL EASEMENT ACROSS A CITY OWNED PARCEL OF LAND IDENTIFIED AS APN 406-09-008

Mr. Lueder stated this item had been previously approved by the Council on June 19 for an 8-foot easement for APS to upgrade the electrical power to the wastewater treatment plant. There was a miscommunication between the city and APS who needed a 12-foot easement because the transformer pad was wider than the 8-foot easement.

Council Member Norman moved to approve a 12-foot APS electrical easement across APN 406-09-008. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

RESOLUTION NUMBER 2600—AMENDING THE CITY'S FINANCIAL OPERATIONS GUIDE (FOG) BY AMENDING THE FOLLOWING SECTIONS: COVER & TABLE OF CONTENTS; SECTION I-INTRODUCTION; SECTION II-PAYROLL PROCEDURES; SECTION III-TRAVEL POLICY; SECTION IV-PROCUREMENT PROCEDURES; SECTION VI-CREDIT CARD POLICY; SECTION VII-VEHICLE USE POLICY; SECTION VIII-TUITION REIMBURSEMENT POLICY; SECTION IX-CHANGE FUNDS; SECTION XII-INVESTMENT POLICY; SECTION XIII-WIRELESS COMMUNICATION DEVICE POLICY; SECTION XIV-VEHICLE ALLOWANCE POLICY; SECTION XV-LONGEVITY PAY POLICY; SECTION XVI-FRAUD POLICY; SECTION XVII-FUND BALANCE POLICY; AND PROVIDING FOR AN EFFECTIVE DATE

Mr. Rodriguez stated after reorganization, the city now had an Administrative General Manager, a Developmental Services General Manager, and a Community Services General Manager. They went through the FOG (Financial Operations Guide) and removed the reference to the Finance Director and replaced it with Administrative Services General Manager, and also included a statement at the very beginning that General Managers can assign people to go ahead and be designees for them. This was basically a housekeeping

measure. Sections V, X, and XI were left out of this update because they required more to be done to these sections than just changing names and so forth. Those would be brought back to the Council in the future.

Mr. Horton recommended if the Council moved to approve this Resolution that it delete Section 5 (under the Resolution) because under state law a resolution can be immediately effective if it carried an emergency clause. We did not have an emergency clause and he was not sure there was a particular need for one here. By operation of law it would be 30 days before this was effective because there was no emergency clause.

Council Member Pratt moved to approve Resolution Number 2600 amending the Financial Operations Guide and providing for an effective date, but eliminating Section 5 on the Resolution itself. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution Number 2600 by title only:

RESOLUTION NUMBER 2600

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, AMENDING THE CITY'S FINANCIAL OPERATIONS GUIDE BY REPEALING & REPLACING THE FOLLOWING SECTIONS: COVER & TABLE OF CONTENTS; SECTION I-INTRODUCTION; SECTION II-PAYROLL PROCEDURES; SECTION III-TRAVEL POLICY; SECTION IV-PROCUREMENT PROCEDURES; SECTION VI-CREDIT CARD POLICY; SECTION VII-VEHICLE USE POLICY; SECTION VIII-TUITION REIMBURSEMENT POLICY; SECTION IX-CHANGE FUNDS; SECTION XII-INVESTMENT POLICY; SECTION XIII-WIRELESS COMMUNICATION DEVICE POLICY; SECTION XIV-VEHICLE ALLOWANCE POLICY; SECTION XV-LONGEVITY PAY POLICY; SECTION XVI-FRAUD POLICY; SECTION XVII-FUND BALANCE POLICY; AND PROVIDING FOR AN EFFECTIVE DATE.

CONSIDERATION OF SENDING A LETTER TO THE GOVERNOR AND STATE REPRESENTATIVES REQUESTING ADDITIONAL FUNDING FOR ADOT TO ENSURE THEY HAVE SUFFICIENT FUNDING TO MEET THE MATCH REQUIREMENTS FOR FEDERAL TRANSPORTATION GRANTS

Mr. Bartosh stated the city had received a letter from the Regional Transportation Advisory (RTAC) Committee regarding how the amount of funding for ADOT has decreased dramatically to the point where they may not even be able to match federal grants. What the RTAC recommended was local jurisdictions prepare a letter and send it to the Governor supporting additional funding for ADOT that at least allowed them to have sufficient funding to meet the federal matching grants.

Mayor Joens stated they were asking for the Council's permission for staff to compose a letter for the Mayor's signature to ask our Governor and Legislators to ensure that there are enough matching funds.

Vice Mayor Pfeifer moved to approve the Mayor signing a letter to the state Legislators and the Governor requesting additional funding for ADOT to ensure they have sufficient funding to meet the match requirements for federal transportation grants. The motion was seconded by Council Member Elinski, and carried unanimously.

UPDATE REGARDING THE ARIZONA CENTENNIAL BIRTHDAY CELEBRATION AND BELL RINGING EVENT

Kyla Allen, Executive Assistant to the City Manager, reviewed the Arizona centennial events the Cottonwood Centennial Committee had organized, the majority of which were existing events sponsored by the city such as Rhythm & Ribs, Walkin' on Main, and the Old Town Chocolate Walk. Two additional celebrations planned were a centennial birthday party on Saturday, February 4, 2012, and participation in state-wide bell ringing event where citizens and business owners throughout the community and state will ring a bell on February 14, 2012, at 2:14 p.m. to commemorate the exact time of Arizona's statehood. Bells would be available for sale and centennial light pole banners would be available for purchase by local businesses and citizens.

Council Member Elinski expressed a desire to purchase bells that were made in the U.S.

Council Member Dowling stated there may be somebody in Jerome that had a source.

Council Member Jauregui questioned what the sponsor fee for the banners would be, and Ms. Allen stated it was \$100.

CLAIMS & ADJUSTMENTS

Vice Mayor Pfeifer moved to pay the Claims. The motion was seconded by Council Member Elinski, and carried unanimously.

EXECUTIVE SESSION—PURSUANT TO A.R.S. 38-431.03(A)(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY; AND (A)(4) DISCUSSION OR CONSULTATION WITH THE ATTORNEYS OF THE PUBLIC BODY IN ORDER TO CONSIDER ITS POSITION AND INSTRUCT ITS ATTORNEYS REGARDING THE PUBLIC BODY'S POSITION REGARDING CONTRACTS THAT ARE THE SUBJECT OF NEGOTIATIONS, IN PENDING OR CONTEMPLATED LITIGATION OR IN SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION.TO DISCUSS THIS CASE (MULCAIRE V. CITY OF COTTONWOOD)

EXECUTIVE SESSION—CITY ATTORNEY'S REVIEW—PURSUANT TO A.R.S. § 38-431.03.(A)(1) DISCUSSION OR CONSIDERATION OF EMPLOYMENT, ASSIGNMENT, APPOINTMENT, PROMOTION, DEMOTION, DISMISSAL, SALARIES, DISCIPLINING OR RESIGNATION OF A PUBLIC OFFICER, APPOINTEE OR EMPLOYEE OF ANY PUBLIC BODY, EXCEPT THAT, WITH THE EXCEPTION OF SALARY DISCUSSIONS, AN OFFICER, APPOINTEE OR EMPLOYEE MAY DEMAND THAT THE DISCUSSION OR CONSIDERATION OCCUR AT A PUBLIC MEETING; THE

COUNCIL MAY VOTE TO CONVENE INTO EXECUTIVE SESSION SUBJECT TO THE CITY ATTORNEY'S RIGHT TO COMPEL THE COUNCIL TO DISCUSS THIS MATTER IN OPEN MEETING

Mayor Joens stated Mr. Horton had been sent the mandatory letter regarding his review, and he indicated he preferred the discussion regarding his evaluation be held under executive session.

Council Member Pratt moved to convene into executive session. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

After discussion under executive session, Council Member Elinski moved to reconvene into regular session. The motion was seconded by Council Member Pratt, and carried unanimously.

DISCUSSION, CONSIDERATION & POSSIBLE ACTION REGARDING APPROVING AN EMPLOYMENT AGREEMENT WITH THE CITY ATTORNEY

Council Member Pratt moved to approve an employment agreement with Mr. Horton for another two years with a five percent increase for the next year. The motion was seconded by Council Member Jauregui, 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 7:58 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 regular meeting of the City Council of the City of Cottonwood held on August 16, 2011. I further certify that the meeting was duly called, and that a quorum was present.

Marianne Jiménez, City Clerk

Date