

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD AUGUST 2, 2011, AT 4:00 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 4:00 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
Casey Rooney, Economic Development Director
Scott Mangarpan, Project Manager
George Gehlert, Community Development Director

PLEDGE OF ALLEGIANCE

Angelina Boettcher, the Event Coordinator for Food City, lead the Pledge and was presented a certificate of appreciation by Mayor Joens.

PRESENTATION OF A CERTIFICATE OF APPRECIATION TO ANGELINA BOETTCHER, FOOD CITY EVENT COORDINATOR, FOR THE FUNDRAISER HELD FOR THE CITY'S PUBLIC SAFETY DEPARTMENT

Ms. Boettcher was presented a certificate of appreciation for coordinating a fundraiser for the city's fire and police departments which raised \$911 to be used for workout equipment for their exercise room.

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 at the conclusion of the meeting they would be heading out to National Night Out at the Kids Park; a Fire Department open house and Pink Heels Tour would be held this Friday at 6 p.m.; on August 13 at 6 p.m., was the annual Guns & Hoses football game which would benefit the Mingus Union High School football program; and on October 23 the professional Disc Golf Association would sponsor its first tournament in Cottonwood.

Mayor Joens stated she attended the Greater Arizona Mayor's Association meeting last Friday; she received a call this morning from Rep. Andy Tobin asking what the city had decided on the congressional redistricting which the Council had to talk about in the future; there would be a Let's Move booth at National Night Out for kids to plant seeds; and a Let's Move swim and barbeque luau would be held on August 13 at the Cottonwood pool.

CALL TO THE PUBLIC

There were no comments from the public.

PROCLAMATION—PINK FIRE TRUCK DAY

Mayor Joens proclaimed August 5, 2011 as Pink Fire Truck Day in Cottonwood.

APPROVAL OF MINUTES—Work Session of 4/12/11, Special Meeting of 5/10/11, Regular Meetings of 7/5/11 and 7/19/11

Vice Mayor Pfeifer moved to approve the minutes of the work session of 4/12/11, special meeting of 5/10/11, and regular meetings of 7/5/11 and 7/19/11. The motion was seconded by Council Member Norman, and carried unanimously.

UNFINISHED BUSINESS

ORDINANCE NUMBER 578—RELATING TO THE PRIVILEGE LICENSE TAX; ADOPTING "THE 2011 AMENDMENTS TO THE TAX CODE OF THE CITY OF COTTONWOOD" BY REFERENCE; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES FOR VIOLATIONS; SECOND & FINAL READING

Mr. Rodriguez stated every year there were adjustments to the Model Tax Code that ensured the Code conformed with all Arizona Revised Statutes.

Council Member Pratt moved to approve Ordinance Number 578 adopting the 2011 amendments to the Model City Tax Code of the City of Cottonwood, Arizona. The motion was seconded by Council Member Elinski, and carried unanimously.

Mayor Joens requested the City Clerk read Ordinance Number 578 by title only.

ORDINANCE NUMBER 578

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, RELATING TO THE PRIVILEGE LICENSE TAX; ADOPTING "THE 2011 AMENDMENTS TO THE TAX CODE OF THE CITY OF COTTONWOOD" BY REFERENCE; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES FOR VIOLATIONS.

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.

1. SPECIAL EVENT LIQUOR LICENSE FOR THE VERDE VALLEY FAIR ASSOCIATION FOR AN EVENT SCHEDULED FOR SEPTEMBER 10, 2011, AT THE FAIRGROUNDS LOCATED AT 800 E. CHERRY STREET

2. MEMORANDUM OF UNDERSTANDING WITH NORTHERN ARIZONA COUNCIL OF GOVERNMENTS FOR THE DEVELOPMENT OF THE BUSINESS ASSISTANCE CENTER PROGRAM AND SERVICES

Mayor Joens requested to pull item number 2 from the Consent Agenda.

Council Member Norman moved to approve item number 1 on the Consent Agenda. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

Mr. Rooney stated the Business Assistance Center (BAC) was a partnership between NACOG, SCORE, and Yavapai College. It offered an opportunity for citizens working out of their homes to come to a facility that has technology, meeting rooms, and training opportunities for entrepreneurs to avail themselves of.

After a brief discussion regarding the BAC, Mayor Joens moved to approve the Memo of Understanding with the Northern Arizona Council of Governments for the development of the business assistance center program and services. The motion was seconded by Council Member Pratt, and carried unanimously.

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

AWARD OF BID FOR THE OLD COURT BUILDING REMODEL PROJECT

Mr. Magarpan stated staff was requesting approval to proceed with the award of a construction contract with Tierra Verde Builders for partial demolition and remodel of the old court building in the amount of \$39,954. Three bids had been received for the project which had a wide range between them. He spoke to the contractor who double checked his figures

and felt comfortable with them. The contractor's references checked out well.

After brief discussion regarding the project, Council Member Pratt moved that the city proceed with the award of a construction contract to Tierra Verde Builders for the partial demolition and remodel of the old court offices building in the amount of \$39,954 subject to the City Attorney's approval. The motion was seconded by Mayor Joens, and carried unanimously.

PUBLIC HEARING REGARDING THE ADOPTION OF THE CITY'S FINAL BUDGET FOR FISCAL YEAR 2011-2012

Mayor Joens opened the public hearing and asked if there were any comments.

Mr. Robert Oliphant questioned the increases to the general fund of \$261,000 for sewer, and in water it appears there is a \$500,000 increase for capital and an indirect cost to the general fund for water of \$165,375. In the introductory section of the budget the Finance Director warns there are areas of the budget that are "out of control" and questioned what areas are out of control and what if anything is anticipated to be done to control these items.

Mr. Rodriguez stated the budget document changed throughout the year. The capital for water and sewer reflected projects that were ongoing and were changes that reflected the updated status of the projects. The change in water for indirect costs were the result of placing the Natural Resource Director's position under the water department.

Council Member Dowling read from the introductory section of the budget, under the general commentary, which stated "There were issues that were out of our control such as rising health insurance rates, retirement contribution increases, utility costs, and common expenditures in general."

There were no further comments from the public and the Mayor closed the public hearing.

RESOLUTION NUMBER 2595—ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2011-2012 AND ESTABLISHING AN EXPENDITURE LIMITATION

Mayor Joens shared the following information regarding the budget: This year they would be funding the city's merit program; there were frozen positions discussed during the work sessions; there was one position reclassification that did not affect the salary level for the Public Works, Parks, & Building Maintenance Manager from a range 37 to 40; there were no salary adjustments as discussed during the work sessions; they were initiating a comprehensive compensation study; continuing the present employee contribution structure toward dependent health insurance coverage; giving permission to purchase budgeted equipment on a delayed schedule using existing procurement procedures; approve the acquisition, planning, and/or construction of budgeted capital projects using established guidelines and; accepted the expenditures as noted in the budget document as presented

and discussed during the budget workshop sessions. This was a balanced budget which meant all expenditures had a revenue source.

Mr. Rodriguez stated this 78 million dollar budget was one of the most difficult because we were still having issues with the economy. His department was always open for the public to discuss anything they'd like as far as the city's finances were concerned.

Council Member Norman moved to approve Resolution Number 2595 adopting the fiscal year 2012 final budget with the previously established city's fiscal year 2012 expenditure limitation as presented. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

Mayor Joens requested the City Clerk read Resolution Number 2595 by title only.

RESOLUTION NUMBER 2595

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2011-2012 AND ESTABLISHING AN EXPENDITURE LIMITATION.

CLAIMS & ADJUSTMENTS

Council Member Elinski moved to pay the claims. The motion was seconded by Council Member Pratt, and carried unanimously.

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 CLERK'S RIGHT TO COMPEL THE COUNCIL TO DISCUSS THIS MATTER IN OPEN MEETING—EMPLOYMENT AGREEMENT WITH THE CITY CLERK

Mayor Joens stated the appropriate letter had been sent to the City Clerk who requested the discussion be held under executive session. Mayor Joens then moved to convene into executive session to discuss the employment agreement of the City Clerk. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

After discussion under executive session, Council Member Norman moved to reconvene into regular session. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

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

Council Member Elinski moved to accept the agreement for services for the City Clerk's position as presented. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

ADJOURNMENT

Council Member Norman moved to adjourn. The motion was seconded by Vice Mayor Pfeifer and carried unanimously. The regular meeting adjourned at 5:14 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 2, 2011. I further certify that the meeting was duly called, and that a quorum was present.

Marianne Jiménez, City Clerk

Date