

**Minutes of a Special Meeting of the Common Council of the Town of Clarkdale
Held on Friday, January 30, 2009**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Friday, January 30, 2009 at 8:00 AM in the Clarkdale Community Development Building, 39 North Ninth Street, Clarkdale, Arizona for a strategic planning session.

CALL TO ORDER - Mayor Von Gausig called the meeting to order at 8:00 a.m.

Town Council:

Mayor Doug Von Gausig

Vice Mayor Jerry Wiley

Councilmember Patricia Williams

Councilmember Curtiss Bohall

Councilmember Richard Dehnert

Town Staff:

Town Manager Gayle Mabery

Public Works Director Steve Burroughs

Chief of Police Pat Haynie

Utility Director Wayne Debrosky

Assistant Town Manager Janet Perry

Community Development Director Sherry Bailey

Town Clerk Kathy Bainbridge

The Mayor encouraged everyone to be optimistic and that we would be spending the day deciding on some ways to provide services to the citizens that they have come to expect and need. When dealing with budgetary issues there will be talk of things that are most expensive for the town and the need to balance those with items that are most important for the Town. Capital items are not only trucks, buildings and cash, but the people that work for the town and Clarkdale should do everything they can to avoid reducing that most important part of the Town's capital.

Review of priorities set during 2008 Strategic Planning Session

Short term priorities from the 2008 Strategic planning session were reviewed:

- Street Master Plan. The plan is about ¾ complete. We have been able to secure a PAR grant for a small area transportation study which is the final component and goes out for bid this month. Traffic counts have been updated. This information will be added into the circulation plan which will be a component of the General Master Plan.
- Centerville Road – Broadway to Hwy 89A. This project is tied to the third phase of the Mountain Gate Subdivision. Town Manager Mabery stated that regardless of the financial challenges facing Clarkdale today, we will still be able to work towards our short and long term priorities, which may take us longer to get completed, but will get there.
- Industrial Road Extension - Currently working with Salt River Materials Group for a section of the new road which crosses their property for connection to Cement Plant Road. Clarkdale Metals is also working on clearing up some land ownership questions.
- Take Over Operation and Maintenance of the Water Company – Clarkdale has taken over the billing process from Cottonwood. Cottonwood was notified that Clarkdale would take over the operations and maintenance at the end of June 2009, one year early. A plan to provide staffing and identify issues along with the benefits derived from acquiring the utility has been initiated.
- General Plan Revision/Update – Moving forward with focus groups with good discussions within the group framework along with being able to follow the original timelines.

Recommendations from the General Plan Committee members will be brought to the Council at the end of February.

- Complete Facilities Master Plan – Had been following the five year facilities plan adopted in 2003 until the Town shifted directions this year, will be used to move forward in the future. Electrical upgrades were done in the Clubhouse and sprinklers in the auditorium have been installed, but need water hookup.
- Annexation of Clarkdale Minerals Property – Clarkdale Minerals' timeline is one year from now. They are moving forward to define the project. The Town is treating the annexation area as a PAD.
- Pecks Lake Amended Development Agreement/IGA – There are a lot of stakeholders interested that would like to see the property in public hands in some type of conservation use. Dealing with a large company which has their main focus on the mining community. All stakeholders need to work together and need funding.
- Install and Train on the Clarkdale Customer Service System – Incode has been implemented and training is still in progress.
- 100 Year Anniversary – Some grant funds are being looked at currently. Anniversary is in 2012 so this will be an ongoing project.
- Wastewater Treatment Plan – Currently a funding issue but we are not under pressure to move forward as in the past. Alternative locations are being reviewed with new opportunities that have arisen with Clarkdale Metals.
- Start Planning on Form Based Codes – Planning Commission is waiting for community design focus group with General Plan.
- Start CIP Process – Have gone through initial ranking earlier in year and have the basic process set up. Have not moved forward due to economy. Update of General Plan will correlate with updates with CIP projects.

Over all, of the thirteen short term priorities, eight items have progressed as anticipated whereas progress on five of the items has been adjusted for current timeframes.

Shaping Clarkdale to Succeed in a New Economy

Town Manager Mabery started the discussion by informing the Council that each department head was going to present a variety of options to them throughout the day. An Organizational Chart was on the wall with positions without names. Currently the Town is operating on a bare bones budget. A Wage Percentage of Budget by Department sheet was handed out that showed the current budgeted wage and fringe compared to the budgeted operational costs. General Fund wages averaged 77% of the total budget. Based upon projections the Town is looking at about \$600,000 less in revenues in FY 09-10 than this year.

- If revenues stay exactly as they are, we are \$150,000 short for this fiscal year.
- \$60,000 local sales tax collection decline.
- \$75,000 urban revenue sharing decline.
- Fire District paid the Town \$215,000 this year which will not be received next year.
- \$50,000 state sales tax decline.
- \$50,000 school resource officer grant which possibly will not be funded next year.

Assistant Town Manager Janet Perry discussed Park and Recreation and operational strategy. Standards for Parks and Receptions development and maintenance need to be reviewed.

- Options for park costs could be funded by privately neighborhoods instead of the Town as they are currently. Average maintenance cost for Main Street Park is about \$5,000 per month (man hour and water charges). Average cost for Centerville Park is about \$1,200 per month because there is no grass.

➤ Parks & Recreation Events, Program

	<u>Budgeted</u>	<u>Staff \$</u>	<u>Total</u>
4 th of July	\$1,500	\$4,494	=\$5,994
Halloween	\$1,000	\$ 792	=\$1,792
Santa	\$ 500	\$ 324	=\$ 824
New Years	0	\$ 828	=\$ 828

- Pool revenues generated about \$8,800 with costs about \$60,000.
 - Programs have not been scheduled as revenue generating, but additional revenues could be generated with fee based classes.
 - Modified pool season scenarios were presented with costs for full season, closing on Fridays, opening one less month, and not opening, along with various scenarios of staffing.
 - There are maintenance costs even if pool is not opened unless the pool is emptied, which then leads to additional long term costs for pool repair.
 - Total use in 2008 was 1,890 visits with 66 days of operation with an average of 41 visits a day.
- Shift in operations with Park and Rec and Library Services Combined.
 - Direct attention to community outreach.
 - Limit actual number of books, keep children's section, local history, and large print sections.
 - Focus more on development of media area.
 - Focus more on community center.
 - Resource for all departments for volunteer coordination/community services.
 - Clarkdale Citizens Academy.
 - Would follow shift nationwide as to how libraries are utilized and funding is following those shifts.

Town Clerk/Interim Finance Director Kathy Bainbridge presented various options to the Council in order to raise revenues for the next budget cycle.

- Local Sales Tax Options – The projected reduction for local sales tax is 15% for the 2009 budget. Currently our local sales tax rate is 2.25%. Compared to the 2008 budget:
 - Keeping a 2.25% sales tax rate would reduce revenues by \$58,894
 - Raising the local sales tax to 2.5% would reduce revenues by \$21,813
 - Raising the local sales tax to 2.75% would raise an additional \$39,263
 - Raising the local sales tax to 3.0% would raise an additional \$78,525
- Tax Rate Options – It would be a good strategy to levy the maximum allowable tax rate so that the Council's ability to collect those monies would be less limited in the future by any type of reform legislation.
 - The primary tax levy is limited to an increase of 2% over the previous years maximum allowable primary levy. The maximum levy for this year was

\$389,185 with a tax rate of .9563, but the Council adopted a budget with a tax rate of .71 and tax levy of \$288,949.

- The estimated 2009 maximum allowable primary levy is \$423,378, or a tax rate of .95. An additional \$108,378 would be levied by budgeting at the maximum versus the .71 rate which would generate a levy of \$315,000.
 - An estimated impact on a \$100,000 home would be an additional \$24 per year, an additional \$48 on a \$200,000 home, and an additional \$72 on a \$300,000 home.
 - Various options were calculated for the Council for rates and levies between the .71 to the estimated maximum allowable rate/levy.
- By adopting Model Tax Code 13, an APS franchise tax can be charged by the Town. A 2% tax would raise an estimated revenue of \$53,000.
 - Newsletters cost \$1,500 each quarter to print and mail. A two-sided page can be inserted with the utility bills for about \$100 each distribution. A combination of mailing the newsletter and distribution through utility bills could be an option to save costs.
 - Not all residents would receive the insert if they did not receive a utility bill, about 20% do not receive utility bill.
 - Concerns that not all residents would receive information – come up with a mailing list for those that do not receive a utility bill.
 - Send newsletter out with list serve type service.
 - Website hosting has been moved to Town hosting which will save \$180 per month Identify and utilize Incode to its potential.
 - Working to set up on-line utility bill payment options.
 - Vendor payments by ACH would save time and money.
 - Automatic utility bill pay would save time and money.

Police Chief Pat Haynie presented his thoughts for Police Department options:

- Establish an impound yard for seized vehicles using trailered towing for 30 day holds on vehicles so that Clarkdale could realize the fees instead of towing companies and impound yard companies.
- Using retired officers or other part time certified officers to cover holidays, vacations, and other part time needs instead of paying overtime wages and would save on fringe benefits.
- Use of civilian and volunteer force options in Police Department:
 - Taking many types of initial reports
 - Crime scene security
 - House watch
 - Juvenile transports to Prescott
 - Code enforcement – barking dogs, noise
 - Clerical, record keeping
- Establish a fee schedule for services.
- Fuel surcharge on traffic citations.
- House watch fees.
- Excessive alarm call fees.
- Commercial vehicle inspection fees.
- Revise Town Codes so that traffic enforcement is cited through the Town Codes instead of A.R.S. as currently, where the State realizes the revenues.

Community Development Director Sherry Bailey explained that normally community development departments are identified as growth and development entities. Currently they are looking at what they could do to benefit the Town. Usually in slow times they update ordinances, processes and the General Plan.

- Establish street impact fees which would look at collector streets that receive impacts from new developments.
- Involvement in the Town's role in economic development.
- Transition into focusing on obtaining grants and the evolving economic stimulus funding.
- Broaden inspection services into municipal inspection services for water and sewer lines instead of paying Wildan.
- Audit renters tax using utility lists in order to ensure receiving tax money from all rental properties.
- Work with the Police Department, and Utility Department to obtain an accurate listing of abandoned property.
- GIS Planner will do mapping and as-builts for the Utility and part of those wages would be paid by Utility.
- Fee changes based upon total costs including salaries and publications.
- Streamline user processes including on-line applications.
- General Plan process monitoring on website.

Public Works Director Steve Burroughs explained some of the Public Works cost savings options:

- Capital equipment sharing with other governmental agencies. Offset costs of street sweeper by sharing between communities and cutting back on use, along with sharing/contracting with Yavapai College for use.
- Offset Town crew salaries by resource sharing and outsourcing crew to work on Mountain Gate bond issues, and grant projects.
- Special services municipal IGAs with other communities for specialized staff.
- Establish Job-Order-Contract coalition with other agencies to obtain lower costs.
- Adopt-A-Street, Adopt-A-Park/Trail, Adopt-Your-Street programs to help offset crew salaries.
- Modify or expand mechanical repair services to include Yavapai College.
- Replacement to solar powered street lights, adjust street light usage with fewer lights, less time used, and rate adjustments.
- Placement of antique parking meters on Main Street and at various other areas such as the park and by mutt mitt boxes for voluntary donations.
- Adjustment of cemetery fees.
- Adjustment of right-of-way permit fees.

Utility Director Wayne Debrosky explained that currently the Utilities Department includes water, wastewater and sanitation (trash). Salaries are relatively a lower percentage of their budget due to high chemical, energy and equipment costs.

- Currently undergoing a water system evaluation with ADEQ in order to have a third party documentation of the state of the system.
- Sharing of mechanic for repairs/rebuilding of water and wastewater equipment.

- Taking over the operations and maintenance of the water company from Cottonwood as of July 1st. A plan to provide staffing and identify issues along with the benefits derived from acquiring the utility has been initiated.
- Researching security and operational liabilities along with water system documentation and mapping.
- Water system documentation and mapping with the Community Development Department and Public Works Department.
- Conversion to radio read meters from touch or visual readers would keep you better in touch with your services along with saving crew time and increasing in revenues with more accurate readings from new meters.
- Fully utilize Incode for Utility reporting and information gathering.
- Neighborhood watch of utility sites.
- Approach water system improvements in Lower Clarkdale on section by section basis using the funds Clarkdale currently has by using Public Works personnel and equipment to tackle small sections of the main based upon Wildan’s plan which would be a multi year project done in house.
- Utilize the Enterprise Fund (utilities) to fund wages from other departments used in utility projects and services.
- Wastewater rate increase – lump sum or phased in over 2-3 years.
- Hold deposits on rental properties until renter moves out.
- Raising limits on the procurement policy which are very restrictive.
- Establish an inter-municipal water fee for water going back and forth between Cottonwood and Clarkdale along with a tracking system.

Mayor Von Gausig closed the meeting stating that during the day there were about \$450,000 in revenue options proposed to the Council and that he appreciated everyone’s positive attitudes. In addition, the Mayor stated his appreciation to all the employees of the Town and their sacrifices in order to keep the Town running and that the Council’s commitment to keep as many as possible remains as their main goal.

Meeting adjourned at 5:15 p.m.

APPROVED:

Doug Von Gausig, Mayor

ATTESTED:

Kathy Bainbridge, Town Clerk

SUBMITTED:

Walt Good, Deputy Town Clerk

Operational/System Improvements or Changes

➤ Parks & Recreation Events, Program

	<u>Budgeted</u>	<u>Staff \$</u>	<u>Total</u>
4 th of July	\$1,500	\$4,494	=\$5,994
Halloween	\$1,000	\$ 792	=\$1,792
Santa	\$ 500	\$ 324	=\$ 824
New Years	0	\$ 828	=\$ 828
Concerts	\$3,000		

➤ Combine Library – Parks & Recreation services, establish Volunteer/Community Outreach Volunteer coordination – engaging community, create meaningful participation program

Utility System security watch

Police Dept

Taking initial reports

Crime scene security

Neighborhood watch, house watch

Accident/traffic control

Juvenile transport to Prescott

Code enforcement – barking dogs, noise, abandoned vehicles

Record keeping

Some preliminary work with evidence

Programs/Events – increased community focus

Clarkdale Citizens Academy

Local Government training (grow future B&C, Council, staff, volunteers)

Add programming offering training

Library – bring in to 21st Century

Maintain general function, increase focus on technology/media

Increase available computer stations

- Newsletters - change distribution from quarterly mailing to use of 1-page monthly insert in Utility bill, allow non-utility customers to ‘opt-in’ for receipt of information on-line.
- List serves – begin use of on-line distribution of communications with residents.
- On-line bill payments for utility customers.
- Utilizing INCODE to full potential.
- On-line fillable forms for permitting.
- Check out APS rates, can we change our rate structure?
- Would VOIP be applicable?
- Establish impound yard @ Fisher house – or other location?
- Using retired police officers or other part time certified officers to cover holidays, vacations and other department needs.
- CDD focus on Economic Stimulus, applications, Economic Development projects.
- CDD inspections – staff can handle, cross utilization
- Coordinate and manage Mtn. Gate bond process

- Audit rental property tax collections
- GIS Planner transition to part-time in Utilities
- General Plan in process and on web site
- Capital equipment sharing with other government agencies (investigating street sweeper)
- Offset Town Crew salaries with special projects (grants, Mtn Gate bond work)
- Form IGA's to provide specialized staff services
- Form Job-Order-Contract coalition with other agencies
- Adopt-A-Street; Adopt-A-Park, Adopt-Your-Street
- Modify or expand mechanical repair services (ex: Utility dept equipment/fixture maintenance)
- Solar powered street lights
- Shift existing staff salaries from G. Fund to Utilities
- Water system evaluation through DEQ
- Water system documentation (mapping)
- Approach water system improvements in lower Clarkdale on section-by-section basis
- Conversion to radio-read meters
- Use General Plan focus groups as access/contacts for other information

Policy Issues or Council Action

- Parks & Rec capital expenses and maintenance- privately funded or public?
- Pool – cost impact of full season, partial season, not opening
\$60,000 expense vs. \$9,000 revenue; 45 users per day, roughly 10% of population
- Local sales tax
Currently 2.25%, could increase as high as 3.00%
- APS Franchise Fee – 2% would generate \$53,000
- Property Tax Levy
- Fuel surcharge on traffic citations
- Street Impact Fee
- Town's role in Economic Development
- Modify street lighting schedules
- Explore separating water company financing from Cottonwood
- Address increasing procurement limits

Fees for Service

- House watch fees
- Excessive alarm call fees
- Commercial vehicle inspection fee
- Traffic enforcement under Town Code vs. ARS
- Planning/building/grading fee adjustments
- Cemetery fees
- Adjust Work-In-Row permits
- Parking meters – historic and voluntary pay
- Wastewater rate increase – lump sum or phased in over 2 – 3 years
- Hold deposits on rental properties

