

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
22 W. 2nd St., Eagar, AZ
May 17, 2011 – 7:00 P.M.**

Mayor Kim Holaway called the meeting to order and welcomed those present. Mayor Kim Holaway led the Pledge of Allegiance and Mike Hogan offered the invocation. Mayor Kim Holaway said to let the record show that all council members are present.

COUNCIL PRESENT: Kim Holaway, Mayor
 James Nelson, Jr., Vice-Mayor
 Steve Erhart
 Gary Finch
 Debbie Rogers
 Byron Smith
 Tim Rasmussen

STAFF PRESENT: Bill Greenwood, Town Manager
 Bruce Ray, Community Development Director
 Mike Hogan, Chief of Police
 Eva Wilson, Town Clerk
 Steve Christensen, Interim Public Works Administrator
 Doug Brown, Town Counsel

ITEM #5: SUMMARY OF CURRENT EVENTS

A. MAYOR

Mayor Kim Holaway reported:

- Community Meeting regarding Ramsey Park North on Thursday, May 19, 2011 at 6:00 p.m. in the Eagar Council Chamber.
- Legislative Recap and Open Meeting Law Refresher on Tuesday, May 31, 2011 at 6:00 p.m. at the Show Low City Hall.
- Round Valley Animal Rescue fund raiser on Saturday, May 28, 2011 starting at 2:00-10:00 p.m. to be held at the Casa Malpais RV Park.

B. COUNCIL

Councilor Tim Rasmussen reported:

- Boys and Girls Club of Round Valley would be holding a workday on their building at 216 N. Butler St. on Saturday, May 21, 2011 starting at 8:00 a.m.
- The Pitch In-Clean Up Committee met today to discuss the placing of planters.

- Centennial Park would be holding a workday on Saturday, May 21, 2011 starting at 7:00 a.m. Three Eagle Scouts will be working towards their badge. A potluck lunch will be held with hotdogs and drinks provided.

C. STAFF

Police Chief Mike Hogan reported that Kids in the Woods would hold their kickoff festivities plus a bike rodeo on Saturday, May 21, 2011 starting at 11:00 a.m. – 2:00 p.m. at Ramsey Park.

Chief Hogan stated that with the death of Usama bin Laden, all citizens are requested to increase their vigilance and maintain a heightened awareness of suspicious activities as Arizona has been identified as a key training site for terrorist activity.

ITEM #6: OPEN CALL TO THE PUBLIC

Springerville-Eagar Regional Chamber of Commerce Director Becki Christensen reported that this past weekend the White Mountain Partnership (regional Chambers) attended the Arizona Highway Trade show in Phoenix. The White Mountain Partnership paid for the booth and they passed out hundreds of CD's and brochures to people in Phoenix to convince them to come to the White Mountains. They were able to capture several hundred e-mail addresses to forward information on to them.

On Thursday, May 19, 2011 from 11:00 a.m. – 1:00 p.m. the Chamber will host the Microsoft Mixer at the Safire Restaurant. Attendees have a chance to win Microsoft software.

The remodeling of the old Springerville School is coming along with the ceilings in and the Chamber should be moving in between the middle of June and first of July along with the other museums.

ITEM #7: PRESENTATIONS

A. APACHE COUNTY SHERIFF'S OFFICE SUMMARY REPORT FROM SHERIFF JOSEPH DEDMAN

Mayor Kim Holaway welcomed Sheriff Joseph Dedman and thanked him for being the only Apache County elected official that has regularly attended the Eagar Town Council meetings with a report.

Sheriff Dedman introduced himself and his Chief Deputy Brannon Eagar. Sheriff Dedman stated that he has found being Sheriff of Apache County challenging work with the lack of personnel and funding day in and day out. They do the best they know how. The county is 11,000 square miles.

Sheriff Dedman's report included:

- Emergency Management is back under the Sheriff's office after being under the Supervisor's Office and Chief Deputy Eagar is overseeing that operation.
- Received an \$80,000 grant from Homeland Security to purchase communication equipment for Northern Apache County so that they have communication to the Four Corners area relieving some officer safety concerns.
- New vehicles purchased with the Governor's Stabilization Grant to be used for traffic enforcement making the department more visible and to conduct traffic enforcement.
- Continues to make presentations to schools.
- The Sheriff's office strives to work with children and uses funds from drug seizures and forfeitures to provide drug prevention programs.
- Has seized \$1.7 million dollars of drug money.
- Helps local law enforcement purchase needed equipment and training with drug seizure funds.
- Operates K9 interdictions with two officers focusing on I-40 and rural back roads. They are doing a good job. They recently purchased an \$11,000 K9 for the program which they are working daily and have confiscated large loads of drugs using the program.
- Sheriff has been working closely with the U.S. Attorney to combat drug activity, and they recently arrested 15 in Apache County for illegal alcohol sales on the reservation. They will strive to keep a good working relationship.
- Involved in a number of ceremonies, community events, sporting events, school presentations, parades and attendance at community meetings. Sheriff Dedman encourages his deputies to stay visible in the communities and work with all the various local agencies.
- Have formed a Sheriff's Posse in Northern Apache County modeled after the Sheriff's Posse in Southern Apache County. They have about 20 members.
- Sheriff Dedman commends both posses for the assistance that they provide to locate lost people and in feeding hot meals to the staff at command centers. He is very much impressed with their volunteerism and he appreciates them very much.
- Sheriff has been working closely with Attorney General Tom Horne. The Attorney General takes care of all drug forfeiture funds and the Sheriff has to request funds (RICO) from him with justification on the use of those funds. The Attorney General is the Chief Law Enforcement Officer for the State of Arizona and Sheriff will continue to have a good working relationship with the Attorney General.
- Have two deputies assigned to terrorism detail. They receive intelligence on terrorism activity and had recently participated in a terrorism related arrest. Small communities are not immune to this type of activity.
- Capture of dangerous escaped prisoner from Kingman prison. Sheriff commended Commander Webb Hogle for his quick action on the plan for apprehension, and commended the deputies that made the arrest.
- Worked cooperatively with other agencies and volunteers to professionally handle an animal hoarder at Witch Wells.
- The Board of Supervisors approved the lease of ten vehicles and purchase of two patrol vehicles. These vehicle travel large distances and by purchasing new, repair costs will be reduced. Expecting to see these new black Dodge trucks on the roads in a few months.

- ACCENT (drug enforcement task force) is doing a commendable job as well. Recent activity includes the seizure of 7 pounds of cocaine with a street value of \$89,000; 15 pounds of meth with a street value of \$687,000; 11 grams of heroin with a street value of \$8,160; 2000 pounds of marijuana with a street value of over \$1.2 million; cashed seized in the amount of \$17,000, \$243,000, and \$608,000. Has been working with DEA out of Flagstaff.
- Sheriff Dedman was out riding his motorcycle for a Veteran Honor Run today, and they made stops around the county. Sheriff Dedman thanks all the veterans – without them we would not have this freedom we enjoy.

B. PRESENTATION TO MAY 2011 “SHINING STARS” COMMUNITY HONOREES

Councilor Debbie Rogers stated that each month the Eagar Council recognizes volunteers in the community. The Council appreciates their efforts. This month the Eagar Town Council would like to recognize the Civilian Volunteer Patrol (CVP). The Eagar Police Department Civilian Volunteer Patrol (CVP) assists the police department in many ways - they drive marked EPD patrol cars and help patrol areas in town with problems such as speeders, perform security checks on vacant residences, contact persons participating in the EPD Save Our Seniors (S.O.S.) program, distribute police paperwork to the various agencies in our area, assist with crime scene security, help direct traffic at parades and accident investigations, patrol school zones, help with maintaining the EPD report records, man the EPD front desk and answer phones, perform minor building repairs/improvements, represent EPD at public events and they help with many more things supplementing the regular police officers. The following CVP's recognized are:

Roger Curtis
Sandy Curtis
Jim Schuring

Ron Fonk
Bob Reese
Rebecca Pacey

Al Lafella
Tamara Osborne

Chief Hogan also wanted to recognize their leader Detective Mike Sweetser.

C. PRESENTATION BY ERIN P. COLLINS, & ASSOCIATES ON TOWN OF EAGAR EMPLOYEE HEALTH BENEFITS THROUGH THE RURAL ARIZONA GROUP HEALTH TRUST (RAGHT)

Erin Collins, & Associates Vice-President Norene Kurtz described the benefits of participating in RAGHT. RAGHT is a multi-entity employee benefits pool that was formed July 1, 2002 by Winslow, Holbrook, and Parker. These entities had experienced large increases and loss of control of their employee health benefits. They were all searching for cost predictability, a competitive benefits package, and looking to regain some control in what had become a hostile market. The motivation of the Trust remains the same today. Since the inception of RAGHT eleven other entities have joined the Trust with the Town of Eagar joining in October 2005.

The Trust offers self-insured medical, prescription drug, and dental while the vision insurance is conventionally insured through Avesis, group life and accidental death, dismemberment and voluntary life are conventionally insured through The Standard – all benefits must be offered.

The governance of the pool is performed by a trustee (or alternate trustee) selected by each entity. The trustees meet quarterly in telephonic meetings and hold an annual renewal meeting to discuss the upcoming benefits renewal and come out of that with the upcoming benefits, benefit rates, benefit changes for the upcoming benefit plan year.

RAGHT membership is open to any public entity in Arizona with initial member terms of three years and renewal terms of three to five years instead of year to year like conventional insurance. This gives the Trust structure and not be the last resort for entities that are experiencing bad claims. The Trust is looking for entities that are looking for long-term solutions for their benefits. All memberships are subject to an underwriting process and trustee approval.

Financially, the Trust is very proud of its financial success. Since 2002, spread over the years, the Trust has averaged less than three percent in medical premium increases. The trustees review and shop insurance policies and administrative vendors on a regular basis, the Trust performs annual financial audits, and experiences a Department of Insurance examination every five years.

Much of the financial success can attributed to the comprehensive Wellness Program. The goals of the Trust are proactive to improve the quality of life and health for covered employees and dependents and to manage medical and prescription usage claims. Wellness Benefits include 100% coverage for wellness services required by Health Care Reform, with an additional 100% coverage up to \$500 annually for employees and dependents. The Wellness Programs also includes on-site health screenings to make it convenient for employees and dependents to participate.

RAGHT has a proven history of success, has very engaged trustees who actively participate in meetings, will continue to run the benefit trust as a business, and continue to look for entities that are looking for long-term solutions for their benefits. The Trust has been very fortunate in the last three years, as entities have not experienced a premium rate increase. This year however, Health Care Reform and inflation caught up to the Trust requiring a three percent increase.

ITEM #8: UNFINISHED BUSINESS

A. DISCUSSION AND CONSIDERATION TO SUPPORT THE WHITE MOUNTAIN FOREST RESTORATION PARTNERSHIP IN THE AMOUNT OF \$400

Town Manager Bill Greenwood explained that the requested \$400 will go toward printing cost of the brochures and posters that will be placed at area campgrounds. The brochures and posters are asking campers to contribute towards forest restoration projects. This campaign is an approximately \$8,000 project and the expense is being spread out between the entities that benefit from forest restoration projects. There is \$12 million spent in the White Mountains for good and services. Forest restoration projects provide local jobs. The funds collected will help get through the final four years of the White Mountain Stewardship Project (WMSP). With the federal budget cutbacks funding for the WMSP has been reduced therefore product will also be reduced, affecting employment of the local people. The money collected is placed in a trust account that can only be used for forest restoration work for the WMSP.

Councilor Steve Erhart moved to contribute \$400 to the White Mountain Forest Restoration Partnership Fund. Councilor Byron Smith seconded; six were in favor, Councilor Gary Finch was opposed, motion carried. 6-1

ITEM #9: NEW BUSINESS

A. DISCUSSION AND CONSIDERATION OF REQUEST TO APPEAL MINOR LAND SPLIT DENIAL

Councilor Tim Rasmussen excused himself from this item claiming a conflict of interest.

Mr. Dan Muth presented a request to appeal a minor land split denial on behalf of property owner Tim Rasmussen. The basis of the appeal is due to the stringent application of the Town's minor land split code 17.04.050. Mr. Muth stated that the property in question meets all criteria with the exception of having a physical road in a dedicated town street – East School Bus Road. The dedicated right of way, however does contain town utilities and an unapproved two-track roadway, but does not contain a road that meets the Town's development standards. Asking Mr. Rasmussen to develop that street before he is granted a minor land split is a hardship and burden when the right of way belongs to the Town of Eagar.

Community Development Director Bruce Ray reported that Mr. Rasmussen does have access to the property off of Juniper Street, an approved street. the original subdivision in the area had been platted around 1982. The subdivision was never developed, according to county records the subdivision was abandoned and it wasn't until about two years ago that Mr. Ray was aware that roads existed in the abandoned subdivision. November 2010 the Town Council abandoned all of the roads in the abandoned subdivision with the exception of East School Bus Road for future development.

Town Counsel Doug Brown reminded the Council that this issue was brought up prior to changing Town Code 17.04.050 in 2006, and because of those problems the Council amended the code as it stands today. The Town was avoiding obligations to make road improvements for one property owner. Prior to the code change in 2006 the Town tried to

place property owners on notice of their obligations, the Town could change the code again however it will get away from the concept that development pays for itself.

East School Bus Road is undeveloped from Main Street through the end of the right of way a distance of approximately two miles. East School Bus Road follows an old county road with right of way and then crosses a portion of private property up to Mr. Rasmussen's property with no right of way available.

Mr. Brown stated that if the Town feels the obligation to make improvements to East School Bus Road the road will be used extensively by citizens, county residents, utility and emergency vehicles. There will be great political pressure on the Council when there is a dirt road being used by many people and no one has responsibility to improve the road. Mr. Brown recommends that the code should be changed instead of approving an appeal, as this appeal does not fit with the language of the code, the Council is advised against setting precedence.

Mr. Muth believes that by the Council approving this appeal, it will not set precedence because the appeal is specific to this individual case. The appeal shows the Town that Mr. Rasmussen has extenuating circumstances and shows the Town that they do have a basis for an appeal.

Mr. Brown interprets a subdivider to include land splits, when an application can show that these regulations are unreasonable due to reasons of topography or other unique circumstances, the subdivider may request an exception to the requirement of the code. Financial hardship does not qualify as a reason to appeal the code. The specific reasons to appeal the code must be written in the minutes of the meeting and Mr. Brown states that there is no basis for the appeal as it is now – and an appeal will set precedence.

After much discussion regarding how the minor land splits could be or could not be resolved by changing the code, how citizens and county residents would or would not benefit from the Town developing East School Bus Road, and discussion of similar situations, Mayor Holaway called for a motion.

Councilor Gary Finch moved to approve the appeal. Councilor Steve Erhart seconded. Two are in favor of the motion; Councilor Debbie Rogers, Byron Smith, Vice-Mayor James Nelson, Jr., and Mayor Kim Holaway were opposed, motion fails. 2-4

B. DISCUSSION AND CONSIDERATION OF A STAFF RECOMMENDATION TO APPOINT PATRICIA HARTMAN TO THE EAGAR UTILITIES BOARD OR OTHER NOMINATION FROM COUNCIL

Town Manager Bill Greenwood stated that Steven Heap has resigned from the Eagar Utilities Board. Staff is recommending Patricia Hartman to serve on the Eagar Utilities Board. Mr. Greenwood is asking Council if they have any other nominations for the seat. There were none.

Mrs. Hartman accepted the nomination.

Vice-Mayor James Nelson, Jr. moved to appoint Patricia Hartman to the Eagar Utilities Board. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

C. EXPLANATION AND DISCUSSION OF PREFERENTIAL BIDDING PROCEDURES

Town Counsel Doug Brown discussed preferential bidding and the Town of Eagar giving preferential consideration to local bidders. In 1933 the State passed a local (State) preference bid statute valid until 1990. The requirement for bid preference changed to mandating the paying of a property tax by the vendor of not less than \$200 for the previous year. The Arizona Supreme Court struck down the statute as unconstitutional. There has to be a rational nexus between the benefit received and the money used for the local preference. There are not many cities and towns in Arizona that allow preferential bidding in their municipal codes.

Problems that come up concern the anti-gift clause, and two other statutes that basically state that unequal treatment is prohibited. If the Town wants to write this type of code, it will have to be very specific. There will need to be a definition of "local" with a connection to the preference given; the public treasury must be protected as well. One way to give preferential treatment is to do away with bids under lower amounts – negotiate with local vendors.

In answering questions Mr. Brown stated that a bid could be written specifying the requirements and associated costs that the Town may not be willing to pay for, such as travel time.

There was discussion regarding the use of local vendor lists and making the local vendors aware of jobs that will be bid out. Council directed Town Manager Bill Greenwood to compile a list of local vendors with the products and services they provide. The approved vendors should have a valid Eagar Business License. Vendors used from the State Bid List could also be used without formal bids.

D. DISCUSSION AND CONSIDERATION TO ACCEPT THE LOWEST RESPONSIBLE BID RECEIVED FOR PIPE AND FITTINGS FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT – FOOTHILLS SUBDIVISION (BROWN AND HAMBLIN SEWER / ROAD PROJECT)

Public Works Administrator Steve Christensen reported that three bids were received for the CDBG Project for the Foothills Subdivision and he recommends awarding the bid to Canyon Pipe and Supply for submitting the lowest bid.

Vice-Mayor James Nelson, Jr. moved to accept the lowest responsible bid received for pipe and fittings for the Community Development Block Grant Project Foothills Subdivision Project to Canyon Pipe and Supply in the amount of \$41,144.62. Councilor Debbie Rogers second; all were in favor, motion carried unanimously. 7-0

E. DISCUSSION AND CONSIDERATION TO ACCEPT THE ONLY BID RECEIVED FOR MANHOLE COVERS FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT – FOOTHILLS SUBDIVISION (BROWN AND HAMBLIN SEWER / ROAD PROJECT)

Mr. Christensen reported that one bid was received for manhole covers for the CDBG Project and that bid is in line with industry standards.

Councilor Gary Finch moved to accept the only bid received for manhole covers for the Community Development Block Grant Project Foothills Subdivision Project to Perkins Precast in the amount of \$19,310.70. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

F. DISCUSSION AND CONSIDERATION OF RESOLUTION 2011-19 DESIGNATING A NO PARKING ZONE ON THE WEST SIDE OF SOUTH ALTA VISTA DRIVE BETWEEN 5TH AND 6TH AVENUES

Police Chief Mike Hogan stated that a no parking zone is to be considered on North Alta Vista Drive between 5th and 6th Avenues. Historically both sides of the street have been open to parking, until no parking signs were placed on the street. Round Valley School Superintendent Travis Udall had requested that parking be allowed on North Alta Vista Drive to allow baseball spectators to park along the roadway during inclement weather. The west side of Alta Vista Drive is prohibitive to this activity as there is a fence and steep embankment on this side. The east side of Alta Vista Drive allows sufficient room for vehicle parking and no obstruction of the roadway. However, Chief Hogan has received complaints from people living in that area regarding having difficulties obtaining access to their property or exiting their property. Citizens gave Chief Hogan a long list of complaints when parking is allowed on North Alta Vista Drive. They were also averse to parking on North Alta Vista Drive when there is parking available at the Dome parking lot.

Chief Hogan stated that previous councils have never passed a resolution for a no parking zone on any portion of North Alta Vista Drive. Chief Hogan is asking that no parking be allowed on the west side of North Alta Vista Drive but allow parking on the east side of the drive.

Citizens James and Leah Beckman who live on North Alta Vista Drive addressed the Council and described some of the problems they have experienced with the allowance of parking on North Alta Vista for baseball spectators.

- Excessive speeding during games
- Drivers watching game while driving
- Danger to children
- Spectators let children play in street and do not watch their children
- Residents have to keep children indoors while game occurring
- Blocking driveways
- Excessive litter

- Use of personal trash cans
- Alcohol and possible drug use by spectators
- Hostility by spectators
- Traffic congestion
- Loose dogs, cause resident dogs to bark
- Damage to private property

The condition of North Alta Vista Drive is already in poor condition and the extra traffic make the road a hazard for all concerned.

Mr. Udall addressed the Council and advised them that the school wants to be a good neighbor. Baseball season is a seven-week period with one-two games played a week. The school has put in more bleachers, however spectators want to watch games from their protected vehicles. The school will try to put more staff in the area during games to help keep down the problems. The school recognizes the issues and they are willing to work on the problems.

Councilor Debbie Rogers recommended more CVP use in the area during games. Vice-Mayor James Nelson, Jr. and Councilor Gary Finch stated that public safety is a priority. Council directs Chief Hogan to prepare another resolution to prohibit parking on the east side of North Alta Vista Drive for further consideration at a future meeting.

Vice-Mayor James Nelson, Jr. moved Resolution 2011-19 designating a no parking zone on the west side of South Alta Vista Drive between 5th and 6th Avenues. Councilor Gary Finch seconded; all were in favor, motion carried unanimously. 7-0

ITEM #10: EXECUTIVE SESSION

- A. EXECUTIVE SESSION AS ALLOWED BY 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 – TOWN MANAGER PERFORMANCE EVALUATION

Councilor Steve Erhart moved to convene into Executive Session at 9:40 p.m. Councilor Byron Smith seconded; all were in favor, motion carried unanimously. 7-0

Reconvene into Regular Session

B. (IF NEEDED) DISCUSSION AND CONSIDERATION OF ANY ACTION DEEMED NECESSARY FROM THE EXECUTIVE SESSION IN REGARDS TO THE PERSONNEL ISSUE

Councilor Steve Erhart moved to reconvene into Regular Session at 10:55 p.m. Councilor Gary Finch seconded; all were in favor, motion carried unanimously. 7-0

Council agreed that another Executive Session is necessary and agreed to hold a special meeting on June 7, 2011 at 6:00 p.m.

ITEM #11: SIGNING OF DOCUMENTS

Required signers signed Resolution 2011-19.

ITEM #12: ADJOURNMENT

Councilor Gary Finch moved to adjourn the Council meeting at 11:00 p.m. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

Attest: _____

Mayor: _____

Vice-Mayor: _____

Council: _____

CERTIFICATION OF COUNCIL MINUTES

I hereby certify that the foregoing minutes are true and correct copy of the minutes of the regular session of the Town of Eagar, Arizona held on May 17, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

Eva M. Wilson, Town Clerk