

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
22 W. 2nd St., Eagar, AZ
June 21, 2011 – 7:00 P.M.**

Mayor Kim Holaway called the meeting to order and welcomed those present. Mayor Holaway said to let the record show that Councilor Gary Finch is absent and that all other council members were present. Mayor Holaway led the Pledge of Allegiance and offered the invocation.

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

COUNCIL ABSENT: Gary Finch

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

ITEM #5: SUMMARY OF CURRENT EVENTS

A. MAYOR

Mayor Kim Holaway reported the following upcoming events and activities:

- The Making of America Seminar, Saturday, July 2, 2011 at 8:30 a.m.- 4:30 p.m., at the V.F.W. in Eagar, \$10 donation.
- Forest memorial with ice cream donated by Bashas', Saturday, June 25, 2011 at 2:00 p.m., at the Eagar Centennial Park. Citizens are asked to bring photos and memories of their favorite places on the forest to be displayed on temporary display boards.
- Public Meeting with Senator Sylvia Allen, Thursday, June 30, 2011 at 1:00 p.m., Show Low High School, Show Low, AZ. Luncheon for Mayors.

Mayor Holaway relayed the correspondence, thoughts and articles of well being that she had received regarding the fire.

Mayor Holaway has contacted Governor Brewer regarding the ability to get federal emergency funding. The Arizona Emergency Management Director has to make a case, and make an assessment of the public damages, and then submit a request, signed by Governor

Brewer, to be presented to the President for a disaster declaration in order to receive federal emergency funding. There are few reports coming from the Wallow Fire at this time but Director will work closely with the BAER Teams. The Governor is able to get funds released through the Small Business Administration if certain standards are met; information on businesses affected is needed.

B. COUNCIL

Councilor Rasmussen stated that the Boys and Girls Club is open. They are still working on the building. The Boys and Girls Club is looking for enrollees.

Councilor Steve Erhart reported that he was able to go on a tour of the forest with Chief Deputy Brannon Eagar through the Big Lake Highway, West Fork, Sprucedale and back around through Williams Valley. Rudd Knoll was the only place that was not touched by fire. A summer camp for under privileged, inner city children near West Fork was totally annihilated; vehicles and supplies were severely burnt and melted.

C. STAFF

Town Manager Bill Greenwood reported that the incident command is pulling out of the rodeo grounds area tomorrow. The July 4th activities at the rodeo grounds will continue as planned. There are tentative plans to continue with the fireworks on Saturday, July 2nd.

On Monday, June 27th at 6:00 p.m. in the Eagar Council Chambers the Small Business Center will hold an informational meeting for local business on how they can track their impacts from the Wallow Fire. Questions and concerns will be addressed. There are plans for a follow-up meeting at which specialists will be available to help the small businesses with tax issues, necessary forms to get assistance, and the possibility of involvement by the Small Business Administration.

Letters have been sent out by Apache County requesting emergency funding to prevent area flooding. The Federal Emergency Management Administration only assists after a critical incident. Apache County is striving to be proactive instead of reactive. Rob Toy is on the BAER Team and Apache County Flood Control Manager is working on preventative action. Drainages are checked and work will begin immediately to relieve any problem areas; the Town will also be working with Pioneer Irrigation to control waters in the ditches.

The City of Glendale Manager had called several times during the evacuation offering any type of help. Mr. Greenwood finally requested help in getting tourism back. Glendale Manager offered his marketing department and film crew. Representative Paul Gosar, at his Town Hall Meeting, requested a record of the Wallow Fire impacts for future policy hearings; Glendale's marketing department could record those happenings in conjunction with bringing tourism back. Dr. Hamblin may be able to help with this project as well.

There are two Burned Area Emergency Restoration (BAER) Teams, an agricultural team and a Black River drainage team. The Apache Tribes are working with the drainage team and Rob Toy is sharing the hydrology reports because the drainage projects he was working on

start in the forest so the watershed impacts will change. The prioritizations of drainages for Eagar are 1) Water Canyon; 2) Dry Canyon (crosses Spanish Trail); 3) LeSueur Drainage; and 4) A Wash.

Community Development Director Bruce Ray stated that sandbags will be delivered to Public Works from Apache County and they will be given out to high-risk property owners.

Finance Administrator Katie Wood advised the Council that she would be on vacation the rest of the week and next Monday. Ms. Wood added that the clerk's office is assisting the Small Business Center in obtaining addresses for all the town businesses, so they can be notified of the meeting on June 27th.

Interim Public Works Director Steve Christensen recognized four public work employees who volunteered to stay in town during the evacuation to ensure the water system, sewer system, and water tankers were taken care of: Milton Nelson, Elwin Browning, Dan Griffiths, and Ron Welch.

Mr. Greenwood added that in the four days of evacuation approximately 150 water tankers were filled out of the ditch to save on potable water. All avenues of reimbursement for water, equipment, and personnel will be applied for.

A resolution is being drafted to allow exempt employees to be compensated for their time during emergencies and it can be backdated to the declaration of emergency.

ITEM #6: OPEN CALL TO THE PUBLIC

Councilor Debbie Rogers made the June "Shining Stars" presentation to Bradley Nicoll, as the citizen volunteer for his work on the Eagar Centennial Park as part of his Eagle Scout Project. Bradley Nicoll worked closely with Mayor Holaway and the Pitch In-Clean Up Committee.

Citizen Kathy Haws is concerned that the Town of Eagar is not utilizing the local talents and businesses of the Town for the Town's projects.

Springerville-Eagar Regional Chamber of Commerce Director Becki Christensen reported that the lodging establishments and the Chamber have received a lot of calls from the metropolitan areas stating that they are still going to come and support the local communities. Ms. Christensen believes that this summer the tourism will be okay because people will come to help and to look at the damages. She is concerned about next year when people no longer have their favorites spots to recreate at.

The Red Cross distributed left over items from the evacuation center in Blue Ridge to the charitable organizations in Round Valley. The Salvation Army donated left over food items to the local food bank, they also have prepared boxes of food that will feed a family of four for three days and they will be delivering 500 of those boxes.

The Sanford Store (located at Hwy 61 & 60) will hold a BBQ dinner fundraiser on July 2nd with request for canned food donations to be given to the local food bank. Casey Lee Smith who will be performing for the 4th of July Rodeo Dance wants to hold a fundraiser also. Pima Federal Credit Union will also be helping the families affected by the evacuation and hardships brought by the Wallow Fire, either with utility bill assistance or food donations. Pima Federal Credit Union is also interested in sponsoring a 4th of July Party with all supplies to be bought locally and leftovers given to the Senior Center or food bank.

Ms. Christensen reported on the following:

- Making of America – Judge Pierce will facilitate the meeting to discuss the creation of the constitution, changes to the constitution, and land rights.
- High-Country Hummers may be cancelled due to flooding concerns.
- Fall Technology Forum at the Dome – booths welcome.
- Will attend the Governor’s Conference on Tourism in July.
- Fireworks are expected to be displayed on July 2nd.
- Parade and Rodeo on July 4th as planned.

Anson Morris with Phoenix Public Adjusting addressed the Council letting them know that his company assists property owners with insurance recovery. Recovery can bring hundred and thousands of dollars to the community and to insurance policy holders, residential or commercial. They specialize in ash and soot recovery from wildfires, and subsequent flooding. They will be here for the next year and are located at 60 N. Main Street, Eagar.

ITEM #7: CONSENT AGENDA

APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETINGS HELD MAY 2011

APPROVAL OF MINUTES OF THE EAGAR AND SPRINGERVILLE JOINT COUNCIL MEETING HELD MAY 12, 2011

APPROVAL OF APRIL 2011 BANK TRANSMITTALS 1-22 NATIONAL BANK OF AZ CHECKS WRITTEN FROM 30047-30213, PAYROLL DIRECT DEPOSIT VOUCHERS 4071101-4211135, CARD MEMBER SERVICE CREDIT CARD PURCHASES

Councilor Steve Erhart moved to approve the Consent Agenda as presented. Vice-Mayor James Nelson, Jr. seconded; all were in favor, motion carried unanimously. 6-0

ITEM #8: UNFINISHED BUSINESS

A. DISCUSSION AND CONSIDERATION OF APRIL FINANCIAL REPORT, AND TOWN’S SALES TAX REVENUE REPORT

Finance Administrator Katie Wood reported that she is waiting on approximately \$169,950 in grant reimbursement revenues.

Mayor Holaway stated that Bashas' reported that several weeks in May sales were up 35% over last year. Currently the evacuation has impacted the store, resulting in lower sales.

Promoting "Shop Local" was discussed.

B. DISCUSSION AND CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING WITH THE SPRINGERVILLE-EAGAR REGIONAL CHAMBER OF COMMERCE REGARDING THE CHAMBER'S OBLIGATIONS TO THE TOWN OF EAGAR AND THE TOWN OF EAGAR'S CONTRIBUTION

Mayor Holaway stated that the proposed agreement would be dated the date adopted and in the amount of \$12,500.

Chamber Director Becki Christensen reported that the Chamber Board of Directors had approved the agreement. However, the Town of Springerville has proposed taking over the administration of the museums, saving Springerville money. Springerville will pay \$25,000 for utilities, however there is controversy on paying an additional \$15,000 for the visitor center. If Springerville does not contribute to the visitor center, Ms. Christensen stated that the Chamber would not be able to honor this agreement. The visitor center costs \$35,000-\$37,000 to operate. The Chamber can fund itself but cannot fund the visitor center as well.

After much discussion between Ms. Christensen and the Council, the Council will not take action on this item until Springerville's intentions are clearer.

ITEM #9: NEW BUSINESS

A. DISCUSSION AND CONSIDERATION OF THE FEASIBILITY OF EARLY DEBT PAYOFF

Finance Administrator Katie Wood referenced last year's Arizona Department of Revenue Lease Purchase Annual Report. There are only two outstanding notes that Ms. Wood could consider for early pay off: Noteworld for the Ramsey Park North Property, and Bank of the West for a dump truck.

All of Noteworld is budgeted in General Fund and since the Ramsey Park North Property is governed by a State grant, this property cannot be used as collateral for refinancing, therefore, this cannot be paid off early without cutting services.

Bank of the West would be an additional \$12,300 expense for the fiscal year if it were paid off early.

It is unsure what kind of interest rate could be obtained for municipality lending; it may depend on what is being refinanced. There was discussion on how the town could pay off these two debts with town reserves and make a plan to pay back the town. The Town's ability to have cash on hand is a major concern as it is unsure what the year will bring and there is a limited amount of reserves.

Council directed Ms. Wood to research interest rates for lending and this item could be brought back when the upcoming Arizona Department of Revenue Lease Purchase Annual Report is due in September 2011.

B. DISCUSSION AND CONSIDERATION OF RESOLUTION 2011-13 ADDING TO THE TOWN OF EAGAR PERSONNEL POLICY RULE 22 – PURCHASES, ACCOUNT USE, REQUESTS FOR PAYMENT

Ms. Wood stated that this new policy will make employees aware that employee IOU's and personal purchases on town accounts or credit cards are not allowed or tolerated. An agreement form signed by the employee will be filed in personnel files.

Vice-Mayor James Nelson, Jr. moved to approve Resolution 2011-13 adding to the Town of Eagar Personnel Policy Rule 22 – Purchases, Account Use, Requests for Payment. Councilor Debbie Rogers seconded; all were in favor, motion carried unanimously. 6-0

C. DISCUSSION AND CONSIDERATION OF RESOLUTION 2011-20 DESIGNATING A NO PARKING ZONE ON THE EAST SIDE OF SOUTH ALTA VISTA DRIVE BETWEEN 5TH AND 6TH AVENUES

Police Chief Mike Hogan presented this resolution to rectify the parking problems that occur on the eastside of Alta Vista Drive as requested by the Council.

Vice Mayor James Nelson, Jr. moved to approve Resolution 2011-20 designating a No Parking Zone on the east side of South Alta Vista Drive between 5th and 6th Avenues. Councilor Byron Smith seconded; all were in favor, motion carried unanimously. 6-0

D. DISCUSSION AND FIRST READING OF ORDINANCE 2011-05 AMENDING THE EAGAR TOWN CODE SECTION 17 CHAPTER 17.04.050 – MINOR LAND DIVISIONS

Community Development Director Bruce Ray presented this ordinance as requested by the Council. The ordinance will protect the town and put responsibility on the property owner who wants to split a piece of property on a Town dedicated road that is unimproved.

It will not apply to someone who owns a piece of property and who gives an easement to the Town; they would not be allowed to perform a land split using this ordinance, it would be a subdivision following State Statutes.

E. DISCUSSION AND CONSIDERATION OF COUNCIL AND DEPARTMENT HEAD LIAISONS EFFECTIVE JULY 1, 2012

Mayor Holaway stated that the Council Liaison to department heads has rotated effective July 1, 2012. The Council Liaison process has been in place several years and the role of a liaison with the department head is for the department head to feel comfortable bouncing ideas off the Council Liaison, to run things by before going to Council, and the Council Liaison can be a support system to the department head, and attend events. It is not meant to take over the Town Manager's job.

The Council agreed with the rotated liaison positions.

F. DISCUSSION AND CONSIDERATION OF RESOLUTION 2011-21 APPROVING THE FINAL BUDGET FOR FISCAL YEAR 2010-2011

Mr. Greenwood presented the summary of the fiscal year for 2010-2011.

Councilor Steve Erhart moved to approve Resolution 2011-21 approving the final budget for fiscal year 2010-2011. Councilor Tim Rasmussen seconded; all were in favor, motioned carried unanimously. 6-0

G. EXECUTIVE SESSION AS ALLOWED BY A.R.S. § 38-431.03.3 - DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR ATTORNEYS OF THE PUBLIC BODY; AND A.R.S. § 38-431.03.4 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

Councilor Steve Erhart moved to go into Executive Session at 8:50 p.m. Vice-Mayor James Nelson, Jr. seconded; all were in favor, motion carried unanimously. 6-0

Councilor Steve Erhart moved to reconvene into Regular Session at 9:30 p.m. Councilor Tim Rasmussen seconded; all were in favor, motion carried unanimously. 6-0

H. DISCUSSION AND CONSIDERATION OF ANY ACTION DEEMED NECESSARY FROM THE EXECUTIVE SESSION

No action was taken from the Executive Session.

ITEM #10: SIGNING OF DOCUMENTS

Mayor and Councilors signed the minutes of May 2011. The required signatures were obtained for Resolutions 2011-13, 2011-20, and 2011-21.

Eagar Council Regular Session
June 21, 2011

ITEM #11: ADJOURNMENT

Councilor Steve Erhart moved to adjourn the regular session at 9:31 p.m. Councilor Debbie Rogers seconded; all were in favor, motion carried unanimously. 6-0

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 June 21, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

Eva M. Wilson, Town Clerk