

**MINUTES
EAGAR TOWN COUNCIL
WORK SESSION
22 W. 2nd Street, Eagar, AZ
January 3, 2012 - 6:00 P.M.**

Mayor Kim Holaway called the meeting to order and welcomed those present. Mayor Holaway said to let the record show that all council members are present.

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

STAFF PRESENT: Bill Greenwood, Town Manager
 Neil Barton, Public Works Administrator
 Eva Wilson, Town Clerk

ITEM #3: NEW BUSINESS

A. DISCUSSION OF EAGAR'S STEERING COMMITTEE DIRECTION AND ROLE

The Steering Committee consists of several subcommittees working and planning in several areas: Energy, Added Value Forestry, Local Tourism Health, Pass Through Tourism, Business Retention, and Education.

Karalea Cox reported that the majority of the subcommittees have developed a plan in their area; no implementation of the plans has begun. The Health and two Tourism subcommittees are very much ahead yet they are wanting input from Springerville in these areas.

A representative from each subcommittee gave a brief update of their progress.

- Energy – Contact has been made with WS and Navapache but no further progress has been made.
- Forestry – Nothing to report as the forest burned while a plan was being formulated.
- Local Tourism – The Springerville-Eagar Regional Chamber of Commerce has been and is now working on this component. This subcommittee needs to have input from Springerville to proceed. Chamber Director Becki Christensen stated that the Chamber is currently working on compiling a list of every attraction in the region with a plan to create brochures on every attraction and to determine the revenue generated to the Round Valley by tourism.
- Pass Through Tourism – Ms. Christensen stated that the Chamber would like to identify regional tourism draws and market to pass through tourist. Round Valley is a halfway destination between several cities in nearby states and marketing to those travelers to stay in Round Valley is the goal of this subcommittee. Again this subcommittee would like input from Springerville.

- Health – Jerry Campeau reported that the White Mountain Regional Medical Center (WMRMC) has seen a 15-20% reduction in patients especially during and after the Wallow Fire; staff was also lost after the fire. Statistics show that 39% of locals use the WMRMC. Mr. Campeau has a PowerPoint presentation he would like to share with the regional communities. WMRMC is heavily marketing to the western Catron County communities and is trying to get New Mexico doctors to participate in the local health care. Transportation is a second phase of the health plan.
- Business Retention – Nothing to report.
- Education – This subcommittee has formulated a plan but again this subcommittee needs input from Springerville.

Mayor Holaway stated that the reason for this work session is because the Council ~~decided~~ VOTED to NOT be part of the Consortium, therefore there was confusion as to what the Steering Committee should do as the committee was in progress of developing plans and Eagar did not want to lose their valuable time and input.

Councilor Steve Erhart suggested that the Towns of Eagar and Springerville hold a joint meeting regarding these plans. Another suggestion was to get these plans distributed to the Council so that the Council can prioritize plans with the Steering Committee's assistance.

Vice-Mayor James Nelson, Jr. stated that the Steering Committee is here tonight to get direction on what to do next being Eagar opted out of the consortium. He believes that the subcommittees should finish the work they started and continue to meet as a group and establish a complete plan, lay out the resources that are needed to implement parts or the whole plan, and recommend what the Town of Eagar can do, with Springerville's input, to determine as a community of Round Valley and to try to move the plans forward as both plans will be similar.

Mayor Holaway stated that the Apache and Navajo Counties Mayor and Councilmember Association are a regional collaboration that may have input into these planning processes. Ms. Cox stated that many of the plans specify regional collaboration to complete some of the plans and the plans need to identify who would be collaborated with and how to move that forward; the Mayor's input identifies the Mayor/Council Association as a collaborative source.

Councilor Debbie Rogers reported that the entire region is in support of a regional tourism scheme to highlight each community's draws, and that the mining towns of Morenci and Globe and private funding are willing to market all the tourism draws in eastern Arizona, this is how the collaboration could work for tourism. This plan could be similar to other regional tours such as the Salsa Tour in southern Arizona and the wine tours in central Arizona.

Ms. Cox wanted to know from the Council if these subcommittee plans are to be a comprehensive strategic plan and if there are other town plans that would be impacted by the Steering Committee plans. Mayor Holaway stated that the Town of Eagar has a General Plan that is a land usage plan, and that Eagar and Springerville agreed upon a ten-year plan for economic stability that was considered after the fire, and the Eagar Council/Staff have four

strategic goals that they have been identified and set during their retreats, those being fiscal, recreation, business, and Main Street improvement strategies. Mayor Holaway said she would share these documents with Ms. Cox.

As the Eagar Steering Committee is an advisory committee there is no need for it to have a budget until the Council implements a plan. Councilor Steve Erhart feels that the Steering Committee should have both a short-term and long-term plan and budget accordingly.

Economic Development Apache County Director Hank Rogers who administers the HUD Grant advised the Council that Springerville did approve participation in the HUD Grant. Mr. Rogers added that he has concerns that the Eagar Steering Committee is using copyrighted material for their community plans so the Council needs to consider legal issues, and that HUD has spent thousands of dollars on this Steering Committee to get where they are now on the planning process. Mr. Rogers stated that the Council should write a letter to HUD with an explanation of Eagar's opposition to join the consortium. Mr. Rogers stated that the Participant Agreement into the consortium has been revised and that Eagar should readdress the issue, as "they owe that to HUD". HUD does not advise Eagar to move forward with the direction they are moving due to possible legal action taken against the Town by HUD.

On December 2, 2011 the Eagar Steering Committee met and a majority of members present at the meeting voted to recommend a revised Participant Agreement to the Council. Some committee members feel that participation in the HUD Grant has economic opportunities for the community, however there other members that feel that it would be a mistake for Eagar to participate in the grant because of the strings attached.

Councilor Gary Finch stated that he has reviewed the revised contract and he found that there are still requirements of the grant that cannot be removed and he finds these requirements unacceptable and no one has seen the goals and requirements of the consortium and HUD except Mr. Rogers and a few others. Councilor Finch is not willing to sign onto a contract when he does not know all of the stipulations.

Mr. Rogers distributed to the Council the revised Participant Agreement as revised by the Steering Committee.

Vice-Mayor James Nelson, Jr. had stated that the Town of Eagar had opted out of participation with the HUD Grant and the issue remains between the Town of Eagar and HUD and he had concerns that the Steering Committee had been asked to meet to revise the agreement. The Steering Committee's goal is to develop the strategies and plans for the Town of Eagar.

Councilor Tim Rasmussen stated that the Mr. Rogers had notified the Council two months ago that a revised Participant Agreement would be submitted to them; the revised agreement had yet to be seen.

Ms. Cox stated because Councilor Finch had made the initial motion to not participate in the consortium that Ms. Cox had asked the Council that the Steering Committee be given the

opportunity to revisit the contract because of the work that had already been done. Thus three Steering Committee members revisited the contract and made revisions. The Steering Committee is not necessarily recommending reconsideration of the contract but they are wanting a way to move forward in the vein that they were working toward. Ms. Cox is asking the Council for direction for the Steering Committee.

Mayor Holaway reiterated that Eagar is not a member of the consortium. Mayor Holaway stated that she would meet with Mr. Rogers concerning the use of the planning materials and expenditure of HUD funds for the Steering Committee. Mayor Holaway will speak with Springerville Mayor regarding a joint meeting on the subject of the HUD Grant – Steering Committee; Mayor Holaway will send the town’s plans to Ms. Cox (ten-year plan and four strategic goals), and Ms. Cox will ensure that the subcommittee’s plans are distributed to the Council.

Ms. Cox asked that if this type of meeting is scheduled again, if a representative of HUD could be present to discuss some of the concerns and implications that were formerly brought up.

ITEM #4: ADJOURNMENT

Councilor Steve Erhart motioned to adjourn the meeting at 7:07 p.m. Seconded by Councilor Gary Finch; all were in favor, the motion carried unanimously and the meeting adjourned. 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 work session of the Town of Eagar, Arizona held on January 3, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Eva M. Wilson, Town Clerk