

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
SPECIAL BUDGET MEETING MINUTES
TUESDAY, MAY 29, 2012, 10:00 A.M.**

A SPECIAL BUDGET SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, MAY 29, 2012, AT TOWN HALL AT 2735 S. HIGHWAY 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call to Order.** The meeting was called to order at 10:00 a.m. Mayor Nolan presided.

2. **Roll Call.**

2.1 Town Council. Town Council Members John Dibble, David Hiles, Dennis Repan, Denise Rogers (absent at roll call, arrived at 10:08 a.m.), Nancy Wright; Vice Mayor Mark McBrady; and Mayor Terry Nolan were present.

Mayor Nolan made a motion to move item 4. Comments from the Public, before item 3. Special Budget Agenda, seconded by Vice Mayor McBrady. It was approved by a 5-1 vote in favor, Councilmember Wright voting against and Councilmember Rogers being absent.

4. **Comments from the Public.**

Bob Green spoke against cutting services such as the roving dumpster program to reduce the budget; problems with returning the Agua Fria Festival money to the committee.

Councilmember Rogers arrived at 10:08 a.m.

Bob Greene spoke on the Little League's needs; against buying the museum for the Historical Society, but for paying rent for the museum for a year.

David Nystrom spoke on fundraising for the museum (\$3100 raised), encouraged Council to fund the museum through the Strategic Community Partnership Grant.

Dale Poole spoke on the Little League's problems with their treasurer; a yard sale on June 9th to raise money for the D-HLL; Field usage fees needing to be paid (\$2200) and asking for grant monies to pay those.

Jerry Brady spoke on public comment at town meetings; work study session on transportation plan for regional tourism plan; Google search problems; changes to law regarding the General and Development Plans and bringing them up to date.

Jack Hamilton spoke in support of the budget work to date; safety and roads v. other services; suggested the D-HLL work with the Agua Fria Festival Committee on building a park/field with the money raised; stated he was told by Lydia Chapman, Chair of the BOA that the Mayor tried to cancel the Board of Adjustment meeting and suggested making changes to the process of cancelling meetings.

Mayor Nolan raised a point of information that he was not involved in the issue in which the BOA meeting might have been cancelled.

John Young asked Council to show up at their fundraising functions; spoke on displays for items in museum; importance of museum to bring people together.

Jim Lindell spoke on establishing the "Bank" building for the historical society's museum since it qualifies for the national registry; questioned opposition to the museum since support has been evidenced.

Kevin Leonard spoke on asking for the support from the town through the budget process for the museum; the success of the weekend festival; his prior experience building roads; and spending less money on roads.

3. Special Budget Agenda.

3.1. Council Deliberation of FY2012-13 Tentative Budget. Discussion and possible action.

Town Manager Kimball spoke on updating the budget information since the last meeting, provided a detail sheet and explained Ed Hanks, Public Works Supervisor was in attendance to answer questions regarding roads.

Councilmember Repan asked for clarification on which items were coming out of HURF funds.

Ms. Kimball explained Items 1 (fog coat asphaltic concrete roads every 6 years and crack seal if necessary) and 2 (single chip seal on black roads every 6 years).

Ed Hanks, Public Works Supervisor spoke to council on the black road maintenance and options to keep roads in good condition. There was discussion.

There was discussion on whether to take public comment.

Councilmember Wright made a motion to take public comment on each individual item in the budget process, seconded by Councilmember Hiles. It was approved by a 6-1 vote in favor, Mayor Nolan voting against.

Public comment was taken.

Jerry Brady spoke on roads and floodplains and current roads being designed to be unpaved roads.

Bob Greene spoke on last year's budget pertaining to roads and moving any unused money over for next year's projects.

Kevin Leonard spoke on the weight of vehicles on roads being a problem as there is not enough base on roads.

David Nystrom spoke on roads being supported by those that drive on them and maintained through HURF funds alone.

Jack Hamilton spoke on HURF funds being used for roads but some salaries as well. He asked about grey-dirt roads.

Ed Hanks spoke on including a 1-year contingency for contracted grading, but planning for it to be done in-house. He explained there are 13.5 miles of town maintained dirt roads. There were questions from council answered by staff regarding employee wages from HURF funds, Kachina Place project coming from HURF reserve, bid document for Kachina Place, how many roads are chip sealed (approx. 38 miles).

Council reviewed the changes made to the documents from last meeting, based on council proposed changes. 70k is proposed for the Kachina Project to come out of reserve funds.

Councilmember Repan made a motion to take all salaries and associated costs over to the

General fund, out of the HURF fund, seconded by Councilmember Hiles. It was approved unanimously.

Public Comment was taken.

Jerry Brady spoke on the geo-technical study showing problems, Earth Resources experience with these issues and suggested doing more studies on Kachina integrating geo-tech with engineering study. Councilmember Repan called a point of order as the comment needed to be on the items being addressed. Mr. Brady responded it was directly related to moving funds.

Ms. Kimball explained \$92,966 will be moved to the General fund from the HURF fund. There was discussion on how that affected the bottom line for HURF funds. Ms. Kimball explained it put them at about \$10k in the green with rearranged personnel costs and council reductions. Council was satisfied with the Public Works Department as it was amended.

Councilmember Wright made a motion to move \$70k from unassigned funds to HURF funds for Kachina project, seconded by Councilmember Dibble.

There was discussion on the name of the fund it was coming from, designated funding from previous year for Kachina being moved for next year and if some of it might be used in this fiscal year.

Vice Mayor McBrady asked about using unused funds from Kachina for SCPGs such as the museum. There was discussion on how moneys can be moved within the budget and ways they cannot, and on the Principles of Sound Financial Management document.

A vote was taken on the motion. It passed by a 6-1 vote in favor, Councilmember Hiles voting against.

Public comment was taken.

Bob Greene spoke on budgeting money in order to spend it and having grant money available for community projects.

Jerry Brady spoke on cost overruns being expected for Kachina project due to Thixotropic clay soils and doing their due diligence on this project.

Jack Hamilton spoke on taking a vote on the museum project.

Town Manager Kimball explained the council could put the museum project under the CIP section.

Councilmember Dibble spoke on finding a way to allow some flexibility with the budget, so if money is left over they can spend it appropriately.

Councilmember Wright read the Auditor General's FAQs on spending money that isn't budgeted.

Councilmember Wright made a motion to recess this meeting until tomorrow (May 30) at 10:00 a.m., seconded by Vice Mayor McBrady. It was approved by a 6-1 vote, Mayor Nolan voting against.

Council talked about the next scheduled budget meeting, and some councilmembers explained they were unavailable to meet the next day. If no quorum then they will decide the next meeting time.

The meeting was recessed at 12:32 p.m.

Wednesday, May 30, 2012 at 10:00

Mayor Nolan, Vice Mayor McBrady and Councilmember Wright were the only three council members in attendance. They waited until 10:42 a.m. for any additional members to arrive to constitute a quorum.

4. **Adjourn.** At 10:42 they reconvened the meeting, but as there was no quorum they adjourned the meeting at 10:42 a.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk