

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
SPECIAL BUDGET WORKSHOP #1 MINUTES
APRIL 26, 2016, 9:00 A.M.**

A SPECIAL BUDGET WORKSHOP #1 OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, APRIL 26, 2016, AT TOWN HALL AT 2735 S. STATE ROUTE 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.

1. **Call To Order.** The meeting was called to order at 9:03 a.m.
2. **Roll Call.** Town Council Members Arlene Alen, Jack Hamilton, Mark McBrady (arrived late at 9:08 a.m.), Dennis Repan, Nancy Wright; Vice Mayor Doug Treadway; and Mayor Terry Nolan were present.
3. **FY2016-17 Budget Deliberation.** Legal Action can be taken. Council Deliberation and possible action to modify Preliminary Budget content.
 - 3.1. **Review of Preliminary Budget by Funds and Departments (General Fund – Revenues, Expenditures: Town Council and Management, Town Clerk, Finance, Legal, IT, Magistrate Court, Public Safety, Engineering, Public Works, and Community Development, non-Departmental; HURF – Revenues, Expenditures: Engineering, Public Works; Grant Fund).**

Council addressed the Public Works budget first. (See Item 3.2.) After this, Council went on to review the preliminary budget by department.

- 3.2. **Review and update of multi-year paved road maintenance plan and multi-year unpaved road maintenance plan as they relate to the budget.**

Councilmember Mark McBrady arrived at 9:08 a.m.

Public Works Supervisor, Ed Hanks reviewed the current plans (dirt, paved) and answered questions about the three levels of dirt road grading (1-annual grading to smooth; 2-drainage, rebuild, crown; 3-adding millings or AB) and reviewed the schedule for work.

There were council questions on a County emergency access ingress/egress plan and whether this was something the town could benefit from. Staff will follow up and report back.

Council debated whether to allow public comment at this meeting. No public comment was taken as the one audience member left the chambers.

Council considered Mayor Nolan's and Councilmember Repan's proposed road maintenance projects (maintaining private roads); the problem with spending public money on private property; existing private to public road transition policy.

Public Works Supervisor, Ed Hank's reviewed the three additional proposed one-time projects: 1) Additional crack sealing on Kachina/Pony/Newtown-Henderson Roads; 2) Additional Fog coating on Foothill/East Bradshaw/Little Green Valley/Lazy River/Prescott and Main Streets; 3) expedited repairs on Old Black Canyon Highway in preparation of chipseal overlay. Council decided to wait to decide on these projects until more

information is obtained from the County and Attorney regarding Council (proposal to provide road maintenance on certain private circulation roads) and staff proposals.

Council Addressed the budget by department next.

3.1. Review of Preliminary Budget by Funds and Departments (General Fund – Revenues, Expenditures: Town Council and Management, Town Clerk, Finance, Legal, IT, Magistrate Court, Public Safety, Engineering, Public Works, and Community Development, non-Departmental; HURF – Revenues, Expenditures: Engineering, Public Works; Grant Fund).

There was discussion on the data provided through OpenBooks and staff was questioned why more details are not provided through this public access program. Staff explained they are still working on providing more details, which will be on the public site soon.

GENERAL FUND: There was discussion on the permitting process and consideration of doing away with permit requirements for minor projects. Council heard how inspections are still necessary to ensure projects meet safety requirements and without requiring permits the town would have no way to check on these projects.

There was discussion on whether to consider options to increase the population of the town. Council will come back to this once the rest of the budget is addressed, if there is money left in the budget. Council reviewed the various revenues.

TOWN COUNCIL MANAGEMENT: Council reviewed the travel and training budgeted amount and indicated they thought it should be between \$8-10k. There was discussion on P&Z training - monies are included for less expensive trainings that would benefit the commission.

Council discussed leaving money in the budget under Town Manager contract negotiations due to past discussions and possible future increases.

TOWN CLERK: There were questions on election costs, and it was explained 2 elections are budgeted as there will be a primary election with the potential to hold a send (General) election.

HEALTH INSURANCE: Council discussed options for employee benefits. After much discussion on these options Council requested feedback from the employees on what their preference and priorities would be.

Council recessed at 12:07 for lunch. CM Alen announced she would need to leave for the day.

Council reconvened at 1:12 p.m. CM Alen was absent from the second half of the meeting; all other council members were present.

FINANCE AND BUDGET: Town Manager Kimball explained OSP Contracts are lower this year as Arizona Department of Resources (ADOR) was not charging the town this year for sales tax collection.

LEGAL: There was discussion on whether to place a cap on legal fees. Council agreed if legal advice is necessary then pay the cost for this service. Staff is to notify Council when approaching the \$53k mark (within the Legal Fees line item) in the coming year.

Ethics Hearing Officer fees are part of this line item. Council agreed the Hearing Officer should have its own line item in the budget.

INFORMATION TECHNOLOGY: Licensing costs are less this year as Microsoft licensing was necessary last year but not this year.

MAGISTRATE COURT: There were questions on why salary costs were going up. Ms. Kimball explained it is due to a proposed increase in base salary for the Court Clerk due to a higher training/position; the prosecutor's rate went up too.

PUBLIC SAFETY: There was discussion on the increase in the Yavapai County Sheriff's Office contract for police services in D-H. Council spoke on looking at alternative options for this service and asking for a refund for the monies paid through property taxes to the YCSO (since paying again through an IGA). Council appointed CM Repan to ask about this.

ENGINEERING: OSP Engineering is lower this year as it serves as a placeholder for something that might be needed throughout the year.

PUBLIC WORKS: Town Manager (TM) Kimball gave an overview: OSAT is requesting \$15k for property acquisition which accesses BLM land for a picnic setup and trailhead; \$11k for Video System in Council Chambers.

Council considered OSAT's request and it was suggested they leave it in the budget, and meet with OSAT chair to discuss at a later time.

Newtown Trailhead has minor costs projected for signage.

Council members suggested increasing the amount to budget for council chambers camera upgrades, adding \$2-4k more.

CM McBrady spoke on considering a park near Kachina, to include play equipment and a possible game field. Mayor Nolan suggested the use of washes as open space and parks for recreation. There was mixed response from Council on these ideas.

Council reached consensus to remove the \$15k for OSAT property acquisition. TM Kimball adjusted the Road/Facility Acquisition line item to \$12k to reflect this removal.

COMMUNITY DEVELOPMENT: Mayor Nolan stepped away from the dais, Vice Mayor Treadway chaired the meeting during his absence for approximately 5 minutes.

Council looked at Neighborhood Outreach line item. Councilmember Repan stated he is still requesting \$10k for Water Testing. Council considered whether to donate to 501C3s requesting assistance.

TM Kimball explained the difference with the dumpster day planning: own property, fence in area, flexibility for controlling the situation, more equipment, more employees. \$8-10k budgeted.

Council deliberated on whether to assist the museum and if so, how much.

Ms. Kimball spoke on a change with salaried employee laws and comp time, and the possibility one employee may need to be increased to \$50k or be provided overtime.

GENERAL FUND REVENUE TOTALS: No Capital Equipment is being recommended for purchase this year; Council has approved accelerating road projects; 1x option for drainage and road maintenance projects; explaining the "grant monies" line item for clarification; survey results indicate #1 priority of citizens is improved roads. Council reached consensus to do special road projects 1 (additional crack sealing Kachina/Pony/Newtown/Henderson) and 2 (additional fog coating on Foothill/East Bradshaw/Little Green Valley/Lazy River; Prescott and Main) with further consideration about #3 (expedited repairs on OBC Hwy).

3.3. To include [in the FY 16-17 Budget] a grading of Dewey Rd., Prescott Dells Rd., and Rocky Hill Rd. at least 3 times a year. [CAARF requested by Mayor Nolan]

Council decided they will deliberate on this at a later time once attorney has weighed in on this proposal and the Council hears back from Yavapai County on their project for maintenance of private roads providing emergency ingress/egress.

Town Manager Kimball gave a review of decisions made at this meeting: She will bring back results of speaking to employees on salary and benefits; Council still needs to determine Neighborhood Outreach projects; Town Attorney will be invited to May 3rd meeting to answer questions regarding roads (private road maintenance for emergency ingress/egress), include Byron Jasper Yavapai County Public Works, to attend, or someone from the county to speak on their emergency ingress/egress project. She will try and invite the two County Supervisors too; formal survey result presentation on May 17th; suggested May 24th at 9AM for a special budget workshop (court has use of the council chambers at 2PM).

4. Adjourn.

The meeting was adjourned at 3:10 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk