

**TOWN COUNCIL OF DEWEY-HUMBOLDT
REGULAR MEETING NOTICE**

Tuesday, June 19, 2018, 6:30 P.M.

**COUNCIL REGULAR MEETING
2735 S. HWY 69**

**COUNCIL CHAMBERS, TOWN HALL
DEWEY-HUMBOLDT, ARIZONA**

AGENDA SUMMARY

- 1. Call To Order** Mayor Nolan called the meeting to order at 6:30 p.m.
- 2. Pledge of Allegiance** A local veteran led the pledge.
- 3. Invocation** Given by Councilmember Timmons.
- 4. Roll Call** Town Council Members: Jack Hamilton, Mark McBrady, Amy Timmons, Doug Treadway, Victoria Wendt, Vice Mayor John Hughes and Mayor Terry Nolan were present.

6. Town Manager's Report

Mayor Nolan moved this agenda item forward ahead of Agenda Item 5.

Town Manager Wilson explained that there was an error in the agenda packet for this meeting. Although the agenda read correctly, two of the CAARF's in the packet reflected the wrong author. He clarified that the CAARF regarding community dumpsters was submitted by Councilmember Wendt and the CAARF regarding the electronic voting system was submitted by Councilmember McBrady.

Town Manager Wilson also explained the process of the budget adoption scheduled for the Regular Council Meeting of July 17, 2018, and that some of the monies attached to proposed CAARFs at this meeting have been added into the budget with the assumption they will be adopted. If they are not approved, the funds will not be expended.

7. Consent Agenda

All those items listed below are considered to be routine and may be enacted by one motion. Any Council Member may request to remove an item from the Consent Agenda to be considered and discussed separately.

Mayor Nolan moved this agenda item forward ahead of Agenda Item 5.

A. Approval of Meeting Minutes:

- 1. Study Session & Special Meeting of April 3, 2018**
- 2. Regular Meeting of April 17, 2018**
- 3. Study Session & Special Meeting of May 1, 2018**
- 4. Regular Meeting of May 15, 2018**
- 5. Study Session & Special Meeting of June 5, 2018**

B. Approval of Intergovernmental Agreement with Yavapai County Sheriff's Office for Law Enforcement Services

C. Approval of extension of Mayer Area Meals on Wheels Accountability Agreement

D. Approval of Intergovernmental Agreement for Election Services with Yavapai County

Councilmember Wendt asked that the minutes from the June 5, 2018 Study Session be removed from the Consent Agenda for discussion.

Councilmember Hamilton made a motion to approve the items of the consent agenda, excluding the Study Session & Special Meeting of June 5, 2018, seconded by Councilmember Treadway. The motion passed unanimously.

Councilmember Wendt noted that in the June 5, 2018, meeting, she expressly made some comments that she wanted included in the minutes regarding the Firewise Committee. She had noted that the Firewise USA certification and the enacting of the Firewise Committee was specifically mentioned under the comments under the Fire, Flooding, and Landslide areas and our

committee and how it was formed, when it was formed and what it was formed for. She would like those comments included in the minutes.

Councilmember McBrady noted another revision to the June 5, 2018, minutes on Page 28 of 85 near the bottom that CM McBrady spoke of this being a big project and that he would be voting against it. It should have read that it was a big project and the full Council was not here to hear it. His vote was based on both of these factors.

These minutes will be brought back with both these revisions at the next meeting.

5. Announcements regarding Current Events; Guests; Appointments; and Proclamations

Announcements of items brought to the attention of the Mayor not requiring legal action by the Council. Guest Presentations, Appointments, and Proclamations may require Council discussion and action.

A. Update Presentation from Director Dale Dieter of the United States Forest Service

Director Dale Dieter of the U. S. Forest Service gave an update to the Council. He noted that they are paying attention to the mitigation issue pursuant to the Goodwin Fire last year. They are focusing on fuels near Crown King and the west side. The current forecast does not expect the monsoon to kick in until end of June to mid-July. Mayor Nolan inquired about the 300-foot firebreak at the Blue Hills area. He inquired if there could be an early start on the firebreak - not wait until after the fire season. Director Dieter explained that they cannot expedite this work until their report is complete and it will be a top priority once they have clearance. Councilmember Wendt spoke of the Mayor starting this effort several years ago. She noted that Firewise and the Town have done their share and Prescott National Forest Service need to do their part. Director Dieter said that they will try to speed things up.

8. Public Comment on Non-agendized Items

Gary Mortimer - spoke in support of the Mayor's comment regarding taking care of the west side and that it would prevent fire from crossing to the east side. He commented that if you follow the money, you will understand how this happens the way it does.

Carmen King - inquired when the Heli-Swift demonstration would be held. Mayor Nolan explained that it has not been rescheduled as of yet. It will be included on a future agenda.

Chris Ellen DeVaus (sp) – Spoke of a discussion at the last Town Meeting held on May 15, 2018, regarding the start-up of a community service group to help with property clean-up efforts for residents in distress. Shortly after that meeting, a few residents got together and helped clean up a property mentioned in that meeting which had a blight complaint against it. The first meeting of the Dewey-Humboldt Community Service was held on June 16, 2018, at Mortimer Farms and a group of 28 residents attended. Most everyone in attendance signed up to volunteer in one way or another. They look forward to other residents attending and taking part as well.

Mike Donovan – spoke of sending an email out to Council last Saturday, which gave a hypothetical scenario of a wildfire and outcome in the Blue Hills area. Mr. Donovan provided several possible conclusions and recommended fixes to his hypothetical wildfire scenario.

Lynn Collins – spoke of the pictures displayed at the May 15, 2018, Council Meeting of a property located at 1445 S. Hopi Trail being outdated and inaccurate. She is not in favor of a lien abatement law, rather in favor of a more reasonable Town Code with lower fines and more time to rectify complaints. The abatement issue is scheduled to be discussed at an upcoming meeting on August 7, 2018, and she feels it should be scheduled for 6:30 p.m.

Cheryl Taylor – spoke of having five acres and not one square inch of it is flat land. If she were told she had to remove all her brush it would create erosion risks to her home and homes in the wash below her. There are times that balance has to be considered when talking about getting rid of consumables.

Leigh Cluff – spoke in appreciation of those who helped get the community service group started and the monetary donations received. She asked the Town Manager for the next project to start on.

Gary Mortimer – spoke in appreciation of the success story on the property at 1445 S. Hopi Trail with

the community volunteer clean up. He feels this group will make a super impact in the community.

9. Unfinished Business

Discussion and Possible Legal Action on any issue which was not concluded, was postponed, or was tabled during a prior meeting.

A. Review and approval of FY 2018/19 Tentative 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)

Town Manager Wilson gave an overview that this is the product of about six meetings with the Council. This is the comprehensive budget for the next fiscal year. It provides an employee 2% COLA increase and a potential merit increase of 3% based on performance. Any insurance increases are included. The final figures from the State Shared Revenues are included. There was a bit of a difference in the local sales tax than originally estimated. There was a decrease of \$70K in this line item. The budget includes all the Town Council initiatives voted on and they are reflected in the appropriate line items. This budget reflects a three-year commitment with the Sheriff Department, with the first year's service being \$416K, at \$438K and the final year at \$460K, which was actually the number initially requested for this year. This will maintain safety standards in the community.

Councilmember Hamilton stated that he couldn't support the Budget, as it is \$148K over what we the Town is taking in. He spoke of the General Fund previously always having been balanced. He spoke of the history of previous budgets. He said the fund basics and initiatives are good ideas, but the Town is now living beyond its means. There are things in the budget that could be cut. He stated he would not vote for this budget.

Town Manager Wilson spoke of the \$200K used in the contingency is not commonly used, but, if you take the \$200K off the listed \$300K plus deficit, you are left with \$150K. He can point out in the current budget more than \$100K that was not expended, that will be applied with the wrap up of the current year's books in September. It may be more, but \$100K will definitely come off the number. Council can accomplish all their issues and have a balanced budget.

Councilmember Treadway asked what percentage of the budget is allocated for salaries and benefits. TM Wilson estimated it at 30-40%. Most full service cities would be 50%. CM Treadway referred to the budget numbers being okay once the unspent dollars from the last budget are applied. TM Wilson spoke of areas where the monies were not expended: Town Manager salary line, the General Plan allotment, and other areas that were not expended will be over \$100K. CM Treadway spoke in support of the community outreach projects and not wanting to have to eliminate those. TM Wilson also spoke of the money that was set aside for the Clearview Drive project and that it is an expenditure that probably will not be made in the upcoming year. TM Wilson spoke of the \$4M reserve and that he believes that somewhere along the line, some of these monies should be put to better use. He feels that is what Council was saying by conservatively engaging in \$200K more of efforts in this budget.

Councilmember Wendt noted in the past the Town has been extremely conservative with this little fund of \$200K, yet they tightened the belt although the community needed services. She believes this will balance out at the end of the budget year. She does not feel the sky is falling. Some services need to be provided to the Town, there are ample reserves. She is confident and thinks they should move forward.

CM Hamilton does not want to increase the reserves. There may be \$100K to apply at the close of budget but you can't pull from savings. He feels it is way over. The previous Councils did not do as much as this Council, they are spending \$350K more. Once you get started, you are never going to go back. He said they will see how the community feels about this at the election.

Public Comment

David Nystrom – applauded the Council for taking a long-term view. He feels the Town has sufficient savings and is looking at the budget balance in terms of two to three years increments. There may be a bit of a deficit one year and a savings the next year. The Town is in a good financial position. When money is available, it should be applied to the community.

CM Hamilton said there is some truth to what Mr. Nystrom said. He spoke of the HURF Fund in detail. Last year \$172K was spent and \$28K was put into HURF fund from the General Fund. He spoke of the funds being allocated to the HURF fund and spending that he thinks should be taken from the HURF fund instead of the General Fund. He said there is a little over \$600K spent per year on the roads, instead of the \$340K shown in the budget. A good chunk of Town money is spent on the roads behind the scenes. He spoke of the Clearview Drive project, and, if the Town has to contribute to match the Federal Funds, the \$50K would not be near enough and that will be for the future Council to decide, as he won't be on the Council then.

TM Wilson spoke of HURF funds being restricted to roads and streets, however, communities cannot solely rely on those funds. Most communities have to supplement the road fund. The only requirement regarding HURF funds is that it has to be spent on streets. There needs to be better service in this area for the safety of the citizens.

CM Treadway feels it is time the Council spent some money on the community and made a motion to adopt the FY 2018-19 Tentative Budget, seconded by Councilmember Wendt.

Councilmember Hamilton noted that they are spending a lot more money on the roads than the HURF fund provides; they are actually spending double what is under the HURF line item. He asked for clarification on the expenditures that were being requested for items to be discussed later on this agenda. TM Wilson explained the new items were included. If Council chose not to support an item, they can take the money out of the budget or not expend the money. CM Hamilton asked about the MAMOW meal purchase noting it was supposed to come out. TM Wilson said that they voted to provide the meals at a purchase price of \$5 per meal. The other line item for MAMOW is two separate amounts. Supporting the meals for the homebound was \$4K. The meals at the community center was a separate item at \$7.5K, but would be a wash with the money received in for the meals from the participants.

Mayor Nolan called for the vote on the motion. The motion passed by a 6-1 margin, with CM Hamilton voting against.

B. Discussion of request to approve a one-year extension of the Dewey-Humboldt Historical Society Accountability Agreement

Town Manager Wilson spoke of the previous agreement with DHHS that provided for a one-year program that assisted them up to \$700 per month for relocation expenses of the museum. The museum has not relocated, but they are pursuing a new concept at the Mortimer Farm property to include farm, ranch and mining exhibits. Council contributed \$5K for the new display exhibits; however, DHHS is still storing and maintaining their archives and display materials and equipment. They have not been utilizing all of the \$700 monthly reimbursement, but they would appreciate an extension of this agreement at a lower amount of \$500 per month.

Councilmember Hamilton stated he had a problem as Mr. Nystrom, at a previous Council meeting, stated, after being asked twice, if they wanted any other money, said that DHHS didn't need the money. CM Hamilton does not appreciate that DHHS is coming back now and saying they need it.

Councilmember Wendt noted Mr. Nystrom was not prepared to make an additional request at the previous meeting. Now they (DHHS) have their feet on the ground and have an idea of their needs. She does not see a problem with the request.

Councilmember Timmons agreed with CM Wendt and does not see the extension of the contract as something new. Councilmember Timmons made a motion to extend the contract by one year not to exceed \$500 a month for the historical society's move and storage of their items, seconded by Councilmember Wendt.

Public Comment

David Nystrom – explained that, when the question was previously asked about additional funding, he did not say that they (DHHS) don't want money, at the time, the priority was the Agua Fria Festival and some other funding. He did not know where the Town's budget stood and he did not have authorization from his Board to discuss it at that time. Mr. Nystrom stated that DHHS could use every dollar they can get, and he appreciates the offer, and the board accepts the \$500 per month. They will try to keep it under that amount. Mr. Nystrom thanked the Council.

Gary Mortimer spoke of the money being helpful to DHHS. The Museum will be housed at the Mortimer Farms at no charge. As far as community outreach, it will be money well spent.

CM Hamilton said that the community should know that this makes a total of \$11K for the Historical Society, with \$6K in rent and \$5K to build exhibits, as well as another \$2.5K for the Agua Fria Festival. CM Timmons noted this is approximately \$1.2K less than last year.

Mayor Nolan called for the vote on the motion which passed by a 6-1 margin, with Councilmember Hamilton voting against.

10. New Business

Discussion and Possible Legal Action on matters not previously presented to the Council.

A. Council to consider the establishing and funding of a 501(c)3 for the Dewey-Humboldt "Firewise" committee and allowing town attorney to begin drawing incorporation papers for such purpose (CM Wendt CAARF)

Councilmember Wendt gave an overview of the Firewise committee. It was started over two years ago by the Town to promote property abatement to hinder wildfires; it was then assumed by the community and started out very small. The meeting attendance grew last year after the Goodwin Fire. They have completed 37 grants at a total of over \$49K. The new Town Manager expressed concern that there could be a liability issue for the Committee and the Town and recommended forming a 501(c)3 for the Firewise Committee. They began to investigate this, but they need someone to do the bookkeeping for the 501(c)3, so they approached the Arizona Community Foundation. Once a 501(c)3 is formed, the Foundation would take over the monthly, annual and IRS reporting for a minimal fee. Some of the reasons to form a 501(c)3 is to relieve liability and formally recognize the existence and provide sustainability to the Firewise program.

Town Manager Wilson clarified that this is a CAARF and this discussion needs to be referred to an agenda for full review. He spoke of the 501(c)3 lending value to fundraising as it is tax deductible and that it would relieve liability. The current arrangement provides for ambiguous business. The 501(c)3 would fix this.

CM Wendt spoke of being able to move quickly as a committee because they are not an ad hoc committee. The amount she estimated for legal fees is on the high side.

CM Treadway spoke of the wisdom of this move, but would like to know what the fee would be for the Arizona Community Foundation's participation. CM Wendt said they need to get this established as a 501(c)3 before they are able to get an idea of the actual fees. There would be a board to oversee the expenditures.

CM Hamilton was not in favor of using the Town Attorney for this work. The Town Attorney is supposed to represent the Town. He spoke of Firewise becoming a Town committee, like P & Z or OSAT, and the liability problem goes away. He may turn in a CAARF to bring this up at the next meeting.

CM Hughes believes there would be benefit to Firewise being a 501(c)3, especially in regard to fundraising. He believes the accounting costs would be minimal.

CM Timmons agrees that the Firewise should go to a 501(c)3, as the further you can keep the committee away from politics, the better off you are. She believes in the professionals doing the accounting.

Public Comment

David Nystrom – As the President and Board Chair of DHHS he thought he could give perspective of a non-profit. A 501(c)(3) is a designation you receive once you incorporate. He gave an overview of the incorporation and 501(c)(3) processes and encouraged the Committee to proceed and contact him with any questions.

CM Hamilton spoke again of making this a Town committee and commented that, if they go the other way, they will need bylaws.

CM Wendt spoke of being familiar with the legalities and that she does not have the time to chair this. If it is a Town committee, she will not run it. The estimates to achieve the non-profit came in at \$2,500. She will be happy to turn over her records if they choose to go the Town committee way. CM Wendt said that pursuing the 501(c)(3) status was at the recommendation of the Town Manager.

Mayor Nolan clarified that this has to be referred to future agenda. Councilmember Treadway made a motion to refer this to the July 17, 2018, meeting agenda, seconded by Councilmember Timmons. The motion passed unanimously.

B. Council to review the ordinance pertaining to setbacks for auxiliary buildings on parcels.
(Mayor Nolan CAARF)

Mayor Nolan gave an overview of this agenda item. The Council has been approached by residents in the downtown area who want to install outbuildings on small lots but can't accomplish this due to setback requirements. He said it is a simple thing and they need to do something to provide for this.

CM Hamilton spoke of a joint meeting with P & Z on January 15, 2015, to address this issue. P & Z Chair DeWitt, at that joint meeting, spoke of setbacks providing safety, maintain the feeling of open space, farm animal buildings need setbacks in order to not negatively affect neighbors; and property values and town bonding could also be negatively affected. CM Hamilton spoke of the variance process, which would cover these types of requests. If you make the change to less, you can never go back to more. You are decreasing the property value if you go the other way. At the meeting in 2015, they decided to have it stay the same.

Councilmember Timmons thinks it is a good idea to review a lot of the ordinances. She would like to make a motion to review the ordinance pertaining to the setbacks for auxiliary buildings on parcels, seconded by Councilmember McBrady.

Councilmember Hamilton asked for a roll call vote. The motion passed unanimously.

Town Manager Wilson said this item would be scheduled for a future Study Session. He also noted that Mr. Garcia at a recent Town meeting asked Council to consider this issue. CM Hamilton spoke of a 25-page report that was prepared back in 2015, which could save a lot of work.

C. Council to consider electronic voting system for Council Chambers (CM McBrady CAARF)

Councilmember McBrady spoke of the current voting system and that many towns use electronic systems, which post the vote results at one time. Council would not be influenced by other member's votes.

Councilmember Timmons spoke in favor of this and made a motion to bring this back to Council to the July 17, 2018, Regular Council Meeting, seconded by Councilmember McBrady.

Councilmember Hamilton hopes that the Council votes by their convictions. If someone's vote is swayed by others, you don't need them. You need someone who has the courage to vote by their convictions. He spoke of needing this information to be vocal for recordings. The Clerk would need to read it for the record. He sees no point in changing it. CM Treadway spoke in agreement with CM Hamilton. Find out what it costs.

CM Timmons asked the Town Manager about other Towns and how they get the vote into the record. TM Wilson said the most common thing is that the Clerk records it in the minutes and on sensitive votes, the Clerk reads it in to the record.

Mayor Nolan called for the vote. The vote passed by a 6-1 margin, with Councilmember Hamilton voting against.

D. Council to consider funding a one-day-a-month community dumpster on a rotation basis (CM Wendt CAARF)

Councilmember Wendt gave an overview of her CAARF stating that at the June 5, 2018, meeting she made a recommendation to form a citizen committee to help with property abatements. The committee was formed. She believes the Town should help the committee by providing a one-day-a-month dumpster on a rotating basis, between the Foothills and Blue Hills. She noted that the Town does little in the way of services and this is a service that could be provided.

Councilmember Hamilton spoke of this effort being tried previously and that it was abused. It created more problems than it solved. He would be in support, if it can be located on Town land. Another problem is that you have to have a Town person monitoring it. You get a mess with people dumping in an unauthorized manner.

Councilmember Timmons loves the idea. It should not be the responsibility of the volunteer committee, rather Town staff could rotate the duty of monitoring. CM Timmons made a motion to bring this back to another meeting for discussion and a vote.

TM Wilson said this item was provided for in the budget and could be scheduled on the July 17, 2018, agenda.

CM Treadway supports the idea but is concerned about the liability and if this could complete with private enterprise. He was skeptical of having Town Staff monitor the dumpsters. He has seen where this type of thing is abused and turns into a mess. CM Timmons noted that there would be fencing.

Councilmember Wendt seconded the motion.

Public Comment

Ken Dolan - spoke of the new community group and recommended giving the \$250 per month to the committee and they would monitor the dumpsters and they could accomplish the same thing.

Mayor Nolan called for the vote on the motion. The motion passed unanimously.

E. Executive Session

Vote to recess to Executive Session

Vice Mayor John Hughes made a motion to recess into Executive Session, seconded by Councilmember Timmons. The motion passed unanimously.

Mayor Nolan called for a five-minute recess at 8:46 p.m.

1. Pursuant to A.R.S. §38-431.03(A)(1) for discussion of employee assignments and salaries as set forth:

a. Employee Classification/Compensation plan

Close Executive Session

Mayor Nolan closed the Executive Session at 9:11 p.m.

11. Public Hearing Agenda - None

12. Whether to hold additional special session(s) this month

Councilmember Timmons made a motion not to have any more special sessions this month, seconded by Councilmember Hughes. The motion passed unanimously.

13. Adjourn Mayor Nolan adjourned the meeting at 9:17 p.m.