

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
22 W. 2nd St., Eagar, AZ
February 10, 2009 – 7:00 P.M.**

Mayor Kim Holaway called the meeting to order and welcomed those present. Mayor Holaway stated that all council members are present. Mayor Holaway led the Pledge of Allegiance, and Guy Phelps offered the invocation.

COUNCIL PRESENT: Kim Holaway, Mayor
 James Nelson, Jr., Vice Mayor
 Gary Finch
 Dustin Sanders
 Guy Phelps
 Byron Smith
 Steve Erhart

STAFF PRESENT: Bill Greenwood, Town Manager
 Bruce Ray, Director of Community Development
 Mike Hogan, Chief of Police
 Katie Wood, Finance Administrator
 Howard Carlson, Fire Chief
 Elwin Browning, Public Works Administrator
 Eva Wilson, Town Clerk

ITEM #5: REPORTS

A. MAYOR

The Eagar and Springerville Councils will hold a joint meeting on February 11, 2009 at 6:00 p.m. at the Eagar Council Chamber to discuss the details of a collaborative tourism event.

Mayor Holaway attended a Leadership Conference sponsored by Northland Pioneer College and hosted by Salt River Project. She also was able to meet the Arizona Diamondbacks last Thursday.

Mayor Holaway attended Legislative Day for elected officials hosted by The League of Arizona Cities and Towns. Mayor Holaway was able to speak to Senator Allen and Representative Konopnicki, and they were in agreement that the shared revenues are a pressing issue. It has been expected that shared revenues will be decreased by 13 percent this next fiscal year.

On February 18th, the Mayor and Vice-Mayor will meet with State Representative Kirkpatrick.

B. COUNCIL

None

C. STAFF

Town Manager Bill Greenwood reported on the projects that Eagar has slated for the federal economic recovery package. The federal monies will be handed to the states to administer through council of governments, in Eagar's case Northern Arizona Council of Government (NACOG) Transportation Committee. By following this procedure the local governments will not have to follow all of the administrative federal mandates, saving on administrative costs.

There are only certain roads that qualify for the project monies and in Eagar that includes North Butler Street, Highway 260 and Main Street. The City of St. Johns technically is next in line to receive NACOG Transportation funds. However, St. Johns does not have any projects that qualify for the monies at this time.

The Town of Eagar already has pre-qualified, "shovel ready" projects in mind. The City of St. Johns has agreed to allow Eagar to have their turn in the rotation. The primary project that Mr. Greenwood proposes to complete is the milling and replacement of North Main Street from the stop light to the town limits.

The secondary project is to mill and replace South Mountain Avenue in Springerville from the town limits to the Springerville stop light. The Town of Springerville has budgeted money for engineering and environmental reviews that they are willing to give to Eagar to get these "shovel ready" projects confirmed for the economic recovery monies.

The third project Eagar could list is to mill and replace South Main Street from the stop light to School Bus Road.

ITEM #6: OPEN CALL TO THE PUBLIC

Town of Eagar employee, Frank McLaughlin, voiced his concerns in the Council's decision to follow through with the racquet sport courts. He stated that employee's hours have been cut, and he is concerned about Ramsey Park and the fire department being used as collateral for the loan to free up the property for the racquet sport facility. He recalled how last year the town could barely finance the swimming pool, was unable to finance the lighting of the softball fields with electric and had to use a diesel generator. He stated that budgeted funds necessary for parts and supplies have been unavailable.

Mayor Holaway asked Mr. Greenwood to speak to Mr. McLaughlin regarding the details of the Racquetball Courts Grant. Vice-Mayor James Nelson stated that he is putting a guideline together that explains the project in detail.

ITEM #7: CONSENT AGENDA

APPROVAL OF MINUTES OF THE JOINT COUNCIL MEETINGS HELD IN DECEMBER 2008 AND JANUARY 2009

APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETINGS HELD JANUARY 2009

APPROVAL OF JANUARY 2009: BANK TRANSMITTALS 1-26, BANK OF THE WEST CHECKS WRITTEN FROM 13027-13045, NATIONAL BANK OF AZ CHECKS WRITTEN FROM 25514-25714, PAYROLL DIRECT DEPOSIT VOUCHERS 1010901-1290937, COMMUNITY FIRST CREDIT CARD PURCHASES

Vice-Mayor James Nelson moved to approve the Consent Agenda as presented. Councilor Dustin Sanders seconded; all were in favor, motion carried unanimously. 7-0

ITEM #8: UNFINISHED BUSINESS

A. DISCUSSION AND CONSIDERATION OF THE MONTHLY FINANCIAL REPORT / STATUS OF FISCAL YEAR 2008/2009 BUDGET, AND THE TOWN'S SALES TAX REVENUE REPORT

The fiscal year is 59% completed. The expenditure and revenue finances pertaining to WIFA have been removed as these projects are on hold for the time being. The Town has received the State Fire money. The first savings for the July bond payments has been set aside. The Town is meeting revenue projections for this year.

The Town is currently holding \$79,894.70 in accounts payable checks to vendors. One accounts payable check is out for more than 30 days, the rest of accounts payable are 15 days out.

The General Fund-Facilities shows that it has expended 91% of the budget. Some of the reasons for this include:

- Upgrade to Blue Building
- Kennedy Well payment
- 2007 bond payment
- Two employees wages & EREs

According to the State, the Town can expect a decrease of 13.5% in state shared revenues next fiscal year. This will amount to a reduction in the General Fund of \$7,355 per month.

Town Manger Bill Greenwood reported that January showed the best sales tax collected in history.

B. DISCUSSION AND CONSIDERATION OF THE CINDER PIT FINANCIAL STATUS

Sales at the cinder pit are up slightly from last month; however the Town is still showing a loss of \$10,665.47 as of January 2009. There is \$39,075 worth of material on hand at the cinder pit.

Councilor Dustin Sanders stated that the cinder pit is losing approximately \$4800 a month since it has been operating. This is the approximate amount that the Town was saving by reducing employee hours.

It was necessary for the Town to use \$8586 worth of material from the pit for bedding on a project on Grassy Street. The employee that is working the pit would have to be paid wages no matter where he is working. The burn pit is better supervised when an employee is at the pit, and none of the trash seen before is being dumped there. The burn pit will definitely see more activity with spring coming when citizens are trimming their trees.

There was discussion regarding the pros and cons of operating the cinder pit. Some councilors felt that the pit should be returned and others felt that revenues may turn around this spring.

C. DISCUSSION, CONSIDERATION, AND SECOND READING OF ORDINANCE 2009-01 AMENDING THE TOWN CODE BY REVISING TITLE 2, SECTION 2.04.070(A) – REGULAR MEETING

Revision of the code will allow the Council to conduct their regular meetings on the first and third Tuesdays of the month.

Vice-Mayor James Nelson moved to approve Ordinance 2009-1 amending the Town Code by revising Title 2, Section 2.04.070(A). Councilor Dustin Sanders seconded; all were in favor, motion carried unanimously. 7-0

D. DISCUSSION AND CONSIDERATION OF ANY ACTION TO BE TAKEN ON LEGISLATIVE ISSUES

Penny Pew would like the Town to write a letter supporting Lyman Lake State Park so that it may not make the cuts from the State budget. Neighbor communities are reportedly doing the same.

ITEM #9: NEW BUSINESS

A. APACHE COUNTY SHERIFF JOSEPH DEDMAN, JR. – INTRODUCTION TO THE COUNCIL

Apache County Chief Deputy Brannon Eagar was present on behalf of Sheriff Dedman. Deputy Eagar assured the council that Sheriff Dedman will attend regular council meetings and he wants to have a good working relationship with all of the communities in the county.

B. DISCUSSION AND CONSIDERATION OF RESOLUTION 2009-05 AUTHORIZING THE PUBLIC PARTICIPATION POLICY FOR THE GENERAL PLAN

Councilor Dustin Sanders moved to approve Resolution 2009-05 authorizing the Public Participation Policy for the General Plan. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

C. DISCUSSION AND CONSIDERATION OF RESOLUTION 2009-07 AMENDING THE USER FEE FOR MULTI-FAMILY HOUSING AND TRAILER COURTS AS RECOMMENDED BY THE UTILITIES BOARD

Finance Administrator Katie Wood stated that this same action was approved by a prior council several years ago; however it was never acted upon at that time. The fee will be based on usage instead of units in a multi-housing unit.

Vice-Mayor James Nelson moved to approve Resolution 2009-07 amending the User Fee for multi-family housing and trailer courts as recommended by the Utilities Board. Councilor Gary Finch seconded; all were in favor, motion carried unanimously. 7-0

D. DISCUSSION AND CONSIDERATION OF RESOLUTION 2009-08 RE-APPROVING THE TWO DOLLAR PER UNIT, PER MONTH SURCHARGE WITH A CAP OF \$50 PER UTILITY BILL AS RECOMMENDED BY THE UTILITIES BOARD

Ms. Wood stated that this resolution was rewritten to provide clarification and to relieve hardship on the town when maintaining the parks, cemetery, fire department, and other projects as needed.

Councilor Dustin Sanders moved to approve Resolution 2009-08 re-approving the two dollar per unit, per month surcharge with a cap of \$50 per utility bill as recommended by the Utilities Board. Councilor Steve Erhart seconded; all were in favor, motion carried unanimously. 7-0

ITEM #10: SIGNING OF DOCUMENTS

Signed the minutes of January 2009; signed Ordinance 2009-01; signed Resolutions 2009-05, 2009-07, and 2009-08.

ITEM #11: ADJOURNMENT

Councilor Gary Finch moved to adjourn the meeting at 8:35 PM. Seconded by Vice-Mayor James Nelson; all were in favor, motion carried unanimously.

Attest: _____

Mayor: _____

Vice-Mayor _____

Council Regular Session
February 10, 2009

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 February 10, 2009. I further certify that the meeting was duly called and held and that a quorum was present.

Eva M. Wilson, Town Clerk