

**TOWN OF PAYSON
TOWN COUNCIL MEETING
MINUTES OF THE SPECIAL MEETING
June 15, 2006**

CALL TO ORDER

Mayor Edwards called the special meeting to order at approximately 4:00 p.m. in the Town Hall Council Chambers, 303 North Beeline Highway, Payson, Arizona.

PLEDGE OF ALLEGIANCE

PRESENT: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

STAFF PRESENT: Glenn Smith, Chief Fiscal Officer, Colin Walker, Public Works Director, LaRon Garrett, Public Works Engineer, Gordon Gartner, Police Chief, William Schwind, Parks & Recreation Director, Robert Smith, Human Resources Director, Jerry Owen, Community Development Director, Terry Morris, Library Director, Fred Carpenter, Town Manager, and Martin deMasi, Fire Chief.

OTHERS PRESENT: Marcia Huffman, Chief Deputy Town Clerk; Commander Don Engler; Officer Reed Watson; Bruce Van Camp; Diane Stoyer, Legal Department Office Manager; Ted Anderson, Airport Manager; Tim Wright, Deputy Town Attorney; Gaye Stidham, Deputy Town Clerk

CONSENT AGENDA

Motion: to approve the Consent Agenda.

Moved by Council Member John Wilson, seconded by Vice Mayor Tim Fruth.

Vote: Motion carried 7 - 0

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

Mayor Edwards clarified that unless there were dissenting votes, a roll call vote would not be taken with each motion.

PURPOSE OF MEETING

1. **Discussion/possible action regarding Resolution No. 2196, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING A SETTLEMENT WITH PRICE WATERHOUSE COOPERS IN THE NATIONAL CENTURY FINANCIAL ENTERPRISES LITIGATION. (Partial settlement to recoup local government investment pool funds) *CONSENT* APPROVED**
2. **Discussion/possible action regarding proposed Budget for FY 2006/2007, to include major capital improvements, consultant studies, Corporate Strategic Plan initiatives, town employee salary survey, funding for non-profit organizations in FY 06/07 and topics for subsequent budget study sessions. (Note: this is the same packet material from the special**

meeting on 6/14/06.)

Manager Carpenter commented that Star Valley was meeting with Payson Police to review the possibility of contracting for police protection. He said a budget item would need to be added for revenue in and costs out. Because Star Valley's agreement with Gila County expires on July 2, an IGA with Star Valley needed to go to Council by June 29, 2006 with an emergency clause. Chief Gartner answered questions from the Council. He noted that the additional services will cause a strain on already depleted personnel, but Payson Police were better suited to assist Star Valley than the Sheriff's Department. He hoped that the reserve academy would help add personnel. There was a general consensus from the Council to pursue this agreement.

Mayor Edwards suggested applying the market increase to employees who make under \$70,000 annually. He suggested taking the midpoint salary from the survey for a position, move the range up by that percentage and then increase salary by that percentage. Vice-Mayor Fruth wanted the greatest need - the police department - addressed first and then apply market increases to other departments. Mayor Edwards also discussed a bonus pool. Bob Smith explained that the new merit system was more job specific and suggested leaving the current system in place and gradually going forward with the bonus portion. Council Member Wilson also wanted to keep the existing merit system in place.

Motion: to apply the market increases to employees under \$70,000 and direct staff to look at merit/bonus program that allows it to be fair to all employees.

Moved by Mayor Bob Edwards, seconded by Council Member Mike Vogel.

Vote: Motion carried 7 - 0

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

Mayor Edwards noted he had received numerous emails opposed to an airport office trailer as proposed in the budget. Mr. Anderson answered questions from the Council. Council Member Vogel stated he would not support expenditures for a public building that was not accessible to the handicapped and all citizens. He asked to see the whole picture of budget requests rather than pieces. Vice-Mayor Fruth said he would prefer to spend the requested \$40,000 on Mud Springs Road or something with a higher priority. Mayor Edwards noted he would be appointing an airport advisory task force to review these questions.

Motion: to take the \$40,000 budgeted for the airport trailer and put in towards the street budget. He amended his motion to include related budgeted items for the trailer including \$6,000 for furniture.

Moved by Vice Mayor Tim Fruth, seconded by Council Member Ed Blair.

Vote: Motion carried 7 - 0

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

Vice-Mayor Fruth suggested that the contributions to charitable organizations be reduced by 20%. There was discussion concerning how that reduction would be applied. There was concern about the need of the Senior Center's Meals on Wheels program and Habitat for Humanity. Mayor Edwards left the meeting at 4:45 pm and returned at 4:48 pm.

Motion: to set the allocation for non-profit funding at \$65,000 and to leave the remainder for review later.

Moved by Council Member John Wilson, seconded by Council Member Susan Connell.

Vote: Motion carried 6 - 0

Yes: Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

Absent: Mayor Bob Edwards.

The Council discussed street maintenance allocations. Bruce VanCamp addressed the Council representing the STAC Committee. He stated that the STAC Committee considered Mud Springs Road improvements to Granite Dells as their top priority. He asked that money be kept in the budget for this project and to add more to complete it. Vice-Mayor Fruth suggested allocating funds through two fiscal years to complete the project. Council Member Blair voiced his concern that Mud Springs Road might not be the solution to the Frontier Elementary School traffic. Council Member Romance urged that planning stay on course for Mud Springs Road and asked staff to be innovative concerning the type of road to be constructed.

Motion: to allocate of \$421,000 for the Mud Springs Road project adding to it next year to go to Granite Dells.

Moved by Council Member Andy Romance, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

Mayor Edwards proposed for discussion cutting 7% from each department's budget and allocate that money to streets. He noted that some proposed cuts would crimp operations. Council Member Wilson opposed implementing such a cut. He said that it would reduce services, delay maintenance, etc. and would not be beneficial to the Town in the long run. Vice-Mayor Fruth explained the Mayor was trying to snuff out some fluff in department budgets. Council Member Connell was concerned about a flat 7% cut effecting training, development and retention of good employees. She noted that repair and maintenance of equipment was critical. Council Member Connell suggested they needed to be selective even if it took more time. Manager Carpenter suggested some cuts were easy to do. He cited the League of Cities and Towns booth, the holiday party, and Hash Knife activities as possibilities. Council Member Romance believed cutting specifics rather than 7% overall was best. He said the second step, reviewing the proposed department budget reductions, was needed. He believed no reduction of direct services to the citizens should be taken. Council Member Vogel suggested that bids be taken for things like tire replacement for Town vehicles. Council Member Blair suggested a change of philosophy to saving would be a good thing and that department heads needed to have a strong desire to find the best deal. He suggested some of the extra money saved go back to the department.

Motion: to leave the dollar amount as listed for departments and determine cuts and reallocations later.

Moved by Vice Mayor Tim Fruth, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member

Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

Council Member Connell explained the economic development allocation. Mayor Edwards stated he had a task force to review the economic development roles of the Community Development Department, the PREDC and the Chamber. Council Member Fruth agreed in theory that we were not getting enough bang for the buck in this area. He did not support both the Main Street program and the Chamber of Commerce being involved in festival planning as they had the same role. He believed the Main Street secretary could be used better and suggested moving their office to the Community Development Department building.

Cliff Potts spoke representing the STAC Committee. He wanted to reinforce the need for budgetary consideration for the street plan (circulation plan) submitted to the Council. The plan had earmarked money for maintenance and some priorities were suggested. Council Member Fruth suggested a STAC work study to bring the Council up to speed on the history of these priorities. Mayor Edwards asked staff to schedule this work study. He also asked staff to supply bullet points from all committee meetings for the Council.

Chief deMasi answered questions from the Council concerning the proposed fire engine and the money to complete the Fire Station 11 remodel.

Council discussed with Commander Engler the use of police vehicles. Mayor Edwards requested a cost analysis of vehicles if they were not taken to the policeman's home but run for the next shift. Commander Engler said he had that available for the Council. Mayor Edwards also asked for the cost of running the volunteer program.

Jerry Owen, Community Development Director, discussed with Council expanding their building to house the Main Street personnel. Council Member Blair requested a work study concerning the different positions and programs: Main Street, PREDC and Chamber of Commerce. Council Member Romance asked the members to be watchful for increased efficiency although that is a difficult thing to measure within a twelve month period. Vice-Mayor Fruth emphasized that the Main Street program should not be organizing festivals and his desire that Mr. Owen supervise that program.

Motion: to leave funding levels the same for the Main Street program, PREDC and the Chamber of Commerce.

Moved by Vice Mayor Tim Fruth, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

LaRon Garrett discussed with Council the secretarial position for his department. He was concerned that using the secretary for the Main Street program would overwork the secretary. There was consensus of the Council to go forward with this position.

ADJOURNMENT: The meeting adjourned at approximately 5:59 p.m.

Date: _____
Bob Edwards, Mayor

ATTEST:

Silvia Smith, Town Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the Town Council of the Town of Payson held on this day the 15 of June, 2006. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____ day of _____, 2006.

Gaye Stidham, Deputy Town Clerk