

**TOWN OF PAYSON  
TOWN COUNCIL MEETING  
MINUTES OF THE REGULAR MEETING  
February 15, 2007**

**CALL TO ORDER:** Mayor Edwards called the Regular Council Meeting to order at approximately 5:30 p.m.

**INVOCATION:** Lowell Andrews, Anglican Church of the Holy Nativity, lead those present in an invocation.

**PLEDGE OF ALLEGIANCE**

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

**STAFF PRESENT:** Fred Carpenter, Town Manager, Sam Streichman, Town Attorney, Glenn Smith, Chief Fiscal Officer, LaRon Garrett, Public Works Engineer, Jerry Owen, Community Development Director, Rick Manchester, Parks & Recreation Director, and Marty deMasi, Fire Chief.

**A. PUBLIC COMMENTS (SPEAKER'S REQUEST FORM SUBMITTED)**

There were no comments from the public.

**B. CONSENT AGENDA:**

**Motion:** to approve the Consent Agenda.  
Moved by Council Member Ed Blair, 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 Su Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

**C. CURRENT EVENTS PRESENTATION BY THE TOWN MANAGER, MAYOR, AND/OR COUNCIL MEMBER**

Manager Carpenter updated the Council concerning the Pasyon Goal Plan. He explained that comments from the public about the importance of various goals being considered was available through a clip-out in the *Pasyon Round Up*, a form available at the library or by voting on line. Deadline for comments is February 23rd. He announced the upcoming PGP meetings and the TOP Talk schedule for the coming week.

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Mayor Edwards encouraged the public to give their input to the Payson Goal Plan.

**D. CEREMONIAL; ANNOUNCEMENTS; PRESENTATIONS; INTRODUCTIONS**

1. Comments, Commendations, and Presentations by Mayor, Council Members, and/or Town Staff.

Clmn. Vogel thanked Penny Pew of Congressman Renzi's office for her invaluable help with a friend who had been bitten by a dog. Ms. Pew arranged for a direct flight home within 12 hours of the incident and medical assistance.

Mayor Edwards read a letter he received from the Mexican American Legal Defense Fund threatening to sue the Town of Payson. Mayor Edwards explained that the Town was not trying to solve the illegal immigration issue. He said that either all businesses must follow the law or none should be required to do so.

2. Presentation of the annual audit report by Dennis Osuch of Cronstrom & Trbovich.

Glenn Smith, CFO, introduced Dennis Osuch, Managing Partner, Constrom & Trbovich, concerning the annual audit report. Mr. Smith distributed a handout that is available to the public concerning the audit.

Mr. Osuch reviewed the reports from the audit. The auditors reported that the financial statements represented the financial position of the Town of Payson as of June 1, 2006 without any qualified opinions.

3. Presentation and discussion/possible action concerning the Task Force on Finance Special Report and Summary.

Joanie King, Chair of the Task Force on Finance Special Report and Summary stated she represented the twelve members of the task force and presented the publication to the Council. She noted that the publication was paid for by the task force. She asked for input from the Council and department heads concerning the report, asked the Council to accept the report and direct staff to develop similar reports.

**Motion:** to Approve to accept the report as submitted by the Finance Task Force.

Moved by Council Member Su Connell, seconded by Council Member Mike Vogel.

Mr. Smith explained his role to produce those reports with existing staff. His department is moving to a system that can do these reports but there will be a cost in producing the format.

Ms. King asked when the reports would be complete. The Task Force wanted to be a part of the process in all steps. Mayor Edwards asked that monthly reports be available to the public. Mr. Carpenter said the cost will be incorporated into the next budget process.

**Vote:** Motion carried 7 - 0

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

#### **E. MINUTES**

1. \* Council Meeting Minutes:
  - . 01-11-07 Special Meeting Pages 1-3
  - . 01-18-07 Special Meeting Pages 1-2
  - . 01-18-07 Regular Meeting Pages 1-7**\*CONSENT\* APPROVED**

BOARDS/COMMISSIONS MEETING MINUTES (Note: Minutes of various boards/commissions/committees are for Council information only and may or may not have been approved by the respective board/commission.)

2. \* Building Advisory Board Minutes:
  - . 01-10-07 Regular Meeting Pages 394-395**\*CONSENT\***

#### **F. HEARINGS AND APPEALS**

1. This was a Public Hearing concerning an application for a Series 12 Liquor License (#12043056) filed by Richard Eugene Floyd, agent, Cardo's Pizza Italian Restaurant, 205 E. Highway 260, Suite A-1, Payson, Arizona.

**Motion:** to Approve an application for a Series 12 Liquor License (#12043056) filed by Richard Eugene Floyd, agent, Cardo's Pizza Italian Restaurant, 205 E. Highway 260, Suite A-1, Payson, Arizona.  
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 Su Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

#### **G. RESOLUTIONS AND ORDINANCES**

1. \* As Council, staff, and the audience have the titles to all resolutions and ordinances, authorization to forego verbal title readings. \*CONSENT\* APPROVED
2. Discussion/possible action concerning Resolution No. 2235, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ADDING SECTIONS 33-75 THROUGH 33.79 TO CHAPTER 33 OF THE CODE OF THE TOWN OF PAYSON, CREATING PAYSON'S HOUSING ADVISORY COMMISSION, AND DECLARING SUCH AMENDMENT TO BE A PUBLIC RECORD.

**Motion:** to Approve Resolution No. 2235, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ADDING SECTIONS 33-75 THROUGH 33.79 TO CHAPTER 33 OF THE CODE OF THE TOWN OF PAYSON, CREATING PAYSON'S HOUSING ADVISORY COMMISSION, AND DECLARING SUCH AMENDMENT TO BE A PUBLIC RECORD.

Moved by Council Member Ed Blair, 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 Su Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

3. Second Reading and Public Hearing concerning Ordinance No. 701, captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, CREATING PAYSON'S HOUSING ADVISORY COMMISSION BY ADDING SECTIONS 33.75 THROUGH 33.79 TO CHAPTER 33 OF THE CODE OF THE TOWN OF PAYSON. Second Reading and Public Hearing.

**Motion:** to Approve Ordinance No. 701, captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, CREATING PAYSON'S HOUSING ADVISORY COMMISSION BY ADDING SECTIONS 33.75 THROUGH 33.79 TO CHAPTER 33 OF THE CODE OF THE TOWN OF PAYSON.

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

4. Discussion/possible action concerning Resolution No. 2246, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE TOWN OF PAYSON FOR A.G. CONTRACT NO. KR07-0018TRN, ADOT PROJECT (SAINT PHILLIPS STREET).

**Motion:** to Approve Resolution No. 2246, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND THE TOWN OF PAYSON FOR A.G. CONTRACT NO. KR07-0018TRN, ADOT PROJECT (SAINT PHILLIPS STREET).

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

5. First Reading and Public Hearing concerning Ordinance No. 706, captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING THE OFFICIAL ZONING MAP FOR THE TOWN OF PAYSON, AMENDING ORDINANCE NO. 466 AND AMENDING THE ZONING CODE FOR THE TOWN OF PAYSON BY REZONING CERTAIN REAL PROPERTY GENERALLY LOCATED AT 2009 NORTH MCLANE ROAD, BEING GILA COUNTY ASSESSOR'S PARCEL NUMBERS 302-35-007(A) & 302-35252, AS MORE PARTICULARLY DESCRIBED ON EXHIBIT "A" ATTACHED HERETO, FROM R1-175 TO R1-6 AND R3 (MOGOLLON RIDGE).

Glenn Groenke explained his longtime history in the town. He was concerned about increased density in this subdivision when neighbors to the north, west and south are all R1-6. He believed that the quality of life would be hindered by any higher density in this neighborhood. Mr. Groenke displayed the subdivision design without town homes. He suggested asking the developer to fund drainage and road improvements.

Lucy Groenke, living in Payson Pines, protested the development of Mogollon Ridge. She said that the Payson Pines detention basin releases water that floods Payson Ranchos and was concerned about Mogollon Ridge doing the same to Payson Pines. Ms. Groenke believed that property values

have declined because of flooding. She said that of the 149 homes in Payson Pines where the petition was circulated from Saturday to Monday, 94 signatures protested the development of Mogollon Ridge.

Glenda Roarke, also of Payson Pines, believed that McLane Road only being 18 feet wide was appalling. She also believed that the proposed Mogollon Ridge development was too dense and that McLane Road between Houston Mesa and Airport roads should be improved. Ms. Roarke also believed that something should be done to slow down traffic on McLane and Houston Mesa.

Lori Myers of Payson Ranchos distributed a map of area designating where people signed petitions in opposition to Mogollon Ridge. She asked the developer to help with the improvements on McLane Road. She discussed drainage issues for Payson Ranchos and believed there would be downstream flooding from this development. Ms. Myers asked the Council to vote no until these issues were resolved.

Edward Jones said he did not have to speak because all had been said.

Elizabeth James had concerns about drainage issues.

Richard Fenley was concerned about the ice in winter on his street. He thought the change in drainage on McLane would add to flooding on his property.

Mark Perry answered questions from the Council concerning Mogollon Ridge. Steve Carter explained the changes to the project developed from citizen meetings. He said they did not intend to do damage to their neighbors and had worked out solutions for some drainage issues. He invited Ralph Bossert with Tetra Tech to give an overview of the drainage.

Ralph Bossert, Tetra Tech, explained this development would not contribute to any drainage problems shown at this meeting. They are all existing. He said the Town requires they not make a drainage problem worse and he believed Mogollon Ridge would decrease drainage by 10%. Mr. Bossert said they will do a drainage study with the preliminary plat. He said the development would meter pump flows from Payson Pines. Any improvement between Corral Drive and Round Up Road where natural drainage outfall exists would have to be with property owner's permission.

Vice-Mayor Fruth didn't approve of condition No. 4. He asked that "qualified employees of Terra Capitol L.L.C." be stricken.

Rick Croy said that a number of these issues would be resolved when the final plat is complete. He believed this was the most comprehensive development to meet affordable housing needs to come before Council.

Jerry Owen, Community Development Director, recommended the applicant clarify and simplify the workforce housing portion of their application.

Clmn. Romance challenged the neighbors to find something the applicant could do to help the neighborhood with traffic and drainage concerns. He said he could support higher density if that was the mechanism that would fix these neighborhood problems and allow the developer to make the money to pay for the improvements.

Vice-Mayor Fruth said if the infrastructure could be repaired with money from the developer through higher density, then it would be a good idea.

Mayor Edwards asked that before the developers were heard again, they meet with citizens.

Susan Williams said that Payson Pines catchment water currently runs through her backyard. She is concerned that drainage from a new development would be more than she would be able to handle.

Sharlyn Hughes-Yoder stated that affordable housing was vital but non-existent in the Payson area. She detailed statistical needs for affordable housing and the benefits of permanent homes for families and communities. She reiterated the need for affordable housing in Payson.

6. \* Discussion/possible action concerning Resolution No. 2247, captioned as follows: RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE OF AN AMENDMENT TO THAT CERTAIN LEASE-PURCHASE AGREEMENT DATED NOVEMBER 30, 2005 BETWEEN THE TOWN AND BANK OF NEW YORK TRUST COMPANY, N.A., AND DECLARING AN EMERGENCY. \*CONSENT\* APPROVED

#### **H. UNFINISHED BUSINESS**

1. Council Decision Request filed by Mary McMullen, Recreation Coordinator, to direct Town Council to approve adoption of the Payson Area Trails System (PATS), formerly referred to in its planning stages as the Community Trails Network. Mayor Edwards asked that Ms. McMullen present the Payson Area Trails System (PATS) at the next Council meeting.
2. Consideration of a motion to remove from the table of the January 4, 2007, regular Council meeting a Council Decision Request concerning the McLane Park Subdivision Preliminary Plat.

**Motion:** to Approve removing from the table of the January 4, 2007, regular Council meeting a Council Decision Request concerning the McLane Park Subdivision Preliminary Plat.

Moved by Vice-Mayor Tim Fruth, 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 Su Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

3. Council Decision Request filed by Jerry Owen, Community Development Director, to approve the Preliminary Plat for the McLane Park Subdivision as submitted subject to the fourteen (14) conditions recommended by the Planning and Zoning Commission.

Robert Nicholas disagreed with the zoning of the proposed subdivision. He was concerned about building in a 100 year floodplain and with making flooding along Colcord worsen. He believed it was unrealistic to ask individual homeowners to maintain the drainage on their property. Mr. Nicholas asked the Council to provide a fenced drainage channel for safety and to stipulate the development not include any 2 story housing contiguous with existing homeowners.

**Motion:** to Approve a Council Decision Request filed by Jerry Owen, Community Development Director, to approve the Preliminary Plat for the McLane Park Subdivision as submitted subject to the fourteen (14) conditions recommended by the Planning and Zoning Commission with the addition to #9 to read, "the property owners are responsible for all required maintenance of those drainage conveyances and easements on private property and for any damage caused by the failure to properly maintain the same."

Moved by Council Member Mike Vogel, seconded by Council Member John Wilson.

**Vote:** Motion carried 5 - 2

Yes: Mayor Bob Edwards, Council Member Su Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

No: Vice-Mayor Tim Fruth, and Council Member Ed Blair.

## **I. NEW BUSINESS**

1. Council Decision Request filed by Martin deMasi, Fire Chief, to authorize the Payson Fire Chief to negotiate Fire/EMS service agreements with the Rim Ranch Club (Fox Farm) and Canyon River Ranch (Doll Baby Ranch) developers.

Chief DeMasi explained the location and scope of each request. He answered

questions from the Council.

**Motion:** to Approve a Council Decision Request filed by Martin deMasi, Fire Chief, to authorize the Payson Fire Chief to negotiate Fire/EMS service agreements with the Rim Ranch Club (Fox Farm).

Moved by Council Member, Mike Vogel, 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 Su Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

2. \* Council Decision Request filed by Glenn Smith, Chief Fiscal Officer, to approve Amendment No. 1 to Lease Purchase Agreement between the Town of Payson and The Bank of New York Trust Company, N.A. \*CONSENT\* APPROVED

#### **J. CLAIMS**

1. \* List of checks paid from 1/26/07 through 2/7/07, Check Nos. 40441 through 40655, except Check No. 40504, and authorization to file the checks for audit. \*CONSENT\* APPROVED
2. \* Check No. 40504, paid 1/31/07, and authorization to file the check for audit. (Note: due to a perceived and/or conflict of interest, Vice-Mayor Fruth will be considered to have abstained from voting on this item.) \*CONSENT\* APPROVED

#### **K. MISCELLANEOUS**

1. Request by the Yavapai County Fair Association, dba Yavapai Downs, to conduct Off Track Wagering at Famous Sam's, 307 S. Beeline Highway, Suite J, Payson, Arizona for the years 2007, 2008 and 2009. The Council took no action on this item.
2. \* Council Decision Request filed by Silvia Smith, Town Clerk, to correct the minutes of the June 22, 2006 meeting to change the terms to expire for reappointments to the IDA Committee for Joel Goode and John Schulz to 6/12/2011. \*CONSENT\* APPROVED

#### **L. PUBLIC COMMENTS**

Barbara Underwood asked the Council to reconsider a fire service contract with Canyon Ranch. She believed that suppressing fires there might possibly keep fire from spreading into Town.

Chris Anderson, developer for Canyon Rim Ranch, protested the lack of opportunity to speak on his item. He explained that the developer had gone to great lengths to be a good neighbor and had already participated in fire prevention programs. The CC&R's created a 20 foot perimeter around each home, kept homeowners environmentally friendly and created a large retention area for helicopter pickup and fire service trucks. Sprinkler systems would be required in every home. The developer was under the impression that their cooperation in fire suppression would allow some type of fire service contract with Payson. Mr. Anderson explained that Doll Baby Ranch Road would be entirely changed with a widened road, curves taken out and pavement to County standards. He asked that the same services be extended to others would also be extended to them.

**ADJOURNMENT:** Mayor Edwards adjourned the regular meeting at approximately 8:48 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 February, 2007. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_

Gaye Stidham, Deputy Town Clerk