TOWN OF PAYSON
TOWN COUNCIL MEETING
MINUTES OF THE REGULAR MEETING
May 7, 2009

CALL TO ORDER

Mayor Evans called the meeting to order at approximately 5:30 p.m.

INVOCATION

Pastor Gordon Hauptman, Crossroads Church.

PLEDGE OF ALLEGIANCE

PRESENT: Mayor Kenny J. Evans, Vice-Mayor Ed Blair, Council Member Su Connell, Council Member Mike Vogel, Council Member John Wilson, Council Member Richard Croy, and Council Member Michael Hughes.

STAFF PRESENT: Debra Galbraith - Town Manager, Sam Streichman - Town Attorney, LaRon Garrett - Town Engineer, Don Engler - Police Chief, Silvia Smith - Town Clerk, and Cameron Davis - Parks, Recreation and Tourism Director.

A. PUBLIC COMMENTS

John Landino reminded everyone this Saturday was the Payson Choral Society Concert. Musical scholarships would be awarded to three high school students and two middle school students.

B. CONSENT AGENDA

Items listed on the agenda with an asterisk are considered to be routine in nature and will be enacted by one motion.

Motion: to approve all Items listed on the Consent Agenda.
Moved by Vice-Mayor Ed Blair, seconded by Council Member Mike Vogel.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Ed Blair, Council Member Su Connell, Council Member Mike Vogel, Council Member John Wilson, Council Member Richard Croy, and Council Member Michael Hughes.

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

Cameron Davis, Parks, Recreation and Tourism Director, thanked the Town for getting the 500 D-backs tickets sold. The Mayor, Town Manager, and Council Member Connell would be on the field before the game started and would read a script. The Sawdust Festival had great events planned and contestants from all over. Mr. Davis reminded everyone the May Rodeo was on the 15th and 16th and that the rodeo parade on

JUN 0 4 2009 E.1*

Main Street started at 9:00 a.m.

Council Member Connell wished all of the mothers, grandmothers and great grandmothers a happy mothers day.

Mayor Evans presented a check from the Tonto Apache Tribe to the Town of Payson to Debra Galbraith, Town Manager. The Mayor explained the money could be spent on anything. The money could be used to keep the Tonto Natural Bidge open.

D. CEREMONIAL; ANNOUNCEMENTS; PRESENTATIONS; INTRODUCTIONS

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

   Council Member Wilson announced that on May 28th the Library Friends were having Chris Smith speak at the Library.

2. **Proclamation.** Council Member Wilson read into the record a proclamation declaring the week of May 10 -16, 2009 as Police Week and May 15, 2009 as Peace Officers' Memorial Day. Men and women of Payson area law enforcement agencies were present to accept the proclamation.

3. **Proclamation.** Mayor Evans read into the record a proclamation declaring May 14 -16, 2009 as Payson Western Wear Days. Members of the Payson Rodeo Committee were present to accept the proclamation.

   John Landino was both humbled and excited. Mr. Lndino thanked the Town and believed the rodeo was going to be terrific.

4. **Proclamation.** Council Member Connell read into the record a proclamation declaring May 22, 23, and 24, 2009 as Buddy Poppy Days. Members of the Veterans of Foreign Wars of the United States were present to accept the proclamation.

   Debra Galbraith, Town Manager, stated Linda Foster's, Paralegal, husband had surgery and Diane Stoyer, Legal Department Office Manager, had surgery and had to be readdmitted to the hospital for internal bleeding and would have surgery again.

   George Rigby thanked the Council for the proclamation.

5. **Proclamation.** Council Member Hughes read into the record a proclamation declaring May 16, 2009 as Payson Aero Fair Day. Dick Garmon, Co-Chairman of the Aero Fair Committee, was present to accept the proclamation.

   Dick Garmon thanked Cameron Davis for what he had done with the Aero Fair poster and announced the different events at the Aero Fair. Mr. Garmon thanked the Town of Payson.

E. MINUTES

1. Council Meeting Minutes:

04-16-09 Regular Council Meeting Minutes Pages 1 - 8
***CONSENT* APPROVAL**

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. Design Review Board Minutes:
03-24-09 Regular Meeting Minutes Pages 94 - 95
***CONSENT* INFORMATION ONLY**

3. Planning and Zoning Commission Minutes:
03-09-09 Regular Meeting Minutes Pages 1 - 2
***CONSENT* INFORMATION ONLY**

F. HEARINGS AND APPEALS

1. There were no items in this section.

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. * **Resolution No. 2485**. Council approved, on the Consent Agenda, Resolution No. 2485, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ESTABLISHING A SALARY EQUIVALENT FOR PURPOSES OF COMPUTING WORKERS' COMPENSATION INSURANCE PREMIUM AND COMPENSATION BENEFITS FOR VOLUNTEERS.
***CONSENT* APPROVED**

3. * **Resolution No. 2490**. Council approved, on the Consent Agenda, Resolution No. 2490, 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 WITH THE NORTHERN GILA COUNTY SANITARY DISTRICT RELATING TO INSTALLATION AND/OR REPLACEMENT OF UTILITY LINES IN THE MCKAMEY STREET AREA.
***CONSENT* APPROVED**

4. **Ordinance No. 761**. Mayor Evans opened the First Reading and Public Hearing concerning Ordinance No. 761, captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING CHAPTER 110 OF THE CODE OF THE TOWN OF PAYSON BY REPLACING THE TERM CERTIFICATE OF OCCUPANCY WITH THE TERM BUSINESS OCCUPANCY PERMIT.

Mayor Evans explained the basic concept of Ordinance No. 761.

There were no public comments. Mayor Evans closed the First Reading and Public Hearing.

5. **Ordinance No. 762**. Mayor Evans opened the First Reading and Public Hearing concerning Ordinance No. 762, captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING THE CODE OF THE TOWN OF PAYSON RELATING TO THE SETTING OF THE AMOUNT OF VARIOUS FEES AND CHARGES AND ADOPTING SUCH AMENDMENTS BY REFERENCE.

   Mayor Evans explained what Ordinance No. 762 related to.

   There were no public comments. Mayor Evans closed the First Reading and Public Hearing.

6. **Ordinance No. 763**. Mayor Evans opened the First Reading and Public Hearing concerning Ordinance No. 763, 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 466 AND AMENDING THE ZONING CODE FOR THE TOWN OF PAYSON BY REZONING CERTAIN REAL PROPERTY GENERALLY LOCATED AT 807 NORTH WHITEHOUSE DRIVE, BEING GILA COUNTY ASSESSOR'S PARCEL NUMBER 302-38-256B, AS MORE PARTICULARLY DESCRIBED ON EXHIBIT "A" ATTACHED HERETO, FROM R1-90MH TO R1-44. (807 N. WHITEHOUSE DRIVE REZONING).

   Mayor Evans explained Ordinance No. 763.

   There were no public comments. Mayor Evans closed the First Reading and Public Hearing.

7. **Ordinance No. 764**. Mayor Evans opened the First Reading and Public Hearing concerning Ordinance No. 764, 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 200 W. FRONTIER STREET, BEING GILA COUNTY ASSESSOR'S PARCEL NUMBER 304-08-064C, AS MORE PARTICULARLY DESCRIBED ON EXHIBIT "A" ATTACHED HERETO, FROM R3-MH TO C-2. (NORTHERN PORTION OF BONANZA SQUARE).

   Mayor Evans explained Ordinance No. 764.

   There were no public comments. Mayor Evans closed the First Reading and Public Hearing.

H. UNFINISHED BUSINESS

1. **Council Decision Request** filed by LaRon Garrett, Public Works Director, and Ray Erlandsen, Acting Community Development Director to submit a formal request to

ADOT to temporarily delay the (Main Street Enhancement Grant Timeline) project for further evaluation and financial analysis.
Or submit a formal request to ADOT for permission to change the scope of the (Main Street Enhancement Grant Timeline) project to better reflect the current fiscal situation.
Or submit a formal request to ADOT to withdraw our application and resubmit in the future when fiscal abilities allow.
Or Proceed with the (Main Street Enhancement Grant Timeline) project as originally planned.

LaRon Garrett, Public Works Director, explained his Council Decision Request. Mr. Garrett gave the history on the Main Street Enhancement Grant. The grant would not pay for all of the construction and the Town would have to pay around $250,000 to $300,000 to finish the project. Mr. Garrett listed options the Council had.

Council Member Wilson asked what the timeline was. Mr. Garrett responded the money would be available July 1, 2009. Mayor Evans asked how long before the Arizona Department of Transportation (ADOT) withdrew it. Mr. Garrett replied 12 months.

Council Member Wilson suggested going ahead as planned and stretching it to the next fiscal year. Council Member Croy asked if Council would put it in this budget. Council Member Wilson felt the Town could get Andy Romance to do the civil portion of the work. Mr. Garrett replied Mr. Romance had said he would do that. Mayor Evans felt that would reduce the cost.

Debra Galbraith, Town Manager, stated the Town had not budgeted for those dollars.

Mayor Evans explianed that if the Town withdrew the application ADOT would look favorably on that. Mr. Garrett replied there was the risk there may not be funding from the program in the future. Ms. Galbraith stated there was no money in the construction fund. The money would have to be transferred in from the General Fund.

Sam Streichman, Town Attorney, stated the Green Valley Redevelopment Area Commission had a quorum present, but one of the members had left the meeting.

Ken Volz, Green Valley Redevelopment Area Commission Chairman, acknowledged other members of the Commission. Mr. Volz felt the options offered by staff were the worst course of action and that the Town would lose the money. Mr. Volz believed construction costs were going up. Mr. Volz asked the Council to make a commitment to Main Street and make a decision based on the good of the whole Town and invest in Main Street.

Mayor Evans believed construction costs were down. Mr. Garrett agreed construction costs were down because of the economy.

Mayor Evans asked if Mr. Romance had deferred the fees. Mr. Volz replied Mr. Romance agreed to delay the payment. Mayor Evans asked if the other

events happening on Main Street were helping. Mr. Volz believed they were, but felt this project would create a physical image of Main Street. The Mayor believed the current economic situation should affect how you make decisions. Mr. Volz believed it would take four to six months before the construction documents were completed.

Mayor Evans asked if the Town engages a party and encumbers money, as Mr. Romance had suggested, does the Town have to track that in the year it was made. Mr. Streichman responed from a legal standpoint you do. Ms. Galbraith replied as long as there was a legal document it would show as a deferred payment. Mayor Evans believed there was a formula that was based on a traffic count to show what the critical mass of activity was. Mr. Volz felt the formula would not show the whole picture and believed Main Street should be a destination. Mayor Evans asked how much public money had been invested in Main Street. Council Member Wilson replied grants were obtained for the beautification of buildings and did not believe the town had put a lot of money into Main Street.

Council Member Hughes would have supported this if there were funds, but there were no funds and all departments were being cut to the bone. Council Member Hughes asked if the Green Valley Redevelopment Area Commission would be willing to raise private money. Mr. Volz replied the Commission would make every effort to do that, but believed funds could not be raised in this economy.

Council Member Vogel stated there were no funds and he would not gamble on the funds. Council Member Vogel believed Mr. Garrett could get the grant back. Mr. Volz felt that volunteers on commissions spent their time and effort only to find out a project was not going to come to fruition. Mr. Volz understood the financial situation.

Council Member Croy asked what part of Main Street the project would cover and how many businesses were located there. Mr. Volz replied the actual number of businesses was small, but over time it could get more momentum to carry on down the street. Mr. Volz stated the initial success would be small.

Council Member Blair asked Minette Richardson to come to the mike.

Minette Richardson felt that First Friday was a success, but that was only one night. Ms. Richardson stated there were businesses struggling to stay open and felt canceling the project would stop the momentum on Main Street. Ms. Richardson believed Main Street needed to look better to get people to come and if the Town let this project go it would never see it again.

Council member Blair asked about the grant. Mr. Garrett believed nothing had been spent out of the grant and that all of the $315,000 would be used on construction. Council Member Blair asked if the consultant fees had already been paid by the Town. Mr. Garrett responded yes and the next step was to get construction documents. Council Member Blair asked if any of this could come out of debt service. Ms. Galbraith replied no, debt service only existed when money was recieved from bonds or a loan. Mr. Garrett stated the Town has to pay all design costs and the grant does not cover all of the construction cost.

Ms. Galbraith stated the State prepares its budget after the Town and that could cause some issues if funds were cut.

Council Member Wilson suggested some of the things not covered by the grant be done at a later date.

Council Member Hughes asked what the time line was for ADOT's decision. Mr. Garrett replied there was not a hard deadline and the next step was 60 percent plans. ADOT was aware of the Towns situation. Council Member Hughes asked if Council could table this to see if the Green Valley Redevelopment Area Commission could raise private funds. Ms. Galbraith stated the project would not be able to go a penny over what was budgeted.

Mr. Volz stated he would bring up raising private funds with the other Commission Members. Council Member Hughes stated he would table this item if the Commission could find out in two weeks. Mr. Volz felt the Council should go a head and vote now.

Council Member Blair asked if the design Mr. Romance would do would help. Mr. Garrett replied yes, but there were other items that come from other consultants and would have to be approved. The Town did not have the final plans. Council Member Blair asked to delay this item and see the figures written out. Council Member Vogel explained what the figures meant.

Council Member Connell stated this was one of the hardest decisions she had to make because the Town did not have any money.

Motion: notify ADOT the Town will withdraw the application.
Moved by Council Member Mike Vogel, seconded by Council Member Michael Hughes.

Council Member Blair questioned if there would be money in the future. Council Member Blair stated he had no confidence that money would be there in the future.

Mayor Evans read Bill Lister's, ADOT, letter asking the Town to reapply at a later date.

Council Member Croy asked if the Town was at risk that the grant might not be there. Mr. Garrett responed if the Town did not use the grant soon ADOT could withdraw it anyway.

Charles Proudfoot, Green Valley Redevelopment Area Commission Member, had been the recipient of grants and believed the money would always be there because it was dependant on the gas tax and vehicle tax. Mr. Proudfoot felt giving it back to ADOT would help the Town get the grant back in the future. Mr. Proudfoot believed the Town was spending to much money to make this grant work and that two weeks might be enough time to work with Mr. Garrett to see why the grant was written like that.

Council Member Blair asked if he could make a motion to table this. Mr. Streichman replied yes.

Motion: table this item to the May 19th regular Council meeting.
Moved by Vice-Mayor Ed Blair, seconded by Council Member John Wilson.

Mayor Evans called for the vote on the motion to table.

Vote: Motion carried 4 - 3

Yes: Vice-Mayor Ed Blair, Council Member Su Connell, Council Member John Wilson, and Council Member Michael Hughes.
No: Mayor Kenny J. Evans, Council Member Mike Vogel, and Council Member Richard Croy.

I. NEW BUSINESS

1. *** Council Decision Request.** Council approved, on the Consent Agenda, a Council Decision Request filed by Silvia Smith, Town Clerk, to direct staff to draft an administrative policy clarifying the procedures for the seating of the newly elected Mayor and Council Members.
***CONSENT* APPROVED**

2. *** Council Decision Request.** Council approved, on the Consent Agenda, a Council Decision Request filed by LaRon Garrett, Public Works Director, to award the contract for updating the 1989 Water Master Plan to Tetra Tech, Inc., and authorize the Mayor to execute the contract documents substantially in the form presented.
***CONSENT* APPROVED**

3. *** Council Decision Request.** Council approved, on the Consent Agenda, a Council Decision Request filed by Ray LaHaye, Chief Building Official, to approve the five (5) year CRW Software Maintenance and Support Agreement and to have the Mayor sign all necessary documents.
***CONSENT* APPROVED**

4. **Council Decision Request** filed by Debra Galbraith, Town Manager, to adopt Fiscal Policy 101, with changes, if any, as recommended during this meeting.

   Debra Galbraith, Town Manager, explained her Council Decision Request. Mayor Evans appreciated Ms. Galbraiths effort.

   Council Member Connell asked that this policy be given to future Council Members and congratulated Ms. Galbraith and her staff.

   Motion: adopt Fiscal Policy 101.
   Moved by Council Member Michael Hughes, seconded by Council Member Mike Vogel.

   Mayor Evans felt the policy was well done and a guide to help future Council Members. The Mayor called for the vote.

   Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Ed Blair, Council Member Su Connell, Council Member Mike Vogel, Council Member John Wilson, Council Member Richard Croy, and Council Member Michael Hughes.

5. *** Council Decision Request.** Council approved, on the Consent Agenda, a Council Decision Request filed by Cameron Davis, Parks, Recreation and Tourism Director, to approve the fireworks display Contract in the amount of $20,000 and the Addendum with the FPA in substantially the form attached for the annual fireworks display at Green Valley Park and authorize the Town Manager to sign such Contract and Addendum.
***CONSENT* APPROVED**

6. *** Council Decision Request.** Council approved, on the Consent Agenda, a Council Decision Request filed by Silvia Smith, Town Clerk, to approve the schedule change of the Special Budget Meeting of May 19, 2009 to a Regular Council Meeting and cancel the Regular Council Meeting of May 21, 2009 due to the High School Graduation scheduled on the night of May 21, 2009.
***CONSENT* APPROVED**

7. **Council Decision Request** filed by Mary McMullen, Trails/Outdoor Coordinator, to enter into an Affiliation Agreement with Arizona State University (ASU), which would establish an affiliation between ASU and the Town of Payson regarding future internship programs.

Mary McMullen, Trails/Outdoor Coordinator, explained her Council Decision Request.

Motion: enter into an Affiliation Agreement with Arizona State University (ASU), which would establish an affiliation between ASU and the Town of Payson regarding future internship programs.
Moved by Council Member John Wilson, seconded by Council Member Su Connell.

Council Member Blair asked Ms. McMullen is she had the time to do this. Ms. McMullen replied yes, the hardest part, the schedule had been done. Ms. McMullen believed this was a huge benefit to the Town.

Council Member Connell stated this person would get credit for the internship at school. Ms. McMullen stated the Town would be helping them be trained and enter into the workforce.

Mayor Evans called for the vote.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Ed Blair, Council Member Su Connell, Council Member Mike Vogel, Council Member John Wilson, Council Member Richard Croy, and Council Member Michael Hughes.

8. **Council Decision Request** filed by Debra Galbraith, Town Manager, to help fund the opening of the Tonto Natural Bridge for the weekends of May (4) and June (4) for an amount not to exceed $2,940.00. (Added 5-4-09 at 9:40 a.m.)

Debra Galbraith, Town Manager, explained her Council Decision Request.

Council Member Wilson explained this was covered in this budget.

Motion: help fund the opening of the Tonto Natural Bridge for the weekends of May (4) and June (4) for an amount not to exceed $2,940.00.
Moved by Council Member John Wilson, seconded by Council Member Mike Vogel.

Council Member Blair asked when the Bridge would open. Ms. Galbraith replied the coming weekend.

Mayor Evans called for the vote.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Ed Blair, Council Member Su Connell, Council Member Mike Vogel, Council Member John Wilson, Council Member Richard Croy, and Council Member Michael Hughes.

J. CLAIMS

1. * **List of checks**. Council approved, on the Consent Agenda, a list of checks paid from 04/14/09 through 04/28/09, Check Nos. 005415 through 005649, except Check No. 005428 and Check No. 005589, and authorization to file the checks for audit.
***CONSENT* APPROVED**

2. * **Check No. 005428**. Council approved, on the Consent Agenda, Check No. 005428 and authorization to file check for audit. (Note: due to a perceived and/or conflict of interest, Council Member Connell will be considered to have abstained from voting on this item).
***CONSENT* APPROVED**

3. * **Check No. 005589**. Council approved, on the Consent Agenda, Check No. 005589 and authorization to file check for audit. (Note: due to aperceived and/or conflict of interest, Council Member Vogel will beconsidered to have abstained from voting on this item). ***CONSENT* APPROVED**

K. MISCELLANEOUS

There were no items in this section.

L. PUBLIC COMMENTS

1. There were no public comments.

ADJOURNMENT:

Mayor Evans adjourned the meeting at approximately 7:34 p.m.

APPROVED:

_____Date:_____

Kenny J. Evans, 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 regular meeting of the Town Council of the Town of Payson held on this day the 7 of May, 2009. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____day of _____, 2009.

_____

Tracie Bailey, Deputy Town Clerk