

**TOWN OF PAYSON
TOWN COUNCIL MEETING
MINUTES OF THE SPECIAL MEETING
March 22, 2016**

CALL TO ORDER

Vice-Mayor Hughes called the meeting to order at approximately 4:00 p.m. at the Town Hall Council Chambers, 303 N. Beeline Highway, Payson, Arizona.

PRESENT: Vice-Mayor Michael Hughes, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member Chris Higgins.

ABSENT: Mayor Kenny J. Evans, and Council Member John Wilson.

STAFF PRESENT: LaRon Garrett - Town Manager, Hector Figueroa - Town Attorney, Don Engler - Police Chief, Silvia Smith - Town Clerk, Cameron Davis - Parks, Recreation and Tourism Director, Emily Linkey - Library Director, Tanner Henry - Water Division Manager, and David Staub - Fire Chief.

OTHERS PRESENT: Tracie Bailey - Chief Deputy Town Clerk, Sheila DeSchaaf - Planning and Development Director, Manar Bogatko - Water Department Customer Service Manager, Nelson Beck - Parks Supervisor, Hope Cribb - Finance Manager, Tammy Enlow - Budget Analyst, Ray LaHaye - Chief Building Official, and Bobby Davis - Economic Development Specialist.

PLEDGE OF ALLEGIANCE

PURPOSE OF MEETING

1. **Discussion/possible action concerning the Town's 2016/2017 Capital Improvement Plan (CIP).** (This was the first meeting re: the 2016/2017 CIP. Council was presented with Departmental requests as a preliminary step in the 2016/2017 CIP process.)

Vice-Mayor Hughes explained the purpose of the meeting and introduced Hope Cribb, Finance Manager.

Ms. Cribb reviewed prior year and current year Capital Expenditures. Ms. Cribb went over current year Capital Expenditures other than the Water Fund. Vice-Mayor Hughes noted the revenue for the majority in the 16/17 budget was the half cent transportation tax it was not coming out of the General Fund. Ms. Cribb replied that was correct. Council Member Carpenter asked what the debt service was on the Parks and Recreation equipment. Vice-Mayor Hughes noted expenditures not related to the Cragin Project in water were for repairs. Ms. Cribb went over debt service

payments. Ms. Cribb noted there were some high priority maintenance requests from departments. Council Member Carpenter asked if the taser replacement was a possible grant item. Don Engler, Police Chief, replied not at this time. Council Member Connell asked if the playground structure covered the area where the swings were. Nelson Beck, Parks Supervisor, replied it would replace the swing set apparatus. Council Member Carpenter asked how the tennis courts were holding up. Mr. Beck replied they would need resurfacing in the future. Ms. Cribb went over Capital Project requests for 2016/2017. Vice-Mayor Hughes noted some were restricted funds and some were general funds. Street, Airport and Water were generally restricted funds. Council Member Carpenter noted general fund items had to be purchased. Ms. Cribb went over Capital Projects and Equipment for Law Enforcement. Vice-Mayor Hughes asked with the possible combination of combining the Payson Dispatch Center with Gila County would this change. Chief Engler believed they may have been able to resolve some of the communication remodel issues so it may be less or could be put off to a future date. Vice-Mayor Hughes asked if the building addition affected this at all. Chief Engler replied no. Council Member Connell asked about the vehicle replacement. Chief Engler explained the department may be able to use funds other than the General Fund. Council Member Carpenter believed vehicle replacement needed to be done and asked what the actual addition to the building was for. Chief Engler explained it was to store DNA evidence that cannot be too hot or too cold. The addition would be climate controlled for DNA and could store some records that were currently off site. Council Member Carpenter asked what the proposed square footage was. Chief Engler did not have that right off of the top of his head. Council Member Connell asked what the Hillcrest Base and Elk Ridge link was. Chief Engler explained it was to control the radio. It controlled the base station radio from the dispatchers console so they could dispatch fire departments from different sites and it would be able to communicate in the dead spots to the north. Council Member Carpenter noted the two General Fund items would be the building addition and communication remodel. Chief Engler felt the top priority was vehicle replacement and then the 911 recording device. Council Member Croy asked if the DNA evidence was currently stored in a temperature controlled space. Chief Engler explained the department was outgrowing the current space. Council Member Croy asked if there was any way to remodel the existing building for that. Chief Engler indicated he would look at other ways if the addition was not funded. Council Member Connell asked if the top must haves were vehicle replacement and the 911 recording device. Chief Engler replied yes.

Ms. Cribb went over Fire Department Capital Projects and Equipment. Council Member Carpenter noted there was one fire truck the Town was finishing the lease purchase on and asked how much it was. Ms. Cribb replied around \$58,000. Council Member Carpenter asked if this was for a brand new fire truck. David Staub, Fire Chief, explained this was for a brand new vehicle as the Fire Department looked at the Town growing with four story buildings. The Fire Department would need the ladder truck. Chief

Staub indicated the Fire Department was surviving with what they had, but at some point would need new equipment. Council Member Carpenter asked Chief Staub to prioritize items for the Council. Chief Staub noted the SCBA equipment device was the top priority. Vice-Mayor Hughes asked Chief Staub if he was looking for grant money to purchase the SCBA Equipment and AFG Equipment. Chief Staub replied yes. Vice-Mayor Hughes asked if there was any other equipment that the department really needed. Chief Staub noted the smaller light vehicles were becoming a priority.

Ms. Cribb went over General Government Capital Projects and Equipment. Ms. Cribb reviewed Capital Projects and Equipment for Community Development. Ms. Cribb noted if the American Gulch Community Facilities District was approved the Town would have to pay a percentage of the bond because the Town owned property in the area. Vice-Mayor Hughes asked if there was any indication the Community Facilities District (CFD) would happen in this next fiscal cycle. Sheila DeSchaaf, Planning and Development Director, explained if a petition was received it would have to go to a vote of the people that were within the district. It was an estimated ten million dollars for completion. Because the Town was a non-profit the property the Town owned within the district would not be taxed so the Town would not have a cost share there unless the Council elected to fund some of the cost. One item that did not have a funding source was an engineers cost estimate. Vice-Mayor Hughes asked if the Town got a petition before the end of the year could there be a cost in the budget. Ms. DeSchaaf replied that was correct. Council Member Carpenter asked if the land values in the area could support a ten million dollar CFD bond issue. Ms. DeSchaaf explained value was determined after the improvements were made. Council Member Carpenter asked if any survey work had been done in the area. Ms. DeSchaaf replied staff had reached out to some of the property owners in the area. Vice-Mayor Hughes explained this was a place holder in the CIP for now. Ms. DeSchaaf noted a fifty percent buy in would likely be required to file the petition and would be based on where the district boundaries were drawn. Council Member Connell asked for an explanation on the highway landscaping even though it was grant funded and the endowment for the arts. Ms. DeSchaaf explained the highway landscape was not actually grant funded it was carried over from 2007 when the landscape and signage study was done by Angela Dye and the sub-consultants JRC signs. Their recommendation was \$150,000 a year and it has not been funded since that study was accepted so staff had increased that amount for the 16/17 budget. Ms. DeSchaaf noted if the endowment for arts was received \$250,000 of that would go to some of the items that were specified in the Highway 87 and 260 landscape study and would include gateway signage at the Town's entry ways and a comprehensive "way" finding system of signage. Council Member Carpenter asked if the Town would have design input in the signage. Ms. Deschaaf replied that graphic was the recommendation from the study. The signage would be representative of Payson. Council Member Croy asked what the term of the bond would be for the property owners paying for the American Gulch Project. Ms. DeSchaaf replied it would be the property owners that directly benefited from that.

Council Member Croy asked over what period of time the property owners would be paying the bond back. Ms. DeSchaaf replied twenty-five years. Council Member Croy noted if the property owners felt they could not afford it they would probably vote no and asked if the plan was to present it to the property owners and see if they accept it. Ms. DeSchaaf replied a lot of the actual design would fall to whichever engineer was selected to prepare the cost estimate and noted staff has modeled the version to follow after the Chilson Ranch plan which was designed in 2007 and approved by the Council. Vice-Mayor Hughes explained a CFD was new to the Town and that other towns used it as a financing vehicle for development. Vice-Mayor Hughes felt this would become more popular and explained he had talked to the Town Manager about having a work-study session for the Council regarding this and it would go in the CIP because the Town was a property owner there. Council Member Carpenter noted the Town could voluntarily agree as a stimulant to the project to participate in it for the Town's property. Council Member Higgins asked if the signage would extend into the parks. Ms. DeSchaaf noted the endowment for the arts was for Highway 87 and 260 and Main Street and also for incorporation of art along the corridors and along the gulch. If that was included it would be mostly "way" finding for tourists to find amenities.

Ms. Cribb went over Building Department Capital Projects and Equipment. Vice-Mayor Hughes noted the Building Department was asking for another truck. Ms. DeSchaaf explained the code enforcement vehicle was a 1998 and the building inspector's vehicle was decommissioned so they were sharing the one vehicle. Ms. Cribb reviewed the Parks, Recreation and Tourism Capital Projects and Equipment. Council Member Carpenter asked when was the last time the Town did a parks master plan. Cameron Davis, Parks, Recreation and Tourism Director, believed the last plan was done in the early 90s. Council Member Carpenter asked Mr. Davis what his department's priorities were. Mr. Davis replied number one was the utility vehicle used for daily work, number two was the Rumsey Park basketball court, number three was the Green Valley Park playground access. Nelson Beck, Parks Supervisor, noted the surface of the playground was not accessible for handicapped people. The equipment was put in in 1997. The \$16,000 on this list would address the drainage issues. Number four was all three daily commuter vehicles. They were starting to cost more to keep running and needed to be replaced soon, number five was the parks master plan. Vice-Mayor Hughes asked if the full master plan was not \$70,000. Mr. Davis replied no, it would be spread out. Vice-Mayor Hughes noted the total cost for the master plan was \$130,000. Council Member Carpenter asked if porta potties would still be used at the Kiwanis ball fields. Mr. Davis explained his department has spent about \$36,000 over the last ten years on porta potties. Mr. Beck noted the figure to build a small brick restroom facility was \$80,000 and two were needed in Rumsey park. Mr. Davis noted the Friends of Parks and Recreation were working on a fundraising program to supply those bathrooms at the Kiwanis Fields. Council Member Croy asked if the \$80,000 included the plumbing and water. Mr. Beck explained there was water within a few feet. This should be the total cost if staff did

some of the work and it could bring the price down. Mr. Beck noted the contractor building the Star Valley Park bathroom had provided this number. Ms. Cribb noted the ongoing costs for water and cleaning would need to be added. Council Member Higgins asked if the \$80,000 was for both bathrooms. Mr. Beck replied it was for each bathroom. Council Member Higgins asked if there were any plans for signage on the Kiwanis ball fields. Mr. Davis indicated staff had thought about that as well and would talk to the Friends of Parks and Recreation about signage.

LaRon Garrett, Town Manager, went over Capital Projects and Equipment for street improvements. Council Member Carpenter asked if the streets were figured out for pavement preservation. Mr. Garrett replied yes, the streets were planned out for seven years. Council Member Carpenter asked if all of this would be funded out of the Highway-User Revenue Fund (HURF). Mr. Garrett replied none of it would come out of the General Fund. Vice-Mayor Hughes noted the majority of HURF funds would be for pavement preservation. Council Member Connell asked when Manzanita Road was getting done. Mr. Garrett replied it was going out to bid in the next couple of weeks. Ms. Cribb reviewed Capital Projects and Equipment for the airport.

Ms. Cribb went over Capital Projects and Equipment for water improvements. Council Member Carpenter noted there was a full page in the Arizona Republic newspaper about lead problems in the water. Tanner Henry, Water Division Manager, explained Water Department staff did regular testing for lead and lead pipes were not used for the Town's system. It was as newer system. Ms. Cribb reviewed future projects. Council Member Carpenter asked Emily Linkey, Library Director, if the library expansion had any efforts under way by the Friends of the Library to save money for the expansion. Ms. Linkey replied they continue to hold on to funds for the expansion. Council Member Carpenter asked if the Town was on track for water from the C. C. Cragin Project in the Spring of 2018. Mr. Garrett replied yes. Council Member Croy noted the Council had the different departments prioritize the items and asked department heads to bring back what was being provided by grant money and to put it in a presentation and reference other revenue sources. Council Member Carpenter noted the fire department, for example, has one piece of equipment that was paid off. Vice-Mayor Hughes noted it was not paid for by all General Fund money, some money came from a bond. Council Member Carpenter indicated he would like to see the priorities also. Council Member Croy asked what the projected revenues were to pay for this CIP. Ms. Cribb explained first personnel and services were taken care of and what was left in the General Fund was to do projects. Vice-Mayor Hughes noted the Town had wages and daily operating costs. Vice-Mayor Hughes explained the CIP was for big ticket items. The Town has been through tight budgets and was still trying to take care of items like merit increases for employees and a cost of living increase. Council Member Carpenter asked department heads to give the Council their priorities. Council Member Carpenter noted some restrooms in the parks needed serious

maintenance. Council Member Connell indicated safety issues and signage were most important. Council Member Croy asked if the Town had ever entertained some signage that would hang on the fence and generate some revenue . Mr. Davis replied staff has considered that and at some events have allowed businesses to put signs on the fences, but some signs were detrimental to the fencing. Mr. Davis indicated staff would look into it. Council Member Higgins noted at the ball fields the wind blew half of the banners off. Mr. Beck noted the Town has allowed Little League to use banners to raise money, but has not used banners to raise money to help the Parks Division operate. Council Member Carpenter noted Bonita Street has been on the list for a long time and asked if there was a way to speed up the project. Mr. Garrett replied no, it was a Federal process.

ADJOURNMENT

Vice-Mayor Hughes adjourned the meeting at approximately 5:15 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 special meeting of the Town Council of the Town of Payson held on this day the 22 of March, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____ day of _____, 2016.

Tracie Bailey, Chief Deputy Town Clerk