

MINUTES OF THE SPECIAL SESSION OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD MAY 3, 2010 AT 6:00 P.M. IN THE TOWN COUNCIL CHAMBERS.

Mayor Luke Smith called the Special Session to order at 6:05 p.m. Roll call was taken as follows:

<u>ROLL CALL:</u>	<u>Present</u>	<u>Absent</u>		<u>Present</u>	<u>Absent</u>
Mayor Luke Smith	<u>X</u>	_____	Stephanie Irwin	<u>X</u>	_____
Vice Mayor Rich Crockett	<u>X</u>	_____	Kim Webb	<u>X</u>	_____
Woody Biscoe	<u>X</u>	_____	Leslee Wessel	<u>X</u>	_____
Norris Dodd	<u>X</u>	_____			

STAFF PRESENT:

Kelly Udall, Town Manager; Rosemary Rosales, Town Attorney; Lu Anne Frost, Town Clerk; J. Kent Brooksby, Finance Director; Paul Esparza, Community Development Director; John Vuolo, Parks and Recreation Director; Tom Thomas, Public Works Director; Jessica Grey, Library Director; Mary French-Jones, Grant Coordinator; and Sherwood Eldredge, Chief of Police.

ITEM NO. 2, TOWN OF PINETOP-LAKESIDE PRELIMINARY GENERAL FUND AND CAPITAL IMPROVEMENT PLAN (CIP) BUDGET FOR FY 2010-2011:

Kent Brooksby stated they implemented the suggestions from the last meeting, as indicated on the sheets provided. He stated they reduced the general contingency from \$50,000 to \$20,000; changed the new police officer position to full time for a half year, starting in January; increased the business license revenue according to what was suggested; and reduced the cost of televising the Council meetings by \$6,000 by switching to webcasting. He said he made some other minor adjustments to things like dental coverage. He stated they do not yet know about the health coverage. He stated these adjustments cover the shortfall identified last week, but said however, there is another shortfall.

Mr. Brooksby stated the Town received \$55,000 for the NEPA study on Woodland Lake Park, and now need to find another \$23,750 to make up the difference. Councilman Dodd stated he would help. Kelly Udall stated the Town could not move forward in acquiring any portion of Woodland Lake Park until they complete a NEPA study; and said they applied for a RAC grant. Councilman Dodd stated this was the second largest grant for Navajo County out of about eight submittals. He said those dollars typically go to on the ground habitat improvements or road repairs. Mr. Udall stated they were successful in receiving those funds, but said there is a gap. He said they think the consultant would cost approximately \$93,000 for the environmental assessment portion. He said they would have had the difference covered if they had received the full amount of the grant request; but said since the award was \$55,000; they need to make up the difference in the General Fund. He said they have collaborated with the White Mountain Land Trust and Save Our Park, who will be contributing \$8,500 each. He said the Town is also contributing in-kind. He said assuming the estimations are correct; the Town needs \$23,750 for the environmental assessment stage of the NEPA study. Councilman Dodd stated they have

another cost to address, and that is the cost of the collection agreement with the Forest Service to hire the consultant. Mr. Udall stated they believe Julia Faith Rivera bumped the grant amount by \$3,750. Mary French-Jones stated there was a 5% administrative cost. Councilman Dodd stated that would go to the Supervisor's Office and would not pay for the Forest Service people. Mr. Udall stated he understands the study would take approximately 18-months to complete, and said there may be a way to negotiate the payment arrangements to cover two fiscal years. He said if they can find the \$23,000, they are off to a good start. Councilman Dodd stated if the Town could make up the shortfall they would be in a better position to go back to the White Mountain Land Trust and Save Our Park for additional funding. He said he thinks if they go to bid for environmental services, they may find it would not cost the full \$92,000.

Councilman Dodd stated they had discussed cutting back Council stipends at the last meeting, but said there is nothing contained in this information. He said cutting 50% of the stipend for six Council Members would equal \$9,000; and cutting the Mayor by 25% would equal another \$1,000; for a total of \$10,000. Mr. Brooksby stated he had not included that, as the other changes made were sufficient to meet the shortfall.

Councilman Biscoe stated he did not see how they could budget for a new officer. He said since the Town was incorporated this is the worst the economy has been, and said if things turn around; they could add it in later. He said they could end up having layoffs. Mayor Smith stated that was the point of making it a half-year position. Councilman Biscoe stated he thinks they could cut salaries even more, and said this is a bad time to add another position. Mayor Smith stated he thinks it is fine to add the position. He said the goal is to fill the position at some point. Councilman Dodd stated they could reassess the situation in 6 months and decide at that time not to fill the position. He said they have heard from the police department and others how marginally staffed they are. Councilman Biscoe asked what they are doing to increase revenue in Town. He said he has not seen anything they have done as a Town to increase revenue. He said they are spending money they do not have. Councilwoman Wessel stated she is also concerned about budgeting for a new position if there is any chance there would be additional layoffs. She stated she knows of the concern in the police department, but said if they are increasing there and cutting back somewhere else is not a wise thing to do. She stated she is also willing to give up her Council stipend. Mayor Smith stated this is not a new position. He stated they have not filled this position for 4 years.

Mr. Udall suggested if they do not televise or webcast Council meetings they would save an additional \$10,000. Councilman Biscoe stated the business license revenue is incorrect. He said Mr. Esparza has done a count and it is more than \$3,000. Mr. Brooksby stated he reflected only the increase in what he had on the previous paperwork. Councilman Biscoe asked what it was before. Mr. Brooksby stated he had put in \$12,000. Councilwoman Wessel stated not broadcasting the meetings might affect the citizens who do watch it. She stated she does not know how many there are, but said she has heard from some that they watched the meeting on TV. Councilman Dodd stated he has spoken with some who have relayed to him they would prefer having it online.

Councilman Dodd stated they have \$20,000 budgeted for elections, and said at the last meeting they discussed having a special election in November for a potential Woodland Lake Park initiative, as well as the two referenda. He stated he spoke to Barb Davis, who told him they

want the initiative to be on the March ballot. He said they do not want the Town to incur additional costs, and said they plan to collect signatures during the summer and early fall in order to meet the deadline for the March ballot. He said if that is the compelling reason to do a November election, then maybe they could take \$10,000 out and apply it toward other things. Lu Anne Frost suggested they only decrease the election budget by \$5,000, as there would be Home Rule, the General Plan Update, two referenda, the initiative, and three Council seats on the ballot. She stated the publicity pamphlet would be large, and said it must be translated in Spanish, which is costly.

Councilwoman Wessel stated they are budgeting \$93,000 for a NEPA study while they cannot afford to hire a new police officer. She stated she understands how hard they have all worked, but said she wonders where the priorities are. Mr. Udall stated it would send a very bad impression to RAC if they now said they did not need the money.

The Council suggested the Council stipends be reduced by 50%; the election budget be reduced by \$5,000; and that they not televise or webcast the Town Council meetings.

Mayor Smith stated the meeting on May 10 is not necessary.

The meeting adjourned at 7:03 p.m.

Dated this 10<sup>th</sup> day of May 2010.

PINETOP-LAKESIDE TOWN COUNCIL

/s/ Lu Anne Frost, 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 Pinetop-Lakeside, Arizona, held on the 3<sup>rd</sup> day of May 2010. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10<sup>th</sup> day of May 2010.

/s/ Lu Anne Frost, Town Clerk