

MINUTES OF THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD JANUARY 7, 2010 AT 7:00 P.M. IN THE TOWN COUNCIL CHAMBERS.

Mayor Smith called the Regular Meeting to order at 7:01 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:

L. Kelly Udall, Town Manager; Rosemary Rosales, Town Attorney; Lu Anne Frost, Town Clerk; Susan Stein, Deputy Town Clerk; J. Kent Brooksby, Finance Director; Paul Esparza, Community Development Director; Mary French-Jones, Grant Coordinator; and Sherwood Eldredge, Chief of Police.

ITEM NO. 2, PLEDGE OF ALLEGIANCE AND INVOCATION:

The Pledge of Allegiance was said, followed with an invocation by Vice Mayor Crockett.

ITEM NO. 3, CALL TO THE PUBLIC:

Mayor Smith explained the rules for Call to the Public.

Mayor Smith recognized and acknowledged Mayor Fernau from the City of Show Low. Mayor Fernau thanked the Town Council for the holiday lighting challenge and said he believes both communities were winners. He stated he would accept the same challenge next year. He presented the Mayor and Council with a box of chocolates. Mayor Smith stated there may be another challenge in the spring. He stated it was a great Christmas season and acknowledged the efforts of many individuals and local companies.

Nick Lund stated he is the President of the TRACKS organization and gave an overview of their activities in 2009. He stated they contributed 2,153 hours working on trails, plus more than 2,527 hours volunteering at many community events. He stated some local activities are becoming more prominent, such as the "Tour of the White Mountains," which attracted 600 riders. He said this is a huge volunteer effort and said he is proud to be a part of it. Councilman Biscoe thanked TRACKS for helping with the recent clean up. He stated there were more TRACKS members participating than any other group.

Lon Dorsay stated several citizens have approached him stating that a senior Town staff member has made false comments that Wolfgang Dubberke and he are both trying to destroy the administration by filing referenda actions. He said he would like the Mayor to direct the Town Attorney to investigate this allegation. Mayor Smith told Mr. Dorsay he would need to file a

complaint with the Town Clerk or the Town Attorney. Mr. Dorsay stated he would file the complaint with the Town Attorney.

ITEM NO. 4, CONSENT AGENDA:

The consent agenda consisted of the Minutes of the Work Session and Regular Meeting of December 3, 2009; Council Decision Request to Appoint Rebecca Brown as a Citizen Board Member to the Public Safety Personnel Retirement System Local Board; and the Check Register for November 2009.

COUNCILWOMAN WESSEL MOVED THE COUNCIL APPROVE THE CONSENT AGENDA AS PRESENTED. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 6, PRESENTATION ON THE AUDITOR'S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2009 BY J. KENT BROOKSBY, TOWN FINANCE DIRECTOR:

This item was heard during the work session.

Councilwoman Wessel asked about the last time the Town went out to bid on the audit. Kelly Udall stated it had been done recently. Rosemary Rosales stated Kent Brooksby and she would be doing a request for bid in the spring. Councilwoman Wessel stated she was impressed the Town ended up "in the black." Councilwoman Irwin stated, as a member of the Audit Committee, she felt staff was doing a wonderful job and said she has never seen an audit that did not contain findings. Councilman Dodd stated the Audit Committee should also be commended.

ITEM NO. 7, PRESENTATION ON THE TOWN'S BUSINESS LICENSE FEE INCREASE PROPOSAL BY PAUL ESPARZA, COMMUNITY DEVELOPMENT DIRECTOR:

This item was heard during the work session.

Councilwoman Wessel asked when the Council would be addressing this issue again. Councilman Biscoe asked if it could coincide with the fiscal year as he felt that would be better for the business community. He said he would like to hear from the business community. Councilman Dodd asked about the tolerance level of the businesses. Councilman Biscoe stated he has talked with local businesses and said they liked the concept. Mayor Smith asked if this would mean changes to the business fee and the sign code. Councilman Biscoe said they want to coordinate the changes to happen all at one time. He said they need to be consistent in order to enforce it. Vice Mayor Crockett asked how difficult it is to enforce a late fee and collect it, if a policy was in place. Ms. Rosales stated it would entail time and effort and said it would depend on the situation. Mr. Udall stated they want to make sure businesses are getting their licenses on a timely basis and said a better database would help to eliminate confusion. He stated he would like to try that approach first and said he thinks they will find success if they do it right.

ITEM NO.8, BOARD OF ADJUSTMENT CONSIDERATION OF A VARIANCE REQUEST TO EXCEED THE 35'-0" MAXIMUM BUILDING HEIGHT REQUIREMENT TO 37'-6" DUE TO STORAGE SHELVING HEIGHT REQUIREMENTS INSIDE THE WAREHOUSE BUILDING TO BE LOCATED AT 2470 N. PORTER MOUNTAIN ROAD, APN 212-65-001:

Mr. Esparza stated that Navopache Electric Cooperative is planning to relocate their facilities to Porter Mountain Road. He stated one building exceeds the height limit by 2 ½ feet to allow for warehouse shelving requirements. He stated the Lakeside Fire Department has no concerns on the variance. He said staff has researched this request and recommends this variance for consideration. Doug Riggins of Arcadis Project Management stated he is working on the new Navopache Electric facility and is available to answer questions. Vice Mayor Crockett asked about the future expansion. Mr. Riggins stated the project is divided into two phases and said the first phase will replace the warehouse and vehicle maintenance building. He said phase two would house the administration offices, which would be located closer to Porter Mountain Road than the initial two buildings, which are located toward the rear of the property. Vice Mayor Crockett asked about the future expansion behind the warehouse. Mr. Riggins stated it would follow the slope and added this future work would be many years out.

COUNCILWOMAN WESSEL MOVED TO ADJOURN THE REGULAR MEETING AND CONVENE THE BOARD OF ADJUSTMENT AT 7:30 P.M. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY. A QUORUM WAS ESTABLISHED.

Mayor Smith invited members of the public to speak on this issue. There were none.

COUNCILMAN DODD MOVED THAT THE BOARD OF ADJUSTMENT APPROVE THE VARIANCE REQUEST TO EXCEED THE 35'-0" MAXIMUM BUILDING HEIGHT REQUIREMENT TO 37'-6" DUE TO STORAGE SHELVING HEIGHT REQUIREMENTS INSIDE THE WAREHOUSE BUILDING TO BE LOCATED AT 2470 N. PORTER MOUNTAIN ROAD, APN 212-65-001. COUNCILMAN WEBB SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

COUNCILWOMAN WESSEL MOVED TO ADJOURN THE BOARD OF ADJUSTMENT. COUNCILMAN DODD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

MAYOR SMITH RECONVENED THE REGULAR MEETING AT 7:33 P.M.

ITEM NO. 9, APPROVAL OF THE THIRD AMENDMENT TO THE FINAL PLAT FOR MOUNTAIN GATE HOMES, APN 212-80-001 THROUGH APN 212-80-049:

Mr. Esparza stated the Third Amended Plat would reduce the density from 49 units to 42 units and said they are proposing a townhome plat rather than a condominium plat. He stated there is no impact because of the reduced density, and said there are no drainage impacts. He said the different agencies involved have reviewed the amendment. He stated TetraTech had a small error in the legal description, which has been corrected. He stated there are no changes to the CC&R's. He said staff recommends approval with corrections to the legal description, which

have occurred. Gary Laframboise, Manager of Mountain Gate Holdings, LLC, stated he would answer any questions. Mayor Smith thanked him for attending.

COUNCILWOMAN WESSEL MOVED TO APPROVE THE THIRD AMENDMENT TO THE FINAL PLAT FOR MOUNTAIN GATE HOMES, APN 212-80-001 THROUGH APN 212-80-049, WITH CORRECTIONS TO THE LEGAL DESCRIPTION AS MENTIONED AND PER STAFF RECOMMENDATIONS. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 10, RESOLUTION NO. 10-1093 TO ENTER INTO A CONTRACT WITH THE ARIZONA DEPARTMENT OF COMMERCE TO COMPLETE THE ENERGY EFFICIENCY BLOCK GRANT PROJECT:

Mary French-Jones stated the Arizona Department of Commerce has advanced this application to the Department of Energy. She said some of the ball field lights will be replaced under this grant. She thanked Ed Collins and the Forest Service for their support.

COUNCILMAN DODD MOVED TO APPROVE RESOLUTION 10-1093 TO ENTER INTO A CONTRACT WITH THE ARIZONA DEPARTMENT OF COMMERCE TO COMPLETE THE ENERGY EFFICIENCY BLOCK GRANT PROJECT. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 11, RESOLUTION NO. 10-1094 SUPPORTING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE FOR A MAIN STREET FUNDS PROGRAM GRANT:

Ms. French-Jones stated this application would advance hiring a consultant and partnering with Main Street who would be the project manager, marketing a booklet and an artist rendering to advance movement of the Larson property and the current Navopache Electric site. Councilwoman Wessel asked about the estimated cost to the Town. Ms. French-Jones stated \$32,000.

Mr. Dorsay stated there is a grant to the Arizona Department Commerce for the Main Street Funds Program and said he did not see any numbers listed. Mayor Smith stated it is \$32,000. Mr. Dorsay stated that should be included in the resolution and said there is no control over Main Street, as it is not part of the Town. He asked if a budget has been submitted and asked about Main Street's qualifications. He asked why the Town is supporting a private organization with no qualifications and no budget. He suggested this item be tabled. Mayor Smith stated Main Street is a statewide organization and said Main Street is more than capable of administering the grant. Ms. French-Jones stated this grant application, if approved, would support hiring a consultant to assist the stakeholders through the process. Mr. Udall stated the Town is supporting Main Street in their application to assist the Town in fulfilling the ideas contained in the Tejido Plan.

VICE MAYOR CROCKETT MOVED TO APPROVE RESOLUTION NO. 10-1094 SUPPORTING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE FOR A MAIN STREET FUNDS PROGRAM GRANT.

COUNCILMAN BISCOE SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 12, RESOLUTION NO. 10-1095 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE FOR A RURAL ECONOMIC DEVELOPMENT INITIATIVE (REDI) MATCHING FUNDS PROGRAM GRANT:

Ms. French-Jones stated this application would assist the Town in updating the community ID and the Buxton Report regarding retailers. She added this application would assist with both grants they would like to advance regarding the Old Town and Maverick Nodes. Mr. Udall commended Main Street for coming to the table with \$5,000 to make the grant application more appealing. Councilman Dodd asked what the products of this grant would be. Ms. French-Jones stated it would help update targeted retailers that the Buxton Group or a like group have assisted with in the past, and said it would provide up to five applicable retailers for the Old Town and Maverick Nodes. She said it also updates the membership for the Scout Program. Mr. Udall stated the Buxton Study does cyber-graphics of shoppers' buying habits to identify types of shoppers and what products they buy. He said those demographics and statistics provide valuable information to help attract retailers to Pinetop-Lakeside. Ms. French-Jones stated it matches retailers with properties. Councilwoman Wessel suggested the Council receive additional information on this type of resolution in the future.

VICE MAYOR CROCKETT MOVED TO APPROVE RESOLUTION NO. 10-1095 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE FOR A RURAL ECONOMIC DEVELOPMENT INITIATIVE (REDI) MATCHING FUNDS PROGRAM GRANT. COUNCILMAN BISCOE SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 13, RESOLUTION NO. 10-1096 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE FOR A RURAL ECONOMIC DEVELOPMENT AND PLANNING ASSISTANCE GRANT:

Ms. French-Jones stated this submittal is in partnership with the Main Street program, the Maverick Center Limited Partnership and the Sabre organization, to complete a like program similar to the Old Town Node. She said the grant would develop a site conceptual plan and produce a marketing booklet and artist rendering. She stated the private partnership has contributed \$10,000 as part of the grant criteria. Councilwoman Wessel asked if there are additional funds required from the Town. Ms. French-Jones stated there are no cash funds required, but said the Town would offer in-kind project management.

VICE MAYOR CROCKETT MOVED TO APPROVE RESOLUTION NO. 10-1096 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF COMMERCE FOR A RURAL ECONOMIC DEVELOPMENT AND PLANNING ASSISTANCE GRANT. COUNCILMAN DODD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 14, CURRENT EVENTS BY TOWN MANAGER:

Mr. Udall stated a thinning demonstration would be held at Johnson Lane and White Mountain Blvd. during the week of January 18, with the following week as a back-up due to weather issues. He said the Holiday lights at the Park would remain up through January 18. He stated the Parks and Recreation Department staff is learning how to remove snow and said they have been working closely with the Public Works Department. He said the Christmas Tree drop off site at Mountain Meadow would remain open until January 17. He stated the Library had more than 56,370 people go through the doors in 2009. He stated they also continue to receive compliments regarding the look of the Library and the service provided by the staff. He said the Planning and Zoning Commission granted a Conditional Use Permit for the White Mountain Nature Center to erect a tent on their property from May through October. He said the Forest Health Committee has wrapped up several text changes to the Code which should come before the Commission and Council shortly. Councilman Biscoe asked if the land by the old jail is owned by the Town or someone else. Mr. Udall stated the Town owns a portion. Councilman Biscoe asked if a dumpster could be placed there on 3-day weekends for tourists to dispose of their garbage to keep the businesses from getting dumped on. Mr. Udall stated he would look into it and report back to the Council. Councilwoman Wessel stated that had been tried in the past and said there were some problems.

ITEM NO. 15, TOWN COUNCIL CURRENT EVENT REPORTS ON ALL COUNCIL APPOINTED COMMITTEES, COMMUNITY ORGANIZATIONS AND AFFILIATES:

Councilman Dodd stated TRACKS continues to do phenomenal things. He stated the Forest Health Committee has prepared the text amendments, which are at the Town Attorney's office for review. He added they would be promoting educational activities this summer relative to forest health and forest thinning. He said the Town may still assume the forest thinning grant from the Lakeside Fire Department if funds are still available; and said they would like to expand to include the Pinetop Fire Department. He said financial assistance is there for low income home owners. He said the White Mountain Land Trust would meet next week. He said they upgraded and re-designed their website, including a nice webpage for the Save Our Park Committee. He said they conducted a compliance review for their largest conservation easement and stated the Save Our Park Committee is looking at pursuing their own 501(c)(3) status. He said the Woodland Lake Park Task Force Committee would meet later this month.

Stephanie Irwin stated the Yellow Jacket Youth Center met yesterday; however, she was unable to attend and said she would report next month.

Vice Mayor Crockett stated Pinetop-Lakeside Advocates Against Drugs (PLAAD) has scheduled a community Shred-a-Thon at the Pinetop-Lakeside Sanitary District on January 18 from 9:00 a.m. to noon. He said the Chamber of Commerce is holding their P.L.A.N. luncheon on January 12 at El Rancho Restaurant catered by My Sister Can't Cook; and said the Winter Games would be held at Hon-Dah on January 30-31. He added the Chamber retreat is scheduled for January 23 from 8:00 a.m. to 2:00 p.m. at El Rancho Restaurant. He stated the Awards dinner and Christmas dinner were combined this year and said it was a very successful event.

Councilwoman Wessel stated the General Plan Advisory Committee has been putting together information for their next meeting. She said they received a draft vision to review; and said they

are also working with the Drachman Institute on housing assessments, which will have an effect on the Town's General Plan Housing Element. She stated the Little Colorado RC&D is holding a Winter Watershed Conference on January 27-29, and said she would attend the conference.

Councilman Webb stated things are going well with the Pinetop-Lakeside Senior Center and the White Mountain Humane Society. He said he had no report on the Transportation Committee.

Councilman Biscoe stated the Advertising and Promotion Committee is working on organizing database information to assist with event coordinating and providing all-inclusive packages. He said they have a spring campaign and will begin planning the holiday campaign. He said they are hoping to obtain some regional grant funds, and to offer media packages to get the groups up here in the spring. He said Main Street is working on grant programs and outlining the impact of the industrial park. He stated they would be providing information to citizens on where Main Street has been, and where it is heading, in a handout and on-line. He said they hope to have a report at the next Council meeting.

Mayor Smith stated the White Mountain Nature Center has scheduled an all-day curriculum workshop at the Arizona Game & Fish offices on January 23, as a joint venture with the White Mountain Audubon Society, Arizona Audubon Society, Navajo County Schools, and Arizona Game & Fish. He said they also received a sizeable number of registrants from outside of Navajo and Apache Counties. He said the effort of the Nature Center to incorporate into the school is exciting. He said he would attend his first Public Safety Personnel Retirement System board meeting next week. He stated the Mayor's Youth Advisory Committee is very active and said they plan to make a presentation at the Council Retreat. He said he did not attend the Blue Ridge School Board meeting, but said in December they conducted employee recognition, which will be done on a quarterly basis. He said they would be able to weather the first State budget cut. He stated Ken Sweet of the Northern Arizona Council of Governments would be presenting to the Mayors and Councilmembers Association on Monday at the Taylor Training Center on Paper Mill Road. He said he was unable to attend the Transit Advisory Committee yesterday and said he would provide an update next month.

ITEM NO. 16, CONSULTATION WITH TOWN ATTORNEY FOR LEGAL ADVICE ON ATTORNEY GENERAL INVESTIGATION OF TOWN BIDDING PROCEDURES:

COUNCILMAN DODD MOVED TO ENTER INTO EXECUTIVE SESSION AT 8:15 P.M. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Councilman Webb excused himself due to a conflict of interest.

Mayor Smith reconvened the regular meeting at 8:44 p.m.

The regular meeting was adjourned at 8:44 p.m.

Dated this 13th day of January 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 Regular Meeting of the Town Council of the Town of Pinetop-Lakeside, Arizona, held on the 7th day of January 2010. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of January 2010.

/s/ Lu Anne Frost, Town Clerk