

MINUTES OF THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD AUGUST 6, 2009 AT 7:00 P.M. IN THE TOWN COUNCIL CHAMBERS.

Mayor Smith called the Regular Meeting to order at 7:03 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>	<u> </u>	Stephanie Irwin	<u>X</u>	<u> </u>
Vice Mayor Rich Crockett	<u>X</u>	<u> </u>	Kim Webb	<u>X</u>	<u> </u>
Woody Biscoe	<u> </u>	<u>X</u>	Leslee Wessel	<u> </u>	<u>X</u>
Norris Dodd	<u>X</u>	<u> </u>			

STAFF PRESENT:

L. Kelly Udall, Town Manager; Lu Anne Frost, Town Clerk; 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.

There was no public participation at this time.

ITEM NO. 4, CONSENT AGENDA:

The consent agenda consisted of the Minutes of the Special Meeting of July 8, 2009; and Minutes of the Work Session, Regular Meeting, and Executive Session of July 16, 2009.

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

ITEM NO. 5, MAYOR'S PROCLAMATIONS IN SUPPORT OF THE FALL ARTISAN FESTIVAL AND THE WOODLAND WILDLIFE FESTIVAL:

Mayor Smith proclaimed the weekend of September 25-27 as Fall Festival Weekend and the weekend of October 3-4 as Woodland Wildlife Festival Weekend in the Town of Pinetop-Lakeside.

ITEM NO. 6, REPORT BY JIM ANDERSON ON THE MARKET ANALYSIS COMMISSIONED BY THE WHITE MOUNTAIN LAND TRUST ON THE 583 ACRES AT WOODLAND LAKE PARK:

Jim Anderson stated he is representing the White Mountain Land Trust. He stated it was determined in November there was a need to conduct a current valuation for Woodland Lake Park. He said the U. S. Forest Service did not want to perform an appraisal until the Town had cash in hand; therefore the Land Trust was consulted and the cost was agreed to be paid for by Save Our Park funds. He said they engaged Charlie O'Leary from the U. S. Forest Service to obtain a list of appraisers and direct how the appraisal would be done. He stated five appraisers were contacted, two responded; and said Scott Halver, MAI, with the Ganado Group of Phoenix, was selected to perform the appraisal. He added there are three approaches to determining commercial land value: cost, income, or market/sales approach. He stated Mr. Halver used the market methodology consistent with Federal land acquisition "Yellow Book" guidelines by the U. S. Forest Service. He stated the land was appraised as if vacant, and said no value was given for any improvements made in the Park. He said they used sales comparisons from approximately 15 different properties, from Sycamore Creek to Farmington. He said sales comparisons were adjusted for estimated current valuations, which are comparable to 2005; and amenities such as a lake. He said five comparables were used to determine the final valuations. Mr. Anderson reported the final value for Woodland Lake Park (98 acres) was \$61,890 per acre, totaling \$6,050,000; Walnut Creek Node (100 acres) was \$47,606 per acre, totaling \$4,750,000; and the remaining 385 acres at \$47,606 per acre, for a total of \$18,350,000. He said the total 583 acres' value was \$29,150,000. Councilman Dodd thanked Mr. Anderson for coming to the meeting and recognized the importance of the Save Our Park fund and said those funds were able to be committed to pay for the appraisal. Mayor Smith said this was a huge step in the process. Councilman Dodd said the Forest Service should be recognized for helping facilitate an option using the guidelines. Kelly Udall said Ed Collins and his team at the local U. S. Forest Service are extremely valuable to the community. Councilman Dodd stated, as the next step, the Woodland Lake Park Task Force will meet on August 20 at 10:00 a.m. to reassess their strategy.

ITEM NO. 7, COUNCIL DECISION REQUEST TO RE-APPOINT GWEN MEYER TO THE ADVERTISING AND PROMOTION COMMITTEE. PURSUANT TO A. R. S. SECTION 38-431.03(A)(1) THE COUNCIL MAY VOTE TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THIS ITEM:

Gwen Meyer stated she is the Chair of the Advertising and Promotion Committee and would be speaking on agenda items 7-11. She stated four incumbents have dedicated successful time and energy to the Committee and said there are two additional stellar applicants. She said there will be two vacancies upcoming on the Committee. She stated although she is not presently a retailer, she had been for many years, and said she also worked for the City of Santa Monica. She added Dennis Hughes has been an immense value to the Committee and said he brings a tremendous level of stability and knowledge. She said John Solarz, owner of the Best Western, has made valuable contributions to the Town and coordinated the Hospitality Subcommittee process. She stated Linda Bohn has also brought tremendous value and said she is also involved in several areas including the Cowboy Festival. She said the two alternates are Greg Tock from the *White Mountain Independent* who is vitally interested; and Dennis Ahlman, who is involved with Save Our Park and possesses a broad range of experience in the public relations and advertising field. She stated the Committee not only attracts tourism, but also attracts second

homeowners through advertising and public relations efforts. She stated people come to visit and then want to talk to realtors about buying a home. She stated all six applicants are valuable contributors to the community.

VICE MAYOR CROCKETT MOVED THE COUNCIL RE-APPOINT GWEN MEYER FOR A TWO-YEAR TERM TO EXPIRE AUGUST 2011 ON THE ADVERTISING AND PROMOTION COMMITTEE. COUNCILMAN DODD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 8, COUNCIL DECISION REQUEST TO RE-APPOINT DENNIS HUGHES TO THE ADVERTISING AND PROMOTION COMMITTEE. PURSUANT TO A. R. S. SECTION 38-431.03(A)(1) THE COUNCIL MAY VOTE TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THIS ITEM:

COUNCILMAN DODD MOVED THE COUNCIL RE-APPOINT DENNIS HUGHES FOR A TWO-YEAR TERM TO EXPIRE AUGUST 2011 ON THE ADVERTISING AND PROMOTION COMMITTEE. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 9, COUNCIL DECISION REQUEST TO RE-APPOINT JOHN SOLARZ TO THE ADVERTISING AND PROMOTION COMMITTEE. PURSUANT TO A. R. S. SECTION 38-431.03(A)(1) THE COUNCIL MAY VOTE TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THIS ITEM:

COUNCILWOMAN IRWIN MOVED THE COUNCIL RE-APPOINT JOHN SOLARZ FOR A TWO-YEAR TERM TO EXPIRE AUGUST 2011 ON THE ADVERTISING AND PROMOTION COMMITTEE. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 10, COUNCIL DECISION REQUEST TO RE-APPOINT LINDA BOHN TO THE ADVERTISING AND PROMOTION COMMITTEE. PURSUANT TO A. R. S. SECTION 38-431.03(A)(1) THE COUNCIL MAY VOTE TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THIS ITEM:

VICE MAYOR CROCKETT MOVED THE COUNCIL RE-APPOINT LINDA BOHN FOR A TWO-YEAR TERM TO EXPIRE AUGUST 2011 ON THE ADVERTISING AND PROMOTION COMMITTEE. COUNCILMAN WEBB SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 10, COUNCIL DECISION REQUEST TO APPOINT GREG TOCK AND DENNIS AHLMAN TO THE ADVERTISING AND PROMOTION COMMITTEE FOR THE NEXT TWO AVAILABLE POSITIONS. PURSUANT TO A. R. S. SECTION 38-431.03(A)(1) THE COUNCIL MAY VOTE TO ENTER INTO EXECUTIVE SESSION TO DISCUSS THIS ITEM:

VICE MAYOR CROCKETT MOVED THE COUNCIL APPOINT GREG TOCK AND DENNIS AHLMAN TO THE ADVERTISING AND PROMOTION COMMITTEE FOR

THE NEXT TWO AVAILABLE POSITIONS. COUNCILWOMAN IRWIN SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Councilman Dodd asked if they would be participating in the interim. Ms. Meyer stated it is an open meeting and they have been attending.

ITEM NO. 12, RESOLUTION NO. 09-1062 ADOPTING AN ENERGY EFFICIENCY AND CONSERVATION STRATEGY THAT COMPLIES WITH THE DEPARTMENT OF ENERGY'S REQUIREMENTS:

Mary French-Jones stated it might be best to table this Resolution to do more research for the decision making process.

Mayor Smith stated the Council would not take any action and would reschedule when ready.

ITEM NO. 13, RESOLUTION NO. 09-1063 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF HOUSING TO COMPLETE A HOUSING ASSESSMENT WITH THE DRACHMAN INSTITUTE:

Ms. French Jones stated a project worksheet is contained in the packet as well as information about the Drachman Institute. She stated she and Cody Blake attended a workshop put on by the Arizona Department of Housing and the Drachman Institute; and then submitted a letter of interest. She said the Drachman Institute is hired by the Arizona Department of Housing and no fee would apply. She added the Drachman Institute hires a team and works with a committee the Town recommends. She said the first meeting would be on Thursday, August 27 if approved.

COUNCILMAN DODD MOVED THE COUNCIL ADOPT RESOLUTION NO. 09-1063 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF HOUSING TO COMPLETE A HOUSING ASSESSMENT WITH THE DRACHMAN INSTITUTE. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 14, RESOLUTION NO. 09-1064 SUPPORTING THE REVOCATION OF THE "BLACK LIQUOR TAX CREDIT" FROM THE ALTERNATIVE FUELS CLAUSE IN THE 2005 HIGHWAY BILL ALLOWING FAIR COMPETITION IN THE PAPER AND PULP PRODUCING INDUSTRY.

Kelly Udall stated he spoke with the Town Manager of Snowflake who requested this item be brought to the Council for consideration. He said Snowflake's paper mill is in financial trouble because it is difficult to compete with the other paper mills taking advantage of this loophole and supplementing their income; thereby lowering the cost of their paper products. He stated the by-product that results from production is mixed with diesel fuel and it can be sold as another bio-fuel component. He said the other mills are receiving substantial subsidies and said this is producing the majority of income. He added the proposal that Snowflake is trying to move forward is to discontinue this tax credit. He said Jeff Flake and Ann Kirkpatrick are behind this and added they are hopeful the neighboring communities will offer support. Mayor Smith stated he feels this is important and said the more they think regionally, the better off the Town will be, as well as the entire region. He stated this area is affected by job losses as well. He said what is

good for the region is good for Pinetop-Lakeside. Councilman Dodd noted the plant manager lives in Pinetop. He stated they are in this position because they use recycled paper and said it is a neat facility, plus there is a bio-mass generation plant next door.

VICE MAYOR CROCKETT MOVED THE COUNCIL ADOPT RESOLUTION NO. 09-1064 SUPPORTING THE REVOCATION OF THE “BLACK LIQUOR TAX CREDIT” FROM THE ALTERNATIVE FUELS CLAUSE IN THE 2005 HIGHWAY BILL ALLOWING FAIR COMPETITION IN THE PAPER AND PULP PRODUCING INDUSTRY. COUNCILMAN DODD SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

ITEM NO. 15, CURRENT EVENTS BY TOWN MANAGER:

Mr. Udall stated the Parks and Recreation Department is very busy and said he is grateful for Mountain Meadow Recreation Complex. He said many participants need this facility including 500 kids and 40 teams of AYSO, and the Youth Football League with 3 teams and more than 100 participants. He said they are also beginning to work on the Fall events; Cool Runnings and the Town’s 25th Anniversary on August 22. He invited the public and residents to come and enjoy the day, with lunch provided and many events and entertainment venues planned. He said the brochures are out all over Town. He added at 10:45 a.m., the opening ceremony will take place and said he would like to see all current Town Council members as well as previous Council members. He said the Library is gearing up for children’s programs during the new school year. He added the Library was the beneficiary of the Grace E. Rupkey estate and received \$5,000. He said the Town received seven RFQs for the General Plan Update that ranged from \$83,000 to \$100,000. He noted the proposals will come before the Council at a future meeting. He said the Forest Health Committee, discussed a few weeks ago, is attempting to assemble the members for their first meeting. Councilman Dodd stated there were five individuals selected to participate and said they may have overlooked Lloyd Wilmes, who is the Sitgreaves Community Wildfire Protection Plan Administrator. He suggested to Paul Esparza to include him on the Committee. Mr. Udall agreed and stated staff is moving forward in that direction. He stated the Community Development staff is working with Jan Mathis to identify parcels and track them on a GPS map. He announced the Town’s volunteer appreciation picnic is coming up on August 15 at 11:00 a.m. at Woodland Lake Park, and said this is an opportunity to honor and thank volunteers by providing a BBQ and raffle prizes. He stated he received an update from Dennis Hughes of Navopache Electric Company, who received over 40 contractors’ bids for their new facility. He said they anticipate turning dirt in September or October; and said it will take about a year to complete the project. He stated in their RFQ, they wanted to see 50%-70% of the work done by local contractors. He stated he was notified by Senator Kyl that he would like to spend time in Pinetop-Lakeside to meet with his constituents, and said they will also invite the Show Low Chamber to attend a luncheon on August 26th. He said Governor Brewer will also be coming up in August to speak at the schools and said she may attend the Town’s 25th Anniversary festivities. Councilwoman Irwin stated the Historical Society Grand Opening and the Sheriffs’ Posse BBQ will be held on August 8. Mayor Smith said the Blue Grass Festival and a Nature Center event are both being held this weekend.

ITEM NO. 16, PERSONNEL ISSUE. ANNUAL PERFORMANCE EVALUATION OF L. KELLY UDALL, TOWN MANAGER. PURSUANT TO A.R.S. SECTION 38-431.03 (A)(1) THE TOWN COUNCIL WILL ENTER INTO EXECUTIVE SESSION TO DISCUSS THIS ITEM:

COUNCILMAN DODD MOVED THE COUNCIL ENTER INTO EXECUTIVE SESSION AT 7:50 P.M. VICE MAYOR CROCKETT SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Mayor Smith reconvened the regular meeting at 8:48 p.m.

The regular meeting was adjourned at 8:48 p.m.

Dated this 12th day of August 2009.

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 6th day of August 2009. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 12th day of August 2009.

/s/ Lu Anne Frost, Town Clerk