

MINUTES OF THE WOODLAND LAKE PARK ACQUISITION TASK FORCE COMMITTEE MEETING HELD AT 10:00 A.M. ON OCTOBER 15, 2009, IN THE TOWN OF PINETOP-LAKESIDE COUNCIL CHAMBERS.

COMMITTEE MEMBERS PRESENT:

Chairman Norris Dodd, Councilwoman Leslee Wessel, L. Kelly Udall, John Jarchow, K. Barbara Teague, and Beverly Stepp.

TOWN STAFF PRESENT:

John Vuolo, Parks and Recreation Director; and Susan Marie Stein, Deputy Town Clerk.

Chairman Dodd called the meeting to order at 10:04 a.m.

Item No. 1, Welcome and Introductions:

Chairman Dodd welcomed everyone in attendance.

Item No. 2, Approval of the September 17, 2009 meeting minutes:

BEVERLY STEPP MOVED TO APPROVE THE MINUTES OF THE SEPTEMBER 17, 2009 MEETING. JOHN JARCHOW SECONDED THE MOTION AND IT CARRIED UNANIMOUSLY.

Item No. 3, Town Council Resolution on Pursuit of a Short-term Strategy for the Concurrent Acquisition of three Woodland Lake Park Parcels:

Chairman Dodd stated a resolution was approved by the Town Council on September 17 and thanked Mr. Jarchow for representing the Committee. He said the intent of the resolution expressed concurrent support for the strategies of the Committee in a non-binding manner.

Item No. 4, Save Our Park! Activities Update:

Barbara Teague thanked Linda Klingler and Roger Balzer for organizing their Fall Festival activities. She stated Lynn Krigbaum's letters sent to previous donors were very successful to help raise \$3,000 for Save Our Park! She added the White Mountains Land Trust is their bank and said she appreciates their involvement. Dennis Ahlman asked about the Save our Park! signs in some retail windows. Ms. Teague responded they were placed there to solicit additional donations.

Item No. 5, Woodland Lake Park Acquisition Financing Report:

Kelly Udall reiterated the information from his previous report. He said Kent Brooksby reported the problem is with the Town's ability to finance additional debt in the current economy. He said the Town looked at the purchase of 98 acres of developed park for \$7 million, and said at that price; debt service would be \$47,500 per month. He said currently there is no way the Town

could pay that debt with sales tax revenues; and said it is not a good time to undertake additional debt. He said in less than five years, the Town will be virtually debt free; and would then be in a better position to purchase the Park. He said at that point, new debt could be assumed, but said there is still speculation.

Chairman Dodd said the report stressed a benchmark of sales tax revenue, which has decreased 15% since last year, with an additional reduction of approximately 20% this year. He said sales tax revenue is sufficient to cover the current debt, but said it could not cover any more debt. He added that Mr. Brooksby had updated the scenarios using current sales tax revenue numbers. He said a question arose at the Town Council meeting about financing ability, and said the scenarios laid out in the resolution were sound. Councilwoman Wessel raised the question if the Town could afford to do other things in the community in addition to paying for the Park. Mr. Udall said the Town could only go into debt for \$13 million per State law. He said if the Town finances \$7 million, the cap stays the same but the amount of available debt would be reduced. He said the Town has to go into debt for road maintenance. He said the community needs to get behind the Council in relation to economic development.

Chairman Dodd stated it is a timing issue and said their recommendation came at the same time as the economy crashed. Mr. Udall said if the Town is not careful, the issue could be focused on sales tax or the economy, rather than on Woodland Lake Park itself. He said he does not want to see anything come about to derail the focus on acquiring the Park. Mr. Ahlman asked if the increase in sales tax would cover the debt. Chairman Dodd said at the current levels, it may be enough. Mr. Udall stressed if raising the sales tax harms businesses, they have sunk the ship. Chairman Dodd added the more time goes by and the issue gets pushed back three to five years, the lower the tax increase would need to be. John Jarchow said there is a matter of trust in the community and said citizens need to understand where the Council stands. Ms. Stepp commented the Council looks at the overall view and issues, and said citizens need to understand the reasons. Chairman Dodd reminded everyone the resolution recognized the process would take at least a few years. Mr. Ahlman asked if there is a realistic chance the Town could lose the 98 acres within five years if no action is taken. Chairman Dodd said he does not think there is a risk in losing the Park during that period as the Forest Service has seen a great deal progress so far. Ms. Teague asked about a five-year plan for the roads. Mr. Udall said the previous strategy was to pay cash for road maintenance. He stated the cash reserves are now depleted and said future road repairs cannot be supported. He said the debt service would need to be addressed by the Council. Ms. Teague asked why the Town is being so cautious about borrowing money to service the Town's needs. Mr. Udall said he does not want the Town to go into heavy debt. Councilwoman Wessel said there is no dedicated revenue stream to pay it back. Chairman Dodd said the Town is not keeping up with the five-year road maintenance plan now and said he is concerned it would not be able to catch up in the future.

Mr. Jarchow asked if the Manager and Council would be comfortable in waiting five more years. Chairman Dodd pointed out they will move forward with the action strategy and focus on items included in the Strategic Management Plan. He said there are a lot of wants and needs and said the action strategy would include all those points as they move forward. He added the Town needs its citizenry to support economic development. Mr. Jarchow said people are emotionally attached to the 98 acres. Mr. Udall commented they are presenting the facts and said they are completely open to new ideas. Ms. Stepp commented she would like to see the 98 acres purchased with the 100 acre piece developed, which would help pay for the Park. Mr. Jarchow

asked if the numbers discussed at the Council meeting were feasible. Chairman Dodd said if the projections and scenarios are taken into consideration, it would be feasible. Chairman Dodd requested that Mr. Brooksby's financial report be posted on the Town's website.

Item No. 6, Citizen's Initiative on the Woodland Lake Park Acquisition:

Eric Kramer stated the Task Force has done a tremendous amount of work and said it is time to take the next step to save Woodland Lake Park. He said they are the kind of people that can help move this forward as they possess voter information. He said their initiative has five basic points. He said the voters could declare the Park as forever open space with the exception of the Walnut Creek Node. He said they want to establish a dedicated revenue stream to pay for the Park. He stated this would be a phased approach with sales tax increases effective in the year the Town recovers from the current economic recession, possibly in 2010. He stated if this is a final hang-up for the support of the Town and Council, they would insert a triggering mechanism. Mr. Kramer said they would like to segregate the other needs of the community from the Park; for instance, the roads. He said the citizens would allow for the development of the Walnut Creek Node. He stated their next step would be to look at all the options to purchase the Park. He said they understand they will not get the Park for free, and said they want to pay for the highest and best legal use of the Park. He said the final step would be to dedicate a portion of the food and beverage tax revenue to maintain and pay for the Park. John Vuolo stated the Mountain Meadow Recreation Complex debt is currently being paid off with the food and beverage tax. He added the costs of park operation and maintenance are not being totally covered, as the Town needs to add additional monies from the general fund. Mr. Kramer stated the People's Vision Committee (PVC) will set up a Town Hall in November to collect citizen input on initiative wording and to collect signatures to put it on a ballot.

Mr. Jarchow stated most citizens sign petitions without knowing what the issues are about. Mr. Udall urged the group to be careful in pushing the issue forward. Mr. Kramer asked if it is better to support acquiring the Park after the recession and the Mountain Meadow Recreation Complex is paid for. Chairman Dodd said this was proposed. Mr. Kramer stated they could time the initiation of the sales tax increase until the Town recovers and reaches the 2008 levels. Mr. Udall suggested they include the business community and hear their concerns. Mr. Udall complimented the PVC group for taking a positive approach towards purchasing the Park. Barbara Davis said trust and timing are the main issues in moving forward. She said she understands why there is limited support for a tax increase at this time, but said the Town should look at an increase at the time the economy turns around. She said she would like to see a commitment to dedicate funds at a certain point. Ms. Stepp said this will become a tax issue if put on the ballot.

Chairman Dodd said the Town and the Committee would like to keep the dialogue going among all interested parties and groups. Ms. Davis said they do not want to lose the momentum that occurred after the survey. Chairman Dodd mentioned there is a concern in the community that people will go elsewhere to buy things where it is less expensive; therefore Pinetop-Lakeside would lose revenue. He stated Mayor Smith is supportive and said he stressed this issue is crucial to become a huge success story, and that he would like to see this succeed. Mr. Kramer said the issue needs to be clean when presented to the voters. Mr. Vuolo said the reality of the current economy is that things are bad all over. Chairman Dodd agreed. Mr. Kramer said the economy is not the main driver but said the point is something needs to be initiated by the voters.

Ms. Davis confirmed. Chairman Dodd said the Town needs to bank money for a few years to have some reserves to pay the bond debt when the economy turns around. Mr. Jarchow said the initiative needs to be passed as a regional park, and not be restricted to Pinetop-Lakeside, because the cost should not be borne solely by the residents. He confirmed this should focus on acquiring the Park and not on the tax increase.

Chairman Dodd said 79% of business owners surveyed recognized that Woodland Lake Park generates an economic value to the community. He reiterated an initiative effort would have only one chance to get it right.

Item No. 7, Walnut Creek Node Public-Private Partnership:

Mr. Udall said a developer has proposed a master site plan for the 100-acre Walnut Creek Node. He said the developer would solicit input from the Town but would go forward with a site plan. He said the developer will be included in future meetings to gather community input and said it would have to go through the bidding process. He added the agreements with the U.S. Forest Service should go before the Council in November. He reiterated there is \$30,000 in the current budget dedicated toward the cost of the study. Mr. Jarchow asked about the reality of the January date for beginning the NEPA study. Chairman Dodd said the Town Attorney has made this a priority and said they are following up with the Forest Service to make sure the process is moving along. He added the cost is unknown until they receive the documents back from the Forest Service and a bid from NEPA contractors.

Chairman Dodd said the Walnut Creek Node would be considered a land asset and said it is possible to bring in a consultant to help the Town by either a grant or other funding sources. Ms. Teague asked for an example of how the land asset designation is used. Chairman Dodd said he would e-mail the PowerPoint presentation that was seen at the League of Arizona Cities and Towns' Conference, which would include examples. Ms. Teague asked if the Task Force needed to make a motion to consider the public/private partnership. Chairman Dodd said the resolution approved by the Council included that. He added they are ready to begin an implementation mode relative to the potential development of the Walnut Creek Node.

Chairman Dodd said an action item of the Strategic Management Plan was to consider a remote university campus. He asked if there should be a subcommittee to research university participation. Mr. Jarchow said they may want to look at post secondary education and not limit their options. Chairman Dodd said it is too early now, but said they will address this as they move forward. Ms. Stepp said this would give the Town more latitude. Mr. Jarchow said they need to look beyond the State limits.

Chairman Dodd said he would like to discuss university participation at the next meeting. Mr. Udall stated they have been working with Mayor Smith and said they need to integrate with the Committee. Chairman Dodd stated this body could help guide the implementation of the Walnut Creek Node.

Rob Ingles commented he was impressed with the work that has been done to date. He agreed they all must endeavor to move ahead collectively. He said, as a Planning and Zoning Commissioner, he values the Town Plan and said he appreciates the gateway the Walnut Creek Node has contributed.

Chairman Dodd said the initiative could be supported and voted on as an ordinance rather than taking it to the voters. He said he certainly wants to work together as a community on the issue and to obtain input from everyone. Mr. Kramer said they do not want to put the Town in a position to oppose something that 80 percent of the Town supports.

Mr. Ahlman asked when the language of the initiative is formalized, if the Committee would endorse the initiative language. Chairman Dodd said they hope to remain in communication and work with the group. Mr. Kramer added their intent is to save the Park, and said if they do nothing, parts of the Park would go to developers. He said they want to allow the development of the Walnut Creek Node and to establish the remainder of the Park as open space.

Item No 8, National Environmental Policy Action Environmental Analysis Status:

This item was discussed under Item number 7.

Item No. 9, Next Meeting Date and Agenda Items:

The Committee established the next meeting date of Thursday, November 19, at 10:00 a.m.

The meeting was adjourned at 12:06 p.m.

Dated this 26th day of October 2009.

WOODLAND LAKE PARK ACQUISITION TASK FORCE COMMITTEE

s/s CHAIRMAN NORRIS DODD