

SUMMARIZED MINUTES OF THE TOWN OF COLORADO CITY COUNCIL MEETING HELD MONDAY, JANUARY 11, 2021, AT 25 SOUTH CENTRAL STREET, COLORADO CITY, ARIZONA

Meeting was called to order at 6:00 p.m. by Mayor Joseph Allred.

Roll call showed present: Mayor Joseph Allred and Councilmembers Alma Hammon, Joanne Shapley, Donald Richter, Nathan Burnham, and Thomas Holm. Jeffery Jessop asked to be excused.

MINUTES

The minutes of the December 14, 2020 regular meeting were presented with minor corrections noted.

Motion was made by Nathan Burnham to approve the corrected minutes of the December 14, 2020 regular meeting. There was a second from Alma Hammon, and all voted in favor.

PUBLIC COMMENT/INFORMATIONAL SUMMARIES

Eric Duthie, who is the new Town Manager of Hildale, addressed the Council and introduced himself. He said he looked forward to working together for the good of our communities.

MOTION FOR EXECUTIVE SESSION TO BE HELD MONDAY, FEBRUARY 22, 2021 AT 5:30 P.M. FOR DISCUSSION AND CONSULTATION WITH LEGAL COUNSEL FOR LEGAL ADVICE IN ACCORDANCE WITH ARS 38-431.03.

Nathan Burnham made a motion to set an executive session in advance to discuss pending or contemplated litigation, claims and demands to be held Monday, February 22, 2021, at 5:30 p.m. MST in Accordance with ARS 38-431.03(A)(3)(4) for discussion and consultation with legal counsel for legal advice and/or for negotiations. The motion was seconded by Joanne Shapley and passed unanimously.

PENDING OR CONTEMPLATED LITIGATION, CLAIMS AND DEMANDS

None

DEPARTMENT REPORTS

Airport

Ladell Bistline Jr. addressed the Council and said they have completed the FAA annual inspection. He reported that they plan to begin the bidding on the fencing project.

Dispatch

Dispatch Manager Warren Darger reported that they have been having issues with the 9-1-1 system, and they had to reinstall the 9-1-1 server and software to resolve the issue. He said the GIS server also had some hardware failure, and it is in the process of being repaired. Warren said they have several dispatchers enrolled in classes for communications training officers to assist in training the new dispatchers. One of the staff is training to become our Quality Assurance and Training Supervisor.

Police Department

Police Chief Robb Radley presented the statistics on calls to the Department for the past year, and he felt the statistics were good compared with other locations he has worked in. He said that this list does not include agency assists. Our agency responds to many calls in Cane Beds and Centennial Park, and also along the highway which are not in our jurisdiction. He said he has entered into discussion with Mohave County on getting funding to help cover the costs. The question was asked, what are we doing about dogs and motorbikes? Robb replied that they have started issuing citations, not warnings, with every dog release and will be doing that with all livestock, and we are seeing good results with it. He said with the motorbikes all we can really do is teach awareness and try to educate. There was discussion on this, and concern was expressed for the safety of the citizens and the bikers. Robb said they are not able to catch them because the creek is so accessible from anywhere in town that the bikes just slip away. The question was asked if we could provide a bike park like other cities do and contain them that way. Robb said he felt that the creek with its natural trails and scenery would be impossible to compete with, and that we will have to turn to education and awareness as our approach for now.

Public Works

Public Works Director John T. Barlow reported that they have been busy with various improvement projects. He said the projects in the trailer court and on Utah Ave. have been prepped for chip seal next spring. He said they have been working on some equipment repairs, with both loaders needing to be repaired. John said they have had an employee who tested positive for COVID.

For the Landfill he reported that the Town of Fredonia has had a complete turnover of staff, and there were vacancies on the Landfill Board. He said they had received a new load of dumpsters.

Utilities

Utilities Manager Harrison Johnson reported that they are having maintenance issues with Well #4 and are looking at either repairing or replacing the well. He said the Department has been working with Sunrise Engineering on a study of the sewer impact fee to possibly adjust some line items. He said they have noted a water loss of 300 feet in the Shinarump Aquifer since its construction in the 1980's. He said the Department is concerned with the Valley over-using the resource and with the fact that we have had a drought for several years. Harrison said that the natural gas connection would be coming soon which will be a savings of up to 50% to the consumer.

Administration

Town Manager Vance Barlow reported that a lot of time has been spent on the details of the 457(b) plan and getting it ready for Council consideration. He said AMRRP has notified the Town that it will not be able to readmit the Town into the Pool this year, so we are looking to a July 2022 date for reentry. We have been working with Lockton Companies to secure renewals for the coming year. Most of the major policies renew on February 19, so we may be binding the coverage before the next Council meeting.

Vance reported that we are beginning the process of analysis for the upcoming budget discussions and will be meeting with the Department Heads on specific needs that they may have. We are also working on a land lease with the UEP for the lot that the water treatment plant is located on and expect that item will be presented at the February meeting. He noted that the grass has been installed in front of the Police Department building at 50 North Colvin. The remodel of the Community Development Building, which consisted of adding another outside door and sidewalk all around the building, has also been completed. He noted that a lot of time is spent on zoning and land development issues and concepts. The Planning Commission and staff are continuing a detailed review of the Land Division Ordinance, and we expect to have some proposed changes ready for a review and possible first reading at the February Town Council meeting.

CONSIDER RESOLUTION ADOPTING RELATED PARTIES POLICY

Vance explained that this is an annual requirement per ARS §38-503, which states that political subdivisions other than school districts may purchase through members of their governing bodies, without using public competitive bidding procedures, supplies, materials and equipment not exceeding three hundred dollars in cost in any single transaction, not to exceed a total of one thousand dollars annually, from a member of the governing body if the policy for such purchases is approved annually.

There was a motion from Donald Richter with a second from Thomas Holm to adopt Resolution 2021-01, establishing procedures for purchasing from the Mayor and any member of the Council. There was unanimous approval.

SECOND READING OF ORDINANCE 2021-01 CHANGES TO TRANSACTION PRIVILEGE TAX (TPT) RATE FOR RESTAURANTS AND BARS (BUSINESS CODE 011)

It was explained that at the December 14, 2020 Town Council meeting, the Town Council discussed possible changes to the restaurant tax rate for the Town of Colorado City. They decided to reduce the rate from seven (7) percent to three and a half (3.5) percent.

A first reading of Ordinance 2021-01 modifying the tax rate was done at that meeting and the ordinance is presented here for a second reading in the adoption process and possible adoption by the Town Council. If the Town Council adopts the Ordinance the change will go into effect sixty (60) days after adoption which will be March 12, 2021.

Motion was made by Joseph Allred with a second from Nathan Burnham to read Ordinance 2021-01, changing the Transaction Privilege Tax (TPT) rate for Restaurants and Bars (Business Code 011) reading in the adoption process. There was unanimous approval.

Town Clerk Rosie White then read Ordinance 2021-01

CONSIDER ADOPTION OF ORDINANCE 2021-01 CHANGES TO TRANSACTION PRIVILEGE TAX (TPT) RATE FOR RESTAURANTS AND BARS (BUSINESS CODE 011)

For the benefit of the new Councilmembers, it was explained that it is required by law that any changes to the law must be read aloud to the assembly, and it is sometimes a lengthy and tedious process. Councilman Richter quipped that it reminded him of a saying he heard once, that “those who love and sausages and respect the law should never watch either being made”.

It was explained that after the second reading of Ordinance 2021-01, the Council will need to adopt the ordinance with the effective date being sixty days after adoption, which will be March 12, 2021.

There was a motion from Nathan Burnham with a second from Alma Hammon to adopt Ordinance 2021-01, changing the Transaction Privilege Tax (TPT) rate for Restaurants and Bars (Business Code 011). All voted in favor.

CONSIDER ZONING MAP AMENDMENT PARCEL 404-51-024 FROM INDUSTRIAL PARK DISTRICT (IP) TO COMMUNITY COMMERCIAL DISTRICT (C-2)

Vance presented and said that Marion Barlow has applied for a zoning map amendment for parcel 404-51-024 from Industrial Park District (IP) to Community Commercial District (C-2).

This is the area of the Colorado City Industrial Park located between Maple Street and SR 389 South of Arizona Avenue (Industrial lot Number 32).

Mr. Barlow would like to develop some commercial rental units on the South side of the property and has requested a C-2 zoning as that will better accommodate the developments that he is planning for the property.

The Planning Commission considered this request at the January 4, 2021 Planning Commission meeting and unanimously recommended approval as it was felt that the highway frontage would be better used as commercial than industrial, and the Town would like to see more “clean” development along the highway corridor.

Marion Barlow addressed the Council and said that the new zoning laws put the property out of retail sales, which is what the building had been used for previously. He said he would also like to put another commercial building on that lot with several units in it for retail sales. He said he plans to include some drive-up windows, and to improve the road and parking lot. He said there are prospective investors who have expressed an interest in it.

Motion was made by Nathan Burnham with a second from Donald Richter to adopt Ordinance 2021-02 amending the zoning map to the Town of Colorado City. There was unanimous approval.

CONSIDER MAINTENANCE AGREEMENT WITH ES 177559 LC FOR UTILITY LINES WITHIN THE PIONEER COURT MOBILE HOME PARK

Vance reported that Mr. Allen Zitting with ES 177559 LC owns the trailer park known as Pioneer Court Mobile Home Park in the Town of Colorado City. When the trailer park was developed many years ago the water and wastewater lines were put in underneath the trailers and that is not in compliance with current development standards. Mr. Zitting has removed many of the old dilapidated mobile homes and has a plan to replace them with new manufactured houses.

The current development standards do not allow lines to be installed in that manner and when Mr. Zitting requested building permits to install the new buildings the question was raised by the utilities department on whether to require him to redo all the water and wastewater lines. It would be cost prohibitive to require Mr. Zitting to replace all the lines in the development and the benefit to the Town would be negligible in comparison to the cost.

Utilities staff and Mr. Zitting have worked out a proposed agreement that would clarify that Mr. Zitting would be responsible for all maintenance on the lines within the boundaries of his property regardless of where the meters or hookups are located. The agreement also established the right of entry by utilities staff and the quality of the work and inspections that would be required if work on the lines should be required.

This agreement has been reviewed by the Town Attorney Mr. Brandon Kavanagh and is ready for Council consideration.

Motion was made by Nathan Burnham with a second from Alma Hammon to approve the Distribution System Maintenance Contract (water and wastewater) between the Town of Colorado City and ES 177559, LC for maintenance of the water and wastewater lines in the Pioneer Court Mobile Home Park. All voted approval.

RATIFY AGREEMENT WITH LOCKTON COMPANIES FOR INSURANCE BROKER SERVICES

Vance explained that the Town has been using Lockton Companies as the insurance broker for the Town. Lockton has again requested an assurance of \$25,000 commissions or fees. This agreement is similar to the one the Town has entered into the last few years for insurance broker fees with Lockton.

The Town has been working on getting re-admitted into the Arizona Municipal Risk Retention Pool for insurance coverage and was recently notified that it will be another year until that can occur. With this latest development from AMRRP it is in the best interest of the Town to retain Lockton Companies and maintain the continuity of coverage.

The prior agreement expired on December 20, 2020 and the Town Manager signed the new agreement as Lockton is currently in the process of working on renewals for the 2021-22 coverage. Lockton is shopping several markets to see if we can get better coverage and/or rates.

There was a motion from Joanne Shapley with a second from Alma Hammon to approve the Distribution System Maintenance Contract (water and wastewater) between the Town of

Colorado City and ES 177559, LC. for maintenance of the water and wastewater lines in the Pioneer Court Mobile Home Park. All voted in favor.

CONSIDER RENEWAL OF AIRPORT OPERATOR'S LIABILITY INSURANCE WITH OLD REPUBLIC INSURANCE COMPANY

Vance reported that the airport general liability insurance renewal is due by February 5, 2021. The insurance is negotiated and brokered by AMRRP and the insurance is underwritten by Old Republic Insurance Company. The premium is \$3,507 for the year which is in line with prior years. Airport insurance is a very specialized market, and we appreciate being able to obtain it through AMRRP.

There was a motion from Alma Hammon with a second from Donald Richter to approve the renewal of the Airport Owners and Operators General Liability Policy with Old Republic Insurance Company. All voted approval.

CONSIDER TOWN OF COLORADO CITY 457(B) PLAN DOCUMENT

Vance stated that at the November 16, 2020 Town Council meeting the Town Council approved using Empower Retirement to implement and manage a 457(b) plan for the Town of Colorado City.

The staff have been meeting weekly with Empower to work on the details of the plan and what options the Town wants to have incorporated into the plan. The plan document is now ready for Council consideration and possible approval. The proposed go live date for the plan is February 16, 2021 and the staff will have a lot of work to do before and after the plan is approved in order to go live. He said it is also important to remember that the plan can be amended from time to time as needs arise.

There was some discussion on this item, and it was pointed out that this is similar to a 401k. The employee can choose the amount they would like to contribute, and the Town can also choose to contribute. It was commented that the Town has been working toward this for a long time, and it will help us retain our employees.

Motion from Nathan Burnham with a second from Alma Hammon to approve the 457(b) plan for the Town of Colorado City. There was unanimous approval.

CONSIDER RESOLUTION APPROVING FINANCING OF WATER WELL REHABILITATION WITH WIFA

Utilities Manager Harrison Johnson reported that Wells 4 & 22 of the Town's water wells are in need of a major rehabilitation and he has been looking into various options to fund the rehabilitation project. The Town has approached the Water Infrastructure Finance Authority (WIFA) of Arizona about some funding options. WIFA has indicated that they would provide up to \$200,000 in low interest financing for the project.

Presented here is a resolution authorizing the Utility Director to apply for Clean Water State Revolving Fund/Drinking Water State Revolving Fund financial assistance from the Water Infrastructure Finance Authority of Arizona. There was much discussion on this and the ongoing need to find more water sources.

There was a motion from Nathan Burnham with a second from Joanne Shapley to adopt Resolution 2021-02 authorizing the application for a clean water state revolving fund loan for the Water Infrastructure Finance Authority of Arizona. All were in favor.

CONSIDER CDBG PUBLIC PARTICIPATION PLAN FOR 2021 SSP APPLICATION

Vance presented this item and explained that as part of the process to apply for CDBG funding, the Town conducts public participation hearings during which, projects are identified and selected for application. The applications must meet the eligibility and priority guidelines of the grant program. SSP projects must be essentially shelf-ready. The next application for an SSP project is due in early May.

The Town is not required to adopt a public participation plan but would like to adopt one to help educate and define the process. The Public Participation Plan spells out the dates for public meetings. Meeting #1 which cannot be in conjunction with a Council meeting is proposed to be Monday February 1, 2021 and meeting #2 which is in conjunction with a Council meeting is proposed to be Monday February 22, 2021 (note this is the regularly scheduled Council meeting). The 2021 public participation process will be for the Statewide Special Projects (SSP) application only because the Town is not eligible for Regional Account (RA) funding this grant cycle. There was some discussion on this, and it was brought out that we have been successful in applying for and receiving grant funding as much as could be expected for a community the size of ours.

CONSIDER APPROVING TOWN OF COLORADO CITY ON BLM APPLICATIONS FOR CANAAN MOUNTAIN WATER PROJECTS

Utilities Manager Harrison Johnson reported that the Town is always under the necessity of developing or acquiring additional sources of culinary water. He said the Utility Department has been working on the Canaan Mountain Water Project for a couple of years and have done extensive studies into the option of running horizontal wells into the Canaan Mountains north of Hildale. The Department is ready to begin the process of applying for rights of ways into the proposed drilling areas with the Bureau of Land Management (BLM). This is a very time consuming and technical process, and the Washington County Conservancy District has agreed to have one of their project managers assist in this process at no cost to the municipalities.

Harrison explained that it is anticipated that most of the right of way applications will need to be in Hildale City's name but there may be a need to have the Town of Colorado City listed on some of the applications. In the interest of expediting the process, staff is requesting that the Town Council authorize the Town Manager or staff to sign in behalf of the Town, if needed, on the BLM right of way applications for the Canaan Mountain Water Project.

There was extensive discussion on this, and several points were brought out. One of these was the feasibility of adding Centennial Park to the system when there is already such a concern of shortage of water for the existing system.

It was brought out that the UEP Trust is the only one with enough water rights to facilitate the volume needed, and the UEP Trust was considering donating some of their water rights. Some expressed their concern about there being a clear understanding of any agreement made with the UEP Trust before we make such a move.

There were some of the Council who felt that we should look deeper and exhaust all other avenues before we make the attempt to develop in Water Canyon. Others felt that we have already spent a lot of time and money researching into this, and the Water Canyon is the most promising option we have.

Motion was made by Nathan Burnham with a second from Alma Hammon to authorize the Town Manager or staff to sign BLM right of way applications as needed for the Canaan Mountain Water Project.

Roll Call Vote

Alma Hammon	Y
Joanne Shapley	Y
Nathan Burnham	Y
Joseph Allred	N
Donald Richter	N
Thomas Holm	N

There was a tie vote, and the motion did not pass as presented.

The Council recommended to Harrison that he clarify the details of the arrangements that would need to be made with the UEP Trust and come back with more information. Harrison replied that he would, and also clarified that at this point, he does not need the approval of Colorado City Town Council to move forward with the application. This was presented tonight just in case the Town of Colorado City is needed to sign on any of the documents. This item will be moved forward to next month's agenda for further discussion.

CONSIDER RESOLUTION ESTABLISHING COMPENSATION OF ELECTIVE OFFICERS & APPOINTED BOARD MEMBERS OF THE TOWN OF COLORADO CITY

Vance explained that the amount of compensation that is currently paid the Town Council members and members of appointed boards and commissions was last updated in November of 2006 when the amount was raised from \$30.00 per meeting to \$75.00 per meeting or special function attended.

As the Council well knows, the time spent studying the materials ahead of the meeting times, keeping up on current events, involvement in local functions as needed, and the time spent attending the meetings is a very real commitment of time and effort.

The question has been asked several times recently if the amount paid is commensurate with the commitments of time and effort that are required to fill the role properly. Town Code §30.005 states that the compensation of elective officers of the town shall be fixed from time to time by resolution of the Council.

There are 12 regular scheduled meetings a year plus several special meetings or events that the Council members may attend in their capacity as elected officials. It has been proposed that the rate be increased to \$150.00 per meeting or event, which would equate to approximately \$2,800.00 per year.

There was some discussion on this, and the Council expressed that it is a privilege to serve and donate their time when they can.

Motion was made by Thomas Holm with a second from Joanne Shapley to adopt Resolution 2021-03 Establishing Compensation of Elective Officers & Appointed Board Members of the Town of Colorado City, setting the rate at \$150.00 per meeting or event for all boards and commissions. There was unanimous approval.

BUDGET REPORT AND ORDER TO PAY DUE CLAIMS

The Council reviewed the budget report and a detailed report of the due claims. We are at 50% of the fiscal year.

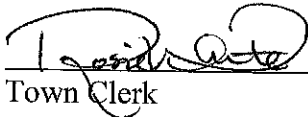
Motion was made by Nathan Burnham to pay the due claims as they become due and as funds become available. It was seconded by Joanne Shapley, and all voted in favor.

Meeting adjourned at 9:28 p.m.

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 Colorado City held on the 11th day of January 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 22nd day of February 2021.


Town Clerk

