

**MINUTES OF MEETING AND PUBLIC HEARING OF THE
THATCHER TOWN COUNCIL
February 15, 2011**

Present: Mayor Bob Rivera, Vice Mayor Bill Mulleneaux, Councilman Charles Morris, Eric Merriman, Donald Innes, Ken Larson, Wayne Griffin

Staff Present: Terry Hinton Manager, Heath Brown Engineer, Dudley Welker Attorney, Chief Mark Stevens Police, Lona Duncan Town Clerk

Absent: Chief Mike Payne

Visitors: Aimee Staten, Kathy Grimes, Heather Lemley, Jerry Hoopes, Jon Johnson, Kenny Goodman, Kat Stricklin, Paul Riddle

AGENDA

Mayor Rivera welcomed everyone called the meeting to order at 7:00pm stating there was a quorum. He said God Bless our Troops God Bless their families and God Bless the United States of America

Pledge of Allegiance lead by Kat Stricklin

Roll Call.

PUBLIC HEARING:

A. Rezoning request for Spencer Lane.

Jon Johnson stood and said he had a petition to give the Council. He said it was a petition signed by the residents of Spencer Lane to approve the action before you tonight, it was signed by 85% of the residents in that community. What we are here to discuss is not a zone change but more of a zone clarification. The lot in question is zoned both R2 and AR. The Planning & Zoning Commission recommended against this because it would set precedence. According to Mr. Brown when a lot is zoned two ways a petitioner gets a petition brings the request to the Council who will listen to the community and go by the majority of the residents recommendations. In this case 85% are for this zoning clarification. The R2 goes all the way up and cuts Mr. Riddle's property in half. His house is built on the east side of the property, leaving almost a half acre of empty dirt lot. Mr. Johnson said that Dr Christensen said it would lower his property value but I believe a three hundred thousand dollar home would increase the value. He also said it would not look like the other houses in the area. I am telling you it will be built out of the same material so it will. I don't think these are valid arguments. I also know that Mr. Stapley was concerned about water and sewer and I contend that would be a question to be answered at a later time and not a zoning issue but a building issue. I would like to be compliant with the Town of Thatcher and bring my family

in and build a house that is suitable to the neighborhood and make it all R2. I also would like to comment on the statement made that previously Scott Curtis tried to do an action similar to this on the other side but in that case they were not zoned half and half they were all zoned AR. I ask you to follow what you have done in the past and not set precedence and approve this action.

Councilman Innes asked if Mr. Riddle's mortgage would allow him to split it off. Mr. Johnson said as far as he was aware there is no deed restriction but if that were the case then it would stop the process we are just trying to get the zoning done first and then take the next step. The survey should show whether the sewer and water can be done. Councilman Larson said he had the same concern why do all this if you can't get water or sewer. Heath said he can tap into the sewer at 1st Ave which is a long run I don't know about water. Mayor Rivera said Mr. Stapley also said he thought there was something in the CC&R about the property not being divided, is that correct? Terry said the Town does not police them, a deed restriction is something that is put on by the Title Company. Terry said it has nothing to do with the mortgage, they are restrictions put there before the house is built. Mayor Rivera said my concern is if we approve and allow this to happen and you can't build we would have to go back and rezone. Councilman Griffin asked do we know how many existing homes are in the AR zoning what I am asking is, are the signatures you have the majority of the owners with the larger lots because the smaller lots are not affected. Mr. Johnson said yes anything that is on Spencer Lane or Spencer Place are the larger lots. Kenny Goodman stood and said I recently sold a piece of property that is right behind me the CC&R's on that property were passed down to me vocally so I am not sure there is record, but I understood I could not divide that property. If I would have known I could divide that property I would have perused it so I think this is a new point and we should find out for sure. Don Riddle stood and said he should speak on behalf of the rezoning. When I purchased the land I was told that there were some CC&R's that would prohibit me from splitting the lot so I ask the realtor Gary Curtis to provide me with a copy of the CC&R's and he was unable to find them. I bought the lot with the house already on it which was built on the eastern end of lot so what we have is a half acre that just set there. I had heard that the previous owner Mr. Dunford was going to put in an orchard but I can tell you at 60 years of age I am not going to put anything there. I believe another house would look better than a vacant lot it is just an eye sore. The question brought up about the bank I have paid two thirds of the mortgage so that will not be a problem. Mr. Riddle said but we are here doing the first step we are asking you to recognize that we can do it. It makes no sense to pay for a survey if we can't make this hurdle. I think the lot would look better with a nice home on it versus a vacant weed lot. Mayor Rivera asked Mr. Johnson with the 85% to 90% signature he received you had about two that would not sign.

Mr. Johnson said there were three that did not sign I did not get by the Goodman's house so there were two that would not sign. Mayor Rivera thanked everyone.

OPEN CALL TO THE PUBLIC:

PUBLIC APPEARANCES:

CONSENT AGENDA:

Action Item

- A. Approve minutes of the January 10, 2011 Regular Council Meeting.
- B. Planning and Zoning Monthly Report.
- C. Police Monthly Report.
- D. Approval of Invoices.
- E. Financial Reports.

Vice Mayor Mulleneaux made motion to approve minutes and reports Councilman Merriman seconded the motion. The vote was unanimous. Motion passed

OLD BUSINESS: Discussion, consideration and possible action

NEW BUSINESS: Discussion, consideration and possible action

- A. Rezoning Request Decision for Spencer Lane.

Terry said in front of you are the minutes and decision from Planning and Zoning Commission and you have heard from people in the audience tonight concerning the rezoning. Mayor Rivera said it states here that the P&Z unanimously voted to deny the request also states that staff's recommendation says it is felt too generally follow the desires of the neighbors. Mayor Rivera asked Mr. Hoopes who is a member of the Planning and Zoning were these names brought up to you at the time of the meeting. Jerry Hoopes said he told us he had 85% of the people sign. It was our opinion that if this was approved it would open a can of worms letting everyone in Town who has a lot the ability to split and we didn't feel it was good for the Town. Councilman Innes said I think the mortgage bank needs to provide a letter saying he could split the land, the City of Safford and our sewer system can accommodate the land split and the CC&R's need to be looked at before we go any further. Councilman Griffin asked so are you saying postponed for a month until those issue

are addressed. Terry said I don't think you can because of the public hearing issues I believe you have to make a decision and then if it is denied they have the right to resubmit. Jon Johnson said I think you are putting the cart before the horse this is only the first step then we move on to those other steps. Terry said if the decision is made to rezone this way it sets the precedent whether you can go forward or not so they need to make sure they make the right decision the first time. Jon Johnson said in the past if there is a lot zoned two ways they went to the neighbors with the petition and asked what they want. Terry said but that was not splitting the lot. They just wanted to build something on that lot so the zoning was changed but land was not split. Mr. Riddle said I think you are going against what you have been doing in the past you are actually setting precedence by denying. Councilman Larson said I thought we had made a decision not to let changes be made but staying consistent so we won't have the problems we have had in the past. Vice Mayor Mulleneaux said I think we have a very competent Planning and Zoning Commission and we should listen to them.

Vice Mayor Mulleneaux made motion to deny the zoning change. Councilman Larson seconded the motion. The vote was six yes to deny, Mayor Rivera, Vice Mayor Mulleneaux, Councilman Morris, Griffin, Larson and Innes. One no vote, Councilman Eric Merriman. Motion passed

B. Veterans Service Resource Foundation support.

Kat Sticklin stood and said she represented the Veterans Service Resource Foundation. We are a recent 501- 3C in Arizona. This foundation started several years ago as a dream to have a Veterans Park. I went before the Safford SAVE commission they told us that all they could help us with was one block. That was not what we were looking for so it was put on hold. After talking to several people we do need a national cemetery here because they have to go to Sierra Vista, Tucson, Prescott or Phoenix. So we formed a committee to work together toward this. We have four points in our mission, provide service and projects for veterans and their families, provide oversight and guidance, provide shelter and various levels of counseling and training, bring together the community and organizations to benefit the veterans and community. We are now seeing a lot of veterans coming back to no homes, split homes and even on the streets they can't cope. We are trying to tie in with the VA and other places to get transitory housing. We want to bring together this community and the surrounding communities which are Graham, Greenlee, Northern Cochise, Eastern Gila, Southern Apache, and Western New Mexico to form a large circle. We are trying to put it all together so the Veterans won't have so far to travel for a cemetery, a park, counseling, rehabilitation or housing. It is a long range plan but you have to start somewhere. I am

asking the community at this time for a letter of support that will be attached to grants that we will apply for. Graham County Board of Supervisors are asking for letters of support from the different Towns, business and organization saying you will support us going forward with this. The cemetery itself will need 275 acres to get started and with the park, housing and rehabilitation center all attached together we are looking at 500 acres. The County has said they would help us find the land but we need a letter of support. Mayor Rivera said we commend your efforts, I believe this Council supports your vision for supporting the Veterans. Kat asked for the letter to be sent to their post office box and she will deliver to Graham County when she does the presentation. Mayor Rivera said thank you for coming.

C. Drug Free Communities Grant Participation – Kathy Grimes

Kathy Grimes stood and said she I with the community development department of SEABHS. I am here tonight for a request but I would like to give you a little bit of information about our coalition. In the pamphlet you were given you will find vision and mission statement. We started as a Cross System Substance Abuse Coalition in 2003 because of the methamphetamine problem in Graham County. Chief Stevens is in our group and he was there when we decided that prescription drugs were now the issue in our community so along with meth and the alcohol we address the prescription drug issue. That is where we came up with the Dump the Drugs. It is a community take back program where we encourage people to clean out their medicine cabinets and get rid of any unused or old prescription drugs or over the counter medication that may get in the wrong hands. Your Thatcher Police department is one of the departments that has a box and collects drugs on a regular basis. Councilman Larson asked how it was disposed of. Chief Stevens said it is given to DEA or the hospital and it is incinerated. Chief said the last time we did the Dump the Drugs at the Home Depot parking lot we had a 47 pound bag. Kathy said we have some events coming up. April will be declared Substance Abuse Awareness Month and all of the Mayors and Board of Supervisor have agreed to sign the proclamation. We are working on presentations to PTO's and Schools, on April 26th the Harlem Ambassadors will play against twenty of our community members. They are drug free and they bring that message with them so it should be a fun family event held at Safford High School. The next day will be our 6th Annual Substance Abuse Awareness Conference held at Eastern Arizona College and then Dump the Drugs on April 30th at Home Depot so we have a lot going on that month. The reason I am here tonight we have lost a lot of funding for our coalition we hope to apply for a Drug Free Committee grant but SEABHS can not apply for the grant so we are hoping that you will be the fiscal agent for the grant. What that will mean is

we would write the grant and we would have staff members who would over see the grant and complete the reports. We need you to apply for the grant and it would be a partnership where your law enforcement could end up with funding. It is a match per match grant in the amount of one hundred twenty five thousand dollars for up to five years so it would be over a million dollars coming to our community. Say your Police Officers provide a thousand dollars of services to the community that is the in-kind and they can get a thousand dollars from the grant so if you have a DUI check point on prom night and you want one on graduation night you pay for the prom night we pay for the graduation night. It helps support the coalition it would bring extra money for education and resources into our community. We have a lot of partners in our community that are interested in providing in-kind services for us that will equal up to the one hundred twenty five thousand so you will not be doing that all by yourself. It is on a reimbursement bases so if we needed supplies we will need you to purchase them and then your will be reimbursed by the grant it goes right into your account. Mayor Rivera asked how much time will this take for our staff? Kathy said very little because we have staff allocated for that purpose it will mean that you will right the checks and one of your staff members could get paid for doing that as in-kind.

Vice Mayor Mulleneaux made motion to be the Fiscal Agent for grant. Councilman Innes seconded the motion. The vote was unanimous Motion passed

D. 2011/2012 Budget/Revenue discussion

Terry said we have been discussing for sometime what is going to happen with our next budget when we are not receiving the shared revenue from Wal Mart and we need to make up that difference and at this time I can't tell you what State shared revenue will be I can tell you that under the best situation it wouldn't be anymore than what we are getting now. What I have cut so far in the budget we are about 200 thousand upside down. I do expect to get a little more revenue just normally but on the flip side I expect increases in the land fill fees and Graham County dispatching services, network services and animal control. I am still 30 to 90 days away from getting all projections. I have made a chart comparing our electrical, sewer and garbage rates to all the entities in the valley. These are some things to consider if we raise the electric base rate or meter rate to \$ 7.00 on residential and up to \$12.00 on small commercial and \$15.00 on large commercial we will still be lower than Graham County Electric and City of Safford that will give us an increase of 50 thousand. The electrical rate if we went to .09 again would still be lower and give us 40 thousand. If the sewer was raised to 10.00 that would be 52 thousand and the garbage to \$10.00 another 52 thousand again lower than everyone else. The last thing I have is the sales tax going from 2% to 2.50 % being the same as City of Safford that would give us about 431 thousand or if

you went 2.25% the amount would be 215 thousand. Terry said the sales tax rate is the only one of the above that changes the general fund the others electric, sewer and garbage go back into their own fund. Mayor Rivera said I am thinking with the way State shared revenue the increase of half a percent sales tax would impact our budget. Terry said it would offset what they are doing to us, it seems like they are working on taking local control away from the Cities and Towns and giving it to the State. Vice Mayor Mulleneaux asked if he was suggesting changing all of the above or just some of them. Terry said probably all because each has its own fund but they are separate packages because they are different departments. Councilman Griffin said could we raise one and transfer the funds to the different departments Terry said you can that is what we do right now from general fund to sewer to make things balance. Vice Mayor Mulleneaux asked what is your projection with what we are going to lose how much do we need in order to balance budget and not be in trouble. Terry said it is real hard for me to tell right now because I don't know what the Legislators are going to do and I don't know what the outside entities increases are going to be. With the budget that I have done there are no salary increases and no new positions. Vice Mayor Mulleneaux said with the sales tax increase to 2.5% more than takes care of all the rest of them added up. Terry said yes but we know we are losing at least that much out of the general fund for sure. Vice Mayor Mulleneaux said I think it would be a lot easier to sell the 2.5% tax increase than all the others. Terry said yes but that will not take care of everything you are still subsidizing trash and garbage and probably electric to make it break even. Vice Mayor Mulleneaux said but what the public is going to see is a raise in everything. Terry said I understand what you are saying but the increase in sales taxes comes from everyone. Vice Mayor Mulleneaux said that is why I would rather go with the sales tax increase because others have to pay, they use our streets and so they should have to pay some. I am saying don't do all at the same time if we don't have to. Terry said the electrical we will probably have to do something in order to keep up with the cost. Terry said we are subsidizing garbage already. Councilman Innes said we are not solving the problem by just doing the taxes the problem is we have departments that are not taking care of themselves and we have given Terry direction to get them in line. Vice Mayor Mulleneaux said I just hate to dump this on the community all at one time maybe some this year and then the following year one of the others. Terry said you can do one or none are all it is up to you as the Council. Councilman Morris said I am for the tax increase and the trash because it is being subsidized and maybe the electric rate going to .09% I agree too much in one year would be hard. Mayor Rivera said I am looking at the sewer and garbage rates and they do need to be raised. Councilman Innes said we are only talking about seven dollars more a month excluding the electrical rate. Councilman Griffin asked to the increase is electric is to just cover expenses and answer was yes fuel cost is going to be a big increase this year. Mayor Rivera said I think all departments need to be solvent. Terry said this is not something we need to decide tonight I just wanted you to

be thinking and looking at what we are up against this year. Terry said we will vote on it in April or May.

EXECUTIVE SESSION: Pursuant to A.R.S. Section 38-431.02 (A)(4) the Council may go into Executive Session for discussion or consultation with the attorneys of the town in order to consider its position and instruct its attorneys regarding pending litigation.

Terry said he would like for himself, Attorney Dudley Welker, Heath Brown and Lona Duncan to remain in Executive Session

Vice Mayor Mulleneaux made motion to move into Executive session. Councilman Innes seconded the motion the vote was unanimous the time was 8:35pm

A. Decision on Executive Session.

Councilman Innes made motion to accept the proposed settlement agreement. Vice Mayor Mulleneaux seconded the motion. The vote was unanimous. Motion passed

INFORMATIONAL ITEMS:

A. Town Manager's Report:

Terry said the sidewalks are completed at Daley Estates. Ellsworth is almost complete the wings walls are done and tomorrow we will work on hand rails. We are also working on crack sealing around town. Our solar project is 50% completed. During the day art of the time it feeds back into the grid, part of the time it is pumping slowly and other times it is going backwards. Heath said they are slow but it will be a first class project. Heath said it should save us about \$2000 a month. Terry said once it is completed we will have some type of ceremony.

Mayor Rivera said Bealls is opened and looks like they are staying busy. Councilman Innes asked on 1st Ave across from Arden Palmer there is a new home is it in the town, Heath said no that is in the County. Are we still working on cleaning up lots. When I looked at Motes place over there is there any restriction about all the dirt that has been pulled up for the basements? Terry said they will use it to landscape their lots. Heath said we could argue at some point if it was a problem we could have the piles removed but they are all nice homes and I think they are just taking their time getting them landscaped. Councilman Innes asked is Motes complying with the deed rules on sidewalks and things. Terry said yes and no he has put sidewalks in front of his house and the people that are building but he has not come back to give it back to us to accept that street and sewer into our system yet. So until he finishes those improvements we will not recommend to Council to accept them into the

system. Vice Mayor Mulleneaux said we have talked about Robinson Ranch road being annexed there are a lot of nice new homes in there. Mayor Rivera said he always tells them they need to make the first move by coming in and getting the paper work. Councilman Morris said I am not sure it would gain us anything right now because of the cut in State Shared Revenues. Terry said the other thing I might mention is May 26th the five years notice on the electric system is due. Steve is working on how many meters and the cost. We have talked about giving them a letter for the rest of the city that is within in the city limits that would be Daley Estates and out that way. That would give us three years to look at it when the 3 years is up we don't have to take it. If Jeff Holt and Art Sanders gets something going out there it would be might be worth purchasing. Councilman Morris asked can we purchase just part or do we have to take the entire Town. Terry said he would talk to Steve Lines about that he wasn't sure.

B. Fire Department Report.

Terry said the Fire Department are attending a husband wife Valentine Dinner at Branding Iron tonight.

C. Police Department Report.

Chief Stevens said we received our new car from the grant and Sergeant Woods received it. There was an accident on Reay Lane two Sunday's ago he hit the bridge and there were two people air vac'd out I was told them are both ok but the car was totaled. Terry said there was also a wreck on Hwy 70 on the east side of the Whiting Bros. station he hit the power pole. He was alright but totaled his truck also. Chief Stevens said that young jailer for the County was killed. Mayor Rivera asked if he was related to Adam Peru and the answer was yes.

COMMITTEE REPORTS:

- A. Safe House- Vice Mayor Mulleneaux said he had not received a call from them. Terry said we would check on that for him. Mayor Rivera said if anyone has any old luggage that is still usable you can take it to the Safe House.
- B. Chamber of Commerce- Councilman Merriman said they had a person from the United States Forest Service come and talk to us they are going to put new culverts in going up swift trail so that will be messed up until it is finished. They are going to have a meeting about shutting off some of the roads but I don't think it is our mountain but there areas. They also talked about the Valentine Dance on Saturday which is already passed.

Councilman Merriman said they had 78 people showed up. Councilman Larson said that Marie Freestone came to our foundation meeting tonight and said it was nice but not attended as they wanted there were a lot of other things going on. Councilman Merriman hospital board is working on a signature deal for people with strokes so they could tie into other hospitals and view information and work with instead of having to travel to Tucson. Councilman Merriman said Freeport is going to have bonus for employees. Mayor Rivera said copper is at 4.67 cents.

- C. SEAGO- Mayor Rivera said we are going to have a meeting this Friday. I did attend a League meeting and the Mayor of Tucson is our President he started off with a summary of what his part of being Mayor with the incident of what happen to Congresswomen Giffords. His main idea was to come out as fast as you can with as much correct information as you can. It was first reported she was dead and also there were two gun men which were both wrong. The main message he gave was communication and how important it is. He said he was very fortunate to have someone working for the City of Tucson that had the global communication training. He said they had people from all over the world coming in and this gentleman would tell the mayor what to say and how to say it. The Mayor commended the police, emergency and key people preformed their work. He also said he attended the U.S. Mayor's Conference in Washington DC he came up with a one page document for all elected official on how to act and respect others opinions. I will have it copied so you can see that. Vice Mayor Mulleneaux having worked for DPS they have put together a critical incident management team and a manual so when you had incidents like that you knew what to say and who could say what. I think it would be good for small agencies to have.
- D. Arizona Foundation. Councilman Larson said we had a meeting tonight trying to get Greenlee County involved in the foundation and we will continue to work on getting other people involved. Don Smith wanted to come and tell the Council more about the foundation. Terry said after our donation this year we will have contributed about 60 thousand over the years. Councilman Larson said that the money goes to some good agencies that help this community.
- E. Library Committee. Councilman Morris said they had a meeting last week we are working on presentation for the different entities we would like to come to Thatcher's next Council meeting March 8th if that is a good date. There will be a packet of material so you can read about the plans and ask questions if you have any. They want your feed back as to how you feel about the possibilities of a Library District. Mayor Rivera ask are they going to have numbers like the tax rate and the answer was yes they are talking about .20 per hundred. They want to have a District Chairman that will

work under the Board of Supervisors who will recommend where the money goes also a District Library Chairman, IT person plus the Librarian. Mayor Rivera asked if David Kincaid said anything about the Safford Library. Terry said no he had not.

Councilman Griffin said he attended an ADOT meeting and Bill Harmon talked about the 191 Hwy re-route I told them to go to the west towards us. They had four options and everyone there decided they did not like the east option. What they are looking at now is using 191 all the way down to Power Line widen it out and then having then having an intergraded one that goes to the east that is not high traffic that will dump some of the mine traffic that way but the major flow would go west because there is more land. Vice Mayor Mulleneaux said he talked to one of the engineer out of Phoenix at the last meetings and asked him how long it would take for this to happen. He said it would take a long long time probably not in his life time or mine.

ADJOURNMENT

Councilman Innes made the motion to adjourn meeting. Vice Mayor Mulleneaux seconded the motion. Meeting adjourned at 9:32pm

ATTEST:

APPROVED:

Lona Duncan, Town Clerk

Robert Rivera, Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular/special meeting of the Town Council of the Town of Thatcher held on the 15th day of February, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

Lona Duncan, Town Clerk