

**MINUTES OF MEETING OF THE  
THATCHER TOWN COUNCIL  
March 8, 2011**

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

Staff Present: Terry Hinton Manger, Heath Brown Engineer, Dudley Welker Attorney, Chief Mark Steven Police, Chief Mike Payne Fire Department, Lona Duncan Town Clerk

Visitors: Mayor Chris Gibbs, Scott Powell, Honk and Roberta Norton, Clel Flake, Patrick Peters, Drew Johns, Susan Brunstein, AnnJi Craig- Wooten, Patrick Peters

**AGENDA**

Mayor Rivera welcomed everyone calling 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 Honk and Roberta Norton

Roll Call.

**OPEN CALL TO THE PUBLIC:**

None

**PUBLIC APPEARANCES:**

- A. Graham County Library Committee.

Clel Flake stood and said he was representing the Graham County Library District Feasibility Study Committee. We are here to update you on our process and hope to get more input from you. Clel introduced those from the committee in attendance Drew John member of the County Board of Supervisors, AnnJi Craig Wooten Safford citizen, Susan Brunstein Pima citizen, Honk Norton Ft Thomas citizen and Charles Morris Town Council member. We think we are in the final stage for this but we need your feed back. We tried to put together the best idea that would be beneficial to Graham County. The targeted time frame is March and April we will make the presentation, May through July discuss what information we have gathered , August through November present to public and get their ideas without reach meetings and in December make our recommendation to the Board of Supervisors. Then in January we will let a citizens group take over and follow the process of placing a Graham County Library Initiative on the 2012 ballet for the approval of citizens. Mayor Rivera asked so if I have a home that is valued at 125 thousand dollars with what is purposed I would pay 25 dollars more a year in taxes. Clel said yes it will be add to your tax bill. The assessment is on the assessed value which for homes is 10%, businesses 20% and raw land 16%. If everyone pays that will be over 500 thousand dollars. Based on other models we have seen in other Counties and assuming we have a part time librarian then we would have enough to allocate to the libraries and pay for things that make the most sense on County wide bases like the card catalog and computer service. Councilman Griffin said so for right now this is an oversight committee for pasting funds to the operating libraries. Clel said yes and we would also try and hold back some funds to create a larger amount of money then

the libraries can apply for extra money. Councilman Innes said from what I read this is supplemental funding and they need funds from other sources so Thatcher would need to have a budget of their own. Clel said that is correct and you would also have to have your own building. Councilman Larson asked if a family would have to pay a fee for using the library, answer was no and they could use any County library with no fee it has to be free to everyone. Clel said the idea behind a Library District is to help sustain the library. Chairmen Drew John said one good thing is the universal card that will work at every library. Also just to let you know FMI is on board with this amount but didn't want us to go over that, they are our biggest tax payer. The other good thing about a Library District is if there are ever any federal grants the district can apply which will help grow the money. Mayor Rivera said I think it is a good thing for the residents to decide what they want. Clel thanked Council and said please call any of us if you have question.

B. Mt.Graham Hospital Update- Patrick Peters

Patrick Peters addressed Council about Access our state Medicaid program. First the percentage in Graham County is about 24% or 11,300 people enrolled, state wide there are about 1.3 million people which is about 30% of the state budget. We know that April 1<sup>st</sup> we will receive a 5% cut for Access payments which is about 700 thousand dollars cut for the hospital. There is a Senate bill 1519 that Senator Andrew Biggs is proposing to do away the whole program. There are some people that do not think that will happen, because we would be turning down about 7.2 billion dollars from the Federal Government if the bill passes, the Governor is not for it. There is another Senate bill 1405 that requires hospital to confirm citizenship status of patients. The Hospital is taking the position that only courts and law enforcement can confirm citizenship so we are against that. The Governor has a 1.1 billion dollar gap in budget to fill so she is looking at ways to fill that. Her cost saving ideas are (one) drop childless adults, (two) not to reimburse patients for taxi rides to get to the hospital to receive service, (third) impose a fee for patients that do not show up for appointments and also have a co payment, (fourth) an enrollment freeze preventing childless adults from receiving coverage and keeping those on the program that are already there. The hospital is trying to work more efficiently and watch our expenses. We are looking at running the hospital operations based on what we receive from Medicare. Mr. Peters said the hospital is financially sound we are just going to be going through harder times just like everyone else. Vice Mayor Mulleneaux said he appreciated the administration because you are the one's who has kept the hospital in good financial shape. Councilman Larson asked what the government thinks will happen now they are cutting all these peoples health care. What we think will happen are those people will use the ER more and by law we are required to take care of them. The cost will be shifted to people with insurance by higher premiums and deductibles. Mr. Peters thanked Council for their support of the Hospital.

C. Tour de Safford – Honk & Roberta Norton

Roberta Norton said she was here on behalf of the Mt Graham Regional Medical Center Foundation Board. Last year when we had the bicycle race we failed to come and ask you for the use of your streets and departments. I do want to thank you for everything you did for us your police and your road crews. We would like for you to think about getting your bicycle and come along this year which will be Oct 29<sup>th</sup>. This event was put on to help raise money for the hospital to buy equipment. We would

like to invite you out to the airport for the opening day to start off the activities. We are expecting 500 to 800 riders this year. We will be needing letters from your Town Manager and Chief of Police saying it is ok for us to come back. Mayor Rivera said he knew there was a lot of planning involved for this event it is good for the whole valley.

**CONSENT AGENDA:**

Action Item

- A. Approve minutes of the February 15, 2011 Regular Council Meeting.
- B. Planning and Zoning Monthly Report.
- C. Police Monthly Report.
- D. Approval of Invoices.
- E. Financial Reports.

Councilman Morris made motion to approve minutes and report. Councilman Innes seconded the motion. The vote was unanimous Motion passed

**OLD BUSINESS:**

Discussion, consideration and possible action

- A. 2010/2011 Budget discussions.

Terry said since the last meeting where we discussed the budget there has not been changes, I should know more in the next couple of weeks. One of the things they are waiting on is the population census. They know what is going to be disturbed but not what each entity will receive. Mayor Rivera ask Terry to add the 1000 back into budget for the Mayor's Pray breakfast it will be much simpler and include just the county and faith communities. Terry asked for feelings on sales tax rate, garbage trash and sewer. Mayor asked if we had ever had a study of contracting our garbage service. Terry said yes we have and if we went that way ours would be the same as Pima which would increase to \$15.50 and be picked up once a week. Mayor Rivera said we should stay on course and go up that 2.50 a month. Councilman Morris said he thought the sales tax should increase to 2.5%, the garbage to \$10.00 a month and the electric rate to .90. Councilman Morris said not the sewer because it is braking even. Councilman Griffin said part of the argument is are we raising it just because we are lower than everyone or because we need to cover cost, are we expecting increase in electric cost. Terry said yes with the increase in gas the power goes up. Terry said because we have a cost adjuster I ask for just a small amount of increase in power cost plus adjust the base fee. Councilman Merriman said we are also talking of buying more electrical area. Terry said if the purchase of the electrical area or new growth causes us to build a new substation those are the type of things we need to keep fund balance positive, that will help us absorb those big costs on a yearly base. If we ever have an expansion of sewer treatment plant it will have no fund balance we are in the negative by about 200 thousand. Councilman Innes said so with the proposed increase of \$2.50 it will raise an additional 52 thousand a year which will help pay off the debt sooner and create a fund balance. Terry said yes and this budget shows no increase in salaries, no additional positions and employees are picking up more of their health insurance cost. Mayor Rivera said the raise in fee cost is permanent and we cannot depend on the sales tax. Terry said we are going

to see some decrease in State Shared revenue because our census numbers will probably drop we just don't know what will happen with the state yet. Terry said this is not an action item but a little direction will help me start preparing the budget and have it closer to what you want. I am hearing that you want the sales tax and garbage fee increased but not sure about the others. Councilman Innes said he thought all four including the electrical increase needs to be done so that each department carries itself. Mayor Rivera said he thought we should also make the adjustment on utilities and increase taxes. Terry said this will not be finalized until May or June it just gives me some direction. Clel Flake said he is a resident when I read about the increase in the paper I didn't have a problem with increases. Kelly Rutherford said she is a local realtor and her feed back in still very positive.

**NEW BUSINESS:** Discussion, consideration and possible action

A. 2009/2010 Town of Thatcher Audit – Scott Powell

Scott Powell thanked Council and said he was going to go over the financial statement. We went over procedures, inquires, invoices, payroll, we recalculated utility billing for electric, sewer and garbage we talked to several employee to get a general sense of the Town. If you will look at page 3 and 4 is your basic consolidated financial statement you will see your cash position is just alittle bit over 11 million at the end of June 2010. It is divided in two different areas there is about 2 and a half million in the bank covered by FDIC Insurance and the reminder is in the State Investment Pool. The debt of the Town is the GADA loan of 2.5 million and the loan for the fire truck is 600 thousand plus. The reason the GADA loans came about was without that cities and towns would go over their annual expenditure limitation. The one number I would suggest paying attention to is on page 4 it has changes in net accesses. I was expecting your Fund Balance to go down but it did not. It is 183 thousand which is not a lot but it is still positive. You can see your business type activities, sewer and electrical are breaking even that doesn't always happen, sewer typically does not. We feel real good about your numbers. We are seeing many cities and towns having to raise charges for services, cuts on public safety, pools, senior centers and libraries, these are difficult times for some towns. I believe the audit you have is accurate and meets the State's requirements. You are about 2.5 million dollars under your Expenditure Limitation this year. Mr. Powell said he talked to Terry and Lona about being constantly aware of what is going on in the office, look for ways to cross check each other's work. Mr. Powell thanked the Council.

B. Farm, Ranch & Home Day Proclamation.

Mayor Rivera read the proclamation and said Mr. Bill Brandau of U of A Extension Service told me it will March 18<sup>th</sup> at EAC it is a summit type of day for Ranchers, Farmers and regular citizens there will be a meet and greet program. He said they would like to have it every year so he asked if we would sign a proclamation to proclaim that day Farm, Ranch & Home Day.

C. **RESOLUTION NO. 584-2011:** A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF THATCHER, GRAHAM COUNTY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE TOWN CLERK AND ENTITLED THE GRAHAM COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN 2010.

Terry said almost 5 years to the month we passed a jurisdictional multi hazard plan. That was done through grants and each entity had there own plan. The Arizona Department of Emergency Management received a planning grant to update all the plans so they have gone from individual plans to multi jurisdictional plans. This plan covers, Thatcher, Safford, Pima and the County as one plan. One of the federal rules is that it is updated every five years. We all have an emergency operation plan that guides us when things happen. This plan is a guide to prevent some of those emergencies from happening. It is suppose to be better.

Councilman Innes made motion to approve Resolution No 584-2001. Councilman Larson seconded the motion. The vote was unanimous. Motion passed

### **INFORMATIONAL ITEMS:**

A. Town Manager's Report:

Terry said I am going to pass a couple of pictures around that shows what we are proising to do at Reay Lane. At next Council meeting you could have a bid to approve the paving work we will do the concrete work. We will have a sidewalk that comes from the highway up and crosses the railroad tracks and then down the south side of Church Street to Stadium Ave. on Church Street. Then down 4<sup>th</sup> Street on the north side for two blocks and ties into Stadium Ave. We are trying to prepare the crossing so we will be ready for the stop light and the walking path. The intersection will be widened to be a 1000ft radius which is two and half time larger than it is now. The bid for the signal will probably be in June. Mountain View Estates came in for three permits for new homes. I have been talking with the CoOp and they are counting the number of meters so I can have an idea of what the load will be and the cost to purchase. The area that we are purposing to buy is a majority of vacant fields. After the fire in Daley Estates we went in and cleaned up Fry Creek channel it is looking good. We will receive a check tomorrow from the Lexon settlement and Heath has already started working of plans on what we should work on first. It looks like the sewer will be first and then we will continue on as the time permits. Terry said on Monday at 8:00a.m. Senator Sylvia Allen is having a Town Hall meeting at the General Service Building and it will be telephonically. Councilman Innes asked about redoing the intersection at bottom of hill by the cemetery. Terry said we will talk more about this in our budget meeting but I would still like to move the entrance of the cemetery to the left and then work on the park. Councilman Morris asked if he had heard any more from Sanders and Company. Terry said there is going to be a conference call from someone on financing the infrastructure that will be at 2:00 tomorrow in my office. The Mayors, Mangers, Jeff Holt, and Art Sanders will be there. Councilman Innes asked about sidewalks on Church Street from 1<sup>st</sup> Street to the Highway. Terry said we have talked about that and the problem is getting the right-a-way but we are working on that.

B. Fire Department Report.

Chief had to leave due to fire call no report.

C. Police Department Report.

Chief Steven said we had our annual Arizona Post audit and we did real well. We

had one of our Reserves short two hours of training. Chief Stevens said that Springhill Suites is going to have a breakfast for public safety and firemen Thursday from 7am to 9am I think that is very nice of them. Mayor Rivera asked about Wanda Ross honoring the police, Chief said that will be March 26<sup>th</sup> at the BFW.

**COMMITTEE REPORTS:**

- A. Safe House - Vice Mayor Mulleneaux there is finally going to be a meeting and I will be out of town. Councilman Griffin said he would be attending the meeting.
- B. Chamber of Commerce- Councilman Merriman said they talked about changing the Chamber Breakfast's to be after hours. The college is getting ready for summer enrollment. The rest of the meeting was about old business.
- C. SEAGO- Mayor Rivera said there was no meeting.
- D. Arizona Foundation - Councilman Larson said since we are not officially part of the Foundation we will be some State training in April. We are now working on next year's cycle.
- E. Library Committee- Presentation made by Clel Flake at beginning of meeting.

Mayor Rivera said he asked Lona to give you a copy of Smart Works contract for Terry Hinton. I would like you to look it over and next meeting we will go into executive session to talk more about it.

**ADJOURNMENT**

Councilman Innes made motion to adjourn meeting. Councilman Griffin seconded the motion. The vote unanimous meeting adjourned at 8:55pm

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Lona Duncan, Town Clerk

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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 8th day of March, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

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Lona Duncan, Town Clerk