

**MINUTES OF MEETING AND PUBLIC HEARING OF THE
THATCHER TOWN COUNCIL
May 14, 2013**

Present: Mayor Bob Rivera, Vice Mayor Bill Mulleneaux, Councilmembers Wayne Griffin, Don Innes, Aaron Allen, Joy Martin

Staff: Terry Hinton Manager, Heath Brown Engineer, Matt Clifford Attorney, Chief Woods Police Department, Chief Payne Fire Department, Lona Duncan Town Clerk.

Absent: Councilman Ken Larson

Visitors: Raymond A Lonser, Tad, Derek, Kevin, Darci, and Paige Martin, David Kincaid, Matt Bingham, Connor Woods, Daniel and Becky McArthur.

AGENDA

Welcome and Call Meeting to Order. Mayor Rivera welcomed and brought meeting to order at 7:00pm stating there was a quorum. Mayor Rivera said God Bless our Troops God Bless their Families, God Bless Thatcher and God Bless the United States of American, Amen

Pledge of Allegiance lead by Councilman Wayne Griffin

Roll Call.

PUBLIC HEARING:

A. City of Safford Water Rate Study Presentation.

David Kincaid Manger of the City of Safford said he came to inform Council of the Water Rate Study. There is an emergency drought conditions just to let you know when our Bonita Creek Canyon water was established back in the 1960 until last summer our normal flow was 3.2 million gallons a day and today it is 2.6 million gallons in addition the wells we have along the river to supplement that four of those are dry or not pumping that is the reason we asking to cut consumption. The good news is from July 1, 2012 through April 30, 2013 we have cut consumption by 8%. So people are starting to cut back but we need it cut from 15% to 20%. One of the ways to get to that point is a change in the water rates. We also have an increase in the cost to the system because we have to drill two new wells out on Swift Trail. We are working on lowering the base charge and increases in actual water usage. So that would create more emphases on usage and less on base charge. Currently we have three tiers for the rates usage, we are looking at a tier of 0-7200, 7201 to 19999, 20000 to 49999 and last would be 50000 & above. So there would be and increase on the number of gallon used. Mr. Kincaid said when we finalize the process it will start July 1. Councilman Griffin asked how long is this rate increase estimated for, answer was a 5 year period unless something happens. Chief Mike Payne asked with the water restriction on swim pools. Mr. Kincaid said no new pools. Mike said if they say they will fill it by another source, answer still no where is the make up water coming from? Mr. Kincaid thanked Council and asked them to call if they had other questions. Mayor Rivera thanked him.

OPEN CALL TO THE PUBLIC:

Raymond Lonser stood and asked if someone cleaned up the rocks on the road getting to Porter Lane? Terry said our crew has been working on the shoulders and have cleaned up a lot. Mr. Lonser said thank you. Mr. Lonser also asked about the status of the annexation. Terry said we are still getting signature on 12th Street and

that is the first project. Heath said on the annexation he has one piece of land that is in a family trust and they are getting together to decide. Terry said until we get them on board we can't do anything so there is no time line yet.

Daniel McArthur stood and said they live behind Red Lamp Trailer Park. In the last seven years it has gone downhill we are asking for help it is an eye sore and a security issue. There is an empty lot across from our house on the back side of the trailer park. It is frequently used as a dump where the residents put their unwanted items. There is a camper van parked on the side of the road which has been there the entire seven years no one has ever lived there and tags are expired. Several years ago they squeezed a trailer onto a lot, housing a number of people that have decreased our feeling of security. It was recently vacated with garbage and a couch left behind. The couch has been torn apart by the neighbor hood dogs and is now all over the place. There has also been people urinate out their back doors and has been drug traffic so we have stopped sitting in our front yard. We love it here we pay the taxes and would like to feel safer. We are asking that our concerns be addressed. Mayor Rivera asked Mr. McArthur to come in and speak with the Town Manger and the Police about these issues.

PUBLIC APPEARANCES:

CONSENT AGENDA:

Action Item

- A. Approve minutes of the April 9, 2013 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 Griffin seconded the motion. The vote was unanimous. Motion passed

OLD BUSINESS:

Discussion, consideration and possible action

- A. 2011/2012 Audit – Scott Powell

Matt Bingham stood and said he was the Audit Manager from Colby & Powell. I would like to thank Council for lettings Colby & Powell do your audit. We do about seventeen Municipalities audit's through out the State of Arizona and I am involved with everyone of them. I have compared towns that are close in size to the Town of Thatcher and you are the model city when it comes to finances. Looking at your financial statement in June 2012 you had 12 million dollars in the bank and very little in liability it was mostly equity so financially you look really good. There are five reports we issue that the Council should have received. They are the audited financial statements, government auditing standards reports, expenditure of limitation report and two government letters where we talk about the main points we encountered during audit. We also sent a management letter with suggestions to

better improve accounting and total controls. The main reason we come out is to audit the financial statements. We give our opinion on eight units and all your eight units were given a clean opinion. We issued a yellow book report which is the government audit standard of internal controls of the town. There is one deficiency in the internal control. It is not new it has been around since 2009 so I am sure the Council is aware of it. Councilman Allen said since I haven't been here is this something we need to fix? Terry said most small towns do not comply because of the cost being three to four thousand dollars, if you do not have an account on staff to review and write the report. Mr. Bingham said this report should be written before we come so we review it when the audit is done, it basically is a second look or opinion. Councilman Allen asked so is there a statue or we in compliance and Mr. Bingham said he was not aware of a statue a lot of smaller towns have this exception. Mayor Rivera so do we have to have someone come in and prepare this statement, Terry said no we have not in the past because of the cost. Mayor Rivera thanked Matt for coming.

Councilwoman Martin made motion to accept the 2012 audit. Councilman Allen seconded the motion. The vote was unanimous. Motion passed

NEW BUSINESS: Discussion, consideration and possible action

A. Town Hall carpet replacement bids.

Terry said we received three bids. Staff has reviewed and chosen the carpet square bid from Safford Carpet of 26992.39. The squares are easier to put down and when you need to fix an area you won't have to replace the whole room.

Vice Mayor Mulleneaux made motion to accept Safford Carpet bid for carpet squares. Councilman Griffin seconded the motion. The vote was unanimous Motion passed.

B. Spring Canyon Estates phasing plan.

Terry said this plat was approved sometime ago but they did not start the construction. They want to finish the project only in phases this time. They have two phases at this point. We are saying as long as each phase is self sustaining not depending on another phase. I haven't talked to Heath about this but I question the temporary turn around in phase two not being paved, if nothing happens after phase 2 we will be stuck with a dirt cul-de-sac. Heath said I am sure they will want to cut every corner possible but you are right if phase 2 is all that happen that would not be a good situation. Terry said the thing they will have a problem with is, if they start phase two they will have to break it out. Councilman Allen said but that is the price of doing phases. Heath said we have talked a lot about the landscaping and the temporary retention pool. Terry said the size of lot is 10 thousand square ft instead of the normal 8 thousand so that makes it better. Terry said that he and Heath would recommend approval of Phase 1 & 2 with the exception of requiring the radius be paved.

Councilman Innes made motion to accept the Spring Canyon Estate Phase 1 & 2 . Vice Mayor Mulleneaux seconded the motion. The vote was unanimous Motion passed

EXECUTIVE SESSION: Pursuant to A.R.S. Section 38-431.02 (A)(1)(7) the Council may go into Executive Session to discuss personnel matters and to consult with the Town Attorney for legal advice.

Mayor Rivera said we need to go into executive session to discussion Terry's evaluation.

Councilman Innes made motion to go into executive session. Vice Mayor Mulleneaux seconded the motion. The vote was unanimous. Time 8:42

A. Decision on Executive Session.

Discuss Terry's evaluation

Councilwomen Martin made motion to go back into executive session. Councilman Griffin seconded the motion. The vote was unanimous. Time 9:50pm

INFORMATIONAL ITEMS:

A. Town Manager's Report:

Terry said we finished the radius work on hwy 70 and High School Ave and took out and fixed bad sidewalks. We have completed our chip seals is completed and 8th street will be completed tomorrow morning. The well driller will be here in two weeks to start drilling. The ball fields are in shape with dug outs, put hand rails and new gates. There will be a water line at the end of each field if it get dusty. The baseball program in on the way draft is done and equipment pasted out. The swim team is beginning registration and basketball registration adult league basketball this year. Swim team is now registering and basketball registration is going on. The adult men's basket ball will be coming up soon. Terry said the code review for June 4th will be moved to July 2nd. Heath said then it will be presented to the public on July 9th give them a month to look at it and in August will be up for adoption. Terry said we are still working with Coop purchase and wheeling agreements I hope to have more information for the June meeting. Mayor Rivera asked about status of Game Stop and the Tractor Supply, Terry said the contractors are saying 2 months and they will turn over to Tractor Supply. Mike Payne said Game Stop is still going cabinet are going in now and the wall are done.

B. Fire Department Report.

Chief Payne said we told all schools we are not doing wet downs this year. We are going to participate in the funeral procession for Koby Hawkins who was a Fort Thomas fire fighter. The wreck on Reay Lane involved Mrs. Alainz who is the wife of one of our fire fighters. She is home now but not sure of her condition she did have broken ribs and problem with one eye. Councilwomen Martin said she went to see her and she is in good sprits but a lot of pain. Mayor Rivera said the troops that left a year and a half ago will be coming home in June have you been contacted yet? Chief Payne said no but we will have our trucks where ever they need them. Mayor Rivera also asked if the report had been completed on the last year's summer fire. Chief Payne said he had all the information just needs to put it together. Mayor Rivera asked if it could be finished by next month so we can close it. Chief Payne said he would.

C. Police Department Report.

Chief Woods reported they participated in annual Dump the Drugs at Home Depot and collected 159 pounds. The speakers at the Substance Abuse Conference were very good. The AARP defensive driving school had 15 to 20 people attended. I heard a lot of positive things. We asked for 27 thousand dollars from GHS grant. That money will be used for over time, breathalyzers. We received four car radios from Stone Garden and they have about 268 thousand dollars left over from 2011 so we submitted for some hand held radio's. The AZ Post did a training audit and we were found in compliance. I would like to thank the fire department and the town crew for helping with the wreck on Reay Lane. We also had a rollover by the Giant Station on Hwy 70. Detective Curtis has worked a case for 4 months of interviewing it was a child abuse case. Those cases are very involved he did a very good job and was able to file charges.

COMMITTEE REPORTS:

- A. Safe House – No meetings
- B. Chamber of Commerce- Councilman Innes said the BLM talked about the sequester hurting some area but the funding for Fire Fighting crews in the summer will not be affected as much as they thought. The report from FMI was asking if you need funding to turn in the request. FMI will have 400 new jobs they are having the mill expansion in Morenci and some expansion will happen in Safford. This will create quit a few people for two years they are saying about 4500. Danny Smith was there and talked about how the County would probably be hit the hardest by the sequester.
- C. SEAGO –Mayor Rivera said they are having a meeting this Friday with the evaluation of Executive Director at 8:30 and regular business meeting at 10:00 and then the open house for their new office from 12:00 to 4:00.

ADJOURNMENT

Councilwomen Martin made motion to adjourn meeting. Councilman Innes seconded the motion. The vote was unanimous. Meeting adjourned 10:25pm

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 14th day of May, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Lona Duncan, Town Clerk