



**MEETING MINUTES FOR THE WORK SESSION
OF THE THATCHER TOWN COUNCIL
APRIL 7, 2025**

Councilmembers present: Mayor Howard, Vice Mayor Welker, Councilman Bryce, Councilman Vining, Councilman McEuen, Councilman Woods, Councilman Carter

Staff present: Town Manager Heath Brown, Town Engineer Tom Palmer, Police Chief Glen Orr, Fire Chief Steve Curtis, Town Clerk Annie Reidhead

Welcome and Call Meeting to Order at 6:08 p.m. by Mayor Howard and she stated that this is a public meeting of the Thatcher Town Council. He stated that we do have a quorum.

Pledge of Allegiance led by Mayor Howard.

AGENDA

1. **OPEN CALL TO THE PUBLIC:** None

2. **BUDGET WORK SESSION:**

A. Budget Items to Consider for the Upcoming Fiscal Year:

Capital Improvement Plan

Mr. Brown referred to the five-year Capital Improvement Plan included in the agenda packet, noting that it will serve as a preliminary budget tool. He announced his intention to use the plan during the October work session to facilitate discussion on options, ideas, and suggestions for the upcoming fiscal year. Implementation of selected initiatives would then be addressed during the April work session.

He then went on to discuss the project items on the plan for the 25/26 fiscal year.

Mayor & Council	US 70 Beautification Grant Program (Annually)	\$20,000
	Red Lamp Improvements	\$50,000
Administration	Town Hall Improvements	\$30,000
Mr. Brown stated this amount may include LED lighting, re-key of the building, flooring, painting, etc.		
Magistrate	Records Storage Cabinets	\$15,000
Parks / Recreation	Ball Field Lighting	\$500,000
Mr. Brown mentioned this was originally estimated for high end lighting and currently being estimated for LED poles, lighting, and controls.		
	Mini-Excavator	\$60,000
Police Department	Additional Police Officers	\$137,000
Mr. Brown discussed the amount reflects Sergeant Cauthen retiring and Officer Baldwin graduating from the academy. This allowed for the overlap of positions within the department to include one extra position to support the department. He then referred to Chief Orr for further explanation. Chief Orr stated that for the 25/26 fiscal year the amount also reflects hiring an entry level lateral officer or a recruit and promoting from within to a Sergeant position to fill Sergeant Cauthen's role. He stated that the original thought also included promoting from within to a Lieutenant position. After careful consideration the intent is to promote from within to an Administrative Sergeant position to provide experience leading to the Lieutenant position.		
	Replacement Patrol Vehicle	\$265,000

Fire Department	Fire Station Repairs / Upgrades	\$30,000
Mr. Brown stated the five-year plan allows for \$30,000 each year to include LED lighting, flooring, painting, A/C, and kitchen remodel. Currently flooring estimates are being gathered for the 25/26 fiscal year.		
	Second Washing Machine	\$5,000
	Gas Monitor	\$8,000
	Thermal Imaging Camera	\$10,000

Shop	Upgrade Fuel System	\$5,500
Mr. Brown mentioned that this amount is for the software to operate the system. Additionally, there will be a \$1,600 annual charge for the software system.		
	Diagnostic Equipment	\$16,000

Streets	Annual Streets Preservation (3 – 7-year cycle)	\$200,000
Mr. Brown stated this amount is above the HURF funding received from the State.		
	8 th Street Project – Over Runs	\$2,000,000
Mr. Brown stated this amount is above the ADOT grant funds.		
	1 st Avenue Improvements – US 70 to Church Street	\$315,000
Mr. Brown stated this project is dependent upon the possibility of new business.		
	W 8 th Street Improvements – Reay Lane to Arena Way	\$500,000
	New Pickups	\$70,000
	Dump Truck	\$150,000

Community Development	Traffic Sign Printer	\$3,000
	New Office Furniture & Computers	\$12,000

Sanitation	Waste Containers	\$20,000
	Roll-Off Dumpsters	\$30,000
Mr. Brown mentioned this amount includes \$19,000 for a trailer and \$5,500 each for 2 roll offs.		

Sewer	Sewer Cleaning / CCTV Inspections (Annually)	\$40,000
Mr. Brown stated the goal is to camera 20% of our system annually.		
	WWTP Engineering Analysis	\$75,000
Mr. Brown stated the Wastewater Treatment Plant was built in 1995 and is in need for analysis. Mr. Palmer, Town Engineer, reported that the plant was built for a 25-year life span and currently we are 33 years. He noted that the analysis would provide a 10-year overview of the plant. He also mentioned that there are pumps being replaced with other items.		
	WWTP Repairs and Upgrades	\$40,000
Mr. Palmer mentioned this would be the estimated annual cost after the analysis is completed.		
	Update Treatment Plant Flow Reporting System	\$7,500
	Additional Crew Member	\$80,000
	Manhole Rehabilitation	\$7,000
Mr. Brown mentioned this amount includes new rings and lids to raise and reinforce the manholes.		

Electric	New AMI Meters	\$70,000
	Street Light Upgrades	\$40,000
Mr. Brown mentioned this amount includes upgrading to LED lighting and adding new lights.		
	Used Bucket Truck	\$35,000

Mr. Brown also referred to the preliminary budget and footnotes included in the agenda packet. He stated that these budget items can be discussed during this meeting or can be tabled until the next council meeting. The consensus reached was to table the items at the next council meeting. He mentioned information also includes an expenditure versus revenue analysis. He has estimated an overall loss of \$2,683,000 for this fiscal year and estimated an overall loss of \$902,000 for the 25/26 fiscal year.

Employee Raises / Bonuses / One-Time Bonuses for Maxed Employees

Mr. Brown proposed the following to the Council.

Salary Raises:

2% COLA, 2% Merit Raise based on Evaluation Process

Bonuses to Employees at Top of Pay Range:

2% of Salary, Merit Based, Adjusted Per Employee

Annual Employee Bonuses:	
Department Heads	\$2,000
Full Time Employees	\$1,000
Permanent PT Employees	\$500
Temporary Employees	\$150

Retiree Christmas Gift Policy

Mr. Brown explained that there is currently we have a list of 20 retired employees that are receiving an annual Christmas gift (Honey Baked Ham and Turkey or Carters Custom Cuts Meat Box). However, the Town does not have an official policy for this practice, and it has been brought to the attention due to confusion and complaints. After discussion, the consensus was reached that this would be the final year for the gift, and no policy will be established moving forward.

Cemetery Grave Digging Policy (not originally on Agenda)

The discussion of the frequent opening and closing of grave sites over the past few years for employees' family members, including at cemeteries other than Thatcher. The lack of an official policy has sparked conversation within the Town. The consensus was to have staff develop a policy that would apply only to graves at the Town of Thatcher cemetery, covering employees' spouses, children, and parents. Additionally, the policy would specify that Administration holds the final decision.

Bed Tax & Large Purchase Tax Rate / Policy (\$5,000 and over)

Bed Tax

Mr. Brown stated that our current bed tax, referred to as Hotel/Motel tax, is currently 2.5%. There is also an additional tax, referred to as Transient Lodging, which is currently 3%. He has researched other neighboring cities and towns' Transient Lodging tax rates, and it ranges from 3% to 7%. He would like the Council to consider changing this tax rate to 5%. This change would yield \$130,000 per year.

Large Purchase Tax Rate / Policy (\$5,000 and over)

Mr. Brown mentioned that this item was discussed in the November work session, and it was requested to be added to this agenda. Mr. Brown reported that the Town is currently charging a 2.5% sales tax rate for purchases up to \$4,999 and then a decrease to 1% sales tax rate at \$5,000 and above. He explained that the Town is generating less revenue due to the current sales tax rate structure. He would like the Council to consider changing this tax rate / policy for the 2.5% sales tax rate for purchases up to \$5,000 and then the 1% after the \$5,000. This change would yield \$46,000 per year.

The Council requested that staff present the process of changing the tax rates at the next council meeting.

Police Department – Organization / Positions

Discussion took place during Item A, Capital Improvement Plan, Police Department above.

Fire Department – New Tanker

Mr. Brown stated that a Tanker Truck is scheduled for purchase during the 27/28 fiscal year in the amount of \$900,000. He then referred to Chief Curtis for further discussion. Chief Curtis stated the need for the Tanker Truck prior to 3 years. He reported that the current Tanker Truck that holds 3,000 gallons is old and needs to be replaced due to the tank rusting out and pushing metal out into the hoses and leaking. The truck is sound, but it is impossible to locate a replacement tank only. Chief Curtis has discussed the purchase of a Tanker Truck with the Fire District, and they have verbally agreed to pay 30%. The Fire District will be adding the discussion to their next meeting agenda. Chief Curtis also shared that the lead time for a Tanker Truck is approximately a year. There was a consensus reached to list this item on the October 2026 work session agenda for discussion.

Fire Training Center – Joint Project led by City of Safford

Chief Curtis stated that he has been approached by the City of Safford Fire Chief Anderson regarding the construction of a new Fire Training Center. The discussion initially took place a couple of years ago when the cost was \$1.5 million. Chief Curtis reported that Chief Anderson is revisiting this project, and it is now an estimated cost of \$2.5 million. One of the main goals of the project would be for Graham County, Greenlee County, and other

entities to utilize the center which is approximately 15 agencies. Chief Curtis stated that the City of Safford initial contribution intended to be \$150,000 and their district would also contribute \$150,000 for a total of \$300,000. He reported that the contribution has now been decreased to \$75,000 each for a total of \$150,000. Chief Curtis stated that the City of Safford is seeking \$75,000 from the Town and \$75,000 from our district for a total of \$150,000. The City of Safford would then search for grant opportunities to make up the other amount of money for the project. Chief Curtis stated that the City of Safford would like to begin the project as soon as possible. The consensus reached was for Chief Curtis to seek an agreement from the City of Safford to be discussed at an upcoming council meeting.

B. Other Discussion Items as Needed

None

3. ADJOURNMENT

Vice Mayor Welker made a motion to adjourn the meeting at 8:19 p.m. and was seconded by Mayor Howard. Motion carried unanimously.

APPROVED:

Heath Brown, Town Manager

Jenny Howard, Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the work session meeting of the Town Council of the Town of Thatcher held on this 7th day of April. I further certify that the meeting was duly called and held and that a quorum was present.

Annie Reidhead, Town Clerk