



## **SPECIAL MEETING**

### **TOWN COUNCIL RETREAT MINUTES**

**September 22, 2011 6 pm**  
**Silver Creek Senior Center**  
**1958 S. Main Street**  
**Snowflake, Arizona**

**CALL TO ORDER:** By Mayor Fay Hatch at 6:54

**ROLL CALL: Council present:** Mayor Fay Hatch, Vice Mayor Jane Lee, Councilman Jared Hatch, Councilman Shawn Palmer, Councilman Alan Ramage, Councilman Gary Solomon and Councilman Mark Reed

**Council absent:** None

**STAFF PRESENT:** Manager Eric Duthie, Public Works Director Ronald Solomon, Finance Director Gus Lundberg, Building Official Jeff Johnson, EMS Director Clint Burden, Police Chief Jerry VanWinkle and Clerk Kelly Jones

**ATTORNEY:** Sterling Solomon present

**VISITORS PRESENT:** None

#### **ACTION ITEMS**

##### **1. Discussion: Council orientation to Town services**

Eric reported that Mayor Hatch directed how the retreat should be conducted, with the purpose of informing Council of the history, current status and future needs of the entire town structure over the last five years in the Town of Taylor. This would give them a good idea of where we need to move in the future.

#### **WASTEWATER SYSTEM:**

The three pond wastewater treatment plant was built in 1978 on an evaporation system and was constructed to handle 250,000 gallons of effluent per day. When the ponds were out dated and we were in violation with the Arizona Department of Environmental Quality (ADEQ) for over running the ponds we decided to go with a mechanical plant that could handle 300,000 gallons per day. We did not have the funds so we acquired a loan through the Water Infrastructure Finance Authority (WIFA), a loan company that provides funding to municipalities. Engineer Stu Spaulding designed the plant and we currently use the ponds and the mechanical plant for 430,000 gallons per day. This gives us the capacity to handle more than what we need at this time. We are able to treat the sludge through agreements with Saline Farms who take the sludge for farming use.

Finance Director Gus Lundberg reported on the WIFA loan explaining that in 2005 we were paying interest on what we are drawing. In 2007 we asked to get more funds and were able to work with WIFA for a \$4,500,000 loan at two percent a year pledging our system (water and sewer) revenues. The increases we have had in residential and commercial sewer usage over the last few years have been necessary to repay this loan. Eric said that all future developers will have to pay for their own infrastructure. We also have to help Saline Farms pay for the equipment they needed to purchase to inject the sludge into their farm. This payment will last for about thirteen years. We entered the

agreement with Saline Farms since we did not have enough money to build plant with a centrifuge.

The lift station collects and pushes the sludge to the plant. The thirty year old lift station we had was rebuilt. We are now able to handle our needs for the next thirty years. If any developers come in we will talk about a secondary lift station.

Public Works Director Ron Solomon addressed the collection system stating we have very few feet of sewer mains. All laterals are four inch clay and PVC pipe and should last a long time but the pipes are not enough for additional flow. Future developers will need to pay to a fee to use the town's system or build their own.

Eric said in 2008 we were informed that for future certifications we would need to indicate and justify our flow rates. We went through a study in house and came up with a form for system capacity. For our infill in town limits our lift station and plant can handle every home and lot in town but not future developments. When we got the loan we were bringing in an impact fee for new homes which was factored in but this has not paid off with the lack of construction. With the sewer fees alone we are not able to meet costs so we would need to use some water revenue to pay for operation of the wastewater plant.

#### **WATER:**

Ron said we currently have two water systems, Sweet Water and the system in town. We are using three main wells with storage tanks 1) Hole in the Hill, 2) Rolling Hills and 3) Sweet Water. In town we use Hole in the Hill and Pete's well which is located behind Love Lake chapel. The Center Street well produces 300 gallons per week. In the summer we use 1,500,000 gallons of water per day and in the winter we use 500,000 gallons per day. With our water level we can produce a lot of water and we do have additional wells for more capacity as the town grows. Our water adequacy designation which gives us rights to this water is 96.8 years.

Ron reported on the quality of our water. He said the Coconino Aquifer in our area has a slightly hard and mineral content. We are required to analyze and test for 127 different contaminants to be in compliance. Our tanks are old but we are still able to use them. Ron said we are lacking water storage and need a tank on the east side of town.

Ron explained the distribution system. There is a section of land off of Sierra Drive that is in Snowflake but uses Taylor water. Snowflake does all maintenance of these lines. Gus said from the revenue side we may be looking at a slight increase in water rates. The last water rate change was in 1993 and our costs have gone up while revenues have not. In 2005 we did a ten year lease agreement on the Hole in the Hill well for \$300,000 with a \$37,000 payment per year. This is our only debt in the water system. We took advantage of some stimulus money a few years ago and fenced the five acres at Hole in the Hill and Sweet Water.

#### **STREETS ROADS:**

Ron explained public right of ways and how government bodies can obtain them through private property owners willfully giving them up or purchasing road. This process needs to be done officially

and presented to the public for assistance. The land is then public but does not obligate us for maintenance. Once it is brought up to standard development it is presented to the town and then the town and they can expend public money for maintenance of the road. Eric said a number of roads have never been accepted including Freeman Hollow. When we resealed all streets in town, except Love Lake Road in 2008 we did an evaluation plan on how we can maintain the roads on a five year basis. Roads will be addressed when we update the General Plan.

#### **AIRPORT:**

We had an Airport Manager who retired and we did not fill this position so Ron and Jeff assumed this task. We have a Fixed Base Operator (FBO) who works on planes pumps gasoline for planes. We also have a citizen who resides at the manufactured home located at the airport who handles pumping gasoline after hours and on weekends. The runway rehabilitation is a major project and funding had been pushed off since we are a small general aviation airport. We were able to do the project with stimulus funds and the runway is now in good shape. The majority of funds for the airport come from the feds and there are limitations and restrictions to follow. We are currently working with the Airport Committee to develop hangar requirements. We are trying to re-deal with Over Seas Aircraft (OSA) for them to place their business of refurbishing helicopters at the Taylor Airport.

#### **PARKS FACILITIES:**

Ron reported that we are in jointly with Snowflake on programs for the parks. We have two parks employees that do the maintenance and mark the fields. We pay the light bills for the soft ball parks in town and Snowflake is in charge of scheduling for the softball season. The written agreement with the Little League states we do the maintenance while their volunteers mark the fields. The Ramada's at Freeman Park and the Rodeo Park can be scheduled for use through town hall for a fee. Kelly explained the reservation and fee process.

The Little League had a septic system which failed so we hooked the park up to the town sewer system and have the sewer pumped up to main line. The initial CDBG plan was to build handicap restrooms at Rodeo Park but instead we will pave the handicapped parking lot on both sides of the bleachers.

**Intergovernmental Agreements:** Reports were given by members of staff on IGA's

**Police Department:** Eric said the communication with the Police Department is much better and Chief VanWinkle does a good job in relaying information.

**Snowflake EMS, Annexation, Big Box Retail:** The agreement with Snowflake for the Certificate of Necessity (CON) for the ambulance is what the State of Arizona requires to help keep conflicts down between ambulances services over territory covered. Ambulance rates are regulated through the Department of Health Services. Taylor and Snowflake had a joint ambulance service agreement made in 2002 that Taylor would take over 100% and would cover Snowflake.

#### **Annexations**

**The Big Box Retail** agreement came out of the Wal-Mart proposal. Part of the agreement states that Taylor will share sales tax revenue with Snowflake. The split is 40% of the revenue will go to Taylor

40% will go to Snowflake and 20% will go to the developer for a ten year period. After that time period all revenue will come to Taylor. The agreement states that if Snowflake gets a Big Box in the future they have to comply with the same terms.

**Northern Arizona Training Center (NATC):**

**Greater Arizona Development Authority (GADA):** Has the note on the burn tower

**Northern Arizona Vocational Institute of Technology (NAVIT):** Is related to the operation of the Northern Arizona Training Center

**Northland Pioneer College (NPC):** Provides funding and mixes with the Northern Arizona Vocational Institute of Technology. We also have an agreement with them on their annual rodeo.

**Silver Creek Little League:** Discussed earlier in the meeting

**Emergency Medical Services (EMS):**

**White Mountain Connector:** A commuter bus line that transports citizens from Honda to Holbrook with scheduled stops between. We have a grant funded through the federal transit which involves a minimal cost for municipalities involved. Thus far Navajo County has picked up the bill.

**Justice Court:** For year's misdemeanor other than town code violations were processed by the County Attorney's office. Navajo County is now saying they will start charging for this service. We discussed this with the county and following negotiations we will be charged \$6,739 per year.

**Museum Debt Service:** The Town of Taylor took on the mortgage of the Taylor museum so the town could acquire it. This will be paid off in January 2013.

**Fire Marshall Manufactured Home Inspections:** We entered into this agreement which allows us to inspect new manufactured home set ups in our jurisdiction.

**Arizona Enrichment Grant:** This maintenance agreement is through the Department of Transportation for the sidewalks along highway 77.

**Love Lake Road:** Agreement to qualify to enter into agreement with the Arizona Department of Transportation (ADOT) because they administer.

**Sales Tax:** The State collects sales tax for us.

**Wild Land Fire Fighting:** With the State Land Department who works with the Forest and Ambulance Services. We also contracted to some fires and received funds from the FEMA.

**FEMA Emergency Response:**

**Navajo County Homicide Investigations:** An agreement with Navajo County for all Police Departments in the county and the Sheriff's Department. When a homicide occurs they will pull a team together who are trained to investigate homicides.

**Navajo County Animal Control:** For Navajo County to use our facility for animals they pick up outside of city limits. In return they help euthanize animals and take them to Joseph City for disposal which keeps from travel costs.

## **DEVELOPMENT AGREEMENTS:**

**Taylor Farms:** To enforce CC &R's. The trees, irrigation system and water are publically funded.

**Silver Creek Crossings:** Sterling

**Pioneer Crossings:** The developer claimed they had a benefit to bring to the Town of Taylor and in return they asked for hook ups and other things. We declined and Navajo County passed an ordinance to say developers will pay for themselves.

**Saline Farms:** Discussed earlier in the meeting

**Arizona State Land:** The pre-annexation land agreement in for property in Shumway which owned by the State and gives them the right to develop and sell the land.

**DEVELOP AGREEMENTS REJECTED/RELEASED AGREEMENTS:**

**Roy Palmer Business Park:** Hatch Development purchased from the town then sold to Taylor Business Park LLC. We are under no agreement.

**Sun-Cor:**

**Solomon Manor:** This development went under and is not taxing our systems

**2J's Auto:** The agreement was for three years of tax rebates. They are no longer in business

**Horne Auto:** They called for a pause on the contract which was denied. The business is now closed.

**County Jail Fees:** This will resurface

**HUD Sustainable Communities:** We are not actively participating in this. It will be addressed at the October Council meeting.

**SUPPORTED FINCTIONS:** Eric explained these are functions that we do not have agreements with but we do support.

**White Mountain Partnership (WMP)**

**Chamber of Commerce**

**Heritage Committee**

**Beautification Committee**

**Arizona League of Cities and Towns**

**Northland Pioneer College Foundation**

**Silver Creek Senior Center**

**Real AZ Development Committee (Corridor)**

**Silver Creek Water Advisory Committee**

**Fire Pension Fund**

**Elections**

**Landfill Participation**

**MCAT**

**DUI Task Force**

**Emergency Services Mutual Aid**

**Fire Responses out of town:** This will need to be addressed in the future

**FUTURE AND CONTINUING PROJECTS:**

**Economic Development:**

**Sorghum Crop Tests:** A company came and talked to us about a ten acre test crop grown for studies. This could be something that farmers could do to help keep the Bio-Mass plant in operation.

**Wal-Mart**

**Pigs for Farmer John (PFF)**

**Overseas Aircraft Support**

**Community Development Block Grant (CDBG)**

**Rodeo grounds parking:**

**Airport ADA Restrooms:** Will cover remodeling of restroom at airport

**Northern Arizona Training Center:**

Sheriff's substation will be put in. Northland Pioneer College would like to start a police academy

and increase fire training at a fire academy.

Ron addressed Emergency Power: We had a generator large enough for the list station that we rebuilt. Now the generator will not run and we need to come up with hardware to make it work. We are in the process of negotiations for a generator large enough to operate the Hole in the Hill well. The treatment plant came with a generator. We have other generator capability to run Hole in the Hill but need to acquire additional equipment.

Jeff is working on addressing issues on Love Lake Road. There are conflicts with town and county addresses in that area. This is also an issue on Highway 77. Jeff has met with local dispatchers for the possibility of a grant for 911 calls to go to a phase to find you on your cell phone.

Paperless services: Gus reported we are accepting payments on line and offer the opportunity to draft the amount directly out of customer accounts. There is less stress doing Council packets and getting them to the Council electronically.

Jeff is working on the EEBG Energy Efficiency grant we received to make more our facilities more energy efficient.

We will need a new General Plan by 2013. The public will be involved but the final decision will come to the Town Council.

Mining Restrictions: Jeff reported that Kirk Brimhall has come before the Planning/Zoning Commission to rezone some property he owns to industrial so he can do mining operations. The commission decided not to recommend the request as it did not fit with surrounding neighbors. Reidhead Sand and Rock and Hatch Construction are located in that area but are grandfathered in. The State has a new law which means he can come in and do his mining.

Medical Marijuana: This issue is still in court

Eric asked the Council to let staff know if there is a general direction they want us to go.

#### **COUNCIL CONCERNS/COMMENTS:**

**Mayor Hatch** asked Ron of all of his responsibilities what his largest concern is. Ron said that we need a storage tank on east side of town. The streets are in fairly good shape although El Rancho Grande (Harvest Valley) needs to be paved but this is an ongoing issue.

**Councilman Mark Reed** asked about our back up system for files. Gus said we are doing a back up on a separate hard drive and are looking at doing an off site back up.

**Councilman Gary Solomon** said we need follow up on meetings of the Police Department. He would like to have this on the next Council agenda. Sterling said it was agreed that the two Managers would sign off on disciplinary matters.

**Councilman Shawn Palmer** expressed concern with the following issues:

Striping on Love Lake Road

Snowflake Library customer satisfaction

The pot holes in town.

He was informed that we have a bid opening on October 5<sup>th</sup> for a pot hold contract.

Intersection visibility - is there someone they can get to come to address this issue.

Eric asked for notification of any obstruction and staff will remove it.

Centennial Blvd – drainage issues to the South, need culverts with proper drainage which would alleviate road damage.

Eric part of this road is in Snowflake and they said they will reseal and fix the road.

Roads needing to be swept.

Ron said Highway 77 is the responsibility of the Arizona Department of Transportation and they don't sweep anymore. Last year Ron got quotes from four different sweeping companies and the lowest quote was outrageous.

The need for the Ranch Rodeo to continue.

There is talk about doing away with this event due to the lack of money. Shawn said we have such a nice facility the more use we can offer the better. We need the draws to bring people in. Eric said this will be the decision of the Special Days/Special Events Committee.

East side racquet ball courts need refurbished.

Shawn knows an individual who can take this on as an Eagle Scout project if the town will pay for supplies

Resident Jared Willis would like to have his road bladed as it is badly needed.

Shawn asked if the stop sign Elmer Magee requested has been installed.

It was noted that this is in the works

Shawn said the "Y" on Highway 277 entering into Taylor needs larger signs that are more noticeable.

He said there is a need to re-due this entrance for better accessibility. Ron said this would be an Arizona Department of Transportation project.

Shawn asked if there is a way to make solar power work.

If there was a grid failure and we ran out of water it would be good have a back- up that does not run on fuel.

2. Discussion: Town goals, objectives and future planning

## **ADJOURNMENT:**

**The meeting was adjourned at 10:10**

*I hereby certify that the forgoing minutes are a true and correct copy of the Taylor Town Council Special Meeting, Retreat held on the 22<sup>nd</sup> day of September, 2011. I further certify that the meeting was duly called to order and that a quorum was present.*

Dated this 23<sup>rd</sup> day of September, 2011

\_\_\_\_\_  
Kelly Jones Taylor Town Clerk