



Founded 1876
Incorporated 1899

TOWN OF JEROME

POST OFFICE BOX 335, JEROME, ARIZONA 86331
(928) 634-7943 FAX (928) 634-0715

MINUTES

REGULAR MEETING OF THE JEROME TOWN COUNCIL JEROME CIVIC CENTER - 600 CLARK STREET - COUNCIL CHAMBERS TUESDAY, NOVEMBER 14, 2017, AT 7:00 P.M.

ITEM #1:	<p>CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE</p> <p>Mayor/Chairperson to call meeting to order.</p> <p>Mayor Vander Horst called the meeting to order at 7:02 p.m.</p> <p>Town Clerk to call and record the roll.</p> <p>Town Manager/Clerk Candace Gallagher called roll. Present were Mayor Vander Horst, Vice Mayor Kinsella, Councilmember Bachrach, Councilmember Barber and Councilmember Currier.</p> <p>Also present were: Kyle Dabney, Zoning Administrator; Melanie Atkin, Accounting Clerk; Joni Savage, Deputy Clerk; Henry MacVittie of Contract Waste Water; and Town Attorney Bill Sims.</p> <p>Mayor or Mayor's designee to lead the Pledge of Allegiance.</p> <p>Vice Mayor Kinsella led the pledge.</p> <p>Mayor Vander Horst called for a moment of silence for three of our citizens who have recently left us -- Walter Acker, Katie Lee and Jo Van Leeuwen.</p>
	<p>Motion: Mayor Vander Horst made a motion to move Item #9B ahead of item 2. The motion was seconded by Vice Mayor Kinsella and unanimously approved.</p>
ITEM #2: 7:12	<p>STAFF AND COUNCIL REPORTS</p> <p>Written staff reports by the Town Manager/Clerk, Deputy Town Clerk, Utilities Clerk, Accounting Clerk, Public Works Department, Building Inspector, Library, Municipal Court, Police Chief, and Fire Chief, and verbal reports from Council members regarding their activities.</p> <p>Councilmember Currier noted that two-thirds of the Fire Department's reported calls were to residents, which is more than he had expected. "That means we're all getting older," he said, "and I'm glad to see that everybody is getting help."</p> <p>Mayor Vander Horst thanked Mr. MacVittie for attending, and asked about the progress of the springs projects. Dollar-wise, he said, it appears that we are only about 22 percent complete. He would like to be sure that all of the projects will be done in this fiscal year.</p> <p>Henry MacVittie said that he expects to have 11 projects complete before the end of 2017. He noted that one of the projects, Project #4, addressing water leaks on Allen Springs Road, now appears to be unnecessary. What were originally perceived to be leaks have dried up and were most likely springs or wet spots during the rainy season. Mayor Vander Horst asked to what extent winter weather would slow them down.</p> <p>Mr. MacVittie replied that it will depend on the amount of snow and precipitation we get. The two largest, and most time consuming, projects will be postponed until the spring, he said, and he expects that, by the time the weather is nice again, they will have 13 projects completed. He noted that the projects were listed in order of priority. He added that they have to work with the availability of the Town crew, and the crew has been quite inundated with work.</p> <p>Mayor Vander Horst said that he would like to have a plan in place to finish all of the projects by the end of the fiscal year (June 30).</p> <p>Councilmember Barber stated that Tyler Christianson (employed by Mr. MacVittie) and Lyle Keith of the Town crew are both assets to the Town. She spoke about the ancient infrastructure and thanked the crew and all departments for their work.</p> <p>The Council thanked Mr. MacVittie.</p> <p>Mayor Vander Horst asked if information about our highest water users would be public information. Ms. Gallagher replied that she believes it would not be.</p> <p>Vice Mayor Kinsella asked if there is a way of waiving fees when someone is in the hospital and not at their house using the utilities. Ms. Gallagher said that fee waivers</p>

	<p>would be in the purview of Council; however, in one instance where this has happened, she believes that Ms. Cays has stopped the billing.</p> <p>Mayor Vander Horst noted that our Library will be using part of a grant for an Art Box to be used by the patrons. It's great that our library is being proactive with grant, he said.</p> <p>Councilmember Currier stated that Council has little control over the court revenue and expenditures, and suggested that, for the next budget year, it be made a judiciary fund rather than part of the general fund.</p> <p>Councilmember Bachrach reported that the Hotel Jerome now has a new roof. There are still a few details to deal with before the project is complete, he added.</p> <p>Mayor Vander Horst said that this project "was a great example of teamwork." We started this project, he said, before we knew about the grant.</p> <p>Councilmember Bachrach agreed, and thanked Vice Mayor Kinsella and Ms. Gallagher for their work on this.</p> <p>Motion: Vice Mayor Kinsella made a motion to accept the staff reports and it was seconded by Councilmember Currier. The motion passed, 5-0.</p>
<p>ITEM #3: 7:26</p>	<p>PLANNING AND ZONING AND DESIGN REVIEW MINUTES/ RECOMMENDATIONS/ZONING ADMINISTRATOR'S REPORT</p> <p>Minutes are provided for the information of Council and do not require action. .</p> <p>Mr. Dabney read from his report. He said that he attended a Rural Transportation Summit in Prescott. He added that he had missed the window for submitting a grant application for transit between Cottonwood and Jerome. He will submit the application next year, provided that we actually need the service.</p> <p>Mayor Vander Horst said that the transit could be useful in two ways: (1) for Jerome citizens who need to go to Cottonwood and don't have any other means. He doesn't feel that our once a week shuttle is sufficient; and (2) it could eliminate parking issues if tourists parked down the hill and were shuttled up. It would be through CAT (Cottonwood Area Transit), but the grant would cover that cost.</p> <p>Councilmember Currier recalled that, years ago, they had a bus that made trips down and up the hill four to five times a day. It ran for three or four years, he said, but never paid for itself. "We usually had at least a handful of people every time it ran," he said, "so it does work, and the bus was probably bigger than what we needed." He told the Mayor that he can provide him with more details about the history of this, if he is interested.</p> <p>"I am," Mayor Vander Horst said.</p> <p>Mr. Dabney also noted that:</p> <ul style="list-style-type: none"> • He is in the process of updating our map books, which have not been updated for 10 years, and he is organizing the older maps downstairs. Mr. Boland will be building him racks for those when he finds the time, after which he would like to move the maps upstairs. • Town Crew is constructing the district signs. • He submitted draft language to SHPO to allow him to issue Certificates of No Effect for certain small projects, so that the applicant would not have to go before the Design Review Board. After SHPO's review, it will go to the Town Attorney and then to Council.
<p>ITEM #4: 7:32</p>	<p>FINANCIAL REPORTS</p> <p>Budget to Actual reports, vendor ledger and balance sheet for October 2017</p> <p>Vice Mayor Kinsella asked for clarification regarding a problem that had been identified with recording Fire Department per call entries. Ms. Atkin explained that she found that past journal entries did not match the information provided by the Fire Department. Also, the journal entry for 2016 had never been made. She has corrected these items, and said that Chief Blair had been very helpful. Councilmember Currier asked if the Town would have to come up with additional funds, and Ms. Atkin replied, "No, everything is good."</p> <p>Mayor Vander Horst commented that utility fund expenses appear to be about 25 percent under budget at this point and asked what is driving that. Ms. Gallagher explained that the anticipated expenses include installation of the septic tanks in the Gulch, which has not been done yet, and a large appropriation for work on the springs, which is not complete and so far coming in under budget.</p>

	<p>Councilmember Currier commented on the balance sheets, and suggested that we clarify which current assets represent receivables vs. cash in hand. Mayor Vander Horst agreed. Ms. Gallagher explained that his report is generated directly from CYMA and said that it may be possible to change the account titles to clarify that.</p> <p>Mayor Vander Horst said that he will abstain from voting on the financial reports because his employer has been paid for services.</p> <p>Motion: Vice Mayor Kinsella moved to accept the financial reports of October 2017 and the motion was seconded by Councilmember Currier. The motion passed with 4 ayes and 1 abstention.</p>
<p>ITEM #5: 7:38</p>	<p>COUNCIL MEETING MINUTES</p> <p>October 10, 2017 regular meeting; February 14, 2017 regular meeting; February 27, 2017 special meeting; March 1, 2017 special meeting</p> <p><i>It was noted that Mayor Vander Horst was not present at the March 1, 2017 meeting.</i></p> <p>Motion: Vice Mayor Kinsella moved to approve the minutes of October 10, 2017, February 14, 2017 and February 27, 2017. The motion was seconded by Councilmember Currier and unanimously approved.</p> <p>Motion: Vice Mayor Kinsella moved to approve the minutes of March 1, 2017 and the motion was seconded by Councilmember Currier. The motion passed, 4-0. Mayor Vander Horst abstained.</p>
<p>ITEM #6: 7:41</p>	<p>PETITIONS FROM THE PUBLIC</p> <p><i>Pursuant to A.R.S. § 38-431.01(H), public comment is permitted on matters not listed on the agenda but the subject matter must be within the jurisdiction of the Council. All comments are subject to reasonable time, place and manner restrictions. All petitioners must fill out a request form with their name and subject matter. When recognized by the chair, please step to the microphone, state your name and please observe the three (3) minute time limit. No petitioners will be recognized without a request. The Council's response to public comments is limited to asking staff to review a matter commented upon, asking that a matter be put on a future agenda, or responding to criticism.</i></p> <p>Mayor Vander Horst read aloud a letter from Mairi Ross thanking the Fire Department:</p> <p><i>To the Jerome Town Council regarding the Jerome Fire Department. I want to thank Rusty and his crew for their kind cooperation and stopping chain sawing in the Gulch when requested. I work from home in the Gulch and had a deadline on a challenging project to complete. The chain saw sound made it very hard for me to concentrate. When Jamie Moffett asked Rusty if they could postpone the chain sawing to another day, he graciously agreed. Big thanks to Rusty and crew for their kind consideration.</i></p> <p><i>Signed,</i> <i>Mairi Ross</i></p> <p>Margie Hardie, a Jerome resident, addressed the Council about gun violence awareness. <i>It really hit home, she said, after what happened to the 400 people that live in a small Texas Town. She researched online and found that June 2nd was designated as Gun Violence Awareness Day throughout the country.</i></p> <p><i>Ms. Hardie provided some statistics from the website gunviolencearchive.org regarding deaths and injuries in small communities from gun violence over the past 14 months. She read a sample proclamation for Gun Violence Awareness Day, an example from the city of Millcreek, Utah. She requested that Council approve a similar proclamation to declare June 2 as Gun Violence Awareness Day.</i></p> <p><i>Councilmember Bachrach said that he would be willing to sponsor that proclamation, and it was agreed that it would be on the May 2018 agenda.</i></p> <p><i>Ms. Hardie thanked the Council.</i></p> <p>Kevin Savage, a Jerome resident and Chamber of Commerce president, suggested that we consider staggered Council terms, and said that he believes it is good to always have two or three people on Council with experience. <i>"I would hate for a future Council to get rid of the shuttle," he said, and asked that this be discussed by Council at a future meeting.</i></p> <p><i>Mayor Vander Horst asked Ms. Gallagher to place that on the December meeting agenda, and asked the Town Attorney to comment. "I assume it would be a referendum," the Mayor said.</i></p> <p><i>"It would be a referendum, and it is complex," Mr. Sims said.</i></p>

	<p>A point of order was called by resident Anne Bassett, who was in attendance, noting that this was not an agenda item and should not be discussed. Mr. Sims said, "Very good point," and the meeting continued with Item #8.</p>
<p>ITEM #8 7:52</p>	<p>UNFINISHED BUSINESS</p> <p>ITEM #8A: LEASE WITH JEROME ARTISTS COOPERATIVE GALLERY</p> <p>Council may authorize renewal of a lease with the Jerome Artists Cooperative Gallery for space at 502 Main Street.</p> <p>Ms. Gallagher had provided a report in the meeting packets summarizing this topic. Her report explained that:</p> <p>The Artists Co-op has leased space at the Hotel Jerome for many years. Their most recent three-year lease expired in November 2015, and carried the rate of \$1,832.74 for the lease of 2,696 square feet of space. This equates to \$0.68 per square foot. The rental has continued on a month to month basis at that rate since the expiration of their lease.</p> <p>The Co-op's rate of \$0.68 per square foot is considerably less than the rate being paid by the Jerome Ghost Pepper Company for the adjacent space in the same building. The Ghost Pepper Company pays approximately \$1.49 per square foot, and that lease was advertised and subject to public bidding.</p> <p>The Town Attorney has advised that the Town may opt to continue subsidizing the Co-op's rent (by charging below market rates) as long as there is a benefit to the entire community in doing so. That benefit, her report stated, could be demonstrated by the following:</p> <ul style="list-style-type: none"> • The Co-op has made improvements to the space at their own expense during their tenancy there, including repairing windows, adding a wall interface for hanging art, and replacing the front door. • The Co-op maintains public restrooms there in exchange for a waiver by the Town of water and sewer fees. • The Co-op has contributed a total of \$15,450 to date toward the roof replacement project at the Hotel Jerome. <p>The Co-op's rent was increased by 10 percent with the last lease (in 2012), and that lease included a provision whereby Council could increase the rent during the contract term by up to 10 percent per year. That option was never exercised. Prior to that, the rent was increased by 3% in 2009.</p> <p>Financial Implications:</p> <ul style="list-style-type: none"> • The 2017-18 budget does not rely on any increase in rental rates. • Every percentage increase in the Co-op's rental rate would add \$18.33 per month to the Town's revenue. <p>Mayor Vander Horst asked if staff had a recommendation.</p> <p>Ms. Gallagher said that, for the reasons outlined in her report, she would recommend that the lease be renewed at the existing rental rate.</p> <p>Motion: Councilmember Currier moved to renew the lease as it stands.</p> <p>Councilmember Bachrach asked about the term of the lease. Ms. Gallagher said that the prior lease was for a three-year term.</p> <p>Councilmember Bachrach seconded the motion.</p> <p>Mayor Vander Horst asked Mr. Sims if we were compliant with the State by giving the Co-op subsidized rents.</p> <p>Mr. Sims said that we were.</p> <p>Ms. Gallagher noted that the existing lease includes a provision that allows us to raise the rent by 10% each year. That provision would carry forward into the renewed lease.</p> <p>The motion passed, 5-0.</p>
<p>ITEM #9 7:55</p>	<p>NEW BUSINESS</p> <p>ITEM #9A: LEASE WITH JEROME GHOST PEPPER COMPANY</p> <p>Council may authorize renewal of a lease with the Jerome Ghost Pepper Company for space at 500 Main Street.</p> <p>Councilmember Bachrach asked if the Manager had a recommendation with respect to this lease.</p> <p>Ms. Gallagher said that she did not.</p> <p>Motion: Councilmember Bachrach made a motion to renew the lease at the current rate and terms for three years. The motion was seconded by Vice Mayor Kinsella.</p> <p>Councilmember Currier asked if the clause pertaining to increasing rent by up to 10 percent per year was a part of this lease, and Ms. Gallagher said that it was not. Mr.</p>

Currier said that he would like to see all of our leases include that clause, and Vice Mayor Kinsella clarified that it can be included, but we are not obligated to exercise that option.

Motion: Councilmember Bachrach **amended his motion to include that this lease would include the same clause** [regarding the option for annual rent increases] **as the Artists Co-op lease.** Vice Mayor Kinsella amended his second. The **motion passed, 5-0.**

7:03

ITEM #9B: FUNDING PLAN FOR DRAINAGE IMPROVEMENTS 7:03

Jason James of NACOG will present his recommendations for a long-term funding plan to address drainage issues in Jerome.

Mr. James thanked the Council and provided some basic information about NACOG. They offer planning, coordination, and technical assistance, and act as intermediaries between their local government members and federal and state governments. They have an annual budget of \$26 million. He provided handouts with additional information. Mr. James said that he met with Kyle Dabney at one of their subcommittee meetings. Mr. Dabney had inquired about funding for infrastructure improvements in the Town of Jerome. In June, he met with Mayor Vander Horst, Ms. Gallagher and Mr. Dabney to discuss recommended infrastructure priorities and funding options for the Town, and they agreed that the emphasis should be on drainage improvement projects. They identified five projects: Cleopatra Hill flume and box culvert, Hampshire Avenue, Main Street, Holly Ave and Douglas Road drainage and culverts. He has discussed these projects with the Yavapai County Flood Control District and ADOT, and provided details in a memo to Council.¹

Town staff, he said, is in the process for applying for a Surface Transportation Block Grant to fund these projects. Details were included in his memo. He said that:

- The projects were discussed at an earlier sub-regional meeting held in September, and all are in support of them.
- If approved, the funding will cover the design phase (in FY2020) for the five projects identified, and construction (in FY 2022) for all of the projects except the flume. Due to the high construction cost of that project, additional funds would be needed, and Mr. James provided information regarding options in his memo.
- It is imperative that the Town stay involved with NACOG and attend meetings throughout this process. It's a six-year process and it is very important it is to stay involved during that time.

Mayor Vander Horst commented that he was the Town's representative to NACOG during the past year or so, and it was there that he learned about the USDA grant that is funding the roof work at the Hotel Jerome. NACOG was extremely helpful to us, he said, and they had already been a huge help to the Town of Jerome.

Councilmember Barber commented that NACOG has been a help to the whole Verde Valley.

Mayor Vander Horst added that they have also helped us with CDBG grants.

Councilmember Currier said his understanding is that CDBG grants are off the table, that they've been killed.

"That's what is coming down," Mr. James said, "but it's not official yet." He added that the funding is protected until 2020.

Council thanked Mr. James for his presentation.

7:57

ITEM #9C: LOCAL TRANSPORTATION ISSUES

Zoning Administrator Kyle Dabney will present a report regarding local transportation issues, including those three he feels are most critical to Jerome.

Mr. Dabney stated that he believes there are three main priorities:

- 1) The drainage projects that Mr. James had just discussed. He added that ADOT might be working on the Hampshire Avenue drainage, and Ms. Gallagher confirmed that they are looking at this.
- 2) Transit, which he has already discussed.
- 3) Signage. He said that he does not want to simply go around town and take down signs. He wants to do this properly.

¹ Mr. James' memo is included at the end of these minutes.

Vice Mayor Kinsella recalled that, in the parking study by NAU students that was recently completed, one of the suggestions was diagonal parking on both sides of Main Street, from First Street down to the Flatiron. He asked what we need to do to get that in motion. He said that a lot of people drive up Main Street the wrong way after backing out of the "straight side" parking.

This was discussed briefly. Vice Mayor Kinsella said that the diagonal striping would provide about three additional parking spaces, and should eliminate "wrong way" drivers. Ms. Gallagher stated that Ms. Savage had recalled that, in October of 2014, Al Sengstock, the Zoning Administrator at the time, had invited an ADOT representative to speak at the General Plan committee meeting. Ms. Savage was taking notes for the committee at that time, and recalled that the representative told us at that time that the Town could make that change whenever we wanted.

Staff was directed to proceed with changing the 90-degree parking spaces along Main Street to diagonal parking spaces, as recommended by the NAU study.

8:05

ITEM #9D: SMALL CELL SITES

Town Attorney Bill Sims will advise Council regarding the Town's options, in light of recent legislation, regarding the placement of small cell sites within Town rights-of-way by cellular providers. Council will review options for placement and design of two small cell sites to be located in Jerome by Verizon Wireless. Bill Koning, a Verizon representative, is expected to be present at this meeting.

Mr. Sims explained that the cellular providers wanted a set of standard procedures that would apply to them statewide, which is a noble thought, but they drafted legislation that is "almost completely incomprehensible." City and town attorneys are all wrestling with what to do with this, he said. We have until February to figure out the fees.

Bill Koning of Verizon was present, and stated that they would like two small cell sites, one near the Spirit Room and the other near Hull Avenue. They would have preferred to mount them on existing poles, but the poles belong to APS, and APS will not allow them to use them. They would add two more poles on Main Street that would match the existing poles.

Mr. Sims said, "The problem is the way [the legislation] is written. One section says you have no approval rights if it's less than 10 feet over the highest pole. Then, later on, it says there are approval rights, however we don't know what that is. I believe we should do a standard license agreement to let them install. The Town does have a right to some sort of approval.

Mr. Koning said, "I don't know what the rule is; however, I know that Verizon wants to work with the Town. We have to do this because of capacity." He explained that the new sites would handle heavy weekend cellular traffic.

Councilmember Currier asked if the sites could be placed on the roof of the Hotel Jerome.

Mr. Koning said that would be a possibility.

Councilmember Barber said, "Bad cell service is better than the implications of having a health hazard so close." She asked if the Town has forced all other towers to be placed outside of town limits, on Sunshine Hill.

"No," Mayor Vander Horst said. "There's one on the high school."

Councilmember Barber said that the State of California won't allow them on fire stations, because firefighters are getting sick. She added that our whole town is historic, and Clarkdale was able to stop them.

"No," Mayor Vander Horst said. "They never approached Clarkdale."

Councilmember Barber asked, "So what are the implications if we don't let them put them in? That we'll have bad cell service?"

"We'll get sued," Mayor Vander Horst replied.

Councilmember Barber asked, "Has anyone read what these will do to you?"

"I've read several reports," Mayor Vander Horst replied.

Councilmember Barber asked how the bartenders at the Spirit Room would feel about having those right above them. "Am I the only one that thinks we shouldn't do this?" she asked.

Mayor Vander Horst said, "There are two issues in my mind: whether or not we want them, and whether or not we can prevent them." He asked Mr. Sims if there is any way to do that.

Mr. Sims responded, "The legislature did not help you. It says you shall approve. [Verizon] is willing to work with you, and there may be some acceptable locations. Let me work with Verizon on this."

Councilmember Bachrach asked if this overrides our historical district.

Mayor Vander Horst said, "We've had two meetings with the gentleman from Verizon, and he's been very accommodating and wants to work with us."

Mr. Sims said, "Let me work with them and find out if there is a compromise you find acceptable."

Councilmember Bachrach said that they should be located as far from our population as possible.

Mayor Vander Horst opened the floor to the public for comments.

Anne Bassett, a resident, said that she totally objects to these, noting that they pose a health hazard. She urged that we keep them as far away from the residential areas as possible, and asked if we could restrict the hours that they are used.

Jane Moore, a resident, asked what will happen when other cellular providers want to do this.

Mayor Vander Horst replied, "Potentially, there are five other carriers, and they all have the right to do this."

Ms. Moore commented, "Then we'll have four to five more poles."

Councilmember Bachrach mentioned the phony trees that have been used to disguise cell towers, which, he said, look "awful."

Mr. Sims asked the Council to give him direction to sit down and work with Verizon.

Vice Mayor Kinsella asked Mr. Sims to find out if, as a National Historic landmark, we might be exempt from these mandates.

Councilmember Bachrach asked, "What would we have to spend on a lobbyist, and what if we just say no?"

"You risk the loss of state revenue," Mr. Sims replied.

Councilmember Currier noted that most fire stations have areas where firefighters sleep, but ours does not.

Councilmember Barber said that she does not want these sites in the downtown area.

Kevin Savage, resident and Chamber of Commerce president, suggested that they be placed on property owned by Freeport-McMoRan.

Councilmember Barber said that she thought that would be okay.

Vice Mayor Kinsella commented, "As a firefighter, I am dealing with a lot worse things than this."

Mayor Vander Horst asked if Verizon has requested any permits yet. Ms. Gallagher said that they have not.

Mr. Sims said, "The legislation gives you a deadline. It is a very difficult piece of legislation." He noted that it states that "an authority may not prohibit."

Councilmember Bachrach asked if he was aware of any challenges to the legislation.

Mr. Sims said that he was not, and he asked Mr. Koning when Verizon needs a decision.

Mr. Koning replied that his understanding is that they need a decision by February.

8:18

ITEM #9E: TOWN BOARDS

Council will discuss the Planning and Zoning Commission and the Design Review Board, recent failures to attain a quorum, and whether it would be beneficial for there to be fewer members of each, or for Council to act in those capacities.

Mayor Vander Horst said that he has been frustrated with the boards' inability to attain a quorum, and has considered whether the Town should have a three-member board, or no boards at all. The Council could serve as these Boards, he said. He asked Mr. Sims if there was a State statute which requires us to have five members on each board.

Mr. Sims said that he was fairly sure that the answer is "no," but he would check on that.²

² It was researched and determined that State statute does not dictate how many members must be on the Design Review Board, but does require at least five members on the Planning Commission. The statute reads: "If a municipal planning commission is created, the organization, number of members, the terms of office and the method of appointment and removal shall be as provided by local ordinance, except that each municipal planning commission shall have at least five members."

Mayor Vander Horst noted that some applications took a couple of months to be heard because there was no quorum. "I'm very frustrated that we can't meet the needs of our citizens," he said. "We need to have much more of a customer service orientation."

Councilmember Currier commented that he feels that those boards are intended to protect the Council. "If we had to deal with it directly," he said, "we'd spend all of our time on zoning and design review." He added that there could be an additional 40 items on Council's agenda each year.

There followed a brief discussion regarding how many times the boards actually meet ("not that often," said Mr. Dabney), and how many issues come before them during a typical meeting. It was noted that, if Mr. Dabney is able to issue "Certificates of No Effect," the number of items going to the Design Review board would be considerably less.

Councilmember Currier asked why the boards could not meet more than once a month. "We can't get them to meet once a month," the Mayor replied.

"I think we've been too cavalier about who we put on those boards," Councilmember Currier said. "It should be a privilege, and if you don't show up, you should be off the board."

Ms. Bassett called a point of order, and said that our Code provides that, if a member misses three meetings, they are off the board.

Mayor Vander Horst noted that this applies only to unexcused absences, and added, "That is not a point of order issue."

Councilmember Currier said that members should be removed if they have more than five or six excused absences. He also feels that telephonic attendance, if overdone, shows a lack of cooperation.

Mayor Vander Horst replied that to tighten up all of that would force more vacancies on the boards.

Councilmember Currier said, "I don't know that."

Mayor Vander Horst responded, "I do."

Councilmember Bachrach said, "When the State Historic Preservation Office was here, I thought it was clear that the DRB is reviewing items they shouldn't be. If it is not a historic building, we have no legal right to tell someone what color they paint their house."

"I didn't understand that from the meeting I was at," Councilmember Currier said.

Mayor Vander Horst commented, "Even the color of historic homes doesn't matter."

Councilmember Bachrach noted that the extreme example given at that time was that a person could build a spaceship here and it would not affect our historic status.

"Wouldn't that reduce the Design Review workload?" he asked.

Councilmember Currier asked if we've had a shortage of DRB members.

Mr. Dabney said "No, not really," and it was clarified that the quorum problems have been with the Planning & Zoning Commission.

Vice Mayor Kinsella said, "What I got from the SHPO meeting was that personal opinions have no bearing in this whatsoever. The other thing that concerns me greatly is that, when SHPO came here, all the board members were told that they would be here. And yet, we have an individual that doesn't like what they have to say." He asked Mr. Dabney about a letter complaining about SHPO that one of our board members was sending to them.

Mr. Dabney said that the letter in question was never sent, and Mr. Kinsella said that he was relieved to hear that.

Vice Mayor Kinsella went on to say that he has worked with SHPO, and they have explained to us that there are cases that DRB should look at, but the Zoning Administrator should be taking care of most of this. He added that the boards are an extension of the Council, and something can't be appealed to Council if it has not been heard first by the board. He said that he feels that attending by telephone on occasion is fine, "but to take a five-month vacation is not acceptable."

Mayor Vander Horst agreed with Councilmember Currier that we should have the boards, but said that he is considering lowering the number of members.

"I think five people work better than three," Councilmember Currier said.

"That's the issue," the Mayor replied. "Can you fill five spots?"

Mr. Currier said that he does not feel that the Design Review Board is the problem. The problem is with the Planning and Zoning Commission. "I will go with the will of the Council," he added.

Councilmember Bachrach asked if the DRB has a clear scope of what their authority is. Mayor Vander Horst asked Mr. Dabney if the DRB members follow their by-laws with complete objectivity.

"In my opinion, no," Mr. Dabney replied. He clarified, "It's not all members that don't get what's going on. There are a couple on the Board that have done a very good job. I want to make clear that it is not the entire board."

Councilmember Currier said that our Code states that DRB members are supposed to have some expertise in the area, but we appoint people that don't have any expertise in that field at all.

Mayor Vander Horst commented, "So now we're down to an even smaller subset of people."

Vice Mayor Kinsella asked Mr. Dabney if there is a direction that he would like to see the boards go.

Mr. Dabney replied, "There are a couple of members that don't have a good knowledge of what's going on. I would like the board to understand their roles." He suggested instituting a training process.

Councilmember Currier said that his experience has been that we offer them training and guidelines, and they don't follow it, or pay any attention.

"So what's the solution to that?" Mayor Vander Horst asked.

"Can them," Mr. Currier replied.

There followed a discussion regarding Council's authority in that regard.

Vice Mayor Kinsella commented that, when SHPO was here, all the board members knew that they would be here, yet only one member showed up to hear SHPO's input, "yet they're there to cite something that SHPO said, which they actually didn't say."

Councilmember Bachrach added, "And at that point, they become a liability to the board."

"A liability to the Town," Mayor Vander Horst clarified.

Mr. Sims read from the Code. A board member can be removed by the Council after three absences without prior notification, or "for inefficiency, neglect of duty or unbecoming conduct while in office."

Councilmember Bachrach asked the Mayor if he has attended any of the board meetings. Mayor Vander Horst replied that he has.

Councilmember Currier said that he had, too, and was told that Council members should stay away from them because it prejudices the situation.

Ms. Bassett stated that the Comprehensive Plan states that there should be seven members on the Design Review board. She asked if changing that would require a vote by the public. Mr. Sims said that he did not believe it would.

Ms. Moore commented that she has been on those boards for many years, and there are guidelines to follow. "Opinions should not have any part in any of those boards," she said. "When people are asked to be on those boards, they should be asked if they know about the ordinances. The Secretary of Interior gives clear reasons and guidelines. Paint and signs could be approved by the Zoning Administrator. If board members don't understand that, then they should be told."

Mr. Savage commented that he feels that a town of 500 would not substantiate a board having seven members. "First, look at reducing the items that go to the boards," he said, "and maybe that would reduce the issue." He reminded all that it's a volunteer spot. "Reduce the load, and it should reduce the number of people you need," he said.

Councilmember Currier suggested that Council might consider a stipend, or reward of some kind.

Mayor Vander Horst said, "That's an idea," and asked Mr. Dabney about the status of the "Certificate of No Effect."

Mr. Dabney responded that it will depend on how quickly SHPO gets back to him.

Councilmember Currier said that he wanted to point out "that SHPO itself is not God." They have made mistakes in the past, he said.

Councilmember Bachrach suggested that this discussion be tabled until some Council members attend the next two DRB and P&Z meetings to discuss Council's concerns.

Councilmember Bachrach and Vice Mayor Kinsella were nominated to attend those meetings.

Mr. Dabney said that this would be placed on the boards' next meeting agendas. The next DRB meeting is scheduled for December 11th, and the next P&Z meeting would be on the first Wednesday in December. The Mayor commented that the boards should meet, even if that is the only agenda item.

Motion: Councilmember Bachrach made a **motion to table this discussion until the next Council meeting** and it was seconded by Councilmember Currier. The **motion was approved, 5-0.**

8:50

ITEM #9F: APPOINTMENT TO DESIGN REVIEW BOARD

Council will review applications received to serve on the Design Review Board, and may make an appointment to fill the vacant seat for the remainder of the term ending February 28, 2020. At the time of agenda preparation, one application had been received, from Anne Basset.

Mr. Dabney said that Ms. Bassett is the only person who has applied to fill this vacancy since he's been here. He had a conversation with Ms. Bassett and stated that he doesn't want any personal opinions on these boards. At that time, her response, he said, was not what he wanted to hear. Since then, however, he has revisited this with her, and she explained that her comment was misunderstood. He agreed then to bring the application to Council.

Mayor Vander Horst asked if Mr. Dabney has a recommendation.

"I recommend to approve this," Mr. Dabney said. He said that, because we have such a hard time getting people to fill these slots, he is willing to bring her on board. "She has a wealth of knowledge," he said. "I've talked to her extensively about numerous projects, and I certainly admire her."

Councilmember Currier asked, "What is our criteria for seating people? The Code says they're supposed to have some expertise. Does she have expertise? She's a working artist. Does she know the Code? She's been on Council -- she certainly knows the Code. Does she have a wonderful personality? That is not one of the criteria. She should not be aggressive or hostile, but if she keeps herself under control, I think she is qualified."

Mayor Vander Horst said, "There was a time, a few years ago, when I was in the audience and Ms. Bassett was sitting up here. I was applying for DRB and she said she could not support my nomination because I was tied too closely to Prescott and not Jerome. Absolutely no basis for that whatsoever. That is an example to me of what I think you (Mr. Dabney) saw in your first meeting. I cannot support this."

Councilmember Currier interjected, "She failed my criteria, which was not to be aggressive and hostile."

Vice Mayor Kinsella said that he is not comfortable putting anyone on any board until we get a handle on the boards themselves. "Once I have a comfortable feeling," he said, "then she would be one of the first I would put on the board. I agree, she's been there. Her personality has some rough edges, but that's Anne. She knows the ins and outs. However, until I'm comfortable with the boards, I don't want to put anyone on them."

Councilmember Bachrach noted that Ms. Bassett had served as a member of DRB for at least 10 years, and asked her why she left.

Ms. Bassett responded, "It might have been that I was elected to Council, but I'm not sure." She went on to say, "I believe that perhaps I am the most qualified person in town to make decisions about visual compatibility in the Town. I am perfectly willing to set aside anything personal. I did get in trouble one time with an application for a house that had been illegally approved, thinking that it should not come before the board for additional modifications because it was already outside of our ordinance. I was forced to realize that was incorrect. If something has been improperly approved and they come back before the board, you have to treat it without prejudice."

Mayor Vander Horst asked for a motion.

Councilmember Currier asked who sits on the board now.

Mr. Dabney informed Council that the members are Mark Venker (Chair), John Schroeder (Vice Chair), Mike Parry and Brice Wood.

Councilmember Currier said that he feels that it is a serious problem that no women are on the board, and the mere fact that she is a woman should be a plus.

Vice Mayor Kinsella commented, "Gender has nothing to do with my decision, whatsoever."

Motion: Councilmember Currier **moved to appoint Anne Bassett to the Design Review Board** and it was seconded by Councilmember Barber. The **motion was defeated, with a vote of 2 ayes and 3 nays.**

8:58

ITEM #9G: PROFESSIONAL ENGINEERING SERVICES

Council will review a proposal by Granite Basin Engineering (Jim Binick) for interim on-call engineering services and for engineering related to the Hampshire Avenue sidewalk, and may authorize agreement(s) for same.

Ms. Gallagher explained that Council had previously discussed that we would be seeking a new engineering firm, as Westland Resources, the Town's contracted firm, no longer has an engineer at their Flagstaff location. She has informed Westland that we will be moving on, and they understand that.

In the meantime, Ms. Gallagher said, the issue with the Hampshire Ave sidewalk was brewing. She contacted former Town Engineer Jim Binick, who came out to look at the problem. He provided a proposal for engineering for that project, as well as for interim on-call engineering services, both of which were included in the meeting packets.

Referring to the proposal regarding the sidewalk, Mayor Vander Horst stated, "I was shocked and disappointed by his pricing. It was \$15,000 just for engineering." Vice Mayor Kinsella agreed.

Ms. Gallagher explained that Mr. Binick had likened that project to "building a 750-foot pedestrian bridge."

Vice Mayor Kinsella said, "I liken that project to a cap over a sh***y sidewalk."

There followed a brief discussion regarding past work by Mr. Binick and Shepard-Westnizer, the firm that Mr. Binick was employed by while serving as Town Engineer.

Vice Mayor Kinsella said that he doesn't have much faith and confidence in engineers in general, but, unfortunately, being a municipality, we have to have an engineer. He found Mr. Binick's estimate for the Hampshire Avenue sidewalk engineering "appalling," and noted that they were considering doing this work with volunteers, and had estimated the total cost at around \$14,000. The engineering would be more than the materials, he said.

No action was taken on Mr. Binick's proposals, and Ms. Gallagher was directed to issue an RFQ for professional engineering services.

ITEM #9H: SALE OF VACANT TOWN-OWNED LAND

Council may authorize the sale of a 19.34 acre parcel of vacant land owned by the Town of Jerome and located in Clarkdale.

Mayor Vander Horst noted that we have had this vacant parcel appraised, and the appraised value is \$484,000. He asked Council, "Do we want to sell this? And what would be our asking price?"

Vice Mayor Kinsella said that he feels that \$484,000 is too low. He said that he knows someone who just bought, in that area, a two-bedroom, two-bath home with an attached garage on three acres, and paid \$675,000. "I believe if we put it for sale at \$484,000 it will go fast," he said, adding that he already knows people who would buy it at that price.

Councilmember Currier questioned why we need to sell this property.

"Why do we have to have property in another municipality?" Vice Mayor Kinsella said.

"Why do we have to have \$500,000?" Mr. Currier replied. "Cash is retreating. I'm not sure that's the right way."

Vice Mayor Kinsella said that he feels certain that we could find something to do with that money. He added that the appraiser claimed that nothing is selling in that area

Ms. Gallagher stated that Mr. Sims had put her in touch with the manager in Pine Top, because they sold some land recently. The first time around, they had a minimum bid and did not receive any bids. The second time, they did not include a minimum, and they sold it.

Mr. Sims noted that the sale must be publicly solicited. Ms. Gallagher agreed.

Mr. Sims said that it would need to be advertised in the paper, and he believes it would be best to issue a request for bids, rather than a sale at auction. "I think you'll get something

close to that number," he said. He added that it would not need to be done via sealed bids, just a public process.

Councilmember Bachrach asked Mr. Sims if it would be unusual for a Town to do a subdivision. Mr. Sims responded that it would be more typical to have a developer do that.

Vice Mayor Kinsella interjected that this property has already been subdivided. We have the lots and roads on paper, he said, and it was approved by Clarkdale.

Mr. Sims recommended that, if we do solicit bids, we include that information. Another option would be looking for a developer.

Vice Mayor Kinsella asked Ms. Gallagher, "Did we not work with Clarkdale on their water line coming onto the property?"

"Yes," Ms. Gallagher replied. "We gave them an easement and Clarkdale gave us a stub with a water connection."

Mayor Vander Horst clarified that approving soliciting bids simply allows us the opportunity to move forward.

Vice Mayor Kinsella asked, "What are we going to use the money for?" He said that Councilmember Currier has a point and questioned the value of selling the land and putting the money in a savings account.

Mayor Vander Horst said, "Having money in the bank gives us a lot more flexibility and options than having land that we can't sell. We could use it to purchase an asset, or we could hold it. There are a lot of things we could do with it. I don't think we would have a problem with spending it."

Councilmember Currier said that his reading of the macro-economy is that we may be headed into an inflationary period. If we are, he said, cash is not a good idea.

Ms. Moore asked if the sale would need to first be approved by the voters.

Mayor Vander Horst replied that it would not, as the threshold for that is \$1.5 million.

Ms. Bassett said that she thinks that amount should be lower, and this should go before the voters.

Mr. Savage asked if the subdivision approval was noted in the appraisal. Mayor Vander Horst replied that it was not. Mr. Savage said that he believes the appraised value would have been higher had the appraiser known about that.

Mr. Sims agreed, but added, "The way the law works, the market will tell you what it's worth. If Vice Mayor Kinsella is right, and people want to buy it, you'll find out."

Ms. Gallagher was asked to contact the appraiser to inform him that there is a water line there, and that the subdivision had been approved. After that, the matter will be revisited by Council.

9:18

ITEM #9I: GOVERNMENT PROPERTY LEASE EXCISE TAXES (GPLET)

The Town Attorney will update Council regarding Government Property Lease Excise Taxes and requirements associated therewith, and Council may direct staff and the Town Attorney in this regard.

Mr. Sims said, "This is another example of the legislature dumping on cities and towns. This law was passed in the late 1980's because government property wasn't being taxed when it was leased out." He referred to high-rises in downtown Phoenix on government land where no property tax was being paid. Legislation imposed this excise tax on leases of government property, he said, and left it to the counties to enforce, but nobody enforced it. Changes were made to the legislation, he said, and now "they are going to make the Manager assess the taxes."

Mr. Sims noted that, fortunately for the Town, because all of our buildings are more than 50 years old, no taxes are owed. He explained that we do need to meet other requirements and explained the complexities of the law. "There are four pages of mind-numbing economic data to compute the tax," he said, and recommended, "Don't lease anything less than 50 years old."

Ms. Gallagher asked Mr. Sims about the two leases just approved (at the Hotel Jerome). Mr. Sims said that they would need to be recorded, but no taxes need to be paid because the building is more than 50 years old. Every lease needs to be registered with the State, he added.

<p>ITEM #10 9:24</p>	<p>TO AND FROM THE COUNCIL</p> <p>Council may direct staff as to items of pending importance that they would like placed on a future meeting agenda.</p> <p><i>Councilmember Bachrach and Vice Mayor Kinsella talked about the progress made on the roof at the Hotel Jerome. Within the next day or so, they said, they will determine where the roof drains should be placed. Mr. Bachrach explained that the old downspouts are no longer functional.</i></p>
<p>ITEM #11</p>	<p>ADJOURNMENT</p> <p><i>Upon motion by Vice Mayor Kinsella, seconded by Councilmember Bachrach and unanimously approved, the meeting was adjourned at 9:26 p.m.</i></p>

Edited by Town Manager/Clerk Candace Gallagher from minutes taken and transcribed by Deputy Town Clerk Joni Savage.

APPROVE:

ATTEST:

Frank Vander Horst, Mayor

Candace B. Gallagher, CMC, Town Manager/Clerk

Date: _____