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TOWN OF JEROME, ARIZONA

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MINUTES

SPECIAL MEETING OF THE JEROME TOWN COUNCIL JEROME CIVIC CENTER - 600 CLARK STREET - COUNCIL CHAMBERS TUESDAY, JUNE 28, 2016 AT 7:00 P.M.

<p>ITEM #1:</p>	<p>CALL TO ORDER/ROLL CALL</p> <p>Mayor/Chairperson to call meeting to order. Town Clerk to call and record the roll.</p> <p><i>Mayor Currier called the meeting to order at 7:00 p.m.</i></p> <p><i>Town Manager/Clerk Candace Gallagher called roll. Present were Mayor Currier, Vice Mayor Freund, Councilmember Stewart, Councilmember Barber and Councilmember Vander Horst.</i></p> <p><i>Also present was Joni Savage, Deputy Clerk.</i></p>
<p>ITEM #2: 7:01</p>	<p>PUBLIC HEARING ON 2016-17 BUDGET AND TAX LEVY</p> <p>The Mayor and Council will conduct a public hearing on the proposed 2016-17 budget and tax levy for the Town of Jerome. Any taxpayer may appear and be heard in favor of or against any proposed expenditure or tax levy. No increase in the tax levy is proposed.</p> <p><i>Mayor Currier opened the public hearing on the 2016-17 budget and tax levy.</i></p> <p><i>Anne Conlin, a resident and business owner, spoke against the proposed added 1% bed tax. She referenced a letter she had sent in previously, and said that it seems inequitable that the burden upon the lodging establishments in town continues to grow when that is a very small segment of our overall business community. "I wasn't thrilled about the 2% increase last year," she said, but she was told that they would give it a year. "Not only has it not gone away, but it has grown," she said.</i></p> <p><i>Ms. Conlin said that, in perusing the budget draft, she finds little to argue with in terms of Council's tough spending decisions. Attention is being given to infrastructure issues, she said, and she can't argue with that. However, she said, she is curious about the additional 1% bed tax going to promote tourism. "Whose idea was that?" she asked. "That seems out of keeping with the Town's general approach, which is almost... 'we have enough tourism.' As a community," she said, "we're not always pro-tourism. Why does the brunt of it have to be borne by such a small segment of the community?"</i></p> <p><i>Mayor Currier noted that this is a public hearing, so Council is listening but not responding. Ms. Gallagher advised that a response to Ms. Conlin's concerns could be a part of Council's discussion regarding adoption of the budget.</i></p> <p><i>There being no further comments, Mayor Currier closed the public hearing.</i></p>
<p>ITEM #3: 7:05</p>	<p>RESOLUTION #538: ADOPTING THE 2016-17 BUDGET</p> <p>Following the public hearing, the Mayor and Council may approve Resolution #538, adopting the final budget for the Town of Jerome for the fiscal year ending June 30, 2017.</p> <p><i>Councilmember Vander Horst asked, "If we could change the budget, as it exists today, would we have to go through the process again?" Ms. Gallagher replied that Council can reduce the budget at this point, but cannot increase it.</i></p> <p><i>"I believe we are unfairly impacting the lodging business," Councilmember Vander Horst said. "We gave them a large tax increase last year and now we're doing this again. The increase this year is not even going to the General Fund. The argument I continually hear is that it is at least that high everywhere else, and while that is probably true, I don't believe it was done across two years.... "I believe it is too much too soon. I don't feel that we've been equitable to other businesses by leaving a majority of businesses untouched. Therefore, I am not in favor of increasing the bed tax."</i></p>

	<p>Vice Mayor Freund spoke in favor of the added bed tax, noting that we are required to use the added one percent for tourism. "We've talked about a shuttle and public restrooms that we need. We were on the verge of doing 3% last year, so this increase shouldn't be a huge surprise."</p> <p>Mayor Currier informed Ms. Conlin that he had voted against increasing the bed tax, but the majority wants to raise it.</p> <p>Councilmember Vander Horst said that he agreed with Vice Mayor Freund regarding what we could spend the money on; however, he doesn't believe the amount we would raise with the 1% increase would cover a shuttle driver.</p> <p>Mayor Currier asked for a motion.</p> <p>Motion: Vice Mayor Freund moved to approve Resolution 538, adopting the 2016-17 Budget. The motion was seconded by Councilmember Barber. The motion failed with 2 ayes and 3 nays.</p> <p>Motion: Councilmember Vander Horst then moved to adopt the current budget with the exception of the increase in lodging tax, and the motion was seconded by Mayor Currier. The motion failed with 2 ayes and 3 nays.</p> <p>Mayor Currier asked Councilmember Stewart if he had changed his vote. Mr. Stewart said that he had voted nay the last time on adopting the budget.</p> <p>Ms. Gallagher said that it is her understanding that, under Roberts Rules, a motion can be reconsidered if it is made by someone who voted on the prevailing side.</p> <p>Motion: Mayor Currier made a motion to reconsider and adopt the budget as it stands, including the increase in bed tax, and it was seconded by Vice Mayor Freund.</p> <p>Ms. Gallagher left the chambers at this time to call the attorney in order to make sure everything that Council just did was correct.</p> <p>Mayor Currier called a recess at 7:14 p.m.</p> <p>Mayor Currier called the meeting back into session at 7:25 p.m. and said that Ms. Gallagher had consulted with the Town Attorney regarding the matter of revisiting the previous motion.</p> <p>Ms. Gallagher said that the motion was legitimate. The motion to reconsider had to be made by someone who voted on the prevailing side, which was "no." Because Mayor Currier made the motion, and had voted no the first time, it was legitimate.</p> <p>Ms. Savage and Ms. Gallagher conferred and their notes did not indicate that the motion had actually been voted on. (Note: This was later confirmed by listening to the tape.) Ms. Gallagher asked that the motion be voted on, again if needed, for the record. The motion was then restated by Mayor Currier and the question was called. The motion passed (budget adopted), 3-2.</p> <p>Jane Moore, a local business owner and resident, stated "I'm really confused, what just happened, did the budget pass?" Mayor Currier confirmed that it did pass, and that it includes the increased bed tax and the new tax on commercial rentals.</p>
<p>ITEM #4: 7:30</p>	<p>FIRST READING: ORDINANCE #419, AN ORDINANCE TO AMEND CHAPTER 13, "WATER," OF THE JEROME TOWN CODE BY THE ADDITION OF NEW ARTICLE 13-9 THEREOF, "DROUGHT AND WATER SHORTAGE PREPAREDNESS PLAN"</p> <p>Council will review a draft ordinance to adopt a Drought and Water Shortage Preparedness Plan, and may amend and/or conduct the first reading thereof.</p> <p>Mayor Currier reported that the water tanks are now full on both Sunshine and Cleopatra Hill, and there is overflow. It has been that way for several hours, he said; however, there is still a problem in that we lost significant flow in 2013, and do not yet know what caused it. Last week, he said, Council took immediate action to slow consumption, and decided that we need a plan in place in the event of a water shortage. Most other communities already have that, he said. He asked the Manager to comment on the draft plan provided at this meeting for Council's consideration.</p> <p>Ms. Gallagher reviewed the provisions of the plan, which she said was basically Clarkdale's plan, tailored to Jerome. The plan defined three levels of water emergencies and outlined the restrictions associated with each.</p> <p>Council discussed the draft at length, and it was ultimately decided to make the following</p>

changes, and bring the ordinance back to Council for a new first reading:

- A "Definitions" section will be added.
- "Production capacity" will be changed to "Storage capacity."
- Resource status levels will be determined by the Town Manager, in consultation with the Public Works department, and Council will be informed.
- Certain language will be clarified, and inconsistencies resolved.
- A section titled "Proactive Approach" will be deleted, as its language referenced conserving ground water, and was not relevant to Jerome.
- A provision stating that landscaping for residential uses shall be accomplished with plant materials that require little or no water will be deleted, as "it is too late to be doing landscaping during a crisis."
- Regarding a provision that water shall not be added to fountains, water features, swimming pools, spas, etc., an exemption will be included for water used to support animals, such as fish ponds.
- The option for construction companies to supply their own water will be added.
- The section titled "General Powers of the Common Council" was deemed unnecessary, as it simply cited State statutes, and will be deleted.
- Violation penalties will be revised to conform with those in with Resolution 537.
- Appeals will be heard by the Town Council, rather than an Appeals Committee.
- It was agreed that the Plan would be reviewed every five years.

During discussion, the following residents commented:

- Regarding a request made by a shopkeeper to be able to water beginning at 5 p.m. rather than 6 p.m., Suzy Mound stated, "That's indicative of people who don't live here and make a profit off of the tourism in Jerome. They don't want to adhere to what the Town needs in conserving the water." She said that we should be "looking out for the best interests of the Town and not for people who are here to profit from us."
- Mary Williams, a Jerome resident, commented, "I've never seen anybody wash their car in Jerome. Why are we worried about this?" Ms. Williams also suggested signage to indicate when there is a water shortage, and added "Maybe we should use those meters that we have." Ms. Gallagher pointed out that the draft ordinance provides that appropriate signage would be placed strategically throughout Town, and the Mayor noted that billing by metered use is a different topic, which Council is not dealing with at this meeting.
- Jane Moore asked if there is some way to notify people if there is, for example, a large water main break over the weekend. Ms. Gallagher noted that residents can subscribe to the Nixel service that our Police Department uses. In addition, when we put the restrictions in place, our Public Works crew hung fliers on doors, we posted it at our posting locations and on the web, Gulch Radio announced it and the Verde Independent published an article. She noted that our Police Chief is the designated Emergency Management Coordinator and as such, would be kept informed.
- There had been discussion that the frequency of meter readings would be included in the ordinance. Jane Moore questioned why that would be put into the ordinance, and Ms. Gallagher and Mayor Currier agreed. "I'm concerned about putting too much into the ordinance," she said, noting that any changes in our procedure would necessitate amending the ordinance.

During discussion, Council members made the following comments:

- Councilmember Vander Horst noted that our four storage tanks contain 360,000 gallons of water, and asked Councilmember Stewart, "If we had a major fire, how much water would we need?"
 "All of it," Mr. Stewart replied, adding that "We have about an hour to an hour and a half of full fire flume." He said that we could never keep up using a tankard brigade. "That's why it's critical that we have at least 50% in our tanks," he said. "For a house fire, we could manage that."

	<ul style="list-style-type: none"> • Mayor Currier said that he had just heard that another town facing a water crisis ordered all restaurants to use disposable dishes. That is a possibility we could consider, he said. "It creates a trash crisis, but it does relieve a water crisis. I don't know if it's good or bad." Ms. Gallagher said, "If you had an emergency that would require something that drastic, you could hold an emergency session and do that, rather than put it into this ordinance." • Councilmember Vander Horst said that he would like to see information in Council's meeting packets regarding water flows. The Mayor agreed. <p>Ms. Gallagher will make the changes discussed and bring the ordinance back to Council.</p>
<p>ITEM #5: 8:40</p>	<p>WATER RESTRICTIONS</p> <p>Council will review the current water situation and the water restrictions imposed on June 22, 2016 with the adoption of Resolution 537, and may opt to amend said Resolution.</p> <p>Ms. Gallagher asked if Council wished to make any changes or adjustments to the restrictions enacted with Resolution 537 on June 22. She noted that, currently, "we have four full tanks and overflow."</p> <p>Councilmember Stewart said that he wonders if that is due to the restrictions that were put into place. "To continue it would be good," he said, "but when people see water flowing down the hill and we have this restriction in place... we don't look right." He suggested that the restrictions be amended to leave the hourly restrictions in place, but allow watering every day, rather than on certain days by address.</p> <p>Vice Mayor Freund asked about the water leak on Sunshine Hill. Ms. Gallagher replied that it is a small leak, and Freeport-McMoRan is fixing it.</p> <p>Councilmember Vander Horst asked about the level of the tank at Walnut Springs. Ms. Gallagher said that she has not received a report lately regarding that tank. Councilmember Stewart said that he heard from one source that it was half-full two days ago, but another source said that it was empty. "It does not go directly into the town water system," he said. "It is available in the event of a fire. It also runs the chlorinating system, and it is drinking water, but it's only turned in when the other tanks get low."</p> <p>Councilmember Vander Horst said that he is not convinced that the problems are solved, and would like to monitor this awhile longer. He would prefer not to change the restrictions at this time, and noted that they can be reviewed again at the next meeting, in two weeks. "We have a very large tank that is not full," he said.</p> <p>Jane Moore noted that having overflow provides water for wildlife.</p> <p>After further discussion,</p> <p>Motion: Councilmember Stewart made a motion that we amend our resolution, in light of the overflow, to allow watering for all addresses all days of the week, but keep the time constraints in place.</p> <p>There was no second, and the motion died.</p> <p>Motion: Mayor Currier made a motion change the time restriction to read "no watering from 9:00 a.m. until 5:00 p.m.," but leave the other restrictions in place.</p> <p>There was no second, and the motion died.</p> <p>The Mayor declared that, since motions to change the restrictions were not successful, the current water restrictions would remain in place.</p>
<p>ITEM #6: 8:34</p>	<p>BLUE BEE BOUTIQUE</p> <p>Council will review and may approve a request by Blue Bee Boutique to allow a portion of their rented space to be sublet.</p> <p>Mayor Currier said that the Blue Bee Boutique has appealed to us to allow a portion of her space to be sublet. Ms. Gallagher explained that Ms. Walker (shop owner) would like to sublet the back portion of the shop to Sheila's Copper Penny, but that will require action by Council to amend her lease.</p> <p>Councilmember Stewart said, "We don't want a 'time share booth rental,' and said he believes that is prohibited by our Code. Councilmember Vander Horst noted that it has happened elsewhere.</p> <p>Ms. Gallagher suggested that, if Council is concerned about a zoning issue, they could approve this subject to the Zoning Administrator's approval.</p>

	<p>Motion: Councilmember Vander Horst made a motion to approve this request pending the Zoning Administrator's approval. The motion was seconded by Councilmember Stewart.</p> <p>Vice Mayor Freund said that he felt uncomfortable with setting the precedent of "turning our individual rental businesses into multi-venues."</p> <p>After brief further discussion, Mayor Currier called the question.</p> <p>The motion passed, 4-1.</p>
ITEM #7:	<p>ADJOURNMENT</p> <p>Upon motion by Vice Mayor Freund, seconded by Councilmember Stewart and unanimously approved, the meeting was adjourned at 8:50 p.m.</p>

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

APPROVE:

ATTEST:

Lew Currier, Mayor

Candace B. Gallagher, CMC, Town Manager/Clerk

Date: _____