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# TOWN OF JEROME, ARIZONA

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

## MINUTES SPECIAL MEETING OF THE JEROME TOWN COUNCIL COUNCIL CHAMBERS, JEROME TOWN HALL THURSDAY, APRIL 18, 2019 AT 7:00 PM

<b>ITEM #1:</b>	<p><b>CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE</b></p> <p>Mayor/Chairperson to call meeting to order.</p> <p style="padding-left: 40px;"><i>Mayor Alex Barber called the meeting to order at 7:01 p.m.</i></p> <p>Town Clerk to call and record the roll.</p> <p style="padding-left: 40px;"><i>Town Manager/Clerk Candace Gallagher called the roll. Present were Mayor Barber, Vice Mayor Sage Harvey, and Councilmembers Mandy Worth and Jane Moore. Dr. Jack Dillenberg was present telephonically.</i></p> <p style="padding-left: 40px;"><i>Other staff present were Melanie Atkin, Accounting; Charlotte Page, Zoning Administrator; and Joni Savage, Deputy Clerk.</i></p> <p>Mayor/Chairperson or designee to lead the Pledge of Allegiance.</p> <p style="padding-left: 40px;"><i>Mayor Barber led the pledge.</i></p>																																										
<b>ITEM #2: 7:02</b>	<p><b>PRESENTATION OF AUDIT FOR FISCAL YEAR 2018</b></p> <p>Representatives of Colby &amp; Powell will present audited financial statements for FYE 6-30-18. Following the presentation, Council may vote to accept the audit.</p> <p style="padding-left: 40px;"><i>7:02 (2:00) Matt Bingham presented information to the Council. (Power Point presentation attached.) He added that the audit was completed by March 31, 2019, which met the State requirements; however, he insinuated that it should be done sooner. He thanked the staff for being well-prepared for this audit. Only four journal entries were necessary, he said, where often towns require several pages of entries. The audit included no significant findings that would require corrective action; however, Mr. Bingham noted that budgets were exceeded at the departmental level in the police and fire departments.</i></p> <p style="padding-left: 40px;"><i>Ms. Gallagher and Ms. Atkin surmised that the overage in the fire department was due to wildlands firefighting expenses for which we would receive reimbursement, and that the overage in the police department may have to do with DUI enforcement that is also covered by a grant. They will verify this, and provide an explanatory report to Council.</i></p> <p style="padding-left: 40px;"><i>(12:28) Mr. Bingham spoke about the Police Department pension. The Town has more in pension assets than in liability, which he noted as being very good. Most cities and towns are in the negative, however Jerome is in the positive. He compared the Town's balance sheet to other cities and towns in Arizona; Jerome is in a very good financial place.</i></p> <p style="padding-left: 40px;"><i>Councilmember Moore asked about a reference in their documents to non-compliance with regard to HURF money.</i></p> <p style="padding-left: 40px;"><i>(18:45) Mr. Bingham explained that the State of Arizona requires that the auditors do extra procedures to assure that towns are spending their HURF money correctly. Their letter explains that they didn't come across anything that would indicate that Jerome was using HURF funds for anything other than streets.</i></p> <p style="padding-left: 40px;"><i>Councilmember Moore asked what "deposits held for others" meant and about depreciation expense in the water department.</i></p> <p style="padding-left: 40px;"><i>(21:20) Mr. Bingham explained that the deposits relate to our rent and utility deposits, and that assets with a useful live greater than one year are depreciated over their useful life.</i></p> <p style="padding-left: 40px;"><b><u>Motion to Accept the Audit for the Fiscal Year 2018</u></b></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">COUNCILMEMBER</th> <th style="text-align: center;">MOVED</th> <th style="text-align: center;">SECONDED</th> <th style="text-align: center;">AYE</th> <th style="text-align: center;">NAY</th> <th style="text-align: center;">ABSENT</th> <th style="text-align: center;">ABSTAIN</th> </tr> </thead> <tbody> <tr> <td>BARBER</td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>DILLENBERG</td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>HARVEY</td> <td></td> <td style="text-align: center;">X</td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>MOORE</td> <td style="text-align: center;">X</td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>WORTH</td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN	BARBER			X				DILLENBERG			X				HARVEY		X	X				MOORE	X		X				WORTH			X			
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**ITEM #3:  
7:24**

**REQUEST FOR REZONING**

Council will discuss the recommendation of the Planning & Zoning Commission for the rezoning of 11 parcels on Hampshire. A portion of this discussion may take place in executive session with the Town Attorney, who may participate telephonically, pursuant to A.R.S. § 38-431.03 (A)(3) and (A)(4).

As discussion began, Ms. Gallagher immediately recommended that, prior to proceeding, Council confer in executive session with the Town Attorney.

**7:25 Motion to Go In to Executive Session to Speak With the Attorney**

COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN
BARBER	X		X			
DILLENBERG			X			
HARVEY		X	X			
MOORE			X			
WORTH			X			

**7:45 (Recording Part 2)** The meeting resumed.

Councilmember Worth made a **motion** to table the rezoning, with direction to the Planning & Zoning Commission to create a text amendment that would change the R-2 zone to allow single-family and duplex uses, and to move other currently permitted uses to the Commercial zone. The motion was seconded by Councilmember Moore. Discussion ensued.

7:48 (3:33) Bobby Doss, resident asked if this was directed toward duplex and not triplex residences.

Ms. Gallagher confirmed that Council is requesting that the zone allow single-family and duplex homes only.

Mayor Barber commented that originally, the Doss's had only requested a duplex.

7:49 (4:10) Heather Doss, resident, said that they had requested a change to the R-2 zone. "We could be a triplex," she said, "so we're trying to protect our asset."

7:52 (7:10) Bobby Doss spoke about approvals from various departments which they had already received.

Councilmember Moore said that she had been involved in one meeting and a workshop, and that the original request was for a duplex. She added that no one really understood, including Commission members, what the R-2 zone entailed. She said that this was discussed at the neighborhood meeting, and people signed up to become duplexes, and were in favor of that. Ms. Moore said that she wants this done permanently and correctly, and to consider that every property in that zone could be a triplex could potentially impact our sewer plant.

7:56 (11:23) Bobby Doss brought forth documentation supporting his claims.

Vice Mayor Harvey read aloud the original petition and noted that it mentions "multi-family" but does not mention "triplex." With respect to the plans for development, she said that two petitioners responded that they would want to continue as a duplex, and the others stated that they had no immediate plans.

8:02 (16:28) Bobby Doss spoke about a loss of revenue.

8:02 (16:30) Heather Doss said that they have a lot of restrictions that the high school across the street from them does not.

Councilmember Worth asked if triplexes could be added as conditional uses in the R-2 zone. Ms. Gallagher said that she had just texted the Town attorney with that very question and was awaiting a response.

Ms. Gallagher recommended that Council rescind the motion on the floor and replace it with motion to table Council's consideration of the Planning and Zoning request for rezoning of these properties until such time as the R-2 zone has been amended.

Councilmember Worth **rescinded her motion, and made another motion** to table Council's consideration of the rezoning request pending a text amendment by Planning and Zoning to the R-2 zone.

8:06 (22:14) Richard Flagg, a resident said that he has a four-plex on Hampshire. He spoke about parking issues and sewer plant problems, and suggested that the Town take some of the money that it is earning from utility payments and "put that into the sewer plant instead of raising sales tax on rentals."

8:08 (24:08) Margie Hardie, a resident, said that she "wants to stick up for the Town." She said that the Doss's initial request was for a duplex so that a relative could move in. She said that if we allow a CUP for one property and not another, we would have problems. She presented a 49-page rezoning document from Camp Verde and said that she is pleased that Council will be giving this further consideration.

Councilmember Moore commented that Jerome has never done a rezoning, and she would like to do it the right way.

Mayor Barber pointed out that Council is neither approving nor denying the request for rezoning at this point, and she hopes to have a meeting with the Urban Land Institute for guidance.

8:19 (34:50) Curtis Lindner, who sits on Yavapai County's Planning Commission, noted that the County has an outreach program to help cities and towns with zoning problems. He commented that the County also uses "Use Permits," which can help expedite things when a rezoning might take too much time. He suggested that Council consider using use permits.

Councilmember Moore addressed Mr. Lindner's comments and said that the County is not allowed to consider water and sewer when authorizing Use Permits.

8:22 (37:54) Mr. Lindner spoke about State law and how it reflects on cities and towns as well as the County.

8:23 (38:50) Heather Doss said that she doesn't want Council to think that she is just trying to cause an uproar. She asked if, since the zone change is becoming so restrictive, they should be requesting a conditional use permit instead.

Councilmember Worth asked Ms. Gallagher if she had heard from the attorney yet regarding whether triplexes could be added as a conditional use in the R-2 zone. Ms. Gallagher confirmed that she had heard from him, and we could do that.

8:25 (40:35) Ms. Hardie spoke again regarding what Mr. Lindner said about Town resources. She said that Jerome is struggling to provide funds to fix its infrastructure, and by adding a zoning change, the Town is obligated to provide water if it can. "We can say no to something if it is going to suck the town dry," she said.

Mayor Barber discussed information she had received from Henry MacVittie regarding the status of our sewer treatment plant.

Mayor Barber called the question, and the motion passed unanimously.

**Motion to Table Council's Consideration of the Rezoning Request, Pending a Text Amendment by Planning and Zoning to the R-2 Zone**

COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN
BARBER			X			
DILLENBERG			X			
HARVEY		X	X			
MOORE			X			
WORTH	X		X			

**ITEM #4:  
8:25  
(43:25)**

**PROFESSIONAL SERVICES - TOWN ATTORNEY**

The Town's professional services agreement with Sims Murray, Ltd. (William Sims) as Town Attorney will expire on April 10, 2019. Mr. Sims (whose firm name is now Sims Mackin Ltd.) has agreed to extend his contract for another year at the same rate and terms. Council will consider whether to extend the agreement or issue RFQs (Requests for Qualifications) in order to consider other firms.

The meeting packet included a 2012 agreement with Sims Murray, which had been extended by motion each year since at the same rate and terms.

Councilmember Dillenberg stated, "We're lucky to have him."

8:30 (45:20) Ms. Hardie said that she wondered about an agreement from 12 years ago, and found out that Camp Verde's contract with Mr. Sims includes different rates. She said that she doesn't believe there is enough information on this.

Councilmember Moore said that she would like to have a discussion at some time with Mr. Sims. He is a highly rated land-use attorney, she said, and she believes we could further utilize his skills.

8:40 (56:10) Ms. Hardie asked if legal bills are under or over budget this year, and added that she would like to get his legal advice during executive sessions in writing.

Ms. Gallagher stated that the Town has had a lot of Planning and Zoning issues this year that required legal advice, yet she believes we are pretty close to budget. She added that when we have requested a written opinion from Mr. Sims, he has provided it. She spoke favorably of his work as Town Attorney.

Councilmember Harvey made a motion to approve the agreement, to be updated with the new firm name, new term, and correction in the rate schedule, which currently references Mr. Murray.

**Motion to Accept this Agreement With the Corrected Date and Firm Name and Jeffery Murray Removed**

COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN
BARBER			X			
DILLENBERG			X			
HARVEY	X		X			
MOORE		X	X			
WORTH			X			

**8:48 Motion to Recess**

COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN
BARBER			X			
DILLENBERG			X			
HARVEY		X	X			
MOORE			X			
WORTH	X		X			

	<p><b>8:54</b> Mayor Barber called the meeting back to order.</p>																																										
<p><b>ITEM #5:</b> <b>8:54</b> <b>(Part 3)</b></p>	<p><b>OPPORTUNITY TO PURCHASE PUBLIC PARKING AREA</b></p> <p>Council will consider the opportunity presented by Christopher Segretti for the Town to purchase parcels 401-06-151 and 401-06-004, currently leased by the Town for public parking (7 spaces), as per the stipulation in the existing lease agreement which gives the Town first opportunity to purchase in the event that the property is pending sale. Mr. Segretti has proposed a price of \$175,000. Some or all of this discussion may take place in closed session pursuant to A.R.S. § 38-431.03 (A)(7).</p> <p><i>Ms. Gallagher explained that, under our lease with Mr. Segretti, the town has first opportunity to purchase the property if it is going to be sold. Mr. Segretti has given us a written notice dated 3/26/19 with an asking price of \$175,000, which equates to \$25,000 per parking space. The Council would need to exercise that right within 60 days of the notice.</i></p> <p><i>The Council discussed and came to the agreement that the asking price was excessive.</i></p> <p><i>After further discussion,</i></p> <p style="text-align: center;"><b><u>Motion to Decline the Purchase of the Public Parking Area</u></b></p> <table border="1" data-bbox="391 583 1214 705"> <thead> <tr> <th>COUNCILMEMBER</th> <th>MOVED</th> <th>SECONDED</th> <th>AYE</th> <th>NAY</th> <th>ABSENT</th> <th>ABSTAIN</th> </tr> </thead> <tbody> <tr> <td>BARBER</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>DILLENBERG</td> <td></td> <td>X</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>HARVEY</td> <td>X</td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>MOORE</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>WORTH</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN	BARBER			X				DILLENBERG		X	X				HARVEY	X		X				MOORE			X				WORTH			X			
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<p><b>ITEM #6:</b> <b>9:06</b> <b>(12:30)</b></p>	<p><b>TO AND FROM THE COUNCIL</b></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>Mayor Barber said that she received an email from Rob Pecharich regarding the lack of places for RV's to park in Jerome, and would like to discuss that next month.</i></p> <p><i>Vice Mayor Harvey asked if, now that the weather is warmer, the Crew could make pothole repairs and re-stripe our red parking zones.</i></p> <p><i>Councilmember Worth said that:</i></p> <ul style="list-style-type: none"> <li>• <i>She would like updates from Yavapai College and the Mingus Union and Clarkdale-Jerome School Districts and added that Mike Westcott has provided information regarding consolidation.</i></li> <li>• <i>She would like suggestions on how to mitigate our problems with oversized vehicles.</i></li> <li>• <i>She would like see Jerome establish "safe space parking," a national movement to provide a limited number of parking spaces for those who are homeless and live in their vehicles.</i></li> <li>• <i>She mentioned several meetings coming up for various organizations.</i></li> <li>• <i>She spoke of legislation to be aware of: HB 2319 and SB 1073.</i></li> <li>• <i>She noted that she needs to formally recuse herself on the decision regarding Center Street parking.</i></li> </ul> <p><i>Councilmember Dillenberg would like to discuss the use of funds recently received from the Yavapai-Apache Nation.</i></p> <p><i>Councilmember Moore confirmed the April 25 neighborhood meeting. She also stated that an engineering firm that designed our sewer treatment plant has submitted a proposal to us regarding sewer plant upgrades and she would like all the Councilmembers to see it. She believes that they are planning on coming in June to assess the plant. She asked Ms. Gallagher if she could contact them to see if they could come to the meeting or attend by phone.</i></p> <p><i>Vice Mayor Harvey asked if the Town might purchase credit card-operated viewing binoculars.</i></p>																																										
<p><b>ITEM #7:</b></p>	<p><b>ADJOURNMENT</b></p> <p><b><u>Adjourned at 9:18 p.m.</u></b></p> <table border="1" data-bbox="391 1619 1240 1738"> <thead> <tr> <th>COUNCILMEMBER</th> <th>MOVED</th> <th>SECONDED</th> <th>AYE</th> <th>NAY</th> <th>ABSENT</th> <th>ABSTAIN</th> </tr> </thead> <tbody> <tr> <td>BARBER</td> <td>X</td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>DILLENBERG</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>HARVEY</td> <td></td> <td>X</td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>MOORE</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>WORTH</td> <td></td> <td></td> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	COUNCILMEMBER	MOVED	SECONDED	AYE	NAY	ABSENT	ABSTAIN	BARBER	X		X				DILLENBERG			X				HARVEY		X	X				MOORE			X				WORTH			X			
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APPROVED 5/14/19

ATTEST:

\_\_\_\_\_  
Christina "Alex" Barber, Mayor

\_\_\_\_\_  
Candace B. Gallagher, CMC, Town Manager/Clerk

Date: \_\_\_\_\_