

**MINUTES
TOWN OF QUARTZSITE
SPECIAL MEETING OF THE COMMON COUNCIL
FRIDAY, JUNE 7, 2013, 9:00 AM**

CALL TO ORDER:

9:00 AM by Mayor Foster

INVOCATION:

none

PLEDGE OF ALLEGIANCE:

led by Council Member Orgeron

ROLL CALL:

Mayor Foster, present; Vice Mayor Jewitt, present; Council Member Kelley, present; Council Member Crooks, present; Council Member Workman, present; Council Member Orgeron, present; Council Member Scott, present

ABSENT: none

STAFF PRESENT: Laura Bruno, Town Manager; Patricia Ronan, Town Attorney; Kelly Schwab, Town Attorney and Tina Abriani, Secretary

APPROVAL/AMENDMENT OF AGENDA:

The Mayor moved to amend the Agenda to open Items 1 and 2 to public discussion and Council Member Workman seconded the motion. The vote was unanimous, all in favor, motion passed.

Vice Mayor Jewitt moved to approve the agenda as amended. Carol Kelley and Norma Crooks simultaneously seconded the motion. The vote was unanimous, all in favor, motion passed.

ADMINISTRATIVE ITEMS:

1. Consider adoption of a resolution approving the form and authorizing the execution and delivery of a loan agreement with the Water Infrastructure Finance Authority of Arizona; delegating the determination of certain matters relating thereto to the Town Manager and declaring an emergency.

Vice Mayor Jewitt moved to approve the item as stated. Council Member Carol Kelley seconded the motion. Council Member Orgeron said it must be discussed fully.

Council Member Scott asked for clarification. She asked if the million being discussed was approved back in June of 2009 and now discussion is talking about refinancing that million. Town Manager Laura Bruno stated that was correct.

Kevin Murphy, the Town Engineer explained the energy savings and the need to repair the system. It will double the capacity of the plant. ADEQ is not approving any further development until we do something. This begins addressing our deferred maintenance needs.

Council Member Kelley asked the Town Manager to explain how the Town will repay the loan. The USDA loan will be repaid over a period of 40 years. The WIFA loan will be paid back over a period of 20 years.

Jenny Mills welcomed Mary Scott. She owns Al's RV Park and is a full time resident of Quartzsite. She asked why the proposed hotel cannot receive services. Council Member Orgeron explained that without expansion services to this new business cannot be rendered. The Town Manager Laura Bruno explained further that the state, ADEQ, will not grant permission without expansion to cover new services.

Carolyn Guthrie spoke regarding capacity. She stated that the Town does not have the capacity for new business right now.

Mr. Lukkasson, business owner, spoke regarding the Town's capacity for new businesses.

Jennifer Jones, Quartzsite resident, related the history of the problem with the sewer.

Starr BearCat said she does not have an issue with the loan. She believes that the system has to be expanded. Her issue is the emergency aspect of the resolution. She thinks this will allow for circumvention of legal issues due to the emergency nature. She does not believe the Town Manager should have the authority to approve and sign a contract of such magnitude.

Herman Konyen said the word emergency is a very serious word. He thinks businesses may shy away due to an emergency.

Mr. Darryl Crooks stated when you get under an EPA order you will stop doing everything and anything.

Attorney Kelly Schwab explained the Council's approval will be approval of the contract with WIFA for the loan. The Town Manager is delegated administrative authority to carry out the direction of Council to enter into agreement, nothing more. The word emergency was used in the resolution to protect the Town so that it can get a good interest rate. This was requested by WIFA itself.

Council Member Scott stated she was glad the clarification of the Town Manager's authority in this matter is on the record.

The Mayor stated that he is not really sold that this is the best way to do this. The RV Parks and restaurants will pay more and will struggle more.

The Mayor called for a Roll Call Vote: Mayor Foster, nay; Vice Mayor Jewitt, aye; Council Member Kelley, aye; Council Member Workman, nay; Council Member Scott, aye; Council Member Crooks, aye; Council Member Orgeron, aye. The ayes were greater and the resolution passes. (summary: aye=5 and nay=2)

Vice Chairman Jewitt moved to approve the resolution as presented without the emergency clause. Council Member Crooks seconded the motion. The Mayor called for a roll call vote to approve the resolution without the emergency clause. Roll Call Vote: Mayor Foster, nay; Vice Mayor Jewitt, aye; Council Member Kelley, aye; Council Member Crooks, aye; Council Member Workman, nay; Council Member Orgeron, aye; Council Member Scott, aye. The ayes were greater and the resolution passes without the emergency clause. (summary: aye=5 and nay=2)

2. Consideration and adoption of a Notice of Intent to Increase Wastewater Fees and Service Charges and setting a public hearing on the proposed increases.

Vice Mayor Jewitt moved to adopt the Notice of Intent to Increase Wastewater Fees and Service Charges and set a public hearing on the proposed increase for August 13, 2013. Council Member Crooks seconded the motion.

Council Member Scott asked why this has to be done in August. She believes the Town would show better faith and have there not be an appearance of impropriety to wait until everyone gets back so everyone can have a say in this.

Carolyn Guthrie said if the Town waits for the snowbirds this will never happen.

Starr BearCat suggested contributing equally to the sewer system, as in a layaway for those who do not have sewer yet, to expand the sewer system. She wants everyone in town to pay their fair share.

Town Manager Laura Bruno said legally we cannot do that.

Jenny Mills asked how much revenue will be brought in from the rate increase from now to the change. The Town Manager stated the answer is approximately \$110,000 between July 1st and the 1st of October.

Jennifer Jones related more history of the sewer problem.

The Mayor called for the vote and to have the motion read. The Town Manager read: the request from staff is that the Council adopt the Notice of Intent to Increase Wastewater Fees and Service Charges and set a public hearing on the proposed increases for August 13th of 2013.

The vote was unanimous, all ayes. The motion passed.

The Mayor called the meeting recessed for five minutes at 10:26 AM.

MEETING RECONVENED:

10:40 AM

The Mayor adjourned the Special Council meeting and reconvened as a Work Session on the budget discussion.

WORK SESSION:

Discussion on the Fiscal Year 2013 – 2014 proposed department budgets for the Town of Quartzsite.

Town Manager Laura Bruno displayed a PowerPoint presentation regarding the parts of the budget for the 2013-2014 year.

Discussion ensued.

Tuesday, June 18, 2013, is the next scheduled proposed budget discussion.

ADJOURNMENT:

11:58 AM

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of June 7, 2013, of the Town Council of Quartzsite, Arizona, held on June 7, 2013.

I further certify that the meeting was duly called and held and that a quorum was present.

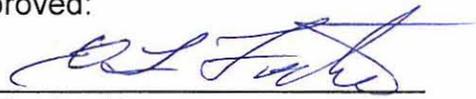
DATED this 26th day of June 2013.



Terry Frausto, Town Clerk

On behalf of the Common Council

Approved:



Ed Foster, Mayor