

MINUTES
TOWN OF QUARTZSITE
SPECIAL MEETING OF THE COMMON COUNCIL
WEDNESDAY, DECEMBER 3, 2014, 1:00 PM

CALL TO ORDER: 1:00 p.m.

INVOCATION: None.

PLEDGE OF ALLEGIANCE: Led by Mayor Foster

ROLL CALL:

Present: Mayor Foster, Vice Mayor Simpson, Council Member Kelley, Council Member Warner, Council Member Davidson, Council Member St. Germain.

Absent: Council Member Orgeron.

STAFF PRESENT: Skylor Miller, Town Manager; Susan Goodwin, Town Attorney; and Tina Abriani, Town Clerk

APPROVAL/AMENDMENT OF AGENDA: **Vice Mayor Simpson** moved to approve the agenda as presented and **Council Member Kelley** seconded the motion. The vote was unanimous. **Motion Passed.**

ADMINISTRATIVE ITEMS:

1. SALES TAX – Discussion and possible action regarding sales tax audits, assessments and collection services by REDW.

The Mayor apologized to the citizens of Quartzsite. He explained that he had thought that this issue was finalized at a previous meeting.

The Mayor asked for a motion to send a cease and desist letter to REDW instructing them to participate in no more activities that result in charges to the Town of Quartzsite and that they turn over all documentation in their possession regarding the Town to Town staff.

Vice Mayor Simpson moved to send a cease and desist order to REDW and request full accountability and that all the documents be returned. **Council Member Davidson** seconded the motion.

Town Attorney Goodwin stated her current understanding is that Mr. Coleman has turned over most, if not all, of the documents that he has. They are in a share file. Town Attorney Goodwin is working with Town Manager Miller to proceed with enforcement actions which involves determining the status of each audited tax payer

and whether an assessment has actually been made and if it is in a position for a lien to be filed.

Town Attorney Goodwin advised that she may need to have a conversation or two with Mr. Coleman to understand how to get to some of the documents and how they are organized.

Town Manager Miller advised that Mr. Coleman has already tendered a letter of resignation to the Town stating that all services that he is providing will cease December 31, 2014.

The Mayor explained that at the last meeting a \$7,300 bill was submitted to the Council. He explained it was a shock because he thought they were done with REDW.

Town Manager Miller advised that when Mr. Coleman gave his last presentation to the Council, Mr. Coleman stated there would be no new assessments. He did have some that he was finalizing.

The Mayor stated that the auditing performed by REDW has proven to be a financial disaster for the Town of Quartzsite. The Mayor said the Town has not seen a benefit; it has been a cost issue rather than a return issue. He voiced his concern about the overall loss of good relations with the businesses in the Town.

The Mayor said that instead of talking about enforcement and collection, the discussion should be about negotiation and settlement.

The Mayor stated that the Town Attorney's time is valuable. He would rather see the Town Manager do the negotiation. The Town Attorney would be engaged if there is a situation in which an equitable solution cannot be found.

The Mayor wants to see these tax matters resolved in Town Hall and get back some good faith with the business community in the Town.

The vote on the motion on the floor was unanimously in favor of mailing a cease and desist letter to REDW. **Motion Passed.**

Vice Mayor Simpson moved to take any existing tax claims and try to work out some kind of agreement that could be brought back to Council for a final approval.

Council Member Warner asked if it is known how many existing tax claims there are.

Town Attorney Goodwin suggested there is a range of perhaps be ten to fifteen.

Town Manager Miller stated a business just paid their \$50,000 back tax assessment today.

The Mayor directed Town Manager Miller to work out agreements and bring them to Council for individual review.

Town Manager Miller noted he will be relying on Town Attorney Goodwin for legal advice. The Mayor said that would be fine.

The Mayor suggested a motion to direct staff to collect any of this tax information and negotiate settlement offers for those that are concerned and do it in an equitable way.

Council Member Warner asked if the Town has done anything to try to collect it before negotiating.

The Mayor advised that could be direction to staff: to attempt first to collect then attempt to negotiate.

Vice Mayor Simpson moved to direct town staff to collect information and negotiate a possible resolution to the REDW audits and **Council Member St. Germain seconded** the motion. The vote was unanimous. **Motion Passed.**

Council Member Davidson moved to adjourn and **Vice Mayor Simpson seconded** the motion. The vote was unanimous. **Motion Passed.**

ADJOURNMENT: 1:11 p.m.

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of December 3, 2014, of the Town Council of Quartzsite, Arizona, held on December 3, 2014.

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

DATED this 23rd day of December 2014

Tina M. Abriani, Town Clerk

On behalf of the Common Council

Approved:

Ed Foster, Mayor