

**MINUTES**  
**TOWN OF QUARTZSITE**  
**SPECIAL MEETING OF THE COMMON COUNCIL**  
**TUESDAY, JUNE 30, 2015, 1:00 PM**

**CALL TO ORDER:** 1:00 p.m.

**INVOCATION:** None

**PLEDGE OF ALLEGIANCE:** Led by Council Member St. Germain.

**ROLL CALL:**

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

Council Member Davidson appeared telephonically.  
Council Member Orgeron was seated on the dais at 1:07 p.m.

**STAFF PRESENT:** Skylor Miller, Town Manager; and Tina Abriani, Town Clerk

Susan Goodwin, Town Attorney, appeared telephonically.

The Mayor announced that the third item on the agenda would be changed to the last item on the agenda.

**ADMINISTRATIVE ITEMS:**

- 1. TENTATIVE BUDGET – Review and consider adoption of the Tentative Budget for Fiscal Year 2015-2016 and proposed Expenditure Limitation for the same year.**

Town Manager Miller stated the proposed FY 15-16 Tentative Budget and the proposed FY 15-16 Expenditure Limitation contain modifications that reflect the changes requested by the Council at the last regular Council meeting.

Council Member Orgeron took his seat on the dais at 1:07 p.m. and stated that he is in attendance at the meeting.

Town Manager Miller noted the Town's utility field will not be green this year as the water costs were not in the budget.

He said the wastewater treatment plant loan revenues and expenditures have been placed in the budget, in addition to addition of \$200,000 for future expansion of the wastewater system, to add additional lines, pending the wastewater treatment plant expansion.

Town Manager Miller explained the Town has not yet been billed by Love's for the Love's water line, so that money must be held over; but, the revenue was in FY 14-15.

The Mayor asked about the shifting of personnel from Utilities to Public Works and expressed his concern that Utilities may not have needed as many personnel last year as it does now.

Town Manager Miller explained there is now a timeshare of personnel to the various departments.

The Mayor asked how payroll was expensed last year.

Council Member Orgeron asked if anyone has physically left one department and is now reassigned permanently to another department

Town Manager Miller explained the answer is no because the employees' payroll is being allocated out different budgets based on the percentage of time spent in each department.

There was discussion regarding the HURF debt having been incurred over a ten-year period.

The Mayor noted the rate payers are paying larger fees due to the debt to HURF.

Other Services and Miscellaneous allocations were discussed as well as separating them for clarity.

The Mayor said federal requirements for grants require allocation of time to be broken out by departments.

Chief Renfro spoke regarding radios and radio services.

There was a discussion of the Transit Budget and 5310 and 5311 grants.

The \$45,000 Capital Lease allocation was reviewed.

The Expenditure Limitation Calculation was reviewed. Town Manager Miller stated, with the Capital Improvement Projects, the total expenditure calculation is \$14,102,463 for the year.

Council Member Orgeron moved to adopt the Tentative Budget for the Fiscal Year 2015-2016 and the proposed Expenditure Limitation for the same year. Council Member St. Germain seconded the motion.

Council Member Davidson asked for a roll call vote.

**ROLL CALL VOTE: MOTION PASSED (summary: Yes = 5, No = 2, Abstain = 0).**

**Yes:** Vice Mayor Simpson, Council Member Kelley, Council Member Warner, Council Member Orgeron, Council Member St. Germain.

**No:** Mayor Foster, Council Member Davidson.

**2. INTERGOVERNMENTAL AGREEMENT (IGA) WITH ARIZONA DEPARTMENT OF REVENUE FOR SALES TAX COLLECTIONS – Review and consider adoption of an IGA with the Arizona Department of Revenue for the administration, collection, audit, and licensing of transactions privilege taxes, use taxes, severance taxes, jet fuel excise and use taxes and rental occupancy taxes imposed by the State and the Town.**

Town Manager Miller said this agreement has been reviewed and is the final product of a negotiation with representatives from the League of Arizona Cities and Towns and representative municipalities with State officials.

**Council Member Orgeron moved** to approve the IGA with the Arizona Department of Revenue for sales tax collections, and **Council Member Kelley seconded** the motion. The vote was unanimous. **Motion Passed.**

**3. TOWN LAND LEASE AGREEMENT - Discussion and Possible Approval of a Ground Lease with Ed Options for Property located at 560 Coyote Street, Quartzsite, AZ.**

*This item was moved to follow Item #4 by the Mayor's direction.*

**4. QUARTZSITE FINANCE POLICIES AND PROCEDURES – Review and consider adoption of Resolution No. 15-09 approving the Quartzsite Finance Policies and Procedures (2015).**

Mayor Foster noted this was a deficiency in the Town's last audit.

Town Manager Miller said Town staff has been working on the document for the better part of a year and it has been reviewed by the Town Auditor and the auditing consultant. He said if the document is approved, the Town will meet its requirements for adopting a formal operations guide as directed by the Town Auditor and the Town will not have this finding on FY 14-15's audit report.

Town Manager Miller said the document should contain the fact that should there be any discrepancies between this document and the Town Code; the Town Code will take precedence.

Vice Mayor Simpson pointed out an error on page 21. He noted that under regarding Professional and Technical Services, it read, "Provisions of the Town Code will not apply to professional or technical services."

Town Manager Miller said the word 'not' will be removed and recommended that the Council approve the document with the amended language.

The Mayor stated he needed to have Interfund Transfers approved by the vote of Council either when they happen or to be reported to the Council on a quarterly basis for the Council's vote. Town Manager Miller said he would ask the auditors how to address that.

TM Miller requested that a motion be made to approve, as amended, with the direction to add the additional section.

Council Member Orgeron suggested that the status of the Budget be an agenda item on a quarterly basis.

The Mayor said he would like the document changed before he signs the resolution.

Town Manager Miller said he would not like to see the need for written financial policies on the list of findings in the next audit.

The Mayor ordered staff to prepare the questions as directed.

The Mayor asked how long it would take to have those changes completed.

Town Manager Miller replied that he would start immediately by discussing the matter with the Town's accounting consultants, and as soon as possible, bring it back to the Council.

**Council Member Orgeron moved** to adopt Resolution 15-09, approving the Quartzsite Finance Policies and Procedures 2015, along with the directed changes, and **Vice Mayor Simpson seconded** the motion. The vote was unanimous.

Council Member Orgeron said that for Item 3 moved to the fourth item, he recused himself.

The Mayor said the next item on the agenda was:

**TOWN LAND LEASE AGREEMENT - Discussion and Possible Approval of a Ground Lease with Ed Options for Property located at 560 Coyote Street, Quartzsite, AZ.**

The Mayor said, for the record, that Council Member Orgeron recused himself due to a financial interest in the agenda item.

The Mayor stated that Ed Options wished to change some definitions and called Council Member Orgeron to the podium in the audience.

Council Member Orgeron stated everything about the lease was satisfactory other than it does not state in the lease what the Town owns as compared to what Ed Options owns. He said Ed Options would like it to have defined, in the lease, what the ground lease is and the fact that everything other than the dirt does belong to Ed Options.

Town Manager Miller stated that Ed Options would like the addition of a definition to Section 2 to say ground lease means the Town leases only the barren land, as all improvements are property of Ed Options High School.

Town Attorney said that is fine and suggested that the blanks in the lease be filled, such as the number of acres and the specific address or some physical address. She also suggested that Exhibits A and B be attached to the lease.

**Council Member St. Germain moved** that the Council vote on the Town Land Lease Agreement between the Town of Quartzsite and Ed Options Charter High School located at 560 Coyote Street, Quartzsite, Arizona. **Council Member Warner seconded** the motion. The vote was unanimous. **Motion Passed.**

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

**ADJOURNMENT:** 2:26 p.m.

**CERTIFICATION:**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of June 30, 2015, of the Town Council of Quartzsite, Arizona, held on June 30, 2015.

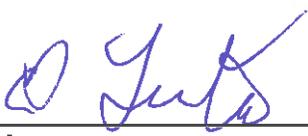
I further certify that the meeting was duly called and held and that a quorum was present.

DATED this 14<sup>th</sup> day of July 2015

  
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Tina M. Abriani, Town Clerk

On behalf of the Common Council

Approved:

  
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Ed Foster, Mayor