

**MINUTES OF THE
REGULAR MEETING OF THE COMMON
COUNCIL OF THE TOWN OF STAR VALLEY**

**Tuesday, August 7, 2018 at 6:00 pm
3675 East Highway 260, Star Valley, AZ
(Star Valley Town Hall)**

The Agenda for the meeting is as follows:

- PRAYER was offered by Pastor David Burge of Shepherd of the Pines Lutheran Church.
- PLEDGE OF ALLEGIANCE
- CALL TO ORDER

- ROLL CALL:

Mayor McDaniel X, Vice Mayor O'Connor excused, Council Member Coon X, Council Member McKinney X, Council Member Davis X, Council Member Stephenson excused, Council Member Armington X.

- **GILA COUNTY SHERIFF'S OFFICE REPORTS FOR JUNE AND JULY 2018**

Lt. Scott with the Gila County Sheriff's Office gave the reports for June and July 2018.

- **CONSENT AGENDA ITEMS:**

All items listed under the Consent Agenda will be voted on with one motion. If discussion is desired regarding any Consent Agenda item, that item will be removed from the Consent Agenda and voted on separately.

A. Approval of the minutes from the Regular Council Meeting held on July 17, 2018.

B. Approval of Claims Payable from July 16, 2018 through July 31, 2018 for the General Fund and for the Water Department.

A motion to approve consent agenda items A and B was made by Council Member Coon and was seconded by Council Member Davis.

A roll call vote was taken:

Mayor McDaniel X, Vice Mayor O'Connor excused, Council Member Coon X, Council Member McKinney X, Council Member Davis X, Council Member Stephenson excused, Council Member Armington X.

The motion was voted on and passed 5 - 0.

- **DISCUSSION ITEMS:**

1. **Discussion and possible action regarding a contribution to “Friends of Tonto Natural Bridge State Park.” Presentation by Linda Hamman.**

Linda Hamman stated she is here on behalf and representing “The Rim Country Friends of the Tonto Natural Bridge” who are dedicated to protecting, promoting and insuring access to the bridge. She is asking if the Town of Star Valley would like to be a sponsor to the “Taste at the Bridge” annual fundraiser being held on September 15, 2018. It’s a very nice evening with food, entertainment, and auction items, reported Ms. Hamman. Their mission is to ensure the bridge remains open and enhance it for current and future generations. The visitation numbers have grown to 150,000 visitors per year, reported Ms. Hamman. Some of the enhancements they have made are: replacement of the pedestrian walkway, ADA accessible view-points, monument sign on Highway 87, ramadas, picnic tables, user friendly restrooms, flagpole, kiosks, and most recently the contribution of tables & chairs for events. They are cautious to use the funds wisely, stated Ms. Hamman. Council Member Armington asked if the rooms have also been renovated. Ms. Hammam replied the rooms have been renovated and are rented out for gatherings. Council Member Coon asked if the attendance is steady. Ms. Hamman responded the attendance numbers are increasing every year and have grown to an estimated 150,000 visitors this year. Council Member Davis commented the bridge would have been closed if not for the “Friends of Tonto Natural Bridge”. Mayor McDaniel asked what the Town had contributed last year. Town Manager Grier answered \$500.00.

A motion to approve a monetary contribution to the “Taste at the Bridge” fundraising scheduled for September 15, 2018 in the amount of \$500.00 was made by Council Member Davis and was seconded by Council Member Armington.

The motion was voted on and passed 5 - 0.

2. **Discussion and possible action regarding canceling the August 21, 2018 and September 4, 2018 Regular Council Meetings.**

Town Manager Grier explained it would be difficult to have a quorum on August 21 since most of the Council will be attending the 2018 League Annual Conference. The following meeting is the day after Labor Day and many times people are still on their Labor Day vacation. Mr. Grier suggested both meetings be canceled and reported that a Special Meeting will be held on Tuesday, September 11 to canvass the vote.

A motion that the Regular Council Meetings of August 21, 2018 and September 4, 2018 be canceled, and that the next Regular Council Meeting will be held on Tuesday, September 18, 2018 and a Special Meeting will be held on Tuesday, September 11, 2018 was made by Council Member Coon and was seconded by Council Member Davis.

The motion was voted on and passed 5 - 0.

3. **Discussion and possible action regarding employee benefit review presented by Town Manager Grier.**

Town Manager Grier stated he would like to take some time on this agenda item to clarify some of the employee benefits. The benefits that were first put in place were an allotment of \$950 per month for employees to put towards health, dental, vision & life insurance that has not been revisited for twelve years, reported Mr. Grier. Due to rising healthcare costs the employees today are getting 39.94% less insurance benefits available to them than the employees of 2005. We are not raising benefits, but merely putting today’s employee in the same position that the 2005 employee was in. Explained Mr. Grier, the

Town has very few health insurance options because of the small number of employees and has a grandfathered-in Blue Cross Blue Shield health insurance policy that has increased 39.94% since 2005. Unlike larger towns and cities, we don't have the option to shop around and we are too small to join in with any groups such as the Town of Payson. Mr. Grier reported the \$950.00 allotment of today's employee is eaten up by health insurance alone and admitted he should have come to Council on behalf of the employees many years ago. None of the employees have dental insurance and Finance Administrator Nutt has vision insurance, reported Mr. Grier. The Town has allowed employees to take the surplus from health insurance and roll it into a life insurance annuity that can't be accessed until age 72. The reason for this, explained Mr. Grier, there is not enough money for a dental insurance plan as the \$75.00 surplus available does not provide sufficient coverage.

Town Manager Grier clarified the employee manual gives the Town Manager the discretion to determine which employee has what benefit and when and stated that it isn't appropriate to give the same amount of insurance benefit to a full-time employee that has not worked for the Town as long as other full-time employees. It is also not always best for the employee, stated Mr. Grier. For an employee such as Town Clerk Chapin who has not been working for the Town quite as long as the other employees Mr. Grier stated he is not going to give the same amount of benefit and look at raises as well. It became a bit of an either/or situation, stated Mr. Grier. Ms. Chapin, reported Mr. Grier, has been a great employee and has done everything that we have wanted and more and has had a 40% increase in pay since day one. As he was not willing to give both, explained Mr. Grier, Ms. Chapin chose the pay increase and so is not included in the package being proposed. Mr. Grier stated he believes it is appropriate that not all employees are treated the same and that an increase of income is a better benefit for some employees.

Town Manager Grier stated that he looks at the benefit package as something that will keep the Town employees around and make it more difficult for them to leave and firmly believes that today's employees are part of the secret of Star Valley being successful. If we lose an employee, we will likely replace that employee with more than one employee and probably not with the same quality, disclosed Mr. Grier. It is a benefit for the Town to be able to keep today's core group of employees. Increasing the benefit to today's employee puts them in the same place as the 2005 employee, reiterated Mr. Grier. The employee can choose whether their surplus allotment goes to the life insurance annuity or a dental plan/health savings account. Mr. Grier reiterated and clarified that he has discretion as to what benefits an employee gets and when. Mayor McDaniel asked what the bottom line is. Mr. Grier answered the fiscal impact for three employees is \$13,660 annually. Council Member Armington asked about putting in verbiage or a percentage to be automatic so this does not have to be re-visited year after year. Town Manager Grier answered it's been an average over the years of 3.7% but that he does not know if the rise of healthcare costs will continue at that average. Council Member Davis stated it's a no-brainer and he would like to see Council review this at least annually. Mayor McDaniel agreed with an annual review so as not to get further behind. Our four employees do an outstanding job and it is not fair to them, commented Council Member Davis. Council Member Coon stated he would like to see it handled annually and keep it updated. Council Member McKinney stated he appreciates the flexibility of negotiating with an individual employee and not squishing everyone into one plan regardless of their needs and agrees with his colleagues.

A motion that the employee health benefit package be increased from \$950 per month to \$1,330 per month for eligible employees, and employee eligibility for health benefits will be at the discretion of the Town Manager and that the health benefit package be reviewed on an annual basis was made by Council Member Davis and was seconded by Council Member Coon.

The motion was voted on and passed 5 - 0.

- **COMMENTS FROM THE PUBLIC**

During this portion of the meeting, members of the public may address the Town Council on items that are not on the printed agenda. Any remarks shall be addressed to the Council as a whole and not to any individual member. Speakers are limited to three (3) minutes per person unless additional time is granted by the Mayor. The Council may not discuss or act upon matters raised during public comments.

The Mayor opened this portion of the meeting up for public comments.

Sharon Rappaport of 699 E. Highline Drive in Star Valley stated it is important that employee benefits not appear arbitrary – there should be standards according to length of employment/salary level – and agrees that employee benefits should be reviewed annually.

There were no further comments and the Mayor closed this portion of the meeting.

- **ADJOURNMENT**

**A motion to adjourn the meeting was made by Council Member Davis and was seconded by Council Member Armington.
The motion was voted on and passed 5 – 0.**

APPROVED:

Ronnie O. McDaniel, Mayor

Date: _____

ATTEST:

Edie Chapin, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Star Valley held on the 7th day of August 2018. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 9th day of August 2018.

Edie Chapin, Town Clerk