

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

**Tuesday, February 5, 2013 @ 6:30 pm
3675 East Highway 260, Star Valley, AZ
(Star Valley Town Hall)**

x

The Agenda for the meeting is as follows:

- CALL TO ORDER
- PRAYER was offered by Pastor Rich Richey of Payson Church of the Nazarene
- PLEDGE OF ALLEGIANCE
- ROLL CALL:

Mayor Rappaport X, Vice-Mayor Newland X, Council Member Hartwell X, Council Member Binney X, Council Member Coon X, Council Member Leis X, Council Member Henderson X.

- **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 Special Meeting held on January 11, 2013, and the minutes from the Regular Council Meeting held on January 15, 2013.

B. Approval of Claims Payable from January 1, 2013 through January 31, 2013, for the General fund and for the Water Department.

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

A roll call was taken:

Mayor Rappaport X, Vice-Mayor Newland X, Council Member Hartwell X, Council Member Binney X, Council Member Coon X, Council Member Leis X, Council Member Henderson X.

The motion was voted on and passed 7-0.

- **DISCUSSION ITEMS:**

1. Update on status of the Town Special Survey and the CDBG Grant re: Milky Way Well Site Project.

Town Manager Tim Grier stated Arizona Department of Housing (“ADOH”) has informed the Town that the special survey results are acceptable, and the subject area of the survey is low to moderate income. Town Manager Grier expressed his appreciation to the council members and Water Operator Robert Rippey who participated in going door-to-door. Town Manager Grier also acknowledged the many

hours invested by Town Clerk Lois Johnson in this project. Mr. Grier stated that he has made at least six trips to ADOH in connection with this grant.

Town Manager Grier pointed out that even though successful completion of the survey was a big hurdle, the real work is just beginning on the grant. The money is available to start the project as soon as the ERR is approved, but at this time CAG is not able to guarantee they have an administrator to administer the project. Mr. Grier stated he has scheduled a meeting for February 11th with CAG's interim director Al Larson, and hopefully this issue will then be resolved. ADOH has expressed its concern over whether or not a grant administrator is in place. Mr. Grier stated the project will go forward, but he wanted the Council to be aware of the still existing problems.

Town Manager Grier stated CAG and the Town are starting to work on the 2013/2-14 CDBG grant application. The first public hearing is scheduled for March 5, 2013.

Mayor Rappaport expressed his personal appreciation the residents in Star Valley that participated in the survey.

2. Discussion and possible action regarding changing the Town Council meeting time from 6:30 p.m. to 6:00 p.m.

Council Member Hartwell stated she would like the meetings to start earlier so they don't run so late. Ms. Hartwell stated she would like them to start at 5:30, and if that is not possible then at 6:00. Council Member Binney stated 5:30 would not work for him, but he could "live with" 6:00.

A motion that the Council authorize changing the Town Council Meeting time from 6:30 p.m. to 6:00 p.m., effective February 19, 2013, and the Town Attorney is directed to prepare the proper resolution incorporating this change, was made by Council Member Hartwell, and was seconded by Council Member Henderson.

The motion was voted on and passed 7-0.

3. Discussion and possible action regarding the formation of a Budget Committee for fiscal year 2013/2014.

Town Manager Grier stated it is getting close to budget time again. Mr. Grier pointed out that during the past several years the Council has had the experience of preparation of the budget both with and without a budget committee. Mr. Grier stated it does not matter to staff whether or not a budget committee is utilized in preparation of the upcoming budget, but he believes Council should make the decision on whether or not to form a budget committee.

Council Member Henderson stated she does not see the benefit of a budget committee after the experience of Council input as was done last year. Town Manager Grier stated he personally prefers Council participation too. Mr. Grier stated this year's budget would be similar to the one created last year and will again include contingency funds.

The Council Members discussed this issue and expressed their satisfaction with proceeding without a budget committee. Council Members Hartwell and Coon expressed their satisfaction with the excellent job town staff has done in preparing the budget over the past several years.

A motion that the Council not authorize a budget committee, but rather use Council participation in preparation and completion of the Town's 2013/2014 budget was made by Council Member Leis, and was seconded by Council Member Coon.

The motion was voted on and passed 7-0.

4. Discussion and possible action regarding selecting a bid for funding a project to improve and increase water production at the Milky Way well site.

Town Manager stated this item was also on last meeting's agenda, and since that time several more bids have been received by the Town.

Water Department Manager Robert Rippy directed Council to the four bids that have been received for replacing the pump at the Milky Way well site. Two of the bids were from companies in the Valley, and two bids were from local companies. Mr. Rippy stated his personal recommendation is Central Arizona Pump, since the Town has already establish good rapport with them and they have proven they "go above and beyond" and can be relied on even after hours. Mr. Rippy pointed out there is approximately \$900.00 difference between Aero Drilling and Central Arizona Pump; and pointed out this is due to the difference in size of wire recommended by the two companies.

Council Member Binney expressed his concern that if the lowest bidder (Aero) is not awarded the contract, then Aero will not be inclined to submit a bid on any project in the future. Water Department Manager Rippy stated his concern that Aero would ultimately charge more as it tends to not follow through completely. Town Manager Grier stated the language in awarding bids is "the lowest responsible, reasonable bid", so the lowest bid is not always the winner, but rather the "lowest, best bid." Mr. Grier stated staff recommends Central Arizona Pump based on his discussions with Mr. Rippy. Council Member Binney stated he was not opposed to Central Arizona Pump, but is concerned that in the future the other three bidders will not submit a bid since the lowest bidder did not receive the bid. Council Member Binney expressed concern that each of the bidders was not bidding exactly the same way. Mr. Rippy stated each of the three new bidders received a copy of what Central Arizona originally bid, so they were all bidding on the same equipment and materials.

Council Member Hartwell stated if Mr. Rippy has found Central Arizona Pump to be more reliable, then she feels the Council should go with Central Arizona Pump. Council Member Leis expressed that the Council now has an expert managing the water system (Mr. Rippy), and it should rely on his expertise and experience.

A motion that the Council authorize the Town Manager to accept the bid from Central Arizona Pump in the amount of \$7,649.08 for the improvement necessary at the Milky Way well site to increase water production at the well site was made by Council Member Leis, and was seconded by Council Member Binney.

The motion was voted on and passed 7-0.

5. Discussion and possible action regarding maintenance and upkeep of the fire system and fire pump located at the Knolls well site.

Water Department Manager Robert Rippy stated fire pumps are very expensive, and that a full rebuild kit costs approximately \$1,600.00, with repacking alone \$539.00 and that within the last ten months he has already had to repack the pump once. Mr. Rippy estimates an annual repacking expense for this pump. Mr. Rippy stated his plan is to purchase a rebuild kit, and then replace the parts as they are used. It takes approximately 4 hour to repack the pump, so it costs the town approximately \$100.00 for labor. Mr. Rippy also stated the cost of a full repair kit for a hydrant is \$800.00, it would take approximately 8 hours to rebuild, plus paint is \$100.00 per gallon for a fire hydrant. In all, Mr. Rippy stated it is his estimate that it would cost approximately \$2,000.00 per year for hard parts to maintain the current fire system at the Knolls well site.

Town Manager Grier summarized the issue under discussion is whether Star Valley should be responsible for expenses involved with fire protection. Mr. Grier stated a previous discussion had been held with Larry Cory, who is present at this meeting, and with Chief Hatch, and some discussion was held at that meeting concerning the APS and water expenses. Mr. Grier suggested an option on this issue would be for the Town to pay for the labor, as well as continue to absorb the APS and water usage costs,

and then Hellsgate pay for the materials for repair and maintenance of the pump. Mr. Grier stated this is a policy decision for the Council and it can choose to bear the entire cost of fire protection or none of the costs. Mr. Grier stated the Council needs to decide if the Town should subsidize all of the cost and pay for the pump and parts. Mr. Grier stated staff's position is "No", and that Hellsgate should contribute to this cost.

Council Member Coon asked who was responsible for these costs prior to the Town purchasing the water company. Town Manager Grier stated it was the responsibility of Brook Utilities, however, it did not change Hellsgate anything nor did it do any maintenance on the fire pump. A legal case between Brook and Hellsgate determined that Brook was only responsible for potable water, not for fire protection. This means the Town is also not responsible for fire protection, but the Town can decide if it wants to be responsible. Mr. Grier encouraged working with Hellsgate to reach an agreement on this issue.

Discussion was held concerning possible additional repairs and the anticipated cost thereof. Council Member Hartwell stated she believed the numbers set forth by Mr. Rippy are "common sense numbers," and that for the present the Council should focus on the immediate problem since no one knows what the future holds. Council Member Binney stated his problem with all of this is that Hellsgate imposes a fire district tax on the residents of Star Valley, and that many Star Valley residents are upset about this tax and how it is being spent. Mr. Binney further stated the Town's budget does not provide for fire protection, and stressed that the Town should not be involved with maintenance of fire hydrants.

Larry Cory, member of the Board of Hellsgate, stated if the fire pump in the Knolls well site were to go down, Hellsgate would serve it with tenders, there would be no loss of fire protection. Mr. Cory stated his understanding of this situation is consideration is being given to the cost of providing fire protection for the Knolls area and "6 fire hydrants." Mr. Cory stated he is in favor of "putting costs where they belong." Mr. Cory stated he would like to see everyone get together and work through this issue, but Chief Hatch is currently out of state. Mr. Cory stated Hellsgate does not have unlimited funds; the 2010 assessed value of the fire district was \$32,000,000, and the current assessment is \$23,000,000. Mr. Cory defended the purchase of new trucks due to the older trucks' maintenance was becoming excessive.

Fred Horton, member of the public and also member of the Board of Hellsgate, stated he agreed with Mr. Cory's statement concerning trucks, and pointed out that property value has already dropped again, and that it will drop again next year.

Council Member Hartwell requested that focus return to the agenda item. Ms. Hartwell stated she was in agreement with Mr. Cory's recommendation that a meeting of the Town and Hellsgate be held to get more information for both parties and that a decision should not be made at this Council meeting tonight. Ms. Hartwell stated her current position is that Hellsgate should pay for the parts, and the Town would provide labor through Mr. Rippy.

Larry Cory responded that Chief Hatch really needs to be present to answer certain questions. Mr. Cory stated a meeting between Hellsgate and the Town would be advisable. Mr. Cory stated a possibility to consider is taking the Knolls out of the "mix."

A motion that this issue be tabled until the March 5, 2013 meeting was made by Council Member Hartwell, and was seconded by Council Member Leis.

The motion was voted on and passed 7-0.

- **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.

There were no public comments.

- **ADJOURNMENT**

A motion to adjourn the meeting was made by Council Member Binney, and was seconded by Council Member Leis.

The motion was voted on and passed 7-0.

APPROVED:

William S. Rappaport, Mayor

Date: _____

ATTEST:

Lois V. Johnson, 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 5th day of February, 2013. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 15th day of February, 2013.

Lois V. Johnson, Town Clerk