

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

**Tuesday, August 4, 2015 @ 6:00 pm
3675 East Highway 260, Star Valley, AZ
(Star Valley Town Hall)**

The Agenda for the meeting is as follows:

- CALL TO ORDER
- PRAYER was offered by Minister Ken Davidson of Church of Christ in Payson
- PLEDGE OF ALLEGIANCE
- ROLL CALL:

Mayor McDaniel X , Vice-Mayor Binney X , Council Member Hartwell X , Council Member Henderson X , Council Member Coon X , Council Member McKinney X , Council Member O'Connor 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 Regular Council Meeting held on July 21, 2015.

B. Approval of Claims Payable from July 16, 2015 through July 31, 2015, 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 Henderson.

A roll call was taken:

Mayor McDaniel X , Vice-Mayor Binney X , Council Member Hartwell X , Council Member Henderson X , Council Member Coon X , Council Member McKinney X , Council Member O'Connor X .

The motion was voted on and passed 7 - 0.

- **DISCUSSION ITEMS:**

1. Town Manager's Five Minute Report, and possible discussion.

Town Manager Grier acknowledged the return of Vice-Mayor Binney after his surgery and continued recuperation.

Town Manager Grier reported that the bid documents for Sprague Crossing should be completed by the end of the week, contractors will have 3 weeks in which to submit their bids, and it is anticipated

the project will proceed quickly. Mr. Grier stated the final plans on the park bathrooms are now done and will be put out to bid. Mr. Grier stated the CDBG #2 project is progressing and the tanks have been ordered and will be delivered soon. Town Manager Grier reported that the Mediation Committee was scheduled to meet on Friday, August 7th to review the code compliance/complaint files. Mr. Grier reported that Council Member O'Connor had observed a portion of photo enforcement court date, and he encouraged other council members to do likewise.

Town Manager Grier cautioned that there may be additional unexpected expenses with the Sprague Crossing Project, as well as the park bathrooms and the CDBG projects.

2. Discussion and possible action concerning Resolution No. R 15-22 captioned as follows: A Resolution of the Town Council of the Town of Star Valley, Arizona approving and authorizing the Mayor to execute an Intergovernmental Agreement (IGA) between the Town of Star Valley and Gila County for rural addressing. Tom Homan, GIS Coordinator of Gila County, will make presentation.

Town Clerk Lois Johnson informed the Council that she had received a request from Gila County Finance Department to pull this agenda item. The county is going to review the agreement and decide what would be the proper amount to charge the Town for the rural addressing service.

3. Investment update by Dave Long of Stifel Nicolaus (appearing telephonically).

Town Manager Grier stated the Council is charged with maximizing the interest return on money in cash reserve, while maintaining a certain amount of liquidity, and the soundest investment determined by the Town Manager and Financial Administrator is laddered cds. No cd exceeds \$250,000, and they are purchased from different entities. Town Manager Grier stated this form of investment will exceed the interest previously earned on the LGIP account.

Town Manager Grier directed the Council's attention to the brochure provided by Dave Long of Stifel Nicolaus. Mr. Grier stated he personally knows Dave Long and will vouch for his integrity and knowledge. Since the Town has invested \$2.5 million with Stifel Nicolaus, Mr. Grier wanted the Council to be introduced to Mr. Long and direct to him any questions they may have. Mr. Grier explained the reason Mr. Long is not charging the Town any fees is that he wanted to establish the Town as a client, and that the broker do get a discount on the purchase of the cds so in essence they do earn some income from those cds. The previous broker had proposed to charge a service fee plus getting the discounts.

Dave Long introduced himself (via telephone) to the Council and gave a brief history of his personal background and experience in the financial field. Mr. Long stated he has been in the financial field for 30 years this September. Mr. Long pointed out the Town's investment account is "very simple," it is federally regulated, and his company will not make much money on the account. Mr. Long confirmed that his company will charge no commission and no management fee, which will save the Town \$5,000 to \$6,000 a year. Mr. Long assured the Council he is familiar with the Arizona regulations on municipal investments and will abide by same.

Mr. Long offered answers to several questions Council Member McKinney had concerning the report presented by Stifel Nicolaus. In response to Council Member McKinney's question regarding a cd that is scheduled to mature within the month, Mr. Long stated he would discuss with the Finance Administrator to determine when it would be best to have the money come in, and then he would locate another bank and buy another cd (at face value or cheaper) which would culminate in a higher yield at maturity than the coupon reflects. When Council Member McKinney suggested a new cd could be for a longer period, Mr. Long cautioned that the Town should ask where interest rates will be after the election in 2016. Mr. Long stated the Town should not consider cds that go out beyond 2019 or 2020, and further

stated that everyone knows interest rates are going to go up. Mr. Long stated it would be in the Town's best interest to stay "short" for another year and a half.

5. Discussion and possible action concerning authorizing a "Water Slide Day" at the B. Diane McDaniel Community Park.

Vice-Mayor Binney stated he owns an inflatable water slide and would like to offer it to the Town for one day at the B. Diane McDaniel Community Park. The Town would be responsible for insurance, water, electricity, and advertising. Mr. Binney stated the water slide would be put on the grassy area, and the water would be released onto the grass at the end of the day. Mayor McDaniel expressed his support of the plan, but that supervision of use would be required. Town Manager Grier stated he would have to contact Southwest Risk, the Town's insurance carrier, to ascertain what coverage would be needed and the cost thereof.

Mayor McDaniel stated he was also in favor of inflatable bounce houses. Town Manager Grier stated the Town would have liability exposure and could be named as a co-defendant in a lawsuit if injury occurred on the bounce house.

Vice-Mayor Binney stated he would personally supervise the use of the water slide, and Mayor McDaniel stated he would be present also.

A motion that the Council approve using the water slide for one Sunday in August at the B. Diane McDaniel Community Park, on the condition Southwest Risk gives a reasonable amount for the required insurance, with the Town Manager to make the decision on the insurance, was made by Vice-Mayor Binney, and was seconded by Council Member McKinney.

The motion was voted on and the vote was 5 – 2.

A roll call vote was then taken:

Mayor McDaniel Yes, Vice-Mayor Binney Yes, Council Member Hartwell No, Council Member Henderson No, Council Member Coon Yes, Council Member McKinney Yes, Council Member O'Connor Yes.

The motion passed 5 - 2.

There was further discussion regarding insurance coverage, advertisement of the event, the hours of operation for the slide would be 10:00 to 3:00, and adequate supervision of the event. Town Manager Grier summarized that it was his understanding the Council want him to check with the insurance company to ascertain if they will provide coverage to the Town and if so at what cost, no staff will be required to assist with this event, Vice-Mayor Binney will be in charge of the event, time will be from 10:00 to 3:00, Town staff will contact KRIM and KMOG, and the advertising should be free, and that he will proceed accordingly.

• 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.

Teresa McQuerrey, of the Payson Roundup, asked if a date was going to be set for the Water Slide Day. Mr. Grier stated they would get with her on this. Ms. McQuerrey reminded the Council of the upcoming rodeo weekend of August 21 and 22.

- **ADJOURNMENT**

A motion to adjourn the meeting was made by Council Member Coon and was seconded by Council Member Hartwell.

The motion was voted on and passed 7 - 0.

APPROVED:

Ronnie O. McDaniel, 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 4th day of August, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 18th day of August, 2015.

Lois V. Johnson, Town Clerk