TUSAYAN TOWN COUNCIL REGULAR MEETING

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03
Wednesday, June 6, 2012 @ 6:00 P.M.
TUSAYAN TOWN HALL
845 Mustang Drive, Tusayan, Arizona

TOWN COUNCIL SUMMARIZED MINUTES

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the meeting to order at 6:05 p.m. and the Pledge of Allegiance was recited.

2. ROLL CALL

On roll call, the following were present:

MAYOR BRYAN	**COUNCILMEMBER FITZGERALD**
VICE MAYOR MONTOYA	**COUNCILMEMBER RUETER**
	COUNCILMEMBER SANDERSON
Also present were:	Tami Ryall, Interim Town Manager
	Laura Matthews, Interim Town Clerk

3. PUBLIC PARTICIPATION

None.

4. CEREMONIAL AND INFORMATIONAL MATTERS

A. Presentation from Kaibab National Forest – Draft Forest Land and Resource Management Plan.

Holly Kleindienst, Forest Fuel Specialist, Ariel Leonard, Forest Planner, and Nick Larson, Tusayan Ranger's District presented.

The USDA Forest Service, Kaibab National Forest Plan Revision, dated May 31, 2012 was distributed to the Council for review. The draft Forest Land and Resources Management Plan Revision is in its 90-day public comment period, which will end on July 18, 2012. The Forest Service Planning Team will review all comments and concerns, and make adjustments to the proposed forest plan. Some of the goals of the plan include:

1. Restoring the stand structure, density, and fire regime to frequent fire adapted forests;
2. Promoting aspen regeneration and establishment, which is in decline across the Southwest;
3. Restoring the historic extent of grasslands and improving grassland habitats; and
4. Protecting and restoring natural waters, which are centers of diversity in arid landscapes.

The draft plan recommends 22 areas totaling about 6,238 acres for wilderness designation. All are on the North Kaibab Ranger District.

Ms. Kleindienst, Forest Fuels Specialist, informed the Council of the Kaibab National Forest current fire season activity as of June 6, 2012; the U.S. Seasonal Drought Outlook; and a precipitation forecast for the area.

5. CONSENT AGENDA

A. Minutes of Regular Council Meeting of May 16, 2012.
B. Accounts Payable Billings.

Vice Mayor Montoya moved to approve the consent agenda. The motion was seconded by Councilmember Rueter and passed on unanimous vote.

6. COMMITTEE REPORTS

No items submitted.

7. ACTION ITEMS

A. Consideration, Discussion and Possible Approval of the renewal of the intergovernmental agreement for Municipal Court Services between Coconino County and the Town of Tusayan. Original intergovernmental agreement approved on February 15, 2012.

Councilmember Fitzgerald moved to approve the IGA renewal, seconded by Councilmember Sanderson. The vote passed on unanimous vote.

B. Consideration, Discussion and Possible Approval of the Town overseeing the Project Manager Contract for the Community Park Construction Phase I.

Andrew Aldaz, Grand Canyon Unified School District #4, explained that, at this point, the School District needs to re-hire an architect to prepare bid documents for Phase I of the Community Park, and plans to vote on the matter at their June 12, 2012 meeting. The architect will design all the individual items planned for the project, then the project will go out to bid with alternatives, depending on the funds available. There currently are not enough funds to complete Phase I.

Councilmember Sanderson said he is not in favor of Town funds being used toward a community garden as part of Phase I. He would like to see the Town Council have a little more control over which projects will be part of the first phase.

Mr. Aldaz continued by saying that if the project goes to construction, he will be hired by the School District to be the Project Manager. While remaining the contact between the Town and the School District, he does not want to be an independent contractor working for the Town. He will meet regularly with Interim Town Manager Ryall, and will keep the Council updated on significant developments.

Councilmember Rueter requested that an item be placed on the next Council agenda to set priorities for the use of Town funds for Phase I.

Mayor Bryan asked Mr. Aldaz to provide a letter from the School District stating the District's priorities for the use of Town funds. The letter should address where the Town's current commitment of $125,000.00 will be going.

Interim Manager Ryall noted that the Council has 60 days from the end of the fiscal year (June 30, 2012) to obligate funds in the current budget.

Mr. Aldaz stated that the sports court is the highest priority for the School District. Additional priorities will be developed by the Community Park Committee.

Clarinda Vail, who serves on the Community Park Committee, added that surveys conducted previously by the School District and Coconino County identify the sports court as the highest priority.

C. Move Regular Council Meeting of July 4, 2012 to July 3, 2012.

Vice Mayor Montoya moved to reschedule the Council meeting as considered. The motion was seconded by Councilmember Rueter and passed on unanimous vote.

8. DISCUSSION ITEMS

A. 2012/13 Budget Discussion and Possible Future Meetings.

George Pettit, Budget Consultant, explained that the Town of Tusayan falls under the Home Rule Option, meaning a balanced preliminary budget needs to be adopted by July 16, 2012. He went on to review the preliminary budget, including the changes that Council made at their May 30, 2012 Workshop.

A discussion ensued regarding the current tax rate, and the possibility of lowering it. Mr. Pettit said that the Council can do that, but that it is very difficult to get it back to the current level once it is lowered, and could possibly need voter approval. He asked the Council to consider what they envision for Tusayan's future; for example, a Town Magistrate, a Town Court, and Town Police Department. It is unknown what each of these would cost the Town.

Councilmember Rueter stated he does not want monies budgeted in 2012/13 for projects that will likely not happen in this budget year. He believes the budget should be realistic and accurately presented to citizens.

Mayor Bryan asked Interim Manager Ryall to research the NACOG CDBG grant program.

Mayor Bryan expressed his desire to create a capital reserve fund in addition to the operating reserve fund that already exists. Councilmember Rueter wanted his agreement to the above noted as he would not be at the next Council Meeting.

Council requested a recommendation from Interim Manager Ryall at the next meeting regarding reserve fund policies.

Council agreed with Interim Manager Ryall's suggestion to move the vehicle license tax from the general fund to the streets fund, thus connecting the revenues to like use expenditures.

The Town Council agreed to schedule a Budget Workshop for Tuesday, June 19, 2012, beginning at 4:30 p.m.

9. TOWN MANAGER'S REPORT

Interim Manager Ryall informed the Council that she has begun the recruiting process for a citizen to serve on the Planning and Zoning Commission. Because the Commission has pending projects to review, and proposed changes to the Town Zoning Code to move forward to the public comment period, Ms. Ryall asked for a Councilmember to volunteer to serve on the Commission until a citizen could be recruited. Councilmember Sanderson volunteered to serve as a Commissioner. Their next meeting and workshop is scheduled for Tuesday, June 26, 2012 at 6:00 p.m.

10. FUTURE AGENDA ITEMS

Council asked that the following items be placed on a future agenda:

A. **Update from Stilo Development, including an overview of projects with associated timelines.**

B. **Mayor's report on Wi-Fi.**

C. **Discussion and plan of action for Airport housing project.**

D. **Discussion to set Town priorities for Phase I of the Community Park, and to revisit the amount and timing of the Town's financial commitment to the project.**

11. COUNCILMEMBERS' REPORTS

12. MAYOR'S REPORT

13. MOTION TO ADJOURN

At 8:53 p.m., Vice Mayor Montoya moved to adjourn into Executive Session pursuant to A.R.S. Section 38-431.03.A3 - A.4 for; A) discussion and consultation with the Town Attorney in order to receive legal advice and give direction concerning a Settlement Agreement between and among Tusayan Water Development Association, Inc., Anasazi Water Company LLC, Hyrdo-Resources, Inc, the Arizona Corporation Commission Utilities Division, Tusayan Ventures LLC, Squire Motor Inns, Inc. and the Town of Tusayan; and, pursuant to A.R.S. Section 38-431.03.A.3 - A.4, B) for discussion and consultation with the Town Attorney in order to receive legal advice and give direction concerning a Separation Agreement between the Town of Tusayan and Enrique Medina Ochoa.

The motion was seconded by Councilmember Sanderson and passed on unanimous vote.

The Council reconvened back into their Regular Council Meeting at 10:17 p.m.

A. Consideration of a Settlement Agreement between and among Tusayan Water Development Association, Inc., Anasazi Water Company LLC, Hydro-Resources, Inc., the Arizona Corporation Commission Utilities Division, Tusayan Ventures LLC, Squire Motor Inns, Inc. and the Town of Tusayan.

Mayor Bryan and Councilmember Rueter recused themselves and did not participate in the discussion or vote on this item; Mayor Bryan because of his employment with Squire Motor Inns, Inc., and Councilmember Rueter because of his employment with Hydro-Resources, Inc.

Vice Mayor Montoya moved to accept the recommendations of the Town Attorney to approve the above stated Settlement Agreement. The motion was seconded by Councilmember Fitzgerald and passed on unanimous vote.

Mayor Bryan and Councilmember Rueter returned to the Council Meeting.

B. Consideration of a Separation Agreement between the Town of Tusayan and Enrique Medina Ochoa.

Mayor Bryan moved to approve the draft form Separation Agreement between the Town of Tusayan and Enrique Medina Ochoa, seconded by Vice Mayor Montoya. The vote was unanimous in favor. The Town Attorney will be responsible to obtain Mr. Ochoa's signature on the agreement.

There being no further business to come before the Council, the meeting was adjourned at 10:25 p.m.

MAYOR

ATTEST:

Laura Matthews
INTERIM TOWN CLERK

CERTIFICATION

State of Arizona)
) ss.
Coconino County)

I, Laura Matthews, do hereby certify that I am the Interim Town Clerk of the Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on June 6, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 12th day of July, 2012.

Laura Matthews
INTERIM TOWN CLERK