

COMMON COUNCIL OF THE TOWN OF PAYSON
MINUTES OF THE SPECIAL MEETING
June 6, 2006

CALL TO ORDER: Mayor Edwards called the meeting to order at 5:03 p.m. in the Town Hall Council Chambers, 303 North Beeline Highway, Payson, Arizona.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan "Su" Connell, Council Member Andy Romance, Council Member Mike Vogel, and Council Member John Wilson.

STAFF PRESENT: Silvia Smith, Town Clerk, Glenn Smith, Chief Fiscal Officer, Colin Walker, Public Works Director, LaRon Garrett, Public Works Engineer, Gordon Gartner, Police Chief, William Schwind, Parks & Recreation Director, Robert Smith, Human Resources Director, Jerry Owen, Community Development Director, Fred Carpenter, Town Manager, Samuel I. Streichman, Town Attorney, and Terry Morris, Library Director.

OTHERS PRESENT: Det. Van Camp; Della Bradley, Support Services Manager; Carol McCauley, Main Street/Redevelopment Area Manager; Tim Wright, Deputy Town Clerk; Diane Stoyer, Legal Department Officer Manager; Commander Engler, Donna Mienerts, Comptroller; and Gaye Stidham, Deputy Town Clerk.

1. **** Discussion/possible action concerning Resolution No. 2194, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AND AUTHORIZING GLENN W. SMITH, CHIEF. FISCAL OFFICER OF THE TOWN OF PAYSON, TO EXECUTE A CERTIFICATION OF BANKING RESOLUTIONS, AUTHORIZING BANKING SERVICES WITH JPMORGAN CHASE BANK, N.A., AND BANK SUBSIDIARIES THEREOF, AND DESIGNATING SIGNATORIES RELATING TO THE VARIOUS ACCOUNTS TO BE MAINTAINED AT JPMORGAN CHASE BANK, AND DECLARING AN EMERGENCY. **Addendum added 6/2/06.**

This was a housekeeping item to change the signatures on Town of Payson checks since there is a new mayor.

Vice-Mayor Fruth **moved, seconded** by Clmn. Wilson, to approve Resolution No. 2194 and declaring an emergency. **Motion carried, 7-0.**

2. **Presentation and status on the Event Center project.**

Fred Carpenter, Town Manager provided the background concerning the event center. Staff needed direction from the new council whether to lease or sell part of the event center property to be used for building a hotel conference center. Staff was requesting direction as to whether to proceed to develop a lease with Hospitality Support Group for the Payson Event Center Project and get back with Council for its consideration, or to

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proceed with a new RFP to allow sale of the property with appropriate deed restrictions for a hotel conference center. Mr. Carpenter provided in the agenda packet his Memorandum from the March 30, 2006, meeting which provided background on potential financing and improvements under the lease option.

There was considerable discussion regarding the project, with some council concerns regarding cash flow. Bruce Berris, Hospitality Support Group, was present to answer any questions. Mr. Berris believed the hotel would provide the revenue that would be needed to do the event center arena.

There were concerns regarding sale of the property which would require a new RFP, which meant a delay on the entire project. There was also some question as to whether there would be more responses.

Mr. Berris believed his hotel will help other hotels' business. Other hotel business was up mainly on the weekends. His hotel conference center would bring in business during the week because of conferences. One council suggestion was to get with the other hotel owners through the Chamber to get input.

Hilton Garden Inn will provide the hotel design criteria that will be matched to the marketplace. The town would review and approve it.

Tina Bruess, Chamber of Commerce, said she averaged 10 to 12 calls a month asking for meeting space.

The Hilton would be the designer and Mr. Berris said he would set up the builder. He had been talking with Amon Builders and Tetra Tech.

Clmn. Wilson moved to direct staff to proceed to develop a lease with Hospitality Support Group for the Payson Event Center Project and return to Council for consideration and possible action. Motion died for lack of second.

Clmn. Romance noted the lack of recommendation from the Green Valley Redevelopment Area Committee (GVRA) and strongly felt they should have input.

Mayor Edwards believed that council was another public meeting away from doing something. He requested the Mr. Berris convince the new people on the council and directed that the GVRA be involved also. It was council consensus that this needed to be done and that Carol McCauley would arrange for this at the special meeting of the GVRA on June 15, 2006. Mr. Carpenter will provide a copy of the feasibility study and financial pro forma (confidential), cash flow on lease options, and comparison of cash flow on the sale option.

There will be a special meeting on July 6, 2006, at 5:00 p.m. The GVRA will be invited to this meeting. Sam Streichman, Town Attorney, said that the agenda item concerning this issue would not be discussed or voted on at Thursday's meeting and confidentiality could be maintained.

The meeting recessed at 5:50 p.m.

The meeting reconvened at 6:02 p.m. with all council members present.

3. **Discussion/possible action regarding proposed Budget for FY 2006/2007, to include major capital improvements, consultant studies, Corporate Strategic Plan initiatives, town employee salary survey, funding for non-profit organizations in FY 06/07 and topics for subsequent budget study sessions. Materials will be distributed by the Finance Staff on or before Friday, June 2, 2006.**

Mr. Carpenter gave an overview of the budget process stating the budget adopted sets the upper limit the town could spend. The town determines which money comes in and then determines where it is spent. It was staff's duty to bring in a balanced budget.

Chief Fiscal Officer Glenn Smith gave the highlights of the budget using a PowerPoint presentation.

After considerable discussion, direction was given as follows:

Police Academy to be funded out of general fund instead of bed tax. Economic Development is more appropriate for bed tax.

Give a breakdown on \$68,000 overage at the event center. Find out how many jobs PREDC actually brought to Payson in the last four years.

Add clerical position to help Town Engineer LaRon Garrett (\$5,000).

Get fire district study from Chief Marty deMasi.

Can own workforce do streets? Investigate state statutes.

Give Mayor list of all vehicles (not equipment).

Keep PREDC funding because of new president who has new approach.

Regarding the event center, the county should be paying their fair share to use it.

Need stronger lobby in Globe.

Encourage council to funnel information to Glenn Smith as they go along.

ADJOURNMENT: The meeting adjourned at 7:10 p.m.

Date: _____

Bob Edwards, Mayor

ATTEST:

Silvia Smith, Town Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the Town Council of the Town of Payson held on this day the 6 of June, 2006. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____ day of _____, 2006.

Marcia F. Huffman, Chief Deputy Town Clerk