

**TOWN OF PAYSON
TOWN COUNCIL MEETING
MINUTES OF THE SPECIAL MEETING
July 6, 2006**

CALL TO ORDER: Mayor Edwards called to order the Special Council Meeting at approximately 3:00 p.m. in the Town Hall Council Chambers, 303 North Beeline Highway, Payson, Arizona.

PLEDGE OF ALLEGIANCE

PRESENT: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan 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, Fred Carpenter, Town Manager, Jerry Owen, Community Development Director, Samuel I. Streichman, Town Attorney, and Terry Morris, Library Director.

OTHERS PRESENT: Gaye Stidham, Deputy Town Clerk; Tim Wright, Deputy Town Attorney; Commander Don Engler; Marcia Huffman, Chief Deputy Town Clerk and staff from various departments.

PURPOSE OF MEETING

1. 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.

Clmn. Fruth voiced his concern about the spending extra \$800,000 from revenues on the projects proposed. He wanted to see more of the revenue go to streets. He did not support funding the completion of Fire Station 11's remodel. LaRon Garrett answered questions from the Council concerning current funding of the pavement preservation program drainage projects and sign replacement. Manager Carpenter said that \$421,000 would be enough for the first half of the Mud Springs Road project but it could be completed over two fiscal years. If the project was all done in one year, the only gain would be a month or two earlier completion.

Council Member Vogel suggested allocating \$200,000 of the extra revenue towards road projects. He suggested billing for Fire Department response outside the Town limits and using any excess amounts from contracts with outlying areas to fund the fire station remodel. Mike Winters, Fire Marshall, said the Department responded to 122 calls outside Town limits last year and 104 already this year. Billing insurance companies for these could produce approximately \$30,000 a year in revenue.

Motion: to allocate \$200,000 to finish the remodeling of Fire Station 11 so that it may be used properly.

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Moved by Council Member John Wilson, seconded by-1.

Motion: to allocate \$100,000 to the Fire Station 11 remodel. The motion was amended to allocate \$100,000 to be set aside from this budget to be added to \$100,000 from next year's budget plus any revenues collected through highway reimbursements and increases in collections from contracts with other communities. The motion was amended again to allocate \$50,000 to the Fire Station 11 remodel plus whatever funds were generated and collected through highway reimbursements and funds from contracts with other communities over the existing amounts with the remaining \$150,000 budgeted for streets.

Moved by Mayor Bob Edwards, seconded by Vice Mayor Tim Fruth.

Vote: Motion carried 6 - 1

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan Connell, Council Member Andy Romance, and Council Member Mike Vogel.

No: Council Member John Wilson.

Mud Springs Road improvements now tallied at \$431,000 would be accomplished over two years. Vice Mayor Fruth recommended detached walkways, two lanes and two bike paths for Mud Springs Road improvements. Mr. Garrett stated that one sidewalk on the west side is planned now as there is not a lot of room in the right of way.

Motion: to go ahead with the total completion of Mud Springs Road to Granite Dells in the FY 06/07. There would be \$71,000 to improve St. Phillips and the remaining \$800,000 to improve Mud Springs with any more needed in next year's budget.

Moved by Vice Mayor Tim Fruth, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

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

Motion: to increase dispatchers salaries to the market adjustment plus 10% for a total increase of 12.49%.

Moved by Vice Mayor Tim Fruth, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

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

Motion: to increase the salary by 10% of those police officers whose market study

increase was recommended at 9.68%.

Moved by Vice Mayor Tim Fruth, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

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

Motion: to increase those sergeant's salaries to 7% whose market study recommendation was 6.73%.

Moved by Vice Mayor Tim Fruth, seconded by Council Member John Wilson.

Vote: Motion carried 7 - 0

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

Motion: that all other employees receive a market adjustment, which shall be limited to the lesser of: \$6,750 per year; the amount that would make the employee's base wage \$70,000 per year; if any employee has been in his/her current position for less than 6 months, 2% of the employee's base wage or the amount required to bring the employee to the minimum of the pay grade; the amount that would take the person to maximum of his/her pay grade. Council Member Vogel moved to amend the motion from \$6,750 to \$8,000. Mayor Edwards gave his second to the amendment and it carried 7 - 0.

Moved by Mayor Bob Edwards, seconded by Vice Mayor Tim Fruth.

Council Member Wilson believed this would change the internal relationships with positions and not be a good change.

Larry Perna, Streets Department, had worked for the Town for 10 years. He noted that the first market study had shown them 14% under market. The previous Council had given them 7% and promised the remainder later. That did not happen.

Nelson Beck, Parks Supervisor, pointed out that although he understood the concept of caps, and this market study come out the same as any other in the past, the cap that was being imposed by the Council was subjective and not proposed by the market study. He asked where the justification was in ignoring the professional market study. He noted that some of the increases were so high was because previous market studies had been done but some people did not get full increases and fell even further behind. He argued that those that advanced or transferred into a new positions would be cheated out of their deserved increases. He asked them to base this on the facts they paid for rather than make a slash based on subjective opinion. He stated that in his 18 years with the Town, he had been prohibited from giving merit increases many times and now, with morale at one of the lower points in his experience, this was a kick to those people who had already been shown what their market adjustments should be. He asked them to make the full market adjustment.

Council Member Romance asked to eliminate 4a and to go ahead and implement the market study. He believed merit increases were a much more effective method.

Council Members Connell, Wilson, and Vogel agreed that the full market increases needed to be implemented.

Sgt. Matt Van Camp, 12 years with the Payson Police Department, asked if there were any cost of living increases in this increase. There were not.

Sgt. Rod Mamero has been with the Payson Police Department for 17 years and been through several market studies. He believed that the money was budgeted for full market increases and should be implemented. He stated the decisions the Council makes tonight will impact his retirement and other employees lives well past the tenure of this or any other Council. There has been no continuity of Council and no continuity of merit or market increases.

Albert Hunt, Street Department Supervisor, said two weeks ago, after the Council had voted to implement the market study, his department received what would be their raises. The Council changing their minds hit them hard. He told the Council that they had been asked to trust them and hoped the Council trusted his department to do their jobs also. He asked the Council to implement the full market study as they had previously voted.

Vote: Motion carried 6 - 1

Yes: Mayor Bob Edwards, Vice Mayor Tim Fruth, Council Member Ed Blair, Council Member Susan Connell, Council Member Andy Romance, and Council Member Mike Vogel.

No: Council Member John Wilson.

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 July, 2006. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____ day of _____, 2006.

Gaye Stidham, Deputy Town Clerk
