

**TOWN OF PAYSON
TOWN COUNCIL MEETING
MINUTES OF THE REGULAR MEETING
October 18, 2012**

CALL TO ORDER

Mayor Evans called the regular meeting to order at approximately 5:30 p.m. in the Town Hall Council Chambers, 303 North Beeline Highway, Payson, Arizona.

INVOCATION

Mayor Evans offered the invocation in the absence of Rev. Javier Olivares of Payson United Methodist Church.

PLEDGE OF ALLEGIANCE

PRESENT: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

STAFF PRESENT: Debra Galbraith - Town Manager, Tim Wright - Town Attorney, Don Engler - Police Chief, Silvia Smith - Town Clerk, Cameron Davis - Parks, Recreation and Tourism Director, and LaRon Garrett - Assistant Town Manager.

OTHERS PRESENT: Gaye Stidham, Deputy Town Clerk

A. PUBLIC COMMENTS (SPEAKER'S REQUEST FORM SUBMITTED)

1. Communications and comments or suggestions from citizens present who have submitted a Speaker's Request Form to the Mayor, Town Clerk, or designee, prior to the meeting being convened, concerning matters other than those listed on the agenda for consideration, shall be heard by the Council.

There were no comments from the Public.

B. CONSENT AGENDA

Items listed on the agenda with an asterisk which are considered to be routine in nature and which will be enacted by one motion.

Council Member Carpenter requested Item G.4 be removed from the Consent Agenda.

Motion: to approve the CONSENT AGENDA, without Item G.4.

Moved by Council Member John Wilson, seconded by Council Member Fred Carpenter.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

C. CURRENT EVENTS PRESENTATION BY THE TOWN MANAGER, MAYOR, AND/OR COUNCIL MEMBER

1. Brief presentation of current events by the Town Manager, Mayor, and/or Council Members.

Town Manager Debra Galbraith announced the newly hired Library Director begins October 29th. The new director will bring with her extensive experience in library programming.

Assistant Town Manager LaRon Garrett announced the update of the General Plan will begin with a kick off meeting October 30, 2012, at 6:00 p.m. at the Library. Citizens are encouraged to attend and learn more about the process to identify top priorities to be addressed in the plan. There is also a citizen survey available on the website and at Town Hall to receive opinions. The process will take between 12 and 18 months.

Parks, Recreation and Tourism Director Cameron Davis announced the Annual Trunk or Treat, October 31st, Wednesday, from 6:00 p.m. to 9:00 p.m. at the Oxbow on Main Street. Main Street will be closed from Westerly to Oak that evening and additional parking will be provided. The Haunted House has an entrance fee of \$2 plus a can of food to be donated to the Payson Area Food Drive.

Mr. Davis also announced the Town of Payson will have a float in the Fiesta Bowl parade. APS facilitated the waiver of the normal cost of \$15,000 it would cost to participate. The parade is December 29, 2012.

Mayor Evans displayed a quilt given to him in recognition of the Town's support for the Quilt Round Up. The centennial quilt represented the different areas of Arizona history. The Quilt Round Up will be November 9, 10 and 11, 2012 at the Casino.

2. Documents, materials and information for Council review.

There were no materials for Council review.

D. CEREMONIAL; ANNOUNCEMENTS; PRESENTATIONS; INTRODUCTIONS

1. Comments, Commendations, and Presentations by Mayor, Council Members, and/or Town Staff.

Council Member Wilson said that the demand for food is still high and the Payson Area Food Drive will begin its fund raising soon. Food banks from the Valley have not been donating to the local banks and the Area Food Drive has had to contribute between \$4,000 and \$5,000 a month to keep up with the demand. He noted that the Payson Area Food Drive qualifies for a tax credit on our state tax returns.

2. Proclamation declaring November 2012 as Veterans Recognition and American Patriotism Awareness Month. Luann Carpino, member of the Payson Patriotic Committee will be present to accept.

Council Member Hughes read the proclamation in full. LuAnn Carpino was present to accept the proclamation. She is an active member of Arizona Patriotic Committee and thanked the Council for their recognition of our veterans. Because Veteran's Day falls on Sunday, the Committee's recognition ceremonies will be Monday, November 12th at the Payson High School auditorium.

3. Mayor Evans read a proclamation declaring October 22 through 26, 2012 as Arizona Cities and Towns Week. (attached to minutes)

E. MINUTES

1. *Council Meeting Minutes:

10.04.12Regular Meeting Pages 1 - 6
CONSENT APPROVED

BOARDS/COMMISSIONS MEETING MINUTES (Note: Minutes of various boards/commissions/committees are for Council information only and may or may not have been approved by the respective board/commission.

2. *Planning and Zoning Commission Minutes:

08.13.12Regular Meeting Pages 1 - 2

09.10.12Regular Meeting Pages 1 - 4
CONSENT INFORMATION ONLY

3. *Airport Commission Minutes:

09.10.12Regular Meeting Pages 1 - 7
CONSENT INFORMATION ONLY

F. HEARINGS AND APPEALS

There were no items in this section.

G. RESOLUTIONS AND ORDINANCES

1. *As Council, staff, and the audience have the titles to all resolutions and ordinances, authorization to forego verbal title readings.

CONSENT APPROVED

2. Public Hearing on Resolution No. 2686 and Ordinance No. 825 RE: amendments to density in R3 Zoning districts. The Council will hold a joint Public Hearing on a. and b. below and then take action on a. and b. separately.

a. Resolution No. 2686 captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING P12-004, A MAJOR AMENDMENT TO SECTION 3.5(A) OF THE TOWN OF PAYSON'S 2003 GENERAL PLAN, AMENDING THE DEFINITION OF "HIGH DENSITY RESIDENTIAL."

Motion: to Approve Resolution No. 2686 captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING P12-004, A MAJOR AMENDMENT TO SECTION 3.5(A) OF THE TOWN OF PAYSON'S 2003 GENERAL PLAN, AMENDING THE DEFINITION OF "HIGH DENSITY RESIDENTIAL."

Moved by Council Member John Wilson, seconded by Council Member Richard Croy.

b.

Second Reading and Public Hearing concerning Ordinance No. 825 captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE

TOWN OF PAYSON, ARIZONA, AMENDING THE UNIFIED DEVELOPMENT CODE'S TABLE OF RESIDENTIAL LOT DEVELOPMENT STANDARDS (IN SECTION 15-02-004) TO ALLOW ADDITIONAL DENSITY IN R3 ZONING DISTRICTS.

By consent of the Council, both a. and b. were considered together. Mayor Evans opened the public hearing concerning both Resolution No. 2686 and Ordinance No. 825. There was no public comment and Mayor Evans closed the public hearing.

Motion: to Approve Resolution No. 2686 captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING P12-004, A MAJOR AMENDMENT TO SECTION 3.5(A) OF THE TOWN OF PAYSON'S 2003 GENERAL PLAN, AMENDING THE DEFINITION OF "HIGH DENSITY RESIDENTIAL" and Ordinance No. 825 captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING THE UNIFIED DEVELOPMENT CODE'S TABLE OF RESIDENTIAL LOT DEVELOPMENT STANDARDS (IN SECTION 15-02-004) TO ALLOW ADDITIONAL DENSITY IN R3 ZONING DISTRICTS.

Moved by Council Member John Wilson, seconded by Council Member Richard Croy.

Council Member Blair asked if this change would continue to include notification of neighbors. Assistant Town Manager Garrett responded that the process would be the same. This change only removes the artificial cap on the total number of units.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

3. *Discussion/possible action concerning Resolution No. 2690 captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA AUTHORIZING THE TOWN TO ENTER INTO AND THE MAYOR TO EXECUTE A LICENSE AGREEMENT WITH THE SALT RIVER VALLEY WATER USERS' ASSOCIATION ALLOWING THE TOWN TO CONSTRUCT IMPROVEMENTS TO CONNECT ITS C.C.CRAGIN PIPELINE TO THE EXISTING DISCHARGE POINT FOR C.C.CRAGIN WATER.

CONSENT APPROVED

4. Discussion/possible action concerning Resolution No. 2691 captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ABANDONING THE EXISTING RIGHT OF WAY FOR A PORTION OF HILL STREET EXTENDING APPROXIMATELY 100 FEET SOUTH OF CHERRY STREET AND APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE QUIT CLAIM DEEDS TO THE ADJACENT PROPERTY OWNERS.

Council Member Carpenter asked what the impact of this abandonment would be. Assistant Town Manager Garrett said the terrain is very difficult to build upon and sat unused for over 70 years.

Motion: to Approve Resolution No. 2691 captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ABANDONING THE EXISTING RIGHT OF WAY FOR A PORTION OF HILL STREET

EXTENDING APPROXIMATELY 100 FEET SOUTH OF CHERRY STREET AND APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE QUIT CLAIM DEEDS TO THE ADJACENT PROPERTY OWNERS.

Moved by Council Member Fred Carpenter, seconded by Council Member Su Connell.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

5. Public Hearing Discussion/possible action concerning Ordinance No. 826 captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING SECTIONS 15-15-06 AND 15-15-07 OF THE UNIFIED DEVELOPMENT CODE RELATING TO THE REGULATION OF REGISTERED MEDICAL MARIJUANA DISPENSARIES, AND DECLARING AN EMERGENCY.

Mayor Evans opened the public hearing. There were no public comments and Mayor Evans closed the public hearing. Council Member Blair asked how much correspondence has been received concerning this issue. Mayor Evans explained that the Town had been approached since before the initiative was passed, again before the lottery winner had been chosen and again before the rules were in place. Town Attorney Wright said the two most recent inquiries came since the rules came from the State. He explained that there would be a dispensary and growing facility in Payson and there have been inquiries from a dispensary in North Eastern Arizona to grow plants in Payson for distribution in their own area. Our elevation and climate are ideal for growing evidently. He explained that plants must be grown in a locked, secure facility. Council Member Carpenter asked if that meant fenced. Attorney Wright explained these would be inside facilities. The Ordinance was drafted as an emergency, and if the Council chose to approve it, the regulations would go into effect immediately.

Tiffany Young with Desert Medical Campus said their plan was to open a cultivation site and a dispensary. They would provide high quality medicine for the citizens and work with the community to provide the security needed. She said they want to do the best they can with the license they've been given within the regulations. Andrew Provencio, Desert Medical Campus CEO, said he was retired from the Anchorage Alaska Fire Department. He answered questions from Council Member Blair saying that they believe they would see revenues from \$2million to \$9million annually. They will be a not-for-profit organization using as much as 75% of excess revenue within the Town. Mr. Provencio explained salaries for management were regulated by the State.

Mayor Evans encouraged the Council to act this evening since substantial background had been given over the recent months.

Motion: to Approve Ordinance No. 826 captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING SECTIONS 15-15-06 AND 15-15-07 OF THE UNIFIED DEVELOPMENT CODE RELATING TO THE REGULATION OF REGISTERED MEDICAL MARIJUANA DISPENSARIES, AND DECLARING AN EMERGENCY.

Moved by Council Member Su Connell, seconded by Council Member Ed Blair.

Because of the emergency declaration, Mayor Evans asked for a roll call vote.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

H. UNFINISHED BUSINESS

There are no items in this section.

I. NEW BUSINESS

1. Request by Payson Community Kids, Inc. (James Leubner, Board Member) to:

(a) waive condition 5 of Conditional Use Permit 10-004 (issued March 15, 2010) related to the paving of a portion of South Tonto Street; and

(b) waive any Town Code requirements requiring such paving. Note - Council Member Ed Blair requested that this item be placed on the Council Agenda pursuant to Rule 7.1 (Agenda Item Submittals) of the Town Council Meeting Rules of Procedure. Staff Memo

Motion: to Table a Request by Payson Community Kids, Inc. (James Leubner, Board Member) to:

(a) waive condition 5 of Conditional Use Permit 10-004 (issued March 15, 2010) related to the paving of a portion of South Tonto Street; and (b) waive any Town Code requirements requiring such paving.

Note - Council Member Ed Blair requested that this item be placed on the Council Agenda pursuant to Rule 7.1 (Agenda Item Submittals) of the Town Council Meeting Rules of Procedure

Moved by Council Member Ed Blair, seconded by Council Member Fred Carpenter.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

2. Council Decision Request filed by LaRon Garrett, Assistant Town Manager to award the construction of the C.C.Cragin Tail Race Constructon to C.J. Excavating for a total bid price of \$518,820.23 with the final project cost being based on actual field measured quantities and authorize the Mayor to sign all necessary contract documents.

Assistant Town Manager Garrett explained this project needs to be accomplished while SRP is not pumping water, in the next three to four months. It allows Payson to divert a regulated portion of the outflow. The low bidder for the project is C.J. Excavating.

Motion: to Approve a Council Decision Request filed by LaRon Garrett, Assistant Town Manager to award the construction of the C.C.Cragin Tail Race Constructon to C.J. Excavating for a total bid price of \$518,820.23 with the final project cost being based on actual field measured quantities and authorize the Mayor to sign all necessary contract documents.

Moved by Council Member John Wilson, seconded by Vice-Mayor Michael Hughes.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

3. Council Decision Request filed by LaRon Garrett, Assistant Town Manager, to issue a Request for Proposals to select a Qualified Provider for three solar electric generation facilities on Town property and authorize the Mayor to sign the Solar Renewable Energy Credit Purchase Agreement for Grid-Tied Photovoltaic System for each of the three projects. (Added 10-17-12, 1:00 p.m.)

Mayor Evans explained that the Corporation Commission set forth a project requiring all regulated utilities present a plan to provide renewable energy from the years 2000 to 2025. APS proposed to develop a program creating a pool of renewable credits giving schools and municipalities the incentive to participate. From a list of proposed bids, APS decides the lowest cost bidder and the municipality who builds the system. Mayor Evans said we want to be on the list if we ever want a solar energy supply. APS has confirmed the reservation of the qualified areas indicated for renewable energy credits.

Council Member Carpenter asked if these would resemble those at the high school. Assistant Town Manager Garrett replied they are similar. Council Member Carpenter asked about the savings that would be generated for the Town. Mayor Evans explained, based on his discussions with APS, we would reduce the cost of electricity to the Town and eventually own our own facility.

Council Member Wilson asked if excess power could be sold. Mayor Evans explained that it would be stored and used by us over time.

Council Member Blair asked if the maintenance of the solar would require the addition of an employee. Mayor Evans did not believe that would be the case since a qualified provider would run the system.

Council Member Croy asked if the construction costs would be on APS's shoulders. Mayor Evans said they would. This is not a budgeted item for us. It would be built in FY 2012/2014. Manager Gabraith said, from an accounting prospective, she would need to investigate more. Attorney Wright explained this was the first of many steps.

Council Member Carpenter stated his approval of partnering with APS.

Motion: to Approve a Council Decision Request filed by LaRon Garrett, Assistant Town Manager, to issue a Request for Proposals to select a Qualified Provider for three solar electric generation facilities on Town property and authorize the Mayor to sign the Solar Renewable Energy Credit Purchase Agreement for Grid-Tied Photovoltaic System for each of the three projects.

Moved by Council Member Fred Carpenter, seconded by Vice-Mayor Michael Hughes.

Council Member Connell stated that although she was not against the project, she hoped for regular status reports and a breakdown of costs and expenses. She asked if placing the project at Fire Station 11, Town Hall and the Police Department was because they were the highest electricity users and whether other locations that were more costly had been researched. She asked if these were the best locations. Mayor Evans said that these are the three we could get

approved within the time line set by APS. We had less than ten days to find a place for these renewable energy credits.

Council Member Wilson noted that the motion is worded with the time lines and gives authority to get property signatures but not on bid approval without coming back to Council Attorney Wright said there may need to be a special meeting in order to meet these time lines.

Vote: Motion carried 7 - 0

Yes: Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, and Council Member John Wilson.

J. CLAIMS

1. * List of checks paid from 09/27/12 through 10/11/12 , Check Nos. 019662 through 019966, and authorization to file the checks for audit.
CONSENT APPROVED

K. MISCELLANEOUS

1. *Acceptance with regrets the resignation of Brandon LaBonte from the Fire Department Alternate Pension and Benefit Plan Committee, and thanks for a job well done.
CONSENT APPROVED

L. PUBLIC COMMENTS

1. Public Comments: Note: Communication and comments or suggestions from citizens present who have not submitted a Speaker's Request Form, on matters other than those listed on the agenda for consideration, shall be heard by the Council.

There were no comments from the public.

ADJOURNMENT

Mayor Evans adjourned the regular meeting at approximately 6:30 p.m.

APPROVED:

_____ Date: _____

Kenny J. Evans, 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 regular meeting of the Town Council of the Town of Payson held on this day the 18 of October, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____ day of _____, 2012.

Gaye Carpenter, Deputy Town Clerk