Minutes Clifton Town Council Special Session July 22, 2025 4:30 p.m. Council Chambers 510 N. Coronado Blvd.

Town Council Members

Shane Kennedy, Council Member Chad Brown, Council Member Anthony James, Vice Mayor Laura Dorrell, Mayor Raymond Lorenzo, Council Member B. Waddell Reyes, Council Member Barbara Ahmann, Council Member

*Excused

**Participated via telephone

A quorum was present.

The Town's legal counsel, Matt Schiumo, participated via telephone**

Call to Order: The meeting was called to order by Mayor Laura Dorrell, followed by the Pledge of Allegiance.

Public Hearing

The Public Hearing was opened and Lee Grafstrom from the League of Arizona Cities and Towns reviewed the proposed changes with the Council. Proposed changes include an increase the tax rate on hotels and impose an additional tax on transient lodging, adjust the retail tax code, and adopt a use tax. They explained that the hotel tax rate would increase from 3% to 5%, projected to raise revenues from \$33,000 to \$55,000 annually. The additional tax on transient lodging would apply to stays less than 30 days, bringing the total tax for such stays to 10%. Grafstrom clarified that this additional tax would apply to Air B&Bs and other short-term rentals. Grafstrom also addressed a minor adjustment to the retail tax code, specifically rounding up the tiered tax rate for single items over \$9,999.99 to a more standardized figure to avoid being an outlier for the Department of Revenue. Additionally, they explained that adopting a use tax would complement the retail sales tax by leveling the playing field for local retailers, ensuring that purchases from outside vendors, including online retailers not already collecting local tax, would still be subject to tax collected from the purchaser. No members of the public were present.

New Business

Second Reading of Ordinance 02-2025: AN ORDINANCE OF THE TOWN OF CLIFTON, ARIZONA, AMENDING THE TOWN TAX CODE TO INCREASE THE TRANSACTION PRIVILEGE TAX RATE FOR THE HOTELS CLASSIFICATION AND ADOPTING A LOCAL USE TAX BY DESELECTING MODEL OPTION #15; PROVIDING FOR SEVERABILITY; AND DESIGNATING AN EFFECTIVE DATE OF OCTOBER 1, 2025.

Mayor Dorrell read Ordinance 02-2025.

Discussion and/or action to adopt Ordinance 02-2025: AN ORDINANCE OF THE TOWN OF CLIFTON, ARIZONA, AMENDING THE TOWN TAX CODE TO INCREASE THE TRANSACTION PRIVILEGE TAX RATE FOR THE HOTELS CLASSIFICATION AND ADOPTING A LOCAL USE TAX BY DESELECTING MODEL OPTION #15; PROVIDING FOR SEVERABILITY; AND DESIGNATING AN EFFECTIVE DATE OF OCTOBER 1, 2025.

Motion to adopt Ordinance 02-2025 made by Council Member Ahmann, seconded by Council Member Lorenzo

Voting in favor of the motion were members Dorrell, James, Kennedy, Brown, Lorenzo, Ahmann, Waddell Reyes

Motion Carries

Discussion and/or action to adopt Resolution 2025-05: A RESOLUTION OF THE TOWN OF CLIFTON, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE TOWN CLERK AND ENTITLED "THE 2025 TAX AMENDMENTS TO THE TAX CODE OF THE TOWN OF CLIFTON".

Motion to adopt Resolution 2025-05 made by Council Member Brown, seconded by Council Member Kennedy

Voting in favor of the motion were members Dorrell, James, Kennedy, Brown, Lorenzo, Ahmann, Waddell Reyes

Motion Carries

Consideration and action to convene into Executive Session for discussion or consideration of conduct and potential discipline of a member of the Council pursuant to A.R.S. § 38-431.03(A)(1).

Motion to convene into Executive Session made by Vice Mayor James, seconded by Council Member Brown

Voting in favor of the motion were members Dorrell, James, Kennedy, Brown, Lorenzo, Ahmann, Waddell Reyes

Motion Carries

Executive Session

1. Discussion or consideration of conduct and potential discipline of a member of the

Council pursuant to A.R.S. § 38-431.03(A)(1).

New Business

Regular Session Reconvened at 6:09 pm

Consideration and possible action regarding conduct of Councilmember, including possible imposition of sanctions or other discipline. The purpose of the discussion is to review concerns raised about a Councilmember with the option to (1) take no action; (2) request an investigation for additional information; (3) provide counseling or impose sanctions/discipline; or (4) take other action as the Council deems appropriate

Motion to hold a realignment session for Code of Conduct for Council, a resolution of conflict between Council Member Waddell Reyes and Town Manager, and a hiatus from her position on the Buildings and Properties Committee made by Council Member Kennedy, seconded by Council Member Brown

Roll Call Vote

Mayor Dorrell – Aye
Vice-Mayor James – Aye
Council Member Kennedy - Aye
Council Member Brown - Aye
Council Member Ahmann- Aye
Council Member Lorenzo – Aye
Council Member Waddell Reyes – Aye

Motion Carries

Adjournment

Motion to adjourn made by Council Member Brown, seconded by Council Member Wadell Reyes

Voting in favor of the motion were members Dorrell, James, Kennedy, Brown, Lorenzo, Ahmann, Waddell Reyes

Motion Carries

Meeting adjourned at approximately 6:17pm