

Minutes
Town of Clifton
Town Council Regular Meeting
December 9, 2021
2:07 P.M.

Members Present

Mayor Luis Montoya
Vice-Mayor Laura Dorrell
Council member Anthony James
Council member Ray Lorenzo
Council member B. Waddell Reyes
Council member Ray West
Council member, Karen Crump-Frye

*Excused

Quorum Present

Call to Order: The meeting was called to order by Mayor Luis Montoya at approximately 2:00 p.m. followed by the Pledge of Allegiance.

Call to the Public: Comments in support of awarding the bid proposal to purchase one of the Chase Creek properties to Suzanne Menges was heard from various members of the audience.

Council Reports: Council member Reyes reported on forthcoming activities at the Art Depot.

Council member Karen Crump-Frye reported that two new businesses have been licensed in the town. They are Zuly's, a food cart and Goodman Chiropractic.

Vice-Mayor Dorrell thanked the Public Works Department for making the town look festive for the holiday season. She also invited everyone to support the Morenci High School Mariachi Class by attending their fundraiser, Fiesta Navideña con Mariachi Plata De Western New Mexico University scheduled for December 10, 2021 at 7:00

Mayor Montoya reported that although there is no town-wide mask mandate in effect, masks are still required in town owned properties. The mayor also addressed the recent private property damage on 229 Chase Creek Street which has unfortunately required the town to close the road to vehicles and pedestrians along that area due to safety concerns. Lastly, Mayor Montoya wished everyone a safe but enjoyable holiday season.

Consent Agenda: Motion to approve the following items listed under consent agenda was made by Vice-Mayor Laura Dorrell:

1. Approval of the November 10, 2021 Regular Meeting Minutes;

2. Receive Department Reports;
3. Approval of November 2021 Demands.

Second to the motion was made by Council member Ray West.

Voting in favor of the motion were Council members Dorrell, West, Lorenzo, Reyes, James, Crump-Frye and Montoya.

Motion carried.

New Business

Presentation of the FY2021 Annual Audit Report – Clifton LarsonAllen, LLP:

Participating via telephone was Sandra Cronstrom, Principal for the Firm. She reported that the audit had been completed in October 2021 and reviewed their process to evaluate risks; examine management's exertions and report opinions or findings and make recommendations. She reviewed the reports that had been prepared to include:

- The Annual Expenditure Limitation Report
- HURF Compliance Report
- Governance Communication
- Internal Controls Findings
- Financial Statements

Ms. Cronstrom reviewed the material weaknesses/findings which are common in small communities. These issues involve segregation of duties, preparation of financial statements to close out the year is being done by the firm in addition to the audit. She explained that additional services for this year's audit resulted in additional year end audit adjustments due to the recent implementation of the third-party payroll service which is run outside of the town's general ledger software.

Also briefly discussed was the potential requirement of a single audit in the next fiscal year. Ms. Cronstrom explained that the town is expected to expend \$75,000 for the Waste Water Treatment Plant Improvement Project.

Mayor Montoya thanked Ms. Cronstrom for the information and explained that the Arizona Legislature had implemented a new law effective July 1, 2021 that Certified Public Accountants who completes the statutorily required financial audit of the town's records present its findings to the town council on an active agenda.

Discussion and/or action to adopt Resolution No. 2021-12: A Resolution of The Common Council of The Town of Clifton Adopting the Town of Clifton Local

Purchasing Policy: Participating via telephone was Town Attorney, Trish Stuhan. She explained that she had been given the City of Casa Grande's purchasing policy to review and provide comments on the pros and cons of implementing a policy for the Town of

Clifton to consider. Ms. Stuhan explained that the City of Casa Grande's policy was developed by legal counsel and includes Transaction Privilege Tax preference for local purchases; includes exemptions and provides for procedures on bidding.

Ms. Stuhan cautioned that this type of policy has been a subject of challenge in Arizona from entities like the Goldwater Institute. Confident that key issues have been addressed based on previous challenges, and additional concern with this type of policy involves potential violation of the Gift Clause.

Ms. Stuhan suggested that Council wait on making a decision on this policy until after the next Attorney's Conference where this topic will be discussed.

Motion to table the adoption of Resolution No. 2021-12 was made by Vice-Mayor Dorrell. Second to the motion was made by Council member Ray Lorenzo.

Voting in favor of the motion were Council members Dorrell, Lorenzo, James, West, Reyes, Crump-Frye and Montoya. Motion carried.

Discussion and/or action to approve the recommendation of the American Rescue Plan (ARPA) Committee to allocate funding in the amount of \$40,304.50 to cover the cost of Administrative eligible expenses to include:

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|-----------|--|--------------------|
| a. | Upgrade the Town of Clifton's Website | \$35,304.50 |
| b. | Single Audit Act Fees | \$ 5,000.00 |

ARPA Committee Co-Chair's, Laura Dorrell and Anthony James reported on the proposal presented by the town's administrative staff. They explained that prior to considering any request for funding, the project must be an eligible use under the ARPA guidelines.

Upgrading the town's website and allocating funding in anticipation of a required single audit both qualify as eligible uses.

The Town Clerk explained that upgrading the town's website will eliminate paper workflows and keep the community connected with online fee payments for monthly sewer fees; all permitting and licensing applications to help the public complete tasks remotely. Capability to share important information with the community via social channels and mobile apps. Upgrading these new technology strategies promptly will also provide better access when remote work is required.

Motion to approve the recommendation of the American Rescue Plan (ARPA) Committee to allocate funding in the amount of \$40,304.50 to cover administrative eligible expenses to include upgrading the Town of Clifton's Website and Single Audit Act Fees was made by Mayor Luis Montoya. Second to the motion was made by Council member B. Waddell Reyes.

Voting in favor of the motion were Council members Montoya, Reyes, James, Lorenzo, West, Crump-Frye and Dorrell. Motion carried.

Discussion and/or action to authorize the Mayor to execute a Cooperative Purchasing Agreement between the Town of Clifton and National Cooperative Purchasing Alliance. NCPA: Town Clerk, Espie Castaneda explained that under the town code's authority- Cooperative Purchasing-she is requesting for Council to authorize the agreement.

Motion to authorize the Mayor to execute a Cooperative Purchasing Agreement between the Town of Clifton and National Cooperative Purchasing Alliance, a.k.a. NCPA was made by Council member Ray West. Second to the motion was made by Council member B. Waddell Reyes.

Voting in favor of the motion were Council members West, Reyes, Lorenzo, James, Crump-Frye, Dorrell and Montoya. Motion carried.

Discussion and/or action to approve \$35,304.50 to upgrade/develop the town's website and authorize the Mayor to execute the Cooperative Purchasing (Bridging) Contract between the Town of Clifton and Granicus a Contracted Vendor of the NCPA: Vice-Mayor Dorrell made a motion to approve \$35,304.50 to upgrade/develop the town's website and authorize the Mayor to execute the Cooperative Purchasing (Bridging) Contract between the Town of Clifton and Granicus a contracted vendor of the NCPA. Second to the motion was made by Council member James.

Voting in favor of the motion were Council members Dorrell, James, Reyes, Crump-Frye, Lorenzo, West and Montoya. Motion carried.

Discussion and/or action to schedule a work session regarding the bridge alternative for the replacement of the Frisco Avenue Bridge (Chase Creek Bridge #1): Town Manager, Rudy Perez explained that representatives from Horrocks Engineers would like to discuss and review the historic Frisco Ave. Bridge Alternatives. The suggested date would be Tuesday, December 14, 2021 at 10:00 a.m.

Discussion and/or action to approve Job Order #2 for Phase IB – Equipment Procurement and Pre-Install Construction as presented by KE&G for the upgrade of the Waste Water Treatment Plant: Motion was made by Vice-Mayor Laura Dorrell, seconded by Council member West to approve Job Order #2 for Phase IB – Equipment Procurement and Pre-Install Construction as presented by KE&G in the amount of \$1,870,838.00.

Voting in favor of the motion were Council members Dorrell, West, James, Crump-Frye, Lorenzo, Reyes and Montoya. Motion carried.

Discussion and/or action to approve the amended Lease Agreement between the Town of Clifton and the Art Depot: Town Manager, Rudy Perez reported that the Art Depot/Art Council requested a long-term lease.

Upon review of the request, Mr. Perez considered the potential impact of leasing the second-floor to recent noise and distracting activities that are affecting the Community Center Meeting Room when both rooms are hosting activities. In order to address this concern, he is suggesting that the Lessee provide the town (Lessor) with a quarterly schedule of activities to avoid potential conflicts. For unscheduled events, the Lessee would be required to provide notice at least 30 days prior to the event. Additionally, Mr. Perez is also recommending that the Lease Fee also be amended from the current utility percentage rate based on square footage to a flat monthly rate of \$500. Mr. Perez also recommends that the kitchen not be part of the lease due to its current condition.

Representing the Art Depot/Art Council was Barbara Ahmann. She stated that she was not in favor of the lease agreement as presented.

Council directed Mr. Perez and Ms. Ahmann to negotiate an agreement agreeable to both parties prior to coming before the Council.

Motion to table the item was made by Vice-Mayor Laura Dorrell, second to the motion was made by Council member Ray Lorenzo.

Voting in favor of the motion were Council members Dorrell, Lorenzo, James, West, Crump-Frye, Reyes and Montoya. Motion carried.

Manager's Report: Town Manager, Rudy Perez reported on the following activities:

- Provided an update on the status of the road and sidewalk closure due to property damage to 229 Chase Creek St. as recommended by the Town Engineer. Although the property owner has made some minor repairs, the Town Engineer will need to re-access the stability of the building.
- Reported that three bids have been received for each of the two Chase Creek properties currently up for sale. All bids are above the minimum amount requested. Mr. Perez explained that he will review the proposals and make a recommendation prior to the next meeting.

Adjournment: Meeting adjourned at approximately 4:20 p.m.

Approved:

Luis Montoya, Mayor

Attest:

Esperanza Castaneda, Town Clerk