

**Minutes  
Town of Clifton  
Town Council – Special Session  
April 30, 2019  
10:00 A.M.**

**Members Present**

Luis Montoya, Mayor  
Barbara Ahmann, Vice-Mayor  
Laura Dorrell, Council Member  
John Freida, Council Member\*  
Ray Lorenzo, Council Member  
B. Waddell Reyes, Council Member  
Ray West, Council Member

\*Excused

A quorum was present.

**Call to Order:** The meeting was called to order by Mayor Luis Montoya followed by the Pledge of Allegiance.

**New Business**

**Discussion and/or action regarding the emergency repair of Clifton Fire Truck-Unit 2. – Peter Ortega, Fire Chief:** Council members were provided with information on the issues related to the engine. Attempts from the town’s mechanic to correct the issue has not been successful. Chief Ortega explained that he had contacted Empire mechanics because the unit has a CAT Engine. Their immediate assessment was related to the engine. The Chief reported that he had then contacted an Empire Service Representative to obtain a quote. Two options were given. Option 1 includes an “in-frame” repair of the engine. Cost estimate (\$26,604.05). Option 2 includes removing and installing an engine. Cost estimate (\$34,276.15). They recommend transporting the unit down to their service center for the repair. Additional funding in the amount of \$3,000 to cover the cost to transport the unit is also needed.

Interim Town Manager, Espie Castaneda explained that a review of the Fire Department’s Budget has insufficient funding to cover the repair and recommended that Council consider authorizing the expense from the Mayor and Council’s Contingency Fund. Council members were provided with a balance of \$58,740.00 in that fund. Although potentially half of the invoice could be covered by the Fire Department Budget, those funds were allocated specifically for annual inspections of other fire equipment.

After discussion from the Council the consensus was to approve Option 1. Additional discussion related to the warranty of the repair. It was determined that the unit repair will qualify for a 36-month warranty.

Motion to authorize Option 1 to repair Fire Truck Unit 2 as estimated by Empire CAT and cover the cost of the transport in the amount of \$29,604.00 was made by Council member Ray West. Second to the motion was made by Council member Ray Lorenzo.

Voting in favor of the motion were Council members' West, Lorenzo, Dorrell, Ahmann, and Montoya.

Council member Reyes was opposed to the motion.

Council member Freida was absent.

Motion carried.

**Discussion and/or action to authorize an employee bonus to be paid from the Mayor & Council's contingency fund. – Council member Reyes:** Council member Reyes suggested that Council consider offering a bonus to town employees as a form of appreciation. She stated that because the fiscal year is almost over, she thought the timing might be appropriate.

Council discussion included that although the idea is appreciated, the intent of the Mayor & Council's contingency fund was to address emergency issues. It was suggested that Council Member Reyes present the possibility of a bonus during the budget discussions for next fiscal year.

Motion to postpone the consideration of an employee bonus at this time and address the matter in the FY2020 Budget was made by Council member Reyes. Second to the motion was made by Council member West.

Voting in favor of the motion were Council members' Reyes, West, Dorrell, Ahmann, Lorenzo and Montoya.

Council member Freida was absent.

**Discussion and/or action to authorize the expenditure to hire professional services to address the Chase Creek Tomorrow Project.- Council member Ray West:** Council member West explained the concept of this project which was prompted by Morenci Water & Electric's notification of its plans to replace the current wooden utility/street light poles due to their deteriorated condition. The replacement is scheduled for some time next year. The Chase Creek Tomorrow Project's vision is to bury the utility service lines. Morenci Water & Electric has offered to bury the lines contingent on the town funding replacement poles to accommodate street lighting. Council member West explained that the Business Association - Chase Creek AZ (BACCA) has been working to secure grant funding for the first phase of this project which is to hire an electrical engineer to develop a plan for the installation of the street lighting poles.

He explained that BACCA had applied to United Way of Southern Arizona – Graham/Greenlee Unit but was not successful. He suggested that council consider allocating the request from the Mayor and Council's Contingency Fund. He is requesting that the town provide the necessary funding for the engineering design estimated at \$15,000.00. He also explained that if the town funded this portion of the project, future grant applications will include the financial support that the town has invested in this project.

Comments from the Chase Creek Business Community also expressed the need to bury the utility service lines. Teresa Greenwell explained that property owners are not able to secure contractors to maintain their properties due to the current location of the utility poles/lines which are a danger to access their buildings.

Vice-Mayor Ahmann questioned whether Morenci Water & Electric had an electrical engineer on staff who could provide the design?

Mr. West responded that this project was out of the scope of their responsibility.

The Interim Town Manager expressed concern on the timeline necessary to procure the professional. She cautioned that only those services completed by June 30, 2019 would be eligible expenditures against this year's budget. It was likely that this project could not be done by then. Ms. Castaneda offered an alternative solution for the funding source. She explained that the funding could come from the property tax distribution currently allocated in the Public Works General Fund Budget or from the HURF funds which are dedicated to the maintenance of roads and streets of which lighting is an eligible expense. Unexpended HURF funds are rolled over as carryover or as historically allocated by the town council, \$200,000 of the property tax funds have been prioritized for street projects. This would avoid the issue of the procurement timeline concern affecting the budget. The only concern might be the political backlash from the public for using the property funds for this project.

Motion to approve up to \$16,000 to procure an electrical engineer to address the Chase Creek Tomorrow street lighting design with HURF and/or Property Tax Funds allocated in the Public Works-General Fund Budget was made by Vice-Mayor Ahmann. Second to the motion was made by Council member Laura Dorrell.

Voting in favor of the motion were Council members' Ahmann, Dorrell, West, Lorenzo, Reyes and Montoya.

Council member Freida was absent.

Motion carried.

**Work Session**

**Council discussion and input on the FY2020 Budget:** Interim Town Manager, Espie Castaneda provided council with preliminary revenue estimate projections. She explained that although no new revenues sources could be identified, the overall budget should be the same as last year. Currently, most departments have submitted their budget requests and she is waiting for health insurance renewal information to finalize a balanced budget. She explained that a 2% COLA has been factored in as well. Retaining the COLA in the proposed budget may be possible due to changes in personnel that occurred this year. She reported that the tenants of the Elk's Lodge building have notified the town of their lease cancellation effective May 31, 2019 and assumes that the town council will NOT seek a replacement tenant. She referred Council to the proposed property tax rate of 4.3342 which will levy approximately \$512,000.

It has been suggested that Departments redistribute current year allocations to accommodate new requests if possible.

Special Revenue projections were also reviewed and noted the increase factored in to the sewer fund due to the planned rate increase due to take effect in July. Also mentioned was the inclusion of the anticipated funding for the School Resource Officer funded this year by a United Way Grant and Morenci Unified School District.

Potential grant funding sources were also discussed. Although potential projects are to be determined, departments will continue to present these grant applications through the town's grant committee prior to filing with the funding sources.

Council members provided their thoughts and or projects for consideration and inclusion to the forthcoming budget. These are as follows:

- Employee Bonus – Reyes
- Addressing building maintenance issues at the Train Station - Reyes
- Raising Council Compensation/adding health benefits- Ahmann
- Addressing maintenance on town landmarks owned by other agencies - Ahmann
- Including vehicles – improving town fleet rotation - West
- Implementing a street maintenance program – Lorenzo
- Addressing Abatement of Dangerous Buildings/Property Cleanup – Montoya

**Adjournment:** At approximately 12:15 p.m. Mayor Montoya adjourned the meeting.