

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
August 14, 2007
7:00 P.M.**

Mayor Gloria Eagar called the meeting to order and welcomed those present. Mayor Gloria Eagar said to let the record show that all council members are present. Mayor Eagar led the Pledge of Allegiance and Gary Finch offered the invocation.

COUNCIL PRESENT: Gloria Eagar, Mayor
 Vicente Ordonez, Vice Mayor
 James Nelson, Jr.
 Sue Chacon
 Byron Smith
 Kim Holaway
 Gary Finch

STAFF PRESENT: Bill Greenwood, Town Manager
 Elwin Browning, Public Works Administrator
 Bruce Ray, Community Development Director
 Eva Wilson, Town Clerk

ITEM # 5: REPORTS

A. MAYOR

Mayor Gloria Eagar reported that the next Economic Development Apache County (EDAC) meeting will be held Wednesday, September 5, 2007 at 11:00 a.m. at the Pera Club at Salt River Project; RSVP recommended.

To mark National Alcohol & Drug Addition Recovery Month in September, Mayor Eagar instructed staff to prepare a proclamation and place it on the agenda for the September 4, 2007 council meeting.

Mayor Eagar received a letter of appreciation for Bill Greenwood from the Little Colorado RC&D.

B. COUNCIL

Councilor Kim Holaway attended the League of Arizona Cities and Towns Legislative Recap. The State Shared Revenues bill did not pass this past session, however, it is suggested that the Council keep their attention on this matter. Arizona has had a surplus in the budget for the past six years and is expected to run a deficit next year. Legislators will be trying to compensate the deficit by demanding money from the Lottery Fund and State Shared Funding. Councilor Holaway stated she will be attending the Governor's Rural Development Conference Wednesday – Friday of this week, her focus will be economic development and energy resources.

Councilor Byron Smith reported that the White Mountain Regional Transportation Committee discussed the executive summary at their meeting. He will let Ms. Prochnow report on the Springerville-Eagar Regional Chamber of Commerce activity.

Councilor Gary Finch reported that Summit Health Care, formerly Navopache Regional Medical Center, will be meeting with the White Mountain Regional Medical Center to discuss their future.

C. STAFF

Community Development Director Bruce Ray reported that the elevation and site plan for the new library will be discussed on Tuesday at 12:00, construction should begin in a couple of months.

Town Manager Bill Greenwood reported that last Friday and Saturday he gave a presentation to Project Central Alumni of the Stewardship contracts in the area. The Eagar South Project (Goshawk Project) is all marked at this point. He added that in the future the Council may want a presentation and formal update of this project.

ITEM # 6: OPEN CALL TO THE PUBLIC

None.

ITEM # 7: CONSENT AGENDA

A. APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETINGS HELD JULY 2007

B. APPROVAL OF CHECKS WRITTEN FROM 20799-21005 JUNE 2007, BANK TRANSMITTALS 1-19 JUNE 2007, COMMUNITY FIRST CREDIT CARD PURCHASES JUNE 2007

Councilor Kim Holaway moved to approve the minutes and financial statements as presented. Councilor James Nelson seconded; all were in favor, motion carried. 7-0

ITEM # 8: UNFINISHED BUSINESS

A. SPRINGERVILLE-EAGAR REGIONAL CHAMBER OF COMMERCE REPORT FROM EXECUTIVE DIRECTOR JENNIFER PROCHNOW

Executive Director Jennifer Prochnow reported that Eagar has been the subject of tourism articles in the Arizona Republic Newspaper. At least seven articles have been printed this past summer getting Eagar coverage in the metropolitan areas. The Chamber recorded more in-state visitors this past year than in previous years.

The Game and Fish department held the High-Country Hummers, (hummingbirds), event at Sipe's Wildlife Refuge; an event that is growing without advertisement. The Chamber provided concessions.

Ms. Prochnow started a project whereas a member business is interviewed and the article is published in the Apache County Edition of the White Mountain Independent each Friday.

B. EXECUTIVE SESSION AS ALLOWED BY A.R.S. § 38-431.03.7 DISCUSSION OR CONSULTATION WITH THE ATTORNEYS OF THE PUBLIC BODY IN ORDER TO CONSIDER ITS POSITION AND INSTRUCT ITS REPRESENTATIVES REGARDING NEGOTIATIONS FOR THE PURCHASE, SALE OR LEASE OF REAL PROPERTY – KENNEDY WELL

No executive session necessary.

C. ANY ACTION DEEMED NECESSARY FROM THE EXECUTIVE SESSION FOR THE PURCHASE OR LEASE OF THE KENNEDY WELL

Mr. Greenwood reported that Mr. Kennedy has agreed to a change in the terms as the Council requested i.e. if quality of the water fails to meet ADEQ requirements or the quantity falls below 100 gpm, Eagar would have the right to discontinue the lease agreement. Mr. Kennedy also modified the royalty fee and added an expiration of the royalty fee of December 31, 2047. Mr. Greenwood assured the Council that Mr. Brown, Town Attorney has reviewed the language in the terms sheet and has deemed it acceptable.

Councilor Kim Holaway moved to approve the terms sheet for the proposed lease between Kerry K. Kennedy Family Trust and the Town of Eagar. Councilor Byron Smith seconded.

Discussion: Councilor James Nelson said he has spoken with Milt Nelson, Eagar Water Operator, and Milt Nelson has determined the water to be of a good quality and quantity. That the older wells are having troubles and the guarantee of water from the Kennedy Well will help with next summers water shortages. The location of the well on top of the hill will reduce pumping costs as the water lines will be gravity fed.

Councilor Byron Smith requested a letter be drafted to Mr. Kennedy in appreciation of his work, and for any expertise he can offer in the future.

All were in favor of the motion, motion carried. 7-0

ITEM # 9: NEW BUSINESS

A. DISCUSSION AND CONSIDERATION TO FILL COMMITTEE POSITIONS THROUGHOUT THE STATE, COUNTY, AND TOWN

Town Clerk Eva Wilson recommended Shane Penrod, a citizen, and Vice-Mayor Vicente Ordonez to serve on the Personnel Appeals Board.

The Cemetery Committee will recommend additional citizens to serve and Mayor Gloria Eagar will replace Mayor Burk on the committee.

Councilor Gary Finch will serve on the NACOG Regional Board. Councilor James Nelson will serve on the Design Review Board replacing Mayor Burk. Mayor Eagar will serve on the Fire Department Board.

Councilor Kim Holaway and Town Clerk Eva Wilson will serve on a newly formed committee for the Arizona Centennial; other members will be sought.

B. DISCUSSION AND CONSIDERATION TO APPOINT A COUNCILMEMBER LIAISON TO TOWN OF EAGAR STAFF

Vice-Mayor Vicente Ordonez	---	Community Development Department
Councilor Gary Finch	---	Police Department
Councilor James Nelson, Jr.	---	Public Works Department
Councilor Kim Holaway	---	Events, Recreation, and Tourism Department
Councilor Sue Chacon	---	Finance Department
Councilor Byron Smith	---	Fire Department
Mayor Gloria Eagar	---	Town Manager and Town Clerk

C. DISCUSSION OF TOWN OF EAGAR'S BUSINESS LICENSE – REQUIREMENTS AND FEES, AND LOSS OF SALES TAX REVENUE

Councilor Gary Finch opened discussion on businesses in Eagar that are operating without a town business license. The business license fees are insufficient to cover the administrative expense of issuing the business license.

He also explained how building contractors are conducting business without a contracting license, as well as not paying:

- sales tax
- insurance and bonding
- workman's compensation

Unlicensed contractors are also known to hire undocumented workers.

Councilor Finch provided a copy of the Town of Payson's Business License Code and suggested that the Eagar Council consider such a code. Councilor James Nelson suggested that this information be given to the Town Attorney for review and be brought back at a meeting in September.

ITEM # 10: SIGNING OF DOCUMENTS

Signed the minutes of July 2007.

ITEM # 11: ADJOURNMENT

Councilor Sue Chacon moved to adjourn at 8:15 p.m. Vice-Mayor Vicente Ordonez seconded; all were in favor, meeting adjourned.

Attest: _____

Mayor: _____

Council Regular Session
August 14, 2007

Vice—Mayor _____

Council: _____

CERTIFICATION OF COUNCIL MINUTES

I hereby certify that the foregoing minutes are true and correct copy of the minutes of the regular session of the Town of Eagar, Arizona held on the 14th day of August 2007. I further certify that the meeting was duly called and held and that a quorum was present.

Eva M. Wilson