

**TOWN OF KEARNY
REGULAR MEETING MINUTES**

**A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEARNY,
ARIZONA, AT THE KEARNY TOWN HALL LOCATED AT 912-C TILBURY DRIVE
ON MONDAY, APRIL 18, 2016, AT 7:30 P.M.**

COUNCILMEMBERS PRESENT

Mayor	Sam Hosler
Vice Mayor	Daniel Radcliffe Sr.
Councilmember	Lana Dalton - Telephonically
Councilmember	David Herrera
Councilmember	Nancy Hinojos
Councilmember	Sheila Stephenson

TOWN STAFF PRESENT

Town Manager	Anna Flores
Town Clerk	Cathy Woolery
Town Attorney	Steve Cooper
Interim Chief of Police	Dave Blue

VISITORS PRESENT

Lana Warren	Joe Weller
Gwen Dinwiddie	James Hosea
Carol Lewis	David Wade
Mary King	Tino Flores
Diane Herrick	Carol Hosler
Diego Ortega	Diane Palmer
Jim Schenck	Debra Sommers

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Hosler called the meeting to order at 7:30 p.m. followed by the Pledge of Allegiance.

INVOCATION

Carol Hosler – Vicar of St. Michael’s Episcopal Church, Coolidge, delivered the invocation.

ROLL CALL

Mayor Hosler requested Town Clerk, Cathy Woolery, to call the roll. Quorum was present.

APPROVAL OF MINUTES

Motion by Councilmember Stephenson, **second** by Councilmember Dalton to approve minutes from March 21, 2016 Regular Meeting and March 30, 2016 Special Meeting. **Vote** - All members voted in favor. **MOTION PASSED.**

CALL TO THE PUBLIC

Mayor Hosler announced that in addition to speaking during call to the public, the public will also be allowed to be recognized and speak for two minutes on non-agenda items during the meeting. No persons addressed the Council at call to the public.

PRESENTATION FROM RESOLUTION COPPER COMPANY

Town Manager Anna Flores introduced Diego Ortega, General Manager, for Resolution Copper Company, who will be presenting an update on the mining project. He summarized the safety report for their operations with a safety record of low injury frequency rate of 0.35 which is below the national average of 2.5. Also, the permitting process has started with the US Forest Service sending a notification on March 11, 2016 of the NEPA process beginning. The scoping stage is the first phase which is 120 days which allows the public to have the opportunity to express concerns, questions, support, comments, and participate in the process. The US Forest Service will take all the information and consider it for the environmental planning assessment – the process taking years. In the meantime while the NEPA process is going on, there is study and investment work going on for the project. This mine will become the 3rd largest copper mine in the US and will provide 25% of all copper demand in the US. Diego encouraged the public to inform Resolution Copper with comments or matters of concerns. He also emphasized safety is number one priority for their mine plan. The second priority is to maintain strong social consensus and meet expectations with public. Diego explained the low operating cost and efficiency of the mining operation that will sustain potential decreases in copper prices, which means the mine should not have any problem moving forward with a long life and low cost of operation. They expect for all the investment they have made so far in the past 10 years of \$1.4 billion for studying and planning that will reduce the permitting process down to five years. He requested the Councilmembers and Mayor and anyone interested to please participate by sending letters and asking questions regarding taxes, economic benefits, and opportunities. Diego stated that Jim Schenk will be available for keeping the Council informed and for any requests they might have. Mayor Hosler asked about how to get information from the US Forest Service. Diego said the brochures he brought have information about the process and contact information for the US Forest Service. Councilmember Herrera asked if they have a plan for integration for social services in the communities such as Kearny and Superior. Diego Ortega explained estimated taxes of \$20B and how much of that will impact the communities in terms of location, health, and basic needs. They are also looking at value proposition in terms of social development, economic development, hiring local labor and suppliers, and developing resources that are not there. They already have approximately 87% of employment as local and will continue to do as much as possible at the local level. Once construction starts there will be an expenditure of \$6-7B. This will be during the construction phase of four years with approximately 3,000 employees hired to complete the construction, and 1,400 employees required for operations. Councilmember Herrera also questioned concerns regarding the taxes of \$20B divided into 40 years resulting in approximately \$6-7B per year, and how much would trickle down to the communities. Diego explained he does not have the exact figure, but recalls it will be approximately \$12M in terms of schools over three years for Pinal County. He can provide more analysis and get the correct figures for the Council. Councilmember Herrera expressed the amount keeps getting smaller and smaller when the residents evaluate the risks and benefits. Also, he has heard the residents of Superior are complaining about the tailings. Diego explained they have spent \$35M to reclaim the old Magma tailings and still have another \$30M

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more to do. In terms of environment the tailings in Superior have caused no concerns for Resolution at the moment. Councilmember Herrera asked about concerns about the Queen Valley area tailings and comments from that community. Diego stated there were concerns about water, dust, and impact on property values which were addressed to Resolution and to the US Forest Service during the public hearing. Councilmember Herrera explained we recently had conversations with ASARCO regarding environmental impact from the project they have, and the project from Resolution is twice as large. Diego clarified it is not just about the taxes, but is also how they are going to do things at the mine and how they are investing directly into the communities as well, and how to partner in terms of growth, and the community investment that is separate money from the taxes. Councilmember Herrera asked about the resource of copper in the ground, and if it is greater than what was proposed then will the communities get more on a sliding scale. Diego expressed yes, and they are confident the core of deposit is expandable, but it will go through a permitting process and planning process and consultation to expand. Jim Schenck stated that part of the question has to do with the land exchange law which calls for an evaluation. They will evaluate the value of the copper in the ground, and then Resolution will pay on that to the Federal Government.

POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF POLICE VEHICLE DONATION

Town Manager Anna Flores introduced Sergeant Blue for discussion of the donation of a police vehicle for parts. Sergeant Blue explained the department had a vehicle with a blown transmission and another vehicle had severe engine problems. The engine was taken out of the one car and put in the other to make it a great car to use as a staff car for all staff purposes such as training. Getsome Motorsports was charging \$1400 for the services they performed, but Sergeant Blue offered the car with no engine to Getsome Motorsports for parts and \$500 off the cost of services based on Council approval. The department has no use for the car now since it has no engine in it. Sergeant Blue discussed the option of taking it to auction for estimated \$1500 or whatever it is worth or the option of giving the car to Getsome Motorsports for parts and reducing the service charges to \$900. The car has no engine and this is a way to get it off inventory, and we will not have to take it to auction which is a win/win situation. He is seeking approval from the Council.

Motion by Councilmember Herrera, **second** by Vice Mayor Radcliffe to accept the approval of the police vehicle donation as explained by Chief Blue. **Vote** – All members voted in favor. **MOTION PASSED.**

RESOLUTION AUTHORIZING TO SUBMIT AN APPLICATION AND IMPLEMENT CDBG PROJECTS FY2016

Town Manager Anna Flores provided background information for this resolution authorizing submission of application for the FY2016 State Special Projects for street improvements in the amount of \$383,010 with the Town paying the additional cost funded by HURF funds.

Motion by Vice Mayor Radcliffe, **second** by Councilmember Herrera to approve council letter no. 1444 for the application of State Special Projects for street improvements. **Vote** – All members voted in favor. **MOTION PASSED.**

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with ROC, and should the police department needs service they will have to possible wait two to three business days. Vice Mayor Radcliffe also stated he had the same question. Town Manager Anna Flores said they had talked with Interstate and CenturyLink and when the police department is down with any type of equipment sometimes we do wait one to two days to get anyone here. Sergeant Blue explained one reason Interstate was chosen as they are already using them for the computer systems, server, software, and PCs and would have one contractor for both phones and computers. The Town has been involved with Interstate for many years. Vice Mayor Radcliffe expressed concerns about the two to three business days for onsite visits and asked if that was discussed with them. Sergeant Blue said from working with CenturyLink for the past months that they are here within two to three business days, but will discuss that with Interstate. Vice Mayor Radcliffe stated he would like to find that out before approving.

Motion by Councilmember Stephenson, **second** by Vice Mayor Radcliffe to table the item. **Vote** – All members voted in favor. **MOTION PASSED.**

POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF A MEMORIAL PLACED AT COPPER RAILROAD PARK

Town Manager Anna Flores provided background information. She called ADOT and they have a new director, and all memorials will be removed from highways. The property is Town property where the memorial would be placed. ADOT has 100 feet right of way and verification of the property ownership is being checked by Town Manager Anna Flores. She has not yet received a call back from ADOT, but the memorial will be placed on Town property. Mayor Hosler expressed concern that the site might be subject to some vandalism. Town Manager Anna Flores stated the cross has already been constructed, but she will talk with the family regarding that. They have expressed the memorial they have by the light pole has already been subjected to theft.

Motion by Vice Mayor Radcliffe, **second** by Councilmember Hinojos to approve council letter #1450 for placement of a memorial cross on Town property at Copper Railroad Park, **Vote** – All members voted in favor. **MOTION PASSED.**

POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF A WIFA (WATER INFRASTRUCTURE FINANCE AUTHORITY) TECHNICAL ASSISTANCE AGREEMENT WITH NCS ENGINEERING AND THE TOWN OF KEARNY IN THE AMOUNT OF \$27,500

Town Manager Anna Flores provided background information for this item. The remaining balance owed to NCS Engineering for the system assessment, master plan, the PER, and water rate study is \$27,500 with \$16,375 to be reimbursed to the Town of Kearny from WIFA.

Motion by Councilmember Stephenson, **second** by Councilmember Hinojos to approve the amount of \$27,500 to NCS Engineering with \$16,375 to be reimbursed to the Town of Kearny. **Vote** – All members voted in favor. **MOTION PASSED.**

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INFORMATIONAL ITEMS

Town Manager Anna Flores announced the Library Board would like a liaison from the Town Council to participate on their board. Please let Anna Flores know if you are interested and she will place on the agenda at a future date, but they would like representation from someone on the Council to be on their board. Vice Mayor Radcliffe asked how the filtration plant is doing. Town Manager Anna Flores said she received an email from the Public Works Director, and samples have been taken with the levels of manganese in the water filtering at .05 mg/l. Also, we have not received any calls at Town Hall, and the ballpark fields are being watered with no stirring up of manganese. Vice Mayor thinks the setup will be much better, and the valves are working better. Mayor Hosler thanked the Town Manager and the Vice Mayor for attention to the filtration plant. Also, the Mayor announced the Rotary Club is planning a repeat of auction, dance and steak dinner as a benefit for the pool on May 14, 2016 to provide for the operations of the pool. Also, he commended the Rotary for the work they do for the high school scholarships and book programs for the library.

REPORTS

Mayor Hosler asked if there was any discussion on the reports. Councilmember Stephenson complimented the Town library with doing a fantastic job. Interim Chief Blue stated this is his last council meeting. The servers are in and communications are about 95% done with a 2.7 server system in there with thanks to Motorola. Ten handheld radios are coming from the US Air Force, so will distribute some of the old radios to Kearny Fire department or Hayden Fire department. Also, an \$80,000 repeater will be given from the US Air Force and will be placed wherever the Town decides which will help with incident command. Policy and procedures are about 95% completed, and will be sent to Town Attorney for approval, and then at next Council meeting should be ready to go to the Council for approval. Interim Chief Blue stated he was asked by the Arizona Highway Patrol Association to write an article. He expressed he is a grateful employee in being able to be here two times. He explained that he will be writing an article called "Grateful Employee" based on the town employees and how they went from point A and where they are today, and how grateful they are. Mayor Hosler expressed the Town is grateful to have him and the other communities also have gratitude. He said Interim Chief Blue has brought a standard of professionalism, a sense of respect, and fostered a sense of community service which is very special. Mayor Hosler is grateful to him and the whole Department of Public Safety for this program and going beyond the program in terms of helping all of us in the way he and they have. Interim Chief Blue summarized the next few days he will get with the Town Manager to do a walk through and inform her who is going to be responsible for which processes. Also, Ilsa Garcia has been training on processes and forms and will be there to maintain all systematic processes. Mayor Hosler commented on the great job the library is doing.

Motion by Councilmember Stephenson, **second** by Vice Mayor Radcliffe to accept the reports.
Vote – All members voted in favor. **MOTION PASSED.**

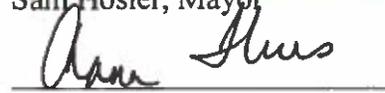
ADJOURNMENT

Motion by Vice Mayor Radcliffe, **second** by Councilmember Stephenson to adjourn. **Vote** – All members voted in favor. **MOTION PASSED.** Meeting was adjourned at 8:40 p.m.

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Sam Hosler, Mayor



Anna Flores, Town Manager

ATTEST:



Cathy Woolery, Town Clerk