

**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, DECEMBER 21, 2015, AT 7:30 P.M.**

**COUNCILMEMBERS PRESENT**

Mayor	Sam Hosler
Councilmember	Lana Dalton -Telephonically
Councilmember	Rudy Flores
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
Town Magistrate	Dave Orzell

**VISITORS PRESENT**

James Hosea	Joe Weller
Gwen Dinwiddie	Mike Dinwiddie
Carol Lewis	Debra Sommers
Edna Lawrence	Alan Urban
Chris Postel	Doris McComb
Diane Palmer	Chris Misita
Mary King	Samantha Misita
Chuck Kmut	Jim McDaniels

**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**

Dave Orzell, Town of Kearny Magistrate, delivered the invocation. A moment of silence was observed for Daniel Jeff Ramirez.

**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 Herrera to approve minutes from Special Meeting November 10, 2015, and Regular Meeting November 16, 2015. **Vote** - All members voted in favor. **MOTION PASSED.**

**CALL TO THE PUBLIC**

Mayor Hosler invited any persons to address comments and questions regarding water rate issues. Gwen Dinwiddie asked if there are provisions to keep the money separate to use toward grants if we were able to get any. She also asked for clarification regarding maintenance and what specifically the money would be used for. Town Manager Anna Flores explained the utility system has numerous repairs and upgrades necessary to complete to keep the system operational; water tanks recoating - \$857,000, refurbish well #3 - \$300,000, replace booster tank at \$181,000, and \$60,000 for filtration plant repairs, for a total of \$1.4M. Town Manager Anna Flores also presented an article, 'Dark Water Rising', which explains the deterioration of the water infrastructure within cities and towns throughout the nation.

**NOTICE OF INTENTION TO INCREASE WATER RATES**

Town Manager Anna Flores provided background information. She explained that we were notified by WIFA and USDA that the town needs to raise water rates in order to qualify to apply for loans or grants. Both agencies came to Kearny, and it would be necessary to increase rates to even qualify for the loans or grants. The Council at the May meeting opted to increase the water by \$2.50 and use \$2.50 from the CAP fee reserve which would bring the basic water rate to \$31.85 per 5,000 gallons. Mayor Hosler asked if that was enough to get the loan. Town Manager Anna Flores explained we would be in the ball park with the rate increase of \$2.50 and use of the CAP fee of \$2.50 in order to possibly get the loan of \$850,000 for recoating the water tanks, but not enough for all repair needs. The water comes from three wells, and two are under the Gila Water Decree from 1935, with one well inoperable at this time – well #3. Winkelman pays \$32.18 for 5,000 gallons through Arizona Water Company. The Town of Hayden pays \$7.75 for water; however, they pay \$42.47 for sewer. The Town of Kearny only pays \$27.60 for sewer. The Town of Kearny would still be below the average. Also, USDA and WIFA state the average water rate is \$40, so we would have to raise another \$8.55 in the next few years to be able to cover the cost of what we need to repair. Most municipalities raise rates every year to cover the cost of their repairs necessary for the infrastructure. Councilmember Herrera stated we have been discussing water upgrades, changes, and costs for some time now, and we need to start looking at this seriously and doing the rate changes incrementally.

**Motion** by Councilmember Herrera, **second** by Councilmember Flores to approve the notice of intention to approve water rate increase on January 18, 2016 at 7:30. **Vote** – All members voted in favor. **MOTION PASSED.**

**CONSIDERATION AND POSSIBLE APPROVAL OF THE ARIZONA MUTUAL AID COMPACT WITH THE STATE OF ARIZONA AND THE ARIZONA DEPARTMENT AND MILITARY AFFAIRS**

Town Manager Anna Flores provided background information and introduced Charles Kmut to answer questions regarding the Arizona Mutual Aid Compact. Charles explained the scope of the Compact is to allow mutual aid request from one jurisdiction to another, such as asking reimbursement or not, who is in charge of the resources, and also spells out workers comp. It is a broad document to be able to work with other jurisdictions such as the school district using the American Red Cross as a shelter. Pinal County's objective is to work with all jurisdictions so they will still be available even if it is not signed. Councilmember Herrera stated he was surprised to not see the school districts as a signatory of part of the Compact, and asked if they

are being asked to sign this. Chuck Kmut said the Compact has been revised to include special districts and school districts, and they are working on informing the school districts. Councilmember Stephenson asked if more and more of the small towns are coming on board. Chuck Kmut stated this is his second presentation to the small towns, and Superior recently signed on. Councilmember Herrera asked if Superior's fire district will be coming on. Chuck Kmut said fire districts are a part of the State of Arizona's master mutual aid agreement, but they can choose to sign on to the Compact. Councilmember Herrera asked Town Manager Anna Flores who the contact will be on the Compact. Mayor Hosler stated he thinks it would be the Town Manager.

**Motion** by Councilmember Herrera, **second** by Councilmember Stephenson for approval of the Arizona Mutual Aid Compact with the State of Arizona and the Arizona Department and Military Affairs. **Vote** – All members voted in favor. **MOTION PASSED.**

**AUTHORIZE APPROVAL OF THREE CANDIDATES TO THE TOWN OF KEARNY LIBRARY BOARD**

Town Manager Anna Flores provided background information. Councilmember Stephenson stated we have a good group of candidates. Mayor Hosler stated Virginia Ochoa has served 40 years on the board and loves serving. Doris McCombie has lived in Kearny for 15 years, is impressed with the library, and has background of accounting and management. Jim McDaniels reads about 2 to 3 books per week, feels the library is an important community resource, and has interest in improving library by offering additional services, programs, and activities.

**Motion** by Councilmember Stephenson, **second** by Councilmember Flores for acceptance of the three candidates - Doris McCombie, Jim McDaniels, and Virginia Ochoa to serve on the Town of Kearny Library Board. **Vote** – All members voted in favor. **MOTION PASSED.**

**PRESENTATION BY ALAN URBAN, COMMUNITY DEVELOPMENT MANAGER, FOR CENTRAL ARIZONA GOVERNMENTS, FOR THE CDBG APPLICATION, FOR THE FY 16 ALLOCATION**

Town Manager Anna Flores provided background information and introduced Alan Urban, Community Development Manager of Central Arizona Governments (CAG), who presented information on the process of selecting the project for the Community Development Block Grant (CDBG) for the fiscal year 2016 allocation. Alan Urban stated the reason he is here is to help facilitate the CDBG funds. He thanked the Town for inviting Mammoth to join the partnership to receive CDBG funds every three years which is a larger allocation of approximately \$300K. This year the amount will be larger in the amount of \$397K for FY2016 for the Town of Kearny. The grant can be used for different categories as noted on the first notification list. Alan is here to inform the Council to make a decision on what project they want to use the funds for, and will be back next month for a formal public hearing. At that time a project list will be created that the Council wants to consider and the public will consider supporting. Alan encourages every community to have a General Plan or a Capital Improvement Plan. Alan informed the Council they can choose one project and one planning project which will maximize the available funds and make a good impact on the community. All decisions have to be made in a public venue. It is to be a public process with involvement from the community in the discussion as to what their priorities are. Also, income levels of the community are a determining factor as to which communities receive the CDBG funds. CAG completed an income survey which resulted

in Kearny getting the funding this time, and Alan thinks we will continue to have to do an income survey for every allocation in the future. Councilmember Herrera asked if CAG will be doing the survey. Alan commented they did the last one, and will most likely do the survey by walking the streets as mailing created problems. Councilmember Herrera expressed appreciation to Alan and CAG for completing the survey. Alan stated another important factor in the CDBG process is also creating jobs for community members to work on the project. Councilmember Herrera asked if Kearny will get the allocation one out of three years. Alan stated Kearny will get it this year followed by Mammoth and then Hayden. Councilmember Hinojos asked if the town has a deadline for the General Plan. Alan stated they would be going into contract on that soon and will take approximately 18 months.

**POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF TWO OPTIONS FROM THE PINAL COUNTY FACILITIES DIRECTOR OF OPTION #1 WHICH IS RENTING THE PINAL COUNTY BUILDING FOR \$1 A YEAR AND PAYING UTILITIES, OR RENTING FROM PINAL COUNTY FOR THE MAGISTRATE COURT AT \$1,350 PER MONTH**

Town Manager Anna Flores provided background information and introduced Town of Kearny Magistrate Dave Orzell who stated he and the Town Manager do not necessarily need the Council to take any action tonight. They have discussed a third option and are in the process of gathering more information to propose the option to Pinal County. He also stated they need to get more information regarding remodeling and subleasing from Pinal County. He also did a study of Pinal County commercial buildings rental fees which ranged from \$6.61 per square foot up to \$61.00 per square foot for a fancier suite. He believes Pinal County is trying to work with the Town and make it a good deal for both parties. The Town of Kearny has never had to pay any rent nor utilities up to this date, but the county is looking at needing income now. Dave Orzell stated the insurance company the County uses came in and installed a new air conditioner compressor, roof is warranted until 2019, basement has been completely cleaned out, and they have coated stairs with non-slippery surface at their cost. Councilmember Herrera asked if they are going to ask the County about subleasing. Dave Orzell stated yes. Councilmember Hinojos commented it would be nice to find an option to save the town money if that is possible.

**Motion** by Councilmember Flores, **second** by Councilmember Herrera to table this item pending further information to be provided by Magistrate Dave Orzell and Town Manager Anna Flores for a possible third option. **Vote** – All members voted in favor. **MOTION PASSED.**

**PRESENTATION OF INFORMATION BY INTERIM CHIEF BLUE REGARDING POSSIBLE FUNDING BY SENATOR MCGUIRE, COUNTY BOARD OF SUPERVISORS AND COUNTY ATTORNEY**

Town Manager Anna Flores explained Interim Chief Blue is here to present this item. Interim Chief Blue explained a quote was obtained from Creative Communications in the amount of between \$116K and \$120K to build the communication infrastructure. They are looking into a grant from the Town of Mammoth for the funding for the coalition. For the Town of Kearny the communication system needs to be updated as parts are no longer available for the existing system. Three options would be to contact Senator McGuire, the County Board of Supervisors, and the third option of RICO funds from the County Attorney which is currently not available. Pinal County is currently looking at new communication system so it would be a great

opportunity to build at the same time by contacting the County Board of Supervisors and possibly work with them.

**POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF AN IGA BETWEEN THE DEPARTMENT OF PUBLIC SAFETY AND THE TOWN OF KEARNY FOR PLACEMENT OF THE INTERIM CHIEF OF POLICE**

Town Manager Anna Flores provided background information. Mayor Hosler stated he is astonished at Department of Public Safety's generosity. The agreement was backdated from November 2015 for six months to April 2016.

**Motion** by Councilmember Stephenson, **second** by Councilmember Flores for approval of the IGA between the Arizona Department of Public Safety and the Town of Kearny. **Vote** – All members voted in favor. **MOTION PASSED.**

**POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF TOWN OF KEARNY EMPLOYEE RENTAL AGREEMENT**

Town Manager Anna Flores provided background information. Councilmember Herrera stated he thinks this is a good plan to bring potential employees to come work for us, have a place to stay, and perhaps become full time residents of Kearny. He is in favor of this agreement.

**Motion** by Councilmember Herrera, **second** by Councilmember Hinojos for approval of the Town of Kearny employee rental agreement to assist EMS and police officers and other employees working for the Town of Kearny. **Vote** – All members voted in favor. **MOTION PASSED.**

**INFORMATIONAL ITEMS**

Town Manager Anna Flores expressed sadness regarding the passing of Jeff Ramirez and that he would be greatly missed. Councilmember Hinojos suggested a wall plaque be designated with Town employees who have passed. This will be placed on the January agenda for Council. Also, Yard of the Month for each month will be placed on the January agenda. Summary for the year includes: slurry sealing/stripping completed for two major roads; Griffin St. pump station electrical repaired; receipt of fire truck from Tempe; Copper Basin Railway mitigation help since the fire; public auction held successfully; completion of swimming pool; police vehicles obtained from DPS; water tanks inspected; Mayor's Corner is loved by the public; two successful Kearny Clean-Ups with Yard of the Month; UV system repairs completed; cement saw purchased for public works and fire; new well #2A completed and old well #2 repaired; implemented new utility payment policy showing significant decrease in 60 days past due and increased cash flow; received good audit report with yearly findings; implementation of records management; police department improvements – records management, inventory control, evidence, internal controls; dispatch provided excellent service; library's new programs include coffee and conversation; safety programs and safety training ramped up to become OSHA compliant; successful year with magistrate which has a new magistrate clerk; EMS provided excellent patient care and have new phone line; volunteer fire department along with VIPS, EMS, Dispatch, and PD helped to save the Town of Kearny with their expertise and resources during the Kearny River Fire. Town Manager Anna Flores gave a huge thank you to the Mayor and Council, Town of Kearny Employees, and Volunteers who strive every day to make Kearny the shining star in Pinal County. Mayor Hosler stated they are still working on getting employers for the job fair to be

held in the second week of January. Councilmember Herrera commended Interim Chief Blue on swapping ammunition between the Town of Kearny and the Town of Hayden.

**REPORTS**

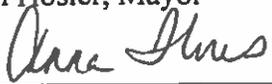
Mayor Hosler asked if there was any discussion on the reports. Interim Chief Blue commented that the missing weapon had been recovered.

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

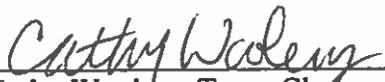
**ADJOURNMENT**

**Motion** by Councilmember Stephenson, **second** by Councilmember Herrera to adjourn. **Vote** – All members voted in favor. **MOTION PASSED.** Meeting was adjourned at 8:34 p.m.

  
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Sam Hosler, Mayor

  
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Anna Flores, Town Manager

ATTEST:

  
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Cathy Woolery, Town Clerk