

**TOWN OF KEARNY
REGULAR MEETING MINUTES**

**A SPECIAL MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEARNY, ARIZONA,
AT THE KEARNY TOWN HALL LOCATED AT 912-C TILBURY DRIVE ON
MONDAY, JUNE 24, 2019, AT 6:00 P.M.**

COUNCILMEMBERS PRESENT

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|---------------|------------------------------------|
| Mayor | Debra Sommers |
| Vice Mayor | Daniel Radcliffe |
| Councilmember | Rose Bradford (Excused Absence) |
| Councilmember | Nancy Hinojos (Arrived at 6:04 PM) |
| Councilmember | Rudy Flores |
| Councilmember | Samantha Misita (Telephonically) |
| Councilmember | Sheila Stephenson |

TOWN STAFF PRESENT

| | |
|------------------------|----------------|
| Town Manager | Anna Flores |
| Town Clerk | Martina Burnam |
| Chief of Police | Wallace Kenney |
| Police Officer | Jose Valle |
| Police Officer | Robert Manos |
| Reserve Police Officer | Randall Thomas |

VISITORS PRESENT

Ginger Bentley-President of Copper Basin Chamber of Commerce
Andrea Robles-CAG Director
James Ruiz-Manager of 3J Communications
Sam Hosler
Carol Hosler
Michael Carrillo
Mikey Carrillo
Kyle Boyd

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Sommers called the meeting to order at 6:00 p.m. followed by the Pledge of Allegiance.

INVOCATION

Able Hinojos of the Calvary of Kearny, A Christian Fellowship Church delivered the invocation.

ROLL CALL

Mayor Debra Sommers requested Town Clerk, Martina Burnam, to call the roll. Quorum was present.

Chief of Police Wallace Kenney introduced the town's new Police Officers Jose Valle, Robert Manos and Reserve Police Officer Thomas Randall.

PUBLIC HEARING AND RESOLUTION 19-4 ADOPTING FINAL PROPOSED BUDGET FOR 2019-2020 FISCAL YEAR IN THE AMOUNT OF \$11,234,415.00

The Council reviewed the proposed 2019-2020 Fiscal Year Budget on June 3, 2019 and adopted a tentative budget with an all funds expenditures of \$11,234,415. The auditor general forms were published twice on Wednesday, June 12, 2019 and Wednesday, June 19, 2019, in the Copper Basin News. This action established the maximum expenditures for the fiscal year; however, the Council may make additional budget adjustments or reduce expenditures as part of the final approval process. The Town received the assess valuation for the 2019-2020 budget and, unfortunately, the Town's assessed value has decreased. In order to receive the same amount of \$125,468 in primary taxes, the rate will be adjusted to \$2.2929 per \$100 of assessed value.

The Council held the advertised public hearing, setting the alternative expenditure limitation, presenting the primary tax levy and adopted resolution 19-4 in the amount of \$11,234,415 and gave final approval to the 2019-2020 Fiscal Year Budget.

Vice Mayor Daniel Radcliff inquired about the Public Safety Contribution Rates beginning on July 1, 2020; if they, in fact, did decrease from 109.99% to 39.76%. Town Manager confirmed the decrease will be in effect July 1st, 2020 at the new rate.

Motion by Councilmember Stephenson, **second** by Councilmember Flores by holding the advertised public hearing, setting the alternative expenditure limitation, presented the primary tax levy and adopted resolution 19-4 in the amount of \$11,234,415 approving the 2019-2020 Fiscal Year Budget. **Vote** – Mayor Debra Sommers, Vice Mayor Daniel Radcliffe, Councilmembers Sheila Stephenson, Rudy Flores, Nancy Hinojos and Samantha Misita all voted in favor of the motion. **MOTION PASSED.**

PRESENTATION FROM NCS ENGINEERING REGARDING THE WATER SYSTEM COUNCIL

NCS Engineering was not in attendance to present an update regarding the water system. Increased costs, including electrical, testing requirements, repair and maintenance of the water tanks, booster tank, Well #4 and meters are continually increasing with inflation and the system exceeds 50 years of age. Extensive use of grant funds for the water system has increased the need for rate increase, however, these funding sources are becoming more difficult to access because of population growth, greater competition and reduced revenues.

Ramish Narasimhan, from NCS Engineering was to attend today to present an update regarding the water system.

Motion by Vice Mayor Daniel Radcliff, **second** by Councilmember Stephenson to table this item due to Mr. Narasimhan not being able to attend the meeting, until the Special meeting on July 1st, 2019 at 6 PM. **Vote** – Mayor Debra Sommers, Vice Mayor Daniel Radcliffe, Councilmembers Sheila Stephenson, Rudy Flores, Nancy Hinojos and Samantha Misita all voted in favor of the motion. **MOTION PASSED.**

POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF SUBLEASE AGREEMENT BETWEEN THE COPPER BASIN CHAMBER OF COMMERCE AND THE TOWN OF KEARNY

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A review of the sublease agreement between the Town of Kearny and the Copper Basin Chamber of Commerce.

Pinal County began invoicing the Town of Kearny because of the lease agreement between the Town of Kearny and Pinal County. The amount is \$1,250 per month.

The agreement would allow the Town to sublease the office space to the Copper Basin Chamber of Commerce where it is currently located in the amount of \$220.00 per month for the first year. The Chamber will carry their own required insurance coverage, (1 million dollars) and name the Town of Kearny as an addition insured.

During the first year of the lease agreement, the Copper Basin Chamber of Commerce shall not be entitled to terminate this lease agreement for any reason. After the first year, the Copper Basin Chamber of Commerce may terminate this lease agreement upon giving the Town of Kearny written notice sixty days before termination.

Copper Basin Chamber of Commerce president Ginger Bentley presented the Town Council a letter and explanation of the chamber's finances and possibly exchanging rent in lieu of Gold Membership with the Copper Basin Chamber of Commerce. Mayor Sommers was not in favor of this and Town Councilmember Stephenson was in agreement with her. Mrs. Bentley stated she would need to speak with the board for final resolution. Vice Mayor Daniel Radcliff suggested the Chamber of Commerce come back with an amount that is affordable to them.

Motion by Vice Mayor Daniel Radcliff, **second** by Councilmember Stephenson to table this until the next Town Council meeting July 15th, 2019. **Vote** – Mayor Debra Sommers, Vice Mayor Daniel Radcliffe, Councilmembers Sheila Stephenson, Rudy Flores, Nancy Hinojos and Samantha Misita all voted in favor of the motion. **MOTION PASSED.**

POSSIBLE DISCUSSION AND POSSIBLE APPROVAL OF A SERVICE LICENSE AGREEMENT BETWEEN THE TOWN OF KEARNY AND 3J COMMUNICATIONS TO CONSTRUCT A COMMUNICATIONS SYSTEM TO PROVIDE HIGH SPEED INTERNET SERVICES TO THE RESIDENTS AND BUSINESSES OF KEARNY

James Ruiz, Manager of 3J Communications was there to answer any questions the Town Council may have regarding a service license agreement between the Town of Kearny and 3J Communications.

Application for permit was provided. Map to where he wants to place the broadband was provided.

Attorney Stephen Cooper noted the added provision of “and information service” under 3.2 of the Service License Agreement that was not on the previous drafted agreement. Attorney Cooper recommended that provision be removed and Mr. Ruiz can just notify us if there is going to be a license fee in play. If this is approved, it doesn't mean broadband would be strung up immediately. There is more to this, permits are needed and possibly leases. This will help in sending larger files through electronic methods.

Mr. Ruiz stated he will be needing to lease poles either through APS or Town of Kearny to distribute the broadband more efficiently throughout the town.

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Mayor Debra Sommers asked how long this agreement is for. Attorney Stephen Cooper stated it is a 10-year agreement with a licensing fee of 5% and the Council cannot get above 5% by law.

Attorney Stephen Cooper informed Mr. James Ruiz, if 3J Communications wants to sell something other than broadband Dark 5, like telephone, internet or television, just let the Town of Kearny know.

Motion by Councilmember Stephenson, **second** by Vice Mayor Daniel Radcliff to approve the Service License Agreement, with the wordage "and information service" under #3.2 be removed, between the Town of Kearny and 3J Communications. **Vote** – Mayor Debra Sommers, Vice Mayor Daniel Radcliffe, Councilmembers Sheila Stephenson, Rudy Flores, Nancy Hinojos and Samantha Misita all voted in favor of the motion. **MOTION PASSED.**

ADJOURNMENT

Motion by Vice Mayor Radcliff, **second** by Councilmember Flores to adjourn. **Vote** – Mayor Debra Sommers, Vice Mayor Daniel Radcliffe, Councilmembers Sheila Stephenson, Rudy Flores, Nancy Hinojos and Samantha Misita all voted in favor of the motion. **MOTION PASSED.**

Meeting was adjourned at 6:45 p.m.




Debra Sommers, Mayor



Anna Flores, Town Manager

ATTEST:


Martina Burnam, Town Clerk