

**TOWN OF PATAGONIA
REGULAR COUNCIL MEETING MINUTES
July 11, 2012
7:00 P.M.**

1. CALL TO ORDER: Mayor Isakson called the meeting to order at 7:00 p.m.
PRESENT; Mayor Isakson, Vice-Mayor Wood, Council Members Quiroga, Gilbert and Coleman.
ABSENT: None
STAFF: Town Manager Teel, Deputy Clerk Van Nest, Town Attorney Mike Masee
2. PLEDGE OF ALLEGIANCE: Mayor Isakson led the recitation of the Pledge of Allegiance.
3. CORRECTION AND/OR APPROVAL OF MINUTES OF:

(A) REGULAR COUNCIL MEETING, JUNE 27, 2012 – 7:00 PM

MOTION: Council member Gilbert moved to approve the June 27 , 2012 minutes. .

SECOND: Vice-Mayor Wood

VOTE: The Motion passed by a vote of 5-0 with Council Members voting as follows:

AYES: Mayor Isakson, Vice-Mayor Wood Council Members Quiroga, Gilbert and Coleman

NAYS: None

ABSTAINERS: None

ABSENT: None

PLEASE NOTE: THE MAYOR AND COUNCIL MAY ELECT TO TAKE ITEM(S) OUT OF ORDER

4. CALL TO THE PUBLIC A.R.S. §38-431.01(H): AT THIS TIME, ANY MEMBER OF THE PUBLIC IS ALLOWED TO ADDRESS THE TOWN COUNCIL, SUBJECT TO REASONABLE TIME AND MANNER OF RESTRICTIONS. PURSUANT TO THE ARIZONA OPEN MEETING LAW, AT THE CONCLUSION OF THE CALL TO THE PUBLIC, INDIVIDUAL MEMBERS OF THE COUNCIL MAY RESPOND TO CRITICISM MADE BY THOSE WHO HAVE ADDRESSED THE COUNCIL, MAY ASK STAFF TO REVIEW THE MATTER, OR MAY ASK THE MATTER BE PLACED ON A FUTURE AGENDA.

There were no public comments

OLD BUSINESS

5. MAYOR'S REPORT ON CURRENT EVENTS. AT THIS TIME THE MAYOR MAY WISH TO CALL UPON THE COUNCIL OR STAFF FOR REPORTS.

Mr. Teel reported on progress with the CBDG project and the good work done by the

Waste water treatment crew during the weekend rainstorms.

Council member Coleman commended the Marshal's office and the Public Works Department for doing a great job during the Fourth of July Holiday and event.

NEW BUSINESS

6. DISCUSSION AND POSSIBLE ACTION ON REQUEST BY COX COMMUNICATIONS TO TERMINATE CABLE FRANCHISE, LISA LOVALLO, COX COMMUNICATIONS.

Ms. Lisa Lovallo, Vice-president of Cox Communications was present to present and discuss Cox's request to terminate their franchise agreement. She outlined the program which would include contact with each of the 17 customers that they presently have and the payment to them of \$500 in the form of a gift cards which they could use to cover the cost of transitioning to another TV provider. There was discussion about the need for a bi-lingual contact person as some of the customers did not speak English. .

There was discussion of possible payments to the Town, Library or the School District and Ms. Lovallo indicated that Cox would probably be receptive to making a contribution to be used for improving technology or technology training for one of those entities.

MOTION: Council member Coleman moved to APPROVE THE CONCEPT OF AN EARLY TERMINATION TO THE COX CABLE FRANCHISE SUBJECT TO WORKING OUT THE DETAILS OF A FINAL AGREEMENT AND RECEIVING INPUT FROM THE CUSTOMERS AS A RESULT OF THE CONTACTS BY COX. . .

SECOND: Council member Quiroga

VOTE: The Motion passed by a vote of 5-0 with Council Members voting as follows:

AYES: Mayor Isakson, Vice-Mayor Wood Council Members Quiroga, Gilbert and Coleman

NAYS: None

ABSTAINERS: None

ABSENT: None

7. DISCUSSION AND POSSIBLE ACTION ON PRESENTATION BY TOM BELSHE, ARIZONA LEAGUE OF CITIES AND TOWNS, ON THE MODEL CITY TAX CODE AND ENFORCEMENT POSIBILITIES UNDER ARTICLE IV. THIS IS A PRELIMINARY DISCUSSION THAT MAY LEAD TO AUTHORIZING A PUBLIC HEARING FOR AUGUST 8 TO CONSIDER AMENDMENT AND ADOPTION OF THAT PROVISION. MIKE MASSEE, TOWN ATTORNEY WILL ALSO BE PRESENT. MAYOR ISAKSON...

Tom Belshe from the Arizona League of Cities and Towns and Lee Grafstrom, Tax Audit Supervisor for the City of Chandler and a member of a number of committees on the Municipal Tax Code, collection and enforcement were present and made a detailed presentation on the provisions of the Code. They also outlined in detail the provisions of Appendix 4 which provides for municipalities to conduct audits to supplement the states

audits which they reported were very understaffed and as a result provided not effective enforcement for a tiny town like Patagonia. This is further exacerbated by the fact that one of our important taxes, the residential rental tax, is not even a state tax so there is no incentive for collection. It was their recommendation that Patagonia adopt appendix 4 to provide a much more effective means of educating and enforcing the code.

They reviewed the items that the Town covers and those that it doesn't and made several suggestions. They recommended that we add a use tax, not because it would necessarily provide much revenue but because it tended to level the playing field for local merchants and businesses. They also suggested the addition of taxes on the rental of non-profit health facilities, income from coin operated washing drying and car washing machines and the provision (9) that prevents factoring of parts costs in flat rate repair charges.

They also recommended the addition of provisions (h) taxing of health spa membership and (gg) taxation of municipal utilities furnished outside the corporate limits. They suggested that both of these provision may be eliminated in the future but if the Town has them in place they will be grandfathered in and continue to be collectible..

Under the Local Options they recommended ending the exemption (m) on cost of land in construction contracts and (q) on rental occupancy since that was more specifically covered on the Model Options.

Mayor Isakson and Council member Coleman had to leave for a fire during the presentation.

It was agreed to defer and action to a future meeting when everyone was present and had an opportunity to consider the presentation and recommendations.

8. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO.12-08. A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PATAGONIA, ARIZONA TRANSFERRING FUNDS WITHIN THE ADOPTED BUDGET FOR THE FISCAL YEAR 2012-2013. MAYOR ISAKSON.

MOTION: Vice-Mayor Wood moved to ADOPT RESOLUTION NO.12-08. A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PATAGONIA, ARIZONA TRANSFERRING FUNDS WITHIN THE ADOPTED BUDGET FOR THE FISCAL YEAR 2012-2013.

SECOND: Council member Quiroga

VOTE: The Motion passed by a vote of 3-0 with Council Members voting as follows:

AYES: Vice-Mayor Wood Council Members Quiroga and Gilbert

NAYS: None

ABSTAINERS: None

ABSENT: Mayor Isakson, Council member Coleman

9. DISCUSSION AND POSSIBLE ACTION REGARDING REQUEST FROM PLANNING AND ZONING COMMITTEE FOR A JOINT MEETING/WORK SESSION WITH

COUNCIL ON REVISIONS TO TOWN CODE CHAPTERS 7 AND 14.

MOTION: Council member Gilbert moved to schedule a joint meeting/work session with the Planning and Zoning Committee on the second Saturday in August (8/11)

SECOND: Council member Quiroga

VOTE: The Motion passed by a vote of 3-0 with Council Members voting as follows:

AYES: Vice-Mayor Wood Council Members Quiroga and Gilbert

NAYS: None

ABSTAINERS: None

ABSENT: Mayor Isakson, Council member Coleman

10. APPROVAL OF ACCOUNTS PAYABLE.

MOTION: Council member Quiroga moved to APPROVE THE ACCOUNTS PAYABLE AS PRESENTED

SECOND: Vice-Mayor Wood

VOTE: The Motion passed by a vote of 3-0 with Council Members voting as follows:

AYES: Vice-Mayor Wood Council Members Quiroga and Gilbert

NAYS: None

ABSTAINERS: None

ABSENT: Mayor Isakson, Council member Coleman

11. FUTURE AGENDA ITEMS: AT THIS TIME THE COUNCIL MAY BRING FORTH TOPICS FOR FUTURE AGENDAS, AND IF PREVIOUSLY REJECTED BY THE MAYOR, THE COUNCIL MAY VOTE ON WHETHER TO PLACE THAT ITEM ON A FUTURE AGENDA PURSUANT TO SECTION 2-5-5 OF THE CODE OF THE TOWN OF PATAGONIA, ARIZONA. THE COUNCIL MAY NOT DISCUSS, DELIBERATE OR TAKE ANY ACTION ON THE SUBSTANCE OF THE TOPICS OTHER THAN TO VOTE TO INCLUDE THEM ON A FUTURE AGENDA. A.R.S. § 38-431.02(H) No agenda items were presented..

12. ADJOURNMENT

MOTION: Council member Quiroga moved to adjourn the meeting.

SECOND: Council member Gilbert

VOTE: The Motion passed by a vote of 3-0 with Council Members voting as follows:

AYES: Vice-Mayor Wood Council Members Quiroga and Gilbert

NAYS: None

ABSTAINERS: None

ABSENT: Mayor Isakson, Council member Coleman

The meeting was adjourned at 9:27 p.m.

I hereby confirm the foregoing minutes are a true and accurate copy of the minutes of a Regular Council Meeting held on July 11, 2012 at 7:00 P.M. I further certify that the meeting was duly called, held, and that a quorum was present.

Dated this ___ Day of July, 2012.

Attest: Town Manager

Approved: Mayor