

**THE REGULAR MEETING  
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA  
HELD DECEMBER 12, 2011 AT 7:00 P.M.  
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**CALL TO ORDER:**

Mayor King called the meeting to order at 7:00 p.m. with the pledge of allegiance.

**ROLL CALL:**

Present were: Mayor Toney D. King, Sr., Councilmembers Ron Brooks, David Lambert, Nick Maldonado, Chris Moncada and Al Sacco. Excused was: Vice Mayor Lori McGoffin

**EMPLOYEE RECOGNITION:** Mayor King recognized both Tawn Tripp & Franchesca Hinecker for each having 5 years of service with the City of Benson.

**PROCLAMATION:** None.

**PUBLIC HEARING:** The Mayor and Council will be available to receive comments from the public regarding the use of approximately \$250,000 in Fiscal Year 2012 Federal Community Development Block Grant (CDBG) funds from the Arizona Department of Housing Regional Account (RA).

Mayor King stated a second public hearing would be held on January 9, 2012 at 7:00 p.m. and then read a statement informing the public about the CDBG funds and the criteria projects must meet to be eligible for the funding. Mayor King then opened the public hearing at 7:05 p.m. stating there was no one signed up to speak during the public hearing and asked if there was anyone present who wished to speak. Councilmember Brooks asked how long the process would be open to suggestions on the use of the funds with City Clerk Vicki Vivian stating it would be at least until the next public hearing, which would be on January 9. After receiving no requests to speak, Mayor King closed the public hearing at 7:06 p.m.

**CALL TO THE PUBLIC:**

Denise Celentano addressed Council thanking them for their support with Benson's second annual Shop with a Cop program, which was held on December 3 at the Community Presbyterian Church. Ms. Celentano stated participating officers were from the Benson Police Department, the Department of Public Safety, the Sheriff's Department and new this year, the Bureau of Alcohol, Tobacco, Firearms & Explosives, adding she received a request from the Border Patrol to participate in the next event. Ms. Celentano then stated Boy Scout Troop 405 and the Benson High School Choir assisted with breakfast and wrapping. Ms. Celentano stated new to the program was a drawing for a bike and helmet for both a boy and girl, which was sponsored by Benson Lawley Automotive Service. Ms. Celentano then stated the breakfast items received through donations were prepared by the Benson Elks Lodge 2853. Ms. Celentano then stated the next event will be held on December 15, 2012 and thanked the Council for their support, adding she looks forward to continuing the relationship.

**CITY MANAGER REPORT:**

City Manager Glenn Nichols then addressed Council, giving the dates of upcoming meetings and events.

- December 13, 2011 – Library Advisory Board, 4:00 p.m., Library
- December 13, 2011 – Zoning Regulations Open House, 9:00 a.m., City Hall
- December 15, 2011 – General Development Plan Open House, 9:00 a.m., City Hall
- December 17, 2011 – Historic Preservation Commission, 9:00 a.m., City Hall
- December 27, 2011 – Community Watershed Alliance, 6:30 p.m., City Hall

- January 3, 2012 – Planning & Zoning Meeting, 7:00 p.m., City Hall
- January 4, 2012 – Zoning Regulations Workshop, 7:00 p.m., Cochise College Benson Center
- January 5, 2012 – General Development Plan Workshop, 7:00 p.m., Cochise College Benson Center
- January 9, 2012 – CDBG City Council Public Hearing, 7:00 p.m., City Hall  
City Council Meeting, 7:00 p.m., City Hall
- January 10, 2012 – Library Advisory Board, 4:00 p.m., Library
- January 21, 2012 – Historic Preservation Commission, 9:00 a.m., City Hall
- January 23, 2012 – City Council Meeting, 7:00 p.m., City Hall
- January 24, 2012 – Community Watershed Alliance, 6:30 p.m., City Hall
  
- December 23, 2011 &  
December 26, 2011 – Christmas Holiday – City Offices Closed
  
- December 30, 2011 &  
January 2, 2012 – New Years Holiday – City Offices Closed
  
- January 16, 2012 – Martin Luther King Day – City Offices Closed

Mr. Nichols stated information on the I-10/State Route 90 Traffic Interchange project closures can be found at [www.azdot.gov](http://www.azdot.gov). Mr. Nichols then stated the City employees would like to thank Council for the granted holiday time. Mayor King stated the next regular Council meeting, scheduled for December 26 was cancelled due to the holiday, adding the next regular Council meeting would be on January 9, 2012. Councilmember Brooks then asked about the open meetings being held at City Hall on December 13 and December 15 with Mr. Nichols stating both would last until 3:00 p.m.

**NEW BUSINESS:**

**1. Consent Agenda**

- 1a. Minutes of the November 14, 2011 Regular Meeting
- 1b. Minutes of the November 15, 2011 Worksession
- 1c. Memorandum of Understanding between the Tucson Police Department and Southern Arizona Law enforcement Agencies for the COPS FY 2010 Targeted Technology Program (Tech)
- 1d. Renewal of an Independent Contractor’s Agreement with CH<sup>2</sup>M HILL, Inc. for Consulting Engineering Services on an As-Needed Basis
- 1e. Renewal of an Independent Contractor’s Agreement with Engineering & Environmental Consultants, Inc. (EEC) for Consulting Engineering Services on an As-Needed Basis
- 1f. Renewal of an Independent Contractor’s Agreement with PSOMAS, Inc. for Consulting Engineering Services on an As-Needed Basis
- 1g. Renewal of an Independent Contractor’s Agreement with Stantec Consulting Services, Inc. for Consulting Engineering Services on an As-Needed Basis
- 1h. Renewal of an Independent Contractor’s Agreement with Sunrise for Consulting Engineering Services on an As-Needed Basis
- 1i. Renewal of an Independent Contractor’s Agreement with WILLDAN, Inc. for Consulting Engineering Services on an As-Needed Basis
- 1j. Renewal of the Construction Services Agreement with D. Fenn Enterprises for Job Order Contract for Miscellaneous Paving Services
- 1k. Advertising Agreement between the City of Benson and Arizona Range News/San Pedro Valley News-Sun
- 1l. Commercial Lease Agreement between the Benson Area Food Bank and the City of Benson for real property located at 370 S. Huachuca Street, Benson, Arizona
- 1m. Invoices processed for the period from November 8, 2011 through December 5, 2011

Mayor King removed item 1i from the Consent Agenda, stating the item will be placed back on the Consent Agenda at a future meeting. Councilmember Lambert moved to approve the Consent Agenda with the exclusion of item 1i. Seconded by Councilmember Moncada. Motion passed 6-0.

2. **Resolution 68-2011 of the Mayor and Council of the City of Benson, Arizona, to accept the State of Arizona Department of Transportation Aeronautics Division Grant for Improvements at the Benson Municipal Airport (E2F90)**

Public Works Director Brad Hamilton addressed Council stating this grant from the Arizona Department of Transportation (ADOT) Aeronautics Division matches the runway repair project just completed at the airport last week, adding Council approved the FAA grant a few months ago, along with the contract with the contractor to make those improvements. Mr. Hamilton then stated the grant from ADOT cuts the City's cost of the repair from 5% to 2.5%. Councilmember Brooks moved to approve Resolution 68-2011. Seconded by Councilmember Maldonado. Motion passed 6-0.

3. **Fourth Amendment Intergovernmental Agreement for Municipal Solid Waste Services of the Mayor and Council of the City of Benson, Arizona and Cochise County**

Public Works Director Brad Hamilton addressed Council stating this amendment to the agreement the City uses with Cochise County to dispose of municipal solid waste was negotiated between the City of Sierra Vista and the County so cities would not be charged for any recyclables in the future unless both the Council and the Board of Supervisors looked at the issue. Mr. Hamilton stated the agreement in the amendment was the result of Sierra Vista donating a large chunk of equipment to the County for their recycling program. Councilmember Sacco moved to approve the Fourth Amendment Intergovernmental Agreement for Municipal Solid Waste Services of the Mayor and Council of the City of Benson, Arizona and Cochise County. Seconded by Councilmember Moncada. Motion passed 6-0.

4. **Resolution 69-2011 of the Mayor and Council of the City of Benson, Arizona, authorizing the City Manager to apply for Arizona Department of Transportation Section 5311 Funds to operate a Rural Public Transit System**

Finance Director Jim Cox addressed Council stating the City successfully implemented a public transit system, which has been in full operation for the past year, to complement our Dial-a-Ride service. Mr. Cox then stated this resolution is to seek permission to apply to ADOT for Section 5311 grant funds to aid us in the operation of the transit system for the next fiscal year. Mayor King stated the ridership started with approximately 256 monthly riders and was now well over 600 monthly. Mr. Cox stated the increase in ridership was very impressive, adding it grows month by month by month and the transit system is becoming an entrenched service the City provides that people can depend upon. Mayor King then asked what the total ridership was with both the transit service and the Dial-a-Ride service with Mr. Cox stating both services are utilized by approximately 1,100 riders each month. Councilmember Moncada asked about the City's contribution and salaries with Mr. Cox stating the reference to salaries is \$43,778 which is mostly an allocation of salaries that already existed before the implementation of the transportation system. Mr. Cox then stated the allocation consists of a small percentage of his salary and half of Denise Wolford's salary, both of which existed before, stating with their increased work load, the City's match is with those salaries, adding the City's out of pocket costs will be approximately \$12,000 this year for the operation of the transit system. Councilmember Moncada asked if the cost was the same as last year, with Mr. Cox stating the operations costs were the same, but more money was spent this year with the purchase of 3 buses, which required a 7% City match, adding those were additional funds expended this year that were a one-time only capital expenditure. Mayor King asked about the completion of the sheltered bus stops with Mr. Cox stating he believes they will be completed during the next fiscal year, but will have to be part of our final negotiations for the allocation of funds with ADOT. Councilmember Moncada moved to approve Resolution 69-2011. Seconded by Councilmember Lambert. Motion passed 6-0.

5. **Request from the Benson/San Pedro Valley Chamber of Commerce for the remaining funds**

**(\$20,000) budgeted in Fiscal Year 2010-2011 for the Chamber**

Mayor King asked Marc Washington, Executive Director of the Chamber of Commerce to come forward and asked him to review his request. Mr. Washington then addressed the Council stating the Chamber would be needing the remainder of the funds to cover their operating costs as well as to provide deposits for Bluegrass in the Park, coming in April, adding they have already booked the entertainment and paid for most of the bills ahead of time, but were going to fall short between now and next allocation, which would probably be in April. Mayor King then opened the item for discussion. Councilmember Moncada asked if the \$20,000 would be enough to get the Chamber through this fiscal year with Mr. Washington stating they anticipated it would. City Manager Glenn Nichols then addressed the Council stating the remaining balance of the \$35,000 that was budgeted for the Chamber at the beginning of the budget cycle was \$19,522.05. Mayor King stated if the Council were to approve the request, they would also need information from the Chamber to give to the Finance Director to show where the monies were expended with Mr. Washington stating they had done that with Butterfield Stage Days and were going to do the same for the Christmas on Main Street event that just concluded. Councilmember Brooks commented on the success of Christmas on Main Street with Mr. Washington stating last year there were 28 vendors and this year there were 72, adding the event doubled if not tripled in size. Councilmember Lambert stated in budget sessions in the last couple of years, he believed when they talked about it, one of the things said about the \$35,000, was it was not for paying for the Executive Director's salary, but was to support the Chamber of Commerce fund-raising events, specifically Bluegrass in the Park, Butterfield Stage Days and Christmas on Main Street, it was not to offset all of the individual expenses of the Chamber. Councilmember Lambert then stated the Council should have copies of the records request he did, showing in the past few years the City was given receipts from the Chamber for event items and the City wrote checks directly to each vendor or recipient, and did not give the money to the Chamber, adding if the City did, there would be no way of controlling the money and it would actually be a bad way of accounting. Councilmember Lambert then stated on Exhibit 1 of the records request, it showed everything from the past 5 years and all the checks the City processed, which were written directly to the individuals, not to the Chamber, adding something happened within this last fiscal year that was changed and we started giving out money directly to the Chamber of Commerce. Councilmember Lambert then stated he knew the Council had just received the records request today, but if the documents were reviewed, they would notice that a letter was sent from the Chamber of Commerce to the City in September asking for \$9,000, and it was two months later before paperwork was received showing where the money was spent. Councilmember Lambert then stated he had a problem with this because we don't know for sure how much money was spent on each one of these individuals or if it's just an accounting list, adding in the past, the City has actually received the receipts straight from the Chamber for the bands and each individual person, then wrote the check to each one of those, as demonstrated in the history, but something happened in this last year that overrode that. Councilmember Lambert then stated Exhibit 2, the letter requesting \$9,000, contained a note on why it was not approved by Mr. Cox, our Finance Manager, then asked Mr. Cox the reason he didn't authorize it or didn't want to authorize it with Mr. Cox stating he was pleased with the way things were handled in the past and that was the purpose for the note. Councilmember Lambert asked if the previous accounting was easier with Mr. Cox stating it was much more difficult and writing each individual check involved a lot more work, but he felt comfortable at the conclusion of each event that he was fulfilling Council's request. Councilmember Lambert then stated so far this year, the City had written 4 checks out of the community enrichment account and 3 of the checks went directly to the Chamber of Commerce for a total of almost \$15,000 that we are not accountable for. Mr. Washington stated Councilmember Lambert was incorrect, adding there is a difference between being accountable for it and holding a receipt and if the Council required a receipt, the chamber has the receipt. Mr. Washington stated Sandra Jones is the Chamber accountant; so obviously, no one is putting any money in their pocket, adding the Chamber is using QuickBooks and they would be more than happy to provide that to the Council. Mr. Washington then stated at the end of each event, he produced a letter that had a basic overview of where the monies went and if Council needed anymore than that, all they have to do is let him know. Councilmember Lambert then stated this is the first time its come before Council, stating normally all of the expenditures that come out of the community enrichment fund come before Council and they approve each one of them, noting they recently approved the Shop with a Cop donation for \$500, Council is the final approval and

asked how \$15,000 was expended without getting Council approval. Councilmember Brooks stated the Council may want to consider some sort of report from the Chamber, similar to the General Manager's report they receive every 2 weeks, showing where those monies are going. Councilmember Lambert stated if that's the case and the Chamber produced the receipts, the City can give that, its just that it takes 2 months to get a listing of where the money went, which is one of the things he had an issue with, adding he was not saying people are putting it in their pockets, he was just saying without receipts, all the City has is just a listing from the Chamber stating where they spent the money. Mr. Washington stated the Chamber could produce any receipts the Council asked for, as well as their accountant being able to provide a full spreadsheet from the time she took up the service. Councilmember Lambert stated the City would be more than happy to write individual checks with Mr. Washington stating there would be absolutely no reason for a Chamber, asking what would be the purpose for the Chamber of Commerce if the City was going to manage it in its entirety, again asking what would be the purpose. Councilmember Lambert stated the Council wasn't managing the Chamber, all the City would do is send checks or give them to the Chamber and they could hand them out. Councilmember Brooks stated he kind of went along with that, asking if there was some way the Council could get a bi-weekly report from the Chamber on any expenditures they made so the Council was more in touch with the Chamber. Mr. Washington stated absolutely and he would present it to the Board of the Directors, adding as he could not make that decision as Executive Director, since the Board of Directors make all decisions, but he would definitely take these concerns to them. Mr. Washington then stated he would like to digress just a little bit, saying Councilmember Lambert's statement that the \$35,000 did not include the Executive Director's salary was actually incorrect, asking if that were so, where would that salary come from. Mr. Washington then stated he is already giving service; the Council might as well consider the Chamber non-profit. Councilmember Lambert then stated the \$35,000 agreed on as a Council for this budget item was for the individual events, not to pay for the Chamber's Executive Director with Mr. Washington asking how would Benson's Chamber of Commerce survive. Councilmember Lambert stated the Council was not micro-managing with Mr. Washington stating he asked an open question: How would the Chamber of Commerce survive if the funds were solely for events, how would it survive. Councilmember Moncada stated part of the question is when the Council decided to start allocating \$35,000 a year to the Chamber, it was his understanding, after going back and reading some notes, that it wasn't ever meant to be a long-term thing for \$35,000 a year and his question would be, adding he is not saying the money is wasted, but is there a time the Chamber of Commerce expects to be able to fund themselves. Mr. Washington stated there is the issue of the bed tax, if we go back in history, with Councilmember Moncada stating the bed tax was supposed to be used to pay for advertisement for tourism, not pay for the Chamber of Commerce, adding he went back into the minutes when the City took over the advertising for tourism from the Chamber. Mayor King stated he had two questions, stating first of all, the checks Councilmember Lambert was talking about, was kind of a two-way street, adding if the City had concerns up to now, why weren't there questions on receipts by now; why didn't Staff ask where the receipts were. Mayor King then stated with being in retail for 31 years, when he pays for something, he looks for something to show proof of payment and his second question was did it actually state in the minutes that the money is not go to the salary of the Chamber Director. Mayor King then stated those are two things he has to question as the Mayor, because after 3 checks for \$15,000 dollars went to the Chamber over the last 5 to 6 months, within that 5 to 6 months, the City should have been asking for that sooner. Councilmember Moncada stated Staff did ask and he thinks that when the City received the receipts, with Mayor King stating no, that is when the City received the detailed list of expenses. Councilmember Moncada corrected himself stating we received a detailed list, not receipts. Councilmember Lambert then stated he did request of the City Clerk today to check those minutes of the last two years because he remembered that being in there and when he spoke to the Vice Mayor today just before she couldn't make it, she remembered it also. Councilmember Lambert then stated he knew Ms. Vivian was busy today because it was Council day, so we may need to look at that at a later date, but he thought we needed some type of better accounting system, because the only thing that the City has is a receipt was from the Arizona Tourist News for \$500. Councilmember Lambert then stated the receipt was sent to us and then there's also a letter, the last two pages of the Exhibit, sent by Arizona News because the bill was not paid, adding it was because the receipt was not turned over to the City and when Mr. Washington did go ahead and forward that information to Mr. Cox on August 3, Mr. Cox processed it and it was paid it right away. Mr. Washington then stated Councilmember Lambert was incorrect again, stating

actually, he brought three separate invoices to Mr. Cox, one for each time Arizona Tourist News wanted it a little bit different, noting one time they wanted the date changed, and another time they wanted some other verbiage on the invoice, adding he is trying to remember as well, but these were hand-carried by him three times. Councilmember Lambert stated the receipts work well because then it shows where the money went and he is just looking for more of a detailed breakdown of where the money's going because the events specific to this are just the Bluegrass festival, Butterfield Stage Days and Christmas on Main Street, so this is the City's part of advertising for it, paying for the bands, the other entertainment and the other activities going on. Councilmember Lambert then stated he had gone through the budget, but the budget is not written in stone, it is just for guidance so the Council knows what not to go over, so they don't have to spend every budget item, adding they don't have to spend \$20 million and if they only spend \$15 million, that's great, but he is just saying that this is not good business practice. Mr. Washington then stated he didn't know if that statement was directed toward the Chamber or the Council, asking Councilmember Lambert to provide clarity, in "was not good business practice" being directed toward the Chamber, with Councilmember Lambert stating it's not good business practice for the City of Benson, so he believed as a Council, they should direct Staff to be more diligent on this and not just start writing checks, especially in the amount of \$35,000 total, because he didn't think it was good practice and if Council voted on it today he could already tell which way he was going. Councilmember Brooks then stated Council could stipulate the Chamber send reports every certain period. Councilmember Lambert stated that would be as Mr. Washington stated, micro-managing and he didn't want to micro-manage. Councilmember Brooks stated he meant the Chamber has records of everything they do, asking why they couldn't just pass those on to the City Manager. Councilmember Lambert then stated whenever they sign contracts, that was what has been done the last few years, adding the statements from his records request show, in the last few years, what the Chamber has done is sign the contracts with the bands or with the events or whoever they're going to be dealing with and then the Chamber takes all those receipts, adding they could do it on a bi-weekly basis or once a month and turn them into Mr. Cox, who can then get them to the appropriate people to start cutting checks. Councilmember Lambert then stated he doesn't have a problem with that, adding he could show five years of where every penny went. Councilmember Brooks stated the Chamber is asking for the entire amount to be able to do that process without the City micro-managing each check, and if they want to do that, the City needs to have some sort of current record of where that money is going at all times, every penny needs to be accounted for, because we're responsible for the money, adding we wouldn't be micro-managing the Chamber, we would just be holding the records, instead of 3 months going by with no accounting of where that money went. Councilmember Lambert then asked Mr. Cox for his opinion on the matter with Mr. Cox stating he had no problem with the way it was done in the past and had no problem going forward if the City would receive actual receipts and an accounting on a basis concurrent with the expenditure of the funds, adding it was Council's pleasure. Councilmember Lambert then stated he believed in the future, Council should direct Staff to always bring this to the Council for check approval instead of just writing these blankly, adding he knew there would be a lot of checks that will be written that way because it comes out to about 50 or 60 checks instead of just 4 or 5 and it's a little more accounting we would have to do, but he thinks it should be broken down a little better, adding it just seems that it's a lot of money, noting it's more than most people in the City make in a year. Mayor King then asked if that would be tying the City Manager's hands when he has the authority to make a decision up to \$20,000. Mr. Nichols stated he didn't have a problem with it one way or the other, adding they current way was his decision, after he discussed it with the finance department at the beginning of the year, because it was saving them from having to do the W9s and W2s for the 30 or 40 different vendors and he had trust in Mr. Washington. Mr. Nichols then stated if the current process is not a comfortable thing, we could go back to another way. Mayor King then stated the change actually saved the City paperwork. Councilmember Brooks asked about the possibility of a report every couple weeks, like the General Manager's report, from the Chamber of what expenditures they made so the Council could see where the money is going with Councilmember Lambert stating Council could ask for that, but it would be easier for the Finance Department to issue the checks as the expenses come along, and not just blindly give out \$35,000, or in this case, \$19,500 and hope that all of the bills are paid. Mr. Washington then stated those were strong words against his character. Councilmember Lambert stated he was not trying to be against Mr. Washington's character, adding he wasn't trying to talk to Mr. Washington, but was trying to talk to Councilmember Brooks. Mr. Washington then addressed the Council, stating he would like to explain to Councilmember

Lambert, that he has a PhD in International Finance Quantitative Statistics, he retired at the age of 38 and after a year and a half, he wanted to go back to some volunteerism and he was asked to come to the City of Benson and be the Executive Director of the Chamber of Commerce. Mr. Washington then stated he ran (inaudible) and was a CEO and President for 6 years in Phoenix, Arizona, managing \$120 million fund and he has awards from the former Governor Napalitano, so when he hears Councilmember Lambert say "hope" about \$19,000, it infuriates him. Councilmember Lambert stated he apologized with Mr. Washington continuing saying he wanted to explain, at \$24,000 for this salary per se, it was a joke, stating his last salary was \$440,000, adding he is here because he wants to be here. Mr. Washington then stated he drove 45 miles every day to come to Benson and he didn't even live in Benson. Councilmember Lambert then stated the issue was not between him and Mr. Washington and was not between the Council and Mr. Washington, adding the Council is spending the tax dollar money of the people that come here to this meeting, the people that live in this community and Mr. Washington was asking the Council to just give it to you. Mr. Washington replied that he was not asking for anything at all, the Chamber of Commerce was asking for it. Councilmember Brooks stated he thought the point Councilmember Lambert was trying to make is that, adding he didn't know Mr. Washington very well but trusts that he is doing a good job at the Chamber, then continuing, stating but when Mr. Washington leaves, someone else is going to come and if there isn't something in place to keep an eye on where those monies go, people are going to be upset about it, with all that money being spent and no accounting of it. Mr. Washington then stated he could respect that and all he needed was for the Council to tell him what they want but to but to use those terms is degrading and he would not tolerate it, period. Councilmember Brooks stated he thought Councilmember Lambert was just making a point about just in general, with Mr. Washington telling Councilmember Brooks to not speak for Councilmember Lambert, adding Councilmember Lambert knew exactly where he was going with it. Councilmember Lambert stated Mr. Washington took it that way, with Mr. Washington stating he didn't think he was alone. Councilmember Lambert then moved to decline the requested payment. Seconded by Councilmember Moncada. Councilmember Lambert then stated he would like to direct Staff to look more into the invoices and look more into the expenditures as we go through the remainder of this calendar year. Mayor King then stated no matter how the vote goes, the biggest issue, the biggest argument is over receipts, asking Staff to please make sure receipts are produced. Mr. Cox then stated if the Council was giving direction to Staff, that we be a little more specific going forward, he wanted to be sure he understood asking if Council would like him to request from Mr. Washington the receipts that support the accounting he provided to the City on the Butterfield Stage Days event and for the funds the City also provided for Christmas on Main Street, noting it would be receipts totaling \$3,500 for Christmas on Main Street, asking if that was correct. Mayor King stated the direction was in going forward. Councilmember Brooks stated if the monies aren't all spent on the Butterfield Stage Days, the Chamber has some monies they use for something in the future, that way they just continue an on-going sheet of that funding until the Council has the records of where the funding went, adding it could be similar to the General Manager's report or the Finance Department's report the Council gets every two weeks and it would detail everything the Chamber spent the money on, such as supplies, pencils, everything, so at least the Council could review the report and be able to have an accounting of where those monies went, adding the Council could then see if they were justified in the fact that the Council gave funding out for the purpose of certain events. Councilmember Brooks then stated the Council gets general reports from all our departments, so he didn't see why the Chamber would be any different, and if a report were received giving an accounting of what money is left and distributions, he thinks the Council would feel more comfortable about being accountable for that money. Mayor King asked if there was any other discussion, with Councilmember Sacco stating this was simple accounting, a receipt is produced and the City pays the money, it's as simple as that and he thought the Council was making it complicated in trying to go back and recreate history. Councilmember Moncada agreed, stating he thought that's where we're at, and he thinks the Council would like to go back to the old process, where the City got the receipts, and paid them out, adding he thinks it's a better process. Councilmember Moncada then stated he feels bad for the Finance Department for the additional work, but he does think it's a better system for the taxpayers to know exactly where the money went. Councilmember Maldonado then asked the question of how the Chamber was going to function now if they were out of money. Mr. Washington replied the Chamber wouldn't and Benson would find themselves without a Chamber of Commerce, adding the Chamber has had their charter since July 29, 1949, and losing it would make Benson the only city in the State of Arizona without a

functioning Chamber of Commerce. Mayor King then stated his concern, as Mayor, is that he has been on the Council for a long time and can remember when things were bad between the City and the Chamber and he remembers the good years and his concern is this is going to derail us and take us back to the bad. Mayor King then stated there is a motion on the floor. Councilmember Lambert then stated he had one more question stating Mr. Washington brought up a good point, and then asked him how the Chamber did survive since going back over the last 5 years; the City had not written any checks for \$20,000. Mr. Washington stated he had been here 6 months and Councilmember Lambert would have to answer that question. Motion then failed 4-2 with Councilmembers Brooks, Maldonado, Sacco and Mayor King voting nay. Mr. Cox then asked if he could address Council stating he believed what Mr. Washington was saying was the Chamber did not have funds to front all of the expenses and if the City doesn't front the expenses, then the Chamber will not have funds available to go forward and he thought that was the problem. Mr. Cox then stated as far as the accounting, he thinks they can make matters work, one way or another, adding if Council chooses to go forward and advance funds, we can have a system set up so that as soon as those funds are expended, Mr. Washington gives the City a copy of the receipt and it's a workable system that would satisfy the requirement, noting it would certainly satisfy the City's audit requirements and our need to be transparent to our citizens and it solves the needs of the Chamber of Commerce, because it would help them stay funded. Mr. Cox then stated he presumed going forward, the City's going to pay all of the expenses for the Bluegrass festival and the Chamber is going to earn income from it, so if the City keeps the Chamber whole up until Bluegrass, then funds will be earned by the Chamber to sustain it going forward and if need be, we can go back to the old system, but this can get us from point A to point B, adding he didn't think anyone wanted to get rid of the Chamber. Councilmember Moncada agreed, stating Mr. Cox's suggestion was to go ahead and allocate the funds now, with Mr. Cox clarifying it was not his suggestion, but Council's pleasure. Councilmember Moncada continued stating in the next budget year, we could go back to the old system. Councilmember Brooks then stated before another motion is made, he would like to have a timeframe after an event for receipts, with Mr. Cox agreeing stating he would like to see a more timely process with the receipts, adding he thought that was really the only question was there wasn't timely reporting. Councilmember Lambert then stated he knew the Chamber's big expenses are going to be coming in April, as asked about funding them with as much money to get them by between now and then until they can start turning in receipts or we can start doing bills, adding instead of doing the whole \$20,000, why not see if the Chamber could get by with a few thousand or something. Mr. Cox stated he would encourage Mr. Washington to write a letter detailing what funds are necessary prior to paying for the funds to do the Bluegrass festival, giving for example, the City has already advanced some funds and perhaps we could get those receipts, then advance monies to keep the Chamber operating, paying its daily/monthly operating expenses up until the Bluegrass festival time. Mr. Cox stated he wouldn't suggest that we pay the entire amount out and then ask for receipts to dribble in, but he thinks we can solve the problem of keeping the Chamber functional and not lack transparency in any of the funds that we're spending. Mayor King asked Mr. Cox to clarify his statement with Mr. Cox stating he would suggest that Mr. Washington submit a letter to Mr. Nichols, outlining, if there are funds that have been expended on behalf of the Bluegrass festival for instance, asking to be reimbursed for those in that letter and if there are funds that are necessary to just pay the operating expenses of the Chamber, he thinks that would be a Council decision, adding he didn't think Council had enough information in front of them to make a decision today, but if funds or part of the funds are to be allocated for on-going operating expenses, then that is different than what has happened in the past and it's a Council decision to make. Mr. Cox then stated he thinks there is a way to work this situation out to everyone's satisfaction. Councilmember Maldonado asked if we could ask Mr. Washington what they needed now to function to get to that point and then allocate that and then start the receipts coming in because he didn't want to lose the Chamber. Councilmember Moncada agreed, stating he didn't think anyone wanted to lose the Chamber; he wanted to make that clear. Mayor King then wanted to verify the discussion was now basically to release the funds or what Mr. Washington requested with a contingency and asked if there was a motion. Councilmember Maldonado then moved to allow what Mr. Washington needs to continue up to the Bluegrass festival with receipts turned in bi-weekly for every function they have and everything they go through so the Council has a better way to keep track of everything that comes through the Chamber. Mayor King asked if there was a second. Seconded by Councilmember Brooks.

City Attorney Mike Masee addressed Council stating he was not sure that he understood the motion, adding Staff would need to comply with the motion, which is why he's asking for clarification. Councilmember Brooks then stated he understood the motion was to go ahead and grant the Chamber the amount of \$19,522.05 and that none of that funding is to be spent until the Chamber has special occasions or events, and at that time, they will show a record of where those monies were expended and every two weeks they will give the Council a report, even if it's just a balance sheet showing the remaining monies and anytime monies are taken out of that account, it will show where they went.

Mr. Nichols then stated he believed Mr. Washington was willing to draft a letter to the City saying what the Chamber needed now to get by until the Bluegrass festival. Mayor King then asked if Councilmember Maldonado wished to amend his motion and asked Mr. Washington if he was agreeable to that. Mr. Washington replied, but was inaudible on the recording. Councilmember Maldonado then stated the \$19,522.05 is available to the Chamber; as they turn in receipts, the money will be allocated and written out in a check to Mr. Washington and the Chamber, adding the receipts will be turned in bi-weekly. Councilmember Lambert then asked for clarification, stating the motion did not say anything about operating expenses, so if Councilmember Maldonado wanted to include operating expenses, it needs to be in the motion, since the motion was only to pay receipts. Councilmember Lambert then stated the way the motion stands, all Mr. Cox can do is write a check if the Chamber turns in a receipt, adding any letter Mr. Washington would write would not be able to be paid. Councilmember Brooks then stated if the Chamber makes that request to the City and Staff brings it to the Council, the Council can either approve it or not, and it may or may not come out of the funds; but the funds will be there only for the scheduled events that we have planned throughout the year or up until April, so if they want other requests, the Council can make those decisions, if it looks like the Chamber needs those funds to keep operating. Councilmember Lambert then stated the next Council meeting isn't until January 9 and asked Mr. Washington what the Chamber would need for operating expenses between now and January 9. Mr. Washington stated he appreciated the conversation, but would not work for free. Councilmember Lambert stated he was clarifying the motion with Mr. Washington stating he will not continue to come to Benson and work for free, it will not happen, so please let him know what he is doing, so when he leaves here tonight he will know if he comes back tomorrow. Councilmember Lambert then asked if the answer to his question was yes, the Chamber needed operating expenses between now and January 9, with Mr. Washington stating that was correct. Councilmember Lambert then stated he would ask for an amendment to the motion to include operating expenses so it could be approved now so the Chamber could have money to make it between now and January 9, otherwise, if the Council has to make a decision, the next Council meeting will not be until January 9, adding Councilmember Maldonado could amend his motion to include or put a cap on it or something else. Councilmember Lambert then asked Mr. Washington, if off the top of his head, he could give an estimate of how much the Chamber would need right now to make it through between now and January. Mr. Washington stated he would have to consult with the Chamber treasurer, he doesn't handle that and without looking at their QuickBooks, there's no way possible he could pull a number out of the air. Councilmember Lambert then stated he believed there should be a cap or something else on the motion so when Mr. Washington submits the letter to Mr. Nichols, Mr. Nichols could approve it. Councilmember Maldonado clarified the amendment discussion was for operating expenses and then amended his motion to include operating expenses. City Attorney Mike Masee then stated he would recommend the motion include an amount or to state up to the full amount. Councilmember Maldonado then stated he would amend his motion to include the full amount of \$19,522.05. Mayor King then asked City Clerk Vicki Vivian to read the motion as it now stood.

Ms. Vivian then stated the way the amended motion stood was to approve up to the full amount of \$19,522.05 for the Chamber to include operating expenses and what the Chamber needs to carry them to the Bluegrass festival as will be outlined in a detailed letter from Mr. Washington to City Manager Glenn Nichols. Mayor King then asked Councilmember Brooks if he would like to second the amended motion with Councilmember Brooks stating he did not. Councilmember Sacco then seconded the amended motion. Mr. Masee then stated for clarification, the amended motion would be to pay the Chamber up to the full remaining amount, which could include operating expenses as submitted through letters or other documentation via the Executive Director, adding the documentation obviously included receipts for

expenses already paid. Motion passed 5-1 with Councilmember Lambert voting nay.

**DEPARTMENT REPORTS:** None

**ADJOURNMENT:**

Councilmember Lambert moved to adjourn at 8:02 p.m. Seconded by Councilmember Moncada. Motion passed 6-0.

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Toney D. King, Sr., Mayor

ATTEST:

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Vicki L. Vivian, CMC, City Clerk