



TOWN COUNCIL NOTICE & AGENDA

**EXECUTIVE SESSION
TUESDAY, JUNE 23, 2026
5:30 PM**

COUNCIL CONFERENCE ROOM | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

***AMENDED* AGENDA - Amended Executive Session Item 3 which was previously Item 4**

1. **CALL TO ORDER; ROLL CALL**
2. **An executive session pursuant to A.R.S. §38-431.03(A)(3) and (4) for the purpose of discussion or consultation with the Town Attorney for legal advice and to consider the Council's position and instruct its attorney regarding its position on land acquisition for the PFAS Water Treatment Plant.**
3. **An executive session pursuant to A.R.S. §38-431.03(A)(3) and (4) for the purpose of discussion or consultation with the Town Attorney and the Town's water rights attorney for legal advice, and to consider the Council's position and instruct its attorneys regarding a potential lease, and potential purchase of water rights.**
4. **An executive session pursuant to A.R.S. §38-431.03(A)(3) and (4) for the purpose of discussion or consultation with the Town Attorney to consider the Council's position and direction related to contract negotiations for a new or amended Water Resource Advisor Professional Services Agreement.**
5. **ADJOURNMENT**



TOWN COUNCIL NOTICE & AGENDA

**REGULAR MEETING
TUESDAY, JUNE 23, 2026
6:00 PM**

COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

1. **CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL**
2. **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

- a. Presentation and recognition of the 2026 Citizens Academy Graduates.
- b. Presentation of a \$1,500 check to Chino Valley Police Department K-9 Unit from the Chino Valley Canine Training Club from the proceeds of their annual fundraiser, "The Territorial K9 Stroll."
- c. Presentation and annual update provided by the Chino Valley Area Chamber of Commerce.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment on items not on the agenda will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.
- b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

5. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

- a. Consideration and possible action to approve an intergovernmental agreement for the creation of and participation in the Arizona Child Abduction Response Team.
- b. Consideration and possible action to approve a memorandum of understanding with the Bureau of Alcohol, Tobacco, Firearms, and Explosives Department regarding the eTrace Internet-Based Firearm Tracing Application.

- c. Consideration and possible action to approve the Third Amendment to the Contract for SR-89 Right-of-Way Landscape Maintenance Services with Titan Landscape Management for one year of services in the amount of \$106,215.60.
- d. Consideration and possible action to approve the May 12, 2026, study session and regular meeting minutes.

6. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a. Consideration and possible action to approve or defer application for WIFA Funding in the amount of \$10 Million for a PFAS remediation project at the Water Reclamation Facility.

Recommended Action: Defer application for WIFA Funding for a PFAS remediation project at the Water Reclamation Facility until regulatory compliance is federally defined and/or becomes mandatory.

- b. Public Hearing regarding Resolution No. 2026-1312, relating to the Town's Final Budget for Fiscal Year 2026-2027 and the proposed expenditure limitation for the same year, in the amount of \$48,345,342.

Recommended Action: Hold the public hearing.

- c. Public Hearing regarding Resolution No. 2026-1313, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2026-2027, which shall constitute the budgets of the Districts for Fiscal Year 2026-2027.

Recommended Action: Hold the Public Hearing

- d. Public Hearing regarding Resolution No. 2026-1314, relating to the Statements and Estimates of Expenses of the Del Sol Maintenance Improvement District for Fiscal Year 2026-2027, which shall constitute the budget of the District for Fiscal Year 2026-2027.

Recommended Action: Hold the Public Hearing.

7. ADJOURNMENT



TOWN COUNCIL NOTICE & AGENDA

**SPECIAL MEETING
TUESDAY, JUNE 23, 2026
6:15 PM**

COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

AGENDA

1. **CALL TO ORDER; ROLL CALL**
2. **Consideration and possible action to approve Resolution No. 2026-1312, relating to the Town's Final Budget for Fiscal Year 2026-2027 and the proposed expenditure limitation for the same year, in the amount of \$48,345,342.**
3. **Consideration and possible action to approve Resolution No. 2026-1313, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for the Fiscal Year 2026-2027, which shall constitute and are approved as the final budgets of the Districts for Fiscal Year 2026-2027.**
4. **Consideration and possible action to approve Resolution No. 2026-1314, relating to the Statements and Estimates of Expenses of the Del Sol Maintenance Improvement District for the Fiscal Year 2026-2027, which shall constitute and are approved as the final budget of the District for Fiscal Year 2026-2027.**
5. **ADJOURNMENT**

Dated this 16th day of June, 2026.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 928-636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting. Citizens will have access to the meeting room 30 minutes prior to the start time of each meeting.

Council meetings are live-streamed on Town of Chino Valley website, www.chinoaz.net.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____

Time: _____

By: _____

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2a
MEETING DATE: 6/23/2026
CONTACT PERSON: Jessi Sorteberg, Executive Analyst
ITEM TYPE: Presentation

AGENDA ITEM TITLE:

Presentation and recognition of the 2026 Citizens Academy Graduates.

SUMMARY:

The Town of Chino Valley's 2026 Citizens Academy consisted of six weekly, two-hour sessions held from May 6, through June 10, 2026. The program was designed to provide participants with a behind-the-scenes look at municipal government and foster a greater understanding of the services, operations, and decision-making processes that support the community.

Throughout the six-week program, participants engaged directly with elected officials, department directors, and key staff members while exploring the many functions of local government. Sessions covered Town governance, development services, economic development, information technology, public safety, recreation, library services, public works, and infrastructure. Participants also toured several Town facilities, including the Fred Harvey Farm, Police Department, Library, and Wastewater Treatment Facility, providing a firsthand look at the facilities and operations that serve Chino Valley residents each day.

The Academy highlighted the importance of community partnerships. Yavapai Regional Transit assisted with transportation for the Fred Harvey Farm tour, and meals were provided by local restaurants and the Chino Valley Senior Center, offering participants an opportunity to experience and support local businesses and community services while attending the program.

The 2026 Citizens Academy welcomed eleven enthusiastic and engaged participants who dedicated their time to learning about their local government and becoming more informed members of the community. This evening, the Town Council recognizes these individuals and celebrates their successful completion of the 2026 Citizens Academy.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

N/A

FISCAL IMPACT?

N/A

ATTACHMENTS:

1.	2026 Graduate List
2.	2026 Academy Schedule



Town of Chino Valley
2026 Citizens Academy
Graduating Class

Donna Armstrong

Lynn Baker

Ralph Baker

Larry Guidry

Alexia Granillo

McKenzie Gryger

James Mosler

Michael Mrsny

Dwight Savage

Cole Swearingen

Clay Turpin

Chino Valley Citizens Academy 2026

Session 1 - Town Governance (Mayor Armstrong)

Wednesday, May 6, 5:30-7:30 PM, Town Hall Council Chambers

- Elected & Appointed Official: Mayor / Manager Form of Government
- Town Management & Internal Services: Town Manager, Finance/Budget, HR
- Town Clerk

Session 2 - Building a Great Chino Valley (Councilman McCafferty)

Wednesday, May 13, 5:30-7:30 PM, Town Hall Council Chambers

- Development Services
- Planning, Zoning, GIS
- General Plan

Session 3 - Fred Harvey Farm and Fun! (Councilwoman Phillips)

Wednesday, May 20, 5:30-7:30 PM, Town Hall Council Chambers

- Fred Harvey Farm Tour
- Economic Development
- IT

Session 4 - A Safe & Secure Chino Valley (Mayor Armstrong)

Wednesday, May 27, 5:30-7:30 PM, Police Department Training Room

**4:30 PM - Optional Tour: Police Department, 220 N State Route 89*

- Magistrate Court
- Police Services: Patrol, Investigation, Community Services, K-9

Session 5 - Quality of Life Services (Councilman Switzer)

Wednesday, June 3, 5:30-7:30 PM, Library

- Library Tour & Presentation
- Senior Center
- Recreation & Aquatics / Aquatics & Parks Maintenance

Session 6 - Infrastructure - Public Works (Vice Mayor Granillo)

Wednesday, June 10, 5:30-7:30 PM, Public Works Training Room

**4:30 PM - Optional Tour: Water Reclamation Facility, 2190 Rodeo Drive*

- Water & Wastewater
- Streets
- Facilities & Maintenance
- Fleet Services

Graduation Ceremony:

Tuesday, June 23, 6:00 PM - Town Hall Council Chambers
Town Council Meeting



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5a
MEETING DATE: 6/23/2026
CONTACT PERSON: Marrilee Easton, Civilian Officer Supervisor
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve an intergovernmental agreement for the creation of and participation in the Arizona Child Abduction Response Team.

SUMMARY:

The purpose of this IGA is to establish the Arizona Child Abduction Response Team (AZCART), the primary goal of which is to provide a pool of specialized investigators available to dedicate intensive investigative, preventive, and general law enforcement efforts, primarily focused on cases involving abducted and at-risk missing children.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve an Intergovernmental Agreement for the creation of and participation in the Arizona Child Abduction Response Team.

FISCAL IMPACT?

There is no direct fiscal impact resulting from this IGA.

ATTACHMENTS:

1.	YC-AZCART - Needs to be signed
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**INTERGOVERNMENTAL AGREEMENT
FOR THE CREATION OF AND PARTICIPATION IN THE
ARIZONA CHILD ABDUCTION RESPONSE TEAM**

This Agreement is entered into by the “public agencies,” as defined in A.R.S. § 11-951, that have executed and recorded this Agreement in accordance with the law, and as set forth in Section 1 (each, a “Party,” and collectively, the “Parties”).

1. PARTICIPATING PUBLIC AGENCIES.

A. The Parties to this Agreement are subject to change as additional public agencies are invited to join, and as others withdraw. In either event, the State Coordinating Agency (defined below) will distribute an updated Party list to all Parties.

B. Each Party shall provide a copy of its fully executed Agreement to the AZCART State Coordinating Agency for distribution to every other Party.

2. PURPOSE.

A. The purpose of this Agreement is to establish the Arizona Child Abduction Response Team (AZCART), the primary goal of which is to provide a pool of specialized investigators available to dedicate intensive investigative, preventive, and general law enforcement efforts, primarily focused on cases involving abducted and at-risk missing children. Parties may request and render law enforcement assistance to each other to address serious violations of law, including, but not limited to, the investigation, arrest, and prosecution of those involved in criminal child kidnapping, abduction, false imprisonment, and similar or related violations (utilizing state and federal law and prosecutions, and forfeitures, as appropriate), and the rescue of the abducted child or children.

B. The geographical jurisdiction of each Party relative to one another makes it beneficial to enter into this Agreement, enabling the exchange of mutual aid through law enforcement services and resources, and facilitating responses to ongoing multi-jurisdictional criminal activities.

3. AUTHORITY.

A. The Parties are authorized and empowered to enter into this Agreement pursuant to A.R.S. §§ 11-951 *et seq.* and 13-3872, and their respective governing authorities.

B. If any tribal community requests AZCART assistance, consideration should be given to granting tribal peace officer authority to all assisting Parties for the duration of the Activation (defined below) within the applicable tribal jurisdiction if and when required.

1 **4. TERM.**

2
3 A. This Agreement shall become effective upon execution by the Parties and filing
4 with the appropriate County Recorder and shall remain in effect until June 30, 2030, unless
5 otherwise terminated by the terms of this Agreement or operation of law. Failure by one or more
6 Parties to execute this Agreement shall not invalidate it as to those Parties who did execute this
7 Agreement. Any Party may withdraw from this Agreement with or without cause by giving thirty
8 calendar days' written notice to the other Parties.

9
10 B. This Agreement may be administratively extended by each Party at the direction of
11 their respective chief law enforcement officer and as authorized by their respective governing
12 bodies, on or before the termination date, for an additional five-year period by notifying the other
13 Parties in writing. Any Party which fails to do so by the termination date shall no longer be a Party
14 to the Agreement.

15
16 **5. STEERING COMMITTEE; COORDINATING AGENCIES.**

17
18 A. Steering Committee.

19
20 (1) A steering committee is hereby established, and each Party shall have the
21 right to appoint a representative to it (the "Steering Committee").

22
23 (2) The Steering Committee is led by the current State Coordinating Agency
24 (defined below) and is tasked with meeting quarterly, either in person or virtually, at the discretion
25 of the State Coordinating Agency, to discuss AZCART-related issues, gather feedback on current
26 and past Activations, prepare quarterly training for Parties, and seek and select appropriate
27 agencies for rotation as Branch Coordinating Agencies.

28
29 (3) The Steering Committee shall select, subject to final approval of the Parties'
30 chief law enforcement officers, one lead coordinating agency (the "State Coordinating Agency"),
31 and two branch (Northern and Southern) coordinating agencies (respectively, the "Northern
32 Branch Coordinating Agency" and the "Southern Branch Coordinating Agency"), each selected
33 on a rotating basis for a term of at least one year, which shall correspond with the effective date of
34 this Agreement.

35
36 (4) If multiple Parties wish to become a Branch Coordinating Agency, the
37 Steering Committee shall determine the outcome by majority vote during its designated fourth
38 quarter meeting, with the current State Coordinating Agency serving as the tiebreaker if needed.

39
40 (5) If all replacement Branch Coordinating Agencies are not identified by the
41 fourth quarter meeting, the current Coordinating Agency may choose to stay in place on a month-
42 to-month basis until a replacement agency is found.

1 (6) If a Branch Coordinating Agency cannot be determined, then the Activation
2 responsibilities of that Branch will fall back under the State Coordinating Agency until a
3 replacement is found.

4
5 B. Coordinating Agencies; Coordinators.

6
7 (1) Each Coordinating Agency shall select and be led by its own individual
8 Coordinator selected from within the Coordinating Agency.

9
10 (2) If a Coordinator is unable to complete their term due to retirement,
11 resignation, change in primary assignment, promotion, or for any other reason, the Coordinating
12 Agency shall name a replacement Coordinator to fulfill the remainder of the year term.

13
14 (3) Coordinators are responsible for coordinating ongoing training, meetings,
15 or other necessary functions in support of AZCART's operational effectiveness.

16
17 (4) The State Coordinator is responsible for mediating any jurisdictional or
18 Activation disputes between the Parties during an Activation. If such mediation fails, the issue
19 shall be brought to the attention of the applicable AZCART chief law enforcement officers or their
20 designees for appropriate resolution.

21
22 C. State Coordinating Agency.

23
24 (1) The State Coordinating Agency holds primary responsibility for U.S.
25 Department of Justice certification, compliance, and reporting, and for ensuring compliance with
26 intergovernmental agreements within Arizona.

27
28 (2) The State Coordinating Agency also holds primary responsibility for
29 Activations in Maricopa, Yuma, Pinal, La Paz, Gila, Graham, and Greenlee Counties; for handling
30 primary vetting of Activation requests to ensure criteria have been adequately met; and for
31 providing oversight and support to any Northern or Southern Branch Activations.

32
33 D. Branch Coordinating Agencies.

34
35 (1) The Northern Branch Coordinating Agency falls under the responsibility
36 and oversight of the State Coordinating Agency and holds primary responsibility for coordinating
37 the response for Activations in Mohave, Coconino, Yavapai, Navajo, and Apache Counties.

38
39 (2) The Southern Branch Coordinating Agency falls under the responsibility
40 and oversight of the State Coordinating Agency and holds primary responsibility for coordinating
41 the response for Activations in Pima, Santa Cruz, and Cochise Counties.

1 **6. ACTIVATION, PROCEDURES, AND RESOURCES.**

2
3 A. Any Party or authorized representative may request AZCART “Activation.” which
4 can include but is not limited to any of the following:

5
6 (1) A Limited Team (Hasty Team) callout for the purposes of consulting with
7 the primary jurisdiction.

8
9 (2) A branch-only callout for conducting a specific task.

10
11 (3) A Technical Team callout for cell tower analysis, foreign language
12 translation, dedicated forensic interviews, specialized equipment, etc.

13
14 (4) A Full Team callout for neighborhood and roadside canvassing, criminal
15 investigation assistance, lead management assistance, area searches, crime scene management
16 assistance, intelligence gathering, etc.

17
18 B. The Party or its authorized representative requesting Activation must contact the
19 Arizona Department of Public Safety Duty Office (602-223-2212) to connect with the State
20 Coordinator or their designee to vet the Activation request.

21
22 C. The criteria for an Activation include one or more of the following: confirmed or
23 suspected non-family child abduction; confirmed or suspected family or non-custodial parent
24 abduction involving endangerment circumstances; or any other at-risk missing child investigation
25 that requires an immediate response to protect the life or well-being of a child, as determined by
26 the AZCART State Coordinator or their designee.

27
28 (1) Endangerment circumstances are defined as situations in which a child’s
29 life or well-being is perceived to be at risk due to violence or health conditions, or when the
30 abducting party poses a potential threat of violence or is expected to otherwise endanger the child.

31
32 (2) At-risk factors can include but are not limited to any of the following:
33 special needs due to a medical diagnosis or diagnosed behavioral condition; life-threatening health
34 issues; medication or drug dependence; being 13 years old or younger (at risk of exploitation);
35 signs consistent with sexual exploitation; or absence inconsistent with established patterns of
36 behavior without explanation.

37
38 D. The Party with legal jurisdiction over the incident or investigation will remain as
39 the lead agency for the duration of a particular Activation, with support from other Parties.

40
41 E. Each Party shall, to the best of its ability, designate at least one sworn law
42 enforcement officer to be available, along with supporting equipment such as vehicles, to support
43 an Activation.

1 F. Each Party shall designate a primary representative to participate in Activations,
2 meetings, trainings, etc., and shall immediately inform the other Parties when such designations
3 change. If a primary representative is not available, or as the situation dictates, a Party may provide
4 officers not normally designated as representatives to support an Activation.
5

6 G. Each Party shall have the sole discretion to determine how many and how long any
7 of its personnel or resources will be assigned in support of an Activation.
8

9 **7. COSTS AND REIMBURSEMENT.**

10
11 Each Party is responsible for its own costs incurred in implementing this Agreement, including,
12 but not limited to, employee salaries, shift differentials, overtime compensation, benefits, vehicles,
13 and equipment. If any Party receives grant funds designated for the Arizona Child Abduction
14 Response Team, some or all of these expenses may be reimbursed to the Parties. Under no
15 circumstances shall any Party charge the other Parties any administrative fees for work performed
16 under this Agreement.
17

18 **8. MISCELLANEOUS.**

19
20 A. Independent Authority and Judgment. Nothing within this Agreement shall be
21 construed to limit the ability of the Parties to assist with or otherwise engage in law enforcement
22 activities outside this Agreement. Except as otherwise provided by law, in the performance of this
23 Agreement, the Parties act in their individual governmental capacities and not as agents,
24 employees, or partners of the other Parties. The employees, agents, or subcontractors, of one party
25 shall not be deemed or construed to be the employees, agents, or subcontractors of another Party.
26 At all times relevant to the performance of this Agreement, each Party shall maintain an
27 independent chain of command and exercise its own independent law enforcement judgement.
28

29 B. Non-Discrimination. Parties shall comply with all applicable provisions of state and
30 federal nondiscrimination laws and regulations, including, but not limited to, that all persons,
31 regardless of race, color, religion, sex, age, marital status, sexual orientation, gender identification
32 or expression, genetic characteristics, familial status, national origin or political affiliation, U.S.
33 military veteran status, or disability, shall have equal access to employment opportunities and all
34 other federal and state employment and educational opportunity laws, rules, and regulations,
35 including the Americans with Disabilities Act; provided however, tribal communities are subject
36 to 25 U.S.C. § 450e(c). No Party shall engage in any form of illegal discrimination.
37

38 C. Indemnification. To the extent permitted under applicable laws, each Party (as
39 “Indemnitor”) agrees to defend, indemnify, and hold harmless the other Parties (as “Indemnitee”)
40 from and against any and all claims, losses, liabilities, costs, or expenses (including reasonable
41 attorney’s fees) (collectively, “Claims”) arising out of bodily injury of any person (including
42 death) or property damage, but only to the extent that such Claims are caused by negligent act or
43 omission or other fault of the Indemnitor, its officers, officials, agents, employees, or contractors.
44 Failure of a Party to comply with the terms of this Agreement shall not provide the basis for any
45 third-party action against any of the Parties.

1
2 D. Governing Law; Venue. This Agreement shall be governed by the laws of the State
3 of Arizona, and suit pertaining to this Agreement may be brought only in courts in Maricopa
4 County, Arizona, unless the subject matter of the dispute involves a tribal community, in which
5 case venue shall be in the Federal District Court for the State of Arizona.

6
7 E. Disputes.

8
9 (1) The Parties shall make every effort to resolve all disputes arising out of or
10 relating to this Agreement through arbitration after exhausting applicable administrative review to
11 the extent required by law.

12
13 (2) If any legal action is brought by either Party to enforce any provision of this
14 Agreement, the prevailing Party may recover from the other Party reasonable attorneys' fees and
15 court costs in such amounts as allowed by the court.

16
17 F. Cancellation pursuant to A.R.S § 38-511. The Parties reserve all rights that each
18 may have to cancel this Agreement pursuant to A.R.S. § 38-511.

19
20 G. Counterparts. This Agreement may be executed simultaneously or in counterparts,
21 each of which constitutes an original, but all of which together constitute one and the same
22 agreement. Neither a signature for every Party nor a signature line shall be required in each
23 counterpart except that on a counterpart being brought forward by a Party to its legislative body
24 or equivalent for approval, that particular counterpart shall have to be signed and executed in
25 accordance with that Party's practice. The signature pages from one or more counterparts may be
26 removed from such counterparts and attached to a single instrument so that the signatures of all
27 Parties may be physically attached to a single document.

28
29 H. Worker's Compensation. Pursuant to A.R.S. § 23-1022(D), for the purposes of
30 worker's compensation coverage, an employee of a public agency who works under the
31 jurisdiction or control of or within the jurisdictional boundaries of another public agency pursuant
32 to a specific intergovernmental agreement or contract entered into between the public agencies
33 pursuant to A.R.S. § 11-952, is deemed to be an employee of both public agencies for the purposes
34 of this section. The primary employer shall be solely liable for the payment of workers'
35 compensation benefits for the purposes of this section.

36
37 I. Severability. In the event that any provision of this Agreement shall be held invalid
38 or unenforceable by any court of competent jurisdiction, such holding shall not affect the validity
39 or enforceability of any other provision hereof.

40
41 J. Entire Agreement. This Agreement contains the entire understanding between the
42 Parties with respect to the subjects hereof and supersedes all prior negotiations and agreements.
43 This Agreement may be amended only by an instrument in writing and signed by all the
44 participating Parties. The waiver of any breach of this Agreement shall not be deemed to amend

1 this Agreement and shall not constitute waiver of any other subsequent breach. Headings are for
2 convenience and shall not affect interpretation.

3
4 K. Recording. This Agreement shall be recorded with the appropriate County
5 Recorder as described above upon its execution, and a copy shall be forwarded to each Party.

6
7 L. E-Verify. To the extent applicable under A.R.S. § 41-4401, each Party warrants
8 compliance with all federal immigration laws and regulations that relate to their employees and
9 their compliance with the E-Verify requirements under A.R.S. § 23-214(A). Failure to comply
10 with such warranty shall be deemed a material breach of this Agreement and may result in the
11 termination of this Agreement. All Parties retain the legal right to inspect the papers of any
12 employee who works pursuant to this Agreement or any related subcontract to ensure compliance
13 with this warranty, and to conduct random verifications of the employment records of any other
14 Party to ensure compliance with this warranty. A Party will not be considered in material breach
15 of this Agreement if it establishes that it has complied with the employment verification provisions
16 prescribed by 8 USCA §1324(a) and (b) of the Federal Immigration and Nationality Act and the
17 E-Verify requirements prescribed by A.R.S. §23-214(A). The provisions of this section must be
18 included in any contract any Party enters into with any contractors or subcontractors who provide
19 services under this Agreement.

20
21 M. Notices. Any notice required to be given under this Agreement will be provided to
22 all Parties, with notice directed to each Party's chief law enforcement and chief legal officers.

23
24 N. Non-Appropriation. Every payment obligation of each of the Parties under this
25 Agreement is conditioned upon the availability of funds appropriated and allocated for the payment
26 of such obligation. If a Party's funds are not appropriated, allocated, and available, or if the
27 appropriation is changed by the legislature or other governing body, resulting in funds no longer
28 being available for the continuance of that Party's participation in this Agreement, that Party may
29 terminate its participation in this Agreement as of the end of the period for which funds are
30 available by providing written notice in advance to the Parties. No liability shall accrue to the Party
31 in question in the event this provision is exercised, and that Party shall not be obligated or liable
32 for any future payments or for any damages as a result of termination under this paragraph.

33
34 O. Compliance with Laws. Each Party shall comply with all laws, rules, and
35 regulations, as applicable, without limitation to those designated within this Agreement.

36
37 P. Provisions Required by Law. Each and every provision of law and any clause
38 required by law to be in this Agreement will be read and enforced as though it were included herein
39 and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted,
40 then upon the application of a Party, this Agreement will promptly be physically amended to make
41 such insertion or correction.

42
43 (SIGNATURES FOLLOW)
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IN WITNESS WHEREOF, the Party named below has executed this Agreement on

_____.

Party

Signature

Name

Title

REVIEWED (Chief LEO):

Signature

Name

Title

ATTESTED:

Signature

Name

Title

In accordance with A.R.S. § 11-952, this Agreement has been reviewed by the undersigned who determined that this Agreement is in appropriate form and is within the powers and authority of the Party identified above, with no representation as to the power or authority of any other Party:

Signature

Name

Title



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5b
MEETING DATE: 6/23/2026
CONTACT PERSON: Joshua McIntire, Chief of Police
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve a memorandum of understanding with the Bureau of Alcohol, Tobacco, Firearms, and Explosives Department regarding the eTrace Internet-Based Firearm Tracing Application.

SUMMARY:

The purpose of this Memorandum of Understanding (MOU) is to formalize a partnership between the participating agencies with regard to policy and procedures relative to the access and utilization of eTrace services. The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) would like to extend their ongoing commitment to law enforcement agencies by providing a paperless firearm trace submission system and trace analysis module that is readily accessible through a connection to the internet.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve a memorandum of understanding with the Bureau of Alcohol, Tobacco, Firearms, and Explosives Department regarding the eTrace Internet-Based Firearm Tracing Application.

FISCAL IMPACT?

There is no direct fiscal impact resulting from this MOU.

ATTACHMENTS:

1.	ATF-Firearm Tracing MOU
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BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES



MEMORANDUM OF UNDERSTANDING REGARDING THE eTRACE INTERNET BASED FIREARM TRACING APPLICATION

Memorandum of Understanding between the CHINO VALLEY POLICE DEPARTMENT and the Bureau of Alcohol, Tobacco, Firearms and Explosives

Article I. Purpose and Authority

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) would like to extend their ongoing commitment to the law enforcement community by providing participating agencies with a paperless firearm trace submission system and trace analysis module that is readily accessible through a connection to the World Wide Web (Internet). This application, known as eTrace, provides the necessary utilities for submitting, retrieving, storing and querying firearms trace related information relative to your jurisdiction. The firearms tracing process is a valuable service offered by ATF to the global law enforcement community. Information acquired through the firearm tracing process can be utilized to solve individual cases, to maximize the investigative information available for use in identifying potential illegal firearms traffickers, and to supplement the analysis of crime gun trends and trafficking patterns.

Law Enforcement agencies that make a commitment to comprehensive crime gun tracing will be provided with an information platform for developing the best investigative strategies for the reduction of firearms-related crime and violence. ATF has made a concerted effort to leverage existing information technology to better assist law enforcement agencies in the investigation of illicit firearms trafficking as well as the interdiction of firearm sources to juveniles, youth offenders and other prohibited persons. This Memorandum of Understanding (MOU) is intended to formalize a partnership between the participating agencies with regard to policy and procedures relative to the access and utilization of eTrace services.

The parties enter into this MOU pursuant to 31 U.S.C. § 6305; the E-Government Act of 2002, Public Law No. 107-347; and the Government Paperwork Elimination Act of 1998 (GPEA), Public Law No. 105-277.

Article II. Background

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) is a law enforcement organization within the United States Department of Justice with unique responsibilities dedicated to reducing violent crime and protecting the public. ATF enforces the Federal laws and regulations relating to alcohol, tobacco, firearms, explosives and arson by working directly and in cooperation with others to:

- Suppress and prevent crime and violence through enforcement, regulation, and community outreach
- Support and assist federal, state, local, and international law enforcement.
- Provide innovative training programs in support of criminal and regulatory enforcement functions
- Ensure fair and proper revenue collection. Provide fair and effective industry regulation

ATF recognizes the role that firearms play in violent crimes and pursues an integrated enforcement and regulatory strategy. Investigative priorities focus on armed violent offenders and career criminals, narcotics traffickers, narco-terrorists, violent gangs, and domestic and international arms traffickers.

Sections 924(c) and (e) of Title 18 of the United States Code provide mandatory and enhanced sentencing guidelines for armed career criminals and narcotics traffickers as well as other dangerous armed criminals.

As part of ATF's unique enforcement powers the Congress of the United States has provided ATF with two federal sentencing laws that mandate minimum mandatory sentences for defendants convicted of offenses relating to the possession of a firearm in violation of the Gun Control Act of 1968. Under Title 18, United States Code, Section 924(c), defendants convicted of possessing a firearm during the commission of an offense defined as a federal crime of violence or a drug trafficking crime shall receive an additional 5 years imprisonment added to the punishment for the original offense. Under Title 18, United States Code, Section 924(e), a defendant convicted of illegally possessing a firearm in violation of Section 922 (g) who has three previous convictions for an offense defined as a violent felony or as a serious drug trafficking offense shall be imprisoned not less than 15 years.

ATF uses these statutes to target, investigate and recommend prosecution of these offenders to reduce the level of violent crime and enhance public safety. ATF also strives to increase State and local awareness of available Federal prosecution under these statutes. For more information about the use of these statutes please contact your local ATF office.

Article III. Scope

The purpose of this MOU is to establish an interagency agreement governing the access and utilization of eTrace. In addition, the MOU will designate a primary and alternate point of contact within your agency. The agency point of contact will be charged with ensuring adherence to the MOU between the Bureau and the client agency users. The MOU will require the designated agency point of contact to identify individuals from their respective agency who will require system access, to periodically validate the list of users, and to notify the National Tracing Center immediately in the event that it becomes necessary to revoke or suspend a user's account.

Article IV. Interagency Communications

The participating law enforcement entity and the Bureau of Alcohol, Tobacco, Firearms and Explosives agree that a principal point of contact within each organization shall coordinate all communications and tasks under this MOU. The designated points of contact (POC) shall be as follows:

ATF Field Division Name: Phoenix Field Division

Address: 40 N Central Avenue
Suite 1000
Phoenix, Arizona 85004

	Designated ATF Contact	Alternate ATF Contact
Name:	Darrell Smith	
Title:	Crime Gun Intelligence Coordinator	
Phone #:	(602) 809-0794	

Participating Law Enforcement Agency Name: CHINO VALLEY POLICE DEPARTMENT

Agency Address: 220 N STATE ROUTE 89
CHINO VALLEY, AZ 86323

	Designated Law Enforcement Agency Primary POC	Designated Law Enforcement Agency Alternate POC
Name:	MARRILEE EASTON	RANDY CHAPMAN
Title:	CIVILIAN OPERATIONS SUPERVISOR	ADMIN LIEUTENANT
Phone #:	(928) 636-3642	(928) 636-3643
Email Address:	MEASTON@CHINOAZ.NET	RCHAPMAN@CHINOAZ.NET
Date of Birth:	On File	On File
Signature:		
Date:		

Article V. Responsibilities and Procedures

In becoming an approved user of the eTrace application, the involved parties hereby acknowledge and accept the following responsibilities and procedures:

A. Responsibilities of the participating Law Enforcement Agency

The Participating Law Enforcement Agency shall:

1. Appoint a primary and alternate point of contact within your agency. The above appointed individuals will be responsible for creating and maintaining a list of all personnel within your department that will require access to eTrace.
2. The designated POC(s) within your agency will be responsible for signing as the Designated Law Enforcement Agency Primary Point of Contact and Alternate Point of Contact on page three of this MOU.
3. The designated POC(s) will immediately notify the ATF National Tracing Center via

eTrace in the event that an individual's eTrace account needs to be suspended or revoked for any number of reasons, to include (but not limited to): employee transfer, retirement, or release from employment.

4. Once this MOU and relative attachments have been completed and signed by all involved parties, the original copies should either be mailed to the ATF National Tracing Center at the address below, or scanned and emailed to eTraceAdmin@atf.gov.

Bureau of Alcohol, Tobacco, Firearms and Explosives
National Tracing Center Division
244 Needy Road
Martinsburg, WV 25401
Attn: eTrace Customer Service Group

Phone: (800) 788-7133, ext. 01540

eMail: eTraceAdmin@atf.gov

B. Responsibilities of the Bureau of Alcohol, Tobacco, Firearms and Explosives:

The appointed ATF Field Division representatives shall:

1. Coordinate all communications and tasks listed under this MOU and serve as a liaison between the participating law enforcement agency and the National Tracing Center Division.

The ATF National Tracing Center (NTC) Division shall:

1. Upon receipt of this signed MOU, send an e-mail which will provide detailed instructions on the process of requesting and receiving an eTrace user account.
2. Review all applications for eTrace access in a timely manner and facilitate the provisioning of accounts to include relative user identifiers and passwords. Once accounts are activated, each individual user will receive an e-mail containing their account information.
3. Upon receipt of a request for account revocation, the NTC will immediately deactivate the said user account.

Article VI. Conditions

- Both ATF and the participating law enforcement agency acknowledge their understanding that the eTrace application is intended "FOR OFFICIAL LAW ENFORCEMENT USE ONLY". The federal government may monitor and audit usage of this system, and all persons are hereby notified that use of this system constitutes consent to such monitoring and auditing. Unauthorized attempts to upload information and/or change information on these web sites are strictly prohibited and are subject to prosecution under the Computer Fraud and Abuse Act of 1986 and Title 18 U.S.C. Sections 1001 and 1030.
- The parties acknowledge that the eTrace application will only be accessed and utilized

from your official duty station and/or alternate task force locations. However, under isolated and stringent circumstances eTrace can be accessed from an alternate location, specifically in furtherance of Law Enforcement activities.

- The parties agree that premature disclosure of certain firearms trace information can reasonably be expected to interfere with pending or prospective law enforcement proceedings. This law enforcement sensitive information includes data that can link a traced firearm to: the location of a crime; the Federal firearms licensee; retail purchaser or possessor of a traced firearm; or to firearms trafficking patterns involving a traced firearm. It is agreed that the law enforcement sensitive firearms trace information generated pursuant to this agreement shall not be disclosed to a third party without the consent of both parties of this agreement, subject to State and Federal law. The parties agree to notify all other parties to the MOU prior to the release of any sensitive firearms trace information to a third party under State or Federal law. The parties acknowledge that trace data may only be utilized for law enforcement purposes. Through Public Law 112–55, 125 STAT. 552 (November 18, 2011), Congress enacted restrictions regarding the further dissemination of firearm trace data outside of law enforcement. The participating law enforcement agency and any contractors working on their behalf must adhere by these disclosure restrictions. ATF recommends that these restrictions are discussed with the participating law enforcement agency’s legal counsel prior to any data-sharing.
- **IT IS FURTHER AGREED THAT PRIOR TO THE INITIATION OF ANY INDEPENDENT FIREARMS TRAFFICKING INVESTIGATIONS BY THE PARTICIPATING LAW ENFORCEMENT AGENCY (BASED ON FIREARM TRACING DATA OBTAINED VIA ETRACE), THE INTELLIGENCE GROUP AT THE ABOVE REFERENCED ATF FIELD DIVISION WILL BE CONTACTED. This critical step will not only allow for the further collaboration of valuable investigative information, but will also assist in ensuring the effectiveness and overall safety of investigating officers.**
- It is understood that any report or trace result generated through the use of eTrace does not constitute a fulfillment of the Interstate Nexus requirement in any Federal, State or Administrative legal process or litigation. That expert testimony or Interstate Nexus determination is made through trained experts who must be contacted at the local ATF Field Office or Field Division Directorate.
- The parties agree that a ‘crime gun’ is defined as “any firearm that is illegally possessed, used in a crime, or suspected by law enforcement officials of having been used in a crime”.
- The parties agree that the ATF, National Tracing Center will be designated as the central recipient of all information entered into the eTrace application relative to crime gun recoveries. The participating law enforcement agency agrees to make every effort to provide complete and accurate firearm trace-related information to include: recovery location, possessor information and associated individuals. Law Enforcement agencies that make a commitment to comprehensive crime gun tracing will be provided an information platform for developing the best local investigative strategies for their community in the reduction of firearm related crime and violence.

Article VII. Conclusion

It is the intent of the signatories that this MOU ensures coordination, cooperation and the mutual conduct of enforcement and research activities relative to the eTrace application. The result of this mutual cooperation and coordination will be the successful prosecution of illegal firearm crimes in State and Federal jurisdictions as well as the development of an accurate picture of the illegal firearms market and the inception of new strategies to effectively interrupt this market and impact the rate of firearm related violence.

This MOU is effective upon the date of the last signature by the authorized representative of the parties and shall remain in effect for an unspecified time period, wherein the authorized point of contact maintains that position within the participating agency, unless terminated earlier in writing by either party. Amendments to this MOU are effective upon the date of the last signature on the Amendment, by the authorized representative of the parties. This MOU may be amended or modified only by written agreement. Parties to this MOU may terminate their participation at any time upon written notification of their intent to withdraw to all other parties in the MOU. Termination of the MOU by either party will result in the revocation of all eTrace accounts established under this agreement.

In witness whereof, the parties have hereunto executed this MOU.

Signature	Date
(Chief Law Enforcement Official)	
<hr/>	
JOSHUA MCINTIRE	
Name	
<hr/>	
CHIEF OF POLICE	
Title	
<hr/>	
CHINO VALLEY POLICE DEPARTMENT	
Agency/Department	

Signature	Date
(ATF - Special Agent in Charge or designee)	
<hr/>	
A.J. Gibes	
Name	
<hr/>	
Special Agent in Charge	
Title	
<hr/>	
Phoenix Field Division	
ATF Field Division	



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5c
MEETING DATE: 6/23/2026
CONTACT PERSON: Steven Sullivan, Assistant Town Engineer
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve the Third Amendment to the Contract for SR-89 Right-of-Way Landscape Maintenance Services with Titan Landscape Management for one year of services in the amount of \$106,215.60.

SUMMARY:

Intergovernmental Agreement 13-0001356I, dated April 8, 2014, between the State of Arizona and the Town of Chino Valley indicates the Town is responsible for landscaping and weed control, including medians from milepost MP 324 (approximately 1/4 mile south of Kalinich Ave) to 330.5 (approximately Jack Dale Dr) on State Route 89.

The Town advertised an Invitation for Bids for SR-89 Right-of-Way Landscape Maintenance Services on May 23, 2023. Landscape maintenance services include general cleanup, removal, and disposal of litter and debris, clearing plant growth by mowing, trimming, edge trimming, and weed control treatment. Maps identifying each work area are included in the contract.

On June 14, 2023, two bids were received as follows:

Vendor	Annual Cost
Titan Landscape	\$100,128.00
Zebrascapes	\$164,884.20

The project was awarded to Titan Landscape on June 27, 2023. The original contract was for one year with the option of four successive one-year terms with Town approval for each additional one-year term (including any price adjustments).

The 1st amendment, dated July 12, 2024, added additional scope of work, but the agreed-upon price remained the same (\$100,128.00).

The 2nd amendment, dated June 24, 2025, utilized the 1st amendment's scope of work with a price increase to \$103,131.84 (3% increase YoY).

The 3rd amendment proposes to continue with the same scope of work with a price increase to \$106,215.60 (3% increase YoY)

PREVIOUS ACTION:

June 24, 2025 - Awarded a one-year contract to Titan Landscaping for landscape maintenance services along State Route 89 in the amount of \$103,131.84.

STAFF RECOMMENDATION:

Approve the Third Amendment to the Contract for SR-89 Right-of-Way Landscape Maintenance Services with Titan Landscape Management for one year of services in the amount of \$106,215.60.

FISCAL IMPACT?

Tentative FY 26-27 budget: Streets Highway 89 Maintenance	\$108,800.00
Less this approval item: ROW Landscape Services w/ Titan Landscape Management	<u>-106,215.60</u>
Remaining tentative FY 26-27 budget: Streets Highway 89 Maintenance	\$2,584.40

ATTACHMENTS:

1.	Third Amendment and Updated Price Sheet
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**THIRD AMENDMENT
TO THE
CONTRACT FOR SR-89 RIGHT-OF-WAY LANDSCAPE MAINTENANCE SERVICES
BETWEEN THE
TOWN OF CHINO VALLEY
AND
KOEHLER ENTERPRISES, INC, DBA TITAN LANDSCAPING**

THIS THIRD AMENDMENT (this “Amendment”) is entered into as of _____, 2026, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Koehler Enterprises, Inc., an Arizona corporation dba Titan Landscaping (the “Contractor”) (each individually a “Party,” and together, the “Parties”).

RECITALS

A. On June 27, 2023, the Parties entered the Contract for SR-89 Right-of-Way Landscape Maintenance Services (the “Original Contract”).

B. On July 12, 2024, the Parties amended the Original Contract’s Scope of Work (but not the compensation) and exercised the first of its four possible one-year renewals, and on June 24, 2025, the Parties amended it again to increase the Contractor’s compensation and exercise the second of its four possible one-year renewals (together, the Original Contract and the prior amendments are the “Contract”).

C. The Parties now want to enter this Amendment to increase the Contractor’s compensation and exercise the Contract’s third of four possible one-year renewals.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

1. Incorporation of Defined Terms. All capitalized terms not otherwise defined in this Amendment have the same meanings as contained in the Contract.

2. Compensation. The Price Sheet attached to the Contract is hereby replaced with the Revised Price Sheet attached hereto as Exhibit 1 and incorporated by reference into the Contract as if fully set forth therein.

3. Term of Agreement. The Contract is renewed for an additional one-year term, thereby extending its Term through June 26, 2027.

4. Effect of Amendment. In all other respects, the Contract is affirmed and ratified, and, except as expressly modified herein, all terms and conditions of the Contract shall remain in full force and effect.

5. Non-Default. By executing this Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this Amendment, under any of the terms or conditions of the Contract, and (ii) any and all Contractor claims, known and unknown, relating to the Contract and existing on or before the date of this Amendment are forever waived.

6. Conflict of Interest. The Contract and this Amendment are subject to Ariz. Rev. Stat. § 38-511.

7. Forced Labor of Ethnic Uyghurs. To the extent applicable under Ariz. Rev. Stat. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not, for the duration of the Contract, use the forced labor, any goods or services produced by the forced labor, or any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Terri Denemy, Town Manager

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

“Contractor”

KOEHLER ENTERPRISES, INC.,
an Arizona corporation dba
TITAN LANDSCAPING

Signature

Name

Title

**EXHIBIT 1
TO THE
SECOND AMENDMENT
TO THE
CONTRACT FOR SR-89 RIGHT-OF-WAY LANDSCAPE MAINTENANCE SERVICES**

[Revised Price Sheet]

See the following page.

PRICE SHEET

NOTE: All pricing blanks must be filled in. Incomplete or unfilled spaces in the Price Sheet shall be deemed as a NO BID entry for that item. Pricing shall include everything to complete the Scope of Work, including all personnel, equipment, travel time, and supplies.

Landscape Maintenance Services Area Code	Approximate Area (SF)	Annual Cycles (Frequency)	Cost Per Service*	Total Annual Cost.*
SR01	200,000	Monthly	\$ 494.38	\$ 5932.56
SR02	132,000	Monthly	\$ 326.76	\$ 3921.12
SR03	84,000	Monthly	\$ 207.94	\$ 2495.28
SR04	67,000	Monthly	\$ 165.50	\$ 1986.00
SR05	125,000	Monthly	\$ 309.78	\$ 3717.36
SR06	130,000	Monthly	\$ 321.45	\$ 3857.40
SR07	65,000	Monthly	\$ 161.26	\$ 1935.12
SR08	92,000	Monthly	\$ 187.78	\$ 2253.36
SR09	41,000	Monthly	\$ 101.85	\$ 1222.20
SR10	30,000	Monthly	\$ 72.14	\$ 865.68
SR11	48,000	Monthly	\$ 118.82	\$ 1425.84
SR12	50,000	Monthly	\$ 124.13	\$ 1489.56
SR13	364,000	Monthly	\$ 899.64	\$ 10,795.68
SR14	120,000	Monthly	\$ 297.05	\$ 3564.60
SR15	110,000	Monthly	\$ 270.53	\$ 3246.36
SR16	18,000	Monthly	\$ 44.56	\$ 534.72
SR17	80,000	Monthly	\$ 197.33	\$ 2367.96
SR18	50,000	Monthly	\$ 123.06	\$ 1476.72
SR19	50,000	Monthly	\$ 123.06	\$ 1476.72
SR20	28,000	Monthly	\$ 68.95	\$ 827.40
SR21	110,000	Monthly	\$ 270.53	\$ 3246.36
SR22	110,000	Monthly	\$ 270.53	\$ 3246.36
SR23	75,000	Monthly	\$ 184.60	\$ 2215.20
SR24	11,000	Monthly	\$ 27.58	\$ 330.96
SR25	13,000	Monthly	\$ 32.89	\$ 394.68
SR26	29,000	Monthly	\$ 72.14	\$ 865.68
SR27	330,000	Monthly	\$ 815.83	\$ 9789.96
SR28	208,000	Monthly	\$ 514.54	\$ 6174.48
SR29	110,000	Monthly	\$ 272.65	\$ 3271.80
SR30	84,000	Monthly	\$ 169.74	\$ 2036.88
SR31	12,000	Monthly	\$ 29.29	\$ 351.48
SR32	12,000	Monthly	\$ 29.29	\$ 351.48
SR33	29,000	Monthly	\$ 58.35	\$ 700.20
SR34	3,000	Monthly	\$ 7.42	\$ 89.04
SR35	540,000	Monthly	\$ 1195.63	\$ 14347.56
SR36	115,000	Monthly	\$ 284.32	\$ 3411.84
TOTAL SQUARE FOOTAGE	3,675,000		TOTAL ANNUAL COST	\$ 106,215.60

*All bids are presumed to include all applicable taxes. "Cost Per Service" is defined as the "Total Annual Cost" for landscape maintenance services divided by 12 months for each of the areas.



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5d
MEETING DATE: 6/23/2026
CONTACT PERSON: Erin Deskins, Town Clerk
ITEM TYPE: Consent/Minutes

AGENDA ITEM TITLE:

Consideration and possible action to approve the May 12, 2026, study session and regular meeting minutes.

STAFF RECOMMENDATION:

Approve the May 12, 2026, study session and regular meeting minutes.

ATTACHMENTS:

1.	2026 05 12 CC SS RG MND wWM
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**MINUTES OF THE STUDY SESSION
AND REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY**

TUESDAY, MAY 12, 2026

5:00 PM

**COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

STUDY SESSION

1. CALL TO ORDER; ROLL CALL

Mayor Armstrong called the meeting to order at 5:01 p.m.

Present: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer - remote, Councilmember John Stankewicz

Absent: Vice-Mayor Eric Granillo

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Executive Analyst Jessi Sorteberg, Executive Assistant Mike Coomer, Town Water Consultant Mark Holmes, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Town Engineer/Assistant Public Works Director Steven Sullivan, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. Update, discussion, and council direction on potential application for WIFA Funding for the ADEQ-led Bright Star Water Production Facility PFAS Remediation project.

Terri Denemy, Town Manager, presented the following:

- Staff originally thought the project would be fully funded through ADEQ, but that is no longer the case. Staff would explain why and the increases in project cost.
- There is a funding opportunity that does not put the bulk of the burden on the Town.
- Discussed the water fund status. This fund collects fees with the intention that they will cover costs.
- Due to the most recent rate study, the water fund now has some capacity to fund the project.
- Discussed the wastewater fund which is not doing as well as the water fund due to the debt taken on for the water reclamation facility improvements.
- Gave an overview of debt obligations through 2046.
- Discussed next steps in the process.

Mark Holmes, Town Water Consultant, presented the following:

- Introduced the Carollo and ADEQ project managers (Kara Festa and Sara Konrad respectively).
- Gave a brief history on this matter since the EPA proposed maximum contaminant levels for PFAS/PFOA.
- Discussed the various funding opportunities staff explored to fund the project.
- Reviewed the complexities of the project, including the need for additional space, environmental assessments, designing an easement, etc.
- Discussed the completion of a Project Priority List application with WIFA to supply the 90% forgivable principal (due to the project being PFAS related) and 10% loan funding.
- Compliance must be obtained by 2029.
- Discussed the need for an IGA between the Town, WIFA, and, potentially, ADEQ outlining how invoicing would be handled, which monies will be spent first, handling administration and oversight, etc.
- Outlined ongoing operation cost estimates.

Kara Festa, Project Manager for Carollo Engineering, presented the following:

- Reviewed the assessments and options provided to the Town as solutions to the PFAS issue.
- Discussed the cost estimate of the project in greater depth, including direct and indirect costs.
- The project is currently estimated at \$8.1 million with an accuracy range of -20% - +30%. Further discussed some of the things affecting cost changes from the assessments provided in 2024. As the project progresses, cost estimates will become more accurate.

Council and staff discussed the following:

- Councilmember McCafferty inquired how much contingency was built into the estimate for the expansion.
 - Staff stated they didn't have that number on hand, but would get the answer and bring it back to Council.
- Councilmember McCafferty inquired if funds are interchangeable between the water and wastewater enterprises.
 - Staff stated they are not. Money lent from one fund to another has to be paid back or may be deferred indefinitely.
- Councilmember Holt inquired if the will RV Park would bring in enough to offset some of the wastewater costs.
 - Staff stated it will be the Town's first substantial wastewater customer that would be impactful.
- Councilmember McCafferty inquired if the easement has to be an improved road.
 - It will be a temporary road because the design for the development not been finalized in that area.
- Councilmember McCafferty inquired if the MCL set by the EPA was based on medical fact. And further inquired if it is possible the EPA may raise the MCL to a higher level, and, if so, would the Town's new system be able to be modified to extend its life.

- Staff stated they would need to bring experts in to discuss the matter. Regarding a change in the MCL, staff did expect a change with the current congress.
- Further discussion ensued regarding possibilities for the industry and in politics in the future.
- Councilmember Switzer inquired about pursuance of third party liability.
 - Staff stated they have been working with the Town Attorneys and submitted information as part of the 3M and Dupont class action lawsuits and staff is hoping to be compensated for some incurred costs that were not anticipated.
 - Andrew McGuire, Town Attorney, stated that's all we know at this point. Staff has not received anything advancing the ball in those litigations.
- Councilmember McCafferty inquired who the Town is paying sales tax to.
 - Staff stated it goes to the State of Arizona. Ms. Festa stated \$283,000 in sales tax is a conservative estimate as there are some waivers available and that would be fine-tuned as the project progresses.
- Councilmember Switzer inquired as to the amount of the land appraisal.
 - Staff stated that is still proprietary. Staff is working with the developer on the overall package.
 - Andrew McGuire, Town Attorney, stated that they need to have a deal in place before discussing the matter in public as it can drive up the price.
 - Councilmember Holt inquired how much property they were purchasing.
 - Staff stated it was one acre.
- Mayor Armstrong questioned the need for Council consensus on the matter when the Town is mandated to get it done.
 - Staff stated there really isn't an option, but pointed out that the Town would be receiving a \$10 million facility for \$500,000 which the revenue fund can manage.
- Councilmember McCafferty asked for clarity on the two pots of money that were mentioned.
 - Staff stated that all of the money is coming from WIFA, but the ADEQ will fund \$5.1 million. The Town will fund \$5 million with 90%/10% loan/grant.
- Councilmember McCafferty inquired if there was any possibility the Town's WIFA funding could go away.
 - Staff stated the Town is in the queue. Steps still have to be taken, but WIFA has assured staff that the Town is locked in with the PPL application.
- Council requested the item to come back for action on the May 26, 2026, meeting.

3. ADJOURNMENT

Mayor Armstrong adjourned the meeting at 5:42 p.m.

REGULAR MEETING

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Armstrong called the meeting to order at 6:01 p.m. and led the Pledge of Allegiance.

Present: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer - remote, Councilmember John Stankewicz

Absent: Vice-Mayor Eric Granillo

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Sean Snyder (Sgt. at Arms), Executive Analyst Jessi Sorteberg, Executive Assistant Mike Coomer, Town Water Consultant Mark Holmes, Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, GIS Specialist Maxwell Miller, Town Engineer/Assistant Public Works Director Steven Sullivan, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Presentation of Proclamation for Building Safety Month.

Mayor Armstrong read and presented the proclamation to staff.

- b. Presentation from Laura Kyriakakis, Human Resources Director, regarding recent new hires.

Laura Kyriakakis, Human Resources Director, presented the following:

- Gave special recognition to Senior HR Specialist Tiffany Resendez and Senior Recreation & Events Coordinator Morgan Heiner for onboarding 30 new hires for the pool opening on May 30th.
- Introduced the 15 new staff hired and onboarded since July 2025.
- Offered to give quarterly updates going forward.

- c. Presentation and update on the impact of the new GIS position from Max Miller, GIS Specialist, and Will Dingee, Assistant Development Services Director.

Will Dingee, Assistant Development Services Director, presented the following:

- Introduced Maxwell Miller who has had a huge impact on various departments.

Maxwell Miller, GIS Specialist, presented the following:

- Gave a brief overview of what GIS is and what its function is within the Town's organization.
- Discussed how GIS takes in information and provides products such as maps, reports, tables, plans, etc.
- Gave a comparison of the different GIS systems and discussed strategies to build an efficient and user-friendly solution.
- Provided an overview of his progress and where staff is in terms of goals for various GIS projects.
- Discussed future plans including a GIS intern.

- d. Presentation and update by Katie Pehl, Finance Director, regarding the January-March 2026 quarterly financial report.

Mayor Armstrong stated that Ms. Pehl was unable to attend the meeting tonight.

MOVED by Councilmember John McCafferty, seconded by Councilmember Larry Holt to continue the item to the May 26, 2026, regular meeting.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer, Councilmember John Stankewicz

NAY: None

6 - 0 Passed - Unanimously

- e. Consideration and discussion regarding the Fiscal Year 26/27 budget.

Terri Denemy, Town Manager, presented the following:

- She was filling in for Finance Director Katie Pehl to keep the budget process on track.
- Gave a review of the overall budget and included a breakdown of all the increases and decreases that have brought staff to the presented tentative budget recommendation of \$48,345,342.
- Further discussed changes from the preliminary budget, including increases/additions and rollover amounts.
- Staff is now recommending a soft freeze on Police Department positions and a hard freeze on others.
- Discussed the recommendations for Yavapai Regional Transit (YRT) and Yavapai Plan (YPlan) to allow spending capacity, but they can be removed or reduced later.
- Reviewed the rollovers and the reasons for them in more depth.
- Briefly discussed fund balances.
- Discussed the next steps in the budget process with final adoption to occur on June 23, 2026.

Council and staff discussed the following:

- Councilmember Stankewicz inquired if the soft freeze was for a recruit or lateral officer.
 - Staff stated it could be either. The department typically has one of each open.
- Councilmember Holt stated that he takes issue with freezing positions, and does not agree with holding funds for YPlan.
- Councilmember Switzer inquired if the general fund would increase, decrease, or stay the same.
 - Staff stated the draw on the general fund would be \$776,000.
- Councilmember Switzer clarified that the only negative to hard freezing all positions is that it would require council action.

- Staff stated that was correct and stated it could take about a month. Staff would notify Council of their intentions to fill a position that was in a soft freeze.
- Councilmember McCafferty stated that he supports the recommended personnel freezes and clarified that the purpose of such was to fund the 2% COLA.
 - Staff stated that was correct, along with the increases in Lieutenant and Sergeant positions. The department stated they would rather take care of current staff than add staff. If they didn't do the freezes, there would be a larger draw on fund balance.
- Councilmember McCafferty inquired what the actual anticipated revenue is.
 - Staff stated they didn't have it available in this presentation and would get it for Council at a later time.
- Councilmember McCafferty inquired about the YPlan increase of \$40,000.
 - Staff stated there was confusion about what is due when and would be discussed further when that item is called.
 - Councilmember McCafferty inquired where the funding for YPlan would be coming from.
 - Staff stated it is part of the \$776,000 draw on the general fund.
- Mayor Armstrong clarified that the NARTA officer is not affected by the position freeze.
 - Staff stated that is correct.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment on items not on the agenda will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

Erin Deskins, Town Clerk, stated there were no requests to speak.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.

Councilmember Holt stated that Friday, May 15th at 10:00 a.m. is the National Law Enforcement Memorial being held at the 9/11 Memorial on Perkinsville Road.\

Councilmember McCafferty stated that US Vets is hosting their Steps for Vets event in

Downtown Prescott starting at 9:00 a.m.

- b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

Terri Denemy, Town Manager, presented the following:

- Swim lessons, party registration, and season passes are open at the aquatic center. 94 people signed up on the first day.
- Free dump day is being held this weekend. Friday, May 15 & Saturday, May 16, from 9:00 a.m. - 3:00 p.m. Contact Development Services with any questions.
- Recognized Town Clerk Erin Deskins and Deputy Town Clerk Sara Burchill to the Municipal Clerks Honor Roll.
- Packets for Write-In candidates are available for the July 21st primary election. Applications are due May 22nd at 5:00 p.m. Make an appointment with the Town Clerk's office.
- Olsen's Grain is hosting a music video shoot for Colton Burris, and they are looking for extras. It will be held on Saturday, May 23rd at 4:30 p.m.
- The Chino Valley Pickleball Association was awarded \$7,500 from the AZOne Credit Union Foundation for the construction of the new pickleball courts.
- The Town's website is getting a refresh and will be going live tomorrow. Visit www.chinovalleyaz.gov. Staff will be working on departmental pages in the next few months.
- The Town's first Touch-a-truck event was a great success. Thanked all the companies that participated.

5. CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Councilmember John McCafferty, seconded by Councilmember Sherri Phillips to approve Consent Agenda item a.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember John Stankewicz

NAY: None

6 - 0 Passed - Unanimously

- a. Consideration and possible action to approve the April 14, 2026, regular meeting minutes.

6. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action

may be taken in executive session.

- a. Consideration and possible action to approve the Naming Rights for Fann Contracting in recognition of their \$25,000 donation to the Chino Valley Pickleball Association Capital Campaign.

Recommended Action: Approve the Naming Rights (format and placement) for Fann Contracting in recognition of their \$25,000 donation to the Chino Valley Pickleball Association Capital Campaign.

Jessi Sorteberg, Executive Analyst, presented the following:

- Introduced Mary Kelly to share exciting news and will return to present the staff recommendation.

Mary Kelly, Capital Campaign and Chino Valley Pickleball Association Secretary, presented the following:

- They received \$25,000 from Fann Contracting, Inc. to fund the new pickleball courts.
- Presented the letter received from Fann regarding the pledge.
- Discussed the donor category granting naming rights.
- Discussed the placing and design of the company logo along with industry standards of such, and presented conceptual plans.

MOVED by Councilmember John McCafferty, seconded by Councilmember Sherri Phillips to approve the Naming Rights for Fann Contracting in recognition of their \$25,000 donation to the Chino Valley Pickleball Association Capital Campaign.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer, Councilmember John Stankewicz

NAY: None

6 - 0 Passed - Unanimously

- b. Consideration and possible action to approve a budget capacity transfer in the amount of \$77,448 from the General Fund contingency to the General Fund YPLAN account and to approve the FY 2025/26 funding allocation for Chino Valley's annual contribution to YPLAN for \$77,447.35.

Recommended Action: a) Approve the budget capacity transfer in the amount of \$77,448 from General Fund contingency to the General Fund YPLAN account; **and**
b) Approve the FY 2025-26 funding allocation for Chino Valley's annual contribution to YPLAN for \$77,447.35.

MOVED by Councilmember John McCafferty, seconded by Councilmember Larry Holt to enter Executive Session for legal advice at 6:54 p.m.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember John

Stankewicz

NAY: None

6 - 0 Passed - Unanimously

Regular meeting resumed at 7:31 p.m. with all previously noted councilmembers still present.

Terri Denemy, Town Manger, presented the following:

- Discussed the funding requests for this and next fiscal year.
- Gave an overview of the YPlan organization and listed the past, active, and future benefits for the Town as a result of being part of the organization.
- Reviewed the options Council has regarding their membership with YPlan.

Council and staff discussed the following:

- Councilmember Holt stated that he would like to include language requireing discussion between the various agencies for IGA funding formula alternatives for FY26/27 and all ongoing years.
 - Staff stated they would also include an update of the basic IGA format.
 - Councilmember Switzer stated that he agrees.
- Councilmember McCafferty clarified that \$77,447.35 is worst case scenario as they have not yet calculated in-kind contributions.
 - Staff stated that is correct.
- Councilmember McCafferty clarified that approval of this item allows the funding capacity, not the actual funding.
 - Staff stated that is correct. They are only voting on funding and authorizing payment for this year. The tentative budget forthcoming will contain the \$111,000 for FY26/27 included.
- Councilmember McCafferty inquired as to Mayor Armstrong's position on the matter.
 - Mayor Armstrong stated he has been involved in YPlan (formerly CYMPO) and RTAC for years and has pushed as hard as he can for regional transportation money. They've had some success, but stated that the "proof is in the pudding," and he is in support if they can show that they can actually produce services.
- Staff summarized that the updates in the coming year showing the tangibles that have been delivered will be very important and the IGA rewrite has to be included in negotiations.

MOVED by Councilmember John McCafferty, seconded by Councilmember Sherri Phillips to approve the budget capacity transfer in the amount of \$77,448 from the general fund contingency to the General Fund YPlan account and approve the FY2026/26 funding allocation for Chino Valley's annual contribution to YPlan for \$77,447.35.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember John Stankewicz

NAY: None

6 - 0 Passed - Unanimously

7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember John McCafferty to adjourn the meeting at 7:44 p.m.

AYE: Mayor Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer, Councilmember John Stankewicz

NAY: None

6 - 0 Passed - Unanimously

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session and Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 12th day of May, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2026.

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6a
MEETING DATE: 6/23/2026
CONTACT PERSON: Ryan Anderson, Public Works Director, Katie Pehl, Finance Director, Terri Denemy, Town Manager
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve or defer application for WIFA Funding in the amount of \$10 Million for a PFAS remediation project at the Water Reclamation Facility.

SUMMARY:

Staff is seeking Council direction regarding a potential application to the Water Infrastructure Finance Authority (WIFA) for funding to address PFAS at the Water Reclamation Facility (WRF). A preliminary rough estimate indicates that a PFAS treatment project could cost approximately \$10 million, but no engineering, design, or detailed cost analysis has been completed, and actual project costs could vary significantly.

Currently, PFAS regulations primarily apply to drinking water systems and don't currently require treatment of effluent discharged from the WRF. However, future federal and state regulatory requirements affecting wastewater treatment facilities and biosolids management remain a possibility. Funding is available from WIFA for these projects, but the loan / grant percentages are unknown. As regulations regarding PFAS mitigation for wastewater treatment facilities are not yet in place, there is no mandatory compliance goal the Town needs to meet at this point. The financial position of the sewer fund remains precarious. Taking on additional debt of this size, knowing a mandatory plant expansion is expected within a ten-year horizon, is not advised from a financial perspective.

That stated, staff wishes to make Council aware of the opportunity and request formal action on whether to proceed with pursuing a WIFA funding application or defer action until regulatory requirements are adopted and compliance becomes mandatory.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Defer application for WIFA Funding for a PFAS remediation project at the Water Reclamation Facility until regulatory compliance is federally defined and/or becomes mandatory.

FISCAL IMPACT?

A preliminary planning-level estimate indicates that a PFAS remediation project at the Water Reclamation Facility could cost approximately \$10 million. At this time, no engineering or design work has been completed, and actual project costs are currently unknown.

The Wastewater Fund does not have the financial capacity to support a project of this magnitude. Council recently approved a WIFA loan of approximately \$10 million for Water Reclamation Facility improvements, and the associated debt obligations have effectively exhausted the Wastewater Fund's current borrowing capacity. As a result, absent substantial grant funding or principal forgiveness from WIFA, the Wastewater Fund would be unable to support additional debt service for a PFAS treatment project.

Should the Town elect to pursue and construct a PFAS remediation project before regulatory requirements are imposed, and if significant forgivable funding is not available, the General Fund would likely be required to subsidize the resulting debt service. The ultimate fiscal impact will depend on future regulatory requirements, project scope, final project costs, and the availability of grant or principal forgiveness funding.

ATTACHMENTS:

None



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6b
MEETING DATE: 6/23/2026
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Public Hearing regarding Resolution No. 2026-1312, relating to the Town's Final Budget for Fiscal Year 2026-2027 and the proposed expenditure limitation for the same year, in the amount of \$48,345,342.

SUMMARY:

Following the May 26, 2026, approval of Resolution No. 2026-1309 adopting the Tentative Budget for the Fiscal Year 2026-2027 and setting the Expenditure Limitation at \$48,345,342, the Tentative Budget was made publicly accessible on the Town's official website. Additionally, the State Budget Forms were published twice in the Prescott Daily Courier to ensure transparency and provide ample opportunity for public review.

In compliance with statutory requirements, a public hearing will be held, allowing members of the public to have the opportunity to voice their opinions and provide feedback on the Tentative Budget. This process is crucial for maintaining an open dialogue between the Town's administration and its residents, ensuring that the budget reflects the community's priorities and needs.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Hold the public hearing.

FISCAL IMPACT?

N/A

ATTACHMENTS:

None



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6c
MEETING DATE: 6/23/2026
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Public Hearing regarding Resolution No. 2026-1313, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2026-2027, which shall constitute the budgets of the Districts for Fiscal Year 2026-2027.

SUMMARY:

Following the May 26, 2026, approval of Resolution No. 2026-1310 approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement District for fiscal year 2026-2027, the statements were made publicly accessible on the Town's official website. Additionally, the statements were published twice in the Prescott Daily Courier to ensure transparency and provide ample opportunity for public review.

In compliance with statutory requirements, a public hearing will be held, allowing members of the public to have the opportunity to voice their opinions and provide feedback on the proposed statements and estimates of expenses.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Hold the Public Hearing

FISCAL IMPACT?

N/A

ATTACHMENTS:

None



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6d
MEETING DATE: 6/23/2026
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Public Hearing regarding Resolution No. 2026-1314, relating to the Statements and Estimates of Expenses of the Del Sol Maintenance Improvement District for Fiscal Year 2026-2027, which shall constitute the budget of the District for Fiscal Year 2026-2027.

SUMMARY:

Following the May 26, 2026, approval of Resolution No. 2026-1311 approving the proposed statements and estimates of expenses of the Del Sol Maintenance Improvement District for fiscal year 2026-2027, the statements were made publicly accessible on the Town's official website. Additionally, the statements were published twice in the Prescott Daily Courier to ensure transparency and provide ample opportunity for public review.

In compliance with statutory requirements, a public hearing will be held, allowing members of the public to have the opportunity to voice their opinions and provide feedback on the proposed statements and estimates of expenses.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Hold the Public Hearing.

FISCAL IMPACT?

N/A

ATTACHMENTS:

None



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2
MEETING DATE: 6/23/2026
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 2026-1312, relating to the Town's Final Budget for Fiscal Year 2026-2027 and the proposed expenditure limitation for the same year, in the amount of \$48,345,342.

SUMMARY:

During the Council meeting held on April 13, 2026, staff presented the initial draft of the FY 2026-2027 budget for the Council's review and consideration. An additional study session was held on April 27, 2026, and the budget was further discussed at the May 12, 2026, Council meeting. Updates were made to the initial draft and estimated rollovers for ongoing projects were incorporated. On May 26, 2026, Council approved Resolution No. 2026-1309 setting the tentative budget and establishing the expenditure cap for the upcoming fiscal year, which totals \$48,345,342. No additional changes were made to the budget following the tentative budget adoption.

The community has access to the tentative budget schedules for review, which are at key public locations, including the Town Hall and the Library, and can also be accessed online on the official town website. The schedules were also published twice in the Daily Courier. The public hearing, providing an opportunity for public input before the final adoption of the budget, has been held and staff recommends the Council approve the final budget for FY 2026-2027.

PREVIOUS ACTION:

Resolution No. 2026-1309 was approved on May 26, 2026, approving the tentative budget for FY 2026-2027.

STAFF RECOMMENDATION:

Approve Resolution No. 2026-1312 approving a Final Budget for the fiscal year 2026-2027 and proposed expenditure limitation for the same year, in the amount of \$48,345,342.

FISCAL IMPACT?

This process sets the expenditure limit for FY 2026-2027.

ATTACHMENTS:

1.	RES 2026-1312 - Final Budget FY 2026-27
2.	2027 City-Town Official Budget Forms

RESOLUTION NO. 2026-1312

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR 2026/2027; SETTING AN EXPENDITURE LIMITATION FOR THE SAME YEAR; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE FROM AND AFTER ITS PASSAGE AND APPROVAL ACCORDING TO THE LAW.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, the Mayor and Council of the Town of Chino Valley (the "Town Council") is required to adopt an annual budget for the Town of Chino Valley (the "Town"); and

WHEREAS, on July 30, 2024, pursuant to Article 9, Section 20(9) of the Arizona Constitution, and Arizona Revised Statutes ("A.R.S.") § 41-563.03(C), (E), and (G), the qualified voters of the Town approved Proposition 475, adopting an Alternative Expenditure Limitation for the Town; and

WHEREAS, Proposition 475 provided that, as part of the budget process, the Mayor and Common Council shall annually, after public hearing, adopt an expenditure limitation to govern the budget; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the Town Manager's budget estimates for the fiscal year beginning July 1, 2026, and ending June 30, 2027 ("Fiscal Year 2026/2027"); and

WHEREAS, on May 26, 2026, the Town Council approved Resolution 2026-1309 adopting (i) an expenditure limitation and (ii) estimates of revenues and expenditures for Fiscal Year 2026/2027; and

WHEREAS, Resolution 2026-1309 also directed the Town Clerk to (i) make available the tentative budget for inspection, not later than seven days after the date of Resolution 2026-1309, at the Chino Valley Public Library, at the Chino Valley Town Hall, and on the official Town Website; and (ii) publish in the official Town newspaper once per week for two consecutive weeks (a) the official tentative budget and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 23, 2026, at the Chino Valley Town Hall for the purposes of (i) hearing taxpayers on the proposed estimates, expenses, and tax levies as set forth in said estimates of revenues and expenditures and (ii) adopting the tentative budget as final; and

WHEREAS, on June 23, 2026, the Town Council held a public hearing on the final budget as required by law; and

WHEREAS, the revenues and expenses in the proposed final budget for Fiscal Year 2026/2027 do not exceed the estimates of revenues and expenditures shown on the published tentative budget.

[CONTINUED ON THE FOLLOWING PAGE]

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The expenditure limitation to govern the Town of Chino Valley budget for Fiscal Year 2026/2027 is hereby approved in an amount not to exceed \$48,345,342.

SECTION 3. The estimates of revenues and expenditures shown in the schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the final budget of the Town of Chino Valley for Fiscal Year 2026/2027.

SECTION 4. This resolution shall be effective from and after its passage and approval according to law.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 23rd day of June 2026.

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify that the above foregoing Resolution No. 2026-1312 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 23, 2026, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2026-1312

[Estimates of Revenues and Expenditures]

See following pages.

Official Budget Forms

Town of Chino Valley

Fiscal year 2027

Town of Chino Valley

Table of Contents

Fiscal year 2027

Resolution for the adoption of the budget

Schedule A—Summary Schedule of estimated revenues and expenditures/expenses

Schedule B—Tax levy and tax rate information

Schedule C—Revenues other than property taxes

Schedule D—Other financing sources/(uses) and interfund transfers

Schedule E—Expenditures/expenses by fund

Schedule F—Expenditures/expenses by department (as applicable)

Schedule G—Full-time employees and personnel compensation

Town of Chino Valley
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2027

Fiscal year	S c h	Funds									
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total all funds		
2026	Adopted/adjusted budgeted expenditures/expenses*	E	1	18,064,364	5,445,095	1,293,732	6,627,464	0	15,285,534	0	46,716,189
2026	Actual expenditures/expenses**	E	2	16,675,093	2,075,707	1,293,732	3,582,264	0	3,207,062	0	26,833,858
2027	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	9,574,955	2,765,674	0	3,670,998	0	1,584,148	0	17,595,775
2027	Primary property tax levy	B	4	0							0
2027	Secondary property tax levy	B	5								0
2027	Estimated revenues other than property taxes	C	6	16,885,716	6,344,068	0	3,192,872	0	3,615,536	0	30,038,192
2027	Other financing sources	D	7	0	0	0	0	0	15,000,000	0	15,000,000
2027	Other financing (uses)	D	8	0	0	0	0	0	0	0	0
2027	Interfund transfers in	D	9	0	0	1,213,802	1,500,000	0	0	0	2,713,802
2027	Interfund Transfers (out)	D	10	0	500,000	0	2,213,802	0	0	0	2,713,802
2027	Line 11: Reduction for fund balance reserved for future budget year expenditures										
	Maintained for future debt retirement								1,053,187		1,053,187
	Maintained for future capital projects										0
	Maintained for future financial stability										0
	Maintained for future retirement contributions										0
											0
2027	Total financial resources available		12	26,460,671	8,609,742	1,213,802	6,150,068	0	19,146,497	0	61,580,780
2027	Budgeted expenditures/expenses	E	13	18,590,864	6,112,576	1,213,802	4,282,371	0	18,145,729	0	48,345,342

Expenditure limitation comparison		2026	2027
1	Budgeted expenditures/expenses	\$ 46,716,189	\$ 48,345,342
2	Add/subtract: estimated net reconciling items		
3	Budgeted expenditures/expenses adjusted for reconciling items	46,716,189	48,345,342
4	Less: estimated exclusions		
5	Amount subject to the expenditure limitation	\$ 46,716,189	\$ 48,345,342
6	EEC expenditure limitation or voter-approved alternative expenditure limitation	\$ 46,716,189	\$ 48,345,342

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund). See the Instructions tab, cell C17 for more information about the amounts that should and should not be included on this line.

Town of Chino Valley
Tax levy and tax rate information
Fiscal year 2027

	2026	2027
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
Property tax judgment	_____	_____
B. Secondary property taxes	_____	_____
Property tax judgment	_____	_____
C. Total property tax levy amounts	\$ _____	\$ _____
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ _____	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
Property tax judgment	_____	_____
(2) Secondary property tax rate	_____	_____
Property tax judgment	_____	_____
(3) Total city/town tax rate	_____	_____
B. Special assessment district tax rates		
Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating <u> 4 </u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Town of Chino Valley
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
General Fund			
Local taxes			
Transaction Privilege Taxes	\$ 8,786,260	\$ 8,909,813	\$ 8,961,985
Franchise Taxes	415,110	415,110	415,110
Licenses and permits			
Building Permits	119,850	169,598	133,167
Business Licenses	70,000	48,033	60,000
Plan Check Fees	70,000	95,098	80,000
Other Licenses and Permits	6,500	55,151	6,500
Intergovernmental			
State Shared Transaction Privilege Tax	2,129,512	2,129,512	2,091,136
State Shared Income Tax	2,748,922	2,711,488	2,927,930
Vehicle License Tax	1,185,387	1,185,387	1,229,581
Yavapai County Library Funds	73,000	80,000	82,000
Police Dept Grants	75,000	97,500	72,500
Senior Nutrition Grant	125,000		
Charges for services			
Engineering Fees	7,500	7,862	7,725
Senior Nutrition Program Fees	350	924	360
Facility Use Fees	46,000	46,735	47,380
Police Report Fees	7,500	10,513	7,725
Aquatic Center Fees	50,000	50,172	51,500
Other Charges for Services	5,074	2,750	5,227
Fines and forfeits			
Animal Control Fees	28,000	28,000	28,560
Library Fines	1,000	2,078	1,000
Court Fines and Forfeitures	140,500	140,500	143,330
Interest on investments			
Interest	500,000	496,735	458,000
Miscellaneous			
Sale of Fixed Assets	10,000	5,578	25,000
Miscellaneous	41,115	108,551	50,000
Total General Fund	\$ 16,641,580	\$ 16,797,088	\$ 16,885,716

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Revenues other than property taxes
Fiscal Year 2027

Source of revenues	Estimated revenues 2026	Actual revenues* 2026	Estimated revenues 2027
Special revenue funds			
Highway User Revenue	\$ 1,464,860	\$ 1,464,860	\$ 1,419,163
Interest	15,000	18,280	15,000
Miscellaneous	3,500	5,850	3,500
	<u>\$ 1,483,360</u>	<u>\$ 1,488,990</u>	<u>\$ 1,437,663</u>
Miscellaneous Grants	\$ 3,500,000	\$ 472,704	\$ 4,844,280
	<u>\$ 3,500,000</u>	<u>\$ 472,704</u>	<u>\$ 4,844,280</u>
Special Revenue Fund - Court	\$ 28,000	\$ 23,582	\$ 28,000
Special Revenue Fund - PD	5,000	5,310	5,000
Special Revenue Fund - Cemetery Maintenance	14,250	1,373	10,100
Lighting Improvement Districts #1, #2, #3	4,650	4,650	4,650
Del Sol Improvement District	2,750	2,750	14,375
	<u>\$ 54,650</u>	<u>\$ 37,665</u>	<u>\$ 62,125</u>
Total special revenue funds	<u>\$ 5,038,010</u>	<u>\$ 1,999,359</u>	<u>\$ 6,344,068</u>
Capital projects funds			
Capital Improvements Fund - General Fund	\$ 4,590,071	\$ 2,701,865	\$ 3,182,872
Asset Replacement Fund	5,000	12,068	10,000
	<u>\$ 4,595,071</u>	<u>\$ 2,713,933</u>	<u>\$ 3,192,872</u>
Total capital projects funds	<u>\$ 4,595,071</u>	<u>\$ 2,713,933</u>	<u>\$ 3,192,872</u>
Enterprise funds			
Water Enterprise Fund	\$ 1,091,580	\$ 1,179,857	\$ 1,182,512
Wastewater Enterprise Fund	2,996,655	2,396,978	2,433,024
	<u>\$ 4,088,235</u>	<u>\$ 3,576,835</u>	<u>\$ 3,615,536</u>
Total enterprise funds	<u>\$ 4,088,235</u>	<u>\$ 3,576,835</u>	<u>\$ 3,615,536</u>
Total all funds	<u>\$ 30,362,896</u>	<u>\$ 25,087,215</u>	<u>\$ 30,038,192</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Other financing sources/(uses) and interfund transfers
Fiscal year 2027

Fund	Other financing 2027		Interfund transfers 2027	
	Sources	(Uses)	In	(Out)
General Fund				
Transfer to Cap Asset Replacement	\$ _____	\$ _____	\$ _____	\$ _____
Total General Fund	\$ _____	\$ _____	\$ _____	\$ _____
Special revenue funds				
HURF Transfer to Streets CIP	\$ _____	\$ _____	\$ _____	\$ 500,000
Total special revenue funds	\$ _____	\$ _____	\$ _____	\$ 500,000
Debt service funds				
Trans from General CIP	\$ _____	\$ _____	\$ 1,213,802	\$ _____
Total debt service funds	\$ _____	\$ _____	\$ 1,213,802	\$ _____
Capital projects funds				
General CIP Trans to Debt Service	\$ _____	\$ _____	\$ _____	\$ 1,213,802
General CIP Trans to Streets CIP	\$ _____	\$ _____	\$ _____	1,000,000
Streets CIP Trans from General CIP	\$ _____	\$ _____	1,000,000	\$ _____
Streets CIP Trans from HURF	\$ _____	\$ _____	500,000	\$ _____
Total capital projects funds	\$ _____	\$ _____	\$ 1,500,000	\$ 2,213,802
Enterprise funds				
Water CIP	\$ 5,000,000	\$ _____	\$ _____	\$ _____
Wastewater CIP	10,000,000	\$ _____	\$ _____	\$ _____
Total enterprise funds	\$ 15,000,000	\$ _____	\$ _____	\$ _____
Total all funds	\$ 15,000,000	\$ _____	\$ 2,713,802	\$ 2,713,802

**Town of Chino Valley
Expenditures/expenses by fund
Fiscal year 2027**

Fund/Department	Adopted budgeted expenditures/ expenses 2026	Expenditure/ expense adjustments approved 2026	Actual expenditures/ expenses* 2026	Budgeted expenditures/ expenses 2027
General Fund				
Community Services	\$ 1,504,417	\$	\$ 1,312,167	\$ 1,361,441
Development Services	1,706,924		1,435,112	1,548,340
Finance	668,130		658,130	686,382
Human Resources	678,539		648,539	663,980
Information Technology Services	680,593	8,536	672,665	646,943
Mayor and Council	81,237		77,237	78,150
Municipal Court	438,489		435,739	465,377
Non-Departmental	819,224	77,448	896,672	1,055,920
Police	5,983,855		5,891,605	6,260,550
Public Works	3,666,947		3,491,947	3,619,891
Town Clerk	483,541		468,041	531,992
Town Manager	707,239		687,239	731,898
Contingency	934,000	(374,755)		940,000
Total General Fund	\$ 18,353,135	\$ (288,771)	\$ 16,675,093	\$ 18,590,864
Special revenue funds				
Highway User Revenue Fund	\$ 1,588,215	\$ 90,384	\$ 1,621,349	\$ 1,158,233
Miscellaneous Grants Fund	3,636,025		323,887	4,863,818
Special Revenue Fund - Court	17,200	42,112	59,312	57,200
Special Revenue Fund - Police	5,000	49,459	54,459	5,000
Special Rev Fund - Cemetery	9,300		9,300	9,300
Lighting Improvement Districts	4,650		4,650	4,650
Del Sol Improvement District	2,750		2,750	14,375
Total special revenue funds	\$ 5,263,140	\$ 181,955	\$ 2,075,707	\$ 6,112,576
Debt service funds				
Debt Service Fund	\$ 1,293,732	\$	\$ 1,293,732	\$ 1,213,802
Total debt service funds	\$ 1,293,732	\$	\$ 1,293,732	\$ 1,213,802
Capital projects funds				
General Fund CIP	\$ 3,308,441	\$ 197,200	\$ 460,441	\$ 2,102,371
Asset Replacement Fund		121,823	121,823	180,000
Streets CIP	3,000,000		3,000,000	2,000,000
Total capital projects funds	\$ 6,308,441	\$ 319,023	\$ 3,582,264	\$ 4,282,371
Enterprise funds				
Water Enterprise Fund	\$ 824,736	\$ 90,384	\$ 777,120	\$ 891,659
Water CIP	2,175,000		18,845	5,156,155
Wastewater Enterprise Fund	2,792,564	(302,591)	2,103,973	2,564,655
Wastewater CIP	9,705,441		307,124	9,533,260
Total enterprise funds	\$ 15,497,741	\$ (212,207)	\$ 3,207,062	\$ 18,145,729
Total all funds	\$ 46,716,189	\$	\$ 26,833,858	\$ 48,345,342

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Expenditures/expenses by department
Fiscal year 2027

Department/Fund	Adopted budgeted expenditures/ expenses	Expenditure/ expense adjustments approved	Actual expenditures/ expenses*	Budgeted expenditures/ expenses
	2026	2026	2026	2027
Community Services:				
General Fund	\$ 1,504,417	\$	\$ 1,312,167	\$ 1,361,441
Department total	\$ 1,504,417	\$	\$ 1,312,167	\$ 1,361,441
Development Services:				
General Fund	\$ 1,706,924	\$	\$ 1,435,112	\$ 1,548,340
Department total	\$ 1,706,924	\$	\$ 1,435,112	\$ 1,548,340
Finance:				
General Fund	\$ 668,130	\$	\$ 658,130	\$ 686,382
Department total	\$ 668,130	\$	\$ 658,130	\$ 686,382
Human Resources:				
General Fund	\$ 678,539	\$	\$ 648,539	\$ 663,980
Department total	\$ 678,539	\$	\$ 648,539	\$ 663,980
Information Technology Services:				
General Fund	\$ 680,593	\$ 8,536	\$ 672,665	\$ 646,943
Department total	\$ 680,593	\$ 8,536	\$ 672,665	\$ 646,943
Mayor and Council:				
General Fund	\$ 81,237	\$	\$ 77,237	\$ 78,150
Department total	\$ 81,237	\$	\$ 77,237	\$ 78,150
Municipal Court:				
General Fund	\$ 438,489	\$	\$ 435,739	\$ 465,377
Special Rev Fund - Court	17,200	42,112	59,312	57,200
Department total	\$ 455,689	\$ 42,112	\$ 495,051	\$ 522,577
Non-Departmental:				
General Fund	\$ 1,753,224	\$ (297,307)	\$ 896,672	\$ 1,995,920
Miscellaneous Grants Fund	3,636,025		323,887	4,863,818
Debt Service Fund	1,293,732		1,293,732	1,213,802
General Fund CIP	3,308,441	197,200	460,441	2,102,371
Asset Replacement Fund		121,823	121,823	180,000
Department total	\$ 9,991,422	\$ 21,716	\$ 3,096,555	\$ 10,355,911
Police:				
General Fund	\$ 5,983,855	\$	\$ 5,891,605	\$ 6,260,550
Special Rev Fund - Police	5,000	49,459	54,459	5,000
Department total	\$ 5,988,855	\$ 49,459	\$ 5,946,064	\$ 6,265,550

Town of Chino Valley
Expenditures/expenses by department
Fiscal year 2027

Department/Fund	Adopted budgeted expenditures/expenses	Expenditure/expense adjustments approved	Actual expenditures/expenses*	Budgeted expenditures/expenses
	2026	2026	2026	2027
Public Works:				
General Fund	\$ 3,666,947	\$	\$ 3,491,947	\$ 3,619,891
Highway User Revenue Fund	1,588,215	90,384	1,621,349	1,158,233
Streets CIP	3,000,000		3,000,000	2,000,000
Special Rev Fund - Cemetery	9,300		9,300	9,300
Department total	\$ 8,264,462	\$ 90,384	\$ 8,122,596	\$ 6,787,424
Town Clerk:				
General Fund	\$ 483,541	\$	\$ 468,041	\$ 531,992
Department total	\$ 483,541	\$	\$ 468,041	\$ 531,992
Town Manager:				
General Fund	\$ 707,239	\$	\$ 687,239	\$ 731,898
Department total	\$ 707,239	\$	\$ 687,239	\$ 731,898
Water:				
Water Enterprise Fund	\$ 824,736	\$ 90,384	\$ 777,120	\$ 891,659
Water CIP	2,175,000		18,845	5,156,155
Department total	\$ 2,999,736	\$ 90,384	\$ 795,965	\$ 6,047,814
Wastewater:				
Wastewater Enterprise Fund	\$ 2,792,564	\$ (302,591)	\$ 2,103,973	\$ 2,564,655
Wastewater CIP	9,705,441		307,124	9,533,260
Department total	\$ 12,498,005	\$ (302,591)	\$ 2,411,097	\$ 12,097,915
Improvement Districts:				
Lighting Improvement Districts	\$ 4,650	\$	\$ 4,650	\$ 4,650
Del Sol Improvement District	2,750		2,750	14,375
Department total	\$ 7,400	\$	\$ 7,400	\$ 19,025
Total all funds	\$ 46,716,189	\$	\$ 26,833,858	\$ 48,345,342

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Full-time employees and personnel compensation
Fiscal year 2027

Fund	Full-time equivalent (FTE)	Employee salaries and hourly costs	Retirement costs	Healthcare costs	Other benefit costs	Total estimated personnel compensation
	2027	2027	2027	2027	2027	2027
General Fund	122.8	\$ 8,748,163	\$ 1,079,008	\$ 1,653,780	\$ 935,083	\$ 12,416,034
Special revenue funds						
Highway User Revenue Fund	9.0	\$ 436,526	\$ 49,900	\$ 139,368	\$ 83,269	\$ 709,063
Grant Fund	1.0	79,894	13,182	20,400	10,940	124,416
Total special revenue funds	10.0	\$ 516,420	\$ 63,082	\$ 159,768	\$ 94,209	\$ 833,479
Enterprise funds						
Water Enterprise	3.5	\$ 257,230	\$ 29,019	\$ 57,606	\$ 31,106	\$ 374,961
Wastewater Enterprise	3.5	257,230	29,019	57,606	31,106	374,961
Total enterprise funds	7.0	\$ 514,460	\$ 58,038	\$ 115,212	\$ 62,212	\$ 749,922
Total all funds	139.8	\$ 9,779,043	\$ 1,200,128	\$ 1,928,760	\$ 1,091,504	\$ 13,999,435



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 3
MEETING DATE: 6/23/2026
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 2026-1313, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for the Fiscal Year 2026-2027, which shall constitute and are approved as the final budgets of the Districts for Fiscal Year 2026-2027.

SUMMARY:

Following the May 26, 2026, approval of Resolution No. 2026-1310 approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement District for fiscal year 2026-2027, the statements were made publicly accessible on the Town's official website. Additionally, the statements were published twice in the Prescott Daily Courier to ensure transparency and provide ample opportunity for public review. In compliance with statutory requirements, a public hearing was held on June 23, 2026.

Staff recommends the approval of Resolution No. 2026-1313. This resolution will adopt the Final Budget for the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2026-2027.

PREVIOUS ACTION:

Resolution No. 2026-1310 was approved on May 26, 2026, approving the proposed statements and estimates of expenses for FY 2026-2027.

STAFF RECOMMENDATION:

Approve Resolution No. 2026-1313, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for the Fiscal Year 2026-2027, which shall constitute and are approved as the final budgets of the Districts for Fiscal Year 2026-2027.

FISCAL IMPACT?

Approval will finalize the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts, which is the last step necessary prior to assessing the levy. The Districts are accounted for in a separate fund by the Town.

ATTACHMENTS:

1.	RES 2026-1313 - CVSLID Final Budget FY 2026-27
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RESOLUTION NO. 2026-1313

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING THE STATEMENTS AND ESTIMATES OF EXPENSES OF THE TOWN OF CHINO VALLEY STREET LIGHTING IMPROVEMENT DISTRICTS FOR FISCAL YEAR 2026/2027, PURSUANT TO ARIZONA REVISED STATUTES SECTIONS 48-616 AND 42-17101, ET SEQ., AS AMENDED.

WHEREAS, the provisions of Ariz. Rev. Stat. § 48-616 require the Mayor and Council of the Town of Chino Valley (the “Town Council”) to levy taxes upon all property in a municipal street lighting improvement district to pay said district’s annual expenses; and

WHEREAS, in accordance with Ariz. Rev. Stat. §§ 42-17101 *et seq.*, the Town Manager prepared and filed with the Town Council the budget estimates for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following: (i) Chino Valley, Arizona, CVSLID #1 Lighting Improvement District; (ii) Chino Valley, Arizona, CVSLID #2 Lighting Improvement District; and (iii) Chino Valley, Arizona, CVSLID #3A Lighting Improvement District (collectively, the “Lighting Districts”); and

WHEREAS, on May 26, 2026, the Town Council approved Resolution 2026-1310, adopting statements and estimates of expenses for Fiscal Year 2026/2027 as the tentative budgets for the Lighting Districts; and

WHEREAS, Resolution 2026-1310 also directed the Town Clerk to (i) make the statements and estimates of expenses available for inspection, not later than seven days after the date of Resolution 2026-1310, at the Chino Valley Public Library, at the Chino Valley Town Hall, and on the official Town Website, and (ii) publish in the official Town newspaper once per week for two consecutive weeks (a) the official statements and estimates of expenses and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 23, 2026, at the Chino Valley Town Hall for the purposes of (i) hearing taxpayers on the proposed estimates, expenses, and tax levies as set forth in said statements and estimates of expenses and (ii) adopting the tentative budgets as final; and

WHEREAS, on June 23, 2026, the Town Council held a public hearing on the final budgets and proposed tax levies as required by law; and

WHEREAS, the estimates of expenses in the proposed final budget for the Lighting Districts for Fiscal Year 2026/2027 do not exceed the estimates of expenses shown on the published tentative budgets.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The statements and estimates of expenses shown in the schedules attached hereto as Exhibit A and incorporated herein by reference are hereby formally adopted as the official final budgets for the Lighting Districts for Fiscal Year 2026/2027.

SECTION 3. This resolution shall be effective from and after its passage and approval according to law.

SECTION 4. If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 23rd day of June 2026.

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify that the above foregoing Resolution No. 2026-1313 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 23, 2026, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2026-1313

[Statements and Estimate of Expenses]

See the following page.

TOWN OF CHINO VALLEY, ARIZONA

Street Lighting Improvement Districts

Statements and Estimates of Expenses

Fiscal Year - 2026/2027

Co. Dist. Town ID Town ID Name No. No.	A 2025/2026 Estimated Actual Expenses	B 2025/ 2026 Levy Request	C 2025/2026 Difference on Expenses vs. Levy	D 2026/2027 Projected Expenses	E 2026/ 2027 Levy Request
13004 CVSLID Chino Valley, 1 Arizona, CVSLID #1 Lighting Improvement District	\$ 2,270	\$ 2,300	\$ (30)	\$ 2,300	\$ 2,300
13005 CVSLID Chino Valley, 2 Arizona, CVSLID #2 Lighting Improvement District	\$ 1,193	\$ 1,220	\$ (27)	\$ 1,220	\$ 1,220
13006 CVSLID Chino Valley, 3A Arizona, CVSLID #3A Lighting Improvement District	\$ 1,103	\$ 1,130	\$ (27)	\$ 1,130	\$ 1,130
Total	\$ 4,566	\$ 4,650	\$ (84)	\$ 4,650	\$ 4,650



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 4
MEETING DATE: 6/23/2026
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 2026-1314, relating to the Statements and Estimates of Expenses of the Del Sol Maintenance Improvement District for the Fiscal Year 2026-2027, which shall constitute and are approved as the final budget of the District for Fiscal Year 2026-2027.

SUMMARY:

Following the May 26, 2026, approval of Resolution No. 2026-1311 approving the proposed statements and estimates of expenses of the Del Sol Maintenance Improvement District for fiscal year 2026-2027, the statements were made publicly accessible on the Town's official website. Additionally, the statements were published twice in the Prescott Daily Courier to ensure transparency and provide ample opportunity for public review. In compliance with statutory requirements, a public hearing was held on June 23, 2026.

Staff recommends the approval of Resolution No. 2026-1314. This resolution will adopt the Final Budget for the Del Sol Maintenance Improvement District for Fiscal Year 2026-2027.

PREVIOUS ACTION:

Resolution No. 2026-1311 was approved on May 26, 2026, approving the proposed statements and estimates of expenses for FY 2026-2027.

STAFF RECOMMENDATION:

Approve Resolution No. 2026-1314, relating to the Statements and Estimates of Expenses of the Town of the Del Sol Maintenance Improvement District for the Fiscal Year 2026-2027, which shall constitute and are approved as the final budget of the District for Fiscal Year 2026-2027.

FISCAL IMPACT?

Approval will finalize the Statements and Estimates of Expenses of the Del Sol Maintenance Improvement District, which is the last step necessary prior to assessing the levy at the July 14th Council meeting. Due to increased landscaping requirements within the district, the levy amount for the prior year must increase significantly. To help ease the financial burden on the homes within the district, the levy is recommended to be reduced to the FY 2025-26 estimated expenditure amount rather than the full \$14,375. It is anticipated that the levy amount will increase in the following fiscal year to fully cover projected expenses.

The District is accounted for in a separate fund by the Town.

ATTACHMENTS:

1.	RES 2026-1314 - DSMID Final Budget FY 2026-27
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RESOLUTION NO. 2026-1314

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING THE STATEMENT AND ESTIMATE OF EXPENSES OF THE TOWN OF CHINO VALLEY DEL SOL MAINTENANCE IMPROVEMENT DISTRICT FOR FISCAL YEAR 2026/2027, PURSUANT TO ARIZONA REVISED STATUTES SECTIONS 48-574 AND 42-17101, ET SEQ., AS AMENDED.

WHEREAS, the provisions of Ariz. Rev. Stat. § 48-574 require the Mayor and Council of the Town of Chino Valley (the "Town Council") to levy taxes upon all property, real and personal, in maintenance improvement districts to pay the annual expenses of such districts; and

WHEREAS, in accordance with Ariz. Rev. Stat. § 42-17101 *et seq.*, the Town Manager prepared and filed with the Town Council the budget estimate for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the Town of Chino Valley Del Sol Maintenance Improvement District (the "District"); and

WHEREAS, on May 26, 2026, the Town Council approved Resolution 2026-1311, adopting the statement and estimate of expenses for Fiscal Year 2026/2027 as the tentative budgets for the District; and

WHEREAS, Resolution 2026-1311 also directed the Town Clerk to (i) make the statement and estimate of expenses available for inspection, not later than seven days after the date of Resolution 2026-1311, at the Chino Valley Public Library, at the Chino Valley Town Hall, and on the official Town Website, and (ii) publish in the official Town newspaper once per week for two consecutive weeks (a) the official statement and estimate of expenses and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 23, 2026, at the Chino Valley Town Hall for the purposes of (i) hearing taxpayers on the proposed estimate, expenses, and tax levies as set forth in said statement and estimate of expenses and (ii) adopting the tentative budgets as final; and

WHEREAS, on June 23, 2026, the Town Council held a public hearing on the final budgets and proposed tax levies as required by law; and

WHEREAS, the estimate of expenses in the proposed final budget for the District for Fiscal Year 2026/2027 does not exceed the estimate of expenses shown on the published tentative budget.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The statement and estimate of expenses shown in the schedule attached hereto as Exhibit A and incorporated herein by reference are hereby formally adopted as the official final budget for the Town of Chino Valley Del Sol Maintenance District for Fiscal Year

2025/2026.

SECTION 3. This resolution shall be effective from and after its passage and approval according to law.

SECTION 4. If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 23rd day of June 2026.

Tom Armstrong, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify that the above foregoing Resolution No. 2026-1314 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 23, 2026, and that quorum was present thereat and that the vote thereon was ____ ayes, ____ nays, and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2026-1314

[Statement and Estimate of Expenses]

See the following page.

EXHIBIT "A"

TOWN OF CHINO VALLEY, ARIZONA
Maintenance Improvement Districts

Statement and Estimate of Expenses

Fiscal Year - 2026/2027

			A	B	C	D	E
Co. Dist. No.	Town ID No.	Town ID Name	2025/2026 Estimated Actual Expenses	2025/2026 Levy Request	2025/2026 Difference on Expenses vs. Levy	2026/2027 Projected Expenses	2026/2027 Levy Request
28290	MID-2022-001	Chino Valley, Arizona, Del Sol Maintenance Improvement District	\$ 9,487	\$ 2,750	\$ 6,737	\$ 14,375	\$ 9,487*
Total			\$ 9,487	\$ 2,750	\$ 6,737	\$ 14,375	\$ 9,487*

*Due to increased landscaping requirements within the district, the levy amount for the prior year must increase significantly. To help ease the financial burden on the homes within the district, the levy is being reduced to the FY 2025-26 estimated expenditure amount rather than the full \$14,375. It is anticipated that the levy amount will increase in the following fiscal year to fully cover projected expenses.