MINUTES OF THE REGULAR COUNCIL MEETING OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

TUESDAY, JANUARY 8, 2013
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, January 8, 2013.

Present:	Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Lon Turner
Absent:	Councilmember Linda Hatch
Staff Present:	Town Manager Robert Smith; Town Attorney Sharon Sargent-Flack; Finance Director Joe Duffy; Town Engineer/Public Works Director Ron Grittman; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)
Attendees:	Police Officer Dale Cozens, Police Sergeant Tom King, Utility Supervisor Chris Bartels

1) CALL TO ORDER, INVOCATION; PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Marley called the meeting to order at 6:03 p.m.

Councilmember Best gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Introduction of new District 4 County Supervisor, Craig Brown.

Craig Brown, District 4 Supervisor for Yavapai County spoke about the new Board of Supervisors' focus on the future Great Western Highway from Prescott Valley to Chino Valley, a connector road between Williamson Valley and Chino Valley, assessed values, cutting County expenses to keep taxes down, and constructing a new jail with no new jail tax.

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. 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 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 speaker remarks.

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

Mayor Marley reported that at the last meeting, Herbert Schuermann spoke about sewer rates increases. He visited with Mr. Schuermann to review the matter.

5) 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, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

Mayor Marley reported on the Town seeking applicants for various public bodies; and the County approving a Local Transportation Assistance Fund grant of $1,425 for the Senior Center.

Vice-Mayor Tenney reported on the status of the Legal Services Review Committee and pending interviews for legal services.

Mayor Marley presented the Monthly Mayors Report, which focused on Town accomplishments of the past 18 months.

a) Year-end Transit System report by Ed Steinback, Transit Manager.

Mr. Steinback presented the Transit System's year-end report for the 12 months ended September 30, 2012. Key points were:

- The system grew 30%, ridership grew 31%, and costs were reduced 23%.
- Total expenditures over two years were $128,249, with the Town's contributions totaling approximately $7,808 per year.
- Accomplishments – formed two non-profit foundations, established a regional system, applied for first regional transit grant; acquired community partners and sponsors, and promotional partners; and began the advertising program.
- Goals – continue expanding ridership, expand service from four to five days, become budget neutral to the Town by the close of the current grant cycle, and continue data collection.

6) 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 Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve Consent Agenda items 6a through 6f.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

a) Consideration and possible action to approve the October 9, 2012 Regular Meeting minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the October 18, 2012 Special Meeting minutes. (Jami Lewis, Town Clerk)

c) Consideraiton and possible action to approve the October 23, 2012 Regular Meeting minutes. (Jami Lewis, Town Clerk)

d) Consideration and possible action to accept correction of a scrivener's error in Ordinance No. 12-762, adopted December 11, 2012, amending the numbering sequence to Ordinance No. 12-760. (Jami Lewis, Town Clerk)

e) Consideration and possible action to re-appoint Jack Owen and Gwen Rowitsch to the Planning and Zoning Commission for three-year terms starting February 1, 2013, per recommendation from the Council Appointments Committee. (Jami Lewis, Town Clerk)

f) Consideration and possible action to accept the right-of-way dedication from James Hutchinson at Road 1 West and Center Street across the roadway frontage of Assessor's Parcel Number 306-29-024P. (Ron Grittman, Town Engineer)

7) ACTION ITEMS

a) Consideration, discussion, and possible action related to the public Notice of Intention to Increase Water and Wastewater Rates, Fees, and Service Charges and publication of the same on January 10, 11, and 12, 2013 in the Prescott Courier. (Ron Grittman, Town Engineer)

Mr. Grittman reported that the subject Notice of Intention was one of many steps required by law to set new rates. If approved, the Notice must be published in the Town's newspaper of record, the Prescott Courier, on January 10-12, 2013, to allow sufficient time to have the Public Hearing on February 12, 2013.

Dan Jackson, Managing Director of Economists.com provided an overview of the proposed rate plan:

- Key findings of the 2012 rate study were: growth was expected to be minimal in the next decade; existing accounts were not covering the costs for operations or repairs; costs will continue to increase every year due to reasons beyond the Town's control; millions of dollars will need to be invested in the next 10 years for improvements; the water and wastewater funds were losing money and being subsidized; and there will be no money left to continue the subsidy by 2015.
- Staff and Council had reviewed several rate plan scenarios, each with a different set of objectives, and after extensive analysis and review, Council selected one scenario as most appropriate for the ratepayers and utility system.
- The proposed rate plan will result in most ratepayers' bills increasing $5-$6 per month starting in March 2013 and adjusting every January over the next four years.
- The proposed water rate increase for 2013 will be comparable to that of Appaloosa Meadows, and lower than Chino Meadows, Prescott, and Chino Valley customers served by the City of Prescott.

- This rate plan will benefit the Town by enabling the Town to: eliminate the subsidy over four years; acquire the wastewater treatment plant and Chino Meadows I water accounts; fund $300,000 per year in capital repairs beginning in fiscal year 2016; not issue new debt and fund all operating expenses in the next five years; and set consistent rate adjustments to lessen the impact on ratepayers.
- He recommended that this five-year plan be reviewed every year.

Mayor Marley added that if the Town was able to obtain additional water users, purchase the wastewater treatment plant and take over its operations, the Town would be able to cut costs to ratepayers. The capital improvement program will allow the Town to extend lines and pick up other customers to share the burden.

Town Attorney Sharon Sargent-Flack suggested two small modifications to the Notice to clarify the language.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Dean Echols to approve the public Notice of Intention to Increase Water and Wastewater Rates, Fees, and Service Charges as amended by town attorney, and direct staff to publish the same on January 10, 11, and 12, 2013 in the Prescott Courier.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

b) Consideration and possible action to adopt Resolution No. 13-1003 endorsing the Arizona Department of Transportation intention to construct three round-abouts along State Route 89 at Road 4 North, Perkinsville Road, and approximately 1,000 feet north of the future alignment of Road 5 South. (Ron Grittman, Public Works Director)

ADOT (Arizona Department of Transportation)
CYMPO (Central Yavapai Metropolitan Planning Organization)

Mr. Grittman reported that:

- Over the past year, staff had worked with ADOT regarding the design of roundabouts at the intersections of Road 4 North and State Route 89, and Perkinsville Road and State Route 89. ADOT needed Council's endorsement to continue with the design.
- The conceptual designs for these roundabouts minimized the right-of-way needed due to the location of buildings, structures, propane tanks, and driveways existing on the affected properties, while still allowing for full sized commercial trucks and passenger vehicles to pass through at the same time.
- The intersection at Road 4 North will be funded through ADOT highway safety funds, while the intersection at Perkinsville Road will be funded by CYMPO.
- While ADOT had not completed the design for the roundabout at the intersection of State Route 89 approximately 1,000 feet north of the future alignment of Road 5 South, current expectations were that it would be similar to the Road 4 South roundabout. Staff included this intersection in the Resolution in order to expedite the necessary approvals and provide ADOT with a vote of confidence.

Mayor Marley asked staff to talk to ADOT about placing grooves in front of the roundabouts as a way to alert motorists.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Lon Turner to approve Resolution No. 13-1003 endorsing the Arizona Department of Transportation intention to construct three roundabouts along State Route 89 at Road 4 North, Perkinsville Road, and approximately 1,000 feet north of the future alignment of Road 5 South.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

c) Consideration and possible action to authorize staff to spend up to $90,000 of Parks Impact Fee funds to expand the Community Center Park by approximately 7 acres into the area that is currently vacant along Perkinsville Road. (Ron Grittman, Town Engineer)

Mr. Grittman reported that:

- A lot of people had spent time, effort, and money on developing a master plan for the northern seven acres of the Community Center Park, which featured a dog park, amphitheater, and ramada, and was estimated to cost several million. This area currently consisted of an accumulation of bare dirt and weeds, a very large mound of dirt paralleling Perkinsville Road, and a surfaced parking lot to accommodate overflow parking.
- While staff did not believe funds will be available within the foreseeable future to develop the area per the master plan, they proposed to allow inhouse crews to improve the area in a way that will not affect the Town's ability to implement the master plan improvements in the future.
- Staff proposed to: (i) use the existing mound of dirt to create knolls and a walking path that will allow for the future addition of trees, shrubs, decorative rock by the Town or various sponsors, as well as exercise equipment; (ii) construct a detention pond on the western side of the entrance into the overflow parking lot; (iii) create an off-leash dog park immediately west of the overflow parking and south of the new detention area that will allow for future expansion; and (iv) extend potable and irrigation water across the area.
- This proposal will incur the expenditure of Parks impact fee funds for equipment rental, materials, pipe, decomposed granite, edging, and decorative rock. Trees and shrubs will only be purchased with these funds pending availability after construction of the major improvements. While there was $117,000 in existing impact fees, the Parks and Recreation Advisory Board requested that staff limit their expenditures to up to $90,000.
- Due to staff's work schedule, they had only two months to accomplish this, or it would have to wait until next year.

Council discussion: They preferred that staff stay as close to the master plan as possible, set aside some land for additional parking, bring a simple design back to Council at the next meeting, and their approval be contingent upon this being a temporary design. They also consented to staff starting the irrigation extension in the next two weeks to minimize delay.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Lon Turner to authorize staff, per discussion, to spend up to $90,000 of Parks Impact Fee funds to expand the Community Center Park by approximately seven acres.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

d) Consideration and possible action to direct staff to proceed with the necessary steps to establish an industrial park at Old Home Manor as presented at the Council study session on September 6, 2012. (Robert Smith, Town Manager)

Mr. Smith reported that on September 6, 2012, staff presented the concept of creating an industrial park on the west side of Old Home Manor for the purpose of providing jobs and business-to-business industries to support the park. Staff desired Council's formal direction to begin taking the steps outlined in the study session to create the industrial park. Staff anticipated needing about $7,000 from contingency for a survey, zoning process, and associated technical information.

Mayor Marley added that although the recent citizen survey results indicated that the citizens did not support funding an industrial park through bonding, the Town could use existing funds to establish a small industrial park to bring jobs to the community.

Council desired that a rough map, funding, and present issues be brought back to Council, as well as for the public's benefit, at the next meeting.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to postpone this item until the next regular meeting at which time to receive a basic map and memo as discussed.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

e) Consideration and possible action to approve application from Timothy Smith for a Liquor License Permanent Extension of Premises for Doreen's Backstreet Bar & Grill, located at 2879 N. Arizona Trail in Chino Valley, with the condition that no alcohol be served in the extension area until appropriate fencing and signage, as determined by the Police Department, is installed and the site has passed inspection by Town personnel. (Jami Lewis, Town Clerk)

Ms. Lewis reported that:

- Pursuant to state law, any change to include additional space to a liquor-licensed premises required approval by the State Liquor Board, as well as a recommendation from Council.
- Doreen's held a Series 6 Bar Liquor License and had applied with the State to extend their licensed premises an additional 2,240 square feet to accommodate events.
- The Police Department reviewed the application and recommended approval, conditioned upon the applicant installing appropriate fencing and signage. The Planning Department reviewed the application and recommended approval with no further comments.
- As the Town's liquor licensing processes had recently moved from the Town Clerk's office to Development Services, and as this application was unique in that staff was making a recommendation with conditions, former Zoning Enforcement Officer Mike Bovée, Police Chief Chuck Wynn, and the town clerk worked together on this process.

- Mr. Bovée and Chief Wynn will keep in touch with Doreen's to ensure that no alcohol will be served in the extension area until the conditions were met, the site has passed an inspection, and staff provided notice of such passage in writing.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Lon Turner to approve application from Timothy Smith for a Liquor License Permanent Extension of Premises for Doreen's Backstreet Bar & Grill, located at 2879 N. Arizona Trail in Chino Valley, with the condition that no alcohol be served in the extension area until appropriate fencing and signage is installed and the site has passed inspection by Town personnel.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

f) Consideration and possible action to approve the October 4, 2012 Study Session minutes. (Absent: Councilmember Echols) (Jami Lewis, Town Clerk)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve the October 4, 2012 Study Session minutes.

Vote: 5 - 0 PASSED

Other: Councilmember Dean Echols (ABSTAIN)
Councilmember Linda Hatch (ABSENT)

8) EXECUTIVE SESSION

Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the Town's attorneys on any of the above agenda items pursuant to A.R.S. § 38-431.03(A)(3).

9) ADJOURNMENT

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Mike Best to adjourn the meeting at 7:46 p.m.

Vote: 6 - 0 PASSED

Other: Councilmember Linda Hatch (ABSENT)

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 8th day of January, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 12th day of February, 2013.

Jami C. Lewis, Town Clerk