

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

**TUESDAY, JANUARY 10, 2012
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 10, 2012.

Mayor Marley called the meeting to order at 6:02 p.m.

Council Present: Mayor Chris Marley, Vice-Mayor Carl Tenney, and Councilmembers Mike Best, Linda Hatch, and Lon Turner.

Council Absent: Councilmembers Darryl Croft and Dean Echols.

Staff Present: General Services Director Cecilia Watts, Town Attorney Tom Kack, Finance Director Vera Smith, Interim Police Chief Chuck Wynn, Police Commander Mark Garcia, Town Engineer/Public Works Director Ron Gritman, and Town Clerk Jami Lewis (recorder).

Councilmember Best gave the invocation and Mayor Marley led the pledge of allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- 2a)** Proclamation of Recognition of Drew Ryniewicz, Town resident and *X Factor* contestant. (Chris Marley, Mayor)

Mayor Marley introduced Miss Ryniewicz's family, then read and presented the proclamation to her, followed by the entire Council presenting to her a "Key to the Town," signed by the whole Council. Miss Ryniewicz thanked the entire Town for their support during her time on *X Factor*.

- 2b)** Recognition of Police Chief Patricia Huntsman upon her retirement after 22 years of service.

Mayor Marley congratulated retiring Police Chief Patricia Huntsman upon her 22 years of service with the Town and 33 years total in police service, and spoke about her successes with the Chino Valley Police Department. Chief Huntsman thanked all those who supported her during her tenure.

- 2c)** Chamber Report by Ab Jackson, Chief Executive Officer, Chino Valley Area Chamber of Commerce.

Ab Jackson presented the Chamber's semi-annual report to Council:

- Chamber brand: To promote, advocate, provide networking opportunities and build a strong economy in Chino Valley.
- Networking was provided through mixers and member luncheons.

- Recognition was provided through Volunteers of the Year and Business of the Year awards.
- There were four main fundraising activities: Golf Tournament, Winter Wonderland, Business Expo, and Casino Night.
- They participated with community events: Territorial Days, Hometown Chino Christmas, Harvest and Pumpkin Festivals, and SpringFest.
- Town promotion was provided through KQNA Talk of Town and the above activities.
- Citizens Academy was established with two sessions in 2011, with 48 graduates, and another session planned for February-March 2012.
- The Contract with the Town required the Chamber to provide a Visitor Center, destination marketing, and business retention and leakage activities.
- The Chamber provided for these elements through several publications: relocation packets, Lodging and Dining Guide, Community Village Profile, Chino Valley Business Guide, and How to do Business in Chino Valley guide, and Chamber Member Directory; activities such as Business and Educator Breakfasts, Women in Business luncheons, Health Home and Business Expo, and Spend \$20 on the 20th Program. Future activities included a business to business discount program and participation in Central Arizona Partners' regional economic development program.

3a) CALL TO THE PUBLIC

No one from the public spoke.

Mayor Marley reported that he had received a package from a citizen regarding a zoning issue and he would address that during the next couple weeks.

3b) RESPONSE TO THE PUBLIC

There were no comments from the previous meeting to which to respond.

4) CURRENT EVENT SUMMARIES AND REPORTS

Councilmember Best reported that: (i) As part of the Strategic Plan assignments, he spoke with Recreation Manager Shannon Gansz about youth programs and found that staff was looking into a pilot program with the YMCA and evening programs with the Boys and Girls Clubs; (ii) As Chair of the Council Public Safety Committee, he had spoken with Commander Garcia regarding certain citizen complaints about noise. Upon reviewing the Town's noise ordinance and state statutes, they believed that the current regulations satisfied the Town's needs, and the citizens with complaints were directed to Commander Garcia who visited with them about the matter.

Councilmember Hatch reported on the Magistrate Evaluation Committee meeting scheduled for January 19.

Mayor Marley reported that the Town had not received enough applications to fill the three new Mayor's ad hoc committees and encouraged interested citizens to submit applications. In his Monthly Report, Mayor Marley spoke about the Strategic Plan and upcoming General Plan

update process, and encouraged the public and elected officials to provide teamwork, cooperation, and commitment on these projects.

CONSENT AGENDA

- 5) Consideration and possible action to accept resignation of Tom Armstrong from the Transit Advisory Committee. (Jami Lewis, Town Clerk)
- 6) Consideration and possible action to approve the Financial Report for five months ending November 30, 2011 for fiscal year 2011/2012. (Vera Smith, Finance Director)
- 7) Consideration and possible action to approve the Professional Services Agreement between the Town of Chino Valley and Stroh Architecture, Inc. to provide professional services to facilitate securing artistic services for the State Route 89 sidewalk and landscaping project in accordance with the 2009 Call for Artists Resource Guide in an amount not to exceed \$4,800. Funds to come from Engineering Department's Professional Services expenditure line in the General Fund. (Ron Gritman, Town Engineer/Public Works Director)
- 8) Consideration and possible action to authorize staff to proceed with a necessary gas line relocation at Road 2 North and the Santa Cruz Wash and remit payment to Unisource Energy Services in an amount not to exceed \$31,601. Funds to come from the Roads Impact Fees Project expenditure line in the Roads Impact Fee Fund. (Ron Gritman, Town Engineer/Public Works Director)
- 9) Consideration and possible action to authorize staff to rent a D6T bull dozer from Empire Machinery for construction of a 50 meter pistol and 100 meter rifle shooting range at Old Home Manor in an amount not to exceed \$17,990. Funds to come from the Arizona Game and Fish Department Grant expenditure line in the Grants Fund. (Ron Gritman, Town Engineer/Public Works Director)

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to accept Consent Agenda items 5-9. The motion PASSED unanimously 5-0.

ACTION ITEMS

- 10) Discussion and possible action to adopt Resolution No. 12-981 amending Resolution No. 11-979, relating to Development Impact Fees, by placing a temporary moratorium on Residential, Commercial, and Industrial Development Impact Fees. (Vera Smith, Finance Director)

(Council heard this item after item 14a, but is retained here for clarity.)

Finance Director Vera Smith reported that on December 13, 2011, Council adopted Resolution No. 11-979 amending the residential, commercial, and industrial development impact fees bringing the impact fees into compliance with SB 1525. Council also instructed staff to add an agenda item to their next meeting to discuss a possible moratorium on impact fees.

Town Attorney Tom Kack reported that:

- SB 1525 changed a lot of things about development fees, and unfortunately, the legislation was poorly drafted. There was a good likelihood that legislation to update this bill would be drafted sometime in future, possibly in 2013.
- The question was whether or not Council wanted to reduce for a period of time the development fees for commercial, industrial, and/or residential development.
- Per SB 1525, Council's options were limited by their past actions and studies done. They could either pass this Resolution to reduce all the fees to \$0 or leave all categories alone, thus imposing fees on all. They could not reduce fees on one or some categories.
- He advised that the proposed Resolution should be modified by replacing the term 'moratorium' with 'temporary reduction,' and that Council designate a specific period of time between six and twelve months for the reduction.
- There was no option for emergency passage of the resolution.

Public comment:

Michael Edmonds, resident, suggested that the Town consider moving its impact fees collection to the end of the project or when a home or property was sold. Vice-Mayor Tenney related that the Town could not wait until a property sold, but they could consider collecting it upon issuing the certificate of occupancy.

Jim Klein, resident, agreed with delaying payment upon selling the property and asked about the moratorium's impact. Vice-Mayor Tenney related that it had no positive material change.

Mr. Kack believed that per SB1525, unless there was a development agreement, residential impact fees were to be paid when the permit was issued or when the certificate of occupancy was issued for commercial buildings.

Council asked when a citizen would pay impact fees for a permit pulled during this time period if Council passed this resolution, the timeframe to build after pulling a permit, and Council making changes relative to when the Town collected its fees at this time. Mr. Kack and Mr. Nicolella related that:

- Collection of impact fees were tied to the time of building permit issuance.
- Upon pulling a permit, a builder had to demonstrate some activity by calling for an inspection within 180 days.
- Council could not take action tonight to change the Town's policy on when it collected the fees, but they could ask staff to put it on a future agenda.

As the Town could be losing an important revenue source, Vice-Mayor Tenney MOVED, seconded by Councilmember Best, to adopt the impact fees reduction for six months from the date of adoption of the Resolution. The motion PASSED unanimously 5-0.

11a) Presentation by Dava and Associates, Inc. regarding creation of the new Town of Chino Valley General Plan and Economic Development Strategy.

Town Engineer Ron Gritman reported that:

- This item included two parts: (i) Presentation of a proposal by Dava and Associates (“Dava”) regarding the Town’s General Plan update and creation of a new Economic Development Strategy; and (ii) Approving a committee selection process to enable the Council to appoint the General Plan Steering Committee during their January 24 meeting.

General Plan and Economic Development Strategy

- With the recent enacting of SB 1525, certain funding sources such as impact fees were now tied to the General Plan. The State required that the Town update its General Plan prior to 2014. However, after December 2012, any proposed impact fees must be founded in the land use portion of the General Plan.
- With the 2012 date in mind, Dava divided the General Plan elements into two portions: (i) those items of the General Plan that were required for the December 2012 deadline, which included Land Use/Growth Areas, Circulation/Transportation, and Economic Development; (ii) the other General Plan elements, include Open Space, Water Resources/Environmental Planning, and Cost of Development.
- The final portion of the scope included the public participation portion and the final form of the General Plan.
- In light of the recent downturn in the economy, emphasis on economic development strategies was critical. A key to a successful strategy in economic development was strong community involvement for the sharing of local knowledge and creating buy-in with citizens and the community.
- A major component to assure strong community involvement was for Council to appoint a fifteen (15) member General Plan/Economic Development Committee and hold a series of public meetings over the next 12 to 18 months. These meetings will be conducted in accordance with state statutes and include citizen workshops and joint Planning Commission and Town Council meetings.

Process to appoint the General Plan Steering Committee

- To facilitate appointing of committee members, staff was proposing a process by which the Council will appoint the committee. Staff considered the following factors while developing this process: (i) assure that each Councilmember had an equal say in the committee members’ selection, (ii) chose categories for the committee that provided a comprehensive community representation; and (iii) as time was of the essence, provide that the committee begin meeting as early as possible.
- The suggested categories included: industry, employment centers, general education, specialized education, college, health care, agricultural businesses, tourism/hospitality, general community organization, development business organization, federal/state land holdings, utilities, communications, senior citizen representative, youth representative, and Council and Planning Commission representatives.
- Staff’s proposed process by which Council could appoint the committee members involved: (i) each Council member drawing numbers by which to choose the suggested categories; (ii) each Council member then selecting two category titles and the mayor selecting three; and (iii) Council members having one week to select a committee member to represent each specific category and informing their selected members about the commitment involved.
- If this process was acceptable, Council could appoint the committee members at their January 24 meeting.

Associate Planner David Nicoletta added that:

- Staff first presented this item to Council in December 2010 with two options: perform the General Plan update in-house or outsource it to Dava and Associates. Council directed staff to draft a contract with Dava, which staff presented to Council on January 25, 2011. Council postponed the item.
- In March 2011, the Town learned that the 2010 census results would negatively impact the Town's revenues due to a population decrease, and on March 22, 2011, Council postponed the item indefinitely.
- Now, SB 1525 was creating an urgency to complete the General Plan update.

Dava Hoffman presented her proposal:

- Since last March, a new Council had been seated and had completed a new Strategic Plan, which included the General Plan as a top priority.
- The Growing Smarter Act in state statute provided that the General Plan be reviewed and updated every 10 years, which was 2013 for the Town. Then new legislation was passed to allow an extension to 2015. However, SB 1525 required some General Plan elements to be done by the end of this year, so the Town needed to start on this process immediately, as the process could take 12-18 months.
- Introduction – During the past decade, the Town experienced an economic boom followed by a downturn, resulting in the Town's General Plan becoming out of date. The 2012 General Plan update will address the required elements of Land Use/Growth Areas, Circulation/Transportation, Economic Development (which was not required, but important), Open Space, Water Resources/Environmental Planning, and Cost of Development.
- General Plan Update scope and approach – Public involvement would include a citizen participation plan, General Plan/Economic Development Strategy Committee, public participation workshops, public meeting briefings and public hearings, and continuing team participation between the Town and public.
- General Plan/Economic Development Strategy Committee – This committee will examine new data, discuss update goals, objectives, and implementation strategies, hear presentation by local, regional, state authorities and organizations, review economic studies, land use options, regional transportation and water resource plans, and review Draft Elements and assist with presentations.
- Phase 1 – The aforementioned Phase I elements would be totally integrated.
- Phase 2 – Open Space required an inventory and description of how it fit in with regional open space. Water Resources was about current availability of water resources, not distribution systems. Environmental Planning pertained to policies for retaining natural resources. Per statute, the General Plan dealt with development of the community and the Cost of Development element dealt with methods for ensuring that new development paid for its fair share of the stress of public infrastructure.
- Phase 3 included recommendations, reviews, public hearings, and putting it all together. This included: (i) sending the draft doc to six public agencies: Yavapai County, Northern Arizona Council of Governments, neighboring communities, Arizona Department of Commerce, and Arizona Department of Water Resources, as well as any citizen who requested a copy in writing; (ii) public notices for hearings; (iii) 60-day

review period through Planning and Zoning Commission ("Commission") public hearings; (iv) the Commission making recommendation to Council; (v) Council adopting the General Plan; and (vi) holding an election for the voters to ratify it at least 120 days after Council adoption. If it was not ratified, the Town needed to keep trying to get it ratified.

- Timeline – (i) appoint the committee and approve the contract with Dava on January 24; (ii) draft Phase 1 by late summer/early fall; (iii) draft Phase 2 by Spring 2013; (iv) hold final public hearing before Council in June 2013; and (v) hold special election or place it on the ballot during the Town's regular Spring 2015 election.

- 11b) Consideration and direction to staff regarding the process to establish a General Plan/Economic Development Strategy Committee. (Ron Gritman, Town Engineer/Public Works Director)

Council expressed some concern about the Economic Development Committee consisting of the same members as the General Plan Committee and making a decision tonight without the full Council present; and they asked what other communities did. Ms. Hoffman did not recommend having a lot of subcommittees, but she did recommend having local business people on the main committee. The categories were important to have represented, either by the members themselves or outside presenters. Based upon her experience, the main committee should have no more than 15 members. Council could appoint a General Plan Update Committee only and have that committee hear the presentations on economic development.

Council discussed soliciting applications versus Council selection of committee members, holding a study session to discuss further, and approving Dava's contract and reviewing the committee matter on the 24th.

Council asked Town Attorney Tom Kack to work on a contract with Dava and bring it to the next meeting and staff to set a study session for January 19 to discuss the committee matter.

- 12) Consideration and possible action to approve the Professional Services Agreement between the Town of Chino Valley and Civil Tec Engineering, Inc. to provide engineering services to facilitate the construction of drainage improvements for the Community Development Block Grant Project in Chino Meadows Unit Five in an amount not to exceed \$52,948. Funds to come from the Community Development Block Grant. (Ron Gritman, Town Engineer/Public Works Director)

Acronyms used in this item:

- CDBG (Community Development Block Grant)
- NACOG (Northern Arizona Council of Governments)
- ROW (Right of Way)

Town Engineer Ron Gritman reported that:

- In fiscal year 2009/2010, the Town was awarded CDBG funds for drainage improvements in the region of Chino Meadows Unit 5 at Center Street to resolve significant flooding and secondary access issues within that area. This project will include construction of a detention basin, underground stormwater piping under Lazy

Loop Lane, and a box culvert at Center Street between Railroad Road and Cottonwood Lane.

- The total cost for the project including engineering, environmental, and construction was \$398,000.
- In accordance with federal requirements, NACOG had been contracted to perform the necessary environmental work, including both endangered species and a cultural review, in the amount of \$6,000.
- Civil Tec was chosen as the design engineer because of their involvement with the Town's Area Master Drainage Study and their extensive experience with drainage projects.
- The scope of the proposed contract included design of a detention basin that will be within the Peavine Trail ROW. Keeping the design and construction of the basin within the Peavine Trail will allow the project to move forward without significant delay in order to procure the ROW in accordance with federal requirements. Civil Tec will also design an outlet system that will assure that the detention basin will have sufficient relief of any stormwater to assure that it will not overtop.
- The final improvement will be to design a box culvert over an incised channel between Railroad Road and Cottonwood Lane along the Center Street ROW. The ROW was dedicated with the original Chino Meadows Unit 5 Plat and will comply with federal ROW requirements. Currently, this area was accessed by Cottonwood Lane and Sunset Drive off the southern end of Porcupine Pass Road. During larger stormwater events in this region, the area was completely cut off due to Sunset Drive becoming completely inundated. The box culvert will also allow for secondary access into this region.

Mr. Grittmann introduced Richard Straub, the Town's new part-time Engineer, and stated that progress on this and the shooting range projects was a direct result of having him on board. Mr. Straub had also found that this project had sufficient funds to extend Center Street from Cottonwood to Railroad.

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to approve the Professional Services Agreement between the Town and Civil Tec Engineering, Inc. to provide engineering services to facilitate the construction of drainage improvements for the CDBG Project in Chino Meadows Unit 5 in an amount not to exceed \$52,948. The motion PASSED unanimously 5-0.

- 13) Consideration and possible action to authorize staff to forward a request to Yavapai County Flood Control for potential partnership in funding of five flood control projects. There may be possible additional required contributions as outlined in the agenda item staff report. (Ron Grittmann, Town Engineer/Public Works Director)

Town Engineer Ron Grittmann reported that:

- In fiscal year 2010/2011, Yavapai County funded the Town for an Area Drainage Master Study (ADMS). Completed on March 30, 2011, the study prioritized a series of stormwater projects designed to reduce downstream flooding.
- As the Town had missed applying for funds during the last funding cycle, Council had directed staff to apply for funding for selected flood control projects after the study was done.

- An email from Charlie Cave, dated April 26, 2011, outlined the County's desire to fund projects that were able to be constructed within the fiscal year in which they were funded and to partner with the local community for each project. Thus, staff proposed to request funding for five stormwater projects over the next five years.
- Staff anticipated that the Town's contribution to these projects will come in the form of donating already acquired box culverts, in-kind construction of detention/retention basins, and roadway repairs. The County may request additional participation for portions of the proposed projects that may require contributions from the general fund. Further discussions will be required with Yavapai County to define these contributions.
- The projects being requested for funding were in the study and included: Road 3 North at Town Hall (ADMS Project #4), Chino Meadows Unit 5 at Peavine Trail (ADMS Project #3), Road 1 East to Santa Cruz Wash (ADMS Project #7), Road 2 South at Highway 89 (ADMS Project #6), and Cemetery Draw at Juniper Drive (ADMS Project #2).

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to authorize staff to forward to Yavapai County a request for potential funding of five identified flood control projects. The motion PASSED unanimously 5-0.

Jim Klein, resident, asked if the priority level of the five projects had changed from the study. Mr. Gritman stated that the Road 3 North project was listed as number one because the Town already had the box culverts, it was the easiest project, and it could tie into Appaloosa Meadows. However, the County could change the priority order.

EXECUTIVE SESSION

- 14a)** Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(1) to interview and consider candidate(s) for the position of Interim Town Manager.

(Council heard this item after item 9, but is retained here for clarity.)

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to go into executive session. The motion PASSED unanimously 5-0 at 6:34 p.m. Mayor Marley reconvened the meeting into open session at 8:00 p.m.

- 14b)** Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(1) and (A)(4) for discussion or consideration of employment, appointment, or salary for the position of Interim Town Manager, and for discussion or consultation with its attorneys in order to consider its position and instruct its attorneys regarding the Town's position regarding the negotiation of a contract for the position of Interim Town Manager. (Chris Marley, Mayor)

(Council heard this item after item 13, but is retained here for clarity.)

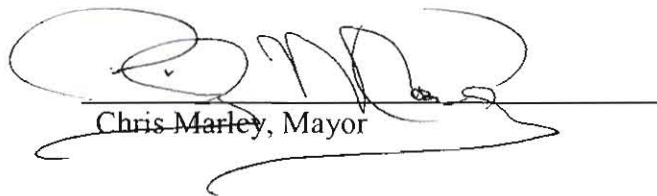
Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to go into executive session. The motion PASSED unanimously 5-0 at 9:23 p.m. and Mayor Marley reconvened the meeting into open session at 9:52 p.m.

- 14c) Possible action regarding employment, appointment, or salary for the position of Interim Town Manager.

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to authorize the town attorney and mayor to negotiate a contract with Interim Public Management for hiring of an interim town manager for a period of six months and bring details back to the next regular meeting. The motion PASSED unanimously 5-0.

15) **ADJOURNMENT**

Councilmember Best MOVED, seconded by Councilmember Turner, to adjourn the meeting. The motion PASSED unanimously 5-0 at 9:55 p.m.



Chris Marley, Mayor

ATTEST:

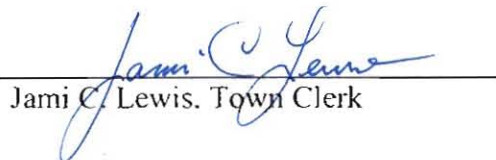


Jami C. Lewis, Town Clerk

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 10th day of January, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of February, 2012.



Jami C. Lewis, Town Clerk