



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
TUESDAY, JANUARY 11, 2022
6:00 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

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

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council 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 criticism.

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 Cindy Blackmore 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. p. 5 Consideration and possible action to approve the Service Agreement and Addendum to Service Agreement with Online Solutions LLC. (“CitizenServe”) in an amount not to exceed, in the first year, \$82,800.00. (Will Dingee, Senior Planner)
- b. p. 17 Consideration and possible action to approve the Professional Services Agreement with Daniel Nottebaum to provide software implementation and training consulting services beginning January 11, 2022, through January 11, 2023, with up to four successive one-year renewal terms, in an amount not to exceed \$25,200 per year. (Spencer Guest, IT Manager)
- c. p. 37 Consideration and possible action to approve Resolution 2022-1197 conditionally accepting the Heritage Pointe Subdivision Phases One and Two street and public infrastructure improvements. (Frank Marbury, Public Works Director/Town Engineer)
- d. p. 49 Consideration and possible action to approve the December 14, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

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. p. 57 Consideration and possible action to accept the Comprehensive Annual Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2021, as prepared by Henry & Horne, LLP, Certified Public Accountants. (Joe Duffy, Administrative Services Director)

Recommended Action: Accept the Comprehensive Annual Audited Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2021, as prepared by Henry & Horne, LLP, Certified Public Accountants.

- b. p. 65 Consideration and possible action to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by moving Section 3.12 "SR-0.16" Single Family Residential and placing it in the newly created section 3.20 Out-of-Date Districts. (Will Dingee, Senior Planner)

Recommended Action: Approve to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by moving Section 3.12 "SR-0.16" Single Family Residential and placing it in the newly created section 3.20 Out-of-Date Districts.

7. ADJOURNMENT

Dated this 6th day of January, 2022.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/agendacenter>, and in the Public Library and Town Clerk's Office.

Council meetings are live-streamed on Town of Chino Valley Facebook page, and Zoom.

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/83455013925>

One tap mobile : US: +12532158782,83455013925# or +13462487799,83455013925#

Telephone:888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)

Webinar ID: 834 5501 3925

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

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. a.

Meeting Date: 01/11/2022
Contact Person: Will Dingee, Senior Planner
 Phone: 928-636-4427 x-1233
Department: Development Services
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve the Service Agreement and Addendum to Service Agreement with Online Solutions LLC. ("CitizenServe") in an amount not to exceed, in the first year, \$82,800.00. (Will Dingee, Senior Planner)

RECOMMENDED ACTION:

Approve the Service Agreement and Addendum to Service Agreement with Online Solutions LLC. ("CitizenServe") in an amount not to exceed, in the first year, \$82,800.00.

SITUATION AND ANALYSIS:

In August 2020, Development Services began the transition from CitizenServe to iWorks, the permit software system for the department. For the next 12 months, the department and all Development Services customers, struggled with the inadequacies of the new software system. Staff spent countless hours making fixes and creating 'work-arounds' for pieces of the process that didn't work well. Most significantly affected were the builders, contractors, and trades people that rely heavily on an efficient, real-time system for scheduling their projects. In addition, the iPads that the inspectors and code compliance staff used in the field, which the builders, contractors and trades people came to rely on for quick and efficient inspection results, no longer worked. This resulted in extended wait times between inspections and information to the customers as the staff would input inspection results at the end of the work day when they returned to the office after all their field work was complete.

Another significant problem with the iWorks system was that electronic payments were no longer accepted. These negative attributes of the system significantly contributed to the negative perception of the Department and the Town. Complaints and unhappy customers became the norm.

The new Department Director arrived in July and quickly assessed that the software system was significantly underperforming, based on the needs of the department and the customers. The issues related to the software system change had become a roadblock to the efficient and effective processing that the Town and customers had grown accustomed to with the prior system. After a brief period of analysis and investigation, the Director determined that the current software was failing all involved and requested a return to the prior software system, with the stipulation that it be aligned and configured similar to the structure of the system used by Yavapai County. This will provide a familiarity of the system to the

builders, contractors, and trades people that perform work in both the County and the Town.

The change back to CitizenServe will allow the department to: regain the confidence of the builders, contractors, and trades people, become more time efficient and effective in their work, and rebuild the relationships that have become tarnished in the prior year of poor-serving software.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-95-5600

Available: \$82,800

Funding Source:

The Town did not budget for this expenditure this fiscal year, however the Town does have \$25,000 available in the Customer Service Department that can be used to offset the expense. The remaining amount of \$57,800 will come from Contingencies.

Attachments

CitizenService Contract

Addendum to Service Agreement

Citizen Serve Quote

SERVICE AGREEMENT

THIS SERVICE AGREEMENT (the "Agreement") between Online Solutions LLC. ("CitizenServe") with its principal place of business 1101 East Warner, Suite 160, Tempe, Arizona 85284 and the Town of Chino Valley, Arizona ("Customer") with its principal place of business at 202 N State Route 89, Chino Valley, AZ 86323 is made effective as of 01/01/2022 ("Effective Date").

1. ONLINE SOLUTIONS DELIVERY OF SERVICES:

CitizenServe grants to Customer a non-exclusive, non-transferable, limited subscription to access and use the CitizenServe software service in consideration of the fees and terms described in the CitizenServe Order Form.

The subscription will begin on the date specified in the order form which is the date CitizenServe will begin providing services. On this date CitizenServe's responsibilities begin regarding providing support services, infrastructure, backing up data, performing setup and configuration. Implementation and "go live" timelines vary based on the availability and responsiveness of Customer's personnel and on the Customer's priorities and objectives. CitizenServe and Customer agree that they will work collectively, as described in the Citizenserve Statement of Work, on a best-efforts basis to achieve a satisfactory migration from legacy systems and to achieve the Customers implementation objectives.

2. CUSTOMER RESPONSIBILITIES:

Customer acknowledges it is receiving only a limited subscription to use the Software Service and related documentation, if any, and shall obtain no title, ownership nor any other rights in or to the software, service and related documentation, all of which title and rights shall remain with CitizenServe. In addition, Customer agrees that this subscription is limited to applications for its own use and may not lease or rent the Service nor offer its use for others. All Customer data is owned by the Customer.

3. SERVICE LEVELS:

CitizenServe will use commercially reasonable efforts to backup and keep the Service and Authorized Website(s) in operation consistent with applicable industry standards and will respond to customers' requests for support during normal business hours.

THE SERVICES ARE PROVIDED ON AN "AS IS" BASIS, AND CUSTOMER'S USE OF THE SERVICES IS AT ITS OWN RISK. CITIZENSERVE DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE.

4. TERMINATION:

Either party may terminate this agreement for cause if the terminating party gives the other party sixty (60) day's written notice prior to termination. Should Customer terminate without cause after the first date of the term as defined in the CitizenServe Order Form, Customer must pay the balance of the current contracted term and this payment obligation will immediately become due. CitizenServe may terminate services if payments are not received by CitizenServe as specified in the CitizenServe Order Form.

Upon any termination, CitizenServe will discontinue Services under this agreement; CitizenServe will provide Customer with an electronic copy of all of Customer's data, if requested; and, provisions of this Agreement regarding Ownership, Liability, Confidentiality and Miscellaneous will continue to survive.

5. NO THIRD PARTY RIGHTS

The provisions of this agreement are intended to bind the undersigned parties as to each other and are not intended to and do not create rights in any other person or confer upon any other person any benefits, rights or remedies, and no person is or is intended to be a third party beneficiary of any of the provisions of this agreement.

6. ACCEPTABLE USE:

Customer represents and warrants that the Services will only be used for lawful purposes, in a manner allowed by law, and in accordance with reasonable operating rules, policies, terms and procedures.

CitizenServe may, upon misuse of the Services, request Customer to terminate access to any individual and Customer agrees to promptly comply with such request unless such misuse is corrected.

7. CONFIDENTIALITY:

Each party hereby agrees to maintain the confidentiality of the other party's proprietary materials and information, including but not limited to, all information, knowledge or data not generally available to the public which is acquired in connection with this Agreement, unless disclosure is required by law. Each party hereby agrees not to copy, duplicate, or transcribe any confidential documents of the other party except as required in connection with their performance under this Agreement. Customer acknowledges that the Services contain valuable trade secrets, which are the sole property of CitizenServe, and Customer agrees to use reasonable care to prevent other parties from learning of these trade secrets or have unauthorized access to the Services. CitizenServe will use reasonable efforts to insure that any CitizenServe contractors maintain the confidentiality of proprietary materials and information.

8. MISCELLANEOUS PROVISIONS:

This Agreement will be governed by and construed in accordance with the laws of the State of Arizona.

CitizenServe may not assign its rights and obligations under this Agreement, in whole or part, without prior written consent of Customer, which consent will not be unreasonably withheld.

9. ACCEPTANCE:

Authorized representatives of Customer and CitizenServe have read the foregoing and all documents incorporated therein and agree and accept such terms effective as of the date first written above.

Customer: "Customer"**Online Solutions, LLC**

Date: _____

Date: _____

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

CITIZENSERVE STATEMENT OF WORK

This Statement of Work (SOW) defines the services and deliverables that Citizenserve provide Customer. All services will be conducted remotely.

Implementation Scope

Citizenserve will use an agile methodology to engage in the implementation phases.

Completion of the Setup Checklist. The Citizenserve account manager will provide a Setup Checklist of supporting documentation that will be required to begin the setup. The supporting documentation typically includes items like copies of permit and license applications, fee structures, notices, and forms, etc. Customer team will work to gather all the documentation and information included in the Setup Checklist.

Project Kickoff. The project kickoff meeting includes the key Customer and Citizenserve team members. The Citizenserve project manager will work with the Customer's project manager to develop the agenda and PowerPoint presentation for the kickoff meeting. Key components of the project will be discussed including roles, responsibilities, timeline, and objectives. The Citizenserve project manager will provide a report summarizing the meeting and assigning action items.

System Walkthroughs. A weekly meeting will be scheduled with the customer team and the engagement manager. The Citizenserve engagement manager will familiarize the Customer's team members on citizenserve at the beginning of the walkthroughs to enable the team to make informed decisions on configurations and workflows. During the walkthrough meetings, the team will review each area of the system and make a list of changes or additions. In the days before the next meeting, the Customer team will get "hands on" with citizenserve, trying out the new configurations, running new reports, and identifying any needed changes. The walkthroughs and the hands-on practice make up an iterative process that allows Customer to clarify or improve upon existing processes and configure Citizenserve to support those processes.

The weekly walkthroughs are held with customer staff who are familiar with the Customer's business processes and associated requirements for configurations, workflows, and reporting. It is critical that the staff who attend the meetings have the knowledge and experience required to provide accurate requirements; we therefore will not conduct the walkthroughs with a surrogate such as a consultant or contractor. If the Customer's subject matter expert staff are not available, we will postpone the walkthroughs until the staff members have availability to attend the meetings and complete assignments before the next meeting.

Data Conversion. Citizenserve staff will perform the data conversion by module/function. Once the setup for a module is nearly complete and the Customer has delivered to Citizenserve the data to be converted, Citizenserve will begin creating programs to convert and import the related Customer data. This process cannot take place until all custom fields for the module that are related to a legacy system have been identified and configured in Citizenserve.

The Customer's team members will review and test the converted data and provide written feedback on any errors or required changes; updates will be made to the conversion script as needed. It is **critical** that the Customer's team put in the time and effort to thoroughly review the data conversion and identify any issues before go live so that corrections can be made to the conversion script. The data conversion import can be modified and run as many times as needed prior to go live to ensure the accuracy of imported data during this phase.

Integration. The requirements for the configurations of the integrations will be gathered during the weekly walkthroughs. The Citizenserve system architect will develop the scripts for the integration points on the Citizenserve side (development of code to export data from or accept data into Citizenserve); if an API is not available, the Customer's technical resources will be responsible for developing the code to export data to Citizenserve or accept data from Citizenserve. The Customer's team will test the data exchanged between Citizenserve and the external systems and will provide feedback on needed changes.

Training. Prior to go live, staff members will be trained onsite or online in small groups. Training will be conducted via web conferencing in small groups. The web conferences used for training can be recorded and edited for later viewing. Each training session will focus on a specific group's core job responsibilities. Most users will attend one or two training sessions that last up to four hours; additional one-on-one training sessions can be scheduled as needed.

Go Live. Final data will be provided on a Friday afternoon. Over the weekend all test data will be removed from the system and the legacy data will be converted.

Ongoing Support. The weekly walkthrough meetings will continue for 2-4 weeks after go live to identify any issues or changes needed.

After go live, users can request support for any needs or questions through the Citizenserve support center. Response time to a support request is within 4 hours; urgent requests receive a response within an hour.

**ADDENDUM TO
SERVICE AGREEMENT
BETWEEN
ONLINE SOLUTIONS, LLC (CITIZENSERVE)
AND
THE TOWN OF CHINO VALLEY**

This ADDENDUM (“Addendum”) dated _____, 2022, modifies the Service Agreement dated _____, 2022 (the “Original Agreement”), entered into between Online Solutions, LLC (d/b/a CitizenServe), a Nevada limited liability company (“CitizenServe”), and the Town of Chino Valley, an Arizona municipal corporation (“Customer”). All of the capitalized terms not otherwise defined in this Addendum have the same meanings as contained in the Original Agreement. The following provisions modify, replace, or delete sections of the Original Agreement and add additional sections to the Original Agreement. The sections of the Original Agreement that are not expressly modified, replaced, or deleted by this Addendum shall remain in effect pursuant to their terms. The Original Agreement and this Addendum are collectively referred to herein as the “Agreement.”

AGREEMENT

- 1. Section 4 of the Original Agreement is hereby deleted in its entirety and replaced with the following:**

4. TERM; TERMINATION:

This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until January 11, 2023 (the “Initial Term”), unless terminated as otherwise provided in this Agreement.

After the expiration of the Initial Term, this Agreement may be renewed for up to four successive one-year terms (each, a “Renewal Term”) if (A) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for renewal in each subsequent year, (B) at least 30 days prior to the end of the then-current term of this Agreement, the CitizenServe requests, in writing, to extend this Agreement for an additional one-year term, and (C) the Town approves the additional one-year term in writing (including any price adjustments approved as part of this Agreement), as evidenced by the Town Manager’s signature thereon, which approval may be withheld by the Town for any reason. The CitizenServe’s failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the CitizenServe, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the “Term.” Upon renewal, the terms and conditions of this Agreement shall remain in full force and effect.

By requesting extension for a Renewal Term as set forth above, or by consenting to a Renewal Term in any manner, CitizenServe shall be deemed to affirmatively assert that (A) the Town is not currently in default, nor has been in default at any time prior to the Renewal Term, under any of the terms or conditions of the Agreement and (B) any and all

claims, known and unknown, relating to the Agreement and existing on or before the commencement date of the Renewal Term are forever waived.

Either party may terminate this agreement with or without cause if the terminating party gives the other party ninety (90) days' written notice. CitizenServe may terminate services if payments are not received by CitizenServe as specified in the CitizenServe Order Form.

Upon any termination, CitizenServe will discontinue Services under this agreement; CitizenServe will provide Customer with an electronic copy of all of Customer's data, if requested; and, provisions of this Agreement regarding Ownership, Liability, Confidentiality and Miscellaneous will continue to survive.

2. **Section 8 of the Original Agreement is hereby amended to read as follows (additions underlined):**

8. MISCELLANEOUS PROVISIONS:

This Agreement will be governed by and construed in accordance with the laws of the State of Arizona, and suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

CitizenServe may not assign its rights and obligations under this Agreement, in whole or part, without prior written consent of Customer, which consent will not be unreasonably withheld.

3. **A new Section 10, Conflict of Interest, is hereby added to the Original Agreement to read as follows:**

10. CONFLICT OF INTEREST:

This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. Customer may cancel this Agreement without penalty or further obligations by the Customer or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Customer or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

4. **A new Section 11, E-Verify Requirements, is hereby added to the Original Agreement to read as follows:**

11. E-VERIFY REQUIREMENTS:

To the extent applicable under ARIZ. REV. STAT. § 41-4401, CitizenServe and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). CitizenServe's or its subcontractor's breach of the above-mentioned warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Customer. The Customer retains the legal right

to randomly inspect the papers and records of CitizenServe and its subcontractors who work on this Agreement to ensure that CitizenServe and its subcontractors are complying with the above-mentioned warranty.

5. **A new Section 12, Agreement Subject to Appropriation, is hereby added to the Original Agreement to read as follows:**

12. AGREEMENT SUBJECT TO APPROPRIATION:

The Customer is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Customer's then current fiscal year. The Customer's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Customer concerning budgeted purposes and appropriation of funds. Should the Customer elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Customer shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Customer has no obligation or duty of good faith to budget or appropriate the payment of the Customer's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Customer shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Customer shall keep CitizenServe informed as to the availability of funds for this Agreement. The obligation of the Customer to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Customer. CitizenServe hereby waives any and all rights to bring any claim against the Customer from or relating in any way to the Customer's termination of this Agreement pursuant to this section.

6. **A new Section 13, Israel, is hereby added to the Original Agreement to read as follows:**

13. ISRAEL:

To the extent ARIZ. REV. STAT. § 35-393 through § 35-393.03 are applicable, the parties hereby certify that they are not currently engaged in, and agree for the duration of this Agreement to not engage in, a "boycott" of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

7. **A new Section 14, Conflicting Terms, is hereby added to the Original Agreement to read as follows:**

14. CONFLICTING TERMS:

In the event of any inconsistency, conflict, or ambiguity between this Addendum and the Original Agreement, this Addendum shall govern. If the Agreement is renewed pursuant to Subsection 10.2 above and such renewal includes any conflicting terms, other than price, those terms will be null and void.

8. A new Section 15, Counterparts, is hereby added to the Original Agreement to read as follows:

15. COUNTERPARTS:

This Agreement may be executed in any number of counterparts, all such counterparts shall be deemed to constitute one and the same instrument, and each of said counterparts shall be deemed original hereof.

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

“CitizenServe”

ONLINE SOLUTIONS, LLC
a Nevada limited liability company

By: _____

Name: _____

Title: _____

“Customer”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC



Order Form

Account Name: Town of Chino Valley, Arizona

Contact Information:

Spencer Guest
IT Manager
Town of Chino Valley
202 N State Route 89, Chino Valley, AZ 86323
Email: sguest@chinoaz.net
Phone: 928.636.2646 ext. 1215

Billing Information:

Spencer Guest
IT Manager
Town of Chino Valley
202 N State Route 89, Chino Valley, AZ 86323
Email: sguest@chinoaz.net
Phone: 928.636.2646 ext. 1215

Contract Term:

Billing Cycle: Annual
Billing Schedule: Upon Contract Signing
Service Term Starts: 01/01/2022
Service Term Ends: 12/31/2022

Components to be Implemented:

Building Permits (BP)
Planning and Zoning (PZ)
Code Enforcement (CE)
Business Licensing (BL)
Citizen Access Pages

Fees:

16 User Subscriptions	\$2,100 per named user per year	\$33,600.00
Setup, Training and Implementation	\$1,500 per named user	\$24,000.00
...Data Migration	iWorks (BP, PZ, CE, BL)	\$17,200.00
System Integration	OnBase	\$8,000.00
	GIS (same as existing for Yavapai)	\$ 0.00
	Payment processors listed in Appendix A	\$0.00
Total 1st Year Fees		\$82,800.00
Each Additional Year Fees		\$33,600.00

I authorize Online Solutions, LLC to invoice as per the above information.

Online Solutions:

Customer:

Authorized Signature

Authorized Signature

Print or Type Name of Signatory

Print or Type Name of Signatory

Execution Date

Execution Date

Address:
1101 E. Warner Road
Suite 160
Tempe, AZ 85284

Address:
Town of Chino Valley
202 N State Route 89
Chino Valley, AZ 86323



Order Form

Appendix A – Citizenserve existing payment processors

ACI Universal Official Payments

Authorize.Net

Authorize.Net v2

Hancock Whitney Transactis BIQ SHO Version 7.0

CityHall payment

Civitek - <https://www.myfloridacounty.com/myflc-pay/>

Civitekpaynow - <https://www.myfloridacounty.com/myflc-pay/>

ConnexPoint

Cybersource V2.0

Elavon (Convergys gateway)

EGOV Payment Gateway

ETS

Express-Pay

Forte

Government Window

GovPayNet

Heartland

Invoicecloud

JETPAY Magic

Municipay - <https://demo.municipay.com/payapp/public/WSRequest.html?>

OpenEdge HostPay

Paya Connect

Paybill

Payeezy (First Billing Payeezy version 1.1)

Paymentus

Paypal

Paypal Payflow

PlugNPay (for customer outside the US only)

Point & Pay v3.2.8

PPG (Philadelphia Pay)

PSN

SC.Gov CCP, v2, v3

Unibank RTI v2.0

VPS Value Payment Systems v1.0

Xpressbillpay v2, v3

Integration with Payment processor not on this list will incur a onetime charge of \$20,000

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. b.

Meeting Date: 01/11/2022
Contact Person: Spencer Guest, IT Specialist
 Phone: 928-636-2646 x-1215
Department: Finance
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve the Professional Services Agreement with Daniel Nottebaum to provide software implementation and training consulting services beginning January 11, 2022, through January 11, 2023, with up to four successive one-year renewal terms, in an amount not to exceed \$25,200 per year. (Spencer Guest, IT Manager)

RECOMMENDED ACTION:

Approve the Professional Services Agreement with Daniel Nottebaum in an amount not to exceed \$25,200 per year.

SITUATION AND ANALYSIS:

The Town has been working to implement software systems in various departments to help streamline staff operations and enhance the Town's ability to provide public services. While Town staff has realized some gains and benefits with the installation of software such as electronic document management, there still remains more benefits to be gained. Limitations of staff time and training are impeding the Town's ability to fully implement the software solutions to exploit the full potential for all departments within the Town. Securing the professional services of Daniel Nottebaum will provide a valuable resource utilizing his knowledge, time, and skills to assist departments in migration, implementation, and training on the Town's various software platforms. Staff has estimated the professional services hours to be approximately 25 to 30 hours/week and may fluctuate based upon Daniel's and Town staff's availability.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-47-5212
Available: \$30,000
Funding Source:

The Town has appropriated \$30,000 within the current fiscal year for these services.

Attachments

PSA - Daniel Nottebaum

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
DANIEL NOTTEBAUM**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of January 11, 2022, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Daniel Nottebaum, a sole proprietor (the “Consultant”).

RECITALS

A. The Town is in need of software implementation and training consulting services (the “Services”).

B. Consultant has provided the similar Services to various private companies and possesses the skill and experience required to provide the Services.

C. The Mayor and Town Council have determined it is in the Town’s best interest to enter into an Agreement with the Consultant to provide the Services.

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 hereby acknowledged, the Town and the Consultant hereby agree as follows:

1. **Term of Agreement.**

1.1 **Initial Term.** This Agreement shall be effective as of January 11, 2022, and shall remain in full force and effect until January 11, 2023 (the “Initial Term”), unless terminated as otherwise provided in this Agreement.

1.2 **Renewal Terms.** After the expiration of the Initial Term, this Agreement may be renewed for up to four successive one-year terms (each, a “Renewal Term”) if (i) it is deemed in the best interests of the Town, subject to availability and appropriation of funds for renewal in each subsequent year, (ii) at least 30 days prior to the end of the then-current term of this Agreement, the Consultant requests, in writing, to extend this Agreement for an additional one-year term and (iii) the Town approves the additional one-year term in writing (including any price adjustments approved as part of this Agreement), as evidenced by the Town Manager’s signature thereon, which approval may be withheld by the Town for any reason. The Consultant’s failure to seek a renewal of this Agreement shall cause this Agreement to terminate at the end of the then-current term of this Agreement; provided, however, that the Town may, at its discretion and with the agreement of the Consultant, elect to waive this requirement and renew this Agreement. The Initial Term and any Renewal Term(s) are collectively referred to herein as the “Term.” Upon renewal, the terms and conditions of this Agreement shall remain in full force and

effect.

1.3 Non-Default. By requesting extension for a Renewal Term as set forth above, or by consenting to a Renewal Term in any manner, Consultant shall be deemed to affirmatively assert that (i) the Town is not currently in default, nor has been in default at any time prior to the Renewal Term, under any of the terms or conditions of the Agreement and (ii) any and all Consultant claims, known and unknown, relating to the Agreement and existing on or before the commencement date of the Renewal Term are forever waived.

2. Scope of Work. Consultant shall provide the Services as set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference.

3. Compensation. The Town shall pay Consultant for the Initial Term and for each subsequent Renewal Term, if any, an annual amount not to exceed \$25,200.00 for the Services at the unit rates set forth in the Fee Proposal attached hereto as Exhibit B and incorporated herein by reference. This annual amount constitutes \$24,000.00 for an average of 80 hours of Services per month and up to \$1,200 annual reimbursement for professional liability expenses. The maximum aggregate amount for this Agreement shall not exceed \$126,000.00.

4. Payments. The Town shall pay the Consultant based upon work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.

5. Safety Plan. Consultant shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration ("OSHA"), American National Standards Institute and National Institute for Occupational Safety and Health standards. If, in the Consultant's sole determination, the Services to be provided do not require a safety plan, Consultant shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town.

7. Consultant Personnel. Consultant shall provide adequate, experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. Consultant agrees to assign specific individuals to key positions. If deemed qualified, the Consultant is encouraged to hire Town residents to fill vacant positions at all levels. Consultant agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Consultant shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

8. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during Consultant's performance. The Consultant shall provide and maintain a self-inspection system that is acceptable to the Town.

9. Licenses; Materials. Consultant shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the Consultant. The Town has no obligation to provide Consultant, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The Town has no obligation to provide tools, equipment or material to Consultant.

10. Performance Warranty. Consultant warrants that the Services rendered will conform to the requirements of this Agreement and with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

11. Indemnification. To the fullest extent permitted by law, the Consultant shall indemnify and hold harmless the Town and each council member, officer, employee or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims") to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts, recklessness or intentional misconduct of the Consultant, its officers, employees, agents, or any tier of subcontractor in connection with Consultant's work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

12. Insurance.

12.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Consultant, Consultant shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the Town does not represent that coverage and limits will be adequate to protect Consultant. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. Consultant's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Consultant. Consultant shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. Consultant shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Consultant shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and Consultant. Consultant shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Consultant will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Consultant's insurance insurer(s) as evidence that policies

are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Consultant's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 03 97 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) Consultant's insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Town, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Consultant under this Agreement.

(4) ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. Consultant shall provide the Town with the necessary endorsements to ensure Town is provided the insurance coverage set forth in this Section 12.

12.2 Required Insurance Coverage.

A. Commercial General Liability. Consultant shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products- completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read “Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of “your work” for that insured by or for you.” If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Consultant shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Consultant’s owned, hired and non-owned vehicles assigned to or used in the performance of the Consultant’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Consultant engages in any professional services or work in any way related to performing the work under this Agreement, the Consultant shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Consultant, or anyone employed by the Consultant, or anyone for whose negligent acts, mistakes, errors and omissions the Consultant is legally liable, with an unimpaired liability insurance limit of \$1,000,000 each claim and \$1,000,000 annual aggregate.

D. Workers’ Compensation Insurance. If Consultant employs anyone who is required by law to be covered by workers’ compensation insurance, Consultant shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Consultant’s employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

12.3 Cancellation and Expiration Notice. Insurance required herein shall not

expire, be canceled, or be materially changed without 30 days' prior written notice to the Town.

13. Termination; Cancellation.

13.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by Consultant of written notice by the Town. Upon termination for convenience, Consultant shall be paid for all undisputed services performed to the termination date.

13.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, payment shall be made by the Town to the Consultant for the undisputed portion of its fee due as of the termination date.

13.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to Consultant in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the Town to the Consultant for the undisputed portion of its fee due as of the termination date.

13.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

13.5 Gratuities. The Town may, by written notice to the Consultant, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Consultant or any agent or representative of the Consultant to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Consultant an amount equal to 150% of the gratuity.

13.6 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then current fiscal year. The Town's obligations

under this Agreement are current expenses subject to the “budget law” and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town’s obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep Consultant informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. Consultant hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town’s termination of this Agreement pursuant to this section.

14. Miscellaneous.

14.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Consultant acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. Consultant, its employees and subcontractors are not entitled to workers’ compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of Consultant, its employees or subcontractors. The Consultant, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as Consultant meets the requirements of its agreed Scope of Work as set forth in Section 2 above and in Exhibit A. Consultant is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. Town and Consultant do not intend to nor will they combine business operations under this Agreement.

14.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.

14.3 Laws and Regulations. Consultant shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Consultant is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes or laws affecting the Services, including, but not limited to, the following: (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws and (C) existing and future OSHA standards.

14.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Consultant.

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

14.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement which may remain in effect without the invalid provision or application.

14.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

14.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by Consultant without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by Consultant in violation of this provision shall be a breach of this Agreement by Consultant.

14.9 Subcontracts. No subcontract shall be entered into by the Consultant with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Consultant is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by Consultant.

14.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Consultant from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

14.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall

be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

14.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

14.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Consultant any amounts Consultant owes to the Town for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Consultant any amounts Consultant owes to the Town for delinquent fees, transaction privilege use taxes and property taxes, including any interest or penalties.

14.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town: Town of Chino Valley
202 North State Route 89
Chino Valley, Arizona 86323
Attn: Cecilia Gritman, Town Manager

With copy to: GUST ROSENFELD P.L.C.
One East Washington Street, Suite 1600
Phoenix, Arizona 85004-2553
Attn: Andrew J. McGuire

If to Consultant: Daniel Nottebaum
176 Mackenzie Rose Dr
Chino Valley, AZ 86323

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

14.15 Confidentiality of Records. The Consultant shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Consultant's duties under this Agreement. Persons requesting such information should be referred to the Town. Consultant also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Consultant as needed for the performance of duties under this Agreement.

14.16 Records and Audit Rights. To ensure that the Consultant and its subcontractors are complying with the warranty under subsection 14.17 below, Consultant's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Consultant and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Consultant's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Consultant's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 14.17 below. To the extent necessary for the Town to audit Records as set forth in this subsection, Consultant and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to Consultant pursuant to this Agreement. Consultant and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give Consultant or its subcontractors reasonable advance notice of intended audits. Consultant shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

14.17 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Consultant and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Consultant's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

14.18 Israel. Consultant certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in a "boycott," as that term is defined in ARIZ. REV. STAT. § 35-393, of Israel.

14.19 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, any amendments, the Scope of Work, any Town- approved

Purchase Order, or the Fee Proposal, the documents shall govern in the order listed herein.

14.20 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

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

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Jack Miller, Mayor

ATTEST:

Erin Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

“Vendor”

Daniel Nottebaum,
a Sole Proprietor

By: _____

Name: _____

Title: _____

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
DANIEL NOTTEBAUM

[Job Description]

See following pages.

Job Description

Software Implementation and Training Specialist

Department: **IT**

Class Code:

Reports to: **IT Manager**

FLSA Status: **Independent Contractor**

GENERAL PURPOSE: Under limited supervision works with vertical software to learn, configure, customize and implement software solutions to fit the Town's needs and requirements. Conducts focused educational/training needs assessments for Town staff; designs, develops, delivers, and evaluates a range of specific educational curricula and training programs tailored to ensure the Town's effective and efficient use of its software and IT platforms.

PRIMARY DUTIES AND RESPONSIBILITIES:

*The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification, only a representative summary of the primary duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Learn and train themselves to become the Town's software solution expert using documentation, online training and other methods; remain current with new product features and updates.
- Configuration, customization and implementation of software solutions so they match the needs of various Town departments.
- Serve as the support staff for daily staff questions and needs for the Town's software systems.
- Assists IT staff in the selection process for new software to meet new and ongoing needs.
- Delivers group and individual instruction and training covering a range of technical, operational, and/or management areas as needed.
- Develops and/or recommends the most effective and efficient methods and platforms to meet instructional goals and objectives.
- Formulates training outlines/curricula utilizing knowledge of specified training needs and adjusts training for a variety of users, learning styles, and proficiencies.
- Determines instructional methods for individual or group instruction, lectures, demonstrations, conferences, meetings, and workshops.
- Selects or develops training aids, including training handbooks, demonstration models, multimedia visual aids, computer tutorials, and references.
- Performs administrative functions necessary to deliver and document training programs.
- Evaluates effectiveness of training and development programs and utilizes relevant evaluation data to revise or recommend changes in instructional objectives and methods.
- Analyzes and assesses training and development needs for individual staff, departments/divisions and/or organization wide groups.
- Continued training for new employees on proper use of hardware and software upon hire of shortly after.

- Perform regular organization-wide trainings to refresh knowledge on critical topics such as suggested IT security practices.

MINIMUM QUALIFICATIONS:

Education and Experience:

- BS in Information Technology, Computer Science or relevant field.
- Proven work experience as an IT Trainer, Technical Trainer or similar role.
- Knowledge of Hyland OnBase or similar document management system desired.
- Knowledge and experience with Municipal Management Systems desired.

Required Licenses or Certifications:

- Certification such as CTT+ (Certified Technical Trainer) preferred but not required.

Required Knowledge of:

- Knowledge of modern training techniques and tools in technical subjects.
- Conduct IT skills gap analyses.
- Ability to create technical manuals using simple language.
- Working knowledge in MS Office (especially PowerPoint).
- Comfort working with digital projection or display systems.
- General understanding of Zoom, YouTube and Facebook, video streaming training methods.
- Outstanding communication skills and comfortable speaking to crowds.
- Excellent organizational and time-management abilities.

Required Ability to:

- Quickly learn new computer programs and systems with minimal oversight.
- Develop and maintain effective working relationships with Town staff, Council members, vendors, contractors, various external organizations and individuals and the general public.
- Work independently and within a team environment.
- Make decisions, maintain composure and work effectively under stressful conditions.
- Evaluate facts and evidence, drawing logical conclusions and making proper recommendations.
- Communicate effectively, both orally and in writing.
- Assess and prioritize multiple tasks, projects and demands.
- Operate a variety of various computer hardware and software.
- Exhibit excellent customer service skills.

Physical Demands / Work Environment:

- Work is performed primarily indoors. May be required to perform a full range of motion with lifting and/or carrying supplies, materials, equipment and/or items weighing up to 25 pounds.

EXHIBIT B
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
DANIEL NOTTEBAUM

[Fee Proposal]

See following page.

Fee Proposal

1. Consultant's hourly rate for performance of the Services is \$25.00/hour. It is expected Consultant shall provide an average of 80 hours of Services per month, but shall not exceed the amount of \$24,000.00 per year.
2. The Town shall also reimburse Consultant an amount not to exceed \$1,200 per year for professional liability expenses. Consultant must provide appropriate insurance documents and a paid receipt to the Town in order to receive reimbursement.
3. The compensation paid to Consultant shall include all travel, per diem and expenses incidental to providing the Services, provided such amounts must be consistent with the travel and per diem rates applicable to Town employees and all expenses shall be pass-through without markup.
4. Invoices shall be on a form and in the format provided by Town and are to be submitted in triplicate to Town via Town's authorized representative. Payment shall be made within 30 days of the date of the invoice. If payment in full is not received by Consultant within 45 calendar days of the due date, invoices shall bear interest at 1.5% (or the maximum rate allowable by law, whichever is less) of the past due amount per month, which shall be calculated from the invoice due date. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal.
5. If the Town objects to any portion of an invoice, the Town shall so notify the Consultant in writing within five calendar days of receipt of the invoice. The Town shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with the payment terms of this Agreement. Interest as stated above shall be paid by the Town on all disputed invoice amounts that are subsequently resolved in the Consultant's favor and shall be calculated on the unpaid balance from the due date of the invoice.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. c.

Meeting Date: 01/11/2022
Contact Person: Frank Marbury, Public Works Director/Town Engineer
 Phone: 928-636-7140 x-1226
Department: Public Works
Estimated length of staff presentation: None
Physical location of item: West Road 4 North and Dillon Blvd

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution 2022-1197 conditionally accepting the Heritage Pointe Subdivision Phases One and Two street and public infrastructure improvements. (Frank Marbury, Public Works Director/Town Engineer)

RECOMMENDED ACTION:

Approve Resolution 2022-1197 conditionally accepting the Heritage Pointe Subdivision Phases One and Two street and public infrastructure improvements subject to a two-year warranty period.

SITUATION AND ANALYSIS:

Heritage Pointe is a 75 - 1 acre lot four-phase subdivision served by individual onsite water and septic systems generally located in the vicinity of West Road 4 North and Dillon Blvd.

The Phase One Final Plat was approved by Town Council on December 8, 2020, and Phases Two, Three, and Four on May 25, 2021. The Town's Engineering Division approved Civil Improvement Plans for Heritage Pointe Phases One, Two, and Three on January 20, 2021; phase 4 has no public infrastructure associated with it. Right-of-Way permit #21-11 for offsite improvements was issued on February 23, 2021, and grading and infrastructure permit #2021101 on onsite improvements for all phases was issued on March 3, 2021.

The developer, Sage Land Holdings, LLC, provided the following performance bonds based on the developer's engineer's estimate of probable costs:

Phase	Bond No.	Amount	Date
1	60136941	\$1,553,373.00	1/20/21
2	CIC1915347	\$1,445,406.00	5/11/21
3	CIC1915346	\$270,675.00	5/11/21
Road 4 North	60136940	\$149,369.00	1/20/21
	Total	\$3,418,823.00	

The Town's Engineering Division has completed the inspection of streets and public infrastructure improvements associated with the Heritage Pointe Phases One and Two on December 28, 2021, and found that they are in substantial compliance with the approved plans and specifications. The condition of acceptance is based on the successful completion of a two-year warranty period. Following the conditional acceptance by Town Council, performance bonds for phases one and two will be released to the developer, and the two-year warranty period will commence.

Fiscal Impact

Fiscal Impact?: 0

If Yes, Budget Code:

Available:

Funding Source:

Attachments

RES - 2022-1197 Heritage Pointe Phases 1 & 2 Conditional Acceptance

Substantial Completion Letter

2-Year Warranty Letter

RESOLUTION NO. 2022-1197

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, TO CONDITIONALLY ACCEPT THE STREETS AND PUBLIC INFRASTRUCTURE IMPROVEMENTS IN PHASES ONE AND TWO OF THE HERITAGE POINTE SUBDIVISION.

WHEREAS, the Mayor and Town Council of the Town of Chino Valley (the "Town Council"), approved a final plat entitled "Heritage Pointe Phase One" on December 8, 2020; and

WHEREAS, the Town Council approved a final plat entitled "Heritage Pointe Phases Two, Three and Four" on May 25, 2021; and

WHEREAS, the developer of Heritage Pointe, Sage Land Holdings, LLC, an Arizona limited liability company (the "Developer"), dedicated to the Town the streets and public infrastructure improvements generally located at West Road 4 North and Dillon Boulevard; and

WHEREAS, on or about December 28, 2021, the Town's Public Works Department completed an inspection of the streets and public infrastructure improvements in Phases One and Two of the Heritage Pointe Subdivision generally located at West Road 4 North and Dillon Boulevard and depicted on the map attached hereto as Exhibit A and incorporated herein by reference (the "Improvements"), and found the Improvements to be in substantial compliance with the approved plans and specifications; and

WHEREAS, section 5.4(C)(7) of the Unified Development Ordinance of the Town of Chino Valley requires developers to provide a two-year warranty against defective materials and workmanship when public infrastructure improvements for a subdivision are accepted by Town Council for maintenance and operation, and Developer has provided such warranty, a copy of which is attached hereto as Exhibit B and incorporated herein by reference (the "Warranty"); and

WHEREAS, the Town Council desires to conditionally accept the Improvements subject to the Warranty (the "Conditional Acceptance"); and

WHEREAS, the Town Council acknowledges that the two-year warranty period will commence upon Conditional Acceptance of the Improvements by the Town.

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 Improvements are Conditionally Accepted.

SECTION 3. The Warranty is hereby accepted.

SECTION 4. The Town is hereby directed to commence maintenance and operation of the Improvements subject to the Warranty and the Unified Development Ordinance of the Town of Chino Valley.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 11th day of January, 2022.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2022-1197 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on January 11, 2022, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2022-1197

[Map of Streets and Public Infrastructure Improvements]

See the following page.

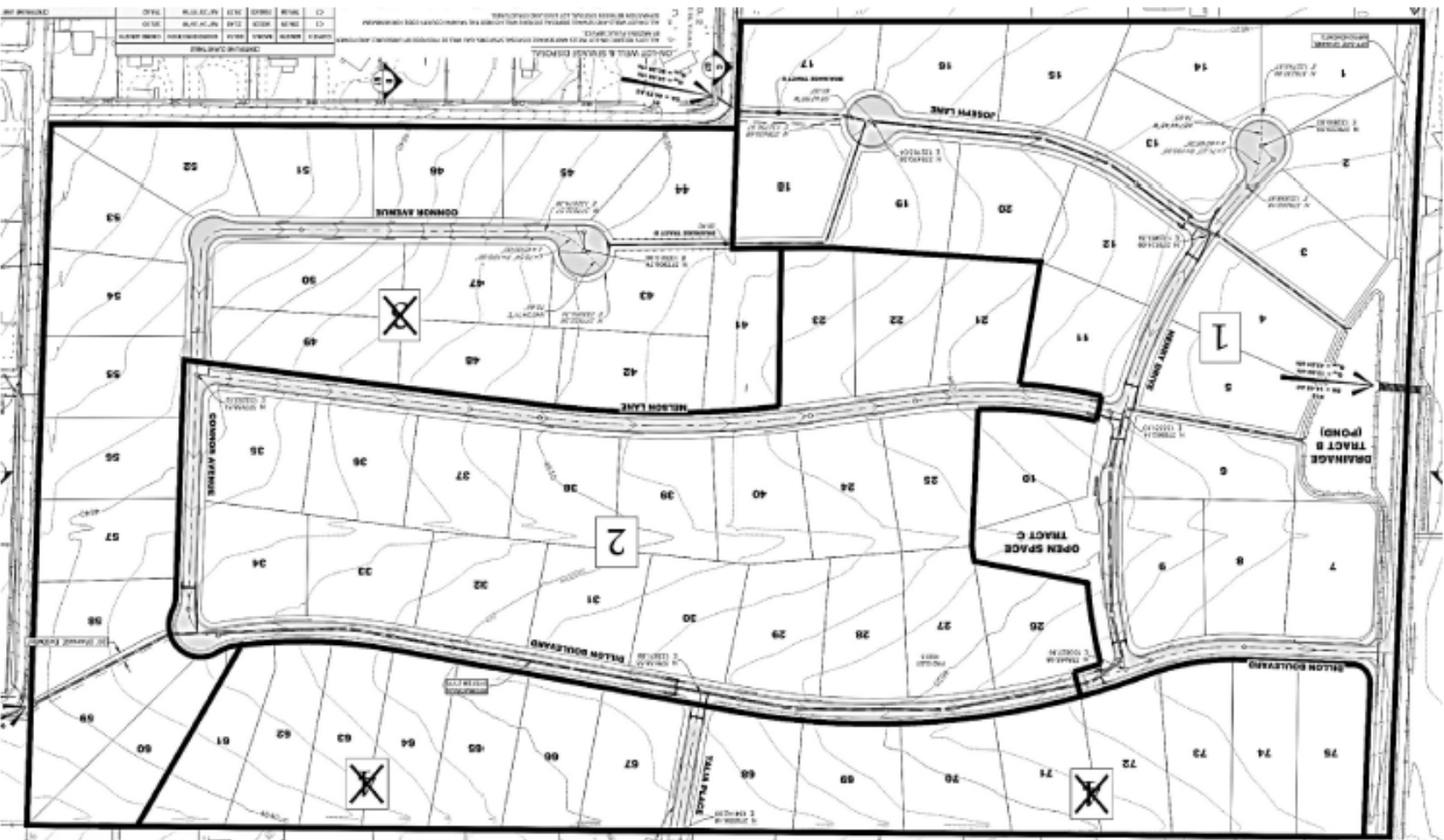


EXHIBIT B
TO
RESOLUTION NO. 2022-1197

[Developer's Warranty]

See the following pages.



8700 E. Via De Ventura, Suite 350
Scottsdale, AZ 85258
Main (480) 305-5319
Fax (480) 829-7506

12-28-2021

Development Services
Town of Chino Valley
1982 Voss Dr
Chino Valley, AZ 86323

RE: Two Year Warranty Letter - Heritage Pointe – Phases 1 & 2

Mr. Frank Marbury:

Developer is in receipt of the Notice of Substantial Completion letter regarding the Town requirements for improvements acceptance dated December 28, 2021.

Town Maintained Improvements:

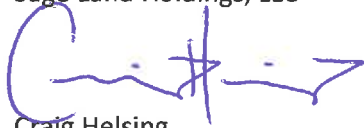
Notice is hereby given that the work has been completed in accordance with Permit #2021101, #21-11 within public rights-of-way or easements in the Town of Chino Valley, Arizona generally described as Heritage Pointe, Phases One and Two which includes the following improvements – stormwater disposal, concrete and paving. These improvements are in substantial compliance with the approved plans and specifications. Council action is required prior to the issuance of conditional acceptance and the official beginning of the two (2) year warranty period. Developer and its contractors will be responsible against defective materials and workmanship during the warranty period. A warranty inspection by the Town of the improvements will be performed no later than 60 days prior to the end of the warranty period to provide sufficient time for any corrections. Once any warranty deficiencies or workmanship corrections are completed and accepted, the Town will provide a Warranty Completion & Acceptance letter to Developer relieving Developer and contractors of any further obligations for the improvements.

Non-City Maintained Improvements:

Public Works Inspections has checked all non-town maintained improvements and found them to be in substantial compliance with the approved plans and specifications. Non-Town maintained improvements constructed as part of this project to be maintained by property owners and homeowners' association and are not subject to the two-year warranty.

Let me know if you have any questions.

Respectfully,
Sage Land Holdings, LLC

A handwritten signature in blue ink, appearing to read 'Craig Helsing', with a stylized, flowing script.

Craig Helsing
Forward Planner & Land Development

Cc: Heritage Pointe Phases 1 & 2

Michael Brown
Timothy Morris
Robert Smeriglio



Public Works Department
1982 N. Voss Drive #201
Chino Valley, AZ 86323

928-636-7140
Fax 928-636-7141
www.chinoaz.net

December 28, 2021

Craig Helsing
Brown Homes AZ
8700 E. Via De Ventura, Suite 350
Scottsdale, AZ 85258

Re: Heritage Pointe Phases 1 & 2 Notice of Substantial Completion

Dear Mr. Helsing,

The Town of Chino Valley Public Works Department has completed the inspection of the public improvements for the above referenced project. These improvements are in substantial compliance with the approved plans and specifications.

Town Council action is required prior to conditional acceptance and the official beginning of the warranty/maintenance period. The time frame for Town Council action is approximately 14 days after the following items have been submitted, reviewed and approved:

- Completion of Phases 1 & 2 including any remaining punchlist items.
- As-built drawings for Phases 1 & 2 in pdf, 4 mil mylar, and autocad 2019 formats.
- A certified letter from the professional surveyor stating that the centerlines of streets, easements, and survey monuments are located as denoted on the final plat.
- A warranty or guarantee for a period of 2 years against defective materials and workmanship.

Should you have any questions, please contact me at 928-636-2646 x 1308 or ssullivan@chinoaz.net.

Sincerely,

Steven Sullivan, PE
Assistant Town Engineer



8700 E. Via De Ventura, Suite 350
Scottsdale, AZ 85258

Main (480) 305-5319

Fax (480) 829-7506

12-28-2021

Development Services
Town of Chino Valley
1982 Voss Dr
Chino Valley, AZ 86323

RE: Two Year Warranty Letter - Heritage Pointe – Phases 1 & 2

Mr. Frank Marbury:

Developer is in receipt of the Notice of Substantial Completion letter regarding the Town requirements for improvements acceptance dated December 28, 2021.

Town Maintained Improvements:

Notice is hereby given that the work has been completed in accordance with Permit #2021101, #21-11 within public rights-of-way or easements in the Town of Chino Valley, Arizona generally described as Heritage Pointe, Phases One and Two which includes the following improvements – stormwater disposal, concrete and paving. These improvements are in substantial compliance with the approved plans and specifications. Council action is required prior to the issuance of conditional acceptance and the official beginning of the two (2) year warranty period. Developer and its contractors will be responsible against defective materials and workmanship during the warranty period. A warranty inspection by the Town of the improvements will be performed no later than 60 days prior to the end of the warranty period to provide sufficient time for any corrections. Once any warranty deficiencies or workmanship corrections are completed and accepted, the Town will provide a Warranty Completion & Acceptance letter to Developer relieving Developer and contractors of any further obligations for the improvements.

Non-City Maintained Improvements:

Public Works Inspections has checked all non-town maintained improvements and found them to be in substantial compliance with the approved plans and specifications. Non-Town maintained improvements constructed as part of this project to be maintained by property owners and homeowners' association and are not subject to the two-year warranty.

Let me know if you have any questions.

Respectfully,
Sage Land Holdings, LLC

Craig Helsing
Forward Planner & Land Development

Cc: Heritage Pointe Phases 1 & 2

Michael Brown
Timothy Morris
Robert Smeriglio



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. d.

Meeting Date: 01/11/2022

Contact Person: Erin Deskins, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type:

AGENDA ITEM TITLE:

Consideration and possible action to approve the December 14, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

RECOMMENDED ACTION:

Approve the December 14, 2021, regular meeting minutes.

Attachments

12/14/21 draft minutes

DRAFT

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

**TUESDAY, DECEMBER 14, 2021
6:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Vice-Mayor Annie Perkins; Councilmember Tom Armstrong; Councilmember Eric Granillo; Councilmember Cloyce Kelly; Councilmember John McCafferty; Councilmember Lon Turner

Absent: Mayor Jack Miller

Staff Town Manager Cindy Blackmore; Town Attorney Andrew McGuire (remotely); Development

Present: Services Director Laurie Lineberry; Public Works Director/Town Engineer Frank Marbury; Senior Planner Will Dingee; Audio Visual Technician Lawrence Digges; Senior Administrative Technician Sara Burchill

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

Vice Mayor Perkins called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation and update by Larry Holt regarding the 9/11 memorial. (Cindy Blackmore, Town Manager)

Mr. Holt presented the following:

- The Committee had been working with the Chino Valley Police Foundation for the past three-years for their financial needs, but due to tax reporting complications, it was mutually decided to terminate the partnership.
- The 9/11 Committee started their own foundation and had been approved by the IRS and the Corporate Commission.
- They formed the 501(C)(3) Chino Valley Memorial Foundation.
- Their mission was to lessen the burden of government agencies in Yavapai County. The purpose of the foundation was to maintain and upgrade memorial sites dedicated to first responders (fire fighters, law enforcement, emergency medical responders, and veterans of the U.S. Armed Forces), and provide education to schools and the community.
- Committee Members included: Larry Holt, Regina Pecoraro, Annie Perkins, Paula Pzinger, John Stankewicz, and Chief Chuck Wynn.

- He thanked the Town Council, employees, and citizens for helping with the memorial upgrades.
- Since Town Hall did not have a photo of the 9/11 Memorial, and because of its significance to the Town, he presented the Town with a Trina Rose photograph that could be showcased in Town Hall.

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council 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 criticism.

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.

Vice Mayor Perkins thanked the Town staff and citizens that attended the December to Remember event.

- b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Town Manager Blackmore reported Town would close the Thursday before the Christmas Holiday and reopen on December 27th.

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 Tom Armstrong, seconded by Councilmember Cloyce Kelly to approve Consent agenda Items 5 a, b, c, d, and e as written.

AYE: Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve the Town's continued participation in the Opioid Settlement, and authorize Mayor to approve the Janssen Settlement Agreement with Janssen Pharmaceuticals (Johnson & Johnson), and waive future claims against the same, by executing the Settlement Participation Form. (Joe Duffy, Administrative Services Director).
- b) Consideration and possible action to approve the Town's continued participation in the Opioid Settlement, and authorize Mayor to approve the Distributor Settlement Agreement with McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation, and waive future claims against the same, by executing the Settlement Participation Form. (Joe Duffy, Administrative Services Director).
- c) Consideration and possible action to adopt the 2022 Base Council Meeting Schedule. (Erin Deskins, Town Clerk)
- d) Consideration and possible action to approve the October 26, 2021, regular meeting minutes. (Erin Deskins, Town Clerk)
- e) Consideration and possible action to approve the November 9, 2021, study session and regular meeting minutes. (Erin Deskins, Town Clerk)

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) Public Hearing and consideration and possible action to recommend approval of an application from David Joss for a new Series 10s (Sampling) Liquor License for Ditch Beer & Wine, located at 856 S. State Route 89, Chino Valley. (Erin N. Deskins, Town Clerk)

Recommended Action:

- (i) Hold Public Hearing.
- (ii) Approve application from David Joss for a new Series 10s (Sampling) Liquor License for Ditch Beer & Wine, located at 856 S. State Route 89, Chino Valley.

Town Manager Blackmore presented the following:

- Mr. Joss was applying for a new Series 10s (Sampling) liquor license for Ditch Beer and Wine.
- The license was not transferable.
- It allowed the license holder to provide on-premise sampling per person, per brand, and per day for: 3oz beer, 1.5 oz wine, and 1 oz distilled spirits.
- They met the requirement of a premise that was at least 5,000 square feet or had at least 75% of their shelf space dedicated to alcohol.
- All sampling had to be properly accounted for and kept in a locked space.
- The application had been reviewed by the Police and Planning Departments and the

Yavapai County Fire Marshall, and all recommended approval.

- The notices had been posted as required.
- Council was required to hold a public hearing and then forward a recommendation to the State Liquor Board to grant or deny the license, or they could vote to make no recommendation.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember Cloyce Kelly to open the item to public hearing.

No comments were made, and the public hearing was closed.

AYE: Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

MOVED by Councilmember Tom Armstrong, seconded by Councilmember Cloyce Kelly to approve application from David Joss for a new Series 10s (Sampling) Liquor License for Ditch Beer & Wine, located at 856 S. State Route 89, Chino Valley.

AYE: Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- b) Consideration and possible action to adopt Resolution No. 2021-1196, to approve the Intergovernmental Agreement (IGA) for equipment and asset sharing for public infrastructure maintenance, and operation with the City of Prescott. (Frank Marbury, Public Works Director/Town Engineer)

Recommended Action: Adopt Resolution No. 2021-1196, approving the Intergovernmental Agreement (IGA) for equipment and asset sharing for public infrastructure maintenance, and operation with the City of Prescott.

Frank Marbury presented the following:

- This would be for the consideration of an IGA with the City of Prescott to share resources within the Public Works Departments.
- The Town and City would agree to render aid to one another at the discretion and direction of each respective Public Works Director.
- The Departments could work together to utilize resources or equipment that the other may not have or may not be operational.
- The existing operations of the entities should not be jeopardized (lending equipment or personnel would not jeopardize their own operations.)
- Costs would be based on actual labor costs for personnel.
- Costs for equipment would be based on FEMA's Current equipment rates.
- Insurance requirements were the responsibility of each agency.
- The Town would have access to Prescott's Water Resource Management Model

(WRMM). The analytical tool would help the Town understand water demands, usage, and availability.

- The lending agency would bill within 30-days of the completion of service and the receiving agency would pay within 30-days of receiving the bill.
- The Agreement Appendix listed the equipment for each lending agency.
- The Agreement Term was through 2046, and each agency could terminate the agreement for any reason with a 60-day notice.
- The Agreement had been approved unanimously by the City of Prescott Council.

Council and staff discussed the following:

- A letter to the Prescott City Council from Mayor Miller was read into the record. He thought the IGA was a fantastic opportunity to improve the relationship and bring regional cooperation between the two entities. The need first arose when, due to illness, the Town was unable to operate their sewer treatment plant, and the City of Prescott provided an operator until the Town's staff could return to work. He was grateful and the IGA would formalize their relationship.
- Any equipment lent between agencies would include an operator. This was due partly because of insurance requirements and training and certification requirements.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember Cloyce Kelly to approve the Intergovernmental Agreement (IGA) for equipment and asset sharing for public infrastructure maintenance, and operation with the City of Prescott.

AYE: Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

7) **ADJOURNMENT**

MOVED by Councilmember Lon Turner, seconded by Councilmember Cloyce Kelly to adjourn the meeting at 6:19 p.m.

AYE: Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

ATTEST:

Jack W. Miller, Mayor

Erin N. Deskins, 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 _____ day of _____, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2021.

Erin N. Deskins, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. a.

Meeting Date: 01/11/2022
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Estimated length of staff presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to accept the Comprehensive Annual Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2021, as prepared by Henry & Horne, LLP, Certified Public Accountants. (Joe Duffy, Administrative Services Director)

RECOMMENDED ACTION:

Accept the Comprehensive Annual Audited Financial Report and the Annual Expenditure Limitation Report for the fiscal year ended June 30, 2021, as prepared by Henry & Horne, LLP, Certified Public Accountants.

SITUATION AND ANALYSIS:

Henry & Horne, LLP was retained by the Town to complete the audit for the fiscal year ended June 30, 2021.

The audit has been completed, and the final reports have been issued.

Other Pertinent Documents Available Upon Request:

Appendix 6a-1. A printed copy of the report is being provided to Council and pertinent staff separately. The report is available on the Town's website at <http://www.chinoaz.net/AgendaCenter> with the January 11, 2022, Council Meeting documents.

Fiscal Impact

Attachments

Expenditure Report

Financial Reports

TOWN OF CHINO VALLEY
ANNUAL EXPENDITURE LIMITATION REPORT
FOR THE YEAR ENDED JUNE 30, 2021

Town of Chino Valley, Arizona
Annual Expenditure Limitation Report
Year Ended June 30, 2021

<u>Table of Contents</u>	<u>Page</u>
Independent Accountants' Report	1
Annual Expenditure Limitation Report - Part I Annual	2
Expenditure Limitation Report - Part II Annual	3
Expenditure Limitation Report - Reconciliation	4
Notes to Annual Expenditure Limitation Report	5

INDEPENDENT ACCOUNTANTS' REPORT

The Auditor General of the State of Arizona and
The Honorable Mayor and Town Council
of the Town of Chino Valley, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of Town of Chino Valley, Arizona for the year ended June 30, 2021 and the related notes to the report. The Town's management is responsible for presenting this report in accordance with the uniform expenditure reporting system as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We concluded our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the uniform expenditure reporting system in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Annual Expenditure Limitation Report of Town of Chino Valley, Arizona, referred to above is presented in accordance with the uniform expenditure reporting system as described in Note 1 in all material respects.

Henry + Horne, LLP

Tempe, Arizona
November 29, 2021

TOWN OF CHINO VALLEY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART I
Year Ended June 30, 2021

<u>1.</u> Economic Estimates Commission expenditure limitation	\$	3,974,232	
<u>2.</u> Voter-approved alternative expenditure limitation (Approved May 26, 2021 - Town Resolution No. 2020-1159)		24,407,900	
<u>3.</u> Enter applicable amount from line 1 or line 2			\$ 24,407,900
<u>4.</u> Amount subject to the expenditure limitation (total amount from Part II, line C)	\$	17,981,713	
<u>5.</u> Board-authorized expenditures necessitated by a disaster the Governor declared	-	-	
<u>6.</u> Board-authorized expenditures necessitated by a disaster the Governor did not declare	-	-	
<u>7.</u> Prior-year, voter-approved expenditures to exceed the expenditure limitation for the reporting fiscal year	-	-	
<u>8.</u> Subtotal		-	\$ 17,981,713
<u>9.</u> Board-authorized excess expenditures for the previous fiscal year necessitated by a disaster the Governor did not declare and the voters did not approve	+	-	
<u>10.</u> Total adjusted amount subject to the expenditure limitation			\$ 17,981,713
<u>11.</u> Amount under (in excess of) the expenditure limitation			\$ 6,426,187

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the Uniform Expenditure Reporting System.

Signature of chief financial officer: Joe Duffy

Name and title: Joe Duffy, Administrative Services Director

Telephone number: (928) 636-2646

Date: 11/29/2021

TOWN OF CHINO VALLEY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT – PART II
Year Ended June 30, 2021

Description	Governmental funds	Enterprise funds	Total
<u>A.</u> Amounts reported on the Reconciliation, line D	\$ 14,599,992	\$ 3,381,721	\$ 17,981,713
<u>B.</u> Less exclusions claimed:			
<u>1.</u> Debt proceeds	-	-	-
<u>2.</u> Debt service requirements	-	-	-
<u>3.</u> Dividends, interest, and gains on the sale or redemption of investment securities	-	-	-
<u>4.</u> Trustee or custodian	-	-	-
<u>5.</u> Grants and aid from the federal government	-	-	-
<u>6.</u> Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	-	-	-
<u>7.</u> Amounts received from the State of Arizona	-	-	-
<u>8.</u> Quasi-external interfund transactions	-	-	-
<u>9.</u> Voter-approved amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	-	-	-
<u>10.</u> Highway user revenues in excess of those received in fiscal year 1979-80	-	-	-
<u>11.</u> Contracts with other political subdivisions	-	-	-
<u>12.</u> Refunds, reimbursements, and other recoveries	-	-	-
<u>13.</u> Voter-approved exclusions not identified above	-	-	-
<u>14.</u> Prior years carryforward	-	-	-
<u>15.</u> Qualifying capital improvement expenditures repaid in accordance with A.R.S. §41-1279.07	-	-	-
<u>16.</u> Total exclusions claimed	-	-	-
<u>C.</u> Amounts subject to the expenditure limitation	\$ 14,599,992	\$ 3,381,721	\$ 17,981,713

See accompanying notes

TOWN OF CHINO VALLEY, ARIZONA
ANNUAL EXPENDITURE LIMITATION REPORT –
RECONCILIATION Year Ended June 30, 2021

	Description	Governmental funds	Enterprise funds	Total
<u>A.</u>	Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	\$ 14,631,758	\$ 3,046,975	\$ 17,678,733
<u>B.</u>	Subtractions:			
	1. Items not requiring use of current financial resources:			
	<u>a.</u> Depreciation		1,341,285	1,341,285
	<u>b.</u> Loss on disposal of capital assets	-	-	-
	<u>c.</u> Bad debt expense		12,009	12,009
	<u>d.</u> Pension and other postemployment benefits (OPEB) expense		47,227	47,227
	<u>e.</u> Claims incurred but not reported (IBNR)	-	-	-
	<u>f.</u> Landfill closure and postclosure care costs and pollution remediation	-	-	-
	2. Expenditures of separate legal entities established under Arizona Revised Statutes			
	3. Required fees paid to the Arizona Department of Revenue	-	-	-
	4. Present value of net minimum capital lease and installment purchase contract payments recorded as expenditures at the agreements' inception	31,766	-	31,766
	5. Involuntary court judgments	-	-	-
	6. Total subtractions	31,766	1,400,521	1,432,287
<u>C.</u>	Additions:			
	1. Principal payments on long-term debt	-	724,425	724,425
	2. Capital asset acquisitions	-	971,197	971,197
	3. Amounts paid in the current year but reported as expenses in previous years:			
	<u>a.</u> Claims previously recognized as IBNR	-	-	-
	<u>b.</u> Landfill closure and postclosure care costs and pollution remediation	-	-	-
	4. Pension and OPEB contributions paid in the current year	-	39,645	39,645
	5. Transfers to separate legal entities	-	-	-
	6. Total additions	-	1,735,267	1,735,267
<u>D.</u>	Amounts reported on Part II, line A	\$ 14,599,992	\$ 3,381,721	\$ 17,981,713

See accompanying notes

TOWN OF CHINO VALLEY, ARIZONA
 NOTES TO ANNUAL EXPENDITURE LIMITATION REPORT
 Year Ended June 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Expenditure Limitation Report (AELR) is presented as prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statutes §41-1279.07, and in accordance with the voter-approved alternative expenditure limitation adopted May 26, 2020, as authorized by the Arizona Constitution, Article IX, §20 (9).

In accordance with the UERS requirements, a note to the AELR is presented below for any exclusion claimed on part II and each subtraction or addition in the Reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds, Statement of Revenues, Expenses, and Changes in Fund Net Position for the Proprietary Funds, Statement of Cash Flows for the Proprietary Funds and the Statement of Changes in Fiduciary Net Position for the Fiduciary Funds.

NOTE 2 RECONCILIATION DEDUCTIONS AND ADDITIONS

The deductions for depreciation, bad debt expense, and pension expense and the additions for principal payments, the acquisition of capital assets, and pension contributions are all provided in the Statement of Revenues, Expenses, and Changes in Fund Net Position for the proprietary funds; the Statement of Cash Flows for the proprietary funds and the financial statement footnotes 4, 6, and 9.

The addition of \$724,425 for principal payments on long-term debt in the Enterprise Funds consists of \$55,000 paid on bonds payable and \$669,425 paid on loans payable during the current fiscal year. The addition for the acquisition of capital assets consists of \$971,197 paid for various capital assets in the Water and Sewer funds.

The subtraction of \$47,227 for pension expense consists of the change in the net pension liability recognized in the current year in the Enterprise Funds. The addition of \$39,645 for pension contributions paid in the current year consists of the required pension contributions made to the Arizona State Retirement System from the Enterprise Funds.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. b.

Meeting Date: 01/11/2022
Contact Person: Will Dingee, Senior Planner
 Phone: 928-636-4427 x-1233
Department: Development Services
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by moving Section 3.12 "SR-0.16" Single Family Residential and placing it in the newly created section 3.20 Obsolete Zoning Districts. (Will Dingee, Senior Planner)

RECOMMENDED ACTION:

Approve to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by moving Section 3.12 "SR-0.16" Single Family Residential and placing it in the newly created section 3.20 Obsolete Zoning Districts.

SITUATION AND ANALYSIS:

The Unified Development Ordinance states that it “may be amended, supplemented, changed, modified or repealed when deemed necessary to best serve the public interest, health, comfort, convenience, safety and general welfare of the citizens of the Town.” This current text amendment request from staff is deemed necessary to best serve the public interest. The proposal is to change a section of the UDO that has given rise to the most comments at both Planning Commission and Town Council meetings since its use began.

Staff is proposing to extinguish the use of the SR-0.16 Residential District in creating new developments. It should be noted that in the past, the combination of the SR-0.16 zoning with the Planned Area Development (PAD) was used as a way to achieve smaller lots within the Town of Chino Valley. Staff does not believe this is an appropriate practice.

Each zoning district is written with a purpose statement. That purpose statement is to guide those applying the ordinance to ensure that the ordinance is being implemented as anticipated when it was written. A review of the Purpose Statement written for the SR-0.16 Residential zoning district states the following: The purpose of this district is to allow for the regulation, development and redevelopment of existing 7,000 square foot residential lots. It is not the intention of the Town to create any new SR-0.16 zoned property.

Clearly, this purpose statement is not being followed, as new 7,000 square foot lots continue to be created (by combining the PAD ordinance with the SR-0.16 ordinance). If the Town wanted to allow new 7,000 square foot lots using this zoning district, the purpose statement of the District should have been amended

through a public process.

The Town Council formed an Ad Hoc UDO Update Subcommittee in late 2017. At the Subcommittee kick-off meeting on October 24, 2017, the following updates were listed as necessary to accomplish:

1. Prioritize code section components that may need immediate attention for Text Amendments to the existing UDO that can be wrapped into the overall code re-write. These may be adopted prior to adoption of the larger re-written code document. There may be liability concerns related to these sections that are pushing their priority for quick attention in the re-write process.
2. Make the code more user-friendly by focusing the organization on how a user will utilize the code.
3. List more discrete/distinguishable uses rather than overly general terms. We will cross-reference use lists, format into a master matrix, and centralize the use list in a single code section.
4. Add sections that are now missing, such as single-family zoning districts of lot sizes under 1 acre, expand Temporary and Conditional Use Regulations and consider future sections such as a mixed-use Town Center Zoning District for areas identified as “Community Cores” on the 2014 General Plan. There is a need for Chino Valley to accommodate the needs of its multi-generational and aging population along with the need to develop more affordable workforce housing.
5. Add needed definitions for clarity and delete definitions of terms not used in the code.
6. Update specific sections based on new/revised legal requirements, such as telecommunications and administrative procedures.
7. Refresh commercial, residential, and other zoning district development standards to accommodate contemporary development needs and encourage higher quality projects.
8. Delete repetitive text and consolidate similar land uses into single chapters while transferring long form written development standards into easier to read and manage tables.
9. Ensure the UDO, Town Code, and Subdivision Regulations are free from inconsistencies and contradictions (i.e. Code Compliance).
10. Ensure ongoing implementation of the Town’s 2014 General Plan goals and policies.

Number four on the list above identifies the need for changes in the UDO, including the development of smaller lot residential zoning districts – districts of lots smaller than one acre. Those districts were never created. Instead, the Planned Area Development (PAD) ordinance was allowed to be grouped with the SR-0.16 Residential District to create developments with lots smaller than one acre in size.

The appropriate action to take is to create new residential districts with lots sized less than one acre to accommodate the need for smaller lot sizes. The Planning Commission is currently reviewing new residential districts for lot sizes smaller than one acre. Adoption is anticipated at the beginning of 2022.

In order to enforce the Purpose statement of no new 7,000 square foot lots in the Town, staff is proposing to place the SR-0.16 Residential District within a new section of the UDO titled 3.20 Obsolete Zoning Districts. This action will not allow any new SR-0.16 or SR-0.16/PAD zoning districts within the Town. Since there are existing properties with these designations, the zoning district is not being removed from the UDO. The functionality of the District’s Permitted Uses, Conditional Uses, and Property Development Standards will continue to be viable for the properties that currently have the SR-0.16 and SR-0.16/PAD zoning designations. None of the properties with these zoning designations will be deemed non-conforming. The zoning classification will be considered non-conforming – hence, not usable for new properties, nor usable for rezoning additional properties.

Public Comments - Excerpt from the Planning and Zoning Commission Meeting Minutes - Held December 7, 2021

CASE # T-03-21: Request to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by moving Section 3.12 “SR-0.16” Single Family Residential and placing it in new Section 3.20 Obsolete Zoning Districts.

Laurie Lineberry, Development Services Director, presented the staff report and explained that the purpose statement for SR-0.16 read, "The purpose of this district is to allow for the regulation, development and redevelopment of existing 7,000 square foot residential lots. It is not the intention of the Town to create any new SR-0.16 zoned property."

Staff has found a location to place this zoning district where it will no longer be available. The new location is Section 3.20 – Obsolete Zoning District. This will not delete the zoning district but will no longer allow new SR-0.16 zoning districts. There is still a need to use District rules in regard to any existing SR-0.16 zoning, but there will be no creation of new areas with this zoning. The UDO subcommittee was charged to create single-family zoning districts smaller than 1-acre.

Commissioner Switzer mentioned that the smallest zoning district available would be a 1-acre lot and anything smaller would need to be created. Lineberry stated that staff has been working on smaller lot sizes such as ½ or ¼ acre lot zoning and are anticipating adoption in early 2022.

A motion was made by Commissioner Switzer and seconded by Commissioner Meadors to approve Text Amendment T-03-21, as presented in the staff report. The motion carried 6-0, Chair Merritt - Absent.

Other Pertinent Documents Available Upon Request:

See attached P&Z Staff Report, Text Amendment Language and Text Amendment Ordinance.

Fiscal Impact

Fiscal Impact?: N/A

If Yes, Budget Code:

Available:

Funding Source:

Attachments

P&Z Staff Report

Text Language

ORD - 2022-909 - UDO Text Amendment - Obsolete Zoning Districts - SR-0.16



TOWN OF CHINO VALLEY
Planning Commission Staff Report
December 7, 2021
File Number T-03-21
Text Amendment

Revised Report December 2, 2021

PROJECT DESCRIPTION A request to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by moving Section 3.12 "SR-0.16" Single Family Residential and placing it in **new Section 3.20 Out-of-Date Zoning Districts**.

Staff Analysis:

The Unified Development Ordinance states that it may be amended, supplemented, changed, modified or repealed when deemed necessary to best serve the public interest, health, comfort, convenience, safety and general welfare of the citizens of the Town. This current text amendment request from staff, is deemed necessary to best serve the public interest. The proposal is to change a section of the UDO that has given rise to the most comments at both Planning Commission and Town Council meetings since its use began.

Staff is proposing to extinguish the use of the SR-0.16 Residential District in creating new developments. The combination of the SR-0.16 with the PAD was an unwieldy and questionable way to achieve smaller lots within the Town of Chino Valley.

Each zoning district is written with a purpose statement. That purpose statement is to guide those applying the ordinance to ensure that the ordinance is being implemented as anticipated when it was written. A review of the Purpose Statement written for the SR-0.16 Residential zoning district states the following:

The purpose of this district is to allow for the regulation, development and redevelopment of existing 7,000 square foot residential lots. It is not the intention of the Town to create any new SR-0.16 zoned property.

Clearly this Purpose statement is not being followed, as new 7,000 square foot lots continue to be created (by combining the PAD ordinance with the SR-0.16 ordinance). If the Town wanted to allow new 7,000 square foot lots using this zoning district, the Purpose statement of the District should have been amended, through a public process.

The Town Council formed an Ad Hoc UDO Update Subcommittee in late 2017. At the Subcommittee kick-off meeting on October 24, 2017, the following updates were listed as necessary to accomplish:

1. Prioritize code section components that may need immediate attention for Text Amendments to the existing UDO that can be wrapped into the overall code re-write. These may be adopted

prior to adoption of the larger re-written code document. There may be liability concerns related to these sections that are pushing their priority for quick attention in the re-write process.

2. Make the code more user-friendly by focusing the organization on how a user will utilize the code.

3. List more discrete/distinguishable uses rather than overly general terms. We will cross-reference use lists, format into a master matrix, and centralize the use list in a single code section.

4. Add sections that are now missing, such as single-family zoning districts of lot sizes under 1 acre, expand Temporary and Conditional Use Regulations and consider future sections such as a mixed-use Town Center Zoning District for areas identified as "Community Cores" on the 2014 General Plan. There is a need for Chino Valley to accommodate the needs of its multi-generational and aging population along with the need to develop more affordable workforce housing.

5. Add needed definitions for clarity and delete definitions of terms not used in the code.

6. Update specific sections based on new/revised legal requirements, such as telecommunications and administrative procedures.

7. Refresh commercial, residential, and other zoning district development standards to accommodate contemporary development needs and encourage higher quality projects.

8. Delete repetitive text and consolidate similar land uses into single chapters while transferring long form written development standards into easier to read and manage tables.

9. Ensure the UDO, Town Code, and Subdivision Regulations are free from inconsistencies and contradictions (i.e. Code Compliance).

10. Ensure ongoing implementation of the Town's 2014 General Plan goals and policies.

Number four on the list above identifies the need for changes in the UDO, including the development of smaller lot residential zoning districts – districts of lots smaller than one acre. Those districts were never created. Instead, the Planned Area Development (PAD) ordinance was allowed to be grouped with the SR-0.16 Residential District to create developments with lots smaller than one acre in size.

The appropriate action to take is to create new residential districts with lots sized less than one acre, to accommodate the need for smaller lot sizes. The Planning Commission is currently reviewing new residential districts for lot sizes smaller than one acre. Adoption is anticipated in the beginning of 2022.

In order to enforce the Purpose statement of no new 7,000 square foot lots in the Town, staff is proposing to place the SR-0.16 Residential District within a **new section of the UDO titled 3.20 Out-of-Date Zoning Districts**. This action will not allow any new SR-0.16 or SR-0.16/PAD zoning districts within the Town. Since there are existing properties with these designations, the zoning district is not being removed from the UDO. The functionality of the District's Permitted Uses, Conditional Uses, and Property Development Standards will continue to be viable for the properties that currently have the SR-0.16 and SR-0.16/PAD zoning designations. None of the properties with these zoning designations will be deemed non-conforming. The zoning classification will be considered non-conforming – hence, not usable for new properties, nor usable for rezoning additional properties.

The proposed text amendment is reflected in Attachments A and B – Attachment A highlights the changes in yellow, Attachment B is the new text without the highlight.

Staff Recommendation: Staff recommends APPROVAL of the text amendment to create Section 3.20 Out-of-Date Zoning Districts, move the current SR-0.16 District into the new Section 3.20, and vacate Section 3.12, and reserving it for future use, as reflected in Attachment A and B.

SUGGESTED
COMMISSION MOTION: Move to APPROVE Text Amendment T-03-21 as revised and reflected in Attachment A and B, subject to the staff report and information provided during this hearing.

Effect of the Approval: By approving the Text Amendment, the Planning and Zoning Commission is recommending that the City Council approve the text amendment to not allow the creation of any new SR-0.16 zoned property in the Town, while recognizing properties with existing entitlements and currently zoned SR-0.16 exist and may continue as viable neighborhoods within the Town.

Attachments

A	B
Text Amendment Language	Text Amendment Ordinance

Prepared By:

Date: December 2, 2021

Laurie Lineberry, AICP
Development Services Director
llineberry@chinoaz.net
(928)636-4427, x1217

3.0 Zoning Districts

3.20 OUT-OF-DATE ZONING DISTRICTS

A. Purpose

Zoning Districts found within this subsection are considered to be out-of-date. Placement of a district within this subsection allows for properties entitled with zoning of an out-of-date district to continue to be viable districts, using the zoning district in place at the time the district became out-of-date, without the possibility of any future properties to be zoned to any of the districts listed in section B, with or without a PAD. Any properties that are zoned with districts listed in section B, have the right to develop and continue to function according to the district, as reflected in section B. All existing properties zoned any out-of-date zoning district are not considered non-conforming for zoning or financing purposes.

B. Out-Of-Date Zoning District List

1. SR-0.16 – Single Family Residential – Active dates of this district: November 9, 2006 to November 2, 2021. The SR-0.16 District is an Out-Of-Date District EFFECTIVE February 10, 2021.

a. PURPOSE

The purpose of this district is to allow for the regulation and development of existing 7,000 square foot residential lots and other developments using the SR-0.16 zoning district. It is not the intention of the Town to allow the creation any new SR-0.16 zoned property, with or without a PAD.

b. PERMITTED USES

1. One (1) single-family dwelling.
2. Customary accessory building provided such uses are incidental to the principal use. Accessory structures shall not be permitted prior to the issuance of a building permit for the primary residence.
3. Home occupations.
4. Churches or similar places of worship.

c. CONDITIONAL USES (Conditional Use Permit Required)

1. Public/governmental facilities.
2. Privately owned and operated parks and recreation areas and centers.
3. Temporary home and land sale offices, provided they are located within the same subdivision as that land and homes which are offered for sale.
4. Public utility buildings, structures or appurtenances thereto for public service use. The extension of public service lines in public or private right-of-way is exempt from this requirement.
5. Residential facilities for the developmentally disabled as described in A.R.S. §§ 36-581 and 36-582, which are licensed by the Department of Economic Security.
6. Bed and Breakfast operations with the limitation that no guest may stay for more than seven (7) days during any consecutive thirty (30) day period.
7. Recovery residences.
8. Assisted living homes.

Because no list of uses can be complete, the interpretation of whether a use not specified is consistent with the intent of this zoning district and may be allowed as a conditional use or, where discretion is allowed, a permitted use shall be rendered by the Zoning Administrator with appeal to the Board of Adjustment.

d. PROPERTY DEVELOPMENT STANDARDS

1. Minimum Lot Area: 7000 sq. ft

All lots less than one (1) acre in size must be served by a water and/or sewage disposal system approved by the Town of Chino Valley.

2. Minimum Lot Frontage: 50 feet
3. Minimum Front Yard Set Back: See Section [4.28](#)
4. Minimum Side Yard Set Back: 10 feet
5. Minimum Street Yard Set Back: See Section [4.28](#)
6. Minimum Rear Yard Set Back: 10 feet
7. Maximum Building Height: 25 feet
8. Accessory Building shall be setback 5 feet from side and rear property lines and must conform to the front yard and street side yard setback.
9. Maximum Lot Coverage: 50%

(Ord. 06-678, passed 11-9-2006; Ord. 08-707, passed 10-23-2008; Ord. 10-729, passed 7-22-2010; Ord. 14-785, passed 7-8-2014)

ORDINANCE NO. 2022-909

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE TOWN OF CHINO VALLEY UNIFIED DEVELOPMENT ORDINANCE, CHAPTER 3, ZONING DISTRICTS, BY AMENDING SECTION 3.12, SR-0.16 – SINGLE FAMILY RESIDENTIAL, AND ADDING A NEW SECTION 3.20, OBSOLETE ZONING DISTRICTS.

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the “Town Council”) desires to amend the Chino Valley Town Code, Title XV, Land Usage, Chapter 154, Unified Development Ordinance of the Town of Chino Valley (the “UDO”) by adding a new section 3.20 “Obsolete Zoning Districts;” and

WHEREAS, the Town Council desires to amend the UDO by moving the zoning district found in section 3.12, SR-0.16 – Single Family Residential Zoning District, into the new section 3.20 and reserving section 3.12 for future use; and

WHEREAS, the Town Council has determined that the Text Amendment is not in conflict with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or any other plan; and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Constitution of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this ordinance; and

WHEREAS, the Town Council has considered the probable impact of this ordinance on the cost to construct housing for sale or rent, and found none.

NOW, THEREFORE, BE IT ORDAINED 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. UDO section 3.12, SR-0.16 - Single Family Residential, is hereby deleted in its entirety and replaced with the following:

3.12 [RESERVED]

Section 3. UDO section 3.20, Obsolete Zoning Districts, is hereby added to read as follows:

3.20 Obsolete Zoning Districts

A. Purpose

Zoning districts found within this subsection are considered obsolete. An obsolete zoning district shall not be applied to any property, with or without a PAD, provided that the subject property’s zoning shall carry forward as if it were still active. Properties zoned under an obsolete zoning district prior to it becoming obsolete are not considered non-conforming for zoning purposes.

B. Obsolete Zoning District List

1. SR-0.16 – Single Family Residential – Active dates of this district: November 9, 2006, to November 2, 2021. The SR-0.16 district is an obsolete district effective February 10, 2022.

a. PURPOSE

The purpose of this district is to allow for the regulation and development of existing 7,000 square foot residential lots and other developments using the SR-0.16 zoning district. It is not the intention of the Town to allow for the creation of any new SR-0.16 zoned property, with or without a PAD.

b. PERMITTED USES

1. One (1) single-family dwelling.
2. Customary accessory building provided such uses are incidental to the principal use. Accessory structures shall not be permitted prior to the issuance of a building permit for the primary residence.
3. Home occupations.
4. Churches or similar places of worship.

c. CONDITIONAL USES (Conditional Use Permit Required)

1. Public/governmental facilities.
2. Privately owned and operated parks and recreation areas and centers.
3. Temporary home and land sale offices, provided they are located within the same subdivision as that land and homes which are offered for sale.
4. Public utility buildings, structures or appurtenances thereto for public service use. The extension of public service lines in public or private right-of-way is exempt from this requirement.
5. Residential facilities for the developmentally disabled as described in A.R.S. §§ 36-581 and 36-582, which are licensed by the Department of Economic Security.
6. Bed and breakfast operations with the limitation that no guest may stay for more than seven (7) days during any consecutive thirty (30) day period.
7. Recovery residences.
8. Assisted living homes.

Because no list of uses can be complete, the interpretation of whether a use not specified is consistent with the intent of this zoning district and may be allowed as a conditional use or, where discretion is allowed, a permitted use shall be rendered by the Zoning Administrator with appeal to the Board of Adjustment.

d. PROPERTY DEVELOPMENT STANDARDS

1. Minimum Lot Area: 7000 sq. ft.

All lots less than one (1) acre in size must be served by a water and/or sewage disposal system approved by the Town of Chino Valley.

2. Minimum Lot Frontage: 50 feet

3. Minimum Front Yard Set Back: See section 4.28

4. Minimum Side Yard Set Back: 10 feet

5. Minimum Street Yard Set Back: See section 4.28

6. Minimum Rear Yard Set Back: 10 feet

7. Maximum Building Height: 25 feet

8. Accessory Building shall be setback 5 feet from side and rear property lines and must conform to the front yard and street side yard setback.

9. Maximum Lot Coverage: 50%

Section 4. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, 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.

Section 5. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 11th day of January, 2022.

Jack W. Miller, Mayor

ATTEST

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld PLC, Town Attorney
By: Andrew J. McGuire

I hereby certify the above foregoing Ordinance No. 2022-909 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on January 11, 2022, and that quorum was present, and that the vote thereon was _____ ayes and _____ nays and _____ abstentions. _____ Council members were absent or excused.

Erin N. Deskins, Town Clerk