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

TUESDAY, JANUARY 28, 2014 6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, January 28, 2014.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Lieutenant Vince Schaan; Officer Jody Villalobos; Town Engineer/Public Works Director Ron Grittman; Utility Supervisor Chris Bartels; Planner Ruth Mayday; Town Clerk Jami Lewis (recorder)

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

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

Vice-Mayor Croft gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Operational Report by Tracie Schimikowsky, ~~Director~~President/CEO, Chino Valley Area Chamber of Commerce.

Ms. Schimikowsky spoke about the various activities the Chamber tracked and gave an update on their activities as provided for in their funding agreement with the Town.

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

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

Mayor Marley reported that on December 10, 2013, he had reported the cost of the Road 4 South extension project at $219,062.44. This was in error: this amount only reflected the cost of phase 1. The total cost for both phases was $660,481.44, and the funds for this and other related improvements was to come from impact fees.

a) Sewer fee increases and costs of sewer services.

Mayor Marley reported that recent public notifications of utility rate increases did not include a specific increase amount, as the increases will vary with usage; however, the average increase will be about $6.00 per month.

b) Sewer payment process and sewer odors in neighborhood.

Mayor Marley reported that the Utility Department commented that it was highly unlikely for them to lose payments for a single customer on a consistent basis; and Utility personnel had cleaned sewer mains in the neighborhood twice and will clean vents this summer.

c) Town Council's authority and responsibilities under the council-manger form of government.

Mayor Marley reported that the Council followed a Code of Conduct and per the Town's Rules of Conduct, Call to the Public could not be used to make disparaging comments about people.

5) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

Councilmember Hatch reported on a recent Magistrate Evaluation Subcommittee meeting.

Councilmember McKee reported on a recent Finance Subcommittee meeting.

Councilmember Turner and Mayor Marley acknowledged those who sponsored and contributed to the recent Del Rio Springs sesquicentennial celebration.

a) Report by Town Manager Robert Smith regarding 2013 accomplishments and upcoming projects.

Mr. Smith reported on the status of the Road 4 South extension project, several grant applications; and an upcoming study session to review a valuation report on Prescott's water distribution system in the Town limits.

6) CONSENT AGENDA

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

Council set down item 6a.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda item 6b.

Vote: 7 - 0 PASSED

a) Consideration and possible action to approve the January 14, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

Councilmember Hatch requested to modify the draft minutes, item 7d, by removing the reference to California in connection with a revoked corporate status.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve item 6a as amended.

Vote: 7 - 0 PASSED

b) Consideration and possible action to approve Resolution No. 14-1022, disbanding the Town of Chino Valley Mayor's Ad Hoc Flood Control Committee, originally established by Resolution No. 11-973 on October 25, 2011.

7) ACTION ITEMS

a) Consideration and possible action to approve Agreement to Provide Services/Supplies Pursuant to a Cooperative Purchasing Contract with Valley Colleciton Service, LLC. (Joe Duffy, Finance Director)

Recommended Action: Approve Agreement to Provide Services/Supplies Pursuant to a Cooperative Purchasing Contract with Valley Collection Service, LLC.

Mr. Duffy reported that:

- Staff was working to improve billing services and collections of delinquent accounts through updating software, updating policies and procedures, and contracting with a collection agency for those instances when the Town had exhausted all its available efforts.
- Staff proposed to hire Valley Collection Service, LLC to provide these services, as they had 31 years' experience and were used by numerous municipal entities in the state. The agency charged a flat rate fee of 15% of the amount collected on each account and they only charged for successful collections. They
- Staff proposed to use the cooperative purchasing provision in the procurement code to co-op on the City of Peoria's Request for Proposal. The Finance Committee reviewed the Contract on January 21, 2014.
- Staff will bring a new policy to Council related to the collection process before starting with the company.

Councilmember Hatch noted that an error in the contract had been corrected.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Agreement to Provide Services/Supplies Pursuant to a Cooperative Purchasing Contract with Valley Collection Service, LLC.

Vote: 7 - 0 PASSED

b) Consideration and possible action regarding establishing a Mayor's Ad Hoc Recreational Committee to research land uses at Old Home Manor for recreational purposes. (Mayor Marley)

Recommended Action: Direction to staff.

Mayor Marley reported that during the January 14, 2014 meeting, while discussing development of the Chino Valley Shooting Range and a grant application for development of the 200-yard range, he commented on the possibility of forming a recreation committee to research land uses for recreational purposes at Old Home Manor. This committee could also discuss procedures for items such as large events, designating land for permanent uses, notifying businesses impacted by such uses, traffic circulation, neighborhood meetings, and emergency services.

Council commented that they should be informed about the financial impacts of such uses and that users should be responsible for notifying the public.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to allow the mayor to appoint an ad hoc Recreation Committee to research land uses at Old Home Manor for recreational purposes.

Vote: 7 - 0 PASSED

c) Consideration and possible action regarding the Council Study Session schedule. (Mayor Marley)

Recommended Action: Direction to Staff

Mayor Marley reported that during the Council's strategic planning sessions, Councilmembers discussed designating one day per month as a "standing" study session to address detailed and/or long discussion items and to address further strategic planning issues. Staff had recently sent the Mayor and Council a questionnaire to solicit each Councilmember's preference.

Council discussed their preferences, which included holding study sessions on:

- first and third Thursdays, only if needed;
- the day as regular meetings, around 3:30 or 4:00 p.m.;
- second and fourth Thursdays; or
- third Tuesday of each month.

MOVED by Mayor Chris Marley, seconded by Councilmember Lon Turner to postpone the item until staff had the results of the survey.

Vote: 7 - 0 PASSED

d) Consideration and possible action to amend the regular meeting agenda format by moving Executive Sessions after the Consent Agenda. (Mayor Marley)

Recommended Action: Direction to Staff.

Mayor Marley reported that he desired a discussion on possibly amending the regular meeting agenda format to place Executive Sessions after Consent Items and before Action Items for the following reasons:

- Executive sessions often went late into the night and after the public was no longer present to hear about critical action.
- Due to the late hour of some executive sessions, Council was addressing critical items while fatigued.
- Knowing that the public was waiting will encourage Council to stay on track.

Council discussed:

- Setting time limits on executive sessions and completing the session later if necessary
- Scheduling executive sessions before regular meetings when possible.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to move executive sessions right after the Consent Agenda on the Council agenda.

Vote: 5 - 1 PASSED

NAY: Councilmember Don Wojcik

Other: Councilmember Linda Hatch (ABSTAIN)

e) Consideration and possible action to approve a Resolution in support of the Owner Occupied Housing Rehabilitation Program and restoration of Housing Trust Funds (HTF) to the state budget..

Recommended Action: Authorize the Mayor to sign the resolution supporting the restoration of State Housing Trust Funds (HTF) and maintaining the current allocation of 2013 HOME funds to the Owner Occupied Housing Rehabilitation Program.

Ms. Mayday reported that:

- The Arizona Department of Housing was considering defunding the Owner Occupied Housing Rehabilitation Program and shifting the funds to construction of new rental housing for special populations. This shift will eliminate the housing rehabilitation program, which was one of the few programs available to small rural communities such as Chino Valley, as there was not enough demand for special population rental units in these areas to attract developers to invest in projects.
- Restoration of funding to the Housing Trust Fund would provide an additional funding stream for this program rather than depending solely on the state's HUD allocation.
- This Resolution will be sent to the legislature to inform them that the Town wanted those funding streams brought back.

Town Manager Smith commented that Ms. Mayday had invited the director of this state program to tour the Town and observe the Town's housing stock and its need for these funds.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to authorize the Mayor to sign the resolution supporting the restoration of State Housing Trust Funds (HTF) and maintaining the current allocation of 2013 HOME funds to the Owner Occupied Housing Rehabilitation Program.

Vote: 7 - 0 PASSED

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes:

a) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation in the matter of Cortez v. Town of Chino Valley. (Mayor Marley)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best at 7:10 p.m. to take a 10-minute recess and then go into executive session.

Vote: 7 - 0 PASSED

9) ACTION ITEMS RESUMED

After the Executive Session, Council will reconvene the Regular Meeting.

Mayor Marley reconvened the regular meeting at 7:54 p.m.

a) Consideration and possible action to approve the proposed agreement with Cortez Enterprises, Inc. in settlement of claims and contemplated litigation. (Mayor Marley)

Council took no action.

10) ADJOURNMENT

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adjourn the meeting at 7:54 p.m.

Vote: 7 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 28th day of January, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 11th day of February, 2014.

Jami C. Lewis, Town Clerk