

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

**TUESDAY, FEBRUARY 14, 2012
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, February 14, 2012.

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

Council Present: Mayor Chris Marley, Vice-Mayor Carl Tenney, and Councilmembers Mike Best, Darryl Croft, Dean Echols, and Linda Hatch.

Council Absent: Councilmember Lon Turner.

Staff Present: Interim Town Manager Robert Smith, General Services Director Cecilia Watts, Town Attorney Tom Kack, Finance Director Vera Smith, Police Cmdr. Mark Garcia, Town Engineer/Public Works Director Ron Gritman, Associate Planner David Nicolella, Town Clerk Assistant Liz Hart, and Town Clerk Jami Lewis (recorder).

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- 2a)** Introduction of new Chino Valley ASA Girls Softball League by League President, Jennifer Smith.

Jennifer Smith spoke about the new Girls Softball League and invited the Mayor and Council to attend the opening ceremonies, at which Councilmember Best had been asked to throw out the first ball and Mayor Marley to offer the opening prayer.

3a) CALL TO THE PUBLIC

Ab Jackson, CEO. Chino Valley Area Chamber of Commerce, reported on the upcoming February mixer and Health & Business Expo.

3b) RESPONSE TO THE PUBLIC

No responses were necessary.

4) CURRENT EVENT SUMMARIES AND REPORTS

Mayor Marley introduced Robert Smith, the Town's new Interim Town Manager. Mr. Smith expressed appreciation for the opportunity to serve the Town.

Vice-Mayor Tenney reported on today being the State's 100 year birthday.

Councilmember Hatch reported that the Magistrate Evaluation Committee had prepared evaluation forms, and anyone who had appeared before the magistrate or interacted with him was encouraged to fill out and return a form, which could be obtained at Town Hall or the Library.

Mayor Marley gave the monthly Mayor's report, which included: (i) the shooting range groundbreaking on February 9; (ii) the Yavapai County Board of Supervisors approving distribution of Local Transportation Assistance Funds in the amount of \$5,300 for Chino Valley Senior Center transportation; (iii) acknowledgement of a \$10,000 donation by the Yavapai-Prescott Tribe for mobile data computers for PD vehicles; and (iv) matters discussed at the latest Greater Arizona Mayors' Association meeting with respect to proposed state and federal legislation.

4a) Status Report by Police Commander Mark Garcia regarding the Town's World Trade Center artifact.

Cmdr. Garcia reported on the history of the Town's acquisition of a World Trade Center artifact, for which the Town applied in 2010, the New Jersey/New York Port Authority awarded in 2011, and the Town received in November 2011. The Police Officers Association and private donors paid for the artifact's shipping, which cost \$209 less than the donations received. Staff intended to put that money toward construction costs for a monument to be installed at the entrance to the Police Department's shooting range that would preserve the memory of those who lost their lives on 9-11.

CONSENT AGENDA

- 5) Consideration and possible action to approve the November 22, 2011 Special Meeting minutes. (Jami Lewis, Town Clerk)
- 6) Consideration and possible action to approve the December 13, 2011 Regular Meeting minutes. (Jami Lewis, Town Clerk)
- 7) Consideration and possible action to approve the January 5, 2012 Study Session minutes. (Jami Lewis, Town Clerk)
- 8) Consideration and possible action to approve the January 5, 2012 Special Meeting minutes. (Jami Lewis, Town Clerk)
- 9) Consideration and possible action to adopt Resolution No. 12-984 approving the Community Participation Plan for the purpose of ensuring public involvement in preparation of the update to the Town of Chino Valley's General Plan. (David Nicolella, Associate Planner)
- 10) Consideration and possible action to approve a modification to the Community Development Block Grant (CDBG) Project to provide a box culvert and secondary access into Chino Meadows Unit V at Center Street between Cottonwood Lane and Railroad

Avenue. Funds to come from the Community Development Block Grant in the CDBG Fund. (Ron Grittmann, Town Engineer)

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to accept Consent Agenda items 5-10. The motion PASSED unanimously 6-0.

- 11) Consideration and possible action to ratify award of the Aquatics/Community Center Park parking lot crack sealing and resurfacing to Turco Asphalt Maintenance in an amount not to exceed \$15,300, and approve related budget transfer. Funds to come from Aquatic Center's facility maintenance expenditure line in the General Fund. A budget transfer will be necessary to reflect the additional subsidy from the 1% Sales Tax Revenues and allow for this expenditure. (Ron Grittmann, Town Engineer)

Council set down and took no action on item 11.

ACTION ITEMS

- 12) *Continued from January 24, 2012:* Consideration and possible action to approve Lease Agreement between the Town of Chino Valley and the Prescott Arizona Kennel Club (PAKC). Revenues will be recorded in the General Fund. Expenditures will be recorded in the Non-departmental Outside Agency Funding line in the General Fund. (Cecilia Watts, General Services Director)

Acronym used in this item:

HURF (Highway User Revenue Fund)

PAKC (Prescott Arizona Kennel Club)

Ms. Watts reported that:

- PAKC had held their annual event at Old Home Manor for over 10 years and were requesting an additional 10-year extension for use of the premises.
- The only difference between this lease agreement and previous one was including the use of the Town's water truck, water, and driver at no cost to PAKC for dust suppression during the weekend of the AKC Confirmation Show. Over the last 10 years, the Town had provided these items to PAKC, most times free of charge, and PAKC had requested including this language in the agreement so that it would not have to be negotiated each year.
- As the PAKC event drew approximately 5,000-10,000 people, the economic benefits derived from it were presumed to offset the Town's costs. Also, PAKC would provide to the Town a \$10,000 check for the 10-year extension of their lease.
- After the January 24 meeting, she met with Sue Spahr, who indicated that in order to contract with good judges, vendors, and participants, PAKC had to have space reserved at least five years out. As the group wanted to continue to hold their event in the Town, they preferred a 10-year lease.

Council asked about the Town's expenses to provide the water truck, and certain language in item 6 of the agreement. Town Engineer Ron Grittmann reported that the water truck usually cost about \$300-\$400 and since it was a HURF vehicle, there needed to be some cash exchange

between the General Fund and HURF fund. Town Attorney Tom Kack stated that the language in item 6 would allow the Town to renew the agreement, but with different terms.

As the PAKC event had little impact to the Town's property and provided a large economic impact, Council supported the 10-year lease.

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to approve Lease Agreement between the Town of Chino Valley and the Prescott Arizona Kennel Club (PAKC) for a period of 10 years beginning January 25, 2012 with the understanding that PAKC may request successive one year extensions to this agreement. The motion PASSED unanimously 6-0.

- 13) Consideration and possible action to approve Resolution Number 12-983 supporting the Town's submission of the State of Arizona Governor's Office of Energy Policy Grant Application for the Energy Efficiency and Conservation Block Grant (EECBG) Number RFGA-EW-ESA-12-2213-00, relating to the solar project located at the Wastewater Reclamation Facility at Old Home Manor. Funds will be allocated if grant award is successful. (Ron Gritman, Town Engineer)

Mr. Gritman reported that:

- The Town had previously been awarded two grants totaling approximately \$187,000 for the solar energy project at the wastewater treatment plant, which was approximately 99% constructed.
- The proposed grant would fund the purchase and installation of an additional \$50,000 worth of solar panels. While the current system generated approximately 28kW of power, the completed system would be capable of accommodating approximately 70kW.
- The solar panels from this grant would be installed on the Solar Edge Domain, which was capable of handling the capacity of the panels associated with this grant, and would have sufficient capacity remaining to accommodate the donation of future solar panels by TUV Rhineland.
- These funds came from the Governor's Office from other cities that were unable to use them, and a state official had indicated that the Town was a strong candidate and would get the grant.

Vice-Mayor Tenney commended staff and Councilmember Hatch on their efforts toward this project.

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to adopt Resolution No. 12-983 supporting the State of Arizona Governor's Office of Energy Policy Grant Application for the EECBG Number RFGA EW-ESA-12-2213-00. The motion PASSED unanimously 6-0.

- 14) Consideration and possible action to award the contract for repair of the Town of Chino Valley pool at the Aquatics Facility to Shasta Industries, Inc. in an amount not to exceed \$75,460 and approve related budget transfer. Funds to come from Aquatic Center's Pool maintenance expenditure line in the General Fund. A budget transfer will be necessary to reflect the additional subsidy from the 1% Sales Tax Revenues and allow for this expenditure. (Ron Gritman, Town Engineer)

Mr. Grittmann reported that:

- On November 8, 2011, staff presented a report to Council on the results of an initial assessment of the repairs necessary to bring the Town's pool online before May 2012. The initial assessment, estimated at \$64,510 to complete, was based on a site visit by Shasta Pools.
- When the Town advertised this project, staff drained the pool to allow the prospective bidders to inspect the pool and assess the issues.
- Five bid packets were taken out. Upon the bid opening on February 2, 2012, the Town received one proposal from Shasta Industries in the amount of \$75,460. This price was above the initial cost estimate; however, the bid was better defined than the original estimate due to the fact that the pool had not been drained for the original estimate.
- Because of the uniqueness of this project and the limited number of responsive contractors, staff recommended approval, as these repairs were necessary in order to open the pool by May 2012.

Vice-Mayor Tenney MOVED, seconded by Councilmember Echols, to award contract for the repair of the Town's pool at the Aquatics Facility to Shasta Industries in an amount not to exceed \$75,460, and approve the related budget transfer. The motion PASSED unanimously 6-0.

- 15) Discussion and possible action to refer financing options for water and sewer system expansion to the Council Finance Committee. (Chris Marley, Mayor)

Mayor Marley reported that during Council's January 5, 2012 study session, resident Bill White spoke about a grassroots effort to place a citizens initiative on the Spring 2013 ballot to establish a ten percent property tax for ten years solely for the purpose of extending water and sewer along SR 89 and to Old Home Manor as a way to entice long lasting industry in the Town. He requested that Town officials help by determining whether or not this would be legal, as they wanted to start getting signatures soon. Mayor Marley suggested referring this item to the Council Finance Committee for review and research.

Council desired to have the matter studied for options and possible scope.

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to refer this item to the Finance Committee for further study and a report back to the full Council. The motion PASSED unanimously 6-0.

- 16) Discussion and possible action to assign projects listed in the 2011-2013 Strategic Plan as "Other Strategic Objectives" to various committees for review. (Chris Marley, Mayor)

Mayor Marley reported that during Council's January 5, 2012 study session, he had reviewed the new Strategic Plan and proposed that the items listed under "Other Strategic Objectives" be researched by various committees. He now proposed that Council formally make these committee assignments as indicated:

High priority items

- Sewer matters – Council Water and Utilities Committee
- Employee retention strategies – Council Economic Development Committee
- Acquisition of water companies – Council Finance Committee

Medium priority items

- Flood control matters – Mayor's Ad Hoc Flood Control Committee
- Youth recreation programs – Council Public Safety Committee
- Williamson Valley connector road – Roads and Streets Committee

Low priority items

- Rainwater harvesting and aquifer recharge – Mayor's Ad Hoc Water Stewardship Committee
- Biomass power plant – Mayor's Ad Hoc Alternative Energy Committee.

Council questioned the appropriateness of the Economic Development Committee reviewing employee retention strategies and preferring that the Town's various employee issues be reviewed by an ad hoc committee. Councilmember Croft stated that he would be willing to work with staff on that.

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to refer priority items to the various committees outlined by the Mayor, with the exception of employee retention strategies. The motion PASSED unanimously 6-0.

- 17) Discussion and possible action with regard to obtaining a Platinum Sponsorship with the Chino Valley Area Chamber of Commerce. (Chris Marley, Mayor/Darryl Croft, Councilmember)

Councilmember Croft reported that obtaining a Platinum Sponsorship with the Chamber would be a way for the Town to support local businesses. It would cost \$2,500 and the Town could request that a \$624 Chamber membership be rolled into that cost.

Mayor Marley added that such sponsors were: (i) recognized at Chamber business luncheons, mixers, and business and educator's breakfasts, on the first page of the Chamber's website and in the Chamber newsletter; (ii) afforded premier sponsorship of all Chamber events; and (iii) granted a complementary table for 8 at Winter Wonderland or a foursome at the Golf Tournament—all for an estimated value of \$7,500.

Dr. Leonda Armstrong, owner of Circle L Animal Hospital and a Platinum Sponsor, told Council that Platinum Sponsorship supported the community and the Chamber, as well as the sponsored activities that drew people from outside the Town.

Tom Payne, owner of Tom's Print Shop, related that other Platinum Sponsors included KPPV radio, Arizona Public Service, Drake Cement, Blue Cross Blue Shield, Chino Heating and Cooling, Gabby's, Prescott True Value, and himself. Platinum Sponsors supported business and received support in return.

Michael Edmonds, resident, stated that the Town had already spent a significant amount of money in support of the Chamber and he did not feel it would be fiscally responsible to pay twice for marketing it, although he supported the Town joining the Chamber as a business.

Joe Iaccarino, resident, did not support this item due to the Town's financial condition.

Ron Romley, resident and former Chamber board member, favored the proposal as business was the Town's lifeblood, it would only grow through the Chamber's efforts, and this action would show the Town's support of the Chamber.

Candy Blakeslee, resident, asked if Prescott Valley and Prescott were members of their chambers. Council related that Prescott Valley was and had a very limited contract with their chamber.

Councilmember Hatch believed that elected officials should not use complementary tickets, they should pay for their own memberships, and she was not sure an additional \$2,500 would make a difference. Other councilmembers supported the action to show businesses that the Town supported them.

Councilmember Croft MOVED, seconded by Councilmember Echols, that the Town obtain a Platinum Sponsorship with the Chino Valley Area Chamber of Commerce. The motion PASSED 5-1 with Councilmember Hatch voting "no."

18) Consideration and possible action to approve the January 10, 2012 Regular Meeting minutes. (Absent: Councilmembers Croft and Echols) (Jami Lewis, Town Clerk)

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to approve the January 10, 2012 Regular Meeting minutes. The motion PASSED 4-0 with 2 abstentions by Councilmembers Croft and Echols.

EXECUTIVE SESSION

19a) Council may vote to hold an Executive Session pursuant to A.R.S. § 38-431.03(A)(3) and (A)(7) to obtain legal advice from its attorneys and to consider its position and instruct its attorneys, or other designated representatives, regarding the Council's position with respect to negotiations for the lease of Town property located at 1943 Voss Drive, Chino Valley, AZ, with the Chino Valley Food Bank, a non-profit 501(c)(3) corporation. (Chris Marley, Mayor)

Mayor Marley reported that the Food Bank's lease was due to expire fairly soon and he invited public comment prior to voting on the executive session. No one from the public spoke.

Vice-Mayor Tenney MOVED, seconded by Councilmember Echols, to go into executive session. The motion PASSED unanimously 6-0 at 7:10 p.m. Mayor Marley reconvened the meeting back into open session at 7:44 p.m.

- 19b)** Possible action regarding the Lease Agreement between the Town of Chino Valley and the Chino Valley Food Bank, located at 1943 Voss Drive in Chino Valley.

Council and Town Attorney Tom Kack reported that:

- They and others in the community had concerns about the Food Bank spending their building funds on property owned by the Town, because if they moved or the Town sold the property, they would lose that asset.
- Many people were actively working to help the Food Bank relocate, and two local churches were working on proposals to allow the Food Bank to relocate on their properties.
- One alternative use for the Food Bank building would be for storing and processing Police evidence, for which the Police Department had a great need.
- Under the current lease, the organization paid for electricity and water, but not gas, which posed possible issues with the state constitution's gift clause. Council proposed to now begin charging \$200 per month for gas.

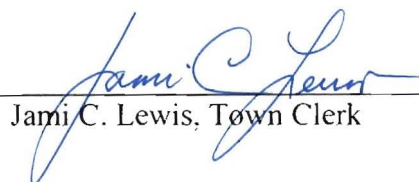
Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to extend the lease with the Food Bank for use of the current facility on a month-to-month basis, with: (i) term ending March 31, 2013; (ii) party to give the Town 30-day notice of intent to vacate; and (iii) an additional charge of \$200 per month for gas usage in addition to the current utilities being paid. The motion PASSED unanimously 6-0.

20) ADJOURNMENT

Vice-Mayor Tenney MOVED, seconded by Councilmember Hatch, to adjourn the meeting. The motion PASSED unanimously 6-0 at 7:55 p.m.


Chris Marley, Mayor

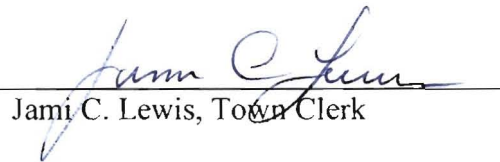
ATTEST:


Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 14th day of February, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of March, 2012.



Jami C. Lewis, Town Clerk