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

TUESDAY, FEBRUARY 24, 2015
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 24, 2015.

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

Absent: Councilmember Lon Turner

Staff Present: Town Manager Robert Smith; Assistant Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Todd Hyslip; Civilian Operations Supervisor Laurie Whisenand; Town Engineer/Public Works Director Ron Grittman; Utilities/Recreation Supervisor Chris Bartels; Development Services Director Ruth Mayday; IT Specialist Spencer Guest; Court Administrator Ronda Apolinar; Court Clerk Erin Deskins; Court Clerk Andrea White; Deputy Town Clerk Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:00 p.m.

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation to Town Manager Robert Smith of the ICMA (International City/County Management Association) Credentialed Manager, by Yvonne Kimball, Dewey-Humboldt Town Manager and member of the ACMA (Arizona City/County Management Association) Board of Directors, and Mayor Marley. (Mayor Marley)

Ms. Kimball spoke about the ACMA and the ICMA credentialing program, and recognized Mr. Smith for achieving the credentialed manager designation.

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.

Craig Brown, County Supervisor, spoke about issues with balancing the county budget.

Lee Paul, resident, spoke about the quality of Chino Valley High School students and finding ways to interest people in the Town.

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.

a) Chino Meadow residents and sewer issues.

Mayor Marley reported that he and Councilmember Turner visited with the speaker and helped direct him to a charitable organization that will hopefully establish a fund to assist sewer customers.

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 that she and Councilmember McKee had resigned from the Magistrate Evaluation Subcommittee.

Councilmember McKee reported on a recent Finance Subcommittee meeting and their review of proposals from auditing firms.

Councilmember Best reported that the Public Safety Subcommittee will not need to meet to discuss Prescott airport noise issues in Chino Valley, as Guidance Helicopters had moved their training away from the Town and the proposed airport expansion was not planned for the near future.

Vice-Mayor Croft reported on upcoming recommendations from the Appointments Subcommittee.

Mayor Marley read his Monthly Mayor's Report, which pertained to discussions with high school students regarding the pool season.

a) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

Ms. Grittman introduced Laura Kyriakakis, the Town's new Human Resources Director.

6) CONSENT AGENDA

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

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to approve Consent Agenda items 6a and b.

Vote: 6 - 0 PASSED

a) Consideration and possible action to accept the January 22, 2015 study session minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to accept the January 27, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

a) Discussion and possible action regarding the Magistrate Evaluation Subcommittee's actions on February 9, 2015, pertaining to prosecutorial services provided by the City of Prescott. (Mayor Marley/Vice-Mayor Croft)

Recommended Action: Disband Magistrate Evaluation Subcommittee.

Mayor Marley reported that the subcommittee was created in 2012 to develop a process for performance evaluation of the town magistrate. The subcommittee fulfilled its charter by recommending modifications to the Town Code, creating a job description, and developing a performance evaluation instrument and process.

Councilmember Hatch added that after Council established the group as an ad hoc committee, they later changed it to a Council subcommittee; and the group did not draft modifications to the Town Code provision pertaining to use of Court Impact Fees, as the Town Code and state law differed from each other.

MOVED by Councilmember Linda Hatch, seconded by Councilmember Pat McKee to disband the Magistrate Evaluation Subcommittee.

MOVED by Vice-Mayor Croft, seconded by Councilmember Mike Best to AMEND the motion to establish the mayor as contact person for the court in the future.

Councilmember Hatch asked about voting on a contact person since that wasn't on the agenda. Town Attorney Smiley stated that since disbanding would leave no point of contact for the court, the motion was acceptable.

Vote: 6 - 0 PASSED

MOVED by Councilmember Linda Hatch, seconded by Councilmember Pat McKee to approve motion as amended.

Vote: 6 - 0 PASSED

b) Discussion and possible action to direct staff to research feasibility of outsourcing some or all functions of the Chino Valley Municipal Court. (Mayor Marley/Vice Mayor Croft)

Recommended Action: Direct staff to research feasibility of outsourcing some or all functions of the Chino Valley Municipal Court.

Mayor Marley reported that the magistrate's contract was soon ending and all operations were being assessed as part of the budget process.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to direct staff to research feasibility of outsourcing some or all functions of the Chino Valley Municipal Court.

Vote: 6 - 0 PASSED

c) Consideration and possible action to adopt Ordinance No. 15-793 to rezone approximately 4.78 acres generally located at 920 E. Road 2 North from Agricultural/Residential 5 acre minimum (AR-5) to Commercial Light (CL). Applicant: Brent Maranell. (Ruth Mayday, Development Services Director)

Recommended Action: Adopt Ordinance No. 15-793 for the rezoning of approximately 4.78 acres generally located at 920 E. Road 2 North from Agricultural/Residential 5 acre minimum (AR-5) to Commercial Light (CL).

Ms. Mayday briefed Council on the proposed request:

- *Purpose:* Rezone approximately 4.78 acres of subject parcel 306-20-032H, located near the northwest corner of East Road 2 North and North Road 1 East, to allow construction of a greenhouse to grow and sell organic produce while maintaining a residence onsite.
- *Situation:* AR-5 permitted non-commercial greenhouses up to 600 sq. ft. and commercial greenhouses with a minimum of 10 contiguous acres. As the property was only 4.78 acres, the applicant could not build a greenhouse in excess of 600 sq. ft. Greenhouses were restricted to 50% of lot coverage.
- *Public Requirements:* All required notices of public meetings and hearing were provided and held in accordance with applicable state and local laws.
- *Conformance:* Proposal conformed with the General Plan, Future Major Community/Downtown Core, and any applicable Specific Area Plan, neighborhood, or other plan.
- *Planning and Zoning Commission Action:* Voted 5-0 to recommend approval. Public comments were all firmly in support.

Council discussed the applicant being able to raise medical marijuana under CL zoning.

Public comment:

Robert McCaullay, resident, believed that based on the Town's medical marijuana ordinance's distance requirement, the applicant could not do so on that property.

Mr. Maranell, applicant, stated that he had no desire to raise medical marijuana.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adopt Ordinance No. 15-793 for the rezoning of approximately 4.78 acres generally located at 920 E. Road 2 North from Agricultural/Residential 5 acre minimum (AR-5) to Commercial Light (CL).

Vote: 6 - 0 PASSED

d) Consideration and possible action to approve a Conditional Use Permit to change the legal non-conforming status of an existing residential use to conforming status after the property has been rezoned to Commercial Light (CL). (Ruth Mayday, Development Services Director)

Recommended Action: Approve a Conditional Use Permit to change the legal non-conforming status of an existing residential use to a legally conforming status after it has been rezoned to the Commercial Light (CL) zoning district.

Ms. Mayday briefed Council on the proposed request:

- *Purpose:* Obtain a conditional use permit (CUP) for a residential use on the same property under item 7c, parcel 306-20-032H, to make improvements that will expand the residential use (garage and deck) without having to repeat the public hearing process a second time.
- *Situation:* Upon approval of the rezone under item 7c, the residential use will become a legal non-conforming use. Acquiring a CUP will render the property as a legally conforming conditional use, allowing the applicant to make the desired improvements, or any such in the future under the CUP. The residential use must abide by residential setbacks, while the commercial use must abide by commercial setbacks.
- *Conformance:* Proposed use was reasonably compatible with those in the surrounding area. Granting the CUP will not be materially detrimental to persons residing or working in the vicinity adjacent to the property, to the neighborhood, or to the public welfare.
- *Planning and Zoning Commission Action:* Voted unanimously to recommend approval.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve a Conditional Use Permit to change the legal non-conforming status of an existing residential use to a legally conforming status after it has been rezoned to the Commercial Light (CL) zoning district.

Vote: 6 - 0 PASSED

e) Informational Hearing, required by Unified Development Ordinance Section 4.25(E)(2), regarding proposed wireless tower installations at Town Hall, Recreation Center, and Library. (Ruth Mayday, Development Services Director)

Ms. Mayday briefed Council on the proposal:

- *Purpose of Hearing:* The Town was considering entering into agreements with Sun State Towers and Pinnacle Consulting to provide enhanced wireless services by replacing existing fiber-optic connections with a wireless system. UDO Section 4.25(E)(2) Wireless Telecommunication Facilities, Permitted Uses required an informational hearing to be held during a regular or special Council meeting when such facilities were located on Town property.
- *Proposed Project:* (i) Construction of two 100-foot monopole Verizon cell towers on which the Town will place dish antennas for the transmission of network data and telecommunications; (ii) Sun State to construct an 80-foot tower for the Town at the Library, providing wireless communication between Town Hall, the North Campus, and Recreation Center; and (iii) Town to procure the necessary components for the Library tower either through its own process or through Sun State, whichever cost less.
- *Benefits:* The Town currently paid CableOne $1,100 per month for a fiber-optic connection for its computer network. By replacing the fiber optic with wireless, the Town could save $1,100 per month, or $13,200 per year. The addition of two Verizon cell sites will improve wireless services for the community as a whole.

- *Town Out-of-Pocket Costs:* Approximately $28,000 for the materials to construct the Library tower and the two dish antennas for the towers at Town Hall and Recreation Center.
- *Funding:* In the FY 2014/15 capital projects budget, $140,000 was allocated for remodeling the Recreation Center, $40,000 of which was set aside for enhancements to the current network. While the remodel had been postponed, there was still a need for improvements to the wireless network.

Council asked for further details about bidding, vendors, and conditional uses. Town Manager Smith and Todd Daust with Sun State reported that:

- Staff did not use competitive bidding for two reasons: (i) based on the construction amount, the procurement code did not appear to require bidding; and (ii) as far as he knew, no other provider would be willing to construct the towers for free.
- Staff selected the vendor based on a past working relationship, and while they could spec out the job, it could not be done any other way for $28,000. It generally cost about $150,000 to construct a 100-foot monopole.
- The project did not need a conditional use permit, as the UDO exempted such structures on Town property.

f) Consideration and possible action to make the finding that there is a reasonable basis for constructing the Chino Valley Skate Park capital project in-house, and that this project is not being constructed in-house to avoid the bidding requirements, pursuant to the Town's Procurement Policy. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Make the finding that there is a reasonable basis for constructing the Chino Valley Skate Park capital project in-house, and that this project is not being constructed in-house to avoid the bidding requirements, pursuant to the Town's Procurement Policy.

Mr. Grittman reported that:

- *Purpose of Item:* (i) Request that Council make the findings to declare the Community Center Skate Park as an in-house project per Town Code Section 32.05(D)(g); and (ii) authorize staff to use Parks Impact fees toward the project.
- *Project:* On December 10, 2013, the Town entered into a professional services contract with California Skate Parks for development of a concept and construction documents for the skate park.
- *Funding:* Public support for the project had been significant, with large companies and many individuals offering to donate materials and labor to complete the facility. Concrete, rebar and shot-crete had already been pledged. As more resources were needed to deliver the project, staff will meet with local contractors, suppliers, and engineers on March 4, 2015 to develop a strategy to deliver the project.
- *Costs:* The engineer's estimate was in excess of $855,000. Parks Impact Fees, estimated at $19,000.00, and grants of approximately $50,000, brought the total current project budget to $69,000.00. The Town might not need to use the whole $19,000, depending upon who volunteered or what was donated. He was not sure if the $19,000 could include Town labor. If HURF equipment was used, some funds would have to be transferred back into the HURF fund.
- *In-House Finding:* Per the procurement policy, a capital project might be constructed as an in-house project using primarily regularly employed Town personnel and volunteers. In order to do so, the Council must make a finding that there was a reasonable basis for constructing the project in-house and that the project was not being constructed in-house to avoid the bidding requirements.

- *Rationale:* Many of the Town's Public Works employees had heavy equipment and road construction experience and could provide some base preparation for the skate park; the Town's professional engineering staff will provide project management and quality assurance oversight.

Council asked staff to keep track of the goods and services pledged at stakeholder's meetings.

MOVED by Councilmember Don Wojcik, seconded by Councilmember Linda Hatch to table this whole item indefinitely and concentrate on keeping the pool open with the $19,000 and whatever funds can be come up with.

Vote: 3 - 3 FAILED

NAY: Mayor Chris Marley
Vice-Mayor Darryl Croft
Councilmember Mike Best

Town Attorney Smiley advised that the $19,000 could only be used for expansion of recreation facilities, not to operate the pool.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to make the finding that there is a reasonable basis for constructing the Chino Valley Skate Park capital project in-house, and that this project is not being constructed in-house to avoid the bidding requirements, pursuant to the Town's Procurement Policy.

Vote: 3 - 3 FAILED

NAY: Councilmember Linda Hatch
Councilmember Pat McKee
Councilmember Don Wojcik

g) Consideration and possible action to make the finding that there is reasonable basis for constructing the following capital projects in-house: Center Street between Road 1 East and Cottonwood Lane, 2015 Spring Chip Seal Program, and roadway preparation for the Community Development Block Grant Project; and that these projects are not being constructed in-house to avoid the bidding requirements, pursuant to the Town's procurement policy. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Make the finding that there is reasonable basis for constructing the following capital projects in-house: Center Street between Road 1 East and Cottonwood Lane, 2015 Spring Chip Seal Program, and roadway preparation for the Community Development Block Grant Project; and that these projects are not being constructed in-house to avoid the bidding requirements, pursuant to the Town's procurement policy.

Mr. Grittman reported that:

- *Purpose of Item:* Request that Council make findings with respect to the subject capital projects and declare them as an in-house projects per Town Code Section 32.05 (D)(g).
- *Center Street Roadway Project:* Under Resolution 13-1014, adopted on June 25, 2013, the Town committed to constructing Center Street, Road 4 South, and the Peavine Trail Roadway, to: (i) support building capacity and transportation enhancements in the Town; (ii) as a demonstration to Deep Well Ranches of the Town's commitment to build these roadways; and (iii) as a portion of the negotiated settlement with Cortez Enterprises.

Resolution 14-1046, adopted on September 9, 2014, authorized staff to secure the necessary right-of-way for the project. As of this week, all rights-of-way had been secured.

- *2015 Spring Chip Seal Program:* Council approved this project on September 9, 2014 and set a maximum of $50,000 for chip sealing Center Street and $170,000 for other streets. Approval will authorize purchase and hauling of base materials, equipment and milling.
- *Community Develop Block Grant (CDBG) Paving Project:* Approved through Resolution 14-1027 on March 25, 2014, this approval will authorize purchase and hauling of base materials and equipment to compact the roadway for the project. This item only included preparatory work for the CDBG project; the paving was required to be bid and would be funded through the grant.
- *In-House Finding:* Pursuant to A.R.S. 34-204(D), a street, road, bridge, water or sewer work may be constructed either with or without the use of the agent's regularly employed personnel without advertising for bids, provided that the total cost of the work did not exceed approximately $216,000.00. The total estimated costs for all three projects was $172,000.00. Per the procurement policy, a capital project might be constructed as an in-house project using primarily regularly employed Town personnel and volunteers. In order to do so, Council must make a finding that there was a reasonable basis for constructing the project in-house and that the project was not being constructed in-house to avoid the bidding requirements. While the three items were presented together, their individual costs were broken down in the packet and Council could consider them one at a time.
- *Funding Sources:* Funding sources included HURF for chip seal and CDBG projects and Roads Impact Fees for Center Street.
- *Bidding Comparison:* Estimates to bid out these items were: Center Street, $470,000; Chip Seal, $700,000; and CDBG, $400,000.
- *Rationale:* Many of the Town's Public Works employees had heavy equipment and road construction experience; the Town's professional engineering staff will field engineer and provide construction oversight on the Center Street project; including Town forces in the CDBG project will leave the maximum amount of the grant to be used for actual paving.

Councilmember Wojcik asked if he needed to recuse himself from the item, as he lived in the neighborhood of both Center Street and Chino Meadows V and these projects could increase his property value. Town Attorney Smiley did not believe that rose to the level of a conflict of interest.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to make the finding that there is reasonable basis for constructing the following capital projects in-house: Center Street between Road 1 East and Cottonwood Lane, 2015 Spring Chip Seal Program, and roadway preparation for the Community Development Block Grant Project; and that these projects are not being constructed in-house to avoid the bidding requirements, pursuant to the Town's procurement policy.

Vote: 6 - 0 PASSED

h) Consideration and possible action to approve the rental agreements with RDO Equipment Company for an amount not to exceed $3,866, Road Machinery, LLC for an amount not to exceed $9,515, and Empire Southwest, LLC for an amount not to exceed $26,904.04 for Center Street, 2015 Spring Chip Seal Program, and the roadway preparation for the CDBG project. Funds to come from Public Works Roadway Maintenance line item in the HURF Fund and Roads Impact Fees in the Capital Improvement Fund. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Approve the rental agreements with RDO Equipment Company for an amount not to exceed $3,866, Road Machinery, LLC for an amount not to exceed $9,515, and Empire Southwest, LLC for an amount not to exceed $26,904.04 for Center Street, 2015 Spring Chip Seal Program, and roadway preparation for the CDBG project.

Mr. Grittman reported that the Town needed to rent certain heavy roadway equipment to successfully complete the subject projects. Pursuant to the in-house declaration for the projects under item 7h, staff requested that Council approve the rental agreements, which were based on the FY 2014/15 Yavapai County bid, contract number 1420289.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the rental agreements with RDO Equipment Company for an amount not to exceed $3,866, Road Machinery, LLC for an amount not to exceed $9,515, and Empire Southwest, LLC for an amount not to exceed $26,904.04 for Center Street, 2015 Spring Chip Seal Program, and roadway preparation for the CDBG project.

Vote: 6 - 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.

Councilmember Hatch proposed to deal with this after determining if the Town would be outsourcing its court services.

MOVED by Councilmember Linda Hatch, seconded by Councilmember Pat McKee to table the item indefinitely.

Vote: 6 - 0 PASSED

a) An executive session pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion or consultation for legal advice with the Town Attorney and in order to consider the Town's position and instruct the Town Attorney regarding an intergovernmental agreement with the City of Prescott related to providing prosecutorial services for Chino Valley that is the subject of negotiations. (Councilmembers Hatch and McKee)

9) ACTION ITEMS RESUMED

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

10) ADJOURNMENT

MOVED by Councilmember Mike Best, seconded by Councilmember Pat McKee to adjourn the meeting at 7:24 p.m.

Vote: 6 - 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 24th day of February, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 24th day of March, 2015.

Jami C. Lewis, Town Clerk