

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

**TUESDAY, MARCH 11, 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, March 11, 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; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Daniel Beal; Town Engineer/Public Works Director Ron Gritman; Town Clerk Assistant Liz Hart (recorder)

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

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

Councilmember Linda Hatch attended the meeting via conference phone.

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

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 had nothing to report.

- a) Monetary obligations with regard to the Provisional Settlement Agreement with Cortez Enterprises.

Mayor Marley reported that:

- As part of the subject Provisional Settlement Agreement, the Town agreed to extend Road 4 South eastward to Cortez's property by July 31, 2014 and pay to Cortez a combination of cash and land by August 29, 2014.
- If the Road 4 South extension was done by June 1, 2014, there were three alternatives for the Town to pay: (i) \$50,000 in cash and \$250,000 in land; (ii) \$25,000 in cash and \$300,000 in land; or (iii) no cash and \$350,000 in land.
- If the road was not done by June 1, 2014, three alternatives were: (i) \$50,000 in cash and \$300,000 in land; (ii) \$25,000 in cash and \$350,000 in land; or (iii) no cash and \$400,000 in land.
- Other costs associated with the lawsuit related to attorney fees.

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.

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

Town Manager Robert Smith reported on the status of:

- Cortez Provisional Settlement Agreement.
- Road 4 South extension.
- Skate Park concepts and public meeting.

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.

- a) Consideration and possible action to approve Agreement for Towing Services between the Town of Chino Valley and Tim's Towing. (Chuck Wynn, Police Chief)

Recommended Action: Approve Agreement for Towing Services between Town of Chino Valley and Tim's Towing.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to approve Agreement for Towing Services between Town of Chino Valley and Tim's Towing.

Vote: 7 - 0 PASSED

7) 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.

8) ACTION ITEMS

- a) Consideration and possible action with regard to establishing guidelines for Council-Town Attorney interaction. (Mayor Marley)

Recommended Action: Approve guidelines for Council-Town Attorney interaction.

Mayor Marley requested that Council postpone this item, as he was still receiving information on it.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to postpone item 8a, guidelines for Council-Town Attorney interaction.

Vote: 7 - 0 PASSED

- b) Consideration and possible action to adopt Resolution No. 14-1025, opposing the legalization of marijuana.

Recommended Action: Adopt Resolution No. 14-1025, opposing the legalization of marijuana.

Mayor Marley reported that:

- MATFORCE, the Yavapai County Substance Abuse Coalition, was the primary sponsor of a resolution opposing the legalization of recreational marijuana.
- MATFORCE had been in existence in Yavapai County since 2005, with the goal of reducing substance abuse in the county. The organization's membership consisted of law enforcement agencies, County Attorney's Office, medical professionals, substance abuse counselors, probation departments, politicians, concerned citizens, and many others.
- This resolution had been passed by approximately 30 Native American Tribal groups within Arizona, as well as four jurisdictions in Yavapai County.

Shelia Polk, Yavapai County Attorney, and Co-Chair of MATFORCE, added that:

- Members of the Marijuana Policy Project from Washington D.C. had targeted Arizona for placing a measure on the state's 2016 ballot to allow recreational marijuana use. A Colorado police chief had advised Yavapai County officials that they should start now to provide a united front against this, which might prevent the organization from making the attempt.
- As MATFORCE was concerned about the effects of marijuana on youth, increased use by youth, dramatic increases in addiction in states in which recreational use was legalized, and increased demands upon law enforcement and child protective services associated with marijuana and other drug use, they were asking Yavapai County communities join in sponsoring this resolution to show that Yavapai County had a united front that will, hopefully, set the example for the rest of the state.

Public comment:

Starr Bennett, Paulden resident, opposed the resolution, citing a documentary that presented cases of children being helped by medical marijuana.

Laura Lee Nye, Prescott Valley Vice-Mayor and concerned grandmother, favored the action, citing problems in other states suffering from the drug pipeline to and from Colorado.

Council comments:

- Some questioned the effectiveness of the Resolution to inhibit illicit marijuana use.
- One cited his experience of negative effects from marijuana use in the military and workplace.
- The main issue was keeping the drug out of young peoples' hands while in school and letting them make their own decisions as adults.
- The Resolution afforded Yavapai County municipalities to take stand on the issue.
- The Resolution needed to indicate that it pertained only to recreational use.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Resolution No. 14-1025, opposing the legalization of recreational marijuana.

Vote: 7 - 0 PASSED

- c) Consideration and possible action to approve change order number 2 to contract with Economists.com an amount not to exceed \$9,500.00 to prepare the additional financial analysis to look at the impacts of the Prescott Water Acquisition, Wastewater Treatment Plant Acquisition, and a capital improvement project on the existing and future utility rates. Funds to come from the Professional Services Line in the Water Enterprise Fund. (Ron Grittmann, Public Works Director)

Recommended Action: Approve change order number 2 to contract with Economists.com an amount not to exceed \$9,500.00 to prepare the additional financial analysis to look at the impacts of the Prescott Water Acquisition, Wastewater Treatment Plant Acquisition, and a capital improvement project on the existing and future utility rates.

Mr. Grittmann reported that:

- On October 8, 2013, the Town entered into a professional services contract with Economists.com to perform an update on the valuation of the City of Prescott water system. Once the draft report was complete, Town staff and Economists.com concluded that some additional financial work was necessary to determine if the Town could forego future utility rate increases.
- The Town's current utilities rate plan adopted on February 12, 2013 called for rate increases to both water and sewer customers over the next five years. Two of the five rate increases had been implemented, and had not been well received by the customer base. Walker Consulting and Economists.com had previously demonstrated that a nominal general obligation bond had the ability to allow the Town to forego the last two years of the rate increases.
- On February 20, 2014, staff asked Council for direction to have further financial

analysis prepared to determine: (i) if the cost to acquire the Prescott water system and wastewater treatment plant, and extending water and sewer between Road 2 North and Road 3 North along SR 89, funded by a general obligation bond, will allow the Town to forego all three of the proposed water and sewer rate increases; (ii) the minimum number of new commercial water and sewer customers to allow the project to break even; and (iii) the effect of adding Wilhoit's 100 water customers on the proposed utility rates.

- This change order will allow for each of the proposed options to be analyzed and give Council sufficient information to assist in their future decisions, including the potential bond election. Details of the analyses will be presented during a study session on April 3, 2014.
- With this proposed change order, the complete cost of Economists.com's work will be just under \$70,000. This change order will provide the last analysis needed for bonding decisions.

Council comments:

- Citizens who were enduring the rate increases had complained about the amount of money spent on this contract.
- As the associated projects were important to the town, it would be valuable to obtain as much information as possible before making a decision.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve change order number 2 to contract with Economists.com an amount not to exceed \$9,500.00 to prepare the additional financial analysis to look at the impacts of the Prescott Water Acquisition, Wastewater Treatment Plant Acquisition, and a capital improvement project on the existing and future utility rates.

Vote: 7 - 0 PASSED

- d) Consideration and possible action to award trucking services to Corbin, Inc. as the primary hauler and Fann Contracting as a secondary hauler, in accordance with the summary of bids. Funds to come from Public Works for road projects or other departments that may need trucking services. (Ron Grittmann, Public Works Director/Town Engineer)

Recommended Action: Award trucking services to Corbin, Inc. as the primary hauler and Fann Contracting as a secondary hauler, in accordance with the summary of bids.

Mr. Grittmann reported that:

- On February 13, 2014, staff opened two bids for trucking services to haul aggregates for the Town. Corbin, Inc. (C&R Trucking) submitted the low bid, followed by Fann Contracting, Inc.
- Typically this bid would be awarded to the single lowest responsible bidder, but because there were only two bidders, Fann requested that they be awarded as a secondary hauler, which would give the Town the flexibility to secure hauling services in the event that Corbin was unable to perform, although the likelihood of needing Fann's services was very low.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to award trucking services to Corbin, Inc. as the primary hauler and Fann Contracting as a secondary hauler, in accordance with the summary of bids.

Vote: 7 - 0 PASSED

- e) Consideration and possible action to approve the intergovernmental agreement between the Chino Valley Unified School District and Town of Chino Valley for the project management and construction of the adjacent ways project at Del Rio and Heritage Schools. Funds in the amount of \$200,000 to come from Chino Valley School District Adjacent Ways Program. (Ron Gritman, Public Works Director/Town Engineer)

Recommended Action: Approve the intergovernmental agreement between the Chino Valley Unified School District and Town of Chino Valley for the project management and construction of the adjacent ways project at Del Rio and Heritage Schools.

Mr. Gritman reported that:

- School districts collected Adjacent Ways moneys that could only be used for improving areas adjacent to schools. As the Chino Valley School District lacked personnel who could perform project and construction management, in 2010 they contracted with the Town for an Adjacent Ways project along Center Street.
- They proposed to do the same for proposed project, which would use Adjacent Ways funds to develop, engineer, and construct improvements to Road 1 West and Road 2 North to improve traffic flow at Del Rio and Heritage Schools.
- Once the School District and Town agreed upon the final improvements, the project will be bid and awarded through the Town for construction. Staff hoped to acquire \$50,000 for engineering and \$150,000 for construction. If the full amount was not available, staff will program the project to get a portion done each year until complete.

Town Attorney Smiley pointed out that the IGA contained an ambiguity with regard to the term year and suggested changing the agreement term to a period of 15½ months commencing March 11, 2014.

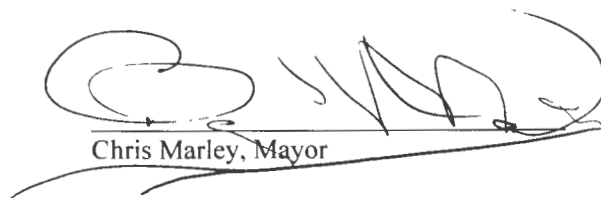
MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the intergovernmental agreement between the Chino Valley Unified School District and Town of Chino Valley for the project management and construction of the adjacent ways project at Del Rio and Heritage Schools, with the amendment of the term period of 15-1/2 months commencing on March 11, 2014 and ending on June 30, 2015.

Vote: 7 - 0 PASSED

10) ADJOURNMENT

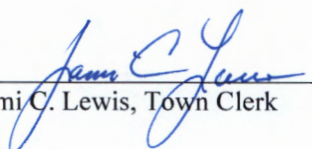
MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 7:21 p.m.

Vote: 7 - 0 PASSED



Chris Marley, Mayor

ATTEST:

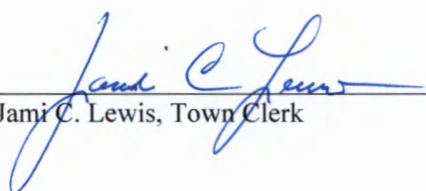


Jami C. Lewis, Town Clerk

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 11th day of March, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of April, 2014.



Jami C. Lewis, Town Clerk