



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
TUESDAY, MARCH 13, 2018
6:00 P.M.**

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

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

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. **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. Questions regarding permitting requirements for dog training organizations using Town parks.
- b. Updates from Central Arizona Fire and Medical Authority.
- c. Questions regarding the status of proposed apartment complexes on Road 2 North, retail development on Road 4 South and SR 89, and new asphalt company.

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 reports by Mayor and Council regarding current events.
- b. Status report by Town Manager Cecilia Grittman and/or Town staff members regarding Town accomplishments, and current or upcoming projects.
- c. Presentation by Finance Department regarding the Revenue Manual and revenue projections for the next fiscal year.

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 retain Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and Advisory Group and appoint Tiffany Resendez, Human Resources Analyst as the Town's alternate voting member to the Yavapai Combined Trust Board and Advisory Group. (Laura Kyriakakis, Human Resources Director)
- b. Consideration and possible action to approve appointment of Amy Chamberlin to fill the vacancy on the Public Safety Retirement Board (PSRB) created by the resignation of Gary Bruso, for the term ending June 30, 2020. (Laura Kyriakakis, Human Resources Director)
- c. Consideration and possible action to adopt Resolution No. 18-1117, approving a Call of Election for Fall 2018, designating election date, purpose of election, deadline for voter registration, and location and deadline for candidates to file nomination papers. (Jami Lewis, Town Clerk)
- d. Consideration and possible action to accept the February 21, 2018 study session/retreat minutes. (Jami Lewis, Town Clerk)

7. 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.

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. An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott Water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Grittmann, Town Manager)

9. ACTION ITEMS RESUMED

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

10. ADJOURNMENT

Dated this 8th day of March, 2018.

By: **Jami C. Lewis, 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 a 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.

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: _____
Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5.c.

Meeting Date: 03/13/2018
Contact Person: Joe Duffy, Finance Director
Phone: 928-636-2646 x-1211
Department: Finance
Estimated length 10 minutes
of Staff Presentation:
Physical location of item: NA

AGENDA ITEM TITLE:

Presentation by Finance Department regarding the Revenue Manual and revenue projections for the next fiscal year.

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.a.

Meeting Date: 03/13/2018
Contact Person: Laura Kyriakakis, Human Resources Director
 Phone: 928-636-2646 x-1204
Department: Human Resources
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to retain Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and Advisory Group and appoint Tiffany Resendez, Human Resources Analyst as the Town's alternate voting member to the Yavapai Combined Trust Board and Advisory Group.

RECOMMENDED ACTION:

Appoint Tiffany Resendez, Human Resources Analyst as the Town's alternate voting member on the Yavapai Combined Trust Board and Advisory Group and retain Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and Advisory Group.

SITUATION AND ANALYSIS:

Issue Statement

On 4/14/2015, Council appointed Laura Kyriakakis, to be the Town's voting member of the Yavapai Combined Trust and Cecilia Grittmann as the alternate member. On 11/15/2016, Cecilia Grittmann was promoted to the position of Town Manager and is now delegating Yavapai Combined Trust representation and voting responsibilities to the Human Resources Department. Staff is recommending the Human Resources Director, Laura Kyriakakis remain the voting member and Human Resources Analyst, Tiffany Resendez become the alternate voting member for the Yavapai Combined Trust Board and Advisory Group.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

Findings of Fact

Fiscal Impact	
Fiscal Impact?:	0
If Yes, Budget Code:	
Available:	
Funding Source:	
Attachments	
YCT Appointment Letter	



Town of Chino Valley, Mayor's Office
202 N. State Route 89
Chino Valley, AZ 86323

928-636-2646
www.chinoaz.net

March 14, 2018

Ms. Wendy Ross
Yavapai Combined Trust Administrator
1015 Fair St. Rm. 338
Prescott AZ 86305

Dear Ms. Ross:

At the regular Town Council meeting held on March 13, 2018, the Chino Valley Town Council voted to appoint and maintain the following individuals, as the Town's representatives on both the Yavapai Combined Trust Board and Advisory Group:

- Laura Kyriakakis, Human Resources Director – Voting Member
- Tiffany Resendez, Human Resources Analyst – Alternate Voting Member

I have enclosed the minutes showing the **Action Taken** on the Consent Agenda item referencing the above appointment.

Please direct emails regarding meeting minutes, notices and agendas to both Laura Kyriakakis and Tiffany Resendez to humanresources@chinoaz.net.

Regards,

Darryl Croft
Mayor

Cc: Laura Kyriakakis, Human Resources

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.b.

Meeting Date: 03/13/2018
Contact Person: Laura Kyriakakis, Human Resources Director
 Phone: 928-636-2646 x-1204
Department: Human Resources
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve appointment of Amy Chamberlin to fill the vacancy on the Public Safety Retirement Board (PSRB) created by the resignation of Gary Bruso. (Laura Kyriakakis, Human Resources)

RECOMMENDED ACTION:

Motion to appoint Amy Chamberlin to the PSRB with a term ending June 30, 2020 to fill the vacancy created by the resignation of Gary Bruso.

SITUATION AND ANALYSIS:

Issue Statement

The PSRB is made up of the Mayor, 2 members elected from the Association, and 2 members from the public. Gary Bruso was elected by the Association to serve on the Board for a term beginning on 6/14/2016 and ending on 6/30/2020. Mr. Bruso voluntarily resigned his employment on February 1, 2018, ending his eligibility to serve on the Board as an Association member and creating a vacancy. Pursuant to Resolution 12-997, the Association members are elected by secret ballot. The Association conducted a secret ballot to fill the vacancy for the term ending June 30, 2020, and Amy Chamberlin received the most votes.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.c.

Meeting Date: 03/13/2018
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 18-1117, approving a Call of Election for Fall 2018, designating election date, purpose of election, deadline for voter registration, and location and deadline for candidates to file nomination papers.

RECOMMENDED ACTION:

Adopt Resolution No. 18-1117, approving a Call of Election for Fall 2018.

SITUATION AND ANALYSIS:

The Town's next election is scheduled for Fall 2018, with the Primary Election on August 28, 2018 and the General Election on November 6, 2018. As the election is in conjunction with the federal and state elections, this will *not* be a vote-by-mail ballot election. Pertinent election dates are attached.

Proposed ballot items include the election of a mayor (2-year term), one councilmember (2-year term), and three councilmembers (4-year term).

Candidate packets are available now from Town Clerk's Office. Candidates have from April 30 to May 30, 2018 to file their nomination papers.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-42-5285
Available: 50,000
Funding Source:
 This is for FY 2018/2019.

Attachments

Resolution 18-1117 Call of Election-English
Resolution 18-1117 Call of Election-Spanish
Pertinent Election Dates

CALL OF ELECTION

RESOLUTION NO. 18-1117

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, DESIGNATING THE ELECTION DATE AND PURPOSE OF ELECTION; DESIGNATING THE DEADLINE FOR VOTER REGISTRATION; AND DESIGNATING THE PLACE AND THE LAST DATE FOR CANDIDATES TO FILE NOMINATION PAPERS

BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN
OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, AS FOLLOWS:

Section 1: Designation of Election Date

That August 28, 2018, has been set as the time for holding the Primary Election in the Town of Chino Valley.

Section 2. Purpose of Election

That a Primary Election will be held for the purpose of nominating candidates for Mayor and Councilmember whose names shall appear on the ballot at the General Election to be held November 6, 2018. Any candidates receiving a majority of all the votes cast at the Primary Election will be declared elected without running in the General Election.

Section 3. Designating Deadline for Voter Registration

Yavapai County registration and voting lists will be used for the municipal election. In order to be qualified to vote in the Primary Election, one must be registered by July 30, 2018. The last day to register for the General Election will be October 8, 2018.

Section 4. Designating Date and Place to File Candidate Nomination Papers

Candidates seeking municipal office may obtain nomination papers and other materials which must be filed by candidates at the Town Clerk's Office, Town Hall, 202 N. State Route 89, beginning April 30, 2018. Candidates must file nomination papers and other nomination forms by 5:00 p.m. on May 30, 2018 in order for their names to appear on the Primary Election ballot.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 13th day of March, 2018.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Phyllis L.N. Smiley, Town Attorney

I hereby certify the above foregoing Resolution No. 18-1117 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 13, 2018, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

CONVOCACIÓN DE UNA ELECCIÓN

RESOLUCIÓN NÚM. 18-1117

UNA RESOLUCIÓN DEL ALCALDE Y DEL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO YAVAPAI, ARIZONA, DESIGNANDO LA FECHA DE LA ELECCIÓN Y EL PROPÓSITO DE LA ELECCIÓN; DESIGNA LA ÚLTIMA FECHA PARA REGISTRARSE PARA VOTAR; Y DESIGNANDO EL LUGAR Y LA ÚLTIMA FECHA EN QUE LOS CANDIDATOS PUEDEN PRESENTAR SUS FORMULARIOS DE NOMBRAMIENTO

RESUELVE EL ALCALDE Y EL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO DE YAVAPAI, ARIZONA, COMO LO QUE SIGUE:

Sección 1: Designación de la Fecha de la Elección

Se ha fijado el día 28 de agosto de 2018 como la fecha para celebrar la Elección Primaria en el Pueblo de Chino Valley.

Sección 2. Propósito de la Elección

La Elección Primaria se celebrará con el propósito de nombrar a candidatos para el cargo de Alcalde y para Miembros del Concejo cuyos nombres aparecerán en la boleta de la Elección General que se celebrará el 6 de noviembre de 2018. Cualesquier de los candidatos que reciban una mayoría de todos los votos emitidos en la Elección Primaria serán declarados elegidos sin tener que participar en la Elección General.

Sección 3. Designación de la Última Fecha para Registrarse para Votar

El registro y las listas de votantes del Condado Yavapai se usarán para la elección municipal. Para estar capacitado para votar en la Elección Primaria, uno tiene que estar registrado para votar para el día 30 de julio de 2018. La última fecha para registrarse para votar para la Elección General será el 8 de octubre de 2018.

Sección 4. Designa la Fecha y el Lugar en donde Entablar los Formularios de Nombramiento de Candidatura

Los candidatos procurando un cargo municipal pueden obtener los formularios de nombramiento y otros materiales que se tienen que entablar por los candidatos de la Oficina del Secretario del Pueblo de Chino Valley, Ayuntamiento, 202 N. State Route 89, comenzando el día 30 de abril de 2018. Los candidatos tienen que entablar los formularios de nombramiento y otros materiales de nombramiento para las 5:00 de la tarde el día 30 de mayo de 2018 para que sus nombres aparezcan en la boleta de la Elección Primaria.

PASADA Y ADOPTADA por el Alcalde y el Concejo Común del Pueblo de Chino Valley, Arizona este día 13 de marzo de 2018.

Darryl L. Croft, Alcalde

CERTIFICA:

Jami C. Lewis, Secretario del Pueblo

APROBADA EN FORMA:

Phyllis L.N. Smiley, Abogado del Pueblo

Por la presente certifico que la anterior Resolución No. 18-1117 de arriba fue debidamente aprobada por el Concejo del Pueblo de Chino Valley, Arizona, en una reunión regular que se celebró el 13 de marzo de 2018, y que estaba presente un quórum por eso y que el voto por esa fue ____ a favor y ____ en contra y ____ abstenciones. ____ Miembros del concejo estaban presentes o excusados.

Jami C. Lewis, Secretario del Pueblo

**PERTINENT ELECTION DATES
FALL 2018**

APPLICABLE PARTY	LEGAL DATE	ACTION STEP
Candidates &/or Political Action Committees	April 15	Deadline to file 1 st Quarter Campaign Finance Report
	April 30	Earliest date to file nomination papers
	May 30	Deadline to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	June 29	Earliest date to post political signs
	July 15	Deadline to file 2 nd Quarter Campaign Finance Report
	July 19	Deadline for write-in candidates to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	Aug. 18	Deadline to file Pre-Primary Campaign Finance Report
Citizens & Voters	July 30	Deadline to register to vote in Primary Election
	Aug. 17	Deadline to request early/absentee ballot
	Aug. 24	Deadline to vote an early/absentee ballot in person at County Offices
	AUG. 28	PRIMARY ELECTION DAY
Current Council	Sep. 17	Deadline to canvass vote (declare results) of Primary Election
Candidates &/or Political Action Committees	Sep. 12	Deadline to remove political signs (unless left up for General Election)
	Sep. 27	Deadline for write-in candidates to file nomination papers, 5:00 p.m., Town Clerk's Office at Town Hall
	Oct. 15	Deadline to file 3 rd Quarter Campaign Finance Report
	Oct. 27	Deadline to file Pre-General Campaign Finance Reports
Citizens & Voters	Oct. 8	Deadline to register to vote in General Election
	Oct. 26	Deadline to request early/absentee ballot
	Nov. 2	Deadline to vote an early/absentee ballot in person at County Offices
	NOV. 6	GENERAL ELECTION DAY
Current Council	Nov. 26	Deadline to canvass (declare results) vote of General Election

**PERTINENT ELECTION DATES
FALL 2018**

APPLICABLE PARTY	LEGAL DATE	ACTION STEP
Candidates &/or Political Action Committees	Nov. 21	Deadline to remove political signs
	Dec. 11	Candidates to assume their new office
	Jan. 15, 2019	Deadline to file 4 th Quarter Campaign Finance Report



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6.d.

Meeting Date: 03/13/2018

Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to accept the February 21, 2018 study session/retreat minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the February 21, 2018 study session/retreat minutes.

Attachments

February 21, 2018 minutes

DRAFT

MINUTES OF THE STUDY SESSION/RETREAT OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

**WEDNESDAY, FEBRUARY 21, 2018
9:00 A.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Study Session/Retreat in the Chino Valley Community Center, located at 1527 N. Road 1 East, Chino Valley, Arizona, on Wednesday, February 21, 2018.

Present: Mayor Darryl Croft; Vice-Mayor Lon Turner; Councilmember Mike Best; Councilmember Cloyce Kelly; Councilmember Corey Mendoza; Councilmember Jack Miller

Absent: Councilmember Annie Lane

Staff Present: Town Manager Cecilia Grittmann; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Public Works Director/Town Engineer Frank Marbury; Development Services Director Jason Sanks; Customer Service Manager JoAnn Brookins; Community Services Director Scott Bruner; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER; ROLL CALL

Mayor Croft called the meeting to order at 9:06 a.m. and gave a few introductory comments.

John Coomer, Interim Chamber of Commerce CEO and the Town's Economic Development Project Manager as of March 19, introduced himself, spoke about his background, and stated that the business community desired to be involved with making the Town a destination place and providing local jobs. Town Manager Grittmann added that Mr. Coomer had a strong history of relationship-building that would be instrumental in developing a strategic plan for the industrial park. Once he was onboard, staff will schedule an Economic Development Subcommittee meeting.

Town Manager Grittmann asked participants what they would do in their official capacity with one million dollars. Responses included funding for:

- Infrastructure, roads, water and sewer, wastewater treatment plant expansion, water system purchases;
- Additional staffing, staff training, staff development, wages, incentives, bonuses;
- New or improved facilities, facility relocations;
- Economic development, industrial park;
- Records/information management, GIS, digital documentation, software programs; and
- Baseball field lighting.

2) ROADS ISSUES

- a) Presentation and discussion regarding a proposal from Central Yavapai Municipal Planning Organization (CYMPO) pertaining to a Regional Transportation Assessment. (Frank Marbury, Public Works Director/Town Engineer; Councilmember Mike Best)

Mr. Marbury and Councilmember Best presented on the Pinal County Regional Transportation Authority (“RTA”) that Central Yavapai Metropolitan Planning Organization (CYMPO) was considering:

- Pinal County voters approved a ½ cent sales tax to fund regional expansion projects only (no pavement preservation), which costs the average household about \$88 per year. The transportation plan, also approved by the voters, will fund projects from \$2.2 million to \$345 million and included projects for smaller communities.
- It took Pinal 18 months to prepare for the vote. The ballot measure passed by two-thirds. The projects were prioritized through a planning organization, which had to coordinate with several other planning organizations.
- Compared with Pinal, staff estimated that Yavapai County could generate \$230 million to \$320 million for an RTA. CYMPO currently had \$242 million in projects proposed over the next 20 years.

(Councilmember Kelly arrived 9:43 a.m.)

- b)** Presentation and discussion regarding the Town of Chino Valley proposal for funding roads maintenance. (Frank Marbury, Public Works Director/Town Engineer; Joe Duffy, Finance Director)

Mr. Marbury presented an overview of roads maintenance costs and projects, including:

- Total Highway User Revenue Fund (HURF) revenues, operating expenses, transfers to administration, equipment expenses, and pavement preservation costs;
- 2017 completed projects costs;
- 2018 current projects cost projections;
- Costs per mile, ranging from \$35,000 for single chip seal, to \$2 million for new two-lane construction;
- Annual costs for 150 miles of roadway preservation and improvements; and
- Maps depicting pavement rating; 2005 daily traffic counts; and 2030 roadway framework, conceptual trails plan, transit network, and regional system; as well as cost estimates developed for various Town and County projects.

He and Council discussed the matter in more detail:

- *Funding maintenance:* The Town needed three times current funding levels to accomplish needed maintenance. An additional \$500,000 would meet maintenance requirements; \$1.5 million would allow for improvements.
- *Impact fees:* The 2018 projects will use of the last of the Town’s roads impact fee funds.
- *Roads surfaces:* Pavement was better than chip seal for heavy traffic or heavy truck areas.
- *Road 1 East millings:* These came from ADOT and he estimated there would not be enough to complete the project.
- *Contract warranties:* Mr. Marbury was used to roads contracts including warranty language, but he was not sure about the Town’s boilerplate. Town Manager Gritman stated that staff would review the Town’s standard contracts for warranty provision.

Mr. Duffy presented on funding issues for roads maintenance, including:

- A change that arose during the annual audit as to charging HURF for administrative services that will result in \$100,000 to be transferred from Contingency to HURF;
- HURF revenues not increasing in FY 2018/19;
- Alternative funding sources, including a voter-approved property tax or sales tax; the Town’s

- assessed value over the last 10 years; and property tax rates in Yavapai County;
- Property tax options of a specific amount or a tax rate based on new construction;
- Sales tax options; and
- Election requirements for property or sales taxes.

Council and staff discussed the matter in more detail:

- *Staff preference:* Mr. Duffy preferred a property tax rate between 0.5 and 2.0 percent based on new construction, as it would increase as population and assessed values increased. He did not recommend a sales tax increase, as the Town already had the highest local sales tax rate; however, if the Town got a new grocery store, the Council could designate a percentage of its sales tax toward roads.
- *Ballot measure:* A property tax vote was required to be held in May and the Town should have a specific roads plan for the voters to approve. A 1.0 percent tax would cover maintenance. The Town could start small, then go back to voters after successful implementation of the plan.
- *Review:* The Roads and Streets Committee and full Council will need to discuss all the options, and give and receive input and suggestions. The Town would also need a professional evaluation.

- c) Discussion regarding the proposals by CYMPO, the Town, and others, and potential conflicts and benefits to the various proposals.

Council and staff discussed the CYMPO and Town proposals, as well as items that might affect them:

- *Statewide issues:* Representative Campbell had submitted his own proposal for HURF. This problem was statewide, not just local.
- *Regional issues:* Council will need to consider regional issues, including ADOT doing no more widening projects or expansion for five years; CYMPO's project priorities; Chino Valley School District possible bond this November; and Yavapai College future bonding plans.
- *Local issues:* Town officials had learned that funding for the Road 1 North signal was \$1 million short and Council asked Mr. Marbury to look into restricting the SR 89 and Road 1 North intersection, as well as the highway access to and from the Chino Valley Medical Center, to right turns only while awaiting the signal.
- *CYMPO RTA:* While the CYMPO projects list was for West Yavapai County only, a county-wide RTA would have to include the Verde Valley. Supervisor Craig Brown was concerned about creating a new bureaucracy. An RTA would not necessarily help locally and if CYMPO decided to propose an RTA, Council will have to decide to support it or not.
- *Town's proposal:* Staff would recommend funding for pavement preservation to start. The Town would need to develop a good plan and get the numbers fine-tuned. The public would need to be educated and the whole Council would need to communicate a single message to the community. The Roads and Streets Committee should work through the options and make a recommendation to the Council.
- *Comparisons:* Both Prescott Valley and Prescott had sales tax dedicated to roads. Council needed to consider the three alternatives and that a CYMPO tax would be on top of the Town's.
- *Other considerations:* Annexation and its benefits versus costs might be considered.

Police Chief Wynn informed the group that Prescott police had detained students involved in a shooting threat against Chino Valley High School. The FBI was involved and the Town was providing information to students' parents.

Mayor Croft recessed the meeting at 10:42 a.m. and reconvened it at 10:57 a.m.

- d) Discussion regarding Council recommendations for 2018, 2019 and 2020.

3) WATER AND SEWER ISSUES

a) WATER

1) Briefing and discussion regarding water-related meetings:

- a) January 11, 2018 meeting with Water Attorney Bill Staudenmaier.

- b) January 30, 2018 Council Water and Utilities Subcommittee meeting. (Frank Marbury, Public Works Director/Town Engineer; Cecilia Grittmann, Town Manager)

Ms. Grittmann, Vice-Mayor Turner, and Mayor Croft briefed Council on both these meetings:

- The Town had negotiated with the City of Prescott to purchase the City's pipes in the Town limits. After the Town secured financing, Prescott discontinued the talks without explanation.
- Options and next steps were discussed during the recent meetings, as well as the importance of expanding the Town's service area, providing water for commercial properties, looking into become a designated water provider, and setting a direction over the next few months.
- Town officials had a meeting scheduled with Prescott officials and Senator Fann to re-open discussions about purchasing the Prescott water system. This was the best option for the Town, but not the only option. Water Consultant Mark Holmes was very creative and will be able to help the Town research options.

2) Review and discussion regarding various water resource potential projects, funding, and timeframe. (Frank Marbury, Public Works Director/Town Engineer; Cecilia Grittmann, Town Manager)

Mr. Marbury reviewed:

- The Town's water system;
- The private water companies in the Town;
- Water company valuations;
- Prescott's water service area and values, and connections between the Town's and Prescott's systems;
- Future expansion plans and water infrastructure installation costs; and
- Proposed expansion projects as of 2012.

Council and staff discussed the matter in more detail:

- *Prescott system acquisition:* Prescott's system had increased \$1 million in value between 2007 and 2014. The Town would finance a purchase through WIFA. Staff projected that the system would break even fairly shortly.
- *Water resources, generally:* A combination of things could stimulate infrastructure, such as bartering with water in the Town's portfolio or obtaining an assured water supply in the next year or two. The latter was not cheap to do, but it was important for the Town and coming growth. Mr. Holmes will develop a list of items for Council to consider.

b) SEWER

- 1) Review and discussion regarding sewer buildout and capacity with consideration of current granted entitlements, plats, and permits. (Frank Marbury, Public Works Director/Town Engineer; Cecilia Grittmann, Town Manager)

Mr. Marbury reviewed:

- Wastewater treatment plant operations, current capacity, and permit capacity;
- Proposed developments to be connected;
- Proposed plant and sewer line expansion projects; and
- Wastewater master plan map.

Council and staff discussed the matter in more detail:

- *Plant capacity:* The plant was designed for one million gallons per day (GPD) usage. Its current capacity was 260,000 and the Town's current proposed developments, if connected today, would place the plant over the one million limit. Staff should monitor this annually for changes in growth and be preparing for expansion. The current population on sewer was about 4,000 and buildout would occur with about 13,000 to 14,000 connections.
 - *Plant expansion:* Funding for engineering and design should be in the FY 2020/21 budget and construction in FY 2022/23. In the meantime, staff will research costs and work with WIFA on funding. Once this facility was at full capacity, the current plan was to move lines up toward Del Rio for a gravity system.
 - *Plant relocation (long-term):* Some questioned possible odors from the plant impacting the industrial park. Staff was not sure if the plant could be moved. The recharge basins were at Old Home Manor (OHM) and the northern location was near the Verde River headwaters and the edge of the Active Management Area; and ADWR would have an opinion about any relocation. This was a long term issue.
 - *Sewerline expansion:* Rather than hook up properties on acreage, it was more cost effective to hookup higher density areas.
- 2) Review and discussion regarding septage receiving, the report by Kimley-Horn dated December 2016, and future opportunities and investments. (Frank Marbury, Public Works Director/Town Engineer; Cecilia Grittmann, Town Manager)

Ms. Grittmann reported that the Water and Utilities Subcommittee had asked to bring this item, which was to consider the Town becoming a regional septage receiving site, to closure. With changes in leadership in Public Works, the view has not always the same.

Mr. Marbury presented on:

- How the plant operated now;
- Current recommendations from Kimley Horn.; and
- Future recommendations.

Council and staff discussed the matter in more detail:

- *Kimly Horn recommendation:* Currently the plant could only take in one load, 2,000 gallons, of septage per day. To process three loads per day would require an additional equalization basin at a cost of \$508,640. There was possible grant money.

- *Regional need:* The county as a whole needed such a facility. That left room to work together with neighboring agencies. The Town appeared to have the best situation to host it, and the benefits included revenue and recharge.
- *Considerations:* Other things to consider included possible uses for septage by-product, kickback from the Upper Verde people, long-term water storage credits, and unanswered questions in the Kimley Horn report.

Council did not believe it was an option to accept septage at this point. The best time to consider it might be when the Town was looking toward expanding the plant. Ms. Grittmann stated she would add this to the list of things to research.

4) HOUSEKEEPING ISSUES

- a) Presentation and discussion regarding the Public Safety Personnel Retirement System (PSPRS) unfunded liability. (Joe Duffy, Finance Director; Laura Kyriakakis, Human Resources Director)

Finance Director Duffy and Human Resources Director Kyriakakis reported that:

- Health insurance premiums for the system was fully funded, but the pension side was not. The Town's funding percentage had decreased from 81.8% in 2008 to 55.5% in 2017; it should be at least at 75%.
- While the Town did not need to change its contribution rate, putting more money into the system will reduce the Town's percentage rate over time. The Town had already distributed \$158,000 in refunds to employees in the system, which can now be used as a credit to pay down future liability.
- Barring any emergencies, staff, with the support of the Public Safety Retirement Board, recommended using a substantial portion of contingency funds remaining at the end of each fiscal year to decrease the liability. This year, he recommended \$250,000 to \$300,000 to jump start and then budget a certain amount each year.
- In the long term, this liability will start decreasing, as all new officers were on a separate plan. Anyone hired after July 1, 2017 date went into another tier to balance the system, with the option to enter into either a defined benefit program (pension) or defined contribution program (401A).

Council generally supported staff's recommendation for a large contribution this year, but then review it annually, as there were some other critical large expenses, such as a secondary well, to fund.

- b) Presentation and discussion regarding succession planning, employee benefit costs and changes for 2018/2019, employee morale, proposed modified compensation and classification study, and departmental staffing changes. (Laura Kyriakakis, Human Resources Director)

Ms. Kyriakakis presented on employee morale, compensation and classification study, and succession planning.

Employee Morale

- *Definition:* Positive morale was defined as employees being positive about their work environment, which resulted in fewer unscheduled absences, higher productivity, and reduced turnover.
- *Current condition:* She believed current morale was high and reviewed several things

management and Council had done to create positive morale, such as creating a more competitive compensation and benefits package, more employee recognition events, and focused recruitment. She also spoke about things to further improve morale.

- *Wages:* One important aspect was fair wages. For the most part, the Town's were fair, and per the upcoming comp and class study, they might need some adjustment.

Compensation and Classification Study

- *Objective:* The study was scheduled for September 2018 at a proposed cost of \$10,000 and would update the 2012 study, job titles and job descriptions as necessary and match the Council's policy to attract and retain skilled staff.
- *Principal components were:* Ensure the Town's total rewards program was competitive and market-level, adjust for compression, assess the option for promotion opportunities to support succession planning and improved morale, and develop implementation options for upcoming and future budget years.

Council and staff discussed wage increases and promotions. Staff explained that instead of basing annual raises wholly on a step-plan, the Town used a hybrid of steps plus merit based on performance and meeting goals. The difficulty was that some supervisors did not assess correctly to avoid hurting their employees' feelings. Staff desired to create more levels within functions to give more opportunity for promoting those who were excelling and gaining more skills. Staff hoped to be able to increase compensation after obtaining certifications.

Succession Planning

- *Definition:* Succession planning was a process to identify and prepare candidates for key positions in advance of the actual need, resulting in retention of institutional knowledge, alternative and innovative ways to fill positions, proactively planning for future resource needs, and helping to avoid the high cost of turnover.
- *Impacts:* The impacts from turnover included loss of skills, knowledge, and abilities; lost productivity; lower morale; and increased overtime pay and replacement costs. Other costs included separation processing and training new hires.
- *Current condition:* The Town could face multiple employee retirements in a short timeframe. Succession planning will help plan for the future and continue focus on the strategic plan.
- *Proactive solutions:* This included alternate sources of skilled workers, pool of future potential candidates, retain current employees, improve deficiencies in skills, anticipate retirements, cross training, and training potential successors.
- *Recruitment options:* These included filling from the outside, bringing in fresh ideas; filling internally, retaining institutional knowledge; and outsourcing for cost effectiveness.
- *Unique challenges:* The Town's local employee pool was limited, salaries were not competitive with metro-Phoenix, the Town was rural with few amenities, and staff was expected to assume more duties.
- *Competitive recruitment strategies:* These included competitive benefit package, competitive salaries regionally, developmental opportunities, creative recruitment strategies, and promoting the community's appeal and lifestyle.

The group recessed for lunch and resumed Item 4b.

Ms. Kyriakakis presented on benefits and staffing changes.

Benefits

- *Benefits package:* She reviewed all components of the Town's benefits package.
- *Yavapai Combined Trust (YCT):* This was a self-insured trust set up by a group of employers to pay for employee welfare benefits, such as life insurance, medical coverage, and disability. It was governed by a Board of Trustees and had an Advisory Committee.
- *Financial fitness:* The Trust's current financial position was strong with \$4.8 million in reserves.
- *Premiums:* Average premiums had increased 3.1% over the last five-years. The Trust was projecting a 3% increase this year.
- *Enhancements:* Effective July 1, 2018, the plan will introduce Teledoc consultations. Other enhancements were being considered to the employee assistance program and medical plans.

Staffing Changes

- *Budgeted:* The Town budgeted for 95.5 full-time employees; current employment was at 89.5, with five recruitments.
- *Changes:* New hires included town manager, economic development/project manager starting next month, utilities operations specialist, and contract for development services director. Current recruitments included two police officers, recreation lead, and assistant town engineer. Animal control also had some changes in personnel and structure.

c) Discussion regarding the Town's 50th Anniversary celebration in September 2020.

Councilmember Best reported that he desired to create a 50th anniversary committee comprised of long-time Town citizens. Council asked Councilmember Best to Chair the committee; Vice-Mayor Turner and Councilmember Miller also agreed to participate. Other possible participants suggested were Dana of Dana's Hair Emporium, Community Services staff Scott Bruner and Cyndi Thomas, and Historical Society's Kay Lauster. Council suggested a preliminary budget of \$10,000. Other suggestions included:

- Hold the event in conjunction with Territorial Days;
- Challenge the whole community to raise funds for an entry monument at the Road 4 North roundabout;
- Produce a coffee table style book of the Town's history;
- Start a Facebook page for longtime residents; and
- Talk with other local entities celebrating anniversaries, such as Town of Prescott Valley, Yavapai College, and Sharlot Hall Museum about what they did for anniversaries.

5) LUNCH

Mayor Croft recessed the meeting at 12:40 p.m. during Item 4b, between Succession Planning and Benefits. He reconvened the meeting at 1:07 p.m. and returned to item 4b.

6) Presentation and discussion regarding departmental proposed initiatives for fiscal year 2018/2019.

Department heads reported on upcoming initiatives:

- *Town Clerk:* Electronic records management system (EDMS), new deputy training, and succession planning.
- *Development Services:* New plans reviewer/code compliance officer, GIS training, certification and growth opportunities for associate planner, cosmetic improvements to lobby, and Unified Development Ordinance rewrite.
- *Human Resources:* Class and comp study, online health insurance enrollment program, enhancements to online capital management system (Paycom), and employee handbook updates.
- *Community Services:* Peavine Trail connection with Prescott, Memory Park expansion and bathrooms, playground equipment, dog park improvements, ballfield lighting, and pickleball courts.
- *Public Works:* Relocation of public works yard.
- *Police:* Police facility expansion and digital data storage.
- *Finance:* Technology Plan, new Rec1 software, EDMS, and ACH payments to vendors.
- *Town Manager:* Economic development person, water issues, succession planning, and support to Council and staff.

Council and staff discussed some of these in greater detail:

- *Recreation improvements:* Staff reported that (i) estimates for pickleball courts were \$100,000; (ii) estimates for relocating the ballfield lights was \$300,000; (iii) the Community Center playground equipment was out of compliance; and (iv) the Town had \$65,000 in donations sitting in the bank and could seek permission to use those funds for the lighting project. Council asked about a playground at the Road 1 West pocket park and preferred that staff first tackle the Memory Park restrooms, followed by ballfield lighting.
- *Public Works facility:* Public Works had 3.5 years to vacate their facility at Old Home Manor (OHM). Staff had some proposed locations at OHM. The Chino Valley Equestrian Association endorsed a location close to its facility. This could be done incrementally over the 3.5 years.
- *Town Complex:* Ever since Administration moved to the South Campus, management had been difficult. A previous Council had approved a master plan with a single complex at Old Home Manor. Ideally, though, Town offices should be located at a town center that would be seen every day. Ms. Gritman stated that she and Mr. Duffy were exploring land behind the Senior Center that could be used for parking, recreation, or other uses.
- *Old Home Manor:* EPS Group was currently gathering more exhibits and will perform a traffic study, which the Economic Development Subcommittee will review thereafter. Ms. Gritman was reluctant to put more money into the industrial park until there was some movement on it.

Council directed staff to:

- Create a worksheet of the issues brought up with associated costs; and
- Set another half-day meeting to work on the Strategic Plan.

7) Review and discussion regarding an update of the 2016 Strategic Plan.

Mayor Croft related that, as discussions had gone longer than planned, Council will work on the Strategic Plan later.

8) ADJOURNMENT

MOVED by Councilmember Mike Best, seconded by Councilmember Cloyce Kelly to adjourn at 2:00 p.m.

Vote: 6 - 0 PASSED - Unanimously

Darryl L. Croft, 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 Study Session/Retreat of the Town Council of the Town of Chino Valley, Arizona held on the 21st day of February, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of March, 2018.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

8.a.

Meeting Date: 03/13/2018
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Estimated length of Staff Presentation: None
Physical location of item: City of Prescott water system within the Town limits

AGENDA ITEM TITLE:

An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott Water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Grittman, Town Manager)

Attachments

No file(s) attached.
