

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

**TUESDAY, MARCH 28, 2017
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 28, 2017.

Present: Mayor Darryl Croft; Vice-Mayor Mike Best; Councilmember Susie Cuka; Councilmember Annie Lane; Councilmember Corey Mendoza; Councilmember Jack Miller; Councilmember Lon Turner

Staff Present: Interim Town Manager Cecilia Grittmann; Town Attorney Phyllis Smiley (via Skype); Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Lieutenant Vince Schaan; Public Works Director/Town Engineer Michael Lopez; Library Director Scott Bruner; GIS/CAD/Web Technician Jan Mazy (videographer); Town Clerk Jami Lewis (recorder)

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

Mayor Croft called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Proclamation declaring April 2017 as "Fair Housing Month," in Chino Valley, sponsored by Northern Arizona Council of Governments.

Mayor Croft read the proclamation.

- b)** Presentation by Richard Heath, Executive Director, regarding the Northern Arizona University (NAU) campus in Prescott Valley.

Mr. Heath provided an update on the NAU campus, reporting on: four year institutions' importance to economic development and workforce; NAU's mission to offer affordable flexible degree programs; student statistics; partnership with Yavapai Community College; degree programs and career opportunities; and future plans and changes.

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.

John Trout, Center Street resident, spoke about roadway issues with Center Street and asked when the road would be completed. Mayor Croft directed him to Public Works Director Lopez.

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) Comments regarding Aquatic Center entry fees for multiple sessions.

Mayor Croft reported that Town staff had reconfigured the pool schedule to increase safety and efficiency with regard to staffing levels and water quality, and as the revised schedule had also improved attendance and revenues, Council had approved it.

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.

Council had nothing to report.

- b) Status report by Interim Town Manager Cecilia Grittmann and/or Town staff members regarding Town accomplishments, and current or upcoming projects.

Ms. Grittmann reported on:

- New hires in Police and Recreation, and an intern in Development Services.
- Staff's current efforts on the budget process.

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

Mr. Duffy reported on:

- trends and comparisons of all revenues from five years prior to five years ahead;
- projections based on 0% to 3% increases, subject to change from new data;
- overall revenues and individual breakdowns; and
- the Town's dependence upon sales tax.

(Vice-Mayor Best left the meeting at 6:25 p.m. and returned at 6:28 p.m.)

Key points were:

- Overall, revenues were slowly increasing.
- Sales taxes had softened in the last three months and staff was watching this closely.
- Highway User Revenues were finally back to near \$1 million.
- Staff projected 29 new water connections; the general fund subsidized the Water fund with \$75,000; and the annual \$65,000 from Prescott will be ending soon.
- Sewer will be in the black for the first time next year and will be able to start paying back the loan from the general fund.

Council and staff discussed the following in more detail:

- *Sales taxes:* These made up about 40% of the Town's revenue and were the Town's key to survival, since the Town had no property tax. The recent decrease was in the retail sector and December and January had been soft nationally. If the trend continued, staff would have to adjust the budget.
- *HURF status:* In 2007/2008, it was around \$1.4 million, then went down after the recession and the 2010 Census.

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.

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.

Councilmember Mendoza suggested moving item 7c up to accommodate the people in the audience.

MOVED by Councilmember Corey Mendoza, seconded by Vice-Mayor Mike Best to move action item 7c above a and b.

Vote: 7 - 0 PASSED - Unanimously

- a)** Consideration and possible action to approve the Waiver of Four Year Notice and Pavement Quality Report for the abandonment of the Old State Route 89 right-of-way for continued public use to the Town of Chino Valley. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve the Waiver of Four Year Notice and Pavement Quality Report for the abandonment of the Old State Route 89 right-of-way for continued public use to the Town of Chino Valley.

(This item was heard after item 7c but is retained here for clarity.)

Mr. Lopez reported that:

- SRP and the City of Prescott had contacted the Town about obtaining a right-of-way permit to monitor the station at Sullivan Dam. Staff then determined that even though the State believed it had abandoned Old Highway 89 to the County and Town years ago, the State still owned it.
- The State had not maintained the road in 40 years and the Town had maintained it for several years. As the State intended to complete the abandonment to the County and Town, the Town would need to absorb the road into its maintenance plan, and staff hoped to work with the County on that.

- The Town also owned the bridge and he had spoken with ADOT about grant opportunities for remediation. ADOT also intended for construction and repair in the area in 2020 and the Town should put aside money to repair its portion of the old highway at the same time.
- In order to clean up these discrepancies, staff was asking Council to waive the four-year review period so ADOT could abandon the road now.

Some councilmembers questioned the history of the matter; why the Town had been maintaining the road when the State owned it; if the Town was required to accept the State's abandonment; and if the State was going to require the road be up to code.

Mr. Lopez spoke about the Town's positive relationship with ADOT, his belief that the Town had no choice but to accept the road, and researching the matter further.

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Mike Best to direct Mr. Lopez to get more information so it was crystal clear.

Vote: 7 - 0 PASSED - Unanimously

- b) Consideration and possible action to approve Change Order No.1 to the Agreement for Professional Consulting Services with CivilTec Engineering, Inc. for additional services including Nationwide 404 permitting and Water of the US Jurisdictional Delineation for Santa Cruz Wash, development of bid alternates, and as-built record drawings in the amount not to exceed \$35,944.00. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve Change Order No. 1 to the Agreement for Professional Consulting Services with CivilTec Engineering, Inc. for additional services including Nationwide 404 permitting and Water of the US Jurisdictional Delineation for Santa Cruz Wash, development of bid alternates, and as-built record drawings in the amount not to exceed \$35,944.00.

Mr. Lopez reported that this change order included three items not included in CivilTec's contract:

- *Nationwide 404 Permitting and Water of the US Jurisdictional Delineation for Santa Cruz Wash:* After the contract's approval, the Army Corps of Engineers determined that they had jurisdiction over the Wash. This required additional services at a cost of \$18,396 to obtain 404 permitting, which was not in the contract's original scope. After much time and effort, the Town now had all the approvals needed.
- *Bid Alternates:* As the estimated project cost was \$2.8 million and the Town had \$1.27 million, the EDA representative had suggested using deductive bid alternatives. The time and plan modifications that went into iterations for the deductive bids cost an additional \$9,492.
- *Asbuilts:* The contract's original scope for asbuilts was strictly for drainage improvements. The consultant was asking to add design for the asbuilts for the rest of project, such as water valves, sewer manholes, roads, intersections, and monuments, at a cost of \$8,056, in order to produce a final set of asbuilts for potential clients.
- The original estimate for this contract had been \$210,000-\$220,000. This change order would increase the total cost to \$232,049.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to approve Change Order No. 1 to the Agreement for Professional Consulting Services with CivilTec Engineering, Inc. for additional services including Nationwide 404 permitting and Water of the US Jurisdictional Delineation for Santa Cruz Wash, development of bid alternates, and as-built record drawings in the amount not to exceed \$35,944.00.

Vote: 7 - 0 PASSED - Unanimously

- c) Authorize Mayor to sign a letter of support, on behalf of the Council, to Yavapai County for the Northern Connector road, which extends Center Street west of Reed Road to Williamson Valley Road. (Cecilia Gritman, Interim Town Manager)

Recommended Action: Authorize Mayor to sign letter of support, on behalf of the Council, to Yavapai County for the Northern Connector road, which extends Center Street west of Reed Road to Williamson Valley Road.

(This item was heard after item 5c but is retained here for clarity.)

Mayor Croft read the proposed letter, which cited business, education, and employment opportunities, and safety as reasons to support the future connector road.

Public comment:

Cathy Lopez, Brenda Trail resident; Peggy Trout, Center Street resident; George Flood, Brenda Trail resident; Jimmy McConnell; and John Trout spoke in opposition, citing the following reasons:

- 1,300 persons, 75% of whom were from Williamson Valley, had signed a petition opposed to this project due to lack of clear information from the County and concerns about the need and expense.
- Questions about the Town's plan for its Reed Road/Center Street intersection.
- The money should be used to fund the jail and emergency services.
- A connector for shopping or fire evacuations was not that great a need.
- The preferred route was based on flawed data and a connector was more needed north of Road 5 North.
- The County could not justify the costs when it had many unimproved roads needing maintenance and repair.
- Increased traffic from the new road would go through a school zone.
- The Town stated that the project was not scheduled for 15-20 years, yet the citizens were hearing five to 10 years, and the County was already buying right-of-way.

Public Works Director Lopez stated that as the project was not slated for 15-20 years, the Town would have no specific plans for the Reed Road/Center Street in the near future.

Council comments:

- Councilmembers Cuka and Miller spoke about the Council having to consider opportunities for sales tax revenues in order to become sustainable, as the Town's citizens had not wanted a property tax; connector roads being part of the future; and it making sense to connect the communities.
- Councilmember Turner spoke about the inevitability of change and those it affected.

- Vice-Mayor Best spoke about such projects needing engineering and right-of-way acquisition efforts years in advance, and the County needing help with funding.
- Councilmember Mendoza spoke about the importance of sales tax, the Council's job to do what's best for the whole Town, and citizens having the option to vote out their supervisor, if desired.
- Councilmember Lane spoke about also being concerned with the effects of the road on the high school, but the connector road being beneficial to bring jobs, and needing the alternate evacuation route.
- Mayor Croft spoke about the proposed route being the best and cheapest.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Susie Cuka to authorize the Mayor to sign the letter of support, on behalf of the Council, to Yavapai County for the Northern Connector road, which extends Center Street west of Reed Road to Williamson Valley Road.

Vote: 7 - 0 PASSED - Unanimously

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.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Lon Turner to go into executive session at 7:30 p.m.

Vote: 7 - 0 PASSED - Unanimously

- An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending litigation or in settlement discussions conducted in order to avoid or resolve litigation in the matter of Town of Chino Valley v. Glenarm Land Company, Inc. (Mayor and Council)
- An executive session pursuant to A.R.S. & 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, or salary of Interim Town Manager, Cecilia Grittmann. (Mayor and Council)

9) ACTION ITEMS RESUMED

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

Mayor Croft reconvened the regular meeting at 7:43 p.m.

- Consideration and possible action to authorize staff and the Town Attorney to take necessary actions to settle the eminent domain litigation of Town of Chino Valley, Arizona v. Glenarm Land Co., Inc. in an amount not to exceed \$50,000 plus statutory interest as applicable. (Mayor and Council)

Recommended Action: Authorize staff and the Town Attorney to take necessary actions to settle the eminent domain litigation of Town of Chino Valley, Arizona v. Glenarm Land Co., Inc. in an amount not to exceed \$50,000 plus statutory interest as applicable.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to authorize staff and the Town Attorney to take necessary actions to settle the eminent domain litigation of Town of Chino Valley, Arizona v. Glenarm Land Co., Inc. in an amount not to exceed \$50,000 plus statutory interest as applicable.

Vote: 7 - 0 PASSED - Unanimously

- b) Consideration and possible action to approve the Town Manager Contract for Cecilia Gritman, effective _____ for a 2 year period ending June 30, 2019. (Mayor and Council)

Recommended Action: Approve the Town Manager Contract for Cecilia Gritman, effective _____ for a 2 year period ending June 30, 2019.

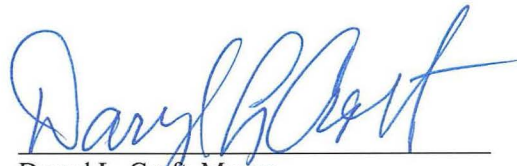
MOVED by Vice-Mayor Mike Best, seconded by Councilmember Lon Turner to approve the Town Manager Contract for Cecilia Gritman, effective April 1, 2017 for a 2 year period ending June 30, 2019.

Vote: 7 - 0 PASSED - Unanimously

10) **ADJOURNMENT**

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Lon Turner to adjourn the meeting at 7:45 p.m.

Vote: 7 - 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 Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 28th day of March, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 11th day of April, 2017.


Jami C. Lewis, Town Clerk