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

TUESDAY, APRIL 8, 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, April 8, 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; Planner Ruth Mayday; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Town Attorney Sharon Sargent-Flack; Town Attorney Mark Drutz; Finance Director Joe Duffy; Police Chief Chuck Wynn; Magistrate John Walker; Town Engineer/Public Works Director Ron Grittman; Civil Engineer Richard Straub; Building Official Dan Trout; Town Clerk Assistant Liz Hart; Town Clerk Assistant Liz Hart (recorder); 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 and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Proclamation declaring April 9, 2014 as "Arizona Gives Day," sponsored by West Yavapai Guidance Clinic Foundation.

Mayor Marley read the proclamation and presented it to Tina Blake with West Yavapai Guidance Clinic Foundation and Ashley Mains with Prescott College, who spoke about Arizona Gives Day and supporting local non-profits.

b) Presentation by Scott Freitag, Fire Chief, Chino Valley Fire District regarding current Fire District activities and partnerships with the Town.

Chief Freitag reported on the district's:

- financial condition;
- support of the town's intent to extend infrastructure;
- disposition of Station 64 next to Town Hall;
- partnerships with the town's building dept and public works director;
- search for a new fire marshal; and
- joint management agreement with Central Yavapai Fire District for admin staffing.

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.

Michael Edmonds, resident, asked for several pieces of information related to the Road 4 South extension project.

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) Possible Town plans to annex areas west of Reed Road.

Mayor Marley reported that the town had no current plans for any annexations.

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 on the status of the magistrate evaluation process and an upcoming Magistrate Evaluation Subcommittee meeting.

Mayor Marley reported on the Granite Mountain Hotshots memorial bench and read the monthly mayor's report, which pertained to road conditions in the town and lack of funding for maintenance.

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

Mr. Smith reported on:

- the current budget process;
- the status of negotiations with the City of Prescott and Fann Contracting;
- Cortez Enterprises' rezoning status; and
- pending amendments to the Unified Development Ordinance.

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 Mike Best to approve consent agenda items 6a, b, c and d.

Vote: 7 - 0 PASSED

a) Consideration and possible action to approve the March 5, 2014 study session minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the March 11, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to approve the March 25, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

d) Consideration and possible action to accept the Declaration of Right-of-Way by the Town of Chino Valley, for the creation of public right-of-way along the alignment of Jerome Junction Road. (Ron Grittman, Public Works Director/Town Engineer)

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 to appoint new members to fill vacancies in the SR 89 Utility Project Citizen Committee. (Mayor Marley)

Recommended Action: Appoint new members to fill vacancies in the SR 89 Utility Project Citizen Committee.

Mayor Marley reported that:

- On April 9, 2013, Council was asked to consider establishing a citizen committee to review the SR 89 Utility Project ("Project"), which pertained to proposed extensions of sewer and water to the highway for economic development and financial stability purposes, and bringing a recommendation to the Council regarding a potential bond election in November 2013.
- On April 23, 2013, Council established the SR 89 Utility Project Citizen Committee ("Committee"), which met several times and issued a report of their findings and recommendations to Council on June 11, 2013.
- Since that time, staff, working with several consultants, revised the original Project parameters, drafted new bonding recommendations, and presented them to Council on April 3, 2014. Staff suggested that Council might want to re-activate the Committee to have them review the revised project and provide an updated recommendation.
- Currently, due to relocations and resignations, only three members of the seven Committee members remained: Gary Warren, Karrie Blum, and Bud Hanen; and Council had been asked to nominate candidates for appointment.

Council discussion:

- Some disagreed with having County residents on the committee as the project would impact only residents.

- Others believed that, a non-resident with a business in town should be able to serve, as the project would also impact businesses.
- Mayor Marley suggested that Councilmembers, excluding himself and Vice-Mayor Croft, nominate a member for the Committee and allow the Committee members to determine one of them as alternate.
- Council reviewed the Committee charter and discussed eligibility for the three current members.

Town Attorney Smiley advised that the agenda item did not allow them to amend either the charter or the current members.

Councilmember Hatch nominated Robert MacCaullay; Councilmember McKee nominated Michael Edmonds; Councilmember Turner nominated Dave Mazy, Councilmember Wojcik nominated Lee Dudley, and Councilmember Best stated that he did not have a nominee at this time.

Dave Mazy removed himself from nomination, as he was a county resident.

Mayor Marley stated that, as Council will need the Committee's recommendation by May 13, the Committee will need to meet very soon.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to appoint those citizens and the other appointees from Councilmember Turner and Councilmember Best.

Vote: 7 - 0 PASSED

Mayor Marley stated that Council will announce the names of the other two appointees on April 22.

b) Consideration and possible action to direct the SR 89 Utility Project Citizen Committee to review, comment on, and provide Council with a recommendation on a proposal for issuance of a general obligation (GO) bond for water and sewer infrastructure improvements subject to approval by the Chino Valley voters. (Ron Grittman, Public Works Director/Town Engineer)

Recommended Action: Direct the SR 89 Utility Project Citizen Committee to review, comment on, and provide Council with a recommendation on a proposal for the Town to issue a general obligation (GO) bond for water and sewer infrastructure improvements subject to approval by the Chino Valley voters.

Mr. Grittman reported that the SR 89 Committee recommendations from 2013 were that:

- Council bring the question of project funding in the amount of $9.5 million from general obligation bonds to voters at a bond election on November 5, 2013.
- Council prioritize project areas based on input from Committee members as follows:
  - Only extend transmission lines that were 12" and larger.
  - Smaller distribution piping will be the responsibility of each individual property owner.
  - Construct area 2 between Perkinsville Road and Road 2 North parallel to SR 89 - $2.6 million.
  - Construct area 3 between Road 2 North and Center Street parallel to SR 89 - $2.8 million.
  - Construct area 1A between Road 3 North and Perkinsville Road parallel to SR 89 -

$3.5 million.
  - Expand the Wastewater treatment plant to one million gallons per day - $4.6 million.
  - Areas 2, 3, 1A and plant expansion total $13.5 million.
  - Next area for prioritization will be area 4 between Center Street and Road 2 South parallel to SR 89.
- Two items must be completed prior to August 12, 2013:
  - Certainty that the wastewater treatment plant contract was negotiated.
  - Certainty that the acquisition of Prescott water customers and system was negotiated.
  - If these were not completed by August 12, Council should not move forward with bond election. If they were completed, Council should let the voters decide by putting forth the question on the November 5, 2013 ballot.

Since June 11, 2013, significant progress had been made on the two issues that the Committee raised. The City of Prescott water system had been valued and initial efforts had begun on forming an agreement. In addition, values associated with the Fann Construction wastewater treatment plant agreement, along with the Operation and Maintenance Agreement was within a reasonable range of costs.

Should Council choose to follow its path from last year, it would be reasonable to reconvene the SR 89 Committee and seek a recommendation from them as to the next steps. Because time was of the essence, the Committee should be directed to review the Economists.com analysis and other relevant information and provide recommendations to the Council related to the issuance of a general obligation bond for sewer and water system improvements no later than May 13.

Town Manager Smith indicated that he would be the staff liaison for the Committee, which should report their progress to Council on April 22 and their final recommendation on May 13.

Council asked Mr. Smith to provide them with the Committee's meeting schedule.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to direct the SR 89 Utility Project Citizen Committee to review, comment on, and provide Council with a recommendation on a proposal for the Town to issue a general obligation (GO) bond for water and sewer infrastructure improvements subject to approval by the Chino Valley voters.

Vote: 7 - 0 PASSED

c) Consideration and possible action to schedule and discuss the process for the Town Manager's annual performance review. (Mayor Marley; Vice-Mayor Croft)

Recommended Action: Schedule a date for the Town Manager's annual performance review.

Council reviewed the proposed evaluation instrument, possible goals for the next year, possible parties to submit evaluations, and difficulties with performing last year's appraisal in open session.

Town Attorney Smiley advised that if Council set the appraisal as an executive session, the town manager had the right to request that it be held in open session.

Council preferred to use the instrument as presented, only allow Councilmembers to submit an evaluation, and conduct the appraisal and review goals for next year on April 22.

Town Manager Smith indicated that he did not object to holding the appraisal in executive session.

9) ADJOURNMENT

MOVED by Councilmember Linda Hatch, seconded by Councilmember Mike Best to adjourn the meeting at 6:58 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 8th day of April, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 22nd day of April, 2014.

Jami C. Lewis, Town Clerk