



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
Tuesday, April 14, 2015
6:00 P.M.**

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

AGENDA

- 1) CALL TO ORDER, INVOCATION; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

- a)** Proclamation declaring April 21, 2015 as "PowerTalk 21® Day," sponsored by Mothers Against Drunk Driving Arizona. (Mayor Chris Marley)
- b)** Consideration and possible action to declare April 2015 "Fair Housing Month." (Cecilia Grittman, Assistant Town Manager)

- 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.

- 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.

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 Robert Smith regarding Town accomplishments, and current or upcoming projects.

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 accept the March 24, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to accept the March 26, 2015 special meeting minutes. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to accept the March 26, 2015 study session meeting minutes. (Jami Lewis, Town Clerk)
- d) Consideration and possible action to appoint Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and appoint Cecilia Grittmann, Assistant Town Manager as the alternate voting member on the Yavapai Combined Trust Board. (Laura Kyriakakis, Human Resources Director)

Recommended Action: Appoint Laura Kyriakakis, Human Resources Director, as the Town's voting member on the Yavapai Combined Trust Board and appoint Cecilia Grittmann, Assistant Town Manager, as the alternate voting member on the Yavapai Combined Trust Board.

- e) Consideration and possible action to approve Financial Report for the month ended February 28, 2015. (Joe Duffy, Finance Director)

Recommended action: Approve Financial Report for the eight months ended February 28, 2015.

- f) Consideration and possible action to authorize the Mayor and the Police Chief to sign individual letters of support for a regional Assistance to Firefighters Grant (AFAG). (Ruth Mayday, Development Services Director)

Recommended Action: Authorize the Mayor and the Chief of Police to sign individual letters of support.

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.

- a) Consideration and possible action to approve Agreement for Interim Presiding Magistrate Services with Catherine J. Kelley, in the amount of \$5,000 per month for 90 days. Funds to come from the Municipal Courts Budget. (Phyllis Smiley, Town Attorney)

Recommended Action: Approve Agreement for Interim Presiding Magistrate Services with Catherine J. Kelley.

- b) Consideration and possible action to establish a procedure for addressing Code of Ethics violations and to provide direction to Staff to prepare an ordinance to be approved by Council that will incorporate the Council's recommendations into the Town Code. (Mayor Chris Marley)

Recommended Action: Establish procedure and potential penalties to address Code of Ethics Violations and direct staff to prepare an ordinance to amend the Town Code to incorporate the procedures.

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)(4) for discussion or consultation with the Town's Attorney in order to consider its position and instruct the Town's Attorney regarding the Town's position on a contract that is the subject of negotiations concerning acquisition of a portion of the City of Prescott Water System. (Bill Staudenmaier, Water Attorney)

9) ACTION ITEMS RESUMED

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

10) ADJOURNMENT

Dated this 9th day of April, 2015.

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/clerk/townagenda.shtml>, 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



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **2. a.**

Meeting Date: 04/14/2015
Contact Person: Liz Hart, Deputy Town Clerk/Records Technician
Phone: 928-636-2646 x-1210
Department: Council
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Proclamation declaring April 21, 2015 as "PowerTalk 21[®] Day," sponsored by Mothers Against Drunk Driving Arizona. (Mayor Chris Marley)

SITUATION & ANALYSIS:

N/A

Attachments

Power Talk proclamation



PROCLAMATION

PowerTalk 21® Day – April 21, 2015



***Whereas**, the Town of Chino Valley recognizes the importance of parents talking with their teens about alcohol in order to reduce the risks and dangers posed to teens and communities; and*

***Whereas**, high school students who use alcohol or other substances are five times more likely to drop out of school or believe good grades are not important; and*

***Whereas**, 27 percent of middle school students try alcohol before graduating from 8th grade, significantly increasing the risk that they will develop alcohol problems later in life; and*

***Whereas**, teen alcohol use kills 4,700 people each year, more than all other illegal drugs combined; and*

***Whereas**, the majority of kids say their parents are their primary influence when it comes to decisions about drinking alcohol; and*

***Whereas**, PowerTalk 21® day, started by Mothers Against Drunk Driving® (MADD) in 2011, is established on April 21, 2015, to encourage parents and caregivers to embrace their important role in influencing America's youth and their decisions about drinking alcohol; and*

***Whereas**, in 2015, MADD will kick off "21 Days in Support of 21," beginning on April 1st and culminating on PowerTalk 21 on April 21st, as part of Power of Parents® program to create a sustained and prolonged conversation about underage drinking among middle school and high school students; and*

***Whereas**, to equip parents to talk with their teens about alcohol, MADD Arizona during April 2015, will activate to give parents the tools to effectively talk to their children about alcohol to protect them; and*

***Whereas**, I urge all citizens to join in the local and national efforts to raise awareness of the importance of parents and teens talking together about alcohol to reduce the risks and dangers posed to teens and communities; and*

***Now, Therefore**, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim **Tuesday, April 21st** as **PowerTalk 21® Day** in Chino Valley, Arizona, and urge all of our citizens to recognize this observance.*

***In Witness Whereof**, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this **14th** day of **April 2015**.*

Darryl Croft, Vice-Mayor

ATTEST: Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **2. b.**

Meeting Date: 04/14/2015
Contact Person: Cecilia Grittman, Assistant Town Manager
 Phone: 928-636-2646 x-1202
Department: General Services
Estimated length 5 minutes
of Staff Presentation:
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to declare April 2015 "Fair Housing Month." (Cecilia Grittman, Assistant Town Manager)

SITUATION & ANALYSIS:

One of the requirements for Federal Housing dollars (such as the CDBG grant, or the Housing Rehab grant), is for a governmental entity receiving the funds to declare the month of April as "Fair Housing Month." The Town has done this consistently every year. We also had a representative from the SW Housing spend an afternoon in our community to address any fair housing issues a citizen may face.

Attachments

April 2015 Fair Housing proclamation



PROCLAMATION

FAIR HOUSING MONTH

APRIL 2015



Whereas, The National Fair Housing Law of 1986, as amended by the Fair Housing Amendments Act of 1988 prohibits discrimination in housing and declares it a national policy to provide within constitutional limits, for fair housing in the United States; and

Whereas, the principle of Fair Housing is not only national law and national policy but a fundamental human concept and entitlement for all Americans; and

Whereas, April has traditionally been designated as Fair Housing Month in the United States; and

Now, Therefore, I, Chris Marley, Mayor of the Town of Chino Valley, do hereby proclaim April as Fair Housing Month in Chino Valley, Arizona, and urge all of our citizens to recognize this observance.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 14th day of April 2015.

Chris Marley, Mayor

ATTEST: Jami C. Lewis, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 04/14/2015

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: N/A

AGENDA ITEM TITLE:

Consideration and possible action to accept the March 24, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the March 24, 2015 regular meeting minutes.

Attachments

March 24, 2015 minutes

DRAFT

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

**TUESDAY, MARCH 24, 2015
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, March 24, 2015.

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; Assistant Town Manager Cecilia Grittmann; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Eric Hatchell; Town Engineer/Public Works Director Ron Grittmann; Development Services Director Ruth Mayday; IT Specialist Spencer Guest; Deputy Town Clerk Liz Hart; Town Clerk Jami Lewis (recorder)

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

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

Mayor Marley gave the invocation and led the Pledge of Allegiance.

2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

- a)** Proclamation declaring April 7, 2015 as 2015 Mayor's Day of Recognition for National Service, sponsored by Corporation for National and Community Service. (Mayor Marley)

Mayor Marley read the proclamation and presented it to Lloyd Weathers with Prescott College's National Service Program.

- b)** Yavapai College Update by Dr. Clint Ewell, Vice President for Finance and Administrative Services.

Mr. Ewell spoke about the College's 2014 Governing Board Annual Report, statewide funding cuts to education, and the College's plans not to vacate the Chino Valley campus until 2022.

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.

Jimmy Whited, resident, spoke about an upcoming demonstration by tri-city veterans against Islam and the current federal administration.

Ron Romley with Yavapai Regional Transit asked the mayor for a letter of support to attach to an ADOT grant.

Norm Freeman, resident, spoke about staff including a time on agenda amendments.

Dan Carlson, resident, spoke about Council listening to each other and considering the economic effects upon people from their decisions.

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) Robert McCaullay and the Planning and Zoning Commission.

Mayor Marley reported that:

- Council had removed Mr. McCaullay from the Commission due to an ongoing investigation into a possible violation of conflict of interest law, pertaining to a case that was set to be heard by the Commission. As Town regulations did not provide for suspension of a commissioner during the course of an investigation, Council voted during an executive session to remove Mr. McCaullay from the Commission per Town Code Section 30.071.
- No hearing was required for such removal, but as the Council removed Mr. McCaullay without providing the required 24-hour notice of executive session to him, Council will schedule another executive session for May 12 to address the matter.

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.

Councilmember Turner reported that he investigated an issue raised during the previous meeting with regard to Verizon and cell tower permits, and he verified that in the last two years, Verizon had made no attempts or requests for permitting in the Town.

Mayor Marley read the Monthly Mayor's Report, which pertained to the Town's process for revising its business signage ordinance.

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

Mr. Smith had nothing to report.

- c) Presentation of preliminary revenue projections for the Fiscal Year 2015/2016 budget. (Joe Duffy, Finance Director)

Mr. Duffy presented the draft Revenue Manual, which summarized all revenues over the past five and next five fiscal years. Key points were:

- *Assumptions:* All revenues were projected to stay even or increase 3%, excluding transfers, carryover, and grants; and expenses were projected at 3% growth. Now that reserves were built up, staff was projecting revenues at 3% instead of 2%, which was still conservative, but a little more realistic.
- *Major revenues:* General Fund revenues increased 3% this year; state shared revenues were 2% over estimates; and total sales tax revenues were 1% over estimates—this would have been 2% without the change in Prescott transportation tax.
- *Utility revenues:* Water Fund revenues were projected to be down 10%, primarily due to reduced water buy-in fees; and staff hoped sewer fund revenues would break even by next fiscal year.
- *Capital Improvement funds:* Staff was projecting 3% per year growth.

Council asked about revenue loss due to Alco's closure. Mr. Duffy stated that it was not a significant loss and did not reduce sales tax projections.

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 accept Consent Agenda items a, b, c and d.

Vote: 7 - 0 PASSED

- a) Consideration and possible action to accept the February 24, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to accept the February 26, 2015 study session minutes. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to accept the March 10, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)

- d) Consideration and possible action to approve Financial Report for the month ended January 31, 2015. (Joe Duffy, Finance Director)

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.

- a) Consideration and possible action to approve (1) Wireless Communications Facilities Project 2015 Master Agreement with SunState Towers, LLC and Pinnacle Consulting, Inc.; (2) Installation Contract for Wireless Communications Facilities Project 2015 with Pinnacle Consulting, Inc., and (3) Wireless Communications Site Lease with SunState Towers, LLC, all related to installation of three (3) wireless communications towers with Town dishes to be located on them to provide enhanced wireless capabilities between the Town Hall, North Campus (Library) and the Recreation Center. Funds to come from the Capital Improvement Fund. (Councilmember Mike Best; Councilmember Lon Turner)

Recommended Action: Approve (1) Wireless Communications Facilities Project 2015 Master Agreement with SunState Towers, LLC and Pinnacle Consulting, Inc.; (2) Installation Contract for Wireless Communications Facilities Project 2015 with Pinnacle Consulting, Inc., and (3) Wireless Communications Site Lease with SunState Towers, LLC

The staff report by Development Services Director Mayday stated that that on March 10, 2015, Council directed staff to further research the project and provide Council with additional information.

MOVED by Councilmember Lon Turner, seconded by Councilmember Pat McKee to remove this from the agenda tonight and look at rescheduling it at a later date.

Vote: 7 - 0 PASSED

Steve Chontos, resident, requested to speak as he would be away in the future. Town Attorney Smiley advised that Mr. Chontos could provide his comments in a letter to the Council. Mayor Marley asked Mr. Chontos to contact Councilmember Turner regarding his concerns.

- b) Consideration and possible action to establish a procedure for addressing Code of Ethics violations and to provide direction to Staff to prepare an ordinance to be approved by Council that will incorporate the Council's recommendations into the Town Code. (Mayor Marley)

Recommended Action: Establish procedure and potential penalties to address Code of Ethics Violations and direct staff to prepare an ordinance to amend the Town Code to incorporate the procedures.

The staff report by Town Attorney Smiley stated that:

- Currently, the Town Code provided that complaints of alleged violations of the Town's Code of Ethics were submitted in writing to the Mayor, Vice Mayor or Town Attorney, depending on the circumstances and that they must be addressed by the Town Council within 60 days of being submitted. There were no provisions outlining what happened to a complaint between the time it was received and the Town Council meeting.
- In light of confusion over how to address the complaint recently received, Mayor Marley proposed a procedure to be followed. The Town Attorney reviewed the procedure and made further recommendations for Council's consideration in a memorandum provided to the Council.

Councilmember Hatch believed that the Town should disclose all attorney-client privileged documents so that the public and Council could review and have open discussion on them, provide fair and unbiased opportunity for both sides, and ensure fundamental due process.

MOVED by Councilmember Linda Hatch, seconded by Councilmember Pat McKee to waive and disclose attorney-client privilege documents and postpone item until the next meeting when such documents were made public.

Vote: 6 - 1 PASSED

NAY: Mayor Chris Marley

- c) Consideration and possible action to approve the use of Sagan University to utilize the Town as the pass-through agent for three Tribal Grants, as per the requirements of Proposition 202. (Cecilia Grittman, Assistant Town Manager)

Recommended Action: Approve Sagan University to utilize the Town as its pass-through agent for three Tribal Grants, as per the requirements of Proposition 202.

Ms. Grittman reported that:

- Sagan University, a not-for-profit 501(c) organization, was requesting that the Town act as the pass-through agent for the University, as it applied for Arizona Indian gaming funds in support of its start-up as a general academic, on-line university program. The University will target students and partnerships from the Native American, African American, Hispanic, economically depressed, rural, and other underserved communities.
- As the University developed, it will be required to develop and sustain an office or building, and they wished to locate in Chino Valley. Although the number of jobs created locally, because of the on-line nature of the education, will not be significant, they intended to create this physical presence in the Town.
- Per Proposition 202, passed in 2002, 12% of tribal gaming revenues was to be shared with the state and its counties, cities and towns, and invested throughout the state to improve education, health care, conservation, and the economies of local communities.
- Should a tribe approve a grant, the State required tribes to pass the money through a city, town, or county to the organization applying for the funds. The Town would only be responsible for accepting and redistributing funds to the entity and would not be responsible for monitoring, accounting or reporting on how the recipient organization used the funds.
- Sagan University intended on submitting grant applications to tribes throughout Arizona. The requests will vary in amounts, and the dates will be determined by each tribe's funding grant cycle. Should the University receive notice that they will be funded by one of the tribes, it was likely the Town will sign a Memorandum of Understanding

(MOU) with each tribe upon successful grant award and an Intergovernmental Agreement with the University.

- There was no financial impact to the Town for this transaction. Should Sagan University desire to utilize the Town for future tribal pass-through grants, the requests will come before Council for its approval.

Councilmember Hatch disclosed that part of her income came from a competing university. Town Attorney Smiley advised that she did not believe Councilmember Hatch had any pecuniary interest in the matter and thus, no conflict of interest.

Dr. Eve Kaczmarek introduced Provost Bob Eulick and spoke about the University, which they hoped to open in the fall of 2016. They intended to provide undergrad and graduate courses, targeting the Native American population. They were currently seeking three grants, one of which was due Friday.

Council asked about the following topics. Dr. Kaczmarek and Town Manager Smith responded.

- *Accreditation:* They had started working on a packet, but could not apply until they had been up and running for two years.
- *Town resources to be used:* Staff anticipated six to ten staff hours per year. A fee for the Town could be worked out if the University was awarded the grants.
- *Financial benefit to the Town:* None, although as they grew into a building, they hoped to provide jobs for the Chino Valley area.
- *Grant amounts and limits:* Current grant amounts sought were \$5,000, \$15,000, and \$1 million; all of which would be awarded in June. The Town could also solicit for grants. Each tribe had different requirements and the grants were limited only by the amount of money the casinos took in.
- *Liability, exposure, or accountability to the Town:* All liability was between the granting institution and the tribe. Staff foresaw no exposure and any accountability issues would be included in the intergovernmental agreement.
- *Grant frequencies:* Sagan hoped to apply frequently with the tribes, as well as other sources.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve Sagan University to utilize the Town as its pass-through agent for three Tribal Grants, as per the requirements of Proposition 202. 7-0.

Vote: 7 - 0 PASSED

- d) *Consideration and possible action to: (i) appoint an Interim Presiding Magistrate Judge; and (ii) provide direction to Staff regarding continuing research into options for alternative magistrate court providers and/or recruitment process for a permanent Presiding Magistrate. (Phyllis Smiley, Town Attorney)

Recommended Action:

- (i) Move to appoint _____ to serve as Interim Presiding Magistrate for the Town of Chino Valley for a period not to exceed ____ months and direct Staff to prepare a contract with _____ for approval by Council at its meeting on April 14, 2015; and
- (ii) Direction to staff to continue research into options for alternative magistrate court providers and provide Council with staff's findings at Council's April 28, 2015 meeting.

Ms. Smiley reported that:

- As of March 27, 2015, the Chino Valley Magistrate Court will be without a presiding magistrate due to John Walker's resignation. A new or interim presiding magistrate needed to be appointed prior to that date to assure continuing operation of the Court.
- Cathy Kelley, the Town's Judge Pro Tem, informed staff that Yavapai County Superior Court Administrator Rolf Eckels had advised her that if the Town did not appoint a new or interim magistrate prior to March 27, Yavapai County Superior Court will take over the Town Court's operation. Judge Kelley also indicated that she could not continue as pro tem judge after March 27, because Judge Walker appointed her and her appointment was tied to his service as presiding magistrate.
- The Town Attorney contacted Mr. Eckels who advised that Judge Mackey, Yavapai County Superior Court Presiding Judge, was concerned about the situation in Chino Valley, but as long as the Town was making progress toward resolving the issues and finding a permanent solution, the County will not step in. A pro tempore judge might continue to act as a pro tempore judge, but not act as the presiding magistrate unless the Town Council appointed him or her to do so, as a presiding magistrate had certain duties related to running the court that could not be performed by a pro tempore judge.
- Due to the short time between now and the effective date of Judge Walker's resignation, there was not enough time to complete a recruitment process for a new presiding magistrate. As such, staff recommended that Council appoint an interim presiding magistrate effective March 27, 2015.
- Also, prior to Judge Walker's resignation, Council directed staff to review the Town's options regarding efficient and cost-effective means of providing magistrate court services to the Town. Options included contracting with another municipality or the justice of the peace for court services or operating the magistrate court on a non-full time basis. Staff's research on these options was not complete at this time, and they anticipated making a presentation of their findings and recommendations to Council at the second Council meeting in April. Staff recommended that Council not appoint a permanent presiding magistrate until Council had the opportunity to consider the options and determine the best one for the Town.

(The following portion of Item 7d was heard after item 8a.)

Mayor Marley reconvened the regular meeting at 7:33 p.m.

Vice-Mayor Croft noted that the Town was required to give 24-hour notice to the person they would like to appoint. To give staff that time to provide notice, he made the following motion.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to postpone this Agenda item until the March 26 study session.

Vote: 7 - 0 PASSED

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adjourn into executive session at 7:06 p.m.

Vote: 7 - 0 PASSED

- a) *Pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, or salaries of Cathy Kelley as Interim Presiding Magistrate of the Chino Valley Municipal Court. (Phyllis Smiley, Town Attorney)

9) **ACTION ITEMS RESUMED**

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

10) **ADJOURNMENT**

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Darryl Croft to adjourn the meeting at 7:34 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 24th day of March, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of April, 2015.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 04/14/2015

Contact Person: Jami Lewis, Town Clerk

Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: N/A

AGENDA ITEM TITLE:

Consideration and possible action to accept the March 26, 2015 special meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the March 26, 2015 special meeting minutes.

Attachments

March 26, 2015 special minutes

DRAFT

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

**TUESDAY, MARCH 26, 2015
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Special Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, March 26, 2015.

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

Absent: Councilmember Don Wojcik

Staff Town Manager Robert Smith; Assistant Town Manager Cecilia Grittmann; Finance Director Joe

Present: Duffy; Human Resources Director Laura Kyriakakis; Development Services Director Ruth Mayday; Town Clerk Jami Lewis (recorder)

1) **CALL TO ORDER; ROLL CALL**

Mayor Marley called the meeting to order at 6:05 p.m.

(Councilmembers Linda Hatch and Pat McKee participated via conference phone.)

2) Council may vote to hold an executive session, which will not be open to the public, pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, or salaries of Cathy Kelley as Interim Presiding Magistrate of the Chino Valley Municipal Court. (Phyllis Smiley, Town Attorney)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn to executive session at 6:07 p.m.

Vote: 6 - 0 PASSED

Mayor Marley reconvened the special meeting at 7:06 p.m.

3) Consideration and possible action to: (i) appoint an Interim Presiding Magistrate Judge; and (ii) provide direction to Staff regarding continuing research into options for alternative magistrate court providers and/or recruitment process for a permanent Presiding Magistrate. (Phyllis Smiley, Town Attorney)

Recommended Action:

(i) Appoint _____ to serve as Interim Presiding Magistrate for the Town of Chino Valley for a period not to exceed ____ months and direct Staff to prepare a contract with _____

for approval by Council at its meeting on April 14, 2015; and
(ii) Direction to staff to continue research into options for alternative magistrate court providers and provide Council with staff's findings at Council's April 28, 2015 meeting.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to appoint Cathy Kelley as the Interim Presiding Magistrate for the Town of Chino Valley for a period not to exceed 90 days, at a salary of \$15,000 for that period, and prepare a contract for Judge Kelley for approval by the Council, and to be effective March 27, 2015; and direct staff to begin recruiting process, and also direction to staff to continue research into options for alternative magistrate court providers and provide Council with staff's findings at Council's April 28, 2015 meeting.

Vote: 6 - 0 PASSED

4) ADJOURNMENT

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 7:08 p.m.

Vote: 6 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 26th day of March, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of April, 2015.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. c.**

Meeting Date: 04/14/2015

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 March 26, 2015 study session meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Accept the March 26, 2015 study session meeting minutes.

Attachments

March 26, 2015 study session minutes

DRAFT

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

**TUESDAY, MARCH 26, 2015
6:05 P.M.**

The Town Council of the Town of Chino Valley, Arizona, met for a Study Session in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, March 26, 2015.

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

Absent: Councilmember Don Wojcik

Staff: Town Manager Robert Smith; Assistant Town Manager Cecilia Grittmann; Finance Director Joe

Present: Duffy; Human Resources Director Laura Kyriakakis; Development Services Director Ruth Mayday; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 7:18 p.m.

Councilmember Hatch and Councilmember McKee participated via conference phone.

2) Presentation by staff and discussion regarding the fiscal year 2015/2016 preliminary budget. (Joe Duffy, Finance Director)

Mr. Duffy reported on the following topics:

- *Shortfall*: \$450,000 as of January; departments closed the gap by proposing certain savings.
- *Major budget challenges*: (i) Enterprise funds continued to operate in the red—the Town's goal was to stop rate increases as soon as possible; (ii) Funds available for roads maintenance were diminishing fast; and (iii) No funds were being set aside for future capital needs and/or capital replacement.
- *General Fund (GF) balance*: The Town made significant progress toward keeping the fund balance above the required reserve amount.
- *Current fiscal year (FY) budget changes*: (i) savings of \$317,000 provided by department cuts, plus \$320,000 in contingency; (ii) Expenses totaling \$85,000 for new Human Resources position, police vehicle repairs, legal fees, and liability insurance.
- *Next FY budget changes*: (i) Savings of \$152,000 from departments; and (ii) Expenses totaling \$299,000 for increases in health insurance, liability insurance, Human Resources Department, police and police retirement, Senior Center, and Library, as well as expenses for merchant/bank audit, contingency, and non-departmental/other.
- *GF budget changes*: (i) Projected carryover of \$284,000; (ii) Staff recommendation to transfer \$50,000 from GF to Highway User Revenue Fund (HURF) for road repairs, and possibly doing so every year; and (iii) Transferred \$150,000 from Capital Improvement Fund (CIP) to subsidize Aquatic Center, this and each FY.

- *HURF*: Revenues were not keeping up with expenses and would decrease the next three years.
- *CIP 1% designated tax*: Fund balance will increase each fiscal year, but staff recommended holding on to these funds until the Town acquired Prescott's water system, which should increase available CIP funds in future years.
- *Water Enterprise Fund*: (i) The fund will lose ground without Prescott system; (ii) it will become a profitable enterprise with the Prescott system, and the Town will be able to stop subsidizing it as of FY 2018.
- *Sewer Enterprise Fund*: (i) The new sewer plant budget had an additional plant operator, but staff did not anticipate hiring right away; (ii) The fund was anticipated to break even in FY 2016 and have revenues over expenditures in FY 2017; (iii) The Fund still needed enough profit for capital replacement; and (iv) Staff hoped to ask Council to defer rate increases at end of the year.
- *Capital requirements*:
 - *Equipment*: (i) Purchased \$715,000 in equipment in current fiscal year; (ii) No equipment purchases were planned for the next fiscal year; (iii) One police car was budgeted for FY 2017, increasing to two per year subsequently.
 - *Roads*: GF carryover should begin increasing the amounts of funds available for roads maintenance each year.
 - *Water system expansion*: After the Prescott acquisition, a system expansion plan should be developed.
 - *Sewer system expansion*: Staff desired to refinance the WIFA loan to obtain a lower interest rate to save the Sewer Fund \$40,000 in interest and allow the Town to hold its sewer rates. As this required new money, staff proposed a \$500,000 project in FY 2016 to expand sewer to the Molly Rae subdivision.
 - *FY 2016 budget priorities*: Acquire Prescott water system, and Refinance the USDA sewer debt to reduce interest costs.
- *Capital Improvement Fund 1% Sales Tax*: (i) Per Resolution 04-711, these funds could be used for associated personnel, maintenance, and operating costs of water acquisition and extension, sewer extensions, park and pool improvements, and additional police officers. (ii) Funds in excess could be used to retire debt, or for local grant match, Chino Meadows subsidies, capital investments, and capital acquisitions.
- *State Funding changes*: The FY 2016 numbers should not need changes, unless the state changed its funding.

Mayor Marley asked about reducing water system power costs and the status of the wastewater treatment plant. Town Manager Smith related that: he was not sure if staff had hard numbers; new membranes were to be installed at the sewer plant in the next 30 days; and the Town was taking over the plant on April 1.

Mayor Marley stated that Council would need to address the Town Code regulations related to utility connections before the pending sewer system expansion.

- 3) Presentation and discussion regarding draft Communications Plan and draft Communications Policy. (Cecilia Grittmann, General Services Director)

Town Manager Smith presented an introduction to the draft plan and policy, including statistics and analytics regarding devices used, location-based services, social networking, social media sites, text messaging, the Town's FaceBook page use, and top priorities for local leaders. Key points were:

- In January 2015, Council directed staff to bring this item for review.
- A staff workgroup and several professionals had been meeting regularly to develop the plan and policy approach, which will likely need frequent revisions as the Town's experiences real best practices and approaches.
- A communications plan is supported by Council's 2013 Strategic Plan, the Town's 2014 core values, and ICMA Code of Ethics.
- The Town used several traditional communication tools, such as newspaper and website; and desired to begin reaching out through new and emerging areas and tools, such as social networks and podcasts.
- To date, no funds had been spent on social media.
- The Center for Digital Government had identified several top priorities for local chief information officers; the Town could not address these until it had a plan.
- The communications plan was a guide for staff to create better, responsible communications with the community in an organized fashion. The media policy will be Council's direction to staff on how to create and manage better communications.
- Staff planned to have a liaison with other major entities in the area to share information across entities and the public.

Council asked about FaceBook: advantages to its use, lack of control, and costs. Mr. Smith reported that more citizens were using FaceBook for Town updates than those going to the website. Mayor Marley asked Mr. Smith to visit with Councilmember Hatch to discuss content control issues.

Assistant Town Manager Grittman and IT Specialist Guest reviewed the draft communication plan:

- *Situation and Analysis:* A primary reason for the Plan was that most people seemed to get their information from unreliable sources and staff desired to find ways to provide factual information to the community.
- *Goals and Objectives:* One of the Town's new Core Values was to improve delivery of and provide clear, timely and complete information to the community on matters that concerned or impacted it.
- *Target Audiences:* The most effective method to reach the greatest number of residents possible would require several different avenues.
- *Key Messages:* This section listed various ways to communicate and involve the community as much as possible.
- *Spokespeople and Partners:* As the responsibility for managing the communication plan would be too much for an existing employee, staff anticipated contracting with or employing a communications manager.
- *Methods and Tactics:* This outlined communication avenues to potentially pursue, as well as get more use out of the methods already employed, to provide a consistent message, and eliminate rumor as much as possible. Staff also visited with the new editor of the local newspaper about creating a government page with more content for local government entities.
- *Information Dissemination:* With new technology, staff hoped to be able create one message and push it out to all the appropriate avenues.
- *Records Retention:* This will change as the State developed rules and guidelines for each communication method. Staff was also looking at software packages for retention purposes.

- *Miscellaneous Policies:* Policies were needed to address corrections and retractions and media contacts.
- *Timelines and Goals:* The plan included six-month, 12-month and 18-month goals.
- *Evaluation and Measurements:* Staff will investigate various metrics and analytics.
- *Legal Matters:* These included disclaimers, records retention issues, update processes, and employee policy and training. Currently, the Town's intent was to provide only one-way communication, except that the website could be used for two-way communication if so deemed appropriate in the future.

Council asked about alerts and researching other entities in developing the plan. Ms. Gritman related that:

- Alerts were a way to inform the public about an event such as road closure, gas line rupture, or the like. The police department already provided alerts through a Twitter account and the new website will also provide such a function.
- Staff had researched many entities' policies. Staff found that several municipalities had social media policies, but found none that had communication plans.

- 4) DELETED AND MOVED TO SPECIAL MEETING ON MARCH 26, 6:00 P.M.
- 5) DELETED AND MOVED TO SPECIAL MEETING ON MARCH 26, 6:00 P.M.
- 6) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Councilmember Mike Best to adjourn the meeting at 8:29 p.m.

Vote: 6 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on the 26th day of March, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of April, 2015.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. d.**

Meeting Date: 04/14/2015
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 appoint Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and appoint Cecilia Grittmann, Assistant Town Manager as the alternate voting member on the Yavapai Combined Trust Board.

RECOMMENDED ACTION:

Appoint Laura Kyriakakis, Human Resources Director as the Town's voting member on the Yavapai Combined Trust Board and appoint Cecilia Grittmann, Assistant Town Manager as the alternate voting member on the Yavapai Combined Trust Board.

SITUATION AND ANALYSIS:

Issue Statement

Back on 2/12/2013, Council appointed Tiffany Resendez as the alternate voting member of the Yavapai Combined Trust and Cecilia Watts (Grittmann) remain the voting member. Laura Kyriakakis, was hired as the Town of Chino Valley Human Resources Director, on 2/23/2015. Staff is recommending the Human Resources Director, Laura Kyriakakis become the voting member and the Assistant Town Manager, Cecilia Grittmann become the alternate for the Trust Board.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

Findings of Fact

Fiscal Impact**Fiscal Impact?:** No**If Yes, Budget Code:****Available:****Funding Source:**

AttachmentsYCT Appointment Ltr



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

928-636-2646
www.chinoaz.net

March 26, 2015

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 April 14, 2015, the Chino Valley Town Council voted to appoint 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
- Cecilia Grittman, Assistant Town Manager – Alternate Voting Member

I have enclosed the **Action Taken** recorded by our Town Clerk, referencing the Agenda Item and the Consent Agenda.

Please direct emails regarding meeting minutes, notices and agendas to both Laura Kyriakakis and Cecilia Grittman. The appropriate email addresses are listed below:

- Laura Kyriakakis: lkyriakakis@chinoaz.net
- Cecilia Grittman: cgrittman@chinoaz.net

Thank-you for your time.

Regards,

Chris Marley
Mayor

Cc: Laura Kyriakakis, Human Resources

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. e.**

Meeting Date: 04/14/2015
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Financial Report for the month ended February 28, 2015.

RECOMMENDED ACTION:

Approve Financial Report for the eight months ended February 28, 2015.

SITUATION AND ANALYSIS:

The Finance Department per Town Code is preparing Monthly Financial Reports for the Mayor, Council, Staff and Community.

Upon Council approval, the reports will be posted on the Town's website.

The report includes the following sections:

Revenue and Expense Summary - This section details the Revenues and Expenditures of each fund. Comparing the year to date figures to the current year's annual budget and the prior year's month to date figures.

Major Revenue Summary - This section details the year to date figures for the Town's eight major revenue sources that account for 60% of the Town's Revenue.

Other Information - This section details other pertinent financial and statistical information including the Impact Fee Fund balance and the amount of General Fund Contingencies that have been allocated this fiscal year and a debt summary.

The Finance Director will supplement these reports with periodic presentations and other information throughout the fiscal year.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Financial Report

Town of Chino Valley

Arizona

Financial Report



To The Town Council

For the Eight Months Ending February 28, 2015 67% of the Fiscal Year

Town of Chino Valley						
Revenue and Expense Summary						
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
GENERAL FUND						
General Fund Revenues by Category						
Franchise Taxes	\$ 63,797	\$ 59,012 *	\$ (4,785)		\$ 142,000	42%
Tax Revenues	\$ 2,438,137	\$ 2,525,383	\$ 87,246	4%	\$ 3,755,363	67%
Licenses & Permits	\$ 177,180	\$ 166,025	\$ (11,155)	-6%	\$ 217,000	77%
Intergovernmental	\$ 1,958,795	\$ 1,984,794	\$ 25,999	1%	\$ 3,063,000	65%
Charges for Services	\$ 35,708	\$ 27,757	\$ (7,951)	-22%	\$ 98,200	28%
Fines and Forfeitures	\$ 61,290	\$ 69,201	\$ 7,911	13%	\$ 118,000	59%
Other Revenues	\$ 4,522	\$ 3,704	\$ (818)	-18%	\$ 2,300	161%
Contributions and Donations	\$ 3,998	\$ 1,303	\$ (2,695)	-67%	\$ 7,800	17%
Investment Earnings	\$ 319	\$ 470	\$ 151	47%	\$ 550	85%
Transfers In	\$ 36,986	\$ 66,667	\$ 29,681	80%	\$ 560,087	12%
Total Revenues	\$ 4,780,732	\$ 4,904,316	\$ 123,584	3%	\$ 7,964,300	62%
* Estimated final quarter accruals.						
Total Revenues for the General Fund are up \$123,584 over the previous fiscal year. Licenses and Permits are down due to a reduction in Building Permits this fiscal year. Transfers In were increased in the current years budget over the prior year. The total General Fund Revenues are up 3% compared to the last fiscal year.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
General Fund Expenditures by Department						
Prosecutor	\$ 74,439	\$ 77,207	\$ 2,768	4%	\$ 122,800	63%
Town Clerk	\$ 109,570	\$ 133,602	\$ 24,032	22%	\$ 244,100	55%
Town Manager	\$ 234,131	\$ 269,983	\$ 35,852	15%	\$ 406,600	66%
Human Recourses	\$ 38,283	\$ 44,264	\$ 5,981	16%	\$ 69,850	63%
Municipal Court	\$ 185,952	\$ 200,206	\$ 14,254	8%	\$ 312,550	64%
Finance	\$ 193,741	\$ 216,300	\$ 22,559	12%	\$ 304,450	71%
Management Information System	\$ 122,813	\$ 131,719	\$ 8,906	7%	\$ 245,650	54%
Mayor and Council	\$ 14,352	\$ 13,142	\$ (1,210)	-8%	\$ 31,750	41%
Planning	\$ 112,717	\$ 105,273	\$ (7,444)	-7%	\$ 170,850	62%
Building Inspection	\$ 135,746	\$ 176,162	\$ 40,416	30%	\$ 273,500	64%
Police	\$ 1,657,895	\$ 1,799,436	\$ 141,541	9%	\$ 2,613,000	69%
Animal Control	\$ 57,465	\$ 81,656	\$ 24,191	42%	\$ 143,850	57%
Recreation	\$ 16,559	\$ 15,440	\$ (1,119)	-7%	\$ 69,400	22%
Library	\$ 178,798	\$ 193,783	\$ 14,985	8%	\$ 287,700	67%
Senior Center	\$ 128,052	\$ 146,413	\$ 18,361	14%	\$ 230,750	63%
Parks Maintenance	\$ 212,870	\$ 220,545	\$ 7,675	4%	\$ 396,500	56%
Aquatic Center	\$ 91,953	\$ 100,332	\$ 8,379	9%	\$ 249,750	40%
Facilities Maintenance	\$ 203,785	\$ 209,144	\$ 5,359	3%	\$ 346,650	60%
Fleet Maintenance	\$ 191,630	\$ 201,067	\$ 9,437	5%	\$ 336,600	60%
Engineering	\$ 40,630	\$ 33,588	\$ (7,042)	-17%	\$ 74,750	45%
Non Departmental	\$ 515,416	\$ 367,877	\$ (147,539)	-29%	\$ 923,250	40%
Total Expenditures	\$ 4,516,797	\$ 4,737,139	\$ 220,342	5%	\$ 7,854,300	60%
Total Revenue Over (Under)						
Total Expenditures	\$ 263,935	\$ 167,177	\$ (96,758)		\$ 110,000	
GENERAL FUND (Continued)						
Total General Fund Expenditures are up \$220,342 or 5% compared to last fiscal year. Through February each department should be less than 67%. In total the General Fund Departments are at 60%. The Finance Department is up due to the cost of changing banks including paying bank fees to both banks for several months and printing new checks. The Police Department is up slightly due to increased overtime.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
HIGHWAY USER REVENUE FUND						
Total Revenues	\$ 483,828	\$ 534,111	\$ 50,283	10%	\$ 1,235,350	43%
Expenditures						
Road Maintenance	\$ 580,259	\$ 691,627	\$ 111,368	19%	\$ 1,200,350	58%
Total Revenue Over (Under)						
Total Expenditures	\$ (96,431)	\$ (157,516)	\$ (61,085)		\$ 35,000	
Total Fund Revenues are up 10% over the prior fiscal year due to the budgeted increase in HURF fund distributions. Expenditures are up 19% this fiscal year due to costs associated with this years road maintenance expenditures. Staff estimates the department will be on budget by the end of the fiscal year.						
WATER ENTERPRISE FUND						
Water Revenues	\$ 300,469	\$ 268,629	\$ (31,840)		\$ 433,000	
Transfers In	\$ 146,667	\$ 187,133	\$ 40,466		\$ 280,700	
Total Revenues	\$ 447,136	\$ 455,762	\$ 8,626	2%	\$ 713,700	64%
Expenditures						
Water Utility Operations	\$ 381,966	\$ 344,741	\$ (37,225)		\$ 611,800	
Debt Service/Reserve	\$ 13,448	\$ 12,938	\$ (510)		\$ 101,900	
Total Expenditures	\$ 395,414	\$ 357,679	\$ (37,735)	-10%	\$ 713,700	50%
Total Revenue Over (Under)						
Total Expenditures	\$ 51,723	\$ 98,083	\$ 46,361		\$ -	
Total Water Enterprise Fund Revenues are down due to reduced Water Buy In fees so far this fiscal year and a 8% reduction in Water Service Fees. Water Service Fees appear to be recovering slightly each month. Expenditures are down due to a large repair last fiscal year.						
SEWER ENTERPRISE FUND						
Total Revenue	\$ 1,244,725	\$ 981,005	\$ (263,720)	-21%	\$ 1,753,914	56%
Expenditures						
Sewer	\$ 543,288	\$ 587,058	\$ 43,770		\$ 982,100	
Debt Service/Reserve	\$ 184,007	\$ 176,863	\$ (7,144)		\$ 771,814	
Total Expenditures	\$ 727,295	\$ 763,921	\$ 36,626	5%	\$ 1,753,914	44%
Total Revenue Over (Under)						
Total Expenditures	\$ 517,430	\$ 217,084	\$ (300,346)		\$ -	
Total Sewer Enterprise Fund Revenues are down 21% over last fiscal year due to reduced Sewer Buy In Fees this fiscal year. Sewer Service Fees are up 11% and department expenditures are up 5%.						

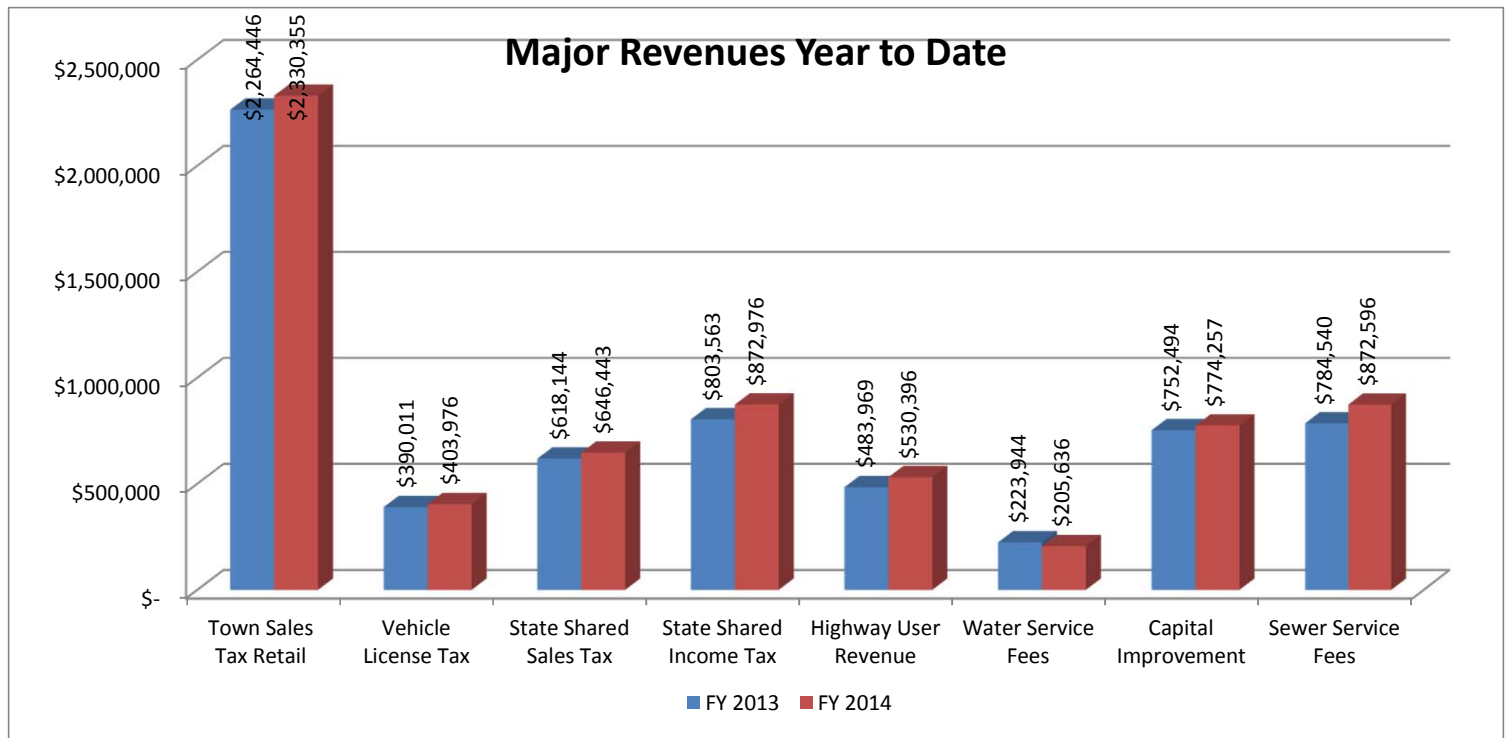
Town of Chino Valley						
Revenue and Expense Summary						
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
CAPITAL IMPROVEMENT FUND * (excludes bond projects)						
Total Revenues	\$ 813,135	\$ 841,800	\$ 28,665	4%	\$ 5,010,132	17%
Lease Purchase Proceeds		\$ 715,346	\$ 715,346			
Bond Proceeds		\$ 3,310,000	\$ 3,310,000			
Transfers In Road Impact Fees	\$ 315,869	\$ -	\$ (315,869)		\$ 886,000	
Capital Improvements	\$ 642,488	\$ 554,871	\$ (87,617)		\$ 4,776,000	
Equipment Acquisition		\$ 683,881	\$ 683,881			
WWTP Acquisition		\$ 3,503,753	\$ 3,503,753			
Transfers	\$ 572,066	\$ 811,755	\$ 239,689		\$ 1,120,132	
Total Expenditures	\$ 1,214,554	\$ 5,554,260	\$ 4,339,706	357%	\$ 5,896,132	94%
Total Revenue Over (Under)						
Total Expenditures	\$ (85,550)	\$ (687,114)	\$ (4,626,910)		\$ -	
Capital Improvement Fund Tax Revenues are up slightly by 4% over the prior fiscal year primarily due to an increase in Construction Sales Tax activity. Transfers are up due to the increased amount budgeted this fiscal year.						
Detailed Capital Improvement Fund Projects Funded by Road Impact Fees		Actual Year to Date FY 2014-15	Annual Budget FY 2014-15			
Center Street Box Culvert		\$ 440,167	\$ 500,000			
Road 1 East & Road 3 South		\$ 1,243	\$ 200,000			
Center Street Rd1 E and Rail		\$ -	\$ 150,000			
Design on Peavine Trail		\$ -	\$ 36,000			
		\$ 441,410	\$ 886,000			

Town of Chino Valley						
Revenue and Expense Summary						
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year						
			Actual vs Prior Year			
	Actual Year to Date FY 2013-14	Actual Year to Date FY 2014-15	Amount	% FY 2014-15/ FY 2013-14	Annual Budget FY 2014-15	% of Budget YTD
OTHER MINOR FUNDS						
Other Minor Funds -Revenues						
CDBG Grant	\$ -	\$ -	\$ -		\$ 264,000	
Grants Fund	\$ 150,231	\$ 169,978	\$ 19,747		\$ 3,470,000	
Special Revenue Fund Court	\$ 5,791	\$ 5,031	\$ (760)		\$ 15,600	
Capital Asset Replacement	\$ 9,166	\$ 24,146	\$ 14,980		\$ 500	
Police Impact Fee Funds	\$ 10,874	\$ 412	\$ (10,462)		\$ 111	
Library Impact Fee Funds	\$ 40,650	\$ 16,562	\$ (24,088)		\$ -	
Parks/Rec Impact Fee Funds	\$ 9,258	\$ 14	\$ (9,244)		\$ -	
Roads Impact Fee Funds	\$ 94,736	\$ 2,865	\$ (91,871)		\$ 1,000	
Special Revenue Fund PD	\$ 32,509	\$ 34,782	\$ 2,273		\$ 40,000	
CVSLID Districts	\$ 1,672	\$ 3,018	\$ 1,346		\$ 4,000	
Total Revenues	\$ 354,887	\$ 256,808	\$ (98,079)	-28%	\$ 3,795,211	7%
CDBG Grant	\$ -	\$ 5,226	\$ 5,226		\$ 264,000	
Grants Funds	\$ 219,632	\$ 81,048	\$ (138,584)		\$ 3,470,000	
Special Revenue Fund - Court	\$ 5,410	\$ 4,775	\$ (635)		\$ 35,000	
Capital Replacement Fund	\$ -	\$ 3,614	\$ 3,614		\$ 10,000	
Police Impact Fee Funds	\$ 12,856	\$ 14,414	\$ 1,558		\$ 79,014	
Library Impact Fee Funds	\$ 125,463	\$ 16,562	\$ (108,901)		\$ 7,000	
Parks/Rec Impact Fee Funds	\$ (4,197)	\$ 22,288	\$ 26,485		\$ 24,564	
Roads Impact Fee Funds	\$ 245,730	\$ 150,000	\$ (95,730)		\$ 886,000	
Special Revenue Fund PD	\$ 14,689	\$ 19,515	\$ 4,826		\$ 40,000	
CVSLID Districts	\$ 1,899	\$ 2,593	\$ 694		\$ 4,000	
Total Expenditures	\$ 621,482	\$ 320,035	\$ (301,447)	-49%	\$ 4,819,578	7%
Total Revenue Over (Under)						
Total Expenditures	\$ (266,595)	\$ (63,227)	\$ 203,368		\$ (1,024,367)	
TOTAL ALL FUNDS						
Total Revenue All Funds	\$ 8,124,443	\$ 11,999,148	\$ (150,641)	-2%	\$ 20,472,607	59%
Total Expenditures All Funds	\$ 8,055,801	\$ 12,424,661	\$ 4,368,861	54%	\$ 22,237,974	56%
Total Revenue Over (Under)						
Total Expenditures All Funds	\$ 68,643	\$ (425,513)	\$ (4,519,502)		\$ (1,765,367)	
(1) Budget does not include Carryover Amounts from Prior Fiscal Years						
(2) Year to date amounts include actual expenditures paid to date.						

Town of Chino Valley
Major Revenue Summary
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year

					Actual vs Prior Year	
	Actual Year to Date FY 2013-14	Annual Budget FY 2014-15	Actual Year to Date FY 2014-15*	% of Budget YTD	Amount	%
Town Sales Tax Retail	\$ 2,264,446	\$ 3,500,000	\$ 2,330,355	67%	\$ 65,909	3%
Vehicle License Tax	\$ 390,011	\$ 597,000	\$ 403,976	68%	\$ 13,965	4%
State Shared Sales Tax	\$ 618,144	\$ 977,000	\$ 646,443	66%	\$ 28,299	5%
State Shared Income Tax	\$ 803,563	\$ 1,309,000	\$ 872,976	67%	\$ 69,413	9%
Highway User Revenue	\$ 483,969	\$ 805,000	\$ 530,396	66%	\$ 46,427	10%
Water Service Fees	\$ 223,944	\$ 363,000	\$ 205,636	57%	\$ (18,308)	-8%
Capital Improvement	\$ 752,494	\$ 1,160,760	\$ 774,257	67%	\$ 21,763	3%
Sewer Service Fees	\$ 784,540	\$ 1,301,423	\$ 872,596	67%	\$ 88,056	11%
Major Revenues Y.T.D.	\$ 6,321,111	\$ 10,013,183	\$ 6,636,635	66%	\$ 315,524	5%
Total Revenue All Funds	\$ 8,124,443	\$ 20,472,607	\$ 11,999,148	59%	\$ (150,641)	48%
	78%	49%	55%			

The Major Revenues are up \$315,524 or 5% over the prior fiscal year continuing the current trend. Town Sales Tax Retail is only up slightly due to the Town no longer collecting for the Pipeline Transportation Tax as a sales tax, however construction sales tax is up 13% so far this fiscal year. Water Service Fees are down due to decreased usage but appear to be recovering slightly each month. Sewer Service Fees reflect the rate increase that went into effect January 1, 2015.



Impact Fee Fund Recaps					
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year					
	Police Impact Fees	Library Impact Fees	Parks/Rec Impact Fees	Roads Impact Fees	
Beginning Fund Balance @ 6/30/14	\$ 82,789	\$ -	\$ 40,614	\$ 1,352,095	
Impact Fees Revenue to Date	\$ 412	\$ 16,562	\$ 14	\$ 2,865	
Impact Fees Expenditures to Date	\$ 14,414	\$ 16,562	\$ 22,288	\$ 150,000	
Ending Fund Balance to Date	\$ 68,787	\$ -	\$ 18,340	\$ 1,204,960	
Budgeted Expenditures FY 14/15	\$ 790,014	\$ -	\$ 24,564	\$ 886,000	
Contingency Funds Budget					
For the Seven Months Ending February 28, 2015 67% of the Fiscal Year					
	Actual Year to Date FY 2014-15	Annual Budget FY 2014-15			
General Fund Budget		\$ 367,000			
General Fund Balance		\$ 367,000			
HURF Fund Budget		\$ 42,000			
Water Fund Budget		\$ 31,000			
Sewer Fund Budget		\$ 49,000			
Balance of Contingency Budget	\$ -	\$ 489,000			
Annual Debt Service Summary By Fund					
Fiscal Year Ended June 30, 2015					
Debt Issue	Date Issued	Original Amount	Outstanding Amount as of June 30, 2014	FY 2015 Principal	FY 2015 Interest
General Government					
GADA Loan 2007A	7/1/2011	\$ 3,825,000	\$ 3,620,000	\$ 235,000	\$ 172,794
US Bank Series 2010	12/15/2010	\$ 7,280,000	\$ 7,280,000		\$ 331,638
		\$ 11,105,000	\$ 10,900,000	\$ 235,000	\$ 504,432
Water Enterprise Fund					
US Bank Series 2010	12/15/2010	\$ 745,000	\$ 610,000	\$ 45,000	\$ 25,882
Sewer Enterprise Fund					
WIFA	1/10/2007	\$ 1,580,000	\$ 1,090,290	\$ 77,886	\$ 30,070
WIFA	1/11/2008	\$ 4,853,000	\$ 3,738,165	\$ 242,138	\$ 105,192
USDA	2/16/2007	\$ 1,595,000	\$ 1,413,024	\$ 38,702	\$ 57,574
USDA	4/10/2008	\$ 1,505,000	\$ 1,372,832	\$ 34,877	\$ 55,975
USDA	4/16/2008	\$ 1,332,000	\$ 1,215,957	\$ 30,820	\$ 49,580
		\$ 10,865,000	\$ 8,830,268	\$ 424,423	\$ 298,391
Total Town of Chino Valley Debt		\$ 22,715,000	\$ 20,340,268	\$ 704,423	\$ 828,705



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. f.**

Meeting Date: 04/14/2015
Contact Person: Ruth Mayday, Development Services Director
 Phone: 928-636-4427 x-1217
Department: Development Services
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to authorize the Mayor (or in his absence, the Vice Mayor) and the Police Chief to sign individual letters of support for a regional Assistance to Firefighters Grant (AFAG).

RECOMMENDED ACTION:

The centralized database management system will provide intergovernmental and interagency communication to the Town and its partners with a minimal in-kind/force account impact to the budget. It will enhance the region's ability to respond to mutual aid calls with a clear understanding of types, locations, and materials used in affected structures, determine where utility and FDC connections are located, and make crucial information available in real-time. Therefore, Staff recommends authorizing the Mayor (or in his absence, the Vice Mayor) and the Chief of Police to sign individual letters of support.

SITUATION AND ANALYSIS:

Issue Statement

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

The responsible use of the public's money is the responsibility of governments and public agencies at all levels of government. In an effort to pool resources and realize economies of scale, the Town of Prescott Valley (PV), the Central Yavapai Fire District (CYFD), Yavapai County (YCty), The Town of Dewey-Humboldt (D-H), the Town of Chino Valley (CV) and the Chino Valley Fire District (CVFD) are working in concert to apply for \$ DOLLARS through the Assistance to Firefighters (AFG) grant program to provide a centralized database for management of fire safety, building, and land use information for the partner communities.

The ability for firefighters and first responders to have interagency and intergovernmental information is critical. Currently, each agency and municipality maintain a separate database with little ability to communicate with each other. This leaves firefighters at a disadvantage when on mutual aid calls, as first responders from one fire district may not be familiar with the location, type of structure, type of construction, location of the fire department connection, and other information that may only be available to a specific municipality.

Software as Service (SAS) providers almost always charge by the user license issued; the greater the number of users, the lower the cost per user becomes. This saves the participating communities and agencies money as the sheer number of licenses required will result in a greater discount on the per-user cost, making interagency data management systems more affordable for smaller municipalities and agencies.

The application is for approximately \$1.3 million; this program requires only 5% in match, which can be met with in-kind or force account contributions. The entire match of \$65,000 would be shared among partners, at an amount of \$10,834 per agency or municipality.

Findings of Fact

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

AFG Support Letter



Mayor Chris Marley
202 N. State Route 89
Chino Valley, AZ 86323

(928) 379-0481
Fax (928) 636-2144
cmarley@chinoaz.net

March 30, 2015

Brian E. Kamoie
Assistant Administrator, Grant Programs Directorate
Federal Emergency Management Agency
800 K. Street NW, 9th Floor North Tower
Washington, DC 20001 Fax 202-786-9938

Dear Mr. Kamoie,

I am writing this letter in support of the Town of Prescott Valley's grant proposal to implement a regional civic database application. When implemented, the application will provide Central Yavapai County with a complete database management system for streamlining and accelerating critical tasks associated with firefighter safety, public health and safety, land management and asset management.

The Town of Chino Valley, in collaboration with the Central Yavapai County Fire District, the Chino Valley Fire District, the Town of Prescott Valley, the Town of Dewey Humboldt and Yavapai County, realize that as stewards of community well-being and safety they must select the right vehicle to provide the region with a high level of service and efficiency to garner the support and trust of the community. By implementing a regional system, the collaborative partners will be able to aggregate data to better assess risks and dangers through consistency and efficiency in civic management.

In conclusion, I fully support the efforts of the Town of Prescott Valley as they seek external funding to support a program designed to take into account the safety of both the community's citizens and its emergency responders. The lives of each member of the community, whether resident or firefighter is important and it will take all stakeholders working in partnership to effectively produce a positive outcome. As they improve risk reduction efforts through regional collaboration and communication, they will effectively be transitioning services from a reactive position to a proactive position in addressing community safety in the region.

Sincerely

Chris Marley, Mayor
Town of Chino Valley

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. 7. a.

Meeting Date: 04/14/2015
Contact Person: Phyllis Smiley, Town Attorney
Department: Town Attorney
Item Type: Action Item
Estimated length of staff presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve Agreement for Interim Presiding Magistrate Services with Catherine J. Kelley.

RECOMMENDED ACTION:

Approve Agreement for Interim Presiding Magistrate Services with Catherine J. Kelley.

SITUATION AND ANALYSIS:

Issue Statement

Due to the retirement of Town Presiding Magistrate John Walker, effective March 27, 2015, the Town must appoint an interim presiding magistrate to continue court operations while the Town conducts a recruitment process or contracts with another court to provide court services for the Town.

Applicable "Policy"

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

At its Study Session on March 26, 2015, the Town Council directed Staff to prepare an agreement with Catherine J. Kelley for Interim Presiding Judge services, effective March 28, 2015, for a term of 90 days at a salary of \$15,000 for the term of the agreement. The agreement was prepared and is attached for Council's approval.

Findings of Fact

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 01-45-5109

Available: \$15,000

Funding Source:

Attachments

Interim Presiding Magistrate Agreement

AGREEMENT FOR INTERIM PRESIDING MAGISTRATE SERVICES

THIS AGREEMENT for Interim Presiding Magistrate Services ("Agreement") is entered into this ____ day of April, 2015, by and between the Town of Chino Valley, Arizona, an Arizona municipal corporation ("Town"), and Catherine J. Kelley ("Interim Magistrate").

RECITALS:

1. Former Presiding Magistrate retired effective March 27, 2015, leaving Town without sufficient time to recruit and hire a new presiding magistrate or contract with another court to provide court services to the Town, pursuant to A.R.S. § 22-402.
2. Town has been advised by Yavapai County Superior Court that it is not authorized to operate a municipal court without a presiding magistrate.
3. Town desires, for the present time, to continue to provide municipal court services to its citizens through the operation of a magistrate court in the Town.
4. Town wishes to appoint Interim Magistrate to serve as the Interim Presiding Magistrate for the Municipal Court upon the terms and conditions set forth below.
5. Interim Magistrate is qualified to provide the services set forth.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

AGREEMENT:

1. Town herewith employs Interim Magistrate as a temporary employee and Interim Magistrate herewith agrees to serve in the capacity of Interim Presiding Magistrate for Town for a term of ninety (90) days, beginning March 28, 2015, and terminating at midnight on June 25, 2015, unless sooner terminated or extended as provided herein.

A. Interim Magistrate may terminate this Agreement upon thirty (30) days written notice to the Mayor of the Town.

B. Town may terminate this Agreement prior to the expiration only for cause. "Cause" includes but is not limited to: (1) failure to comply with Canons of Judicial Ethics, (2) failure to attend court during regular court hours unless such absence is beyond the reasonable control of Interim Magistrate, (3) failure to satisfactorily carry out the job duties or meet the performance standards, or (4) violation of the terms of this Agreement.

C. Upon expiration of this contract, if a new contract has not been entered into, the above terms may be extended on a month-to-month basis for up to an additional three (3) months until either a new agreement is executed or Town has notified Interim Magistrate that no new agreement will be executed.

2. Interim Magistrate shall fulfill the duties of Town Presiding Magistrate in compliance with state statutes, state and federal constitutional requirements, the Town Code, and any other applicable laws, ordinances, regulations, and Rules of the Court.

3. Interim Magistrate shall devote such time as is reasonably necessary to carry out the business of the Town of Chino Valley Magistrate Court, including the administration and operation thereof. Interim Magistrate shall, as a minimum, establish two regular weekly court days and regular hours for the court during which Interim Magistrate shall be present and shall hold court during such days and during such hours during the term of this Agreement. If the regular court days established by Interim Magistrate fall on a state court holiday, Interim Magistrate may designate another day in that same week or the following week, on a day other than the regular court day scheduled for such week, as a court day to take the place of the regularly scheduled court day falling on said holiday.

4. Interim Magistrate shall be available to perform any administrative or judicial duties required by law in addition to the regular weekly court days hereinabove provided for. Interim Magistrate reviewed the budget for the Court and determined it is adequate. Interim Magistrate shall operate the Court within the budget established for the Court, including managing the Court employees in accordance with the Personnel Policy of the Town, so that the Court's budget established by the Town Council is not exceeded. If, for reasons beyond Interim Magistrate's control, the court's budget has exceeded or will exceed the budget established by the Town Council, Interim Magistrate shall immediately notify the Town Manager in writing. Such notice shall include the reasons the Court's budget has exceeded or will exceed the budget established by the Town Council. Interim Magistrate and Town Manager shall then meet to discuss measures to maintain expenditures within the budgeted amounts.

5. Interim Magistrate shall be responsible for ensuring that all persons arrested by the police are given their initial appearances within the maximum allowable time, and in accordance with the Rules of Criminal Procedure.

6. Interim Magistrate shall furnish a written report on the activities of the court to the Mayor and Town Council on a monthly basis within fifteen (15) days after the close of the court's business for the month for which said report is to be given and, in addition, Interim Magistrate shall attend regularly-scheduled meetings of the Council as may be needed.

7. Interim Magistrate shall be available and hold court in the court facilities provided by Town as stated above unless unavailable on such days because of illness, required continued education, or an emergency arising over which Interim Magistrate has no control. In case of an extended absence exceeding three (3) weeks in a three (3) month period, this contract shall be terminated.

8. Town shall provide office and court space for the court's use, and office equipment as may be reasonably necessary to provide for the operations of the court, subject to budgetary restraints established by the Mayor and Town Council.

9. Town agrees to pay Magistrate the sum of \$15,000 at a rate of \$5000 per month for services during the term of this Agreement, subject to any deduction pursuant to Paragraph 8.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date aforesaid.

INTERIM PRESIDING MAGISTRATE TOWN OF CHINO VALLEY, ARIZONA

Catherine J. Kelley

Chris Marley, Mayor

ATTEST:

Jami Lewis, Town Clerk

APPROVED AS TO FORM

Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.
Town Attorneys

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. b.**

Meeting Date: 04/14/2015
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Council
Item Type: Action Item
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to establish a procedure for addressing Code of Ethics violations and to provide direction to Staff to prepare an ordinance to be approved by Council that will incorporate the Council's recommendations into the Town Code.

RECOMMENDED ACTION:

Establish procedure and potential penalties to address Code of Ethics Violations and direct staff to prepare an ordinance to amend the Town Code to incorporate the procedures.

SITUATION AND ANALYSIS:

Issue Statement

Currently the Town Code merely provides that complaints of alleged violations of the Town's Code of Ethics are submitted in writing to the Mayor, Vice Mayor or Town Attorney, depending on the circumstances and that they must be addressed by the Town Council within 60 days of being submitted.

There are no provisions outlining what happens to a complaint between the time it is received and the Town Council meeting. In light of the confusion over how to address the complaint recently received, Mayor Marley proposed a procedure to be followed. The Town Attorney reviewed the procedure and made recommendations for Council's consideration, as described in the attachments to this agenda item.

Council considered this item on March 24, 2015 and voted to waive and disclose attorney-client privilege documents and postpone the item until the next meeting when such documents are made public. One document that was attorney-client privileged is attached.

Applicable "Policy"

Town Code Chapter 35: Code of Ethics

Satisfaction of "Policy"

Summary of Issues and Staff Rationale

Findings of Fact

Fiscal Impact

Fiscal Impact?: no

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Town Code Chapter 35: Code of Ethics

Code of Ethics Violation Draft Procedure

Letter from Attorney (privilege waived)

CHAPTER 35: CODE OF ETHICS

Section

- 35.01 Generally
- 35.02 Responsibilities of public office
- 35.03 Conflict of interest
- 35.04 Conduct in public office

§ 35.01 GENERALLY.

(A) **ETHICS** is defined here as the rules or standards governing those persons functioning as representatives of the town. These rules and standards are based upon a set of values judged to be moral to the extent that they enhance society and an individual's relationship to others.

(B) A representative of the town is defined here as a public official, elected or appointed, salaried or unpaid, including the Mayor, Council members and any board or commission member.

(C) The purpose of this code is to establish ethical standards of conduct for these public officials acting in their official public capacity.
(2001 Code, § 2-6-1)

§ 35.02 RESPONSIBILITIES OF PUBLIC OFFICE.

(A) By oath of office each representative is responsible to uphold the Constitution of the United States, the Constitution of the State of Arizona and the ordinances and regulations of the town. The public official shall perform his obligations in a manner that is impartial and responsible to all people.

(B) The public official shall not use his position for personal or monetary gain.

(C) The public official shall not disclose confidential information concerning the property, government or affairs of the town without proper legal authorization.
(2001 Code, § 2-6-2)

§ 35.03 CONFLICT OF INTEREST.

(A) This code shall reinforce any existing affirmation regarding conflict of interest contained in the public official's oath of office. When acting in a public capacity, the public official shall abstain from participating in discussion and vote on any pending matter that would result in his or her financial or private gain.

(B) The public official shall not directly or indirectly solicit, accept or receive any gift, whether it be money, services, loan, travel, entertainment, hospitality, promise or any other form that could be reasonably inferred to influence the performance of his or her official duties and actions or serve as a reward for any official action.

(2001 Code, § 2-6-3)

§ 35.04 CONDUCT IN PUBLIC OFFICE.

(A) The public official shall not discuss or divulge confidential information acquired by him or her in the course of his or her official duties nor shall he or she use this information for his or her own personal interest or aggrandizement.

(B) The public official shall respect the rights, privileges and opinions of his or her fellow officials, staff and the public at large. Council members shall exhibit respect for the public, other governmental units and agencies, and the professional and ethical conduct of the Town Manager and staff. Propriety dictates that the public official be sensitive to the possible confidential or personal nature of directives addressed to other individuals. In bringing honor to the title and in recognition of the weighty respect due the role of public official, those elected to public office shall:

- (1) Lead by example;
- (2) Demonstrate civil and courteous conduct at all times;
- (3) Seek and speak the truth;
- (4) Respect all people;
- (5) Accept respectful dissension as a civic right.

(C) In his or her dealings with town employees, the public official shall maintain professional conduct with respect to the employee's work assignments and obligations, and shall refrain from directly influencing the professional management of the town's administration by any means other than direct communication with the Town Manager. The office of the public official shall in no situation be used to wrongfully obtain information or administrative outcomes, either by intimidation or by deliberately violating the privacy of an employee's work station.

Code of Ethics

38A

(D) All public officials are expected to honor the mandates set forth in this code of ethics. Complaints alleging violations to this chapter shall be received in writing by the Mayor and/or Vice Mayor, unless they are named in the complaint and in that circumstance, such written complaint shall be received by the Town Attorney. Complaints will be addressed by the Council within 60 days of receipt.

(2001 Code, § 2-6-4) (Am. Ord. 13-768, passed 4-9-2013)

Council Procedure for Addressing Code of Ethics Violations

#1 Any complaint received by the Mayor, Vice Mayor, or Town Attorney shall be forwarded to the Town Clerk within three business days of receipt. All documents in support of the complaint shall be attached at the time the complaint is submitted.

#2 Any Letters of Complaint will be given to the Town Clerk's office no less than three weeks prior to the complaint being placed on the Council's agenda. The Town Clerk shall provide the complaint and documents offered in support thereof to the Respondent at least two weeks prior to the Council's consideration of the complaint.

#3 Only one complaint regarding a violation of the Code of Ethics shall be addressed at any one Council meeting.

#4 Only one person may be accused of a Code of Ethics violation per complaint.

#5 Consideration of an ethics complaint will be chaired by the Vice Mayor if the Mayor is either the Complainant or Respondent. Code of Ethics violations are a Council matter and complaints shall only be received from members of the Council.

#6 Council Procedure for addressing the alleged violation during the meeting shall be as follows:

- A. Introduction of item(if Mayor is Complainant or Respondent, the Vice Mayor shall chair the item)
- B. Presentation by Complainant
- C. Presentation by Respondent
- D. Additional information by Complainant
- E. Additional information by Respondent
- F. Council discussion
- G. Council decision

**CURTIS, GOODWIN, SULLIVAN,
UDALL & SCHWAB, P.L.C.**

M E M O R A N D U M

TO: Mayor Chris Marley and Members of the Chino Valley Town Council

FROM: Phyllis L.N. Smiley, Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.,
Town Attorneys

DATE: March 18, 2015

RE: Ethics Complaints Procedures

Consideration of the recent ethics complaint has been hampered by the fact that the Ethics Code provisions in the Town Code (Chapter 35) do not include procedures to be followed after a complaint has been made. Important to the process are notification to the person who is the subject of the complaint (the "Respondent") and an opportunity for the Respondent to be heard. While considering the process, the Council may also want to consider the outcome. If the Respondent is found to have violated the Ethics Code, what sanctions may be imposed? Mayor Marley has provided Council with proposed procedures. This memorandum will provide our comments and recommendations, along with a few other options for Council to consider. At the outset, we recommend the procedures be adopted formally by ordinance as an amendment to Chapter 35 of the Town Code.

Mayor Marley's Proposed Procedures:

#1. Any letters of complaint will be given to the Town Clerk's office no less than three (3) weeks prior to the complaint being placed on the Council's agenda.

Town Code, Section 35.04(D) requires complaints to be received in writing by the Mayor and/or Vice Mayor unless they are named in the complaint – and in that case, by the Town Attorney.

Questions for Council to address with respect to this item are:

- A. After receipt by the Mayor, Vice Mayor, or Town Attorney, is it delivered by the recipient to the Town Clerk to place on the Council's agenda?
- B. How quickly must the complaint be sent to the Town Clerk's office?
- C. Does Council want to amend the Ethics Code and have the complaint be received by the Clerk instead of the Mayor, Vice Mayor or Town Attorney?

Recommendation: Any complaint received by the Mayor, Vice Mayor or Town Attorney shall be forwarded to the Town Clerk within three (3) business days of receipt.

PRIVILEGED
 COUNSEL - CLIENT

#2. The letter of complaint and all attachments for the complaint will be made available to the person accused in the complaint no less than two weeks prior to the complaint being placed on the Council's agenda.

Recommendation: In order to provide due process and full disclosure to the Respondent, we recommend revising #2 to say: *The Town Clerk SHALL provide the complaint and all documents offered in support thereof to the Respondent at least 2 weeks prior to the Council's consideration of the complaint.*

Also, since this is the first mention in the Code of any documents attached to the complaint, Council may wish to consider amending § 35.04 to include that all documents in support of the complaint shall be attached at the time the complaint is submitted. Additionally, Council may wish to consider having a standard form of complaint that would include the date of violation, what Code provision was allegedly violated and complainant's contact information. The contact information would be important if the complainant was a citizen and not a member of Council.

#3. Only one complaint regarding a violation of the Code of Ethics shall be addressed at any one Council meeting.

No comment.

#4. Only one person may be listed on each complaint.

Does this mean only one person per complaint may be accused as having violated the Code of Ethics? Or does it mean that only one person may sign the complaint?

#5. If the Mayor is accused in the complaint, the meeting will be turned over to the Vice Mayor for the duration of the Ethics Violation agenda item.

We recommend consideration of an ethics complaint be chaired by the Vice Mayor if the Mayor is either the Complainant or the Respondent.

#6. If the Vice Mayor or any other Councilmember is accused in the complaint, the Mayor will chair the meeting during the agenda item.

This provision is unnecessary since the Mayor chairs the meetings and is only disqualified to chair the meeting if the Mayor is the Complainant or Respondent.

Town Attorney's Additional Recommendations:

In the current Code provisions and proposed procedure, the actual consideration by Council is not addressed. It is important that it be addressed in order to provide the Respondent with an opportunity to defend against the allegations. We recommend including the following procedure in the Code to provide clear direction to Council and to respondents as to what to expect when the Council considers ethics complaints:

PRIVILEGED
COUNSEL - CLIENT

1. Introduction of Item (if Mayor is complainant or is subject of complaint, the Vice Mayor should chair the item);
2. Presentation by Complainant
3. Presentation by Respondent
4. Additional information by Complainant (optional)
5. Additional information by Respondent (optional)
6. Council discussion
7. Council decision

Adopting the procedures by ordinance as an amendment to Chapter 35 Code of Ethics will clarify how to file a complaint and what will happen when a complaint is filed. It will require that the person, who is the subject of the complaint, will be fully informed of the allegations and will have all the information he or she needs to analyze and defend against the complaint, if they so desire.

Council may also consider adopting, as Code provisions, the possible penalties that it may impose for Ethics violations. State statutes do not authorize imposition of penalties for ethics violations. Most commonly, cities and towns impose censure or removal or not appoint a member found to have violated the Code to other government entities such as CYMPO or NACOG.

Another process that is used by some municipalities is to have an independent hearing officer conduct a hearing on the alleged violation and provide findings to the Council as to whether a violation occurred. Depending on the hearing officer's findings, the Council then considers whether to impose sanctions or other penalties on the offending Councilmember.

Please feel free to contact us with any questions you may have regarding our recommendations.

PLNS/mjw

cc: Robert Smith, Town Manager
Jami Lewis, Town Clerk
File Nos. 1806-1

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **8. a.**

Meeting Date: 04/14/2015
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Attorney
Estimated length None
of Staff Presentation:
Physical location of item: N/A

AGENDA ITEM TITLE:

An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town's Attorney in order to consider its position and instruct the Town's Attorney regarding the Town's position on a contract that is the subject of negotiations concerning acquisition of a portion of the City of Prescott Water System. (Bill Staudenmaier, Water Attorney)

SITUATION & ANALYSIS:

Water Attorney Bill Staudenmaier or his designee will advise Council on the status of this item.

Attachments

No file(s) attached.