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

TUESDAY, APRIL 22, 2014
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, April 22, 2014.

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

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Police Lieutenant Vince Schaan; Police Officer Gary Bruso; Town Engineer/Public Works Director Ron Grittman; Town Clerk Assistant 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 6:01 p.m.

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation of Certificate of Recognition to Elizabeth Vicory, Arizona Miss Amazing Preteen Queen 2014. (Mayor Marley)

Mayor Marley read Miss Vicory's biography and recognized her for her accomplishments.

b) Introduction of the Business Appreciation Program and recognition of new and existing businesses. (Cecilia Watts, General Services Director)

Ms. Watts and Tracie Schimikowsky, President/CEO, Chino Valley Area Chamber of Commerce ("Chamber"), reported that:

- The Town was beginning a Business Appreciation Program in partnership with the Chamber to recognize local businesses.
- The first component will be to allow new businesses an opportunity to introduce themselves at a Council meeting and receive a framed letter from the mayor and window decal. The second component will be to recognize a long-term existing Town business and present to them a framed letter from the mayor and a take-away gift.
- New businesses being recognized were: The Storage Auction Store, Copper Jacket, LLC, Statue-Esque, and Gifts 4 Her. The long-standing business being recognized was Circle C Construction.

c) Proclamation declaring May 1-7, 2014 as "Youth Week," sponsored by the Chino Valley Elks Lodge #2842. (Mayor Marley)

Mayor Marley read the proclamation and presented it to Elks Lodge members, who spoke about the Elks' youth programs and activities.

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

a) Presentation of the final costs associated with the Road 4 South Construction Project. (Ron Grittman, Public Works Director/Town Engineer)

Mr. Grittman reported that:

- In an effort to avoid litigation, the Town extended Road 4 south from its eastern terminus at the solar electric facility, easterly to the eastern line of Section 1 Township 15 North, Range 2 West. Construction was funded by roads impact fees and the new road will tie into a larger expansion of the Town's transportation system by connecting Road 4 South to Center Street via a roadway adjacent to the Peavine Trail.
- During the April 8, 2014 Call to the Public, a citizen asked for the following information with regard to the project: total costs for all equipment, fuel, man hours, subcontractors, materials, and APS line relocations; total cost of the entire project; who performed the inspections; test results of both phases; and expected completion date.
- Cost break-downs were:

Description	Vendor	Phase 1	Phase 2
Fence material for gates over Peavine Trail	Miscellaneous	$8,808.13	$10,111.71
Design	Civil Tec	$15,722.00	$15,722.00
Construction Staking	Civil Tec	$11,928.00	$11,928.00
Aggregate	Arrowhead	$20,457.90	$20,458.06
Equipment supplier	ECCO	$21,038.86	$21,956.96
Testing	ETC	$520.00	$400.00
Equipment supplier	Sunstate	$0.00	$2,264.23
Drainage material	Contech	$15,737.52	$8,103.05
Guardrail	AZ Highway Specialty	$21,249.78	$21,249.79
Rental supplier	United Rentals	$4,215.46	$4,215.47
Fuel	Bennett Oil	$7,114.84	$7,114.84

Hauling	C&R Trucking	$9,660.85	$9,660.86
Barricades and Signage		$1,100.00	$1,100.00
APS relocate (not invoiced at this time)		$0.00	$60.000.00
Total Estimated Costs		$194,296.00	$192,123.00
Total Actual Costs		**$137,553.34**	**$194,284.97**

- Project construction began on January 6, 2014 and reached substantial completion on March 29, 2014. In-house labor-hour expenses were approximately $29,000. As the Town was the contractor, all other vendors were subcontractors. Town staff performed the inspections and test results were at 95%-96% across the board.
- On November 12, 2013, Council found that the Road 4 South project qualified as an "in-house" project, requiring each phase of the project to not exceed $216,000. Had the Town sought a "normal" bidding process, cost estimates for this project were $557,846.00; thus, under the "in-house" designation, a cost savings of $226,007.69 was achieved.

5) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

Councilmember Hatch reported on: Northern Arizona Council of Governments (NACOG) Economic Development Committee and grant meetings; available positions on NACOG committees; and an upcoming Magistrate Evaluation Subcommittee meeting.

Councilmember Turner reported on recent Old Home Manor Recreation Committee meetings.

Mayor Marley reported on meetings of the Northern Arizona Municipal Water Users Association and Greater Prescott Regional Economic Partnership, as well as notification from ADOT of new traffic signals to be installed at SR 89 and Road 1 North.

a) Status and membership report regarding the SR 89 Utility Project Citizen Committee. (Mayor and Council)

Mayor Marley reported that Councilmember Best and Councilmember Turner had selected Corey Mendoza and Scott Freitag for the SR 89 Committee.

b) Report regarding the General Plan Public Hearing before Council on May 13, 2014. (Mayor Marley)

Mayor Marley reported on a Council study session to be held April 29 and public hearing on May 13 regarding the General Plan update.

c) Status report and presentation regarding HB 2826, related to consolidated elections. (Jami Lewis, Town Clerk)

Ms. Lewis reported on the current status of HB 2826 and how it will impact future elections, the Town, and the Town's voters:

- Council will be asked to approve a new contract with the County for elections services, which will most likely include fee increases.
- Several election processes will change with regard to vote-by-mail elections, ballots, election results, precincts and precinct names, and voting equipment.
- Council will be asked to approve amendments to the Town Code, as well as two Resolutions pertaining to Council term lengths and financial disclosure.

Council asked about early voting. County Elections Director Lynn Constabile and Ms. Lewis related that while 66% of registered voters in Yavapai County were on the permanent early voter list, typically, 75% voted early. Any registered voter, whether on the list or not, could request an early ballot.

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

Mr. Smith reported on the status of the Community Development Block Grant paving project and housing rehab project.

6) CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6a-6d.

Vote: 7 - 0 PASSED

Council recessed the meeting at 6:48 p.m. and Mayor Marley called the meeting back to order at 7:01 p.m.

a) Consideration and possible action to approve the April 3, 2014 study session minutes. (Jami Lewis, Town Clerk)

b) Consideration and possible action to approve the April 8, 2014 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to adopt Resolution No. 14-1031, adopting a Relocation Assistance Plan, as required by the Department of Housing to receive Community Development Block Grant (CDBG) funding. (Cecilia Watts, General Services Director)

d) Council will recess to observe Councilmember Wojcik's birthday.

7) EXECUTIVE SESSION

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

Mayor Marley recessed the regular meeting to go into executive session at 7:01 p.m and reconvened the regular meeting at 7:56 p.m.

a) Pursuant to A.R.S. § 38-481.03(A)(1) for discussion or consideration of employment, assignment, salaries, or disciplining of Town Manager Robert Smith. (Mayor and Council)

8) ACTION ITEMS

a) Consideration and possible action to approve a 5-year real property lease with Yavapai County Community Health Services for the trailer located at the North Campus, 1951 Voss Drive, beginning May 1, 2014 for $1.00 / year and appropriate utilities. (Cecilia Watts, General Services Director)

Recommended Action: Approve a 5-year real property lease with Yavapai County Community Health Services for the trailer located at the North Campus, 1951 Voss Drive, beginning May 1, 2014 for $1.00 / year and appropriate utilities.

Ms. Watts reported that:

- Yavapai County Community Health Services had leased the Town's 1997 Redman mobile home at the North Campus for the past ten years. The County remodeled the facility's interior in accordance with the Arizona Department of Health Services licensing requirements for outpatient treatment clinics.
- The County provided three main services to families throughout the area: Women, Infant Children (WIC); Health Start; and Nurse Family Partnership and Newborn Intensive Care Program (NICP).
- The lease agreement provided that the Town will lease the trailer pad to the County for five years, starting May 1, 2014, for a fee of $1.00 per year, and the County will pay $150.00 per month for gas and electricity.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve a five-year real property lease with Yavapai County Community Health Services for the trailer located at the North Campus, 1951 Voss Drive, beginning May 1, 2014 for $1.00 per year and appropriate utilities.

Vote: 7 - 0 PASSED

b) Consideration and possible action to authorize the Mayor to sign a letter to the Yavapai College President, Dr. Penny Wills, regarding disposition of the Chino Valley Campus in the College's 10-year plan. (Mayor Marley)

Recommended Action: Discuss and revise draft letter per discussion and authorize the Mayor to sign and send the letter.

Mayor Marley reported that per the Yavapai Community College District's 10-year plan, which was still under review, the college's satellite facility in Chino Valley at Old Home Manor will be closed. He desired to give Council an opportunity to provide feedback on the College's long range plan and discuss a draft letter to send to the College.

Council discussed the letter, made two minor text changes, and added a final paragraph.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to authorize the mayor to sign a letter regarding the disposition of the Chino Valley Campus, with amendments.

Vote: 7 - 0 PASSED

c) Consideration and possible action to to adopt Ordinance No. 14-783, amending the Town Code, Title II Administration, Chapter 30 Governing Body and Chapter 36 Legislative Provisions, and adding new Chapter 37 Elections, related to reorganizing the Code for clarity and to update the Code to conform to state law with regard to elections. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Ordinance No. 14-783, amending the Town Code, Title II Administration, Chapter 30 Governing Body and Chapter 36 Legislative Provisions, and adding new Chapter 37 Elections.

Mrs. Lewis and Town Attorney Smiley reported that:

- In 2013, the Arizona Legislature amended A.R.S. § 16-204, consolidating municipal elections with state elections and requiring municipal candidate elections to be held in the fall of even-numbered years beginning in 2014. In order to comply with the new law, the Town will need to amend several Town Code provisions related to elections.
- Staff was also recommending other Code amendments for clarification and re-organization by amending or deleting certain headings and sections under "Governing Body" and "Legislative Provisions" and moving other sections under those headings to a new "Elections" chapter.
- Since publishing the packet, staff found that the provision in the proposed ordinance stating that Council will take office on the first meeting in January after the election will need to be changed to the first meeting in December, as prescribed by A.R.S. § 9-232(C).

Council asked what would happen if election results were delayed. Ms. Smiley stated that any number of things could delay an election and there were legal provisions to address such issues.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Ordinance No. 14-783, amending the Town Code, Title III Administration, Chapter 30 Governing Body and Chapter 36 Legislative Provisions, and adding new Chapter 37 Elections.

Vote: 7 - 0 PASSED

d) Consideration and possible action to adopt Resolution No. 14-1028, extending the terms of the sitting mayor and councilmembers to comply with A.R.S. S 16-204, as amended, related to consolidated elections. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 14-1028, extending the terms of the sitting mayor and councilmembers.

Mrs. Lewis reported that:

- In 2012, the Arizona Legislature amended A.R.S. § 16-204 to consolidate all regular candidate elections to the fall of even numbered years starting in 2014. As such, the Town could not hold a candidate election at the end of the mayor's and councilmembers' current terms.
- In subsequent action, the legislature deemed that municipalities could not shorten the terms of their mayor and council. Therefore, in order to comply with the new law, the Town must extend the mayor's and councilmembers' current length of terms by 18 months, so that the terms of the mayor and councilmembers elected in 2011 will expire following the next General Election in November 2016, and the terms of those councilmembers elected in 2013 will expire following the subsequent General Election in November 2018.

- Although it was not legally required, staff desired to memorialize this action by resolution, as the County was requesting something in writing to this effect and staff preferred to enter such historic changes into the permanent record in this manner.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to adopt Resolution No. 14-1028, extending the terms of the sitting mayor and councilmembers.

Vote: 7 - 0 PASSED

e) Consideration and possible action to adopt Resolution No. 14-1029, prescribing standards of financial disclosure for local public officers. (Jami Lewis, Town Clerk)

Recommended Action: Adopt Resolution No. 14-1029, prescribing standards of financial disclosure for local public officers.

Mrs. Lewis reported that:

- Pursuant to A.R.S. § 38-545, the Town was required to adopt standards of financial disclosure for local public officers consistent with the provisions of A.R.S. Title 38, Chapter 3.1, Article 1. The Town Council adopted such standards by Resolution No. 94 in 1984.
- Resolution No. 94 required that elected officials file a financial disclosure statement in January for each prior calendar year that they held office. This also included filing a statement for the partial year they served at the end of their term. A couple years ago, the state legislature added a provision to A.R.S. § 38-545 that allowed council members whose final terms expired between January 1 and January 31 to file their final financial disclosures at the same time as the disclosures for the preceding year. Without this provision, elected officials whose terms ended in January would have to wait 12 months to file a statement for their final days in office.
- Before the 2012 amendment to A.R.S. § 16-204, requiring Council elections to move to fall of even-numbered years, the amendment to A.R.S. § 38-545 did not apply to the Town's elected officials, as their terms ended in June. However, with the change to consolidated elections, the mayor's and councilmembers' terms, which will end in December starting in 2016, could be extended to January due to possible legal issues, at which time this provision would be applicable. The town attorney drafted a new Resolution that added the new provision (Section 2(D)(2)) and repealed Resolution No. 94. Nothing else substantive from Resolution No. 94 was changed.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to adopt Resolution No. 14-1029, prescribing standards of financial disclosure for local public officers.

Vote: 7 - 0 PASSED

f) Consideration and possible action to adopt Resolution No. 14-1030 in support of legislation to impose tax on facilities growing medical marijuana. (Councilmember Hatch; Mayor Marley)

Recommended Action: Adopt Resolution No. 14-1030 in support of legislation to impose tax on facilities growing medical marijuana.

Councilmember Hatch reported that:

- The sale and cultivation of medical marijuana was now legal in Arizona and facilities growing medical marijuana were now located in many Arizona communities. Such growing facilities were considered by many citizens to be a "soft target" for criminals, increasing the workload for local law enforcement and thus impacting municipal expenses.

- During Council's strategic planning sessions, one topic of concern was that no tax revenues to municipalities were generated by these growing facilities to offset the increased expenses, and Council expressed a desire to work with the state to impose a tax on these facilities.
- Councilmember Hatch and Mayor Marley were proposing that Council adopt a resolution indicating their support for the legislature to introduce and support legislation taxing medical marijuana growing facilities, and that such taxes be provided to and used by the municipalities in which such facilities were located to help offset the strain on the communities' resources and infrastructure. They also recommended that said resolution be forwarded to the League of Arizona Cities and Towns and the State Legislature.

Councilmember Hatch also presented a brief summary of the history of marijuana use in the country, associated federal actions and laws, and articles related to the law enforcement burden and taxation.

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Darryl Croft to adopt Resolution No. 14-1030 in support of legislation to impose tax on facilities growing medical marijuana.

Vote: 7 - 0 PASSED

9) ADJOURNMENT

MOVED by Councilmember Don Wojcik, seconded by Councilmember Pat McKee to adjourn the meeting at 8:35 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 22nd day of April, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of May, 2014.

Jami C. Lewis, Town Clerk