

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

**TUESDAY, JUNE 10, 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, June 10, 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; Finance Director Joe Duffy; Police Chief Chuck Wynn; Lieutenant Vince Schaan; Officer Eric Hatchell; Town Engineer/Public Works Director Ron Grittman; Planner Ruth Mayday; Senior Center Supervisor Cyndi Thomas; Town Clerk Assistant Liz Hart (recorder)

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

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

Vice-Mayor Croft gave the invocation; Mayor Marley led the Pledge.

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

- a)** The Board of Supervisors is moving forward with asking the voters to increase the Jail District sales tax to a ½ cent at the November 4, 2014 election.

Phil Bourdon, Yavapai County Administrator, spoke about the history, benefits, and costs associated with the Jail District; inmate classification and population projections; sales tax analysis and funding options; and outreach on the ballot measure.

Scott Masher, Yavapai County Sheriff, spoke about the conditions and use of the current Prescott jail; numbers and types of crimes; his recommendation to construct a new jail; and preferred funding mechanism.

**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.*

Ed Twitmire, resident, spoke about Aztec Drive not being maintained and problems with dust in the area.

Robert McCaullay, resident, spoke about serving on a Town committee and not receiving information in a timely manner, and asked that the Town provide the citizens with a complete accounting of the Town's indebtedness with regard to water and sewer infrastructure. Mayor Marley asked Town Manager Smith to follow up on this.

Norma Bennett, town business owner, spoke in favor of the recent SR 89 clean up, and asked about sewer plant improvements that the Town did not own.

Nancy Herrero, Senior Center Advisory Board representative, spoke about the inaugural Hot July Night Cruise in the Park, a Senior Center fundraiser, to be held on July 12 in Memory Park.

Michael Edmonds, resident, asked about revenue bond discussions, community education, and possibly adding a revenue bond option on the November ballot.

#### **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) An accounting of the Town's current 20 million dollar debt and when it occurred.

Finance Director Joe Duffy reported on the history of the Town's debt:

- The Town's original total indebtedness was \$22,715,000. Current debt was \$20,340,000, all from revenue bonds secured by sales tax, franchise fees, and user fees.
- The debt was incurred in 2002 for sewer system design; 2004 for Community Center improvements, Aquatic Center construction, and sewer system improvements; 2008 for sewer distribution lines in the Chino Meadows area; 2007 for the Administration facility and Aquatic Center improvements; and 2010 for debt refinancing.
- Per capita, the Town's debt was comparable to Prescott Valley and Prescott, and debt service accounted for between 10%-12% of the Town's total income.

#### **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 Turner reported on the upcoming 4th of July celebration at the Community Center.

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

Mr. Smith asked Planner Ruth Mayday to brief Council on the status of the Economic Development Administration grant, as well as associated grants, related to economic development at Old Home Manor.

**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 a and b.

**Vote: 7 - 0 PASSED**

- a) Consideration and possible action to appoint applicants to fill vacancies on various public bodies. (Liz Hart, Town Clerk Assistant)

Recommended Action: Appoint applicants to the Chino Valley Municipal Property Corporation, Parks and Recreation Advisory Board, and Senior Center Advisory Board as recommended by the Appointments Subcommittee.

- b) Consideration and possible action to approve the annual Intergovernmental Agreement (IGA) for the Establishment of Unified Emergency Management between the Town of Chino Valley and Yavapai County, and authorize payment of the annual dues in the amount of \$4,651.00 (Liz Hart, Town Clerk Assistant)

Recommended Action: Approve the IGA between the Town of Chino Valley and Yavapai County for emergency management services, and authorize payment of the annual dues.

**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.*

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to recess the regular meeting and go into executive session after a five-minute recess at 7:00 p.m.

**Vote: 7 - 0 PASSED**

Mayor Marley reconvened the regular session at 9:18 p.m.

- a) An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding a Settlement and Release Agreement with Fann Contracting, Inc. related to the construction of the wastewater treatment plant and for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position regarding an Asset Purchase Agreement and Escrow Instructions Agreement with the City of Prescott related to the acquisition of certain water delivery facilities. (Robert Smith, Town Manager)

Mayor Marley reported that the Council received advice from the town attorney on these matters.

- b) An executive session pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation for legal advice with the Town Attorney regarding right of way easement along the proposed extension of Road 1 East and for discussions or consultations with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property located along the proposed extension of Road 1 East between Road 4 South and Kalinich and to consider a proposal from property owner Steven Chontos related to Yavapai County Assessor's Parcel Number 102-01-223E, one of the properties located within the project boundaries.. (Councilmember Wojcik; Councilmember Hatch)

Mayor Marley reported that the Town received an offer from a property owner for the town to acquire fee ownership of easement property and negotiations will continue.

## 8) ACTION ITEMS

With Council's consent, item 8e was moved in front of Action Item 8a.

- a) Discussion and consideration of proposed General Obligation Bond election language. (Robert Smith, Town Manager)

Recommended Action: Direction to staff.

(This item was heard after item 8e but is retained here for clarity.)

Mayor Marley suggested postponing this item as it was already scheduled for a study session next week. No councilmembers objected.

- b) Consideration and possible action to discuss proposition for general tax bond for ballot. (Councilmember Wojcik / Councilmember McKee)

Recommended Action: Direction to staff

Mayor Marley related that, due to an issue with agenda items from councilmembers not being fully vetted before being placed on the agenda, in the future, he will request that incomplete items be removed, since they preclude the other councilmembers from being able to ask informed questions.

Councilmember Wojcik reported that Steve Chontos would present a proposal to Council.

Mr. Chontos stated that the proposed GO Bond was wrong, as it was forcing him to pay for sewer and water service that he could not use; and he requested that any Councilmember hooked up to Town sewer or water abstain from participation in the GO Bond measure.

Town Attorney Smiley advised that, as Council had already voted to forward the GO Bond item to the voters, Mr. Chontos could not use town resources to speak in favor or against the measure. Also, if a councilmember was involved in a matter in which 10 or more non-councilmembers were also involved, there was no conflict of interest for the councilmember and they could participate.

Mr. Chontos reported that Council could give voters a choice by reducing the scope of the current infrastructure plan and also placing a \$4 million revenue bond before the voters on November 4. The revenue bond would: allow the Town to buy the sewer plant and extend sewer lines to people already here; provide a viable self-sustaining utility; allow the Town to buy the water and wastewater facilities in a couple years; reduce the town's debt; create surpluses; finance the infrastructure by users without a property tax; and offer the best chance to reduce user and hookup fees.

- c) Consideration and possible action to authorize the Mayor to sign the Protocol Agreement and Project Tracking Policy between the Town of Chino Valley and the Greater Prescott Regional Economic Partnership Business Action Team. (Ruth Mayday, Planner)

Recommended Action: Authorize the Mayor to sign the Protocol Agreement and Project Tracking Policy between the Town of Chino Valley and the Greater Prescott Regional Economic Partnership Business Action Team.

Ms. Mayday reported that:

- The Town had entered into an agreement with the Greater Prescott Regional Partnership (G-PREP) to work cooperatively to promote and coordinate economic development activities for the Quad-Cities region. The Protocol Agreement and Project Tracking Policy generally laid out the rules of engagement when interacting with G-PREP.
- In authorizing the Mayor to sign these documents, Council will be indicating its support of regional economic development and engaging a highly qualified entity to assist the Town in its economic development efforts.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to authorize the Mayor to sign the Protocol Agreement and Project Tracking Policy between the Town of Chino Valley and the Greater Prescott Regional Economic Partnership Business Action Team.

**Vote: 7 - 0 PASSED**

- d) Consideration and possible action to amend Section 4.21.7 TEMPORARY SIGNS and Section 4.21.11 PROHIBITED SIGNS previously authorized by the adoption of Ordinance 10-726 with modifications. (Ruth Mayday, Planner)

Recommended Action: amending the language of Section 4.21.7 Temporary Signs and 4.21.11 Prohibited Signs as recommended.

Ms. Mayday reported that:

- In 2009, during the SR 89 widening project, residents and visitors complained of difficulty in locating businesses during construction, and merchants suffered as a result of the construction related confusion. Council adopted Ordinance 09-718, temporarily suspending prohibitions on certain signage until December 31, 2009. The additional signage proved to be effective.
- As the economy began to fail before the Ordinance expired and businesses were struggling to survive, Council extended the provisions of Ordinance 09-718 by adopting Ordinance 10-726, which expired in January 2011. Because economic conditions had not improved by January 2011, Council extended its provisions to January 8, 2014.
- Since Ordinance 10-727 expired, Code Enforcement staff had been enforcing the requirements of Unified Development Ordinance (UDO) Section 4.1. Since that time, staff had received 15 communications from businesses, all of whom fully supported reinstatement of the language set forth in Ordinance 10-726.

- On April 1, 2014, staff presented amendments to Ordinance 10-726 to the Planning and Zoning Commission ("Commission"). The Commission heard from business owners who spoke of experiencing declines in business since the ordinance expired and their support for extending the its provisions. The Commission voted unanimously to hold a Public Hearing on this matter.
- On May 6, 2014, the Commission specifically considered language that would prevent portable signs from obstructing the public rights-of-way and the permit fees required from business owners in order to employ temporary signs and banners as part of their signage. No public comment was offered. The Commission voted unanimously to forward the item to Council with a recommendation of approval.
- On May 27, 2014, staff brought the item to Council and reported that the town attorney was recommending that Council revise the UDO, making the changes permanent. Council heard comments from business owners and directed staff to bring back an ordinance revising the UDO.
- Currently, given the impact to the business community to redo the public hearing process, staff was recommending its original proposal to extend Ordinance 10-726 and provide that the temporary extension be to January 1, 2016 or the revision of UDO Section 4.2.1, whichever occurred first.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to amend the language of Section 4.21.7 Temporary Signs and 4.21.11 Prohibited Signs as recommended.

**Vote: 7 - 0 PASSED**

- e) Consideration and possible action to adopt a motion to accept previously dedicated and recorded Roadway Easements related to the Road 1 East Roadway Project over Yavapai County Assessor parcels 102-01-001M fna 102-01-01M, 102-01-214C, 102-01-219G fna 102-01-01W, 102-01-219H fna 102-01-01R, 102-01-223E fna 102-01-01K, 102-01-216A, 102-01-216.  
(Robert Smith, Town Manager)

Recommended Action: Adopt a motion to accept previously dedicated and recorded Roadway Easements related to the Road 1 East Roadway Project over Yavapai County Assessor parcels 102-01-001M fna 102-01-01M, 102-01-214C, 102-01-219G fna 102-01-01W, 102-01-219H fna 102-01-01R, 102-01-223E fna 102-01-01K, 102-01-216A, 102-01-216.

(This item was heard after item 7b but it retained here for clarity.)

The staff report by Town Attorney Smiley stated that:

- In 1986, the owners of property dedicated easements to the public for roadway and utility purposes, which easements were recorded in the Yavapai County Recorder's Office.
- In March 2000, the area was annexed into the Town, and although the easements had been treated as Town easements, staff could not locate county or town records to affirm that the easements had been formally accepted.
- The Town was now ready to proceed with the Road 1 East improvements over the roadway easements and the town attorney recommended that the recordkeeping error be corrected to expressly reflect formal acceptance and declaration of rights-of-way of the roadway easements so the meet the Town's definition of "rights-of-way" from Town Code Section 150.043.

Public Comment:

Steve Chontos objected to the term "previously dedicated easements." He believed his easement did not fit that definition, as it was not used by the public, and he added that the Karcic easement, which allowed access to the subject easements, also had never been dedicated publicly.

Kelly McCreedy with Windy Valley Plaza spoke in support of the proposed Road 1 East roadway extension.

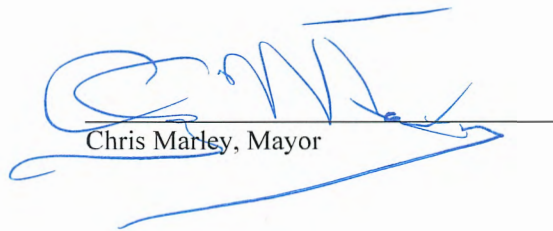
MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to accept previously dedicated and recorded Roadway Easements related to the Road 1 East Roadway Project over Yavapai County Assessor parcels 102-01-001M fna 102-01-01M, 102-01-214C, 102-01-219G fna 102-01-01W, 102-01-219H fna 102-01-01R, 102-01-223E fna 102-01-01K, 102-01-216A, 102-01-216.

**Vote: 7 - 0 PASSED**

**9) ADJOURNMENT**

MOVED by Mayor Chris Marley, seconded by Vice-Mayor Darryl Croft to adjourn the meeting at 9:44 p.m.

**Vote: 7 - 0 PASSED**



Chris Marley, Mayor

ATTEST:

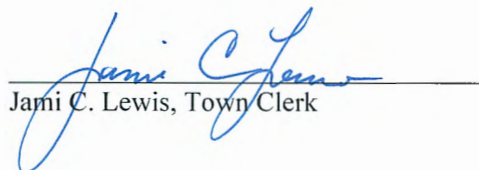


Jami C. Lewis, Town Clerk

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 5th day of June, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 9th day of September, 2014.



Jami C. Lewis, Town Clerk