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

TUESDAY, JUNE 14, 2016
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 14, 2016.

Present:	Vice-Mayor Darryl Croft; Councilmember Susie Cuka; Councilmember Jack Miller; Councilmember Corey Mendoza
Absent:	Mayor Chris Marley; Councilmember Mike Best; Councilmember Lon Turner
Staff Present:	Town Manager Robert Smith; Assistant Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Lieutenant Vince Schaan; Police Officer Steven Angel; Public Works Director/Town Engineer Michael Lopez; Development Services Director Ruth Mayday; Associate Planner James Gardner; Town Clerk Assistant Amy Pyeatt-Lansa; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:02 p.m.

Vice-Mayor Croft led the Pledge of Allegiance.

(Town Attorney Smiley attended via Skype.)

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

3) CALL TO THE PUBLIC

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

Assistant Town Manager Grittman reported that Yavapai County Supervisor Brown's office asked her to announce that the County Health Department had received a $33,000 grant to renovate the facility they leased from the Town.

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.

Mayor Marley had nothing to report.

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.

Mayor and Council had nothing to report.

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

Mr. Smith deferred to Finance Director Duffy, who asked for help from two councilmembers to review and rank submissions for the engineering Request for Qualifications. Councilmember Miller and Councilmember Cuka volunteered.

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.

Town Clerk Lewis noted that item 6b was incorrect and recommended postponing it to the next meeting.

MOVED by Councilmember Jack Miller, seconded by Councilmember Corey Mendoza to approve consent agenda items a and c.

Vote: 4 - 0 PASSED - Unanimously

a) Consideration and possible action to appoint applicants to fill vacancies on the Parks and Recreation Advisory Board, Senior Center Advisory Board, Roads and Streets Committee, Public Safety Retirement Board, Board of Adjustment, and Planning and Zoning Commission. (Vice-Mayor Croft; Councilmember Best; and Councilmember Turner)

Recommended Action: Appoint applicants to the above public bodies per recommendation of the Appointments Subcommittee and staff.

b) Consideration and possible action to cancel the November 24, 2015 and December 22, 2015 regular meetings. (Jami Lewis, Town Clerk)

c) Consideration and possible action to accept the May 4, 2016 study session minutes. (Jami Lewis, Town Clerk)

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:

(i) Hold a public hearing on Ordinance No. 16-816, amending the Unified Development Ordinance (UDO), Chapter 4 General Regulations, Section 4.31 Medical Marijuana Dispensaries, Cultivation, and Infusion Facilities, by amending subsection 4.31.D to require 500 foot separation from the State Route 89 right-of-way; and

(ii) Approve Ordinance No. 16-816, amending UDO Section 4.31 Medical Marijuana Dispensaries, Cultivation, and Infusion Facilities to require a 500 foot separation from the State Route 89 right-of-way. (James Gardner, Associate Planner)

Recommended Action:

(i) Open public hearing on Ordinance No. 16-816, amending the Unified Development Ordinance (UDO), Chapter 4 General Regulations, Section 4.31 Medical Marijuana Dispensaries, Cultivation, and Infusion Facilities to require a 500 foot separation from the State Route 89 Right-of-Way.

(ii) Approve Ordinance No. 16-816, amending UDO Section 4.31 as set forth in the Ordinance.

MOVED by Councilmember Jack Miller; seconded by Councilmember Susie Cuka to open the public hearing.
Vote: 4 - 0 PASSED - Unanimously

Mr. Gardner presented the item summary:

- In 2010, the State created Community Health Assessment Areas (CHAAs) that allowed one medical marijuana dispensary per CHAA. Those dispensaries had to stay in their designated CHAAs for three years, after which they could move anywhere in the state.
- Last December, Council approved UDO amendments limiting medical marijuana uses to Industrial zoning districts. While there was no Industrial highway frontage currently, this amendment would not allow a rezone to Industrial for medical marijuana purposes within 500 feet of the highway.
- The proposed amendment would limit the visibility of medical marijuana uses along the highway. If approved, the current dispensary would become a legal non-conforming use.
- The Planning and Zoning Commission requested a public hearing before Council and expressed concerns about: relegating uses to off-highway inconveniencing users; the appearance of picking on single industry; and the lack of public interest at their meeting.

Development Services Director Mayday explained that the proposed amendment originated from discussions with the town attorney about possible requests to rezone highway property to Industrial circumventing the intent of the December 2015 amendment.

Council expressed some concern about the impacts to law enforcement. Police Lieutenant

Schaan stated that having the 500-foot separation was good and knowing the layout ahead of time allowed them to plan their response.

MOVED by Councilmember Miller; seconded by Councilmember Susie Cuka to close the public hearing.
Vote: 4 - 0 PASSED - Unanimously

MOVED by Councilmember Jack Miller, seconded by Councilmember Corey Mendoza to approve Ordinance No. 16-816, amending the Unified Development Ordinance (UDO), Section 4.31 Medical Marijuana Dispensaries, Cultivation, and Infusion Facilities to require a 500 foot separation from the State Route 89 Right-of-Way.

Vote: 4 - 0 PASSED - Unanimously

b) Consideration and possible action to approve the Stand-By Pay Compensation Policy, which is currently being used for the non-exempt staff within the Utilities Department and which will be used for the Detectives of the Police Department, effective July 1, 2016, per Amendment #4 to the Memorandum of Understanding between the Town of Chino Valley and the Chino Valley Police Officers Association, approved by Council on April 26, 2016. The new policy, projected to increase the Police Department's budget by $8,000 per year, is included in the 2016/2017 budget. (Laura Kyriakakis, Human Resource Director)

Recommended Action: Approve the Stand-By Pay Compensation Policy as Policy No. 1120 of the Town of Chino Valley Personnel Policy and Administrative Guidelines Manual.

Staff Report Summary: This item originated from Amendment #4 to the Memorandum of Understanding between the Town and the Chino Valley Police Officers Association approved on April 26, 2016. The policy had been used for eligible non-exempt staff of the Utilities Department and will be used for eligible non-exempt police detectives, effective July 1, 2016.

Council did not discuss the item.

MOVED by Councilmember Jack Miller, seconded by Councilmember Corey Mendoza to approve the Stand-By Pay Compensation Policy as Policy No. 1120 of the Town of Chino Valley Personnel Policy and Administrative Guidelines Manual.

Vote: 4 - 0 PASSED - Unanimously

c) Consideration and possible action to approve the Cooperative Purchasing Contract with Earth Resources Corporation to furnish any and all materials, labor, construction equipment, services, and transportation required in performing all work for the placement of CRS-2P and ADOT 401-1 single coat chip seal on existing Road 4 North from State Route 89 to Road 1 West. Funds to come from Highway User Revenue Funds Road Materials Line Item. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve the Cooperative Purchasing Agreement with Earth Resources Corporation in an amount not to exceed $16,502.00.

Mr. Lopez presented the item summary:

- Road 4 North was on the Town's summer chip seal program. In previous years, the Town had done the chip sealing inhouse, but as the Town currently did not have the contracts in place to do that, staff reviewed using the County's piggyback clause.
- The County's low bid came in lower than projected costs, so the Town would save money using the County's contract. If approved, the County will chip this next week and will provide traffic control, labor, and warranty.
- Staff will bring the fall chip program to Council after reviewing it with the Roads and Streets Committee.

Council asked about cost and scheduling issues, and impacts to current staff. Mr. Lopez stated that this method was cost efficient, the County's schedule was good, and this would free current staff to work on general maintenance. Staff will review all the various options for future chip sealing and bring to Council for direction.

MOVED by Councilmember Corey Mendoza, seconded by Councilmember Jack Miller to approve the Cooperative Purchasing Agreement with Earth Resources Corporation in an amount not to exceed $16,502.00.

Vote: 4 - 0 PASSED - Unanimously

d) Consideration and possible action to approve the Letter of Support and Financial Commitment for design and construction of the Road 1 North traffic signal at State Route 89. Letter commits the Town to budget $75,000 in a future fiscal year. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve the Letter of Support and Financial Commitment for design and construction of the Road 1 North traffic signal at State Route 89.

Mr. Lopez presented the item summary:

- While ADOT had scheduled this project for design and construction, funding had fallen short. Lately, the project had gained some traction in that the County was developing a strategy to fund it, with the Town to commit $75,000 and the County to commit $100,000. The Northern Arizona Council of Governments might also contribute.
- With this proposal, a turn lane that had been removed due to the budget shortfall could now be added back in; and funding would be needed for relocation of a high power APS line. Total project costs estimates were $1.2-$2 million.
- With the Town's commitment indicated by signing the Letter of Support, design could start now, and the Town could get it on the district minor project list for construction in 2020 instead of 2021.
- Council will need to approve an intergovernmental agreement with ADOT before proceeding with design.

Council comments:

- This project had been in view for many years due to the dangers of the intersection.
- If the design had been done, the project would have been on the 2017 plan, but since it was not, it got bumped.
- ADOT will move items up if a municipality was ready to contribute funding.

MOVED by Councilmember Corey Mendoza, seconded by Councilmember Jack Miller to approve the Letter of Support and Financial Commitment for design and construction of the Road 1 North traffic signal at State Route 89.

Vote: 4 - 0 PASSED - Unanimously

e) Consideration and possible action to approve the commencement of design for the Road 1 East improvements between Road 3 South and Kalinich. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve the commencement of design for the Road 1 East improvements between Road 3 South and Kalinich.

Mr. Lopez presented the item summary:

- A 2013 intergovernmental agreement with the State obligated the Town to construct Kalinich and Road 1 East to Road 3 South and side roads Road 4.5 South and Brownlow.
- In September 2014, Council approved the right-of-way for these roadways, but the project reached a stalemate over one piece of right-of-way. Because of the stalemate, staff had shelved the road's design. As the cost of right-of-way came out of construction, staff had been hesitant to continue the design without knowing the property's cost; and Council had agreed to stop it.
- In July 2015, Council approved Resolution 15-1064 authorizing staff to proceed with condemnation of that property. To date, the Town had the property, but not its valuation.
- Staff was now asking if Council wanted them to finish the design. Per a 30% estimate, the budget was extremely tight and any reduction of the budget would affect project's construction, but not its design, as that was being done inhouse.

Town Attorney Smiley advised that the condemnation litigation had been stalled by lack of response by the opposing party's counsel. She filed a Proposed Scheduling Order with the Court setting deadlines for the defendant to provide an appraisal and disclosure. Defendant's counsel did not like the proposed deadline and asked that it be set for July 29. Defendant's original valuation, for which staff did not know the basis, was far in excess of the Town's appraiser's valuation.

Council comment: As the Town had to honor the intergovernmental agreement either way, they should go forward with the design.

MOVED by Councilmember Jack Miller, seconded by Councilmember Susie Cuka to approve the commencement of design for the Road 1 East improvements between Road 3 South and Kalinich.

Vote: 4 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

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

MOVED by Councilmember Jack Miller, seconded by Councilmember Susie Cuka to go into executive session at 7:00 p.m.

Vote: 4 - 0 PASSED - Unanimously

a) An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott Water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Town's position and instruct the Town Attorney regarding the Town's position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Mayor Marley)

9) ACTION ITEMS RESUMED

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

Vice-Mayor Croft reconvened the regular meeting at 7:50 p.m.

10) ADJOURNMENT

MOVED by Councilmember Corey Mendoza, seconded by Councilmember Jack Miller to adjourn the meeting at 7:50 p.m.

Vote: 4 - 0 PASSED - Unanimously

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 14th day of June, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 26th day of July, 2016.

Jami C. Lewis, Town Clerk