

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

**TUESDAY, JUNE 23, 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, June 23, 2015.

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

Absent: Councilmember Pat McKee

Staff Town Manager Robert Smith; Assistant Town Manager Cecilia Grittmann; Town Attorney Susan

Present: Goodwin; Finance Director Joe Duffy; Senior Accountant Cindy Sandlin; Accounting Technician Kat Lordi; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Police Officer Dominic Gillo; Magistrate Judge Catherine Kelley; Court Administrator Ronda Apolinar; Court Clerk Erin Deskins; Court Clerk Andrea White; Town Engineer/Public Works Director Ron Grittmann; Assistant Public Works Director/Town Engineer Michael Lopez; Development Services Director Ruth Mayday; Building Official Dan Trout; Deputy Town Clerk Liz Hart (recorder); Town Clerk Assistant Amy Lansa

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

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

Councilmember Best gave the invocation; Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Presentation of the Certificate of Achievement for Excellence in Financial Reporting to the Town of Chino Valley and recognition of the Finance Department.

Mayor Marley presented the Certificate to Finance Director Joe Duffy, Senior Accountant Cindy Sandlin, and Accounting Technician Kat Lordi. This was the first time the Town had received this award.

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.

Nancy Herrero, Senior Center Advisory Board Event Chair, spoke about the July 11 Car Cruise, a Meals-On-Wheels fundraiser.

Dan Carlson, resident, spoke about former Councilmember Linda Hatch's accomplishments and concerns he had regarding the procedures related to (i) the ethics complaint against Ms. Hatch, and (ii) the procedure surrounding former Planning and Zoning Commissioner McCaullay's removal and lack of reinstatement.

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) Comments regarding the paving of Lazy Loop Drive.

Mayor Marley reported that approximately 80% of Chino Valley's surfaced roads were chip sealed. The Town lacked a property tax to fund road maintenance. Council, not Town staff, was responsible for the decision not to pave Lazy Loop, and item was back on tonight's agenda for further consideration.

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 Best reported on a recent Public Safety Subcommittee meeting to discuss the upcoming 4th of July event.

Vice-Mayor Croft reported on the Council recruitment process status.

Mayor Marley reported on the Arizona Sunshine Event in mid-June providing free medical services to over 800 area residents.

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

Mr. Smith reported on the 4th of July event being funded by volunteers, donations, and food and drink sales.

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, b, c, d, e, and f.

Vote: 5 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve the Indigent Legal Services Contract with Brian Pursell to provide legal defense services for indigent defendants in the Chino Valley Municipal Court, funds are budgeted in the Professional Services Line Item in the Municipal Court Budget. (Ronda Apolinar, Court Administrator)
- b) Consideration and possible action to approve an Intergovernmental Agreement (IGA) between the Town of Chino Valley and Arizona Department of Revenue regarding the uniform administration, licensing, collection, and auditing of transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy taxes imposed by the State or cities or towns. (Joe Duffy, Finance Director)
- c) 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, funds are budgeted for in the Non-Departmental Budget. (Jami Lewis, Town Clerk)
- d) Consideration and possible action to accept the May 12, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)
- e) Consideration and possible action to accept the May 26, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)
- f) Consideration and possible action to accept the May 28, 2015 special meeting 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 appoint a representative to the Northern Arizona Council of Governments (NACOG) Regional Council. (Mayor Chris Marley)

Recommended Action: Appoint a representative to NACOG Regional Council, per Council discussion.

Mr. Smith reported that, according to the NACOG by-laws, NACOG member governments were required to annually designate, in writing, their representative to the NACOG Regional Council. As the Town's appointee to the Regional Council had resigned, NACOG was requesting that Council appoint a new member to the Regional Council.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to nominate Mayor Marley as the primary representative and himself as backup.

Vote: 5 - 0 PASSED - Unanimously

- b) Public Hearing and consideration and possible action to adopt Resolution No. 15-1061, approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2015/2016, pursuant to Section 48-616, Arizona Revised Statutes, as amended provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the districts. The districts are accounted for in a separate fund by the Town. (Joe Duffy, Finance Director)

Recommended Action: (1) Hold a Public Hearing; and (2) Approve Resolution No. 15-1061, approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2015/2016.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to open the public hearing.

Vote: 5 - 0 PASSED - Unanimously

Mr. Duffy reported that:

- The Town oversaw three street lighting improvement districts (SLIDs) in the Bright Star area, each of which was assessed with a different amount of tax. The Town was responsible to collect the tax revenue, pay the electric bill, and keep track of each district. Each year, Council was required to follow a process similar to adopting the budget.
- On May 26, Council adopted Resolution No. 15-1058, approving the SLID tentative budget; staff then published notice of this public hearing.
- Resolution No. 15-1061 on this agenda would approve the proposed statements and estimates of expenses for the districts; and Council will be asked to approve another resolution on July 14 to approve levying and assessing the ad valorem tax for FY 2015/16.

No one from the public spoke.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to close the public hearing.

Vote: 5 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Resolution No. 15-1061, approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2015/16.

Vote: 5 - 0 PASSED - Unanimously

- c) Public Hearing and consideration and possible action to approve Resolution No. 15-1062 adopting a Final Budget for fiscal year 2015-2016, and proposed expenditure limitation for the same year, in the amount of \$29,937,400. (Joe Duffy, Finance Director)

Recommended Action: (1) Hold public hearing; and (2) Approve Resolution No. 15-1062 adopting a Final Budget and proposed expenditure limitation for fiscal year 2015-2016 in the amount of \$29,937,400.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to open the public hearing.

Vote: 5 - 0 PASSED - Unanimously

Mr. Duffy reported on the budget. Key points were:

- On May 26, 2015, Council adopted Resolution No. 15-1062, adopting the Tentative Budget for fiscal year 2015/16, and setting the Expenditure Limitation at \$23,937,400.
- *Overall:* The upcoming budget was 20% less than last year, primarily due to paying off the wastewater treatment plant contract.
- *General fund:* The fund's financial position was slowly improving each fiscal year.
- *Highway User Revenue Fund:* The fund had used its reserves and will require additional funding for future roads maintenance.
- *Capital Improvement Program (CIP):* The Prescott water acquisition will eliminate this fund's subsidy of the Water Fund.
- *Water Enterprise Fund:* Departmental expense reductions and acquiring the Prescott distribution system will allow this fund to operate in the black without the CIP subsidy in a couple years.
- *Sewer Enterprise Fund:* Refinancing the USDA debt will help the Town defer and or eliminate the planned sewer rate increases.

No one from the public spoke.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to close the public hearing.

Vote: 5 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to approve Resolution No. 15-1062 adopting a Final Budget and proposed expenditure limitation for fiscal year 2015-2016 in the amount of \$23,937,400.

Vote: 5 - 0 PASSED - Unanimously

- d) Consideration and possible action to review the paving of Chino Meadows Unit 5 Community Development Block Grant Project. (Ron Gritman, Public Works Director/Town Engineer)

Recommended Action: Move to direct staff under the CDBG Paving Project to include Lazy Loop Drive and exclude Cottonwood Lane between Javelina Path and Grasshopper Lane, and Cottonwood Lane from Porcupine Pass south to the wash

or

Move to direct staff under the CDBG Paving Project to include Lazy Loop Drive and exclude Center Street from Cottonwood Lane to Lazy Loop Drive, and Cottonwood Lane from Porcupine Pass south to the wash

or

Move to approve Change Order Number 1 to Fann Contracting in an amount not to exceed \$50,495.00 to pave Chino Meadows Unit 5 as defined in the base bid of the contract and authorize staff to move funds from the contingency fund to the grants fund for this project

or

No action.

Mayor Marley reported that two weeks ago, several citizens expressed concern about Lazy Loop being excluded from the CDBG paving project. Council desired to revisit the item.

Councilmember Wojcik recused himself from this item, as he lived on Lazy Loop Drive.

Mr. Grittmann reported that:

- On May 26, 2015, the Council awarded the CDBG Project to Fann Contracting. Because the base bid exceeded the availability of funds under the grant, Fann Contracting was awarded the project in the amount of \$265,500 rather than the base bid amount of \$315,995.
- In reducing the contract amount to \$265,500, Lazy Loop was removed from the paving project. At the June 9, 2015 Council meeting, several members of the public spoke in opposition this decision.
- Staff was asked to prepare possible alternatives for including Lazy Loop in the paving project. The first two would reduce paving for other streets; the third was proposed during the May 23, 2015 meeting.
- Alternative 1 would exclude Center Street between Cottonwood Lane and Lazy Loop along with Cottonwood Lane between Porcupine Pass south to the wash.
- Alternative 2 would exclude Cottonwood Lane between Javalina and Grasshopper along with Cottonwood Lane between Porcupine Pass south to the wash.
- Alternative 3 would pave the entire base bid and transfer \$50,495 from the current fiscal year's contingency into the grants line item to complete the entire original project.
- Any chip sealing the Council directed would have to be deferred until the 2016 chip seal program. Per CDBG requirements, CDBG project roads had to be paved, as chip seal was not permitted.

Council discussion:

- While one preferred Alternative 3 rather than omit paving for any properties, others did not support spending \$50,000 on pavement when the same amount could chip seal or repair a much greater area.
- One suggested Alternative 2 with a modification to extend the pavement around the corner and complete Center Street with chip seal next year.
- One believed Center Street should be paved due to it having more traffic.

Mr. Grittmann affirmed that it was better to have pavement on curves and he estimated the cost to extend the pavement around the corner at \$1,500 to \$2,000.

MOVED by Councilmember Lon Turner, seconded by Councilmember Mike Best to do modified Alternative 2.

Vote: 3 - 1 PASSED

NAY: Vice-Mayor Darryl Croft

Other: Councilmember Don Wojcik (ABSTAIN)

Town Manager Smith clarified that additional paving for the modification will come from FY 2014/15 contingency funds.

MOVED by Mayor Chris Marley, seconded by Councilmember Lon Turner to do modified Alternative 2, and additional costs for paving on the curve where Center Street turns into Railroad Avenue to come from contingency.

Vote: 3 - 1 PASSED

NAY: Vice-Mayor Darryl Croft

Other: Councilmember Don Wojcik (ABSTAIN)

Councilmember Wojcik returned to the dais.

- e) Consideration and possible action to adopt Ordinance No. 15-798 amending the Unified Development Ordinance (UDO), Chapter 1 Section 1.7 Site Plan Review Committee; Section 1.8 Enforcement; and 1.9 Review and Approval Process. (Ruth Mayday, Development Services Director)

Recommended Action: Adopt Ordinance No. 15-798 amending the Unified Development Ordinance, Sections 1.7, 1.8, and 1.9.

Ms. Mayday reported that:

- There were a number of provisions in the UDO that conflicted with state law as well as planning and zoning best practices. Among these were Sections 1.7 and 1.9, which established three redundant processes that were not in compliance with ARS § 9-462.01(C) and the Municipal Regulatory Bill of Rights (“SB 1598”).
- SB 1598, adopted in 2011 and amended in 2013, required standardization of permitting and licensing processes and streamlining of application and approval processes in order to ensure fair and open regulation by municipalities. It applied to several types of permits, approvals, or permissions, including zoning approvals.
- UDO Sections 1.7 and 1.9 set forth the internal process for revising site plans and Planned Area Developments (PADs). As the Code consolidated these two processes together, it created a review process for each type that was more cumbersome than needed, possibly resulting in the Town having to return application fees due to timelines for completeness and substantive review not being met.
- Other issues with the site plan review process were that it: (i) gave the Town the right to ask for extra restrictions, but lacked a mechanism to require compliance; (ii) triggered site plan review by building size, not use; (iii) was not properly defined; (iv) limited the number of participants in technical review and omitted critical ones, such as ADOT; and (v) duplicated technical review and politicized development.
- The proposed new process will provide the foundation for revision of the statutory processes, including SB 1598; begin modification of regulations that did not support the General Plan; facilitate creation of a more user-friendly document by removing unnecessary sections; streamline the number of review processes from three to two; reduce the whole process from a possible 105 days to 60 days; and eliminate UDO portions that contradicted statute.

Council asked about hearings regarding the new feed store on Road 2 North and the highway. Ms. Mayday stated that there was a hearing for a fencing variance, which was denied, and the development was approved as a use by right, requiring no Council hearing.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Ordinance No. 15-798 amending the Unified Development Ordinance, Sections 1.7, 1.8, and 1.9.

Vote: 5 - 0 PASSED - Unanimously

- f) Consideration and possible action to adopt Ordinance No. 15-797 amending Unified Development Ordinance (UDO) Section 1.9.2 (e) Protests to require all letters of protest for zoning changes to be submitted at least three (3) business days before the day of the meeting. (Ruth Mayday, Development Services Director)

Recommended Action: Adopt Ordinance No. 15-797 amending UDO Section 1.9.2 (e) to require all letters of protest to text amendments and zoning changes to be submitted to the clerk's office at least three (3) business days prior to the date of the meeting.

Ms. Mayday reported that the Current UDO did not have a deadline for filing protest letters. In the past, letters had been turned in as late as during the hearing, giving staff no time to verify that the signer was the owner of record and the address was within the notice area. Staff proposed a three-day advance deadline to provide the time to time to review those things.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Ordinance No. 15-797 amending UDO Section 1.9.2(e) to require all letters of protest to text amendments and zoning changes to be submitted to the clerk's office at least three business days prior to the date of the meeting.

Vote: 5 - 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 Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to take a five-minute recess at 7:26 p.m. and then adjourn into executive session.

Vote: 5 - 0 PASSED - Unanimously

- a) Pursuant to A.R. S. § 38-431.03(A)(1) for discussion or consideration of appointment, assignment, and salary of Catherine Kelley as Presiding Magistrate of the Chino Valley Municipal Court. (Phyllis Smiley, Town Attorney; Laura Kyriakakis, Human Resources Director).

9) ACTION ITEMS RESUMED

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

Mayor Marley reconvened the regular meeting at 7:45 p.m.

- a) Consideration and possible action to: (i) appoint Catherine Kelley as Presiding Town Magistrate; (ii) approve the proposed contract with Catherine Kelley for magistrate services; (iii) swear in Catherine Kelley as Presiding Town Magistrate. (Phyllis Smiley, Attorney; Laura Kyriakakis, Human Resources Director)

Recommended Action: Appoint Catherine Kelley to serve as Presiding Magistrate Judge for the Chino Valley Municipal Court and to approve the proposed contract for magistrate services, effective June 25, 2015 and expiring on June 30, 2017.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to appoint Catherine Kelley to serve as Presiding Magistrate Judge for the Chino Valley Municipal Court and approve the proposed contract for magistrate services effective June 25, 2015 and expiring on June 30, 2017.

Vote: 5 - 0 PASSED - Unanimously

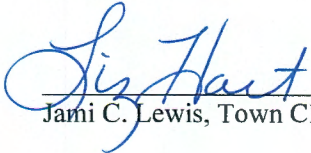
Deputy Town Clerk Hart administered the Oath of Office to Ms. Kelley.

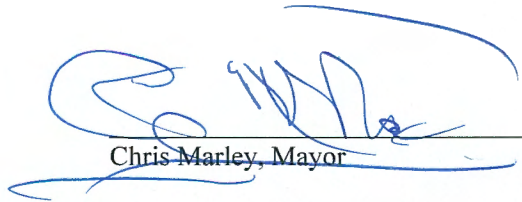
10) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Councilmember Mike Best to adjourn the meeting at 7:48 p.m.

Vote: 5 - 0 PASSED - Unanimously

ATTEST:

 - for -
Jami C. Lewis, Town Clerk


Chris Marley, Mayor

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 23rd day of June, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 28th day of July, 2015.

 - for -
Jami C. Lewis, Town Clerk