



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
TUESDAY, JUNE 23, 2020
6:00 P.M.**

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

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

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.

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.** Request for Council approval of amendments to Unified Development Ordinance (UDO) Section 154 related to guest houses.
- b.** Comments and concerns with regard to lot split regulations.

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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.
- b. Reading of letter in support of our local Police Department by Mayor Darryl Croft.
- c. Status report by Town Manager Cecilia Grittmann regarding Town accomplishments, and current or upcoming projects.
- d. Status report by Public Works Director/Town Engineer Frank Marbury regarding upcoming Capital Improvements.
- e. Report regarding upcoming Alternative Expenditure Limitation (Home Rule) option. (Joe Duffy, Finance Director)

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. **p.7** Consideration and possible action to adopt Resolution No. 2020-1169, declaring that the Town Council deems the granting of a certain franchise beneficial for the Town, and ordering an election to be held on November 3, 2020, for the purpose of submitting to the voters the question as to whether or not a franchise shall be granted to Chino Meadows II Water Company. (Andrew McGuire, Town Attorney)
- b. **p.19** Consideration and possible action to adopt Resolution No. 2020-1170, declaring that the Town Council deems the granting of a certain franchise beneficial for the Town, and ordering an election to be held on November 3, 2020, for the purpose of submitting to the voters the question as to whether or not a franchise shall be granted to UNS Gas, Inc. (aka Unisource Energy Services). (Andrew McGuire, Town Attorney)
- c. **p.31** Consideration and possible action to adopt Resolution No. 2020-1168, amending Resolution No. 2020-1156, Call of Election for Fall 2020, designating election date, purposes of election, deadline for voter registration, and location and deadline for candidates to file nomination papers. (Jami Lewis, Town Clerk)
- d. **p.37** Consideration and possible action to acknowledge scrivener's correction on Council minutes dated May 12, 2020 pursuant to Town Code § 10.20 Authority to Correct Scrivener's Errors. (Jami Lewis, Town Clerk)
- e. **p.41** Consideration and possible action to approve the June 9, 2020, regular 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. **p.49** Consideration and possible action to approve a construction contract with Asphalt Paving & Supply, Inc. for the Chino Valley Unified School District Improvement Project in the amount of \$266,126.66 contingent upon approval by the Chino Valley Unified School District Facilities Board. (Frank Marbury, Public Works Director/Town Engineer)

Recommended Action: Approve a construction contract with Asphalt Paving & Supply, Inc. for the Chino Valley Unified School District Improvement Project in the amount of \$266,126.66 contingent upon approval by the Chino Valley Unified School District Facilities Board.

- b. **p.53** Consideration and possible action to adopt Ordinance 2020-881 to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by amending the following Sections: Section 3.6 (AR-5 Agricultural/Residential), Section 3.7 (AR-4 Agricultural Residential), Section 3.8 (SR-2.5 Single Family Residential), 3.9 (SR-2 Single Family Residential), 3.10 (SR-1.6 Single Family Residential and 3.11 (SR-1 Single Family Residential) by modifying the guesthouse requirements and removing Section 3.5 (AR-36 Agricultural/Residential) in its entirety. (Joshua Cook, Development Services Director)

Recommended Action: Adopt Ordinance 2020-881 to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, certain sections related to guesthouse requirements.

- c. **p.61** Public Hearing regarding Resolution No. 2020-1161, relating to the Town's Final Budget for Fiscal Year 2020/2021 and the proposed expenditure limitation for the same year, in the amount of \$24,407,900. (Joe Duffy, Finance Director)

Recommended Action: Hold the Public Hearing.

- d. **p.77** Public Hearing regarding (i) Resolution No. 2020-1162, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2020/2021, which shall constitute the budgets of the Districts for fiscal year 2020/2021 and (ii) the tax levy anticipated in conjunction with the budgets of the Districts. (Joe Duffy, Finance Director)

Recommended Action: Hold the Public Hearing.

8. ADJOURNMENT

**SPECIAL MEETING
TUESDAY, JUNE 23, 2020
6:05 P.M.**

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

AGENDA

1. **CALL TO ORDER; ROLL CALL**
2. **7.c.** Consideration and possible action to adopt Resolution No. 2020-1161, relating to the Town's Final Budget for Fiscal Year 2020/2021 and the proposed expenditure limitation for the same year, in the amount of \$24,407,900. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution 2020-1161, adopting the FY 2020-21 Final Budget and establishing the FY 2020-21 expenditure limitation.

3. **7.d.** Consideration and possible action to adopt Resolution No. 2020-1162, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2020/2021, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2020/2021. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 2020-1162, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2020/2021, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2020/2021.

4. **ADJOURNMENT**

**EXECUTIVE SESSION
TUESDAY, JUNE 23, 2020
6:30 P.M.**

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

AGENDA

1. An executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation with the Town Attorney for legal advice relating to lot splits issues. (Andrew McGuire, Town Attorney)
2. **ADJOURNMENT**

Dated this 18th day of June, 2020.

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/agendacenter>, and in the Public Library and Town Clerk's Office.

Continuing with the pandemic phased re-opening plan, Council meetings will be open to a maximum of 25 public attendees.

Council meetings are live-streamed on Cable Channel 57, Town of Chino Valley Facebook page, and Zoom.

Join Zoom Webinar: <https://us02web.zoom.us/j/88089355589>

Telephone: 877 853 5247 (toll free) or 888 788 0099 (toll free)

iPhone one-tap: US: +13462487799,,88089355589# or +16699009128,,88089355589#

Webinar ID: 880 8935 5589

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

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. a.

Meeting Date: 06/23/2020
Contact Person: Andrew McGuire, Town Attorney
 Phone: 602-257-7664
Department: Town Attorney
Item Type: Consent
Estimated length of staff presentation: 5 minutes
Physical location of item: Chino Meadows II Water Company service area

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 2020-1169, declaring that the Town Council deems the granting of a certain franchise beneficial for the Town, and ordering an election to be held on November 3, 2020, for the purpose of submitting to the voters the question as to whether or not a franchise shall be granted to Chino Meadows II Water Company.

RECOMMENDED ACTION:

Adopt Resolution No. 2020-1169, declaring that the Town Council deems the granting of a certain franchise beneficial for the Town, and ordering an election to be held on November 3, 2020, for the purpose of submitting to the voters the question as to whether or not a franchise shall be granted to Chino Meadows II Water Company.

SITUATION AND ANALYSIS:

Chino Meadows II Water Company (CMII) had a franchise agreement with the Town from July 1989 through June 2014.

On November 8, 2019, the Town received a proposal for a reinstatement of the franchise agreement from CMII. On January 14, 2020, Council approved a Call of Election placing the franchise question on the November 3, 2020, ballot. The Town Attorney briefed Council on the proposed agreement on May 26, 2020. Attorneys for the Town and CMII negotiated a final agreement, which is attached to this resolution. Upon approval, the agreement will be placed on the November 3, General Election ballot. If approved by the voters, the agreement will come back for Council's final approval.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

RES 2020-1169 CMII Franchise

RESOLUTION NO. 2020-1169

A RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, DECLARING THAT THE COMMON COUNCIL DEEMS THE GRANTING OF A CERTAIN FRANCHISE BENEFICIAL FOR THE TOWN OF CHINO VALLEY; ORDERING AN ELECTION TO BE HELD ON NOVEMBER 3, 2020, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE TOWN OF CHINO VALLEY THE QUESTION AS TO WHETHER OR NOT A FRANCHISE SHALL BE GRANTED TO CHINO MEADOWS II WATER COMPANY.

WHEREAS, Chino Meadows II Water Company is desirous of obtaining a franchise with the Town of Chino Valley in the form attached hereto as Exhibit A; and

WHEREAS, the Town of Chino Valley has determined that the granting of the proposed franchise for Chino Meadows II Water Company is beneficial to the Town; and,

WHEREAS, the Town of Chino Valley, at the request of Chino Meadows II Water Company, desires to conduct an election for the purpose of submitting to the qualified electors of the Town of Chino Valley the question of whether the proposed franchise shall be granted.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. That the Common Council of the Town of Chino Valley determines that the granting of the franchise proposed by Chino Meadows II Water Company in the form attached hereto as Exhibit A is beneficial to the Town of Chino Valley and the Town residents.

SECTION 2. That an election is hereby called and ordered to be held in the Town of Chino Valley on November 3, 2020, for the purpose of submitting to the qualified electors of the Town of Chino Valley the question as to whether the franchise under the terms and conditions of the above-referenced agreement shall be granted to Chino Meadows II Water Company

SECTION 3. That this franchise election be held pursuant to the provisions of the Arizona Constitution and laws of the State of Arizona and Town Code of the Town of Chino Valley.

SECTION 4. That the ballots used at said election shall be substantially in the following form:

SHALL THE PROPOSED FRANCHISE FOR A PERIOD OF UP TO TWENTY-FIVE (25) YEARS BE GRANTED TO CHINO MEADOWS II WATER COMPANY FOR THE USE OF TOWN RIGHTS-OF-WAY FOR WATER UTILITY PURPOSES?

SECTION 5. That the Town Clerk and Town Manager are hereby authorized and directed to publish the proposed franchise and take such other actions required by law to conduct the election.

SECTION 6. That this Resolution supersedes Resolution No. 231 adopted on February 9, 1989.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of June, 2020.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld, PLC, Town Attorneys
By: Andrew J. McGuire

I hereby certify the above foregoing Resolution No. 2020-1169 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on June 23, 2020, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

**EXHIBIT A
TO
RESOLUTION NO. 2020-1169**

[Franchise Agreement]

See following page.

FRANCHISE AGREEMENT

Proposed by

CHINO MEADOWS II WATER COMPANY

To The

TOWN COUNCIL OF CHINO VALLEY, ARIZONA

Section I. Grant of Franchise:

The Town of Chino Valley, an Arizona municipal corporation ("Municipality"), grants to Chino Meadows II Water Company, a corporation organized and existing under and by virtue of the laws of the State of Arizona (hereinafter called "Grantee"), its successors and assigns, the right, privilege, and franchise to construct, maintain, and operate upon, over, along, across, and under the present, and future public streets, alleys, ways, highways, bridges, and public utility easements ("Right-of-Way") in that portion of the Town described in the legal description marked Exhibit "A" and attached hereto, water mains, together with all necessary and desirable appurtenances (including but not limited to services, meter, standpipes, valves and boxes) (herein called the "Franchise"), for the purpose of supplying water to Municipality, its successors, the inhabitants thereof and all individuals and entities within the limits of the area described in Exhibit "A".

Municipality shall not be liable to Grantee should Grantee construct facilities pursuant to the Agreement in an area over which Municipality has erroneously exercised jurisdiction.

Section II. Grantee's Compliance with Municipality Practice:

All construction under this Franchise shall be performed in accordance with all applicable federal, state and municipal laws, rules, ordinances and regulations and with established practices of Municipality with respect to the Right-of-Way.

Section III. Non-Exclusive Use:

The right to use and occupy present and future Right-of-Way for the purpose herein set forth shall not be deemed and exclusive franchise, and Municipality reserves the right to grant a similar use in said Right-of-way to any person, firm or corporation.

Section IV. Construction and Relocation of Grantee's Facilities; Payment:

4.1 Prior to commencing any work in a Right-of-Way (except in emergency circumstances), Grantee shall obtain any permit necessary for such work but in consideration of the payments made under Section VIII below, Grantee shall not be required to pay any permit fees to Municipality for any such work. Grantee, upon receipt from Municipality of any one-hundred percent (100%) detailed finalized plans that would require construction or relocation of Grantee facilities, shall advise Municipality on the estimated amount of work required and the anticipated necessary timeframe of such work within ninety (90) days of receipt of such plans. For purposes of budgeting and asset allocation by Grantee, Grantee shall have six (6) months from the receipt of such finalized plans in which to design and to commence construction or relocation of the necessary facilities. In the event of an emergency, Grantee shall notify Municipality prior to such

repairs, to the extent practicable, and shall obtain the necessary permits in a reasonable time after notification, showing the work performed in the Right-of-Way.

4.2 All facilities installed or constructed pursuant to this Franchise shall be so located or relocated and so erected as to minimize the interference with traffic, or other authorized uses over, under or through the Rights-of-Way. Those phases of construction of Grantee's facilities related to traffic control, backfilling, compaction and paving, as well as the location or relocation of water lines and related facilities herein provided shall be subject to regulation by the Council or Municipality.

4.3 Grantee shall keep accurate records of the location of all facilities in the Right-of-Way and furnish them to Municipality upon request. Upon completion of new or relocation construction of underground facilities in the Right-of-Way, Grantee shall provide the designated Municipal Official or Council with corrected drawings showing the actual location of the underground facilities in those cases where the actual location differs significantly from the proposed location approved in the permit plans.

4.4 Representatives of Municipality and Grantee shall, during the entire term of this Franchise, meet at least once in each calendar year to review any projects involving the construction or modification of any Rights-of-Way within the subsequent five-year period in order for both parties to adequately plan and budget for such actions and to determine the extent of work required of Grantee, if any, for such projects.

4.5 If Municipality requires Grantee to relocate Grantee's facilities which are located in private easements or Right-of-Way obtained by Grantee prior to Municipality's acquisition of the Right-of-Way from which the facilities must be relocated, the entire cost of relocating Grantee's facilities (including the cost of purchasing a new private easement or Right-of-Way, if necessary) shall be borne by Municipality. Municipality shall also bear the entire cost of all subsequent relocations of the relocated facilities required by Municipality, until such time as Municipality condemns or otherwise purchases Grantee's private easement or right-of-way. Municipality and Grantee will cooperate to determine which facilities of Grantee are in private easements or Right-of-Way as the need arises.

4.6 If Municipality undertakes, either directly or through a contractor, any construction project adjacent to Grantee's facilities operated pursuant to this Franchise, but which does not require relocation of Grantee's facilities, Municipality shall notify Grantee of such construction project. Grantee will take steps as are reasonably necessary to maintain safe conditions throughout the construction project, including but not limited to the temporary barricading of Grantee's pipelines or equipment, the location of which may create an unsafe condition in view of the equipment to be utilized or the methods of construction to be followed by the contractor, at Municipality's cost.

A. Except as covered in Paragraph 4.6 above, Grantee shall bear the entire cost of relocating its facilities located on the Right-of-Way when required by Municipality in carrying out its functions which include, but are not limited to:

- (1) Any and all improvements to Municipality streets, alleys and avenues;
- (2) Establishing and maintaining sanitary sewer, storm drains and related facilities;
- (3) Establishing and maintaining municipal parks, parking, parkways, pedestrian malls, or grass, shrubs, trees, and other vegetation for the purpose of landscaping and street or public property;
- (4) Providing fire protection;
- (5) Collection and disposal of garbage;
- (6) Installation of pipe and other facilities owned by the Grantor to serve domestic and municipal water, if any.

B. Where Municipality's facilities or other facilities occupying a Right-of-Way under authority of a Municipality permit or license are already located in the Right-of-Way and a conflict between Grantee's potential facilities and the existing facilities can only be resolved expeditiously as determined by the Director of Public Work of Municipality by relocating the existing Municipality or Grantee's facilities, Grantee shall bear the entire cost (including the cost of purchasing new easements or Right-of-Way, in necessary) of relocating the existing facilities, irrespective of the function they served.

C. If Municipality participates in the cost of relocating Grantee's facilities for any reason, the cost of relocation to Municipality shall not include any upgrade or improvement of Grantee's facilities as they existed prior to the relocation. The cost to Municipality shall be limited to those costs and expenditures reasonably incurred for relocating such facilities in accordance with federal, state and municipal laws, rules, ordinances and regulations and with established practices of Municipality and, where not in conflict therewith, applicable industry standards. Prior to payment by Municipality, Grantee shall provide an itemization of such costs and expenditures subject to Municipality's review and approval. Such itemization shall be submitted to Town within ninety (90) days of completion of the relocation.

Section V. Indemnification:

Municipality shall not be liable to or responsible for any accident, injury or damage that may occur in the construction, operation or maintenance by Grantee of its facilities wherever located and for any purpose, except where such accident, injury or damage is the result of gross negligence or willful misconduct of Grantor. Grantee shall defend and indemnify Municipality and hold it harmless from and against any and all liability, loss, cost, attorneys and other legal fees, damage or any other expense which may accrue to or be incurred by Municipality as a result of injury or damage to any person or property occasioned by the exercise of this Franchise by Grantee not caused by gross negligence or willful misconduct of Municipality, and agrees to pay on behalf of Municipality any claims, settlements or judgments, including legal fees, made or entered against Municipality as a result of injury or damage to any person or property occasioned by the exercise of this Franchise by Grantee. Throughout the term of this Franchise, at its own cost and expense, Grantee shall keep or cause to be kept in force insurance against claims and liability for personal injury, death and property damage arising from the construction, operation or maintenance by Grantee of its facilities, in an amount not less than \$1,000,000.00. The Policy(s) shall provide for a thirty (30) day prior written notice of cancellation or non-renewal by the insurer to Municipality. The policy or policies required hereunder shall be non-assessable and shall contain language (a) the insurer waives the right of subrogation against Municipality; (b) the policies are primary and non-contributing with any insurance that may be carrier by Municipality; (c) the policies cannot be cancelled or materially changed except after thirty (30) days notice by the insurer to Municipality; (d) that the coverage of the policies applies to Grantee's obligation to indemnify the Municipality as provided herein. All policies of insurance of Grantee shall name Municipality as an additional Insured.

Section VI. Grantee to Maintain Service:

Grantee agrees to maintain the capacity of its system from time to time to meet the requirements and demands of Municipality and its inhabitants within the area specified and described in Exhibit "A" attached hereto, and to maintain its property and equipment in good order and condition in due compliance with Arizona laws and the Rules and Regulations of the Arizona Corporation Commission in effect from time to time.

Section VII. Restoration on Right-of-Way:

Whenever Grantee shall cause any opening or alteration whatever to be made for any purpose in any Right-of-Way the work shall be completed with due diligence within a reasonable, prompt time, and Grantee shall, upon completion of such work, restore the property disturbed to as good condition as it was prior to such opening or alteration. Municipality agrees that this requirement shall be deemed met if the disturbed property is restored with comparable materials, so that the restoration meets or exceeds industry and Town standards.

Section VIII. Fees:

Grantee agrees to pay Municipality in consideration of the grant of Franchise a sum equal to two percent (2%) of gross receipts of Grantee from the sale by it of the water at retail for residential, commercial and industrial purposes, within the area described in Exhibit "A" attached, as shown by Grantee's billing records. Such payment to be due and payable quarterly. Except as otherwise provided in Section IX, such payment shall be in lieu of all fees or charges for permits or licenses issued for construction of Grantee's facilities hereunder or for inspections thereof.

Section IX. Additional Fees and Taxes:

9.1 Notwithstanding any provision contained herein to the contrary, Grantee shall pay, in addition to the payment provided herein, the following charges, taxes and fees as may be established in a code or ordinance properly adopted by the Town: (a) general ad valorem property taxes; (b) transaction privilege and use tax as authorized by law and collected by Grantee for its retail sales to its customers within the present and any future corporate limits of the Town; (c) pavement cut fees; and (d) other charges, taxes or fees generally levied upon businesses by Municipality, provided said charge, tax or fee is a flat fee per year and that the annual amount of such fee does not exceed the amount of similar fees paid by any other businesses operated within Municipality.

9.2 If during the term of this Franchise Grantee enters into any water utility franchise with any other municipality in Arizona during the term of this Franchise that provides for a higher percentage of Grantee's revenues than two percent (2%) or includes more categories of revenues than set forth in this Franchise, Grantee shall notify Town Council of such higher percentage or expanded revenue base. Town Council, at its sole discretion, shall have the option to, as applicable: (i) increase Grantee's Franchise fee to the higher percentage rate; or (ii) include other revenue categories set forth in the franchise agreement Grantee has with the other entity of this State. Following Town Council's action, Grantee agrees to henceforth pay to Town a new Franchise fee at the higher Franchise percentage or to include the additional revenue categories.

9.3 Municipality has the authority, at Municipality's expense, to conduct an audit of Grantee at any time during the term of this Franchise to determine compliance of Grantee under this Franchise. The audit shall be conducted in such a way as not to disrupt Grantee's business operations. All relevant records of Grantee are subject to an audit conducted by Municipality. Municipality may determine the scope of audit in each audit conducted. This audit shall not be required more than once in a single 12 month period.

9.4 Grantee shall pay to Municipality within 45 days written notice any amounts that are due to Municipality as determined by any audit of Grantee. Reimbursement for underpayment as a result of audit findings shall be identified as late payments and are subject to late payment interest of 18% per year.

Section X. Ownership. All plant, system, pipelines, works, and all other physical property installed or operated by Grantee in accordance with the terms of this Franchise shall be and remain the property of Grantee, and upon expiration of this Franchise or any extension or renewal thereof, Grantee is hereby granted the right to enter upon the public property or other public premises of said Municipality for the purpose of removing any and all such plant, system, pipeline, works and other property of Grantee, at any time within six (6) months after termination of this Franchise or any such extension or renewal thereof. All underground abandoned lines shall continue to remain the property of the Grantee, unless Grantee specifically acknowledges otherwise to the Town Manager of Municipality and such is accepted by Municipality. Grantee shall remove, at Grantee's sole cost, abandoned lines at the request of Municipality when the lines are in physical conflict with Municipality's facilities, in the opinion of the Town Engineer.Section XI. Term:

This Franchise shall continue and exist for a period of twenty-five (25) years from the effective date of the franchise as determined by law. However, Municipality shall have the right during each 180 day period immediately prior to the tenth (10th) and seventeenth (17th) anniversaries of the acceptance date of this Franchise to request from Grantee a modified form of this Franchise. If Grantee fails to comply with the request, Municipality may terminate this Franchise. If Municipality terminates this Franchise or the electors reject the modified Franchise, this Franchise terminates on the anniversary date immediately subsequent to the termination or rejection.

Section XII. Independent Provisions:

If any section, paragraph, clause, phrase or provision of this Franchise, other than Section VIII shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this Franchise as a whole or any part of the provisions hereof other than the part so adjudged invalid or unconstitutional. If Section VIII shall be adjudged invalid or unconstitutional in whole or in part by a final judgment, this Franchise shall immediately terminate and shall be of no further force or effect.

Section XIII. Condemnation; Right Reserved by Municipality:

Municipality reserves the right and power to acquire, in any manner permitted by law, all or any portion of the plant and distribution facilities of Grantee to the extent permitted by law.

Section XIV. Assignment:

This Franchise, and the rights, privileges and franchise hereby granted may not be transferred in whole or in part by Grantee, its successors and assigns, unless a resolution consenting to such assignment has been adopted by the Mayor and Common Council of Municipality; provided, however, that the foregoing shall not be deemed to require consent in the case of an assignment made as security pursuant to a mortgage and deed of trust, or any transfer made in enforcement of rights thereunder or by action of law, or in the case of a transfer pursuant to a merger or consolidation with or another corporation which assumes the obligation of Grantee hereunder.

Section XV. Expiration:

Municipality and Grantee hereby expressly agree that the following provisions shall survive the termination or expiration of this Franchise:

Upon the termination or expiration of the Franchise, if Grantee shall not have acquired or accepted an extension or renewal hereof, it may remove its facilities and system within Municipality or at its option, may continue operating its

facilities and system within Municipality for no longer than 180 days from the expiration date of the franchise but during said 180 day-period, it shall be required to obtain proper permits each time it make additional extensions upon, over, along, across, and under the Right-of-Way within Municipality unless or until such time as a new franchise is obtained or the system and facilities are removed or are acquired by Municipality through the exercise of its power of eminent domain or the 180 day period expires.

Section XV1. Failure of Grantee to Perform:

16.1 It is agreed that in case of the failure of Grantee to perform and carry out any of the stipulations and agreements herein set forth within Grantee's control, and with respect to redress is not otherwise herein provided, Municipality may, after hearing, determine such failure is of a substantial nature thereon and, thereupon, after giving Grantee such termination, Grantee shall have 60 days in which to remedy the conditions respecting which such determination shall have been made. After the expiration of such 60 day period, and failure to correct such conditions, Municipality may declare this Franchise forfeited, and thereupon Grantee shall have no further right or authority hereunder.

16.2 Nothing herein contained shall limit or restrict any other legal and equitable rights that Municipality may possess arising from such violations.

Section XVII. Acceptance and Effective Date:

If a majority of the qualified electors of the Town of Chino Valley authorize the granting of the Franchise to Chino Meadows II Water Company, its successors and assigns, and upon Grantee filing its acceptance of the franchise by signing and accepting the franchise documents, said franchise will thereafter be in full force and effect on the effective date as prescribed by law. Company shall reimburse all of Town's expenses incurred in conducting the Franchise election (including Town's legal fees related to this Franchise; cost for publication of the proposed Franchise Agreement in the Prescott Courier per A.R.S. 9-502(C) and 39-203; and any expenses charged to Town for conducting the election through the County of Yavapai, pursuant to Section ____). If more than one item is on the same ballot, Company shall pay only that prorated portion of Town's election expenses determined by dividing all of Town's expenses for the election by the total number of measures presented on the ballot plus one if there is a general election for Town mayor and/or councilmembers.

Section XVIII. Notices: Any notice required or permitted to be given hereunder shall be in writing, unless otherwise expressly permitted or required, and shall be deemed effective either (i) upon hand delivery to the person below, or (ii) on the third business day following its deposit with the United States Postal Service, first class and certified or register mail, return receipt requested, postage prepaid, addressed as follows:

To Municipality:

Town Manager
Town of Chino Valley
202 N. State Route 89
Chino Valley, Arizona 86323

To Grantee:

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this ____ day of _____, 2019.

Darryl Croft, Mayor

ATTEST:

Jami Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew McGuire, Town Attorney

All terms of this franchise are hereby accepted and approved:

Chino Meadows II Water Company,
An Arizona Public Service Corporation

By _____
Paul D, Levie, President

ATTEST:

Rae Levie, Corporate Secretary



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. b.

Meeting Date: 06/23/2020
Contact Person: Andrew McGuire, Town Attorney
 Phone: 602-257-7664
Department: Town Attorney
Item Type: Consent
Estimated length of staff presentation: 5 minutes
Physical location of item: UNS (Unisource) Gas service area

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 2020-1170, declaring that the Town Council deems the granting of a certain franchise beneficial for the Town, and ordering an election to be held on November 3, 2020, for the purpose of submitting to the voters the question as to whether or not a franchise shall be granted to UNS Gas, Inc. (aka Unisource Energy Services).

RECOMMENDED ACTION:

Adopt Resolution No. 2020-1170, declaring that the Town Council deems the granting of a certain franchise beneficial for the Town, and ordering an election to be held on November 3, 2020, for the purpose of submitting to the voters the question as to whether or not a franchise shall be granted to UNS Gas, Inc. (aka Unisource Energy Services).

SITUATION AND ANALYSIS:

Citizens Utilities Company, a natural gas provider, entered into a franchise agreement with the Town in March 1997. In 2003, Citizens Utilities was assigned to Unisource Energy Corporation (UNS). The franchise with UNS will expire in March 2022.

In April of this year, UNS contacted the Town to request that a new franchise agreement be placed on the ballot during the Town's 2020 election cycle. As Council had already approved a Call of Election on January 14, 2020, an amended Call of Election adding the UNS franchise to the November 3, 2020, ballot is on this agenda. The Town Attorney briefed Council on the proposed agreement on May 26, 2020. Attorneys for the Town and UNS negotiated a final agreement, which is attached to this resolution. Upon approval, the agreement will be placed on the November 3, General Election ballot. If approved by the voters, the agreement will come back in the form of an ordinance for Council's approval.

Fiscal Impact

Fiscal Impact?: No
If Yes, Budget Code:

Available:

Funding Source:

Attachments

RES 2020-1170 UNS Franchise

RESOLUTION NO. 2020-1170

A RESOLUTION OF THE COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, DECLARING THAT THE COMMON COUNCIL DEEMS THE GRANTING OF A CERTAIN FRANCHISE BENEFICIAL FOR THE TOWN OF CHINO VALLEY; ORDERING AN ELECTION TO BE HELD ON NOVEMBER 3, 2020, FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE TOWN OF CHINO VALLEY THE QUESTION AS TO WHETHER OR NOT A FRANCHISE SHALL BE GRANTED TO UNS GAS, INC. [ALSO KNOWN AS UNISOURCE ENERGY SERVICES].

WHEREAS, UNS Gas, Inc. is desirous of obtaining a franchise with the Town of Chino Valley in the form attached hereto as Exhibit A; and

WHEREAS, the Town of Chino Valley has determined that the granting of the proposed franchise for UNS Gas, Inc. is beneficial to the Town; and

WHEREAS, the Town of Chino Valley, at the request of UNS Gas, Inc., desires to conduct an election for the purpose of submitting to the qualified electors of the Town of Chino Valley the question of whether the proposed franchise shall be granted.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. That the Common Council of the Town of Chino Valley determines that the granting of the franchise proposed by UNS Gas, Inc. in the form attached hereto as Exhibit A is beneficial to the Town of Chino Valley and the Town residents.

SECTION 2. That an election is hereby called and ordered to be held in the Town of Chino Valley on November 3, 2020, for the purpose of submitting to the qualified electors of the Town of Chino Valley the question as to whether the franchise under the terms and conditions of the above-referenced agreement shall be granted to UNS Gas, Inc.

SECTION 3. That this franchise election be held pursuant to the provisions of the Arizona Constitution and laws of the State of Arizona and Town Code of the Town of Chino Valley.

SECTION 4. That the ballots used at said election shall be substantially in the following form:

SHALL THE PROPOSED FRANCHISE FOR A PERIOD OF UP TO TWENTY-FIVE (25) YEARS BE GRANTED TO UNS GAS, INC. FOR THE USE OF TOWN RIGHTS-OF-WAY FOR NATURAL GAS UTILITY PURPOSES?

SECTION 5. That the Town Clerk and Town Manager are hereby authorized and directed to publish the proposed franchise and take such other actions required by law to conduct the election.

SECTION 6. That this Resolution supersedes Resolution No. 469 adopted on January 9, 1997.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of June, 2020.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld, PLC, Town Attorneys
By: Andrew J. McGuire

I hereby certify the above foregoing Resolution No. 2020-1170 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on June 23, 2020, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

**EXHIBIT A
TO
RESOLUTION NO. 2020-1170**

[Ordinance Granting Franchise]

See following page.

ORDINANCE NO. _____

AN ORDINANCE GRANTING TO UNS GAS, INC. AN ARIZONA CORPORATION, ITS SUCCESSORS, LESSEES AND ASSIGNS, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT, OPERATE AND MAINTAIN IN TOWN OF CHINO VALLEY, STATE OF ARIZONA, AS NOW OR HEREAFTER CONSTITUTED, A TRANSMISSION AND DISTRIBUTION SYSTEM OF GAS MAINS, PIPELINES AND RELATED APPURTENANCES FOR THE TRANSPORTING, SALE AND DISTRIBUTION OF GAS INTO, OUT OF, AND THROUGH SAID TOWN, AND FOR THE DISTRIBUTION AND SALE OF SUCH GAS TO SAID TOWN, ITS INHABITANTS AND OTHERS, INCLUDING CUSTOMERS INSIDE, BEYOND, AND OUTSIDE OF THE LIMITS OF SAID TOWN; AND TO USE THE STREETS, AVENUES, EASEMENTS, RIGHTS-OF-WAY, ALLEYS, HIGHWAYS, SIDEWALKS, AND BRIDGES IN SAID TOWN FOR SUCH PURPOSE FOR A PERIOD OF TWENTY-FIVE (25) YEARS; AND PRESCRIBING IN CONNECTION THEREWITH CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED; AND PROVIDING FOR THE PAYMENT TO SAID TOWN OF A PERCENTAGE OF CERTAIN REVENUES OF GRANTEE FROM ITS OPERATIONS THEREIN

BE IT ORDAINED by the governing body of the Town of Chino Valley, as follows:

Section 1. Grant of Franchise. That the Town of Chino Valley, a municipal corporation in Yavapai County, Arizona, herein called "Town", hereby grants to and vests in UNS Gas, Inc., an Arizona corporation, duly authorized to transact within this State a public service business as a natural gas utility, herein called "Company", a franchise ("Franchise") with the authority, license, power and privilege to maintain, construct, build, equip, conduct or otherwise establish and operate in said Town, as now or hereafter constituted, a transmission and distribution system of gas mains, pipelines, and related appurtenances in compliance with a permit issued pursuant to Paragraph 3.1, to use, sell, distribute, and convey or otherwise establish, conduct, serve, supply or furnish the inhabitants of said Town and others, and to the Town gas for light, fuel, power, heat and any and all other useful purposes, and Company hereby is granted passage, right-of-way and the right to occupy and use during the life of this Franchise in any lawful way, both above and beneath the surface of the same, every and any and all Town streets, avenues, alleys, highways, sidewalks, bridges and other dedicated public rights-of-way, now existing or may be hereinafter extended (collectively referred to as "Rights-of-Way") for every and any such service, use, effect and lawful purpose as herein mentioned.

Section 2. Construction and Relocation of Facilities.

2.1 Company is hereby authorized, licensed and empowered to do any and all things necessary and proper to be done and performed in executing the powers and utilizing the privileges herein mentioned and granted by this Franchise, provided the same do not conflict, in the reasonable opinion of Town, (i) with water or other pipes, sewers (including storm sewers and publicly-owned drainage facilities of all kinds), or any other underground installations of Town, or (ii) with underground installations of others existing at the time of the proposed installation of facilities by Company. All work done in the Rights-of-Way shall be done with the utmost diligence

and the least practical inconvenience to the public or individuals, and that Company shall, subject to the reasonable approval of Town and within a reasonable time, restore any disturbed public or private property or other premises excavated by it to their original condition as nearly as practicable, subject to the reasonable approval of Town. Town agrees that this requirement shall be deemed met if the disturbed property is restored with comparable materials, so that the restoration meets or exceeds industry and Town standards.

2.2 Company shall remove or relocate its facilities as and when required by Town to accommodate a public purpose; said removal or relocation shall be made at the sole cost and expense of Company, unless (1) Company can demonstrate that its facilities were lawfully installed prior to the dedication to or acquisition by Town of the property in question in which case the cost and expense shall be the responsibility of Town, or (2) the Town fails to commence the public purpose within three years of such relocation, in which case the cost and expense shall be the responsibility of the Town

2.3 Town will not exercise its right to require utility facilities to be relocated in an unreasonable or arbitrary manner and will reasonably cooperate with Company on the location and relocation of Company's and other facilities in the public right-of-way. Completed or "as-built" plans of any facilities installed or relocated by Company shall be submitted by Company to Town as may be required by Town's Public Works Director. All work performed by Company and/or its agents shall be in compliance with applicable Town codes, federal and state laws, policies and procedures of Town and other applicable regulations.

2.4 If Town pays all or part of the cost of relocating Company's facilities pursuant to this Franchise, the cost to Town shall be limited to those costs and expenditures reasonably incurred for relocating such facilities in accordance with federal, state and Town laws, rules, ordinances and regulations and with established practices of Municipality, and, where not in conflict therewith, applicable industry standards. Costs to Town for relocation of Company's facilities shall not include any upgrade or improvement of Company's facilities as they existed prior to relocation. Prior to payment by Town, Company shall provide an itemization of such costs and expenditures subject to Town's review and approval. Such itemization shall be submitted to Town within ninety (90) days of completion of the relocation.

2.5 If Town undertakes, either directly or through a contractor, any construction project adjacent to Company's facilities operated pursuant to this Franchise, but which does not require relocation of Company's facilities, Town shall notify Company of such construction project. Company will take steps as are reasonably necessary to maintain safe conditions throughout the construction project, including but not limited to the temporary barricading of Company's pipelines or equipment, the location of which may create an unsafe condition in view of the equipment to be utilized or the methods of construction to be followed by the contractor, at Town's cost.

2.6 Where Town's facilities or other facilities occupying a Right-of-Way under authority of a Town permit or license are already located in the Right-of-Way and a conflict between Company's potential facilities and the existing facilities can only be resolved expeditiously as determined by the Director of Public Works of Municipality by relocating the existing Town or Company's facilities, Company shall bear the entire cost (including the cost of purchasing new easements or Right-of-Way, in necessary) of relocating the existing facilities, irrespective of the function they served.

Section 3. Permits.

3.1 Prior to commencing any work in a Right-of-Way (except in emergency circumstances), Company shall obtain any permit necessary for such work but in consideration of the payments made under Section 8 below, Company shall not be required to pay any permit fees to Town for any such work. In the event of an emergency, Company shall notify Town prior to such repairs, to the extent practicable, and shall obtain the necessary permits in a reasonable time after notification, showing the work performed in the Right-of-Way, at Town's cost. Company, upon receipt from Town of any one-hundred percent (100%) detailed finalized plans that would require construction or relocation of Company facilities, shall advise Town on the estimated amount of work required and the anticipated necessary timeframe of such work within ninety (90) days of receipt of such plans. For purposes of budgeting and asset allocation by Company, Company shall have six (6) months from the receipt of such finalized plans in which to design and to commence construction or relocation of the necessary facilities.

3.2 Representatives of Town and Company shall, during the entire term of this Franchise, meet at least once in each calendar year to review any projects involving the construction or modification of Town Right-of-Way within the subsequent five-year period in order for both parties to adequately plan and budget for such actions and to determine the extent of work required of Company, if any, for such projects.

Section 4. Indemnification. Company shall indemnify and hold harmless Town, its officers, boards, commissions, employees, agents and independent contractors, against and from all claims, demands, causes of action, suits or proceedings regardless of the merits of the same, damages include damages to Town property, liability, costs and expenses of every type, arising from injury to any person or property caused by the acts or omissions of Company, its officers, agents, employees, servants and/or independent contractors, while exercising any of the rights, privileges, powers granted herein except where such damages or injury were caused by Town's gross negligence or willful misconduct. More particularly, Company does hereby agree to indemnify and hold harmless Town from any and all liability, claim, demand or judgment arising out of any injury to any person or property because of Company's construction, repair, extension, maintenance or operation of its equipment or any other acts or omissions of Company in the Right-of-Way in connection with this Franchise. Town shall promptly notify Company of any claim or cause of action which may be asserted against Town relating to or covering any matter against which Company has agreed, as set forth above, to indemnify defend and hold harmless Town. Company reserves the right, but not the obligation, to employ such attorneys, expert witnesses, and consultants as it deems necessary to defend against the claim or cause of action. Company further reserves the right to take total or partial control of such defense. In the event that Town is in control, either totally or partially of such defense, Company shall pay all expenses incurred by Town in providing the defense.

Section 5. Insurance. Company agrees that at all times during the existence of this Franchise, it will maintain in force, at its own expense, a general liability insurance policy in a policy amount not less than Five Million Dollars (\$5,000,000.00) to adequately insure and/or protect the legal liability of Company with respect to the installation, operation, and maintenance of its facilities, together with all the necessary and desirable appurtenances authorized by this Franchise, to occupy the public property or other premises of Town. Such insurance program will

provide protection for bodily injury and property damage arising from the operation by Company of its facilities. Company will provide Town documentation of such liability insurance program within fifteen (15) calendar days following the request of Town. The policy limits or any insurance maintained in compliance with this section shall not limit Company's indemnification requirements under Section 4 of this Franchise.

Section 6. Utility Rates and Charges. The rates and charges to be charged by Company for furnishing gas service hereunder and the rules and regulations to be made and enforced by Company for the conduct of its business shall be those from time to time on file and in effect with the Arizona Corporation Commission applicable to such service.

Section 7. Assignment. Company shall have the right and privilege of assigning this Franchise and all rights and privileges granted herein, with the prior written consent of Town, which consent shall not be unreasonably withheld so long as the assignee assumes the obligations of this Franchise. Whenever the word "Company" appears herein, it shall be construed as applying to its successors, lessees and assigns.

Section 8. Franchise Fees.

8.1 Company, its successors, lessees, and assigns for and in consideration of the grant of this Franchise shall pay to Town a sum equal to two percent (2%) of all revenues of Company, including regulatory assessments but excluding transaction privilege taxes and similar governmental impositions, from the retail sales and/or delivery by it and other charges for services attendant to the retail sale and/or delivery of natural gas delivered through Company's distribution system within the present and any future corporate limits of Town, as shown by Company's billing records. Except as otherwise provided in Section 8.2, said payments shall be in lieu of any and all fees, charges or exactions of any kind otherwise assessed by Town in any way associated with Company's use of the rights-of-way, including, but not limited to, the construction of Company's facilities hereunder or for permits or inspections thereof during the term of this Franchise. Beginning on the Effective Date of this Franchise as set forth herein, payment as described herein shall be payable in semi-annually on or before the last day of January and July in each such year while this Franchise shall remain in full force and effect.

8.2 Notwithstanding any provision contained herein to the contrary, Company shall pay, in addition to the payment provided herein, the following charges, taxes and fees as may be established in a code or ordinance properly adopted by Town: (a) general ad valorem property taxes; (b) transaction privilege and use tax as authorized by law and collected by Company for its retail sales to its customers within the present and any future corporate limits of Town; (c) pavement cut fees; and (d) other charges, taxes or fees generally levied upon businesses by Town, provided said charge, tax or fee is a flat fee per year and that the annual amount of such fee does not exceed the amount of similar fees paid by any other businesses operated within Town.

8.3 If any lawful authority having jurisdiction in Town hereafter prohibits said payment, the obligation to make such payments hereinabove provided for shall forthwith cease.

8.4 If during the term of this Franchise Company enters into any gas franchise with any other municipality in Arizona during the term of this Franchise that provides for a higher

percentage of Company's revenues than two percent (2%) or includes more categories of revenues than set forth in this Franchise, Company shall notify Town Council of such higher percentage or expanded revenue base. Under such circumstances, Town Council, at its sole discretion, shall have the option to, as applicable: (i) increase Company's Franchise fee to the higher percentage rate; or (ii) include other revenue categories set forth in the franchise agreement Company has with the other entity of this State. Following Town Council's action, Company agrees to henceforth pay to Town a new Franchise fee at the higher Franchise percentage or to include the additional revenue categories.

8.5 For the purpose of verifying amounts payable hereunder, the books and records of the Company shall be subject to inspection by duly authorized officers or representatives of the Municipality at reasonable times.

Section 9. Severability. If any section, paragraph, subdivision, clause, phrase or provision hereof shall be adjudged invalid or unconstitutional, the same shall not affect the validity hereof as a whole, or any part or provision other than the part so decided to be invalid or unconstitutional.

Section 10. Term. This Franchise shall continue in full force and effect for a period of twenty-five (25) years from March 19, 2022 (the "Effective Date"); however, Town may terminate this Franchise in the event Town shall have formally found, after notice and hearing, Company has failed to comply with any material provisions of this Franchise or has failed to correct any failure after thirty (30) days' written notice.

Section 11. Ownership. All plant, system, pipelines, works, and all other physical property installed or operated by Company in accordance with the terms of this Franchise shall be and remain the property of Company, and upon expiration of this Franchise or any extension or renewal thereof, Company is hereby granted the right to enter upon the public property or other public premises of said Town for the purpose of removing any and all such plant, system, pipeline, works and other property of Company, at any time within six (6) months after termination of this Franchise or any such extension or renewal thereof. All underground abandoned lines shall continue to remain the property of Company, unless Company specifically acknowledges otherwise to Town Manager and such is accepted by Town. Company shall remove, at Company's sole cost, abandoned lines at the request of Town when the lines are in physical conflict with Town's facilities, in the opinion of Town Engineer.

Section 12. Effective Date. Notwithstanding the formal Effective Date set forth in Section 10, the Franchise shall only become fully effective after its approval by a majority vote of the qualified electors of Town at the general election to be held on November 3, 2020, called by Town Council for that purpose. Company shall reimburse all of Town's expenses incurred in conducting the Franchise election (including Town's legal fees related to this Franchise; cost for publication of the proposed Franchise Agreement in the Prescott Courier per A.R.S. 9-502(C) and 39-203; and any expenses charged to Town for conducting the election through the County of Yavapai, pursuant to Section 14). If more than one item is on the same ballot, Company shall pay only that prorated portion of Town's election expenses determined by dividing all of Town's expenses for the election by the total number of measures presented on the ballot plus one if there is a general election for Town mayor and/or councilmembers.

APPROVED AS TO FORM:

Andrew McGuire
Gust Rosenfeld PLC
Town Attorneys

ACCEPTED WITHOUT CHANGE:

UNS Gas, Inc.
By: Cynthia Garcia, Vice President

Date



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. c.

Meeting Date: 06/23/2020
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 2020-1168, amending Resolution No. 2020-1156, Call of Election for Fall 2020, designating election date, purpose of election, deadline for voter registration, and location and deadline for candidates to file nomination papers.

RECOMMENDED ACTION:

Adopt Resolution No. 2020-1168, amending Resolution No. 2020-1156, which approved a Call of Election for Fall 2020.

SITUATION AND ANALYSIS:

The Town's election is scheduled for Fall 2020, with the Primary Election on August 4, 2020, and the General Election on November 3, 2020. Council approved Resolution No. 2020-1156 calling the election on March 24, 2020. Proposed ballot items included:

- *August 4 Primary:* election of a mayor (2-year term) and three councilmembers (4-year term), and Alternative Expenditure Limitation (Home Rule Option) ballot measure.
- *November 3 General:* any runoffs for mayor or councilmember, and ballot measure related to utility franchise proposition for Chino Meadows II Water Company.

The Call of Election amendment includes:

- Structural changes recommended by Town Attorney Susan Goodwin.
- Addition of a utility franchise proposition for UNS Gas, Inc. (UniSource Energy Services) that was requested after the March 24 Call of Election resolution had been approved.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-42-5285
Available:

Funding Source:

Funds to come from Town Clerk's election budget line. NOTE: Expenses associated with the franchise ballot measures will be reimbursed by the franchisees.

Attachments

RES 2020-1168 Amended Call of Election

RES 2020-1168 Enmienda Convocacion de una Eleccion

CALL OF ELECTION

RESOLUTION NO. 2020-1168

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, AMENDING RESOLUTION NO. 2020-1156, DESIGNATING THE ELECTION DATES AND PURPOSES OF ELECTIONS; DESIGNATING THE DEADLINE FOR VOTER REGISTRATION; AND DESIGNATING THE PLACE AND THE LAST DATE FOR CANDIDATES TO FILE NOMINATION PAPERS

BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, AS FOLLOWS:

Section 1: Designation of Election DateS

~~That~~ August 4, 2020, has been set as the time for holding the Primary Election AND NOVEMBER 3, 2020, HAS BEEN SET AS THE TIME FOR HOLDING THE GENERAL ELECTION in the Town of Chino Valley.

Section 2. PurposeS of PRIMARY AND GENERAL ElectionS

1. ELECTION OF MAYOR AND COUNCIL.

~~That a~~ A Primary Election will be held for the purpose of nominating candidates for Mayor and Councilmember whose names shall appear on the ballot at the General Election to be held November 3, 2020. Any candidates receiving a majority of all the votes cast at the Primary Election will be declared elected without running in the General Election.

2. ~~Section 3. Propose the Approval of the~~ ADOPT Home Rule Expenditure Limitation Option.

A proposal to adopt a local Alternative Expenditure Limitation (Home Rule Option) will be considered at the Town Primary Election on Tuesday, August 4, 2020.

3. ~~Section 4. Propose~~ APPROVE the Utility Franchise Agreement with Chino Meadows II Water Company.

A proposal to approve the Utility Franchise Agreement with Chino Meadows II Water Company will be considered at the Town General Election on Tuesday, November 3, 2020.

4. APPROVE THE UTILITY FRANCHISE AGREEMENT WITH UNS GAS, INC.

A PROPOSAL TO APPROVE THE UTILITY FRANCHISE AGREEMENT WITH UNS GAS, INC. WILL BE CONSIDERED AT THE TOWN GENERAL ELECTION ON TUESDAY, NOVEMBER 3, 2020.

Section 53. Designating Deadline for Voter Registration

Yavapai County registration and voting lists will be used for the municipal election. In order to be qualified to vote in the Primary Election, one must be registered by July 6, 2020. The last day to register for the General Election will be October 5, 2020.

Section 64. Designating Date and Place to File Candidate Nomination Papers

Candidates seeking municipal office may obtain nomination papers and other materials which must be filed by candidates at the Town Clerk's Office, Town Hall, 202 N. State Route 89, beginning March 9, 2020. Candidates must file nomination papers and other nomination forms by 5:00 p.m. on April 6, 2020, in order for their names to appear on the Primary Election ballot.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of June, 2020.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2020-1168 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on June 23, 2020, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

CONVOCACIÓN DE UNA ELECCIÓN

RESOLUCIÓN NÚM. 2020-1168

UNA RESOLUCIÓN DEL ALCALDE Y DEL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO YAVAPAI, ARIZONA, QUE ENMIENDA LA RESOLUCIÓN NO. 2020-1156, DESIGNANDO LAS FECHAS DE LAS ELECCIONES Y LOS PROPÓSITOS DE LAS ELECCIONES; DESIGNA LA ÚLTIMA FECHA PARA REGISTRARSE PARA VOTAR; Y DESIGNANDO EL LUGAR Y LA ÚLTIMA FECHA EN QUE LOS CANDIDATOS PUEDEN PRESENTAR SUS FORMULARIOS DE NOMBRAMIENTO

RESUELVE EL ALCALDE Y EL CONCEJO COMÚN DEL PUEBLO DE CHINO VALLEY, CONDADO DE YAVAPAI, ARIZONA, COMO LO QUE SIGUE:

Sección 1: Designación de laS FechaS de la Elección LAS ELECCIONES

Se ha fijado el día 4 de agosto de 2020 como la fecha para celebrar la Elección Primaria Y EL 3 DE NOVIEMBRE DE 2020 COMO LA FECHA PARA LA ELECCIÓN GENERAL en el Pueblo de Chino Valley.

Sección 2. PropósitoS de la Elección LAS ELECCIONES, PRIMARIA Y GENERAL

1. ELECCIÓN DE ALCALDE Y CONCEJO

La Elección Primaria se celebrará con el propósito de nombrar a candidatos para el cargo de Alcalde y para Miembros del Concejo cuyos nombres aparecerán en la boleta de la Elección General que se celebrará el 3 de noviembre de 2020. Cualesquier de los candidatos que reciban una mayoría de todos los votos emitidos en la Elección Primaria serán declarados elegidos sin tener que participar en la Elección General.

2. ~~Sección 3.~~ ~~Propone la~~ Aprobación de la Limitación de Gastos - Opción de Autonomía

Una propuesta para adoptar una limitación de gastos alternativa local - opción de autonomía - que se considerará en la elección primaria del Pueblo en martes, día 4 de agosto de 2020.

3. ~~Sección 4.~~ ~~Propone~~ APROBACIÓN DE un acuerdo de franquicia con la empresa de servicio público de agua, Chino Meadows II Water Company

Una propuesta para aprobar el acuerdo de franquicia con la empresa de servicio público de agua, Chino Meadows II Water Company, será considerada en la elección general del Pueblo, el martes, 3 de noviembre de 2020.

4. APROBACIÓN DEL ACUERDO DE FRANQUICIA CON LA EMPRESA DE SERVICIO PÚBLICO DE GAS, UNS GAS, INC.

UNA PROPUESTA PARA APROBAR EL ACUERDO DE FRANQUICIA CON LA EMPRESA DE SERVICIO PÚBLICO DE GAS, UNS GAS, INC. SERÁ CONSIDERADA EN LA ELECCIÓN GENERAL DEL PUEBLO, EL MARTES, 3 DE NOVIEMBRE DE 2020.

Sección 53. Designación de la Última Fecha para inscribirse para Votar

El registro y las listas de votantes del Condado Yavapai se usarán para la elección municipal. Para estar capacitado para votar en la Elección Primaria, uno tiene que estar inscrito para votar para el día 6 de julio de 2020. La última fecha para inscribirse para votar para la Elección General será el 5 de octubre de 2020.

Sección 64. Designa la fecha y el lugar en donde entablar los formularios de nombramiento de candidatura

Los candidatos que procuran un cargo municipal pueden obtener los formularios de nombramiento y otros materiales que se tienen que entablar por los candidatos de la Oficina del Secretaria del Pueblo de Chino Valley, Ayuntamiento, 202 N. State Route 89, comenzando el día 9 de marzo de 2020. Los candidatos tienen que entablar los formularios de nombramiento y otros materiales de nombramiento para las 5:00 de la tarde el día 6 de abril de 2020 para que sus nombres aparezcan en la boleta de la Elección Primaria.

APROBADA Y ADOPTADA por el Alcalde y el Concejo Común del Pueblo de Chino Valley, Arizona este día 23 de junio de 2020.

Darryl L. Croft, Alcalde

CERTIFICA:

Jami C. Lewis, Secretaria del Pueblo

APROBADA EN FORMA:

Andrew J. McGuire, Abogado del Pueblo
Gust Rosenfeld, PLC

Por la presente certifico que la anterior Resolución No. 2020-1168 de arriba fue debidamente aprobada por el Concejo del Pueblo de Chino Valley, Arizona, en una reunión regular que se celebró el 23 de junio de 2020, y que estaba presente un quórum por eso y que el voto por esa fue ____ a favor y ____ en contra y ____ abstenciones. ____ Miembros del concejo estaban presentes o dispensados.

Jami C. Lewis, Secretaria del Pueblo



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. d.

Meeting Date: 06/23/2020
Contact Person: Erin Deskins, Deputy Town Clerk
 Phone: 928-636-2646 x-1210
Department: Town Clerk
Estimated length of Staff Presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to acknowledge scrivener's correction on Council minutes dated May 12, 2020 pursuant to Town Code § 10.20 Authority to Correct Scrivener's Errors. (Jami Lewis, Town Clerk)

SITUATION & ANALYSIS:

Town Code § 10.20 grants authority to the Town Attorney and Town Clerk to correct scrivener's errors in the Town Code, Unified Development Ordinance, and ordinances, resolutions, and minutes adopted by Council or other public body without the need for re-adoption. Paragraph (C) provides that any such corrections shall be reported within three months of such correction at a regular meeting of the Council.

There is one scrivener's correction to report: Council minutes dated May 12, 2020, page #7.

Attachments

May 12, 2020 minutes, pgs 6-7

MOVED by Councilmember Annie Perkins, seconded by Councilmember Mike Best to recommend approval for a new Series 12 Liquor License for The Hitchin Post BBQ.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller (remotely), Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins, Councilmember Lon Turner

7 - 0 PASSED - Unanimously

- c) Presentation and discussion regarding the Preliminary Budget for the Fiscal Year Ending June 30, 2021. (Joe Duffy, Finance Director)

Finance Director Duffy presented the Preliminary Budget. Key points were:

- *Overview:* The budget packet included a full expenditure summary that compared fiscal years 2019/2020 and 2020/2021. The total General Fund budget was down 12% but that did not include the \$2 million transfer, which brought the total budget up. Some positions had been moved around, but no new full-time positions were added. Capital projects had been reduced by each department and other items put on hold.
- *Overall:* The previous year's budget was \$27,976,000. This year's \$24,407,900 reduced budget did not include a \$2 million transfer to the capital improvement fund.
- *Fund Balance:* Last year's fund balance was about \$350,000 better than projected. Due to the recent halt on spending, cash spent had been reduced significantly, and the current fiscal year would end better than expected.
- *HURF:* He recommended transferring \$500,000 to the HURF fund. Not knowing the reduction to the HURF revenues, he projected \$1 million for road construction. As most road work would not begin until the spring of 2021, the Town would know then how much funding would be available.
- *Capital Improvement Fund:* He removed the \$2 million transfer in from the general fund for next FY. Of the \$2 million transferred in to FY 19/20, half million had been spent and half million was allocated, leaving a \$457,000 balance.
- *Enterprise Funds:* The water fund was still in the black. The Sewer fund projected a planned loss of \$297,000, which was due to capital improvements and next year he projected a \$475,700 loss for sewer extensions that may or may not happen. Current capital projects would be funded partially from WIFA reserve funds, and the rest from available Town funds.
- *Budget Steps:* He reviewed the meeting schedule to review and pass the budget.

Council and Mr. Duffy discussed the following:

- *Projected revenues:* Several projects in the budget were on hold, rather than eliminated. If revenues came in higher than projected, the Town would have the capacity to complete those projects.
- *Previous discussion about reducing overall budget to fund \$1.6 million road maintenance plan:* There was not a lot of discretionary money in the general fund. 69% was payroll; \$500,000 capital; and the rest was service and supplies. If they cut payroll, that will reduce services. He recommended using the excess \$500,000 fund balance for roads. If more came in, they could look at adding more. Without the pandemic, he might have had more.
- *Personnel:* Staff was freezing hiring for open positions and deferring merit increases until January 1, 2021, and holding back on everything we can.
- *COVID-19 and revenues:* Staff thought the local revenues—grocery store and chain

restaurants—would not have suffered too much, but local restaurants and construction industry might have. His biggest concern was State Share Revenues and HURF funds due to business, tourism, and travel shutdowns. HURF had a 14% decrease this month.

- *Low interest loan for Police Department building:* The Town could still apply for this.

~~AYE: Mayor Darryl Croft, Vice Mayor Jack Miller (remotely), Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins, Councilmember Lon Turner~~

~~7 - 0 PASSED Unanimously~~

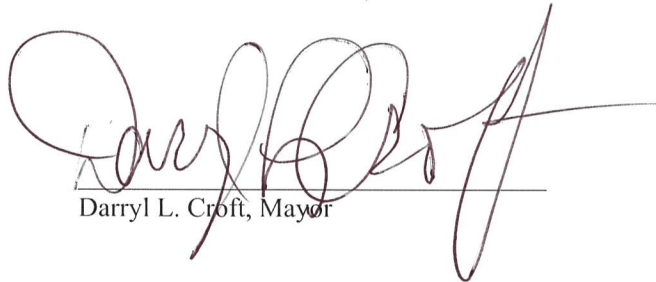
*Pursuant to Town Code §10.20, scrivener's error on May 12, 2020, Council regular meeting minutes was corrected on June 15, 2020 and reported to Council on June 23, 2020.

8) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Councilmember Cloyce Kelly to adjourn the meeting at 7:01 p.m.

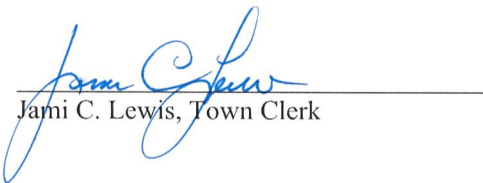
AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller (remotely), Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Annie Perkins, Councilmember Lon Turner

7 - 0 PASSED - Unanimously



Darryl L. Croft, 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 12th day of May, 2020. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 26th day of May, 2020.



Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. e.

Meeting Date: 06/23/2020

Contact Person: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type:

AGENDA ITEM TITLE:

Consideration and possible action to approve the June 9, 2020, regular meeting minutes. (Jami Lewis, Town Clerk)

RECOMMENDED ACTION:

Approve the June 9, 2020, regular meeting minutes.

Attachments

June 9, 2020, draft minutes

DRAFT

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

**TUESDAY, JUNE 9, 2020
6:00 P.M.**

The Town Council of the Town of Chino Valley met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, June 9, 2020.

Present: Mayor Darryl Croft; Vice-Mayor Jack Miller; Councilmember Mike Best; Councilmember Cloyce Kelly; Councilmember Corey Mendoza; Councilmember Lon Turner

Absent: Councilmember Annie Perkins

Staff Present: Town Manager Cecilia Gritman; Town Attorney Andrew McGuire(remotely); Human Resources Director Laura Kyriakakis; Public Works Director/Town Engineer Frank Marbury; IT Manager Spencer Guest (videographer); Officer Todd Hyslip (Sergeant -at-Arms); Town Clerk Jami Lewis (recorder)

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

Mayor Croft called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

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.

Darelyn Rock, resident, spoke about her family doing due diligence with regard to buying property in Town to split and build a home, only for the split to be denied by the Town after her family spent tens of thousands of dollars. She encouraged the Town Council to approve an amendment to Section 154 of the Unified Development Ordinance, which would provide the only way they could build their home and also continue to support property owners' personal rights.

Allen Foster, resident, spoke about concerns with the change in interpretation regarding lot splits, as he believed the Town's interpretation conflicted with other municipalities within the State, changed suddenly without notification to the public, and took away some citizens' personal property rights. He did not believe the Council had been given accurate information about the matter, and he hoped the Council would meet with him.

Ryan Roberts, resident and local surveyor in Town, also spoke about the lot split issues, the public being treated rudely by staff, some lot splits being allowed while others were not, and the inference that certain lot splits were being denied due to his involvement as surveyor. He also objected to his letter not being read during the previous meeting's Call to the Public.

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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a) Status reports by Mayor and Council regarding current events.

Councilmember Best reported on the 50th Anniversary Committee's meetings and collecting items for the time capsule.

Councilmember Mendoza reported that the Roads and Streets Committee would start meeting again in July.

Mayor Croft recognized the Senior Center for hosting a veterans meeting and spoke about future meetings.

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

Cecilia Grittmann reported on:

- Write-in candidates for Mayor and Council having until June 25 to file.
- Proposition 450 details on the Town's website.
- A virtual councilmember candidates' forum on June 29, sponsored by the Chamber of Commerce and the League of Women Voters.
- An outpouring of citizen support for the local Police Department during the nation's difficult time and the department continuing with a positive attitude.
- The library's positive social media interaction with the community during the pandemic.
- The Aquatic Center being scheduled to open by the end of the week with a capacity of 225 people, and drinks and snacks to be provided through vending machines.

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 Jack Miller, seconded by Councilmember Mike Best to approve Consent Agenda items 6 (a) and (b).

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best, Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- a) Consideration and possible action to adopt Resolution No. 2020-1171 approving the designation of applicant's agent form submission to the Arizona Department of Emergency and Military Affairs which designate the Town's Finance Director as the Town's Agent for applying for certain public assistance; and authorizing the Mayor and Finance Director to execute and deliver said application on behalf of the Town of Chino Valley. (Joe Duffy, Finance Director)
- b) Consideration and possible action to approve the May 26, 2020, regular 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 adopt Resolution No. 2020-1167, approving an Intergovernmental Agreement (IGA) with the State of Arizona (State) authorizing the contribution of \$125,000 toward the construction costs for improvements along Road 1 North in conjunction with the construction of a new traffic signal and road widening. (Frank Marbury, Public Works Director/Town Engineer)

Recommended Action: Adopt Resolution No. 2020-1167, approving an IGA with the State authorizing the contribution of \$125,000 toward the construction costs for improvements along Road 1 North in conjunction with the construction of a new traffic signal and road widening.

Mayor Croft reported that CYMPO (Central Yavapai Metropolitan Planning Organization) was considering contributing \$62,500 to this project.

Mr. Marbury presented the following:

- This item pertained to a continuing partnership with ADOT on the signal project at Road 1 North and Highway 89. This was an ADOT led project, which total cost was projected at approximately \$1.3 million.
- Previously, the Town had contributed \$75,000 for design and the County contributed approximately \$100,000. This additional cost would be for the Road 1 North portion of project improvements, which would tie in Road 1 North with the signal and the added lanes.
- Staff recommended approving the additional funds instead of reducing the scope of the project and modifying the motion to also authorize and direct the Town Manager to seek a contribution of \$62,500 from funds available to CYMPO. If approved, staff will seek a recommendation from the CYMPO advisory committee to request the executive board for

available funds.

Alvin Stump, ADOT District Engineer, spoke about the project's history and reported that:

- The signal project was on the expensive side because there was so much roadwork tied to the project. The original price had been close to \$2 million, which they had managed to reduce. Construction prices in the last year increasing by 30% brought the price to about \$1.3 million.
- When a project was advertised, they had to have the funding to cover the engineers estimate. Taking out additional scopes of the project had been discussed, but if possible, it was better to keep current design.
- They were still looking at reducing some additional costs on the highway paving. Although there were some areas for possible savings, they were still working on finalizing the design, and were aiming to advertise the project in August 2020.

Mr. Stump, Staff and Council further discussed the following:

- The IGA had a clause for a 50/50 split for any additional funds, which costs were unknown until the contractor bids were received. This was typical of these types of contracts.
- If the bids came in over the engineer's estimate, ADOT would come back to the Town for additional funding or another option could be to not move forward or award the project. The scope could be reduced at that time and then re-advertised.
- The price estimate was from the firm that did the design work and the contracts and specs department checked the estimated cost as well. Reducing the mainline paving could reduce the cost of the project by approximately \$100,000.

Public Comment:

Craig Brown, Yavapai County Supervisor suggested that the IGA language provide 'up to \$125,000', so that the Town was paying only half the difference of whatever the number might be. CYMPO had been dealing with the project for almost five years, and he thought there was a very good chance that they would go along with that extra expenditure. He would not be surprised if the bids came in under the estimated amount or right on the amount.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Mike Best to adopt Resolution No. 2020-1167, approving an IGA with the State authorizing the contribution of \$125,000 toward the construction costs for improvements along Road 1 North in conjunction with the construction of a new traffic signal and road widening, and authorize and direct the Town Manager to seek a contribution of \$62,500 of the \$126,000 from funds available to CYMPO.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best,
Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- b) Consideration and possible action to approve the Professional Services Agreement with Peckham and McKenney to act as the Town's executive search firm and to assist in the full recruitment process for the next Town Manager in an amount not to exceed \$25,000. (Laura Kyriakakis, Human Resources Director)

Recommended Action: Approve the Professional Services Agreement with Peckham and McKenney to act as the Town's executive search firm, to assist in the full recruitment process for the next Town Manager in an amount not to exceed \$25,000.

Laura Kyriakakis presented the following:

- The Town Manager had provided Council with a notice of retirement, which was to take place in the first quarter of calendar year 2021.
- A recruitment subcommittee would oversee the process of hiring a new Town Manager. The subcommittee had interviewed the top three search firms and were recommending Peckham and McKenny as the executive search firm to assist with the Town Manager selection process.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve the Professional Services Agreement with Peckham and McKenney to act as the Town's executive search firm, to assist in the full recruitment process for the next Town Manager in an amount not to exceed \$25,000.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best,
Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- c) Consideration and possible action to approve the Fifth Amendment to the Accountability Contract and Scope of Services with Chino Valley Area Chamber of Commerce for Fiscal Year 2020/2021 in the amount of \$60,000 for general support. (Cecilia Grittmann, Town Manager)

Recommended Action: Approve the Fifth Amendment to Accountability Contract and Scope of Services with the Chino Valley Area Chamber of Commerce for Fiscal Year 2020/2021 in the amount of \$60,000 for general support.

Town Manager Grittmann introduced several Chamber of Commerce executives in the room and related that the funding request of \$60,000 was the same as the current fiscal year. There was no change in the scope of services, but the Town's Economic Development Department was a larger part of the contract outreach.

MOVED by Vice-Mayor Jack Miller, seconded by Councilmember Cloyce Kelly to approve the Fifth Amendment to Accountability Contract and Scope of Services with the Chino Valley Area Chamber of Commerce for Fiscal Year 2020/2021 in the amount of \$60,000 for general support.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best,
Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

8) **ADJOURNMENT**

MOVED by Councilmember Lon Turner, seconded by Councilmember Cloyce Kelly to adjourn the meeting at 6:35 p.m.

AYE: Mayor Darryl Croft, Vice-Mayor Jack Miller, Councilmember Mike Best,
Councilmember Cloyce Kelly, Councilmember Corey Mendoza, Councilmember Lon
Turner

6 - 0 PASSED - Unanimously

Darryl L. Croft, 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 _____ day of _____, 2020. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2020.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7. a.

Meeting Date: 06/23/2020
Contact Person: Frank Marbury, Public Works Director/Town Engineer
 Phone: 928-636-7140 x-1226
Department: Public Works
Item Type: Action
Estimated length of staff presentation: 5 minutes
Physical location of item: Del Rio Elementary School

AGENDA ITEM TITLE:

Consideration and possible action to approve a construction contract with Asphalt Paving & Supply, Inc. for the Chino Valley Unified School District Improvement Project in the amount of \$266,126.66 contingent upon approval by the Chino Valley Unified School District Facilities Board.

RECOMMENDED ACTION:

Approve a construction contract with Asphalt Paving & Supply, Inc. for the Chino Valley Unified School District Improvement Project in the amount of \$266,126.66 contingent upon approval by the Chino Valley Unified School District Facilities Board.

SITUATION AND ANALYSIS:

The Town entered into an Intergovernmental Agreement (IGA) with Chino Valley Unified School District (CVUSD) on January 8, 2019 for the construction of a new on-site bus lane at Del Rio Elementary School with associated sidewalks, accessibility ramps, curbs, asphalt paving, fencing, etc. where the Town would contract, administer and pay for the project and CVUSD will reimburse the Town for direct project costs, not to exceed \$100,000 each year for fiscal years 2018-2019, 2019-2020 and 2020-2021.

The Town hired Lyon Engineering for the development of the Project's improvement plans, specifications and estimates and the Town advertised the Project for construction bids on May 12, 2020. On June 1, 2020, two bids were received as follows:

Asphalt Paving & Supply, Inc. Prescott Valley, AZ	\$266,126.66
Paul R. Peterson Construction, Inc. Phoenix, AZ 85013	\$442,436.58

Project approval by the CVUSD Facilities Board is expected on June 24, 2020.

Other Pertinent Documents Available Upon Request:

Appendix 7a-1. The complete Contract with Asphalt Paving & Supply, Inc. may be viewed online at www.chinoaz.net/agendacenter with the June 23, 2020 council meeting documents.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code: 07-70-5428

Available:

Funding Source:

The project will be paid by the Chino Valley Unified School District Adjacent Way Grant with no Town match.

The project will be accounted for in the Towns Grant Fund.

Attachments

Bid Tab

PRICE SHEET

CHINO VALLEY UNIFIED SCHOOL DISTRICT IMPROVEMENT PROJECT

NOTE: All pricing blanks must be filled in. Incomplete or unfilled spaces in the Bid Price Sheet shall result in a determination that a Bid is non-responsive.

Item No.	Description of Materials and/or Services	Qty	Unit	Unit Price	Total Price
105.16.1	Construction Staking	1	LS	\$ 8,200.00	\$ 8,200.00
109.10.1	Mobilization Roadway Construction	1	LS	\$ 9,101.66	\$ 9,101.66
109.11.1	Contract Allowance	1	LS	\$ 20,000.00	\$ 20,000.00
205.8.1	Excavation	432	CY	\$ 11.00	\$ 4,752.00
211.6.1	Fill Construction	432	CY	\$ 11.00	\$ 4,752.00
220.7.1	Hand-Placed Riprap	118	SY	\$ 65.00	\$ 7,670.00
300.1.1	Sawcut Pavement	341	LF	\$ 2.00	\$ 682.00
301.8.1	Sub Grade Preparation	1,456	SY	\$ 3.00	\$ 4,368.00
310.1.1	Reclaimed Asphalt Pavement Millings (2.5")	910	SY	\$ 6.00	\$ 5,460.00
310.5.1	Aggregate Base Course (4" & 6")	331	CY	\$ 85.00	\$ 28,135.00
321.13.1	Asphalt Concrete, Type C 3/4, 3" Thick, w/Thickened Pavement Edge	1,456	SY	\$ 24.00	\$ 34,944.00
340.6.1	Concrete Sidewalk	7,137	SF	\$ 7.00	\$ 49,959.00
340.6.2	Single Curb	96	LF	\$ 26.00	\$ 2,496.00
340.6.3	Valley Gutter	654	SF	\$ 12.00	\$ 7,848.00
340.6.4	Retaining Walls for Sidewalk Ramps	91	LF	\$ 85.00	\$ 7,735.00
345.6.1	Adjust Cleanout Frame and Cover	1	EA	\$ 580.00	\$ 580.00

Continued on next page

Continued from previous page

Item No.	Description of Materials and/or Services	Qty	Unit	Unit Price	Total Price
345.6.2	Adjust Stormdrain Manhole Frame and Add Cover	1	EA	\$ 1,800.00	\$ 1,800.00
350.3.1	Remove Existing Asphalt Pavement	1,993	SY	\$ 3.00	\$ 5,979.00
350.4.1	Remove and Salvage Existing Block Wall	61	LF	\$ 25.00	\$ 1,525.00
350.8.1	Remove Existing 6'-High Fence	133	LF	\$ 7.00	\$ 931.00
403.1.1	Sign Posts and Delineators	4	EA	\$ 767.00	\$ 3,068.00
420.5.1	6'-High Chain Linked Fence	55	LF	\$ 28.00	\$ 1,540.00
420.5.2	4'-High Chain Linked Fence	545	LF	\$ 23.00	\$ 12,535.00
420.5.3	24' Swinging Double Cantilever Gate Assembly	1	EA	\$ 5,500.00	\$ 5,500.00
520.5.1	Handrail	493	LF	\$ 62.00	\$ 30,566.00
610.10.1	Fire Hydrant Relocation	1	LS	\$ 6,000.00	\$ 6,000.00
TOTAL CONSTRUCTION COST*					\$ 266,126.00

* ALL BIDS ARE PRESUMED TO INCLUDE ALL APPLICABLE TAXES. PLEASE BE ADVISED THAT ARIZ. REV. STAT. § 42-5075(P) APPLIES TO THE PROJECT CONTEMPLATED WITHIN THIS CONTRACT. CONTRACTOR IS RESPONSIBLE FOR ENSURING THAT ALL WORK CONTEMPLATED BY THE PLANS FOR THE PROJECT IS BID ON THE PRICE SHEET.

Company Name: Asphalt Paving & Supply, Inc.

Date: 6/1/2020



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7. b.

Meeting Date: 06/23/2020
Contact Person: Will Dingee, GIS Tech
 Phone: 928-636-4427 x-1233
Department: Development Services
Item Type: Action-Presentation
Estimated length of staff presentation: 10 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Ordinance 2020-881 to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by amending the following Sections: Section 3.6 (AR-5 Agricultural/Residential), Section 3.7 (AR-4 Agricultural Residential), Section 3.8 (SR-2.5 Single Family Residential), 3.9 (SR-2 Single Family Residential), 3.10 (SR-1.6 Single Family Residential and 3.11 (SR-1 Single Family Residential) by modifying the guesthouse requirements and removing Section 3.5 (AR-36 Agricultural/Residential) in its entirety.

RECOMMENDED ACTION:

Adopt Ordinance 2020-881 to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, certain sections related to guesthouse requirements.

SITUATION AND ANALYSIS:

See attached documentation

Other Pertinent Documents Available Upon Request:

See attached documentation

Fiscal Impact

Fiscal Impact?: None
If Yes, Budget Code:
Available:
Funding Source:

Attachments

Staff Report - TC
 ORD - 2020-881



TOWN OF CHINO VALLEY TOWN COUNCIL MEETING Staff Report June 23, 2020

APPLICATION SUMMARY

File Number:	ZC20-00001
Applicant:	Town of Chino Valley
Request:	Consideration and possible action to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by amending the following Sections: Section 3.5 (AR-36 Agricultural/Residential), Section 3.6 (AR-5 Agricultural/Residential), Section 3.7 (AR-4 Agricultural Residential), Section 3.8 (SR-2.5 Single Family Residential), 3.9 (SR-2 Single Family Residential), 3.10 (SR-1.6 Single Family Residential and 3.11 (SR-1 Single Family Residential) by modifying the guesthouse requirements and removing Section 3.5 (AR-36 Agricultural/Residential) in its entirety.

BACKGROUND

DISCUSSION

On November 9, 2006, Town Council adopted the current version of the UDO (Unified Development Ordinance) through Ordinance 06-678. Since its adoption, there has been multiple amendments made to the zoning districts and their respective uses, however none of these amendments have addressed the guesthouse regulations. Over the years, staff have received complaints directed at the guesthouse regulations citing that they do not allow for an adequate size. The Town Council has heard these complaints and have directed staff to propose a revision to this regulation.

The second part of this text amendment is the removal of the AR-36 (Agricultural-Residential 36-acre minimum) zoning district. There are no longer any properties within the Town limits that carry this zoning classification. Town staff does not anticipate receiving a zone change requesting to down zone a piece of property to this zoning district as the AR-5 (Agricultural-Residential 5-acre minimum) has then same entitlements as the AR-36 zoning.

SURROUNDING COMMUNITY COMPARISON – GUESTHOUSE

Staff has conducted research and gathered code requirements from the surrounding communities within Yavapai County to compare the Towns current and proposed guesthouse regulations. The list below outlines how guesthouses are regulated in these communities:

Town of Clarkdale: No size limitations on guesthouse size. Guesthouses are regulated through setbacks and lot coverage limitations.

City of Prescott: Guest Quarters & accessory buildings are allowed a maximum of 600 square feet or 50% of the total gross floor area of the primary residence, whichever is greater.

Town of Camp Verde: Flat size limitation of 1000 livable square feet across all zoning districts.

Yavapai County, Town of Prescott Valley & City of Cottonwood: Maximum square footage of 750 square feet or 25% of the total livable building area of the primary residence, whichever is bigger.

Dewey Humboldt - Maximum square footage of 750 square feet or 25% of the total livable building area of the primary residence whichever is bigger. The 25% only applies when the primary residence is over 3000 square feet.

GUESTHOUSE DEFINITION

Section 2.1 of the Town's Unified Development Ordinance defines a guesthouse as the following:

Guesthouse: Living or sleeping quarters for the sole use of occupants of the premises, guest of such occupants or persons employed on the premises. Such quarters shall not be rented and/or otherwise listed for income purposes.

Town staff is not proposing any modifications to this definition. Any person in violation are subject to civil citation or misdemeanor charges through the code enforcement process.

CITIZENS OUTREACH

Staff notified all residents within Chino Valley through public posting in the Daily Courier paper. The draft text amendment has been available both electronically and physically since late March 2020 and will be available until the end of June 2020. Staff has encouraged the citizens to send comments to the Development Service Department. To date, staff has not received any comments or emails from residents.

PLANNING AND ZONING COMMISSION

The Planning and Zoning commission meeting was held on June 2, 2020 at Town Hall. Staff presented the proposed text amendment along with the limitations of the current regulations. Staff noted that the proposed size restrictions of the guesthouses were recommendations and could be adjusted by the Commission.

The Commissioners discussed concerns they had about what could be used as a guesthouse as well as renting a guesthouse. Staff explained that RVs, camp trailers and park models/trails cannot be considered guesthouses. Staff continued with explaining that existing Town code already prohibits the rental of a guesthouse.

VOTE: 7-0 PASSED

STAFF AND PLANNING AND ZONING COMMISSION RECOMMENDATION

Staff and the Planning and Zoning Commission forward a recommendation of approval to Town Council to adopt Ordinance 2020-881 to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by amending the following Sections: Section 3.6 (AR-5 Agricultural/Residential), Section 3.7 (AR-4 Agricultural Residential), Section 3.8 (SR-2.5 Single Family Residential), 3.9 (SR-2 Single Family Residential), 3.10 (SR-1.6 Single Family Residential and 3.11 (SR-1 Single Family Residential) by modifying the guesthouse requirements and removing Section 3.5 (AR-36 Agricultural/Residential) in its entirety.

ORDINANCE NO. 2020-881

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE CHINO VALLEY TOWN CODE TITLE XV, LAND USAGE, CHAPTER 154, UNIFIED DEVELOPMENT ORDINANCE BY DELETING THE AR-36 AGRICULTURAL/RESIDENTIAL DISTRICT AND BY AMENDING THE AR-5 AND AR-4 AGRICULTURAL/RESIDENTIAL DISTRICTS AND THE SR-2.5, SR-2, SR-1.6 AND SR-1 SINGLE FAMILY RESIDENTIAL DISTRICTS RELATING TO MODIFICATIONS OF THE GUESTHOUSE REGULATIONS.

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to amend the Chino Valley Town Code, Title XV, Land Usage, Chapter 154, Unified Development Ordinance of the Town of Chino Valley (the "UDO"), by deleting Section 3.5 (AR-36 – Agricultural/Residential) thereof in its entirety and reserving the section for future use; and

WHEREAS, the Town Council desires to amend the UDO by modifying the provisions relating to guesthouses in the AR-5 and AR-4 Agricultural/Residential Districts and the SR-2.5, SR-2, SR-1.6 and SR-1 Single Family Residential Districts (the "Text Amendment"); and

WHEREAS, the Town Council has determined that the Text Amendment conforms with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or other plan; and

WHEREAS, all required public notice was provided and all required public meetings and hearings were held in accordance with applicable state and local laws; and

WHEREAS, the Planning and Zoning Commission recommended approval of the Text Amendment; and

WHEREAS, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

Section 1. The recitals above are incorporated as if fully set forth herein.

Section 2. The UDO, Section 3.6 (AR-5 Agricultural/Residential), Subsection B (Permitted Uses), Paragraph 2, is hereby amended as follows:

2. One (1) guesthouse, WITH A LIVABLE SQUARE FOOTAGE THAT DOES not exceed one thousand two hundred (1,200) square feet OR SEVENTY-FIVE (75) PERCENT OF THE TOTAL SQUARE FOOTAGE UNDER ROOF OF THE PRIMARY RESIDENCE, WHICHEVER IS GREATER, in addition to the principal residence.

Section 3. The UDO, Section 3.7 (AR-4 Agricultural/Residential), Subsection B (Permitted Uses), Paragraph 2, is hereby amended as follows:

2. One (1) guesthouse, WITH A LIVABLE SQUARE FOOTAGE THAT DOES not exceed one thousand two hundred (1,200) square feet OR SEVENTY-FIVE (75) PERCENT OF THE TOTAL SQUARE FOOTAGE UNDER ROOF OF THE PRIMARY RESIDENCE, WHICHEVER IS GREATER, in addition to the principal residence.

Section 4. The UDO, Section 3.8 (SR-2.5 Single Family Residential), Subsection B (Permitted Uses), Paragraph 2, is hereby amended as follows:

2. One (1) guesthouse, WITH A LIVABLE SQUARE FOOTAGE THAT DOES not exceed one thousand two hundred (1,200) square feet OR FIFTY (50) PERCENT OF THE TOTAL SQUARE FOOTAGE UNDER ROOF OF THE PRIMARY RESIDENCE, WHICHEVER IS GREATER, in addition to the principal residence.

Section 5. The UDO, Section 3.9 (SR-2 Single Family Residential), Subsection B (Permitted Uses), Paragraph 2, is hereby amended as follows:

2. One (1) guesthouse, WITH A LIVABLE SQUARE FOOTAGE THAT DOES not exceed one thousand two hundred (1,200) square feet OR FIFTY (50) PERCENT OF THE TOTAL SQUARE FOOTAGE UNDER ROOF OF THE PRIMARY RESIDENCE, WHICHEVER IS GREATER, in addition to the principal residence.

Section 6. The UDO, Section 3.10 (SR-1.6 Single Family Residential), Subsection B (Permitted Uses), Paragraph 2, is hereby amended as follows:

2. One (1) guesthouse, WITH A LIVABLE SQUARE FOOTAGE THAT DOES not exceed one thousand two hundred (1,200) square feet OR FIFTY (50) PERCENT OF THE TOTAL SQUARE FOOTAGE UNDER ROOF OF THE PRIMARY RESIDENCE, WHICHEVER IS GREATER, in addition to the principal residence.

Section 7. The UDO, Section 3.11 (SR-1 Single Family Residential), Subsection B (Permitted Uses), Paragraph 2, is hereby amended as follows:

2. One (1) guesthouse, WITH A LIVABLE SQUARE FOOTAGE THAT DOES not exceed one thousand two hundred (1,200) square feet OR FIFTY (50) PERCENT OF THE TOTAL SQUARE FOOTAGE UNDER ROOF OF THE PRIMARY RESIDENCE, WHICHEVER IS GREATER, in addition to the principal residence.

Section 8. All ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 9. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 10. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to cause the execution of the Agreement and to take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of June, 2020.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Ordinance No. 2020-881 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on June 23, 2020, and that quorum was present, and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7. c.

Meeting Date: 06/23/2020
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Public Hearing regarding Resolution No. 2020-1161, relating to the Town's Final Budget for Fiscal Year 2020/2021 and the proposed expenditure limitation for the same year, in the amount of \$24,407,900. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Hold the Public Hearing.

SITUATION AND ANALYSIS:

On May 26, 2020 the Mayor and Council adopted Resolution No. 2020-1159 adopting the Tentative Budget for the Fiscal Year 2020/2021, and setting the Expenditure Limitation at \$24,407,900. The Tentative Budget was posted on the Town's website.

The State Budget Forms were published two times in the Chino Valley Review.

Staff recommends approving Resolution No. 2020-1161 and adopting the Final Budget for Fiscal Year 2020/2021.

Fiscal Impact

Attachments

RES 2020-1161 Final Budget

RESOLUTION NO. 2020-1161

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR 2020/2021; SETTING AN EXPENDITURE LIMITATION TO GOVERN THE TOWN OF CHINO VALLEY BUDGET FOR FISCAL YEAR 2020/2021; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE FROM AND AFTER ITS PASSAGE AND APPROVAL ACCORDING TO THE LAW.

WHEREAS, pursuant to the provisions of the laws of the State of Arizona, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") is required to adopt an annual budget for the Town of Chino Valley (the "Town"); and

WHEREAS, pursuant to Article 9, Section 20(9) of the Arizona Constitution, and Arizona Revised Statutes ("A.R.S.") §§ 41-563.03(C), (E) and (G), the qualified voters of the Town of Chino Valley, on August 30, 2016, approved Proposition 436, adopting an Alternative Expenditure Limitation for the Town; and

WHEREAS, Proposition 436 provided that, as part of the budget process and after a public hearing, the Town Council shall annually adopt an expenditure limitation to govern the budget; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the Town Manager's Budget estimates for the fiscal year beginning July 1, 2020, and ending June 30, 2021; and

WHEREAS, on May 26, 2020, the Town Council approved Resolution 2020-1159, adopting (i) an expenditure limitation and (ii) the estimates of expenditures for the fiscal year beginning July 1, 2020, and ending June 30, 2021, as the tentative budget for the Town; and

WHEREAS, Resolution 2020-1159 also directed the Town Clerk to: (i) publish in the official Town newspaper once per week for two consecutive weeks, (a) the official tentative budget and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and (ii) not later than seven business days following consideration of Resolution 2020-1159 by the Town Council, (a) make available at the Chino Valley Public Library and the Chino Valley Town Hall a complete copy of the tentative budget, and (b) post the tentative budget on the Town's website; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 23, 2020, at the Town Council Chambers for the purposes of (i) hearing taxpayers on the proposed expenditures and proposed tax levies as set forth in said estimates and (ii) adopting the tentative budget as final; and

WHEREAS, on June 23, 2020, the Town Council held a public hearing on the final budget and proposed tax levy as required by law; and

WHEREAS, the expenditures/expenses in the proposed final budget for Fiscal Year 2020/2021 do not exceed the expenditures/expenses shown on the published tentative budget.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The expenditure limitation to govern the Town of Chino Valley budget for Fiscal Year 2020/2021 is hereby approved in an amount not to exceed \$24,407,900.

SECTION 3. The estimates of revenues and expenditures shown in the schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby formally adopted as the official final budget for the Town for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

SECTION 4. This Resolution shall be effective from and after its passage and approval according to law.

SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of June, 2020.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2020-1161 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 23, 2020, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2020-1161

[Schedule of Estimated Revenues and Expenditures]

See following pages

OFFICIAL BUDGET FORMS

Town of Chino Valley

Fiscal Year 2021

Town of Chino Valley
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2021

Fiscal Year	S c h	FUNDS									Total All Funds
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds			
2020	E	1	11,009,400	5,360,000	891,300	4,916,000	0	5,800,100	0	27,976,800	
2020	E	2	10,689,750	1,826,300	904,100	2,271,600	0	3,326,300	0	19,018,050	
2021		3	7,861,217	987,083	457,683	1,378,550		12,421,930		23,106,463	
2021	B	4	0							0	
2021	B	5								0	
2021	C	6	10,640,500	4,573,300	0	4,031,000		3,139,000	0	22,383,800	
2021	D	7	0	0	0	0	0	0	0	0	
2021	D	8	0	0	0	0		0	0	0	
2021	D	9	400,000	675,000	973,000	0		0	0	2,048,000	
2021	D	10	675,000	0	0	1,373,000		0	0	2,048,000	
2021		11									
LESS:										0	
										0	
										0	
										0	
										0	
										0	
2021		12	18,226,717	6,235,383	1,430,683	4,036,550	0	15,560,930	0	45,490,263	
2021	F	13	10,865,500	5,287,500	973,000	3,700,000	0	3,581,900	0	24,407,900	

EXPENDITURE LIMITATION COMPARISON

- 1 Budgeted expenditures/expenses
- 2 Add/subtract: estimated net reconciling items
- 3 Budgeted expenditures/expenses adjusted for reconciling items
- 4 Less: estimated exclusions
- 5 Amount subject to the expenditure limitation
- 6 EEC expenditure limitation

	2020	2021
1	\$ 27,976,800	\$ 24,407,900
2		
3	27,976,800	24,407,900
4		
5	27,976,800	24,407,900
6		

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Town of Chino Valley
Tax Levy and Tax Rate Information
Fiscal Year 2021

	2020	2021
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	_____	_____
C. Total property tax levy amounts	\$ _____	\$ _____
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ _____	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	_____	_____
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u> 3 </u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2021

SOURCE OF REVENUES	ESTIMATED REVENUES 2020	ACTUAL REVENUES* 2020	ESTIMATED REVENUES 2021
GENERAL FUND			
Local taxes			
Sales Taxes	\$ 5,148,000	\$ 5,585,234	\$ 5,642,000
Franchise Taxes	128,000	128,797	129,000
Licenses and permits			
Building Permits	350,000	265,331	265,000
Business Licenses	63,000	57,573	57,500
Plan Check Fees	140,000	124,480	125,000
Other Licenses and Permits	17,500	19,946	16,500
Intergovernmental			
State Shared Sales Tax	1,230,000	1,259,361	1,275,000
State Shared Income Tax	1,549,200	1,552,200	1,600,000
Vehicle License Tax	862,000	880,635	890,000
Yavapai County Library Funds	102,000	97,900	98,000
Police Dept Grants	7,500	7,229	7,500
Senior Nutrition Grant	86,000	86,300	87,000
Charges for services			
Engineering Fees	5,000		
Senior Nutrition Program Fees	10,000	5,000	5,000
Facility Use Fees	24,500	16,592	19,000
Police Report Fees	4,500	4,974	5,000
Aquatic Center Fees	77,000	75,650	92,000
Other Charges for Services	11,500	31,825	26,000
Fines and forfeits			
Animal Control Fees	30,000	25,138	29,000
Library Fines	3,500	1,871	2,500
Court Fines and Forfeitures	140,000	108,220	148,000
Interest on investments			
Interest	115,000	121,585	121,000
Contributions			
Senior Center Thrift Store	1,500	500	500
Total General Fund	\$ 10,105,700	\$ 10,456,341	\$ 10,640,500

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2021

SOURCE OF REVENUES	ESTIMATED REVENUES 2020	ACTUAL REVENUES* 2020	ESTIMATED REVENUES 2021
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway User Revenue	\$ 1,010,000	\$ 1,259,983	\$ 1,020,000
Interest	5,000	7,742	5,000
Miscellaneous	2,000	12,852	6,000
	<u>\$ 1,017,000</u>	<u>\$ 1,280,577</u>	<u>\$ 1,031,000</u>
 CDBG Grants	 \$ 325,000	 \$ 318,600	 \$
	<u>\$ 325,000</u>	<u>\$ 318,600</u>	<u>\$</u>
 Miscellaneous Grants	 \$ 3,500,000	 \$	 \$ 3,500,000
	<u>\$ 3,500,000</u>	<u>\$</u>	<u>\$ 3,500,000</u>
 Special Revenue Fund-Court	 \$ 28,000	 \$ 32,286	 \$ 26,100
Special Revenue Fund-PD	55,000	10,075	12,000
Lighting Improvement Districts #1, #2, #3	4,000	4,000	4,200
	<u>\$ 87,000</u>	<u>\$ 46,361</u>	<u>\$ 42,300</u>
 Total Special Revenue Funds	 <u>\$ 4,929,000</u>	 <u>\$ 1,645,538</u>	 <u>\$ 4,573,300</u>
CAPITAL PROJECTS FUNDS			
Capital Improvements Fund	\$ 5,764,000	\$ 3,865,741	\$ 4,017,000
Replacement Fund	14,000	109,063	14,000
	<u>\$ 5,778,000</u>	<u>\$ 3,974,804</u>	<u>\$ 4,031,000</u>
 Total Capital Projects Funds	 <u>\$ 5,778,000</u>	 <u>\$ 3,974,804</u>	 <u>\$ 4,031,000</u>
ENTERPRISE FUNDS			
Water Enterprise Fund	\$ 2,974,000	\$ 872,333	\$ 784,000
Sewer Enterprise Fund	2,908,000	2,062,385	2,355,000
	<u>\$ 5,882,000</u>	<u>\$ 2,934,718</u>	<u>\$ 3,139,000</u>
 Total Enterprise Funds	 <u>\$ 5,882,000</u>	 <u>\$ 2,934,718</u>	 <u>\$ 3,139,000</u>
 TOTAL ALL FUNDS	 <u>\$ 26,694,700</u>	 <u>\$ 19,011,401</u>	 <u>\$ 22,383,800</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

Town of Chino Valley
Other Financing Sources/(Uses) and Interfund Transfers
Fiscal Year 2021

FUND	OTHER FINANCING 2021		INTERFUND TRANSFERS 2021	
	SOURCES	(USES)	IN	(OUT)
GENERAL FUND				
Capital Improvement Fund	\$	\$	\$ 400,000	\$ 675,000
Total General Fund	\$	\$	\$ 400,000	\$ 675,000
SPECIAL REVENUE FUNDS				
HURF Fund	\$	\$	\$ 675,000	\$
Total Special Revenue Funds	\$	\$	\$ 675,000	\$
DEBT SERVICE FUNDS				
Capital Improvement Fund	\$	\$	\$ 973,000	\$
Total Debt Service Funds	\$	\$	\$ 973,000	\$
CAPITAL PROJECTS FUNDS				
Capital Improvement Fund	\$	\$	\$	\$ 1,373,000
Total Capital Projects Funds	\$	\$	\$	\$ 1,373,000
TOTAL ALL FUNDS	\$	\$	\$ 2,048,000	\$ 2,048,000

**Town of Chino Valley
Expenditures/Expenses by Fund
Fiscal Year 2021**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2020	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2020	ACTUAL EXPENDITURES/ EXPENSES* 2020	BUDGETED EXPENDITURES/ EXPENSES 2021
GENERAL FUND				
Prosecutor	\$ 126,200	\$	\$ 123,800	\$ 127,800
Town Clerk	214,000		195,100	287,200
Town Manager	418,100		437,100	443,700
Human Resources	258,200		244,200	267,200
Magistrate Court	287,300		297,300	318,100
Finance	455,600		455,600	472,400
Mgmt Info Systems	307,300		300,650	314,300
Mayor & Council	51,200		40,300	51,200
Planning	211,300		207,500	260,800
Building Inspection	198,400		343,900	323,500
Police	3,531,700		3,515,600	3,449,700
Animal Control	158,100		140,600	166,600
Recreation	137,300		162,600	158,800
Library	375,200		349,500	385,300
Senior Center	354,600		369,800	333,200
Parks	618,800		607,000	580,700
Aquatic Center	251,600		217,100	293,700
Facilities Maintenance	772,400		687,400	508,100
Fleet Maintenance	345,700		288,900	277,400
Engineering	438,300		438,100	487,000
Customer Service	260,100		112,200	94,200
Non-Departmental	738,000		722,500	764,600
Contingency	500,000		433,000	500,000
Total General Fund	\$ 11,009,400	\$	\$ 10,689,750	\$ 10,865,500
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 1,417,500	\$	\$ 1,439,200	\$ 1,706,000
CDBG Grant	325,000		318,600	
Miscellaneous Grants Fund	3,500,000			3,500,000
Special Revenue Fund -- Court	58,500		58,500	43,500
Special Revenue Fund -- PD	55,000		6,000	34,000
Lighting Improvement Districts	4,000		4,000	4,000
Total Special Revenue Funds	\$ 5,360,000	\$	\$ 1,826,300	\$ 5,287,500
DEBT SERVICE FUNDS				
Debt Service Fund	\$ 891,300	\$	\$ 904,100	\$ 973,000
Total Debt Service Funds	\$ 891,300	\$	\$ 904,100	\$ 973,000
CAPITAL PROJECTS FUNDS				
Capital Improvements Fund	\$ 4,856,000	\$	\$ 2,248,800	\$ 3,550,000
Asset Replacement Fund	60,000		22,800	150,000
Total Capital Projects Funds	\$ 4,916,000	\$	\$ 2,271,600	\$ 3,700,000
ENTERPRISE FUNDS				
Water Enterprise Fund	\$ 2,914,200	\$	\$ 967,000	\$ 751,200
Sewer Enterprise Fund	2,885,900		2,359,300	2,830,700
Total Enterprise Funds	\$ 5,800,100	\$	\$ 3,326,300	\$ 3,581,900
TOTAL ALL FUNDS	\$ 27,976,800	\$	\$ 19,018,050	\$ 24,407,900

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2021

	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	BUDGETED EXPENDITURES/ EXPENSES
DEPARTMENT/FUND	2020	2020	2020	2021
Prosecutor				
General Fund	\$ 126,200	\$	\$ 123,800	\$ 127,800
Department Total	\$ 126,200	\$	\$ 123,800	\$ 127,800
Town Clerk				
General Fund	\$ 214,000	\$	\$ 195,100	\$ 287,200
Department Total	\$ 214,000	\$	\$ 195,100	\$ 287,200
Town Manager				
General Fund	\$ 418,100	\$	\$ 437,100	\$ 443,700
Department Total	\$ 418,100	\$	\$ 437,100	\$ 443,700
Human Resources				
General Fund	\$ 258,200	\$	\$ 244,200	\$ 267,200
Department Total	\$ 258,200	\$	\$ 244,200	\$ 267,200
Municipal Court				
General Fund	287,300		297,300	318,100
Special Revenue Fund	\$ 58,500	\$	\$ 58,500	\$ 43,500
Department Total	\$ 345,800	\$	\$ 355,800	\$ 361,600
Finance				
General Fund	\$ 455,600	\$	\$ 455,600	\$ 472,400
Department Total	\$ 455,600	\$	\$ 455,600	\$ 472,400
Mgmt Info Systems				
General Fund	\$ 307,300	\$	\$ 300,650	\$ 314,300
Department Total	\$ 307,300	\$	\$ 300,650	\$ 314,300
Mayor and Council				
General Fund	\$ 51,200		40,300	51,200
Department Total	\$ 51,200	\$	\$ 40,300	\$ 51,200
Planning				
General Fund	\$ 211,300	\$	\$ 207,500	\$ 260,800
Department Total	\$ 211,300	\$	\$ 207,500	\$ 260,800
Building Inspection				
General Fund	\$ 198,400		343,900	323,500
Department Total	\$ 198,400	\$	\$ 343,900	\$ 323,500
Police				
General Fund	3,531,700		3,515,600	3,449,700
Special Revenue Fund	55,000		6,000	34,000
Department Total	\$ 3,586,700	\$	\$ 3,521,600	\$ 3,483,700
Animal Control				
General Fund	\$ 158,100		140,600	166,600
Department Total	\$ 158,100	\$	\$ 140,600	\$ 166,600

Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2021

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	BUDGETED EXPENDITURES/ EXPENSES
	2020	2020	2020	2021
Recreation				
General Fund	\$ 137,300	\$	\$ 162,600	\$ 158,800
Department Total	\$ 137,300	\$	\$ 162,600	\$ 158,800
Library				
General Fund	\$ 375,200	\$	\$ 349,500	\$ 385,300
Department Total	\$ 375,200	\$	\$ 349,500	\$ 385,300
Senior Center				
General Fund	\$ 354,600	\$	\$ 369,800	\$ 333,200
Department Total	\$ 354,600	\$	\$ 369,800	\$ 333,200
Parks Maintenance				
General Fund	\$ 618,800	\$	\$ 607,000	\$ 580,700
Department Total	\$ 618,800	\$	\$ 607,000	\$ 580,700
Aquatics Center				
General Fund	\$ 251,600	\$	\$ 217,100	\$ 293,700
Department Total	\$ 251,600	\$	\$ 217,100	\$ 293,700
Facilities Maintenance				
General Fund	\$ 772,400	\$	\$ 687,400	\$ 508,100
Department Total	\$ 772,400	\$	\$ 687,400	\$ 508,100
Fleet Maintenance				
General Fund	\$ 345,700	\$	\$ 288,900	\$ 277,400
Department Total	\$ 345,700	\$	\$ 288,900	\$ 277,400
Engineering				
General Fund	\$ 438,300	\$	\$ 438,100	\$ 487,000
Department Total	\$ 438,300	\$	\$ 438,100	\$ 487,000
Customer Service				
General Fund	\$ 260,100	\$	\$ 112,200	\$ 94,200
Department Total	\$ 260,100	\$	\$ 112,200	\$ 94,200
Non-Departmental				
General Fund	\$ 1,238,000	\$	\$ 1,155,500	\$ 1,264,600
Debt Service Fund	891,300		904,100	973,000
Capital Improvement Fund	4,856,000		2,248,800	3,550,000
Grant Fund	3,500,000			3,500,000
CDBG Grant	325,000		318,600	
Asset Replacement Fund	60,000		22,800	150,000
Department Total	\$ 10,870,300	\$	\$ 4,649,800	\$ 9,437,600
Water Utilities				
Water Enterprise Fund	\$ 2,914,200	\$	\$ 967,000	\$ 751,200
Department Total	\$ 2,914,200	\$	\$ 967,000	\$ 751,200
Sewer Utilities				
Sewer Enterprise Fund	\$ 2,885,900	\$	\$ 2,359,300	\$ 2,830,700

Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2021

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED	ACTUAL EXPENDITURES/ EXPENSES*	BUDGETED EXPENDITURES/ EXPENSES
	2020	2020	2020	2021
Department Total	\$ <u>2,885,900</u>	\$ <u></u>	\$ <u>2,359,300</u>	\$ <u>2,830,700</u>

Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2021

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2020	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2020	ACTUAL EXPENDITURES/ EXPENSES* 2020	BUDGETED EXPENDITURES/ EXPENSES 2021
Roads				
HURF	\$ 1,417,500	\$	\$ 1,439,200	\$ 1,706,000
Department Total	\$ 1,417,500	\$	\$ 1,439,200	\$ 1,706,000
Street Lighting Improvement District				
SLID Fund	\$ 4,000	\$	\$ 4,000	\$ 4,000
Department Total	\$ 4,000	\$	\$ 4,000	\$ 4,000
 TOTAL ALL DEPARTMENTS	 \$ 27,976,800	 \$	 \$ 19,018,050	 \$ 24,407,900

Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

Town of Chino Valley
Full-Time Employees and Personnel Compensation
Fiscal Year 2021

FUND	Full-Time Equivalent (FTE)		Employee Salaries and Hourly Costs		Retirement Costs		Healthcare Costs		Other Benefit Costs		Total Estimated Personnel Compensation	
	2021		2021		2021		2021		2021		2021	
GENERAL FUND	86.0	\$	5,070,797	\$	903,159	\$	909,870	\$	468,474	\$	7,352,300	
SPECIAL REVENUE FUNDS												
Highway User Revenue	7.0	\$	310,027	\$	37,885	\$	67,904	\$	47,084	\$	462,901	
Total Special Revenue Funds	7.0	\$	310,027	\$	37,885	\$	67,904	\$	47,084	\$	462,901	
ENTERPRISE FUNDS												
Water Enterprise Fund	2.5	\$	151,193	\$	18,476	\$	23,210	\$	15,821	\$	208,700	
Sewer Enterprise Fund	2.5	\$	151,193	\$	18,476	\$	23,210	\$	15,821	\$	208,700	
Total Enterprise Funds	5.0	\$	302,386	\$	36,952	\$	46,421	\$	31,642	\$	417,400	
TOTAL ALL FUNDS												
	98.0	\$	5,683,210	\$	977,996	\$	1,024,195	\$	547,200	\$	8,232,601	



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

7. d.

Meeting Date: 06/23/2020
Contact Person: Joe Duffy, Finance Director
 Phone: 928-636-2646 x-1211
Department: Finance
Item Type: Action
Estimated length of staff presentation: None
Physical location of item: Bright Star Subdivision

AGENDA ITEM TITLE:

Public Hearing regarding (i) Resolution No. 2020-1162, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2020/2021, which shall constitute the budgets of the Districts for fiscal year 2020/2021 and (ii) the tax levy anticipated in conjunction with the budgets of the Districts. (Joe Duffy, Finance Director)

RECOMMENDED ACTION:

Hold the Public Hearing.

Fiscal Impact

Attachments

RES 2020-1162 SLID Final Budget

RESOLUTION NO. 2020-1162

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING THE STATEMENT OF ESTIMATES AND EXPENSES OF THE TOWN OF CHINO VALLEY STREET LIGHTING IMPROVEMENT DISTRICTS, WHICH SHALL CONSTITUTE THE FINAL BUDGETS OF THE DISTRICTS FOR FISCAL YEAR 2020/2021, PURSUANT TO ARIZONA REVISED STATUTES SECTIONS 48-616 AND 42-17101, ET SEQ., AS AMENDED.

WHEREAS, the provisions of Arizona Revised Statutes ("A.R.S.") § 48-616 requires the Mayor and Council of the Town of Chino Valley (the "Town Council") to levy taxes upon all property in a municipal street lighting improvement district to pay the annual expenses of said district; and

WHEREAS, in accordance with A.R.S. § 42-17102, the Town Manager prepared and filed with the Town Council the budget estimates for the fiscal year beginning July 1, 2020, and ending June 30, 2021, for the following: (i) Chino Valley, Arizona, CVSLID #1 Lighting Improvement District; (ii) Chino Valley, Arizona, CVSLID #2 Lighting Improvement District; and (iii) Chino Valley, Arizona, CVSLID #3 Lighting Improvement District (collectively, the "Lighting Districts"); and

WHEREAS, on May 26, 2020, the Town Council approved Resolution 2020-1160, adopting the estimates of expenditures for the fiscal year beginning July 1, 2020, and ending June 30, 2021, as the tentative budgets for the Lighting Districts; and

WHEREAS, Resolution 2020-1160 also directed the Town Clerk to: (i) publish in the official Town newspaper once per week for two consecutive weeks, (a) the official tentative budgets for the Lighting Districts and (b) a notice of the public hearing of the Town Council to hear taxpayers and make tax levies at designated times and places; and (ii) not later than seven business days following consideration of Resolution 2020-1160 by the Town Council, (a) make available at the Chino Valley Public Library and the Chino Valley Town Hall a complete copy of the tentative budgets for the Lighting Districts, and (b) post the tentative budgets for the Lighting Districts on the Town's website; and

WHEREAS, due notice has been given by the Town Clerk as required by law that the Town Council would meet on June 23, 2020, at the Town Council Chambers for the purposes of (i) hearing taxpayers on the proposed expenditures and proposed tax levies as set forth in said estimates and (ii) adopting the tentative budgets as final; and

WHEREAS, on June 23, 2020, the Town Council held a public hearing on the final budgets and proposed tax levies as required by law; and

WHEREAS, the expenditures/expenses in the proposed final budget for the Lighting Districts for Fiscal Year 2020/2021 do not exceed the expenditures/expenses shown on the published tentative budgets.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, County of Yavapai, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Statement of Estimates and Expenses shown in the schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby formally adopted as the official final budgets for the Lighting Districts for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

SECTION 3. This Resolution shall be effective from and after its passage and approval according to law.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 23rd day of June, 2020.

Darryl L. Croft, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2020-1162 was duly passed by the Council of the Town of Chino Valley, Arizona, at a special meeting held on June 23, 2020, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Jami C. Lewis, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2020-1162
[Statement of Estimates and Expenses]
See following page.

TOWN OF CHINO VALLEY, ARIZONA
Street Lighting Improvement Districts

Statement of Estimates and Expenses

Fiscal Year - 2020/2021

Co. Dist. No.	Town ID No.	Town ID Name	A 2019/ 2020 Estimated Actual Expenses	B 2019/ 2020 Levy Request	C 2019/ 2020 Difference on Expenses vs. Levy	D 2020/ 2021 Projected Expenses	E 2020/ 2021 Levy Request
13004	CVSLID 1	Chino Valley, Arizona, CVSLID #1 Lighting Improvement District	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ 2,000
13005	CVSLID 2	Chino Valley, Arizona, CVSLID #2 Lighting Improvement District	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
13006	CVSLID 3A	Chino Valley, Arizona, CVSLID #3A Lighting Improvement District	\$ 1,100	\$ 1,000	\$ (100)	\$ 1,100	\$ 1,200