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

TUESDAY, JUNE 26, 2018
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 26, 2018.

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

Staff Present: Town Manager Cecilia Grittman; Town Attorney Andrew McGuire (electronically); Economic Development Project Manager John Coomer; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Public Works Director/Town Engineer Frank Marbury; Associate Planner Alex Lerma; Community Services Director Scott Bruner; Kathy Frohock (videographer); 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.

Craig Brown, Yavapai County District 4 Supervisor, and Chair of the Central Yavapai Metropolitan Planning Organization, spoke about applying for a BUILD grant for $20-$25 million to address projects in Yavapai County, including the Town's Road 1 North signal and highway improvements from Perkinsville Road to Road 5 North.

Anita DeMello and Mary Racchio spoke about a dance being held at the Senior Center on June 28.

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, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

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

Mayor Croft spoke about the 2018 Frontier Days rodeo parade on June 30.

Vice-Mayor Turner spoke about the Town's Fourth of July celebration. Community Services Director Scott Bruner spoke about the precautions being taken with regard to fireworks fire safety.

b) Status report by Town Manager Cecilia Grittman and/or Town staff members regarding Town accomplishments, and current or upcoming projects.

Ms. Grittman reported on:

- The new Bailiff position and a letter of commendation from the Court regarding Police Lt. Vince Schaan's assistance with training the new employee.
- Upcoming Council meetings.

Community Services Director Scott Bruner reported that the Yavapai Trails Association received a $10,000 grant to pay for a 10-year state land lease to allow connection between the Town's and Prescott's portion of the Peavine Trail.

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 Lon Turner, seconded by Councilmember Jack Miller to accept consent agenda (a) and (b).

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to appoint applicants to fill vacancies on the Board of Adjustment, Public Safety Retirement Board, Industrial Development Authority, Municipal Property Corporation, Parks and Recreation Advisory Board, Senior Center Advisory Board, and Roads and Streets Committee. (Jami Lewis, Town Clerk)

b) Consideration and possible action to accept the June 12, 2018 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 Ordinance 18-850, rezoning 6.85 acres of real property generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 North, from MR-1 (Multiple Family Residential-1 acre minimum) zoning district to MR-1 PAD (Multiple Family Residential-1 acre minimum) zoning district with a Planned Area Development Overlay zoning district to modify the density development standard in the MR-1 zoning district. (Jason Sanks, Development Service Director)

Recommended Action: Postpone this item to the July 24, 2018 Town Council regular meeting.

Associate Planner Alex Lerma reported that staff was asking for a continuation to July 24. The item will be heard before the Planning and Zoning Commission on July 3 and presented to Council at its July 17 study session.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to postpone this item to the July 24, 2018 Town Council regular meeting.

Vote: 7 - 0 PASSED - Unanimously

b) Consideration and possible action to award a construction contract to Asphalt Paving and Supply, Inc. in an amount not to exceed $266,866.66 for the Chino Valley 2018 Chip Seal Program Construction Contract. (Frank Marbury, Public Works Director/Town Engineer)

Recommended Action: Award construction contract to Asphalt Paving and Supply, Inc. in an amount not to exceed $266,866.66 for Chino Valley 2018 Chip Seal Program.

Mr. Marbury reported on this item:

- The Town received two bids, with Asphalt Paving and Supply (AP&S) being the low bid. Another contractor will be engaged to pulverize the pavements needing the double chip and Town forces will prepare the roads for the chip sealing.
- He reviewed the roads that will be receiving either single chip seal coat or double chip seal coat. AP&S's work was scheduled to begin around August 15.
- Staff recommended awarding the bid to AP&S.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Jack Miller to award construction contract to Asphalt Paving and Supply, Inc. in an amount not to exceed $266,866.66 for Chino Valley 2018 Chip Seal Program.

Vote: 7 - 0 PASSED - Unanimously

c) Public Hearing and consideration and possible action to adopt Resolution No. 18-1126 adopting a Final Budget for fiscal year 2018/2019, and proposed expenditure limitation for the same year, in the amount of $ 24,525,200. (Joe Duffy, Finance Director)

Recommended Action: (1) Hold public hearing; and (2) Adopt Resolution No. 18-1126 adopting a Final Budget and proposed expenditure limitation for fiscal year 2018/2019 in the amount of $24,525,200.

Town Attorney McGuire commented that the public hearing for this item could be held, but Resolution 18-1126 could not be adopted because of an odd law that required the final budget to be adopted in a "special meeting." Because the agenda did not contain a "special meeting" section that would meet the statutory requirement, Resolution 18-1126 must be brought back at a later "special" meeting for approval; he anticipated it would be July 17th.

MOVED by Mayor Darryl Croft, seconded by Vice-Mayor Lon Turner to open the public hearing.
Vote: 7 - 0 PASSED - Unanimously

No one from the public spoke.

MOVED by Mayor Darryl Croft, seconded by Vice-Mayor Lon Turner to close the public hearing.
Vote: 7 - 0 PASSED - Unanimously

d) Public Hearing and consideration and possible action to adopt Resolution No. 18-1125, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2018/2019, which shall constitute the budgets of the Districts for fiscal year 2018/2019. (Joe Duffy, Finance Director)

Recommended Action: (1) Hold public hearing; and (2) Adopt Resolution No. 18-1125, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2018/2019, which shall constitute the budgets of the Districts for fiscal year 2018/2019.

Town Attorney McGuire commented that the public hearing for this item could be held, but Resolution 18-1125 could not be adopted because of an odd law that required the final budget to be adopted in a "special meeting." Because the agenda did not contain a "special meeting" section that would meet the statutory requirement, Resolution 18-1125 must be brought back at a later "special" meeting for approval; he anticipated it would be July 17th.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Mike Best to open the public hearing.
Vote: 7 - 0 PASSED - Unanimously

No one from the public spoke.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to close the public hearing.
Vote: 7 - 0 PASSED - Unanimously

e) Consideration and possible action to approve Arizona Municipal Risk Retention Pool (AMRRP) as the insurance provider for Workers Compensation coverage, effective July 1, 2018.(Laura Kyriakakis, Human Resources Director)

Recommended Action: Approve AMRRP as the Town of Chino Valley's continued provider for property and casualty coverage, and add AMRRP workers compensation coverage for fiscal year 2018/2019, effective July 1, 2018.

Ms. Kyriakakis introduced Ed Bantel, AMRRP Program Administrator, who presented on this item:

- *History:* Municipal pools started in the 1980s. AMRRP was the largest insurer of municipalities in Arizona. Chino Valley, a member since 1989, was one of the early founding members.
- *Philosophy:* The Pool provided coverage that met needs, and provided rate stability, dividends from excess funds, and proactive programs.
- *AMRRP programs:* These included claims reduction; building safety review; educational roundtables; lobbying through the League of Arizona Cities and Towns; and brokered coverage for items not covered by AMRRP.
- *Member benefits:* These included programs related to personnel assistance; EEOC/ACRD; land use; human resources; safety; intergovernmental agreements; law enforcement; employee injury; and property appraisal.

Council asked why staff was recommending this change now. Ms. Kyriakakis explained that:

- The Town had not gone out for bid in many years. Staff had wanted to use AMRRP before for Workers Comp, but the cost had been higher than Copperpoint, the Town's current provider. AMRRP recently started bundling and their bid was $1,000 under Copperpoint's and offered a 15% permanent discount on premiums Without bundling, AMRRP's coverage would be $30,000 higher.
- AMRRPs customer service, experience, knowledge, and turnaround was topnotch.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Jack Miller to approve AMRRP as the Town of Chino Valley's continued provider for property and casualty coverage, and add AMRRP workers compensation coverage for fiscal year 2018/2019, effective July 1, 2018.

Vote: 7 - 0 PASSED - Unanimously

f) Consideration and possible action to approve increasing the Mayor's annual compensation to $6,000, to be paid in 12 consecutive monthly installments of $500, and to approve increasing each Councilmember's annual compensation to $3,600, to be paid in 12 consecutive monthly installments of $300, with the first installment being paid at the beginning of a Mayor's new term and a councilmembers new term. (Laura Kyriakakis, Human Resources Director)

Recommended Action: Approve Resolution 18-1124, repealing Resolution 16-1088 dated July 26, 2016, and fixing and setting the compensation of Mayor and Councilmembers at $6,000 per year and $3,600 per year, respectively, which shall become effective at the beginning of a new term.

Mayor Croft reported that he requested this item as a possible incentive to get some younger folks on Council.

Councilmember Mendoza, Vice-Mayor Turner, and Councilmember Lane did not disagree with the reason behind the proposal, but they were not comfortable giving themselves a raise, since they were currently running for office unopposed. They did support giving the mayor a raise, though, due to the time he invested.

Ms. Kyriakakis reported that staff last recommended an increase in July 2016. Prior to that, there had been no increases since 1983. The Town currently provided the lowest compensation of other communities of like population size. The proposed increase would put the Council in the 40th percentile. The increase would not go into effect until the Council's new terms started.

Public Comment:

- Ron Romley, a former councilmember and vice-mayor, stated that he understood how councilmembers felt about giving themselves a raise, but they were deserving of the compensation for their work in the community.
- Craig Brown, County Supervisor, spoke about the county having the same issue with elected constables. He supported elected officials being compensated due to the grief they received and their participation in events, often paying out of their own pockets.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Mike Best to approve Resolution 18-1124, repealing Resolution 16-1088 dated July 26, 2016, and fixing and setting the compensation of Mayor and Councilmembers at $6,000 per year and $3,600 per year, respectively, which shall become effective at the beginning of a new term.

Vote: 4 - 3 PASSED

NAY: Vice-Mayor Lon Turner
Councilmember Annie Lane
Councilmember Corey Mendoza

8) EXECUTIVE SESSION

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

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to go into executive session at 6:45 p.m.

Vote: 7 - 0 PASSED - Unanimously

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

9) ACTION ITEMS RESUMED

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

Mayor Croft reconvened the regular meeting at 7:18 p.m. and reported that Council gave direction to staff and will continue discussions with Prescott.

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Councilmember Annie Lane to adjourn the meeting at 7:19 p.m.

Vote: 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 26th day of June, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 24th day of July, 2018.

Jami C. Lewis, Town Clerk