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

TUESDAY, JUNE 27, 2017
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, June 27, 2017.

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

Staff Present: Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley (via Skype); Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Lieutenant Vince Schaan; Sergeant Gary Bruso; Court Administrator Ronda Apolinar; Court Clerk Erin Deskins; Interim Public Works Director/Town Engineer Richard Straub; Associate Planner Alex Lerma; Library Director Scott Bruner; Matt Santos (videographer); Deputy Town Clerk Michelle Greenstreet; Town Clerk Jami Lewis (recorder)

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

Mayor Croft called the meeting to order at 6:01 p.m. and led the Pledge of Allegiance.

a) Administer Oath of Office to new Councilmember, Cloyce Kelly.

Town Clerk Lewis administered the Oath of Office to new Council appointee, Cloyce Kelly.

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.

Rick Nichols with the Chino Valley Model Aviators reported on the status of the organization’s facility, membership, events, the annual fly-in in September, and a change to allow free membership to those in active service.

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) Question regarding the Town having a separate fund for roads maintenance.

Mayor Croft reported that Arizona law required that the Town keep all proceeds from highway revenues in a separate fund to be used solely used for streets and highway purposes. The Town's annual highway revenues of approximately $920,000 funded roads department salaries, benefits, equipment, and operating costs, leaving about $125,000 for maintenance. The general fund contributed another $175,000 toward maintenance.

5) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

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

Councilmember Turner reported on the Town's upcoming 4th of July celebration.

Councilmember Lane reported on issues associated with the Goodwin Fire; the Yavapai County Emergency Management's Code Red notification system; and the upcoming annual Wade Parker memorial softball tournament.

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

c) Update on the chip seal project and schedule. (Richard Straub, Interim Public Works Director/Town Engineer)

Mr. Straub reported on:

- the Town using the County's chip seal contract for the $1.5 million project;
- the project's mid-July anticipated start date; and
- chiping on the Old Home Manor road starting yesterday.

d) Update on the Memorandum of Understanding between the Town of Chino Valley and the Chino Valley Police Officers Association. (Laura Kyriakakis, Human Resources Director)

Ms. Kyriakakis reported that there were no recommended changes to the Memorandum of Understanding (MOU), so the current MOU will roll over to the new year.

6) CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

Town Clerk Lewis requested that Council postpone item 6a to the next meeting, as the dates were in error.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Lon Turner to move 6a to the next regular meeting.

Vote: 7 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Cloyce Kelly to accept item 6b.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to cancel the August 23, 2016, November 22, 2016, and December 27, 2016 regular meetings to accommodate the annual League Conference, and Thanksgiving and Christmas holidays. (Jami Lewis, Town Clerk)

b) Consideration and possible action to accept the June 13, 2017 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 approve a Conditional Use Permit (CUP17-002) for approximately 14.76 acres of real property located at 915 North Road 1 West (APN 306-23-027) to allow for the use of horse boarding, horse shows and equine events within the AR-5 (Agricultural Residential-5 Acre Minimum) zoning district, subject to conditions. Applicant: Traesa Santori; Owner: James Leneve. (Alex Lerma, Associate Planner)

Recommended Action: Approve Conditional Use Permit for approximately 14.75 acres of real property located at 915 North Road 1 West to allow for the use of horse boarding, horse shows and equine events within the AR-5 (Agricultural Residential-5 Acre Minimum) Zoning District.

Mr. Lerma presented:

- *Current uses* included a residence and hay field. Surrounding zoning districts included residential, agricultural, commercial light, multi-family residential, and public land.
- *Conformance:* The General Plan land use designation was medium density residential.
- *Staff analysis:* As the UDO did not specifically list the proposed uses as permitted or conditional under the AR-5 zoning district, but it allowed similar uses as conditional uses, and the proposed uses will have no or a small direct impact on surrounding properties, the zoning administrator had determined that the proposed uses were appropriate and would require a CUP.
- *Public participation:* No negative comments were offered by the neighboring public.
- *Planning and Zoning Commission* recommended approval with the stipulations recommended by staff.
- *Conditions:* Staff recommended a condition that applicant dedicate a 13-foot right-of-way to Road 2 North and Road 1 West. Other conditions related to lighting, timing, dust control, and parking were added by staff, town attorney, and Commission. The CUP will be effective after the dedications were complete.

Council and staff discussed the following in more detail:

- *CUP:* After the packet was published, Town Attorney Smiley removed a stipulation from the CUP that was redundant. This amendment did not need to go back to the Commission.
- *Parking area:* The zoning administrator deemed that the applicant did not need to pave the parking area. Open space on the south portion of the property was sufficient for parking.
- *ADA and restroom requirements:* This was not needed as the proposed events would be for small, private crowds by invitation only.
- *Site access:* Entrances were on Road 1 West and Road 2 North. Schools would not be in session during events.

Council expressed concern about access gates being locked; lack of signage; handicapped parking; and restrooms.

MOVED by Councilmember Kelly to bring back to July 11 with questions answered by the Planning and Zoning Commission regarding handicapped parking, access, and restrooms.

Applicant Traesa Santori reported that:

- She had been waiting for the CUP to be approved before opening the access gates and installing entrance signage.
- She already had a restroom on the premises and pavement for handicap access, as well as adequate driveway material, and proper drainage and slope.
- Planned events would be very small and mainly related to 4-H activities. No roping was intended.

Ms. Smiley advised that she had no issue with entrances, and the matter was ready to go forward.

Mayor Croft asked for a second on the above motion.

The motion FAILED for lack of a second.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to approve Conditional Use Permit for approximately 14.75 acres of real property located at 915 North Road 1 West to allow for the use of horse boarding, horse shows and equine events within the AR-5 (Agricultural Residential-5 Acre Minimum) Zoning District.

Vote: 7 - 0 PASSED - Unanimously

b) Public Hearing and consideration and possible action to adopt Resolution No. 17-1106, adopting a Final Budget for fiscal year 2017/2018, and proposed expenditure limitation for the same year, in the amount of $ 23,100,000. (Joe Duffy, Finance Director)

Recommended Action: (1) Hold public hearing and (2) Adopt Resolution No. 17-1106 adopting a Final Budget and proposed expenditure limitation for fiscal year 2017/2018 in the amount of $23,100,000.

Mr. Duffy presented budget highlights, which pertained to:

- *Budget Change:* Fiscal year 2017/18 budget increase of 6%.
- *General Fund:* $333,000 rollover being used in next year's budget; reserves fully funded; police officer market adjustment; PSPRS increases and possible buy down of unfunded liability at the end of the fiscal year; and purchase of eight police cars.
- *Highway User revenues:* Doubled road materials budget; using carryover funds; decreasing the general fund overhead; and adding funds for highway maintenance.
- *Water Enterprise:* Budgeted $2 million for potential water system acquisition; reduced capital improvements fund subsidy; and 6% increase in water accounts.
- *Sewer Enterprise:* Completed Molly Rae and Road 1 West sewer extensions; completed plant upgrades; fund to be operating in the black; and 19 new accounts.
- *Capital Improvements:* Increased transfer to police; Yavapai County drainage project; grant matches for Old Home Manor Industrial Park project; and Road 1 East road impact fee project.
- *Capital equipment:* All requests, other than the police cars, being held off until a new public works director was hired.

Mr. Duffy also reviewed proposed capital projects.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Corey Mendoza to open the public hearing on the budget.
Vote: 7 - 0 PASSED - Unanimously

Haryaksha Knauer, county resident, asked about retiring police vehicles and allowing native plants to grow at the Aquatics Center. Mr. Duffy explained that miled-out Dodge Chargers will be retired, and it will be at least three years before more cars were needed.

Library Director Bruner spoke about the maintenance process for plants considered as weeds.

Mark Vucich, resident, asked about future sewer extensions. Mr. Duffy related that no specific extensions had been identified yet, but staff had to include funds in the budget for anticipated or hopeful projects.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to close the public hearing.
Vote: 7 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to adopt Resolution No. 17-1106 adopting a Final Budget and proposed expenditure limitation for fiscal year 2017/2018 in the amount of $23,100,000.

Vote: 7 - 0 PASSED - Unanimously

c) Public Hearing and consideration and possible action to adopt Resolution No. 17- 1107, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2017/2018, which shall constitute the budgets of the Districts for fiscal year 2017/2018. (Joe Duffy, Finance Director)

Recommended Action: (1) Hold public hearing; and (2) Adopt Resolution No. 17- 1107, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2017/2018, which shall constitute the budgets of the Districts for fiscal year 2017/2018.

Mr. Duffy reported that the three districts were located in the Bright Star subdivision. APS billed the Town for the electric use and the County reimbursed the Town from the property taxes collected from the homeowners.

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

No one from the public spoke.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Corey Mendoza to close the public hearing.
Vote: 7 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Lon Turner to adopt Resolution No. 17- 1107, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2017/2018, which shall constitute the budgets of the Districts for fiscal year 2017/2018.

Vote: 7 - 0 PASSED - Unanimously

d) Consideration and possible action to approve Agreement for Professional Consulting Services between the Town of Chino Valley and Sanks and Associates, LLC for the purpose of providing professional planning consulting services in the amount not to exceed $50,000. (Joe Duffy, Finance Director)

Recommended Action: Approve Agreement for Professional Consulting Services between the Town of Chino Valley and Sanks and Associates, LLC.

Mr. Duffy reported that due to a recent vacancy in planning department management, staff needed help with the workload. Mr. Sanks' firm would work up to two days per week to assist. Staff did not anticipate expending the full $50,000, unless new large projects came up. Funding will come from the salary that would have been paid to the former employee.

Human Resources Director Kyriakakis anticipated starting recruitment for the position in July and the process taking about 90 days.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Corey Mendoza to approve Agreement for Professional Consulting Services between the Town of Chino Valley and Sanks and Associates, LLC. not to exceed $50,000.

Vote: 7 - 0 PASSED - Unanimously

e) Consideration and possible action to adopt Resolution No. 17-1108, amending the Town of Chino Valley Personnel Policy and Administrative Guideline Manual by amending Policy No. 100 Definitions; repealing existing Policy No. 715 Sick Leave, and adopting new Policy No. 715 Earned Paid Sick Leave, dated September 12, 2002, Revised effective July 1, 2017. (Laura Kyriakakis, Human Resources Director)

Recommended Action: Adopt Resolution No. 17-1108, amending the Town of Chino Valley Personnel Policy and Administrative Guideline Manual by amending Policy No. 100 Definitions; repealing existing Policy No. 715 Sick Leave, and adopting new Policy No. 715 Earned Paid Sick Leave, dated September 12, 2002, Revised effective July 1, 2017.

Ms. Kyriakakis presented on this item:

- *New law:* In 2016, Arizona voters passed Prop 206 making changes to minimum wage and sick time regulations, requiring the Town to revise its related policy. As many of the policy's current provisions needed clarification, staff rewrote the entire policy.
- *Changes:* Prop 206 expanded the circumstances under which an employee could take sick leave; clarified the definition of family members; expanded the class of workers who would be eligible for sick leave, although those less than full-time would receive it at a different rate; and addressed employees leaving and coming back within nine months.
- *Impacts to Town:* Staff projected an increase of $2,000 in expenses. The Town's current policies that exceeded some of new requirements were not changed.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to adopt Resolution No. 17-1108, amending the Town of Chino Valley Personnel Policy and Administrative Guideline Manual by amending Policy No. 100 Definitions; repealing existing Policy No. 715 Sick Leave, and adopting new Policy No. 715 Earned Paid Sick Leave, dated September 12, 2002, Revised effective July 1, 2017.

Vote: 7 - 0 PASSED - Unanimously

f) Consideration and possible action to update appointments to Council subcommittees and outside entities. (Jami Lewis, Town Clerk)

Recommended Action: Update appointments to Council subcommittees and outside entities per discussion.

Council made the following updates:

- *Subcommittees:* Added Mayor Croft and Councilmember Kelly to Finance; assigned Mayor Croft as temporary Chair of Finance; moved Councilmember Lane from Finance to Economic Development; and assigned Mayor Croft as temporary Chair of Economic Development.
- *Entity appointments:* Appointed Councilmember Kelly as Chamber of Commerce liaison; changed GPREP liaison from Mayor to Town Manager.

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 Mike Best, seconded by Councilmember Lon Turner to go into executive session at 7:12 p.m.

Vote: 7 - 0 PASSED - Unanimously

a) An executive session pursuant to A.R.S. § 38-431.03(A)(1) for discussion or consideration of employment, assignment, appointment, or salaries of the following candidates for the position of Town Magistrate: John Erickson, Mary Hamm, Catherine Kelley, Ingrid Hughes, and Joel Thompson. (Council Appointments Subcommittee).

9) ACTION ITEMS RESUMED

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

Mayor Croft reconvened the regular meeting at 7:39 p.m.

a) Consideration and possible action to appoint a Presiding Magistrate and direct Staff to negotiate and prepare an employment contract, to be approved by Council at the next meeting. (Laura Kyriakakis, Human Resources Director)

Recommended Action: Appoint __________ to the position of Town of Chino Valley

Presiding Magistrate, contingent upon successful completion of pre-employment drug test and background screening; and direct staff to negotiate with __________ to prepare an employment contract for consideration by the Town Council at its Council meeting on July 11, 2017.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to appoint Mary Hamm to the position of Town of Chino Valley Presiding Magistrate, contingent upon successful completion of pre-employment drug test and background screening; and direct staff to negotiate with Mary Hamm to prepare an employment contract for consideration by the Town Council at its Council meeting on July 11, 2017.

Vote: 7 - 0 PASSED - Unanimously

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Vice-Mayor Mike Best to adjourn the meeting at 7:40 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 27th day of June, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of July, 2017.

Jami C. Lewis, Town Clerk