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

Tuesday, July 24, 2012
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, July 24, 2012.

Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Linda Hatch; Councilmember Lon Turner

Staff Present: Interim Town Manager Robert Smith; Town Attorney Tom Kack; Finance Director Joe Duffy; Police Commander Mark Garcia; Civil Engineer Richard Straub; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

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

Councilmember Lon Turner attended by conference phone.

Councilmember Croft gave the invocation and Mayor Marley led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Introduction of the Town's new Finance Director, Joe Duffy. (Robert Smith, Interim Town Manager)

Mr. Smith introduced Mr. Duffy, the Town's new Finance Director, who was most recently from the Town of Williams and started with the Town on July 23.

b) Recognition of the Chino Valley Foundation for Seniors for their years of service from 2009-2012. (Mayor Marley; Vice-Mayor Tenney)

Mayor Marley recognized the Chino Valley Foundation for Seniors for their service over the past three years. Harvey Jones, representing the Foundation, acknowledged the Town staff, restaurateurs, and organizations that supported the Friday senior lunch program, which served over 6,000 lunches from November 2009 to June 2012.

c) Presentation of appreciation plaque to the Town of Chino Valley from MATForce. (Mayor Marley)

Mayor Marley presented a plaque to the Town from MATForce, acknowledging the Town for its contributions and support of the MATForce program.

3) CALL TO THE PUBLIC

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

Mayor Marley reported that at the previous meeting, Kathryn Young spoke about enforcement of the Town's noise Ordinance. To the best of his understanding, this matter was still before Council's Public Safety Committee. Councilmember Best, the Committee Chair, reported that Ms. Young had filed two complaints since 2010. One was brought before the magistrate and nothing was done on the other one. He suggested that she file another complaint.

5) CURRENT EVENT SUMMARIES AND REPORTS

Councilmember Hatch reported that she was seeking another Councilmember to co-sponsor an item for an upcoming agenda with regard to a potential open meeting law ("OML") violation that occurred with a past agenda item in which Embry-Riddle University was soliciting Council for a letter of support for an unmanned aircraft proposal. Before the item came on the Council agenda, she contacted the State Ombudsmen's Office regarding the issue, and as a result, Council avoided an OML violation and the Ombudsmen recommended that Council obtain guidance from the town attorney. Afterward, she learned that the town manager intended to have staff present some OML training at the Council's upcoming retreat, and, as she desired to have as much protection as possible in case of a lawsuit, she preferred that Council follow the Ombudsmen's suggestion and have the attorney present or invite the Ombudsman to give the presentation. As the Council Rules of Procedure required two Councilmembers to place an item on the agenda, she requested that another Councilmember co-sponsor an item to have the attorney or ombudsman at that meeting.

Mayor Marley added that as Chair of the Council, he believed this venue could be used for any Councilmember to address Council or the public on matters such as these.

Interim Town Manager Robert Smith introduced Stephn Whisenhunt, who was assisting the Town with grant funding matters. Mr. Whisenhunt reported that he had sent out several letters of inquiry over the past couple months with regard to grant funding opportunities for parks and recreation, pool, skate park, Police, Library, and Senior Center. Also, a new senior foundation was being started for the Senior Center; he had met with the School Superintendent regarding an AZ Family grant; and he was reviewing a federal grant for rural communities pertaining to sustaining economic impacts. He invited the public to contact him for suggestions and priorities.

Mayor Marley reported on some upcoming meetings and events: District 4 County Supervisor candidate forum on July 30; Council and Planning and Zoning Commission joint study session regarding the General Plan update and land use assumptions on August 2; and Council strategic financial planning retreat on August 6.

Mayor Marley then gave the Mayor's Monthly Report: As the citizens were becoming aware of the Town's financial challenges and Council's discussions with regard to sales tax and/or property tax revenues, he had received a request for a profile of the surrounding area. He reported that the Town's total sales tax of 10.35% was the same as Clarkdale, Cottonwood, and Sedona, while Jerome was higher at 10.85%; and Clarkdale, Jerome, and Wickenburg had a primary property tax, while Prescott had both primary and secondary property taxes. As the Town needed to research all available options, he would be proposing to establish a Mayor's Ad Hoc Revenue Options Committee at the next meeting, to be composed of local business owners and Town staff, to research possible revenue streams that would not involve tax increases.

6) CONSENT AGENDA

Council Set down item 6b.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve Consent Agenda item 6a.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to approve Resolution No. 12-998, amending Resolution No. 11-976, relating to the Chino Valley Roads and Streets Committee by amending Section 3 "Membership," Section 4 "Quorum," Section 5 "Meetings of the Committee," Section 8 "Meeting Agenda," and Section 9 "Standing Rules." (Mayor and Council)

b) Consideration and possible action to approve the First Amendment to the Professional Services Agreement dated April 10, 2012 between the Town of Chino Valley and Mr. Bernie Wiegandt for finance and accounting services, in an amount not to exceed $10,000. Funds to come from salary savings from other positions with regard to attrition that occur throughout the fiscal year. (Cecilia Watts, General Services Director)

Councilmember Turner clarified that under the Situation and Analysis portion in the staff report, the word "termination" in reference to the former finance director should be "resignation."

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve the First Amendment to the Professional Services Agreement dated April 10, 2012 between the Town of Chino Valley and Mr. Bernie Wiegandt for finance and accounting services, in an amount not to exceed $10,000.

Vote: 7 - 0 PASSED - Unanimously

7) ACTION ITEMS

a) (i) Public Hearing regarding application from Alma Vera for a new Series 12 (Restaurant) Liquor License for Martina's Mexican Restaurant, located at 378 N. Highway 89, Chino Valley.
(ii) Consideration and possible action to recommend approval for a new Series 12 (Restaurant) Liquor License application for Martina's Mexican Restaurant. (Jami Lewis, Town Clerk)

Mrs. Lewis reported that Alma Vera had applied with the State for a new Series 12 (Restaurant) Liquor License for Martina's Mexican Restaurant. The Police and Planning Departments reviewed the application and recommended approval with no comments. Staff posted the establishment with the necessary notices to meet the required 20-day period from June 27, 2012 through July 24, 2012. Staff received no written arguments in favor of or in opposition to the application.

MOVED by VIce-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to open the Public Hearing.
Vote: 7 - 0 PASSED - Unanimously

No one from the public spoke.

MOVED by VIce-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to close the Public Hearing.
Vote: 7 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to recommend approval for a new Series 12 Liquor License for Martina's Mexican Restaurant.

Vote: 7 - 0 PASSED - Unanimously

b) Consideration and possible action to approve Agreement for Contracted Services with the Chino Valley Area Chamber of Commerce, starting July 1, 2012 and ending June 30, 2013, in the amount of $38,000, for promotion, development, and enhancement of tourism and economic development and to render specific professional and technical services. Funds to come from outside agency funding line in the General Fund Non-Departmental account. (Robert Smith, Interim Town Manager)

Mr. Smith reported that the Town historically partnered with the local Chamber of Commerce by providing funding for certain economic development and other related activities. He and Ab Jackson, Chamber CEO, drafted an agreement based on last year's agreement with some additional enhancements that focused on how the Chamber could assist business development; identify the materials, processes and practices to employ that; and set forth the provisions for funding for fiscal year 2012-2013.

Vice-Mayor Tenney added that the main points of the agreement were that the Chamber would maintain a visitor center, distribute materials, assist the Town with developing mixed retail business, refer economic development opportunities to the town manager's office, assist with small business development, develop marketing and tourism, support a community calendar on its website, and grant the Town regular membership in the Chamber. The Town will pay the Chamber in one lump sum for the entire year.

Councilmember Hatch also clarified that along with this agreement, the Town would be free to have other contracts with other organizations for economic development.

Council asked about the agreement end date being consistent with last year's contract, and possible double spending between the Town's current platinum membership and a new general membership.

Town Attorney Tom Kack stated that the dates were consistent.

Mr. Jackson explained that the Town had a platinum sponsorship, not a platinum membership, for which the funds were used for different things.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Dean Echols to approve Agreement for Contracted Services with the Chino Valley Area Chamber of Commerce, starting July 1, 2012 and ending June 30, 2013, in the amount of $38,000.

Vote: 7 - 0 PASSED - Unanimously

c) Consideration and possible action to award bid and approve construction contract for the Road 2 North Roadway Widening at the Santa Cruz Wash to N.L. Booth Construction in an amount not to exceed $566,087.56. Funds in the amount of $370,000.00 will come from the Roads Impact Fee Fund, with the remaining $196,087.56 to be transferred from Misc. Capital Projects in the Capital Improvement Fund to the Roads Impact Fee Fund, Roads Impact Fees Project line. (Ron Grittman, Town Engineer)

Mr. Grittman (written report) and Civil Engineer Richard Straub (oral presentation) reported that:

- Road 2 North at the Santa Cruz Wash flooded regularly during heavy monsoon rains.
- On February 11, 2010, Council approved a professional services agreement for design of roadway widening improvements for Road 2 North at the Santa Cruz Wash, including a right turn lane to the existing two travel lanes of Road 2 North at the Santa Cruz Wash.
- The subject contract would result in replacing a 10-year storm culvert with a 100-year storm 10-barrel box culvert.
- Staff received five bids, which were opened on July 14, 2012. The bids ranged from $566,088 to $669,404, with N.L. Booth ("Booth") as the apparent low bidder.
- Subsequently, Asphalt Paving and Supply ("APS") submitted a protest that questioned award of this project to "Booth," as APS questioned Booth's ability to complete 51% of the work as clarified in the pre-bid meeting and their overall qualifications based on project history. Staff investigated Booth's background and determined that the protest was without merit, as Booth provided documentation that they would perform 58% of the project and they demonstrated that they had constructed other box culverts. Thus, staff recommended that the contract be awarded to Booth.
- Water lines in the construction area had been relocated, and a detour will be necessary through most of the project, which was scheduled for completion by November 1. Town staff will supervise the project and will inform the public about the detour on the Town's website and through news releases.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to award bid and approve the bid award of the construction contract for the Road 2 North Roadway Widening at the Santa Cruz Wash to N.L. Booth Construction in an amount not to exceed $566,087.56.

Vote: 7 - 0 PASSED - Unanimously

d) Consideration and possible action to approve and authorize the Mayor to sign the Agreement for Right of Entry and Construction Easement between the Town of Chino Valley, Town of Prescott Valley, City of Prescott, Yavapai County, Yavapai-Prescott Indian Tribe and the Upper Verde River Watershed Protection Coalition for the construction of a pilot project to develop rainfall source water capture, aquifer recharge, and harvesting techniques. (Ron Grittman, Town Engineer)

Mr. Grittman (written report) and Civil Engineer Richard Straub (oral presentation) reported that:

- Over the past several years, the Town had been working as a partner with the Upper Verde River Watershed Protection Coalition to examine the effectiveness of rainwater harvesting techniques to increase the region's permanent water supply.
- Approximately four years ago, a pilot project was funded through a Bureau of Reclamation grant, but due to federal budget concerns, the project was cut. However, due to the interest in this type of project, the State of Arizona will now fund it. There were several pilot programs throughout Central Yavapai County, and this one was identified as a good candidate due to its proximity to Granite Creek.
- The project proposed to construct five detention basins that will each be treated with various surface treatments and monitored to measure the amount of additional discharge from stormwater events. The basins will be constructed immediately east of the existing wastewater treatment plant recharge basins on Old Home Manor property.

Vice-Mayor Tenney added that this was a tremendously important project, as just increasing the current recharge by one percent represented 20,000 acre-feet of water. The group was also working on watershed management by improving the forest and using the trees removed for biomass energy at Drake Cement.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve and authorize the Mayor to sign the Agreement for Right of Entry and Construction Easement between the Town of Chino Valley, Town of Prescott Valley, City of Prescott, Yavapai County, Yavapai-Prescott Indian Tribe and the Upper Verde River Watershed Protection Coalition for the construction of a pilot project to develop rainfall source water capture, aquifer recharge, and harvesting techniques.

Vote: 7 - 0 PASSED - Unanimously

e) Consideration and possible action to ratify expenditure in the amount of $100 for rental of Chino Valley High School cafeteria for the County Supervisor District 4 candidates forum to be held on July 30, 2012 and authorize staff to expend up to $300 to videotape the forum. Funds to come from the Mayor and Council public relations line. (Mayor Marley; Vice-Mayor Tenney)

Vice-Mayor Tenney reported that:

- During a previous Council meeting, Council asked staff to contact the League of Women Voters about moderating a forum for District 4 County Supervisor candidates in order to give the Town's citizens and citizens in outlying areas an opportunity to interact with the candidates.
- Staff needed to incur the $100 rental expense before Council could approve it in order to reserve the high school cafeteria, and Council later asked about videotaping the event. Staff contacted the Town's former video technician, who now charged $50 per hour, and the League anticipated that the forum will take about 2.5 hours.

- He believed it was important to have a forum in the Town, and as such, this was an appropriate use of the Town's money.

Councilmember Hatch stated that in her dealings with the League of Women Voters, they were a very fair organization and moderated such events well.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to ratify expenditure in the amount of $100 for rental of Chino Valley High School cafeteria for the County Supervisor District 4 candidates forum to be held on July 30, 2012 and authorize staff to expend up to $300 to videotape the forum.

Vote: 7 - 0 PASSED - Unanimously

f) Discussion and possible recommendation to the Mayor regarding the 2013 Proposed Resolutions submitted for consideration by the League of Arizona Cities and Towns Resolutions Committee on August 28, 2012. (Mayor Marley)

Mayor Marley reported that:

- Each year, the League asked cities and towns to submit resolutions on issues of local concern to be reviewed by representatives from the cities and towns (League Resolutions Committee) at the Annual League Conference. Some of these resolutions were elected to go into the League's Municipal Policy Statement, which outlined its legislative priorities for the coming year.
- The League Resolutions Committee will meet on August 28, 2012, at which meeting, Mayor Marley will represent the Council. Councilmembers and Department Heads were invited to inform Mayor Marley of particular comments they have on any of the proposed resolutions and/or to offer insight about how these may positively or negatively affect the Town.

Councilmember Hatch highly recommended that Mayor Marley support the fireworks resolution and asked if resolutions labeled by the League as "significant municipal issue" were not to be recommended for inclusion in the Municipal Policy Statement. Mayor Marley stated that he was not sure and would look into it.

8) EXECUTIVE SESSION

Council held no executive sessions.

9) ADJOURNMENT

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to adjourn the meeting at 6:51 p.m.

Vote: 7 - 0 PASSED - Unanimously

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 24th day of July, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 11th day of September, 2012.

Jami C. Lewis, Town Clerk