

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

THURSDAY, AUGUST 23, 2012

6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Special Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Thursday, August 23, 2012.

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

Absent: Councilmember Dean Echols

Staff Interim Town Manager Robert Smith; General Services Director Cecilia Watts; Town

Present: Attorney Tom Kack; Finance Director Joe Duffy; Police Commander Mark Garcia; Magistrate John Walker; Town Engineer/Public Works Director Ron Gritman; Utilities Supervisor Chris Bartels; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

Attendees: Human Resources Analyst Tiffany Resendez, Detective Mike Knittle, Utilities Crew Leader Joe Grassi

1) CALL TO ORDER; ROLL CALL

2) Legislative update by District I Congressman Paul Gosar. (Mayor Marley; Vice-Mayor Tenney)

Congressman Gosar reported on items being considered by Congress that affected Arizona, including forest health; catastrophic wildfire and managing dangers to local natural resources; copper mining and new jobs; extension of the temporary farm bill, and avoiding a government shutdown. He also spoke about his support of tax cuts and tax code changes, curtailing national spending, revisiting the health care bill, and helping the economy by creating a climate for private enterprise to invest in.

3) Consideration and possible action to approve Consulting Agreements related to Chino Valley Transit with: (i) Steinback and Associates for transit management services in the amount of \$20 per hour, and (ii) William Mitchell for transit dispatching services in the amount of \$15 per hour.

(This item was heard after item 4 but is retained here for clarity.)

Acronyms used in this item:

CVT (Chino Valley Transit)

LTAF (Local Transportation Assistance Fund)

Mr. Smith and Ed Steinback reported that:

- Transit management and dispatching activities were budgeted expenses in the CVT system's original proposals that were funded by LTAF, and funds were provided to them

for these activities. However, CVT had used volunteers to work those positions until now.

- As Arizona Department of Transportation had become concerned about the Town not having a designated manager and dispatcher and a chain of responsibility, and as the system had grown and become more complex, the Transit Advisory Committee asked staff about hiring for these positions. Mr. Smith had suggested entering into professional service agreements instead of hiring.
- Mr. Mitchell was already dispatching and taking bookings on a 24/7 basis. He also met with drivers, inspected the buses, collected the fares each evening, and filled out paperwork. This was originally a paid position, later taken over by volunteers.
- Mr. Steinback will take over management and financial reporting to relieve consultant Jason Kelly of those functions.
- These contracts will be funded through existing transportation grant monies that had been set aside for this purpose and would only use half of those funds. Msrs. Mitchell and Steinback will be paid for 10 hours per week, with any additional hours going toward the volunteer soft match.

Mayor Marley informed Council that Councilmember Hatch had requested that items (i) and (ii) be considered separately.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to approve Professional Services Agreement with Steinback and Associates for transit management services in the amount of \$20 per hour.

Vote: 5 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)
Councilmember Linda Hatch (ABSTAIN)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Mike Best to approve Professional Services Agreement with William Mitchell for dispatch-related services in the amount of \$15 per hour.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

4) Financial Report by Ed Steinback regarding Chino Valley Transit System Operation. (Robert Smith, Town Manager)

(This item was heard after item 2 but is retained here for clarity.)

Mr. Steinback reported that:

- Ridership remained constant April through June with a small decrease, averaging 28 per day.
- The system was under budget in the first six months; total expenditures from October 1, 2011 through June 20, 2012 were \$111,917; and the Town subsidy was \$7,800. The Committee banked the LTAF II funds to use for the 5311 match and had been able to stretch them out, retaining \$35,000 in LTAF funds. They were well funded for next year and had a large carryforward, so no further expenditures would be needed from the Town.

- They had formed a 501(c)(3) and their goal was to be budget neutral by the end of the grant year. Projected net revenues will be able to replace the Town's general fund match with some left over. The advertising program was being well received and they were pursuing community partners.
- They were looking to: (i) add earlier and later routes to serve working people, but wanted to be careful not to expand beyond their means; (ii) add local services on Friday and possibly add a third regional route; and (iii) do another rider survey in the next month.
- Arizona Department of Transportation was looking at the Town's system as a cutting edge formation tool for transit and they were referring other transit organizations to the Town's analysis and statistical model.

Council commended the Committee for providing the service, gathering the statistics, and keeping the costs down.

- 5) Consideration and possible action regarding compensation issues related to the Magistrate Court staff. Funds amounting to no more than \$9,008 per annum to come from one or more of the Court limited funds and no more than \$9,008 per annum to come from Town contingency funds.(Councilmember Hatch; Councilmember Croft)

Councilmember Hatch reported that:

- The Magistrate Evaluation Committee was forwarding this item to Council at the Magistrate's request. The Mayor had originally intended to schedule this item for a study session, but the Magistrate was concerned about some timing issues with needing to fill a vacant position, so she and Councilmember Croft placed the item on this agenda.
- In his annual report on the Magistrate Court, Magistrate John Walker provided budget comparisons with comparable courts in Northern Arizona, all of which had larger budgets and more court employees.
- After the town salary survey was done, the magistrate did not believe that the court administrator was properly placed within the supervisory salary scale, and due to having a vacant position, he desired to make salary adjustments for all three court staff positions.
- As the Magistrate reported to Council and not the town manager, town management had directed him to seek Council's input.
- The total cost for increases in salary and benefits for three years for the three employees was estimated to be no more than \$18,016.00 per year. The magistrate proposed that funding for half of the increase—no more than \$9,008.00 per year—be provided from one or more of court funds with special use designation, not from Court Improvement fund. If Council approved this proposal, the magistrate believed that he could receive approval from the Arizona Supreme Court to also access funds reserved for staff training and retention for the salaries of court employees.

Magistrate John Walker added that:

- He desired to revisit this matter as: (i) the consultant admitted that he was somewhat unfamiliar with municipal courts; (ii) he had only one opportunity to speak with the consultant; (iii) his request for the consultant to visit the Court personally to evaluate their procedures was denied due to it requiring funding over the contract amount; and (iv) meetings between the departments and human resources staff to review employee placement did not occur.

- This matter was time sensitive, as he had had a vacancy since the end of June and was looking to hire.

Councilmember Hatch added that the Court recently spent a lot of money training a new employee, who left after six months to accept a better position. It would be to the Town's benefit to be able to hire someone who would want to stay, and the consultant told her he could make adjustments through September.

Council asked about the Court's current staffing, reductions in pay as a result of the new pay plan, the proposed \$9,800 being the furloughed amount, and anything preventing him from filling his vacant position. Magistrate Walker stated that:

- He had two clerks and one administrator/supervisor.
- No employees received a pay reduction.
- The \$9,800 was not the furloughed amount and should be 10% less. As he needed someone with accounting skills for the vacant position, higher pay would be more attractive.

Town Manager Robert Smith stated that he was surprised that there were outstanding issues with the pay plan study, as he had believe the Magistrate had multiple opportunities to discuss his concerns and address the shortcomings with the consultant. He understood that the consultant had already taken a second look to make sure the Court positions were right.

Public comment:

Town Engineer Ron Gritman spoke about most Town employees carrying larger loads and operating far above the normal compensation levels. Regarding supervisor parity, there were three separate supervisory levels in the pay plan, just as there were three separate levels for administrative support, mid-level management and top management, based on the difficulty of duties and the job requirements.

Police Commander Mark Garcia spoke about the Police Department also giving costly training to dozens of new employees who did not stay long-term. Although their current officers were back at 40 hours, they gave up three positions to allow them to do that. Most of his employees appreciated the new pay plan and if individual departments could amend own pay scales, the Town would once again lack parity.

Mayor Marley also noted that Council had received a letter from the Chino Valley Police Officers Association about this matter.

Council expressed concern about upsetting the new internal and external pay plan equity, setting a precedent wherein every department could plead for adjustments, staff having ample opportunity to address their concerns, and Council interfering with the process set forth between the Town and the consultant. Conversely, they did not object to the Magistrate contacting the consultant, and if it was determined that the Court positions needed adjustments, then they could consider it. They also believed there was nothing to keep the magistrate from hiring a new employee.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to allow the Court the opportunity to send the matter back to the consultant and postpone the item indefinitely.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

- 6) Consideration and possible action to appoint candidates to the Board of Adjustment, Parks and Recreation Advisory Board, Roads and Streets Committee, Senior Center Advisory Board, and Transit Advisory Committee per recommendations from the Council Appointments Committee. (Jami Lewis, Town Clerk)

The staff report by Town Clerk Jami Lewis stated that staff had been recruiting for positions on several of the Town's public bodies, but did not receive enough applications to fill many of the vacant positions expiring in June and July. A second recruitment yielded sufficient applications to potentially fill most of the vacancies. On August 16, 2012, the Council Appointments Committee reviewed the applications and made certain recommendations that would fill the Board of Adjustment, Parks and Recreation Advisory Board, Senior Center Advisory Board, and Transit Advisory Committee. There were still two vacant positions on the Municipal Property Corporation (MPC), for which the Committee directed staff to contact an applicant for the Senior Center Advisory Board who appeared to have good qualifications for the MPC.

Councilmember Hatch added that she had reason to believe that the Board of Adjustment was about to lose another member and the Appointments Committee had recommended that an alternate be appointed to step into that position or be available for a future vacancy. She asked staff to place that item and the MPC appointment on the next agenda.

MOVED by Councilmember Linda Hatch, seconded by Vice-Mayor Carl Tenney to make following appointments:

- Board of Adjustment: Appoint Mark Vucich to a 3-year term starting August 1, 2012.
- Parks and Recreation Advisory Board: Appoint Christopher Sage to fill a vacancy with term ending June 30, 2013.
- Roads and Streets Committee: Appoint James Wise to 2-year term starting October 1, 2012 and refer Michael Markgraf to Roads and Streets Committee for interview and recommendation to Council.
- Senior Center Advisory Board: Appoint Donald Wojcik to fill a vacancy with term ending June 30, 2013 and appoint Nancy Best, Delores Morgan, and Mary Strassell to 2-year terms starting July 1, 2012.
- Transit Advisory Committee: Re-appoint Jim Flood, John James, William Mitchell, and Cheryl Romley to 2-year terms starting October 1, 2012.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)

- 7) a) Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(3) and (A)(4) to obtain legal advice and consider its position and instruct its attorneys regarding issues on water transportation/pipeline taxes due to the Town from the City of Prescott and negotiations to settle issues regarding the same. (Mayor Marley and Vice-Mayor Tenney)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to go into executive session at 7:34 p.m.

Vote: 6-0 PASSED

Other: Councilmember Dean Echols (ABSENT)

Mayor Marley reconvened the meeting into open session at 8:33 p.m.

b) Consideration and possible action regarding issues on water transportation/pipeline taxes due to the Town from the City of Prescott and negotiations to settle issues regarding the same.

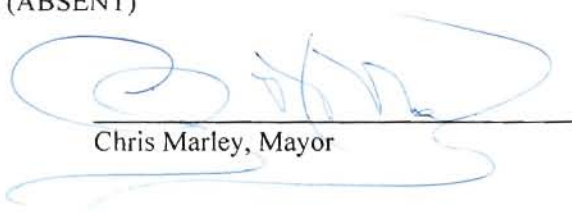
Council took no action on item 7a.

8) ADJOURNMENT

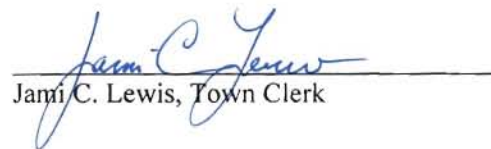
MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to adjourn the meeting at 8:34 p.m.

Vote: 6 - 0 PASSED

Other: Councilmember Dean Echols (ABSENT)


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 23rd day of August, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 13th day of November, 2012.


Jami C. Lewis, Town Clerk