



# Town of Chino Valley

## MEETING NOTICE TOWN COUNCIL AGENDA

**REGULAR MEETING  
TUESDAY, AUGUST 23, 2022  
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**
  - a. Presentation of certificate to Essence Bar + Kitchen for a Chino Valley Business Humanitarian Award presented by Spencer Guest, IT Manager. (Terri Denemy, Assistant to the Town Manager)
  - b. Presentation of special recognition to volunteers Richard Coleman and Jack Graham, who for years have been quietly maintaining the Peavine Trail, presented by Scott Bruner, Special Projects Manager. (Terri Denemy, Assistant to the Town Manager)
  - c. Presentation and update by the Chino Valley Area Chamber of Commerce. (Terri Denemy, Assistant to the Town Manager)
3. **CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

*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. **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. Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

#### 5. **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.5** Consideration and possible action to approve the Professional Services Agreement with Northern AZ Partners, LLC (dba Northern Arizona Partners), to provide public information officer consulting services beginning August 23, 2022, through June 30, 2023, in an amount not to exceed \$50,000. (Laura Kyriakakis, Human Resources Director)
- b. **p.25** Consideration and possible action to award a construction contract to Asphalt Paving & Supply, Inc. for the Municipal Water System Improvement Project in the amount of \$1,435,435.00. (Steven Sullivan, Assistant Engineer)
- c. **p.31** Consideration and possible action to approve the Third Amendment to Town Prosecutor Contract with Lexington Law Firm through June 30, 2024, for a monthly amount of \$3,250.00. (Joe Duffy, Administrative Services Director, Town Manager)
- d. **p.35** Consideration and possible action for final approval of the Arizona Public Service (APS) Franchise Agreement. (Erin N. Deskins, Town Clerk)
- e. **p.47** Consideration and possible action to approve the June 28, 2022, regular and special meeting minutes. (Erin N. Deskins, Town Clerk)
- f. **p.59** Consideration and possible action to approve the July 12, 2022, study session and regular meeting minutes. (Erin N. Deskins, Town Clerk)

#### 6. **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.75** Public Hearing and consideration and possible action to approve Ordinance 2022-920 amending the Town of Chino Valley Unified Development Ordinance by amending certain provisions of Chapter 2 related to the meaning of words and terms, and certain provisions of Chapter 4 related to guest houses.(Laurie Lineberry, Development Services Director)

**Recommended Action:** (i) Hold Public Hearing (ii) Approve Ordinance No. 2022-920

- b. **p.95** Public hearing and consideration and possible action to approve Ordinance 2022-921, to rezone approximately 1 acre of land from Industrial (I) to Single Family Residential 1 Acre Minimum (SR-1), for property generally located on the north side of Granite Creek road, between Home Lane and Misty Lane (APN 306-17-110D). (Will Dingee, Senior Planner).

**Recommended Action:** (i) Hold Public Hearing (ii) Approve Ordinance 2022-921 as presented, subject to the staff report, information provided during this hearing, and conditions found in Attachment 1.

- c. **p.117** Consideration and possible action to approve the purchase and sale agreement for the sale of 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor in the amount of \$1,110,000. (Maggie Tidaback, Economic Development Project Manager)

**Recommended Action:** Approve the purchase and sale agreement for the sale of 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor in the amount of \$1,110,000.

## 7. **ADJOURNMENT**

Dated this 18th day of August, 2022.

By: *Erin N. Deskins, 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 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.

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

Click to join webinar: <https://us02web.zoom.us/j/82819522800>  
 One tap mobile : US: +12532158782,83455013925# or +13462487799,83455013925#  
 Telephone: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)  
 Webinar ID: 828 1952 2800

**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: \_\_\_\_\_  
Erin N. Deskins, Town Clerk



## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

5. a.

**Meeting Date:** 08/23/2022  
**Contact Person:** Laura Kyriakakis, Human Resources Director  
 Phone: 928-636-2646 x-1204  
**Department:** Human Resources  
**Estimated length of staff presentation:** None  
**Physical location of item:** N/A

### AGENDA ITEM TITLE:

Consideration and possible action to approve the Professional Services Agreement with Northern AZ Partners, LLC (dba Northern Arizona Partners), to provide public information officer consulting services beginning August 23, 2022, through June 30, 2023, in an amount not to exceed \$50,000. (Laura Kyriakakis, Human Resources Director)

### RECOMMENDED ACTION:

Approve the Professional Services Agreement with Northern Arizona Partners in an amount not to exceed \$50,000 per year.

### SITUATION AND ANALYSIS:

The Town is in need of a Public Information Officer to provide the following services. Implement and manage a comprehensive communication, public affairs and marketing program for the Town of Chino Valley. Oversee public information and educational programs to create an enhanced understanding and awareness of the Town's programs, services, special events and projects. Expand the community's outlook; enhance the Town's image and public's perception and confidence of the Town. Serve as Town spokesperson who actively communicates, engages and seeks feedback with residents, businesses and visitors. Assist Town Council to engage citizens. Serve as a resource to the public for all town related information. Assist departments in communicating with the public and media regarding programs and services. Make recommendations on strategic direction for the Town's communication and marketing efforts. Monies for these services were included and approved in the FY22/23 budget.

### Fiscal Impact

**Fiscal Impact?:** Yes  
**If Yes, Budget Code:** 01-43-5212  
**Available:** 50,000  
**Funding Source:**  
 The funding was included in the fiscal year 2022/2023 budget.

## **Attachments**

PIO Professional Services Agreement

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**PROFESSIONAL SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF CHINO VALLEY  
AND  
NORTHERN AZ PARTNERS, LLC, DBA NORTHERN ARIZONA PARTNERS**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of August 23, 2022, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Northern AZ Partners, LLC, an Arizona limited liability company dba Northern Arizona Partners (the “Consultant”).

**RECITALS**

- A. The Town is in need of a Public Information Officer (the “Services”).
- B. The Consultant possesses the skill and experience required to provide the Services.
- C. The Mayor and Town Council have determined it is in the Town’s best interest to enter into an agreement with the Consultant to provide the Services.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Consultant hereby agree as follows:

1. **Term of Agreement.** This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until June 30, 2023, unless terminated as otherwise provided in this Agreement.
2. **Scope of Work.** The Consultant shall provide the Services as set forth in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference. The Consultant shall (i) provide the Services required by this Agreement, (ii) be responsible for all means, methods, techniques, sequences, and proceedings associated with the Services, and (iii) be responsible for the acts and omissions of its employees, agents and other persons performing any of the Services under a contract with the Consultant.
3. **Compensation.** The Town shall pay the Consultant an amount not to exceed \$50,000 for the Services at the rates set forth in the Fee Proposal, attached hereto as Exhibit B and incorporated herein by reference.
4. **Payments.** The Town shall pay the Consultant monthly, based upon work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.

5. Safety Plan. The Consultant shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration (“OSHA”), American National Standards Institute, and National Institute for Occupational Safety and Health standards. If, in the Consultant’s sole determination, the Services to be provided do not require a safety plan, the Consultant shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the Town pursuant to this Agreement shall be the property of the Town. The Town may use such documents for other purposes without further compensation to the Consultant; however, any reuse without written verification or adaptation by the Consultant for the specific purpose intended will be at the Town’s sole risk and without liability or legal exposure to the Consultant.

7. Consultant Personnel. The Consultant shall provide experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. The Consultant agrees to assign specific individuals to key positions. If deemed qualified, the Consultant is encouraged to hire Town residents to fill vacant positions at all levels. The Consultant agrees that, upon commencement of the Services to be performed under this Agreement, key personnel will not be removed or replaced without prior written notice to the Town. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, the Consultant shall immediately notify the Town of same and shall, subject to the concurrence of the Town, replace such personnel with personnel possessing substantially equal ability and qualifications.

8. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the Town at reasonable times during the Consultant’s performance. The Consultant shall provide and maintain a self-inspection system that is acceptable to the Town.

9. Licenses. The Consultant shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Consultant. The Town has no obligation to provide the Consultant, its employees, or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement.

10. Materials; Equipment. The Consultant shall provide, pay for, and insure under the requisite laws and regulations all labor, materials, equipment, tools, transportation, and other facilities and services necessary for the proper execution and completion of the Services.

11. Performance Warranty. In addition to any specific obligations set forth in Exhibit A, the Consultant warrants that the Services rendered will conform to the requirements of this Agreement and shall be carried out with the care and skill ordinarily used by members of the same profession practicing under similar circumstances at the same time and in the same locality.

12. Indemnification. To the fullest extent permitted by law, the Consultant shall indemnify, defend and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an “Indemnified Party”), for,

from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions, in connection with the work or services of the Consultant, its officers, employees, agents, or any tier of subcontractor in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

### 13. Insurance.

#### 13.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of the Consultant, the Consultant shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the Town. Failure to maintain insurance as specified herein may result in termination of this Agreement at the Town's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, or by approving or expressing satisfaction with insurance policies and forms pursuant to the provisions of this agreement, the Town does not represent that coverage and limits will be adequate to protect the Consultant. The Town reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve the Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed, and formally accepted by the Town, unless specified otherwise in this Agreement.

E. Primary Insurance. The Consultant's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the Town as an Additional Insured.

F. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the Town, its agents, representatives, officials, officers, and employees for any claims arising out of the work or services of the Consultant. The Consultant shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the Town. The Consultant shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, the Consultant shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the Town and the Consultant. The Consultant shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, the Consultant will provide the Town with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by the Consultant's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The Town shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be the Consultant's responsibility to forward renewal certificates and declaration page(s) to the Town 30 days prior to the expiration

date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The Town, its agents, representatives, officers, directors, officials, and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 04 13 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) The Consultant’s insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers’ Compensation, waive rights of recovery (subrogation) against the Town, its agents, representatives, officers, officials, and employees for any claims arising out of work or services performed by the Consultant under this Agreement.

ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. The Consultant shall provide the Town with the necessary endorsements to ensure the Town is provided the insurance coverage set forth in this Section 13.

### 13.2 Required Insurance Coverage.

A. Commercial General Liability. The Consultant shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including

but not limited to, separation of insured's clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, officials, and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 04 13, or equivalent, which shall read "Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you." If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. The Consultant shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on the Consultant's owned, hired, and non-owned vehicles assigned to or used in the performance of the Consultant's work or services under this Agreement. Coverage will be at least as broad as ISO coverage code "1" "any auto" policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the Town, its agents, representatives, officers, directors, officials, and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be "follow form" equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Consultant engages in any professional services or work in any way related to performing the work under this Agreement, the Consultant shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Consultant, or anyone employed by the Consultant, or anyone for whose negligent acts, mistakes, errors, and omissions the Consultant is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers' Compensation Insurance. If the Consultant employs anyone who is required by law to be covered by workers' compensation insurance, the Consultant shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over the Consultant's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

13.3 Cancellation and Expiration Notice. The Consultant shall provide at least 30 days prior written notice to the Town before insurance required herein expires, is canceled, or is materially changed.

14. Termination; Cancellation. The Town may, by written notice to the Consultant as set forth in this Section, terminate this Agreement in whole or in part.

14.1 For Town's Convenience. This Agreement is for the convenience of the Town and, as such, may be terminated without cause after receipt by the Consultant of written notice by the Town. Upon termination for convenience, the Consultant shall be paid for all undisputed services performed to the termination date.

14.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party's nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, payment shall be made by the Town to the Consultant for the undisputed portion of its fee due as of the termination date.

14.3 Due to Work Stoppage. This Agreement may be terminated by the Town upon 30 days' written notice to the Consultant in the event that the Services are permanently abandoned. If the Consultant abandons the Services without the consent of the Town, the Consultant shall be liable for all actual, incidental, and consequential damages arising from or related to said abandonment, including, but not limited to: (A) the difference between the cost of a replacement consultant to complete the Services and the contract price for the Consultant under this Agreement; and (B) any additional charges, costs, fees or expenses for labor, materials or professional services incurred by the Town as a result of delays caused by abandonment of the Services by the Consultant. The Town shall use its best efforts to replace the Consultant within a reasonable time.

14.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The Town may cancel this Agreement without penalty or further obligations by the Town or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Town or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

14.5 Gratuities. The Town may, by written notice to the Consultant, cancel this Agreement if it is found by the Town that gratuities, in the form of economic opportunity, future employment, entertainment, gifts, or otherwise, were offered or given by the Consultant or any agent or representative of the Consultant to any officer, agent or employee of the Town for the purpose of securing this Agreement. In the event this Agreement is canceled by the Town pursuant to this provision, the Town shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Consultant an amount equal to 150% of the gratuity.

14.6 Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the Town shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Consultant informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Consultant hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this Section.

14.7 Obligations Upon Receipt of Termination Notice. Upon receipt of a notice of termination as set forth above, the Consultant shall (A) immediately discontinue all Services affected (unless the notice directs otherwise), and (B) deliver to the Town copies of all data, reports, calculations, drawings, specifications, and estimates entirely or partially completed, together with all unused materials supplied by the Town, related to the Services including any completed divisible part of the Services which can be deemed to stand alone (the completed divisible parts of the Services will be determined by both parties at the time of termination). Such termination shall not relieve the Consultant of liability for errors and omissions. Any use of incomplete documents for the Services or for any other project without the specific written authorization by the Consultant will be without liability or legal exposure to the Consultant. The Consultant shall appraise the work it has completed and submit the appraisal to the Town for evaluation.

## 15. Suspension of Work.

15.1 Order to Suspend. The Town may, for its convenience, order the Consultant, in writing, to suspend all or any part of the Services for such period of time as it may determine to be appropriate.

15.2 Adjustment to Contract Sum. If the performance of all or any part of the Services is, for any unreasonable period of time, suspended or delayed by an act of the Town in the administration of this Agreement, or by its failure to act within the time specified in this Agreement (or if no time is specified, within a reasonable time), an adjustment shall be made for any increase in cost of performance of this Agreement necessarily caused by such unreasonable suspension or modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension or delay (A) to the extent that performance was suspended or delayed for any other cause, including the fault or negligence of the Consultant, or (B) for which a change order is executed.

## 16. Miscellaneous.

16.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Consultant acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not as an employee or agent of the Town. The Consultant, its employees, and subcontractors are not entitled to workers' compensation benefits from the Town. The Town does not have the authority to supervise or control the actual work of the Consultant, its employees or subcontractors. The Consultant, and not the Town, shall determine the time of its performance of the services provided under this Agreement so long as the Consultant meets the requirements of its agreed Scope of Work as set forth in Section 2 and in Exhibit A. The Consultant is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. The Town and the Consultant do not intend to nor will they combine business operations under this Agreement.

16.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

16.3 Laws and Regulations. The Consultant shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Consultant is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes, or laws affecting the Services, including, but not limited to, the following: (A) existing and future Town and County ordinances and regulations, (B) existing and future State and Federal laws, and (C) existing and future OSHA standards.

16.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the Town and the Consultant.

16.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

16.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement that may remain in effect without the invalid provision or application.

16.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other

contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

16.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by the Consultant without prior, written permission of the Town, signed by the Town Manager. Any attempted assignment or delegation by the Consultant in violation of this provision shall be a breach of this Agreement by the Consultant.

16.9 Subcontracts. No subcontract shall be entered into by the Consultant with any other party to furnish any of the material or services specified herein without the prior written approval of the Town. The Consultant is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by the Consultant.

16.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the Town of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the Town to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the Town's acceptance of and payment for services, shall not release the Consultant from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the Town to insist upon the strict performance of this Agreement.

16.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

16.12 Liens. All materials or services shall be free of all liens and, if the Town requests, a formal release of all liens shall be delivered to the Town.

16.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the Town may offset from any money due to the Consultant any amounts the Consultant owes to the Town for damages that have been reduced to a judgment resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The Town may offset from any money due to the Consultant any amounts the Consultant owes to the Town for

delinquent fees, transaction privilege use taxes, and property taxes, including any interest or penalties.

16.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town: Town of Chino Valley  
202 North State Route 89  
Chino Valley, Arizona 86323  
Attn: Cindy Blackmore, Town Manager

With copy to: GUST ROSENFELD P.L.C.  
One East Washington Street, Suite 1600  
Phoenix, Arizona 85004-2553  
Attn: Andrew J. McGuire

If to Consultant: Northern AZ Partners, LLC  
3848 N. Wakefield Drive  
Prescott Valley, AZ 86314  
Attn: Tricia Lewis, Founder

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16.15 Confidentiality of Records. The Consultant shall establish and maintain procedures and controls that are acceptable to the Town for the purpose of ensuring that information contained in its records or obtained from the Town or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform the Consultant's duties under this Agreement. Persons requesting such information should be referred to the Town. The Consultant also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Consultant as needed for the performance of duties under this Agreement.

#### 16.16 Information Technology.

A. Limited Access. If necessary for the fulfillment of this Agreement, the Town may provide the Consultant with non-exclusive, limited access to the Town's information technology infrastructure. The Consultant understands and agrees to abide by all Town policies, standards, regulations, and restrictions regarding access and usage of the Town's information and communication technology resources. The Consultant shall enforce all such policies, standards, regulations, and restrictions with all the Consultant's employees, agents, or any tier of subcontractor granted access in the performance of this Agreement and shall be granted and authorized only such access as may be necessary for the purpose of fulfilling the requirements of this Agreement.

B. Permitted Access. The Consultant's employees, agents, and subcontractors must receive prior, written approval from the Town before being granted access to the Town's information and communication technology resources and data. The Town, in its sole discretion, shall determine accessibility and limitations thereto. The Consultant agrees that the requirements of this Section shall be incorporated into all subcontractor/subconsultant agreements entered into by the Consultant. It is further agreed that a violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. Notwithstanding the provisions in Section 14, a violation of this Section may result in immediate termination of this Agreement without notice.

C. Data Confidentiality. All Town data and technical information, regardless of form, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the Consultant in connection with this Agreement, are confidential, proprietary information owned by the Town. Except as specifically provided in this Agreement, the Consultant shall not, without the prior, written consent of the Town Manager or authorized designee, (A) disclose data generated in the performance of the services to any third party, or (B) use Town data and information.

D. Data Security. Personal identifying information, financial account information, or restricted Town information, whether in electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, the Consultant must encrypt and/or password-protect electronic files. This includes data saved to laptop computers, computerized devices, or removable storage devices. When Town information, regardless of its format, is no longer required by the Consultant to execute the work contracted by the Town, the information must be redacted or destroyed through appropriate and secure methods to ensure the information cannot be viewed, accessed, or reconstructed.

E. Compromised Security. In the event that data collected or obtained by the Consultant in connection with this Agreement is believed to have been compromised, the Consultant shall immediately notify the Town Manager, or authorized Town designee. The Consultant agrees to reimburse the Town for any costs incurred by the Town to investigate potential breaches of this data by the Consultant and, where applicable, the cost of notifying and/or assisting individuals who may be impacted by the breach.

F. Disengagement. In the event this Agreement is terminated by either party, the Consultant agrees to confer back to the Town all of its data, in usable and normalized format, within 30 days of notice of termination. There shall be no charge for the return of Town data to the Town.

G. Survival. The obligations of the Consultant under this Section 16.16 shall survive the termination of this Agreement.

16.17 Records and Audit Rights. To ensure that the Consultant and its subcontractors are complying with the warranty under subsection 16.18, the Consultant's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Consultant's and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on the Consultant's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Consultant's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 16.18. To the extent necessary for the Town to audit Records as set forth in this subsection, the Consultant and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Consultant pursuant to this Agreement. The Consultant and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this subsection. The Town shall give the Consultant or its subcontractors reasonable advance notice of intended audits. The Consultant shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

16.18 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Consultant and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). The Consultant's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

16.19 Israel. To the extent ARIZ. REV. STAT. § 35-393 through § 35-393.03 are applicable, the parties hereby certify that they are not currently engaged in, and agree for the duration of this Agreement to not engage in, a "boycott" of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

16.20 Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, any amendments, the Scope of Work, any Town-approved Purchase Order, or the Fee Proposal, the documents shall govern in the order listed herein.

16.21 Time is of the Essence. The timely completion of the Services is of critical importance to the economic circumstances of the Town.

16.22 Meaning of Terms. References made in the singular shall include the plural and the masculine shall include the feminine or the neuter.

16.23 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the Town. The Town reserves the right to obtain like goods and services from another source when necessary.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

**“Town”**

TOWN OF CHINO VALLEY,  
an Arizona municipal corporation

**“Consultant”**

NORTHERN AZ PARTNERS,  
LLC, an Arizona limited liability company  
dba Norther Arizona Partners

\_\_\_\_\_  
Jack Miller, Mayor

\_\_\_\_\_  
Tricia Lewis, Founder

ATTEST:

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, Town Attorney  
Gust Rosenfeld, PLC

EXHIBIT A  
TO  
PROFESSIONAL SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF CHINO VALLEY  
AND  
NORTHERN AZ PARTNERS, LLC, DBA NORTHERN ARIZONA PARTNERS

[Scope of Work]

See following page.

## **PUBLIC INFORMATION OFFICER**

Reports to: **Town Manager**

FLSA Status:

**Independent  
Contractor**

**GENERAL PURPOSE:** Implement and manage a comprehensive communications, public affairs and marketing program for the Town of Chino Valley. Oversee public information and educational programs to create an enhanced understanding and awareness of the Town's programs, services, special events and projects. Expand the community's outlook; enhance the Town's image and public's perception and confidence of the Town. Serve as a Town spokesperson who actively communicates, engages and seeks feedback with residents, businesses and visitors. Assist Town Council to engage citizens. Serve as a resource to the public for all town related information. Assist departments in communicating with the public and media regarding programs and services. Make recommendations on strategic direction for the Town's communication and marketing efforts. Stay abreast of all federal, state and local legislative updates and changes.

### **SCOPE OF WORK**

- Promote the Town of Chino Valley brand. Work toward fulfillment of goals and objectives developed by the Town Council. Work collaboratively among all members of the division to position town programs, events and issues, and market the Town as a whole.
- Support the Town's policies, goals and objectives, and work with management and other staff, to ethically achieve such goals and objectives.
- Town spokesperson providing information to citizens, responding to citizen requests and concerns, and any media request for information, and publishing news releases.
- Engage with real people in the community to gather information, photos, videos, quotes and more.
- Reach out to neighborhoods, council members, and town staff; respond to citizen and business questions regarding events.
- Counsel elected officials and town staff members in the management of media issues and in the communication of programs, policies, events and more.
- May review and process event applications; schedule event meetings.
- Provide follow-up information and notification to applicants; may mediate and facilitate neighborhood disputes.
- Work closely and engage town departments on information distribution and increase marketing as needed; connect goals and objectives of the Town Council to community organizations.
- Stay abreast of legislative changes and updates that directly affect the Town and community. Create an implementation plan for such changes.
- Coordinate public information and assist all staff with interagency issues related to emergency management for the community.
- Assist with organization, implementation, and maintenance of various educational programs, speakers and participants.
- Staff certain promotional community events and activities.
- Research and prepare letters, talking points or other material for staff and/or elected officials.
- Prepare and submit award applications national and local; conduct various Town surveys.
- Devise strategy and create quality, engaging content for social media accounts. This includes short videos, photos and graphics. Produce other digital content such as e-newsletters and podcasts. Work with a variety of digital communication and marketing tools. Monitor social media comments, pull, and use digital tool analytics to improve outreach and engagement.
- Create and maintain webpages that are accurate, consistent, interactive, easily navigable, visually appealing and reflective of Chino Valley. Regularly seek and use website analytics to improve web presence and campaigns.
- Coordinate responses to various social media pages such as Facebook and Twitter accounts with Town leaders; research responses and forward to appropriate division or department as necessary; update and maintain applicable pages located on the Town's website.

EXHIBIT B  
TO  
PROFESSIONAL SERVICES AGREEMENT  
BETWEEN  
THE TOWN OF CHINO VALLEY  
AND  
NORTHERN AZ PARTNERS, LLC, DBA NORTHERN ARIZONA PARTNERS

[Fee Proposal]

See following page.

Fee Proposal

1. The Consultant's hourly rate for performance of the Services is \$75.00/hour. The Consultant shall not exceed a total of \$50,000.
2. The compensation paid to the Consultant shall include all travel, per diem, and expenses incidental to providing the Services, provided such amounts must be consistent with the travel and per diem rates applicable to Town employees, and all expenses shall be pass-through without markup.
3. Invoices shall be on a form and in the format provided by the Town and are to be submitted in triplicate to the Town via the Town's authorized representative. Payment shall be made within 30 days of the date of the invoice. If payment in full is not received by the Consultant within 45 calendar days of the due date, invoices shall bear interest at 1.5% (or the maximum rate allowable by law, whichever is less) of the past due amount per month, which shall be calculated from the invoice due date. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal.
4. If the Town objects to any portion of an invoice, the Town shall so notify the Consultant in writing within five calendar days of receipt of the invoice. The Town shall identify in writing the specific cause of the disagreement and the amount in dispute and shall pay that portion of the invoice not in dispute in accordance with the payment terms of this Agreement. Interest as stated above shall be paid by the Town on all disputed invoice amounts that are subsequently resolved in the Consultant's favor and shall be calculated on the unpaid balance from the due date of the invoice.



## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

5. b.

**Meeting Date:** 08/23/2022  
**Contact Person:** Frank Marbury, Public Works Director/Town Engineer  
 Phone: 928-636-7140 x-1226  
**Department:** Public Works  
**Estimated length of staff presentation:** None  
**Physical location of item:** Peavine Trl between Perkinsville Rd and Road 2 North

### AGENDA ITEM TITLE:

Consideration and possible action to award a construction contract to Asphalt Paving & Supply, Inc. for the Municipal Water System Improvement Project in the amount of \$1,435,435.00. (Steven Sullivan, Assistant Engineer)

### RECOMMENDED ACTION:

Award a construction contract to Asphalt Paving & Supply, Inc. for the Municipal Water System Improvement Project in the amount of \$1,435,435.00.

### SITUATION AND ANALYSIS:

On April 27, 2017, the Town was awarded a grant from the United States Environmental Protection Agency for the construction of an 18" water main along the Peavine Trail between Perkinsville Road and Road 2 North in the amount of \$485,000.00. Through the RFQ / SOQ process, the Town hired Civiltec Engineering Inc. for the completion of the project design plans and specifications on August 24, 2021. Plans were completed June 9, 2022 and the project was advertised for open bids on June 21, 2022. Due to pipe supply and cost, the bid solicitation included a base bid for 18" Polyvinyl Chloride (PVC) pipe and an additive / deductive alternate for 18" Ductile Iron Pipe (DIP). On July 20, 2022, four bids were received as follows:

|                                                      | Base Bid       | Additive / Deductive<br>Alternate for 18" DIP |
|------------------------------------------------------|----------------|-----------------------------------------------|
| Asphalt Paving & Supply, Inc.<br>Prescott Valley, AZ | \$1,435,435.00 | +\$105,200.00                                 |
| Technology Construction, Inc.<br>Prescott, AZ        | \$1,773,690.00 | -\$118,413.12                                 |
| Scholz Contracting, LLC<br>Mesa, AZ                  | \$1,834,925.00 | -\$147,280.00                                 |
| Ruiz Underground, LLC.<br>Buckeye, AZ                | Non-Responsive | Non-Responsive                                |

Staff recommends awarding the project to Asphalt Paving & Supply's Base Bid in the amount of \$1,435,435.00.

**Other Pertinent Documents Available Upon Request:**

Appendix 5(b). The complete construction contract with Asphalt Paving & Supply, Inc., may be viewed online at <http://www.chinoaz.net/AgendaCenter> with the August 23, 2022, Council Meeting Documents.

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**Fiscal Impact**

**Fiscal Impact?:** \$1,435,435

**If Yes, Budget Code:** 17-82-5402

**Available:** 1,435,435

**Funding Source:**

The Town budgeted \$2,000,000 for this project. \$485,000 of EPA Funds and the balance from the Coronavirus State and Local Fiscal Recovery Funds.

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**Attachments**

Bid Schedule

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**BID SCHEDULE FOR**  
**TOWN OF CHINO VALLEY MUNICIPAL WATER SYSTEM IMPROVEMENTS:**

Page 1 of 3

**BID SCHEDULE INSTRUCTIONS:**

1. Bidders must bid on all items. This completed and signed BID SCHEDULE shall be included with the Contractors Bid.
2. All items will be paid for in accordance with the Special Provisions, Section 109 on a Lump Sum basis. The "ENGINEERS ESTIMATED QUANTITY" and the "CONTRACTORS UNIT PRICE" will be used as a means of computing progress payments and as a basis for any Change Orders incurred.
3. The Owner reserves the right to recalculate the following Schedules if they appear disproportionate.
4. Where the Contractors Total Amount differs from the product of the Engineers Estimated Quantity/Unit and the Contractors Unit Price, the Engineer reserves the right to calculate a new Contractors Unit Price based on the Contractors Total Amount. In any case, the Contractors Total Amount, as indicated on the Bid Schedule and the Form of Proposal, shall serve as the basis of the bid amount for the work.
5. The Unit Prices include all associated taxes, insurance, bonds, profit, etc. associated with each item of work.
6. The Contract Allowance bid item amount as included in the Bid Schedule shall be included in the Contractors Total Base Bid amount, in numbers and in words. This is a contingency item for additional work that will only be authorized for payment by the Town for additional items of work requested and authorized in writing by the Town on this project.

**NOTE:** The total amount of the bid will be based on the BASE BID TOTAL AMOUNT bid for the construction of the project using the planned 18" PVC waterline or the BASE BID TOTAL AMOUNT bid plus or minus the BID ALTERNATE TOTAL AMOUNT bid for the project using the 18" ductile iron pipe alternate at the discretion of the Town of Chino Valley.

**REFERENCE THE PROJECT SPECIAL PROVISIONS SECTION 104 FOR A COMPLETE DESCRIPTION OF THE BASE BID AND BID ALTERNATE FOR THE PROJECT.**

Bidder's Acknowledgement



Date 7/20/2022

**BID SCHEDULE – MUNICIPAL WATER SYSTEM IMPROVEMENTS PROJECT (PEAVINE TRAIL):**

Page 2 of 3

**BASE BID**

| Item | Description                                                                     | Quantity | Unit | Unit Price              | Total Amount             |
|------|---------------------------------------------------------------------------------|----------|------|-------------------------|--------------------------|
| 1    | Mobilization, MAG 109.10                                                        | 1        | LS   | \$ <del>65,321.00</del> | \$ <del>65,321.00</del>  |
| 2    | Stormwater Pollution Prevention Plan (SWPPP)                                    | 1        | LS   | \$ <del>5,000.00</del>  | \$ <del>5,000.00</del>   |
| 3    | Erosion Control Devices and Seeding (Hydraulic)                                 | 3.5      | ACRE | \$ <del>9,840.00</del>  | \$ <del>34,440.00</del>  |
| 4    | Traffic Control & Testing                                                       | 1        | LS   | \$ <del>30,000.00</del> | \$ <del>30,000.00</del>  |
| 5    | Construction Staking, As-Built Survey and As-Built Plans, MAG SP 105.8 & 105.16 | 1        | LS   | \$ <del>10,000.00</del> | \$ <del>10,000.00</del>  |
| 6    | AC Pavement Replacement                                                         | 30       | SY   | \$ <del>280.00</del>    | \$ <del>8,400.00</del>   |
| 7    | Riprap with Geotextile, D50 = 12", 24" Thickness                                | 605      | CY   | \$ <del>68.00</del>     | \$ <del>41,140.00</del>  |
| 8    | 18" DIP, Class 350 Waterline                                                    | 323      | LF   | \$ <del>270.00</del>    | \$ <del>87,210.00</del>  |
| 9    | 18" C-900, Class 235, DR-18, PVC Waterline                                      | 4,208    | LF   | \$ <del>203.00</del>    | \$ <del>854,224.00</del> |
| 10   | 18" Butterfly Valve, Box and Cover                                              | 6        | EA   | \$ <del>6,800.00</del>  | \$ <del>40,800.00</del>  |
| 11   | 12" Tapping Sleeve and Valve (QCSD 340Q-1)                                      | 1        | EA   | \$ <del>10,000.00</del> | \$ <del>10,000.00</del>  |
| 12   | 12" X 18" Reducer                                                               | 2        | EA   | \$ <del>4,000.00</del>  | \$ <del>8,000.00</del>   |
| 13   | 18" Cross                                                                       | 1        | EA   | \$ <del>11,000.00</del> | \$ <del>11,000.00</del>  |
| 14   | 18" 11.25 Degree Bend                                                           | 4        | EA   | \$ <del>3,000.00</del>  | \$ <del>12,000.00</del>  |
| 15   | 18" 22.50 Degree Bend                                                           | 2        | EA   | \$ <del>2,500.00</del>  | \$ <del>5,000.00</del>   |
| 16   | DIP to PVC Coupling with Mega Lug Restraint                                     | 2        | EA   | \$ <del>2,800.00</del>  | \$ <del>5,600.00</del>   |
| 17   | 2" Air/Vacuum Release Valve (QCSD 317Q-2)                                       | 2        | EA   | \$ <del>6,300.00</del>  | \$ <del>12,600.00</del>  |
| 18   | Blow-Off Assembly (QCSD 390Q) Traffic Rated                                     | 3        | EA   | \$ <del>4,900.00</del>  | \$ <del>14,700.00</del>  |
| 19   | Contract Allowance                                                              | 1        | LS   | \$ 180,000.00           | \$ 180,000.00            |

TOTAL BASE BID WITH CONTRACT ALLOWANCE AMOUNT IN NUMBERS: (\$) 1,435,435.00

In Words:

ONE MILLION FOUR HUNDRED THIRTY-FIVE THOUSAND FOUR HUNDRED THIRTY FIVE DOLLARS

SEE THE FOLLOWING PAGE FOR THE PROJECT BID ALTERNATE (ADDITIVE OR DEDUCTIVE) BID AMOUNT

Bidder's Acknowledgement

Clyde Brunkley

Date

7/20/2022

**BID SCHEDULE – MUNICIPAL WATER SYSTEM IMPROVEMENTS PROJECT (PEAVINE TRAIL):**  
Page 3 of 3

**BID ALTERNATE #1** - SUBSTITUTE DUCTILE IRON PIPE FOR THE PLANNED PVC PIPE INSTALLATION. THE "UNIT PRICE" BID IS THE **INCREMENTAL** ADDITIVE OR DEDUCTIVE COST PER LINEAR FOOT FOR THE USE OF 18" DIP PIPE VERSUS 18" PVC PIPE.

BIDDERS MUST COMPLETE **ONLY ONE** OF THE ITEMS BELOW FOR BA 1 OR BA 2 AS AN ADDITIVE COST PER LINEAR FOOT OR A DEDUCTIVE COST PER LINEAR FOOT FOR THE USE OF 18" DIP PIPE VERSUS 18" PVC PIPE.

**ADDITIVE COST PER LINEAR FOOT FOR USING 18" DIP WATER LINE:**

| Item | Description                                                                                                                                                 | Quantity | Unit | Additive Unit Price | Total Additive Amount |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------|---------------------|-----------------------|
| BA 1 | ADDITIVE INCREMENTAL COST PER LINEAR FOOT TO USE 18", CLASS 350 DIP AS A SUBSTITUTE FOR THE PLAN 18" PVC WATERLINE PER BID ITEM 9 ABOVE, COMPLETE IN PLACE. | 4,208    | LF   | \$ 25.00            | \$ 105,200.00         |

OR

**DEDUCTIVE COST PER LINEAR FOOT FOR USING 18" DIP WATERLINE:**

| Item | Description                                                                                                                                                  | Quantity | Unit | Deductive Unit Price | Total Deductive Amount |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------|----------------------|------------------------|
| BA 2 | DEDUCTIVE INCREMENTAL COST PER LINEAR FOOT TO USE 18", CLASS 350 DIP AS A SUBSTITUTE FOR THE PLAN 18" PVC WATERLINE PER BID ITEM 9 ABOVE, COMPLETE IN PLACE. | 4,208    | LF   | \$                   | \$                     |

TOTAL ADDITIVE OR DEDUCTIVE COST AMOUNT IN NUMBERS: (\$) 105,200.00

In Words: ONE HUNDRED FIVE THOUSAND TWO HUNDRED DOLLARS

GRAND TOTAL BASE BID WITH BID ALTERNATE (ADDITIVE OR DEDUCTIVE)  
AMOUNT IN NUMBERS: (\$) 1,540,635.00

In Words: ONE MILLION FIVE HUNDRED FORTY THOUSAND SIX HUNDRED THIRTY FIVE DOLLARS

Bidder's Acknowledgement

*Chad Brack*

Date 7/20/2022

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## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

5. c.

**Meeting Date:** 08/23/2022  
**Contact Person:** Joe Duffy, Finance Director  
 Phone: 928-636-2646 x-1211  
**Department:** Finance  
**Estimated length of staff presentation:** None  
**Physical location of item:** N/A

### AGENDA ITEM TITLE:

Consideration and possible action to approve the Third Amendment to Town Prosecutor Contract with Lexington Law Firm through June 30, 2024, for a monthly amount of \$3,250.00. (Joe Duffy, Administrative Services Director, Town Manager)

### RECOMMENDED ACTION:

Approve Third Amendment the Town Prosecutor Contract with Lexington Law Firm through June 30, 2024, for a monthly amount of \$3,250.00.

### SITUATION AND ANALYSIS:

The Town has contracted with Lexington Law Firm since 2016 for prosecutorial services. Their second-amended contract expires 6/30/2022, and they have agreed to another 2-year term with no increase in their monthly fee. This contract will run for a 2-year period, terminating 6/30/2024.

The contract, dated 2016, allows, at the Town's option, a contract extension for 5 additional 2-year terms. This would be the 3rd extension.

### Fiscal Impact

**Fiscal Impact?:** Yes

**If Yes, Budget Code:** 01-42-5212

**Available:**

**Funding Source:**

The annual amount is included in the annual budget each year.

### Attachments

Third Amendment Town Prosecutor Contract

**THIRD AMENDMENT  
TO  
TOWN PROSECUTOR CONTRACT  
BETWEEN  
THE TOWN OF CHINO VALLEY  
AND  
JOHN C. HEATH, ATTORNEY AT LAW, PC, DBA LEXINGTON LAW FIRM**

THIS THIRD AMENDMENT TO TOWN PROSECUTOR CONTRACT (this “Third Amendment”) is entered into as of August 23, 2022, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and John C. Heath, Attorney at Law, PC, dba Lexington Law Firm, a Utah professional corporation (the “Contractor”).

RECITALS

A. The Town and the Contractor entered into a Town Prosecutor Contract, dated July 20, 2016, for the Contractor to provide prosecution services for the Town (the “Initial Contract”).

B. The Initial Contract was amended by the First Amendment to Town Prosecutor Contract on April 25, 2018, to extend the term until June 30, 2020 (the “First Amendment”), and by the Second Amendment to Town Prosecutor Contract on July 14, 2020, to extend the term until June 30, 2022 (together, the Initial Contract, the First Amendment, and the Second Amendment are referred to as the “Contract”). All capitalized terms not otherwise defined in this Third Amendment have the same meanings as set forth in the Contract.

B. The initial term of the Contract was two years, with the opportunity for the Town to renew for up to five additional two-year periods. The Town desires to extend the Contract for the third two-year renewal period.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Contract. The term of the Contract is hereby extended and shall remain in full force and effect until June 30, 2024, unless terminated as otherwise provided pursuant to the terms and conditions of the Contract.

2. Effect of Amendment. The Contract is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Contract shall remain in full force and effect.

3. Non-Default. By executing this Third Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has been in default at any time prior to this Third Amendment, under any of the terms or conditions of the Contract, and (ii) any and all claims,

known and unknown, relating to the Contract and existing on or before the date of this Third Amendment are forever waived.

4. **Conflict of Interest.** This Third Amendment and the Contract may be canceled by the Town pursuant to Ariz. Rev. Stat. § 38-511.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

“Town”

“Contractor”

TOWN OF CHINO VALLEY,  
an Arizona municipal corporation

JOHN C. HEATH, ATTORNEY AT LAW,  
PC, DBA LEXINGTON LAW FIRM,  
a Utah professional corporation

\_\_\_\_\_  
Jack W. Miller, Mayor

By:\_\_\_\_\_

ATTEST:

Name:\_\_\_\_\_

\_\_\_\_\_  
Erin N. Desking, Town Clerk

Title:\_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, Town Attorney  
Gust Rosenfeld, PLC

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## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

5. d.

**Meeting Date:** 08/23/2022  
**Contact Person:** Erin Deskins, Town Clerk  
 Phone: 928-636-2646 x-1208  
**Department:** Town Clerk  
**Estimated length of staff presentation:** None  
**Physical location of item:** N/A

### AGENDA ITEM TITLE:

Consideration and possible action for final approval of the Arizona Public Service (APS) Franchise Agreement. (Erin N. Deskins, Town Clerk)

### RECOMMENDED ACTION:

Approve the Arizona Public Service (APS) Franchise Agreement.

### SITUATION AND ANALYSIS:

Results from the August 2, 2022, Primary Election revealed voters approved a franchise agreement granted to Arizona Public Service. As per Statute, once the results of the election have been canvassed, and the franchise was granted, the agreement shall be presented to the Town Council for final approval.

### Fiscal Impact

### Attachments

APS Franchise Agreement

FRANCHISE AGREEMENT  
BETWEEN  
ARIZONA PUBLIC SERVICE COMPANY  
AND  
TOWN OF CHINO VALLEY, ARIZONA

Section 1. – Grant of Franchise:

There is hereby granted to Arizona Public Service Company, a corporation organized and existing under and by virtue of the laws of the State of Arizona (herein called “Grantee”), its successors and assigns, a franchise (herein called the “Franchise”) to construct, maintain and operate its electrical system, as defined herein, upon, over, along, across and under the present and future public rights-of-way. These rights-of-way include but are not limited to streets, alleys, ways and highways in the Town of Chino Valley, Arizona (herein called “Town”). Grantee’s system includes electric power lines, together with all necessary or desirable appurtenances, including, but not limited to, poles, towers, wires, cables, conduits, transmission lines, transformers, switches and communication lines for its own use. This Franchise is for Grantee’s use of Town public rights-of-way to supply and deliver electric energy to Town, its successors, the inhabitants thereof, and all individuals and entities either within or beyond the limits thereof, for all purposes.

Section 2. – Grantee’s Compliance with Town Practice; Plans Submitted for Approval; Town Construction near Grantee’s Facilities:

All construction under this Franchise shall be performed in accordance with established practices of Town with respect to such public rights-of-way. Such construction shall be completed within a reasonable time. Before Grantee makes any installations in the public rights-of-way, Grantee shall upon request or direction from Town obtain a construction permit and submit for

approval a map showing the location of such proposed installations to Town's Engineer. Town and Grantee agree and understand that there may be instances when Grantee is required to make repairs that are of an emergency nature. Grantee 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 public rights-of-way.

If Town authorizes either directly or through a contractor any construction project adjacent to or near Grantee's facilities operated pursuant to this Franchise, Town shall include in all such construction specifications, bids, and contracts, a requirement that the contractor or his designee must comply with the overhead power line safety laws (A.R.S. § 40-360.41 *et seq.*, as amended).

Section 3. – Construction and Relocation of Grantee's Facilities; Payment:

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 public rights-of-way. Furthermore, Grantee shall not install, construct, maintain or use its facilities in a manner that damages or interferes with any existing facilities of another utility located in the public rights-of-way and agrees to relocate its facilities, if necessary, to accommodate another facility relocation that has a prior rights interest in the public rights-of-way.

Activities related to the construction of Grantee's facilities within the rights-of-way such as traffic control, backfilling, compaction and paving, and the location or relocation of lines and related facilities shall be subject to regulation by Town. Grantee shall keep accurate records of the location of all facilities in the public rights-of-way and furnish them to Town upon request. Upon completion of new or relocation construction of underground facilities in the public rights-of-way, Grantee shall, upon request or direction from Town, provide Town's Engineer with corrected

drawings showing the location of the underground facilities in those cases where the actual location differs materially from the proposed location. Grantee shall provide to Town, upon Town's request, the actual location of such new or relocated facilities in the public rights-of-way in an electronic format. Such format shall conform to utility industry best-practice standards.

- A. If Town requires Grantee to relocate Grantee's facilities which are located in private easements obtained by Grantee prior to Town's acquisition of said property from which the facilities must be relocated, the entire cost of relocating Grantee's facilities (including the cost of purchasing a new private easement if necessary) shall be borne by Town. Town shall also bear the entire cost of all subsequent relocations of the relocated facilities required by Town, until such time as Town condemns or purchases Grantee's private easement.
- B. Except as covered in Paragraph A above, Grantee shall bear the entire cost of relocating its facilities located on public rights-of-way, the relocation of which is necessary for Town's carrying out of its governmental functions. Notwithstanding the foregoing, if Grantee is requested to perform work of a temporary nature on a governmental project to relieve construction problems which could be relieved by other means, the cost of said temporary work will be borne by Town or Town's contractor working on the governmental project. Governmental functions are those duties imposed on Town, where the duties involve a general public benefit, not in the nature of a corporate or business undertaking for the corporate benefit and interest of Town. Governmental functions include, but are not limited to, the following:

- 1. Any and all improvements to Town's public rights-of-way;

2. Establishing and maintaining domestic water systems, sanitary sewers, storm drains, and related facilities;
  3. Establishing and maintaining municipal parks, parking spaces, parkways, pedestrian malls, or grass, shrubs, trees and other vegetation for the purpose of landscaping any street or public property;
  4. Providing fire protection and other public safety functions;
  5. Collection and disposal of garbage and recyclables;
  6. The relocation of Grantee's facilities necessary to carry out the exercise of the Town's police power for urban renewal; and
  7. Establishing and maintaining municipal buildings or facilities.
- C. Town will bear the entire cost of relocating any of Grantee's facilities, the relocation of which is necessitated by the construction of improvements by or on behalf of Town in furtherance of a proprietary function. All functions of Town which are not governmental are proprietary.
- D. If Town participates in the cost of relocating Grantee's facilities for any reason, the cost of relocation to Town shall not include any upgrade or improvement of Grantee's facilities as they existed prior to relocation.
- E. Town will not exercise its right to require Grantee's facilities to be relocated in an unreasonable or arbitrary manner, or to avoid its obligation under the Franchise. Town agrees to notify Grantee during the planning and design of Town's projects in rights-of-way that may require relocation of Grantee's facilities and to coordinate its construction plans and schedules with Grantee to determine the most cost-effective design to mitigate Grantee's cost to relocate its facilities.

- F. Town agrees it will not require Grantee to relocate its facilities located within the public rights-of-way without providing Grantee adequate space within the rights-of-way to relocate the facilities that must be moved.
- G. Town will not plant any tree that can normally grow to a height of more than 25 feet under or adjacent to Grantee's overhead power lines in the public rights-of-way. Grantee shall have the authority to prune or remove any trees or shrubs located within or hanging over the limits of the public rights-of-way of Town that in the judgment of Grantee may interfere with the construction, or endanger the operation, of the lines and/or facilities of Grantee. All said vegetation management work is to be done at Grantee's expense and pursuant to A.N.S.I. Standard A300.

Section 4. – Indemnification:

Grantee shall, to the fullest extent permitted by law, defend, indemnify, and hold Town harmless from and against any and all claims, costs, suits, damages, judgments, expenses and losses including, but not limited to attorney fees and court costs relating to, arising out of, or alleged to have resulted from the exercise of this Franchise by Grantee; provided, however, that such claims, expenses and losses are not the result of the willful misconduct or negligent acts or omissions of Town.

Section 5. – Restoration of Rights-of-Way:

Whenever Grantee shall cause any opening or alteration whatsoever to be made for any purpose in any public right-of-way, the work shall be completed with due diligence within a reasonably prompt time. Grantee will restore the disturbed property to substantially its former condition with comparable materials in accordance with Town's then-current adopted requirements, so that the restoration meets or exceeds industry standards.

Section 6. – Franchise Fee:

Grantee shall pay to Town in consideration of the grant of this Franchise a sum equal to two percent (2%) of all revenues of Grantee, including Regulatory Assessments, but excluding transaction privilege taxes and similar governmental impositions, from the retail sales and/or delivery by it of electric energy and other charges for services attendant to the retail sale and/or delivery of electric energy delivered through Grantee's electric distribution system within the present and any future corporate limits of Town, as shown by Grantee's billing records. Grantee shall not, however, pay said franchise fee on revenues charged to Grantee's retail customers by third-party electric service providers. Said payments shall be in lieu of any and all fees, charges or exaction of any kind otherwise assessed by Town in any way associated with Grantee's use of the rights-of-way, including but not limited to, the construction of Grantee's facilities hereunder or for inspections thereof during the term of this Franchise.

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

Beginning March 11, 2022, payment as described in the preceding paragraphs shall be payable in quarterly amounts within 30 days after the end of each calendar quarter.

Notwithstanding the provisions of this Franchise, if during the term of this Franchise Grantee enters into any electric 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%) and/or includes more categories of revenues than set forth in this Franchise, Grantee shall notify Town Council of such higher percentage and/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; and/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 and to include the additional revenue categories, as applicable.

Section 7. – Additional Fees and Taxes:

Notwithstanding any provision contained herein to the contrary, Grantee shall pay, in addition to the payment provided in Section 6, the following charges, taxes and fees as 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 Grantee for its retail sales to its electric customers within the present and any future corporate limits of Town;
- C. 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 the Town.

Section 8. – Term:

This Franchise shall continue and exist for a period of twenty-five (25) years from March 11, 2022; provided, however, that either party may terminate this Franchise on its tenth anniversary by giving written notice of its intention to do so not less than one (1) year before the date of termination. If such notice is given for the purpose of negotiating a new franchise and such negotiation is successful, resulting in a new franchise between the parties, the party giving the notice of termination shall be responsible for the costs of the resulting franchise election.

Section 9. – Franchise; Non-Exclusive:

This Franchise is not exclusive, and nothing contained herein shall be construed to prevent Town from granting other like or similar grants or privileges to any other person, firm or corporation.

Section 10. – Conflicting Ordinances:

Notwithstanding any other provisions hereof, all ordinances and parts of ordinances in conflict with the provisions hereof, to the extent applicable to a franchised electric public service corporation, are hereby superseded.

Section 11. – Independent Provisions:

If any section, paragraph, clause, phrase or provision of this Franchise, 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 to be invalid or unconstitutional.

Section 12. – Town Use of Facilities:

In consideration of this Franchise and the rights granted hereby, Town shall, if the following six criteria are met, have the right to place, maintain, and operate on Grantee's poles located on public rights-of-way within Town's corporate limits, any and all wires and appurtenances (other than steps or climbing devices) for Town's fire alarm, police telephone or other municipal communications services utilized for governmental functions:

- A. Town must notify Grantee in writing of Town's intended use of Grantee's poles;
- B. Town shall, to the fullest extent permitted by law, defend, indemnify and hold Grantee harmless from any and all claims, costs, damages, expenses and losses, including but not limited to attorney fees and court costs relating to, arising out of,

or alleged to have resulted from Town's use of Grantee's facilities pursuant to this Franchise; provided however, that such claims, expenses and losses are not the result of the willful misconduct or negligent acts or omissions of Grantee;

- C. Town's facilities and the installation and maintenance thereof must comply with the applicable requirements of the Occupational Safety and Health Act, the National Electrical Safety Code, and all other applicable governmental rules and regulations as amended. If Town's facilities create an immediate safety hazard, Grantee retains the right to remove or correct Town's facilities at Town's expense;
- D. Town's facilities and the installation and maintenance thereof must not cause Grantee's facilities and the installation and maintenance thereof to be out of compliance with all applicable requirements of the Occupational Safety and Health Act and the National Electrical Safety Code and all other applicable rules and regulations as amended. If Town does not comply with all applicable laws, ordinances and regulations, or if Town's facilities create an immediate safety hazard, Grantee retains the right to remove or correct Town's facilities at Town's expense;
- E. Town's use of its facilities shall not interfere with Grantee's use of Grantee's facilities, and;
- F. Town shall be responsible for any incremental costs incurred by Grantee as a result of Town's use of Grantee's facilities.

Section 13. – No Third-Party Beneficiaries:

There are no third-party beneficiaries to this Franchise agreement between Town and Grantee.

Section 14. – Voter Approval Required:

This Franchise is subject to the approval of the electors of Town. Grantee shall pay all of the costs incurred in conducting the franchise election, except that, if one or more additional propositions are presented to the electors at such election, Grantee shall pay only that portion of Town's election expense determined by dividing all of Town's expenses by the number of issues presented on the ballot.

Section 15. – 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 then holding the office shown on the attention line of the address below, or, if such office is vacant or no longer exists, to a person holding a comparable office, or (ii) on the third business day following its deposit with the United States Postal Service, first class and certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

- A. To Town of Chino Valley: Town Clerk  
Town of Chino Valley  
202 N State Route 89  
Chino Valley, AZ 86323
  
- B. To Arizona Public Service: Arizona Public Service Company  
Office of the Corporate Secretary  
400 North 5<sup>th</sup> Street, Mail Station 8602  
Phoenix, Arizona 85004

Section 16. – Adoption:

We, the undersigned, have adopted this document on the dates written below in accordance with the results of the Town Election on August 2, 2022.

TOWN OF CHINO VALLEY,  
An Arizona municipal corporation

By \_\_\_\_\_  
Jack W. Miller, Mayor  
On behalf of the Town of Chino Valley

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Andrew J. McGuire, Town Attorney  
Gust Rosenfeld, PLC

ARIZONA PUBLIC SERVICE COMPANY,  
An Arizona Corporation

By \_\_\_\_\_  
Tony J. Fewell, Vice President  
APS Transmission, Distribution & Customers  
On behalf of Arizona Public Service Company

Date: 8/11/22



## **TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT**

### **Town Council Regular Meeting**

**5. e.**

**Meeting Date:** 08/23/2022

**Contact Person:** Erin Deskins, Town Clerk  
Phone: 928-636-2646 x-1208

**Department:** Town Clerk

**Item Type:** Consent

---

#### **AGENDA ITEM TITLE:**

Consideration and possible action to approve the June 28, 2022, regular and special meeting minutes. (Erin N. Deskins, Town Clerk)

#### **RECOMMENDED ACTION:**

Approve the June 28, 2022, regular and special meeting minutes.

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#### **Attachments**

June 28, 2022 Regular and Special Meeting Minutes

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# DRAFT

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

**TUESDAY, JUNE 28, 2022  
6:00 P.M.**

### **CHINO VALLEY COUNCIL CHAMBERS 202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

**Present:** Mayor Jack Miller; Vice-Mayor Annie Perkins; Councilmember Tom Armstrong; Councilmember Eric Granillo; Councilmember Cloyce Kelly; Councilmember John McCafferty; Councilmember Lon Turner

**Staff Present:** Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Assistant to the Town Manager Terri Denemy; Administrative Services Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Lieutenant Randy Chapman (Sgt at Arms); Public Works Director/Town Engineer Frank Marbury; Development Services Director Laurie Lineberry; Senior Planner Will Dingee; Planner Bethan Heng; Community Services Manager Cyndi Thomas; Recreation Coordinator Hailey Byrd; Audio Visual Technician Lawrence Digges; Deputy Town Clerk Sara Burchill; Town Clerk Erin N. Deskins

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

Mayor Miller 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- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

*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.*

- Cathy Middlested – Thanked the Council for changing the venue in anticipation of a larger crowd and for their support.
- Rachelle Fernow – Thanked the Council for the change of venue. She did not think it should have taken the amount of protests that it did to get there, but she was appreciative. She thought that they should make it a regular thing, so everyone had a place to sit, despite the acoustics. She had been thinking about the meeting for three months and now that the item had become victorious for them, she wanted to take the time to talk about the organization created because of it. The Chino Alliance for Responsible Growth Organization was not going to go away, and they would continue to show up at meetings. She wanted to address Councilmember Kelly's comments made to the Review and some misconceptions. They thought the Town could use an RV Park, but they thought it should be put in the proper place, which was not in a residential neighborhood. Their organization had been called NIMBY (not in my backyard), but he needed to understand that she was not an immigrant to Town. She grew up there, and the entire valley was her backyard. She would advocate for the entire valley and everyone in it against misappropriated zoning and irresponsible decisions in government. They may think it was a little group of 15 people, but this was not her full-time job. She felt like she had done more in the last five months to advocate for the community than the Council had in the last five years. For Councilmember Kelly to state in the paper that the only reason he did not want to run was because he did not want to obtain the 158 signatures spoke volumes to the effort he had put forward as a Councilmember. She wished him well. For those remaining, she hoped they could work together, and for the incumbents running and to whomever ended up there in January, she planned on wanting to work very closely with them. She thought it was important that the Town had an advocacy group like theirs. They would help any neighborhood fight something that they thought was inappropriate or irresponsible. She would appreciate if they could continue with like respect going forward for what they had built in a short amount of time.

#### 4) **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 Armstrong had gone to the grand opening of a new computer store Idea Karma. Anyone that needed computer work should stop by.

- b)** Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Town Manager Blackmore reminded everyone that Town Hall would be closed July 4, 2022 for the Independence Day Celebration.

## 5) **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.*

Item 5(d) was pulled to be discussed individually.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Cloyce Kelly to approve Consent Agenda Items a, b, c, e, f, g, h, i, j, k, l, m, and n as written.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

- a) Consideration and possible action to approve Resolution No. 2022-1214 authorizing the use of \$400,000 out of the Town's General Fund Contingency Account to reduce the Public Safety Personnel Retirement System (PSPRS) unfunded liability amount. (Joe Duffy, Administrative Services Director)
- b) Consideration and possible action to approve the Cooperative Purchasing Agreement with Level 3 Audio Visual to provide audio/visual hardware, installation, and training services for the new Chino Valley Police Department facility in an amount not to exceed \$66,881.66. (Spencer Guest, IT Manager)
- c) Consideration and possible action to adopt Resolution No. 2022-1215, designating Joe Duffy as Chief Fiscal Officer for officially submitting the Fiscal Year 21/22 and Fiscal Year 22/23, Expenditure Limitation Report to the Arizona Auditor General. (Joe Duffy, Administrative Services Director)
- d) Consideration and possible action to approve Resolution No. 2022-1213, authorization to submit a Grant Application to the US Bureau of Reclamation WaterSMART Drought Response Projects FY22/23, Funding Opportunity No R23AS00005, to fund a Water Rate Study, and if the grant is awarded, authorization to adjust the revenue and expenditure budgets, and authorization for the Mayor to sign the funding agreement. (Joe Duffy, Administrative Services Director)

Terri Denemy, Assistant to the Town Manager, presented the following:

- The item was being offered by the US Department of Interior Reclamation Water and Resources Planning Office for projects that would increase the reliability of water supply or improve water management.
- It required a 50% cost share.
- The Town currently had \$30,000 budgeted in the FY22/23 for a rate study. The grant would expand that, and the total amount of the project would be \$88,203. 50% of that was a cost share. The breakdown for Town funds was \$31,698. The Town would be using \$12,401 in in-kind services (staff time).

- Should they get the grant, the total increase in budget would be \$1,698. This was part of the resolution if they were awarded the grant.
- The grant would expand what the Town typically did with their water rate study, allowing them to evaluate rate tools and better address water demand. Specifically, it would increase water efficiency and reduce outdoor water use.
- 60% of all water use was outdoors, which was not collected by the sewer system to be returned to the aquifer through the Town's reclamation facility. Reducing the amount of outdoor water usage would result in a higher percentage of water being returned to the aquifer.
- As part of the Prescott AMA, they were in severe and sustained drought conditions. It was experiencing limited and over drafted groundwater. It was their only available source of water for the residents of the Town.
- They were doing whatever they could to build strong drought resiliency measures and it was crucial to mitigating drought impacts.
- They had several letters of support, which showed regional support and collaboration.
- Staff was requesting authorization to submit the grant application, acceptance of grant funds if awarded, authorization of adjustment to the revenue and expenditure funds to receive the grant funds and increase the rate study budget, and authorization of the execution of the final documents.

Cindy Blackmore, Town Manager, presented the following:

- The grant application took a huge amount of effort to put together. It took a lot of staff time and collaboration but would make a big difference for the Town.
- Staff members Joe Duffy, Mark Holmes, and Terri Denemy were recognized for their work.

Council and staff discussed the following:

- The Town would own the data and could use it for a drought contingency plan.
- The study was unique to the Town and would expand on their current rate study. It would look at ways to put conservation into place that would help through the rate study.
- A Member thought it was important to give a presentation on the item to show the water situation and some of the measures the Town was taking to address water issues.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Cloyce Kelly to approve Consent Agenda Item 5(d), consideration and possible action to approve Resolution No. 2022-1213, authorization to submit a Grant Application to the US Bureau of Reclamation WaterSMART Drought Response Projects FY22/23, Funding Opportunity No R23AS00005, to fund a Water Rate Study, and if the grant is awarded, authorization to adjust the revenue and expenditure budgets, and authorization for the Mayor to sign the funding agreement.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

- e) Consideration and possible action to approve the Memorandum of Understanding between the Town of Chino Valley and the Chino Valley Police Officers Association. (Laura Kyriakakis, Human Resources Director)
- f) Consideration and possible action to approve an Arizona Public Service Company (APS) 8' utility easement to serve the new Police Facility at the Town Hall property. (Frank Marbury, Public Works Director / Town Engineer)
- g) Consideration and possible action to approve the Equestrian Facility Lease with Chino Valley Equestrian Association for an initial term of July 1, 2022 - December 31, 2026, with up to four consecutive five-year renewal options, for property located at Old Home Manor in the amount of \$10.00 per year. (Terri Denemy, Assistant to the Town Manager)
- h) Consideration and possible action to approve the Service Contract with PrimeGov for agenda management software in the amount of \$31,572.00 for the first year of implementation. (Erin Deskins, Town Clerk)
- i) Consideration and possible action to appoint applicants to the Roads and Streets Committee, Board of Adjustment, and Public Safety Retirement Board, per recommendation of the Appointments Subcommittee. (Erin Deskins, Town Clerk)
- j) Consideration and possible action to approve the May 10, 2022, study session meeting minutes. (Erin N. Deskins, Town Clerk)
- k) Consideration and possible action to approve the May 10, 2022, regular meeting minutes. (Erin N. Deskins, Town Clerk)
- l) Consideration and possible action to approve the May 17, 2022, special meeting and study session minutes. (Erin N. Deskins, Town Clerk)
- m) Consideration and possible action to approve the May 24, 2022, study session minutes. (Erin N. Deskins, Town Clerk)
- n) Consideration and possible action to approve the May 24, 2022, regular meeting minutes. (Erin N. Deskins, Town Clerk)

**6) 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) Update on withdraw of application filed by Jeremy Bach, to rezone approximately 30.15 acres of real property from AR-5 (Agricultural Residential 5-Acre Minimum) to CH/PAD (Commercial Heavy with a Planned Area Development Overlay), for the property located south of 2820 N Road 1 East, Chino Valley, Arizona, APN 306-14-026A. (Will Dingee, Senior Planner).

**Recommended Action:** No action required.

Will Dingee, Senior Planner, presented the following:

- The original request for a zoning change for a 151 unit RV Park, had since been withdrawn by the applicant.
- It had been continued from a meeting in March and was officially withdrawn on June 14, 2022.

- b) Public hearing, consideration, and possible action to approve Ordinance No. 2022-919 amending the Town of Chino Valley Unified Development Ordinance, section 4.21.10, Sunset Provision. (Will Dingee, Senior Planner)

**Recommended Action:**

- (i) Hold Public Hearing
- (ii) Approve Ordinance No. 2022-919 regarding text amendment T-2022-08 as reflected in Attachment A, subject to the staff report and information provided during this hearing.

Will Dingee, Senior Planner, presented the following:

- The item was a text amendment to remove the Sunset Clause as part of the updated sign code amendment that had been enacted in 2020.
- Clearing the Sunset Clause would allow the auxiliary signs to continue to be used as they had since 2020.
- Staff was forwarding a recommendation that a public hearing be opened for the item, and subsequently the Planning and Zoning Commission was forwarding a recommendation of approval.

Mayor Miller opened the Public Hearing.

- Tom Payne – He had been working on this with the Town since 2009. He wanted to take the opportunity to thank the Council and staff, on behalf of the local businesses and himself.
- Councilmember Turner thought this was a good example of everyone and the businesses in the Town being responsible. From the beginning, it was an experiment, and everyone was to be accountable for their own signs and keeping them in good shape. It had been done. It was a good thing for all the businesses to show that they can work together and be responsible to get something that they wanted.

Mayor Miller closed the Public Hearing.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Cloyce Kelly to approve Ordinance No. 2022-919 regarding text Amendment T-2022-08 as reflected in Attachment A, subject to the staff report and information provided during this hearing.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

- c) Public Hearing regarding Resolution No. 2022-1202, relating to the Town's Final Budget for Fiscal Year 2022/2023 and the proposed expenditure limitation for the same year, in the amount of \$46,544,100. (Joe Duffy, Finance Director)

**Recommended Action:** Hold the Public Hearing.

Joe Duffy, Finance Director, presented the following:

- The Town was in the final steps of adopting the budget. Staff started the process in January of each year. It was almost a six-month process to develop a budget for the next fiscal year.
- The budget had increased from the previous year, with a total amount of \$46,544,100.
- The Council had given strategic priorities that had to be incorporated into the budget document. These included:
  - The General Plan
  - Pavement Management Program
  - Sewer Expansion
  - Get projects done
  - Increase spending on IT
  - Improve communications with residents
  - Accelerate road maintenance
  - Increase facility maintenance
  - Obtain water providers
  - Begin new Town Hall complex planning
- The Town had a strategically balanced budget, meaning they did not spend more on their ongoing expenses than they had in their ongoing revenues.
- The Town was dipping into their excess reserves, while still keeping their required reserves. The excess reserves could be used year after year. The Town's revenues had increased the previous year, so they did not need to dip into their reserves.
- They were aggressively using money to do road work.
- The HURF Fund also had excess reserves, which would be used for more road work.
- More capital would be spent than what was brought in for the Water Enterprise Fund. They would catch up by the end of next fiscal year.
- Staff was concerned about the Sewer Enterprise Fund because the expenses were large. They would be okay in the budget year.
- Major projects the Town would be doing: completion of the Police Department facility and equipment, asbestos removal in Old Home Manor trailers, General Plan, pool replaster and deck resurfacing, and Senior Center kitchen replacement.
- Covid State and Federal Recovery Funds combined with EPA funds would cover \$5.6 million in projects to include Perkinsville/89 water and sewer extension and the Peavine waterline extension.
- There would be approximately \$4 million in road construction completed.
- They would get the backup generators at the water treatment plant, north campus, and the Yavapai County well, water tanks, a pole barn (half), and a new fill station.
- Sewer projects included completion of the screw press, construction of the equalization

basin, turbine blower, pole barn (half), a sewer line down Road 1 East, and plant expansion engineering.

Mayor Miller opened the public hearing.

- John Garden – The budget had gone up approximately 60% over the last three or four years. He questioned where most of the new revenue came from. Staff explained that the major contributor to revenue was the sales tax revenue, which had been growing about 10% to 15%. The State Share Revenues had also been increasing. They had also received federal funding to include \$2 million in CARES Act funding and an additional \$4 million in Covid Recovery money. They also received federal grants.
- Rachelle Fernow – She had been part of the Planning and Zoning study session. They had discussed solar projects coming in and she had an idea that she was not able to bring up at the study session. The pool was a huge draw on the community. She thought they should ask some of the solar companies, like APS, to do something for the community. If APS wanted to come in and have a 400-acre solar field to then sell the power to other people, they should ask them to put solar on the pool, so they could extend their season and build revenue for the Town. They could be open longer and expand classes. \$300,000 to replaster a pool that was only used for eight weeks seemed silly to her. She thought it was a misappropriated cost considering how long it would take to bring back that revenue.

Mayor Miller closed the public hearing.

- d) Public Hearing regarding (i) Resolution No. 2022-1203, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2022/2023, which shall constitute the budgets of the Districts for fiscal year 2022/2023 and (ii) the tax levy anticipated in conjunction with the budgets of the Districts. (Joe Duffy, Finance Director)

**Recommended Action:** Hold the Public Hearing.

Joe Duffy, Finance Director, presented the following:

- The Town administered the Street Lighting Improvement District for the streetlights at the Bright Star Subdivision. There were three districts.
- The property owners were assessed the levy the Council would adopt at the meeting.
- They would be adopting a total of \$3,900 for all the streetlights for the entire year.
- The County taxed each property owner in the subdivision and then sent the Town the money, and the Town then paid the power bill.
- It averaged \$10 to \$12 per resident.

Council and Staff discussed the following:

- There was not an increase from the previous year.
- The Town had been administering the fund since the Bright Star subdivision was built.

Mayor Miller opened the public hearing. Hearing no comments, the public hearing was closed.

## 7) **ADJOURNMENT**

MOVED by Councilmember Lon Turner, seconded by Councilmember Cloyce Kelly to adjourn the regular meeting at 6:37 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

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**SPECIAL MEETING  
TUESDAY, JUNE 28, 2022  
6:05 P.M.**

**Senior Center  
1021 W. Butterfield Road  
Chino Valley, Arizona**

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## **AGENDA**

**a) CALL TO ORDER; ROLL CALL**

Mayor Miller called the meeting to order at 6:37 p.m.

**b) Consideration and possible action to approve Resolution No. 2022-1202, relating to the Town's Final Budget for Fiscal Year 2022/2023 and the proposed expenditure limitation for the same year, in the amount of \$46,544,100. (Joe Duffy, Administrative Services Director)**

**Recommended Action:** Approve Resolution 2022-1202, adopting the FY 2022-23 Final Budget and establishing the FY 2022-23 expenditure limitation.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Resolution No. 2022-1202, adopting the FY 2022-23 Final Budget and establishing the FY 2022-23 expenditure limitation.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

**c) Consideration and possible action to approve Resolution No. 2022-1203, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2022/2023, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2022/2023. (Joe Duffy, Finance Director)**

**Recommended Action:** Approve Resolution No. 2022-1203, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2022/2023, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2022/2023.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Resolution No. 2022-1203 relating to the Statement of Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement District for Fiscal Year 2022/2023, which shall constitute and are approved as the final budget of the Districts for the fiscal year 2022/2023.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

**d) ADJOURNMENT**

MOVED by Councilmember Lon Turner, seconded by Councilmember Tom Armstrong to adjourn at 6:39 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty, Councilmember Lon Turner

**7 - 0 PASSED - Unanimously**

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**EXECUTIVE SESSION  
TUESDAY, JUNE 28, 2022  
6:30 P.M.**

**Senior Center  
1021 W. Butterfield Road  
Chino Valley, Arizona**

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**AGENDA**

**1) CALL TO ORDER; ROLL CALL**

- 2)** 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 potential threatened litigation and A.R.S. §38-431.03 (a)(4) for discussion or consultation with the Town Attorney regarding a potential contract negotiation. (Andrew McGuire, Town Attorney)

**3) ADJOURNMENT**

\_\_\_\_\_  
Jack W. Miller, Mayor

ATTEST:

\_\_\_\_\_

Erin N. Deskins, 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 \_\_\_\_\_, 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Erin N. Deskins, Town Clerk



## **TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT**

### **Town Council Regular Meeting**

**5. f.**

**Meeting Date:** 08/23/2022

**Contact Person:** Erin Deskins, Town Clerk  
Phone: 928-636-2646 x-1208

**Department:** Town Clerk

**Item Type:** Consent

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#### **AGENDA ITEM TITLE:**

Consideration and possible action to approve the July 12, 2022, study session and regular meeting minutes. (Erin N. Deskins, Town Clerk)

#### **RECOMMENDED ACTION:**

Approve the July 12, 2022, study session and regular meeting minutes.

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#### **Attachments**

July 12, 2022 Study Session and Regular Meeting Minutes

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# DRAFT

## MINUTES OF THE STUDY SESSION AND REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

**TUESDAY, JULY 12, 2022  
5:00 P.M. AND 6:00 P.M.**

### **CHINO VALLEY COUNCIL CHAMBERS 202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

**Present:** Mayor Jack Miller; Vice-Mayor Annie Perkins; Councilmember Tom Armstrong; Councilmember Eric Granillo; Councilmember Cloyce Kelly; Councilmember John McCafferty - remotely; Councilmember Lon Turner - remotely (arrived 5:10)

**Staff Present:** Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Assistant to the Town Manager Terri Denemy; Development Services Director Laurie Lineberry; Police Chief Chuck Wynn; Public Works Director/Town Engineer Frank Marbury; Senior Planner Will Dingee; Planner Bethan Heng; Library Director Scott Bruner; Community Services Manager Cyndi Thomas; Audio Visual Technician Lawrence Digges; Deputy Town Clerk Sara Burchill; Town Clerk Erin N. Deskins

#### **1) CALL TO ORDER; ROLL CALL**

Mayor Miller called the meeting to order at 5:00 p.m.

#### **2) Presentation and discussion by Matrix Design Group regarding the General Plan Process. (Laurie Lineberry, Development Services Director)**

Laurie Lineberry introduced the Town's General Plan (Plan) Consultant, Terri Hogan, representing the Matrix Design Group.

Terri Hogan presented the following:

- The Matrix Design Group (MDG), an employee-owned company, was founded in 1999. They had an office in the Phoenix area as well as locations nationwide. They had 175 people employed in the company.
- They had done plans nationwide and into US territories. They did General Plans and Military Conceptual Planning.
- They had several centers of excellence, and the Town would be working with their Planning and GIS (mapping) centers.
- Public outreach was statutorily required and was a four-part process.
- The company was award winning for their public outreach program and their projects.
- MDG had completed approximately 30 general plans for cities, towns, and counties within Arizona, which were overviewed. Their forte was smaller rural communities.

They also provided zoning code rewrites and development plan review. They had completed over 100 plans across the nation.

- The mapping component would be a large part of the Town's plan. They had experts to do 3D modeling, assessments, and interactive mapping. There were several mapping tools that could be available, including a pictorial history of the Town.
- Public engagement and branding were very important. They would work with the Town's project management team early in the process to create a branding logo that met the Town's specifications, and that logo would be used throughout the process and into implementation. It gave a consistent message to the public, from start up to ratification, about the Plan.
- A review of MDG's award winning projects was provided.
- The management team was highlighted. They had a redundant process to ensure there was always someone communicating and available. All staffing and resources would be within MDG and not subcontracted out.
- Stakeholders to be involved in the process included ADOT, water resources, energy companies, school districts, and Chamber of Commerce. More would be involved once the process started. There would also be an ambassador program.
- The project schedule would be a 12-month process, with nine phases, and several phases running concurrently.
  - The process would begin with existing conditions, including studies and mapping.
  - Public outreach would be started early on, and a public participation plan would be created with staff that would look at the best venues and how to get as many people participating in the process as possible.
  - Status reports would be concurrent and MDG would be continually meeting with staff.
  - Tasks five through nine would begin the Plan process itself, and work would begin on the Topic areas. The Town's two statutory requirements, land use and circulation, would be studied, as would water resources, public facilities, open space, economic development, and other elements the Town wanted to highlight.
  - The adoption process would include the Planning Commission, who would make a recommendation to the Council for adoption. Due to the Town's growth, they were required to go through a ratification process that required a public vote for final ratification.
  - MDG would produce the final Plan.
- The most critical component of the process was community involvement. The Plan needed to be a community vision for the future of the Town. Their process was inclusive, informative, and validating. The process included community meetings and citizen education. The Town could do whatever they wanted, and MDG would explain possible consequences for those decisions and possible solutions. They would listen and address what people were saying regarding the future of the Town.
- The public participation process would include the traditional meetings, flyers, surveys, and focus groups. MDG would be going to a variety of events to help educate the community about the Plan process. They would also use digital and virtual methods that included a virtual method for getting public input. They wanted to provide as many ways for people to give their input as possible. They would also create a special project website that would be linked to the Town's website.
- Individual focus group meetings would be scheduled in the process. MDG would work with staff about the best people to meet with.
- Planning Commission and Town Council workshops could be done in several different formats, including joint and separate meetings. Town Hall community

meetings could also be included.

- Some Towns chose to have their Planning Commission be the Steering Committee to help steer and direct the Plan effort. Other communities preferred to have General Plan Advisory Committee's that included several facets of the community. MDG was flexible with that.
- The Ambassador Program was an extension of the MDG program to get information out to the community. With staff's help, they could pick key members of the community stakeholders, and they would be given extra education, toolboxes, and flyers that could be handed out to the community. They would be encouraged to participate in the Plan and with the community. The group was very important at the end of the process during ratification as they continued to educate the community during the process.
- There were communities that had plans that failed the ratification process, but MDG had never had a Plan that failed. This was due to community involvement and implementation of the community vision.
- The interactive mapping tool would be through the Town's website and was app based. It would cover the entire Town. Icons tailored for the Town could include things like land use, noise, etc. that would allow users to comment on issues, such as too much dust somewhere, more retail needed, etc. This allowed people to give information passively without going to a public meeting.
- MDG understood that the Town was not happy with the existing Plan in terms of how it attracted growth, and how it was not retaining the character they wanted. They were excited to work on the process with the Town and to understand what the community meant by rural character and to help put the tools and policies in place that would help guide that better.

Council and Ms. Hogan discussed the following:

- The verbiage of the icons was fully customizable. A reported issue could include a concern about a safety issue which could be plugged in at an intersection with comments. The City of Page was currently using the icon features.

3) Discussion regarding the new process for festivals and events within the Town limits. (Laurie Lineberry, Development Services Director and Cyndi Thomas, Community Services Manager)

Development Services Director Laurie Lineberry presented the following:

- At the Council March strategic meeting, priority areas were developed, one of which was to encourage and support an event-friendly environment by putting together a simple and comprehensive event process and providing appropriate support and promotion for events.
- Staff had developed a process and application form for special events and festivals.
- The current code process was challenging. Staff developed the following process:
  - Contact the Community Services Manager to determine if the venue is available.
  - The Community Services Manager would tentatively schedule the event and refer them to Development services for a pre-operations meeting with representatives from all involved departments, including CAFMA.
  - An additional meeting would be held with any agencies that could have an issue, concern, or request.
  - They would meet with the applicant to discuss the details of the event, and it would be determined at that meeting if there were any special necessary

requirements (bathrooms, dust control, traffic control, etc.)

- Everything after that meeting would go to the Community Services Manager, who would process the application and share it with all departments and be the point of contact for the event representative. The Community Services Manager would also issue the final permit.

- This process would allow all parties to be part of the planning process and know what was going on.
- The process would be an electronic process and all the departments would be coordinated together.

Council and staff discussed the following:

- The current process was not owned by any particular department. There were forms on the website, the form used depended on the department contacted, and the forms were often not routed to other departments. The necessary departments would be notified upfront in the new process.
- The maximum timeframe for the process was 60 days. Event planners needed to contact the Town 60 days prior to the event, and staff would move quickly through the process. It would not take staff 60 days to complete the process.
- Venue conflicts would be resolved on a first come first served basis, but they would also look at how to accommodate both groups to the best of staff's ability. This could include offering different venues or possibly splitting a venue.
- Each event would be looked at by the necessary departments, including Police and the Roads crew, who would help determine necessary requirements like traffic control. Once determined, staff would look at the event planner to see if they had the capability to handle the necessary requirements or if Town departments needed to be contracted out to help meet those requirements. Staff wanted to ensure everyone had the capability and the equal rights to use the Town's facilities. Staff would continue to use or encourage the event planner to use their outside resources, such as the Arizona Rangers, who could assist with parking or security.

4) Discussion regarding the creation of a Building Advisory Board. (Laurie Lineberry, Development Services Director)

Development Services Director Laurie Lineberry presented the following:

- The Town's current code had about two sentences about an appeals board, but the Building Official needed a Building Advisory Board as well as the appeals board.
- Staff was recommending that the Town create a Building Advisory and Appeals Board that the Council appointed. They would be available for when a decision was made by the Building Official that a building applicant disagreed with. The Board would hear any unresolved issues.
- The Board would also help with developing new building codes.
- Staff recommended a five-year term for a seven-member body, with three licensed general contractors, one licensed plumber, one electrician or mechanical contractor, one engineer or architect, and one citizen-at-large that was associated with the construction industry (realtor or appraiser).

Council and staff discussed the following:

- Members were concerned about the difficulty of getting professional people to volunteer for the Board, especially with a five-year term. Staff thought the

professionals would have a stake in how the codes were written and interpreted and would want to be part of the process. The term limits could be changed if necessary.

- The skill set of the professional was the most important requirement.

#### Public Comment

Juliann Baker – She thought there was a lot of policy required for events and building for a Town of approximately 13,000 people. She thought it was oversized for a Town of their size.

#### 5) Discussion regarding camping within Town limits. (Will Dingee, Senior Planner)

Development Services Director Laurie Lineberry and Police Chief Wynn presented the following:

- The Town did not have anything that prevented anyone from camping overnight in a parking lot in the industrial or commercial areas. If property owners posted something on their property, code enforcement could ask people to move, but it was a long process.
- The Council could adopt an Ordinance in the Town Code (not UDO) that did not allow for overnight camping in these areas, then the Police Department could get involved and the process would be quicker than a code enforcement officer.
- The Police had seen the problem of people parking in the McDonalds parking lot for days or weeks at a time. The Police reached out to the management companies, but they were often out of Town or the State. The Town could not be the victim of trespassing, and it was challenging getting the property owner to testify on the issue. An Ordinance would allow the Town to pursue the issue. The Police would use common sense and would allow someone that needed to rest for a couple of hours, which was different than people taking up residence in parking lots.

Council and staff discussed the following:

- People would be provided a copy of the Ordinance, so that just moving locations would not work. People would be provided a written warning and a citation if they just moved to a new location.
- Members thought it was a good example of why the Town needed an RV Park somewhere.
- Members did not want to see it become too strict for those just pulling off for the night.
- The new code would at some point have to escalate to criminal or there would be no way to enforce repeat offenders.

#### 6) **ADJOURNMENT**

MOVED by Councilmember Cloyce Kelly, seconded by Councilmember Eric Granillo to adjourn the meeting at 5:48 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

**7 - 0 PASSED - Unanimously**

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**REGULAR MEETING  
TUESDAY, JULY 12, 2022  
6:00 P.M.**

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

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

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

All members of Council and Staff previously mentioned were present except Planner Bethan Heng.

**2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

- a)** Volunteer Recognition - Koby Scherer and Ryan Hannon - Disc Golf Course Presentation of special recognition to volunteers Koby Scherer and Ryan Hannon, who were instrumental in the design and installation of the Town's new Executive Disc Golf Course, presented by Scott Bruner, Special Projects Manager and Cyndi Thomas, Community Services Manager. (Terri Denemy, Assistant to the Town Manager)

Special Projects Manager, Scott Bruner presented the following:

- Ryan Hannon was unable to attend the meeting because he was out of Town, but Koby Scherer attended the meeting.
- The disc golf course had been on the project list for several years, and the project process began in February, when the material was ordered from a vendor. The vendor was also supposed to do the installation but had to drop out due to severe medical issues.
- Staff received a call out of the blue from Mr. Scherer, who wanted to be involved and help in the project. Staff explained the situation and Mr. Scherer wanted to help. They also got the help of Mr. Hannon, who was a member of the Prescott Disc Club.
- Mr. Hannon fine-tuned the original course and decided where the pads and pins would be located from the plans he had received from staff.
- It was a team effort between staff and the two volunteers.
- A special thanks was given to Mr. Scherer for his donation of cement, t-pads, and signage hardware.
- Since the project was completed by volunteers and staff, they saved the Town \$3,513.27.
- Community Services Manager, Cyndi Thomas, read and presented a certificate of appreciation to Mr. Scherer.

- b)** Update by the Chino Valley Area Chamber of Commerce Presentation and update by the Chino Valley Area Chamber of Commerce. (Lorette Brashear, Chamber President/CEO)

This item was postponed to a later date.

- c) Capacity Analysis on Road 2 North Presentation and discussion regarding a Water and Sewer Capacity Analysis on Road 2 North. (Frank Marbury, Public Works Director/Town Engineer)

Public Works Director/Town Engineer presented the following:

- This item, regarding the sewer and water capacity analysis on Road 2 North, was discussed at the Utility Committee meeting. They had recommended bringing the item before Council for information, discussion, and feedback.
- There had been significant development and there was a potential for significant future development on Road 2 North. Much of the development was currently in the planning stages.
- There had not been any master planning or capacity analysis completed for the water and sewer systems. The current systems put in were oversized and initially had plenty of capacity, but staff was starting to worry about the existing capacity with all the potential development.
- The potential existed to overcommit the Town's assurances to serve new developments. When new developments came in and submitted their designs through Planning and Development, engineering for Town water and sewer had to issue an assurance through Will Serve Letters, to the State. This assured that Town's utilities would serve the development. Once the letters were issued, the Town had an obligation to serve them. Staff wanted to make sure the Town actually had the capacity to serve the developments.
- The Town's sewer had approximately 2,250 customers. The additional development on Road 2 could add up to 1,000 more customers through single family homes and apartment units.
- The masterplan provided the guidelines for pipe sizes and line locations. The Town did not currently have a detailed masterplan, but it was a project plan for fiscal year 23/24, the year after the General Plan was completed.
- Sewer capacity depended on pipe sizes and the slope of the pipe. Flatter slopes provided less capacity because it moved slower.
- The necessary water and sewer pipe sizes for Road 2 North was unknown for all the developments' combined capacity.
- Staff put some numbers together that included single family and apartment units for a worst-case scenario.
- CivilTec had modeled the Town's water and sewer system as part of the Old Home Manor integrated water masterplan. Staff was suggesting piggybacking on that analysis to use for the current system to determine if future development could be supported with some of the lines the Town already had.
- The information from the analysis could be retained and incorporated into an overall masterplan.
- The cost for the analysis was just under \$40,000 for the modeling work and engineering analysis. The Town Manager could authorize a workorder for that amount under the Town's procurement code, and they had the money available in the Engineering Professional Services line item, but staff might need more of those funds later in the year.
- This could result in development agreements for the Council to consider based off some of the expansion in the water and sewer system.

- Staff recommended that the Town Manager approve the analysis but wanted to open the discussions with Council.
- The Town's water resources consultant, Mark Holmes was available for any questions.
- Members were all in agreement that it was a good idea to move forward.

**3) CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

*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) 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 Granillo reported on the Stuff the Bus program by the Firefighter Angels Foundation on July 23, 2022, and Essence would be having one on July 24, 2022. He thanked Larry and Joanne Holt for raising money for Officer Lopez.
- Councilmember Perkins reported on the 9th annual Wade Parker Memorial Softball Tournament. Wade grew up in Town and was one of 19 that perished in the Yarnell Hill fire. From this the Wade Parker Memorial Scholarship was formed. This year there were 16 teams that played, and with the other activities and food, over \$10,000 was raised. There were three scholarships awarded to Trevor Stazenski, Abby Polacek, Dakota McMains, all community kids who were planning careers in public safety.
- Councilmember Armstrong attended the grand opening of the Old Soul Floral shop. He went to Lake Havasu City for a rural Arizona education roundtable headed by Paul Gosar. There was a lot of things coming up, including Critical Race Theory on the upcoming ballot. People could either ban it or pass it and their kids would learn it.

**b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.**

**5) 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.*

Item 5(d) was pulled to be discussed individually.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Consent Agenda Items 5 a, b, c, e, and f, as written.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

**7 - 0 PASSED - Unanimously**

- a) Awarding of the General Plan Rewrite Contract Consideration and possible action to award a Professional Services Contract to Matrix Design Group, Inc., to rewrite the Town's General Plan for an amount not to exceed \$300,000. (Laurie Lineberry, Development Services Director)
- b) Minor Subdivision Final Plat - Green Acres - Applicant Allen Foster Consideration and possible action to approve the Green Acres Minor Subdivision Final Plat to divide approximately 15 acres into three 5-acre parcels located on the north side of Center Street approximately 1000' east of the intersection of Road 1 East and East Center Street. (Will Dingee, Senior Planner)
- c) PSA - Michael Taylor Architects - Senior Center Kitchen Improvements Consideration and possible action to award a Professional Services Agreement (PSA) for design and post design services for the Community Development Block Grant (CDBG) Senior Center Kitchen and Parking Lot Renovation Project to Michael Taylor Architects, Inc. in an amount not to exceed \$45,000. (Terri Denemy, Town Manager's Office)
- d) PDR Amendment - PV Growers - Medical Marijuana Cultivation Site. Consideration and possible action to approve the amendment to the existing Medical Marijuana Protected Development Right Site Plan, PDR16-003, for PV Growers to allow for a reduction in the square footage of greenhouses and the addition of a processing/drying building. (Will Dingee, Senior Planner)

Senior Planner, Will Dingee, presented the following:

- This item was requested by the Cox family, who currently had an active Protected Development Right (PDR) to cultivate medical marijuana.
- A review of the property location was provided.
- The PDR was Council-approved in 2016 and would be active until July 2023. There was currently no Council approved site plan on file, but they had the ability to develop the site in accordance with the site plan until the PDR expired.
- The applicant was requesting to eliminate two of the three greenhouses on the 2016 site plan and replace them with a new processing building and an onsite grow room. The processing plant would be used to process dry packages for transportation, and the grow room would be used for starter plants.
- All of the requests were consistent with medical marijuana cultivation sites. Every other medical marijuana facility with a PDR in Town, had a processing building and starter room.

Council and staff discussed the following;

- The zoning for the property was Commercial Light, but the PDR allowed them to operate as legal non-conforming.
- This was for onsite processing to transport out of the facility.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to approve Consent Agenda Items 5(d) as written.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

**7 - 0 PASSED - Unanimously**

- e) Heritage Pointe Phase 3 Conditional Acceptance Consideration and possible action to approve Resolution No. 2022-1218 to accept the Heritage Pointe Subdivision Phase 3 street and public infrastructure improvements subject to a two-year warranty period. (Frank Marbury, Public Works Director / Town Engineer)
- f) Resolution 2022-1204 CVSLID Tax Levy Consideration and possible action to adopt Resolution No. 2022-1204, levying and assessing an ad valorem tax on the assessed value of all real and personal property within the boundaries of the Town of Chino Valley Street Lighting Improvement Districts (CVSLID) for fiscal year 2022-2023, pursuant to Section 48-616, Arizona Revised Statutes. (Joe Duffy, Administrative Services Director)

## 6) 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) Text Amendment - Guest House Rentals - TA-2022-07 Public Hearing and consideration and possible action to approve Ordinance 2022-920 amending the Town of Chino Valley Unified Development Ordinance by amending certain provisions of Chapter 2 related to the meaning of words and terms, and certain provisions of Chapter 4 related to guest houses. (Laurie Lineberry, Development Services Director)

**Recommended Action:** (i) Hold Public Hearing (ii) Approve Ordinance No. 2022-920

\*Referred back to Planning & Zoning for the August 2nd meeting and Public Hearing continued to the August 23rd Council Meeting.

Development Services Director, Laurie Lineberry, presented the following:

- This was a text amendment on guest houses that first came to the Council in a study session in November. The Planning Commission had two study sessions and a public hearing. There were changes made to the text during each of the meetings.
- The text amendment would allow guest houses with certain provisions to be rented.

The key provision was that the property owner had to live in one of the units on the property. This protected the neighbors and prevented absentee landlords. The property owner could live in either unit.

- There were already provisions in the residential code that allowed certain sized guest homes, which would not change.
- They would be requesting a document be signed and recorded with the County recorder. This would go with the property and show up in title searches.
- The original requirement of a stick-built structure was changed by the Planning Commission to include manufactured homes, but they had to be new models.

Council and staff discussed the following:

- The guest unit would not have a separate address, and structures would be listed as unit A or B.
- The requirement of the property owner living onsite meant that it was their primary residence and that both units would not be rented out to different people and the property owner lived elsewhere.
- There were definitions in State law that distinguished between manufactured homes and mobile homes.
- The two property units could be made architecturally compatible through roof design, building colors, or exterior structure embellishments, to be approved during the permitting stage.
- Under Additional Requirements (E), manufactured homes and mobile homes would be removed from the text.
- Manufactured homes had HUD labels from Arizona Department of Housing, which was not the case with park models or travel trailers.
- If there were an existing property that had a double-wide trailer used by the property owner and another behind it that was used for family that no longer lived there, staff would need to look at the dates for each unit and determine if it could be accommodated. If the second home was older than ten years, it would not meet the new provision. The Town attorney explained that if it were considered legal at the time the change was made, then it could be considered a legal non-conforming use. This was a defense if the Town were to enforce their codes and consider it illegal.

Mayor Miller opened the public hearing.

- Robert Switzer – Planning and Zoning Commissioner, explained that when discussed during their study sessions, they had stipulated that if it were a stick built primary residence, the secondary residence would also need to be stick built. Stick built and manufactured homes could not be mixed together. The architectural elements would also need to match both residences. Staff explained that the Commission had discussed that but had not made a motion specifically stating that. It was something that the Council could enforce. Mr. Switzer also thought that the Commission wanted to require manufactured homes to be on a foundation. Members wanted clarification from the Commission about their intent for the text changes.
- Sandra Tuttobene – questioned what "new" was and thought that her definition could be different than someone else. She thought that "new manufactured home" should be defined. There was also a requirement for only one utility meter, and she thought some people would want to revenue produce it and asked that it be defined better. She also wanted to know more about the requirement of no separate utility. She questioned how CC&R's would be considered.
- Larry Holt – questioned if existing zoning needed to be met. If he lived in zone R1, he should not be allowed to put a rental on his property. He agreed with Ms. Tuttobene

about the separate Town sewer and water hook up requirement. A lot of properties were not hooked up with the Town.

Mayor Miller closed the public hearing.

Council and staff discussed the following:

- “New” was supposed to be the current year at the time of the permit.
- The reason separate meters were not allowed was because code did not allow the units to be rented. It could be addressed with the Commission when they sent it back to them.
- If the property was on a well, they would share the well and it would be up to the County to share septic and water.
- The Town was not a party to CC&R’s and did not enforce them. The Town’s zoning code was their set of regulations. CC&R’s were a private contract between the property owners. The property owners could be stricter than the Town, and any CC&R regulations would need to be enforced by the property owners.
- In the single-family residential districts with one acre or more, a guest house was allowed. An SR1 and greater required 1,200 square feet of livable space or 50% gross square footage of the primary residence. An AR property was 1,200 square feet or 75% of the gross square footage of the primary residence, whichever was larger.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Tom Armstrong to defer Ordinance 2022-920, amending the Town of Chino Valley Unified Development Ordinance by amending certain provisions of Chapter 2 related to the meaning of words and terms, and certain provisions of Chapter 4 related to guest houses back to Planning & Zoning Commission August 2, 2022 meeting, and return the Item to Town Council on August 23, 2022, and continue the Council Public Hearing on August 23, 2022.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

**7 - 0 PASSED - Unanimously**

- b)** Mayor and Council Member Compensation Consideration and possible action to approve Resolution 2022-1217, repealing Resolution 18-1124, and fixing and setting the annual compensation for the offices of Mayor and Councilmember at \$9,000 and \$6,000, respectively, effective as of the first regularly scheduled meeting in December 2022. (Terri Denemy, Assistant to the Town Manager)

**Recommended Action:** Approve Resolution 2022-1217, repealing Resolution 18-1124 dated June 26, 2018, and fixing and setting the compensation of Mayor and Councilmembers at \$9,000 per year and \$6,000 per year, respectively, which shall become effective at the beginning of a new term.

Terri Denemy, Assistant to the Town Manager, presented the following:

- The Town Manager and Human Resources Offices collaborated to look at where the current elected official's compensation and stipend schedule was.
- The services of the members of the Council required significant time commitments and financial sacrifices. Their services extended beyond their regularly scheduled meetings and included other boards and committees.
- The stipends would provide compensation for the service and time commitments of the Council.
- The last time the stipend was updated was 2018, 2016, and 1983.
- The Mayor currently received \$500 monthly, and staff was proposing it be raised to \$750.
- Councilmembers received \$300 monthly, and staff was proposing \$500.
- The Town was currently second to last in total compensation for Council. The proposed increase moved them to be consistent with other regional areas.
- The action would require a repeal of Resolution 18-1124 to be replaced by Resolution 2022-1217.
- It would become effective after the general election in November.

Council and staff discussed the following:

- Some members had a difficult time approving their own raises.
- Members discussed the time commitment to the position.
- The stipend was taxed.

#### Public Comment

- Juliann Baker- questioned why the Council was making the decision. She thought it should be a decision that the people made. She thought the citizens should decide if they paid their elected officials or not. She did not have a problem with the stipend, because there was a huge amount of work just being a citizen attending the meetings. She had a hard time with the Town deciding who would be paid and how much. It was a poor community. Some Town employees were making four or five times the mean income that the Town made. The people of the Town had no say in the amount of pay. She thought the elected officials should get paid and they get rid of the Town Manager and other people. The people should vote on it. Town Attorney McGuire explained that the Town had a limited number of things that could be referred to the voters, and this was not one of them. The voters were capable of an initiative by themselves. The current process was set in code. Ms. Baker questioned the type of initiative. Mr. McGuire explained it would be a ballot initiative with the citizens of Town amending the Town Code provision about who set the compensation. It would also need to have a mechanism regarding whether each future increase would be voted on or provide a process for future increases. They could also petition the Council to make an amendment to the code.
- John Garden – did not have an issue with an increase. He was not even up there yet, and he felt like he was underpaid. He was surprised by the lack of people applying for Council positions. He did not think people took into consideration how much time was put into the position. He thought a higher stipend could attract more candidates.

MOVED by Vice-Mayor Annie Perkins, seconded by Councilmember Lon Turner - remotely (arrived 5:10) to approve Resolution 2022-1217, repealing Resolution 18-1124 dated June 26, 2018, and fixing and setting the compensation of Mayor and Councilmembers at \$9,000 per year and \$6,000 per year, respectively, which shall become effective at the beginning of a new term.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

NAY: Councilmember Eric Granillo

**6 - 1 PASSED**

## 7) ADJOURNMENT

MOVED by Councilmember Lon Turner - remotely (arrived 5:10), seconded by Councilmember Cloyce Kelly to adjourn the meeting at 6:56 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Annie Perkins, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Cloyce Kelly, Councilmember John McCafferty - remotely, Councilmember Lon Turner - remotely (arrived 5:10)

**7 - 0 PASSED - Unanimously**

\_\_\_\_\_  
Jack W. Miller, Mayor

ATTEST:

\_\_\_\_\_  
Erin N. Deskins, 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 \_\_\_\_\_, 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

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## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

6. a.

**Meeting Date:** 08/23/2022  
**Contact Person:** Laurie Lineberry, Development Services Director  
 Phone: 928-636-4427  
**Department:** Development Services  
**Estimated length of staff presentation:** 10 minutes  
**Physical location of item:** N/A

### AGENDA ITEM TITLE:

Public Hearing and consideration and possible action to approve Ordinance 2022-920 amending the Town of Chino Valley Unified Development Ordinance by amending certain provisions of Chapter 2 related to the meaning of words and terms, and certain provisions of Chapter 4 related to guest houses. (Laurie Lineberry, Development Services Director)

### RECOMMENDED ACTION:

- (i) Hold Public Hearing
- (ii) Approve Ordinance No. 2022-920

### SITUATION AND ANALYSIS:

This item was brought before Council on July 12th. After discussion, Town Council requested the item be sent back to Planning and Zoning Commission for clarification on the following Items:

- How is a "new" manufactured home defined?
- Should the text amendment state that site-built primary residences require site-built guesthouses and manufactured home primary residences require manufactured home guesthouses?
- Are manufactured homes required to be on a permanent foundation?
- Clarify if guest houses should have separate meters for utilities?
- How do CC&R's work with the Town Code, when the CC&Rs do not allow a use and the Town Code does?

These items were presented to the Planning and Zoning Commission during a special meeting held on August 9th. The findings of that meeting can be found in the attached *Update to Town Council*.

### Fiscal Impact

**Fiscal Impact?:** N/A  
**If Yes, Budget Code:**  
**Available:**

**Funding Source:**

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**Attachments**

Update to Town Council  
ORD 2022-920  
Text Amendment Language  
July 12 Town Council Staff Report  
Attachment 1 - P&Z minutes  
Attachment 2 - P&Z Staff Report

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## UPDATE

To: Town Council  
 From: Laurie Lineberry, Development Services Director  
 Date: August 10, 2022  
 Re: Guest Houses – Discussion with Planning Commission about items from July 12<sup>th</sup> Town Council Meeting

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On July 12<sup>th</sup>, the Town Council held a public hearing on the text amendment to allow Guest Houses, under certain conditions, to be rented. During that meeting, the Town Council requested clarification from the Planning Commission on a few items.

At the August 9<sup>th</sup>, 2022 Planning and Zoning Committee meeting, the Commission discussed the items in question with the following results:

1. *How is a “new” manufactured home defined?*

After much discussion, the Commission determined that “New” is defined as **a manufactured home unit that has never been lived in, not used, or occupied, and is no more than 2 years old from the date of manufacture (current and prior year model).**

The Commission tried to provide adequate boundaries with the definition to include new manufactured home units from the prior year that remained unsold and available for purchase and placement on a lot.

2. *Should the text amendment state that site-built primary residences require site-built guesthouses and manufactured home primary residences require manufactured home guesthouses?*

The Commission discussed the three scenarios noted below. The original discussion favored Scenario #3, which would allow site-built and manufactured homes to mix on one property. However, further discussion ensued about how to make site-built and manufactured homes architecturally compatible if they were allowed to share the same lot. Architectural features such as roof pitch, exterior building materials, porches and decks, garages, paint colors are very distinct for each type of construction. It was determined that it would be impossible to match these features between site-built and manufactured homes and make the two units appear to belong together visually on one site. With much discussion, the Commission ultimately decided it would be in the best interest of the town to preserve the existing character of neighborhoods throughout the Town, and that could only be done if Scenario #1 was used.

All but one member agreed. The following tables reflect the options that were available to the Commission:

| <b>Scenario #1</b>                     | SITE-BUILT<br>Guest House | MANUFACTURED HOME<br>GUEST HOUSE |
|----------------------------------------|---------------------------|----------------------------------|
| SITE-BUILT<br>Primary Residence        | <b>Allowed</b>            |                                  |
| MANUFACTURED HOME<br>Primary Residence |                           | <b>Allowed</b>                   |

| <b>Scenario #2</b>                     | SITE-BUILT<br>Guest House | MANUFACTURED HOME<br>GUEST HOUSE |
|----------------------------------------|---------------------------|----------------------------------|
| SITE-BUILT<br>Primary Residence        | <b>Allowed</b>            |                                  |
| MANUFACTURED HOME<br>Primary Residence | <b>Allowed</b>            | <b>Allowed</b>                   |

| <b>Scenario #3</b>                     | SITE-BUILT<br>Guest House | MANUFACTURED HOME<br>GUEST HOUSE |
|----------------------------------------|---------------------------|----------------------------------|
| SITE-BUILT<br>Primary Residence        | <b>Allowed</b>            | <b>Allowed</b>                   |
| MANUFACTURED HOME<br>Primary Residence | <b>Allowed</b>            | <b>Allowed</b>                   |

3. *Are manufactured homes required to be on permanent foundations?*

Yes, manufactured homes are required to be placed on permanent foundations. That action was included in the previous (original) motion made by the Planning Commission, in their recommendation of approval at the May 3<sup>rd</sup> meeting. The Planning Commission confirmed that position at their August 9<sup>th</sup> meeting.

4. *Clarify if guest houses should have separate meters for utilities.*

The current Guest House code does not allow for separate meters for utilities. Not allowing separate meters was a way to discourage renting of the second unit on the site (which was not allowed). The Commission discussed the options identified below:

- **require** all utilities (water, sewer, electricity, gas, cable) on-site to have, **separate meters** for guest houses,
- **not allow separate meters** for any utilities on-site, to guest houses, or,
- **allow the property owner to decide** if they choose to have their guest house separately metered.

It was noted that people pay attention to how they use utilities, if they are paying the bill. Since these units would be allowed to be rented out, the current position of not allowing separate utility meters isn't a position that currently serves a valid purpose. Discussion ensued about individual utilities and the costs or even ability to meter them separately. Ultimately, the Commission unanimously agreed to recommend allowing the individual property owner to decide if he/she wanted to have separate meters for any of the utilities serving the guest house on their property.

The last question was about CC&R's, the Town Code, and the enforcement of each when the rules may be different between the two.

5. *How do CC&R's work with the Town Code, when the CC&R's do not allow a use and the Town Code does?*

The Town is held accountable to enforce the ordinances that the Town Council adopts. The HOA is responsible for enforcing the CC&R's for their neighborhood. Property owners are responsible for receiving approval from their HOA for a guest house, or be subject to civil enforcement from their HOA.

At one point, a member of the commission raised a question about an entirely different section of the proposed ordinance - 4.1.7.d Additional Requirements, Driveways. The commission discussed the item, and felt that multiple driveways was not a concern as long as there was a 150' separation between driveways (the distance believed to be in the public works code for driveway separation.) The Commission was reminded that this item was not open for discussion, debate, or clarification, as it was not included in the items referred to them by the Council.

As a result of the Commission clarifications made at the August 9<sup>th</sup> Planning Commission meeting, the following changes are recommended in the proposed ordinance:

#### 4.1.7 Additional Requirements

- a. The guest house shall not have a separate primary property address.
- ~~b. The guest house shall not have a separate set of utility meters for water, electricity, or sewer connections.~~
- e. b. A minimum of one additional off-street parking space shall be required for the guest house.
- ~~d. c.~~ The guest house shall share a common driveway with the primary residence with no additional driveway access allowed from the street to accommodate the guest house.
- e. d. Mobile homes, travel trailers, park models, recreational vehicles and other similar structures shall be prohibited for use for all guest houses in all districts. Only site-built and new manufactured homes may become guest houses.
- ~~f. e.~~ All guest houses must be architecturally compatible with the principal residence on the site. **Architecturally compatible means similar construction materials, similar architectural style, same roof pitch and roofing materials, a mirroring of porches, entryways and decks, same color scheme, and same exterior treatment of the building finishes. If the principal residence is a manufactured home, the guest house must also be a manufactured home. If the principal residence is a site-built home, then the guest house must also be a site-built home.**

## ORDINANCE NO. 2022-920

### AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE TOWN OF CHINO VALLEY UNIFIED DEVELOPMENT ORDINANCE BY AMENDING CERTAIN PROVISIONS OF CHAPTER 2 RELATED TO THE MEANING OF WORDS AND TERMS, AND CERTAIN PROVISIONS OF CHAPTER 4 RELATED TO GUEST HOUSES.

**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 amending sections 2.1 (Meaning of Words and Terms) and 4.1 (General Provisions) as set forth herein (the “Text Amendment”); and

**WHEREAS**, the Town Council has determined that the Text Amendment is not in conflict with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or any other plan; and

**WHEREAS**, in accordance with Article II, Sections 1 and 2 of the Constitution of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this ordinance; and

**WHEREAS**, the Town Council has considered the probable impact of this ordinance on the cost to construct housing for sale or rent.

**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 hereby incorporated as if fully set forth herein.

Section 2. The definition of “guesthouse” in UDO section 2.1 (Meanings of Words and Terms) is hereby deleted in its entirety and replaced with the following:

**GUEST HOUSE OR GUESTHOUSE.** An accessory dwelling unit established in conjunction with a principal residence on the same lot. A guest house is a site-built or new manufactured home unit on a permanent foundation, featuring a kitchen, sleeping and full bathroom facilities; the guest house is subordinate in size and intensity in comparison to the principal residence, per individual zoning district requirements.

Section 3. The definition of “principal residence” is hereby added to UDO section 2.1 (Meanings of Words and Terms) to read as follows:

**PRINCIPAL RESIDENCE.** The primary single-family dwelling structure on a residential lot.

Section 4. UDO section 4.1 (General Provisions) is hereby deleted in its entirety and replaced with the following:

#### 4.1 GUEST HOUSES

1. **Purpose.** The purpose of this section is to allow for and regulate the establishment of accessory dwelling units for use as guest houses, including for use as rentals, while preserving the character and property values of neighboring properties. Benefits to the community may include expanding the existing housing supply and allowing older homeowners to remain in their homes while obtaining extra income, companionship and security. Requiring owner occupancy in conjunction with the rental is intended to help protect the stability and character of neighborhoods and reduce potential conflicts with surrounding single-family and agricultural neighbors.

2. **Applicability.** One guest house is permitted as an accessory dwelling unit to an existing or planned single-family dwelling, and may be rented out, provided that the provisions in this section are met. In no case shall more than two residential units exist on one lot (one principal residence and one guest house).

3. **Lot Size.** Guest houses are permitted on lots zoned one acre or larger. The lot must meet the minimum size required for the zoning district in which the guest house is proposed.

4. **Unit Size and Placement.** Unit size maximums are reflected in the zoning district in which the unit is being built. Each guest house shall have a minimum size of 400 square feet. Guest houses shall meet all of the same setbacks and building separation requirements as the principal residence and shall be located to the rear of the principal residence.

5. **Owner Occupancy and Registration.**

a. **Owner Occupancy.** No guest house may be rented unless the property owner resides on the property.

b. **Registration.** The property owner shall sign, and the Town shall record, an affidavit for the guest house as a rental unit, acknowledging that the owner must also reside on the property as long as the guest house is being rented.

6. **Existing Units.** Any guest houses existing at the date of adoption of this ordinance can qualify as a rental unit if the property is brought into compliance with the provisions of this section.

7. **Additional Requirements:**

a. The guest house shall not have a separate primary property address.

- b. A minimum of one additional off-street parking space shall be required for the guest house.
- c. The guest house shall share a common driveway with the principal residence. No additional driveway access is allowed from the street to accommodate the guest house.
- d. Mobile homes, travel trailers, park models, recreational vehicles, and other similar structures are prohibited for use as guest houses in all zoning districts. Only site-built and new manufactured homes may become guest houses.
- e. All guest houses must be architecturally compatible with the principal residence on the site. Architecturally compatible means similar construction materials, similar architectural style, same roof pitch and roofing materials, a mirroring of porches, entryways, and decks, same color scheme, and same exterior treatment of the building finishes. If the principal residence is a manufactured home, the guest house must also be a manufactured home. If the principal residence is a site-built home, then the guest house must also be a site-built home.

Section 5. 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 thereof.

Section 6. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Ordinance.

(SIGNATURES ON FOLLOWING PAGE)

**PASSED AND ADOPTED** by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 23rd day of August, 2022.

\_\_\_\_\_  
Jack W. Miller, Mayor

ATTEST:

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Gust Rosenfeld PLC, Town Attorney  
By: Andrew J. McGuire

I hereby certify the above foregoing Ordinance No. 2022-920 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on August 23, 2022, and that quorum was present, and that the vote thereon was \_\_\_\_\_ ayes and \_\_\_\_\_ nays and \_\_\_\_\_ abstentions. \_\_\_\_\_ Council members were absent or excused.

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

**PROPOSED CODE LANGUAGE:****2 DEFINITIONS****2.1 Meanings of Words and Terms**

**Guest House or Guesthouse** – An accessory dwelling unit established in conjunction with a principal residence on the same lot. A guest house is a site-built or new manufactured home unit on a permanent foundation, featuring a kitchen, sleeping and full bathroom facilities; the guest house is subordinate in size and intensity in comparison to the principal residence, per individual zoning district requirements.

**Principal Residence** – The primary single-family dwelling structure on a residential lot.

**4 GENERAL REGULATIONS****4.1 Guest Houses.**

1. **Purpose.** The purpose of this section is to allow for and regulate the establishment of accessory dwelling units for use as guest houses, including for use as rentals, while preserving the character and property values of neighboring properties. Benefits to the community may include expanding the existing housing supply and allowing older homeowners to remain in their homes while obtaining extra income, companionship and security. Requiring owner occupancy in conjunction with the rental is intended to help protect the stability and character of neighborhoods and reduce potential conflicts with surrounding single-family and agricultural neighbors.

2. **Applicability.** One guest house is permitted as an accessory dwelling unit to an existing or planned single-family dwelling, and may be rented out, provided that the provisions in this section are met. In no case shall more than two residential units exist on one lot (one principal residence and one guest house).

3. **Lot Size.** Guest houses are permitted on lots zoned one acre or larger. The lot must meet the minimum size required for the zoning district in which the guest house is proposed.

4. **Unit Size and Placement.** Unit size maximums are reflected in the zoning district in which the unit is being built. Each guest house shall have a minimum size of 400 square feet. Guest houses shall meet all of the same setbacks and building separation requirements as the principal residence and shall be located to the rear of the principal residence.

5. **Owner Occupancy and Registration.**

a. **Owner Occupancy.** No guest house may be rented unless the property owner resides on the property.

b. **Registration.** The property owner shall sign, and the Town shall record, an affidavit for the guest house as a rental unit, acknowledging that the owner must also reside on the property as long as the guest house is being rented.

6. **Existing Units.** Any guest houses existing at the date of adoption of this ordinance can qualify as a rental unit if the property is brought into compliance with the provisions of this section.

7. **Additional Requirements:**

- a. The guest house shall not have a separate primary property address.
- b. A minimum of one additional off-street parking space shall be required for the guest house.
- c. The guest house shall share a common driveway with the principal residence. No additional driveway access is allowed from the street to accommodate the guest house.
- d. Mobile homes, travel trailers, park models, recreational vehicles, and other similar structures are prohibited for use as guest houses in all zoning districts. Only site-built and new manufactured homes may become guest houses.
- e. All guest houses must be architecturally compatible with the principal residence on the site. Architecturally compatible means similar construction materials, similar architectural style, same roof pitch and roofing materials, a mirroring of porches, entryways and decks, same color scheme, and same exterior treatment of the building finishes. If the principal residence is a manufactured home, the guest house must also be a manufactured home. If the principal residence is a site-built home, then the guest house must also be a site-built home.

## **JULY 12, 2022 STAFF REPORT**

The Unified Development Ordinance (UDO) states that it “may be amended, supplemented, changed, modified or repealed when deemed necessary to best serve the public interest, health, comfort, convenience, safety and general welfare of the citizens of the Town.” This current text amendment request from staff is deemed necessary to best serve the public interest. The proposal is to modify Chapters 2 and 4 of the UDO as they pertain to guest houses. The primary purposes of the modifications are to revise the definition of a guest house to allow for renting of the unit under certain circumstances and to outline the general provisions that would allow a guest home to be built and to be rented.

Nation-wide and within the state of Arizona, housing availability is at an all-time low. The lack of homes for sale or rent, along with the recent increase in housing values, has made it nearly impossible for young families, teachers, police officers, and other similar workers to acquire adequate housing within the Town of Chino Valley. Current zoning regulations allow for the construction and use of a guest house on lots within the following districts: AR-5, AR-4, SR-2.5, SR-2, SR-1.6, and SR-1. Existing code does not allow guest houses to be rented out. Since 2014, 28 guest houses have been built within the Town of Chino Valley.

Within the 2014 General Plan Land Use Element, it discusses the trend of the increasing number of older generations in Chino Valley, reflecting a need for multi-generational housing (where at least two generations of family live on the same lot). This concept supports the renting of guest houses to others, to provide income for the primary resident, and to create housing for families and professionals that cannot find or afford available single-family housing.

This proposed amendment emphasizes the need for the property owner to live on the lot with the rented guest house. This is a requirement that helps to ensure oversight of the renters and the upkeep of the unit, protects the private property rights of neighboring property owners, while maintaining neighbor relations and positive property values.

If an owner desires to rent out a guest house, they will be required to register with an affidavit stating that they acknowledge that as the property owner, they agree to live on the property. The Town will record the acknowledgement so that it is reflected in a Title Search when the property changes hands. If the guest house is not being rented out, the owner is not required to live on the site.

Additional requirements for all guest houses include:

- No separate primary address for the guest house,
- No separate utility meters for the guest house,
- One off-street parking space,
- The main house and the guest house must share a common driveway,
- The guest house must be either a stick-built or a new Manufactured Home.
- Architecturally compatible with the principal residence.

This proposal was discussed with the Town Council at the work session on November 9, 2021 and with the Planning and Zoning Commission during the November 16, 2021 and April 5, 2022 work sessions.

The item was presented to the Planning and Zoning Commission on May 3rd.

The Commission forwarded a recommendation of approval to the Town Council with a 7-0 vote.

Minutes related to this item from the May 3rd Planning and Zoning Commission can be found in Attachment 1.

## **Attachment 1**

### **Minutes from the Planning and Zoning Commission**

**TA-2022-07 – GUEST HOUSE- TEXT AMENDMENT –** *Text Amendment to section 2.1 of the UDO revising the definition of guest house and replacement of existing section 4.1 in the UDO with general regulations for guest house development.*

**Lineberry** provided background details that in August of last year Staff went before the council and discussed this possible amendment. **Lineberry** explained that currently guesthouses are allowed in certain zoning districts, however guesthouses are not allowed to be rented. Staff researched other jurisdictions to see how they handled guesthouses, and some entities do allow guesthouses to be rented. The Town code currently allows guesthouses on properties that are a minimum of 1-acre in size, with the restriction that RV's are not allowed. Staff is recommending that the guesthouse be allowed to be rented out, with the requirement that the property owner live on site. There has been a shortage of affordable housing nationwide.

**Lineberry** continued with the staff proposal that the new guesthouse would be required to be "stick-built". The owners would also need to sign an affidavit stating that they understood & agreed to the requirement that they needed to live on-site, if they wanted to rent out their guesthouse.

**Switzer** asked about the installation date of existing manufactured homes and if they would be grandfathered. **Lineberry** stated yes, they would. Currently there are 24 guesthouses that have been permitted since 2014. **Somerville** asked about them being used as Air B&B. **Lineberry** stated that the state has exempted the town from having any control over Air B&B's. **Pasciak** asked about the fee to have a document recorded and if the owner would pay for that. **Dingee** shared that he thought the fee was under \$10 per page.

**Switzer** asked if there was currently illegal renting of these guesthouses and if Code Enforcement was involved. He also asked if an owner decided to move, and then rent out the home, could they only have one renter. **Lineberry** answered yes, because the owner would not be on-site. **Merritt** thought it sounded good, not perfect, but was the best attempt to bring the situation into focus and control illegal renting and also gives leverage to enact fines. **Lineberry** stated it was very hard to prove that rent is being paid since the federal definition of a family member is far-reaching.

**Chair Merritt** opened the meeting for public comment.

**Donna Armstrong** of 2160 Mohave Street felt that basically there were so many primary homes that were already mobile homes, that if the new guesthouses require stick-built, the renters would live better than the owner and that many guesthouses are just smaller mobile homes.

**Dan Main** felt that this situation has been a historic problem and staff has done a great job. He also shared that the town use to have impact fees that were used for roads and that the Library was built with impact fees too.

**Juliann Baker** of 2869 N Road 1 East, stated her question was that she currently has a mobile home and it's on 2-acres and if she built a guesthouse to use as a rental, if she moved off the property in order to rent out her house would she have to remove the mobile home. **Merritt** explained that her questions would be answered at the end of the public comment period.

**Mary Seale** shared that she understood the concerns about the guesthouse being stick-built but also wondered why there couldn't be a cutoff date for the year, like 2020, for the placement of a manufactured home which could be more affordable. She felt that many people may not be able to afford a stick-built home.

There were no further public comments. **Merritt** closed the public hearing.

**Merritt** asked Staff about the comments about the manufactured homes versus stick-built. **Lineberry** shared that Staff was proposing stick-built guesthouses after reviewing other jurisdictions which specifically

disallowed manufactured homes as guesthouses. She reminded the commission that this proposal could be changed to include manufactured homes. **Merritt** asked about the owner of the property moving, could there still be rental of the guesthouse? **Lineberry** restated that the owner needed to live on the property in order to rent out the guesthouse.

**Merritt** stated that this Unified Development Ordinance (UDO) revision provides the town the ability to control guesthouse rentals where none currently exists. **Lineberry** stated that there was an option to leave the code as it currently exists, but this amendment would provide protection to neighboring private properties since the property owner would be living on site to oversee any issues or concerns.

**Merritt** again had to remind the public, because there were comments being voiced out loud, that currently the rental of guesthouses was not being controlled and this text amendment was an attempt to bring it into an area that could be enforced. The proposed amendment may not be perfect but there were additional comments that audience members wanted to voice they would need to attend the Town Council meeting, because the public portion of the current meeting had been closed. The commission doesn't make the rules, but has to abide by them, and responding to the public chatter at the meeting was not adhering directly to the rules. However, **Lineberry** stated the options available are to leave things the way they are, or place these restrictions and keep neighboring property from being infringed upon by renters, who aren't suppose to be there right now, and that there is currently no control over.

**Switzer** stated that he would like to see a recommendation that manufactured homes be allowed as long as they are on a permanent foundation and that even stick-built should have some architectural design to match the existing home. **Lineberry** added that she did find in the other jurisdictions there were design standards and the requirement for permanent foundations. **Merritt** also mentioned defining a manufactured cut-off date for moving existing units onto a property. **Lineberry** stated the currently manufactured cut-off date is 1976. **Dingee** asked **Switzer** if he was wanting only new units. **Switzer** agreed with that comment. **Merritt** felt that older than 5 to 10 years they start to show wear and tear, and he didn't want to go back to 1976. **Switzer** restated that the units needed to be new. **Merritt** said he was ok with that and felt that the recommendation should include units on a permanent foundation,

**A motion was made by Commissioner Switzer and seconded by Vice Chair Pasciak to approve TA-2022-07, as presented by staff and adding the condition that manufactured home would be allowed as long as they are new and built on a permanent foundation with same architectural features as the existing home. Lineberry added that the definition would also be revised to add new manufactured homes. This motion passed with a 7-0 vote.**

## **Attachment 2**

### **Staff Report from Planning and Zoning Commission**



**TOWN OF CHINO VALLEY**  
**Planning Commission Staff Report**  
**May 3, 2022**  
**File Number TA-2022-07**  
**Text Amendment**

**PROJECT DESCRIPTION:** This is a request for a Text Amendment to Section 2.1 of the Chino Valley Unified Development Ordinance revising the definition of Guest House and replacement of existing Section 4.1 with General Regulations for Guest House development.

**BACKGROUND AND ANALYSIS:**

The Unified Development Ordinance (UDO) states that it “may be amended, supplemented, changed, modified or repealed when deemed necessary to best serve the public interest, health, comfort, convenience, safety and general welfare of the citizens of the Town.” This current text amendment request from staff, is deemed necessary to best serve the public interest. The proposal is to modify Chapters 2 and 4 of the UDO as they pertain to Guest Houses. The primary purposes of the modifications are to revise the definition of a Guest House to allow for renting of the unit under certain circumstances and to outline the general provisions that would allow a Guest Home to be built and to be rented.

Nation-wide and within the state of Arizona, housing availability is at an all-time low. The lack of home numbers for sale or rent, along with the recent increase in housing values, has made it nearly impossible for young families, teachers, police officers and other similar workers to acquire adequate housing within the Town of Chino Valley. Current zoning regulations allow for the construction and use of a Guest House on lots within the following districts: AR-5, AR-4, SR-2.5, SR-2, SR-1.6, and SR-1. Existing code does not allow Guest Houses to be rented out. Since 2014, 28 Guest Houses have been built within the Town of Chino Valley.

Within the 2014 General Plan Land Use Element, it discusses the trend of the increasing number of older generations in Chino Valley, reflecting a need for multi-generational housing (where at least two generations of family live on the same lot). This concept supports the renting of Guest Houses to others, to provide income to the primary resident and to create housing for the families and professionals that cannot find or afford available single-family housing.

This proposed amendment emphasizes the need for the property owner to live on the lot with the rented Guest House. This is a requirement that helps to ensure oversight of the renters and the upkeep of the unit, protects the private property rights of neighboring property owners, while maintaining neighbor relations and positive property values.

If an owner desires to rent out a guest house, they will be required to register with an affidavit stating that they acknowledge that as the property owner, they agree to live on the property. The Town will record the acknowledgement so that it reflects in a Title Search when the property changes hands. If the Guest House is not being rented out, the owner is not required to live on the site.

Additional requirements for all Guest Houses include:

- No separate primary address for the Guest House,
- No separate utility meters for the Guest House,
- One off-street parking space,
- The main house and the guest house must share a common driveway,
- The Guest House must be stick-built.

This proposal was discussed with the Town Council at the work session on November 9<sup>th</sup>, 2021 and with the Planning and Zoning Commission during the November 16<sup>th</sup>, 2021 and April 5<sup>th</sup> 2022 work sessions. Based on these discussions with the Commission and Council, Staff is proposing the attached amendment to the provisions of Guest Houses within the UDO.

The proposed text amendment is reflected in Attachment A

**Staff Recommendation:** Staff recommends **APPROVAL** of the text amendment to the Town of Chino Valley Unified Development Ordinance, Chapter 154, by amending Chapter 2 Definitions and Chapter 4 General Regulations, by revising the definition and adding a new section outlining General Regulations for Guest Houses.

---

**SUGGESTED COMMISSION MOTION:** Move to **APPROVE** Text Amendment T-2022-07 as reflected in Attachment A, subject to the staff report and information provided during this hearing.

---

**Effect of the Approval:** By approving the Text Amendment, the Planning and Zoning Commission is recommending that the Town Council approve the text amendment to amend Chapters 2 and 4 of the UDO which creates new general regulations for Guest Houses.

## Attachments

|                         |
|-------------------------|
| <b>A</b>                |
| Text Amendment Language |

**By:**

Laurie Lineberry, AICP  
 Development Services Director  
[llineberry@chinoaz.net](mailto:llineberry@chinoaz.net)  
 (928)636-4427, x1217

**Date:** May 3, 2022

## Attachment A

### Text Amendment Language

## 2 DEFINITIONS

### 2.1 Meanings of Words and Terms

**Guest House** – A guest house is an additional dwelling unit established in conjunction with a single-family dwelling on the same lot. A guest house is a site-built unit on a permanent foundation featuring a kitchen, sleeping and full bathroom facilities; the guest house is subordinate in size and intensity in comparison to the principle dwelling unit, per individual zoning district requirements. A guest house may be rented out, subject to UDO §4.1 Guest House. See General Regulations 4.1 for requirements and restrictions.

## 4 GENERAL REGULATIONS

### 4.1 Guest House.

**Purpose.** The purpose of this section is to allow for and regulate the establishment of accessory dwelling units, whether for rent or not, while preserving the character and property values of the neighborhood. The ability to rent guest houses is one way of expanding the existing housing supply. It also allows older homeowners to remain in their homes and obtain extra income, companionship and security. It allows extended family members a place to stay within the confines of their own residence, while paying rent. In no case shall a guest house be required to be rented.

**Applicability.** One guest house is permitted as an accessory dwelling to an existing or planned single-family dwelling unit, provided that the provisions in this section are met. In no case can more than two residential units exist on one lot (one primary residence and one guest house).

**Lot Size.** Guest houses are permitted on lots zoned one acre or larger. The lot must meet the minimum size required for the zoning district where the guest house is proposed.

**Unit Size and Placement.** Unit size maximums are reflected in the zoning district in which the unit is being built. Each guest house shall have a minimum size of 400 square feet. Guest houses shall meet all setbacks and building separation requirements as the primary residence and shall be located to the rear of the primary residence.

**Owner Occupancy and Registration.** It is required that the property owner reside on the property, whether it be in the principal unit or the guest house, if the guest house is to be rented. Owner occupancy is intended to help protect the stability and character of a neighborhood and reduce potential conflicts with surrounding single-family and agricultural neighbors.

If a guest house is to be used as a rental, the property owner shall sign and the Town shall record an affidavit for the guest house as a rental unit, acknowledging that the owner must also reside on the property as long as the guest house is being rented.

**Existing Units.** Guest houses existing at the date of adoption of this ordinance can qualify as a rental unit if the property is brought into compliance with the provisions of this section.

#### **Additional Requirements:**

- a. The guest house shall not have a separate primary property address.
- b. The guest house shall not have a separate set of utility meters for water, electricity, or sewer connections.
- c. A minimum of one additional off-street parking space shall be required for the guest house.
- d. The guest house shall share a common driveway with the primary residence with no additional driveway access allowed from the street to accommodate the guest house.
- e. Manufactured homes, mobile homes, travel trailers, park models, recreational vehicles and other similar structures shall be prohibited for use for all guest houses in all districts.



## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

6. b.

**Meeting Date:** 08/23/2022

**Contact Person:** Will Dingee, Senior Planner  
Phone: 928-636-4427 x-1233

**Department:** Development Services

**Estimated length** 5 minutes

**of staff presentation:**

**Physical location of item:** Approximately 400 feet east of the intersection of Arizona Trail and Granite Creek Lane, on the North Side of Granite Creek Lane. 306-17-110D

### AGENDA ITEM TITLE:

Public hearing and consideration and possible action to approve Ordinance 2022-921, to rezone approximately 1 acre of land from Industrial (I) to Single Family Residential 1 Acre Minimum (SR-1), for property generally located on the north side of Granite Creek road, between Home Lane and Misty Lane (APN 306-17-110D). (Will Dingee, Senior Planner).

### RECOMMENDED ACTION:

(i) Hold Public Hearing (ii) Approve Ordinance 2022-921 as presented, subject to the staff report, information provided during this hearing, and conditions found in Attachment 1.

### SITUATION AND ANALYSIS:

#### Staff Analysis:

The applicant is applying for a Rezone from the Industrial (I) zoning district to Single Family Residential 1 Acre (SR-1) zoning district, with the intent to use the property as a residential lot.

#### Zoning:

Section 3.11.B.1 of the Unified Development Ordinance lists “One (1) single-family dwelling” as a permitted use within the Single Family Residential 1 Acre Minimum (SR-1) zoning district. The resulting rezone will be the same zoning designation as the adjacent surrounding properties.

#### General Plan:

The zoning request of Single Family Residential 1 Acre Minimum (SR-1) zoning district will bring the property into conformance with the General Plan’s land use designation of Medium Density Residential (2 acres or less) for the property.

#### Planning and Zoning Commission:

The item went before the Commission on July 5, 2022. There were no questions or comments received from either the public or the Commission. The item received a recommendation of **approval with a 7-0 vote**

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**Fiscal Impact**

**Fiscal Impact?:** N/A

**If Yes, Budget Code:**

**Available:**

**Funding Source:**

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**Attachments**

ORD - 2022-921 - Rezone Rokey I to SR1

Attachment 1 Conditions of Approval

Attachment 2 Planning and Zoning Staff Report

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When Recorded, Return to:

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

### **ORDINANCE NO. 2022-921**

**AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING A CHANGE OF ZONING AND AMENDMENT TO THE OFFICIAL ZONING MAP FOR APPROXIMATELY 1 ACRE OF REAL PROPERTY GENERALLY LOCATED ON THE NORTH SIDE OF GRANITE CREEK ROAD, BETWEEN HOME LANE AND MISTY LANE, FROM I (INDUSTRIAL) TO SR-1 (SINGLE FAMILY RESIDENTIAL 1-ACRE MINIMUM).**

**WHEREAS**, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to amend the Town of Chino Valley (the "Town") Official Zoning Map for approximately 1 acre of real property generally located on the north side of Granite Creek Road, between Home Lane and Misty Lane, (APN 306-17-110D), from I (Industrial) to SR-1 (Single Family Residential 1-Acre Minimum), as described in Exhibit 1 and shown on the Zoning Map in Exhibit 2, both attached hereto and incorporated herein by reference, (the "Zoning Map Amendment"); and

**WHEREAS**, the Town Council has determined that this Zoning Map Amendment conforms with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or other plan, any overlay zoning district, and the standards and design requirements contained in the Unified Development Ordinance of the Town of Chino Valley (the "UDO"); 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 Zoning Map Amendment; and

**WHEREAS**, in accordance with Article II, Sections 1 and 2 of the Constitution of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this ordinance; and

**WHEREAS**, the Town Council has considered the probable impact of this ordinance on the cost to construct housing for sale or rent.

**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 hereby incorporated as if fully set forth herein.

**Section 2:** The Zoning Map Amendment is hereby approved and the Official Zoning Map is hereby amended for property consisting of approximately 1 acre, as described in Exhibit 1 and shown on the Zoning Map in Exhibit 2, both attached hereto and incorporated herein by

reference, to rezone the property from I (Industrial) to SR-1 (Single Family Residential 1-Acre Minimum) to use the property as a residential lot, subject to the requirements of the Chino Valley Town Code and the UDO.

**Section 3:** The Town Manager is directed, upon the effective date of this ordinance, to cause the Official Zoning Map to reflect the Zoning Map Amendment as applicable to the property, indicating the zoning is subject to compliance with the stipulations provided herein.

**Section 4:** If any provision of this ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct and independent of all other provisions, and such holding shall not affect the validity of the remaining portions of this Ordinance.

**Section 5:** The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed 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 August, 2022.

\_\_\_\_\_  
Jack W. Miller, Mayor

ATTEST:

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, Town Attorney  
Gust Rosenfeld, PLC

I hereby certify the above foregoing Ordinance No. 2022-921 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on August 23, 2022, and that quorum was present, and that the vote thereon was \_\_\_\_ ayes and \_\_\_\_ nays and abstentions. \_\_\_\_ Council members were absent or excused.

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

EXHIBIT 1  
TO  
ORDINANCE 2022-921

[Legal Description]

PARCEL A, RECORD OF SURVEY, recorded in Book 137 of Surveys, Page 48, records of Yavapai County, being a portion of Section 11, Township 16 North, Range 2 West, Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the Northwest corner of said Section 11;

THENCE, North 89 degrees 58 minutes East, 2974.72 feet along the North line of said Section 11 to a point, said point being the Northeast corner of Sunrise, recorded in Book 19 of Maps, Page 21, records of Yavapai County, Arizona;

THENCE, South 00 degrees 16 minutes 10 seconds East, along the East line of said Sunrise, 1840.00 feet to the Southeast corner thereof;

THENCE, South 89 degrees 56 minutes 41 seconds East, 397.50 feet to a point on the North line of that certain parcel recorded in Book 767 of Official Records, Page 145, records of Yavapai County, Arizona to the POINT OF BEGINNING;

THENCE, North 00 degrees 15 minutes 33 seconds West, 250.73 feet;

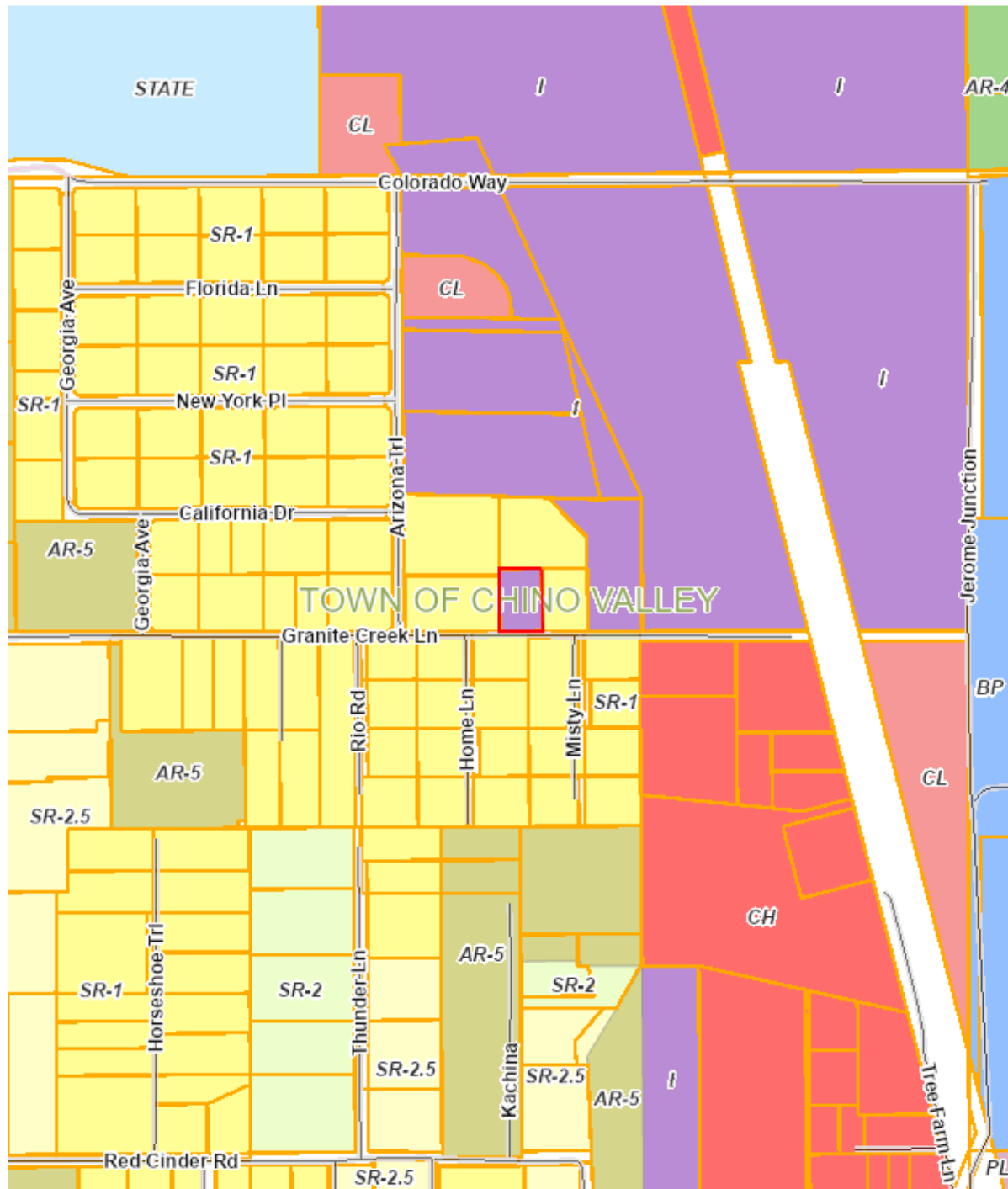
THENCE, South 89 degrees 56 minutes 45 seconds East, 173.40 feet;

THENCE, South 00 degrees 26 minutes 15 seconds East, 250.74 feet to a point on the North line of that said certain parcel recorded in Book 767 of Official Records, Page 145;

THENCE, North 89 degrees 56 minutes 41 seconds West, 174.18 feet to the POINT OF BEGINNING.

EXHIBIT 2  
TO  
ORDINANCE 2022-921

[Zoning Map]



**Attachment 1**  
**Conditions of Approval**

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed rezone for the site:

**Development Services Comments: Laurie Lineberry, Director, 928 636-4427- x1217**

1. The conditions listed below are in addition to Town codes, rules, fees, and regulations that are applicable to this action.
2. The Owner's signature on the application for this land use action request takes the place of the requirement for a separate "Waiver of Claims" document.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.

## **Attachment 2**

### **Staff Report from Planning and Zoning Commission**



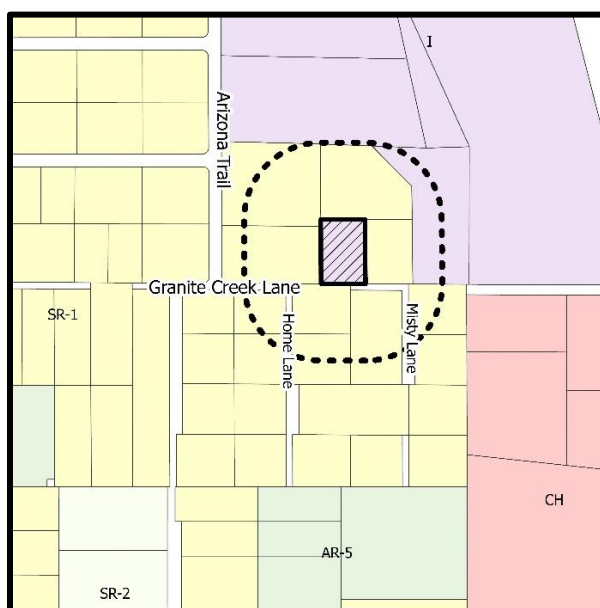
**TOWN OF CHINO VALLEY**  
**Planning Commission Staff Report**  
**July 5, 2022**  
**File Number ZC-2022-04**  
**Rezone**

**PROJECT DESCRIPTION**

This is a request by Jacob and Autumn Rokey to rezone approximately 1 acre of land from Industrial (I) to Single Family Residential 1 Acre Minimum (SR-1), for property generally located on the north side of Granite Creek road, between Home Lane and Misty Lane.

**LOCATION DATA**

|       | Existing Zoning                                 | Use(s) on-site | General Plan Designation                  |
|-------|-------------------------------------------------|----------------|-------------------------------------------|
| Site  | Industrial (I)                                  | Vacant Land    | Medium Density Residential (2 ac or less) |
| North | Single Family Residential 1 Acre Minimum (SR-1) | Residential    | Medium Density Residential (2 ac or less) |
| South | Single Family Residential 1 Acre Minimum (SR-1) | Residential    | Medium Density Residential (2 ac or less) |
| East  | Single Family Residential 1 Acre Minimum (SR-1) | Residential    | Medium Density Residential (2 ac or less) |
| West  | Single Family Residential 1 Acre Minimum (SR-1) | Residential    | Medium Density Residential (2 ac or less) |

**LOCATION MAP**


**PRIOR SITE ACTIONS:** No prior site actions.

**STAFF RECOMMENDATION:** Staff recommends that the Planning and Zoning Commission forward to the Town Council a recommendation of **APPROVAL** to rezone approximately 1 acre of land from Industrial (I) to Single Family Residential 1 Acre Minimum (SR-1), for property generally located on the north side of Granite Creek road, between Home Lane and Misty Lane, with Conditions of Approval found in Attachment A.

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**SUGGESTED MOTION:** Move to **APPROVE** Rezone ZC-2022-04 as presented, subject to the staff report and information provided during this hearing, and the Conditions of Approval in Attachment A

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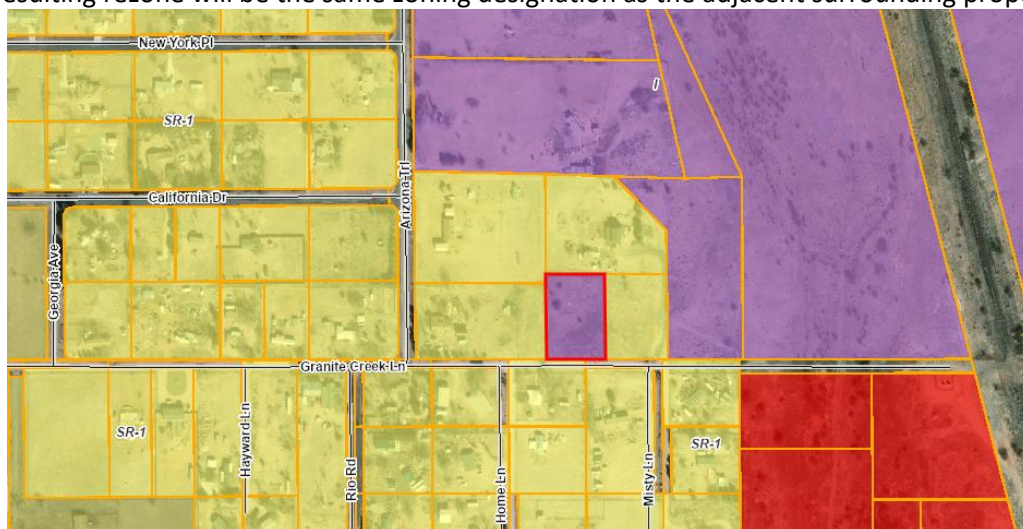
**EFFECT OF THE APPROVAL:** By approving this Rezone, the Planning and Zoning Commission is recommending approval to Town Council to approve the rezoning of approximately 1 acre of land from Industrial (I) to Single Family Residential 1 Acre Minimum (SR-1), for property generally located on the north side of Granite Creek road, between Home Lane and Misty Lane, subject to the staff report and information provided during this hearing, and affirmatively finds that the request is in conformance with the General Plan.

#### Staff Analysis:

The applicant is applying for a Rezone from the Industrial (I) zoning district to Single Family Residential 1 Acre (SR-1) zoning district, with the intent to use the property as a residential lot.

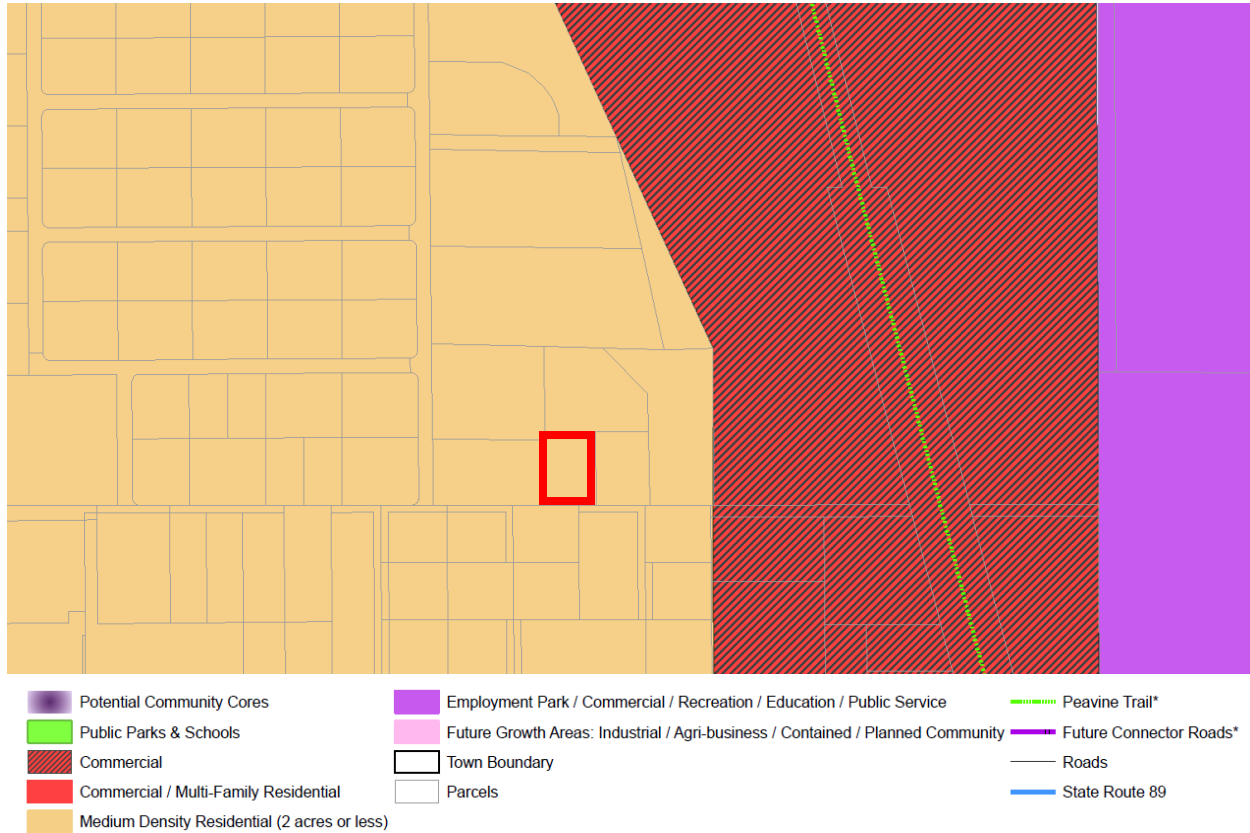
#### Zoning

Section 3.11.B.1 of the Unified Development Ordinance lists “One (1) single-family dwelling” as a permitted use within the Single Family Residential 1 Acre Minimum (SR-1) zoning district. The resulting rezone will be the same zoning designation as the adjacent surrounding properties.



## General Plan

The zoning request of Single Family Residential 1 Acre Minimum (SR-1) zoning district will bring the property into conformance with General Plan's land use designation of Medium Density Residential (2 acres or less) for the property.



**EXTERNAL AGENCY COMMENTS:** One comment received - APS. See Attachment B

**NEIGHBORHOOD MEETING COMMENTS:** No community members were in attendance.

**PROPOSED CONDITIONS DELIVERED** June 20, 2022  
**TO APPLICANT ON:**

|   |                                                                                                               |
|---|---------------------------------------------------------------------------------------------------------------|
| X | Applicant agreed with all of the conditions of approval on (June 20, 2022)                                    |
|   | Applicant did not agree with the following conditions of approval: (list #'s)                                 |
|   | If the Planner is unable to make contact with the applicant – describe the situation and attempts to contact. |

## ATTACHMENTS:

| A                      | B                        | C                             | D                    | E              |
|------------------------|--------------------------|-------------------------------|----------------------|----------------|
| Conditions of Approval | External Agency Comments | Neighborhood Meeting Comments | Site Plan & Exhibits | Staff Research |

## PREPARED BY:

## DATE:

BETHAN HENG, PLANNER

JUNE 20, 2022

(BHENG@CHINOAZ.NET)

928 636-4427 - x1295

## APPROVED BY:

LAURIE LINEBERRY, AICP

DEVELOPMENT SERVICES DIRECTOR

|                                                                                          |
|------------------------------------------------------------------------------------------|
| <p style="text-align: center;"><b>ATTACHMENT A</b><br/><b>CONDITIONS OF APPROVAL</b></p> |
|------------------------------------------------------------------------------------------|

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed rezone for the site:

**Development Services Comments: Laurie Lineberry, Director, 928 636-4427- x1217**

1. The conditions listed below are in addition to Town codes, rules, fees, and regulations that are applicable to this action.
2. The Owner's signature on the application for this land use action request takes the place of the requirement for a separate "Waiver of Claims" document.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.

**ATTACHMENT E**  
**STAFF RESEARCH**

|                                                                                                                                                                                                                                                                                                                                              |           |       |                 |        |                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------|-----------------|--------|---------------------------------|
| DATE:                                                                                                                                                                                                                                                                                                                                        | 5/12/2022 | NAME: | MONIQUE HOLIDAY | TITLE: | CUSTOMER PROJECT REPRESENTATIVE |
| AGENCY:                                                                                                                                                                                                                                                                                                                                      | APS       |       |                 | PHONE  | (928) 443-6612                  |
| <p>The only comments I have from APS is that there should be an electric utility easement that cuts straight across the parcel. If the customer is wanting to build at the location of the easement, they will be responsible for relocating that line at their cost and the new easement will need to be secured before they can build.</p> |           |       |                 |        |                                 |

**ATTACHMENT C**  
**NEIGHBORHOOD MEETING COMMENTS**

**DATE MEETING HELD:** MAY 25, 2022

**LOCATION:** BETWEEN HOME LANE AND MISTY LANE

**ATTENDEES:**

PROPERTY OWNER: JACOB ROKEY

TOWN STAFF: WILL DINGEE (SENIOR PLANNER) & BETHAN HENG (PLANNER)

NEIGHBORS IN ATTENDANCE : NONE

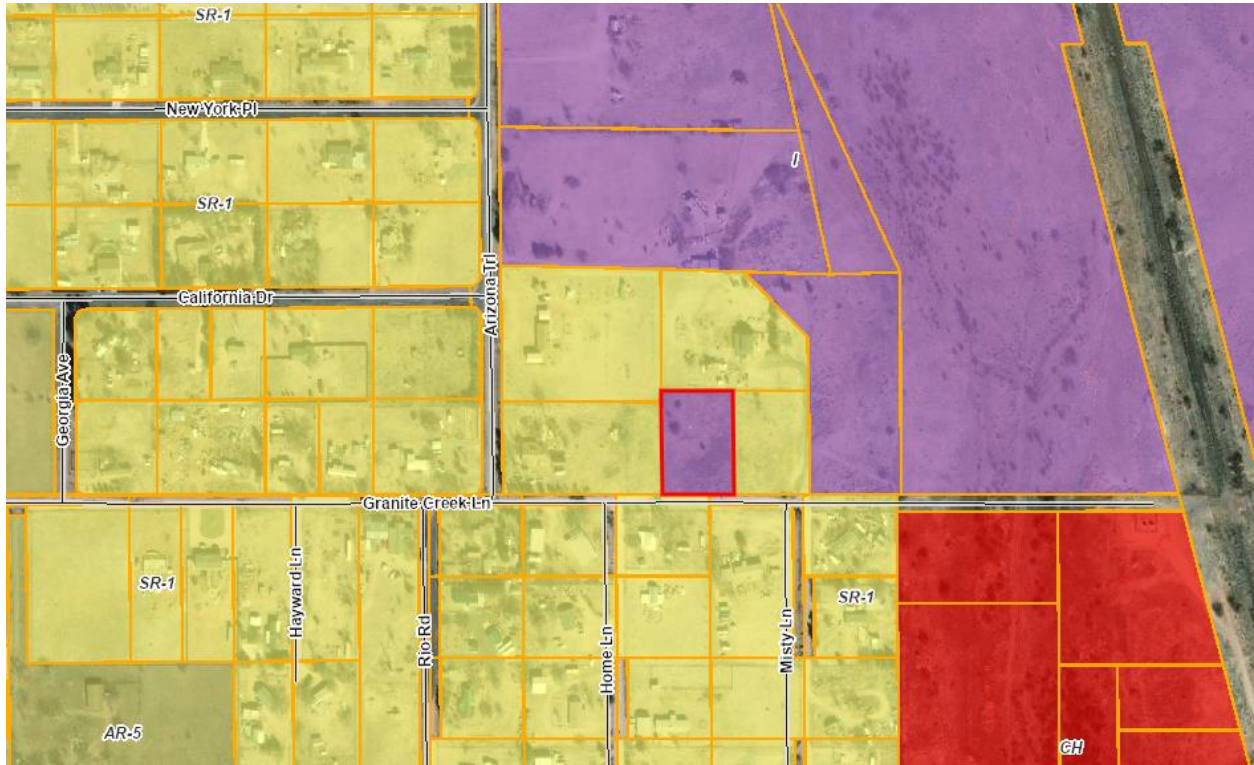
**SUMMARY OF ATTENDEE(S') COMMENTS RELATED TO THE PROJECT:**

NO COMMUNITY MEMBERS WERE IN ATTENDANCE.

# ATTACHMENT D SITE PLAN AND EXHIBITS

APN# 306-17-110D

ADDRESS: GRANITE CREEK ROAD



ATTACHMENT E  
STAFF RESEARCH

**STAFF RESEARCH – REZONE****CASE #: ZC-2022-04****CASE PLANNER: BETHAN HENG****I. PROJECT DATA**

|                             |                         |     |     |    |  |
|-----------------------------|-------------------------|-----|-----|----|--|
| Project Location:           | Granite Creek Lane      |     |     |    |  |
| Parcel Number(s):           | 306-17-110D             |     |     |    |  |
| Parcel Size(s):             | 1 Acre                  |     |     |    |  |
| Total Acreage:              | 1 Acre                  |     |     |    |  |
| Proposed Dwelling Units:    | N/A                     |     |     |    |  |
| Address:                    | 1638 Granite Creek Lane |     |     |    |  |
| Applicant:                  | Jacob and Autumn Rokey  |     |     |    |  |
| Applicant's Agent:          | -                       |     |     |    |  |
| Land Use Conformity Matrix: | Conforms:               | Yes | X   | No |  |
| Zoning Overlay              | PAD                     |     | N/A |    |  |

|              | Existing Zoning                                    | Use(s) on-site | General Plan Designation                        |
|--------------|----------------------------------------------------|----------------|-------------------------------------------------|
| <b>Site</b>  | Industrial (I)                                     | Vacant         | Medium Density Residential<br>(2 Acres or less) |
| <b>North</b> | Single Family Residential 1<br>Acre Minimum (SR-1) | Residential    | Medium Density Residential<br>(2 Acres or less) |
| <b>South</b> | Single Family Residential 1<br>Acre Minimum (SR-1) | Residential    | Medium Density Residential<br>(2 Acres or less) |
| <b>East</b>  | Single Family Residential 1<br>Acre Minimum (SR-1) | Residential    | Medium Density Residential<br>(2 Acres or less) |
| <b>West</b>  | Single Family Residential 1<br>Acre Minimum (SR-1) | Residential    | Medium Density Residential<br>(2 Acres or less) |

|                                 |                 |   |    |   |                                                                        |
|---------------------------------|-----------------|---|----|---|------------------------------------------------------------------------|
| Prior Cases or Related Actions: |                 |   |    |   |                                                                        |
| <u>Type</u>                     | <u>Conforms</u> |   |    |   | <u>Cases, Actions or Agreements</u>                                    |
| Pre-Annexation Agreement        | Yes             |   | No | X |                                                                        |
| Annexation                      | Yes             | X | No |   | Original Town – September 21, 1970                                     |
| General Plan Amendment          | Yes             |   | No | X |                                                                        |
| Development Agreement           | Yes             |   | No | X |                                                                        |
| Rezone                          | Yes             |   | No | X | Zoned as "Light Manufactured" (Industrial) at time of Annexation.      |
| Subdivision                     | Yes             | X | No |   | Resulting lot from a lot split in 2016.<br>(Sister Parcel 306-17-110D) |
| Conditional Use Permit          | Yes             |   | No | X |                                                                        |
| Pre-Application Meeting         | Yes             | X | No |   | April 6, 2022                                                          |
| Enforcement Actions             | Yes             |   | No | X |                                                                        |
| Land Division Status:           | N/A             |   |    |   |                                                                        |
| Irrigation District:            | N/A             |   |    |   |                                                                        |

**II. TOWN OF CHINO VALLEY GENERAL PLAN**

|                                     |            |                                                                  |  |
|-------------------------------------|------------|------------------------------------------------------------------|--|
| <b>Land Use Element:</b>            |            |                                                                  |  |
| Land Use Designation:               |            | Medium Density Residential (2 Acres or less)                     |  |
| Issues:                             |            | N/A                                                              |  |
| <b>Public Services Element:</b>     |            |                                                                  |  |
| Water Facility Plan:                | Source:    | Applicant plans to use a private well on subject property        |  |
| Sewer Facility Plan:                | Treatment: | Applicant plans to use private septic system on subject property |  |
| Issues:                             |            | X                                                                |  |
| <b>Safety Element:</b>              |            |                                                                  |  |
| Flood Plain Designation:            |            | N/A                                                              |  |
| Issues:                             |            | N/A                                                              |  |
| <b>Transportation Element:</b>      |            |                                                                  |  |
| Road Classification                 |            | N/A                                                              |  |
| Issues:                             |            | N/As                                                             |  |
| <b>Parks and Rec Element:</b>       |            |                                                                  |  |
| Closest Park:                       |            | Chino Valley Equestrian Park – 1.14 Miles                        |  |
| Within 1 mile of the Peavine Trail? |            | Yes                                                              |  |

**NOTIFICATION**

- **Legal Ad Published: The Sun** (06/07/2022)
- **300' Vicinity Mailing:** (05/16/2022)
- **21 Commenting/Reviewing Agencies noticed:** (05/23/2022)
- **Neighborhood Meeting:** (05/25/2022)
- **Hearing Dates:** (07/05/2022)
- **Comments Due:** (05/30/2022)

| <b>External List (Comments)</b>                        | <b>Response Received</b> | <b>Date Received</b> | <b>"No Comment"</b>    | <b>Written Comments</b>   | <b>Comments Attached</b> |
|--------------------------------------------------------|--------------------------|----------------------|------------------------|---------------------------|--------------------------|
| Chuck Dowdy – CAFMA                                    | N                        | -                    |                        |                           |                          |
| Monica Holiday – APS                                   | Y                        | 5/12/2022            |                        | Y                         | Y                        |
| Richard Perez - A.D.O.T.                               | Y                        | 5/12/2022            | Y                      |                           |                          |
| Ralph Baker – C.V.I.D.                                 | N                        | -                    |                        |                           |                          |
| Suzann E. – YC ENV                                     | N                        | -                    |                        |                           |                          |
| Jon Groulx – YC Health                                 | N                        | -                    |                        |                           |                          |
| SparkLite Cable                                        | N                        | -                    |                        |                           |                          |
| Century Link Cable                                     | N                        | -                    |                        |                           |                          |
| Unisource Gas                                          | N                        | -                    |                        |                           |                          |
| CVUSD                                                  | N                        | -                    |                        |                           |                          |
| United States Postal Service                           | N                        | -                    |                        |                           |                          |
| <b>Town of Chino Valley Internal List (Conditions)</b> | <b>Response Received</b> | <b>Date Received</b> | <b>"No Conditions"</b> | <b>Written Conditions</b> | <b>Comments Attached</b> |
| Bethan Heng – Planner (DS)                             | N/A                      | -                    |                        |                           |                          |
| Will Dingee – Senior Planner (DS)                      | N/A                      | -                    |                        |                           |                          |
| Laurie Lineberry – DS Director                         | N/A                      | -                    |                        |                           |                          |
| Frank Marbury – PW Director                            | N/A                      | -                    |                        | s                         |                          |

|                                          |     |   |  |  |  |
|------------------------------------------|-----|---|--|--|--|
| Steve Sullivan – Assistant Engineer (PW) | N/A | - |  |  |  |
| Jim Shinost – Plans Examiner (DS)        | N/A | - |  |  |  |
| Dan Trout – CBO (DS)                     | N/A | - |  |  |  |
| David Jamie – Code Enforcement           | N/A | - |  |  |  |
| Damon Stanley – Code Enforcement         | N/A | - |  |  |  |
| Chuck Winn – Chief of Police (Police)    | N/A | - |  |  |  |

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## TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

### Town Council Regular Meeting

6. c.

**Meeting Date:** 08/23/2022  
**Contact Person:** Maggie Tidaback, Economic Development Project Manager  
 Phone: 928-636-2646 x-1201  
**Department:** Town Manager  
**Estimated length of staff presentation:** 5 minutes  
**Physical location of item:** Parcel # 306-02-001A

#### AGENDA ITEM TITLE:

Consideration and possible action to approve the purchase and sale agreement for the sale of 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor in the amount of \$1,110,000. (Maggie Tidaback, Economic Development Project Manager)

#### RECOMMENDED ACTION:

Approve the purchase and sale agreement for the sale of 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor in the amount of \$1,110,000.

#### SITUATION AND ANALYSIS:

The Town put out an Invitation for Bids (IFB) for 40 acres of land (parcel number 306-02-001A) for the development of an RV park at Old Home Manor. The IFB closed on June 23, 2022. The Town received one bid. The bid was submitted by Chino Valley Rodeo Dr., LLC in the amount of \$1,110,000 dollars. The next step in the process is to enter into a purchase and sale agreement with the proposed buyer Chino Valley Rodeo Dr., LLC. The buyer will be required to deposit \$20,000 in an escrow account within 3 days of the mutual execution of this agreement and begin the process of development with the Town. The buyer will have 180 days from the opening of escrow to determine the feasibility of the property for the Purchaser's intended use of developing an RV park.

#### Fiscal Impact

**Fiscal Impact?:** No  
**If Yes, Budget Code:**  
**Available:**  
**Funding Source:**

#### Attachments

Purchase Sale Agreement

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT, together with any further escrow instructions or subsequent addenda signed by **TOWN OF CHINO VALLEY**, an Arizona municipal corporation ("Seller"), and **CHINO VALLEY RODEO DRIVE, LLC**, an Arizona limited liability company ("Purchaser"), shall constitute a binding contract (collectively, the "Agreement") on the part of Seller to sell to Purchaser the "Property" as hereafter defined in accordance with the terms and conditions contained in this Agreement, and to create an escrow (the "Escrow") with Pioneer Title Agency (Attn: Gloria Burnett) ("Escrow Agent") as escrow agent.

1. The Property. The Property consists of a certain tract of approximately 40 acres of land located at Old Home Manor, Yavapai County Assessor's Parcel Number (APN) 306-02-001A, as described and depicted on Exhibit A, attached hereto and made a part hereof, together with rights appurtenant thereto (the "Property").

2. Conveyance Documents. Prior to Closing, Seller shall deliver to the Escrow Agent a special warranty deed ("Deed") conveying to Purchaser fee simple title to the Property, subject only to the Permitted Exceptions, which shall warrant title to the Property, and defend the same against the lawful claims of all persons claiming by, through, and under Seller, but none other, subject to the Permitted Exceptions and a restriction allowing the Property to only be used commensurate with the Town's Public Land zoning district (collectively, "Deed Restrictions"). Said Deed shall be in substantially the same form as Exhibit B attached hereto and made a part hereof. Upon receipt of the entire Purchase Price (as defined below), the Escrow Agent shall record the Deed and other recordable documents as may be delivered in connection with the Closing. It is further understood and agreed that the Deed Restrictions shall be inserted by the Purchaser under this Agreement in every Deed or ground lease to be delivered by it conveying lots or plots or other portions of the Property or any interest therein and that such insertions of such Deed Restrictions in such Deed or ground lease shall be deemed a part of the consideration of this Agreement.

3. Purchase Price and Payment Terms. The purchase price to be paid by Purchaser (the "Purchase Price") shall be \$1,110,000, due and payable as follows:

(a) \$20,000.00 earnest money (the "Earnest Money"), to be deposited into Escrow within three days of the mutual execution of this Agreement. The Earnest Money shall, except only as otherwise provided in Section 10(b) and Section 30, be non-refundable upon the expiration of the portion of the Feasibility Period (as defined in Section 8 below) as described in Section 8 below and shall be paid to the Seller in the event that this Agreement is terminated prior to the Closing.

(b) The balance of the Purchase Price, in cash or other immediately available funds, to be deposited into Escrow and released to Seller on or before Close of Escrow.

4. Earnest Money. Escrow Agent is directed to hold the Earnest Money in a federally insured interest-bearing account with a commercial bank located in Phoenix, Arizona. In the event the transaction provided by this Agreement is consummated, the Earnest Money and any interest accrued thereon shall be applied against the Purchase Price. In the event the transaction is not consummated pursuant to the terms hereof, all interest earned shall be paid to the party entitled by the terms of this Agreement to receive the Earnest Money.

5. Escrow. Escrow Agent shall sign and date this Agreement on the space provided at the end of this Agreement, indicating that Escrow has been opened as of such date ("Opening of Escrow"). The date (the "Closing Date") for the consummation of the transaction described in this Agreement (the "Close of Escrow" or "Closing") shall be on a date determined by Purchaser, but in all events on or before \_\_\_\_\_.

6. Prorations, Taxes, and Costs. Escrow Agent will prorate (i.e., apportion) between the parties, in cash, to the Close of Escrow, the following:

(a) Taxes. Real property taxes and assessments for the Property based on the latest information available to Escrow Agent. Notwithstanding the foregoing, if the real property taxes for the year in which Close of Escrow occurs are not known as of the Closing Date, then within 30 days after the date that such real property taxes are levied, Purchaser and Seller shall readjust the proration of real property taxes based on the actual real property taxes for the year in which the Closing Date occurs, and each party agrees to pay to the other within such 30-day period any sums owed to the other party to effect such proration.

(b) Other Prorations. Any other items Seller and Purchaser mutually instruct Escrow Agent to prorate prior to the Close of Escrow.

(c) Thirty Day Month. All prorations and/or adjustments called for in this Agreement are to be made on the basis of a 30-day month, unless otherwise specifically instructed by Seller and Purchaser in writing.

7. Fees and Costs.

(a) Purchaser will pay (i) the cost for any surveys of the Property which Purchaser may choose to order, (ii) one-half of Escrow Agent's escrow fee, and (iii) the fee for the extended owner's portion of the ALTA Extended Title Policy to be issued to Purchaser at the Close of Escrow plus the cost of any title endorsements Purchaser may request.

(b) Seller will pay (i) the fee for the standard owner's portion of the ALTA Extended Title Policy to be issued to Purchaser at the Close of Escrow, and (ii) one-half of Escrow Agent's escrow fee.

(c) Seller and Purchaser expressly acknowledge that CBRE, Inc. ("CBRE") has acted as the exclusive broker for Seller and Purchaser in the transaction set forth in this Agreement. Seller will pay CBRE a brokerage fee of five percent of the Purchase Price. Purchaser agrees that Seller's payment of the brokerage fee set forth herein is the sole responsibility Seller has with respect to fees and costs payable to CBRE. Purchaser agrees it is solely responsible for compensating CBRE for any costs or fees claimed by CBRE for services relating to acquisition of the Property and hereby indemnifies Seller against any claim for such costs (including all costs and attorneys' fees expended in defending against such claim) arising from or related to the transaction set forth in this Agreement.

(d) Unnamed costs or expenses associated with the closing will be paid by those customarily charged for closings in Yavapai County, Arizona.

8. Status of Title; Feasibility Period. Purchaser shall have 180 days from Opening of Escrow (the "Feasibility Period") to determine the feasibility of the Property for Purchaser's intended use. At any time prior to the end of the Feasibility Period, the Purchaser may, for any

reason in its sole and absolute discretion, cancel this Agreement. If such cancellation occurs within 180 days after the Opening of Escrow, Purchaser shall receive a refund of the Earnest Money; if such cancellation occurs later than 180 days after the Opening of Escrow, the Earnest Money shall be immediately paid to Seller.

(a) On or before 10 days of Opening of Escrow, Escrow Agent shall, at Seller's expense, provide Purchaser with a current commitment for title insurance and copies of all exceptions to title (the "Title Report") for the Property, disclosing all matters of record and other matters of which Escrow Agent has knowledge which relate to the title to the Property, and a legible copy of each of the instruments and documents referred to in the Title Report. Purchaser shall have until the expiration of the Feasibility Period to object in writing to Seller to any matter shown thereon. If Purchaser fails to object within said period, the condition of title to the Property shall be deemed approved. If Purchaser objects to any matter disclosed by said Title Report or any amendment thereto, Seller shall give written notice to Purchaser ("Seller's Response") within five business days of receipt of the objection that (i) Seller shall not cure or cause to be removed the objected to matter or (ii) Seller shall cure or cause to be removed the objected to matter in which event Seller shall have until the date set for Close of Escrow within which to cause to be removed any such objected to matter from the Title Report and any amendment and policy of title insurance to be issued in favor of Purchaser. If Seller fails to deliver its response within such five-business-day period, then Seller shall be deemed to have responded that it shall not attempt to cure or cause to be removed the objected to matter. If Seller elects not to cure or cause to be removed the objected to matter, Purchaser shall have until the date five business days following Purchaser's receipt of Seller's Response to elect to either waive its objection or terminate this Agreement. In the event that Purchaser fails to timely terminate this Agreement pursuant to this Section 8, the right to terminate contained herein shall be waived.

(b) Escrow Agent shall issue a title insurance policy for the Property at the Closing in the amount of the Purchase Price showing Purchaser as the holder of fee title to the Property subject only to the Permitted Exceptions. Seller shall cooperate in all reasonable respects with the issuance of extended coverage such as by signing and delivering to the Escrow Agent its standard form affidavit.

(c) Following the Opening of Escrow, Purchaser shall, at its sole cost and expense, cause to be performed a new or updated ALTA Survey of the Property certified to Purchaser and the Escrow Agent. Purchaser shall have until the end of the Feasibility Period to review and approve or object to anything shown on or disclosed by the ALTA Survey.

(d) Following the Opening of Escrow, Purchaser shall, at its sole cost and expense, cause to be performed a new Phase One environmental survey of the Property certified to the Purchaser. Purchaser shall have until the end of the Feasibility Period to review and approve or object to anything set forth in or disclosed by the Phase One environmental survey.

(e) Following the Opening of Escrow, Purchaser shall, at its sole cost and expense, cause to be performed a topographic survey of the Property and a soils report. Purchaser shall have until the end of the Feasibility Period to review and approve or object to anything set forth in or disclosed by the topographic survey of the Property and soils report.

(f) Purchaser hereby agrees to furnish a copy of any survey, soils tests, engineering studies, or environmental studies, when they are obtained, and/or any other non-confidential data that they may obtain during the time frames within this Agreement to Seller.

(g) At any time prior to the Closing, and at Purchaser's sole cost and responsibility, Purchaser or its authorized agents shall have the right to enter upon the Property for any lawful purpose, including, without limitation, conducting a survey and any other physical inspections and site analyses, test borings, and engineering studies. Purchaser agrees to defend, indemnify, and hold harmless Seller from any damages or liability to persons or property that might arise therefrom, and Purchaser agrees to repair at its sole cost and responsibility, or pay to Seller the cost of, any damages caused to the Property by such entry. Purchaser hereby warrants and represents to Seller that Purchaser, in exercising its rights under this Agreement, shall comply fully with any federal, state, or local laws, regulations, ordinances, permits, or other authorizations. The parties agree that Purchaser's breach of this Section shall be considered a default under the terms of this Agreement. This Section shall survive the Closing or earlier termination of this Agreement.

9. Condition of Property. Notwithstanding anything to the contrary contained in this Agreement, it is expressly understood and agreed that Purchaser is buying the Property **"AS IS" AND "WHERE IS" AS OF THE TIME OF CLOSING, AND WITH ALL FAULTS AND DEFECTS, LATENT OR OTHERWISE, AND THAT SELLER IS MAKING NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, WITH RESPECT TO THE QUALITY, PHYSICAL CONDITIONS OR VALUE OF THE PROPERTY, THE PROPERTY'S HABITABILITY, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THE PRESENCE OR ABSENCE OF CONDITIONS ON THE PROPERTY THAT COULD GIVE RISE TO A CLAIM FOR PERSONAL INJURY, PROPERTY OR NATURAL RESOURCE DAMAGES; THE PRESENCE OF HAZARDOUS OR TOXIC SUBSTANCES, MATERIALS OR WASTE, SUBSTANCES, CONTAMINANTS, OR POLLUTANTS ON, UNDER OR ABOUT THE PROPERTY; OR THE INCOME OR EXPENSES FROM OR OF THE PROPERTY.** This Section shall survive the Closing or earlier termination of the Agreement.

10. Notice of Default: Non-Performance.

(a) In the event either party is in default of any provision hereof, the non-defaulting party, as a condition precedent to its remedies, must give the defaulting party written notice of the default in strict accordance with the notice requirements of Section 14. The defaulting party shall have five business days from receipt of such notice to cure the default. If the default is timely cured, this Agreement shall continue in full force and effect. If the default is not timely cured, the non-defaulting party may pursue its applicable remedies set forth in Sections 10(b) or 10(c).

(b) In the event of a default of Seller under this Agreement, Purchaser, as its sole and exclusive remedies, may either (prior to Close of Escrow) (i) terminate this Agreement and receive a refund of the Earnest Money, or (ii) waive such default and close Escrow, or (iii) institute an action for specific performance, provided however, any suit for specific performance must be instituted within 60 days of the occurrence of the Event of Default or the specific performance remedy shall be waived. Seller hereby acknowledges that the Property is unique and that, accordingly, it would be equitable for any court of competent jurisdiction to order the specific performance by Seller of Seller's obligations hereunder.

(c) In the event of a default of Purchaser under this Agreement, Seller may, as its sole and exclusive remedy, terminate this Agreement by giving written notice of termination to Escrow Agent and Purchaser. In the event of any termination under this Section 10(c), Seller shall retain as liquidated damages the Earnest Money, and neither party shall have any further

obligation or liability to the other in connection with the Escrow or under this Agreement, except with respect to the provisions contained herein that the parties have agreed shall survive termination of this Agreement. It is understood that the Earnest Money deposited into Escrow represents a reasonable and good faith estimate of Seller's damages in the event of a default by Purchaser.

11. Termination. In the event this Agreement is timely terminated by Purchaser pursuant to the terms herein, (i) Escrow Agent shall pay the Earnest Money to the party entitled by the terms of this Agreement to receive the Earnest Money, together with interest accrued thereon, (ii) Escrow Agent shall return to each party all documents that the applicable party has deposited with Escrow Agent in connection with the Escrow, and (iii) Purchaser shall return to Seller all non-confidential documents prepared by or at the request of Purchaser in connection with Purchaser's examination of the Property. Upon such return of money and documents this Agreement shall be deemed null and void, and neither party shall have any further obligation or liability to the other or under this Agreement, except with respect to the provisions contained herein that the parties have agreed shall survive termination of this Agreement.

12. Seller's Representations, Warranties, and Additional Covenants. Each person or entity constituting Seller hereby represents, warrants, and covenants (with the understanding that Purchaser is relying on said representations, warranties, and covenants) that:

(a) Seller is the owner of the Property and has full power and authority to enter into and perform this Agreement in accordance with its terms.

(b) The individual executing this Agreement on behalf of each person or entity constituting Seller is authorized to do so and, upon such individual's executing this Agreement, this Agreement shall be binding and enforceable upon each person or entity constituting Seller in accordance with its terms. On or before Close of Escrow, Seller shall deliver to Escrow Agent such evidence of approval of this Agreement and the authority of the individual who executes this Agreement on behalf of Seller to do so as Escrow Agent may request.

13. Purchaser's Representations, Warranties, and Additional Covenants. Purchaser hereby represents, warrants, and covenants that:

(a) Purchaser has full power and authority to enter into and perform this Agreement in accordance with its terms.

(b) The individuals executing this Agreement on behalf of Purchaser are authorized to do so and, upon their executing this Agreement, this Agreement shall be binding and enforceable upon Purchaser in accordance with its terms.

(c) Purchaser acknowledges that except as specifically set forth in this Agreement, Seller and all agents of Seller have not made, and do not make, any representations, warranties, promises, covenants, agreements, or guaranties of any kind whatsoever, whether express or implied, oral or written, relating to the Property. Purchaser acknowledges that Purchaser has not relied on any representations or guaranties of any kind of Seller, or any agent of Seller relating to the Property that are not specifically set forth in this Agreement.

14. Notices. Any and all notices, demands, or requests required or permitted hereunder shall be in writing and shall be effective (i) upon personal delivery, (ii) three business days after being deposited in the U. S. Mail, registered or certified, return receipt requested,

postage prepaid, or (iii) one business day after being deposited with any commercial air courier or express service, addressed as follows:

|                  |                                                                                                                    |
|------------------|--------------------------------------------------------------------------------------------------------------------|
| To Seller:       | The Town of Chino Valley<br>Attn: Town Manager<br>202 North State Route 89<br>Chino Valley, Arizona 86323          |
| With copies to:  | Gust Rosenfeld PLC<br>Attn: Andrew McGuire<br>One East Washington, Suite 1600<br>Phoenix, AZ 85004-2553            |
| To Purchaser:    | Chino Valley Rodeo Drive, LLC<br>Attn: Patrick Cantelme, Sr.<br>741 West El Camino Drive<br>Phoenix, Arizona 85021 |
| To Escrow Agent: | Pioneer Title Agency<br>Attn: Gloria Burnett<br>7310 North 16th Street Suite 250<br>Phoenix, Arizona 85020         |

or at any other address designated by Purchaser, Seller, or Escrow Agent, in the manner provided above. The inability to deliver because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept.

15. Compliance with Anti-Terrorism Orders. Purchaser and each manager, member, officer, director, and shareholder in Purchaser, and all beneficial owners of Purchaser and any such manager, member, officer, director, and shareholder (collectively the "Purchaser's Associates") are in compliance and will remain in compliance with the requirements of Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the Office of Foreign Asset Control, U.S. Department of the Treasury (OFAC), and in any enabling legislation or other Executive Orders in respect thereof (the Order and such other rules, regulations, legislation or orders are collectively called the "Orders"). Further, Purchaser and Purchaser's Associates are not listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order at OFAC's official website, <https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information>, or any replacement website or other replacement official publication of such list, and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders.

16. Time of the Essence. Time is of the essence of this Agreement, and Purchaser and Seller hereby agree to perform each and every obligation hereunder in a prompt and timely manner; provided, however, that if the date for the performance of any action or the giving of any notice which is required hereunder, occurs on a Saturday, Sunday or legal holiday, the date for performance or giving of notice shall be the next succeeding business day.

17. Severability. If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of

this Agreement shall not be affected by such determination, but such term or provision shall be reduced or otherwise modified by such court or authority only to the minimum extent necessary to make it valid and enforceable, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any term or provision cannot be reduced or modified to make it reasonable and permit its enforcement, it shall be severed from this Agreement and the remaining terms shall be interpreted in such a way as to give maximum validity and enforceability to this Agreement. It is the intention of the parties that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

18. Waiver. The waiver by either party hereto of any right granted to it hereunder shall not be deemed to be a waiver of any other right granted herein, nor shall same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.

19. Legal Fees. In the event it becomes necessary for either Seller or Purchaser to employ legal counsel or to bring action at law or other proceeding to enforce any of the terms, covenants, or conditions of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its costs and expenses incurred, including its reasonable attorneys' fees, from the other party.

20. Entire Agreement. This Agreement, together with the Deed attached hereto as Exhibit B, contains the entire agreement of the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements, arrangements, and understandings between the parties, and no other agreement, statement, or promise made by either party hereto that is not contained herein shall be binding or valid.

21. Amendments. This Agreement may be amended only by written document signed by each of the parties hereto.

22. Further Performance. Each party shall, whenever and as often as it shall be requested by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and documents, including supplemental escrow instructions, as may be necessary in order to complete the transaction contemplated hereby, and to do any and all things as may be requested in order to carry out the intent and purpose of this Agreement. Without limiting the generality of the foregoing, Purchaser agrees to make any dedications of right of way or grant any easements to Seller which are required by Seller in connection with Purchaser's proposed development of the Property. This Section 22 shall survive the Closing.

23. Counterparts. This Agreement shall be executed simultaneously or in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

24. Assignment. Purchaser may assign its rights under this Agreement to an entity affiliated with the Purchaser upon not less than 10 days prior written notice to Seller or, with the written approval of the Seller, to an unaffiliated third party with the financial strength equal to or greater than Purchaser's and which has the financial capability to satisfy the obligations of this transaction. For purposes of the preceding sentence, an "affiliate" of Purchaser must be (and until Closing remain) an entity that controls Purchaser, is controlled by Purchaser, or is under

common control with Purchaser. No assignment or other transfer will relieve Seller or Purchaser of its primary responsibility for performance under this Agreement, and any assignee or transferee shall be deemed to have assumed and agreed to fully perform all obligations of the assignor or transferor. Within 10 days of any such assignment or other transfer, Purchaser shall furnish to Seller appropriate documentation evidencing the assignee's or transferee's agreement to assume and fully perform all of Purchaser's obligations under this Agreement, as amended, from and after the date of the assignment or transfer.

25. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, devisees, personal and legal representatives, successors and assigns.

26. Governing Law. This Agreement shall be construed and interpreted under, and governed and enforced according to the laws of the State of Arizona. The parties hereto hereby submit to the jurisdiction of the courts of the State of Arizona in the event of any action or dispute arising herefrom.

27. Headings and Construction. The headings set forth in this Agreement are inserted only for convenience and are not in any way to be construed as part of this Agreement or a limitation on the scope of the particular Section to which it refers. Where the context requires herein, the singular shall be construed as the plural, and neuter pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Agreement shall be construed according to its fair meaning and neither for nor against either party hereto.

28. Survival. The representations, warranties, and covenants set forth herein shall survive the close of the Escrow and the recordation of the Deed for a period of one year.

29. Subsequent Acts. The terms and provisions of this Agreement shall not merge with, be extinguished by, or otherwise be affected by any subsequent conveyance or instrument by or between the parties hereto unless such instrument shall specifically so state and be signed by the parties hereto.

30. Risk of Loss. The risk of any loss or destruction of all or any part of the Property prior to Close of Escrow is upon the Seller. If, prior to Close of Escrow, the Property is partially damaged or destroyed (which damage or destruction is valued at in excess of \$50,000.00) as a result of flood or other casualty, including a taking by eminent domain by any governmental entity, Purchaser shall have the sole option to (i) terminate this Agreement (and receive a full refund of the Earnest Money and all interest accrued thereon), or (ii) close the escrow, without reduction in the Purchase Price, and contemporaneously accept an assignment at Close of Escrow of all proceeds of insurance from insurance policies or amounts due from any governmental entity covering the damage or destruction of the Property or the taking thereof, Seller then being obligated to assist Purchaser in collecting said proceeds. If Purchaser does not elect any of said alternatives prior to the Closing Date, Purchaser shall be deemed to have elected the option set forth in clause (ii). If, prior to Close of Escrow, the Property is damaged or destroyed (which damage or destruction is valued at \$50,000.00 or less), the parties shall close the escrow, with a reduction in the Purchase Price equal to the value of the damage or destruction.

31. Compliance. Purchaser hereby warrants and represents to Seller that in exercising its rights under this Agreement, Purchaser shall comply fully with any federal, state, or local laws, regulations, ordinances, permits, or other authorizations. This Section shall survive the Closing.

32. Cancellation. Notice is hereby given that the provisions of ARIZ. REV. STAT. § 38-511 are applicable to this Agreement and are hereby incorporated herein as though set forth in its entirety.

33. Budget Law and Non-appropriation. Seller is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during Seller's then-current fiscal year. Seller's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative decision of the Seller concerning budgeted purposes and appropriation of funds. Should Seller elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose, and Seller shall be relieved of any subsequent obligation under this Agreement. The parties agree that the Seller has no obligation or duty of good faith to budget or appropriate the payment of the obligations found in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. Seller shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. Seller shall keep the other party informed as to the availability of funds for this Agreement. The obligation of Seller to make any payment pursuant to this Agreement is not a general obligation or indebtedness of Seller. The Seller hereby waives any and all rights to bring any claim against the Seller from or relating in any way to Seller's termination of this Agreement pursuant to this Section 33.

34. No Personal Liability. No member, official, employee, or agent of the Seller shall be personally liable to Purchaser, or any successor or assignee (i) in the event of any default or breach by the Seller, or (ii) pursuant to any obligation of the Seller under the terms of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

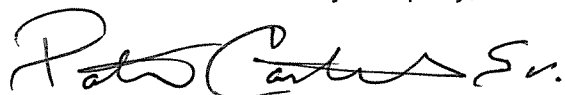
**"Seller"**

TOWN OF CHINO VALLEY,  
an Arizona municipal corporation

\_\_\_\_\_  
Jack W. Miller, Mayor

**"Purchaser"**

CHINO VALLEY RODEO DRIVE, LLC,  
an Arizona limited liability company,

  
\_\_\_\_\_  
Patrick Cantelme, Sr., Manager

**ATTEST:**

\_\_\_\_\_  
Erin N. Deskins, Town Clerk

(ESCROW AGENT'S SIGNATURE FOLLOWS)

The Purchase and Sale Agreement is accepted and Escrow is opened this \_\_\_\_ day of \_\_\_\_\_, 2022. The Escrow Number, if assigned, is \_\_\_\_\_.

PIONEER TITLE AGENCY

By: \_\_\_\_\_

Name: \_\_\_\_\_

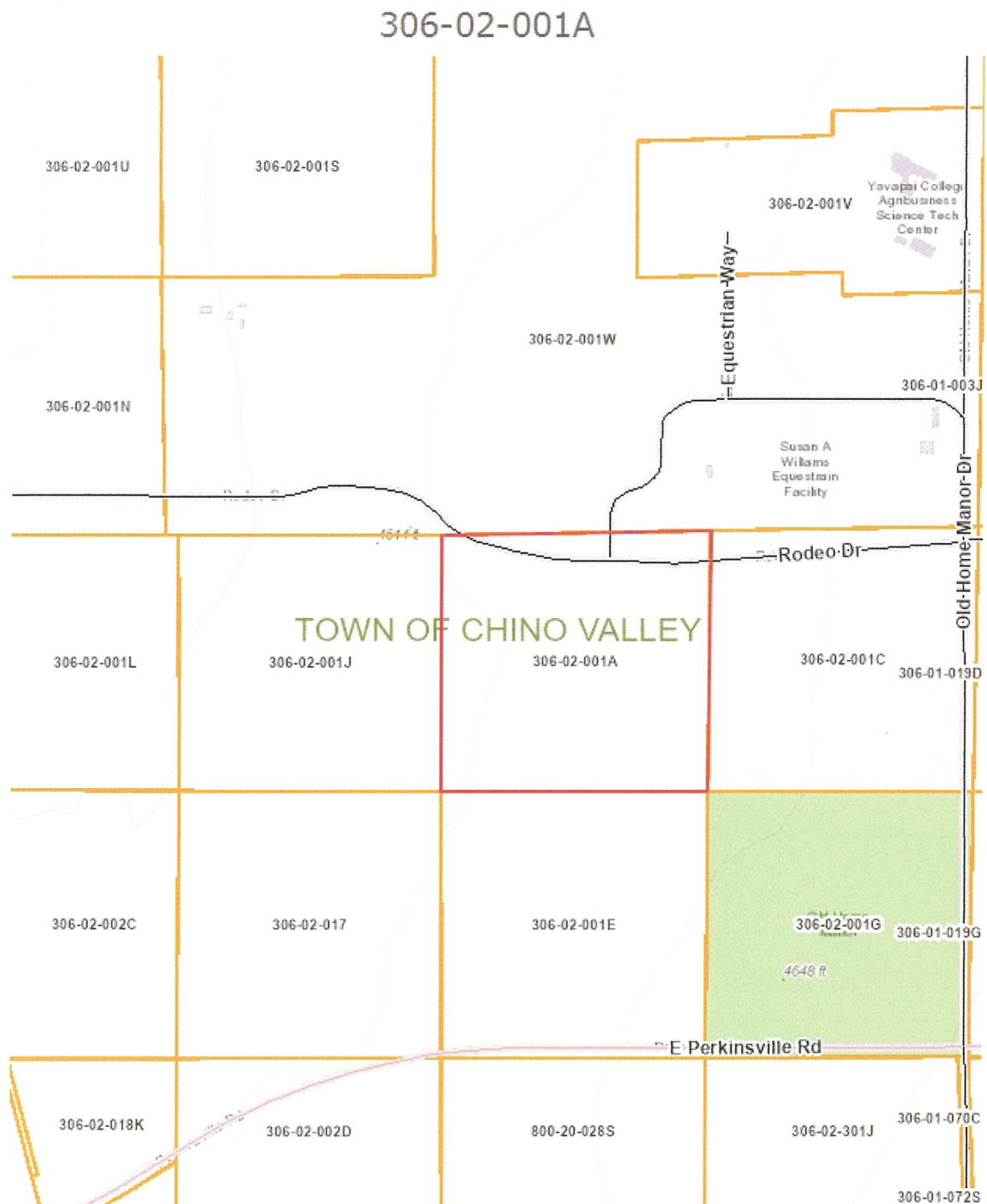
Its: \_\_\_\_\_

**EXHIBIT A  
TO  
PURCHASE AND SALE AGREEMENT  
BETWEEN  
THE TOWN OF CHINO VALLEY  
AND  
CHINO VALLEY RODEO DRIVE, LLC**

[Legal Description and Depiction]

The Northwest quarter of the Southeast quarter Section 12, Township 16 North, Range 2 West of the Gila & Salt River Base & Meridian, Yavapai County, Arizona.

(Depiction on the following page)



**EXHIBIT B  
TO  
PURCHASE AND SALE AGREEMENT  
BETWEEN  
THE TOWN OF CHINO VALLEY  
AND  
CHINO VALLEY RODEO DRIVE, LLC**

[Special Warranty Deed]

See following page(s).

**When recorded, return to:**

Town of Chino Valley  
 c/o Andrew J. McGuire  
 Gust Rosenfeld, PLC  
 One East Washington Street, Suite 1600  
 Phoenix, Arizona 85004-2553

**SPECIAL WARRANTY DEED**

**THIS DEED IS EXEMPT FROM AFFIDAVIT AND FEE PURSUANT TO  
 A.R.S. § 11-1134(A)(3).**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **TOWN OF CHINO VALLEY**, an Arizona municipal corporation ("Grantor"), does hereby grant and convey to **CHINO VALLEY RODEO DRIVE, LLC**, an Arizona limited liability company ("Grantee"), the following real property situated in Yavapai County, Arizona (the "Property"), together with all rights and privileges appurtenant thereto:

See **Exhibit 1** attached hereto and made a part hereof.

**SUBJECT TO** current and future taxes and assessments, and liens, encumbrances, reservations in patents, covenants, conditions, restrictions, rights of way, easements and other matters of record and any matters that would be disclosed by an accurate survey of the Property, and the following restriction:

The Property shall only be used for purposes commensurate with the Property's Public Land zoning district (the "Use Restriction"). The Use Restriction herein shall run with and bind the Property, and bind Grantee or an affiliated entity, or its successors or assigns, and shall inure to the benefit of and be enforceable by Grantor, its successors and assigns or benefited party by any appropriate proceedings at law or in equity. If the Property ceases to be used for purposes commensurate with the Property's Public Land zoning district prior to February 22, 2032, then title to the Property shall revert back to Grantor at the direction, in its sole discretion, of Grantor.

Grantor does warrant the title as against all acts of Grantor and those claiming by, through, or under Grantor, and no other, subject to the matters above set forth.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**TOWN OF CHINO VALLEY,**  
 an Arizona municipal corporation

NOT TO BE EXECUTED  
 Jack W. Miller, Mayor

ATTEST:

NOT TO BE EXECUTED  
 Erin N. Deskins, Town Clerk

**EXHIBIT 1  
TO  
SPECIAL WARRANTY DEED**

[Legal Description]

The Northwest quarter of the Southeast quarter Section 12, Township 16 North, Range 2 West  
of the Gila & Salt River Base & Meridian, Yavapai County, Arizona.