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

TUESDAY, OCTOBER 22, 2013
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, October 22, 2013.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Pat McKee; Councilmember Lon Turner; Councilmember Don Wojcik

Staff Present: Town Manager Robert Smith; General Services Director Cecilia Watts; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Officer Jody Villalobos; Town Engineer/Public Works Director Ron Grittman; Civil Engineer Richard Straub; Planner Ruth Mayday; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:01 p.m.

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Presentation by Steve ~~Rutherford~~ Walker regarding the Greater Prescott Regional Economic Partnership. (Mayor Marley)

Steve Walker from Yavapai College, and Greater Prescott Regional Economic Partnership (GPREP) board member, spoke about GPREP's commitment to the region as a whole, and its focus on business creation, retention and expansion.

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council concerning a subject 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.

No one from the public spoke.

4) RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

There was nothing to report.

5) CURRENT EVENT SUMMARIES AND REPORTS

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

Councilmember Hatch reported on the Town's presentation, scheduled for December, to request funding from the Northern Arizona Council of Governments Economic Development Committee.

Councilmember Best reported on a highway median clean-up day on October 26.

Councilmember McKee reported that Freeman Farms gave a portion of the proceeds from their sale of pink pumpkins to Yavapai Regional Medical Center to assist women needing mammograms.

Mayor Marley read the Monthly Mayor's Report, which pertained to current and upcoming SR 89 improvement projects.

a) Presentation regarding the 2014 Community Development Block Grant funding process. (Cecilia Watts, General Services Director)

Tracey Boviere from the Northern Arizona Council of Governments reported that the Town was due to receive $264,000 in Community Development Block Grant ("CDBG") funds in 2014, and the Town could also apply for state special projects funds. She reviewed what the funds could be used for and the application process.

Ms. Watts spoke about previous Town projects funded through CDBG, and Senior Engineering Project Manager Richard Straub spoke about the Town's previous CDBG project for stormwater improvements in the Chino Meadows area, and staff's proposal to use the pending CDBG funds to pave roads in the same area.

6) CONSENT AGENDA

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

Council set down item 6a.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda items 6b and 6c.

Vote: 7 - 0 PASSED

a) Consideration and possible action to approve the October 3, 2013 study session minutes. (Jami Lewis, Town Clerk)

Councilmember Hatch requested the following amendment on page 4: "A councilmember objected to a warehouse ZONED AS INDUSTRIAL having to go through the CUP process to use more than 50% of the property."

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve Consent Agenda item 6a as amended.

Vote: 7 - 0 PASSED

b) Consideration and possible action to approve the October 8, 2013 regular meeting minutes. (Jami Lewis, Town Clerk)

c) Consideration and possible action to cancel the November 26, 2013 and December 24, 2013 regular Council meetings. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

a) Consideration and possible action to authorize a $10,500 expenditure as the Town's contribution to the Greater Prescott Regional Economic Partnership. Funds to come from Contingencies. (Mayor Marley)

<u>Recommended Action:</u> Authorize a $10,500 expenditure as the Town's contribution to the Greater Prescott Regional Economic Partnership.

Mayor Marley reported that:

- Chino Valley had been invited to join the Greater Prescott Regional Economic Partnership ("GPREP"), which was a public/private sector partnership that encouraged economic development in the quad-city area.
- Other public sector participants included the City of Prescott, Town of Prescott Valley, Town of Dewey-Humboldt, Prescott Indian Tribe, and Yavapai County.
- The amount of funding requested from Chino Valley, based upon population, was $10,500 per year.

Council asked about this organization assisting the Town with infrastructure for interested businesses. Steve Walker with GPREP stated that his understanding was that professional staff and other partners will help facilitate those types of matters.

Although it was a lot of money, Council generally supported the proposal, as any development in the area would benefit Town residents and workers.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Lon Turner to authorize a $10,500 expenditure as the Town's contribution to the Greater Prescott Regional Economic Partnership.

Vote: 7 - 0 PASSED

b) Consideration and possible action to adopt Ordinance No. 13-775, amending the Town Code, Title III: Administration, Procurement Policy. (Joe Duffy, Finance Director)

<u>Recommended Action:</u> Adopt Ordinance No. 13-775, amending the Procurement Policy in the Town Code.

Mr. Duffy reported that the Town's Procurement Policy was last updated in 2005. The proposed policy was drafted with input from Finance staff, the Town Attorney, and Council's Finance Subcommittee. He then reviewed the proposed changes, comparisons between the proposed provisions and those of neighboring entities, and a comparison between current and proposed procedures for a road project. Key changes were:

- Increased expenditure amount needing Council approval from $20,000 or more to $25,000 or more, unless the project was an in-house construction project.
- Added provisions and procedures for Council approval of in-house construction projects of $50,000 or more.
- Finance Director to approve budgeted items over $5,000 prior to goods or services being ordered.
- Bidding to remain the same, except to increase limit to $25,000.
- New language to allow Council to waive policy requirements, except where prohibited by law.

Council expressed concern about language in the sections related to in-house construction and emergency procedures. Town Attorney Phyllis Smiley and Mr. Duffy reported that:

- Certain language in the in-house construction section was defined in state law and this section was added to address the fact that Title 34 exempted in-house projects from certain requirements.
- The definition of "emergency" was defined in the policy, and staff will consult with the town attorney on any potential emergency. The town manager would be authorized to approve an expenditure of up to $25,000, while the mayor's authorization would be needed for anything over that. Staff would then make a full report to Council at their next meeting and Council would need to ratify the expenditure. If possible, Council could call a special meeting to address such matters.

Council and staff discussed Section 32.04: Emergency Purchases: Procedure, and amended it as follows: "In case of an emergency which requires immediate purchases of supplies or services and when time is of the essence, a special emergency meeting of the council shall be called, ~~AS NEEDED, for~~ IF possible FOR APPROVAL OF AN EMERGENCY purchase ~~approval~~."

Council discussion:

- Reasons to approve the proposal were that it appeared to: (i) include provisions for volunteer and donated material; and (ii) hold everyone accountable before and after finance related actions.
- One reason to deny the proposal was that it appeared to usurp Council's authority to monitor the funds.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adopt Ordinance No. 13-775, amending the Procurement Policy in the Town Code, with the amendment in Section 32.04 to remove "as needed" and insert "for possible approval."

Vote: 4 - 3 PASSED

NAY: Councilmember Linda Hatch
Councilmember Pat McKee
Councilmember Don Wojcik

c) Consideration and possible action to appoint a participating member of the Public Safety Retirement System of the Chino Valley Police Department as a member to the Public Safety Retirement Board for term expiring on June 30, 2016. (Cecilia Watts, General Services Director)

Recommended Action: Appoint the Police Department's selected member to the Public Safety Retirement Board for term expiring on June 30, 2016.

Ms. Watts reported that:

- The Public Safety Retirement Board was comprised of Vice-Mayor Darryl Croft (Chair); two citizens, Mike Tobey and Cheri Romley; and two members from the Police Department who participated in the public safety retirement system, Lt. Vince Schaan and Officer Brian Sanders, who were selected by other participating members within the department.
- As Brian Sanders had left the Town's employ, his position needed to be filled.
- Participating Police Department members elected to recommend Officer Gary Bruso for the term expiring June 30, 2016.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Pat McKee to appoint Gary Bruso to the Public Safety Retirement Board for term expiring on June 30, 2016.

Vote: 7 - 0 PASSED

d) Consideration and possible action to appoint applicants to fill vacancies on various public bodies. (Jami Lewis, Town Clerk)

Recommended Action: Appoint applicants to the Chino Valley Board of Adjustment, Planning and Zoning Commission, Parks and Recreation Advisory Board, Roads and Streets Committee, and Senior Center Advisory Board as recommended by the Appointments Subcommittee and staff.

Mrs. Lewis reported that The Council Appointments Subcommittee met on September October 7, 2013 to review applications for several public bodies. They voted to recommend:

- Corey Mendoza for the Board of Adjustment with term ending July 31, 2015;
- Corey Mendoza for the Planning and Zoning Commission with term ending January 31, 2016;
- Celia Vander Molen for the Parks and Recreation Advisory Board with term ending June 30, 2015;
- Dean Echols for the Roads and Streets Committee with term ending June 30, 2015; and
- Nancy Mitchell for the Senior Center Advisory Board with term ending June 30, 2015.

Mrs. Lewis added that:

- After the subcommittee meeting, staff consulted with the town attorney and town planner about one person serving on both bodies, as well as residency requirements for the Board of Adjustment (BOA), as one applicant, Celia Vander Molen, lived outside the Town boundaries.
- Staff found no law or regulation that addressed either matter, but Planner Ruth Mayday objected to any one person serving on both bodies, as that person could have a conflict of interest should a BOA case be an appeal of a Planning and Zoning Commission (PZC) recommendation.
- Also, at the subcommittee chair's suggestion, staff contacted a new applicant, Gary Pasciak, about serving on the BOA.
- Therefore, Council could also consider appointing Celia Vander Molen and Gary Pasciak to the Board of Adjustment for the terms ending 2016 and 2015, respectively.

Council discussed:

- having themselves sit as the Board of Adjustment if staff could not get enough applicants;
- objections to one person serving on both Board of Adjustment and Planning and Zoning Commission;
- adding a residency requirement for the Board of Adjustment; and
- referring the new applicant back to the subcommittee.

Town Attorney Phyllis Smiley advised that she did not believe councilmembers could sit on the Board of Adjustment without amending the Unified Development Ordinance, which provided for a five-member citizen board.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Linda Hatch to approve appointing Corey Mendoza to the Planning and Zoning Commission; Celia Vander Molen to the Parks and Recreation Advisory Board; Dean Echols to the Roads and Streets Committee; and Nancy Mitchell to the Senior Center Advisory Board, and taking the others back to the subcommittee.

Vote: 7 - 0 PASSED

e) Discussion and possible action regarding a possible Council retreat. (Mayor Marley)

Recommended Action: Direction to staff.

Council discussed possible dates, locations, attendees, facilitators, and budget for a retreat. They preferred that the only staff in attendance be the town manager and town attorney, and that staff select a facilitator unfamiliar with the Town.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to have a Council retreat in the Chamber of Commerce Training Room on November 5 from 9:00 a.m. to 4:00 p.m. at the latest.

Vote: 7 - 0 PASSED

f) Council may recess the meeting to observe Vice-Mayor Croft's and Councilmember Best's birthdays.

Mayor Marley recessed the meeting at 7:32 p.m. and called it back to order at 7:46 p.m.

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an Executive Session, which will not be open to the public, for the following purposes:

a) Pursuant to A.R.S. § 38-431.03(A)(3) and (7) for discussion or consultation with the Town Attorney for legal advice and with designated representatives of the Town in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property that is an extension of the existing Road 4 South to the east, in the immediate vicinity of the section line, consisting of approximately 8.6 acres. (Robert Smith, Town Manager)

b) Pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation in the matter of Cortez v. Town of Chino Valley. (Robert Smith, Town Manager)

Mayor Marley reported that, per staff, there was no need to hold the executive session for item 8b.

Councilmember Turner declared a conflict of interest with item 8a and left the meeting at 7:48 p.m.

Councilmember McKee stated that she declined to go into executive session as she disagreed with the contract's terms. Town Attorney Phyllis Smiley advised that the purpose of an executive session was to discuss the terms of the contract, and if Councilmember McKee had concerns, she should participate in the discussion, as Council needed to hear and consider those concerns. However, if she did not go into executive session, she should also not participate in any vote. Councilmember McKee left the meeting at 7:49 p.m.

Councilmember Hatch also stated that she would not participate and left the meeting at 7:50 p.m.

MOVED by Vice-Mayor Darryl Croft, seconded by Mayor Chris Marley to go into executive session for item 8a at 7:51 p.m.

Vote: 4 - 0 PASSED

Other: Councilmember Lon Turner (RECUSE)

9) ACTION ITEMS RESUMED

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

Mayor Marley reconvened the regular meeting at 8:13 p.m.

a) Consideration and possible action to approve either or both a revised Letter of Intent and a Purchase Agreement with Deep Well Ranches #1 LLC, related to and setting forth the terms of the purchase by the Town of approximately 8.6 acres of real property, generally located in the vicinity of the section line as an extension of the existing Road 4 South to the east to lands immediately adjacent to the Peavine Right of Way's eastern limit for the purpose of extending the Road 4 South right-of-way to Peavine Road. (Robert Smith, Town Manager)

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the purchase agreement as written.

Vote: 4 - 0 PASSED

Other: Councilmember Lon Turner (RECUSE)

10) ADJOURNMENT

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to adjourn the meeting at 8:15 p.m.

Vote: 4 - 0 PASSED

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 22nd day of October, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10th day of December, 2013.

Jami C. Lewis, Town Clerk