

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

**TUESDAY, OCTOBER 27, 2015
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 27, 2015.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Susie Cuka; Councilmember Jack Miller; Councilmember Corey Mendoza; Councilmember Lon Turner

Staff Present: Town Manager Robert Smith; Assistant Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Police Chief Chuck Wynn; Police Lieutenant Vince Schaan; Town Engineer/Public Works Director Ron Grittman; Utility Supervisor Chris Bartels; Development Services Director Ruth Mayday; Associate Planner James Gardner; GIS/CAD/Web Technician Jan Mazy (videographer); Town Clerk Assistant Amy Pyeatt-Lansa; 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.

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a) Proclamation declaring November 2015 as "Charitable Tax Credit Giving Month," sponsored by Yavapai Big Brothers Big Sisters. (Mayor Marley)

Mayor Marley read the proclamation and presented to a YBBBS representative, who spoke about the benefits of the tax credit.

- b) Presentation by Jim Arroyo regarding Oath Keepers. (Mayor Marley)

Mr. Arroyo spoke about Oath Keepers, which educated military, law enforcement, firefighters, and first responders on constitutional issues and community preparedness for major catastrophic events.

- c) Presentation by Karolyn Ericson, InHouse Trainer Services, regarding the Core Values adopted by Town staff. (Cecilia Grittman, Assistant Town Manager)

Ms. Grittman introduced Ms. Ericson, who spoke about and presented a movie on the six core values developed by the Town employees.

- d) Presentation regarding the Aquatic Center's financial and operating results and related information. (Joe Duffy, Finance Director)

Mr. Duffy requested that Council postpone this item.

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.

Birdie Bennett, resident, thanked the new councilmembers for their dedication to the Town.

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.

5) CURRENT EVENT SUMMARIES AND REPORTS

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

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

Mayor Marley acknowledged Chino Valley Police Department and Yavapai County Sheriff's Office personnel who assisted with a kidnapping that had occurred in Town: Chino Valley's Lt. Vince Schaan, Officer Mark Garcia, Officer Jody Villalobos, Officer Jeff Pizzi, Det. Amy Chamberlin, and Det. Steve Jones; YCSO's Deputy Deron Franklin, Deputy Steven Warburton, and Deputy Eric Lopez; and YCSO Dispatchers Annalyse Mason, Bo Phillips, Karen Applegate, and Doug Gerwitz.

b) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

Assistant Town Manager Gritman presented to Council the Town's insurance carrier's property and casualty loss Bronze Award for 2014.

6) CONSENT AGENDA

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

Town Clerk Lewis recommended the following modification to item (d), October 15, 2015 minutes, page 2, "Council discussion summary" second bullet point (additional language underlined): "No one expressed support for mandatory hook ups to existing homes between an existing sewer line and a new development."

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve consent agenda items 6a, b, c and d with the recommended changes.

Vote: 7 - 0 PASSED - Unanimously

- a) Consideration and possible action to adopt Resolution 15-1066, authorizing the conveyance of certain real property in settlement of Cortez v. Town of Chino Valley. (Phyllis Smiley, Town Attorney)
- b) Consideration and possible action to approve Financial Report for the three months ending September 30, 2015. (Joe Duffy, Finance Director)
- c) Consideration and possible action to accept the October 13, 2015 regular meeting minutes. (Jami Lewis, Town Clerk)
- d) Consideration and possible action to accept the October 15, 2015 study session minutes. (Jami Lewis, Town Clerk)

7) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a) Discussion of existing Medical Marijuana regulations and proposed amendments thereto; take public comment on proposed changes. (Mayor Marley; Vice-Mayor Croft)

Recommended Action: Direct staff to proceed with the proposed schedule.

Mayor Marley reviewed the history of medical marijuana in the state; the Town's actions since the legislation; current medical marijuana cultivation facilities in west Yavapai County and the Town; reasons for lack of signage at local medical marijuana facilities, and Council's desire for public input.

Public Comment:

Lora Lee Nye, Prescott Valley Councilmember and MATFORCE member, spoke about the dangers of legalizing medical marijuana and supported Council taking a stand against it.

Chad Nanke supported more restrictive requirements for medical marijuana facilities.

Dave Mazy, Chino Valley business owner, spoke about new federal regulations for firearms dealers with regard to marijuana users.

Sally Schindel, MATFORCE volunteer and Prescott resident, spoke about dangers of medical marijuana use, new laws, and helpful resources.

John Trout, new resident and ex narcotics division police officer, spoke about the dangers of medical marijuana use.

Mark Bonacquist, resident, opposed more medical marijuana farms in Town.

David Albus expressed concern about possible impacts from changes at the federal level.

Jim Briody urged Council to consider the citizens' concerns, not those of outside interests; and expressed concern about the effects on property values from marijuana operations.

Judy Snow, resident, opposed more growing in Town.

Jomarie Rusling, resident, spoke about noise and disturbance from the Road 4 South development.

Stephanie Lambert, resident, spoke about negative visual impacts of marijuana facilities on the highway.

Lillian Morales, resident, spoke about the dangers of marijuana and black market sales, and supported the Town limiting such facilities.

Rebecca Robertson urged Council to do what they could to fight against legalized marijuana to protect the youth.

Sandy Jack, Williamson Valley resident, spoke about forming a committee to research how to give the Town more control.

Lee Shaw spoke about problems in Town with marijuana use among the youth and supported Town officials challenging the law.

Mayor Marley recessed the meeting at 7:58p.m. and reconvened it at 8:14 p.m.

Marilyn Abbey, Road 4 South resident, spoke about stopping the proposed development on Road 4 South and SR 89.

Todd League suggested the Town declaring itself a 'dry county.'

Craig Brown, Yavapai County Supervisor, advised that President Obama had instructed the Department of Justice to not enforce federal laws on states that had passed medical marijuana, and he encouraged Council to contact MATFORCE for support.

Ed Albus, Town business owner and pastor, spoke about staying strong in the fight.

Jim Arroyo, Oath Keepers member, spoke about threat assessment and analysis, and drug cartels taking over medical marijuana businesses.

Debbie Krogh, resident near Road 4 South, asked about the Town denying the proposed facility on Road 4 South and SR 89.

Shelley Mehelocek spoke about citizens already having kept two medical marijuana farms from coming to Town.

Staff and Council reported on state regulations and local options, and the process to amend the

Unified Development Ordinance's (UDO) medical marijuana provisions. They further reported that:

- On March 14, 2014, Council officially opposed the use of recreational marijuana, but received very little input from the public at that time.
- There were three current medical marijuana facilities operating in Town, one under construction, and one approved but not operating. The location for the existing dispensary was based upon input from the police department.
- The only tax income the Town received was from the dispensary. Council supported a state-wide tax on the product and would continue to do so.

Council comments:

- Medical marijuana was legal, and while the Town could not stop it, it could possibly create more restrictions.
- Regarding the proposed facility on Road 4 South and the highway, Town officials will need to visit with the legal department.
- They encouraged citizens to: contact state and federal representatives to encourage them to enforce the federal law; contact the Council for opinions about pending medical marijuana developments; and register and vote against legalizing marijuana in 2016.
- MATFORCE was reviewing this matter and the repercussions seen in Colorado.
- The Town's next steps will be to perform a legal review and draft an ordinance to amend the UDO.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Corey Mendoza to direct staff to proceed with proposed schedule to review and bring forth some recommendation to Town Council as far as zoning for medical marijuana issues.

Vote: 7 - 0 PASSED - Unanimously

Mayor Marley recessed the meeting at 8:36 p.m. and reconvened it at 8:50 p.m.

- b) Discussion and possible action regarding (i) the USDA WIFA refinance, and use of savings/proceeds to fund Center Street sewer extension, and (ii) the Town's water and sewer extension, buy-in fee and connection policies. (Robert Smith, Town Manager)

Recommended Action: Consider, discuss and possibly direct staff to take action relative to (i) the USDA WIFA refinancing project and/or the sewer extension project and (ii) code requirements relative to sewer extension, fees and connection policies.

Mr. Smith and Finance Director Duffy reported that:

- Council discussed this matter on October 15, 2015.
- There were two parts to the WIFA matter: (i) Refinance \$3.9 million in USDA loans related to the Chino Meadows sewer project, which will nearly cut the interest rate in half, and provide an overall cash savings of \$775,000; and (2) Designate a new \$560,000 project component to extend sewer along Center Street to the existing Mollie Rae subdivision.
- WIFA approved the new loan last week and granted the Town \$250,000 in forgivable principle.
- The loan documents will be before Council for approval on November 10.

Mayor Marley added that:

- The Council hoped to protect the aquifer, while forestalling future rate increases and reducing the burden on existing wastewater customers without increasing the burden to existing homeowners who might need to hook up. Council desired to frame a comprehensive sewer policy that was fair to new and existing residences.
- Reasons to hook up were: effluent, environmental responsibility, and increased home resale value.
- Topics to be discussed were: mandatory versus voluntary hook ups; 400 foot distance requiring hook up; reduced rates to hook up while trench was open; trigger points requiring hookup, such as major remodel or septic system failure; regulations for new homes and developments; street side requirements for septic systems; dry yard line requirements for new homes; gravity system requirements for all new developments; incentives to new developers; and large septic systems for commercial developments.

Public comment:

David Albus opposed forcing people on sewer, but believed the Town would not have to force it if the cost of sewer was less than septic. Council and staff stated that it cost about \$7,000-\$9,000 to install a conventional septic system, while the Town's cost to connect to sewer was \$6,000.

Jim Briody asked staff to research how this would affect those property owners on Perkinsville that had pre-paid to hook up.

Council discussion:

- They supported hook ups being voluntary for any existing home as the pipe went by, but any homes built after that must hook up.
- They preferred that the 400-foot requirement be from the sewer line to the septic, not the property line.
- They favored a discounted price of \$3,000 to hook up which the trench was open, and \$6,000 after that.
- They opposed trigger points of a major remodel or home sale for mandatory hook up. Septic system failure as a trigger was governed by ADEQ and Yavapai County, and needed to be reviewed further.
- They supported requiring a dry service connection near a home's foundation, flowing to the lowest point on the property's frontage, and expressed valid reasons not to require street side septic.

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.

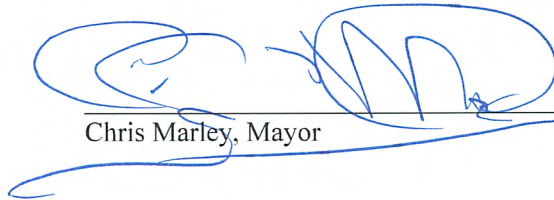
9) ACTION ITEMS RESUMED

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

10) ADJOURNMENT

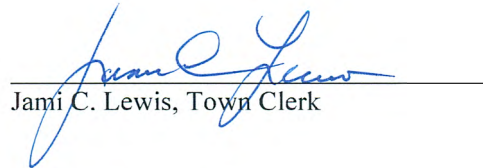
MOVED by Councilmember Corey Mendoza, seconded by Councilmember Mike Best to adjourn the meeting at 7:38 p.m.

Vote: 7 - 0 PASSED - Unanimously



Chris Marley, Mayor

ATTEST:

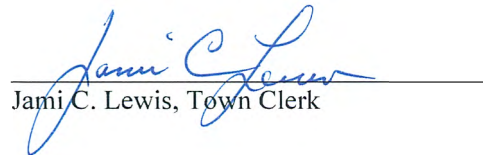


Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 27th day of October, 2015. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 8th day of December, 2015.



Jami C. Lewis, Town Clerk