MINUTES OF THE STUDY SESSION/RETREAT OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

WEDNESDAY, DECEMBER 11, 2013 8:00 A.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Study Session/Retreat in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Wednesday, December 11, 2013.

Present:	Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Linda Hatch; Councilmember Lon Turner; Councilmember Don Wojcik
Absent:	Councilmember Pat McKee
Staff Present:	Town Manager Robert Smith; Town Attorney Phyllis Smiley
Attendees:	Consultant Lance Decker

1) CALL TO ORDER; ROLL CALL

Mayor Marley called the meeting to order at 8:00 a.m.

2) *[8:00 a.m.]* Review and discuss summary of instruction given to staff and agreements drafted by Council on November 5, 2013.

Lance Decker led discussion on the various topics included in this agenda.

Process for Drafting Strategic Plan ("the Plan")

- Meeting objectives were to review the Framework Strategic Plan, discuss and modify it, then instruct staff on how to complete the Plan.
- He will coach Mr. Smith and staff, who will put the Plan together.

Observations from/since the Previous Session

- Council relations had improved and their burden felt lighter.

Observations about the Homework Assignment

- It allowed them to focus on the important items.
- Everyone's viewpoint on the goals and objectives came back a little differently.
- Including sustainability needed to be built into, not on to, the process.

- Hopefully, Council will use this tool as a way to truly look forward rather than focus on the current administration.

Mr. Decker added that to change the Town's future, Council needed to unify and get the community behind them, as the community would not support a divided Council. Also, leadership was not just about management, staff, and policies, but integration of the entire Town.

3) Review and discuss summary of the Framework Strategic Plan.

Council and Mr. Decker reviewed the outcomes of the homework assignment, which were incorporated into the Framework and included a SWOTT Analysis (strengths, weaknesses, opportunities, threats, and trends) of the Town.

Strengths were categorized under infrastructure, fiscal, economic, planning, management and staff, feeling of community, location, and environment. Comments were:

- Strengths could also be weaknesses.
- It was good to view the Town's strengths, as people had a tendency to focus on weaknesses.
- The Town needed to build on its positive aspects as there will always be things wrong.
- The Town's strengths—dark skies, small community, open space, and friendliness—were why people originally moved here.

Weaknesses were categorized under infrastructure, policy-maker relations, organizational design, community challenges, fiscal stress, and economic challenges. Comments were:

- The Town might need a property tax to become sustainable.
- Council needed to decide which services were most important in case reduction of services was needed.
- Residents' needs and wants differed, with some moving in and immediately wanting change.
- Too many residents spent their tax dollars outside the Town, then complained about bad roads.
- The Town needed to build a sense of community and increase residents' understanding of and participation in local government.
- Business and creativity was needed to increase sales tax and help provide a sustainable income.
- A challenge will be to determine how to sustain the desired feelings, while paying for things the Town needed, by planning cautiously, making potential big box stores attractive, and ensuring that when seeking businesses, officials bring those that were long term, sustainable, and compatible.
- Light industry, in providing jobs, might translate to buying power and sales tax, and giving the Town a foundation.

Opportunities were categorized under sustainability, community development, and economic development. There were no comments.

Threats were categorized under lack of organizational metrics, lack of infrastructure and resources, divided policy bord, fiscal strife, no growth mentality, and management and staff. There were no comments.

Critical Trends were categorized under an improving economy, improving fiscal conditions, continued community mistrust, and unrealized economic opportunities. Comments were:

- The Town needed to be prepared for another economic downturn.
- The Town could address the upturn in home building by gaining some level of control for unregulated, incompatible uses.
- To keep in charge of development, the Town needed planning and infrastructure, and to retain water and sewer, rather than privatize them.
- While addressing economic development to deal with debt service and maintain/improve services, most citizens will still want dark skies and other rural characteristics.
- Town officials should not be desperate to create just any job.
- Impact fees and property taxes will be difficult to initiate if the community was distrustful of the Town.
- One thing that stood out was unrealized economic opportunities.
- The Town's water was pledged and could not support another subdivision at this time and it needed to expand sewer a little each year.
- Growth was needed to address the unrealized water and sewer commitments, and Council needed to communicate this to the public once in awhile.
- Growth was needed to provide jobs for the Town's young people who did not want to leave Town after school.
- Medical marijuana farms increasing stress on law enforcement could become an opportunity by regulating the land and encouraging the state to initiate a tax for crop sales and growth.

Mr. Decker stated that it was hard to overcome a distrustful community, and if Council was not bonded together, that would give the citizens further opportunity to turn things down. If a bond election was lost, it could be years before the Town could try again. Council also needed to ensure that its interests were protected, such as asking the Town's state representatives to introduce legislation to tax medical marijuana.

Mission, Vision and Values Statements

- "Forward looking" meant that it was important to look beyond their own terms.
- Council needed to be realistic as to whether or not the Town actually had a "rural character" to maintain; consider what could be designed to maintain the features they wanted; and consider landowners' rights.
- Chino Valley was currently the only local municipality with vacant land and they wanted to make sure acre-plus and animal properties did not get pushed out.
- Although councils changed every four years, the General Plan established the Town's long term vision.
- Councils needed to nurture younger people in the community to continue the vision.
- Town leaders needed to create values to make a sustainable place where people want to go, live, and commit.

Key Result Areas (KRA). The group reviewed seven KRAs, which included sustainable economic and community development; adequate physical infrastructure; community excellence in education; medical, transit, and recreational facilities; resolution of legal and financial issues; building a cohesive policy and manager team; customer service; and strong fiscal condition.

- Ideally, the Plan should contain five or less KRAs.
- Some objectives must be accomplished before the rest could be started, and they needed to be considered from one to five years out.
- Each councilmember could focus on a certain number of objectives, but care will be needed that critical objectives were not neglected.
- Recreation was important, as those that played together, stayed together.

Mayor Marley recessed the meeting at 9:15 a.m. and reconvened it at approximately 9:30 a.m.

4) *[Approx. 9:45]* Discussion and possible revisions to the Framework Strategic Plan.

Mission Statement. Council discussed possible mission statements, tentatively settling on: "The mission of the Town of Chino Valley government is to provide thoughtful, affordable, timely, cost effective, forward-looking government for its citizens.

Vision Statement. Possible aspects were:

- good jobs and employed residents;
- healthy community with opportunities;
- small Town feel;
- good infrastructure supporting transportation, business, and residential development;
- financial stability;
- recreational activities;
- great place to live, learn, work, play, raise a family, and build a business.

Critical Points

- Financial condition and debt service were vital to the future.
- While there may not be major distrust, most citizens were either frustrated or did not care.
- Retain feel of small town and address historical possibilities such as the old Mormon Church, Jerome Junction, Del Rio Springs, and Cooper Dairy.
- Define a signature event and market it, along with other events such as the corn dinner, pumpkin festival, winery, and dog show; provide events to get people to stay for a day or several days.
- Capitalize on the fact that Chino Valley was the state's original territorial capital; provide something that attracted steady destination marketing; brand the Town.

Mr. Decker related that the Town needed to know what it wanted to be. Tourism and history took energy and marketing, but this was the way to get the community excited. Council had to decide if it had the energy for this and the industrial park.

Organizational Values. Council discussed a list of values, but did not agree on any values to be adopted. Two comments were:

- If a Councilmember did not support an item that Council approved, that member should be willing to explain the reasons for the decision to the public.
- Council also needed to help the citizens who were marginal in their support and involve them.

Key Result Areas and Objectives. Council and Mr. Decker reviewed the seven KRAs in detail and made suggestions for organizing them and the objectives, which had to be in the form of a deliverable for which staff could provide a detailed action plan. Council will then need to provide priorities, while staff will need to provide input on workflow. Objectives discussed were:

Sustainable Economic and Community Development

- Make a plan to level things out financially and cover debts.
- Provide needed groundwork and infrastructure first for industrial and commercial development .
- Apply for a certain grant for the industrial park gas line.
- Start low water and sustainable business at Old Home Manor, then expand.
- Consider working with an economist to develop a five year economic development plan.
- Develop multiple strategies in case the bond fails.
- Develop an objective to work with the County to complete the current flood control plan, and direct the Town Manager to give regular reports on this to Council.
- Work with the League on the medical marijuana tax.

Adequate Physical Infrastructure

- Consider infrastructure expansion for areas other than SR 89.
- Develop a viable plan with specifics for funding infrastructure before taking it to the public.
- Review the options in the SR 89 Committee's report.
- Develop plans for the wastewater treatment plant purchase, SR 89 sewer and water extensions, and Prescott water system purchase.
- Obtain an update on rainwater capture studies.
- Complete the Road 4 South project by June 1, 2014.
- Purchase the Prescott water system before the bond issue.
- Complete the Center Street to Road 4 South Loop by 2016.
- Direct staff to add details on other approved projects to the Plan and indicate their additions and changes, for Mr. Decker's review.

Community Excellence in Education, Medical, Transit and Recreational Facilities

- Consider initiating community relationships with other Town entities, such as has been done with the Fire District, and possibly coordinating it through the Chamber.
- Engage the community in these areas.
- Possibly place this item under a broader heading, as it was important, but not urgent.

Resolution of Legal and Financial Issues. Issues to address were:

- Cameron Ranch;
- Bright Star development agreement;
- Concessionaire agreement with the Prescott Sportmens Club;
- Town Code and UDO amendments to bring them into compliance with state law.

Building a Cohesive Policy and Management Team

- Value respectful behavior and transparency.
- Direct staff to provide line by line fiscal analyses of projects and programs.
- Possibly adopt policies and procedures to protect and ensure transparency in Town operations.
- Be willing to contact staff prior to meetings about concerns and questions, taking care to maintain balance between information needed and micro-managing.
- Understand that not all Councilmembers wanted the same level of detail in the packet.
- Possibly hold additional study sessions to discuss and review big ticket items.
- Consider doing an autopsy on each major project.
- Once approved, leave projects to staff to accomplish.
- Expect staff to provide Council with changes in information.
- Determine a level of accountability for both Council and staff.

Customer Service

- Ask staff to provide to the pubic active information in a timely manner, such as roads projects, and include a disclaimer with regard to schedules.
- Be mindful of staff's schedules.

Mayor Marley recessed the meeting at approximately 12:15 p.m. and reconvened it at approximately 2:20 p.m.

Customer Service (continued)

- Direct staff to coordinate staff schedules to maximize customer service, and understand that per Arizona averages, the Town was short around 34 full-time employees and there might not be sufficient staff to reinstate the five-day work week. This item will not be in the Plan and should go on an agenda for discussion.
- Better disseminate information in general.
- Consider an annual citizen survey.
- Consider adopting employee standards.

Strong Fiscal Condition

- Review the financial policy, as it seemed that contingencies were being used too much.
- Direct staff to provide the bond calendar deadlines and draft a timeline for meeting the bond election schedule.

Mr. Decker stated that Council was in a difficult situation, as it was running a stressed out organization in terms of staffing and critical capital projects that would take priority over additional staffing. Parks and recreation and police drew significant resources without a dedicated income stream. While the town manager should be focusing on strategic issues, he was loaded with day-to-day minutia and needed assistance with much of the administrative operations. He added that he will provide staff with material to help them set a standard for providing adequate data to Council.

The group then discussed the best way to organize the KRAs. Mr. Decker clarified that the Strategic Plan was for major issues that will "make or break" the Town over the planning period. Things that were functioning should be retained in an Operational Plan. He considered the most important KRA to be Strong Fiscal Condition, and while Community Excellence was a future looking piece, it was a major issue in the long run.

The group placed Customer Service under a new heading of Community Engagement and moved Legal and Financial Issues to Strong Fiscal Condition.

5) *[Approx. 11:30 a.m.]* Discuss objectives and implementation of the Strategic Plan.

Per the discussion under item 4, Council discussed the KRAs at length and reorganized the material into five final Key Result Areas:

- Sustainable Economic and Community Development
- Adequate Physical Infrastructure
- Community Engagement
- Building a Cohesive Policy and Management Team
- Strong Fiscal Condition

Building a Cohesive Policy and Management Team appeared to be the top priority, with Strong Fiscal Condition next. As many of the objectives will need to be run concurrently, some way to prioritize them was needed.

Mr. Decker related that Council and staff could rate each objective with an "A" (needs to be done right away), "B" (not immediate, but needs to be done soon), or "C" (needs to be done, but is not pressing). For these objectives to succeed, all seven Councilmembers had to be on same page, and any one of the group could create failure. Just a few negative comments about a particular item could cause the citizens to vote down an item.

6) *[12:45 p.m.]* Discussion regarding instruction for staff to bring a revised draft to a future Council meeting and to complete a one-year action plan that implements the objectives of the Strategic Plan.

Council and Mr. Decker discussed the process for completing and applying the Plan.

- Mr. Decker will provide Mr. Smith with "completed staff work" standards.
- Mr. Decker will update the Framework and send it to Mr. Smith, who will distribute it to meeting participants.
- Mr. Decker will work with planning staff to develop the Plan.
- Between now and the February study session, Mr. Decker and the Town Planner will work together to assemble another draft.
- Mr. Smith will review the Framework with Leadership and staff will provide by January 31, 2014: realistic timeframes with some cushion; input on costs, what the Town could afford and had the resources to do; and an action plan. This will be done before Council ranks the objectives.
- Mayor Marley will report to Council in January regarding staff's progress, and he and Mr. Smith will keep Council informed on progress.
- Council will hold a study session the third week of February to review the KRAs and objectives only.
- This document will serve three purposes: (i) give Council the details for which to hold management and staff accountable for implementation and application; (ii) give Council a document that they could provide to the public; and (iii) provide an opportunity to place a basic summary of the five-year Plan in a brochure format for all residents, declaring with Council wanted to accomplish in the next five years.
- Mr. Smith will periodically inform Council on progress and inform them if certain timeframes needed to be extended.

Mr. Decker asked Council to provide feedback on the retreat and facilitator.

7) ADJOURNMENT

Mayor Marley adjourned the meeting at 4:10 p.m.

Vote: 6 - 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 Study Session/Retreat of the Town Council of the Town of Chino Valley, Arizona held on the 11th day of December, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of January, 2014.

Jami C. Lewis, Town Clerk