

**MINUTES OF THE PUBLIC MEETING
OF THE SR 89 UTILITY PROJECT CITIZEN COMMITTEE
OF THE TOWN OF CHINO VALLEY**

**Monday, April 29, 2014
5:00 P.M.**

The SR 89 Utility Project Citizen Committee of the Town of Chino Valley, Arizona, convened for a public meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona.

Gary Warren called the meeting to order at 5:00 P.M.

Members present: Gary Warren (Chair), Karrie Blum, Lee Dudley, Michael Edmonds, Bud Hanen, Robert McCaullay, Corey Mendoza, alternate Scott Freitag

Staff present: Town Manager Robert Smith, Finance Director Joe Duffy

3. APPROVAL OF MINUTES

3a. Consideration and possible action to approve the April 17, 2014 meeting minutes.

3b. Consideration and possible action to approve the April 21, 2014 meeting minutes.

The committee moved to approve the April 17, 2014 and the April 21, 2014 meeting minutes and passed.

4. OLD BUSINESS – No old business

5. NEW BUSINESS

5a. Presentation and discussion regarding financing options and related matters.

Finance Director Duffy presented information regarding utility fund operation cost, alternative funding options, and Utility fund analysis comparing Revenue Bonds to General Obligation Bonds.

Mark Reader from Stifel presented information regarding:

- Summary of proposed projects to be funded
- General Obligation Bonding analysis
- Water infrastructure financing authority (WIFA)

Members of the public asked questions regarding:

- How often the Town could ask for a General Obligation Bonding
- The Town's current debt (\$21 million)
- WIFA forgiveness portion of loan and how soon we would know the amount of forgiven
- Tax cost to the residents
- If bond doesn't pass how do we increase revenues
- What happens to human services (library, pool, senior center) if bond doesn't pass
- Was the Town/Council aware of the problem in prior years
- Increase/decrease in the water and sewer rates

Town Manager Smith advised GO Bond was discussed prior with a focus on economic development, subsequent issues include the CM Risk agreement and buying sewer plant out and purchasing the Prescott water system to bring customers on to Town's revenue.

The committee moved to adjourn at 6:02 P.M.

Submitted this 6th day of May, 2014

By: *Liz Hart, Town Clerk Assistant*