

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

**Monday, May 8, 2014
5:30 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 5:30 P.M.

Members present: Gary Warren (Chair), Karrie Blum, Bud Hanen, Robert McCaullay, Corey Mendoza, Michael Edmonds, alternate Scott Freitag, Lee Dudley (by phone),
Staff present: Town Manager Robert Smith, Planner Ruth Mayday, Public Works Director Ron Gritman, Finance Director Joe Duffy,

3. APPROVAL OF MINUTES

3a. Consideration and possible action to approve the May 5, 2014 meeting minutes. The committee approved the May 5 meeting minutes. 6 aye – 1 abstain

4. OLD BUSINESS

5. NEW BUSINESS

5a. Discussion and possible recommended actions on the development of State Route 89 Utility Project to Council.

Finance Director Duffy distributed and discussed several handouts:

- total monthly cost by scenario- Do Nothing, Revenue Bond, GO Bond
- Comparison of different bonds
- Water and sewer customer rate and hookup analysis
- Commercial property values
- Assessed value by subdivisions
- Estimated monthly tax amount by subdivision
- Utility bill calculation – commercial
- Resolution 13-1005 – water and sewer rates

The committee discussed:

- Discrepancy when he was given information on the water rate cost.
- Current Town code for mandatory hook up – 400 feet if a commercial property
- Number of home actually on the current water system – 300 homes of the projected 650 homes hook up fees
- What is the physical cost be to hook up to sewer and water
- Fees paid and due to Fann waste water treatment plant
- Waiving the water & sewer system hook-up fees along State Route 89.

- Clarification between the sewer line (main line) and yard lines (line through property)
- Revenue Bond vs. GO Bond and expenses and funding associated with each
- Water credit for abandoned wells
- Placing sewer on Perkinsville Road will assist La Mar Homes who is paying for the extension under Perkinsville Road.
- Concerns were expressed regarding excessive cost of bond to do things not associated with water and sewer.
- Area of greater return in water and waste water use.

The committee made the following motions:

1. Recommendation to Council

Corey Mendoza moved, seconded by Bud Hanen to recommend a GO Bond to Council.
Michael Edmonds recommended a Revenue Bond as the most cost effective way for the Town.
Motioned passed

2. Amount of bond

Corey Mendoza moved, seconded by Michael Edmonds to go with staff's recommendation on the amount that Council can deal with. Motion passed.

3. Location of project

Corey Mendoza moved, seconded by Karrie Blum to accept staff's recommendation extending the sewer and water to between Road 2 North and Road 3 North.
Robert McCaulley went on record as being against the location, recommending establishment on Center Street. Motion passed (6 – ayes 1 nay)

Corey Mendoza moved, seconded by Bud Hanen to have no hook-up fee at all, for the original people affected as well as future. Discussion ensued and passed.

Corey Mendoza amended his original motion, seconded by Bud Hanen so that Council considers waiving the fees for both the immediate people and future users of our system as well. Motion passed (6-Ayes, 1 abstain)

Town Manager Smith thanked the committee for their efforts.

6. ADJOURNMENT

The committee adjourned

Submitted this 27th day of May 2014

By: *Liz Hart, Town Clerk Assistant*



Gary Warren, Chair