

**MINUTES OF THE REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
TUESDAY, DECEMBER 10, 2024
6:00 PM
COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Miller called the meeting to order at 6:00 p.m. Young Marines posted the colors and led the Pledge of Allegiance.

Present: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo - remote, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

Absent:

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Arturo Castillo (Sgt. at Arms), Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Lieutenant Randy Chapman, Lieutenant Amy Chamberlin, Community Services Director Cyndi Thomas, Facilities and Parks Manager Jason Olson, Parks Maintenance Worker Luke Korell, IT Support Tech Matthew Widner, Audio Visual Technician Lawrence Digges, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Proclamation issued to Supervisor Craig Brown for his many years of service and dedication to the Town of Chino Valley and Yavapai County.

Mayor Miller and the Council presented the proclamation to Supervisor Brown.

Supervisor Brown expressed his gratitude to those he has worked with over the years.

Supervisor Brown presented a certificate of appreciation to Mayor Miller for nine years of public service.

- b. Recognition of elected officials for the following years of service:

- Jack Miller -- 4 years as Mayor, 2 years as Vice-Mayor, 3 years as Councilmember for a total of 9 years of service.
- Annie Perkins -- 1 year as Vice-Mayor, 7 years as Councilmember for a total of 8 years of service.
- Tom Armstrong -- 1 year as Vice-Mayor and continuing service as an elected official.

Terri Denemy, Town Manager, presented plaques to Mayor Miller, Councilmember Perkins, and Vice-Mayor Armstrong.

Mayor Miller presented a gavel to Mayor-Elect Armstrong.

- c. Administer Oath of Office to Town Manager Terri Denemy.

Pastor Emeritus Paul Jones administered the Oath of Office to Terri Denemy.

- d. Presentation and announcement on the Town of Chino Valley Parks Department becoming an Environmental Certified Facility by the Sports Field Managers Association (SFMA).

Terri Denemy, Town Manager, presented the following:

- This was a certification from the Sports Field Management Association for Environmentally Certified Facilities to the Town of Chino Valley.
- Chino Valley is one of only two municipalities in all of Arizona to receive this certification.

Jason Olson, Facilities and Parks Manager, presented the following:

- The award was for Chino Valley Parks, not an individual staff member.
- The assessment looked over everything the Town did that was environmentally friendly including aquatics and facilities.
- The assessment required a passing score of 80%. The certification would be valid for three years. The Town would then need to re-certify through a simple evaluation form.
- Gave a brief overview of the required objectives for the certification including recycling, irrigation, water quality, conservation, landscaping and open space, educational and outreach programs, etc.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. 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. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

Christy Magers presented the following:

- She was a resident of Haystack Ranch. She expressed concern over the El Paso natural gas compressor station proposed to be constructed 1/3 of a mile from her neighborhood's northern border. She had also sent a letter to Council regarding this matter. Ms. Magers presented data from a survey of airborne compounds emitted from such stations and found inside homes.

Frank Fusari presented the following:

- He was a resident of Haystack Ranch. He expressed concern over the proposed Kinder Morgan natural gas compressor station. He believed the project was intentionally being held under the radar. He stated that the project would affect Chino Valley residents up to a 10 to 15 mile radius. He gave a brief overview of the work that would be done at the site and the effects it would have on nearby residents and animals.

Vinny Gallegos, Executive Director for CYMPO, presented the following:

- He expressed gratitude to Mayor Miller, Vice-Mayor Armstrong, and Councilmember Perkins for their work and partnership over the years. He reported that the CYMPO board recently selected Vice-Mayor Armstrong as the new Chair of CYMPO.

Carie Hughes presented the following:

- She expressed gratitude to the Council and Mayor on behalf of her husband, John Hughes. She and her husband were grateful for all they'd done.

4. 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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

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

Mayor Miller presented the following:

- He stated it had been a pleasure to serve with the Council. They didn't always agree, but they were always respectful.
- He thanked the citizens for their support to him and his wife after their car accident.

Vice-Mayor Armstrong presented the following:

- He recognized the following attendants and thanked them for attending:
 - Darla DeVille, APS
 - Lieutenants from the Police Department
 - John Courtis, Chino Valley Chamber of Commerce
 - Elise from Eli Crane's Office
 - Chris Kuknyo, Yavapai County Supervisor-Elect
 - Craig Brown, Yavapai County Supervisor
 - Mark Holmes, Town Water Consultant
 - Darryl Croft, Former Chino Valley Mayor
 - Chris Marley, Former Chino Valley Mayor
 - Vinny Gallegos, Executive Director of CYMPO
 - Michael Patrick, Trust for Public Land

- Kay Lauster, Historical Society

Councilmember Perkins presented the following:

- December to Remember was awesome. Thanked the staff for organizing the event.
- The parade was so much fun. Recognized Erin Deskins, Town Clerk, for organizing the float.
- Thanked everyone for donating and attending and making them successful events.
- Thanked the Town for the last 10 years.

Councilmember Granillo:

- Welcomed the new councilmembers.
- Thanked Jason Olson for the presentation.
- Thanked Mayor Miller and Councilmember Perkins for the last four years and being positive role models.

- b. Status report by Town Manager Terri Denemy regarding Town accomplishments, and current or upcoming projects.

Terri Denemy, Town Manager, presented the following:

- Recognized Cyndi Thomas and Community Services. The light parade was a huge success and created a new tradition. The video had 17,000 views. Staff stated there was probably more people there that night than the previous five years combined. There were food trucks, vendors, and the parade had 21 entries.
- This was the last Council meeting before the holidays. Town offices would be closing mid-day on December 24th and re-opening Monday, December 30th.
- The December to Remember parade of homes was still going on. The route could be located on the Town website.
- The Chino Valley Chamber of Commerce was hosting a Bingo contest by shopping small/local. Anyone wanting to participate could pick up a flyer at Town Hall and other places around Town.

5. 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.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember Annie Perkins to approve Consent Agenda items 5a and b.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

NAY: None

7 - 0 Passed – Unanimously

- a. Consideration and possible action to approve the October 22, 2024, study session and regular meeting minutes.
- b. Consideration and possible action to approve the November 12, 2024, regular meeting minutes.

6. 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 sessions.

- a. Consideration and possible action to approve Resolution No. 2024-1267 to authorize the application for a loan from the Water Infrastructure Finance Authority of Arizona for the design of the "Old Home Manor Water Production Facility."

Recommended Action: Approve Resolution No. 2024-1267 to authorize the application for a loan from the Water Infrastructure Finance Authority of Arizona for the design of the "Old Home Manor Water Production Facility."

Katie Pehl, Finance Director, presented the following:

- Staff was requesting to have this item continued to a future date so that a more in-depth study session could be held to give the new councilmembers an opportunity to learn more about the item.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember John McCafferty to reschedule item 6a to a date to be determined in the future.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

NAY: None

7 - 0 Passed – Unanimously

- b. Consideration and possible action to adopt Resolution No. 2024-1277 authorizing the acquisition of approximately 22.91 acres of real property for use as a public asset and the related contingency transfer of \$60,298 for emergency stabilization.

Recommended Action: Adopt Resolution No. 2024-1277 authorizing the acquisition of approximately 22.91 acres of real property for use as a public asset and the related contingency transfer of \$60,298 for emergency stabilization.

Terri Denemy, Town Manager, presented the following:

- Gave a brief history of the Del Rio Springs State Park purchase and the Fred Harvey buildings that were not included in the State Park purchase.
- The Town was given the opportunity to purchase the parcel containing the Fred Harvey buildings. The property was appraised at \$570,000, but the owners offered a discounted price to the Town, and a generous contribution was offered from a private donor, making the total purchase price for the Town \$150,000.
- The buildings were surveyed by Otwell and Associates to assess the work needed on each building to stabilize them so that they would not deteriorate further and could be renovated at another time.
- Gave a breakdown of the budget needed to purchase and stabilize the buildings. Adding stabilization would require just over \$60,000 more than the Council had originally budgeted for the land purchase. Ms. Denemy stated that staff would look into any possible donations or volunteer opportunities to save money on the stabilization projects.
- Provided a comparison of what road repairs could be accomplished with \$60,000 and pointed out that purchasing the property had longer-term potential than a small amount of road repairs.
- Provided a brief history of the Fred Harvey hotels, restaurants, and farms. The buildings on this site were the only remaining buildings anywhere in the United States associated with a Fred Harvey farm.
- There was one other parcel the Town had been approached with purchasing which might be fully funded. That parcel would be brought to Council at later date.

Council and staff discussed the following:

- Councilmember Schacherer stated that staff had said they would look for grants and volunteers before dipping into more money.
 - Staff stated that they had already been in contact with Kay Lauster and has provided about 10 places staff could begin to look for more money including historic societies, foundations, etc.
- Councilmember Perkins inquired how many acres the parcel was and the total cost.
 - Staff stated it was 22.91 acres and the total cost for purchase and stabilization was \$345,000.
- Vice-Mayor Armstrong stated that this was a great opportunity to keep history in Chino Valley and it needed to be thought of that way. He stated that children could either be going on field trips out there or there could be 35 new homes there.
- Councilmember McCafferty stated that the land purchase was a great idea, but he was inclined to stay in the budget and insist on a public-private partnership, rather than put the additional cost on the taxpayers. Even though it was only a portion of a mile of road repairs, he would take whatever improvement he could get because the Town was 15 years behind on road improvements. They could always entertain the expenditure later.
 - Councilmember Schacherer stated that there were a lot of materials around the property that could be used for the stabilization.
- Councilmember Granillo agreed with Councilmember McCafferty to find more grants.
- Mayor Miller stated that he had been in the buildings and had always been upset that they were sitting there deteriorating. He was happy with fencing rather demolishing to keep the cost to a minimum. He stated this was step one because there was a lot more

- history in Chino that the Town needed to get a hold of.
- Councilmember Schacherer mentioned that there was left over material that could be reused to save funds.
- Councilmember McCafferty inquired about getting the public involved in the process of stabilization and cleanup.
 - Staff stated that the Town has a strong history of public-private partnerships and they would be exploring every possibility.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember Annie Perkins to adopt Resolution No. 2024-1277 authorizing the acquisition of approximately 22.91 acres of real property for use as a public asset and the related contingency transfer of \$60,298 for emergency stabilization.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember Sherri Phillips, Councilmember Robert Schacherer

NAY: Councilmember John McCafferty

6 - 1 Passed

- c. Consideration and possible action to accept the Annual Comprehensive Financial Report for Fiscal Year ending June 30, 2024.

Recommended Action: Accept the Annual Comprehensive Audited Financial Report and the Annual Expenditure Limitation Report for fiscal year ending June 30, 2024, as prepared by Baker Tilly US, LLP, Certified Public Accountants.

Katie Pehl, Finance Director, presented the following:

- Staff worked with external auditors every year to complete the Town's financial reports. Those reports were available on the Town's website for public review.
- Presented Brian Hemmerle.

Brian Hemmerle, Baker Tilly, presented the following:

- The Town received a clean opinion on the Town's financial statements. There were no instances of non-compliance. There were no material weaknesses (deficiencies) found during the audit.
- The auditors provided reasonable assurance. Absolute assurance would require testing every transaction of the Town.
- Gave a brief overview of the Audit and Annual Expenditure Limitation Report.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember Annie Perkins to accept the Annual Comprehensive Audited Financial Report and the Annual Expenditure Limitation Report for fiscal year ending June 30, 2024, as prepared by Baker Tilly US, LLP, Certified Public Accountants.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri

Phillips, Councilmember Robert Schacherer

NAY: None

7 - 0 Passed – Unanimously

- d. Administer Oaths of Office to Mayor-Elect Tom Armstrong and Councilmembers-Elect Eric Granillo, Larry Holt, and Robert Switzer.

Erin Deskins, Town Clerk, administered Oaths of Office to Councilmembers Granillo, Holt, and Switzer, and Mayor Armstrong.

Mayor Armstrong asked for Roll Call.

Present: Mayor Tom Armstrong, Councilmember Eric Granillo - remote, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

Absent:

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Arturo Castillo (Sgt. at Arms), Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Lieutenant Randy Chapman, Lieutenant Amy Chamberlin, Community Services Director Cyndi Thomas, Facilities and Parks Manager Jason Olson, Parks Maintenance Worker Luke Korell, IT Support Tech Matthew Widner, Audio Visual Technician Lawrence Digges, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

- e. Consideration and possible action to nominate and elect a Councilmember to serve as Vice-Mayor.

Mayor Armstrong nominated Eric Granillo as Vice-Mayor.

MOVED by Mayor Tom Armstrong, seconded by Councilmember John McCafferty to elect Eric Granillo as Vice-Mayor.

AYE: Mayor Tom Armstrong, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer

NAY: None

7 - 0 Passed – Unanimously

- f. Consideration and possible action to approve the Groundwater Extinguishment Credit Purchase Agreement with Alice E. Schofield, for 242.88 acre-feet of Extinguishment Credits in the amount of \$58,291.20.

Recommended Action: Approve the Groundwater Extinguishment Credit Purchase Agreement with Alice E. Schofield, for 242.88 acre-feet of Extinguishment Credits in the amount of \$58,291.20.

Mark Holmes, Water Consultant, presented the following:

- Gave a brief overview of the Town's General Plan and Strategic Action Plans that state the Town's priority for obtaining more water resources to increase the Town's water rights.
- A lot of Chino Valley lands were dry lands and did not have water attached, especially Old Home Manor. All dry lands would need an assured water supply.

MOVED by Councilmember John McCafferty, seconded by Councilmember Sherri Phillips to approve the Groundwater Extinguishment Credit Purchase Agreement with Alice E. Schofield for 242.88 acre-feet of Extinguishment Credits in the amount of \$58,291.20.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer.

NAY: None

7 - 0 Passed – Unanimously

- g. Consideration and possible action to adopt Resolution No. 2024-1276 disbanding and dissolving the Economic Development Subcommittee.

Recommended Action: Adopt Resolution No. 2024-1276 disbanding and dissolving the Economic Development Subcommittee.

Terri Denemy, Town Manager, presented the following:

- The Economic Development Subcommittee (EDS) would meet quarterly to get updates on and discuss important projects going on related to Economic Development.
- Council had expressed a preference for all of Council to receive that information from staff rather than a select group.
- Instead, staff would give regular updates to the entire Council about projects and what was in the works.

Council and staff discussed the following:

- Councilmember Schacherer stated that he would prefer to have quarterly updates.
 - Staff stated they would accommodate that.
- Councilmember Holt inquired how many times the subcommittee had met.
 - Staff stated they were meeting four times per year.
- Councilmember McCafferty agreed that he would like to hear an update at least three times per year.
- Councilmember Granillo stated that there were three meetings this year. He agreed with three or four updates per year.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John McCafferty to adopt Resolution No. 2024-1276 disbanding and dissolving the Economic Development Subcommittee.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer.

NAY: None

7 - 0 Passed – Unanimously

- h. Consideration and possible action to adopt the 2025 Base Council Meeting Schedule.

Recommended Action: Approve the 2025 Base Council Meeting Schedule.

Erin Deskins, Town Clerk, presented the following:

- There were some anomalies in the scheduling for 2025, causing changes to the meeting calendar.
- The August 12th meeting was cancelled because of the summer break that had been customary for Council.
- The August 26th meeting was being cancelled because it would conflict with the League of Arizona Cities and Towns Annual Conference. Because Town Code requires at least one meeting per month, staff rescheduled the 26th meeting to August 19th.
- November 11th would have been a regular meeting but was cancelled for Veterans Day. Staff proposed rescheduling the meeting to November 18th.
- November 25th is regularly cancelled for the Thanksgiving holiday.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Sherri Phillips to approve the 2025 Base Council Meeting Schedule.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer.

NAY: None

7 - 0 Passed – Unanimously

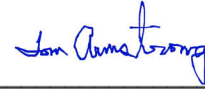
7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember John McCafferty to adjourn the meeting at 7:33 p.m.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer, Councilmember Larry Holt, Councilmember Robert Switzer.

NAY: None

7 - 0 Passed – Unanimously



Tom Armstrong, Mayor

ATTEST:



Erin N. Deskins

Erin N. Deskins, 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 10th day of December, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of January, 2025.

Erin N. Deskins

Erin N. Deskins, Town Clerk