

**MINUTES OF THE SPECIAL MEETING OF THE
CAPITAL IMPROVEMENT PROGRAM CITIZEN'S ADVISORY
COMMITTEE OF THE TOWN OF CHINO VALLEY
THURSDAY, NOVEMBER 21, 2024
2:00 PM
COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

1. CALL TO ORDER

Chair Warren called the meeting to order at 2:00 p.m.

2. ROLL CALL

Present: Committee Member Michael Ditta, Committee Member Sherry Klein, Committee Member Paul Taylor, Committee Member Gary Warren

Absent: Rob Zazueta

Staff Present: Town Manager Terri Denemy, Finance Director Katie Pehl, Accountant Megan Arietta, Public Works Director/Town Engineer Frank Marbury, Assistant Engineer Steven Sullivan, Deputy Town Clerk Sara Burchill

3. APPROVAL OF MINUTES

a. Discussion and possible action to approve the May 16, 2024, regular meeting minutes.

MOVED by Committee Member Michael Ditta, seconded by Committee Member Sherry Klein to approve the May 16, 2024, regular meeting minutes.

AYE: Committee Member Michael Ditta, Committee Member Sherry Klein, Committee Member Paul Taylor, Committee Member Gary Warren

NAY: None

4 - 0 Passed – Unanimously

4. OLD BUSINESS

a. Update and possible discussion on status of capital projects for FY 2024-25.

Frank Marbury, Town Engineer, presented the following:

- Gave a brief update on the Perkinsville Road water and sewer extension between Highway 89 and Road 1 East (complete), North Road 1 East street improvements in front of Territorial Early Childhood Center (complete), East Road 4 South sewer extension (complete), Development Services roof (complete). The total for these projects was approximately \$3.65 million.

- Gave an update on the following:
 - New Streets building – it should be complete in the next week or two.
 - Water Reclamation Facility (WRF) improvements – these improvements would handle treatment capacity concerns and help buy the Town a few more years before needing full expansion.
 - Integrated Water Master Plan (IWMP) – this would help staff with planning and knowing what type/size of infrastructure would be needed where when development occurred.
 - The total for these projects was approximately \$1.62 million.
- Gave an update on the following:
 - Senior Center Kitchen remodel – staff was hoping that it would be open for Thanksgiving.
 - New Public Works building – the old Police Department was being remodeled for this purpose. Staff hoped for this project to be complete by Christmas.
 - New HR building – the old investigation Police building was being remodeled for this purpose.
 - The total for these projects was approximately \$1.2 million.
- Gave a brief overview of the upcoming projects including:
 - Reed Road from Road 1 North to Road 2 North – this project had to be delayed to spring due to weather.
 - Outerloop Road from the Highway to Road 1 West – this project had to be delayed to spring due to weather.
 - Fleet building remodel – staff was trying to wrap up the other remodel projects before starting this one.
 - The total for these projects was approximately \$1.17 million.

Katie Pehl, Finance Director, presented the following:

- The purchase of land at Del Rio Springs would be going to Council at the December 10th meeting.
- Council had concerns about the cost to stabilize the buildings on the property, and an architectural firm was currently evaluating the buildings and their report would be presented to Council at the next meeting.
- The option to purchase the land ends December 31.
- There was a donation match of \$100,000-\$120,000 to help offset costs. This may help to handle the stabilization of the buildings until Council determines what to do with them as they hold historical value.

Council and staff discussed the following:

- Vice Chair Ditta inquired who the East Road 4 South sewer extension would serve.
 - Staff stated the extension reached Yavapai Estates on Road 4 South.
 - Vice Chair Ditta inquired why they weren't paying for it.
 - Staff stated that no one was connected to the system yet. Once customers connected they would pay connection fees. The Town pays to get the line to the properties. The next extension of this line would be paid for by developers for the portions in front of their properties.
 - Staff stated that the undeveloped properties were outside the distance that required connection. Council decided to make this extension for the long-term benefit as well as the benefit of recharging water from these

- Vice Chair Ditta inquired if these properties were now within 300 feet.
 - Staff stated sewer was now at the property line and any new subdivision or commercial property would be required to connect to water and sewer regardless of distance unless there was an existing development agreement stating otherwise.
- Vice Chair Ditta inquired when staff anticipated needing to upgrade the WRF after the proposed improvements.
 - Staff stated that they estimated another five years depending on the building rate of new construction. Expansion would double the volume capacity to 1,000,000 gallons per day.
- Vice Chair Ditta inquired if staff had an expectation of the demographic in five years.
 - Staff stated the plant was increasing by about 20,000 gallons per day every year.
 - Vice Chair Ditta pointed out that there were several new subdivisions going in on the east side of Town.
 - Staff stated that the timeline could move up with the new code revisions requiring any new subdivision to connect, but staff felt they could handle it.
- Vice Chair Ditta inquired if there was a historical requirement to fix the buildings at Del Rio Springs.
 - Staff stated there was no requirement, but some felt there was a historical obligation. Some were concerned that someone could come in, buy the land and bulldoze it all. Not buying the property would be “rolling the dice” on what would happen to it in the future.
 - Council wanted to be aware of their initial financial obligation to preserve the buildings before looking long-term and actually purchasing the property. Council would make those decisions at the next meeting.
 - Staff’s recommendation would be to purchase the property and stabilize the buildings.
 - The property was appraised much higher than the purchase price.

5. NEW BUSINESS

- a. Discussion regarding potential capital project priorities.

Frank Marbury, Town Engineer, presented the following:

- Gave an overview of how staff prioritizes streets by looking at street conditions. Staff invited the committee to also look at street conditions to help fine-tune the list of prioritizations for street maintenance.
- Gave a brief overview of the Town’s pavement condition index (PCI), how roads are rated, and the cost of maintenance in relation to preservation, rehabilitation, and reconstruction.
- Gave examples of roads around Chino Valley in relation to the PCI ratings.
- Gave an overview of how the PCI related to the Town’s budget. If the Town spent less than \$2.57 million per year on road maintenance the Town would be losing ground. The Town needed about \$40 million in repairs and reconstruction to remove the safety issues, and about \$86 million to get all the roads up to good quality.
- Gave a brief overview of the Council approved budget as it relates to the Town’s Capital Improvement Program including streets, water, and wastewater.
- Gave an overview of different options for road rebuilding and maintenance including

- overlay, pulverize and chip seal, single chip seal, etc.
- Staff suggested that committee members take the winter to look at different projects and come back to staff with suggestions for where they felt money should be put.
- Provided the Committee with a list of streets department suggestions of which roads should be repaired based on where the hotspots were and what streets staff got the most calls about.
- Discussed the benefits and drawbacks of doing full rebuilds of roads versus laying chip seal to get more done for less money.
- Discussed the challenges of expanding utilities in a rural area because of sprawl.
- Discussed Norco, CA and how they kept their rural nature while expanding utilities.

Council and staff discussed the following:

- Vice Chair Ditta inquired if staff only considered the condition of the road, or if they also considered amount of traffic on the road when determining which roads to repair.
 - Staff stated that what has been presented is simply road conditions but they do traffic counts as well. Questions such as this is where the human factor comes in and the committee could offer some input.
 - The strategy over the last few years had been to seal off all asphalt streets, and staff was now concentrating on arterial roads that needed rebuilding. But all roads were falling apart so much; arterials gave the most value for traffic count, but local roads were also in need of repair. Staff was trying to serve as many people as they could. This committee was meant to bring in the citizen's viewpoint. Staff used their engineering judgement, but it was not a black and white issue. Staff referred to East Perkinsville Road which had traffic, but few residents as an example.
- Vice Chair Ditta inquired if the Town charged a commercial tax on out-of-town companies doing business in Chino Valley.
 - Staff stated they charged TPT/sales tax on any work done in Town.
 - Any business doing work in the town also had to acquire a business license.
- Vice Chair Ditta inquired about the Town charging mella roos tax for sewer.
 - Staff stated that it would be considered an improvement district or community facilities district where the infrastructure was put in and the homeowners pay it back over a period of time. There were challenges and risks with them including the municipality potentially being left holding the difference of the debt service. Staff did not see developments of that size coming in to where these options would make sense.
 - Staff stated the Perkinsville 44 subdivision was paying for all the lines for the new subdivision and then turning them over to the town.
 - Staff stated they were also looking into impact fees.
 - Rules for impact fees were changed around 2010 requiring funds be spent on growth related projects within 10 years. If there was not enough development coming in to fund a project, the money couldn't be spent.
- Chair Warren inquired how the numbers regarding road repairs had changed over the years.
 - Staff stated that in 2018 they were estimating the number was in the \$45 million range rather than \$86 million. A lot of the increase had to do with inflation.
 - Staff stated that from 2008 to 2015, due to the Town's financial position there was nothing other than maintenance being done on the roads.
- Chair Warren inquired what the plan was to catch up.
 - Staff stated they were working on allocating more funds to the roads and finding additional funds whether through federal funds/grants or various developments within the town.

- Vice Chair Ditta inquired if anyone had looked at how to do road repairs with less money.
 - Staff stated they were working on finding ways to spend more money on roads to get them up to where staff could make progress and not fall behind.
 - Staff discussed ideas such as municipal trash service, but there were often requirements to do two pickups per week which would not bring the traffic down much. Council also had not been interested in such an endeavor.
 - Staff discussed finding the areas where the Town could get the most value by just doing chip seal rather than a full rebuild. Staff recognized that roads were a quality of life issue.

b. Discussion and possible action regarding future meeting schedule.

Katie Pehl, Finance Director, presented the following:

- Staff suggested coming back on January 16th, February 20th, and March 20th.
- Thursdays at 2:00 p.m. worked for the Committee.

MOVED by Committee Member Michael Ditta, seconded by Committee Member Paul Taylor to set the next meetings for January 16, 2025, February 20, 2025, and March 20, 2025, at 2:00 p.m.

AYE: Committee Member Michael Ditta, Committee Member Sherry Klein, Committee Member Paul Taylor, Committee Member Gary Warren

NAY: None

4 - 0 Passed – Unanimously

6. ADJOURNMENT

MOVED by Committee Member Michael Ditta, seconded by Committee Member Sherry Klein to adjourn the meeting at 3:24 p.m.

AYE: Committee Member Michael Ditta, Committee Member Sherry Klein, Committee Member Paul Taylor, Committee Member Gary Warren

NAY: None

4 - 0 Passed - Unanimously

Submitted: December 10, 2024

By: *Sara Burchill, Deputy Town Clerk*

Approved: January 16, 2025