

**MINUTES OF THE STUDY SESSION AND
REGULAR MEETING OF THE TOWN COUNCIL
OF THE TOWN OF CHINO VALLEY**

TUESDAY, FEBRUARY 11, 2025

5:00 PM

**COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

STUDY SESSION

1. CALL TO ORDER; ROLL CALL

Mayor Armstrong called the meeting to order at 5:01 p.m.

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

Absent: Councilmember John McCafferty

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Economic Development Manager Maggie Holmberg, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. Discussion regarding fee schedule updates.

Katie Pehl, Finance Director, presented the following:

- The last comprehensive fee schedule was adopted in 2012. There had been various fees addressed through resolution during that time, but not a comprehensive overview.
- The process to approve a new fee schedule was lengthy and there would be time for Council to reduce some fees if they saw fit. Nothing would be approved at this meeting.
- Staff considered applicable State laws and statutes, analysis of service costs, pricing factors and rationale for any subsidies when the Town did not receive full cost recovery on fees, and customer experience.
- Staff took the original 306 fees and ended with a new total of 275 fees. Staff eliminated 42 fees, added 62 fees, 79 fees were consolidated down to 28 fees, modified 85 fees, and left 100 fees unchanged.

- Gave an overview of the Community Services fee changes on items such as ramada reservations, use of athletic fields, use of the Senior Center building, Senior Center suggested donation for meals, color printing at the library, etc.
- Gave an overview of the changes and additions to Development Services fee on items such as inspections, building fees, and plan review. Valuation based fees were calculated as an amount per square footage or some other designation. Provided a table outlining the valuations.
 - Staff recommended that the valuation table increase by CPI each year on July 1st starting in 2026 so that the Town would not fall behind the inflationary rates as it had in the past.
- Gave an overview of the changes and additions to Development Services planning fees on items such as zoning maps, annexations, land division and use, general plan, zoning code, and development agreements.
- Gave an overview of the changes and additions to Municipal Court fees.
- Gave an overview of the changes and additions to Police fees such as background checks and fingerprint cards.
- Gave an overview of the changes and additions to Engineering fees such as utility line and streets inspections, right-of-way permits, and plan reviews.
- Gave an overview of changes to Town Clerk fees including liquor licenses, business licenses, commercial records requests, mailing costs, and digital media recordings.
- Gave an overview of water and wastewater fees.
 - Discussed the standpipe base rates not being charged the way they were intended. Staff was recommending clarifying that language to show a set amount per 1,000 gallons for each tier and charging water haulers to the same rate and not a flat rate.
 - Discussed changes in buy-in fees and base charges for RV park spaces and mobile home park spaces.
 - Base charges were often set on the number of fixture units for multi-family residential, so RV park and mobile home park spaces were being included under that element, however, fixture units was difficult to determine. Not having all sewer customers hooked into water made it even more difficult to find a fair amount to charge as the amount of water used could not be monitored. Staff was trying to find something that would not be arbitrary, but even across the board.
 - Staff also considered the fact that even small homes with fewer than 20 fixture units would pay the full amount for buy-in fees.
 - Increases by 3% were already built into the fee structure and would be in effect on January 1, 2026, if adopted by Council.
- Gave an overview of the timeline of the next steps to potentially update the fee schedule.

Council and staff discussed the following:

- Councilmember Schacherer inquired what constituted half- and full-day reservation on ramadas.
 - Staff stated a half day was 4 hours; a full day was anything over that.
- Councilmember Schacherer inquired if the use of the Senior Center included the use of the kitchen.
 - Staff stated that was correct.

- Councilmember Switzer inquired if the fees for the Senior Center building use were increased or decreased.
 - Staff stated it was a blend because there were previously commercial and private individual rates. Staff consolidated the fees and then separated them by non-profit and private use.
- Vice-Mayor Granillo inquired about the cost to run the ball field lights.
 - Staff stated the lights cost \$25/hour. The current charge for use of the lights was \$10/hour. Some rates staff had chosen not to make such a significant increase since it hadn't been updated since 2012. This would be something to look at on an annual or biannual basis to work towards full cost recovery.
- Councilmember Schacherer inquired about the other charges of \$4 and \$5 for congregate meals.
 - Staff stated those were in the fee schedule as "suggested donation." They were not on the slide because they were not changed.
- Councilmember Schacherer inquired if the charge for a pool permit was for above ground pools.
 - Staff stated it was only for in ground pools as those require a permit.
- Councilmember Schacherer asked for descriptions of pole barns, and conversion – garage/patio to habitable.
 - Staff stated that pole barns were a structure with a roof and no sides.
 - Staff stated that conversions from garage/patio to habitable would entail making those spaces an extra bedroom or a guest house.
 - Councilmember Schacherer inquired if the Town was now allowing garage conversions.
 - Staff stated those conversions had always been allowed by Town Code.
- Councilmember Schacherer inquired what a commercial hood was.
 - Staff stated they were vents over a stove unit.
- Councilmember Holt inquired if the storage building and shed permits would include Conex boxes.
 - Staff stated they were a separate item as a planning fee.
- Councilmember Switzer inquired about the \$80 inspection fee and what other municipalities in the area were charging.
 - Staff did not know the comparisons but could get that for Council at a later time.
- Councilmember Switzer felt the suggested rate was low for an initial inspection fee.
- Councilmember Switzer inquired if there was a cap or state limit on the charge for a recorded lot split without Town approval. He felt that it should be a lot higher.
 - Staff stated that there was not a limit.
- Vice-Mayor Granillo inquired if inspectors were paid for an entire day when called out to an inspection after hours or on weekends.
 - Staff stated that hourly employees would be paid a minimum of two hours, and salary employees would receive no additional pay.
- Councilmember Schacherer inquired why the fee for suspended licenses was removed.
 - Staff stated it was a decision by the Judge. She was not at the meeting, but staff could get that answer for Council at a later time.
- Councilmember Switzer inquired about a lower fingerprint and background check fee for non-profits.
 - Staff stated they could do that if Council so desired.

- Councilmember Holt inquired how the standpipe rates compared to what residents were charged.
 - Staff stated the rates were higher because residents were charged a base fee per account each month.
- Councilmember Phillips inquired when the new fees would become active.
 - Staff reviewed the process timeline and gave a potential effective date of July 1, 2025.
- Councilmember Switzer wanted to see higher rates for Tier 4 water usage.
 - Staff stated they could make those modifications if Council would like.
- Mayor Armstrong inquired how Council should direct staff regarding requested changes.
 - Staff stated that Council could give any input to Terri and include it in the modification report.
- Councilmember Switzer inquired if it was customary to have buy-in fees for an RV park space at 50% of the residential charge.
 - Staff stated that the Town was in a unique situation regarding wastewater and they were trying to mirror that for water as well. The price for buy-in was based on the size of the commercial meter size needed. Staff was trying to find a rate that would be fair to RV park and mobile home park spaces that also recouped some of the cost that the Town put out for those services. Staff also separated out rates for motels and hotels.
 - The wastewater buy-in fees for RV park spaces and mobile home park spaces were also set at 50% and 80% of the residential fee because there was a vacancy element that came with those type of spaces as well as having fewer fixture units which is calculated into the residential buy-in fees.
- Councilmember Schacherer stated that he felt the percentages on water and wastewater buy-in should be increased.
- Councilmember Schacherer inquired what a ramada over a manufactured home was.
 - Staff stated they were structures that typically came with homes built before 1968 that could no longer be remodeled.
- Regarding raising bulk water rates, staff stated that all revenue was important to the Town, and they didn't want to raise the rates so high that people started sourcing their water from other locations reducing the Town's revenue. Staff stated they would try to find a balance.
- Mayor Armstrong instructed councilmembers to submit any other requested changes to Ms. Denemy.

3. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Vice-Mayor Eric Granillo to adjourn the meeting at 5:56 p.m.

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

NAY: None

6 - 0 Passed – Unanimously

REGULAR MEETING

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

Mayor Armstrong called the meeting to order at 6:04 p.m. and led the Pledge of Allegiance.

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

Absent: Councilmember John McCafferty

Staff Present: Town Manager Terri Denemy, Town Attorney Andrew McGuire, Officer Tod Cupp (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, Police Chief Josh McIntire, Sergeant Jon Szymanski, Economic Development Manager Maggie Holmberg, Community Services Director Cyndi Thomas, IT Manager Spencer Guest, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

Josh McIntire, Chief of Police, gave remarks and expressed appreciation for the life of Dave Mazy, a long-time resident and supporter of the Chino Valley Police Department.

Mayor Armstrong asked for a moment of silence for Dave Mazy.

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Presentation by Police Chief McIntire and Sgt. Szymanski on Cadet Program and awards received at recent competition.

Josh McIntire, Chief of Police, presented the following:

- He was providing an update on the Chino Valley Police Cadet program and recognizing the hard-working young men and women.
- The program was created in 2022. Sergeant Jon Szymanski took an active role in its creation and agreed to take the reins in ensuring the success and continual improvement of the program.

Jon Szymanski, Sergeant, presented the following:

- He had been with the Police Department for nearly eight years.
- The program was for teenagers from 14 to 20 years old. 20 years old is when those who want to pursue a career in law enforcement can apply to be an officer and go through the academy.

- Chandler Police Department hosted a tactical competition every year attended by programs from all over the US, and this was the first year Chino Valley participated thanks to the Chino Valley Police Foundation.
- The competition consisted of 43 other cadet and explorer posts with events such as high-risk traffic stops, downed officer rescues, five-man hostage rescues, etc. Chino Valley's cadets took third place in the Wilderness Marksmanship Archery Challenge and Bike Rodeo (a police bicycle course).
- He looked forward to doing this again next year and taking home first-place trophies.

Each cadet was presented with a Chief's Citation of Achievement award.

- b. Presentation and update from Thomas Stultz and Vincent Gallegos regarding Yavapai Regional Transit.

Thomas Stultz, Transit Manager, presented the following:

- He was giving an update on Yavapai Regional Transit (YRT). He had been working for the 501(c)3 corporation for five years. It was funded by Rural Transportation grants. 73% of the riders begin and end their rides in rural areas.
- The corporation served Chino Valley, Prescott, and Prescott Valley and was the only public transportation system in the tri-city area. They employed nine drivers.
- Gave a list of the board of directors and their backgrounds.
- 74% of riders were Chino Valley residents. 2024 saw a total of 12,789 transports from Chino Valley. Their goal was to serve seniors, low-income, and people with disabilities. 54% of riders were ADA qualified.
- Gave a list of the places riders go including doctor appointments, grocery stores, social outings, etc.
- Chino Valley and Prescott were serviced five days per week and one day per week in Prescott Valley.
- The Paulden plunge was an additional service they provided for eight weeks in the summer bringing children from Paulden to the pool and back again. There was no charge for the transport or admission to the pool.
- All rides were free. The last time they charged for rides was March of 2020. The Board supported continuing free rides.
 - Gave a list of expenses including driver salaries, administration, insurance, bus maintenance, and cost of gas.
 - Asked Council to consider pitching in for overhead in the amount of \$40,000. The corporation's match money was approximately \$165,000 per year. They received some grants and private donations.

Michael Lamar, CYMPO Transit and Regional Development Manager, presented the following:

- A hub location had been secured at 202 North Cortez Street where YRT, Yavapai-Apache Transit, and YAV Connect would all meet to drop off and pick up riders of the system.
- Coordinators were working toward the various system being seen as a single system with connectivity.
- Starting July 1st Prescott Valley to Prescott routes would be done by the YavaLine system four times per day which allowed YRT to not have to travel to Prescott Valley

as the user could take YRT to Prescott and change to YavaLine at the hub. This would allow for better use of resources. YavaLine had 60,000 riders since its inception.

- Rides were \$2 for standard fare, and \$1 for children and elderly.
- Discussed private partnerships including US Vets where YavaLine is now providing multiple trips per day to the VA.

- c. Presentation and update regarding the Boys and Girls Clubs of Central Arizona from Alex Heinemann, Chief Executive Officer.

Alex Heinemann, CEO of Boys and Girls Clubs of Central Arizona, presented the following:

- The Boys and Girls Clubs of Central Arizona was not a corporate chain or franchise company, it was an after-school program with clubs, academic enrichment, and outdoor and adventure programs.
- Chino Valley had 350 classified homeless children in Chino Valley.
- He was asking Council for their blessing to do work in the town and how he could better serve children.
- The Boys and Girls Club had been in Chino Valley three times and failed each time. He was hoping to do it differently, find the kids, what they were doing, and become a better fit for the children of Chino Valley.

Council, Mr. Heinemann, and staff discussed the following:

- Vice-Mayor Granillo inquired where they would like to be located.
 - He was currently in talks with Cindy Daniels at the school district, but this was one of his first stops to present this information. His initial plan was not to wait five years for a capital campaign, but to begin serving kids now. He would be working with Ms. Daniels to find the best school in the district to keep open until 6:30 or 7:00 to serve kids of all ages. There would also be volunteer and job opportunities for high school kids.
- Mayor Armstrong asked the Town Manager to be in contact with Mr. Heinemann.
 - Staff stated they were coordinating with the Boys and Girls Club and Ms. Daniels.

- d. Presentation and update from Maggie Holmberg, Economic Development Manager, regarding recent developments, projects, and important legislative bills.

Maggie Holmberg, Economic Development Manager, presented the following:

- Gave a brief overview on Economic Development standard practices including marketing and attraction, strategic planning, real estate development, workforce development, etc.
 - Tasks included grant writing, economic incentives, protecting the environment, being the voice of the community, etc.
 - Roles of an Economic Developer include analyst, catalyst, gap filler, advocate, educator, visionary, and ethics champion.
- Current initiatives and projects included development of an RV Park, grocery store, writing for various magazines, site selection for Starbucks and Goodwill, business retention (specifically for Genius Garden Club, now the Flourishing Mom's Club),

Equestrian Center, Ichor, Thermal-Vac, and the Small Business Development Center (SBDC).

- Networking was an important facet of the department and was an active participant with Arizona Association for Economic Development, Northern Arizona Council of Governments, Arizona Commerce Authority, Arizona Lodging and Tourism Association, and several others.
- Gave a brief overview of some relevant and crucial bills that were going through the legislature.
 - HCR 2021 was a bill that would go to voters regarding food tax. If passed it would reduce Town revenue by 16% and would take effect in January 2028. Vice-Mayor Granillo would be in Phoenix tomorrow morning to speak against the bill.
 - Provided a spreadsheet of other municipalities in Arizona that would be affected by the removal of the food tax.
 - Gave a brief overview on bills HB2487 and HB2697 regarding water.
- Gave a list of the businesses she attracted during her first few years with the Town including Essence, Napa Auto Parts, and Sherwin Williams.

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.

Rhonda Ceremony, Town resident, presented the following:

- She had concerns with transparency, communication, and honesty with different departments within the town, particularly regarding utility scale solar (USS).

Laura Chan, not a Town resident, presented the following:

- She was frustrated that the public only had three minutes to speak, but the solar community had hours. She was not anti-solar but felt that USS needed to be far away from people.
- She felt that the possible USS projects would have a huge impact on all of Yavapai County. She stated that Chino Valley did not care about what happens in Yavapai County.
- She stated that she paid property tax to the Chino Valley school district in the amount of \$538/acre.
- She felt the solution to the issue was a moratorium on solar until all facts were reviewed.

Keng Chan, not a Town resident, presented the following:

- He stated that Council had charged Development Services to address several things in regard to solar including water and fire. He stated that there was no evidence that staff consulted any local water departments, although staff stated they had spoken with Chief Frietag, Chief Feddema, and Fire Marshal Daryl Tirpak and all stated that they had not discussed solar with Chino Valley.
- He felt that the ordinance was written with industry bias. Representatives from two solar companies gave presentations to staff and the committee.
- He questioned whether staff had sought any objective information about the negatives of solar.
- He questioned why attorneys from solar companies were allowed to attend the meetings when the public was not. He stated that the attorneys represented two of the companies proposing solar in Chino Valley and filed a challenge against the Town of Chino Valley with the intent to force them to allow Conditional Use Permit applications for USS.
- He felt that Council should answer the following questions before considering the ordinance:
 - Does USS fall in line with the General Plan and the vision of Chino Valley?
 - Did staff seek out any negative information about solar and share it with the committee?

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 Armstrong presented the following:

- There was a minor incident at the Senior Center this morning. Chino Valley Police Department handled the situation away from the public. He praised the work of the Police Department.

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

Terri Denemy, Town Manager, presented the following:

- February 17th was Presidents Day. Offices would be closed and reopen on Tuesday.
- Mayor Armstrong, Maggie Holmberg, and Terri Denemy were on a call with State Representatives, and she thanked everyone for their engagement.
- The Town (and former Mayor Miller) met with the City of Prescott's Mayor and Town Manager regarding giving a regional water presentation to Prescott Council soon.

- The meeting for the solar ordinance meeting had been moved to Monday, March 17th at 5:30 p.m. at Grace Church. This is an important issue, and it was important to have the Town's lead legal counsel in attendance.
- The lights on the covered solar car park were now officially on.

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 Eric Granillo, seconded by Councilmember Sherri Phillips to approve consent agenda item 5a.

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

NAY: None

6 - 0 Passed – Unanimously

- Consideration and possible action to approve the January 14, 2025, study session and 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 session.

- Consideration and possible action to approve Job Order No. 2 to the Cooperative Purchasing Agreement with Cactus Asphalt, a Division of Cactus Transport, Inc., for crack sealing at various Town locations for an amount not to exceed \$150,000.

Recommended Action: Approve Job Order No. 2 to the Cooperative Purchasing Agreement with Cactus Asphalt, a Division of Cactus Transport, Inc., for crack sealing in various Town locations for an amount not to exceed \$150,000.

Frank Marbury, Public Works Director, presented the following:

- This agreement piggybacks on the Capital Improvement Program for streets maintenance.
- Due to the lower than budgeted cost on other projects there was extra funding and staff felt that some crack sealing would be the best use of some of those extra funds while the weather was still cold, and cracks were wider.
- The areas to receive crack sealing included Perkinsville, Lauren Lane, Kobol Way, Homestead Mesa Drive, East Center Street, and portions of Chino Meadows.

- The plan was to get started on February 24th if approved.

Council and staff discussed the following:

- Councilmember Schacherer asked for clarification about the location of sealing on Perkinsville Road.
 - Frank stated it would be from Road 1 East towards Jerome Junction.
- Councilmember Switzer inquired if the filling would smooth out the deep cracks on Perkinsville Road.
 - Staff stated that it would not remove them entirely, but it should help. The only other solution was completely replacing the road.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Sherri Phillips to approve Job Order No. 2 to the Cooperative Purchasing Agreement with Cactus Asphalt, a Division of Cactus Transport, Inc., for crack sealing in various Town locations for an amount not to exceed \$150,000.

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

NAY: None

6 - 0 Passed – Unanimously

- b. Consideration and possible action to adopt the Notice of Intent and set a public hearing to consider adding or increasing fees with regard to individuals, businesses, and water and wastewater fees pursuant to A.R.S. § 9-499.15 and 9-511.01.

Recommended Action: Adopt the Notice of Intent to add and increase fees on businesses and water and wastewater rates and set a public hearing for April 22, 2025, to consider the proposed new or increased fees.

Katie Pehl, Finance Director, presented the following:

- This item would simply allow staff to publish the Notice of Intent.
- Staff could still make adjustments at the direction of Council.
- During the presentation it was stated that the process would require a first and second read of the Ordinance, but that was incorrect, and Council was asked to disregard.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Larry Holt to adopt the Notice of Intent to add and increase fees on businesses and water and wastewater rates and set a public hearing for April 22, 2025, to consider the proposed new or increased fees.

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

NAY: None

6 - 0 Passed – Unanimously

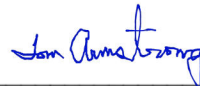
7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Vice-Mayor Eric Granillo to adjourn the meeting at 7:14 p.m.

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

NAY: None

6 - 0 – Unanimously



Tom Armstrong, Mayor

ATTEST:



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 11th day of February, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of March, 2025.



Erin N. Deskins, Town Clerk