

**MINUTES OF THE SPECIAL MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
MONDAY, MARCH 17, 2025
5:30 PM
GRACE CHURCH | 2010 AZ-89 | CHINO VALLEY, ARIZONA 86323**

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

Mayor Armstrong called the meeting to order at 5:30 p.m. and led the Pledge of Allegiance.

Present: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, 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 Robert Sanchez (Sgt. at Arms), Officer Jason Ehler (Sgt. at Arms), Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Senior Planner Jessica Barragan, Public Works Director/Town Engineer Frank Marbury, Police Chief Josh McIntire, Community Services Director Cyndi Thomas, Audio Visual Technician Nicholas Harwick, Records Specialist Lisa Nottebaum, Town Clerk Erin N. Deskins

2. ACTION ITEM

- a. Public hearing, consideration, and possible action on Ordinance No. 2025-949, amending the Town of Chino Valley Unified Development Ordinance, regarding utility-scale solar facilities.

Terri Denemy, Town Manager, presented the following:

- Development Services would start by walking through the details of the ordinance including a history of its creation and how it came to Council this evening.
- Addressed the following concerns from the public:
 - The Town unintentionally fostered mistrust by saying there were no projects in process. While the statement was correct, there were solar companies who were interested in potentially doing projects in Town and they all submitted pre-applications and had pre-application meetings with Town staff to learn what the environment was to see if there was viability. Staff had asked all to voluntarily not submit a formal application until Town Council could come to a decision on the future of solar in Chino Valley. All applicants agreed to wait.
 - There were questions about how the meetings for the solar ordinance committee were held and if the Town was violating open meeting laws and attempting to keep the proceedings hidden. The development of the solar ordinance for Council consideration was specifically called for in the General Plan. Ms. Denemy read from page 6-22 of the General Plan regarding the establishment of a committee for developing guidelines and regulations for solar. That page is attached to these minutes.

- Regarding a potential violation of open meeting law, staff advisory committees are not required to be open to the public, post agendas, or keep minutes as they are not appointed by, or make recommendations directly to, Council but rather to staff.
- The Town was never in collusion with the solar industry or solar parties wishing to come forward. Staff did meet with industry representatives as they do with any industry for which legislation is being drafted. Any language in the ordinance that the public feels benefits the solar industry over the Town, should be addressed to Council and staff as they wanted to hear about it.
- During this meeting Council was not being asked to approve a specific solar project or solar in general, rather than an ordinance which would act as a pathway for potential solar projects to be evaluated. Under the ordinance any company the meets the requirements would still be required to go through Planning & Zoning (P&Z) and Town Council. Town Council would always retain final authority to approve or deny any solar project coming through under the ordinance. Those P&Z and Council meetings would also include a public hearing component for citizen comments.
- Development Services staff were committed to the task to create the best solar ordinance possible, which they believe provides the highest level of public safety and benefit should it be adopted. Ms. Lineberry and Mr. Dingee are people of the highest character and ethical standards in their work. They had only done what they were asked to do in the General Plan by Town Council and Town Administration.
- She asked that the meeting attendants listen to the details of the ordinance as it is presented piece-by-piece and consider what they like or do not like about it as those are the sentiments that Council would need to hear from them. Council took their job and decisions seriously and citizen input is an important part of their decision-making process.

Mayor Armstrong presented the following:

- Council may vote to recess the meeting and hold an Executive Session on this item.

Laurie Lineberry, Development Services Director, and Will Dingee, Assistant Development Services Director presented the following:

- Defined a utility-scale ordinance as a framework for evaluating utility-scale solar (USS) projects and contains a set of enforceable standards to protect the Town and the residents, as well as a method to seek financial contributions to the community.
- Town staff had been working on some form of a solar ordinance since May 2022. The Town had 14 years of history of solar within Town limits.
- The Town already had a 300-acre solar facility off East Road 4 South which was built by Sun Edison in 2012 after receiving a conditional use permit (CUP) in 2011.
- RES America under Running W Ranch received a CUP in 2013 for a 200-acre facility off East Road 4 North. The CUP expired in 2014 when construction had not commenced.
- Draconis submitted a pre-application in 2020 for 2,200 acres of land owned by Perkins. The previous director told them to apply for a rezone and they submitted an incomplete rezone application for an essential hold on the project while working on state and federal requirements. The application did not advance, and the application expired. At that time, they were directed to wait until a text amendment was made.

- Two more applications were received in 2022:
 - Clean Energy for 1,800 acres.
 - Prospect 14, YA Jerome under Running W Ranch attempting to revive the expired CUP and expand from 200 to 600 acres.
- Town Council then directed staff to write a text amendment to regulate these types of projects. The text amendment was presented to P&Z in November 2022, but was tabled until completion of the General Plan.
- In November 2023, the General Plan was ratified by the voters, which required the creation of a committee for creating regulations on regional and community scale solar.
- In December 2023, staff requested to create the staff advisory work group.
- The work group had their first meeting in February 2024.
- In March 2024, the group had their first presentation from Lightsource BP. Prior to the meetings, industry representatives submitted their presentations to staff to edit and redact any information related to their proposed projects. The presentations were meant to be industry-specific, not project-specific.
 - This presentation explained their site selection process, how the projects operate during and post construction, how they were designed, and decommissioning.
- In April 2024, the group had another presentation from Prospect 14 discussing infrastructure agreements, processes on their end through federal and state regulations, and project management.
- In May 2024, the group had a presentation from Arizona Game and Fish discussing the ecological impact of large-scale solar, migration measures for projects, wildlife-friendly fencing, creation of wildlife corridors, resources for municipalities like mapping tools and literature, how dividing roads and highways impact migrations, the overall health of the herd, breeding styles, etc.
- In June 2024, the group had a presentation from the director of resource acquisition for APS discussing large-scale solar operations, how APS determines site feasibility whether developing themselves or private industry, timelines, and agreement negotiations when looking to acquire a utility.
- CAFMA was not a presenter as they had remained neutral on these projects, particularly regarding battery energy storage systems (BESS). They preferred to evaluate each project individually to determine the necessary requirements for ensuring safety. This stance was taken by prior leadership and reaffirmed by current leadership. CAFMA had expressed clear desire to be involved in the process to ensure firefighters and public safety. Staff had multiple conversations with CAFMA regarding solar since 2020. CAFMA enforces its own fire code, which the Town adopts alongside building codes. Any project not in compliance with the codes would not get approved.
- In July 2024, staff worked on the ordinance and produced a working draft.
- In August 2024, staff presented the working draft to the work group for discussion and edits.
- In September 2024, staff presented the work group with the edited ordinance. The Town Attorney attended remotely to discuss the draft with the work group. The work group also did site visits for the projects that had submitted pre-applications.
- In October 2024, staff held the final work group meeting and again had the Town Attorney present and finalized the draft. Staff advertised for the ordinance public hearing.
- In November 2024, P&Z held a public hearing for the ordinance. The ordinance was sent back to staff to incorporate what was said during the Public Hearing.
- In January 2025, staff brought the ordinance back to P&Z and the vote was 5-1, recommending approval. This brings us to the current meeting.

- When creating regulations for a new industry coming to Town, it's important to understand how the industry works, so presentations from industry representatives is an important part of the process.
- Ordinances provide protection that could not be provided by a CUP. The General Plan required a minimum of the evaluation of best practices for large-scale solar energy facilities and gave a list of the requirements outlined in the General Plan.
 - Staff felt the current proposed ordinance was critical to protecting the Town legally as well as the residents of the Town due to prior Town actions related to previous CUPs and the legal challenge the Town received.
- Provisions in the ordinance did not contain a lot of detail because the technology changes quickly and staff felt that in a year and a half provisions regarding things like types of panels or how to deal with battery storage would be outdated by the time an applicant came in and staff would have to go through a nine-month process to update the ordinance. Instead, the ordinance requires the developer to create plans, projects, and studies for Town staff to vet with field experts.
- Outlined and gave a brief description of the 21 studies and plans required by the ordinance including:
 - Public Outreach Plan – this would detail how the developer would reach out to community members to inform them of the project.
 - Site Grading Plan – the Town does not allow mass grading and only allows up to 20% of the entire site to be graded, nor does it allow topographic features of greater than 5% to be graded.
 - Post Graded Elevation Map – this would detail what the project would look like at the end.
 - Drainage Plan – the panels create additional water runoff, developers would need to show where the runoff would go.
 - Storm Water Pollution Prevention Plan – developers could not add any pollution to surface water or groundwater and would have to demonstrate how they would avoid that.
 - Wildlife Protection Plan – typically, AZ Game and Fish could only make recommendations, and did not have any authority in development. This would give them that ability.
 - Fire Mitigation Plan – the development would have to be annexed into the fire district and CAFMA would have to approve the Fire Mitigation Plan.
 - Natural Disaster Mitigation Plan – in the event of a catastrophic event, the developer would need to show how they would handle such an event as solar panels never shut off.
 - Traffic Impact Analysis – this would be for during and post construction.
 - Road Improvement Plan – this would detail how they would be developing the roads on site (dust-free surface, hard surface, chip seal, asphalt, etc.), whether they would improve surrounding roads, etc.
 - Viewshed Analysis and Protection Plan – this would explain how the project would change the viewshed for the area.
 - Fencing Masterplan – this would show what they would be fencing and how, where they would provide screening fencing, and where wildlife fencing would be, etc.
 - Lighting Plan and Photometric Plan – lights would all need to be dark-sky compliant and ensure no impact to neighbors.
 - Drone Utilization Plan – this came out of one of the work group meetings to show flight plans, when they would fly, what their flight zone would be, etc.

- Construction Noise Contour Impact Study Map – this would contain information for the construction phase, including how loud it would be to monitor decibel output, and hours of operation.
- Post-Construction/Operational Facility Noise Contour Impact Study Map – this would detail what the site would sound like once constructed.
- Property Maintenance Plan – this would detail what would happen on the property and how the developer would maintain it including weeds, roads, etc.
- Water Recycling and Reuse – this would be regarding possibly recharging the aquifer with runoff.
- Water Usage Plan – there would be a lot of water used during construction and staff wanted details regarding how much, how it would be delivered, etc., and post construction regarding the cleaning of panels.
- Decommissioning Plan – solar projects have a 30–40-year lifespan. The Town needed to understand what would happen with the project at the end of that life.
- The Town does not collect a property tax. The solar work group felt that this ordinance needed to protect the Town and provide a benefit, or it would not be worth having solar facilities. Staff research estimated the Town could receive between \$500 and \$1,000/acre/year. This would be negotiated right before the development agreement. Recent decisions from *Sheetz v. County of El Dorado* brought into question the Town’s ability to mandate community benefit payments. However, staff was confident that the Town’s legal counsel had the legal insight to help the Town chart a course to ensure compliance and long-term community benefit.
- The process for a proposed project would proceed as follows:
- Look at the property zoning – the zoning must be AR-4 or AR-5. If not, the property would have to be rezoned. This process would include public hearings before P&Z and Town Council.
- A review of the siting criteria found in the Preliminary Solar Facility Use Permit – this was developed with the work group and includes:
 - Three-mile separation between various solar project areas
 - The site be a minimum of one-quarter mile east of the Peavine trail
 - 50-foot setback from the project’s property line
 - Battery storage be centrally located within the project or one mile from developed residential property, whichever is greater
 - All panels and equipment be at least one-quarter mile from any developed residential property
 - Have at least 275 acres so long as it does not exceed the 3,800-acre limit for all solar projects within the Town
- This would also go through the public hearing process before P&Z and Town Council.
- If approved, the developer would then begin working on the 21 studies and plans to be completed within three years. The Town and other experts would then review the plans. Expert review would be paid for by the developer.
- Once all studies and plans have been reviewed and accepted by staff, the project would go back to P&Z and Town Council for public hearings.
- The development agreement would be finalized at a Council meeting along with the public benefit payment that was previously negotiated.
- Staff gave a brief summation of all events regarding the proposed solar ordinance.

Council and staff discussed the following:

- Councilmember Schacherer referred to solar companies changing the way they do things and inquired if that would make the ordinance a living ordinance where things could change.
 - Staff stated that primarily the technology changes just as cell phones change so quickly. For that reason, staff elected not to put limits in the ordinance so that the Town would not be limited in their requests of the developers. The studies and plans would provide the most updated and best technologies for the current time.
- Councilmember Schacherer inquired who the “experts” were to review the studies.
 - Staff stated that the studies would go out to grading experts, water experts, game and fish, lighting experts, etc. Not solar companies.
- Councilmember Holt thanked Development Services and the community members who assisted in the drafting of the ordinance. He inquired what the current amount of battery storage was at the APS facility.
 - Staff stated that they did not know that information off-hand.
- Councilmember Holt inquired if there was a limit on battery storage under the current draft.
 - Staff stated there was not.
- Councilmember Holt inquired how staff came up with a maximum of 3,800 acres, which is 10 times more than the Town currently has.
 - Staff stated that the number was based on the projects from the pre-application meetings they had. However, the distances that separated them would exclude parts of projects, or even whole projects. It would be on a first-come, first-served basis.
- Councilmember Holt stated that he had attended a presentation from APS regarding how they deal with their fire mitigation practices and inquired if staff had considered reaching out to APS and asking how they do it.
 - Staff stated that they were working on updating their building codes and part of that had an electrical code. Staff looked at a project in New York that had a big fire that resulted in a lot of criteria for how they would allow battery storage. Staff was looking at some of those provisions to include in the updated building code.
- Vice-Mayor Granillo inquired what fund the solar revenue would go to.
 - Staff stated that would be up to Council, but staff had discussed it going to roads. The estimated \$1.7 to \$3.4 million would be if every acre was built out and the Town received between \$500 and \$1,000/acre/year.
 - Staff further stated the numbers were derived from projects currently paying community benefits to communities in California and New York.
- Vice-Mayor Granillo asked for clarification on the setback for the battery storage.
 - Staff stated the battery storage had to be centrally located within the project no matter how big the project was, and it has to be at least a one-mile setback.
- Councilmember Switzer thanked staff for their hard work and thanked everyone for attending. He inquired who would be included in the development agreement negotiation.
 - Staff stated that it would initially be between staff and the attorney but would ultimately be approved by Town Council.
 - Councilmember Switzer inquired where the Town would be left, legally, if negotiations failed.
 - Andrew McGuire, Town Attorney, stated that, for the most part, negotiations that don’t reach agreement don’t lead to legal liability, but that doesn’t mean that there’s no ability to sue for something like that.

- Staff stated that they set the steps the way they did so that they can negotiate before the developer spends any money doing all the studies.
- Councilmember Switzer inquired about who would pay for the third-party studies.
 - Staff stated that the developer would pay for them.
- Councilmember Switzer referred to an ordinance for solar drafted by the County which stated the total allowable solar for the County was about .19% of the County, but 3,800 acres was 9.78% of the Town of Chino Valley.
 - Staff stated that the County reduced their amount after staff had already begun working on the ordinance. Staff stated the County had a lot more land and would, therefore, have smaller percentages. Staff stated those numbers were open for discussion with the Council.
- Councilmember McCafferty stated that he had been led to believe that there were a lot of legal vulnerabilities to the community benefit payments.
 - Staff stated that they felt they could get an agreement together, but it would require the involvement of legal counsel.
 - Councilmember McCafferty was worried that one year into a project, a legal vulnerability could make the payments go away, and he wasn't sure that was a risk he wanted to take.
 - Staff stated that everything would be wrapped into a development agreement and if there was a violation of it there would be legal ramifications.

Mayor Armstrong opened the Public Hearing and gave the parameters of public comment.

Erin Deskins, Town Clerk, read a letter from Clinton Skeens, Town of Chino Valley resident, which was sent to the Clerks' Office and is attached to these minutes.

Erin Deskins, Town Clerk, read a letter from Robert Biscoe, Town of Chino Valley resident, which was sent to the Clerks' Office and is attached to these minutes.

Jay Paddock, Town of Chino Valley resident, presented the following:

- He spoke on behalf of the area wildlife that would be displaced, fenced out, or killed, specifically the Arizona State animals including the two-tailed swallowtail butterfly, ring-tailed cat, cactus wren, and ridge-nosed rattlesnake.
- He stated that the animals would be losing their food sources due to development, have their poisoned food due to herbicide application, and lose their migration patterns due to fencing. He asked for them to be considered.

Rhonda Ceremony, Town of Chino Valley resident, presented the following:

- She discussed the setbacks as recommended by the solar committee and what was recommended for approval by P&Z.
- She felt the ordinance was written to benefit the solar industry and not the Town.
- She discussed the cost to rebuild roads in juxtaposition with what the Town would receive from solar facilities and did not feel that it was worth the cost to the Town. She questioned how long the Town would receive the funds and what would happen once the projects were sold.
- She was not opposed to solar, but didn't want it too close to people's property lines.

Silver Stapleton, not a Town of Chino Valley resident, presented the following:

- She read the Chino Valley Vision Statement approved by Council on July 6, 2023. That statement is attached to these minutes. She felt that 3,000 acres worth of solar facilities was incongruous with the vision statement.
- She purchased her home near state and federal lands to utilize them with her horses. She asked the Council if they would want a solar facility as close as a quarter mile from their homes. She asked them to vote in a way that would not leave the Town with a new environmental disaster.
- She felt that a USS facility would make a devastating impact to the community.

Richard Tengdin, Town of Chino Valley resident, presented the following:

- He was an engineer and had direct knowledge of the Moss Landing power plant fires. He felt there was no enforcement within the ordinance for things like the Fire Mitigation Plan. He felt there should be requirements for having fire safe batteries like lithium polymer or iron alkali batteries.
- He discussed the community benefit payment and questioned why there was not a megawatt hour delivered payment.
- Inquired if the lawsuit from California was a state or federal suit and stated that if it was a state suit, it had no bearing in Arizona.
- Draconis made claims that these facilities would create 675 jobs, but he believed that those would not be held by Town residents.
- He stated that the power generated by the facilities would not stay in Chino Valley.
- He was opposed to USS.

Patrick Pearson, not a Town of Chino Valley resident, presented the following:

- He was concerned with the impact to local flora and fauna.
- Lithium battery storage was a concern in terms of fire services.
- He referred to plans for bonds regarding remediation in case of default.
- Regarding the revenue structure, he had received an email from Draconis stating that they would pay the school board. He contacted a school board member who stated they had not been contacted about any of this. He felt there needed to be more specific information regarding the dispersal of the money.
- He stated that he could feel the temperature increase by five to 10 degrees when passing the solar farms along I-15 between California and Las Vegas.

Bev Wilson, Town of Chino Valley resident, presented the following:

- She referred to House Bill 2223 regarding wind farms going through the state legislature and stated that it was very restrictive including two-to-five-mile setbacks from residential homes. She wanted the Council to consider going back to a mile or a mile and a half from residential.
- She also wanted Council to reconsider the maximum acreage.
- She didn't feel that the amount of money for the revenue would be worth as much in 30 years.
- She discussed the damage that would be done to Hwy 89 by construction trucks coming and going during constructions and questioned who would pay for it.

- She agreed with the previous comments regarding wildlife.

Chisty Magers, not a Town of Chino Valley resident, presented the following:

- She lived off Perkinsville Road and would be impacted by any construction out that way.
- She referred to the General Plan being approved by the voters and felt that any changes should also be ratified by the citizens if there would be major changes.
- She read an excerpt from the General Plan (page 3-2) regarding land use. That page is attached to these minutes. She felt that using 9% of land in Chino Valley for solar facilities would significantly diminish housing opportunities.
- She didn't believe that large solar facilities that would not provide energy to the Town could be seen as a regional asset as stated as part of the Town's land use goals.

Sarah Rypkema, not a Town of Chino Valley resident, presented the following:

- She represented solar development company Prospect 14.
- She clarified that the parcel they would be developing was 600 acres, but the project would be half that size.
- She stated that the ordinance was written to serve and protect the residents of Chino Valley.
- She read the goals of the ordinance in Section A and stated that voting no on the ordinance would put the Town at risk of forfeiting the benefits and safety measures.
- She stated that approving an ordinance is not approving a project.
- She stated that solar was one of the cheapest ways to produce more energy and ignoring solar would not make it go away.

Ann Yoshinaga, not a Town of Chino Valley resident, presented the following:

- She felt that "big solar" had been communicating and providing the benefits to Town staff for two years. She felt that, to provide transparency, Town staff should meet with local residents and agencies to receive input on the potential liabilities and risks of USS.
- She stated that short-term, easy money should not cloud the decisions when weighed against potential health and safety issues from such facilities.
- She requested the Council say no to USS for now until all aspects were thoroughly reviewed and analyzed.
- She suggested a task force or committee of staff and residents to think of other ways for the Town to receive funds to maintain roads.
- She stated that those who do not live in the Town limits do pay property taxes to the school district, and sales taxes through shopping, eating at restaurants, and participating in activities.
- She felt that if the ordinance moved forward, that it should do so with the County standard of a minimum of one mile from developed residents.
- She also felt there should be a limit on BESS facilities.

Frank Fusari, not a Town of Chino Valley resident, presented the following:

- He lived off Perkinsville Road and was against USS because of the amount of land that was required and the consequential environmental impacts.
- He referred to the rate at which technology changes and felt that such facilities would be obsolete in seven years.

- He referenced BESS facilities and their fire/explosion risks.
- He stated that thorough studies of solar plants show that if not federally subsidized, they wouldn't be cost competitive with other means of electric power generation.
- He was opposed to the ordinance as written and stated that it should state, "No large scale utility solar or BESS facilities in Chino Valley. No waivers. Grandfather existing APS facility to ensure no further expansion."

Keng Chan, not a Town of Chino Valley resident, presented the following:

- Referring to the emails read by Town Clerk Erin Deskins, he questioned how many emails the Council received opposing solar.
- Regarding the community benefit payments he stated that his records request provided a development agreement that documented the amount of \$30,000 for an annual development fee which would be less than \$50/acre. If all other projects offered the same amount it would amount to less than \$200,000. He stated the Town of Chino Valley already collects a 4% transaction privilege tax on electrical power supplied to consumers within the town limits. To collect \$3.5 million residents would have to use \$87.5 million in electric power annually. When APS purchases a facility they pay 2%, but the payment in lieu of tax would not allow that.
- He referred to other documents where a consultant with over two decades of experience with expertise in permitting and siting utility scale generation and transmission projects questioned the legality of such a payment.
- He requested the Council vote for an ordinance that places a permanent moratorium against USS systems and battery energy storage facilities in the Town of Chino Valley requiring a supermajority before it can be amended.

Bud Woodhurst, Town of Chino Valley resident, presented the following:

- He had been a resident for 53 years and had seen a lot of growth over the years, and seen the Town Council struggle a lot, but he had never seen staff work so hard to accomplish something.
- He stated that the ordinance did not approve whether solar was coming to Town, but the ability to control it when it did.
- He stated that everyone in the room pushed an animal out of their yard to place their house and use power that had to come from somewhere.
- He referred to several new companies coming to the valley and how much energy they would be using, and he felt that the Town should help out or everyone would be without.
- He encouraged Council to pass the ordinance.

Lisa Smith, not a Town of Chino Valley resident, presented the following:

- She was certified in HAZMAT and had a bachelor's degree in occupational safety and health.
- She was opposed to the ordinance and felt it should state "no utility solar or BESS in Chino Valley. No waivers. Grandfather existing APS facility to ensure no future expansion."
- She stated that empirical studies indicated that USS damages property values by six to 30%.
- Provided a report from Brian Lantero to the Council which is attached to these minutes.

Stacey Wagner, not a Town of Chino Valley resident, presented the following:

- She lived at the end of the road where the Draconis project would start. She was concerned about her road which is not part of Chino Valley but would be affected by large vehicles.
- She opposed USS near houses and neighborhoods.
- She purchased her home in December of 2023 and was shortly after invited to an informational meeting by Draconis regarding a possible 3,500-acre solar farm and power lines.
- She stated that if Chino Valley had acknowledged the projects, she would not have purchased her home, which she states opens Chino Valley to potential litigation.

Chris Kuknyo, Yavapai County Supervisor, not a Town of Chino Valley resident, presented the following:

- He stated that trust was the most important element of any relationship. He listed bad projects in local municipalities and stated that the companies act like they have integrity and want to add to the community but their job is to pacify the community and get what they want. He stated that they are not part of the community and they don't always do what they say they will do.

Steve McKenery, not a Town of Chino Valley resident, presented the following:

- He lived in Scottsdale and was an industry expert in solar and battery storage.
- He stated that solar was a great technology as it is clean and renewable. The alternatives were coal, nuclear power, and burning gas.
- He commended the ordinance and encouraged its passing.
- He stated that solar could be built responsibly and safely. He stated the technology has improved so that there would not be a repeat of Moss Landing.

Chris Johnson, not a Town of Chino Valley resident, presented the following:

- He lived off Center and Reed and there were about three-square miles of State land in front of his house. He stated the proposed projects would be twice the size of that land.
- He worked in oil refineries and power plants and was currently a mining engineering consultant and his specialty was dust. He stated that one of his projects used anywhere between 30,000 and 40,000 gallons of water per working day to clean all the mirrors at the solar plant. He referenced Chino Valley's water issues.
- He stated that dust would also be increased by the die off of the flora underneath the panels.

Lee Divelbiss, not a Town of Chino Valley resident, presented the following:

- He was concerned about water as the area already faced a combined overdraft of 20,000-to-22,000-acre feet per year. One acre foot equals 325,851 gallons of water.
- Homes in Chino Valley were already reporting dry wells and were now being supplied water by Prescott.
- He gave a list of other developments digging more wells and experiencing dry wells.
- He stated the company One Energy had a solar project in Norwood, CO propose a 1,000-acre solar farm and estimated they would need 10 million gallons of water per month during construction just for dust abatement. This would equate to 30.7-acre feet monthly.

The Draconis project could use nearly 50 million gallons (150-acre feet) monthly for dust abatement.

- He felt that approving the ordinance would exasperate the water crisis and would jeopardize the well-being of citizens and deplete the aquifers. He stated that developers should be held accountable for any adverse effect they have on the wells and water sources.
- He felt the simple solution was to vote against USS. He stated that many other rural communities had already adopted similar stances.

Court Rich, not a Town of Chino Valley resident, presented the following:

- He worked for solar developers around the State.
- He stated that the vote tonight was not for a project, but an ordinance.
- He stated that the Town already had an ordinance, as there was already solar in the Town and if the Council voted no that ordinance would still be there, and companies could still come and ask the Council to approve them. He felt a better idea was to approve the ordinance even though he believed it was the toughest ordinance in the state and maybe the country.
- Referring to Supervisor Kuknyo's comment that developers promise something and then don't do it; it should be in the development agreement and they be made to do it.
- He felt there needed to be provisions in place to govern the process.

James LeStrange, not a Town of Chino Valley resident, presented the following:

- He spoke on behalf of Lightsource BP.
- He thanked the community for their engagement and work done.
- He stated that Lightsource BP was dedicated to the safety, security, and resiliency of all their sites. They had reviewed the ordinance and were prepared to meet the requirements set forth.
- He addressed the misinformation about water stating their projects were not large water consumers.

Chris Pirone, not a Town of Chino Valley resident, presented the following:

- He discussed BESS facilities stating that their fire suppression systems fail as evidenced in the Moss fires. Further discussed BESS fires and the complications of fighting them using just a fire truck with no water hookup. These measures are only taken to prevent the spreading of fire as no water is applied to lithium fires, and they are left to burn themselves out. He stated that a BESS facility was not in Chino Valley's best interest.
- He stated that if the Town were sued by Draconis or BP for not approving the ordinance it would look bad on them. But it would look bad on the Town if they approved the ordinance and were sued by 150 residents.

Meeting recessed at 7:27 p.m.

Meeting resumed at 7:36 p.m.

Autumn Johnson, not a Town of Chino Valley resident, presented the following:

- She was speaking on behalf of the Arizona Solar Energy Industry Association (AriSEIA), a non-profit solar storage and electrification trade association that engages in energy related policy issues at every level of government in the state.
- She worked on ordinances with Eloy, Mohave County, Buckeye, Surprise, Navajo County, and Yavapai County.
- They submitted written comments regarding the proposed ordinance included in the packet which include detailed information regarding battery failure rates, battery safety, and water usage.
- Arizona's existing major utilities were expected to double or triple their existing fleets over the next decade as demonstrated by their 15-year resource plans.
- Read an excerpt from APS's November 20, 2024, press release which is attached to these minutes.
- She stated that due to increased demand they must build new generation, and it is often solar because it is the least cost resource.
- She stated that the utilities engage in all-source requests for proposals and build the most competitive projects.
- The grid is interconnected, and power was being added and used all over the west from Arizona, California, and New Mexico.
- Restricting electricity generating technologies would drive up costs and reduce reliability.
- She stated their concerns with the ordinance were the acreage tax and setbacks and recommended eliminating the overall acreage cap and instead reject any project they felt was poorly sited. She also stated that the battery setbacks should be no more than 150 feet which complies with the National Fire Protection Association 855 Standard for the installation of stationary energy storage systems as well as the American Planning Association's findings as to the national average battery storage setbacks.

Karen Estorez, Town of Chino Valley resident, was called by Town Clerk Erin Deskins but was not present.

Bob Turner, not a Town of Chino Valley resident, presented the following:

- He was opposed to the proposed ordinance.
- He was an electrician for 45 years working in the wind and solar industries and stated that any residential would not want USS.

Richard Huck, not a Town of Chino Valley resident, presented the following:

- He spoke about valley fever in connection with solar farms.
- The installation of a Monterey, California solar farm saw 16 suspected valley fever patients and nine confirmed making the infectious rate 17.5 amongst workers. This would become a big problem for adjacent homeowners as well as horses, cattle, dogs, sheep, etc.

Randy Smith, not a Town of Chino Valley resident, presented the following:

- He lived at the far north end of Poquito Valley Road and on the other side of his fence was Chino Valley. His house would border any proposed project.

- He encouraged Council to think about the setbacks again as far as viewshed. He appreciated staff thinking of some kind of shield, but he didn't want to see a block wall either.
- Regarding development agreements, he stated they were great provided that the company it was made with was still in existence.

Jeff Payne, Town of Chino Valley resident, presented the following:

- He stated that the residents were concerned about water and lithium-ion batteries and the ordinance made it sound like lithium was the only option, but water battery storage and ballast block storage were also options and felt something should be done in the ordinance to that effect.
- If there was not enough federal funding or subsidies for the developer to make the other options doable it should be a nonstarter.

Jim Wagner, not a Town of Chino Valley resident, presented the following:

- He was opposed to any ordinance allowing USS.
- He referred to a speaker (possibly Karen Taylor Robeson) at a Yavapai County meeting stating that through APS, Arizona gets none of the power, but there is a lot of mention that we need more energy.
- He stated that Ms. Lineberry stated that the BESS systems were required to be in the center of the facilities to protect the community and inquired what they were protecting the community from.

Laura Chan, not a Town of Chino Valley resident, presented the following:

- She spoke about the 2040 General Plan and spoke about the Vision Statement.
- She could not find anything in the General Plan regarding USS or BESS systems with any definition. She stated that was because it would do nothing to preserve the community.
- Solar energy development was included in the Ranch Agriculture future land use category (with required rezoning) where densities were low to preserve open space and views and minimize infrastructure needs. She didn't feel that described proposed USS developments or BESS facilities as they were high density in terms of covering large portions of land with solar panels, inverters, battery storage systems, and high-power electrical lines. She stated that the amount of proposed acres would take up 25% of the east side of Chino Valley and questioned if the residents would have approved the General Plan had they known that.
- The only other section where solar energy was discussed was under Resiliency.
- She encouraged the Council to reject the ordinance as it was not in alignment with the General Plan and rather should read, "No USS or BESS in Chino Valley. No waivers. Grandfather the existing APS facility."

Gary Beverly, Town of Chino Valley resident, presented the following:

- He was in favor of the ordinance and encouraged the Council to approve it.
- He stated the Town would receive proposals for solar systems whether the ordinance was approved or not. Approving the ordinance would provide a framework from which to make a decision. He stated that good public policy has a rational basis based in facts. He felt that Development Services had done an extraordinary job in giving a framework that would develop the information Council needed to make a rational decision.

- He stated there were a lot of fears from the crowd that were based in misinformation.
- He was chair of the local Sierra Club group with 800 paying members and was in the leadership for the Citizen's Water Advocacy Group (CWAG) and they were not worried about water. The Sierra Club was very concerned with wildlife, but most of what he had heard tonight was inaccurate and while he wasn't discounting the passion and concerns of the people, he felt the reports required of the developers would help address the issues.

Kim Huck, not a Town of Chino Valley resident, presented the following:

- Her fence line was just shy of Chino Valley town limits and would be directly affected by the Draconis project if it were approved.
- Many had already said how she feels.
- She was opposed to the proposed ordinance and should state "No USS or BESS facilities in Chino Valley. No waivers. Grandfather the existing APS facility to ensure no future expansion."

Doris Fosse, Town of Chino Valley resident, presented the following:

- She was a California transplant and had lived through solar and wanted to speak on the statistics.
- 100 large solar companies went bankrupt last year and 17,000 jobs were lost. Often when this happens, they refigure, rename, and reapply for all of the financial funding that they got from the federal government. But they were no longer getting the funding needed to continue their 20-year programs, the projects are abandoned and the panels crack, sun reflects onto roadways, garbage gathers around the pilings, etc.
- When the batteries blow up the fires were almost impossible to put out and burn for days. It is a real health hazard especially for air quality.
- She inquired where the panels were made because of impending tariffs.

Frank Bergwall, Town of Chino Valley resident, presented the following:

- He worked for the Bureau of Land Management for 20 years reviewing and writing environmental documents and stated that what the solar work group produced was an awesome product that needed to be approved to provide a firewall, but they weren't done yet, and needed some amendments based on the comments tonight.

Jon Gillespie, not a Town of Chino Valley resident, presented the following:

- He was a land use attorney with the Rose Law Group and their firm worked with projects throughout the state and found that the developers were some of the largest companies in the world and could provide some tangible benefits the Town could gain from the companies.
- Tax revenues generated to the County would support Chino Valley schools.
- He stated the proposed ordinance provided more protection to residents than any other ordinance in the state and requires developers to engage in robust planning and had significant setback and size limitations.
- Not approving the ordinance would open the Town to litigation as it would mean the Town was exercising its "police power" in an arbitrary and capricious manner.
 - Residential housing and commercial greenhouse projects were allowed by right in the AR-4 and AR-5 zoning district in Chino Valley along with many other

comparable land uses which could be applied for via CUP. Therefore, denying the opportunity for even a proposal of a solar farm would be arbitrary and capricious.

- The Town had already approved two projects, one that was built and one that expired.
- In the General Plan solar was called out under AR-4 and AR-5 zoning districts as a contemplated use.
- P&Z voted to recommend approval.
- He stated the residents' interests would be best served by the Council adopting a regulatory framework which creates significant requirements for study and development standards. Without the framework, the current CUP process would need to be followed, and it would not benefit from the years of work that had gone into the ordinance. The ordinance only added requirements.

Linda Schacherer, Town of Chino Valley resident, presented the following:

- She was opposed to the proposed ordinance.
- July of 2022, she spoke about concerns regarding BESS fires and that her son is a firefighter who had worked to solve the problem with Ventura County, but it was still not solved.
- She was concerned that the ordinance did not put enough emphasis on potential fires. She felt there had been plenty of time to come up with a game plan on how to mitigate such fires. She stated that she brought up the issue during a 2024 P&Z meeting and offered her son as a resource to the Town Manager and Mayor as a subject matter expert but was not taken up on that.
- She did not feel the ordinance should be approved until the matter was addressed.

Jon Whitman, not a Town of Chino Valley resident, presented the following:

- He lived at the end of Poquito Valley Road.
- He was concerned about the ordinance as it was written.
- He inquired about the noise pollution that would be put out by the panels as this was a very windy area.
- He attended the Draconis meeting that was held regarding the project and they sent lawyers and PR people, not the company.
- He stated that he would be affected by what the Town does even though he's not in the community as far as code.
- He encouraged the Council to get the negatives as well as the benefits.

Luke Cilano, Town of Chino Valley resident, presented the following:

- He had a lot of history with Council and Town staff.
- He felt there was something missing in the ordinance because all the people who spoke for the large companies said that they liked the ordinance.
- He was against the proposed ordinance and stated that it needed to be looked at again to be much more restrictive.
- He liked solar and had it on his home, but large-scale solar had the problem of being an eyesore, etc., but it could be good for the environment and community as long as it was regulated to the point where the companies have to jump through a lot of hoops to where the community got the benefit but the benefit wasn't high enough yet.
- He encouraged Council to vote no and instruct staff to go back to work making it harder.

Mayor Armstrong closed the Public Hearing.

Council and staff discussed the following:

- Mayor Armstrong asked Ms. Lineberry and Mr. Dingee to go over the expert review process again.
 - Staff stated that the expert review process for the 21 plans would happen between the initial and final stages. The developer would submit their plans to Town staff as part of their application and staff would decide which could be done in-house and which needed to be farmed out whether it be an engineering firm, lighting professionals, fire mitigation, etc. Even the items that could be done in-house could be verified by a third party as the review would be at the expense of the developer.
- Mayor Armstrong inquired if the 3,800-acre limit could be reduced.
 - Staff stated that as it was written all projects together could not exceed that limit. Council could discuss if they would like that limit lowered.
 - Mayor Armstrong inquired if there could be 10 projects with 380 acres a piece.
 - Staff stated that the total number of acres in solar including the APS site would be 3,800 for the whole community.
- Mayor Armstrong inquired if Council could direct the funding if the Town received any.
 - Andrew McGuire, Town Attorney, stated that any funding coming in through a development agreement would be discretionary as it was general fund money.
- Mayor Armstrong asked staff to explain what a development agreement would entail.
 - Andrew McGuire, Town Attorney, stated that development agreements, in general, were an arrangement pre-decision of something in the context of land use. Pre-annexation you might make an agreement with the developer prior to coming into the community such as a use that the Town would not normally allow but has discretion over, exacting things from them you wouldn't normally have the ability to under the ordinance. Discussed the Sheetz decision that came down last year, changing the way they could look at exactions. Staff was aware of and watching this issue.
 - Mayor Armstrong summed up that it was a little too early to tell what could be done along the lines of a development agreement.
 - Andrew McGuire, Town Attorney, stated that was correct.
- Mayor Armstrong appreciated the comments on wildlife and was sure that Game and Fish would be available to come back to the Town if they felt they needed to make those regulations more stringent or less so.
- Mayor Armstrong stated that there were no sides being taken amongst councilmembers. The decision was not about any project, just about an ordinance. He felt that Development Services had gone through the ordinance as best they could and hopefully everyone understood.
- Mayor Armstrong stated that the Perkinsville Road resident was interested in the traffic and if anything would be done by the developer regarding road work.
 - Staff stated it would be covered under the Traffic Impact Analysis and Road Improvement Plans. Council could then review the plan and decide if it was enough. The final decision would remain with Council.
- Councilmember Holt stated that the Council was up there because of the voters and they needed to consider what they thought regardless of personal opinions.

- Mayor Armstrong reiterated that this was an ordinance regarding solar, not about any particular project as one had not been applied for with the Town. He appreciated everyone coming and giving their comments.

MOVED by Councilmember Robert Switzer, seconded by Councilmember John McCafferty to deny Ordinance 2025-949 and direct staff to bring back to Planning Commission and Council consideration an ordinance prohibiting any additional utility scale solar facilities in Chino Valley Town limits.

Councilmember Holt amended the motion to include battery storage facilities.

Councilmember Switzer amended the motion to include CSP facilities and wind.

Councilmember Switzer restated the motion to deny Ordinance 2025-949 and direct staff to bring back for Planning Commission and Council consideration a new ordinance prohibiting any additional utility scale solar facilities including BESS storage, CSP, and wind within the Town of Chino Valley Town limits.

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

3. ADJOURNMENT

Mayor Armstrong adjourned the meeting at 8:26 p.m.



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 Special Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 17th day of March, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 22nd day of April, 2025.



Erin N. Deskins, Town Clerk