

**MINUTES OF THE REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
TUESDAY, AUGUST 26, 2025
6:00 PM
COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

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

Mayor Armstrong called the meeting to order at 6:01 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 Joshua Noden (Sgt. at Arms), Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Assistant Development Services Director Will Dingee, Senior Planner Jessica Barragan, Finance Director Katie Pehl, Public Works Director/Town Engineer Frank Marbury, Police Chief Josh McIntire, Community Services Director Cyndi Thomas, Recreation & Events Coordinator Morgan Heiner, Recreation & Events Coordinator Rebekah Segien, Economic Development Manager Maggie Holmberg, IT Support Technician Sandra Santos, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Presentation of Life-Saving Awards to Lifeguards Tatum Legler, Sage Rhys-Evans, Kaylynn Rhys-Evans, Javier Johns, and Maci Fry.

Cyndi Thomas, Community Services Director, reported on the life-saving incidents, read a letter from Cheryl Seconder, recognized and presented the recipients with their Life-Saving Awards.

- b. Presentation of Prescott Living Magazine "Men of Vision Award" to Mayor Tom Armstrong by Maggie Holmberg, Economic Development Manager, on behalf of Prescott Living Magazine and Rox Media.

Maggie Holmberg, Economic Development Manager, presented the "Men of Vision" Award to Mayor Armstrong on behalf of Rox Media, producers of Prescott Living Magazine.

- c. Report from Frank Marbury, Public Works Director/Town Engineer on emergency electrical repairs authorized by Mayor Tom Armstrong for the Chino Valley Water Reclamation Facility (WRF).

Frank Marbury, Public Works Director, presented the following:

- Electrical issues were found in the WRF which could result in potential equipment damage or electrocution.
- Mayor Armstrong approved the work under an emergency purchase order for \$60,571.29.
- The final billing has not come in yet, but staff believed it would be under the original estimate; possibly between \$37,000 and \$45,000.
- Staff was reporting the matter to Council as it did not fall under normal procurement procedures. The repairs should be able to come out of the capital improvement project budget rather than contingency funds.

Council and staff discussed the following:

- Councilmember Switzer inquired if the existing equipment was not installed properly.
 - Staff stated that was correct; the work had been done 20 years ago. There were also issues of corrosion.

d. Presentation and annual update by Laura Kyriakakis, Human Resources Director.

Laura Kyriakakis, Human Resources Director, presented the following:

- Reviewed the functions of the HR Department, essential roles, mission and core values including:
 - Recruitment and selection
 - Job classification & compensation planning
 - Employee relations
 - Legal compliance
 - Ensuring a fair and legal hiring process
 - Driving growth, competitiveness, and sustainability
 - Focusing on assets (making sure employees are satisfied, engaged, and have appropriate resources to be successful)
 - Employee benefits including compensation, health insurance, retirement, culture and environment, and workplace flexibility
 - Risk Management

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. 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 on items not on the agenda 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. Public comment is invited and encouraged, however, personal attacks on individuals is not appropriate. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

Susie Jarvis, President of the Chino Valley Pickleball Association, presented the following:

- She thanked the Council for allocating funds for the FY2025/26 park improvements which would help cover ground preparation and related foundation work for parking and amenities at the Community Center park and prepare pads for public pickleball courts.
- She also thanked Town staff for their guidance and expertise.
- The association would be hosting an introduction to pickleball on Monday, September 1st as part of Territorial Days events.
- Discussed fundraising and donor options.

Keith Conrad, not a Town of Chino Valley resident, presented the following:

- He owned Snap Fitness, Chino Valley. He expressed concern over a tax audit that assessed his business owed six years of retroactive transaction privilege tax (TPT) assessments. He stated the business, accountants, nor tax professionals were aware of the matter.
- He referred to a Town action to remove an exemption from memberships of 28 days or more and stated that no one knew about it.
- He stated he owns another business that is known to be required to charge TPT and they do so and make their TPT payments every month. He stated he was not trying to circumvent anything, rather was misinformed and was asking for help.

Mayor Armstrong referred the matter to the Town Manager and Town Attorney.

Leanne Shearer, not a Town of Chino Valley resident, presented the following:

- She owned Anytime Fitness, Chino Valley. She expressed concern over a tax audit that assessed a retroactive tax liability on the business. She stated she was not trying to get out of paying taxes, but was looking for fairness, transparency, and due process.
- She referred to A.R.S. § 42.6053 and § 42.6054 regarding adopting tax code changes by ordinance at public meetings and stated that the Town has not produced proof that the steps were completed.
- She stated that Prescott Valley took a different approach and paused enforcement on local businesses and forgave retroactive tax liabilities and is now reviewing whether to remove the tax code altogether.
- She filed a formal complaint with the Arizona Department of Revenue.
- She asked the Council to pause the audits and enforcement actions until the legality of the matter could be confirmed.

Mayor Armstrong referred the matter to the Town Manager and Town Attorney.

Neil Boone, not a Town of Chino Valley resident, presented the following:

- He serves as the tax advisor for Ms. Shearer and Mr. Conrad. He serves many business owners in Chino Valley and asked that the enforcement be based on legally documented procedure. He felt the enforcement was premature and unsubstantiated.
- He also referred to A.R.S. § 42-6053 and § 42-6054.
- He was hoping to work together to find a resolution without further escalation.

Mayor Armstrong referred the matter to the Town Manager and Town Attorney.

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.

Councilmember Larry Holt presented the following:

- The Territorial Days car show would be held on Sunday.

Vice-Mayor Granillo presented the following:

- He attended the League conference last week. He thanked the staff for their work on the display and felt they represented the Town well.

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

Terri Denemy, Town Manager, presented the following:

- Territorial Days, the Town's signature event, is a collaborative event of several local groups. It would start on Friday and include several events such as:
 - Movie in the Park
 - Lion's Pancake Breakfast
 - Vendors in the Park
 - Parade
 - FFA Corn Dinner
 - Car Show
 - Free Swim
 - Fireworks Show
 - Pickleball Introduction
- Town offices would be closed on Monday, September 1st in recognition of Labor Day, reopening at regular business hours on Tuesday, September 2nd.
- Announced the Town's receipt of the 2025 CDBG Development of the Year Housing Hero Award for the remodeling of the Senior Center Kitchen.

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 John McCafferty to approve consent agenda items a,b,c,and d.

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

- a. Consideration and possible action to approve a Master Services and Purchasing Agreement and Addendum with Axon Enterprise, Inc., to consolidate existing contracts and purchase additional goods and services for body cameras, tasers and other related items for an amount not to exceed \$549,408.00 over a 60-month term.
- b. Consideration and possible action to approve the Town of Chino Valley's participation in the national opioids settlement with Purdue and authorize the Mayor or Town Manager to complete and execute a Subdivision Participation and Release Form.
- c. Consideration and possible action to approve the June 24, 2025, study session, regular meeting, and special meeting minutes.
- d. Consideration and possible action to approve the July 8, 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.

- a. Public hearing, consideration, and possible action to approve Ordinance No. 2025-955, increasing the transaction privilege tax rate from 2.0% to 3.0% on manufactured building sales.

Recommended Action: 1) Hold the public hearing; 2) Approve Ordinance No. 2025-955.

Vice-Mayor Granillo recused himself from this item and exited the meeting.

Katie Pehl, Finance Director, presented the following:

- Gave a brief history on this matter over the last few years.
- Discussed how manufactured buildings are taxed.
- Provided a comparison of Chino Valley's tax versus surrounding communities.
- Gave a breakdown of the cost implications for the increase.

There was no further discussion on the matter.

Mayor Armstrong opened the public hearing.

Erin Deskins, Town Clerk, stated there were no requests to speak.

Mayor Armstrong closed the public hearing.

MOVED by Councilmember John McCafferty, seconded by Councilmember Larry Holt to approve Ordinance No. 2025-955, increasing the transaction privilege tax rate from 2.0% to 3.0% on manufactured building sales.

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

NAY: None

ABSTAIN: Vice-Mayor Eric Granillo

6 - 0 Passed - Unanimously

Vice-Mayor Granillo rejoined the meeting.

- b. Consideration and possible action to approve the Intergovernmental Agreement (IGA) for regional emergency operations management and disaster services between the Town of Chino Valley and Yavapai County.

Recommended Action: Approve the Intergovernmental Agreement (IGA) for regional emergency operations management and disaster services between the Town of Chino Valley and Yavapai County.

Joshua McIntire, Chief of Police, presented the following:

- Provided the definition of an IGA and the purpose it serves.
- Gave details on why the Town needed this IGA to ensure proper emergency management and response. This IGA did not mean that Yavapai County would come in and take over the management of an emergency; rather, they would act as a support mechanism.

There was no further discussion on this matter.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Robert Switzer to approve the IGA for regional emergency operations management and disaster services between the Town of Chino Valley and Yavapai County.

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

- c. Consideration and possible action to approve the professional services agreement with HR Green for a comprehensive rewrite of the Town's Zoning Code for an amount not to exceed \$250,000.

Recommended Action: Approve the professional services agreement with HR Green for a comprehensive rewrite of the Town's Zoning Code for an amount not to exceed \$250,000.

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

- This item had been delayed one year and nine months while staff worked on the solar ordinance.
- The project would take about 18 months to complete. It would be a little more complicated than the General Plan as it must be internally consistent and staff would need to ensure that the work they had done in prior years is saved.
- Engineering codes would be separated and go back to the engineering department.
- The consultant was available for questions.

Council and staff discussed the following:

- Councilmember Schacherer inquired if they were ready to start the project now.
 - Staff stated it would take them about a month to refine the scope with the consultant, and would be able to jump in by October.
- Councilmember Holt inquired if this would include solar.
 - Staff stated they would not be touching solar.
- Councilmember McCafferty inquired when the project was funded.
 - Staff stated it was funded two years ago.
 - Councilmember McCafferty inquired if staff anticipated additional budget needs.
 - Staff stated they are budget tight.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John McCafferty to approve the professional services agreement with HR Green for a comprehensive rewrite of the Town's Zoning Code for an amount not to exceed \$250,000.

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

- d. Consideration and possible action to approve a position title and duty change in the Public Works Department moving the current Administrative Technician position to a Senior Administrative Technician, and approving the updated FY 2025-26 Personnel Schedule.

Recommended Action: Approve a position title and duty change in the Public Works Department, moving the current Administrative Technician position to a Senior Administrative Technician, and approving the updated FY 2025-26 Personnel Schedule.

Frank Marbury, Public Works Director, presented the following:

- The department's previous administrative technician took a new position in the Town Manager's office.
- Staff worked with the Town Manager, Finance, and Human Resources departments to evaluate the position and see what would be best for the department and Town and discussed the additional duties staff discovered needed to be covered by the position.
- The current budget would support the difference in salary.

Council and staff discussed the following.

- Councilmember Schacherer pointed to the responsibility of the position to handle random drug testing for CDL drivers. He reported that state law specifies that HR or a designated manager should cover that role.
 - Andrew McGuire, Town Attorney, stated that State Statute requires that it be handled by HR, a manager, or designated manager, and the designation could go down as many levels as the Town sees fit. He inquired if there was a concern with the delegation.
 - Councilmember Schacherer stated that he was always notified by HR of his random drug tests and was responsible for his own CDL. He stated that the job description states that the position would be notifying people when their CDL's were expired or physicals were due. He felt work was being created for the position.
 - Staff further discussed the process of drug testing for new employees and CDL holders.
- Councilmember Schacherer inquired who would pay for the GIS certification requirement.
 - Staff stated that they only anticipated the position to be at a user-level not requiring a certification. Staff suggested striking the requirement for the GIS certification from the job description.
- Councilmember Schacherer inquired who would pay for the International Code Council (ICC) certification requirement.
 - Staff stated that the Town would pay for that and stated the ICC certification needed to stay as the position would be working with permits, and it wouldn't be a large cost (about \$150).
- Councilmember Schacherer inquired about the job description stating, "may require possession of a valid driver's license" and questioned if the Town would be required to provide a driver if the employee needed to go somewhere.
 - Staff stated that was a standard requirement town-wide. Staff stated this allowed for flexibility in hiring if someone fits the job, but doesn't have a driver's license.
- Councilmember Schacherer referred to a question he asked earlier in the year regarding See-Click-Fix about needing to hire additional staff and inquired about this position being required to use that software.
 - Staff stated it was required in the previous position as it is an administrative, clerical duty. The software did not yet exist when the prior job description was created, but the prior employee did have administrative input duties in that software. Staff wanted the new position to be able to input data as well as manipulate data and generate reports and output for the data.

- Councilmember Holt inquired why the position was going from a paygrade 17 to 20 when it was still a clerical position.
 - Staff stated that the duties that the department needs is more in line with the senior admins throughout the Town.
- Councilmember Holt inquired why this wasn't done during the budget process.
 - Staff stated that it was part of the learning process. The previous employee was the first admin that Public Works had. They were just now figuring out what the job really required.
- Vice-Mayor Granillo inquired how long it would take to get a GIS certification.
 - Staff did not know offhand, but requested to remove that requirement. Other employees had been using GIS for several years without a certification.
- Vice-Mayor Granillo asked how long it would take to get the ICC certification.
 - Staff stated that it depends on the person. Some complete it in a month, some require a year.
- Vice-Mayor Granillo felt the Town should be willing to train its employees.
- Further discussion ensued regarding the duties required at paygrade 17 versus 20, along with restructuring the Town, requiring additional duties of the department.
- Councilmember McCafferty inquired where the additional money was coming from.
 - Staff stated that the position was a vacancy during the budget process. Vacancies are budgeted at mid-range. There would also be salary savings due to the period of time between the last employee vacating the position and the impending new hire. Future budget years would need to accommodate paygrade 20 rather than 17.
- Councilmember McCafferty inquired about the price difference between a 17 and 20.
 - Staff stated it was an \$8,000 difference.
- Councilmember Switzer stated that they didn't have to hire at the mid-range.
 - Staff stated that was correct. It would be based on qualifications and the advice of HR.
- Councilmember McCafferty inquired if it was a difficult position to fill.
 - Staff stated they got lucky the first time. Staff felt there were some good candidates that applied for other positions that they might be able to utilize for this position.
- Councilmember Schacherer inquired what the person would be paid.
 - Staff stated they couldn't answer that because they don't know who the candidate would be.
- Councilmember Schacherer stated that he was concerned that any position that was not "senior" could say they want the position to be "senior" now because they've reached the top of their pay.
 - Staff stated that they have not hired anyone at the top pay and instead hire at mid-range or below.
- Further discussion ensued regarding making the GIS certification an option.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Sherri Phillips to approve a position and duty change in the Public Works Department moving the current Administrative Technician position to a Senior Administrative Technician, and approving the updated FY 2025-26 Personnel Schedule with the exception of "may need a GIS administrative certification within 12 months of hire."

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

NAY: Councilmember Robert Schacherer

6 - 1 Passed

7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember John McCafferty to enter Executive Session.

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

MOVED by Councilmember Sherri Phillips, seconded by Councilmember John McCafferty to adjourn the meeting at 7:43 p.m.

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

NAY: None

7 - 0 Passed - Unanimously

ATTEST:



A handwritten signature in blue ink, reading "Tom Armstrong".

Tom Armstrong, Mayor

Erin N. Deskins

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 26th day of August, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 23rd day of September, 2025.

Erin N. Deskins

Erin N. Deskins, Town Clerk