

**MINUTES OF THE REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
TUESDAY, JUNE 9, 2026
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 Larry Holt, Councilmember Robert Switzer, Councilmember John Stankewicz

Absent:

Staff Present: Town Manager Terri Denemy, Town Attorney Kimberly Campbell - remote, Officer Wade Payne (Sgt. at Arms - arrived at 6:21 p.m.), Executive Analyst Jessi Sorteberg, Human Resources Director Laura Kyriakakis, Development Services Director Laurie Lineberry, Town Water Consultant Mark Holmes, Finance Director Katie Pehl, Public Works Director Ryan Anderson, Town Engineer Steven Sullivan, Fleet Manager Matthew Green, Streets Manager Paul Smith, Community Services Director Cyndi Thomas, IT Support Technician Matt Widner, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill, Town Clerk Erin N. Deskins

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Presentation of Certificate of Appreciation to Steven Sullivan, Assistant Public Works Director/Town Engineer.

Terri Denemy, Town Manager, discussed the decision to have Mr. Sullivan assume additional duties after the departure of the previous Public Works Director in December in lieu of hiring an interim director; this decision was a financial and operational benefit for the Town. Ms. Denemy recognized other staff members who took on additional tasks to assist in the transition, including Matthew Green, Paul Smith, Jason Olson, Cyndi Thomas, Jesse Holyfield, and Mark Holmes.

Mr. Sullivan was presented with a Certificate of Appreciation.

- b. Introduction of new Public Works Director, Ryan Anderson.

Terri Denemy, Town Manager, gave a brief overview of Mr. Anderson's experience in Public Works and his involvement in various groups and committees.

Ryan Anderson, Public Works Director, expressed gratitude for the welcome and looks forward to working with the Council toward sustainable infrastructure and maintaining quality of life for the community.

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.

Sara Burchill, Deputy Town Clerk, stated there were no requests to speak.

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 Switzer stated that June 14th is flag day and encouraged residents to fly their flags proudly.

Councilmember Holt commended the Chino Valley Police Department for their work on the recent accident at Center Street and Reed Road.

Mayor Armstrong stated that YPlan Executive Director, Vinny Gallegos, is having surgery and will be out for a few weeks, YPlan Planner, Bryn Stotler, is retiring, and Amanda Hardt at YPlan is being promoted to Planner. He asked for thoughts and prayers for the YPlan team.

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

Terri Denemy, Town Manager, presented the following:

- Movies in the Park are starting up, and the next will be "Road to Eldorado", held Friday, June 12th at 6:30 p.m. in Memory Park.
- The chip seal project is still in progress. Residents should use caution in work zones and expect delays. Residents can check the Town website and social media pages for updates. She commended the Public Works team for their daily work monitoring this project.
- The Chino Valley Police Officer's Association is holding a Picnic in the Park on Saturday, June 13th from 9:00 a.m. to 3:00 p.m. Residents are welcome to join.

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 Robert Switzer to approve Consent Agenda items a, b, and c.

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

NAY: None

7 - 0 Passed - Unanimously

- a. Consideration and possible action to approve the FY2027 affiliate agreement with the Yavapai County Free Library District for library support services.
- b. Consideration and possible action to adopt Resolution No. 2026-1318 designating Kathryn Pehl, Finance Director, as the Chief Fiscal Officer responsible for officially submitting the Fiscal Year 2027 Annual Expenditure Limitation Report to the Arizona Auditor General.
- c. Consideration and possible action to approve the May 26, 2026, 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. Consideration and possible action to approve Resolution No. 2026-1320 authorizing the loan acceptance of a \$10 Million Clean Water State Revolving Fund loan from WIFA for the Water Reclamation Facility Improvements and the execution and delivery of the loan agreement with WIFA.

Recommended Action: Approve Resolution No. 2026-1320 authorizing the loan acceptance of a \$10 Million Clean Water State Revolving Fund loan from WIFA for the Water Reclamation Facility Improvements and the execution and delivery of the loan agreement with WIFA.

Katie Pehl, Finance Director, presented the following:

- The Town had been working on this process for well over a year, and they are finally at the point of loan acceptance.
- It was previously planned to do the project in two phases, but it has been combined into one phase due to the Clean Water State Revolving Fund.

- Approval from Council of the loan documents and adoption would allow staff to move forward with closing, which is anticipated to be July 9th.
- Discussed the project cost and loan terms.
- Gave a brief overview of the Wastewater Fund and what to expect in the coming years in terms of paying the debt service.

Ryan Anderson, Public Works Director, presented the following:

- Briefly discussed the scope and phases of the project.

Council and staff discussed the following:

- Councilmember McCafferty asked for clarification on what exactly was being done regarding the lift station.
 - Staff stated that it would be a minor improvement to the current lift station to add a shade canopy.
- Councilmember Switzer inquired how much the Wastewater Fund would be in the negative.
 - Staff stated they are anticipating a shortfall of \$130,000 for the next fiscal year. Staff reduced the \$1.6 million owed to the General Fund last year down to 1.3 million, and they hoped not to see it go up past \$1.6 million.
 - Councilmember Switzer inquired what the situation will be once the PFAS Treatment Plant loan comes in.
 - Staff stated those funds would come out of the Water Fund and there is capacity to cover that loan.
- Councilmember McCafferty clarified that there will be \$450,000 to go toward this debt in two years, but the debt service amount is \$666,000.
 - Staff stated that is correct. Due to the recent changes in the fee structure, additional customers set to come on board will offset the expenses.
- Councilmember Switzer inquired about the plant's capacity and potential longevity of the expanded plant.
 - Staff stated it would depend on the growth of the Town, but there should be no problem with the plant handling what the Town currently has plated.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Sherri Phillips to approve Resolution No. 2026-1320 authorizing the loan acceptance of a \$10 million Clean Water State Revolving Fund loan from WIFA for the Water Reclamation Facility Improvements and the execution and delivery of the loan agreement with WIFA.

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

NAY: None

7 - 0 Passed - Unanimously

- b. Consideration and possible action to approve Resolution No. 2026-1319 adopting the PSPRS Pension Funding Policy and authorizing the use of \$250,000 out of the Town's General Fund Contingency Account to reduce the Public Safety Personnel Retirement System (PSPRS)

unfunded liability amount.

Recommended Action: Approve Resolution No. 2026-1319 adopting the PSPRS Pension Funding Policy and authorizing the use of \$250,000 out of the Town's General Fund Contingency Account to reduce the Public Safety Personnel Retirement System (PSPRS) unfunded liability amount.

Katie Pehl, Finance Director, presented the following:

- Discussed the PSPRS system and the Town's position and progress over the years in lowering the Town's liability by providing additional funding toward the unfunded liability.
- Provided an outlook and projections of when the Town's portion of the unfunded liability should be fully funded assuming they continue contributing at least \$250,000 annually.
- Gave a brief overview of the three tiers in PSPRS and how they affect funding responsibilities between the employer and employees. Fully funding PSPRS will help maintain the fund as tier 1 and 2 members reach retirement age.

Council and staff discussed the following:

- Councilmember Holt commended the Town on its progress regarding this system, as many other towns are much farther "upside down".

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Robert Switzer to approve Resolution No. 2026-1319 adopting the PSPRS Pension Funding Policy and authorizing the use of \$250,000 out of the Town's General Fund Contingency Account to reduce the Public Safety Personnel Retirement System (PSPRS) unfunded liability amount.

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

NAY: None

7 - 0 Passed - Unanimously

7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Councilmember Larry Holt to adjourn the meeting at 6:30 p.m.

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

NAY: None

7 - 0 Passed - Unanimously

Tom Armstrong

Tom Armstrong, Mayor

ATTEST:



Erin N. Deskins

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 9th day of June, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of July, 2026.

Erin N. Deskins

Erin N. Deskins, Town Clerk