

**MINUTES OF THE REGULAR MEETING OF THE
TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
TUESDAY, JULY 14, 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 6:02 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 Andrew McGuire, Officer Jason Ehlert (Sgt. at Arms), Executive Analyst Jessi Sorteberg, Executive Assistant Mike Coomer, Development Services Director Laurie Lineberry, Public Works Director Ryan Anderson, Town Engineer Steven Sullivan, Finance Director Katie Pehl, Human Resources Director Laura Kyriakakis, Police Chief Josh McIntire, Community Services Director Cyndi Thomas, Facilities and Parks Manager Jason Olson, IT Support Technician Sandra Santos, Audio Visual Technician Nicholas Harwick, Deputy Town Clerk Sara Burchill

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a. Update on Economic Development Strategic Planning

Terri Denemy, Town Manager, Laurie Lineberry, Development Services Director, and Ryan Anderson, Public Works Director, presented the following:

- Discussed the Council's priority regarding economic development and the key principles driving the strategy, including long-term sustainability, new revenue sources, and maintaining rural character.
- Briefly reviewed previous Council actions regarding economic development.
- Gave a brief overview of the Highway 89 Commercial Corridor and its key economic hubs, discussing each area's strengths, weaknesses, potential, and challenges.
- Quickly reviewed the General Plan map and the HMU (Horizontal Multi-Use) locations and the potential of what could be incorporated, including commercial, business, co-ops, live/work units, etc.
- Regarding the ADOT yard, staff has been continuing discussions with ADOT about potentially moving the yard to a new location to free up that space as a viable retail location.
- Discussed staff's next steps in carrying out the strategic plan, further analyses and cost estimations (such as utility extensions) staff will complete, as well as additional projects (possibly extending water and sewer to Heritage and Del Rio schools), opportunities, and potential land sale options.

- Staff requested that Council visit each of the areas and provide them with thoughts of what they think the priorities should be, including what areas or projects they feel would be beneficial for the Town to invest or encourage development.
- Staff explained that they did not discuss Old Home Manor during this presentation as they believe it requires individualized focus.

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.

Glenn Wescott, presented the following:

- He lived at 815 North Road 1 West near the middle school and was recently told that the home that just sold next to him would be turned into an Alzheimer's assisted living facility. He wanted to know why he never received notice that this was happening.

Mayor Armstrong referred Mr. Wescott to the Town Manager for further investigation into the matter.

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 Holt commended Community Services for the Food Truck Event.

Councilmember Switzer announced the Elks Car Show at Memory Park on Saturday, July 18th.

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

Terri Denemy, Town Manager, presented the following:

- The last day to vote early in person for the Primary Election is Friday, July 17th. Mail ballots can be dropped at drop boxes until July 21 at 7:00 p.m.

- Summer Reading Program Finale will be held at Memory Park on Wednesday, July 15th from 10:00 a.m. to 2:00 p.m. featuring life-like dinosaurs, story time, and outdoor play.
- Chino Valley Movie in the Park and Open Mic Nights will be held at Memory Park,

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.

Councilmember McCafferty requested to pull item 5e from the consent agenda.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John McCafferty to approve Consent Agenda items a, b, c, d, f, and g.

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

- Consideration and possible action to appoint members to the Public Safety Retirement Board (PSRB).
- Consideration and possible action to approve a Third Amendment to the Ranch and Farm Lease Agreement between the Town of Chino Valley and Curt A. Wells on the Del Rio Ranch property formerly known as the Bond Ranch.
- Consideration and possible action to approve Resolution No. 2026-1321, Intergovernmental Agreement with the Arizona Department of Public Safety, Gang & Immigration Intelligence Team Enforcement Mission (GIITEM), and Chino Valley Police Department.
- Consideration and possible action to adopt Resolution No. 2026-1315, levying and assessing an ad valorem tax on the assessed value of all real and personal property within the boundaries of the Town of Chino Valley Street Lighting Improvement Districts (CVSLID) for fiscal year 2026-2027, pursuant to Section 48-574, Arizona Revised Statutes.
- Consideration and possible action to adopt Resolution No. 2026-1316, levying and assessing an ad valorem tax on the assessed value of all real and personal property within the boundaries of the Town of Chino Valley Del Sol Maintenance Improvement District for fiscal year 2026-2027, pursuant to Section 48-574, Arizona Revised Statutes.

Councilmember McCafferty stated that his only concern was the citizens having to subsidize nearly \$5,000 for this district and pointed out that no one from the public spoke on the item at the two public hearings voicing any concern. He felt that if the property owners weren't concerned about it, they shouldn't force the rest of the citizens to subsidize their lot

improvements.

Katie Pehl, Finance Director, presented the following:

- Gave an overview of the Maintenance Improvement District (MID).
- Staff had proposed \$9,500 rather than the full projected annual maintenance cost of \$14,375 to decrease the assessment on the property owners for the coming fiscal year.
- Staff was in the process of obtaining quotes for maintenance services with a new scope of work and felt there was potential for the cost not to have to be subsidized again.
- Discussed the time constraints on this item to get it to the County in time for them to complete their process to get it on the tax rolls for the upcoming year.

Council and staff discussed the following:

- Councilmember McCafferty reiterated his position on the citizens not subsidizing the maintenance of 25 residents.
- Councilmember Switzer inquired if the vote could be delayed until the quotes come in and if Councilmember McCafferty is suggesting a vote to only have the Town pay the original amount.
 - Andrew McGuire, Town Attorney, stated that the Council could repeal the prior resolution, readopt the final budget at the full amount, and then have the hearings again and levy the tax amount. The statutory deadline is the third Monday in August. However, the County has to do their job by the third Monday in August, making the Town's practical deadline to provide its information to the County tomorrow. The time for this discussion was at the last meeting when the public hearing was held and the original resolution was adopted.
- Staff stated that they heard the Council's sentiment to bring the item back to them next year fully funded.
- Councilmember Stankewicz clarified that these 25 properties are individual residences without an HOA or CC&Rs and inquired if the levy was explained to homeowners during purchase.
 - Staff stated there is no HOA, and in the process of purchase the title agency will contact the Town to see if there are any assessments due and anything that exists would be provided at the time of purchase. However, staff does not see those things directly. Additionally, the previous amount assessed was much smaller.
- Councilmember Holt inquired what was previously assessed.
 - Staff stated the previous amount was \$2,700 when the builder was managing it, but when it was passed to the Town, it went up to \$9,500, tripling the amount on the property owners. In future years, staff hopes to have a more refined scope of work to match the assessment amount with the expenses.
- Councilmember Switzer inquired if there was a legal way to get out of the MID.
 - Andrew McGuire, Town Attorney, stated there is a dissolution process which the Council would be involved in. But they can't do that until after they get through the full year they have contracted.
- Councilmember McCafferty inquired if the Town would still be subsidizing \$4,800 if the quotes came in at \$9,800.

- Staff stated the Town would only cover the difference between what is collected and the total cost.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John Stankewicz to approve Consent Agenda item 5e.

AYE: Mayor Tom Armstrong, Vice-Mayor Eric Granillo, Councilmember John Stankewicz

NAY: Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Larry Holt, Councilmember Robert Switzer

3 - 4 Failed

Andrew McGuire, Town Attorney, explained that the Town now does not have a tax levy for the properties and the Town will have to fund the entire amount out of the general fund and nothing will be collected from the property owners.

Several councilmembers indicated that they were not aware that would be the outcome.

MOVED by Councilmember Robert Switzer, seconded by Councilmember Larry Holt to reconsider the item.

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

MOVED by Mayor Tom Armstrong, seconded by Councilmember John Stankewicz to reconsider the original motion.

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

- f. Consideration and possible action to approve the June 9, 2026, regular meeting minutes.
- g. Consideration and possible action to approve the June 23, 2026, regular and special 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 a budget transfer in the amount of \$35,000 from the General Fund contingency to the General Fund - Engineering - Water Resources Consultant budget and to approve the Amended and Restated Professional Services Agreement with Mark Holmes, LLC, for water resources consulting services.

Recommended Action: (a) Approve the budget transfer in the amount of \$35,000 from General Fund contingency to the General Fund - Engineering - Water Resources Consultant budget; and (b) Approve the Amended and Restated Professional Services Agreement with Mark Holmes LLC for water resources consulting services.

Jessi Sorteberg, Executive Analyst, presented the following:

- Briefly discussed the history of the Town's agreements with Mark Holmes, LLC.
- Outlined changes to the agreement including annual performance and renewal discussions, updates to invoice and billing procedures, clarifications to termination provisions, etc.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember John McCafferty to approve a budget transfer in the amount of \$35,000 from the General Fund contingency to the General Fund - Engineering - Water Resources Consultant budget and to approve the Amended and Restated Professional Services Agreement with Mark Holmes, LLC for water resources consulting services.

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 a Second Amendment to the Purchase and Sale Agreement between the Town of Chino Valley and Chino Valley Rodeo Drive, LLC, extending the closing date by 60 days.

Recommended Action: Approve a Second Amendment to the Purchase and Sale Agreement between the Town of Chino Valley and Chino Valley Rodeo Drive, LLC, extending the closing date by 60 days.

Terri Denemy, Town Manager, presented the following:

- Gave a brief overview of the project, its history, potential tax revenue, and previous actions by Council.
- Stated the company would still be honoring the earnest money forfeiture date of July 13, 2026, to demonstrate their commitment to the project.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Sherri Phillips to approve a Second Amendment to the Purchase and Sale Agreement between the Town of Chino Valley and Chino Valley Rodeo Drive, LLC, extending the closing date by 60 days.

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 6:51 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, 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 14th day of July, 2026. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of August, 2026.

Erin N. Deskins

Erin N. Deskins, Town Clerk