



TOWN COUNCIL NOTICE & AGENDA

**EXECUTIVE SESSION
TUESDAY, MARCH 26, 2024
5:00 PM**

COUNCIL CONFERENCE ROOM | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

AGENDA

- 1. CALL TO ORDER; ROLL CALL**
- 2. Executive Session pursuant to A.R.S. § 38-431.01 (A)(3) with the attorneys for the Town in order to consider the Town's position and instruct its attorneys regarding the Town's position regarding the Levie v. Town of Chino Valley matter.**
- 3. ADJOURNMENT**



TOWN COUNCIL NOTICE & AGENDA

**STUDY SESSION
TUESDAY, MARCH 26, 2024
5:15 PM**

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

AGENDA

- 1. CALL TO ORDER; ROLL CALL**
- 2. Discussion regarding proposed changes to Town Code Utility Connections Requirements.**
- 3. ADJOURNMENT**



TOWN COUNCIL NOTICE & AGENDA

**REGULAR MEETING
TUESDAY, MARCH 26, 2024
6:00 PM**

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

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

- 1. CALL TO ORDER; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
- 3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

- 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.
 - b. Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current and upcoming projects.

- 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

- a. Consideration and possible action to approve an Intergovernmental Agreement with the Phoenix Police Department and the Arizona Internet Crimes Against Children (ICAC) Task Force.
- b. Consideration and possible action to approve the February 27, 2024, regular meeting minutes.
- c. Consideration and possible action to approve the February 29, 2024, special session/strategic planning 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 the Cooperative Purchasing Agreement, Job Order No. 1 with Sunland Asphalt and Construction, LLC, for emergency street repairs in the amount of \$407,240.12.

Recommended Action: Approve the Cooperative Purchasing Agreement, Job Order No. 1 with Sunland Asphalt and Construction, LLC, for emergency street repairs in the amount of \$407,240.12.

- b. Consideration and possible action to approve Resolution No. 2024-1249 conditionally accepting the streets and public infrastructure improvements associated with the Perkinsville 44 Subdivision Phases 1 & 2 and Offsite Water & Sewer subject to a two-year warranty period.

Recommended Action: Approve Resolution No. 2024-1249 conditionally accepting the streets and public infrastructure improvements associated with the Perkinsville 44 Subdivision Phases 1 & 2 and Offsite Water & Sewer subject to a two-year warranty period.

- c. Consideration and possible action to amend the final plat for the Del Sol South Subdivision to adjust the lot line between Lots 6 and 7 to accommodate an erroneously placed well.

Recommended Action: Approve the amended final plat for the Del Sol South Subdivision to adjust the lot line between Lots 6R (APN 306-18-165) and 7R (APN 306-18-166) to accommodate an erroneously placed well, subject to the following stipulations: strict compliance with Maintenance Improvement District No. MID-2022-01; and satisfaction of all reviewer comments prior to signing the amended final plat and recording it with the Yavapai County Recorder.

- d. Public hearing, consideration, and possible action to approve Ordinance No. 2024-942 to rezone 14.23 acres from Commercial Light (CL) to Agricultural Residential 4-acre (AR-4) at 700 West Road 5 1/2 North, Chino Valley, Arizona.

Recommended Action: i) Hold a Public Hearing ii) Approve Ordinance 2024-924

- e. Public hearing, consideration, and possible action to approve Ordinance No. 2024-943 to amend the Unified Development Ordinance, to create Section 4.32 - Metal Storage Containers.

Recommended Action: i) Hold a public hearing ii) Approve Ordinance No. 2024-943

- f. Consideration and possible action to adopt Resolution No. 2024-1247 disbanding and dissolving the Roads and Streets Committee and the Water and Utilities Subcommittee; and adopt Resolution No. 2024-1248 establishing a Capital Improvement Program Citizen's Advisory Committee.

Recommended Action: Adopt Resolution No. 2024-1247 disbanding and dissolving the Roads and Streets Committee and the Water and Utilities Subcommittee; and adopt Resolution No. 2024-1248 establishing a Capital Improvement Program Citizen's Advisory Committee.

- g. Second public hearing regarding Resolution No. 2024-1243, proposing an extension to the alternative expenditure limitation - Home Rule option.

Recommended Action: Hold second public hearing on Resolution No. 2024-1243.

7. ADJOURNMENT



TOWN COUNCIL NOTICE & AGENDA

**SPECIAL MEETING
TUESDAY, MARCH 26, 2024
6:05 PM**

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

AGENDA

1. **CALL TO ORDER; ROLL CALL**
2. **Consideration and possible action to approve Resolution No. 2024-1243, proposing an extension to the alternative expenditure limitation - Home Rule option.**
3. **ADJOURNMENT**

Dated this 20th day of March, 2024.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 928-636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting.

Council meetings are live-streamed on Town of Chino Valley Facebook page.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____

Time: _____

By: _____

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5a
MEETING DATE: 3/26/2024
CONTACT PERSON: Marrilee Easton, Civilian Officer Supervisor
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve an Intergovernmental Agreement with the Phoenix Police Department and the Arizona Internet Crimes Against Children (ICAC) Task Force.

SUMMARY:

The purpose of this IGA is to provide funding for the Affiliate Agency on a reimbursable basis. It would support efforts in the investigation, prosecution, and deterrence of the exploration of minors and the utilization of the internet to seek children as sexual victims, and allow the Town to work together with other agencies to assist the ICAC Task Force.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the Intergovernmental Agreement with the Phoenix Police Department and the Arizona Internet Crimes Against Children Task Force.

FISCAL IMPACT?

There is no direct fiscal impact anticipated from this IGA.

ATTACHMENTS:

-
-
1. IGA with Phoenix Police Department - Arizona Internet Crimes Against Children Task Force
-
-

ARIZONA INTERNET CRIMES AGAINST CHILDREN TASK FORCE

Intergovernmental Agreement

Between

**Phoenix Police Department (Primary Grantee) /
Arizona ICAC Task Force Lead Agency**

and

Chino Valley Police Department

THIS Intergovernmental Agreement ("IGA") is entered into between the City of Phoenix, Arizona, through the Phoenix Police Department ("PPD" or "Primary Grantee"), and the Town of Chino Valley, Arizona, through the Chino Valley Police Department ("Affiliate Agency").

I. RECITALS

1.1 Whereas public agencies are authorized and empowered to enter into intergovernmental agreements for the provision of services or for joint or cooperative action pursuant to Arizona Revised Statutes (A.R.S.) §11-952. The City of Phoenix is also authorized and empowered pursuant to Chapter 2, Section 2 (i), of the Charter of the City of Phoenix.

1.2 Whereas the Phoenix Police Department / Arizona Internet Crimes Against Children Task Force ("ICAC Task Force") Lead Agency, is the recipient of the United States Department of Justice ("DOJ"), Office of Juvenile Justice and Delinquency Prevention ("OJJDP") grant regarding Internet Crimes Against Children ("ICAC"). The Task Force utilizes the grant, and funding from the Arizona Attorney General's Office, for the purpose of administering and operating an ICAC Task Force in Arizona. PPD is the primary grantee for the ICAC Task Force. Agencies affiliated through this IGA are known as "Affiliate Agencies".

1.3 Whereas the PPD / ICAC Task Force agrees to work with the affiliates to support and advance the goals of the Internet Crimes Against Children Task Force, a DOJ initiative. Phoenix PD / ICAC Task Force may be able to provide financial assistance to the Affiliate Agency, on a reimbursable basis, through various funding sources.

1.4 Whereas the OJJDP administers the ICAC Task Force Program, which is a national network of state and local law enforcement investigative units. The national ICAC program assists state and local law enforcement agencies in the

development of an effective response to cases involving images depicting the sexual exploitation of minors and the sexual assault and abuse of children facilitated by technology. Due in large part to the technological aspects of these cases, the ICAC Task Force Program promotes a multi-jurisdictional, multi-agency approach to investigating and prosecuting ICAC cases. ICAC's goals are to increase the investigations and prosecutions of Internet crimes against children offenses, and to increase public awareness and prevention of ICAC offenses.

1.5 Whereas the national policy objectives for ICACs are to:

- (1) Increase the investigative capabilities, including effectiveness and efficiency, of law enforcement officers in the detection, investigation of qualifying offenses and the apprehension of offenders;
- (2) Increase the number of ICAC-qualifying (state and federal) offenses being prosecuted;
- (3) Create a multi-agency task force response to ICAC offenses;
- (4) Enhance the nationwide response to ICAC offenses; and
- (5) Develop and deliver ICAC public awareness and prevention programs.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties hereby agree to the following terms and conditions:

II. PURPOSE

2.1 The purpose of this IGA is to provide funding for the Affiliate Agency, on a reimbursable basis, to support their efforts to investigate, prosecute, and deter the possession, production, and distribution of unlawful images depicting the sexual exploitation of minors and the utilization of the Internet to seek children as sexual victims.

2.2 The purpose of this IGA is to memorialize parties' agreement to work together to assist the ICAC Task Force in its efforts to investigate, prosecute, and deter the possession, production, and distribution of unlawful images depicting the sexual exploitation of minors and the utilization of the Internet to seek children as sexual victims.

2.3 Additionally, this IGA defines the responsibilities of the Affiliate Agency with the ICAC Task Force.

III. RESPONSIBILITIES

3.1 Affiliated ICAC Task Forces may include investigators, supervisors, or prosecutors from various local, state, and federal law enforcement agencies who provide assistance, subject to availability.

3.2 Affiliated ICAC Task Forces should identify and investigate individuals who exploit children for sexual purposes through the use of technology and/or who obtain, distribute, and/or produce child pornography.

3.3 Affiliated ICAC Task Forces should be focused on presenting evidence of criminal activity to prosecutors, which then leads to the successful prosecution of individuals who have committed coercion/enticement or unlawful image offenses.

3.4 Affiliated ICAC Task Forces may, subject to availability, sponsor community education efforts regarding the prevention of Internet crimes against children and provide ICAC training to other state and local law enforcement officials.

3.5 Affiliated ICAC Task Forces may, subject to availability:

- (1) Conduct undercover ICAC investigations; and
- (2) Conduct reactive investigations for which venue lies within the agency's jurisdiction(s), including investigations of unlawful images depicting the sexual exploitation of minors, CyberTip referrals from the National Center of Missing and Exploited Children (NCMEC), Internet Service Provider and law enforcement referrals, other ICAC-related investigations, and other sources.

3.6 The Affiliated ICAC Task Force will ensure that:

- (1) Only sworn law enforcement personnel will conduct undercover ICAC investigations;
- (2) Each investigator involved with undercover operations has received ICAC training prior to initiating investigations; and
- (3) ICAC investigations shall also be governed by the national ICAC program's Standard Operating Procedures.

3.7 Where investigations reveal that the safety of a child is at risk, it is of paramount importance that the safety and well-being of the child clearly outweigh any consideration being given to the continued investigation.

3.8 ICAC Task Forces have a substantial number of matters to investigate which requires prioritization of these matters. The Affiliate Agency agrees to use the guidelines in the ICAC Standard Operating Procedures to prioritize cases.

3.9 An additional secondary role of the Affiliate Agency is to educate, as time and resources permit, both children and parents regarding online dangers, and empower them with information so they may visit the Internet in safety. Task force personnel may conduct education and prevention programs to foster awareness and provide practical, relevant guidance to the community about Internet child safety issues.

IV. DURATION AND TERMINATION

4.1 This IGA shall become effective upon the date of the last signature of the executing parties and will supersede any pre-existing agreements between the Affiliate Agency and the Arizona ICAC Task Force. This IGA will remain in effect

for five (5) years after the IGA becomes effective, unless the agreement is terminated in writing by either party upon thirty (30) day notice.

4.2 Violation of the ICAC Standard Operating Procedures is considered a material breach of this agreement and cause for cancellation of Affiliate Agency's affiliation with the Arizona ICAC Task Force. Upon discovering a violation and notifying the Affiliate Agency, the Primary Party may cancel the contract and rescind any funding under this agreement.

V. GENERAL PROVISIONS

5.1 Conflict of Interest. This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.

5.2 Immigration law compliance and warranty. As required by A.R.S. § 41-4401, each party hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). Each party further warrants that after hiring an employee, it verifies the employment eligibility of the employee through the E-Verify program. If either party uses any subcontractors in performance of the IGA, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the IGA, subject to penalties up to, and including, termination. A party shall not be deemed in material breach if it and/or its subcontractors establish compliance with the employment verification provisions of Sections 274A and 274B of the federal Immigration and Nationality Act and the E-Verify requirements contained in A.R.S. § 23-214(A). Each party retains the legal right to inspect the papers of the other party and/or its subcontractor engaged in performance of this IGA to ensure that the other party and/or its subcontractor is complying with the warranty. Any inspection will be conducted after reasonable notice and at reasonable times. If state law is amended, the parties may modify this paragraph consistent with state law.

5.3 Communication between state and local government agencies and federal immigration authorities; compliance. As required by 8 U.S.C. § 1373, each party hereby agrees that, notwithstanding any other provision of federal, state, or local law, it will not prohibit, or in any way restrict, any government entity or official from sending to, or receiving from, federal immigration authorities, including US Immigration and Customs Enforcement (ICE), US Customs and Border Protection (CBP), or US Citizenship and Immigration Services (USCIS), information regarding the citizenship or immigration status, lawful or unlawful, of any individual.

5.4 Indemnification. To the extent permitted by law, each party will indemnify and save the other party harmless, including any of the parties' departments, agencies, officers, employees, elected officials or agents, from and against all loss,

expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the indemnifying party of any of the provisions of this IGA.

Each party, in all instances, shall be indemnified against all liability, losses, and damages of any nature for, or on account of, any injuries or death of persons or damages to or destruction of property arising out of or in any way connected with the performance or non-performance of this IGA by the other party, except such injury or damage as shall have been occasioned by the negligence of that other party. The damages incurred by the other party, their department, agencies, officers, employees, elected officers, or agents shall include in the event of any action, court costs, expenses for litigation and reasonable attorneys' fees.

The parties are responsible and liable for the acts and omissions of their own officers, agents, or employees in connection with the performance of their official duties under this IGA.

This agreement does not relieve either agency of its official duties and shall not be construed as limiting or expanding the statutory responsibilities of the parties.

5.5 Binding effect. All terms, provisions, and conditions hereof shall be binding upon and inure to the benefit of all parties hereto and their respective heirs, personal representatives, successors, and assigns.

5.6 Severability. In the event any term or provision of this IGA is held to be invalid or unenforceable, the validity of the other provisions shall not be affected, and the IGA shall be construed and enforced as if it did not contain the particular term or provision that is deemed to be invalid or unenforceable.

5.7 Governing law. This IGA will be governed by the laws of the State of Arizona, both as to interpretation and performance.

5.8 Modification. This IGA may be modified only by mutual written agreement of the parties.

VI. SPECIAL PROVISIONS

6.1 Goals for cases prosecuted. Various County Attorneys' Offices throughout the State of Arizona have successfully prosecuted many cases investigated by the ICAC Task Force and its affiliated agencies. Cases investigated by the ICAC Task Force may be prosecuted in Federal or State Court.

The affiliated agency agrees that the criteria for determining whether to prosecute a particular violation in state or federal court will be determined based upon the forum in which the greatest overall benefit to the public will be achieved. The parties agree that the greatest overall benefit to the public and victims will be achieved in the forum in which the purposes of punishment will be accomplished

to the greatest possible extent. The parties agree that the sentences in ICAC cases should, to the greatest possible extent:

- (1) Reflect the seriousness of the offense;
- (2) Promote respect for the law;
- (3) Provide just punishment for the offense;
- (4) Afford adequate deterrence to criminal conduct;
- (5) Protect the public from further crimes of the defendant; and
- (6) To provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner.

Given these goals and the research regarding the typical hands-on offense histories of those convicted as on-line predators and child pornography offenders, incarceration is a desired outcome in ICAC cases.

6.2 Reporting statistics. The Affiliate Agency will provide monthly reports to the Phoenix PD / ICAC Task Force in the prescribed format, no later than ten (10) days after the end of the preceding month. If statistics are not provided by the deadline, any funding will be suspended until the reporting requirement is met.

6.3 Training. The affiliated agency may make investigators available for applicable specialized training provided through the national ICAC program and other appropriate training programs.

6.4 Media. Media outreach on cases should be coordinated with the prosecutor to whom the case has been, or will be, referred in order to ensure compliance with applicable bar rules. All lawful efforts will be made to protect ongoing undercover operations from media publication. Member agencies will refrain from unnecessarily releasing ongoing investigative techniques and ongoing undercover identities, including screen names, age or sex of undercover personas, unless authorized and mandated by public record law, or when the information is revealed pursuant to lawful discovery or at trial.

6.5 Confidentiality. It is understood that any confidential information pertaining to investigations of ICAC will be held in the strictest confidence, and will only be shared with participating ICAC Task Force members or other law enforcement agencies where necessary, or as otherwise permitted by federal and/or state law.

6.6 Text messaging while driving. Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), the Department encourages recipients and sub recipients to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this IGA, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

6.7 Data protection. All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to affiliate agencies in connection with this agreement is to be kept confidential. Except as specifically provided in this IGA, the affiliate agencies shall not disclose data generated in the performance of the service to any third person without the prior written consent of all affiliate agencies, unless required by law.

Personal identifying information, financial account information, or restricted information, whether electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, affiliate agencies must encrypt and/or password protect electronic files. This includes data saved to laptop computers, computerized devices or removable storage devices.

Unless contrary to law, which includes Arizona State Records Retention statutes, when personal identifying information, financial account information or restricted information, regardless of its format, is no longer necessary, the information must be redacted, destroyed or secured through appropriate and secure methods that ensure the information cannot be viewed, accessed or reconstructed.

In the event that data collected or obtained by the affiliate agencies in connection with this IGA is believed to have been compromised, affiliate agencies shall notify all other agencies in writing within ten (10) business days.

Affiliate agencies agree that the requirements of this section shall be incorporated into all relevant subcontractor/subconsultant agreements entered into by the affiliate agencies. A violation of this section may result in immediate termination of the IGA.

The obligations of affiliate agencies under this section shall survive the termination of this agreement.

6.8 Consistency. No local agreement can be inconsistent with any provision herein or impair achievement of any provision herein.

6.9 Return of Proceeds of Sale or Auction. Affiliate agencies are prohibited from retaining the proceeds from the sale or auction of any equipment purchased with funding provided pursuant to this IGA. In the event that an affiliate agency sells or auctions any equipment purchased with funding provided pursuant to this IGA, the affiliate agency shall return the proceeds from the sale or auction of equipment to the City of Phoenix. The City of Phoenix shall remit the proceeds returned to the original funding source. The City of Phoenix shall have the authority to audit the records of an affiliate agency as shall be deemed proper to ensure that the proceeds from the sale or auction of any equipment purchased with funding provided pursuant to this IGA have been accounted for and returned pursuant to this section.

6.10 Affiliate Agency must abide by all federal, state, and local grant regulations.

IN WITNESS WHEREOF, the parties enter into this Agreement:

City of Phoenix, Arizona
An Arizona Municipal Corporation
(Primary Grantee)

Town of Chino Valley, Arizona
An Arizona Municipal Corporation
(Affiliate)

Michael G. Sullivan
Interim Police Chief
Phoenix Police Department

(Authorized Signature)

Printed Name, Title

Date _____

Date _____

ATTEST:

ATTEST:

City Clerk Date

City Clerk Date

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Signature _____ Date _____

Signature _____

Date _____

(Printed Name)
Acting City Attorney

(Printed Name)
City Attorney

INTERGOVERNMENTAL AGREEMENT DETERMINATION

In accordance with the requirements of A.R.S. § 11-952 (D), each of the undersigned attorneys Acknowledge: (1) that they have reviewed the above IGA on behalf of their respective clients; and, (2) that, as to their respective clients only, each attorney has determined that this IGA is in proper form and is within the powers and authority granted under the laws of the State of Arizona.

City of Phoenix (Primary Grantee)

Town of Chino Valley (Affiliate)

Signature Date

Signature Date

(Printed Name)
Acting City Attorney

(Printed Name)
City Attorney



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5b
MEETING DATE: 3/26/2024
CONTACT PERSON: Sara Burchill, Deputy Town Clerk
ITEM TYPE: Consent/Minutes

AGENDA ITEM TITLE:

Consideration and possible action to approve the February 27, 2024, regular meeting minutes.

SUMMARY:

Attached are the draft minutes from the February 27, 2024, regular meeting.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the February 27, 2024, regular meeting minutes.

FISCAL IMPACT?

N/A

ATTACHMENTS:

-
-
1. February 27, 2024, Regular Meeting Minutes
-
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**MINUTES OF THE REGULAR MEETING
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY
TUESDAY, FEBRUARY 27, 2024
6:00 PM
COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY,
ARIZONA 86323**

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

Mayor Miller called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Present: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

Absent:

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Officer Steve Sellers (Sgt. at Arms); Assistant to the Town Manager Terri Denemy; Finance Director Kathryn Pehl; Development Services Director; Laurie Lineberry; Water Consultant Mark Holmes (remote); Community Services Director Cyndi Thomas; Public Works Director/Town Engineer Frank Marbury; Lieutenant Randy Chapman; Audio Visual Technician Lawrence Digges; Deputy Town Clerk Sara Burchill; Town Clerk Erin N. Deskins

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a. Presentation by David Seigler with United Way regarding the Town's successful United Way campaign.

David Seigler, Executive Director and CEO of United Way of Yavapai County, presented the following:

- United Way funded about 45 non-profit programs in Yavapai County via paycheck deductions. This had been done in Yavapai County for over 30 years.
- In looking for new leadership, United Way created the Campaign Cabinet on which Mayor Miller served.
- Cindy Blackmore and Town staff supported the effort by running an employee-driven campaign chaired by Cyndi Thomas and Terri Denemy.
- The Town raised about \$7,500 for the community in three weeks.
- Due to its success, United Way shared the campaign with other municipalities across the county as the example of Best Practices.
- United Way awarded Chino Valley the Best New Campaign in the County.
- United Way awarded Mayor Miller with the Trailblazer award for carving out new territory.

Thanked the Council for its leadership and staff for their dedication to the community.

- b. Presentation and discussion regarding an update on the Parks & Recreation Advisory Board.

Cyndi Thomas, Community Services Director, presented the following:

- Last year, the Council approved the restructuring of the Parks & Recreation Advisory Board bylaws which enabled them to appoint new members..
- The new members were a very focused group with varying backgrounds and were eager to make Parks & Recreation the best around.
- Early July was their first meeting where they got an idea of what each member's vision was for Parks & Recreation.
 - The Board decided to do a community-wide survey which was published at the end of October until the end of November.
 - The survey received 1,000 responses.
 - The Board met again in January to review the results where they determined that the questions were not specific enough. The Board specified and refined some of the questions and put out another survey that would be out for about another month.
 - Once completed the Board would come back together to discuss the updated results.
- The questions included demographics, more specifics surrounding the types of activities and events residents wanted to see, and whether people would be willing to help with various events.
- Once the survey was closed the Board would come back to Council to give the results and make recommendations.
- The results of the last survey were not being made public until they had received clarification on the vague questions.

3. CALL TO THE PUBLIC - Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity, and disruptive discussions among our audience.

Cathy Middlested presented the following:

- She lived at 380 Lauren Lane. She wanted to talk to the Council about impact fees. 385 and 435 Lauren Lane was in the process of grading and laying foundation for two homes. As a result Lauren Lane had been significantly damaged. She didn't feel that the citizens should bear the cost of fixing the road and it needed to be put on developer. If impact fees were not charged to the developer she wanted to see the building department hold up the Certificate of Occupancy until the road was fixed. The damage would continue until the building was complete. She provided pictures of the damaged road to Council.

Mayor Miller requested the Town Manager look into the matter.

Larry Holt presented the following:

- Regarding Lauren Lane, he counted 30 trucks in one afternoon and it went on for two weeks. The road was just redone by the Town less than three years ago. He hoped there was some way to make the developer responsible for the damages.

4. CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.

Mayor Miller presented the following:

- Wished a happy 10th anniversary to Councilmember Annie Perkins.
- Wished a happy 3rd anniversary to Town Manager Cindy Blackmore.

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

Cindy Blackmore, Town Manager, presented the following:

- The Town was accepting applications for the 2024 Citizen's Academy. It would be seven sessions once per week from 5:30 – 7:30 p.m. Wednesday, March 27 – May 8th. There were 20 spaces available.
- Coffee with Cops would be held tomorrow at 8:00 a.m. at the Senior Center.
- Luck of the Irish Family Bingo would be held on March 2nd at 6:00 p.m. at the Senior Center.
- Dr. Seuss Movie Night on March 2nd at 5:30 p.m. at the Community Center.

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 Perkins requested to pull item 5(c) from the Consent Agenda.

Councilmember McCafferty requested to remove item 5(d) from the Consent Agenda.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember John McCafferty to approve the remaining Consent Agenda items as presented.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips,

Councilmember Robert Schacherer

7 - 0 PASSED - Unanimously

- a. Consideration and possible action to approve amendments to the Town's Organizational Chart.
- b. Consideration and possible action to approve Ordinance 2024-939 amending the Town Code relating to Chapter 31 - Town Organizational Chart.
- c. Consideration and possible action to approve an amendment to the Amended Lease Agreement between the Town of Chino Valley and Yavapai County Community College District to extend the current lease for an additional ten-year term, through April 18, 2035.

Councilmember Perkins presented the following:

- She appreciated the college but had concerns about renewing the lease agreement concerning section 4.1.3 which stated the Town would not operate any motor vehicle sports. She wanted to discuss it with Council at a later time. They still had a year before needing to extend the lease.

Council and staff discussed the following:

- Councilmembers inquired if the request was to table or continue the item.
 - Andrew McGuire, Town Attorney, stated that either motion would work. As it was not a public hearing, they could continue with no specific date or table.

No objections were presented by the Council.

MOVED by Councilmember Annie Perkins, seconded by Councilmember John McCafferty to table item 5c until staff and Yavapai College could communicate.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

7 - 0 Passed - Unanimously

- d. Consideration and possible action to approve a Professional Services Agreement with Montgomery & Associates for the Underground Storage Facility Permit Renewal.

Councilmember McCafferty pulled this item to allow Mr. Holmes to explain in greater to the Council and public as this was a once in a 20-year operation and was a key component to the Town's water management and he felt it would be good to disclose more to the public about it.

Mark Holmes, Water Consultant, presented the following:

- This item was dealing with Town's underground recharge facility permit renewal.
- Provided a copy of what the permit looks like. It would expire March 3, 2025, and must be renewed every 20 years.
- The current permit was for the location at Old Home Manor, which could recharge up to 1,120 acre feet per year. The Town was currently recharging 350-acre feet per year.
- The permit allowed for the construction of up to 12 one-acre recharge basins which could be further enhanced with 100-foot vadose wells that would allow enhanced percolation of the effluent coming from the reclamation facility.
- The permit renewal would require a groundwater model to be created, and model the current and future projected amount of reclaimed water to be recharged at the facility.
- The facility allowed for recycled water to be recharged and stored underground, helping with banking long term storage credits of the recycled water for future use. The recycled water could then be recovered through the Town's recovery well permits and then put back into the distribution system. Part of the water supply is left underground and monitored by the State as part of meeting safe yield requirements.
- The Town had five active basins and three inactive basins.
- Gave a brief history of steps leading up to the renewal projects regarding the underground storage facility permit.
- Staff was recommending approval of the Professional Services Agreement with Montgomery & Associates in the amount of \$80,000.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember Annie Perkins to approve a Professional Services Agreement with Montgomery & Associates in the amount of \$80,000 for the Underground Storage Facility Permit Renewal for the Old Home Manor recharge project.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

7 - 0 PASSED - Unanimously

- e. Consideration and possible action to approve a Professional Services Agreement with Lyon Engineering for the design of the planned reconstruction of Reed Road between Road 1 North and Road 3 North for the amount of \$49,785.
- f. Consideration and possible action to authorize the Police Department to apply for and approve expenditure of funds for a \$47,430.01 Government of Highway Safety grant.
- g. Consideration and possible action to approve Resolution No. 2024-1246 amending the previously approved Call of Election Resolution.
- h. Consideration and possible action to approve the January 23, 2024, study session minutes.

- i. Consideration and possible action to approve the January 23, 2024, 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 accept the Annual Comprehensive Financial Report for Fiscal Year ending June 30, 2023.

Recommended Action: Accept the Annual Comprehensive Audited Financial Report and the Annual Expenditure Limitation Report for fiscal year ending June 30, 2023, as prepared by Henry & Horne, LLP, Certified Public Accountants.

Kathryn Pehl, Finance Director, presented the following:

- The audit results were being presented by Brian Hemmerle from Baker Tilly. The Town contracted with them as an external auditing firm to review the Town's financial statements to maintain transparency and fiscal integrity.

Brian Hemmerle, presented the following:

- The external audit was required by State statute.
- The audit was finished in the fall of 2023 and the report was issued on December 11, 2023.
- The Town was issued an unmodified/unqualified opinion, which meant the Town had a clean opinion on its financial statements.
- Regarding the Compliance Report, there were no instances of noncompliance or other matters and there were no identified material weaknesses.
- The company provided reasonable assurance that the financial statements were free from material misstatement, but they do not provide absolute assurance as that would require testing every transaction. Various controls were used to conduct the audit.
- There were no unusual transactions identified and no difficulties or disagreements with management.
- There was no fraud or potential fraud identified.
- The report contained a management discussion analysis which was prepared by the managers, not the auditors. The auditors do not provide an opinion on it, however, they do read through it to make sure there wasn't anything that was completely off base with what the financial statements already presented. The auditors had no issue with what management had provided.
- The Expenditure Limitation Report was required by the State of Arizona, and the Town was well under its expenditure limit by \$20.7 million.
- Provided a brief summary of the Town's expenditures.

MOVED by Vice-Mayor Tom Armstrong, seconded by Councilmember John McCafferty to accept the Annual Comprehensive Financial Report for Fiscal Year ending June 30, 2023.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

7 - 0 Passed - Unanimously

7. ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Vice-Mayor Tom Armstrong to adjourn the meeting at 6:32 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

7 - 0 Passed - Unanimously

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 27th day of February, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2024.

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 5c
MEETING DATE: 3/26/2024
CONTACT PERSON: Sara Burchill, Deputy Town Clerk
ITEM TYPE: Consent/Minutes

AGENDA ITEM TITLE:

Consideration and possible action to approve the February 29, 2024, special session/strategic planning meeting minutes.

SUMMARY:

Attached are the draft minutes from the February 29, 2024, special session/strategic planning meeting minutes.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Approve the February 29, 2024, special session/strategic planning meeting minutes.

FISCAL IMPACT?

N/A

ATTACHMENTS:

-
-
1. February 29, 2024, Special Session/Strategic Planning Meeting Minutes
-
-

**MINUTES OF THE SPECIAL SESSION/STRATEGIC PLANNING
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY**

THURSDAY, FEBRUARY 29, 2024

12:00 PM

GRACE CHURCH | 2010 AZ-89 | CHINO VALLEY, ARIZONA 86323

1. CALL TO ORDER, ROLL CALL

Mayor Miller called the meeting to order at 12:24 p.m. and led the Pledge of Allegiance.

Present: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

Absent:

Staff Present: Town Manager Cindy Blackmore; Assistant to the Town Manager Terri Denemy; Community Services Director Cyndi Thomas; Police Chief Chuck Wynn, Deputy Police Chief Josh McIntire; IT Manager Spencer Guest; Court Administrator Ronda Apolinar; Public Works Director/Town Engineer Frank Marbury; Finance Director Kathryn Pehl; Town Clerk Erin N. Deskins

2. DISCUSSION ITEMS

- a. Town Council will engage in strategic planning activities and discussion to determine priorities which will guide the 2024/25 budget process.

Cindy Blackmore, Town Manager, presented the following:

- Thanked staff for organizing the meeting.
- The meeting was scheduled until 5:00 p.m., but it could be as long or brief as the Council felt they needed.

Terri Denemy, Assistant to the Town Manager, led the Council in an icebreaker activity.

Katie Pehl, Finance Director, presented the following:

- She was giving an update of where the Town was and where it was projected to go in the next year.
- The budget process was meant to align the budget with community goals and ensure fiscal responsibility.
 - Strategic budgeting ensured the Town would be sustainable for years to come.
- Provided an overview of the budget process and what steps would be taken throughout the next few months.
- The Town's budgeted revenues (including taxes, intergovernmental revenues, grants, charges for services, licenses and permits, etc.) were just over \$34 million and with 50% of the year elapsed had secured over \$10 million. Staff projected to receive another \$14 million.
 - Over \$8 million from two revenue categories acted as a placeholder that would

allow the Town to spend the money should it receive any in the form of grants or “other revenues.”

- The total amount of tax revenue data only included five months as there was a time lag between when the State sent those revenues to the Town.
- Provided a breakdown of the Town’s sales tax revenues including retail, commercial and residential rental, construction, food for home consumption, online sales, etc.
 - Overall the year to date revenues were 2.8% less than budgeted, but still 1.5% higher than last year at this same time.
- Gave a breakdown of the Town’s state intergovernmental revenues.
 - Overall the year to date revenues were 1.7% less than budgeted, but 17% higher than last year at this same time.
 - This was due to a temporary increase in Urban Revenue Sharing. That amount would decrease by about \$700,000 next year.
- The Town had budgeted for \$44 million in total expenditures. Year to date expenditures were \$16.7 million or 38% of what was budgeted.
- Gave a brief breakdown of how personnel compensation compared to surrounding communities and Chino Valley was right in the middle.
- Provided a breakdown of personnel and operating expenditures by department. All departments were on track.
- Provided a breakdown of capital expenditures by department including street improvements, water and sewer extensions, pool replastering, plant expansion, etc.
- While the staff did budget for \$44 million in total expenditures, they only expected to spend about \$32 million which would be funded by the Town’s various revenues.
- Gave a nationwide economic outlook including:
 - Positives:
 - Recession threats disappearing
 - Inflation slowing potentially triggering rate cuts
 - Stabilization of the labor market
 - Negatives:
 - Consumer spending was expected to cool
 - Wage pressures may persist due to the prior years of inflation
 - Extra variables:
 - Presidential election outcome
 - Foreign affairs/conflicts
- Provided a snapshot of the Town’s general fund revenue history showing consistent growth over the last five years but did seem to be leveling out.
- Provided an overview of the Town’s debt.
- Reviewed the history of the Home Rule Option and Expenditure Limitations.
 - Reviewed the different options for State Expenditure Limitations. The Home Rule Option requires voter approval every four years. Permanent Base Adjustment requires approval by the voters once. 40 municipalities in Arizona use Home Rule, 43 use Permanent Base Adjustment, and 8 use the State Limit which was calculated from a formula using expenditures of local revenues from FY1979-80.
 - Provided a breakdown of the differences in the alternative expenditure limitations.
 - If the ballot measure were to fail the Town would be subject to the state-imposed limitation which would limit the Town to spending only about \$13 million for FY24/25. The Town would also not be able to present an additional ballot measure to voters for a two-year period.
- Discussed the option of putting a Permanent Base Adjustment measure on the ballot in 2026 and what that process would look like. If the measure were to fail the Town would continue

to be covered by the Home Rule Option until it needed to be voted on again in 2026. Passing the Permanent Base Adjustment would save the Town money on elections every four years.

- Reviewed next steps and dates in the budget process. Council budget hearings would be held in May, a tentative budget would be adopted in May and the final budget adopted in June.

Council and staff discussed the following:

- Council requested clarification on the budgeting and expenditures as it related to Old Home Manor capital projects.
 - Staff stated that was an item they budgeted for based on the sale of land, but that transaction had not happened yet. While it still could happen, that expense had been removed from the list of expenditures.
- Council pointed out that Chino Valley spent more percentagewise on personnel than Prescott Valley.
 - Staff stated that Prescott Valley outsourced for a lot work that Chino Valley did not such as street maintenance and their water operation, therefore, those dollars were not considered under their personnel budget.
 - Council also inquired about Cottonwood as its personnel budget was lower than Chino Valley.
 - Staff stated they were not sure about the discrepancy there but explained that retention was an important factor in the personnel budget as the training and onboarding process could be quite costly and cause the Town to spend more in the long run.
- Council inquired about FY2024-2025 anticipated figures.
 - Staff stated they did not have those yet. They could but were waiting until they had information from the departments and was part of the upcoming process.
- Council inquired about grants and whether they would be available.
 - Staff stated that many of the grant funds the Town received in recent years would not be coming back. Therefore, the Town would be looking at funds in the \$20 - \$30 million dollar range, not \$30 - \$40 million for reliable revenue sources.
 - Council inquired if it was the same situation with the Urban Funding.
 - Staff stated that was correct and it was treated as a one-time revenue source.

Meeting recessed at 1:20 p.m.

Meeting resumed at 1:35 p.m.

Cindy Blackmore, Town Manager, presented the following:

- Council was now going to discuss strategic planning for the budget process.
- Council gathered for a strategy workshop last year and came up with the Town's vision, mission, and values.
 - When making decisions for the allocation of Town resources it was important to make sure it reflected the Town's vision, mission, and values.
- Future considerations included:
 - Aging infrastructure
 - PFAS and PFOS treatment

- Home Rule Election
- PSPRS unfunded liability
- General Plan next steps
- Leadership staff met last week to begin discussion on big needs including:
 - Lighting ball fields
 - Vector truck
 - Pool deck resurfacing
 - Water reclamation facility expansion
 - Dump truck
 - GIS Program
 - Pickleball courts
 - Parks, Recreation, Trails and Open Space Master Plan
 - Consultant to lead zoning code rewrite, and more
- Staff wanted Council to come together to talk about priorities so staff can better understand how Council would like to see the recommended budget.
- Many municipalities were beginning to focus more on getting increased engagement from the public with regard to the budget process. The General Plan was great to help get a lot more public engagement in laying out goals, priorities, and policy. Staff was working on forming a Capital Improvement Plan Advisory Board to help continue that public engagement. This would require process improvement and would be staff's focus for this budget process.
- Reviewed previous Council priorities which included the General Plan, pavement management, designing the water reclamation plant expansion, communication, new technology, and recreation (pickleball).
- Provided a long list of "Big Picture Strategies" that other municipalities all across Arizona had listed as priorities for the Council to review and come up with four to six "Big Picture Strategies" that they would like staff to focus on and come up with action plans for this budget process.

Council and staff discussed the following:

- Council inquired about the pool deck surfacing when resurfacing was just done.
 - Staff stated the actual pool was resurfaced. The deck would need to be resurfaced next.
- Council inquired about a requested dump truck when one was just purchased.
 - Staff stated that they would like to replace a 10-wheeler with a 6-wheeler.
- Council inquired why the water reclamation facility expansion was being quoted here as \$5 million when it was \$2.8 million when originally presented.
 - Staff stated the number included getting all the upgrades to various equipment and some site work that was needed. Staff was not yet sure of the cost but estimated it would be between \$3- and \$5 million.
 - Council clarified that if the project was not done it would cost the Town much more in the future and felt that it was a capital improvement project the Town needed to focus on.
- Council inquired "Open Space Master Plan" referred to.
 - Staff stated that something that came out of the General Plan was more Master Planning processes. This would be a conceptual plan.
- Council inquired what the estimate was for pickleball courts.
 - Staff stated they did not have a number for that yet.
- Council presented their choices for "Big Picture Strategies."

- Council narrowed down the choices to the following:
 - Regional Collaboration
 - Quality Infrastructure
 - Financial Stability
 - Quality of Life
 - Water & Land Stewardship
- Council inquired as to management's plan for integrating the Big Picture Strategies with the new General Plan.
 - Staff stated there was a list of action steps in the General Plan that they would take and place them under the Council designated categories and see how they can implement them in the budget.
- Council inquired if something like a GIS program would help in all columns as it might provide more effective government.
 - Staff stated that was exactly the thought process they were using.
- Council inquired if traffic would be categorized as quality of life or safety.
 - Staff stated that some things might fall under more than one category.

3. ADJOURNMENT

MOVED by Councilmember Annie Perkins, seconded by Councilmember Eric Granillo to adjourn the meeting at 2:38 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Tom Armstrong, Councilmember Annie Perkins, Councilmember Eric Granillo, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

7 - 0 - Unanimously

Jack W. Miller, 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 Session/Strategic Planning Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 29th day of February, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2024.

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6a
MEETING DATE: 3/26/2024
CONTACT PERSON: Frank Marbury, Public Works Director/Town Engineer
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve the Cooperative Purchasing Agreement, Job Order No. 1 with Sunland Asphalt and Construction, LLC, for emergency street repairs in the amount of \$407,240.12.

SUMMARY:

This winter's rains and snows have seriously damaged many Town streets, causing significant potholing. Streets crews have worked tirelessly patching potholes throughout Town, but some of the arterial roads are seeing too much degradation for standard patching practices to keep up. This has resulted in vehicle damage and other safety concerns such as vehicles diverting into oncoming lanes in order to avoid the worst areas. Town staff have identified the following street segments for major repairs:

Location	Treatment
1 West Road 5 North @ SR-89 (24' x 100')	3" Mill & Fill
2 *West Road 4 North between Maricopa St and N Rd 1 West (24' x 2,800')	3" Mill & Fill
3 West Center Street and Reed Road Intersection (30' x 185')	3" Mill & Fill
4 East Road 1 North and Cactus Wren Intersection (24' x 200')	3" Mill & Fill
5 **North Reed Road between West Road 1 North and West Road 2 North (14' x 700')	3/4" Skin Patch

*The West Road 4 North repair will utilize Heritage Pointe Subdivision offsite cash-in-lieu of funds provided by the Developer (\$149,369.00).

**North Reed Road between West Road 1 North and West Road 2 North is planned to be reconstructed in FY25.

The proposed repair treatments are temporary in nature and are intended to buy the Town time. All of these streets need to be reconstructed now, but due to budget constraints, they'll have to wait for future funding. The Town's Pavement Management Program has identified approximately \$90 million of street rehabilitation needs with a \$40 million backlog of major repairs. The final report should be completed in a few weeks.

Procurement of construction services utilizes the Town's Cooperative Purchasing Agreement with Sunland Asphalt and Construction, LLC which piggybacks off City of Prescott Job Order Contracting for Public Works / Horizontal Construction Projects Contract No. 2023-212. The agreement allows a maximum dollar amount of an individual Job Order not to exceed \$1,000,000 and the combined maximum dollar amount during any fiscal year not to exceed \$3,000,000.

Sunland Asphalt and Construction, LLC intends to commence construction as soon as possible, towards the beginning of April; construction duration is anticipated to last 1 week.

PREVIOUS ACTION:

9/26/23 - Approval of the Cooperative Purchasing Agreement with Sunland Asphalt and Construction, LLC, for job order contracting services on public works / horizontal construction projects for an amount not to exceed \$1,000,000.

STAFF RECOMMENDATION:

Approve the Cooperative Purchasing Agreement, Job Order No. 1 with Sunland Asphalt and Construction, LLC, for emergency street repairs in the amount of \$407,240.12.

FISCAL IMPACT?

This project was not budgeted, but the proposed contract amount can be covered with available funds as follows:

Available budget : Capital Improvement Fund - Roads (2023 Street Improvements Project)	\$355,886.11
Available project budget: In-Lieu of Fees Previously Collected (will be transferred from HURF to CIP-Roads)	149,369.00
Less this approval item: Contract - Sunland Asphalt and Construction, LLC	<u>-407,240.12</u>
Remaining budget: Capital Improvement Fund - Roads (2023 Street Improvements Project)	\$98,014.99

ATTACHMENTS:

-
-
- | | |
|----|---|
| 1. | AGR - CPA - Sunland Asphalt - JOC Job Order No. 1 - Emergency Road Repairs |
| 2. | Sunland Proposal - Town of Chino Valley - Emergency Road Repairs (PH023535) |
| 3. | Emergency Street Repairs Exhibit 3-7-24 |
| 4. | 2023.09.27 Sunland Asphalt and Construction - JOC Services for PWHorizo... |
-
-

**COOPERATIVE PURCHASING AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
SUNLAND ASPHALT AND CONSTRUCTION, LLC**

JOB ORDER NO. 1

Job Order Contracting Services for Emergency Road Repairs

THIS JOB ORDER NO. 1 (this “Job Order”) is entered into as of March 26, 2024, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Sunland Asphalt and Construction, LLC, an Arizona limited liability company (the “Job Order Contractor”). In accordance with the Cooperative Purchasing Agreement between the Town and the Job Order Contractor, dated September 26, 2023 (the “Agreement”), the Job Order Contractor will perform the Scope of Work detailed in Section 1 below, pursuant to the terms and conditions of the Agreement.

1. Scope of Work. The Job Order Contractor shall provide materials and services to provide job order contracting services for public works/horizontal construction projects, as described in Attachment 1 to this Job Order. Upon acceptance by the Town, this Job Order will become part of the Agreement and shall be attached thereto as part of Exhibit B.

2. Schedule of Completion of Services. The Job Order Contractor shall commence work immediately upon execution of this Job Order and complete the work required herein within 60 days of said execution.

3. Fee Breakdown. The total cost to complete the Scope of Work required under this Job Order shall not exceed \$407,240.12.

4. Subject to the Agreement. This Job Order is subject to the terms and conditions of the Agreement and the underlying Prescott Contract (No. 2023-212, dated June 13, 2023).

5. Conflict of Interest. The Town may cancel this Job Order pursuant to ARIZ. REV. STAT. § 38-511.

6. Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Job Order Contractor warrants and certifies that it does not currently, and agrees for the duration of this Agreement that it will not use the forced labor, any goods or services produced by the forced labor, or any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

“Job Order Contractor”

SUNLAND ASPHALT AND
CONSTRUCTION, LLC
an Arizona limited liability company

By:_____

Name:_____

Title:_____

ATTACHMENT 1
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN THE
TOWN OF CHINO VALLEY
AND
SUNLAND ASPHALT AND CONSTRUCTION, LLC

JOB ORDER NO. 1

Job Order Contracting Services for Emergency Road Repairs

[Scope of Work]

See following pages.



AZROC# 111922 | AZROC# 095189

3030 S. 7TH STREET, PHOENIX, AZ 85040
 PHONE: 602.323.2800 | WWW.SUNLANDASPHALT.COM

To:	Town of Chino Valley	Contact:	Bruce Cooper
Address:	1982 Voss Drive, #201 Chino Valley, AZ 86323 USA	Phone:	928-636-2646
		Fax:	
Project Name:	Town of Chino Valley - Emergency Road Repairs	Bid Number:	PH023535
Project Location:	Various Roads, Chino Valley, AZ	Bid Date:	3/5/2024

Item Description	Total Price
Asphalt Repairs	\$369,570.00
<i>3" R & R's</i>	
W Road 5 North - 24' x 100'	
W Road 4 North - 24' x 2,800'	
N Reed Rd & W Center St - 30' x 185'	
W Road 1 North - 24' x 200'	
<i>3/4" Skin Patch</i>	
N Reed Rd - 14' x 700'	

Traffic Control	\$12,000.00
Provide Traffic Control And Barricades During Our Scope Of Work.	

This Proposal Is Based On Performing The Work In 1 Phase/Mobilization Over 4 Consecutive Days.

Bid Price Subtotal:	\$381,570.00
Total Town of Chino Valley 6.7275%:	\$25,670.12
Total Bid Price:	\$407,240.12

Notes:

- **Material pricing is good through 04-30-2024.**
- **Sunland Asphalt will not be held liable for any underground cables, electrical lines, water lines or any other underground obstruction not locatable or not buried to a depth less than 18" below the existing finished grade.**
- Pricing excludes night/weekend work, permits, fees, bonds, notifications, QC testing, utility adjustment hardware, gate loops, painting bumper blocks, permanent signage, herbicide, removal and disposal of existing fabric underlayment, water source, or survey/staking in price unless noted above. Any pre-existing ADA compliance issues are excluded from contract unless specifically stated in proposal.
- Additional (downtime/mobilization) charges may result from delays beyond the control of Sunland Asphalt (or its subcontractors) which prohibit the above mentioned work from being completed as scheduled. (i.e., unmoved vehicles, disregard for Sunland traffic control, sanitation/delivery services, sprinkler runoff, etc.)

ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted. Buyer: _____ Signature: _____ Date of Acceptance: _____	CONFIRMED: Sunland Asphalt & Construction, LLC Authorized Signature: _____ Project Consultant: Rick Risner 602-705-1041 rrisner@sunlandasphalt.com
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• **Sunland Asphalt Addendum Terms and Conditions:**

Contractor and Owner hereby accept the terms of the attached Proposal subject to = the terms and conditions set forth in this Addendum. The Proposal and Addendum shall be collectively referred to as the "Contract." This Addendum is attached hereto and incorporated herein by reference. If any of the terms of the Proposal are inconsistent with the terms of this Addendum, then this Addendum shall be controlling and the parties shall be bound by the terms and conditions of this Addendum.

• 1. WORK

Contractor will furnish all necessary labor, materials, and equipment to complete the work specified in the Contract (the "Work"). All surfaces to which material is to be applied shall be in a condition similar to the condition at the time the project was bid. Owner shall specify one representative to represent the Owner who has authority to accept the Work and authorize changes to the Work. Owner shall provide reasonable access to a water supply source. Owner grants Contractor permission to utilize photos and videos of the Work and the project site in the promotion of Contractor's business services.

• 2. PAYMENT

Contractor shall be paid a monthly progress payment within 15 days after receipt of the payment by the Owner for the value of work performed. Final payment, including all retention, shall be due 15 days after the work described in the Proposal is substantially completed. No provision of this agreement shall serve to void the Contractor's entitlement to payment for properly performed work.

• 3. INTEREST AND EXPENSES

All sums not paid when due shall bear an interest rate of 1 1/2% per month or the maximum legal rate permitted by law, whichever is less, and all costs of collection, including a reasonable attorneys' fee, shall be paid by Owner.

• 4. ATTORNEYS' FEES

In the event of litigation regarding the Contract or collection efforts by Contractor, the prevailing party shall be awarded its reasonable attorneys' fees and costs, which shall include all costs that would normally be passed through to the client, specifically but not limited to research charges, travel costs, expert witness costs, copying costs, mailing costs, facsimile costs, had-delivery costs, Federal Express or Express Mail costs, taxable costs and disbursements.

• 5. CONTINUED PERFORMANCE

Nothing in this Contract shall require the Contractor to continue performance if timely payments are not made to Contractor for suitably performed work.

• 6. BACK CHARGES

No back charges or claim of the Owner for services shall be valid except by an agreement in writing by the Contractor before the work is executed, except in the case of the Contractor's failure to meet any requirement of the Contract. In such event, the Owner shall notify the Contractor of such default, in writing, and allow the Contractor reasonable time to correct any deficiency before incurring any cost chargeable to the Contractor.

• 7. WORK AREAS

Owner is to prepare all work areas so as to be acceptable for Contractor to perform its work under the Contract. Owner shall notify Contractor in advance when the site will be ready for Contractor to perform its work and shall provide Contractor with free and unobstructed access so that the work can be commenced promptly and completed without delay. Contractor will not be called upon to start work until sufficient areas are ready to insure continued work.

• 8. TIME FOR PERFORMANCE

Contractor shall be given a reasonable time in which to commence and complete the performance of the Contract. Contractor provides no assurances as to a complete date since the Work is subject to weather conditions, prior commitments, mechanical failures, and other cause beyond Contractor's control. Contractor shall not be responsible for delays or default where occasioned by any causes of any kind and extent beyond its control, including but not limited to: delay caused by Owner, architect and/or engineers, delays in transportation, shortages of raw materials, civil disorders, labor difficulties, vendor allocations, fires, floods, accident hazardous waste or controlled substances and acts of God. Contractor shall be entitled to equitable adjustment in the contract price for additional costs due to unanticipated project delays or accelerations. Contractor shall not be obligated to provide any labor or materials outside the scope of work unless Owner shall first agree in writing to equitably adjust the contract price to be paid Contractor.

• 9. WORKMANSHIP

All workmanship and materials are guaranteed against defects for a period of one (1) year from the date of substantial completion of installation. This warranty is in lieu of all other warranties, express or implied, including any warranties of merchantability or fitness for a particular purpose. The exclusive remedy shall be that Contractor will replace or repair any part of its work which is found to be defective. Contractor shall not be responsible for special, incidental or consequential damages. Contractor shall not be responsible for damage to its work by other parties or for improper use of equipment by other industry standard practices and will override strict compliance and strict performance. Contractor makes no warranty regarding drainage where the slope provided or allowable is less than two percent (2%). Contractor's warranty does not extend to or cover settlement or cracking of asphalt or pavement due to expansive soils, improperly compacted utility trenches, or for failures caused by the inadequate compaction of the subgrade. Contractor shall not be liable for damage to underground utilities which were improperly installed and/or backfilled.

• 10. WORK HOURS

Work called for herein is to be performed during Contractor's regular working hours as agreed to by the Owner and the Contractor.

• 11. NOTICE

Any notice or written claim required by the Contract to be submitted to the Owner, on account of charges, extras, delays, acceleration, or otherwise, shall be furnished within a time period, and in a manner to permit the Owner to satisfy the requirements of the Contract, notwithstanding any shorter time period otherwise provided.

• 12. LIEN RIGHTS

Nothing in this Contract shall serve to void Contractor's right to file a lien or claim on its behalf in the event that any payment to Contractor is not timely made.

• 13. LABOR

Contractor shall not be bound by any of Owner's labor agreements (in whole or in part).

• 14. LIQUIDATED DAMAGES

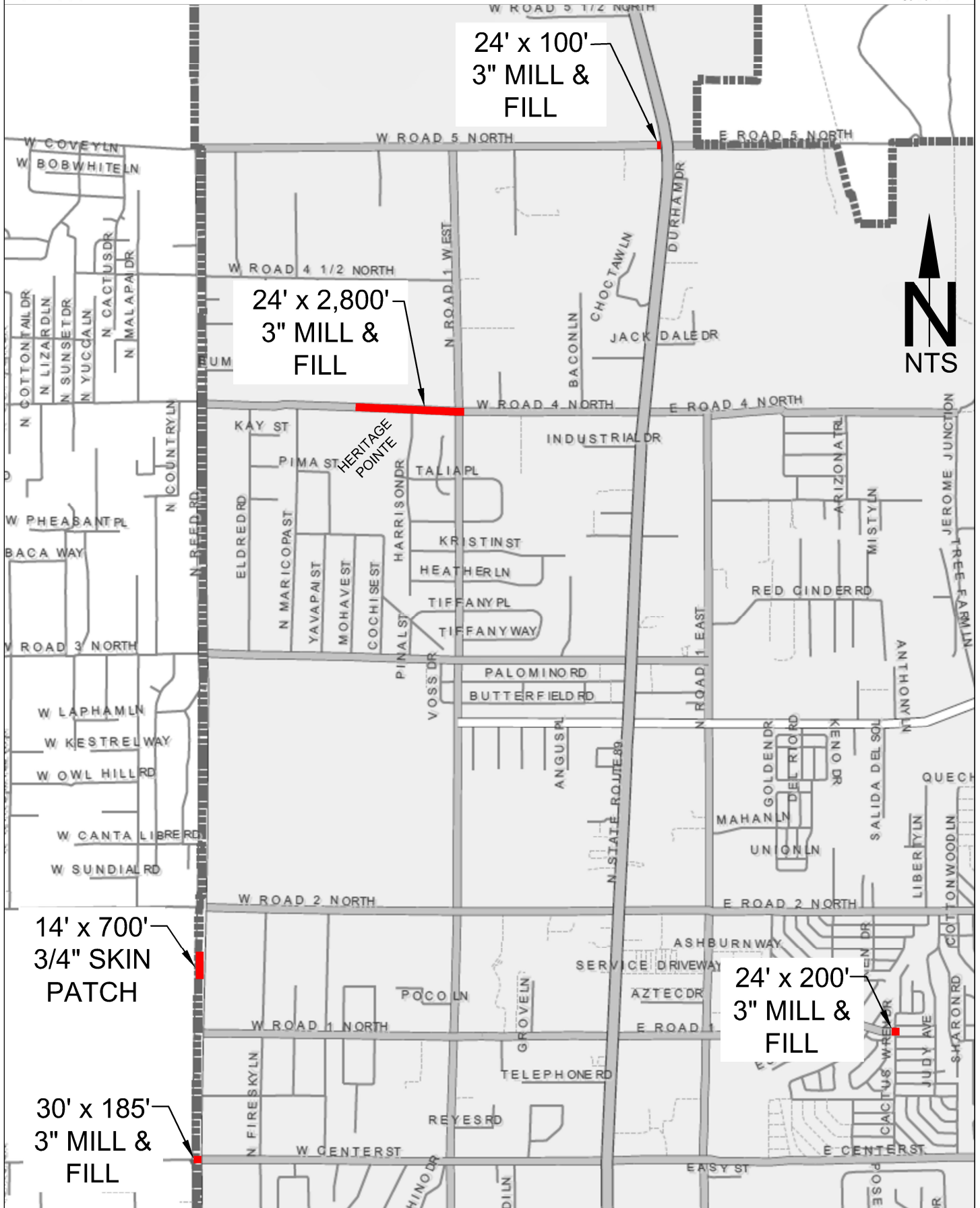
The Owner shall make no demand for liquidated damages for delays in any sum in excess of such amounts as may be specifically named in this Contract and no liquidated damages may be assessed against Contractor for more than the amount paid by the Owner for unexcused delays to the event actually caused by the Contractor.

- 15. **SCHEDULE**
Contractor shall submit a schedule to Owner, Owner will review and notify Contractor of any schedule conflict. If Contractor finds it necessary to change his schedule, Owner will give his best effort to meet this change in schedule. Contractor shall not be penalized for non-performance and will be paid for work performed.
- 16. **INSURANCE RESTRICTION**
Notwithstanding any provision to the contrary, Contractor shall maintain the types and limitations on insurance as shown on the attached certificate of insurance. Contractor is not required to waive any claims or rights of subrogation against the Owner or any others for losses and claims covered or paid by Owner's workers compensation or general liability insurance. Acceptance of the Certificate of Insurance constitutes acceptance of the insurance of Contractor, including any additional insured requirements. In addition, Contractor shall not provide completed operations under an additional insured requirement.
- 17. **INDEMNITY, HOLD HARMLESS**
To the fullest extent permitted by law, Contractor agrees to protect, defend, indemnify, and hold harmless Owner from and against all liability, loss, claims, demands, damages, suits, costs, fees, fines, penalties, expenses, and causes of action to the extent caused by Contractor or any of Contractor's employees, agents, representatives, subcontractors, or suppliers. Any indemnification or hold harmless obligation of the Contractor shall extend only to claims resulting to bodily injury and property damage and then only to that part or proportion of any claim damage, loss or defect that results from the negligence or intentional act of Contractor or someone for whom it is responsible. Nothing in this agreement shall require the Contractor to indemnify any other party from any damages including expenses and attorneys' fees to persons or property for any amount exceeding the degree Contractor directly caused such damages. Contractor shall not be responsible for fines or assessments made against Owner and Contractor. Contractor retains all rights of subrogation. Contractor will not indemnify anybody for any actions except for Contractor's own negligence and only in the proportional amount of its negligence.
- 18. **RIGHT TO RELY**
Contractor shall rely on plans, drawings, specifications and other information provided by Owner, Owner, Architect or representatives of each. Contractor assumes no risk for unknown or unforeseen conditions not evident from the plans, drawings, specifications or other information provided to Contractor.
- 19. **HAZARDOUS WASTE**
Contractor shall have no obligation to handle (that is, to remove, treat or transport) any substance which is considered hazardous waste or substance under state or federal law ("hazardous waste"). Handling hazardous waste shall be outside the scope of work of this Contract. Title to all hazardous waste shall remain with others and shall not be property of Contractor.
- 20. **SOILS**
Contractor shall have no liability to Owner or any third-party relating to underlying soil conditions. Contractor will not sacrifice the quality or integrity by placing asphalt pavement on base course or subgrade that is unstable or subgrade containing frost, including top lifts or overlays when temperatures do not meet material specifications. Contractor's warranty shall be waived and have no effect should Owner direct or authorize Contractor to pave on unstable subgrade or subgrade containing frost and Owner shall be responsible for any and all resulting damage or required repairs. If Owner requests that the top lift of asphalt be placed at a later date, the cost for all clean up and remobilization is the Owner's responsibility.
- 21. **ENGINEERING SERVICES**
If Contractor provides subcontracted construction stakes and/or subcontracted engineering services, Owner agrees to indemnify and defend Contractor from and against any and all claims, demands, damages, costs or expenses, including attorneys' fees, resulting from or related to these services, including drainage of water as to direction and amount, both during and after performance of the Work. If a soil sterilizer or herbicide is applied by Contractor, it is applied at the request of Owner in an effort to retard weed growth and Contractor makes no representation or guarantee that its use will have the intended effect. Owner shall indemnify, hold harmless, and defend Contractor from and against any and all damages, claims, costs or expenses, including attorneys' fees and costs, resulting from these services. Owner is advised to retain an independent licensed soils engineer for a study of the existing soils in order to recommend a specific pavement design. Contractor may modify the Proposal to include such recommendations.
- 22. **AMERICANS WITH DISABILITIES ACT**
Owner is solely responsible for maintaining the subject property in full compliance with the ADA and agrees to indemnify and hold Contractor harmless from and against any and all liability, claims, damages or expenses, including attorneys' fees, relating in any way to ADA requirements or issues. Contractor recommends that Owner obtain the services of a certified ADA consultant for site evaluations and recommendations as required by Federal and State law. If directed by the Owner to obtain compliance, Owner may make recommendations for such work and additional charges may apply.
- 23. **DISPUTE RESOLUTION**
Final determination of contract compliance and all dispute resolutions shall be handled in the jurisdiction and venue of Maricopa County, Arizona, and be governed by the laws of Arizona.

EMERGENCY STREET REPAIRS

2024-0007

3/7/24





3030 S. 7TH STREET, PHOENIX, AZ 85040
 PHONE: 602.323.2800 | WWW.SUNLANDASPHALT.COM

To:	Town of Chino Valley	Contact:	Bruce Cooper
Address:	1982 Voss Drive, #201 Chino Valley, AZ 86323 USA	Phone:	928-636-2646
		Fax:	
Project Name:	Town of Chino Valley - Emergency Road Repairs	Bid Number:	PH023535
Project Location:	Various Roads, Chino Valley, AZ	Bid Date:	3/5/2024

Item Description	Total Price
Asphalt Repairs	\$369,570.00
<i>3" R & R's</i>	
W Road 5 North - 24' x 100'	
W Road 4 North - 24' x 2,800'	
N Reed Rd & W Center St - 30' x 185'	
W Road 1 North - 24' x 200'	
<i>3/4" Skin Patch</i>	
N Reed Rd - 14' x 700'	
Traffic Control	\$12,000.00
Provide Traffic Control And Barricades During Our Scope Of Work.	

This Proposal Is Based On Performing The Work In 1 Phase/Mobilization Over 4 Consecutive Days.

Bid Price Subtotal:	\$381,570.00
Total Town of Chino Valley 6.7275%:	\$25,670.12
Total Bid Price:	\$407,240.12

Notes:

- **Material pricing is good through 04-30-2024.**
- **Sunland Asphalt will not be held liable for any underground cables, electrical lines, water lines or any other underground obstruction not locatable or not buried to a depth less than 18" below the existing finished grade.**
- Pricing excludes night/weekend work, permits, fees, bonds, notifications, QC testing, utility adjustment hardware, gate loops, painting bumper blocks, permanent signage, herbicide, removal and disposal of existing fabric underlayment, water source, or survey/staking in price unless noted above. Any pre-existing ADA compliance issues are excluded from contract unless specifically stated in proposal.
- Additional (downtime/mobilization) charges may result from delays beyond the control of Sunland Asphalt (or its subcontractors) which prohibit the above mentioned work from being completed as scheduled. (i.e., unmoved vehicles, disregard for Sunland traffic control, sanitation/delivery services, sprinkler runoff, etc.)

ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted. Buyer: _____ Signature: _____ Date of Acceptance: _____	CONFIRMED: Sunland Asphalt & Construction, LLC Authorized Signature: _____ Project Consultant: Rick Risner 602-705-1041 rrisner@sunlandasphalt.com
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• **Sunland Asphalt Addendum Terms and Conditions:**

Contractor and Owner hereby accept the terms of the attached Proposal subject to = the terms and conditions set forth in this Addendum. The Proposal and Addendum shall be collectively referred to as the "Contract." This Addendum is attached hereto and incorporated herein by reference. If any of the terms of the Proposal are inconsistent with the terms of this Addendum, then this Addendum shall be controlling and the parties shall be bound by the terms and conditions of this Addendum.

• 1. WORK

Contractor will furnish all necessary labor, materials, and equipment to complete the work specified in the Contract (the "Work"). All surfaces to which material is to be applied shall be in a condition similar to the condition at the time the project was bid. Owner shall specify one representative to represent the Owner who has authority to accept the Work and authorize changes to the Work. Owner shall provide reasonable access to a water supply source. Owner grants Contractor permission to utilize photos and videos of the Work and the project site in the promotion of Contractor's business services.

• 2. PAYMENT

Contractor shall be paid a monthly progress payment within 15 days after receipt of the payment by the Owner for the value of work performed. Final payment, including all retention, shall be due 15 days after the work described in the Proposal is substantially completed. No provision of this agreement shall serve to void the Contractor's entitlement to payment for properly performed work.

• 3. INTEREST AND EXPENSES

All sums not paid when due shall bear an interest rate of 1 1/2% per month or the maximum legal rate permitted by law, whichever is less, and all costs of collection, including a reasonable attorneys' fee, shall be paid by Owner.

• 4. ATTORNEYS' FEES

In the event of litigation regarding the Contract or collection efforts by Contractor, the prevailing party shall be awarded its reasonable attorneys' fees and costs, which shall include all costs that would normally be passed through to the client, specifically but not limited to research charges, travel costs, expert witness costs, copying costs, mailing costs, facsimile costs, had-delivery costs, Federal Express or Express Mail costs, taxable costs and disbursements.

• 5. CONTINUED PERFORMANCE

Nothing in this Contract shall require the Contractor to continue performance if timely payments are not made to Contractor for suitably performed work.

• 6. BACK CHARGES

No back charges or claim of the Owner for services shall be valid except by an agreement in writing by the Contractor before the work is executed, except in the case of the Contractor's failure to meet any requirement of the Contract. In such event, the Owner shall notify the Contractor of such default, in writing, and allow the Contractor reasonable time to correct any deficiency before incurring any cost chargeable to the Contractor.

• 7. WORK AREAS

Owner is to prepare all work areas so as to be acceptable for Contractor to perform its work under the Contract. Owner shall notify Contractor in advance when the site will be ready for Contractor to perform its work and shall provide Contractor with free and unobstructed access so that the work can be commenced promptly and completed without delay. Contractor will not be called upon to start work until sufficient areas are ready to insure continued work.

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• 9. WORKMANSHIP

All workmanship and materials are guaranteed against defects for a period of one (1) year from the date of substantial completion of installation. This warranty is in lieu of all other warranties, express or implied, including any warranties of merchantability or fitness for a particular purpose. The exclusive remedy shall be that Contractor will replace or repair any part of its work which is found to be defective. Contractor shall not be responsible for special, incidental or consequential damages. Contractor shall not be responsible for damage to its work by other parties or for improper use of equipment by other industry standard practices and will override strict compliance and strict performance. Contractor makes no warranty regarding drainage where the slope provided or allowable is less than two percent (2%). Contractor's warranty does not extend to or cover settlement or cracking of asphalt or pavement due to expansive soils, improperly compacted utility trenches, or for failures caused by the inadequate compaction of the subgrade. Contractor shall not be liable for damage to underground utilities which were improperly installed and/or backfilled.

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Any notice or written claim required by the Contract to be submitted to the Owner, on account of charges, extras, delays, acceleration, or otherwise, shall be furnished within a time period, and in a manner to permit the Owner to satisfy the requirements of the Contract, notwithstanding any shorter time period otherwise provided.

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Contractor shall not be bound by any of Owner's labor agreements (in whole or in part).

• 14. LIQUIDATED DAMAGES

The Owner shall make no demand for liquidated damages for delays in any sum in excess of such amounts as may be specifically named in this Contract and no liquidated damages may be assessed against Contractor for more than the amount paid by the Owner for unexcused delays to the event actually caused by the Contractor.

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Contractor shall submit a schedule to Owner, Owner will review and notify Contractor of any schedule conflict. If Contractor finds it necessary to change his schedule, Owner will give his best effort to meet this change in schedule. Contractor shall not be penalized for non-performance and will be paid for work performed.
- 16. **INSURANCE RESTRICTION**
Notwithstanding any provision to the contrary, Contractor shall maintain the types and limitations on insurance as shown on the attached certificate of insurance. Contractor is not required to waive any claims or rights of subrogation against the Owner or any others for losses and claims covered or paid by Owner's workers compensation or general liability insurance. Acceptance of the Certificate of Insurance constitutes acceptance of the insurance of Contractor, including any additional insured requirements. In addition, Contractor shall not provide completed operations under an additional insured requirement.
- 17. **INDEMNITY, HOLD HARMLESS**
To the fullest extent permitted by law, Contractor agrees to protect, defend, indemnify, and hold harmless Owner from and against all liability, loss, claims, demands, damages, suits, costs, fees, fines, penalties, expenses, and causes of action to the extent caused by Contractor or any of Contractor's employees, agents, representatives, subcontractors, or suppliers. Any indemnification or hold harmless obligation of the Contractor shall extend only to claims resulting to bodily injury and property damage and then only to that part or proportion of any claim damage, loss or defect that results from the negligence or intentional act of Contractor or someone for whom it is responsible. Nothing in this agreement shall require the Contractor to indemnify any other party from any damages including expenses and attorneys' fees to persons or property for any amount exceeding the degree Contractor directly caused such damages. Contractor shall not be responsible for fines or assessments made against Owner and Contractor. Contractor retains all rights of subrogation. Contractor will not indemnify anybody for any actions except for Contractor's own negligence and only in the proportional amount of its negligence.
- 18. **RIGHT TO RELY**
Contractor shall rely on plans, drawings, specifications and other information provided by Owner, Owner, Architect or representatives of each. Contractor assumes no risk for unknown or unforeseen conditions not evident from the plans, drawings, specifications or other information provided to Contractor.
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Contractor shall have no obligation to handle (that is, to remove, treat or transport) any substance which is considered hazardous waste or substance under state or federal law ("hazardous waste"). Handling hazardous waste shall be outside the scope of work of this Contract. Title to all hazardous waste shall remain with others and shall not be property of Contractor.
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- 21. **ENGINEERING SERVICES**
If Contractor provides subcontracted construction stakes and/or subcontracted engineering services, Owner agrees to indemnify and defend Contractor from and against any and all claims, demands, damages, costs or expenses, including attorneys' fees, resulting from or related to these services, including drainage of water as to direction and amount, both during and after performance of the Work. If a soil sterilizer or herbicide is applied by Contractor, it is applied at the request of Owner in an effort to retard weed growth and Contractor makes no representation or guarantee that its use will have the intended effect. Owner shall indemnify, hold harmless, and defend Contractor from and against any and all damages, claims, costs or expenses, including attorneys' fees and costs, resulting from these services. Owner is advised to retain an independent licensed soils engineer for a study of the existing soils in order to recommend a specific pavement design. Contractor may modify the Proposal to include such recommendations.
- 22. **AMERICANS WITH DISABILITIES ACT**
Owner is solely responsible for maintaining the subject property in full compliance with the ADA and agrees to indemnify and hold Contractor harmless from and against any and all liability, claims, damages or expenses, including attorneys' fees, relating in any way to ADA requirements or issues. Contractor recommends that Owner obtain the services of a certified ADA consultant for site evaluations and recommendations as required by Federal and State law. If directed by the Owner to obtain compliance, Owner may make recommendations for such work and additional charges may apply.
- 23. **DISPUTE RESOLUTION**
Final determination of contract compliance and all dispute resolutions shall be handled in the jurisdiction and venue of Maricopa County, Arizona, and be governed by the laws of Arizona.

3/7/24



**COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SUNLAND ASPHALT AND CONSTRUCTION, LLC**

THIS COOPERATIVE PURCHASING AGREEMENT (this “Agreement”) is entered into as of September 26, 2023, between the Town of Chino Valley, an Arizona municipal corporation (the “Town”), and Sunland Asphalt and Construction, LLC, an Arizona limited liability company (the “Contractor”). The Town and Contractor are the only parties to this Agreement; they are each individually a “Party,” and together they are the “Parties.”

RECITALS

A. After a competitive procurement process, the City of Prescott, Arizona (“Prescott”), entered into Contract No. 2023-212, dated June 13, 2023 (the “Prescott Contract”), for the Contractor to provide job order contracting services for public works/horizontal construction projects. A copy of the Prescott Contract is attached hereto as Exhibit A and incorporated herein by reference to the extent not inconsistent with this Agreement.

B. The Town is permitted to purchase such materials and services under the Prescott Contract, at its discretion and with the agreement of the awarded Contractor.

C. The Town and the Contractor desire to enter into this Agreement for the purpose of (i) acknowledging their cooperative contractual relationship under the Prescott Contract and this Agreement, (ii) establishing the terms and conditions by which the Contractor may provide the Town with construction materials and services, as more particularly set forth in Section 2 below on an as-needed basis (the “Materials and Services”), and (iii) setting the maximum aggregate amount to be expended pursuant to this Agreement related to the Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until June 30, 2025, unless terminated as otherwise provided in this Agreement or the Prescott Contract (the “Term”). The terms and conditions of the Prescott Contract are incorporated herein and shall survive the termination or expiration thereof.

2. Scope of Work. This is an indefinite quantity and indefinite delivery Agreement for job order contracting on public works/horizontal construction projects under the terms and conditions of the Prescott Contract and this Agreement. The Town does not guarantee any minimum or maximum number of purchases will be made pursuant to this Agreement. Purchases

of such Materials and Services will only be made when the Town identifies a need and proper authorization and documentation have been approved. For purchase(s) determined by the Town to be appropriate for this Agreement, the Contractor shall provide the Materials and Services to the Town in such quantities and configurations agreed upon between the Parties in a written invoice, quote, work order, job order, or other form of written agreement describing the work to be completed (each, a "Job Order"). Each Job Order shall (i) contain a reference to this Agreement and the Prescott Contract and (ii) be attached hereto as Exhibit B and incorporated herein by reference. Job Orders submitted without referencing this Agreement and the Prescott Contract will be subject to rejection. The Contractor acknowledges and agrees that Job Orders containing unauthorized exceptions, conditions, limitations, or provisions in conflict with the terms of this Agreement (collectively, the "Unauthorized Conditions"), other than Town's project-specific requirements, are hereby expressly declared void and shall be of no force and effect. Acceptance by the Town of any Job Order or invoice containing any such Unauthorized Conditions or failure to demand full compliance with the terms and conditions set forth in this Agreement or under the Prescott Contract shall not alter such terms and conditions or relieve the Contractor from, nor be construed or deemed a waiver of, its requirements and obligations in the performance of this Agreement.

2.1 Inspection; Acceptance. All Materials and Services are subject to final inspection and acceptance by the Town. Materials failing to conform to the requirements of this Agreement or the Prescott Contract will be held at the Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. Upon discovery of non-conforming Materials or Services, the Town may elect to do any or all of the following by written notice to the Contractor: (A) waive the non-conformance; (B) stop the work immediately; or (C) bring Materials or Service into compliance and withhold the cost of same from any payments due to the Contractor.

2.2 Cancellation. The Town reserves the right to cancel Job Orders within a reasonable period of time after issuance. Should a Job Order be canceled, the Town agrees to reimburse the Contractor, but only for actual and documentable costs incurred by the Contractor due to and after issuance of the Job Order. The Town will not reimburse the Contractor for any costs incurred after receipt of the Town's notice of cancellation, or for lost profits, shipment of product prior to issuance of a Job Order, or anything not expressly permitted pursuant to this Agreement.

3. Compensation. The Town shall pay the Contractor for the Materials and Services in the amounts set forth in each Job Order. The maximum dollar amount of an individual Job Order shall not exceed \$1,000,000, and the combined maximum dollar amount during any fiscal year shall not exceed \$3,000,000..

4. Payments. The Town shall pay the Contractor monthly, based upon acceptance and delivery of Materials and/or Services performed and completed to date, and upon submission and approval of invoices. Each invoice shall (i) contain a reference to this Agreement and the Prescott Contract and (ii) document and itemize all work completed to date. The invoice statement shall include a record of Materials delivered, time expended, and work performed in sufficient detail to justify payment. Additionally, invoices submitted without referencing this Agreement and the Prescott Contract will be subject to rejection and may be returned.

5. Safety Plan. The Contractor shall provide the Services in accordance with a safety plan that is compliant with Occupational Safety and Health Administration (“OSHA”), American National Standards Institute, and National Institute for Occupational Safety and Health standards. If, in the Contractor’s sole determination, the Services to be provided do not require a safety plan, the Contractor shall notify the Town, in writing, describing the reasons a safety plan is unnecessary. The Town reserves the right to request a safety plan following such notification.

6. Records and Audit Rights. To ensure that the Contractor and its subcontractors are complying with the warranty under Section 7 below, the Contractor’s and its subcontractors’ books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any of the Contractor’s and its subcontractors’ employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as “Records”), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the Town, to the extent necessary to adequately permit (i) evaluation and verification of any invoices, payments, or claims based on the Contractor’s and its subcontractors’ actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (ii) evaluation of the Contractor’s and its subcontractors’ compliance with the Arizona employer sanctions laws referenced in Section 7 below. To the extent necessary for the Town to audit Records as set forth in this Section, the Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the Town shall have access to said Records, even if located at its subcontractors’ facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the Town to the Contractor pursuant to this Agreement. The Contractor and its subcontractors shall provide the Town with adequate and appropriate workspace so that the Town can conduct audits in compliance with the provisions of this Section. The Town shall give the Contractor or its subcontractors reasonable advance notice of intended audits. The Contractor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

7. E-Verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-Verify requirements under ARIZ. REV. STAT. § 23-214(A). The Contractor’s or its subcontractor’s failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the Town.

8. Israel. To the extent applicable under ARIZ. REV. STAT. § 35-393 through § 35-393.03, the Parties hereby certify that they are not currently engaged in, and agree to not engage in for the duration of this Agreement, a “boycott” of goods or services from Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

9. Conflict of Interest. The Town may cancel this Agreement pursuant to ARIZ. REV. STAT. § 38-511.

10. Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona, and a suit pertaining to this Agreement may be brought only in courts in Yavapai County, Arizona.

11. Agreement Subject to Appropriation. The Town is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the Town's then-current fiscal year. The Town's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the Town concerning budgeted purposes and appropriation of funds. Should the Town elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose, and the Town shall be relieved of any subsequent obligation under this Agreement. The Parties agree that the Town has no obligation or duty of good faith to budget or appropriate the payment of the Town's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The Town shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The Town shall keep the Contractor informed as to the availability of funds for this Agreement. The obligation of the Town to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the Town. The Contractor hereby waives any and all rights to bring any claim against the Town from or relating in any way to the Town's termination of this Agreement pursuant to this section.

12. Conflicting Terms. In the event of any inconsistency, conflict, or ambiguity among the terms of this Agreement, including any amendments, and any Town-approved Job Orders, the Prescott Contract, and invoices, the documents shall govern in that order.

13. Rights and Privileges. To the extent provided under the Prescott Contract, the Town shall be afforded all of the rights and privileges afforded to Prescott and shall be the "City" (as defined in the Prescott Contract) for the purposes of this Agreement.

14. Indemnification; Insurance. In addition to and in no way limiting the provisions set forth in Section 13 above, the Town shall be afforded all of the insurance coverage and indemnifications afforded to Prescott to the extent provided under the Prescott Contract, and such insurance coverage and indemnifications shall inure and apply with equal effect to the Town under this Agreement including, but not limited to, the Contractor's obligation to provide the indemnification and insurance. In any event, the Contractor shall indemnify and hold harmless the Town and each council member, officer, employee, or agent thereof (the Town and any such person being herein called an "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, court costs, and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims") to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts, recklessness, or intentional misconduct of the Contractor, its officers, employees, agents, or any tier of subcontractor in connection with the Contractor's work or services in the performance of this Agreement.

15. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the Party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, or (iii) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the Town Town of Chino Valley
 202 North State Route 89
 Chino Valley, Arizona 86323
 Attn: Town Manager

With copy to: GUST ROSENFELD P.L.C.
 One East Washington Street, Suite 1600
 Phoenix, Arizona 85004-2553
 Attn: Andrew J. McGuire

If to the Contractor: Sunland Asphalt and Construction, LLC
 3030 South 7th Street
 Phoenix, Arizona 85040
 alexd@sunlandasphalt.com
 Attn: Alex DeClusin

or at such other address, and to the attention of such other person or officer, as any Party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (i) when delivered to the Party, (ii) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, or (iii) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a Party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a Party shall mean and refer to the date on which the Party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

16. Forced Labor of Ethnic Uyghurs. To the extent applicable under ARIZ. REV. STAT. § 35-394, the Contractor warrants and certifies that it does not currently, and agrees that it will not for the duration of this Agreement use the forced labor, any goods or services produced by the forced labor, or any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If the Contractor becomes aware that it is not in compliance with this paragraph, it shall notify the Town of the noncompliance within five business days of becoming aware of it. If the Contractor fails to provide a written certification that it has remedied the noncompliance within 180 days after that, this Agreement shall terminate unless the termination date of this Agreement occurs before the end of the remedy, in which case this Agreement terminates on its termination date.

17. Counterparts. This Agreement may be executed simultaneously or in counterparts, each of which constitutes an original, but all of which together constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first set forth above.

“Town”

TOWN OF CHINO VALLEY,
an Arizona municipal corporation



Jack W. Miller, Mayor
Eric Granillo, Vice-Mayor for Mayor Miller

ATTEST:



Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:



Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

“Contractor”

SUNLAND ASPHALT AND CONSTRUCTION
CONSTRUCTION, LLC, an Arizona limited
liability company



Alex DeClusin, Vice President

EXHIBIT A
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SUNLAND ASPHALT AND CONSTRUCTION, LLC

[Prescott Contract]

See following pages.

EXHIBIT B
TO
COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE TOWN OF CHINO VALLEY
AND
SUNLAND ASPHALT AND CONSTRUCTION, LLC

[Job Orders]

See following pages (to be attached subsequent to execution).



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6b
MEETING DATE: 3/26/2024
CONTACT PERSON: Frank Marbury, Public Works Director/Town Engineer
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 2024-1249 conditionally accepting the streets and public infrastructure improvements associated with the Perkinsville 44 Subdivision Phases 1 & 2 and Offsite Water & Sewer subject to a two-year warranty period.

SUMMARY:

Perkinsville 44 is a 162 lot subdivision (approximately 0.16 acres each) located at the north-east corner of East Perkinsville Road and North Road 1 East planned to be constructed in four phases. The subdivision is served by Town water and sewer.

Phase	# of Lots
1 (Plat recorded 6/14/22)	14
2 (Plat recorded 6/14/22)	75
3 (not yet platted)	33
4 (not yet platted)	40
Total	162

The developer, Sage Land Holdings, LLC, provided the following Performance Bonds:

Work Description	Bond No.	Amount
Phase 1	CIC1915348	\$992,438
Phase 2	CIC1915349	\$1,632,683
Offsite Water & Sewer	CIC1915351	\$288,886
*Offsite Paving (not a part of this conditional acceptance)	CIC1915350	\$769,505
Total		\$3,683,512

The Town's Public Works Department completed the inspection of street and public infrastructure improvements associated with Perkinsville 44 Phases 1 & 2 and Offsite Water & Sewer on March 6, 2024, and found that they are in substantial compliance with the plans and specifications approved by the Town on April 21, 2022. The conditional acceptance is based on successful completion of a two-year warranty period. Following the conditional acceptance by Town Council, performance bonds will be released to the developer, and the two-year warranty period will commence.

*Offsite paving work has not been completed and is in the punchlist phase. The performance bond will remain in place until Town Council conditionally accepts this phase at a later date.

PREVIOUS ACTION:

September 13, 2022 - Approval of a Development Agreement with Brown Homes for a construction trailer and sales trailer for the Perkinsville 44 Subdivision.

STAFF RECOMMENDATION:

Approve Resolution No. 2024-1249 conditionally accepting the streets and public infrastructure improvements associated with the Perkinsville 44 Subdivision Phases 1 & 2 and Offsite Water & Sewer subject to a two-year warranty period.

FISCAL IMPACT?

There is no direct fiscal impact associated with this request.

ATTACHMENTS:

-
- | | |
|----|---|
| 1. | RES 2024-1249 - Perkinsville 44 Phases 1 and 2 and Offsite Water and Sewer Conditional Acceptance |
| 2. | Perkinsville 44 Phases 1 & 2 and Offsite Water & Sewer Notice of Substantial Completion 3-6-24 |
-

RESOLUTION NO. 2024-1249

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, TO CONDITIONALLY ACCEPT THE STREETS AND PUBLIC INFRASTRUCTURE IMPROVEMENTS IN THE PERKINSVILLE 44 SUBDIVISION PHASE 1, PHASE 2, AND OFFSITE WATER AND SEWER.

WHEREAS, the Mayor and Town Council of the Town of Chino Valley (the “Town Council”) approved a final plat entitled “Perkinsville 44 – Phase 1” and “Perkinsville 44 – Phase 2” on November 9, 2021; and

WHEREAS, the developer of Perkinsville 44, Sage Land Holdings LLC, an Arizona limited liability company (the “Developer”), dedicated to the Town the streets and public infrastructure improvements generally located at East Perkinsville Road and North Road 1 East; and

WHEREAS, on or about March 6, 2024, the Town’s Public Works Department completed an inspection of the streets and public infrastructure improvements in the Perkinsville 44 Subdivision Phase 1, Phase 2, and Offsite Water and Sewer generally located at East Perkinsville Road and North Road 1 East, and depicted on the map attached hereto as Exhibit A and incorporated herein by reference (the “Improvements”), and found the Improvements to be in substantial compliance with the approved plans and specifications; and

WHEREAS, section 5.4(C)(7) of the Unified Development Ordinance of the Town of Chino Valley requires developers to provide a two-year warranty against defective materials and workmanship when public infrastructure improvements for a subdivision are accepted by the Town Council for maintenance and operation, and the Developer has provided such warranty, a copy of which is attached hereto as Exhibit B and incorporated herein by reference (the “Warranty”); and

WHEREAS, the Town Council desires to conditionally accept the Improvements subject to the Warranty (the “Conditional Acceptance”); and

WHEREAS, the Town Council acknowledges that the two-year warranty period will commence upon Conditional Acceptance of the Improvements by the Town.

NOW THEREFORE BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Improvements are Conditionally Accepted.

SECTION 3. The Warranty is hereby accepted.

SECTION 4. The Town is hereby directed to commence maintenance and operation of the Improvements subject to the Warranty and the Unified Development Ordinance of the Town of Chino Valley.

(SIGNATURES FOLLOW)

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 26th day of March, 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify that the above foregoing Resolution No. 2024-1249 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 26, 2024, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2024-1249

[Map of Streets and Public Infrastructure Improvements]

See following page.

EXHIBIT B
TO
RESOLUTION NO. 2024-1249

[Developer's Warranty]

See following pages.



8700 E. Via De Ventura, Suite 350
Scottsdale, AZ 85258
Main (480) 305-5319
Fax (480) 829-7506

03-6-2024

Development Services
Town of Chino Valley
1982 Voss Dr
Chino Valley, AZ 86323

RE: Two Year Warranty Letter – Perkinsville 44 – Phase 1 & 2 and Offsite Water & Sewer

Mr. Steven Sullivan:

Developer is in receipt of the Notice of Substantial Completion letter regarding the Town requirements for improvements acceptance dated March 6, 2024.

Town Maintained Improvements:

Notice is hereby given that the work has been completed within public rights-of-way or easements in accordance with the Town of Chino Valley, Arizona generally described as Perkinsville 44, Phase 1 & 2 and Offsite Water & Sewer which includes the following improvements – grading, sewer, water stormwater, concrete and paving. These improvements are in substantial compliance with the approved plans and specifications. Council action is required prior to the issuance of conditional acceptance and the official beginning of the two (2) year warranty period. Developer and its contractors will be responsible against defective materials and workmanship during the warranty period. A warranty inspection by the Town of the improvements will be performed no later than 60 days prior to the end of the warranty period to provide sufficient time for any corrections. Once any warranty deficiencies or workmanship corrections are completed and accepted, the Town will provide a Warranty Completion & Acceptance letter to Developer relieving Developer and contractors of any further obligations for the improvements.

Non-City Maintained Improvements:

Public Works Inspections has checked all non-town maintained improvements and found them to be in substantial compliance with the approved plans and specifications. Non-Town maintained improvements constructed as part of this project to be maintained by property owners and homeowners' association and are not subject to the two-year warranty.

Let me know if you have any questions.

Respectfully,
Sage Land Holdings, LLC

Craig Helsing

Craig Helsing
Director of Land Acquisition & Development

Cc: Rob Smeriglio
Michael Brown



Public Works Department
1982 N. Voss Drive #201
Chino Valley, AZ 86323

928-636-7140
Fax 928-636-7141
www.chinoaz.net

March 6, 2024

Craig Helsing
Brown Homes AZ
9237 E. Via De Ventura, Suite 260
Scottsdale, AZ 85258

Re: Perkinsville 44 Phases 1 & 2 and Offsite Water & Sewer Notice of Substantial Completion

Dear Mr. Helsing,

The Town of Chino Valley Public Works Department has completed the inspection of the public improvements for the above referenced project. These improvements are in substantial compliance with the approved plans and specifications.

Town Council action is required prior to conditional acceptance and the official beginning of the warranty/maintenance period. The time frame for Town Council action is approximately 4 weeks after the following items have been submitted, reviewed and approved:

- Completion of Phases 1 & 2 and Offsite Water & Sewer including any remaining punchlist items.
- As-built drawings for Phases 1 & 2 and Offsite Water & Sewer in pdf, 4 mil mylar, and autocad 2024 formats.
- A certified letter from the professional surveyor stating that the centerlines of streets, easements, and survey monuments are located as denoted on the final plat.
- A warranty or guarantee for a period of 2 years against defective materials and workmanship.

Should you have any questions, please contact me at 928-636-3402 or ssullivan@chinoaz.net.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Sullivan".

Steven Sullivan, PE
Assistant Town Engineer



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6c
MEETING DATE: 3/26/2024
CONTACT PERSON: Jessica Barragan, Senior Planner
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to amend the final plat for the Del Sol South Subdivision to adjust the lot line between Lots 6 and 7 to accommodate an erroneously placed well.

SUMMARY:

The applicant, Right Homes, is applying for a minor lot line adjustment between Lot 6R (APN 306-18-165) and Lot 7R (APN 306-18-166) of the Del Sol South Subdivision to accommodate a well.

PREVIOUS ACTION:

The original request was modified at the last minute due to the applicant selling four of the six lots mid-process. Since the applicant no longer owned these four parcels, he could no longer request that Council make modifications to them. More information about this can be found in the attached Planning and Zoning Staff report and associated minutes. The modified item went before the Planning and Zoning Commission on March 5, 2024, and received a recommendation of approval with a 7-0 vote.

STAFF RECOMMENDATION:

Approve the amended final plat for the Del Sol South Subdivision to adjust the lot line between Lots 6R (APN 306-18-165) and 7R (APN 306-18-166) to accommodate an erroneously placed well, subject to the following stipulations: strict compliance with Maintenance Improvement District No. MID-2022-01; and satisfaction of all reviewer comments prior to signing the amended final plat and recording it with the Yavapai County Recorder.

FISCAL IMPACT?

N/A

ATTACHMENTS:

-
-
1. Attachment A - Conditions of Approval FP-2021-06-R
 2. Attachment B - FP-2021-06-R Plat Amendment Lot Line Adjustment - P&Z Staff Report
 3. Attachment C - P&Z Minute FP-2021-06-R
-
-

Attachment A

Conditions of Approval

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed final plat amendments for the site(s):

Development Services Comments: Laurie Lineberry, Director, 928-636-3471

1. The Owner shall comply with all conditions listed below, along with all applicable State, County, and Town codes, rules, fees, and regulations that are applicable to this action.
2. The Owner shall sign a Waiver of Claims form, which the Town will provide and record with the Yavapai County Recorder's Office, prior to the public hearing and final decision of this item by the Town Council.

Planning: Jessica Barragan, Senior Planner, 928-636-3473

3. The owner shall satisfy all reviewer comments on record of survey, prior to final mylar sign off and recordation.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.



TOWN OF CHINO VALLEY
Planning Commission Staff Report
March 5, 2024
File Number FP-2021-06 -R
SUPPLEMENTAL UPDATE

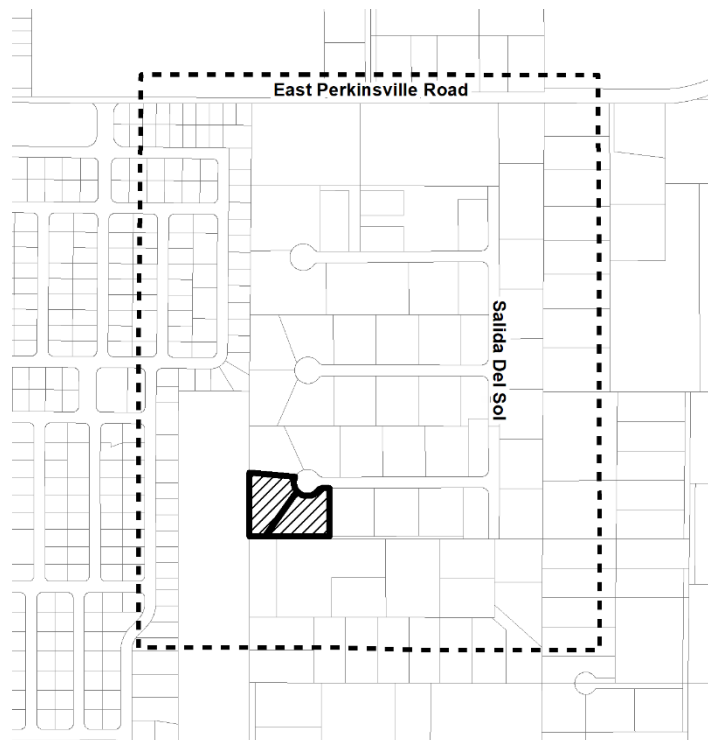
ORIGINAL REQUEST:

The applicant was applying for Amendments to the three (3) Del Sol Final Plats to install a 30-foot wide water and sewer utility easement along the western boundary of the 25-lot Subdivision(s), including a minor lot line adjustment between Lot 7R (APN 306-18-166) and Lot 6R (APN 306-18-165) to accommodate a well.

MODIFIED REQUEST:

The applicant is now applying only for the minor lot line adjustment between Lot 6R (APN 306-18-165) and Lot 7R (APN 306-18-166) of the Del Sol South Subdivision to accommodate a well.

LOCATION MAP:



ANALYSIS:

The applicant seeks to modify the lot lines between Lot 6R and 7R, prompted by the inadvertent drilling of two wells on Lot 6R. This adjustment serves as a corrective step to address the oversight acknowledged by Right Homes, LLC. By implementing this adjustment, the erroneously placed well on Lot 6R can remain in its current position, effectively the lot line bump out shown, allows for the erroneously placed well to serve Lot 7R without a new well having to be drilled. See Attachment 1.

TIMELINE**2/26/2024**

- Staff received a phone call regarding setbacks for a shed on Lot 2 of the Casa Del Sol subdivision from the new property owner. In review of that permit request, staff discovered that the lot, included in the original 30' easement request, had been sold.
- Staff called the applicant inquiring about Lot 2 being sold and was informed Lot 1 and Lot 2 of the Casa Del Sol Subdivision and Lot 1 and Lot 6 of Del Sol North Subdivision had been sold.

2/27/2024

- Town Attorney stated that the applicant would need Waivers of Claims from the owners of the four lots that were sold in order for the original requested action to move forward, and that the additional property owners would need to sign the Final Plat for recording.

2/28/2024

- Applicant submitted his withdrawal request for the creation of the 30-foot wide easement and only requested to pursue the lot line adjustment. See Attachment 2.

ATTACHMENTS:

1	2
Amended Del Sol South Final Plat	Withdrawal Email from Applicant

SUGGESTED MOTION:

Move to **APPROVE** the Final Plat Amendment for the Del Sol South Minor Subdivision (FP-2021-06R) for a lot line adjustment to accommodate a well, subject to the revised Conditions of Approval.

EFFECT OF THE APPROVAL:

By approving this Final Plat Amendment, the Planning and Zoning Commission is recommending approval to Town Council to amend the Del Sol South Minor Subdivision Final Plat for a lot line adjustment to accommodate a well, subject to this supplemental update and information provided during this hearing, and affirmatively finds that the request is in conformance with the General Plan.

REVISED CONDITIONS OF APPROVAL

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed final plat amendments for the site(s):

Development Services Comments: Laurie Lineberry, Director, 928-636-3471

1. The Owner shall comply with all conditions listed below, along with all applicable State, County, and Town codes, rules, fees, and regulations that are applicable to this action.
2. The Owner shall sign a Waiver of Claims form, which the Town will provide and record with the Yavapai County Recorder's Office, prior to the public hearing and final decision of this item by the Town Council.

Planning: Jessica Barragan, Senior Planner, 928-636-3473

3. The owner shall satisfy all reviewer comments on record of survey, prior to final mylar sign off and recordation.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.

ATTACHMENT 2
WITHDRAWAL EMAIL FROM APPLICANT

Will Dingee

From: JAY BATES <gmresults@yahoo.com>
Sent: Wednesday, February 28, 2024 6:45 AM
To: Laurie Lineberry; Will Dingee; Jessica Barragan; Eric Granillo; Frank Marbury; Dan Trout
Cc: Adam Haywood; Tyler Steen; Travis Schultz
Subject: Right Homes/Del Sol N&S, Casa

Good morning,
In light of recent developments Right Homes will no longer be pursuing easements on Del Sol North, South and Casa subdivisions. The only agenda item moving forward to our March 5 P&Z meeting will be the lot line adjustment on lot 306 18 165, 1515 Solara Way and lot 306 18 166, 1563 Solara Way to correct well placement.

TY J

Jay Bates
Right Homes LLC
Gmresults@yahoo.com
602 692 1631
480 652 6805 Direct

PLEASE BE AWARE THIS MESSAGE CAME FROM A SENDER OUTSIDE THE TOWN!

Attachment C

P&Z Minutes – March 5, 2024

PUBLIC HEARING #D.2 – Case # FP-2021-05-R, FP-2021-06-R and FP-2022-04-R – MODIFIED

REQUEST: The applicant is now applying only for the minor lot line adjustment between Lot 6R (APN 306-18-165) and Lot 7R (APN 306-18-166) of the Del Sol South Subdivision to accommodate a well.

Senior Planner **Jessica Barragan** presented the staff report and stated the applicant was in attendance. The applicant was asking for a lot line adjustment between Lot 6R and Lot 7R in Del Sol South Subdivision. Staff recommended approval of the Final Plat Amendment for the Del Sol South Minor Subdivision only (FP-2021-06-R) for a lot line adjustment to accommodate a well, subject to revised conditions of approval.

Merritt asked by adjusting the lot line, would the property still meet the lot sizes of the subdivision?

Barragan stated the Applicant would be making a modification before the final plat gets recorded, for minor adjustments to meet minimum criteria. The request was being brought to Commission because a well was erroneously installed on Lot 6R, so as not to impose the financial burden of relocating the well that they had already installed.

Jay Bates – Applicant asked if the commission had any questions. He stated that the well was put in the wrong spot.

Chair Merritt opened the meeting for public comments.

Wanda Cole stated they just purchased Del Sol North Lot 6. She was trying to determine if the easement had been changed on the rear of her property.

Merritt stated the easement was not going to happen. The only thing being brought to Commission was the relocating of the lot line so the well services the correct property.

Cole stated she signed an addendum about the easement and asked if there was going to be any other addendum showing that the easement request had been removed.

Bates stated the properties that were impacted by the easement that had closed escrow will be notified by the title company with a revised plat eliminating the easement from their property.

Merritt stated the easement was not there tonight and was a non-issue.

Lineberry stated there was no easement on the plat, that is why it was brought to Commission to put the easement on the plat, so staff is not touching the plats at all by adding an easement.

Bates stated some properties were sold previously to this item being brought to Commission, so property owners were notified that the easement was being submitted. **Bates** stated the affected property owners would be notified.

Cole stated they heard verbally from Mr. Bates that the easement had been removed. **Cole** contacted the Title company for a letter showing that the easement had been removed, and the Title company had not responded. If they sell their lot later on, **Cole** needed to know the easement was no longer there.

Merritt stated the easement was never instituted.

Lineberry stated that the developer had the buyers sign a private easement at closing, that put an easement on the six parcels, but the Town did not recognize the private easement and it is not on the Plat.

Merritt asked **Bates** if he would agree to provide the property owners in writing a statement that the easement had been removed.

Bates stated that the Title company had the information and that they would be available the next day.

Chair Merritt closed the public hearing.

Merritt asked if anyone had questions for Town staff.

Switzer asked if the property owners were aware of the lot line adjustment.

Barragan stated the lots affected had not yet been sold and were still owned by the developer.

Merritt stated that it should be made clear to the new owners at the time of sale and closing.

Barragan stated it is the applicant's responsibility to update the conveyance documents accurately and reflect the most recent change.

Merritt stated that would be done through the Title company.

Motion was made by Pasciak, seconded by Meadors to approve FP-2021-06-R as presented, subject to the staff report and information provided during the hearing, and the revised Conditions of Approval in Attachment A. A vote was taken and the motion passed with a 7-0 vote.

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TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6d
MEETING DATE: 3/26/2024
CONTACT PERSON: Jessica Barragan, Senior Planner
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

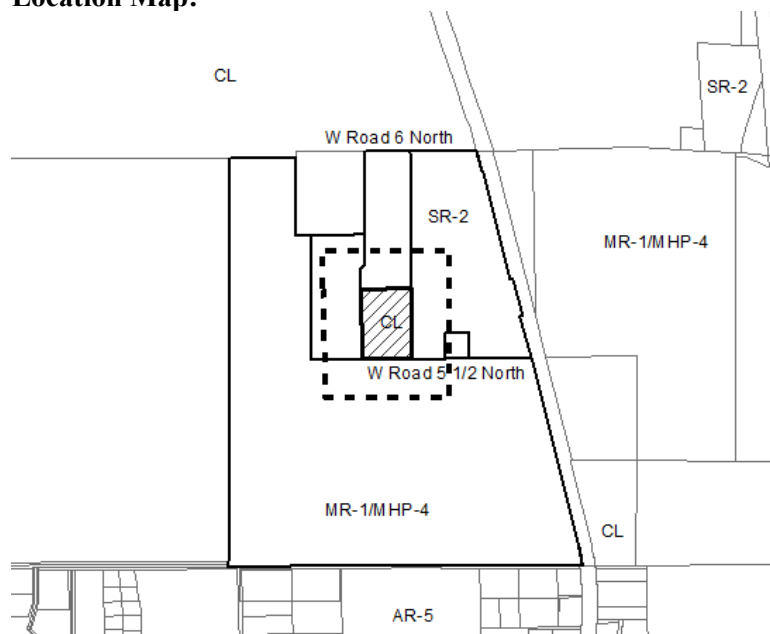
Public hearing, consideration, and possible action to approve Ordinance No. 2024-942 to rezone 14.23 acres from Commercial Light (CL) to Agricultural Residential 4-acre (AR-4) at 700 West Road 5 1/2 North, Chino Valley, Arizona.

SUMMARY:

Case/Project Description:

This is a request by Travis and Lisa Bates, to rezone approximately 14.23 acres from Commercial Light (CL) to Agricultural/Residential-Minimum 4 acres (AR-4) at 700 West Road 5 1/2 North, Chino Valley, Arizona. APN# 306-46-003F.

Location Map:



Location Data:

	Existing Zoning	Use(s) on-site	General Plan Designation
Site	Commercial Light (CL)	Single Family Residence (CUP-2023-01)	Ranch/Agricultural (1 du/4acres)
North	Commercial Light (CL)	Vacant	Ranch/Agricultural (1 du/4acres)
South	Multiple Family Residential (MR-1) / Mobile Home Park (MHP-4)	Vacant	Neighborhood Residential (4 du/acre)
East	Single Family Residential 2-Acre Minimum (SR-2)	Old Farmstead Retail Store	Ranch/Agricultural (1 du/4acres)
West	Single Family Residential 2-Acre Minimum (SR-2)	Residential	Ranch/Agricultural (1 du/4acres)

Staff Analysis:

No Neighborhood Meeting was required for this hearing, as the subject property had previously procured a CUP to allow the construction of his single-family residence. The current residential use existing is to remain. This request serves as a corrective step to bring the property's zoning classification into conformance with the land use designation set forth in the 2040 General Plan. Approval of the zone change will not grant any special privilege to the property owner and is necessary to allow reasonable use of the property.

Public Hearing Comment:

There was no opposition from either the public or the Planning and Zoning Commission.

PREVIOUS ACTION:

On March 5, 2024 the Planning Commission forwarded a recommendation of approval to Town Council with a 7-0 vote

STAFF RECOMMENDATION:

i) Hold a Public Hearing ii) Approve Ordinance 2024-924

FISCAL IMPACT?

N/A

ATTACHMENTS:

-
-
1. ORD 2024-942 - ZC-2024-001 - CL to AR-4
 2. Attachment 1 - ZC-2024-01 - Conditions of Approval
-
-

-
-
3. Attachment 3 - ZC-2024-01 - P&Z Minutes
 4. Attachment 4 - ZC-2024-01 - P&Z Staff Report
-
-

When recorded, return to:

Town Clerk
Town of Chino Valley
202 N. State Route 89
Chino Valley, Arizona 86323

ORDINANCE NO. 2024-942

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING A CHANGE OF ZONING AND AMENDMENT TO THE OFFICIAL ZONING MAP FOR APPROXIMATELY 14.23 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 700 WEST ROAD 5 1/2 NORTH, FROM CL (COMMERCIAL LIGHT) TO AR-4 (AGRICULTURAL/RESIDENTIAL – 4-ACRE MINIMUM).

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the “Town Council”) desires to amend the Town of Chino Valley (the “Town”) Official Zoning Map for approximately 14.23 acres of real property (Yavapai County Assessor Parcel No. 306-46-003F) generally located at 700 West Road 5 1/2 North, as described in Exhibit 1 and shown on the Zoning Map in Exhibit 2, both attached hereto and incorporated herein by reference, from CL (Commercial Light) to AR-4 (Agricultural Residential – 4-Acre Minimum) (the “Zoning Map Amendment”); and

WHEREAS, the Town Council has determined that this Zoning Map Amendment conforms with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or other plan, any overlay zoning district, and the standards and design requirements contained in the Unified Development Ordinance of the Town of Chino Valley (the “UDO”); and

WHEREAS, all required public notice was provided and all required public meetings and hearings were held in accordance with applicable state and local laws; and

WHEREAS, the Town’s Planning and Zoning Commission recommended approval of the Zoning Map Amendment (ZC-2024-01); and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Constitution of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this ordinance; and

WHEREAS, the Town Council has considered a housing impact statement in accordance with A.R.S. 9-462.01.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1: The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2: The Zoning Map Amendment is hereby approved, and the Official Zoning Map is hereby amended for property consisting of approximately 14.23 acres, as described in Exhibit 1 and shown on the Zoning Map in Exhibit 2, to rezone the property from CL (Commercial

Light) to AR-4 (Agricultural Residential – 4-Acre Minimum), subject to the requirements of the Chino Valley Town Code, the UDO, and the following stipulations:

1. The property owner shall comply with all conditions listed below and all codes, rules, fees, and regulations applicable to this action.
2. The property owner shall sign and notarize a Waiver of Claims form, which staff will record with the County Recorder against the property.
3. The property owner shall dedicate to the Town the south 25' of the property for West Road 5 1/2 North right-of-way.

SECTION 3: The Town Manager is authorized and directed, upon the effective date of this ordinance, to cause the Official Zoning Map to reflect the Zoning Map Amendment as applicable to the property, indicating the zoning is subject to compliance with the stipulations provided herein.

SECTION 4: If any provision of this ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct, and independent of all other provisions, and such holding shall not affect the validity of the remaining portions of this ordinance.

SECTION 5: The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this ordinance.

(SIGNATURES FOLLOW)

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 26th day of March 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify that the above foregoing Ordinance No. 2024-942 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on March 26, 2024, and that quorum was present, and that the vote thereon was _____ ayes and _____ nays and _____ abstentions. _____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT 1
TO
ORDINANCE 2024-942

[Legal Description]

The following is a legal description of a parcel of land previously described in Book 4315 of Official Records, Page 918 in the Office of the Yavapai County Recorder, lying within Section 34, Township 17 North, Range 2 West of the Gila and Salt River Meridian, Yavapai County, Arizona, more particularly described as follows:

Beginning at a found 2 inch iron pipe (bent over – position established at point of entry into the ground) accepted as the northwest corner of Section 34, from which a ½” rebar and plastic cap stamped RLS29891 at the north Quarter corner of Section 34 bears North 87°59’34” East, a distance of 2684.82 feet (measured and Basis of Bearings for this description – North 87°50’20” East, 2684.62 record per a Record of Survey as recorded in Book 132 of Land Surveys, Page 68 in the Office of the Yavapai County Recorder, herein referred to as R2);

Then North 87°59’44” East along the north line of Section 34, a distance of 872.59 feet to a set ¼” rebar and aluminum cap stamped RLS 13015, from which a found ¼” rebar and obliterated plastic cap bears North 87°59’44” East, a distance of 99.99 feet (total line = North 87°59’44” East, 972.59 feet measured – North 87°50’20” East, 972.31 R2);

Thence leaving the north line of Section 34 South 00°06’59” East, a distance of 1035.54 feet to a set “A” rebar and aluminum cap stamped RLS 13015;

Thence North 88°53’28” East, a distance of 175.68 feet to a set ¼” rebar and aluminum cap stamped RLS 13015;

Thence South 00°43’53” East, a distance of 1609.81 feet to a set ½” rebar and aluminum cap stamped RLS 13015;

Thence North 89°35’45” East, a distance of 664.37 feet to a set ¼” rebar and aluminum cap stamped RLS 13015 and the TRUE POINT OF BEGINNING, from which a found ¼” rebar and plastic cap stamped RLS 12005 bears South 89°30’58” West, a distance of 99.63 feet.

Thence North 01°07’59” West, a distance of 912.87 feet to a set ¼” rebar and aluminum cap stamped RLS 13015;

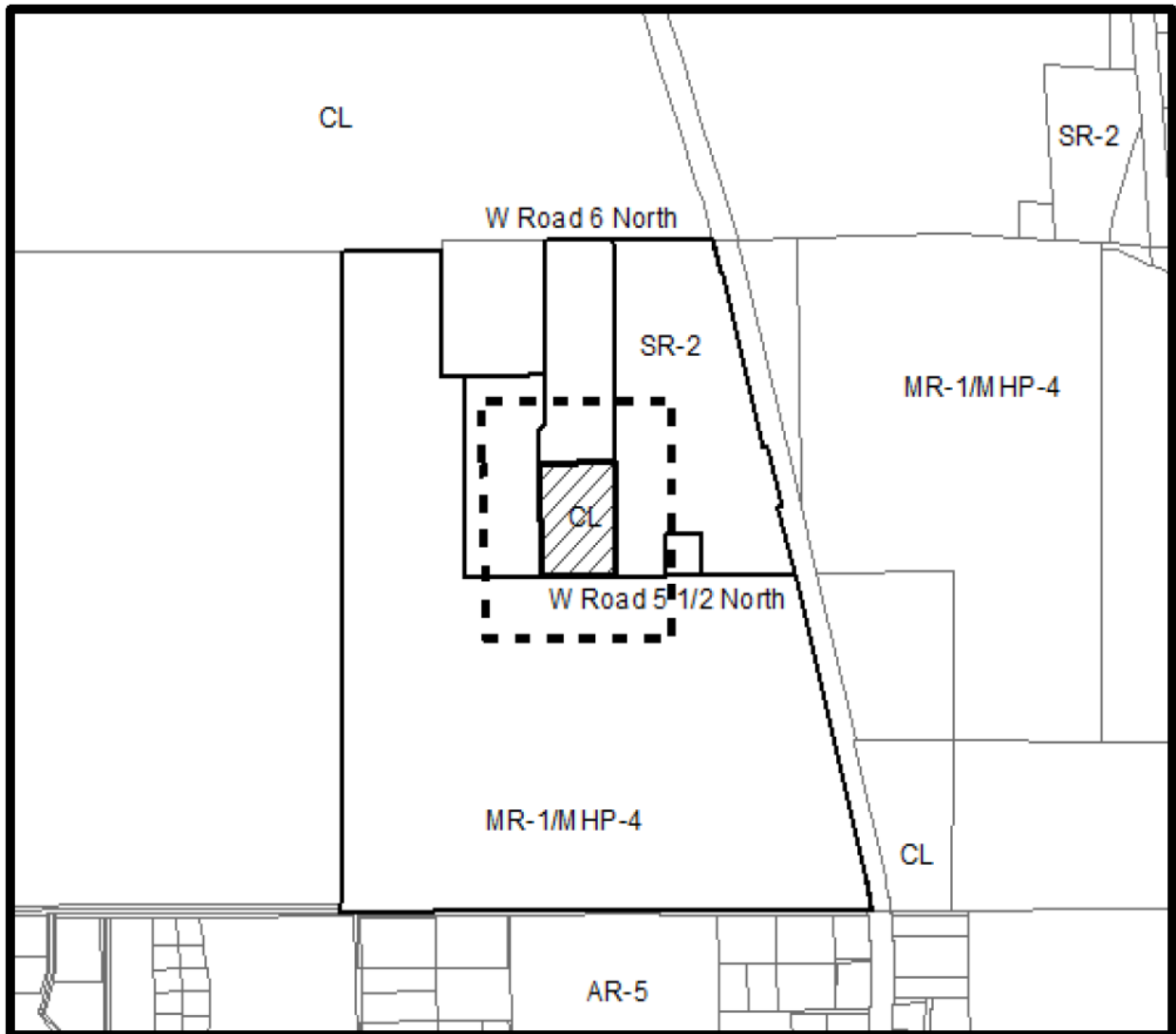
Thence North 89°30’43” East, a distance of 668.22 feet to a set ¼” rebar and aluminum cap stamped RLS 13015;

Thence South 00°36’14” East, a distance of 912.83 feet to a set ½” rebar and aluminum cap stamped RLS 13015, from which a found ½” rebar and plastic cap stamped RLS 12005 bears South 89°33’43” West, a distance of 80.65 feet.

Thence South 89°30’47” West, a distance of 659.79 feet to the TRUE POINT OF BEGINNING.

EXHIBIT 2
TO
ORDINANCE 2024-942

[Zoning Map]



ATTACHMENT 1
CONDITIONS OF APPROVAL

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed conditional use for the site:

Development Services Comments: Laurie Lineberry, Director, 928 636-4427- x1217

1. The conditions listed below are in addition to Town codes, rules, fees, and regulations that are applicable to this action.
2. The Owner shall sign a Waiver of Claims form, which the Town will provide and record with the Yavapai County Recorder's Office, prior to the conditional use permit being heard by the Town Council.

Public Works/Engineering: Frank Marbury, Director, 928-636-3401

3. The owner agrees to dedicate the southern 25 feet of the property to the Town for West Road 5 ½ North right-of-way.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.

March 5th, 2024

Minutes - Planning and Zoning

PUBLIC HEARING #D.1 – Case # ZC-2024-01 — This is a request by Travis and Lisa Bates, to rezone approximately 14.23 acres from Commercial Light (CL) to Agricultural/Residential-Minimum 4 acres (AR-4) at 700 W Road 5 1/2 North, Chino Valley, Arizona. APN# 306-46-003F.

Chair Merritt asked if anyone on the commission had a disclosure to declare regarding this project. There were none.

Senior Planner **Jessica Barragan** presented the staff report and stated the applicant was in attendance. The applicant was asking for a rezone of subject property, currently zoned CL. The Applicant had come before the Commission in April 2023 for a CUP to allow the construction of a single-family home. In November 2023 the General Plan was passed which designated the land as Ranch Agricultural (RA) with AR-4 as the minimum zoning district, which the Applicant is requesting in order to bring it in conformance with the General Plan. There was no opposition to the rezone and no comments were received from the public. Staff recommended approval.

Chair Merritt asked if anyone had questions for staff. There were none.

Travis Bates – Applicant stated that they built a home on the property and they would like to change the zoning to comply with the General Plan.

Chair Merritt asked if Commission had any questions for the applicant.

Switzer asked Bates why he chose AR-4 zoning instead of AR-5 zoning.

Bates stated staff recommended the zoning.

Barragan stated the zoning was most consistent with surrounding districts which are lower density. The General Plan minimum zoning district was AR-4, and staff recommended minimum to be consistent with surrounding parcels.

Bates stated that if at a later date they decided to split into three parcels, AR-5 would not allow for them to do so.

Chair Merritt opened the meeting for public comments. There were none.

Chair Merritt closed the public hearing.

Motion was made by Meadors, seconded by Pasciak to approve ZC-2024-01, as presented, subject to the staff report and information provided during the hearing, and the Conditions of Approval in Attachment A. A vote was taken and the motion passed with a 7-0 vote.



TOWN OF CHINO VALLEY
Planning Commission Staff Report
March 5, 2024
File Number ZC-2024-01
Rezone

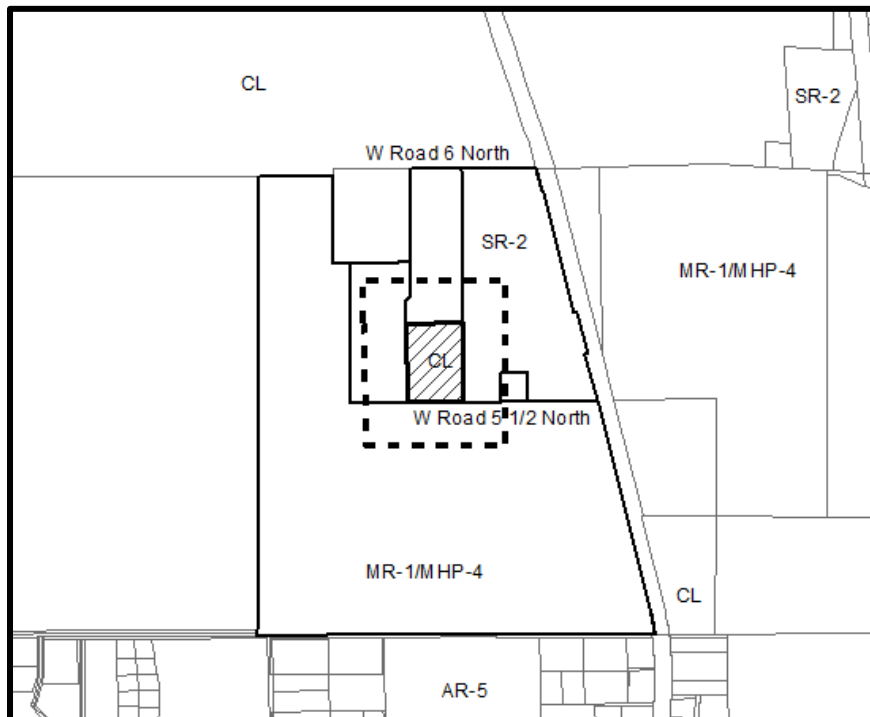
PROJECT DESCRIPTION

This is a request by Travis and Lisa Bates, to rezone approximately 14.23 acres from Commercial Light (CL) to Agricultural/Residential-Minimum 4 acres (AR-4) at 700 W Road 5 1/2 North, Chino Valley, Arizona. APN# 306-46-003F

LOCATION DATA

	Existing Zoning	Use(s) on-site	General Plan Designation
Site	Commercial Light (CL)	Single Family Residence (CUP-2023-01)	Ranch/Agricultural (1 du/4acres)
North	Commercial Light (CL)	Vacant	Ranch/Agricultural (1 du/4acres)
South	Multiple Family Residential (MR-1) / Mobile Home Park (MHP-4)	Vacant	Neighborhood Residential (4 du/acre)
East	Single Family Residential 2-Acre Minimum (SR-2)	Old Farmstead Retail Store	Ranch/Agricultural (1 du/4acres)
West	Single Family Residential 2-Acre Minimum (SR-2)	Residential	Ranch/Agricultural (1 du/4acres)

LOCATION MAP



PRIOR SITE ACTIONS:

Code Enforcement

None

Land Action

April 25, 2023 – Conditional Use Permit (CUP-2023-01) to allow construction of a New Single-Family Residence in a CL (Commercial Light) zone.

Land Division History

January 6, 2006 – Lot split of APN 306-46-003D (Sibling parcel APN 306-46-003E).

STAFF RECOMMENDATION:

Staff recommends that the Planning and Zoning Commission forward to the Town Council a recommendation of **APPROVAL** for the Bates Rezone with Conditions of Approval found in Attachment A.

SUGGESTED MOTION:

Move to **APPROVE** Zone Change ZC-2024-01 as presented, subject to the staff report and information provided during this hearing, and the Conditions of Approval in Attachment A

EFFECT OF THE APPROVAL:

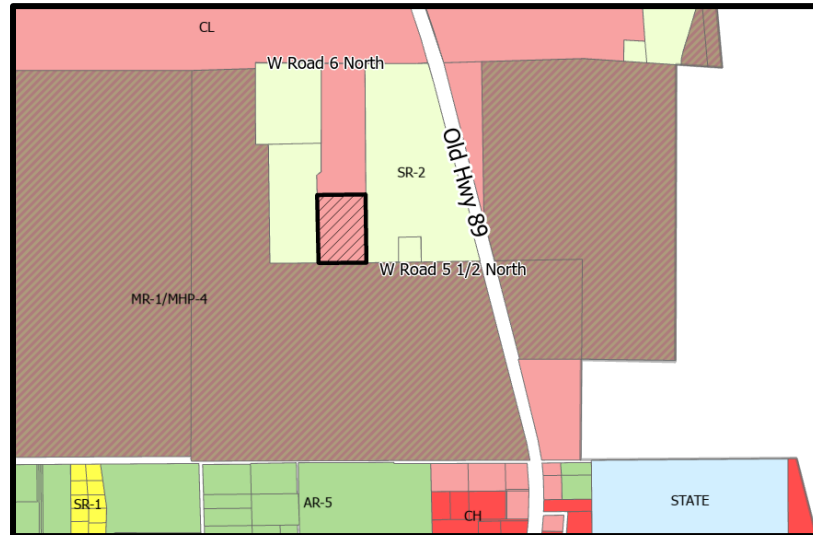
By approving this Zone Change, the Planning and Zoning Commission is recommending approval to Town Council for the Bates Rezone located at the 700 W Road 5 1/2 North, subject to the staff report and information provided during this hearing, and affirmatively finds that the request is in conformance with the General Plan. This action would further nullify the existing CUP.

Staff Analysis:

The applicant is applying to rezone approximately 14.23 acres. This request is being made to bring the current zoning district classification into conformance with the existing single-family residential use that is on the site. The applicant had previously obtained a Conditional Use Permit (CUP-2023-01) in April of 2023, as the applicant needed a residence prior to the 2040 General Plan being approved by the voters in November of 2023. The applicant would like to add a guest house, which is not allowed in the CL zone. Therefore, the applicant is requesting to rezone his property to AR-4. The AR-4 zoning district conforms to the new General Plan. A rezone is the minimum necessary action to allow the property owner reasonable use of the property as a single-family residence with a guest house.

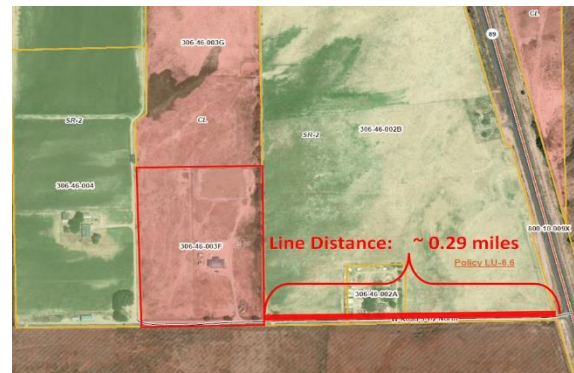
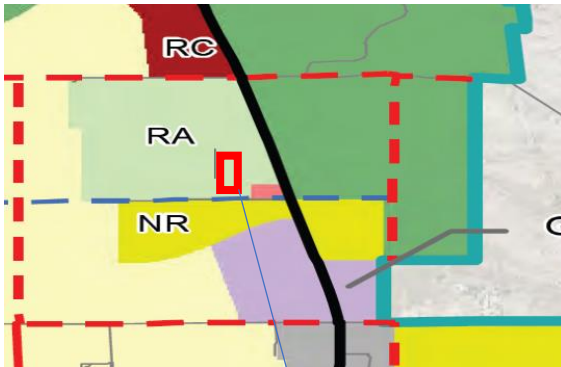
Zoning

The subject property is currently zoned Commercial Light (CL). Section 3.15.C.1 of the Unified Development Ordinance lists “Single-family Residence” as a Conditional Use. There are no options to allow guest houses in Commercial Light (CL) zones. The current zoning classification is out of compliance with the intent of the 2040 general plan.



General Plan

The General Plan assigns the subject property for RA - Ranch/Agricultural (1 du/4 acres). The only viable option for the applicant to utilize the property reasonably for its current and intended purposes is through rezoning. This process will align the parcel's zoning district classification with the General Plan requirements, thereby fulfilling the intended objective.



Land Use Category	Maximum Gross Density (per 1 acre)	Description	Allowed Zoning Districts (as of 2023)
Ranch/ Agricultural (RA)	0.25 du/acre (1 du/4 acres)	This category supports the continuation of rural agricultural functions customary in Chino Valley on large parcels. Densities are very low to preserve open space and views and to minimize infrastructure needs. This category applies to areas that should not be intensified or developed by 2040. All lots are required to be greater than four acres. Detached single-family homes and accessory dwelling units are allowed along with related garages, sheds, barns, silos, and other agricultural structures. Storage and use of farm implements, equipment, vehicles and materials, livestock, and agricultural elements including animals, pastures, croplands, vineyards, apiaries, “you-pick” farms, solar energy development, agritourism, and agricultural product retail sales are also allowed.	AR-36 AR-5 AR-4 PL

PUBLIC COMMENTS RECEIVED: None Received

EXTERNAL AGENCY COMMENTS: No Comments

NEIGHBORHOOD MEETING COMMENTS: Not Required

PROPOSED CONDITIONS DELIVERED TO APPLICANT ON: January 29, 2024

☒	Applicant agreed with all of the conditions of approval on (2/12/2024)
☐	Applicant did not agree with the following conditions of approval: (list #'s)
☐	If the Planner is unable to make contact with the applicant – describe the situation and attempts to contact.

ATTACHMENTS:

A	B	C	D	E	F
Conditions of Approval	External Agency Comments	Neighborhood Meeting Comments	Site Plan & Exhibits	Staff Research	Public Comment

PREPARED BY:

DATE:

JESSICA BARRAGAN – SENIOR PLANNER
JBARRAGAN@CHINOAZ.NET
928-636-3473

2/20/2024

APPROVED BY:

LAURIE LINEBERRY, AICP
DEVELOPMENT SERVICES DIRECTOR

ATTACHMENT A
CONDITIONS OF APPROVAL

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed conditional use for the site:

Development Services Comments: Laurie Lineberry, Director, 928 636-4427- x1217

1. The Owner shall comply with all conditions listed below, along with all applicable State, County, and Town codes, rules, fees, and regulations that are applicable to this action.
2. The Owner shall sign a Waiver of Claims form, which the Town will provide and record with the Yavapai County Recorder's Office, prior to the public hearing and final decision of this item by the Town Council.

Public Works/Engineering: Frank Marbury, Director, 928-636-3401

3. The Owner agrees to dedicate the southern 25 feet of the property to the Town for West Road 5 ½ North right-of-way.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.

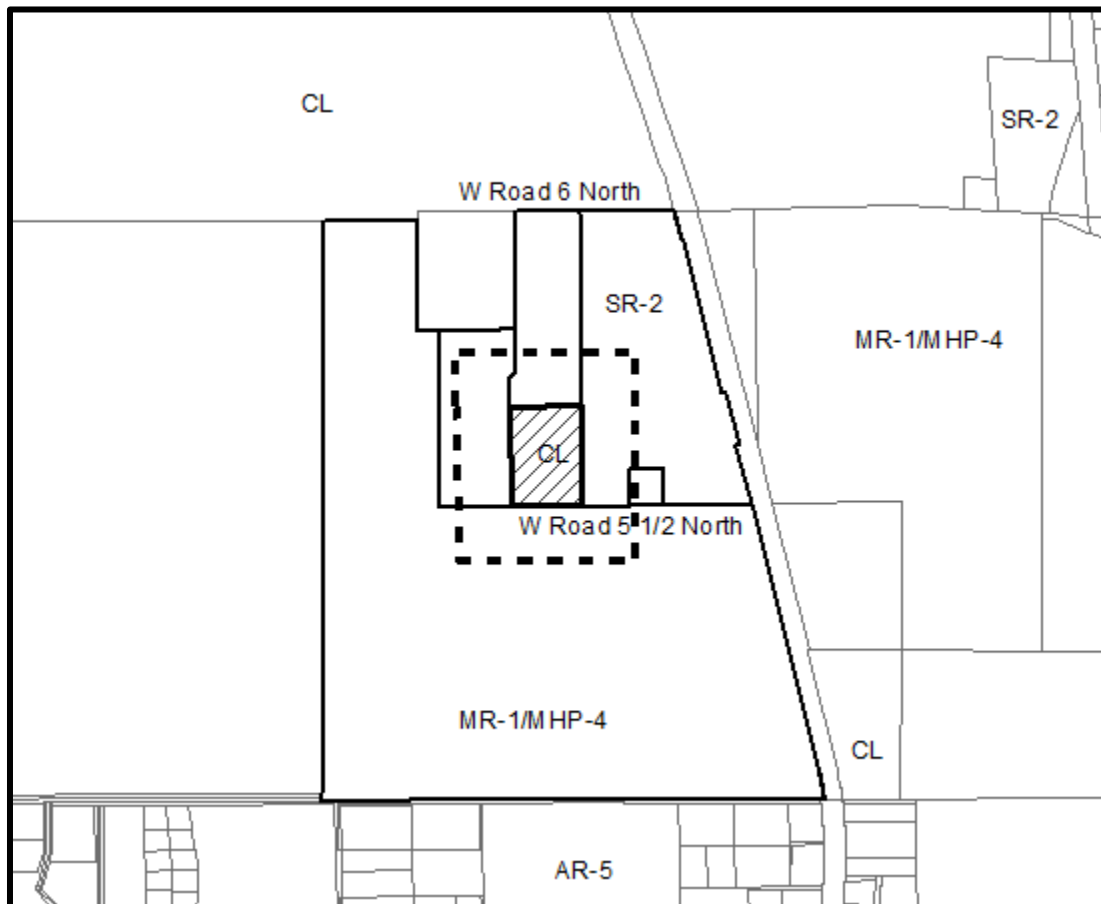
ATTACHMENT B
EXTERNAL AGENCY COMMENTS

STAFF RECEIVED NO COMMENTS FROM EXTERNAL AGENCIES.

ATTACHMENT C
NEIGHBORHOOD MEETING COMMENTS

DATE MEETING HELD: NOT REQUIRED

ATTACHMENT D
SITE PLAN AND EXHIBITS



ATTACHMENT E
STAFF RESEARCH



STAFF RESEARCH – REZONE

CASE #:ZC-2024-01

CASE PLANNER: JESSICA BARRAGAN

I. PROJECT DATA

Project Location:	700 W Road 5 ½ North, Chino Valley, Arizona.					
Parcel Number(s):	APN 306-46-003F					
Parcel Size(s):	14.23 Acres					
Total Acreage:	14.23 Acres					
Proposed Dwelling Units:	1 Guesthouse					
Address:	1650 feet west of SR89 on the north side of W Road 5 ½ North, Chino Valley, Arizona.					
Applicant:	Travis and Lisa Bates					
Applicant's Agent:	N/A					
Land Use Conformity Matrix:	Conforms:	Yes	X	No		
Zoning Overlay	PAD	N/A				

	Existing Zoning	Use(s) on-site	General Plan Designation
Site	Commercial Light (CL)	Single Family Residence	Ranch/Agricultural (1 du/4acres)
North	Commercial Light (CL)	Vacant	Ranch/Agricultural (1 du/4acres)
South	Multiple Family Residential (MR) / Mobile Home Park (MHP)	Vacant	Neighborhood Residential (4 du/acre)
East	Single Family Residential 2-Acre Minimum (SR-2)	Old Farmstead Retail Store	Ranch/Agricultural (1 du/4acres)
West	Single Family Residential 2-Acre Minimum (SR-2)	Residential	Ranch/Agricultural (1 du/4acres)

Prior Cases or Related Actions:					
Type	Conforms				Cases, Actions or Agreements
Pre-Annexation Agreement	Yes		No	X	
Annexation	Yes	X	No		September 5, 2000 – Del Rio Springs Area
General Plan Amendment	Yes		No	X	
Development Agreement	Yes		No	X	
Rezone	Yes	X	No		May 26, 2005 – Ordinance No. 05-608 approved the rezone from SR-2 to CL.
Subdivision	Yes		No	X	
Conditional Use Permit	Yes	X	No		April 25, 2023 - CUP-2023-01
Pre-Application Meeting	Yes	X	No		August 10, 2022 – PA-2022-54

**ATTACHMENT E
STAFF RESEARCH**

Enforcement Actions	Yes		No	X	
Land Division Status:	Yes	X	No		January 6, 2006 – Lot split of APN 306-46-003D (Sibling parcel APN 306-46-003E)
Irrigation District:	N/A				
<u>Detailed Narrative</u>	Request to rezone approximately 14.23 acres from Commercial Light (CL) to Agricultural/Residential -Minimum 4 acres (AR-4)				

II. TOWN OF CHINO VALLEY GENERAL PLAN

Land Use Element:		
Land Use Designation:	Ranch/Agricultural (1 du/4acres)	
Issues:	N/A	
Within half mile of SR 89 Corridor?	Yes (Approximately 0.29 miles)	
Public Services Element:		
Water Facility Plan:	Source:	Well
Sewer Facility Plan:	Treatment:	Septic
Issues:	N/A	
Safety Element:		
Flood Plain Designation:	N/A	
Issues:	N/A	
Transportation Element:		
Road Classification	None	
Issues:	N/A	
Parks and Rec Element:		
Closest Park:	Chino Valley Equestrian Park (4.3 Miles away)	
Within 1 mile of the Peavine Trail?	No	

NOTIFICATION

- | | |
|---|---|
| • Legal Ad Published: (02/06/24) | • Neighborhood Meeting: (n/a) |
| • 500' Vicinity Mailing: (02/6/24) | • Town Council Hearing Dates: (03/26/24) |
| • Commenting/Reviewing Agencies noticed:
(01/18/24) | • Planning and Zoning Hearing Dates:
(03/05/24) |
| • Comments Due (1/29/24) | |

<i>External List (Comments)</i>	Response Received	Date Received	"No Comment"	Written Comments	Comments Attached
Samantha Alvarez – APS	N				
Richard Perez - A.D.O.T.	N				
Ralph Baker – C.V.I.D.	N				
Cody Rose - CAFMA	Y	1/6/2024	X		
Suzanne Ehrlich – YC ENV	N				

ATTACHMENT E
STAFF RESEARCH

<i>External List (Comments)</i>	Response Received	Date Received	"No Comment"	Written Comments	Comments Attached
Monica Kriner – YC Health	Y	1/11/2024	X		
SparkLight Cable	N				
LUMEN (Previously Centurylink)	N				
Unisource Gas	N				
CVUSD	N				
United States Postal Service	N				
Mark Holmes – Water Advisor	N				
<i>Town of Chino Valley Internal List (Conditions)</i>	Response Received	Date Received	"No Conditions"	Written Conditions	Comments Attached
Jessica Barragan – Senior Planner (DS)	Y	1/17/2023		X	
Will Dingee – Assistant Director Development Services					
Laurie Lineberry – Development Services Director					
Frank Marbury – Town Engineer/PW Director	N				
Steve Sullivan – Assistant Town Engineer (PW)	N				
Dan Trout – Building Official Development Services	N				
Frank Snowney, Keith Hurtt – Code Enforcement (DS)	N				
Chuck Winn – Police Chief	N				

ATTACHMENT F
PUBLIC COMMENT

NO COMMENTS RECEIVED



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6e
MEETING DATE: 3/26/2024
CONTACT PERSON: Laurie Lineberry, Development Services Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Public hearing, consideration, and possible action to approve Ordinance No. 2024-943 to amend the Unified Development Ordinance, to create Section 4.32 - Metal Storage Containers.

SUMMARY:

This is a request to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by adding Section 4.32 regarding Metal Storage Containers.

PREVIOUS ACTION:

On March 5, 2024, the Planning and Zoning Commission forwarded a recommendation of approval for TA-2024-01 to Town Council with a 5-2 vote. For the text amendment language and background, please refer to the Planning and Zoning Staff Report. For a detailed account of what was discussed at the commission meeting, please refer to the attached Planning and Zoning minutes.

STAFF RECOMMENDATION:

i) Hold a public hearing ii) Approve Ordinance No. 2024-943

FISCAL IMPACT?

N/A

ATTACHMENTS:

-
- | | |
|----|--|
| 1. | ORD - 2024-943 - UDO Text Amendment - Metal Storage Containers |
| 2. | Attachment 1 - P&Z Staff Report |
| 3. | Attachment 2 - P&Z Minutes |
| 4. | Attachment 3 - Ord for TA |
-

ORDINANCE NO. 2024-943

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING THE CHINO VALLEY TOWN CODE, TITLE XV, LAND USAGE, CHAPTER 154, UNIFIED DEVELOPMENT ORDINANCE OF THE TOWN OF CHINO VALLEY, BY ADDING A NEW SECTION 4.32, METAL STORAGE CONTAINERS.

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the “Town Council”) desires to amend the Chino Valley Town Code, Title XV, Land Usage, Chapter 154, Unified Development Ordinance of the Town of Chino Valley (the “UDO”), by adding a new section 4.32, Metal Storage Containers, as set forth herein (the “Text Amendment”); and

WHEREAS, the Town Council has determined that the Text Amendment is not in conflict with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or any other plan; and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Constitution of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this ordinance; and

WHEREAS, the Town Council has determined that this ordinance, although a “zoning ordinance text amendment of general applicability” as described in A.R.S. § 9-462.01(J), does not, because of its limited applicability to metal storage containers, have any relationship to, or impact on, housing; therefore, the Town Council has determined it is not possible to prepare or consider a housing impact statement regarding the impact of the Text Amendment that includes the information required by A.R.S. § 9-462.01(J)(1)-(3).

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

Section 1. The above recitals are hereby incorporated as if fully set forth herein.

Section 2. The UDO is hereby amended to add a new section 4.32 to read as follows:

4.32 Metal Storage Containers

A. PURPOSE

The purpose of this section is to establish regulations for the siting of metal storage containers—otherwise known as intermodal shipping containers or cargo containers. As used in this section, “metal storage containers” and “containers” are synonymous.

B. GENERAL REQUIREMENTS

A metal storage container is only permitted as an Accessory Use. The siting of metal storage containers and the number of such containers allowed must conform with this section 4.32.

C. DEVELOPMENT STANDARDS

1. Where allowed, per Table 4.32-1 below, metal storage containers must conform to the following development standards:

- a. An over-the-counter administrative land use permit is required for any containers to be allowed, and such land use permit must be obtained prior to placing a container on any property.
- b. Containers are for storage only. No human habitation or occupancy is allowed.
- c. A primary use is required on the property for any container to be allowed.
- d. Modifications.
 - (i) No modification of the metal storage container, other than painting, is allowed.
 - (ii) No addition of plumbing or electrical equipment is allowed.
 - (iii) Any modification or alteration to a container, including but not limited to cutting any openings, adding electrical or plumbing or ventilation, adding a roof structure, or making the unit habitable in any way, reclassifies the container from an Accessory Use that is allowed by this Code, to a structure needing a Building Permit, which requires meeting all Building Codes and Engineering requirements for structures.
- e. Containers must meet all of the same setback requirements that are required for the primary structure on the property.
- f. Containers must be placed at the rear of the lot to reduce the visual prominence of the container.
- g. Containers must be painted a single color within 15 days of placement. The container color must be either the color of the primary/closest structure on-site or an earth tone consistent with the surrounding terrain.
- h. Containers must not be placed in retention basins or known flood areas.
- i. Containers must not occupy any required off-street parking space.
- j. Containers must not be stacked.
- k. No graffiti or signage is allowed on containers.
- l. Containers on properties along SR 89 and on corner lots must be screened from public view.
- m. Contractors may use containers in any zone for temporary storage of equipment and materials at a construction site during construction that is authorized by a Town of Chino Valley Building Permit. Such containers are allowed only for the duration of the Building Permit.
- n. Homeowners may use containers for temporary storage of equipment and materials during construction that is authorized by a Town of Chino Valley Building Permit. Such containers are allowed only for the duration of the Building Permit.

- o. No container is allowed to be in any zoning district not specifically authorized by this section.

D. CONTAINERS BY ZONING DISTRICT.

Table 4.32-1 below sets forth the number of metal storage containers allowed per zoning district.

Table 4.32-1 Containers by Zoning District		
Zoning District	Containers* Per Acre	Maximum Number
AR-36 Agricultural/Residential	1/acre	5 containers max.**
AR-5 Agricultural/Residential	1/acre	5 containers max.**
AR-4 Agricultural/Residential	1/acre	4 containers max.**
SR-2.5 Single-Family Residential	1/acre	2 containers max.**
SR-2 Single-Family Residential	1/acre	2 containers max.**
SR-1.6 Single-Family Residential	1/acre	1 container max.**
SR-1 Single-Family Residential	1/acre	1 container max.**
SR-0.16 Single-Family Residential	Prohibited	
SF-24,000 Single-Family Residential	Prohibited	
SF-12,000 Single-Family Residential	Prohibited	
MR-1 Multiple Family Residential – 1 acre min.	Requires a CUP	
MHP-4 Mobile Home Parks – 4 acre min.	Requires a CUP	
Along SR-89 CL – Commercial Light CH – Commercial Heavy I – Industrial	1/acre	1 container
Not on SR-89 CL – Commercial Light CH – Commercial Heavy I – Industrial	2/acre	2 containers
PL - Public Land	1/acre	1 container max.**
OS - Open Space/Resource Conservation	Requires a CUP	
PAD	Prohibited	
* All containers are limited to 40’ in length.		
** For properties larger than the minimum acreage in the zone: for every five acres above the base acreage in the zone, an additional 40’ container is allowed.		
Two 20-foot containers can be used in place of one 40’ container in all zones where containers are permitted.		
Property owners requesting more than the maximum number of containers can apply for a CUP.		

Section 3. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance or any part of the Amendments adopted herein is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 4. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Ordinance.

Section 5. Except as otherwise provided, any person found responsible for violating any provisions of this Ordinance shall be guilty of a civil violation, punishable by imposition of a civil sanction not to exceed \$500.00. Each day a violation continues shall be considered a separate violation. A person who commits a violation of this Ordinance after previously having been found responsible for committing two or more civil violations of this Ordinance within a 24-month period, whether by admission, by payment of the sanction, by default, or by judgment after hearing, shall be guilty of a class one misdemeanor.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 26th day of March, 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld P.L.C.

I hereby certify that the foregoing Ordinance No. 2024-943 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on March 26, 2024, and that quorum was present, and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY
Planning Commission Staff Report
March 5, 2024
File Number TA-2024-01
Text Amendment

PROJECT DESCRIPTION A request to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154, by adding Section 4.32 Metal Storage Containers.

Staff Analysis:

Metal Storage Containers continue to be an item of demand for securing personal items on larger parcels of land in Chino Valley.

The Unified Development Ordinance states that the UDO “may be amended, supplemented, changed, modified or repealed when deemed necessary to best serve the public interest, health, comfort, convenience, safety and general welfare of the citizens of the Town.” This current text amendment request from staff, is deemed necessary to best serve the public convenience and property safety. The proposal is to add a section to the General Regulations that defines metal storage containers and identifies which zones permit metal storage containers, how many containers are allowed on each lot, and other required provisions to ensure compatibility on-site and with neighboring properties.

The use of metal storage containers has been discussed between staff and Council for a number of years; most recently in 2020 and 2021. During that time period, the discussion centered around considering these units “structures”. There was much discussion involving a variety of ways to determine how much storage would be allowed on each individual lot with an effort to reduce over-regulation and to be fair in the application of the new rules.

Consideration of the use of Metal Storage Containers by the UDO Subcommittee, the Planning and Zoning Commission, and the Town Council included the following direction/discussion items during 2020 and 2021:

- **Number and Size:** How to determine the number and size of Containers on parcels:
 - SR-1 or greater with a one acre minimum.
 - Agricultural zones to have two Containers and residential zones to have one container.
 - Containers in commercial zones based on the square footage of the commercial building on site.
 - Number of Containers based on the parcel size.
 - By length or storage amounts, based on zoning classification.
 - Commercial properties - max.one-400 square foot Container per property.
 - 160 square feet of storage container for each 1000 square feet of building on commercial property.
 - For SR-1, SR-2, SR-2.5 zones: 1-20’ Container. For AR-4, AR-5 zones: 2-40’ Containers.
 - Allow up to 50% of the lot in Containers.
 - Number of Containers based on 1% of lot size.
 - Allow 3% of lot for Containers for off highway commercial and industrial (four 40’ Containers per acre), 1.5% for highway commercial (two 40’ Containers per acre). One 40’ Container for ½ acre commercial.
 - Allow 1% of lot for Containers in Residential zones.
 - Anyone could request more Containers than allowed, by applying for a CUP.

- Location: Where the Containers should be allowed to be placed on the lot:
 - Behind the main structure on-site.
 - Screened from public view.
 - In the rear of the parcel.
 - Anywhere.
 - 10' from property lines.
 - Same setbacks as primary structure.
 - Treat Containers like a permanent structure in regard to setbacks.
 - If in a special flood hazard or sheet flow area, units need to be anchored.
- Appearance: Container appearance/visibility:
 - Require Containers to be painted to match the main building or home on the lot.
 - Screen with walls or landscaping.
 - Buffer from neighboring properties.
 - No stacking Containers.
- Process: What review and approval process(es) should be required to place a Container on a lot?
 - CUP – Containers not a listed use in the code, so a CUP is the way to allow them.
 - Site Plan review – a more in-depth process to access the entire lot.
 - Land Use Permit - for setbacks, to ensure initial placement location is right for records/tracking,
 - Building Permit: required for all Containers as Containers are structures; only required for Containers over 200 square feet; required only if the Container is modified; required if connected to any other structure; required if modified for animal use.
- Alterations: Should alterations to the Containers be allowed:
 - Not allow any Container to be modified.
 - Allow ventilation but no plumbing.
 - Any Container, regardless of size, that was modified in any way other than painting, would require a building permit.
 - Not allow electricity or plumbing in any Container.
 - Electrical service for lighting with a building permit.
 - No electrical permits, as there were lighting options available that did not require electricity to the Containers.
- Include a sunset clause in the ordinance.
- Create a sticker system that shows the Container had gone through the appropriate process (which would make it easier for code enforcement).
- A Primary Use is required on-site for a Container, except for contractor lots in Heavy Commercial.
- Temporary containers are allowed with the issuance of a Building Permit and must be removed at Building Permit Final.

These dialog points reflect many viewpoints, some conflicting, on how best to approach the number, review, approval, and placement of Metal Storage Containers.

The prior years' discussions centered on Containers being structures. When Containers are considered structures, they are required to meet all the Building Codes, including being set on foundations, using tie-downs, calculating snow loads, and all the rest of the reviews and requirements that goes along with that designation, including building permit review times and permit fees. This pathway of considering Containers structures complicates a relatively simple solution.

Current staff thought, is to consider the Containers solely storage containers, as an Accessory Use. If we do that, and with NO alterations to the Container, this review and approval can be an over-the-counter same-day approval. Any alteration shifts the Container to the status of a structure and would be required to meet all Building Code and Engineering requirements for placement.

Development Standards

When allowed, Metal Storage Containers shall meet the following development standards:

- (1) Metal Storage Containers are for storage only. No human habitation or occupancy is allowed.
- (2) A primary use is required on the property in order for any Metal Storage Container to be allowed.
- (3) No modification of the Metal Storage Container is allowed, other than painting.
- (4) No addition of plumbing or electrical equipment is allowed.
- (5) Metal Storage Containers shall meet all setback requirements for the primary structure in the district.
- (6) Metal Storage Containers shall be placed at the rear of the lot to reduce the visual prominence of the container.
- (7) Metal Storage Containers shall be painted a single color within 15 days of placement. The container color shall be either the color of the primary/closest structure on-site, or an earth-tone consistent with the surrounding terrain.
- (8) Metal Storage Containers shall not be placed in retention basins or known flood areas.
- (9) Metal Storage Containers shall not occupy any required off-street parking space.
- (10) Metal Storage Containers shall not be stacked.
- (11) No graffiti or signage is allowed on Metal Storage Containers.
- (12) Metal Storage Containers on properties along SR 89 and properties on corner lots shall be screened from public view.
- (13) Contractors may use metal storage containers in any zone for temporary storage of equipment and/or materials at a construction site during construction that is authorized by a Town of Chino Valley building permit. The containers are allowed for the duration of the building permit.
- (14) Homeowners may use cargo containers for temporary storage of equipment and/or materials during construction that is authorized by a Town of Chino Valley building permit. The containers are allowed for the duration of the building permit.
- (15) No metal storage container is allowed to be in any district not specifically authorized by this ordinance.
- (16) An over-the-counter Land Use Permit is required.
- (17) Any alteration to a Metal Storage Container, including but not limited to cutting any openings, adding electrical or plumbing or ventilation, adding a roof structure, or making the unit habitable in any way, reclassifies the Container from an Accessory Use that is allowed by this code, to a structure needing a Building Permit, which requires meeting all Building Codes and Engineering requirements for structures.

It is important to take time and to apply thoughtful rules. With zoning, it is always wise to start small and increase incrementally. Once established, it is very challenging to pull back/reduce/change zoning rules to allow less. Therefore, staff will generally recommend a more cautious code change in order for the proposed change to take hold and for any possible impacts to be felt within the community. Impacts can be immediate, or they may take years.

Staff is recommending the following number of Containers per Zoning District:

Containers by Zoning District

Table 1

Zoning District	Containers per Acre	
AR-36 Agricultural/Residential	1-40'/acre	5 containers max.*
AR-5 Agricultural/Residential	1-40'/acre	5 containers max.*
AR-4 Agricultural/Residential	1-40'/acre	4 containers max.*
SR-2.5 Single Family Residential	1-40'/acre	2 containers max.*
SR-2 Single Family Residential	1-40'/acre	2 containers max.*
SR-1.6 Single Family Residential	1-40'/acre	1 container max.*
SR-1 Single Family Residential	1-40'/acre	1 container max.*
SF-24,000 Single Family Residential	Prohibited	
SF-12,000 Single Family Residential	Prohibited	
MR-1 Multiple Family Residential – 1 acre min	CUP	
MHP-4 Mobile Home Parks - 4 AC min.	CUP	
Along SR-89 CL – Commercial Light CH – Commercial Heavy I - Industrial	1-40'/acre	1 container
Not on SR-89 CL – Commercial Light CH – Commercial Heavy I - Industrial	2-40'/acre	2 containers
PL – Public Land	1-40'/acre	1 container max.*
OS - Open Space/Resource Conservation	CUP	
SR-0.16 Single Family Residential	Prohibited	
PAD	Prohibited	

* - For properties larger than the minimum acreage in the zone: for every 5 acres above the base acreage in the zone, an additional 40' container is allowed.

Two 20-foot containers can be used in place of one 40' container in all zones where permitted.

Property owners requesting more than the maximum # of containers can submit for a CUP.

Staff Recommendation:

Staff recommends **APPROVAL** of the text amendment to create Section 4.32 Metal Storage Containers, as reflected in the 17 Development Standards listed on page 3, and in Table 1, Containers by Zoning District, above.

**SUGGESTED
COMMISSION MOTION:**

Move to **APPROVE** Text Amendment TA-2024-01 as reflected in the 17 Development Standards listed on page 3, and in Table 1 “Containers by Zoning District”, as amended by the Commission, subject to the staff report, information provided during this hearing, and the Planning Commission discussion.

Effect of the Approval:

By approving the Text Amendment, the Planning and Zoning Commission is recommending that the Town Council approve the text amendment to provide the ability to place metal storage containers (cargo containers/conex boxes) on certain zoned and sized parcels of land in Chino Valley, subject to specific criteria.

Prepared By:

Laurie Lineberry, AICP
Development Services Director
llineberry@chinoaz.net
(928)636-4427, x1217

Date: February 20, 2024

March 5th, 2024

Minutes - Planning and Zoning

PUBLIC HEARING #D.3 – Case # TA-2024-01 — Metal Storage Containers - A request to amend the Town of Chino Valley Unified Development Ordinance, Chapter 154 Section 4 General Regulations, to create Section 4.32 – Metal Storage Containers.

Chair Merritt asked if anyone on the commission had a disclosure to declare regarding this project. There were none.

Development Service Director, **Laurie Lineberry** presented the staff report and stated that the Commission discussed this item at their February 6, 2024 study session and had been discussed for a number of years. Staff had researched minutes from all the Planning & Zoning Commission meetings, Town Council study sessions, and UDO Sub Committee meetings and provided the full range of comments and suggestions made at all of those meetings. They were reflected in the bullet points on page 1 and 2 of the staff report. Staff looked at Yavapai County standards per zoning designations. Counties generally have lesser standards than Towns and Cities. Staff's recommendations, considering all the comments on page 1 and 2 of the staff report, were shown on the chart. What was being proposed by staff was more lenient than the County standards. There were two directions the Town could take in considering the approval of cargo containers: 1. Consider them a structure and permit them like any other building in the Town, allowing alterations to the containers, or, 2. Consider them solely a metal storage container and not allow alterations. If not altered, building permits would not be needed. If someone were to alter the container, they would need a building permit, and the container would then be required to meet all building codes, engineering standards, electrical, etc. If allowed just as a metal storage container the request for a container would be processed by a simple land use permit, an over-the-counter process and staff would go out and check for setbacks and painting after 15 days. **Lineberry** went over the development standards on the staff report and stated the item would go to Town Counsel at end of the month.

Chair Merritt asked if the Commission had any questions for staff.

Switzer stated he had a recommendation, since the County normally has less restrictions, that on 1-acre and 1.6-acre parcels within the Town, to only allow one 10 or 20-foot container. He felt that a 40-foot container was pretty big for a one-acre lot.

Lineberry stated it could be a motion the Commission could make to change that standard and that staff would pass it on to the Town Council as the Commission's recommendation.

Penn stated he believed for 1-acre lots, no storage container should be allowed.

Lineberry stated that the Commission needed to discuss it, and whatever the Commission agreed to as a group, that would be what the staff would bring forward to Town Counsel.

Penn stated he believed even on a 2-acre lot, two containers was overkill; one container was more than sufficient, aesthetically, he felt two containers was too much.

Switzer stated he would adjust his as well, one 10-foot container on 1-acre, one 20-foot container on 1.6-acre and one 40-foot on 2-acres.

Meadors stated she liked the draft as written.

Chair Merritt opened the meeting for public comments. There were none.

Chair Merritt closed the public hearing.

Motion was made by Meadors, seconded by Pasciak to approve TA-2024-01, as presented,

subject to the staff report and information provided during the hearing.

Merritt recapped the changes proposed earlier in the meeting: SR-1 one 10-foot container, SR-1.6 one 20-foot container, SR-2 one 40-foot container.

Switzer stated if Commission agreed with those, then he would propose altering AR-4 as well.

Merritt suggested a maximum of three containers, and more would need to be discussed before allowed.

Switzer stated more than these could ask for a CUP.

Lineberry concurred about the CUP.

Merritt stated he agreed but does not like a lot of CUP's. To recap the discussion, SR-1 would get one 10-foot container, SR-1.6 would get one 20-foot container, SR-2 would get one 40-foot container, SR-2.5 would get two max 40-foot containers, SR-4 would get three max 40-foot containers, higher acres would get a maximum of five containers with possibility of more through a CUP. The Commission agreed.

Lineberry stated she made notes of all the changes.

Meadors stated she wanted the discussion as an amendment and wanted a vote on the amendment.

Merritt called for a Motion on the amendments as listed.

Switzer stated he believes the SR-1 and SR-1.6 should be allowed one 20-foot container.

Merritt - to recap again, SR-1 would get one 20-foot container, SR-1.6 would get one 20-foot container, SR-2 would get one 40-foot container, SR-2.5 would get two max 40-foot containers, SR-4 would get three max 40-foot containers.

Pasciak stated he believed what staff originally proposed was adequate.

Merritt asked for a consensus.

Zamudio stated he liked what was written by staff, that it should stay the same.

Switzer stated he liked the amendments.

Meadors stated as presented by staff.

Pasciak stated as presented by staff.

Penn stated on SR-2.5, he would like to see one 40-foot container max.

Welker stated as presented by staff.

Merritt stated he believed what staff presented was adequate.

Merritt suggested sticking with the staff proposal and to let the Town Counsel massage it more, if they chose.

A vote was taken and the motion passed with a 5-2 vote with Switzer and Penn voting nay, for reasons stated in the discussion of the case.

4.0 General Regulations

4.32 Metal Storage Container Regulations

A. Purpose

B. Containers by Zoning District

C. General Requirements and Development Standards

ORDINANCE NO. 2024-

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ADOPTING THE AMENDMENTS TO THE TOWN OF CHINO VALLEY UNIFIED DEVELOPMENT ORDINANCE AMENDING THE CODE OF THE TOWN OF CHINO VALLEY, ARIZONA, TITLE XV, LAND USAGE, CHAPTER 154, UNIFIED DEVELOPMENT ORDINANCE, BY AMENDING CERTAIN PROVISIONS OF CHAPTER 4 BY ADDING SECTION 4.32 METAL STORAGE CONTAINER REGULATIONS.

WHEREAS, The Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to amend the Chino Valley Town Code, Title XV, Land Usage, Chapter 154, Unified Development Ordinance of the Town of Chino Valley (the "UDO"), Section 4, General Regulations, by creating section 4.32 "Metal Storage Container Regulations"; and

WHEREAS, the Town Council has determined that the Text Amendment is not in conflict with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or any other plan; and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Constitution of Arizona, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this ordinance; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

Section 1. The recitals above are hereby incorporated as if fully set forth herein.

Section 2. The UDO section 4.32 (Metal Storage Container Regulations) is here by created as follows:

4.32 METAL STORAGE CONTAINER REGULATIONS

A. PURPOSE

B. CONTAINERS BY ZONING DISTRICT

C. GENERAL REQUIREMENTS AND DEVELOPMENT STANDARDS

I

Section 3. All ordinances and parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

Section 4. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 5. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 26th day of March, 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Gust Rosenfeld PLC, Town Attorney
By: Andrew J. McGuire

I hereby certify the above foregoing Ordinance No. 2024-*** was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on March 26, 2024, and that quorum was present, and that the vote thereon was _____ ayes and _____ nays and _____ abstentions. Council members were absent or excused.

Erin N. Deskins, Town Clerk



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6f
MEETING DATE: 3/26/2024
CONTACT PERSON: Terri Denemy, Assistant to the Town Manager
ITEM TYPE: Consent Item

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 2024-1247 disbanding and dissolving the Roads and Streets Committee and the Water and Utilities Subcommittee; and adopt Resolution No. 2024-1248 establishing a Capital Improvement Program Citizen's Advisory Committee.

SUMMARY:

These two infrastructure-related committees comprised of Council members and citizens have served the Town well over the years by providing useful input on infrastructure-related projects and budgets. As the Town's budget process evolves and a more formal Capital Improvement Program is established, staff recommends the efforts of those committees be redirected through the establishment of a Capital Improvement Program Citizens' Advisory Committee (CIPCAC).

Town staff, in a coordinated effort led by the Town Manager, Finance Director, and Public Works Director, are working to develop a comprehensive Capital Improvement Program (CIP) that is reviewed and approved by Council as part of the annual budget process. Development of a formal CIP is vital in properly planning for and funding the Town's short- and long-term infrastructure needs. Previously, Council approved a contract with a consultant to develop an Integrated Water Master Plan (IWMP) with Water and Wastewater CIP recommendations. This is an important step in validating that the base assumptions and cost allocations in the CIP presented to Council are viable and sound. That consultant's work product and recommendations will not be completed for inclusion in this year's budget process but will be integrated into the FY25-26 Budget CIP recommendations. Another important component of a well-developed and vetted CIP is the inclusion of a stakeholder / constituent review and input piece which staff seeks to achieve through the establishment of the CIPCAC.

The CIPCAC will provide constituents with the opportunity to provide valuable input on the Town of Chino Valley's CIP in accordance with the Town's values of safety, integrity, honesty, transparency, and communication. The responsibility of this committee will be to become familiar with and advise the Town Council, through staff, on the Town's annual Capital Improvement Program during the Town's annual budget process.

This new committee will be appointed by Council through recommendation of the Council Appointments Subcommittee and be comprised of citizens who reside, do business in, or have a purposeful connection to the area served by the Town's water, sewer, and streets infrastructure.

The resolution will also require records of the committees to be kept and/or destroyed pursuant to the Town and State records retention policies and regulations.

PREVIOUS ACTION:

N/A

STAFF RECOMMENDATION:

Adopt Resolution No. 2024-1247 disbanding and dissolving the Roads and Streets Committee and the Water and Utilities Subcommittee; and adopt Resolution No. 2024-1248 establishing a Capital Improvement Program Citizen's Advisory Committee.

FISCAL IMPACT?

None.

ATTACHMENTS:

-
-
- | | |
|----|---|
| 1. | RES 2024-1247 - Disbanding Roads and Streets Committee |
| 2. | RES 2024-1248 - Establishing the Capital Improvement Program Citizen's Advisory Committee |
| 3. | CIPCAC BYLAWS 2024 |
-
-

RESOLUTION NO. 2024-1247

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, DISBANDING THE ROADS AND STREETS COMMITTEE AND THE WATER AND UTILITIES SUBCOMMITTEE; AND PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS.

WHEREAS, in 2001, the Mayor and Town Council of the Town of Chino Valley (the "Town Council") established the Water and Utilities Subcommittee to review and make recommendations to the Town Council regarding water resources and other utility matters; and

WHEREAS, in 2009, the Town Council established the Roads and Streets Advisory Board through Resolution No. 09-916 to advise the Town Council on road and street improvements, maintenance, and funding matters and renamed it in 2011 to the Roads and Streets Committee through Resolution No. 11-976; and

WHEREAS, the Town Council finds that the Roads and Streets Committee and the Water and Utilities Subcommittee (together, the "Committees") can be consolidated, and their efforts redirected to better meet the Town's needs; and

WHEREAS, the Town Council further finds that the Committees are no longer needed.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Committees are hereby disbanded, and all their members are relieved of their responsibilities.

SECTION 3. All resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

(SIGNATURES FOLLOW)

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 26th day of March 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify that the above foregoing Resolution No. 2024-1247 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 26, 2024, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

RESOLUTION NO. 2024-1248

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, ESTABLISHING THE CAPITAL IMPROVEMENT PROGRAM CITIZEN'S ADVISORY COMMITTEE AND ADOPTING BYLAWS FOR ITS GOVERNANCE.

WHEREAS, a comprehensive capital improvement program ("CIP") that is reviewed and approved as part of the annual budget process of the Town of Chino Valley (the "Town") is needed to properly plan for and fund the Town's short- and long-term infrastructure needs; and

WHEREAS, to this end, the Mayor and Town Council of the Town of Chino Valley (the "Town Council") desire advice and recommendations from a knowledgeable and representative group of residents regarding infrastructure planning and funding activities in the Town; and

WHEREAS, the Town Council therefore seeks to establish the Capital Improvement Program Citizen's Advisory Committee to act in an advisory capacity regarding the Town's CIP during the Town's annual budget process.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Capital Improvement Program Citizen's Advisory Committee (the "Committee") is hereby established.

SECTION 3. The Committee's bylaws are hereby approved in substantially the form and substance attached hereto as Exhibit A and incorporated herein by reference.

SECTION 4. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

(SIGNATURES FOLLOW)

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 26th day of March 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld P.L.C.

I hereby certify that the above foregoing Resolution No. 2024-1248 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 26, 2024, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

**EXHIBIT A
TO
RESOLUTION 2024-1248**

[Capital Improvement Program Citizen's Advisory Committee Bylaws]

See following pages.

**TOWN OF CHINO VALLEY
CAPITAL IMPROVEMENT PROGRAM CITIZEN'S ADVISORY COMMITTEE**

BYLAWS

Section 1: Purpose

The mission of the Capital Improvement Program Citizens' Advisory Committee (CIPCAC) is to advise and make recommendations through staff to the Chino Valley Town Council during the Town's annual budget process. The Committee provides constituents the opportunity to participate in the development of the Town of Chino Valley Capital Improvement Program (CIP) in accordance with the Town values of safety, integrity, honesty, transparency, and communication.

Section 2: Organization and Responsibilities

- A. The responsibility of the Committee shall be to become familiar with and advise the Town Council, through staff, on the Town's annual Capital Improvement Program.
- B. The Committee's advice and recommendations shall take into consideration the infrastructure needs of all members of the Chino Valley community who rely on water, sewer, and street services, including residents, landowners, businesses, and visitors traveling to or through Chino Valley.
- C. The Committee shall provide input on capital improvement project needs, prioritizing short-term, mid-term, and long-term projects against available funding.

Section 3: Membership

- A. The Committee shall consist of no less than five and no more than seven members, appointed by the Town Council on the recommendation of the Council Appointments Subcommittee. Each member shall serve a term of two years, expiring June 30th. For the initial term, three out of five members shall serve a two-year term, and two out of five members shall serve a one-year term to allow for alternating years. Should the Committee consist of seven members, four out of seven members shall serve a two-year term, and three out of seven shall serve a one-year term. An appointment to fill a vacant seat where there is an unexpired term shall be for the remainder of the term of the vacant seat to which the member is appointed.
- B. A majority of the Committee shall constitute a quorum.
- C. Members of the Committee serve at the pleasure of the Council and may be removed with or without cause.
- D. Persons eligible to serve as Committee members shall reside, do business in, or have a purposeful connection to the area served by the Town's water, sewer, and streets infrastructure.
- E. Town employees are not eligible to serve as Committee members.
- F. Committee members shall be bound by the Town Code, Title III, Chapter 35 Code of Ethics, and by all other provisions of Federal, State, and local laws.

Section 4: Officers

- A. Officers of the Committee shall be a Chair and Vice-Chair
- B. The Committee shall elect the Chair and Vice-Chair at their first initial meeting and shall serve a one-year term or until the successor officers are duly elected. If an Officer position becomes vacant during the term, an election shall be conducted at the next Regular or Special Committee meeting to fill the position for the remainder of the term.
- C. In the absence or incapacity of the Chair, the Vice-Chair shall assume the duties of the Chair. In the absence or incapacity of both the Chair and Vice-Chair, the Staff Liaison shall call the meeting to order, and the Committee shall elect one of their members to serve as Acting Chair.

Section 5: Meetings of the Committee

The Committee shall meet annually during the budget creation process; the day, time, and place of such meeting(s) are to be set by Town Staff and communicated at least 36 hours in advance to committee members.

Section 6: Staff Liaison(s)

Staff Liaisons to the CIPAC shall minimally be the Town Manager, the Finance Director, and the Public Works Director. The Town Manager shall designate a primary contact point for committee members for communicating meetings and agendas and for collating committee input for the Council.

Section 7: Resignations

- A. Committee member who wishes to resign shall submit the resignation in writing to the Town Manager's Office stating the effective date of the resignation.
- B. Upon receipt, the resignation shall immediately be forwarded to the Town Clerk, who will work with the Council Appointments Subcommittee to make a recommendation for Council action to appoint a new Committee member.

TOWN OF CHINO VALLEY
CAPITAL IMPROVEMENT PROGRAM ADVISORY COMMITTEE

BYLAWS

Section 1: Purpose

The mission of the Capital Improvement Program Citizens' Advisory Committee (CIPCAC) is to advise and make recommendations through staff to the Chino Valley Town Council during the Town's annual budget process. The Capital Improvement Program Citizens' Advisory Committee (CIPCAC) provides constituents the opportunity to participate in the development of the Town of Chino Valley Capital Improvement Program (CIP) to in accordance with the Town values of safety, integrity, honesty, transparency, and communication.

Section 2: Organization and Responsibilities

- A. The responsibility of the Committee shall be to become familiar with and advise the Town Council, through staff, on the Town's annual Capital Improvement Program.
- B. The Committee's advice and recommendations shall take into consideration the infrastructure needs of all members of the Chino Valley community who rely on water, sewer, and street services, including residents, landowners, businesses, and visitors traveling to or through Chino Valley.
- C. The Committee shall provide input on capital improvement project needs, prioritizing short-term, mid-term, and long-term projects against available funding.

Section 3: Membership

- A. The Committee shall consist of no less than five (5) and no more than seven (7) members, appointed by the Town Council on the recommendation of the Council Appointments Subcommittee. Each member shall serve a term of two (2) years, expiring June 30th. For the initial term, 3 out of 5 members shall serve a two-year term, and 2 out of 5 members shall serve a one-year term to allow for alternating years. Should the Committee consist of seven members, 4 out of 7 members shall serve a two-year term, and 3 out of 7 shall serve a one-year term. An appointment to fill a vacant seat where there is an unexpired term shall be for the remainder of the term of the vacant seat to which the member is appointed.
- B. A majority of the Committee shall constitute a quorum.
- C. Members of the Committee serve at the pleasure of the Council and may be removed with or without cause.
- D. Persons eligible to serve as Committee members shall reside, do business in, or have a purposeful connection to the area served by the Town's water, sewer, and streets infrastructure.

- E. Town employees are not eligible to serve as Committee members.
- F. Committee members shall be bound by the Town Code, Title III, Chapter 35 Code of Ethics, and by all other provisions of Federal, State, and local laws. Section 4: Officers
 - A. Officers of the Committee shall be a Chair and Vice-Chair
 - B. The Chair and Vice-Chair shall be elected by the Committee at their first initial meeting and shall serve a one-year term or until the successor officers are duly elected. If an Officer position becomes vacant during the term, an election shall be conducted at the next Regular or Special Committee meeting to fill the position for the remainder of the term.
 - C. In the absence or incapacity of the Chair, the Vice-Chair shall assume the duties of the Chair. In the absence or incapacity of both the Chair and Vice-Chair, the Staff Liaison shall call the meeting to order, and the Committee shall elect one of their members to serve as Acting Chair.

Section 5: Meetings of the Committee

The Committee shall meet annually during the budget creation process; the day, time, and place of such meeting(s) to be set by Town Staff and communicated at least 36 hours in advance to committee members.

Section 6: Staff Liaison(s)

Staff Liaisons to the CIPAC shall minimally be the Town Manager, the Finance Director, and the Public Works Director. The Town Manager shall designate a primary contact point for committee members for communicating meetings and agendas and for collating committee input for Council.

Section 7: Resignations

- A. A Committee member who wishes to resign shall submit the resignation in writing to the Town Manager's Office stating the effective date of the resignation.
- B. Upon receipt the resignation shall immediately be forwarded to the Town Clerk, who will work with the Council Appointments Subcommittee to make a recommendation for Council action to appoint a new Committee member.



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 6g
MEETING DATE: 3/26/2024
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Second public hearing regarding Resolution No. 2024-1243, proposing an extension to the alternative expenditure limitation - Home Rule option.

SUMMARY:

The Alternative Expenditure Limitation, often referred to as "Home Rule," is a provision within the state of Arizona that allows cities and towns to adopt a local alternative expenditure limitation in place of the state-imposed expenditure limitation. This concept is rooted in Arizona's efforts to control government spending and ensure fiscal responsibility, while also recognizing the unique needs and circumstances of individual municipalities.

Under the state-imposed expenditure limitation, which was approved by Arizona voters in 1980 through a constitutional amendment, the amount of money that cities and towns can spend each year is limited based on a formula that factors in population growth and inflation. This was designed to prevent government spending from growing faster than the economy or the ability of taxpayers to fund it. The state formula doesn't take into account the growth in services provided by the municipality.

Recognizing that this one-size-fits-all approach might not suit the needs of all municipalities, there are two primary alternatives that allow a city or town to ask its voters to approve a local expenditure limit that is more in line with its specific needs, plans, and circumstances. This local limit can be higher than the state-imposed limit, giving municipalities the flexibility to fund projects and services that are important to their communities without being constrained by the state formula:

- Permanent Base Adjustment - permanently adjusts the base amount utilized in the state-imposed formula, must be approved by the voters.
- Alternative Expenditure Limitation (Home Rule option) - allows the limit to be in excess of the state limit for a four-year period, must be approved by the voters.

The Town currently operates under the Home Rule option, which was originally approved in 1985 and has been extended every four years since. The Town's current Home Rule option expires after FY 2024-2025. Staff prepared the financial analysis required by state law prior to placing the question before the voters. These documents include a summary analysis, a summary analysis worksheet, and a detailed analysis. These analyses contain the calculations for determining the state-imposed limitation and the projected alternative expenditure limitation under the Home Rule option for FY 2025-2026, FY 2026-2027, FY 2027-2028, and FY 2028-2029.

The Home Rule option requires two public hearings, followed by the approval of a resolution (Resolution No. 2024-1243) to place the Home Rule extension proposal on the July 30, 2024 ballot.

PREVIOUS ACTION:

At the March 12, 2024 regular Council meeting, the first public hearing on Resolution No. 2024-1243 was held.

STAFF RECOMMENDATION:

Hold second public hearing on Resolution No. 2024-1243.

FISCAL IMPACT?

On approval by Council and approval by the voters, the Town would be allowed to use the alternative expenditure limitation. This allows the limit to be set each year as part of the regular budget process. As budgets must be balanced, expenditures are limited by the revenues expected to be available.

Should Council not approve the resolution, the item will not be placed on the ballot and the Town's expenditure limitation will revert back to the state-imposed limitation. The state-imposed formula would have the undesirable result of limiting needed expenditures even though revenues were available.

ATTACHMENTS:

-
- | | |
|----|---|
| 1. | RES 2024-1243 Home Rule - English |
| 2. | Res 2024-1243 Home Rule - SPANISH |
| 3. | 2024 Home Rule Summary Analysis Worksheet - Preliminary |
| 4. | Detailed Analysis - Preliminary |
| 5. | Summary Analysis - Preliminary |
-

RESOLUTION NO. 2024-1243

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, PROPOSING AN EXTENSION OF THE ALTERNATIVE EXPENDITURE LIMITATION AND REFERRING IT TO THE VOTERS OF THE TOWN OF CHINO VALLEY, ARIZONA.

WHEREAS, the Article IX, Section 20, Subsection 9, of the Arizona State Constitution permits the Mayor and Council of the Town of Chino Valley ("Town Council") to submit to the voters of the Town of Chino Valley (the "Town") an alternative expenditure limitation; once approved, such alternative expenditure limitation is effective for the succeeding four years; and

WHEREAS, the voters of the Town of Chino Valley first approved an alternative expenditure limitation in 1985 and have, every four years thereafter, approved an alternative expenditure limitation; the most recent voter approval occurred in 2020; and

WHEREAS, the alternative expenditure limitation approved by the voters in 2020 expires on June 30, 2025; and

WHEREAS, the Town Council, after two public hearings, has determined that the continuation of an alternative expenditure limitation is necessary for the Town.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona as follows:

SECTION 1. The Recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The alternative expenditure limitation shall be submitted to the Chino Valley voters for extension, as follows:

SHALL THE FOLLOWING BE ADOPTED BY THE TOWN OF CHINO VALLEY AS AN ALTERNATIVE EXPENDITURE LIMITATION:

"THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY SHALL ANNUALLY, AS PART OF THE ANNUAL BUDGET ADOPTION PROCESS, ADOPT AN ALTERNATIVE EXPENDITURE LIMITATION EQUAL TO THE TOTAL AMOUNT OF BUDGETED EXPENDITURES/EXPENSES AS IT APPEARS ON THE ANNUAL BUDGET AS ADOPTED BY THE COUNCIL. THIS ALTERNATIVE EXPENDITURE LIMITATION SHALL INCLUDE ALL EXCLUSIONS PERMITTED BY ARTICLE 9, SECTION 20 OF THE ARIZONA CONSTITUTION, AND SHALL APPLY TO THE TOWN OF CHINO VALLEY FOR EACH OF THE FOUR FISCAL YEARS IMMEDIATELY FOLLOWING ADOPTION OF THE ALTERNATIVE EXPENDITURE LIMITATION. THE ALTERNATIVE EXPENDITURE LIMITATION SHALL BE ADOPTED EACH YEAR AFTER A PUBLIC HEARING AT WHICH THE CITIZENS OF THE TOWN OF CHINO VALLEY MAY COMMENT ON THE PROPOSED ALTERNATIVE EXPENDITURE LIMITATION. NO EXPENDITURES MAY BE MADE IN VIOLATION OF SUCH ALTERNATIVE EXPENDITURE LIMITATION, NOR MAY ANY PROPOSED EXPENDITURES BE IN EXCESS OF ESTIMATED AVAILABLE REVENUES, EXCEPT THAT THE MAYOR AND THE COMMON COUNCIL MAY, BY THREE-

FOURTHS VOTE, DECLARE AN EMERGENCY AND SUSPEND THE ALTERNATIVE EXPENDITURE LIMITATION. THE SUSPENSION OF THE ALTERNATIVE EXPENDITURE LIMITATION SHALL BE IN EFFECT FOR ONLY ONE FISCAL YEAR AT A TIME.”

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution, including publication of a notice in the manner and at the times set forth in ARIZ. REV. STAT. § 41-563.01.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 26th day of March, 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, P.L.C.

I hereby certify the above foregoing Resolution No. 2024-1243 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 26, 2024, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

RESOLUCIÓN N° 2024-1243

UNA RESOLUCIÓN DEL ALCALDE Y EL CONCEJO MUNICIPAL DEL PUEBLO DE CHINO VALLEY, ARIZONA, QUE PROPONE UNA EXTENSIÓN DE LA LIMITACIÓN DE GASTOS ALTERNATIVA Y QUE LA REMITE A LOS VOTANTES DEL PUEBLO DE CHINO VALLEY, ARIZONA

CONSIDERANDO QUE, la subsección 9 de la sección 20 del artículo IX de la Constitución estatal de Arizona permite al alcalde y el concejo municipal del Pueblo de Chino Valley ("Concejo Municipal") a presentar a los electores del Pueblo de Chino Valley (el "Pueblo") una alternativa limitación de gastos; una vez aprobada, dicha limitación de gastos alternativa permanece vigente para los siguientes cuatro años; y

CONSIDERANDO QUE, los electores del Pueblo de Chino Valley aprobaron por primera vez una limitación de gastos alternativa en 1985 y, desde entonces, cada cuatro años han aprobado una limitación de gastos alternativa; la aprobación de los votantes más reciente se produjo en 2020; y

CONSIDERANDO QUE, la limitación de gastos alternativa aprobada por los votantes en 2020 se vencerá el 30 de junio de 2025; y

CONSIDERANDO QUE, después de dos reuniones abiertas al público, el Concejo Municipal ha determinado que una extensión de la limitación de gastos alternativa es necesaria para el Pueblo;

POR LO TANTO, SE RESUELVE por el alcalde y el Concejo Municipal del Pueblo de Chino Valley, Arizona, como sigue:

SECCIÓN 1. Los considerandos anteriores quedan incorporados como si fueran plenamente establecidos en el presente documento.

SECCIÓN 2. La limitación de gastos alternativa será presentada a los electores de Chino Valley para extensión como sigue:

DEBERÁ EL PUEBLO DE CHINO VALLEY ADOPTAR LO QUE SIGUE COMO UNA LIMITACIÓN DE GASTOS ALTERNATIVA:

"CADA AÑO EL ALCALDE Y EL CONCEJO MUNICIPAL DEL PUEBLO DE CHINO VALLEY, COMO PARTE DEL PROCESO ANUAL DE ADOPTAR EL PRESUPUESTO, DEBERÁN ADOPTAR UNA LIMITACIÓN DE GASTOS ALTERNATIVA IGUAL A LA CANTIDAD TOTAL DE LOS GASTOS/COSTOS PRESUPUESTADOS COMO APARECE EN EL PRESUPUESTO ANUAL COMO SE HAYA ADOPTADO POR EL CONCEJO. ESTA LIMITACIÓN DE GASTOS ALTERNATIVA INCLUIRÁ TODAS LAS EXCLUSIONES PERMITIDAS POR LA SECCIÓN 20 DEL ARTÍCULO IX DE LA CONSTITUCIÓN ESTATAL Y SE APLICARÁ AL PUEBLO DE CHINO VALLEY PARA CADA UNO DE LOS CUATRO AÑOS FISCALES INMEDIATAMENTE DESPUÉS DE ADOPTAR LA LIMITACIÓN DE GASTOS ALTERNATIVA. LA LIMITACIÓN DE GASTOS ALTERNATIVA SE DEBERÁ ADOPTAR CADA AÑO DESPUÉS DE UNA

REUNIÓN ABIERTA AL PÚBLICO EN LA CUAL LOS CIUDADANOS DEL PUEBLO DE CHINO VALLEY PUEDAN COMENTAR SOBRE LA PROPUESTA LIMITACIÓN DE GASTOS ALTERNATIVA. NO SE PERMITIRÁ NINGÚN GASTO EN VIOLACIÓN DE DICHA LIMITACIÓN DE GASTOS ALTERNATIVA, NI SE PERMITIRÁ CUALQUIER GASTO PROPUESTO EN EXCESO DE LOS INGRESOS CALCULADOS DISPONIBLES, CON LA EXCEPCIÓN DE QUE EL ALCALDE Y EL CONCEJO PUEDAN, POR UN VOTO DE TRES CUARTOS, DECLARAR UNA EMERGENCIA Y SUSPENDER LA LIMITACIÓN DE GASTOS ALTERNATIVA. DICHA SUSPENSIÓN DE LA LIMITACIÓN DE GASTOS ALTERNATIVA PERMANECERÁ VIGENTE POR SÓLO UN AÑO FISCAL A LA VEZ”.

SECCIÓN 3. Si cualquier sección, subsección, frase, cláusula, expresión o porción de la presente Resolución sea, por cualquier razón, considerada no válida o inconstitucional por la decisión de un tribunal de jurisdicción competente, tal determinación no afectará la validez de las partes restantes de la misma.

SECCIÓN 4. El alcalde, el administrador municipal, la secretaria municipal y el abogado para el municipio quedan autorizados y dirigidos a adoptar todas las medidas necesarias para llevar a cabo el propósito y la intención de la presente Resolución, incluida la publicación de una notificación en la forma y en los horarios establecidos en la ley estatal, ARIZ. REV. STAT. § 41-563.01.

APROBADA Y ADOPTADA por el Alcalde y el Concejo Municipal del Pueblo de Chino Valley, Arizona este 26 de marzo de 2024.

Jack W. Miller, Alcalde

DOY FE:

Erin N. Deskins, Secretaria Municipal

APROBADA EN CUANTO A LA FORMA:

Andrew J. McGuire, Abogado para el Municipio
Gust Rosenfeld, P.L.C.

Por la presente certifico que la anteriormente mencionada Resolución No. 2024-1243 fue debidamente aprobada por el Concejo Municipal del Pueblo de Chino Valley, Arizona, en una reunión ordinaria celebrada el 26 de marzo de 2024 y que estaba presente un quórum allí y que el voto sobre la misma fue _____ a favor y _____ en contra y _____ abstenciones. _____ miembros del Concejo estaban ausentes o dispensados.

Erin N. Deskins, Secretaria Municipal

ALTERNATIVE EXPENDITURE LIMITATION

Home Rule Option

SUMMARY ANALYSIS WORKSHEET

POPULATION FACTOR COMPUTATION					
Fiscal Year:	Prior Year Population	÷	1978 Population	=	Population Factor
2025-2026	13,833	÷	2,400	=	5.7638
2026-2027	14,230	÷	2,400	=	5.9292
2027-2028	14,527	÷	2,400	=	6.0529
2028-2029	14,799	÷	2,400	=	6.1663

STATE-IMPOSED EXPENDITURE LIMITATION											
Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor*	=	Projected State-Imposed Expenditure Limitation	+	Estimated Exclusions	=	Total Expenditures Under State-Imposed Limit
2025-2026	\$255,094	x	5.7638	x	3.7559	=	\$5,522,340	+	\$7,625,373	=	\$13,147,713
2026-2027	\$255,094	x	5.9292	x	3.8340	=	\$5,798,938	+	\$7,502,663	=	\$13,301,601
2027-2028	\$255,094	x	6.0529	x	3.9135	=	\$6,042,673	+	\$7,224,901	=	\$13,267,574
2028-2029	\$255,094	x	6.1663	x	3.9933	=	\$6,281,406	+	\$7,293,671	=	\$13,575,077

*As of the November 20, 2023 Expenditure Limit Inflation Factors provided by the Arizona Department of Revenue.

ALTERNATIVE EXPENDITURE LIMITATION

Home Rule Option

DETAILED ANALYSIS

Pursuant to the Arizona State Constitution, the Town of Chino Valley as authorized by Resolution No. 2024-1243 passed on March 26, 2024 will seek voter approval to adopt an alternative expenditure limitation (Home Rule Option) to apply to the Town for the next four years beginning in Fiscal Year 2025-2026.

Under a Home Rule Option if approved by the voters, the Town estimates it will be allowed to expend approximately \$28,566,807 in Fiscal Year 2025-2026, \$28,656,906 in Fiscal Year 2026-2027, \$29,332,224 in Fiscal Year 2027-2028, and \$30,923,840 in Fiscal Year 2028-2029.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including general government, grant fund expenditures, public safety, community services (parks, recreation, aquatics, library, senior center), municipal court, development services (planning, building, and code enforcement), public works (engineering, fleet, and facilities), roads, water and sewer utilities, capital improvements, and debt service. We estimate that the expenditures for the next four years under the Home Rule Option will be as follows:

ESTIMATED AMOUNTS TO BE EXPENDED IN SPECIFIC AREAS

Purpose	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
General Government	\$3,972,753	\$4,089,642	\$4,245,230	\$4,576,334
Grant Fund Expenditures	3,500,000	3,500,000	3,500,000	3,500,000
Public Safety	5,485,304	5,668,019	5,907,436	6,418,139
Community Services	2,033,556	2,089,733	2,158,275	2,303,189
Municipal Court	430,470	444,647	463,247	502,928
Development Services	1,383,595	1,428,333	1,486,339	1,609,914
Public Works	2,976,971	3,062,581	3,168,805	3,393,872
Roads	1,235,998	1,281,406	1,328,654	1,377,819
Water and Sewer Utilities	2,838,002	2,790,342	2,514,502	2,578,547
Capital Improvements	3,435,400	3,088,401	3,338,402	3,438,403
Debt Service	1,274,758	1,213,802	1,221,334	1,224,695
Total Expenditures	\$28,566,807	\$28,656,906	\$29,332,224	\$30,923,840

If approved, the expenditures authorized will be funded from revenues obtained from federal, state and local sources. It is estimated that the amount of revenue from each source for the next four years will be as follows:

ESTIMATED AMOUNTS OF REVENUE FROM EACH AND ANY SOURCE

Source	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
Federal	\$ 3,225,000	\$ 3,225,000	\$ 3,225,000	\$ 3,225,000
State	7,688,668	7,914,136	8,195,385	8,601,814
Local	18,114,167	18,451,343	18,986,238	19,924,763
Total Revenues	\$29,027,835	\$29,590,479	\$30,406,623	\$31,751,577

PAGE 2
ALTERNATIVE EXPENDITURE LIMITATION
DETAILED ANALYSIS

In determining the revenue sources to fund the authorized additional expenditures under the alternative expenditure limitation, it is assumed that the federal, state and local revenues received by the Town will continue to be available in FY 2025-2026 as they have for the past four (4) years.

Their continued availability is also assumed for the next three (3) consecutive years following FY 2025-2026.

Any and all dollar figures shown in this analysis are estimated figures only and are based upon information available at the time of preparation of this report. The budgets and actual expenditures in any given year may be more or less than the figures noted above depending on available revenues. The actual expenditure limitation for each fiscal year shall be adopted as an integral part of the budget for that fiscal year.

If no Alternative Expenditure Limitation is approved, the State-imposed expenditure limitation will apply to the town.

ALTERNATIVE EXPENDITURE LIMITATION

Home Rule Option

SUMMARY ANALYSIS

(The voters of the Town of Chino Valley in 2020 adopted an Alternative Expenditure Limitation–Home Rule Option. The purpose of this election is for the continued use of the Home Rule Option.)

Pursuant to the Arizona State Constitution, the Town of Chino Valley seeks voter approval to adopt an Alternative Expenditure Limitation–Home Rule Option to apply to the town for the next four years beginning in Fiscal Year 2025-2026. Under the Home Rule Option, if approved by the voters, the town estimates it will be allowed to expend approximately \$28,566,807 in Fiscal Year 2025-2026, \$28,656,906 in Fiscal Year 2026-2027, \$29,332,224 in Fiscal Year 2027-2028, and \$30,923,840 in Fiscal Year 2028-2029.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including general government, grant fund expenditures, public safety, community services (parks, recreation, aquatics, library, senior center), municipal court, development services (planning, building, and code enforcement), public works (engineering, fleet, and facilities), roads, water and sewer utilities, capital improvements, and debt service.

Under the State-imposed limitation the town estimates it would be allowed to expend approximately \$13,147,713 in Fiscal Year 2025-2026, \$13,301,601 in Fiscal Year 2026-2027, \$13,267,574 in Fiscal Year 2027-2028, and \$13,575,077 in Fiscal Year 2028-2029 for the operation of your local government. These expenditure estimates include expenditures of any Constitutionally excludable revenues.

The amount of revenue estimated to be available to fund the operation of your town government is \$29,027,835 in Fiscal Year 2025-2026, \$29,590,479 in Fiscal Year 2026-2027, \$30,406,623 in Fiscal Year 2027-2028, and \$31,751,577 in Fiscal Year 2028-2029. These revenue estimates are the same under either the Home Rule Option or the State-imposed expenditure limitation.

All dollar amounts presented in this summary are estimates based upon the information available when the analysis was prepared. The budget and actual expenditures in any year may be more or less than the expenditures noted above depending on available revenues.

If no Alternative Expenditure Limitation is approved, the State-imposed expenditure limitation will apply to the town.



TOWN COUNCIL AGENDA ITEM STAFF REPORT

AGENDA ITEM # 2
MEETING DATE: 3/26/2024
CONTACT PERSON: Katie Pehl, Finance Director
ITEM TYPE: Action Item

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 2024-1243, proposing an extension to the alternative expenditure limitation - Home Rule option.

SUMMARY:

The Alternative Expenditure Limitation, often referred to as "Home Rule," is a provision within the state of Arizona that allows cities and towns to adopt a local alternative expenditure limitation in place of the state-imposed expenditure limitation. This concept is rooted in Arizona's efforts to control government spending and ensure fiscal responsibility, while also recognizing the unique needs and circumstances of individual municipalities.

Under the state-imposed expenditure limitation, which was approved by Arizona voters in 1980 through a constitutional amendment, the amount of money that cities and towns can spend each year is limited based on a formula that factors in population growth and inflation. This was designed to prevent government spending from growing faster than the economy or the ability of taxpayers to fund it. The state formula doesn't take into account the growth in services provided by the municipality.

Recognizing that this one-size-fits-all approach might not suit the needs of all municipalities, there are two primary alternatives that allow a city or town to ask its voters to approve a local expenditure limit that is more in line with its specific needs, plans, and circumstances. This local limit can be higher than the state-imposed limit, giving municipalities the flexibility to fund projects and services that are important to their communities without being constrained by the state formula:

- Permanent Base Adjustment - permanently adjusts the base amount utilized in the state-imposed formula, must be approved by the voters.
- Alternative Expenditure Limitation (Home Rule option) - allows the limit to be in excess of the state limit for a four-year period, must be approved by the voters.

The Town currently operates under the Home Rule option, which was originally approved in 1985 and has been extended every four years since. The Town's current Home Rule option expires after FY 2024-2025. Staff prepared the financial analysis required by state law prior to placing the question before the voters. These documents include a summary analysis, summary analysis worksheet, and a detailed analysis. These analyses contain the calculations for determining the state-imposed limitation and the projected alternative expenditure limitation under the Home Rule option for FY 2025-2026, FY 2026-2027, FY 2027-2028, and FY 2028-2029.

The Home Rule option requires two public hearings, followed by the approval of a resolution (Resolution No. 2024-1243) to place the Home Rule extension proposal on the July 30, 2024 ballot.

PREVIOUS ACTION:

At the March 12, 2024 regular Council meeting, the first public hearing on Resolution No. 2024-1243 was held. At the March 26, 2024 regular Council meeting, the second public hearing on Resolution No. 2024-1243 was held.

STAFF RECOMMENDATION:

Approve Resolution No. 2024-1243, placing the alternative expenditure limitation - home rule option on the July 30, 2024 ballot.

FISCAL IMPACT?

On approval by Council and approval by the voters, the Town would be allowed to use the alternative expenditure limitation. This allows the limit to be set each year as part of the regular budget process. As budgets must be balanced, expenditures are limited by the revenues expected to be available.

Should Council not approve the resolution, the item will not be placed on the ballot and the Town's expenditure limitation will revert back to the state-imposed limitation. The state-imposed formula would have the undesirable result of limiting needed expenditures even though revenues were available.

ATTACHMENTS:

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- | | |
|----|---|
| 1. | RES 2024-1243 Home Rule-English |
| 2. | Res 2024-1243 Home Rule SPANISH |
| 3. | 2024 Home Rule Summary Analysis Worksheet - Preliminary |
| 4. | Detailed Analysis - Preliminary |
| 5. | Summary Analysis - Preliminary |
-

RESOLUTION NO. 2024-1243

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, PROPOSING AN EXTENSION OF THE ALTERNATIVE EXPENDITURE LIMITATION AND REFERRING IT TO THE VOTERS OF THE TOWN OF CHINO VALLEY, ARIZONA.

WHEREAS, the Article IX, Section 20, Subsection 9, of the Arizona State Constitution permits the Mayor and Council of the Town of Chino Valley ("Town Council") to submit to the voters of the Town of Chino Valley (the "Town") an alternative expenditure limitation; once approved, such alternative expenditure limitation is effective for the succeeding four years; and

WHEREAS, the voters of the Town of Chino Valley first approved an alternative expenditure limitation in 1985 and have, every four years thereafter, approved an alternative expenditure limitation; the most recent voter approval occurred in 2020; and

WHEREAS, the alternative expenditure limitation approved by the voters in 2020 expires on June 30, 2025; and

WHEREAS, the Town Council, after two public hearings, has determined that the continuation of an alternative expenditure limitation is necessary for the Town.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona as follows:

SECTION 1. The Recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The alternative expenditure limitation shall be submitted to the Chino Valley voters for extension, as follows:

SHALL THE FOLLOWING BE ADOPTED BY THE TOWN OF CHINO VALLEY AS AN ALTERNATIVE EXPENDITURE LIMITATION:

"THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY SHALL ANNUALLY, AS PART OF THE ANNUAL BUDGET ADOPTION PROCESS, ADOPT AN ALTERNATIVE EXPENDITURE LIMITATION EQUAL TO THE TOTAL AMOUNT OF BUDGETED EXPENDITURES/EXPENSES AS IT APPEARS ON THE ANNUAL BUDGET AS ADOPTED BY THE COUNCIL. THIS ALTERNATIVE EXPENDITURE LIMITATION SHALL INCLUDE ALL EXCLUSIONS PERMITTED BY ARTICLE 9, SECTION 20 OF THE ARIZONA CONSTITUTION, AND SHALL APPLY TO THE TOWN OF CHINO VALLEY FOR EACH OF THE FOUR FISCAL YEARS IMMEDIATELY FOLLOWING ADOPTION OF THE ALTERNATIVE EXPENDITURE LIMITATION. THE ALTERNATIVE EXPENDITURE LIMITATION SHALL BE ADOPTED EACH YEAR AFTER A PUBLIC HEARING AT WHICH THE CITIZENS OF THE TOWN OF CHINO VALLEY MAY COMMENT ON THE PROPOSED ALTERNATIVE EXPENDITURE LIMITATION. NO EXPENDITURES MAY BE MADE IN VIOLATION OF SUCH ALTERNATIVE EXPENDITURE LIMITATION, NOR MAY ANY PROPOSED EXPENDITURES BE IN EXCESS OF ESTIMATED AVAILABLE REVENUES, EXCEPT THAT THE MAYOR AND THE COMMON COUNCIL MAY, BY THREE-

FOURTHS VOTE, DECLARE AN EMERGENCY AND SUSPEND THE ALTERNATIVE EXPENDITURE LIMITATION. THE SUSPENSION OF THE ALTERNATIVE EXPENDITURE LIMITATION SHALL BE IN EFFECT FOR ONLY ONE FISCAL YEAR AT A TIME.”

SECTION 3. If any section, subsection, sentence, clause, phrase or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution, including publication of a notice in the manner and at the times set forth in ARIZ. REV. STAT. § 41-563.01.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 26th day of March, 2024.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, P.L.C.

I hereby certify the above foregoing Resolution No. 2024-1243 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on March 26, 2024, and that quorum was present thereat and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

RESOLUCIÓN N° 2024-1243

UNA RESOLUCIÓN DEL ALCALDE Y EL CONCEJO MUNICIPAL DEL PUEBLO DE CHINO VALLEY, ARIZONA, QUE PROPONE UNA EXTENSIÓN DE LA LIMITACIÓN DE GASTOS ALTERNATIVA Y QUE LA REMITE A LOS VOTANTES DEL PUEBLO DE CHINO VALLEY, ARIZONA

CONSIDERANDO QUE, la subsección 9 de la sección 20 del artículo IX de la Constitución estatal de Arizona permite al alcalde y el concejo municipal del Pueblo de Chino Valley ("Concejo Municipal") a presentar a los electores del Pueblo de Chino Valley (el "Pueblo") una alternativa limitación de gastos; una vez aprobada, dicha limitación de gastos alternativa permanece vigente para los siguientes cuatro años; y

CONSIDERANDO QUE, los electores del Pueblo de Chino Valley aprobaron por primera vez una limitación de gastos alternativa en 1985 y, desde entonces, cada cuatro años han aprobado una limitación de gastos alternativa; la aprobación de los votantes más reciente se produjo en 2020; y

CONSIDERANDO QUE, la limitación de gastos alternativa aprobada por los votantes en 2020 se vencerá el 30 de junio de 2025; y

CONSIDERANDO QUE, después de dos reuniones abiertas al público, el Concejo Municipal ha determinado que una extensión de la limitación de gastos alternativa es necesaria para el Pueblo;

POR LO TANTO, SE RESUELVE por el alcalde y el Concejo Municipal del Pueblo de Chino Valley, Arizona, como sigue:

SECCIÓN 1. Los considerandos anteriores quedan incorporados como si fueran plenamente establecidos en el presente documento.

SECCIÓN 2. La limitación de gastos alternativa será presentada a los electores de Chino Valley para extensión como sigue:

DEBERÁ EL PUEBLO DE CHINO VALLEY ADOPTAR LO QUE SIGUE COMO UNA LIMITACIÓN DE GASTOS ALTERNATIVA:

"CADA AÑO EL ALCALDE Y EL CONCEJO MUNICIPAL DEL PUEBLO DE CHINO VALLEY, COMO PARTE DEL PROCESO ANUAL DE ADOPTAR EL PRESUPUESTO, DEBERÁN ADOPTAR UNA LIMITACIÓN DE GASTOS ALTERNATIVA IGUAL A LA CANTIDAD TOTAL DE LOS GASTOS/COSTOS PRESUPUESTADOS COMO APARECE EN EL PRESUPUESTO ANUAL COMO SE HAYA ADOPTADO POR EL CONCEJO. ESTA LIMITACIÓN DE GASTOS ALTERNATIVA INCLUIRÁ TODAS LAS EXCLUSIONES PERMITIDAS POR LA SECCIÓN 20 DEL ARTÍCULO IX DE LA CONSTITUCIÓN ESTATAL Y SE APLICARÁ AL PUEBLO DE CHINO VALLEY PARA CADA UNO DE LOS CUATRO AÑOS FISCALES INMEDIATAMENTE DESPUÉS DE ADOPTAR LA LIMITACIÓN DE GASTOS ALTERNATIVA. LA LIMITACIÓN DE GASTOS ALTERNATIVA SE DEBERÁ ADOPTAR CADA AÑO DESPUÉS DE UNA

REUNIÓN ABIERTA AL PÚBLICO EN LA CUAL LOS CIUDADANOS DEL PUEBLO DE CHINO VALLEY PUEDAN COMENTAR SOBRE LA PROPUESTA LIMITACIÓN DE GASTOS ALTERNATIVA. NO SE PERMITIRÁ NINGÚN GASTO EN VIOLACIÓN DE DICHA LIMITACIÓN DE GASTOS ALTERNATIVA, NI SE PERMITIRÁ CUALQUIER GASTO PROPUESTO EN EXCESO DE LOS INGRESOS CALCULADOS DISPONIBLES, CON LA EXCEPCIÓN DE QUE EL ALCALDE Y EL CONCEJO PUEDAN, POR UN VOTO DE TRES CUARTOS, DECLARAR UNA EMERGENCIA Y SUSPENDER LA LIMITACIÓN DE GASTOS ALTERNATIVA. DICHA SUSPENSIÓN DE LA LIMITACIÓN DE GASTOS ALTERNATIVA PERMANECERÁ VIGENTE POR SÓLO UN AÑO FISCAL A LA VEZ”.

SECCIÓN 3. Si cualquier sección, subsección, frase, cláusula, expresión o porción de la presente Resolución sea, por cualquier razón, considerada no válida o inconstitucional por la decisión de un tribunal de jurisdicción competente, tal determinación no afectará la validez de las partes restantes de la misma.

SECCIÓN 4. El alcalde, el administrador municipal, la secretaria municipal y el abogado para el municipio quedan autorizados y dirigidos a adoptar todas las medidas necesarias para llevar a cabo el propósito y la intención de la presente Resolución, incluida la publicación de una notificación en la forma y en los horarios establecidos en la ley estatal, ARIZ. REV. STAT. § 41-563.01.

APROBADA Y ADOPTADA por el Alcalde y el Concejo Municipal del Pueblo de Chino Valley, Arizona este 26 de marzo de 2024.

Jack W. Miller, Alcalde

DOY FE:

Erin N. Deskins, Secretaria Municipal

APROBADA EN CUANTO A LA FORMA:

Andrew J. McGuire, Abogado para el Municipio
Gust Rosenfeld, P.L.C.

Por la presente certifico que la anteriormente mencionada Resolución No. 2024-1243 fue debidamente aprobada por el Concejo Municipal del Pueblo de Chino Valley, Arizona, en una reunión ordinaria celebrada el 26 de marzo de 2024 y que estaba presente un quórum allí y que el voto sobre la misma fue _____ a favor y _____ en contra y _____ abstenciones. _____ miembros del Concejo estaban ausentes o dispensados.

Erin N. Deskins, Secretaria Municipal

ALTERNATIVE EXPENDITURE LIMITATION

Home Rule Option

SUMMARY ANALYSIS WORKSHEET

POPULATION FACTOR COMPUTATION					
Fiscal Year:	Prior Year Population	÷	1978 Population	=	Population Factor
2025-2026	13,833	÷	2,400	=	5.7638
2026-2027	14,230	÷	2,400	=	5.9292
2027-2028	14,527	÷	2,400	=	6.0529
2028-2029	14,799	÷	2,400	=	6.1663

STATE-IMPOSED EXPENDITURE LIMITATION											
Fiscal Year	1979-80 Base Limit	x	Population Factor	x	Inflation Factor*	=	Projected State-Imposed Expenditure Limitation	+	Estimated Exclusions	=	Total Expenditures Under State-Imposed Limit
2025-2026	\$255,094	x	5.7638	x	3.7559	=	\$5,522,340	+	\$7,625,373	=	\$13,147,713
2026-2027	\$255,094	x	5.9292	x	3.8340	=	\$5,798,938	+	\$7,502,663	=	\$13,301,601
2027-2028	\$255,094	x	6.0529	x	3.9135	=	\$6,042,673	+	\$7,224,901	=	\$13,267,574
2028-2029	\$255,094	x	6.1663	x	3.9933	=	\$6,281,406	+	\$7,293,671	=	\$13,575,077

*As of the November 20, 2023 Expenditure Limit Inflation Factors provided by the Arizona Department of Revenue.

ALTERNATIVE EXPENDITURE LIMITATION

Home Rule Option

DETAILED ANALYSIS

Pursuant to the Arizona State Constitution, the Town of Chino Valley as authorized by Resolution No. 2024-1243 passed on March 26, 2024 will seek voter approval to adopt an alternative expenditure limitation (Home Rule Option) to apply to the Town for the next four years beginning in Fiscal Year 2025-2026.

Under a Home Rule Option if approved by the voters, the Town estimates it will be allowed to expend approximately \$28,566,807 in Fiscal Year 2025-2026, \$28,656,906 in Fiscal Year 2026-2027, \$29,332,224 in Fiscal Year 2027-2028, and \$30,923,840 in Fiscal Year 2028-2029.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including general government, grant fund expenditures, public safety, community services (parks, recreation, aquatics, library, senior center), municipal court, development services (planning, building, and code enforcement), public works (engineering, fleet, and facilities), roads, water and sewer utilities, capital improvements, and debt service. We estimate that the expenditures for the next four years under the Home Rule Option will be as follows:

ESTIMATED AMOUNTS TO BE EXPENDED IN SPECIFIC AREAS

Purpose	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
General Government	\$3,972,753	\$4,089,642	\$4,245,230	\$4,576,334
Grant Fund Expenditures	3,500,000	3,500,000	3,500,000	3,500,000
Public Safety	5,485,304	5,668,019	5,907,436	6,418,139
Community Services	2,033,556	2,089,733	2,158,275	2,303,189
Municipal Court	430,470	444,647	463,247	502,928
Development Services	1,383,595	1,428,333	1,486,339	1,609,914
Public Works	2,976,971	3,062,581	3,168,805	3,393,872
Roads	1,235,998	1,281,406	1,328,654	1,377,819
Water and Sewer Utilities	2,838,002	2,790,342	2,514,502	2,578,547
Capital Improvements	3,435,400	3,088,401	3,338,402	3,438,403
Debt Service	1,274,758	1,213,802	1,221,334	1,224,695
Total Expenditures	\$28,566,807	\$28,656,906	\$29,332,224	\$30,923,840

If approved, the expenditures authorized will be funded from revenues obtained from federal, state and local sources. It is estimated that the amount of revenue from each source for the next four years will be as follows:

ESTIMATED AMOUNTS OF REVENUE FROM EACH AND ANY SOURCE

Source	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
Federal	\$ 3,225,000	\$ 3,225,000	\$ 3,225,000	\$ 3,225,000
State	7,688,668	7,914,136	8,195,385	8,601,814
Local	18,114,167	18,451,343	18,986,238	19,924,763
Total Revenues	\$29,027,835	\$29,590,479	\$30,406,623	\$31,751,577

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ALTERNATIVE EXPENDITURE LIMITATION
DETAILED ANALYSIS

In determining the revenue sources to fund the authorized additional expenditures under the alternative expenditure limitation, it is assumed that the federal, state and local revenues received by the Town will continue to be available in FY 2025-2026 as they have for the past four (4) years.

Their continued availability is also assumed for the next three (3) consecutive years following FY 2025-2026.

Any and all dollar figures shown in this analysis are estimated figures only and are based upon information available at the time of preparation of this report. The budgets and actual expenditures in any given year may be more or less than the figures noted above depending on available revenues. The actual expenditure limitation for each fiscal year shall be adopted as an integral part of the budget for that fiscal year.

If no Alternative Expenditure Limitation is approved, the State-imposed expenditure limitation will apply to the town.

ALTERNATIVE EXPENDITURE LIMITATION

Home Rule Option

SUMMARY ANALYSIS

(The voters of the Town of Chino Valley in 2020 adopted an Alternative Expenditure Limitation–Home Rule Option. The purpose of this election is for the continued use of the Home Rule Option.)

Pursuant to the Arizona State Constitution, the Town of Chino Valley seeks voter approval to adopt an Alternative Expenditure Limitation–Home Rule Option to apply to the town for the next four years beginning in Fiscal Year 2025-2026. Under the Home Rule Option, if approved by the voters, the town estimates it will be allowed to expend approximately \$28,566,807 in Fiscal Year 2025-2026, \$28,656,906 in Fiscal Year 2026-2027, \$29,332,224 in Fiscal Year 2027-2028, and \$30,923,840 in Fiscal Year 2028-2029.

With approval of the Home Rule Option, the town will utilize the expenditure authority for all local budgetary purposes including general government, grant fund expenditures, public safety, community services (parks, recreation, aquatics, library, senior center), municipal court, development services (planning, building, and code enforcement), public works (engineering, fleet, and facilities), roads, water and sewer utilities, capital improvements, and debt service.

Under the State-imposed limitation the town estimates it would be allowed to expend approximately \$13,147,713 in Fiscal Year 2025-2026, \$13,301,601 in Fiscal Year 2026-2027, \$13,267,574 in Fiscal Year 2027-2028, and \$13,575,077 in Fiscal Year 2028-2029 for the operation of your local government. These expenditure estimates include expenditures of any Constitutionally excludable revenues.

The amount of revenue estimated to be available to fund the operation of your town government is \$29,027,835 in Fiscal Year 2025-2026, \$29,590,479 in Fiscal Year 2026-2027, \$30,406,623 in Fiscal Year 2027-2028, and \$31,751,577 in Fiscal Year 2028-2029. These revenue estimates are the same under either the Home Rule Option or the State-imposed expenditure limitation.

All dollar amounts presented in this summary are estimates based upon the information available when the analysis was prepared. The budget and actual expenditures in any year may be more or less than the expenditures noted above depending on available revenues.

If no Alternative Expenditure Limitation is approved, the State-imposed expenditure limitation will apply to the town.