MINUTES OF THE REGULAR MEETING
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

TUESDAY, MAY 24, 2016
6:00 P.M.

The Town Council of the Town of Chino Valley, Arizona, met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, May 24, 2016.

Present: Mayor Chris Marley; Vice-Mayor Darryl Croft; Councilmember Mike Best; Councilmember Susie Cuka; Councilmember Jack Miller; Councilmember Corey Mendoza; Councilmember Lon Turner

Staff Present: Town Manager Robert Smith; Assistant Town Manager Cecilia Grittman; Town Attorney Phyllis Smiley; Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Officer Stephen Angel; Public Works Director/Town Engineer Michael Lopez; Development Services Director Ruth Mayday; GIS/CAD/Web Technician (Videographer) Jan Mazy; Town Clerk Assistant Amy Pyeatt-Lansa; Town Clerk Jami Lewis (recorder)

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

Mayor Marley called the meeting to order at 6:01 p.m.

Mayor Marley led the Pledge of Allegiance.

(Councilmember Miller arrived at 6:03 p.m.)

(Town Attorney Phyllis Smiley participated via Skype.)

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a) Proclamation declaring May 27-28, 2016 as "Poppy Days," sponsored by the American Legion Auxiliary. (Mayor Marley)

Mayor Marley read the proclamation and presented it to Auxiliary representative, Liz Piper.

b) Presentation by Yavapai County Assessor, Pam Pearsall, about the Property Tax Assistance Program offered by Yavapai County. (Cecilia Grittman, Assistant Town Manager)

Ms. Pearsall spoke about property tax assistance programs for widows, widowers, disabled persons, and seniors.

c) Presentation by Mark Garman and Lee Davis of National Bank of Arizona regarding the final transaction details of the contract to refinance the 2007A GADA obligations. (Joe Duffy, Finance Director)

Mr. Duffy introduced Mr. Garman who spoke about this transaction saving the Town $360,000 over 10 years.

3) CALL TO THE PUBLIC

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 encouraged. Individuals are limited to speak for three (3) minutes. 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.

Ron Romley, Chairman of the Board, Yavapai Regional Transit (YRT), spoke about the YRT program to transport children from Paulden to the Chino Valley pool this summer.

Lee Paul, resident, spoke humorously about medical marijuana in Chino Valley being contaminated by tumbleweeds.

4) RESPONSE TO THE PUBLIC

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

a) Comments in support of the Council's decision regarding public prayer.

Mayor Marley reported that the Council's decision regarding the invocation maintained the constitutional rights of the Council and the public, as well as preserved the sanctity of the invocation.

5) 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, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

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

Councilmember Turner reported on the Town's 4th of July event.

Councilmember Best reported on the May 31 Public Safety Subcommittee meeting to discuss the dog ordinance.

Mayor Marley reported on the Town's outreach to local business owners regarding the sign code update project.

b) Status report by Town Manager Robert Smith regarding Town accomplishments, and current or upcoming projects.

Mr. Smith reported on where to find more information regarding the sign code update project.

c) Progress update regarding Economic Development Administration Grant, Environmental Protection Agency Grant Appropriation, and Center Street Sewer Project. (Ruth Mayday, Development Services Director; Michael Lopez, Public Works Director/Town Engineer)

Ms. Mayday and Mr. Lopez presented the status of these projects:

- *Grants related to extending infrastructure for the Old Home Manor Industrial Park:* The bid was awarded in March; 100% plans to be complete in August; and construction to be between October 2016 and June 2017.
- *EPA Clean Water Grant to connect infrastructure from Road 2 North to Perkinsville for the Industrial Park:* Currently undergoing environmental review; and construction to be between April 2017 and June 2017.
- *Center Street sewer extension:* Currently at 30% of right-of-way and connections review, with construction to be complete by year-end.
- *Agribusiness overlay district:* Currently undergoing legal review; citizen review to be in June; Council approval scheduled for July.

6) CONSENT AGENDA

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve consent agenda items a, b, c, d, e and f.

Vote: 7 - 0 PASSED - Unanimously

a) Consideration and possible action to approve agreement between the Town of Chino Valley and the Friends of the Library, a 501 (c) 3 corporation, for construction and dedication of addition to the Town of Chino Valley Library, effective 5/24/2016. (Cecilia Grittman, Assistant Town Manager)

b) Consideration and possible action to adopt Ordinance No. 16-818 amending the Town Code Title XI Business Regulations, Chapter 114 Cable Television, Section 114.45 License Payments, Paragraph (A) to amend the percentage related to the license fee. (Cecilia Grittman, Assistant Town Manager)

c) Consideration and possible action to adopt Resolution No. 16-1083, approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2016/2017, pursuant to Section 48-616, Arizona Revised Statutes, as amended; setting a date for public hearing on the proposed statements and estimates as approved; and providing for notice of the hearing and publication of the proposed statements and estimates of the expenses of the districts which shall be provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the districts. Approval will create a levy to pay for street lighting within the CVSLID street lighting districts. The districts are accounted for in a separate fund by the Town. (Joe Duffy, Finance Director)

d) Consideration and possible action to to approve Resolution No. 16-1087, accepting the dedication of right-of-way of certain real property located approximately at the intersection of Road 4 South and Peavine. (Phyllis Smiley, Town Attorney)

e) Consideration and possible action to accept the April 19, 2016 study session minutes. (Jami Lewis, Town Clerk)

f) Consideration and possible action to accept the April 26, 2016 regular meeting minutes. (Jami Lewis, Town Clerk)

7) **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 first amendment to the Final Plat of the Mollie Rae Subdivision, located in the North 1/2 of Section 28, Township 16 North, Range 2 West. (Ruth Mayday, Development Services Director)

Recommended Action: Staff recommends approval of the First Amendment of the Final Plat of the Mollie Rae Subdivision.

Ms. Mayday reported that:

- Council approved the Mollie Rae plat in 2008; to date, four houses had been built and six were under construction.
- Proposed plat amendments were to: strike sprinkler requirements as determined by the fire marshal, and strike mandated sewer connections for those with an existing septic system per Ordinance 16-815.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Mike Best to approve the First Amendment of the Final Plat of the Mollie Rae Subdivision.

Vote: 7 - 0 PASSED - Unanimously

b) Consideration and possible action to approve Resolution No. 16-1082, approving a Tentative Budget for the fiscal year 2016-2017 and proposed expenditure limitation for the same year, in the amount of $21,738,500; and setting a public hearing date of June 28, 2016 on the adoption of the final budget. (Joe Duffy, Finance Director)

Recommended Action: Approve Resolution No. 16-1082, approving a Tentative Budget and proposed expenditure limitation for FY 2016-2017, in the amount of $21,738,500 and setting June 28, 2016 as the date for the public hearing on adoption of the final budget for FY 2016-2017.

Mr. Duffy reviewed:

- The budget process.
- Interdepartmental charges, and a proposal to depict them by fund level rather than department level.
- Interfund transfers.

Budget Highlights

- *FY 15/16 compared to FY 16/17:* Other than a 9% decrease in one item, next year's budget was mostly status quo.

- *General Fund:* The fund balance will increase by $423,000 and will also exceed reserve requirements.
- *Highway User Revenue Fund:* The Town will receive a one-time HURF revenue of $34,000, but the fund was still severely underfunded.
- *Capital Improvements:* This fund included a $2 million buffer in case of grant(s) and had a fund balance higher than anticipated.
- *Water:* Staff budgeted for a loss in the current FY, but it had a profit of $52,000. The fund will operate at a loss next year and included a $2 million buffer.
- *Sewer:* The fund will operate at a loss for next year due to improvements, but will be in the black thereafter.
- *Department increases:* Staff moved Paycom from non-departmental to Human Resources, and added the following: elections to the Town Clerk's budget; additional automation to MIS; Police recruitment advertising to Human Resources; an additional officer to Police Department; a one-half position to Recreation; and repairs and replacements to Sewer.

MOVED by Vice-Mayor Darryl Croft, seconded by Councilmember Jack Miller to approve Resolution No. 16-1082, approving a Tentative Budget and proposed expenditure limitation for FY 2016-2017, in the amount of $21,738,500 and setting June 28, 2016 as the date for the public hearing on adoption of the final budget for FY 2016-2017.

Vote: 7 - 0 PASSED - Unanimously

8) EXECUTIVE SESSION

Council may vote to recess the Regular Meeting and hold an executive session, which will not be open to the public, for the following purposes.

9) ACTION ITEMS RESUMED

After the Executive Session, Council will reconvene the Regular Meeting.

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Councilmember Mike Best to adjourn the meeting at 6:55 p.m.

Vote: 7 - 0 PASSED - Unanimously

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, 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 24th day of May, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 28th day of June, 2016.

Jami C. Lewis, Town Clerk