

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

**TUESDAY, JANUARY 24, 2017
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, January 24, 2017.

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

Absent: Councilmember Annie Lane; Councilmember Lon Turner

Staff Interim Town Manager Cecilia Gritman; Town Attorney Trish Stuhan (via conference phone);

Present: Finance Director Joe Duffy; Human Resources Director Laura Kyriakakis; Public Works Director/Town Engineer Michael Lopez; GIS/CAD/Web Technician Jan Mazy (videographer); Town Clerk Assistant Amy Pyeatt-Lansa; Town Clerk Jami Lewis (recorder)

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

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

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Proclamation declaring February 2017 as "Career and Technical Education Month," sponsored by the Association for Career and Technical Education.

Mayor Croft read the proclamation and presented it to several teachers and students from the high school's on-campus career and technical education (CTE) programs. District Superintendent John Scholl spoke about the importance of CTE courses to the Town and school district.

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.

Dave Mazy, local business owner, spoke in opposition to the tax reduction for manufactured housing sales and in favor of reducing the tax rate overall, as it was difficult to make a living here and local businesses contributed to and sponsored many civic, charitable, and quality of life activities.

Craig Brown, Yavapai County District 4 Supervisor, spoke about public outreach regarding the North Connector road study, and a community meeting and presentation before Council in

February.

Gary Warren, local business owner, spoke in support of reducing the Town's sales tax rate to make it more competitive with the region.

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 regarding the manufactured homes sales tax reduction approved on December 13, 2016.

Councilmembers reported on reasons why they supported the sales tax reduction:

- Loss of manufactured home sales businesses and revenue. The rate for manufactured housing negatively affected other businesses, as well.
- The Town was working to improve economic development and stimulate the economy, using creative means where possible, in order to be able to expand the tax reduction to other sectors.
- This was a hopeful start and Council will revisit the matter in two years to see how the reduction affected sales tax revenues.

Councilmember Miller stated that he voted against the reduction due to opposition he heard from the public.

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.

Mayor Croft reported that the January 31 Council/staff retreat would be open to the public, but not open to public comment.

Councilmember Mendoza reported on the 30th annual Transit Conference and how ADOT was securing funding for local highway improvements.

- b) Status report by Interim Town Manager Cecilia Gritman and/or Town staff members regarding Town accomplishments, and current or upcoming projects.

Ms. Gritman corrected an error in the newspaper regarding building permits: In the last six months, there had been 241 total permits, 64 of which were housing starts.

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 Mike Best, seconded by Councilmember Jack Miller to approve consent agenda items 6a, 6b and 6c.

Vote: 5 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve the Declaration of Right-of-Way by the Town of Chino Valley, for the creation of public right-of-way along a portion of Road 1 West, approximately 450 feet north of Road 1 North. (Michael Lopez, Public Works Director/Town Engineer)
- b) Consideration and possible action to appoint William Welker and Tom Armstrong to Regular positions on the Planning and Zoning Commission for 3-year terms starting February 1, 2017 per recommendation of the Appointments Subcommittee. (Jami Lewis, Town Clerk)
- c) Consideration and possible action to reappoint Gary Pasciak and Charles Merritt to Regular positions on the Planning and Zoning Commission for 3-year terms beginning February 1, 2017; and reappoint Gwen Rowitsh as Alternate Commissioner for a 1-year term beginning February 1, 2017. (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) Public Hearing and possible action regarding application from Daniel French/ShopKo Stores Operating Co., LLC, for a new Series 10 (Beer and Wine Store) Liquor License for ShopKo Hometown, located at 1950 N. Highway 89, Chino Valley. (Jami Lewis, Town Clerk)

Recommended Action: (i) Hold Public Hearing and (ii) recommend approval for a new Series 10 Liquor License for ShopKo Hometown.

Staff report summary: A Series 10 Liquor License allowed a retail store to sell beer and wine, only in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. Staff posted the establishment according to regulation and did not receive any arguments in favor of or in opposition to the application.

Mayor Croft opened the public hearing.

No one from the public spoke.

Mayor Croft closed the public hearing.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to recommend approval for a new Series 10 Liquor License for ShopKo Hometown.

Vote: 5 - 0 PASSED - Unanimously

- b) Consideration and possible action to to approve change order 1 to Professional Services Agreement with Lyon Engineering Inc., in the amount of \$32,890.00, relating to the Center Street Sewer Main Extension Project, to utilize all the funds available from WIFA, including the forgivable principle, by adding 2,500 lineal feet of 12-inch sewer main improvements down south Road 1 West to serve two multifamily residential properties consisting of approximately 100 accounts. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve change order number 1 to Professional Services Agreement with Lyon Engineering Inc. in the amount of \$32,890.00.

Mr. Lopez reported that:

- When engineering estimates for the Center Street Sewer Project fell short of the initial loan, WIFA approved additional funding, along with a large amount of forgivable principle.
- When the bids received were far below the engineer's estimate, staff looked for ways to expand the project to pick up more accounts.
- The original project was designed to prepare for future extension to multi-family parcels south on Road 1 West. Staff reached out to two of those property owners, both of whom supported the project. This change order will authorize Lyon to design the new extension.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Corey Mendoza to approve change order number 1 to Professional Services Agreement with Lyon Engineering Inc. in the amount of \$32,890.00.

Vote: 5 - 0 PASSED - Unanimously

- c) Consideration and possible action to approve change order number 1 to the contract with Earth Resources Corporation, in the amount of \$298,506.45, relating to the Center Street Sewer Main Extension project, to utilize all the funds available from WIFA, including the forgivable principle, by adding 2,500 lineal feet of 12-inch sewer main improvements down south Road 1 West to serve two multifamily residential properties consisting of approximately 100 accounts. (Michael Lopez, Public Works Director/Town Engineer)

Recommended Action: Approve change order number 1 to Earth Resources Corporation's contract in the amount of \$298,506.45.

Mr. Lopez reported that:

- This item was for the same addition to the Center Street sewer project in item 7b, authorizing a change order with Earth Resources, rather than going out for separate bid. Earth Resources had agreed to use the current pricing for the change order.
- While staff's in-house estimate and the contracts were about \$700 apart, funds were available to cover the difference, if needed. Staff was comfortable with Earth Resources and hoped the initial project would be complete by early March. Due to weather-related issues, some extra days were allowed for the change order.
- Staff hoped the additional 100 plus accounts would allow the Town to reduce the sewer rates.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Corey Mendoza to approve change order number 1 to Earth Resources Corporation's contract in the amount of \$298,506.45.

Vote: 5 - 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.

MOVED by Vice-Mayor Mike Best, seconded by Councilmember Jack Miller to go into executive session at 6:36 p.m.

Vote: 5 - 0 PASSED - Unanimously

- a) An executive session pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider its position and instruct the Town Attorney regarding the Town's position in pending litigation or in settlement discussions conducted in order to resolve litigation in the matter of Town v. The Glenarm Land Company, Inc., et al. (Phyllis Smiley, Town Attorney)

9) ACTION ITEMS RESUMED

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

Mayor Croft reconvened the regular meeting at 6:47 p.m. He reported that Council discussed some items with the attorney and made no decisions.

10) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Vice-Mayor Mike Best to adjourn the meeting at 6:47 p.m.

Vote: 5 - 0 PASSED - Unanimously


Darryl L. Croft, 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 January, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of February, 2017.



Jami C. Lewis, Town Clerk