

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

**TUESDAY, FEBRUARY 14, 2023
6:00 PM**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

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

Absent:

Staff Present: Cindy Blackmore, Town Manager; Andrew McGuire, Town Attorney; Terri Denemy, Assistant to the Town Manager; Mark Holmes, Water Consultant; Joe Duffy, Administrative Services Director; Laurie Lineberry, Development Services Director; Maggie Tidaback, Economic Development Project Manager; Spencer Guest, IT Manager; Frank Marbury, Town Engineer/Public Works Director; Officer David Herrera, Sergeant at Arms; Chuck Wynn, Police Chief; Marrilee Easton, Civilian Operations Supervisor; Cyndi Thomas, Community Services Director; Will Dingee, Assistant Director of Development Services; Lawrence Digges, Audio/Visual Technician; Sara Burchill, Deputy Town Clerk; Erin Deskins, Town Clerk

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.

2. INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

a. Presentation by the Chino Valley Historical Society.

Jeff Crandle, Chino Valley Historical Society, presented the following:

- The Chino Valley Historical Society was started 20 years ago.
- The mission was to preserve the Town's history and educate the public.
- They currently had 70 paying members.
- The headquarters were located at the Cooper Agricultural Center at Center Street and Highway 89. The property belonged to the school district, but they had a use agreement with the school district. The property held several historical buildings including a dairy barn, shop, dairy processing facility, and a house. Their charge was to take care of the buildings, improve them, maintain them, etc. The society had been doing that since 2008.

- All the work done had been from voluntary labor, salvaged materials, and donations. Mr. Crandle thanked Councilmember McCafferty for being a volunteer with the society and Mayor Miller for offering his help as well.
- The society was looking at doing some more improvements and they had identified about \$40,000 worth of improvements that they believed they could fund through donations, grants, and dues. The Society had become aware that the Town had some discretionary funds and the Society was asking to be considered for a grant of \$3,000 to improve the safety, maintenance, and public spaces of the facility. Even a grant of \$2,000 would help them to improve the safety and maintenance allowing them to open the barn to the public on a limited basis sometime this year which would be great for the community to see the artifacts, documents, and photographs they had there.
- The society had been supported by businesses in Chino Valley, especially Chino Rentals and Ace Hardware. The Society was also asking for help, volunteers, or donations from any other local businesses.

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.

Susie Jarvis, Chino Valley Pickleball, presented the following:

- She had come a month ago and was back to ask for the Chino Valley Pickleball courts to be placed on the budget for this year. It had been on the budget and discussed in prior years.
- It would help the club and the Town as a whole. It would offer a place for families to play and offer the opportunity to run tournaments which would bring people into Town. Most people went to Prescott to play as tournaments and round robins couldn't be done on Chino Valley's courts for safety reasons.
- The cracks were getting bigger even though they had been filled in a few times.
- The courts would bring potential revenue when they came to play because they would stay for breakfast and lunch.
- One of the club's members met a young boy in Prescott who had learned how to play Pickleball in high school. Young kids were coming out learn to play and who were excited to play.
- Susie thanked the Councilmembers who had come out to see them play.

Rachelle Fernow presented the following:

- She was a local realtor and at the last meeting a developer had made claims about the median house price in Chino and she wanted to give a market update.
- She provided Council with a handout that was based on January sales.
- 14 homes had closed in January with a median price of \$364,500, which was a far cry from the \$80,000 claimed by the developer.
- Chino was trending similarly to a year ago with the biggest difference being how long houses were sitting on the market, which had to do with the holidays and the Fed increasing rates which priced people out of the market.
- The median list price of houses coming on the market last week was \$584,450 exceeding the sales price from January, however, there were currently 59 homes listed, and 24 of them were listed under \$400,000. Pricing was coming down a little bit.
- Helping people to realize their dream of home ownership who were in the community now and were renting and trying to save for a home was important to her as a community advocate and a realtor.

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 stated that he relinquished his position on UVRWPC. Vice-Mayor Granillo was the primary representative and Councilmember McCafferty was the alternate.
 - Councilmember Perkins wished everyone a Happy Arizona Statehood Day.
- b. Status reports by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.
 - Monday the Town offices would be closed in observance of President's Day.
 - She was very pleased to announce that Town Clerk, Erin Deskins, had earned her Certified Municipal Clerk designation from the International Institute for Municipal Clerks. The program was designed to enhance the performance of municipal clerks and prepare them to meet the challenges of the complex role of the clerk. To earn the designation, she had to attend extensive education programs and have the necessary experience. It usually took three years to complete the program, but Erin did it in two. The designation benefited her professionally and increased the professionalism of the staff in the Town.

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 the purchase of a new bulk water loading station from AquaFlow Int'l, Inc. in the amount of \$68,897.05.
- b. Consideration and possible action to approve Resolution 2023-1222 amending the Parks and Recreation Advisory Board by laws.
- c. Consideration and possible action to approve a First Amendment to the Equestrian Facility Lease with Chino Valley Equestrian Association for property located at Old Home Manor.
- d. Consideration and possible action to approve the proposed Groundwater Extinguishment Credits Purchase Agreement with Jim McKaskle for 165-acre feet of extinguishment credits in the amount of \$39,600.00 plus administrative fees.
- e. Consideration and possible action to approve Ordinance 2023-926 relating to Chapter 90 - Animal Control
- f. Consideration and possible action to approve the Council Entity Appointments.

MOVED by Vice-Mayor Eric Granillo, seconded by Tom Armstrong, Councilmember to approve Consent Agenda items a, b, c, d, e, and f.

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

NAY:

7 – 0 PASSED

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 Financial Report for the six-month period ending December 31, 2022.

Joe Duffy, Finance Director, presented the following:

- Overall the Town's financial position was getting better. Revenues were up generally and expenses were way under projections. As the Town moved into the next budget season the Town would have a lot more money to do things like roads and other priorities.
- All revenues in the General Fund were up about 22% over last year. Tax revenues were the biggest source of that General Fund and were up 17% over last year.
- Retail sales were up, construction sales were up by 21%, but the bed and board tax was down a little.
- Intergovernmental revenues were up mostly due to increased state share revenues received from the State last year.
- Interest rates were also up which meant that the Town would make more money on their money.
- Expenditures were up 24% from last year, primarily due to the budget transfer of \$3,100,000 from the General Fund to the Roads Capital Improvement Fund to do additional roadwork for the community.
- At this point in the year departments should have been at 50% of their budget, but most departments were at 40%.
- Highway User Revenue Fund (HURF) revenues were up as budgeted. The State had projected an increase of about 10% and that seemed to be holding true.
- Road maintenance expenses were down about 45%, because the Town had some equipment on order that had not come in yet.
- Less Transfers the department was at 31% of their budget.
- Water enterprise fund revenues were down from \$453,417 to \$452,749. Customer water sales were up, but water buy-in fees were down by over 60%. Total expenditures were up by 5%.
- Sewer enterprise fund revenues were up 3%, but the sewer buy-in fees were down 31%. More customers were paying in, but they were not collecting buy-in fees from new customers like last year. Operating expenses were down by 14%.
- New construction and people hooking into water and sewer seemed to be slowing. Staff looked at the building permits and plan check fees for the last few years and found that building permits were up, but plan check fees for new construction were down. It would seem that most of the building being done was commercial and residential construction

was slowing down which would directly impact sewer buy-in fees. It was a little bit of a red flag that needed to be watched carefully because if construction slowed down it would affect some other revenues, especially water.

- Overall, other major revenues, which accounted for over 40% of the revenues brought in by the Town, were all up.
- There would be some savings on the Police Department project. It was pretty close to being done.
- The Town had spent \$94,000 of the \$300,000 General Plan budget and would spend the rest by the end of the fiscal year.
- Progress of several Capital Improvements Projects was summarized.

Council and Staff discussed the following:

- The new Police Department was budgeted at \$9 Million, and it was projected to be done at just under \$9 Million. The Town had budgeted extra just in case, but it didn't look like the extra would need to be spent.
- Most of the growth in the sewer enterprise connections was in subdivisions. Highlands Ranch and Bright Star were pretty much built out so until another major sewer line was put in place the Town won't see the rapid growth that was seen in the last few years. The buy-in fees had been used to replace equipment at the sewer plant, which was almost done, so if there were no future developments with sewers hook ups the Town would be able to support the customers it currently had with no need to expand. There was going to be growth as the Town extended sewer lines, and they were planning for that.
- It was too early to know if the screw press was saving the Town money.

MOVED by Vice-Mayor Eric Granillo, seconded by Annie Perkins, Councilmember to approve the Financial Report for the six-month period ending December 31, 2022.

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

NAY:

7 – 0 PASSED

- b.** Consideration and possible action to appoint applicants to the Planning and Zoning Commission and Building Advisory Board per recommendation of the Appointments Subcommittee.

Erin Deskins, Town Clerk, presented the following:

- The Appointments Subcommittee met on January 18th to review applications and make recommendations for the Planning and Zoning Commission (P&Z) and the newly created Building Advisory Board (BAB).
- Staff received nine applications to fill five expiring terms for P&Z and six applications to fill five vacancies on BAB.
- Based on the review of all the applications, the Appointments Subcommittee recommended the following appointments:
 - Planning & Zoning
 - Three-year regular terms
 - Charles Merritt
 - Gary Pasciak
 - William Welker
 - Richard Zamudio
 - One-year alternate term
 - Rachelle Fernow
 - Building Advisory Board
 - Charles Demeter

- Charles Merritt
- Ken Mohn
- Sterling Skipper
- Eric Ferketich
- Mayor Miller was the chair at that meeting.

Council and Staff discussed the following:

- Some applicants did not fill out the questions on the application because they were reapplying. Reapplications were much more condensed and only asked if the applicant had new experience or information they wanted posed to the Appointments Subcommittee.
- It was requested that in the future Council be provided with a basic summary for why an applicant was selected for a seat.
- It was suggested to include the original application for reapplicants.

Mayor Miller opened for Public Comment.

Rachelle Fernow

- She had reached out to each Councilmember with an email with concerns and asking to be considered for a full seat.
- She was not suggesting that anyone was doing a bad job but knew what she had to offer the Commission and the community.
- Over the last month she had been taken away from community for a sensitive family situation. She had been home five days over the last three weeks and two of them were to be able to attend meetings.
- The Town was very important to her, and she had a legacy as the third generation of her family in the community.
- Ms. Fernow stated that there were people on the Commission that would not work as hard, do the research, and put forth the effort that she would to question applicants and have healthy communicative, progressive conversations with their fellow commissioners.
- She would make the Council proud if she was considered for a full seat.
- Her reputation for being passionate preceded her and it was something that was needed more.
- The governing boards needed more thorough representation of what the community really was which was young families and multi-generations who had decided to live here after growing up here, and to raise children here to advocate for the growth and responsibility of land use.
- Serving on the Commission would build her knowledge so that she could continue to represent the Town and community in whatever facets were in her future.
- She asked Council to reconsider her as the alternate as it was in their power to do so. She would be happy to take the alternate position but had concerns about limitations that would be put on her and what that would mean to her as a community advocate. She was not interested in the alternate position if she was not still able to be her and speak freely at Council meetings.

Council, Staff, and Town Attorney, Andrew McGuire, discussed the following:

- The Appointments Subcommittee made recommendations, and the Council had the purview to change the appointments should they wished.
- One commissioner had asked to be moved to the alternate position and all other expiring commissioners had applied for reappointment. That made room for the previous alternate to be moved to a full seat. Ms. Fernow's abilities were not in doubt, but the subcommittee felt that the previous alternate had earned his spot as a full commissioner.

- As an alternate on the Commission, Ms. Fernow would still be able to speak at Council meetings regarding issues that had gone before P&Z so long as she did not participate on the Commission during a vacancy, she would not have to surrender any of those rights.
- The only reason the Town did not allow seated members to come to Council meetings and make comments was due to open meeting concerns and sending a message to a quorum of the commission. Barring participation at the lower level she would perfectly fine to come and speak at Council.
- Open Meeting Law states that you can have a violation through one-way communication, or one member to a quorum. Because P&Z could be in a quorum receiving unilateral communication from one member, that person could have a potential open meeting violation. Due to that the Town encouraged the current members to stand behind the recommendation of the body as a whole and not make individual comments.

Council discussed the following:

- Not everyone on Council agreed with Ms. Fernow on everything she said, but she did have passion, and raised a family in Chino and has a lot to bring to the table.
- There were no doubts about her abilities on the commission or any other board she may apply for, but some members stated that they respected the subcommittee's recommendations.
- Three commissioners were returning commissioners and they were all solid people and there was no reason not to allow them to come back.
- The previous alternate, Richard Zamudio, had been doing a great job as an alternate and had paid his dues. It was a natural path to take to a full seated commissioner.

MOVED by Councilmember Annie Perkins, seconded by John McCafferty, Councilmember to approve the appointments to Planning & Zoning Commission and Building Advisory Board per recommendation of Appointments Subcommittee.

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

NAY: Councilmember Robert Schacherer

6 – 1 PASSED

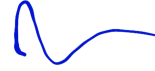
7. **ADJOURNMENT**

MOVED by Councilmember Sherri Phillips, seconded by Tom Armstrong, Councilmember to adjourn the meeting at 6:40 p.m.

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

NAY:

7 – 0 PASSED



Jack W. Miller, Mayor

ATTEST:



Erin N. Deskins

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 14th day of February 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 11th day of April, 2023.

Erin N. Deskins

Erin N. Deskins, Town Clerk