The Town Council of the Town of Chino Valley met for a Special Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, July 17, 2018.

Present: Mayor Darryl Croft; Vice-Mayor Lon Turner; Councilmember Mike Best; Councilmember Cloyce Kelly; Councilmember Annie Lane; Councilmember Corey Mendoza; Councilmember Jack Miller

Staff: Town Manager Cecilia Grittman; Finance Director Joe Duffy; Public Works Director/Town Engineer Frank Marbury; Customer Service Manager JoAnn Brookins; Town Clerk Jami Lewis (recorder)

1) CALL TO ORDER; ROLL CALL

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

2) ACTION ITEMS

a) Public Hearing and consideration and possible action to adopt Resolution No. 18-1126 adopting a Final Budget for Fiscal Year 2018/2019, and proposed expenditure limitation for the same year, in the amount of $24,525,200. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 18-1126 adopting a Final Budget and proposed expenditure limitation for Fiscal Year 2018/2019 in the amount of $24,525,200.

Mr. Duffy presented highlights from the FY 2018/2019 budget:
- FY 2018/2019 budget was 6% higher than last year
- Fund balance: FY 2017/2018 started with $5.7 million in the general fund and ended with $6.46 million. Staff intended to spend some of that overage over the next fiscal year. He projected that water and sewer would break even, but he did not project any increase in construction activity.
- General Fund highlights included: paying down PSPRS liability; three possible elections; comp and class study; police body cameras; fireworks increased funding; Parks Maintenance new position; Memory Park restrooms; HURF overhead reduction; Town’s 50-year celebration; ADWR water application study; document management project; and Peavine Trail state lane easement.
- HURF highlights included: $150,000 over last year; equipment purchase; road materials; chip seal projects; and SR 89 maintenance.
- Capital Improvements highlights included: Memory Park expansion; Old Home Manor Master Plan; and new ballfield lights.
- Water/Sewer highlights included: new building; well upgrade, maintenance sewer lines; and drying bed construction.
- Other funds highlights included: new bailiff position; Court security fencing; and CDBG Grant for Chino Meadows Unit 5 paving.
MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to open the public hearing.

**Vote:** 7 - 0 PASSED - Unanimously

No one from the public spoke.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to close the public hearing.

**Vote:** 7 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Jack Miller to adopt Resolution No. 18-1126 adopting a Final Budget and proposed expenditure limitation for Fiscal Year 2018/2019 in the amount of $24,525,200.

**Vote:** 7 - 0 PASSED - Unanimously

b) Public Hearing and consideration and possible action to adopt Resolution No. 18-1125, adopting the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for Fiscal Year 2018/2019.

**Recommended Action:** Adopt Resolution No. 18-1125, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for Fiscal Year 2018/2019.

Mr. Duffy reported that the three Chino Valley Street Lighting Improvement Districts were all in Bright Star subdivision. If approved tonight, the County will levy the assessment. He also noted that Exhibit A to the Resolution in the packet was incorrect; the corrected version was provided to Council prior to the meeting and the vote needed to indicate approval as corrected.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to open the public hearing.

**Vote:** 7 - 0 PASSED - Unanimously

No one from the public spoke.

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Mike Best to close the public hearing.

**Vote:** 7 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Cloyce Kelly to adopt Resolution No. 18-1125, approving the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2018/2019, which shall constitute the budgets of the Districts for Fiscal Year 2018/2019, including Exhibit A.

**Vote:** 7 - 0 PASSED - Unanimously

3) **STUDY SESSION ITEMS**
a) Presentation and discussion regarding the 2017 Road 2 North Traffic Impact Study prepared by DOWL Engineering. (Frank Marbury, Public Works Director/Town Engineer)

Mr. Marbury presented the Traffic Impact Study Revision 1:

- **Revision history**: A study was done a couple years ago to assess the intersection’s level of service and roadway improvements needed. DOWL modified the study to include six possible new developments.
- **Existing conditions**: Several places of business off the intersection made for a congested area. Right-of-way was limited and various throughout and needed to be perfected. As an example, some property lines went into parking lots.
- The study included tables, diagrams, and photographs relating to existing roadway characteristics; existing Road 2 North construction; traffic volumes on Road 2 North and related roads; rule of thumb traffic numbers; and intersections with the proposed improvements.
- **Levels of service**: Area intersections were currently rated as “A”, “B”, or “C”. Projected traffic from the new developments would greatly diminish the future level of service, with some intersections falling to ratings of “D” or “F”. With the recommended improvements, ratings would increase above “D”, except for Safeway, which had no solution and would remain at “F”.
- **Recommendations included**: (i) For new development and Road 2 North – one turn lane for each development; bike lanes and sidewalks; sight visibility; widening the Road 1 West/Road 2 North and Road 1 East/Road 2 North intersections; (ii) at SR89 and Road 2 North – dedicated right turn lane; update striping; re-time intersection; and (iii) for surrounding roadways – review clear zone and turning radiiuses. The end result would be a three-lane roadway with improvements at SR89.
- **Road section standards**: Diagrams described standards per the Unified Development Ordinance and those recommended by the traffic study. Staff will expect developers to implement these standards. He proposed as an alternate keeping the same sections per code, but detaching multi-use pathways and tying those into the 2007 study.
- **Preliminary cost estimates and funding options**: Costs included $3 million to $4 million for roadwork; up to $2 million for right-of-way; unknowns included utility relocations, and water and sewer alone could cost $500,000 or more. Funding options included general funds; bond funds; special improvement district; or impact fee district.

Council and staff discussed the following in more detail:

- **Road 2 North/Road 1 East**: Staff estimated a four-way stop at least; power poles were a problem.
- **Improvements**: If the Town did not build the improvements as one project, it would add left turn lanes with each development. Staff’s focus would be to put each new lane in the right place in the right-of-way to avoid wasting pavement in the future and not having to keep rebuilding it.
- **Future developments**: Council needed to pay attention to future projects that might force major funding to redo the intersection and could cause regional impacts that could not be tied to an individual project.
- **Pending developments**: There were no formal applications for Village North or Hawksnest. Hawksnest was multi-family and residential, Heritage Farms was single family residential, and Heritage Place was platted but not improved. Even without any of these developments, the improvements recommended in the study would benefit the Town now.
b) Presentation and discussion regarding Brook Apartments, a 6.85 acre project generally located approximately 1,400 feet west of State Route 89 and 620 feet south of West Road 2 North at 740 West Road 1 North. The applicant is proposing to rezone the property from (MR-1) Multi-Family Residential-1 Acre Minimum to (MR-1) Multi-Family Residential-1 Acre Minimum with a Planned Area Development Overlay to increase the density and allow 192 units on site. (Jason Sanks, Development Services Director)

Public Works Director Marbury informed Council that the Brook Apartments applicant had withdrawn their application as of last Friday. Any new development on that property will require a new application.

c) Review and discussion regarding the draft 2018 Strategic Plan. (Cecilia Grittman, Town Manager)

Ms. Grittman presented on this item:
- **Timeline:** Council met to work on the Plan on February 21 and April 4 and will be on the July 24 agenda for adoption.
- **Focus areas included:** water/water companies; OHM Industrial Park/jobs; roads/maintenance and funding; infrastructure and Town utilities; and maintaining a rural community and business-friendly environment.
- **17 action items:** Most of these were related to public works and would be vetted through subcommittees.
- **Future considerations included:** wastewater treatment plant expansion; water storage tank; commercial guidelines for community core; and infrastructure master plan.

Vice-Mayor Turner noted that a few of these were actively being worked on and were moving forward nicely.

Council asked Ms. Grittman to include in the Plan a statement about the code enforcement and cleanup projects. Ms. Grittman related that she will will do that and added that interviews for code enforcement were being held next week; and staff will report to the Council regarding the community outreach plan.

4) EXECUTIVE SESSION

a) Council may vote to recess the Special Meeting to hold an executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding the acquisition of a portion of the Prescott water system and pursuant to A.R.S. § 38-431.03(A)(4) for discussion or consultation with the Town Attorney in order to consider the Towns position and instruct the Town Attorney regarding the Towns position regarding a contract with the City of Prescott related to the Town purchasing a portion of its water distribution system that is the subject of negotiations. (Cecilia Grittman, Town Manager)

MOVED by Vice-Mayor Lon Turner, seconded by Councilmember Jack Miller to go into executive session at 6:42 p.m.

**Vote:** 7 - 0 PASSED - Unanimously

Mayor Croft reconvened the special meeting at 7:18 p.m.
7) ADJOURNMENT

MOVED by Councilmember Jack Miller, seconded by Councilmember Cloyce Kelly to adjourn the meeting at 7:18 p.m.

Vote: 7 - 0 PASSED - Unanimously

ATTEST:

Darryl L. Croft, Mayor

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 17th day of July, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of August, 2018.

Jami C. Lewis, Town Clerk