

**MINUTES OF THE  
REGULAR MEETING OF THE COMMON  
COUNCIL OF THE TOWN OF STAR VALLEY**

**Tuesday, November 19, 2013 @ 6:00 pm  
3675 East Highway 260, Star Valley, AZ  
(Star Valley Town Hall)**

The Agenda for the meeting is as follows:

- CALL TO ORDER
- PRAYER was offered by Pastor Gary Bowser of Star Valley Baptist Church
- PLEDGE OF ALLEGIANCE
- ROLL CALL:

Mayor McDaniel   X  , Vice-Mayor Newland   X  , Council Member Hartwell   X  , Council Member Binney   X  , Council Member Coon   X  , Council Member Leis   X  , Council Member Henderson   X  .

- **GILA COUNTY SHERIFF'S OFFICE REPORT FOR SEPTEMBER AND OCTOBER, 2013.**

Lt. Tim Scott of the Gila County Sheriff's Department gave the Sheriff's reports for September and October, 2013.

- **HELLSGATE FIRE DISTRICT REPORT FOR OCTOBER, 2013.**

Battalion Chief Bathke gave the Hellsgate Fire District report for October, 2013.

- **CONSENT AGENDA ITEMS:**

All items listed under the Consent Agenda will be voted on with one motion. If discussion is desired regarding any Consent Agenda item, that item will be removed from the Consent Agenda and voted on separately.

**A. Approval of the minutes from the Regular Council Meeting held on November 5, 2013.**

**B. Approval of Claims Payable from November 1, 2003 through November 15, 2013 for the General Fund and for the Water Department.**

**A motion to approve consent agenda items A and B was made by Council Member Hartwell, and was seconded by Council Member Henderson.**

**A roll call vote was taken:**

**Mayor McDaniel   X  , Vice-Mayor Newland   X  , Council Member Hartwell   X  , Council Member Binney   X  , Council Member Coon   X  , Council Member Leis   X  , Council Member Henderson   X  .**

**The motion was voted on and passed 7-0.**

- **DISCUSSION ITEMS:**

1. **Discussion and possible action regarding the review and acceptance of the Town of Star Valley Annual Financial Report and Audit results for year ended June 30, 2012. Dennis Maschke of CliftonLarsonAllen LLP to make presentation.**

Town Manager Tim Grier introduced Dennis Maschke of CliftonLarsonAllen LLP, the audit firm which conducted the audit for fiscal year ending June 30, 2012. Mr. Grier also pointed out that Chancy Nutt, Town Finance Administrator, was appearing telephonically. Mr. Grier also pointed out that there is a change from the agenda in that only a draft of the report is available at this time. When the final report is available this item will be put back on the agenda so the Council can vote on accepting it.

Dennis Maschke confirmed that they do not anticipate any changes to the draft, just putting it in final form. Mr. Maschke briefly covered the HURF report, and stated there were no findings on this report. Mr. Maschke stated that the Annual Expenditure report also had no findings. The Report to Governance explained the responsibilities of the auditing firm and of management of the Town.

Mr. Maschke stated the two key reports were the Financial Statements and the Report on Internal Controls. Mr. Maschke discussed the material weakness items and the significant deficiencies. Mr. Maschke pointed out that all of the errors and entries have been corrected. Finance Administrator Nutt stated that she has made the necessary adjustments recommended by the audit firm.

Ms. Nutt pointed out to the Council that she had provided a Word document which gave her input on each of the items outlined in the Report on Internal Controls. Ms. Nutt also pointed out that the audit firm's concerns with small staff is an ongoing issue due to the small size of Town staff, and this has prompted the development of reports for each one of the processing steps of cash and posting of payroll and accounts payable, which allows other staff members and/or the town manager can review and sign on a regular basis. Ms. Nutt further stated that her Word document addresses each of the issues raised by the audit firm.

Mr. Maschke stated the Town received an unqualified opinion, which is a clean opinion. He further stated that both he and Ms. Nutt are available if there are any further questions from the Council.

## **2. Update on status of Streets and Roads Master Plan.**

Town Manager Grier stated he would address this discussion item as well as include some information on discussion item 3 as they work in tandem. Mr. Grier stated it had been his plan to develop 1/3/5 year master plans for streets and roads as well as for the water department. However, some complications have arisen in the streets and roads master plan development. A contract was entered into with Bruce Varker of Pinal-Gila Consulting to prepare a streets and roads master plan. However, to date Mr. Varker has failed to produce such a plan and has not met the deadlines set by the Town. This has prevented the Town performing some of the necessary crack sealing in Town. Further the lack of a streets and roads master plan has hindered finalizing the water master plan.

Town Manager Grier cautioned the Council to seriously consider what streets and roads projects to undertake (referencing discussion item 3), as these projects are expensive. He stated there is considerable crack sealing which needs to be done throughout the Town, some edges are beginning to deteriorate, and the ongoing maintenance problem of pot holes. Mr. Grier stressed the need to consider what projects to undertake in year 1, year 3, and year 5, and to make wise decisions in order to continue with sound budgeting practices to date.

Town Manager Grier stated Mr. Varker has been paid approximately \$4,200.00, but he has not performed, and therefore he is now asking Council what direction they want to go. A meeting was held with Mr. Varker to point out his failings, but he has still failed to perform. Mr. Grier also requested Council Member Leis to attempt to get him to comply, but to date Mr. Varker still has not come through. Mr. Grier took the stand that he does not think the Town can depend on Mr. Varker to produce a streets and roads master plan. Mr. Varker did produce a preliminary report which was basically valueless.

Town Manager Grier stated he would like direction from Council how it wishes to proceed with Mr. Varker, including the possibility of requesting refund of at least a portion of the money paid to him to

date. Due to the failure to perform by Mr. Varker, the Town does not have a streets and roads master plan which hinders Council in making sound decisions as to projects to undertake.

Discussion followed concerning the lack of performance by Mr. Varker. Council Member Leis reported his attempts with Mr. Varker, including going through the preliminary report and pointing out what the Town needed, were basically fruitless. Mr. Leis did state that Mr. Varker produced approximately 60% of what he asked for, but still has failed to produce a useful plan. Mr. Leis stated the main information still missing is the cost of the proposed plan. Mr. Leis further stated that Mr. Varker has not presented a valid reason as to why he has not completed the project for which he has received partial payment.

**A motion that the Town, through its Town Attorney, notify Bruce Varker of Pinal-Gila Consulting, LLC that it has failed to perform the contract entered into with the Town, and the Town intends to pursue settlement for reimbursement and consideration of possible litigation was made by Council Member Hartwell, and was seconded by Council Member Binney.**

**The motion was voted on and passed 7 – 0.**

Council Member Hartwell suggested the Council consider forming a streets and roads committee or commission for the purpose of performing some of the work requested be done by Pinal-Gila Consulting. The Mayor indicated staff is working on this.

### **3. Discussion and possible action regarding undertaking the Sprague Crossing and the Moonlight Crossing as streets and roads projects for the current fiscal year.**

Council Member Binney stated this is his favorite item. He stated most of the streets in the Town have been paved. Council Member Binney stated Sprague Crossing and Moonlight Crossing are probably the two most dangerous crossings in the Town. Mayor McDaniel agreed that these two areas require work. It was the Mayor's suggestion that the Council determines how it wishes to proceed and then instruct staff to obtain estimates.

Town Manager Grier stated he had consulted with Roy Haight who informed him it would cost approximately \$43,500 - \$50,000 to install a cement apron at Sprague Crossing and it would also need to be engineered. To date an estimate has not been obtained for the Moonlight Crossing. Town Manager Grier pointed out that not having the master plan hinders how best to proceed.

Discussion was held concerning cost and funding of projects, and also the number of citizens who would be impacted by the proposed two projects.

**A motion that the Council authorize the Town Manager to expend \$2,500.00 for the Sprague Crossing and \$2,500.00 for the Moonlight Crossing to obtain engineering comparisons and rough estimates for each crossing to be enhanced and stabilized was made by Council Member Leis, and was seconded by Council Member Hartwell.**

**The motion was voted on and passed 7 – 0.**

The Mayor then opened this discussion item up to the public.

Morgan Bates, who resides at 597 S. Moonlight, in Star Valley, stated he "messed up" his car on Moonlight Drive when he drove through it while it was flooded. Mr. Bates stated he "does not appreciate that the person at the end of the road blocks off the road." Mr. Bates stated he appreciate the Council's efforts to now get something done with this crossing.

Joe Eastes, of 647 S. Moonlight, stated there should be no reason for the gate to be opened and the equipment moved every time the wash runs. Mr. Eastes suggested placing a "ford" at this location and this would allow safe travel through this area.

Bob O'Connor, who lives at 738 S. Moonlight, in Star Valley, stated he is the owner of the property that people use when Moonlight Crossing is flooded. Mr. O'Connor stated he "never

intentionally locks anybody out or puts anything in the road”, but it is his property and there is no public easement on it. Mr. O’Connor expressed his frustration that this issue was addressed several years ago, but nothing came of it, as well as usually Sprague Crossing gets worked on first. Mr. O’Connor also expressed his concern about the safety issue of Star Valley citizens if the wash is running and no one can cross it. Mr. O’Connor stated he would appreciate the Council addressing the issue of Moonlight Crossing.

Mimi Haught Eastes, of 647 S. Moonlight, expressed her appreciation for Mr. O’Connor allowing the crossing of his property, and stated she would appreciate the work being done on Moonlight Crossing.

The Mayor then closed the public comment portion of this discussion item.

#### **4. Discussion and possible action regarding issuing peddler’s licenses in the Town of Star Valley.**

Council Member Binney opened the discussion by stating he “has a hard time” with this issue, and believes that business licenses should not be required in the Town of Star Valley. Council Member Binney questioned the stringent regulations imposed on peddler’s licenses.

Town Manager Grier stated the reason this was put on the agenda is that he is in the process of reviewing the Town’s Code and has discovered many areas that “need work.” Mr. Grier defined a peddler operation as one that puts up a tent in front of an existing business and only operates for a short period of time. The current Town Code is quite vague as to temporary or peddler’s licenses, and he would appreciate Council input on this issue before he suggests any changes to the Code. Mr. Grier stated most towns and cities give consideration to their aesthetic image and are quite stringent on this issue. Mr. Grier urged the Council to consider if it wanted to open the door to this type of business, and also to give consideration to health and safety issues, parking, etc.

Donald Cline, who resides at 768 S. Moonlight, in Star Valley, stated that he has a videography business out of his home, but his business is primarily conducted outside of the home, and he wants to know why he has to pay \$50.00 annually for a business license.

Wayne VanHorn, who resides at 388 N. Dealers Choice, Star Valley, stated he would like to see regulation of public safety, especially concerning door-to-door sales people. Mr. VanHorn stated he also has a business and does purchase a business license both in Star Valley and Payson, and sees it as being part of running a business. Mr. VanHorn stated if you enforce one law you need to enforce them all.

Town Manager Grier clarified that a peddler’s license differs from a business license in that it does not have a building to house its business; it does not make provision for its own parking needs or bathroom facilities. Mr. Grier emphasized the need for consistency in this area, and once one peddler is allowed to operate then all other peddlers must be allowed in.

Donald Cline offered his opinion that peddlers are usually mobile and fly by night operations.

Discussion ensued relating to how peddlers operate and the need for regulations in the Town and the possibility of amending the Town Code with respect to this issue.

**A motion that the Council direct the Town Attorney to review the peddler’s license currently in the Town Code, and make recommendations to ascertain the Town Code contains the necessary language to make it in the best interests of the Town and its citizens, and to ascertain if a fee is necessary what the amount should be and that it be passed on to the peddler, was made by Council Member Leis, and was seconded by Council Member Coon.**

**The motion was voted on and the vote was 6 – 0.**

**A roll call vote was then taken as follows:**

Mayor McDaniel Yes, Vice-Mayor Newland Yes, Council Member Hartwell Yes, Council Member Binney No, Council Member Coon Yes, Council Member Leis Yes, Council Member Henderson Yes.

The motion was voted on and passed 6-0.

- **COMMENTS FROM THE PUBLIC**

During this portion of the meeting, members of the public may address the Town Council on items that are not on the printed agenda. Any remarks shall be addressed to the Council as a whole and not to any individual member. Speakers are limited to three (3) minutes per person unless additional time is granted by the Mayor. The Council may not discuss or act upon matters raised during public comments.

Ray Lyons presented an article from the newspaper entitled “ Glendale brass has to scramble after Feds cancel flood insurance” which related to the federal government passing regulations on flood insurance and flood plains. Mr. Lyons stated the Town needs to look into whether or not it is in compliance with the flood plain, since the Town is no longer operating with a flood water commission.

The public comments were then closed by the Mayor.

- **ADJOURNMENT**

A motion to adjourn the meeting was made by Council Member Hartwell, and was seconded by Council Member Leis.

The motion was voted on and passed 7 – 0.

**APPROVED:**

\_\_\_\_\_  
Ronnie O. McDaniel, Mayor

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Lois V. Johnson, Town Clerk

**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 Star Valley held on the 19<sup>th</sup> day of November, 2013. I further certify that the meeting was duly called and held, and that a quorum was present.**

**Dated this 3<sup>rd</sup> day of December, 2013.**

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**Lois V. Johnson, Town Clerk**