

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

**Tuesday, September 1, 2015 @ 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 Rich Richey of Payson Church of the Nazarene
- PLEDGE OF ALLEGIANCE
- ROLL CALL:

Mayor McDaniel   X  , Vice-Mayor Binney   X  , Council Member Hartwell   X  , Council Member Henderson   X  , Council Member Coon   X  , Council Member McKinney   X  , Council Member O'Connor   X  .

- **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 August 4, 2015.**

**B. Approval of Claims Payable from August 1, 2015 through August 31, 2015, for the General Fund and for the Water Department.**

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

**A roll call was taken:**

**Mayor McDaniel   X  , Vice-Mayor Binney   X  , Council Member Hartwell   X  , Council Member Henderson   X  , Council Member Coon   X  , Council Member McKinney   X  , Council Member O'Connor   X  .**

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

- **PROCLAMATION**

**1. Proclaiming October, 2015 as Domestic Violence Awareness Month**

The Town Clerk read the Proclamation for the Council and public (see agenda packet information). Edna Welsheimer, Time Out Executive Director, gave an updated report on the services provided by Time Out, as well as advised of the upcoming fund raiser and annual walk.

- **DISCUSSION ITEMS:**

**1. Presentation by APS regarding fire mitigation efforts with utility poles. Presentation to be made by Wade Ward.**

Wade Ward, Fire Mitigation Specialist for APS, introduced himself and also Erin Kreigmeyer, Forestry Lead for the region and she assists in managing the tree workers, and also Janet Dean, Community Relations Manager of APS for the region.

Mr. Ward explained APS is currently implementing a fire management program which involves clearing around the APS poles to prevent equipment possibly sparking a forest fire. APS is working to clear a 10 foot space and 10 feet high around 75,000 poles in the urban areas. APS is contacting the affected homeowners in advance. Mr. Ward stated APS is working with the homeowners to not create a negative impact on anyone's property.

**2. Discussion and possible action regarding selection of a contractor for the Town's Job Order Contract for general maintenance and street transportation projects.**

Town Manager Grier explained to the Council that this discussion item and number 4 both relate to personnel contracts, and it is his belief that such contracts should be submitted to Council for re-approval after the seating of a new Council. The Council currently has two brand new members (Council Members McKinney and O'Connor), and Council Member Henderson and Mayor McDaniel were both re-elected at the last election. The two personnel contracts relate to the JOC with Roy Haught Excavating and the Town Manager/Attorney's contract. Mr. Grier stated the JOC was for a one year term expiring in September, and renewable for four one year terms. Mr. Grier's contract still has another year before it expires. Mr. Grier stated the Town would continue the practice of putting personnel contracts before a newly seated council.

Mr. Grier stated contractors for the JOC were solicited by notice in the newspaper and on the Town's website. Statements of Qualification were received from four contractors and these were presented to the Council for review. Mr. Grier stated three of the Statements were very impressive, but all four contractors are not local. Mr. Grier stated with Roy Haught Excavating being local, this definitely facilitates the speedy addressing of any issues, which he has always done. The JOC also covers snow removal, which needs to be done at the time of snowfall, not a day or two later. Haught Excavating has accomplished more in the past year than possibly cumulatively in the years since the Town incorporated. Mr. Grier expressed extreme satisfaction with the performance of Haught Excavating under the JOC. Mr. Grier stated his review of the top three Statements of Qualification indicate they would all be well qualified, but he is somewhat apprehensive as to the amount each would charge. Mr. Grier's recommendation to the Council was to renew the JOC with Mr. Haught.

**A motion that the Council authorize the Town Manager to renew the Job Order Contract with Roy Haught Excavating for a one year period, for general maintenance and street transportation projects for the Town of Star Valley, with the maximum job order value at \$200,000.00 was made by Vice-Mayor Binney, and was seconded by Council Member Coon.**

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

**3. Budget / Financial Review. Presentation by Town Manager and Financial Administrator.**

Town Manager Grier he deemed it advisable to provide the Council with an update on the Town's financial position since there are two "big ticket" items on the agenda. Mr. Grier suggested the Council consider doing a work study to identify and prioritize big capital improvement projects, as well as establish a 5 year financial plan.

Town Manager Grier presented a Cash Flow sheet (copy attached to these minutes) for the period August, 2015 to February, 2016. Mr. Grier explained that he and the Financial Administrator usually work from a cash position, which represents the amount of money in the checking account. Mr. Grier

also pointed out that the total cash position on this form (\$3,397,697.00) includes the \$2,500,000.00 which has been invested in laddered cds.

Town Manager Grier explained the expenses on this sheet are monies expected to be expended on large projects – these monies have been committed, but not paid out yet. Mr. Grier stated \$120,242.00 represents the Town’s leverage money for CDBG # 2 (Quail Valley well site). Mr. Grier stated the CDBG monies for Meals on Wheels has been expended, but the Town will continue the program and \$8,100.00 will be paid out of Town monies for the last quarter. Further, Mr. Grier stated the Sprague Crossing project is anticipated to be paid in third installments of approximately \$51,097.00 each, and the law enforcement contract will be paid in two installments with \$191,500.00 being paid in December, 2015. Mr. Grier pointed out that the estimated monthly income of the Town is \$66,450.00.

Town Manager Grier informed the Council that he believed the best way to utilize the CDBG #3 monies would be to purchase the Circle K well and do the hook-up, and then use Town money to purchase the Lumbermen’s Well but do not hook-it up right away, rather than attempt to use CDBG monies for purchasing the two wells and then having to do hook-ups on both wells and pay leverage money within a certain time period.

Mr. Grier stated according to the current predictions, there should be \$897,697 as of February, 2016, but cautioned that these calculations do not take into account any emergencies or unpredictable projects. Mr. Grier pointed out that park bathrooms and Moonlight Crossing projects had not been included in the current predictions.

Mr. Grier stated the City Sales Tax numbers were provided for Council information. Projected gains for FY 16 are at 4% on the city sales tax.

**4. Discussion and possible action regarding contract extension for the Town Manager/Attorney.**

Town Manager Grier stated he had earlier discussed with the Council that personnel contracts, which is what this is, should be reviewed by a newly seated Council.

**A motion that the Council renew the Town Manager/Attorney’s contract, as is, until the seating of the next Town Council was made by Council Member Henderson, and was seconded by Council Member Hartwell.**

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

**5. Discussion and possible action regarding bid costs and possible selection of a contractor for the Sprague Low Water Crossing Project.**

Town Manager Grier informed the Council that bids were received from 4 contractors for the Sprague Low Water Crossing Project, and the low bid was from D. D. Haught at approximately \$151,000. Council Member O’Connor asked if all of the bidders were qualified and Mr. Grier replied that he felt they were all qualified. Mr. Grier stated a check was made on D. D. Haught, who submitted the lowest bid, and the results were favorable. Mayor McDaniel pointed out that D. D. Haught, and the other 3 contractors, were bonded which is protection for the Town.

**A motion that the Council award the contract for the Sprague Low Water Crossing Project to D. D. Haught in the amount of \$153,291.34; and authorize the Town Manager to enter into a contract with D. D. Haught was made by Council Member Hartwell, and was seconded by Council Member Henderson.**

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

**6. Discussion and possible action concerning addendum to Sprague Low Water Crossing Project to include additional paving.**

Town Manager stated it will cost \$10,500 to take the paving to the intersection at the top of the hill and do aprons on the three different driveways there. Mr. Grier stated the original estimate had been \$5,000.00, and the current estimate of \$10,500 exceeds his spending authority.

Mayor McDaniel stated Mr. VanSickle had given his easement with the understanding the road would be paved to the top of the hill, and this would help everyone in the area. Discussion followed concerning the issue of whether any of this area is private property and whether or not the Town can spend public money on private property; Town Manager Grier said it could be a concern with the gift clause, but he does not see any big legal concerns.

**A motion that the Council authorize spending \$10,500.00 to pave the east side of Sprague Crossing to meet the commitment to Craig VanSickle was made by Vice-Mayor Binney, and was seconded by Council Member Hartwell.**

**The motion was voted on and the tally was 5 – 2.**

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

**Mayor McDaniel Yes, Vice-Mayor Binney Yes, Council Member Hartwell Yes, Council Member Henderson No, Council Member Coon Yes, Council Member McKinney Yes, Council Member O'Connor No.**

**The motion passed 5 – 2.**

**7. Discussion and possible action regarding bid costs and possible selection of a contractor for the B. Diane McDaniel Community Park bathroom project.**

Town Manager Grier state that, pursuant to instructions from Council, Town staff solicited bids for the park bathroom project, but only received one bid. Mr. Grier pointed out several issues the Council needs to consider with this project. First, the bid was for approximately \$91,000. Also, there is a possible flaw in the design which needs to be corrected. Also, since Vice-Mayor Binney is a sub-contractor on the bid, Mr. Grier advised Mr. Binney that this represents a direct material interest on his part. Mr. Grier stated a council member who has a direct material conflict cannot deliberate, debate or vote. Mr. Grier stated Vice-Mayor Binney would have to make the decision whether or not to go forward on the issue at his own peril since he is aware of the violation of the statute. Mr. Grier went on to explain Vice-Mayor Binney's insight on the existing issue would be of benefit since Mr. Binney is a plumber. Mr. Grier explained the issue is with the interior plumbing wall and whether or not there is a "design flaw" which could be corrected by adding a 4 foot breezeway to access the plumbing. A revised plan would possibly be required and would add to the size of the building, all resulting in additional cost to the project.

John Barber of J. D. Builders, the bidder on the project, offered his comments on the "design flaw" and stated a redesign of the plans will be required as there is an issue with the plumbing being buried in a block wall. Mr. Barber agreed a fix is to expand the size of the building, install the passageway, and have all the plumbing go through the wall. Mr. Barber pointed out some of the cost of the bid resulted from the need for a "vandal-proof building," and stated one of the biggest item was the vandal-proof coating on the block. Mr. Barber estimated to expand the building 45 to 50 square feet and add the block wall plus a door would add approximately another \$2,500 to the original bid.

Town Manager Grier stated he would not recommend to Council to award the bid and then have to deal with a change order to correct the plumbing / wall issue. His suggested method is for the Council first to decide if it wants to proceed with the project considering the current price tag, and then second direct the Town Manager to sit down with Mr. Barber to review the design and see if there are ways to reduce the cost.

Council Member Henderson asked what the expected life expectancy of the bathrooms, and Mr. Barber stated “a long time.” Council Member McKinney stated this would be a durable building and would enhance the use of the park. Council Member Hartwell stated she was in favor of the Town Manager’s suggestion to see if the price could be reduced, and further stated this project should not be considered until the middle of next year.

Mr. Barber informed the Council it should not expect too much of a price reduction, possibly not more than \$5,000. Mayor McDaniel stated he would like Mr. Grier to talk with Mr. Barber and also with the architect.

**A motion that the Council authorize the Town Manager to meet with J. D. Builders and the architect to see what can be done to reduce the bid price down a little was made by Council Member Henderson, and was seconded by Council Member Hartwell.**

**The motion was voted on and passed 6 – 0. Vice Mayor Binney recused himself from the vote.**

- **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.

There were no public comments, and the Mayor closed this portion of the meeting.

- **ADJOURNMENT**

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

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

**APPROVED:**

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**Ronnie O. McDaniel, Mayor**

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

**ATTEST:**

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**Lois V. Johnson, 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 Star Valley held on the 1<sup>st</sup> day of September, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.**

**Dated this 10<sup>th</sup> day of September, 2015.**

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**Lois V. Johnson, Town Clerk**