

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

**Tuesday, March 3, 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 Bob Evans of the Church of Jesus Christ of Latter Day Saints
- 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 February 17, 2015.**

**B. Approval of Claims Payable from February 16, 2015 through February 28, 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 Hartwell, and was seconded by Vice-Mayor Binney.**

**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.**

- **DISCUSSION ITEMS:**

- 1. Town Manager's Five Minute Report, and possible discussion.**

Town Manager Grier reported the back-up wells are now in place at the park, and the last item to be done is the electrical which is being put out to bid; Roy Haught has done some repair work at the intersection of Highline and Highway 260 which should improve the drainage problem in that area; a man

who purchased two pieces of land in the Moonlight area in Star Valley under tax liens has offered these two parcels to the Town free of charge – one parcel is completely in the wash and the other one is across of Sprague Crossing on a steep hillside; he has met with Andy Smith of the Transportation Department of CAG, who will attend the next Council meeting; the CDBG # 2 project is currently being re-designed and he will be meeting with Dave Dirren of Sunrise in the very near future; the biological study for the Sprague Crossing project has been put on hold until it is determined if the two necessary easements can be obtained; the Town audit has been completed and the auditors will make a presentation to Council in the near future; Dallas Haught has been doing clean-up work at the Park and the vinyl fence is being extended; a meeting has been scheduled with Kathy Boyle of ADOT to discuss the possible extension of the 45 mph speed limit on Highway 269 as discussed at the last meeting; and budget presentation will commence shortly.

**2. Discussion and possible action regarding approval of sponsorship of a golf hole at the “Tee Off For Hunger” fundraising golf tournament to be held on May 2, 2015.**

Kathleen Hughes, Co-Chair of the “Tee Off For Hunger, “ stated St. Vincent de Paul is the largest food bank in this area, and St. Vincent de Paul, Knights of Columbus, and the Food Bank are partnering to sponsor the golf tournament “Tee Off For Hunger” to raise funds for the Food Bank. Mrs. Hughes stated one of the ways to support the golf tournament is to sponsor a golf hole for \$100.00. Mrs. Hughes stated they are also soliciting players for the tournament.

**A motion that the Council approve a contribution to the Payson Knights of Columbus in the amount of \$100.00 to sponsor a golf hole at the “Tee Off For Hunger” on May 2, 2015, was made by Council Member Coon, and was seconded by Council Member Hartwell.**

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

**3. Discussion and possible action regarding Town participation in the 2015 Business Show Case to be held at Steve Court Ford on March 17 and 18, 2015, including setting budget for “giveaways.”**

Town Clerk Lois Johnson pointed out that the Business Show Case will be held on April 17 and 18, not March as stated in the agenda.

Council Member Henderson stated since the Town has already committed donating \$1,500.00 for the tent, the Town is considered a “Grand Sponsor”, which means the Town gets a booth at no cost, 4 badges for admission to the Mixer, advertising in the posters and signs, and signage for the booth. Ms. Henderson suggested the Town gave free “giveaways” which promote the Town. Discussion was held concerning what type of giveaway to purchase, that purchase should be done local if possible, and the possibility of a brochure touting the benefits of living in Star Valley. Council Member Henderson stated from 10:00 a.m. to 4:00 p.m. the Council Members should take turns manning the Star Valley booth.

**A motion that the Council approve a budget of not to exceed \$300.00 to purchase “giveaways” for the 2015 Business Show Case to be held on Saturday, April 18, 2015, at Steve Coury Ford in Star Valley, and that Council Members Hartwell and Henderson will be a committee of two to select “giveaways” was made by Council Member Henderson, and was seconded by Council Member Hartwell.**

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

4. **Discussion and possible action concerning Resolution No. R 15-03 captioned as follows: A Resolution of the Mayor and Town Council of the Town authorizing the submission of an application(s) for FY 2015 State Community Development Block Grant Funds, certifying that said application(s) meets the community's previously identified housing and community development needs and the requirements of the State CDBG program, and authorizing all actions necessary to implement and complete the activities outlined in said application(s).**

Town Clerk Johnson apologized and stated the correct resolution number is "R 15-04". Ms. Johnson also informed the Council this resolution is required by ADOH at the time of submitting the Town's application for FY 2015 CDBG funds.

**A motion that the Council approve Resolution No. R 15-04 – A Resolution of the Mayor and Town Council of the Town authorizing the submission of an application(s) for FY 2015 State Community Development Block Grant Funds, certifying that said application(s) meets the community's previously identified housing and community development needs and the requirements of the State CDBG program, and authorizing all actions necessary to implement and complete the activities outlined in said application was made by Council Member Hartwell, and was seconded by Vice-Mayor Binney.**

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

5. **Discussion regarding the Town's cash reserve fund.**

Town Manager stated this was an item that Vice-Mayor Binney wanted on the agenda, and that discussion on this item had actually commenced at the last Council meeting. Town Manager Grier stated the fund reserve is the touchstone of the target number used to ascertain the amount of funds available for projects. Mayor McDaniel requested that he breakdown the fund for those present.

Town Manager Grier stated the \$2.6 million is a target number and is not a fund. \$2.5 million has been put into laddered cds, which are very liquid. Mr. Grier stated during last meeting's discussion regarding the loss of photo enforcement revenue, the question arose as to whether or not \$2.6 million is still the right number. Mr. Grier informed the Council that Council Member McKinney had attended the CAG / Legislative meeting and reported that the state budget is in dire straits. This may result in reduced state shared revenues and monies received from HURF.

Town Manager Grier stated the Town's budget is "very sound," which is the result of good decisions having been made over the past ten years. Mr. Grier also stated the Town is currently above budget, partially due to a jump in photo enforcement revenue over the past six months.

Town Manager Grier stated the \$2.6 million is comprised of various restricted fund, including \$600,000 in the Rainy Day Fund (a reserve fund for Town emergency); \$280,000 in HURF (reserve fund for roads); \$168,000 excise tax fund (can only be used for roads); the photo enforcement revenue is a reserve fund that can only be used for law enforcement; and then the general fund in the amount of \$1,469,000 which can be used for any purpose.

Town Manager Grier discussed when monthly revenues (\$40,000 to \$43,000) come in, a portion of those funds go into the various reserve funds and can only be used for specific purposes. Mr. Grier estimated approximately \$10,000 monthly revenue is available for spending on projects. Mr. Grier stated the reserve funds can still be spent in their designated areas. Mr. Grier emphasized that if the Council spends down to \$2.6 million by the end of the current fiscal year and spends a large amount on projects, it

will take some time to rebuild the reserve back up.

Vice-Mayor Binney interjected that he believes Mr. Grier is using the \$2.6 million as the zero starting point and he does not agree with this. Mr. Binney stated it was his view point that the Town would have a net \$23,000 per month to spend, not the \$10,000 stated by Mr. Grier. Mr. Binney described the Town's spending like a "sign wave", and also pointed out that photo enforcement revenue is not part of the \$2.6 million as it is spent on law enforcement every year. Vice-Mayor Binney presented his interpretation of the \$2.6 million number and the need for the Town to be spending money on projects at this time. Town Manager Grier stated the \$2.6 million is a good number, as long as none of the other numbers change.

Steve Vincent, member of the public, offered his comment that it appeared Vice-Mayor Binney and Town Manager Grier were saying the same thing. Mr. Vincent offered his viewpoint that the \$2.6 million is basically a "savings account," which is allocated in several different ways if it is spent and then revenue is added to it on a monthly basis. Town Manager Grier responded that the difference between his position and that of Vice-Mayor Binney is that Mr. Grier is taking into account the potential loss of photo enforcement revenue.

Council Member Hartwell stated if it is allocated money, the Council should consider it spent. Second, Ms. Hartwell asked if there would be adequate revenue to pay the bills if the Town lost photo enforcement? Vice-Mayor Binney responded that the Town would be able to pay its bills. Town Manager Grier stated the budget is fine at this time, but there still is no provision for an emergency.

Mayor McDaniel stated his opinion that the Council might be acting prematurely since there is no way of knowing what is going to happen with photo enforcement. Vice-Mayor Binney stated he believes it should be discussed on a regular basis, as it is an ongoing concern. The Council further discussed whether or not to stay at \$2.6 million and it was the general consensus to remain at that number.

Town Manager Grier stated it was management philosophy for staff to continue to develop projects and be ready to move forward. Mr. Grier stated he agreed with Vice-Mayor Binney that "we are here to serve, but also here not to go broke."

- **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.

Steve Vincent, resident of Star Valley, requested that Town Manager provide him with information so he can better understand the easements which are necessary for the Sprague Crossing Project to proceed, and then could better convey this information to the Vansickles. Mr. Grier stated he and Mr. Vincent could talk after the meeting.

Teresa McQuerrey, report for the Roundup Newspaper, suggested the brochure for the Business Show Case include information on the businesses in Star Valley.

There were no further public comments, and the Mayor then closed the public comments section of the meeting.

• **ADJOURNMENT**

**A motion to adjourn the meeting was made by Council Member Henderson, and was seconded by Vice-Mayor Binney.**

**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 3<sup>rd</sup> day of March, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.**

**Dated this 6<sup>th</sup> day of March, 2015.**

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**Lois V. Johnson, Town Clerk**