

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

**Tuesday, April 19, 2016 @ 6:00 pm
3675 East Highway 260, Star Valley, AZ
(Star Valley Town Hall)**

The Agenda for the meeting is as follows:

- PRAYER was offered by Pastor Richard Richey of Church of the Nazarene
- PLEDGE OF ALLEGIANCE

- CALL TO ORDER
- 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 .

- **GILA COUNTY SHERIFF'S OFFICE REPORT FOR MARCH, 2016.**

Lt. Tim Scott of the Gila County Sheriff's Office gave the report for March, 2016.

- **HELLSGATE FIRE DISTRICT REPORT FOR MARCH, 2016.**

Deputy Chief Wisner of Hellsgate Fire District gave the report for March, 2016.

- **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 April 5, 2016.**

- B. Approval of Claims Payable from April 1, 2016 through April 15, 2016 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 Coon.

A roll call vote 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 May 5, 2016 as National Day of Prayer**

The Town Clerk read the Proclamation for the Council and public (see agenda packet information).

- **DISCUSSION ITEMS:**

1. **Discussion and possible action regarding review and acceptance of town financial report and audit results for year ended June 30, 2015. Dennis Maschke of CliftonLarsonAllen LLP to make presentation.**

Mr. Maschke was unable to attend the meeting, so this discussion item will be rescheduled.

2. **First budget presentation and Public Hearing for FY 2016/2017. Presentation by Chancy Nutt, Finance Administrator, and Town Manager Tim Grier.**

Finance Administrator Nutt stated she would be discussing the current fiscal year end projections for budget year 2015/2016, and also the predictions and revenues and expenditures of 2016/2017. Ms. Nutt stated this is the first public hearing of three for the 2016/2017 budget. The second public hearing will be to adopt the tentative budget, and the third hearing will be to adopt the final budget. Ms. Nutt stated the information presented at this meeting and the tentative and final budgets will be available on the Town's website and at Town Hall, and the final budget will be published twice in the local newspaper.

Ms. Nutt provided the Council Members with a packet containing the line item revenues and expenditures, and also an all fund summary. Ms. Nutt stated she would be going through the packet with the Council Members, and this information would assist the Council in making policy decisions. Ms. Nutt stated the Town operates on a fund based budget, which contains general funds, restricted funds, and an enterprise fund.

Ms. Nutt stated the fund sources in the general fund are the restricted fund (HURF and State Excise Tax) and the enterprise fund. Ms. Nutt stated for fiscal year 2016/2017 it is projected the Town will collect \$1,178,139 in general fund revenues, \$349,709 in grant funds, \$150,000 in enterprise funds, and \$381,297 in restricted HURF funds. Ms. Nutt stated the anticipated all funds total of funds collected is \$2,059,145. Ms. Nutt stated the anticipated grants are from CDBG #3 in the amount of \$289,000 and the Town will need to leverage approximately \$101,200 as the total project is anticipated to be \$390,909. Ms. Nutt stated the Town plans to apply for a WIFA engineering grant in the amount of \$30,000, and the Prop 202 grants are anticipated to come in at \$30,000. Ms. Nutt pointed out the original packet to the Council referenced an ADOT grant, but this is a 5-year cycle and is not available for the upcoming fiscal year.

Ms. Nutt stated there have been changes in the photo enforcement program which will impact the upcoming fiscal year. Town Manager Grier stated the best way to define the photo enforcement program at present is "unpredictable" both for revenue and expenditures. Judge Little cannot give a solid answer as to how long it will take to complete processing the currently outstanding tickets. Mr. Grier stated there may well be a period of time when the cameras can be turned back on before Senate Bill 1241 goes into effect. Mr. Grier stated Star Valley would most likely follow the decision of the City of Phoenix, which has not been made yet.

Ms. Nutt pointed out that the Department of Revenue is now the sole collector of local sales tax, which allows the Town to request audits of businesses. The Town has done this and several businesses have been identified that have not been reporting correctly. This has resulted in a 2% budget increase in local sales tax revenue in which was originally budgeted and what is expected to be collected at the end of this fiscal year. An additional 2% increase is anticipated for 2016/2017 as the economy continues to improve.

Ms. Nutt then addressed “Operating Funding,” and stated this is to assist the Council in making funding decisions and policy decisions. Ms. Nutt reviewed the numbers in this chart with the Council. (See attachment to these minutes.) Ms. Nutt stated there is a total of \$2,854,431 in unrestricted funds in the General Fund, and \$533,972 in the Restricted Fund, for a total of \$3,388,403. Ms. Nutt said this information is based on the current fiscal year information and the projected revenue over operating expenses for fiscal year 2016/2017. Ms. Nutt stated once the tentative budget is adopted monies can be moved within a specific fund, but no changes can be made to the overall fund balance.

Town Manager Grier pointed out that the Council needs to bear in mind there will be an estimated 28% reduction in revenue due to the loss of photo enforcement. Mr. Grier also stated he is not certain the \$2.6 million in fund reserve is still a good number. Mr. Grier recommended that the Council needs to find a balance as to what are smart decisions and services the Town provides to the citizens, and smart decisions in maintaining the Town in a financially healthy position, not only for the current time but also into the future. Vice-Mayor Binney expressed his concern with changing the \$2.6 million figure. Town Manager Grier stated he does not believe with a 28% reduction in revenue it will still remain as a good number for the future.

Mayor McDaniel then opened this discussion item to public hearing; there were no questions or comments; and the Mayor then closed the public hearing.

3. Discussion and possible action regarding contribution by the Town to the Payson Pro Rodeo Committee for the spring rodeo or the combined spring and fall rodeos.

Vice-Mayor Binney stated he always votes “No” on this, but believes this year the amount should be reduced due to the change in the Town’s financial situation. Council Member Hartwell suggested the Council only address the spring rodeo at this time and then review its financial situation before deciding on the fall rodeo.

Discussion followed concerning the amount to contribute; the legacy of the rodeo; the benefit Star Valley receives from sponsoring the rodeo; and the different ways in which Rim Country benefits from the rodeo. Mayor McDaniel explained that the amounts of the sponsorship are set by the Committee and cannot be changed.

A motion that the Council approve a contribution to the Payson Rodeo Committee in the amount of \$900.00 for the spring, 2016 rodeo and then later consider the contribution to the fall rodeo was made by Council Member Coon, 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 No, Council Member Hartwell Yes, Council Member Henderson Yes, Council Member Coon Yes, Council Member McKinney Yes, Council Member O’Connor No.

The motion passed 5 – 2.

4. Discussion and possible action to adopt Resolution No. R 16-01 – A Resolution of the Mayor and Town Council of the Town of Star Valley, Arizona supporting the all mail election for jurisdictions due to the amendment to A.R.S. § 16-204 – declaration of statewide concern; consolidated elections dates.

Town Clerk Johnson reported that she had attended a meeting in Globe with the Gila County Election Department and the County Recorder. Both departments are encouraging the all mail election as more people vote. The Town has been requested to confirm in writing, via the suggested resolution, that

Star Valley wants to do the all mail ballot. Ms. Johnson stated the polling location of the Star Valley Baptist Church would still be retained.

A motion that the Council approve Resolution No. R 16-01 – A Resolution of the Mayor and Town Council of Star Valley, Arizona, supporting the all mail election for consolidated Gila County elections that have Town of Star Valley candidates was made by Council Member Hartwell, and was seconded by Council Member Henderson.

The motion was voted on and passed 7 – 0.

- 5. Discussion, public hearing and possible action regarding a Conditional Use Permit in CASE NO: CUP 16-01; PETER DENNIS MC CORRY, the applicant. The location of the property is 4333 E. AZ Highway 260, Unit B-1, Star Valley, AZ 85541. The Assessor's Parcel Number is 302-57-038C, Star Valley, AZ. The property is currently zoned Commercial 3 (C-3). Council will consider the Planning and Zoning Commission's recommendation that this request for a Conditional Use Permit to permit parking of an R.V. and use as living quarters be denied.**

Peter McCorry addressed the Council and stated his request was that he be allowed to reside in the R.V. already parked at the subject property. Mr. McCorry stated the trailer cannot be seen from Highway 260; that Karen Killian from APS has approved the location of the trailer being 17 feet from the fence; that trespassing and vandalism on the property has stopped since he started residing there; and that he is setting a precedent by asking for permission to reside in the trailer and others are doing so in other areas without requesting permission from the Town.

Robert Rippey, Town Code Compliance Officer, stated the subject property is zoned C-3 commercial, and there are no provisions in this zoned area for setbacks and utilities. Mr. Rippey stated there are trailer districts which allow the parking of trailers, but commercial zoned does not have that provision.

Town Manager Grier stated the Town Code provides a residence may be maintained in a commercial area only if it is on the second floor of a commercial building. Mr. Grier stated that Mr. McCorry's trailer does not meet that requirement and is in violation of the Code. Mr. Grier also pointed out that the applicant is the owner of the property, Steve Glisendorf of Rim Country Furniture and Appliances. Mr. Grier stated there may be many other violations, i.e., setbacks, utility connections, and the septic issue. Mr. Grier did say that Mr. McCorry has provided proof to the Town that he has plans to rectify the sewer issue, but to date this has not been accomplished. Mr. McCorry responded that he did not plan to do the necessary sewer work until the Conditional Use Permit is approved, and that the County had approved placement of a transfer line.

Vice-Mayor Binney asked if a complaint about the situation had been filed by a neighbor, and Mr. Rippey confirmed that this was true. Council Member O'Connor expressed concern with the septic plan. Council Member Coon stated it is clear Mr. McCorry is in violation of the Code; and Council Member Hartwell expressed her opinion that the Town needs to stick to its Code.

The Mayor then opened this discussion item to a public hearing.

Bobby Davis, newly-elected Chairman of the Planning and Zoning Commission, stated the Commission had previously heard the testimony of Mr. McCorry and the Town, and then recommended that the Council not allow issuance of the requested Conditional Use Permit. Mr. Davis stated this decision was made on the fact the subject property is zoned C-3 and the code makes no provision for an R.V. on that property.

Mark Elsbery, a resident of Star Valley, stated he works for Steve Coury and lives just behind and less than 200 yards from the subject area. Mr. Elsbery indicated he is concerned with the gray water

running beneath the R.V. and that he does not want a trailer court town to develop. Mr. Elsbery stated he does not have anything against Mr. McCorry, but the suggested use is just not going to work.

Mr. McCorry responded that the “small amount of gray water” was coming from the sink; that he currently uses a port-a-potty; and that he has not gone into a trailer park as he has not found a park that is legal; and that he is looking for a favorable outcome.

Council Member O’Connor asked if the Council denied the Conditional Use Permit, should it include a time period for compliance with removing the R.V. Town Manager said the Council could do this.

A motion that the Council accept the recommendation of the Planning and Zoning Commission and deny the issuance of a Conditional Use Permit for Case No. CUP 16-01, and further that Peter McCorry has no more than a two week period to vacate the premises was made by Council Member O’Connor, and was seconded by Council Member Binney.

The motion was voted on and passed 7 – 0.

Mr. McCorry asked if he could continue to use the R.V. for storage, and Town Manager stated that was not in front of the Council and has not been looked into so he would not make a comment on that issue at this time.

6. Status report on CUP No. 15-02, CONNIE L. AGNES (Heart 6) , and possible discussion and action. Presentation by Robert Rippey, Zoning Compliance Officer.

Robert Rippey, Zoning Compliance Officer, stated he has inspected the subject property since issuance of the Conditional Use Permit. Mr. Rippey stated on March 10th there were 23 horses on the property and there were no stacked waste piles. On April 19th there were 25 horses on the property, and also 2 horses across the street and 2 further down the street which he believes belong to Ms. Agnes as he saw these horses being fed the same hay from the same truck as feeding the horses on her property. If these 4 additional horses do belong to her, as of the date of this meeting she has 29 horses. The only improvement he has observed is the reduction in manure piles.

Town Manager Grier stated contact was made with Attorney Rubin, who indicated Ms. Agnes is in the process of moving the rescue and sanctuary horses to Wilcox and this will be done by June 1, 2016, the date for required full compliance.

• 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.

• 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:

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 regular meeting of the Town Council of the Town of Star Valley held on the 19th day of April, 2016. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 26th day of April, 2016.

Lois V. Johnson, Town Clerk