

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

**Tuesday, July 7, 2020 at 4:00 pm
3675 East Highway 260, Star Valley, AZ
(Star Valley Town Hall)**

The Agenda for the meeting is as follows:

- PRAYER was offered by Council Member Davis.
- CALL TO ORDER
- ROLL CALL:
Vice Mayor McKinney X, Council Member Davis X, Council Member Armington X,
Council Member Binney X, Council Member Rappaport X, Council Member McDaniel
X, Mayor Coon X. **Council Members appeared telephonically.**

- **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 May 19, 2020.

**B. Approval of Claims Payable from May 16, 2020 through June 30, 2020 for the
General Fund and for the Water Department.**

A motion to approve consent agenda items A and B was made by Council Member Binney and was seconded by Council Member Davis.

A roll call vote was taken:

Vice Mayor McKinney X, Council Member Davis X, Council Member Armington X, Council Member Binney X, Council Member Rappaport X, Council Member McDaniel X, Mayor Coon X.

The motion was voted on and passed 7 - 0.

- **DISCUSSION ITEMS:**

- 1. Telephonic presentation by APS regarding fire mitigation and preparedness efforts.**

Town Manager Grier introduced presenter Neil Traver with APS. Mr. Traver stated he would like to explain some of the proactive measures that APS is taking to avoid being involved with any type of fire and keeping everyone safe. Safety is at the core of APS's values, stated Mr. Traver. Over the last several years APS has created a comprehensive fire mitigation plan (*See, attached hereto, APS Wildfire Safety and Fire Mitigation Efforts*). The plan entails five different pieces, explained Mr. Traver. The first piece is what is called the Integrated Vegetation Management Program. APS is pro-actively going out in the field and finding vegetation, that has the potential to impact the system, and they trim it back. The second is a program called Defensible Space Around Poles, where they trim around the base of equipment poles within a ten foot diameter to ensure there is no potential fuel to burn the pole down. Another thing they do every year is what's called Line Inspection and Public Safety Patrols. Reported Mr. Traver, APS patrols 3,000 miles worth of line every year by foot, truck, helicopter, and drone to ensure everything is in good working order and there is not a potential for any sparking to happen on any of their equipment. If they do find any of that, they repair it right away and make sure that it is in good working order before the middle of summer so that during high red flag times there's no potential for a fire on APS equipment.

Mr. Traver stated the next thing APS has worked on is Operational Protocol. There are pieces of equipment on the poles that can sense if there is a fault, insuring they don't ever start a fire or have an issue. Safety is number one and is very critical to APS, pointed out Mr. Traver, and that's why they are taking those operational protocols. The last piece they are doing is communication outreach to let all the customers in areas of high fire risk, who could be potentially impacted by longer outages, know that they are on one of those power lines. APS puts safety first, above production, and reliability is something that is important to APS, but not as important as safety, concluded Mr. Traver. Mayor Coon thanked Mr. Traver for taking his time to discuss fire hazards. Council Member Rappaport stated she recently went down to the valley and saw the destruction of the Bush fire. Council Member Rappaport then asked if APS had a lot of poles down because it looks like a moonscape. Mr. Traver answered that is part of his service territory and APS lost about twenty poles in that fire.

- 2. Discussion and possible action for review and approval to enter into the AZCares Fund Program agreement for an award amount of \$264,974.00.**

Finance Administrator Nutt explained the AZCares Act is a stimulus relief bill proposed by the governor and allocated to local communities and counties based on population. During this stimulus allocation there were several processes that the Town had to go through to apply for the grant monies. The Town successfully fulfilled those obligations and was allocated \$264,974.00 based on the Town's population, reported Ms. Nutt. We do have to enter into the agreement, that has stipulations. After reading the agreement, stated Ms. Nutt, she felt the Town could fulfill its obligations for the grant funds. The Town Manager/Town Attorney reviewed and approved the application, reported Ms. Nutt. Town Manager Grier reported that one clear path to legally expend the money on is the law enforcement contract. What that would mean to the Town is that it would be \$264,000.00 less out of the general fund that would have to go toward the law enforcement contract. The way he sees it, stated Mr. Grier, the AZCares Act money is best spent to mitigate the economic consequences of the coronavirus. He believes those consequences are not going to be just short term, but long term with reduced state shared monies, and reduced opportunities for grants. Concluded Mr. Grier, that is the path that he thinks the Town

should take and that clearly can be taken as far as expending the funds. “This is a no brainer, yes,” stated Council Member Rappaport.

A motion to approve entering into the AZCares Fund Program agreement for an award amount of \$264,974.00 was made by Council Member Davis and was seconded by Council Member Binney.

A roll call vote was taken:

Vice Mayor McKinney Yes, Council Member Davis Yes , Council Member Armington Yes , Council Member Binney Yes, Council Member Rappaport Yes , Council Member McDaniel Yes , Mayor Coon Yes .

The motion was voted on and passed 7 – 0.

3. Public hearing, discussion, and possible action to adopt Resolution No. R 20-05, adopting the revised tentative budget for fiscal year July 1, 2020 through June 30, 2021 in the amount of \$7,631,457.00. Presentation by Finance Administrator Nutt.

Finance Administrator Nutt reminded everyone there were technical difficulties at the previous scheduled public hearing for the adoption of the revised tentative budget, which made the Town unable to complete its fiscal responsibility to bring in a new budget. What prompted the revised budget, explained Ms. Nutt, was the passing of the AZCares Act, which increased the budget amount by \$264,000.00. After receiving that news from the governor’s office, she also received notice that the state shared revenues also came out with revised numbers to the amount of \$26,000.00 above their previous projections for the Town. Both of these numbers prompted her and the Town Manager to discuss revising the tentative budget to bring those monies in, because, reported Ms. Nutt, if the monies aren’t in the budget the council cannot access them. Those numbers were too vital to be left on the sidelines, added Ms. Nutt.

As a result, reported Ms. Nutt, the Town has an additional \$291,215.00 added to the budget. This budget represents one of the strongest fiscal positions the Town of Star Valley has been in since incorporation. The Town’s budget reflects the stimulus of the AZCares Act funds, the shadow effect of years of a robust economy, and the water rates increase which allows the water department to stand on its own for operational expenditures. The budget also reflects the small staff policy and fiscal conservative spending model the Town has invested in for many years. Combined, stated Ms. Nutt, these savings on the expenditure side and increased revenue has led to this extremely solid financial footing that the Town is in. Furthermore the Town has utilized many grant opportunities over the years, both with Community Development Block Grant monies and the money that Town Clerk Chapin has successfully fetched from her efforts with grants.

However, stated Ms. Nutt, she feels it is crucial to be practical about the shortfalls she believes are pending. She has spoken extensively with other town officials and the League of Cities, and they are in agreement that many cities and towns risk running afoul during the next few years Ms. Nutt stated she believes the forecast for state shared revenues may very well be overly optimistic. She also believes a shortage can cause shortfalls in the local economies of towns and cities, which can have an upward ripple effect and may cause a shortfall in all city’s state shared revenues. Explained Ms. Nutt, a major contributor to the Town’s fund reserves has been our ability to utilize grants, specifically community development block grants, to improve infrastructure and accomplish capital asset projects. These federal grants may easily evaporate from future budgets. Future large-scale improvements may prove to be a slow drain on the Town’s revenues without these funds. While she is presenting to council a robust budget, concluded Ms. Nutt, she is advocating for caution to protect the fiscal position of the Town from deterioration.

A motion to adopt Resolution No. R 20-05 – A Resolution of the Mayor and Common Council of the Town of Star Valley, Arizona, adopting revised estimates of revenues and expenditures/expenses

shown on the schedules attached as the tentative budget of the Town of Star Valley for the fiscal year 2020/2021 in the amount of \$7,631,457.00 was made by Council Member Davis and was seconded by Council Member McDaniel.

A roll call vote was taken:

Vice Mayor McKinney Yes, Council Member Davis Yes , Council Member Armington Yes , Council Member Binney Yes , Council Member Rappaport Yes , Council Member McDaniel Yes , Mayor Coon Yes .

The motion was voted on and passed 7 – 0.

4. Discussion and possible action to consider a Law Enforcement contract.

Mayor Coon stated the current contract with the Gila County Sheriff's Department has expired as of June 30th. It's time for council to discuss a new contract. Town Manager Grier acknowledged the current contract expired as of June 30th. It doesn't mean the Town is without law enforcement, clarified Mr. Grier. Currently, the Town would be in a month by month agreement with Gila County. Mr. Grier stated he thinks that this is maybe the most important agenda item and should be considered carefully. Since he's been manager for the Town, the importance of the Law Enforcement contract has been overlooked. What he's asking for council to do is to have a discussion about what they think law enforcement should look like in Star Valley and what terms should be included in a contract. Mr. Grier explained he was contacted by the Town of Payson and sent a proposed draft Intergovernmental Agreement ("IGA"). He is encouraging council, as the Town looks at a new contract, to consider what they want law enforcement to look like here. Queried Town Manager Grier – What is necessary in the contract? What terms and agreements should be in that contract? What shortfalls has the Town had and why? At the end of this discussion, he is proposing that council agrees to send him to negotiate a contract with both parties.

There are a couple of things that need to be considered, informed Mr. Grier. First is the responsibility and patrol of Highway 260. The Town has always preached that safety is the utmost concern and we have done everything in trying to slow traffic on Highway 260. The Town has used photo enforcement and proposed ideas to ADOT such as a stop light, pedestrian crossing, round-about, decreased speeds, more speed signs, and the road diet. ADOT has made it very clear that it is their highway and that the Town can't have a round-about, stop light or pedestrian crossing. The Town has taken on the responsibility of patrol on Highway 260, stated Mr. Grier, and he would make the argument that Highway 260 is not the Town's responsibility, but the Arizona Department of Public Safety's ("DPS") responsibility to patrol. It is a state highway and there is a statute on point. The Town has been taking on that responsibility, we have not been making any difference, and we are being charged hundreds of thousands of dollars through the contract with Gila County to patrol Highway 260. Mr. Grier stated he is proposing to look at that real hard and take a position that it is not the Town's highway to patrol. It is DPS's responsibility and when the Town negotiates a new contract demand the cost of patrolling Highway 260 is taken out of that.

The second thing that needs to be considered is the annexation, stated Mr. Grier. He has yet to see an advantage in the annexation that was done years ago. It is forest service land and yet it costs the Town tens of thousands of dollars of detriment in patrol. Mr. Grier stated he encourages council to discuss whether or not the Town should be responsible for the patrol of Highway 260 and should not bear the cost of that. We need to look at what the Town wants law enforcement to look like, reiterated Mr. Grier. The big problem that the Town has had with the law enforcement contract is that we have had no say. Gila County has refused any sort of code enforcement, reported Mr. Grier. The Town code allows for prosecution either by civil action in court or by a criminal misdemeanor, explained Mr. Grier. While it is

usually more suitable to pursue something civilly, there are situations that require a more immediate resolve in what can be a safety issue. Concluded Mr. Grier, he is encouraging the Town to take a whole different perspective before entering into a contract and that part of what the Town wants is to have an ongoing say.

Council Member Rappaport stated she thinks the annexation should be kept around for posterity. There is no reason why they can't do 260 out there too. They're not giving us any policing in Town and that's just not right, concluded Council Member Rappaport. Town Manager Grier stated something he would argue with on Highway 260 is that the Town is not reducing the speeds out there at all. As far as the annexation, he still doesn't see the value in paying hundreds of thousands of dollars in a four year contract for that. Why should the Town pay, stated Council Member Rappaport, if they are not under contract they have to cover it anyway, it's a state highway. Council Member Davis questioned if the Town should keep the annexation for future growth. Town Manager Grier replied the annexation doesn't provide that opportunity to the Town because it is forest service land. While the Town annexed, that doesn't give us the right to grow, concluded Mr. Grier. Mayor Coon added he thinks it's time the Town has a little more say and more control.

Council Member Binney stated he pretty much agrees with everything Town Manager Grier has said and added there is a big detriment to the annexation that has not been mentioned. If a real serious crime takes place out there the Town is responsible for the cost of prosecution. There is no advantage to keeping that. If it's just the 260 corridor, stated Council Member Binney, we already paid DPS by state taxes to maintain the highway and the Town should not have any responsibility for Highway 260. We are hiring them just for our Town and they need to be able to enforce the Town laws also. Council Member Binney stated he believes if the Town has to pay for patrol of Highway 260 we would be paying twice, the state once and whoever the Town hires once. Queried Council Member Binney – Why do we pay twice? Mayor Coon asked for confirmation that the Town is not getting any ordinance enforcement. Mr. Grier answered that Sheriff Shepherd refuses to enforce any of the code enforcement issues. That takes a big bite out of what the Town can do with enforcement of codes and the ability to pursue as a misdemeanor.

Discussion ensued regarding lack of code enforcement. Town Manager Grier clarified most of the time code enforcement is pursued in civil court. What is worrisome, explained Mr. Grier, is sometimes there are violations that are of a serious safety nature. Lack of code enforcement takes away a more immediate ability to resolve code enforcement issues. The Town needs that tool, with code enforcement, and that is something that should be negotiated, concluded Mr. Grier. Council Member Binney stated, if we get it, the Town should pay for that. Council Member McDaniel advocated that DPS should be responsible for the state highway. Council Member Binney stated Gila County probably has less deputies right now because the retention rate is so low. Gila County was paid by the Town to add one or two people and that has really never happened. Council Member Rappaport stated it is imperative for council to take the responsibility to get what we pay for and to reduce what the Town is paying right now. Council Member Davis stated he agrees that the negotiation should not include patrol of Highway 260. We have already paid for that through our taxes and the Town shouldn't have to pay twice. The Town definitely needs to have 365 days a year of visible presence and it should be put into the contract that the Town will pay for code enforcement support to give the Town the teeth to keep our citizens safe, concluded Council Member Davis. We need to see more presence in our Town, stated Mayor Coon.

A motion to instruct the Town Manager to enter into negotiations with the Town of Payson and Gila County for a Law Enforcement contract was made by Council Member McDaniel and was seconded by Council Member Rappaport.

Council Member Binney questioned if there is enough direction in that motion. Town Manager Grier responded the motion is good. The real important issue, as far as decreasing the amount of the contract cost, is where we stand on Highway 260 and what direction council would like to go on that. Some of the other positions, stated Mr. Grier, he can do on his own, as far as the Town wanting more say, and to be able to have some of the code enforcement cited as misdemeanors. Council should also want to be able to have a say in what is done, concluded Mr. Grier.

An amended motion to add: in the course of the negotiation, the responsibility of the cost of patrolling Highway 260 does not fall on Star Valley was made by Council Member McDaniel and was seconded by Council Member Rappaport.

Discussion ensued regarding the negotiation.

A roll call vote was taken:

Vice Mayor McKinney Yes, Council Member Davis Yes , Council Member Armington Yes , Council Member Binney No , Council Member Rappaport Yes , Council Member McDaniel Yes , Mayor Coon Yes .

The motion was voted on and passed 6 – 1.

• 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.

The Mayor opened up this portion of the meeting for public comment. 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 Binney and was seconded by Council Member Davis.

The motion was voted on and passed 7 – 0.

APPROVED:

Gary Coon, Mayor

Date: _____

ATTEST:

Edie Chapin, 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 7th day of July 2020. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 9th day of July 2020.

Eddie Chapin, Town Clerk