

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

**Tuesday, February 1, 2022 at 5:15 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 Dave Barber of Rim View Community Church.
- PLEDGE OF ALLEGIANCE
- 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.

- **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 Vice Mayor opened up this portion of the meeting for public comment.

Donna Fox of Star Valley stated she submitted her application for a business license today and explained she is trying to start a co-working space business. She will have killer internet, offices, a coffee bar and a conference room that the community can use.

There were no further comments and the Vice Mayor closed the public comment portion.

- **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 Meetings held on January 4, 2022 and January 18, 2022.**
- B. Approval of Claims Payable from January 16, 2022 through January 31, 2022 for the General Fund and for the Water Department.**

**A motion to approve consent agenda items A and B was made by Council Member McDaniel and was seconded by Council Member Armington.**

**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.**

**The motion was voted on and passed 6 - 0.**

- **DISCUSSION ITEMS:**

- 1. Resignation of Mayor Coon. By Town Manager Grier.**

Town Manager Grier reported that Mayor Coon has resigned. He would like to walk council through, procedurally, what is next. Mr. Grier added he will also address this at the next meeting where he anticipates that it will be on the agenda for an appointment or an attempt to appoint a mayor. Mr. Grier read Town Code 1-5-12, A: “The office of mayor or council man shall become vacant upon his death, resignation, forfeiture of office, or removal from office in any manner authorized by law.” The resignation of Mayor Coon, reported Mr. Grier, was accepted yesterday morning on January 31, 2022 and created the vacancy. Mr. Grier read (Duties of the Vice Mayor) Town Code 1-5-2, A-2: “The Vice Mayor shall perform the duties of the mayor during his absence or disability.” This means the sitting Vice Mayor, which is Vice Mayor McKinney, explained Mr. Grier, will preside over meetings. We do not have a mayor at this time and will not have a mayor until council appoints or a mayor is elected.

At the next council meeting on February 15, reported Town Manager Grier, the council, by a majority vote of its remaining members, not sooner than its next regular meeting, shall appoint a qualified person to the council. A qualified person, explained Mr. Grier, is any qualified elector (resident of Star Valley). The person that’s appointed doesn’t have to be on council and the council does not have to appoint from within this council. Town Code 1-5-12, C-2 tells us that: “If the council fails to make such appointment within thirty days following the occurrence of the vacancy, the election authorities shall call a special election to fill the vacancy.” If council fails to appoint, explained Mr. Grier, the election to fill the vacancy will be held at the upcoming Primary Election on August 2, 2022. This will not cost the Town any additional money to put on the ballot. Mr. Grier reiterated he will discuss this further on February 15<sup>th</sup> and asked if there were any questions. Council Member Rappaport stated she thinks since we are so close to election to just let the election decide rather than appoint. Vice Mayor McKinney, concluded Council Member Rappaport, can fill in until the election. Mr. Grier responded to save the comments for what council wants to do for the next meeting.

- 2. Discussion and possible action regarding recommendation to the Arizona Department of Liquor Licenses and Control of the Liquor License application for John Randolph Jackson for “Midtown Yard” located at 3870 E. Highway 260 in Star Valley.**

Town Clerk Chapin reported a liquor license application was received from the Arizona Department of Liquor Licenses and Control for John Jackson, the owner of “Midtown Yard.” Ms. Chapin pointed out that Mr. Jackson is in attendance. Ms. Chapin explained she is required to file one copy of the application and post a redacted copy of the application along with a notice at the business premises for a period of twenty days. Ms. Chapin reported that has been done. While the Town is processing the application, explained Ms. Chapin, the Department of Liquor Licenses conducts the necessary background checks. Any written protests are filed directly with the Department of Liquor Licenses.

The next step, explained Town Clerk Chapin, is for council to make their recommendation to the Department of Liquor Licenses that it approve or deny issuing a Liquor License to Mr. Jackson. The Department of Liquor Licenses, concluded Ms. Chapin, makes the ultimate decision on whether or not to issue the license. Vice Mayor McKinney inquired if there were any impediments to approval of this item. Town Manager Grier responded this is a decision that is up to council. It's a recommendation to the Liquor Board and it is a necessary step. Mr. Jackson is here and maybe perhaps he would like to address council. John Jackson, owner of Midtown Yard, stated he attended the meeting so he could answer any questions council may have. He has done everything the Liquor Board and the Town have asked him to do and he is hoping to get this last piece of the puzzle done. There were no questions.

**A motion to approve the Arizona Department of Liquor Licenses and Control for the liquor license application for John Randolph Jackson for "Midtown Yard" located at 3870 E. Highway 260 in Star Valley was made by Council Member Davis and was seconded by Council Member Armington. 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.**

**The motion was voted on and passed 6 - 0.**

### **3. 2022 election update by Town Clerk Chapin.**

Town Clerk Chapin reported there are four council member positions to be filled along with a mayoral seat due to the recent resignation of Mayor Coon. The proposition to adopt Home Rule is also on the ballot. A Call of Election was published in the Payson Roundup setting forth the date and reason for the election and giving the dates for action by the public. Another Call of Election will be published to add the vacant mayoral seat. Anyone who is interested in voting and is not already registered to vote must do so by July 5<sup>th</sup> for the Primary Election and October 11<sup>th</sup> for the General Election. Voter registration forms are available at Town Hall, online or at the Gila County Recorder's Office. In person voting on Election Day, reported Ms. Chapin, will be held at Rim View Community Church. Ballot drop boxes will be located at Town Hall and the Gila County Recorder's Office in Payson. Mail-in voting ballots must be received by 7pm on Election Day. In Arizona, stressed Ms. Chapin, postmarks are not sufficient. The ballot must be received by the County Elections Officials by 7pm on Election Day, whether it is mailed back or dropped off at a voting location or drop box.

Town Clerk Chapin reported candidate packets are available at Town Hall. Included in the packets are a Candidate Statement of Interest, Nonpartisan Nomination Petitions, Nonpartisan Candidate Nomination Paper, Declaration of Qualification and the Public Officer and Candidate Financial Disclosure Statement. Candidates can begin the official filing of their candidacy on Saturday, March 5. As this date falls on the weekend, explained Ms. Chapin, filings will begin on Monday, March 7. The last day for candidates to file, reported Ms. Chapin, is Monday, April 4 at 5:00pm. The Candidate Statement of Interest, stressed Ms. Chapin, must be filed with the Town Clerk prior to collecting any nomination petition signatures. Any signatures collected before the date of submission will be invalid. The Nomination Petitions must contain no less than 33 signatures and no more than 66 signatures.

Town Clerk Chapin explained if a candidate receives contributions or makes expenditures, in any combination, of at least \$500 in connection with that candidacy, the candidate must file a Statement of Organization to form a candidate committee within ten days of meeting the committee criteria. Candidates must declare, on the Declaration of Qualification form, that they have no final, outstanding judgments against them of an aggregate of \$1,000 or more that arose from failure to comply with or enforcement of campaign finance law. The Financial Disclosure Statement Guide, located on the

Secretary of State's website (azsos.gov), answers the most frequent questions about how to complete a Candidate Financial Disclosure Statement in accordance with Arizona law. Sample ballot proofs, upon receipt from the Gila County Division of Elections, will be sent to all candidates for review and confirmation. The final requirement, prior to the election, is to publish the Town's financial statement in the local newspaper.

Election night reporting, reported Town Clerk Chapin, will be provided on Gila County's website. Any candidate receiving a majority of all votes cast at the Primary Election will be declared elected without running at the General Election. Ms. Chapin explained the majority of votes cast is determined by calculating the total number of actual votes cast for all candidates for an office whose names were lawfully on the ballot for that office; dividing the sum reached by the number of seats to be filled for the office; dividing the number reached by two and rounding that number to the highest whole number.

If no candidate receives the majority of the votes cast, explained Town Clerk Chapin, or the number of seats to be filled for the office is more than the number of candidates who received a majority of votes cast, of the candidates who did not receive a majority of votes cast, the number of candidates who advance to the general election is equal in number to twice the number of seats to be filled for the office and the candidates who received the highest number of votes for the office are the only candidates at the general election. If more candidates receive a majority of votes cast than there are seats to be filled for the office, from among those candidates who receive a majority of votes cast, the candidates who receive the highest number of votes equal to the number of seats to be filled for the office is declared elected to that office. Council will then meet to canvass the vote. This, concluded Ms. Chapin, is scheduled for the Tuesday, August 16<sup>th</sup> regular council meeting.

#### **4. Presentation on Home Rule by Finance Administrator Nutt.**

Finance Administrator Nutt reported that Home Rule will be on the upcoming fall ballot along with several other items. It's an expenditure item that goes before the public every four years. The Town of Star Valley has passed it every four years with the last passing by the public in 2018. Home Rule, explained Ms. Nutt, is a state statute that went into place in the 1980's and it reflects back to the population of Towns at the time of the survey in 1978. The original state statute built in a formula that recognizes that populations may change over time. Our duty to the public and to the council is to provide that information in a public hearing format which is scheduled for March 1<sup>st</sup> and March 15<sup>th</sup>. It will be advertised in the newspaper and anyone with questions can come in and listen to the presentations. Tonight, added Ms. Nutt, is merely about refreshing council's memory about what Home Rule is and what it means specifically for Star Valley.

In simple terms, explained Finance Administrator Nutt, the core principal of the state imposed limitations was to limit spending in certain communities. It was a big concern at the time that communities were growing too fast and were spending too much money in the pursuit of growth. State legislation put in the limitations based on the idea that spending should reflect population. Population has changed and inflation factors have been added to it. This formula, stated Ms. Nutt, is how she determines what spending for the Town of Star Valley would be for the proposed four year period beginning July 1<sup>st</sup> of 2023. The number that the state thinks the Town of Star Valley's budget should be at is a little over two million. Our current budget, reported Ms. Nutt, is over ten million. What that means for Star Valley is that we would have to readjust our proposed budget number. Income, expenditures, capital improvement project funds and rainy day savings would have to match the 2.5 million number. This is still an estimation, added Ms. Nutt, and she will get into the details of what counts as an estimation and what will be on the ballot as the Town's final number at the first public hearing.

The council budget that is passed, explained Finance Administrator Nutt, is based on what council sets as priorities. The 2.5 million number may not take those things into account and a reconciliation would have to be created to come to terms with that number. This will also last for four years so if a “No” decision is made on Home Rule, the Town would be going with the state number. If the voters say “Yes” to Home Rule, the Town will be going with the budget that is passed by council on an annual basis. The estimations of a “No” vote, being the state imposed limits, are 2.7, 2.8, 2.8 and 2.9 million dollars versus our in-house estimations based on the same inflation factors of 12.6, 12.8, 13.1 and 13.4 million dollars. A “No” and a “Yes” vote mean very different things for the next four years for Star Valley. Ms. Nutt concluded she will go into the numbers and details at the official public hearing. Ms. Nutt then asked if there were any questions. A question and answer period followed.

Town Manager Grier encouraged council members and voters to look at this specifically to Star Valley. Mr. Grier stated there will be a lot of white noise out there with the Town of Payson. They may have very different issues than what Star Valley has. The next two presentations will be specific as to what the passage or failure to pass Home Rule will mean to Star Valley. It was intended by the legislatures to curb spending. Most of us would agree that Star Valley has not had an issue of over spending. Star Valley, reported Mr. Grier, has nearly a nine million dollar fund reserve. Other than the 2.4 million that Home Rule would allow to expend, that money would have to sit. Not only would Star Valley have the issue of not being able to provide basic services, concluded Mr. Grier, but we would have money in the general fund that would sit and be cursed by inflation over the four year period.

Council Member Rappaport stated she has been pleased with the way staff has handled the finances. She thinks the Town should consider Home Rule in perpetuity. Vice Mayor McKinney stated there will be opportunity to explore that over the next couple of sessions. He doesn’t know enough about it to have an opinion on it but he is sure Ms. Nutt will be able to inform council. Town Manager Grier replied staff will not be addressing that anytime soon, but council will have Home Rule in front of them for a four year period. Council Member Binney stated he doesn’t think council would want to put it in perpetuity. A lousy council or a change of staff who are not so fiscally responsible could put the Town in debt. It gives the public a way to shut it down, concluded Council Member Binney.

• **ADJOURNMENT**

**A motion to adjourn the meeting was made by Council Member Armington and was seconded by Council Member Davis.**

**The motion was voted on and passed 6 – 0.**

**APPROVED:**

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**Andy McKinney, Vice Mayor**

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

**ATTEST:**

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**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 1<sup>st</sup> day of February 2022. I further certify that the meeting was duly called and held, and that a quorum was present.**

**Dated this 4<sup>th</sup> day of February 2022.**

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**Eddie Chapin, Town Clerk**