

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

**Tuesday, July 19, 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 Armington X, Council Member Binney absent, Council Member Rappaport X, Council Member Dueker X, Council Member McDaniel X, Mayor Davis X. Council Member Binney arrived prior to the consent agenda items.

- **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.

Donna Fox, a resident of Star Valley, stated after the last council meeting she approached one of the council members about the fact that she's a criminal every day because she pulls out from where she lives and she illegally goes into the double yellow middle lane. Today, two weeks later, the lines are broken and she is no longer a criminal. Ms. Fox then thanked council.

There were no further comments and the 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 Meeting held on July 5, 2022.**
- B. Approval of Claims Payable from July 1, 2022 through July 15, 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 Armington and was seconded by Council Member Dueker.

A roll call vote was taken:

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

The motion was voted on and passed 7 - 0.

- **DISCUSSION ITEMS:**

1. **Discussion and possible action to adopt Resolution No. R 22-10 – A Resolution approving and authorizing the mayor to execute an amendment to Exhibit “B” to the Agreement for Plan Review and Building Inspection Services between the Town of Star Valley and the Town of Payson.**

Town Manager Grier stated he will recommend approval of the addendum, which shows a somewhat dramatic increase in the cost from the Town of Payson to execute the Town’s Plan Review and Building Inspection Services. We contract out with the Town of Payson to do those services for us. Mr. Grier explained he was approached by Payson Town Manager Troy Smith about eight months ago. They discussed and negotiated back and forth several different deals and settled on this. As is the case with just about everything, employees are getting more expensive and that is being passed on to us. Finance Administrator Woody, reported Mr. Grier, is crunching fee schedule numbers to mitigate the impact of those increased costs. Staff also found out that the Town of Payson isn’t charging Star Valley customers for fees that they charge their customers for. Ms. Woody is also looking into that, which will give council a better idea of where we sit.

Council Member Binney stated he doesn’t mind increasing rates because everything has gone up and employees are just astronomical anymore. Council Member Binney read aloud sections 5.3, and 5.4 of the Agreement which sets out rates for services performed outside normal business hours. He agrees with 5.4 but is concerned that all their billable hours could be over forty and just attributed to the Town of Star Valley. Town Manager Grier explained that 5.3 and 5.4 is addressing Payson paying their employee overtime hours. He doesn’t know of a situation with this service and he doesn’t think they manipulate in that way. Council Member Rappaport stated her concern is that Payson employees could work forty hours a week and only do work for Star Valley after hours to get time and a half. Mayor Davis responded he was there five years and has never seen them work overtime. Council Member Rappaport commented she doesn’t like it and thinks it’s loose. Council Member Binney pointed out that Payson is still the cheapest alternative to have this done. He believes the Town of Payson operates as a profit center and firmly believes it should not. The Town of Star Valley, added Council Member Binney, operates as a non-profit center, but we have to make sure it pays for itself. He supports it, concluded Council Member Binney, but he doesn’t like it.

Queried Town Manger Grier – With the new increased costs from the Town of Payson, will we be breaking even? Will we be making money or losing money? Before the cost increase, explained Mr. Grier, we were roughly about \$7,000 in the black. The best we have been able to calculate is that now we could be around \$2,000 in the red. Staff is looking really hard at mitigating that. Finance Administrator Woody discovered there were standard fees that we didn’t charge that we should be charging that the Town of Payson charges to their customers but doesn’t charge the Star Valley customers. We will take a hard look at that and see where we come out. Queried Mr. Grier – Should we raise other fees? Should we have a profit margin, or a break even, or run in the red and subsidize? We are okay to enter into this

agreement, disclosed Mr. Grier. He understands Council Member Rappaport's concern of the language in 5.3 and 5.4 and thinks the language is pretty standard. Staff wants to come back with an analysis once it is completed, concluded Mr. Grier. Council Member Dueker stated he understands the concern of the language in the document but he doesn't believe it will happen. If it does happen, we will be able to see it and at that point we can question those practices.

Council Member Rappaport read aloud sections 3.4 and 4.1 regarding services provided by outside contractors and/or consultants and personnel oversight. Mayor Davis answered he interprets that as being swamped and hiring additional help. Town Manager Grier responded that 4.1 gives Payson the autonomy of personnel oversight. Our relationship with Payson, explained Mr. Grier, is that if there is something he wants to have waived, or looked at differently, he makes a phone call and provides something in writing. It's especially important to have that, pointed out Mr. Grier, and we do have some say. Queried Mayor Davis – If we decide we are unhappy with this at some point in time, can we get out of this agreement? Town Manager Grier answered with a thirty day written notice. Mayor Davis clarified, just for everyone's comfort, we are not tied to this for a whole year. Mr. Grier stated it is hard for us to match the professionalism and the experience that the Town of Payson provides for us. Staff hopes to bring back better educated numbers to council shortly. Council Member Binney stated he believes in keeping the cost of building permits down for Star Valley and he thinks we are doing an excellent job at that. Mr. Grier pointed out council will have some important questions in front of them. Queried Mr. Grier – Do we incrementally raise fees? And, if so, why? Are we losing money and subsidizing those that are doing building? The numbers will tell the story for council to make some of those decisions, concluded Mr. Grier.

A motion to approve Resolution No. R 22-10 – A Resolution approving and authorizing the mayor to execute an amendment to Exhibit “B” to the Agreement for Plan Review and Building Inspection Services between the Town of Star Valley and the Town of Payson was made by Council Member Binney and was seconded by Council Member Armington.

A roll call vote was taken:

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

The motion was voted on and passed 7 - 0.

2. Discussion and possible action regarding a donation request from the Mogollon Valley Pit Program (Blattner Pit) to assist with operating expenses.

Frank Aspeslagh, President of the Mogollon Valley Pit Program (“MVPP”), introduced himself and handed out a MVPP Profit & Loss (“P&L”) sheet to council and staff. He reported one of the biggest costs for the year is radio station and newspaper advertising. Council Member Rappaport stated she noticed it's open air burn. “No,” answered Mr. Aspeslagh. About two years ago they started chipping and shipping to the power plant to be turned into biofuel. The pile, reported Mr. Aspeslagh, is presently 238 ft. wide by 60 ft. deep and 15 ft. tall – all brush that is not in somebody's yard. Mayor Davis asked how long it would take to chip that pile. About 3 days, answered Mr. Aspeslagh. Town Manager Grier pointed out the income on the P&L does not show the Town of Star Valley contribution from last year of \$5,000. Mr. Aspeslagh responded last years' contributions were \$7,000 from Payson, \$5,000 from Gila County and \$5,000 from Star Valley. Mr. Grier asked if they charge fees. No fees are charged, answered Mr. Aspeslagh. People can donate and that money goes to rebuilding the pit. Mr. Grier asked if they would contemplate charging fees. Mr. Aspeslagh explained they can't charge fees because they are on forest land.

Council Member McDaniel stated she would support another \$5,000 donation. She likes that people don't have to pay a fee because she thinks that anything that encourages people to fire wise their property makes everyone safer. Council Member Binney thanked Mr. Aspeslagh for the P&L sheet and stated he thinks it's a good program. Queried Council Member Binney – Why so much for advertising? Everyone knows about that pit, added Council Member Binney. Mr. Aspeslagh answered it's surprising how many calls he gets from people who don't know about the pit. Queried Council Member Binney – You have a \$10,000 loss for the year, how do you stay in business.? Mr. Aspeslagh answered they are not in the negative and are around \$11,000 in the positive. Council Member Binney stated he thinks we are overpaying a little because we are the smallest organization, population wise. Mr. Aspeslagh responded he is not asking for \$5,000 but whatever is convenient for Star Valley. He thinks it's a great program, concluded Mr. Aspeslagh, and a lot of Star Valley residents use it. Council Member Dueker commented the program is fantastic and keeps us safe.

A motion to approve a contribution to the Mogollon Valley Pit Program, Inc. in the amount of \$5,000.00 to assist with operating expenses for the Blattner Brush Pit was made by Council Member Armington and was seconded by Council Member McDaniel.

A roll call vote was taken:

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

The motion was voted on and passed 6 - 1.

3. Discussion and possible action to reconsider council's June 6, 2021 motion and action to automatically increase Edie Chapin's and Chancy Nutt's compensation based on the Consumer Price Index ("CPI").

Town Manager Grier explained that when this item was considered by council the motion specified two specific employees. When that changed, this motion became problematic because of that specification. Mr. Grier stated he thinks council needs to be aware that he gives raises. The raises that he has given in the past have often included inflationary numbers and he tries his best to reward good work from employees. Many things go into his thinking in giving raises and compensation. Never has there been a time, stated Mr. Grier, that inflation seems to be a standout number. Mr. Grier explained the language from the Employee Manual reads "it is considered by the Town Manager and approved by council." Mr. Grier suggested, at the very least, to clean up the motion. Council Member Rappaport stated she thinks that is the lane of the Town Manager. She would like to be appraised of what's going on and she would like to see it more structured. We should never take anything away, concluded Council Member Rappaport. Mr. Grier pointed out a concern he has is that the motion reads "make adjustments based on CPI." Queried Mr. Grier – Do you make adjustments downward if you have a deflationary period? Mr. Grier stated he does not believe that is council's intent. Council Member Rappaport agreed that you don't take things away.

Council Member Dueker stated that Mr. Grier should be the person making the decision on raises. It's very hard to find good people and retain them. He is happy with trusting Mr. Grier and what he does. Council Member Dueker stated he would like to have notice of when raises are given out so council knows what the employees are getting raises for and how much it is. It's a competitive market and you have to pay a decent wage to have professional people in an organization. Especially when the organization is run with as few employees as we have, concluded Council Member Dueker. Inflation is a real deal that we have to keep up with, stated Mr. Grier. Queried Mayor Davis – Can Finance Administrator Woody have the same COLA increase? Mr. Grier answered Ms. Woody is still in her

probationary period. He will review her work and make decisions at the end of her probationary period. Council Member Binney stated he thinks Ms. Woody is doing a great job as she saved the Town \$11,000 on the credit card fraud. Mr. Grier stated he likes the idea of an annual report to council so they know where the employees are. Council Member McDaniel stated council had the best of intentions with the old motion, but it was structured inadequately. Queried Council Member Rappaport – What is the probationary period? Six months, answered Mr. Grier.

Vice Mayor McKinney stated he was an enthusiastic supporter of the original motion. His reasoning was that he doesn't think that a cost of living adjustment is to be considered a raise. All it does is keep things even. It raises the employees compensation without increasing it in real terms. That was the reason, stated Vice Mayor McKinney, he supported the original motion. Vice Mayor McKinney stated he has become persuaded, that since this is an employee compensation issue, it should be in the lane of the Town Manager. A good manager, commented Council Member Dueker, will take cost of living adjustment into consideration every year.

A motion to amend the June 5, 2021 motion that called for automatic salary adjustments for Chancy and Edie based on CPI and change it to allow the Town Manager discretion to provide employees with raises while providing council with an annual report was made by Council Member McDaniel and was seconded by Vice Mayor McKinney.

A roll call vote was taken:

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

The motion was voted on and passed 7 - 0.

• ADJOURNMENT

A motion to adjourn the meeting was made by Council Member Armington and was seconded by Vice Mayor McKinney.

The motion was voted on and passed 7 – 0.

APPROVED:

Bobby Davis, 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 19th day of July 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 21st day of July 2022.

Eddie Chapin, Town Clerk