

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

**Tuesday, April 2, 2024 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 Vice Mayor McKinney.
- PLEDGE OF ALLEGIANCE
- CALL TO ORDER
- ROLL CALL:
Vice Mayor McKinney X, Council Member Armington X, Council Member Binney X,
Council Member Dueker X, Council Member Highstreet X, Council Member
McDaniel X, Mayor Davis X. **Council Member Highstreet attended telephonically.**

- **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 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 March 19, 2024.

**B. Approval of Accounts Payable from March 16, 2024 through March 31, 2024
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 Binney.

A roll call vote was taken:

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

The motion was voted on and passed 7 – 0.

- **DISCUSSION ITEMS:**

1. **Public hearing, discussion and possible action regarding choosing a fee option for water base and consumption rates. Presentation by Finance Administrator Tina Woody.**

Town Manager Grier began by stating this is one of the most important agenda items in front of the council and it will not be an easy decision regarding raising water rates. Some important items to consider in making a decision will be the issue of PFAS and the back up well to the Knolls. There have been discussions with ADEQ. Also, the CDBG funds which were used exclusively on water projects have almost been used up. In addition, there is three million dollars of expected repairs to aged water lines that needs to be addressed as to how to fund the cost and currently general funds might be needed to cover those costs. Mr. Grier then introduced Finance Administrator Tina Woody to discuss a review of the water rate analysis.

Finance Administrator Woody reviewed the previous three water rate options (*See*, attached hereto, [Town of Star Valley Water Rate Options](#) dated April 2, 2024) for an increase in rates and spoke about a fourth option she researched in order to build up monetary reserves in water funds to cover future expenditures on wells and water lines so as not to dip into general funds as is currently done. She explained that the water rate analysis showed that the Town of Star Vally is significantly lower in charging their water customers than the Town of Payson, the Pine/Strawberry District and the Payson Water Company. Ms. Woody explained that even though the water revenues for this year were \$210,000 the town had \$360,000 in expenditures thus ending the year \$150,000 in the red. Also, as there were a few changes in billing procedures for Town Hall, the Community Park and the Community Garden as well as some new commercial hookups, she decided a fourth option was needed to show how a rate increase could be done to alleviate a burden on most of the low usage customers while still increasing the water fund to be self-sufficient.

In reviewing the water rate analysis chart which was based on an average of 5,093 gallons of water used by residents, Finance Administrator Woody explained that the previous three options had a significant increase in water rates over five years for the average user of 5093 gallons on up to a higher usage of 15,000 gallons per month. With the new option, she explained that the rate increase was more gradual with less impact to the average user and greater impact to the high water user. She felt the fourth option would have less impact on the elderly with limited incomes who comprise most of the residents of Star Valley. Ms. Woody recommended Option 1.5 with a start date of July 1st.

Town Manager Grier and Town Water Operator Dean Shaffer discussed upcoming expenditures for well pumps and aged sixty year old water lines. Mr. Shaffer explained that the PFAS issue has made an immediate need for a pump station. Mr. Grier was hopeful to get ADEQ dollars as well as funds from a class action suit against Dupont and 3M which might be a revenue source. Mr. Grier recommended the proposed five year plan and a water rate increase. All council members were in favor of Option 1.5 for a an increase over five years. Mayor Davis opened up the meeting for public comment. There were no public comments and the mayor closed the public comment portion.

A motion to approve Option 1.5 for a five year plan on the water rates for the Town of Star Valley and for the town to continuously monitor with a minimum of one report a year for the council was made by Council Member Binney and was seconded by Council Member Dueker.

A roll call vote was taken:

Vice Mayor McKinney Yes, Council Member Armington Yes, Council Member Binney Yes, Council Member Dueker Yes, Council Member Highstreet 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 Council Member Binney.

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 2nd day of April 2024. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 5th day of April 2024.

Del Dupree, Administrative Assistant