

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

**Tuesday, February 4, 2025 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 Mayor Davis.
- 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. Vice Mayor McKinney and Council Member Highstreet attended telephonically. Council Member Highstreet left the meeting early.

- **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 comments. There were no comments from the public and Mayor Davis 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 January 21, 2025.

B. Approval of Accounts Payable from January 16, 2025 through January 31, 2025 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 McDaniel.

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. **Second Public Hearing, discussion and possible action to adopt Ordinance No. O 25-01 captioned as follows: AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF STAR VALLEY, ARIZONA, AMENDING STAR VALLEY TOWN CODE BY ADOPTING BY REFERENCE THAT CERTAIN DOCUMENT ENTITLED “AMENDMENTS TO STAR VALLEY TOWN CODE, TITLE 2 (BOARDS AND COMMISSIONS), CHAPTER 4 (COMMUNITY BETTERMENT COMMITTEE), SECTION 2-4-1(C) (TERMS/TERMINATION).”**

Town Manager Grier explained that this is the second reading of the ordinance and needs to be open to public hearing. Mayor Davis opened the meeting to public comment. There were no public comments. Mayor Davis asked for discussion. There was no discussion.

A motion to approve and adopt Ordinance No. O 25-01 amending Star Valley Town Code by adopting by reference that certain document entitled “Amendments to Star Valley Town Code, Title 2 (Boards and Commissions), Chapter 4 (Community Betterment Committee), Section 2-4-1(C) (Terms/Termination)” was made by Council Member Dueker and was seconded by Council Member Binney.

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.

2. **Discussion and possible action to adopt Resolution No. R 25-02 – A Resolution of the Mayor and Common Council of the Town of Star Valley, Arizona, amending the Town Code of Star Valley, Arizona, declaring as public record that certain document filed with the Town Clerk and entitled “Amendments to Star Valley Town Code, Title 2 (Boards and Commissions), Chapter 4 (Community Betterment Committee), Section 2-4-1(C) (Terms/Termination).”**

Town Manager Grier explained that this resolution allows the town not to have to publish the full ordinance but adopt it by reference. Mayor Davis opened the meeting for public comment. There was no public comment. There was no discussion and Mayor Davis asked for a motion.

A motion to adopt Resolution No. O 25-02 – A Resolution of the Mayor and Common Council of the Town of Star Valley, Arizona, amending the Town Code of Star Valley, Arizona, declaring as public record that certain document filed with the Town Clerk and entitled “Amendments to Star Valley Town Code, Title 2 (Boards and Commissions), Chapter 4 (Community Betterment Committee), Section 2-4-1(C) (Terms/Termination)” was made by Council Member McDaniel 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 Dueker Yes, Council Member Highstreet Yes, Council Member McDaniel Yes, Mayor Davis Yes.

The motion was voted on and passed 7 – 0.

3. Discussion and possible action regarding all the “on deck” projects this summer including the Water Infrastructure Finance Authority of Arizona (“WIFA”) loan proposal for the water storage tank at the Quail Valley well site.

Town Manager Grier began by going over the projects and how they will be funded. We were trying to make a pitch to get a higher principal forgiveness with the WIFA loan for the storage tank at the Quail Valley well site. We just found out today that is not going to happen. Mr. Grier then discussed the park Community Development Block Grant (“CDBG”) ADA project and said it was going out to bid again and he is hoping to get lower bids. Town Clerk Chapin applied for Prop 202 grants for the ADA project and the town was awarded \$51,360 from Gila River Indian Community. Mr. Grier then talked about the APS grant of \$4,000 and suggested it could be used for a children’s interpretive trail along the park sidewalks. Mr. Grier reported that the town has been working with ADEQ Associate Project Manager Matthew Olson and they are going to fund the pump station at an amount of \$500,000. Council Member Dueker asked if the town has to match any funds and Mr. Grier said no.

The next topic was the water line replacements to be done with COVID funds of \$265,000 that the town is obligated to use. The water line replacement project is a three million dollar project overall, stated Town Manager Grier, amortized out over a ten year period. That is something the council may want to discuss. The town isn’t tethered to the projects presented tonight. The water storage tank project is estimated at \$505,000 and WIFA is willing to offer a \$339,250 principal forgiveness which would leave \$165,750 that the town would be required to finance for a twenty year period. It would be about \$12,000 a year to finance that debt, reported Mr. Grier. The advantage is that you get \$339,250 forgiveness. The question is – Is it worth going into debt? We have always been a town that has bragged about not having debt. Now is the time to reconsider that. His suggestion would be for the council to make a resolution similar to the “Rainy Day” resolution. We could earmark \$165,750 (the amount of the loan) with the idea that it would be required to be in an interest bearing account and it can only be changed by a super majority vote. This would mitigate and offset the 3% cost of the loan with WIFA.

Discussion ensued regarding the “Rainy Day” fund, the WIFA loan, the interest bearing account, and the budget. Council Member Binney stated the town needs to expand the water company. He agrees, responded Town Manager Grier, and he thinks there will be a need because of PFA’s. He thinks that municipalities are going to have a big challenge in trying to be able to fix the PFA’s problem because they are going to be terribly underfunded. Mr. Grier then went over the various funds and the money in those accounts. It would be good to do a work-study on the budget that’s coming up, concluded Mr. Grier, so that we can dial in on what we want to spend per line item and then be disciplined to follow that. Council Member Binney said we have to be careful about over spending. Council Member McDaniel said she doesn’t like debt but liked the idea of a resolution and interest staying in that fund.

A motion to move forward with the WIFA loan in the amount of \$505,000.00 and also move forward with a resolution for \$165,750.00 from the general fund and setting that aside in an interest bearing account that can only be changed by a super majority vote from council was made by Council Member McDaniel 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 Dueker Yes, Council Member Highstreet Absent, Council Member McDaniel Yes, Mayor Davis Yes.

The motion was voted on and passed 6 – 0.

4. Discussion and possible action to adopt amended Resolution No. R 25-01 as requested by WIFA regarding the Clean Water State Revolving Fund/Drinking Water State Revolving Fund application.

Town Manager Grier explained that WIFA has instructed the town to amend the resolution because the Enterprise fund does not have enough money in it to support the loan amount. They want us to be able to obligate out of the General fund. There was no discussion. Mayor Davis asked for a motion. **A motion to adopt amended Resolution No. R 25-01 was made by Council Member Armington and was seconded by Council Member Binney.**

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 Absent, Council Member McDaniel Yes, Mayor Davis Yes.

The motion was voted on and passed 6 – 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 4th day of February 2025. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 10th day of February 2025.

Del Dupree, Administrative Assistant