

**MINUTES OF THE REGULAR MEETING  
OF THE CAREFREE TOWN COUNCIL**

**WHEN:** TUESDAY, JUNE 4, 2019

**WHERE:** CAREFREE TOWN COUNCIL CENTER - 33 EASY ST., CAREFREE, AZ.

**TIME:** 5:15 P.M.

**Attending:**

Mayor Les Peterson  
Vice Mayor John Crane  
Vince D'Aliesio  
Stephen Hatcher  
Michael Krahe  
Cheryl Kroyer  
Gene Orrico

**Absent:**

**Also Attending:**

Gary Neiss, Town Administrator; Jim Keen, Town Accountant/Assistant Town Clerk; Kandace French Contreras, Town Clerk/Treasurer.

Mayor Peterson opened the meeting at 5:25 p.m.

**CONSENT AGENDA**

**ITEM #1** Approval of the May 7, 2019 Town Council Regular Meeting Minutes.

**ITEM #2** Approval of the May 8, 2019 Town Council Special Meeting Minutes.

**ITEM #3** Acceptance into the public record of the May, 2019 paid bills.

**ITEM #4** Acceptance of the cash receipts and disbursements report for April, 2019.

Mayor Peterson announced the agenda items and asked if any of the Council Members had questions.

Consent Agenda Item #1 was deferred to the July regular meeting.

There being no questions,

Council Member Krahe made a **motion** to approve Agenda Items 2, 3 and 4. There was a **second** by Council Member Kroyer. The motion was **carried** unanimously.

## **REGULAR AGENDA:**

### **ITEM #7      **Call to the Public.****

Mayor Peterson announced the agenda item.

Kevin Tully, Restin Road, appeared and spoke in regard to the restoration of the original Sunburst that hung from the Sundial. He spoke of his support and gratitude for the consideration and plans for its restoration. He thanked the Mayor and Council regarding their efforts. He presented Larry Stewart, an architect at S Array 36. Mr. Stewart is familiar with the original artist's work and will do the restoration on a pro bono basis. Mr. Stewart spoke of the ideas he has in the works to secure the sunburst and make it safe. He is looking forward to the collaborative process of restoring the sunburst.

Robert Jacobsen, Carefree, appeared and spoke in regard to his continued concern for the trees in the medians of Cave Creek Road that are still growing. He reminded the Council the matter has been brought to their attention in the past. He requested a response but was reminded by the Mayor that he is unable to respond and directed Mr. Jacobsen to contact staff directly and reminded him that his concern has been addressed in the past and no danger was found.

Lyn Hitchon, Little Hope Place, appeared and presented the Town of Carefree with a large, matted photograph taken by her husband, Dr. Herbert Hitchon. The photo showed fireworks exploding over the Town Hall during what was later decided to be the last fireworks display for the Town of Carefree due to the sale and development of the vacant lot used to stage the fireworks displays.

### **ITEM #8      **Current Events.****

Mayor Peterson introduced the agenda item and announced the passing of Richard Anderson, Director of the Spirit in the Desert Retreat Center. Details were provided regarding the upcoming service.

Council Member Vince D'Aliesio announced that there is a Maricopa County Public Health Services survey to determine the needs of the community. He would like cooperation in the survey in order to provide Carefree with additional allocated services.

Gary Neiss provided a status update of the street improvement project that began in April. He stated that inclement weather can impact the project and has created some delays. The crack seal has been completed and the micro surfacing is being performed. The last two roads to be completed are Stagecoach Pass and Mule Train. The contractor is coordinating with the CIVANA Resort. The contractor is putting out door hangers to keep residents updated to the status of the project in each area and has a public information officer assigned to address residents' questions.

Vice Mayor Crane announced the upcoming Restaurant Week May 5<sup>th</sup> through 11<sup>th</sup> in the Town of Carefree. Friday, May 10<sup>th</sup> is National Public Garden Day and the Carefree Desert Garden will host the annual photo contest at 12:30 p.m.

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**ITEM #7      Presentation by Karrie Porter Brace, Executive Director, Cave Creek Museum, Inc.**

Mayor Peterson announced the agenda item and introduced the Executive Director of the Cave Creek Museum, Karrie Porter Brace.

Ms. Porter Brace spoke of the offerings and activities of the museum as well as the community impact. The mission statement has been revised to “Preserve and Interpret the Natural Resources and Cultural Heritage of the Northern Sonoran Desert.” She stated it more accurately reflects their collections, presentations and displays. They will celebrate a 50 year anniversary in 2020. She also pointed out their functions, activities, events and sponsorships. She gave an outline of some of the displays including the stamp mill from Continental Mountain. The TB cabin is on the historic register. She gave information on the church building and the humble beginnings of the museum.

Ms. Porter Brace gave financial information. She provided information regarding her peer reviews of other museums and her background in the industry. She also gave background information regarding all the presentations previously provided and currently scheduled. She explained her plans for the future exhibits for the Town of Carefree. She gave information on the exhibit featuring Gerry Jones. Additionally, there will be changes to the auditorium to provide additional display room for Gerry Jones’ work.

Council Member D’Aliesio announced that his home is part of the upcoming home tour as being the first home built in the Town of Carefree.

Ms. Porter Brace provided additional information regarding upcoming events before concluding her presentation. No action was taken on the agenda item.

**ITEM #8      Review, discussion, and Public Hearing on the possible action to approve Ordinance 2019-01, a request to rezone approximately 7.93 acres of land located west of the Northwest corner of Stagecoach Pass and Pima Road from Rural-43 Single Family Residential zoning to R1-35 Single Family Residential zoning to allow for a 6-lot subdivision named The Estates Carefree.**

Mayor Peterson announced the agenda item and introduced Planning Director, Stacey Bridge Denzak.

Ms. Bridge Denzak provided a Power Point presentation and explained the action being requested of the Council in order to approve the rezoning of the subject property. She explained the need for the rezoning is required in order to allow for R1-35 Single Family Residential (R1-35) to allow for a 6 lot custom home development. She provided a context map and explained drainage and current wash layout. She also provided information regarding current homes, zonings, and buildings in the area. She stated that all the areas are considered compatible with the requested rezoning. She provided architecture examples and guidelines for the planned custom homes as well as the conceptual landscape. She set out a comparison of the development standards between the current zoning and requested rezone. She provided a preliminary plat and explained the layout and conceptual landscaping and private roads and gating. She outlined the infrastructure, including water supply and fire service and gave details regarding the citizen participation meetings that took place as well as a citizen participation report, public notification

and the Planning and Zoning Commission hearing on May 13, 2019, in which the Commission approved by a vote of 6 to 0.

Mayor Peterson asked about the cost and availability of tying into the sewer infrastructure versus the planned septic systems.

Ms. Bridge Denzak explained the detrimental expense and requirements that would need to be met in order to tie into the sewer, which is cost prohibitive

Vice Mayor Crane requested confirmation that the lot sizes were changing slightly but the number of homes allowed on the subject property remained the same.

Ms. Bridge Denzak confirmed his thoughts and explained the differences in lot size.

Council Member Krahe made a **motion** to approve Agenda Items 8 as set forth by Ms. Bridge Denzak. There was a **second** by Council Member Orrico. The motion was **carried** unanimously.

**ITEM #9**      **Review, discussion, and possible action to approve Resolution 2019-06, a request to subdivide approximately 2.74 acres of land located at the Southeast corner of Easy Street and Carefree Drive to allow for a 30-lot townhome development named The View Carefree.**

Mayor Peterson announced the agenda item and again introduced Stacey Bridge Denzak.

Ms. Bridge Denzak explained the location and type of development, including the inclusion of a previously missing piece of property in the rear that was not part of the Easy Street South development but has since been successfully purchased by the applicant for The View Carefree. Additionally, the Development Agreement already in place for the Easy Street South development was approved with a maximum height standard. The new proposal will not be any higher than already allowed in the commercial zoning district. Drainage and wash slope was described as well.

Ms. Bridge Denzak provided a project parcel map and proposed preliminary plat and grading plan. She outlined the proposed landscape plan and site details, including building materials and signage. The amenities and pool area were described as well as pergola, bocce ball court, barbecue and pool barrier.

Ms. Bridge Denzak provided an interactive projection of the proposed architecture and elevation for Building Type A and B and information regarding parking for residents and guests. She pointed out a grass dog park area near the front of the subject property on Carefree Drive. She described the sewer and water service. She also provided information regarding lighting which comply with building standards.

She explained the consideration of vacation rentals in a limited number.

Mayor Peterson asked for the difference between short term rentals and vacation rentals.

Ms. Bridge Denzak responded and explained.

After additional questions regarding short term rentals, the application, Jim Shelly, of Scottsdale, addressed the question regarding a vacation rental pool and the advantage to do so. He explained the minimum number of nights for the rentals as well as the difference in required rental time based on the seasonality.

The Council asked for additional information regarding the vacation rentals.

Mr. Shelly responded and also explained how the spec homes will be built and furnished with the building of additional units as they are sold.

Council Member Orrico asked Mr. Shelly when construction will begin.

Mr. Shelly responded that he would like to begin construction as soon as possible after the close of escrow on the land.

Council Member Orrico asked Mr. Shelly for sales costs numbers for the units.

Mr. Shelly said the retail price of the homes will range \$515k to \$560k to \$570k plus upgrades.

Council Member D'Aliesio asked for more information regarding managing short term rental tenants.

Mr. Shelly responded.

The Council asked additional questions regarding the vacation homes.

Mr. Shelly responded.

Vice Mayor Crane asked Stacey Bridge Denzak how the number was derived for guest parking.

Ms. Bridge Denzak explained 1 guest spot for 4 units.

There was additional discussion regarding parking and the perimeter wall for the project.

John Traynor, Cave Creek Road, appeared and spoke regarding his thoughts on short term rentals.

Robert Jacobsen, Carefree, appeared and spoke regarding his thoughts on mortgaging problems and if it would apply to the planned condominiums. He suggested staff look into it.

Council Member Orrico made a **motion** to approve Agenda Items 9 as set forth by Ms. Bridge Denzak. There was a **second** by Council Member Krahe. The motion was **carried** unanimously.

**ITEM #10** Review, discussion an possible action to approve a revised inter-governmental agreement between the Town of Carefree and the Arizona Department of Revenue (DOR) related to the administration of Transaction Privilege Tax, as required under A.R.S. § 42-6001.

Mayor Peterson announced the agenda item and introduced Town Administrator, Gary Neiss.

Mr. Neiss presented information on the agenda item and reminded the Council that statutory changes requires the Arizona Department of Revenue to collect the sales tax for municipalities, as well as perform tax audits for all 91 municipalities. Due to the extra work mandates by statutes, the DOR requested a contract to perform the work for a set cost. He reminded the Council that the Council is required to adopt the agreement in order to comply with state law.

Council Member Krahe made a **motion** to approve the Agenda Item as presented. There was a **second** by Council Member Orrico. The motion was **carried** unanimously.

(Taken out of order)

**ITEM #12** Review, discussion and possible action to approve Resolution 2019-08 adopting the Uniform Video Service Agreement and Application as set forth by SB 1140 (2018) requiring cities and towns to adopt a standard agreement and application for cable providers by July 1, 2019.

Mayor Peterson announced the agenda item and introduced Gary Neiss.

Mr. Neiss addressed the Council and asked that Agenda Item #12 be addressed first since it was a part of the overall recent statutory change required of municipalities and could be addressed prior to the first reading of the Ordinance Change.

Mr. Neiss explained to the Council that cable TV industry was restricting businesses from entering into areas due to conflicting requirement. He stated that Cox went before the legislature and explained the need for uniformity in the requirements from municipalities in order to operate fairly. As a result, the law was changed and local authorities cannot regulate cable providers. This set out a uniform set of rules to apply to cable operators, including a Uniform License Agreement. The Arizona League of Cities and Towns worked with the parties to develop the agreement. This is a universal agreement that the State requires the municipality to adopt.

Council Member Krahe made a **motion** to approve the Agenda Item as presented. There was a **second** by Council Member Orrico. The motion was **carried** unanimously.

There were questions by the Council regarding licensing.

Mr. Neiss responded.

**ITEM #11** Review and discussion regarding Ordinance 2019-02 repealing the Cable Television Code for the Town of Carefree and replacing the Code with Arizona Revised Statutes § 9-1401 through § 9-1452 and establishing a fee structure pursuant to Arizona Revised Statute § 9-1443. (*First Reading*).

Mr. Neiss then explained the codification of the fee structure established pursuant to new statute. The ordinance repeals the Town's prior ordinance and allows cable providers to enter into a license with the Town of Carefree with a new Ordinance. The new state law sets out uniform standards and instituting the new state requirements. The license fee also has to be identified. Mr. Neiss explained how that fee is determined which has historically been 5% of the gross revenues

The agenda item requires a second reading and no action is requested to be taken at this time.

**ITEM #13** Discussion and possible action to go into Executive Session in accordance with A.R.S. §§ 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the attorney of the public body and to discuss its position regarding contracts that are subject of negotiations, pending or contemplated litigation or in settlement discussions in order to avoid or resolve litigation.

Council Member Kroyer made a **motion** to enter into executive session. There was a **second** by Vice Mayor Crane. The motion was **carried** unanimously.

Council entered Executive Session: 7:02 p.m.

Council exited Executive Session: 7:52 p.m.

**ITEM #2** Adjournment.

Mayor Peterson announced the agenda item.

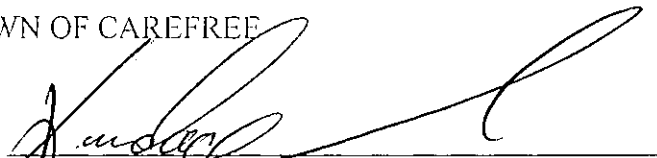
Council Member Orrico made a **motion** to adjourn. There was a **second** by Council Member Kroyer. The motion was **carried** unanimously.

Meeting ended at 7:56 p.m.

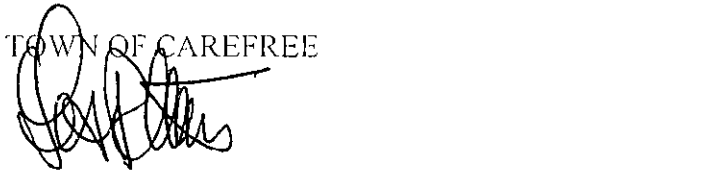
DATED this 11<sup>th</sup> day of June, 2019.

TOWN OF CAREFREE

BY:

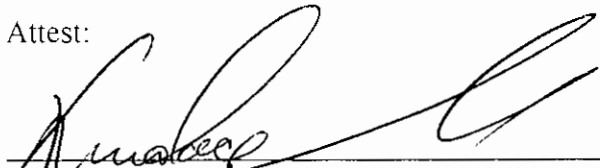
  
Kandace French Contreras, Town Clerk

TOWN OF CAREFREE

  
Les Peterson, Mayor



Attest:

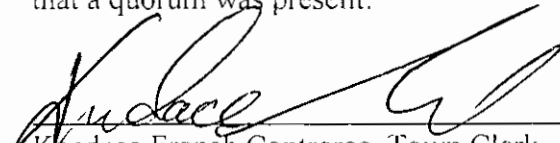


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Kandace French Contreras, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the meeting of the Town of Carefree held June 4, 2019. I further certify that the meeting was duly called and held and that a quorum was present.



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Kandace French Contreras, Town Clerk