

**MINUTES
TOWN OF CAMP VERDE
SPECIAL/EXECUTIVE SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, APRIL 13, 2022 at 5:30 P.M.**

1. **Call to Order-** Mayor Jenkins called the meeting to order at 5:30 pm.
2. **Roll Call.** Council Members Jackie Baker, Cris McPhail, Marie Moore Jessie Murdock, Robin Whatley, Vice Mayor Joe Butner, and Mayor Dee Jenkins.

Others present: Town Clerk Cindy Pemberton, Town Manager Russ Martin, Finance Director Mike Showers, Transcriptionist Dana Donahue
3. **Pledge of Allegiance-** The Pledge of Allegiance was led by Councilor Moore.
4. **Presentations by various Department Representatives regarding the Camp Verde Operational requests and Capital Improvement Plan for Fiscal Year 22-23.**

Mr. Martin told the Council that the items at the end of the agenda have been added. Mr. Showers gave a synopsis of the new paperwork he handed out.

Court

Town Magistrate John Horton spoke regarding the courts. His biggest concern is employee retention. All our case numbers are down, largely due to Covid and people being off the streets. We currently have positions for four clerks but are only going to replace one of them. We can do the job with three clerks. He would rather see the town spend money on wages and retention. He told the council courts can make it work with the budget we have. We are only asking you to approve the budget put forward by Mr. Martin. He would like to reclassify one of his positions to an administrative one. He also would like to upgrade the security system at the court.

The Magistrate is a contract position which saves the town money. Councilor Moore asked about court enhancement funds to train high school students.

Mr. Martin spoke about the need to have accurate job descriptions.

Wastewater

Mr. Troy Odell (via Zoom) and Chet Teague asked for one additional staff member. We need the position because of the new park and can offset the cost with the sale of reuse water. We would need \$20k to offset the cost of the new employee.

Mr. Martin clarified that the revenue from the reuse water will offset the cost of the new employee. We want to be good stewards of the water. We don't want the rate payers to pay for this. Mr. Troy Odell (via Zoom) clarified that the new position will easily become a 40-hour position. The job title will be pump operator.

Councilor Murdock asked about the hydrant water sales. A hydrant meter is \$150. It is \$5.70 per thousand gallons over 50K. At the plant, water is one dollar per thousand gallons. Mr. Odell said we plan to come in front of council requesting an ordinance requiring contractors to use wastewater on their jobs.

Water

Mr. Martin spoke about the FTE's (Full Time Employees). He said the plan is for Water and Wastewater to become a new department called Utility Division. The new department will need a Utility Director. HR would have to create a job description and we would need to put it in the budget. Hopefully we can get to this the first part of May. We need this because Stormwater is growing exponentially. It is a clear need for the town. We will cover how this will fit in at the May meeting.

Mr. Martin continued, speaking about how the revenue from the water company may offset future costs. We have to blend what the private water company did and adjust it to how we need to do things. Mayor Jenkins said we knew there would be some left-over funds in this process that we could use.

Public Works-Storm Water

Town Engineer Ron Long said Stormwater is a division with no employees. We are currently monitoring it in the Engineering department. We need a storm water tech, who's main job would be compliance to the MS4 which is mandated by the state and the ADQ. The tech would also perform sampling. He said the state is moving toward requiring us to sample the Verde river when it comes into town and when it goes out. The position will also monitor the SWIPP.

The other things we really need to do is documentation, such as spills. It is a requirement by ADQ. Also, Yavapai County Flood Control is backing way off of any enforcement of flood plain violations. This is becoming the responsibility of the town within town limits.

Councilor Whatley asked how the County residents get permits through Flood Control. Mr. Long replied that the County investigate violations in the county, but not the towns. Councilor Murdock asked if we could add the flood control inspections to the job description of the new position. She also asked if some of the revenue from the water company can offset the cost of the new position? Mr. Martin replied that the new utility division will be able to figure that out. He would prefer to wait for the new utility director to resolve some of the issues regarding flood control and stormwater. The utility director would be able to determine the skill set for each issue.

Councilor Murdock spoke about a reporting process for construction projects. Is it online? What is the liability? Mr. Martin replied that is also something the new utility division can manage. We need to get some of this responsibility off Mr. Long and his section.

Mr. Long said they do receive funding from Yavapai county. It is typically \$75k per year. The requirement is that we have a project to use the money on.

Public Works-Engineering

Town Engineer Ron Long spoke about Public Works Engineering. Three employees take care of all the work that is required to run the department. Mr. Long is asking for a Civil Engineer position. The Town Manager did not include this in his proposal. However, Mr. Long feels this position is important given the work load they are experiencing.

Mayor Jenkins stated that the new Utilities Division Manager would take a load off of Public Works. Mr. Martin replied that yes, we need to rework this, but we are not there yet. We need to get a clear idea how it would be reorganized.

Mayor Jenkins clarified that council is listening to what the department heads recommend, but council is waiting for the re organization to determine the budget and where the additional positions will go and how they will be paid for.

Mr. Long said plan review is very important. He needs one person to compile all the comments on a construction project so it can be summarized and returned to the contractor. We are hurting in construction inspections because there are only two of us. The current engineering standards are not well organized. They need to be reviewed and updated. We can keep up, but we are falling behind because the MAG standards are not necessarily what our town needs. They are way beyond the standards we need. Project design is another area. If we had someone in house to do simple designs, we could save time and money.

Mayor Jenkins asked which department engineering would fall into. Mr. Martin replied we would keep Engineering its own department.

Councilor McPhail stated she felt that the entry level civil engineer position to do the small projects would be invaluable.

Maintenance

Mr. Jeff Kobel spoke about the maintenance of town buildings, the pool, ponds and new sports complex. He is requesting an additional employee and a seasonal staff position. We are purchasing equipment to mitigate weeds which leads to an increase in budget. We also need additional equipment.

Mayor Jenkins mentioned how nice the town looks. Maintenance does a good job. Mr. Martin said that Maintenance is understaffed. He supports more staff for this division.

HURF

Mr. Stacy Perry, the street supervisor spoke about the maintenance of roads within town limits. We are asking for an additional \$100k for our budget. However, Mr. Martin pushed it down. Mr. Perry explained that we need the money for "cold mix" to put on the 260. The cost of materials has increased dramatically. We can no longer do the maintenance on the roads with the same amount of money as before. Our budget has not increased in ten years. Mr. Perry is asking for additional funds from the General Fund to offset the costs.

Mr. Martin explained that we cannot count on HURF revenue to offset costs. At some point they need to be a Streets Department. Inflation is a big concern.

Councilor Baker stated it used to be that we did not have to dip into the General Fund to support HURF, but now it looks like we need to.

Mayor Jenkins called a ten-minute break at 6:40pm.

The meeting resumed at 6:50.

Mr. Showers explained revenues. He began with State Tax revenues. I posted what we get from the State and added 5%. There are some big things going on at the State level. This is just a start.

Our sales tax come from a very detailed analysis. Page 62 is the breakdown. We are a little short on city sales tax for the year, however, the last half of the year is at least 15% of the entire year. We are over budget on state sales tax. He explained revenue in relation to taxes.

The bottom line is we are hitting or exceeding our total revenue numbers. Retail dollars have increased. RV parks generate the most revenue because people stay and spend money in the town.

Wastewater does not generally create revenue, that is why it says N/A.

He expects revenue growth to be 6.1% above the current year's budget. He believes we are going to see growth in revenues due to growth in population and jobs. These are revenue drivers. Projecting sales tax revenue is determined by past and current revenue figures.

Mr. Showers explained the revenue summary in the packet and future projections.

Mayor Jenkins stated events will drive revenue. If we have more events, we generate more revenue.

Mr. Showers stated he believes his job is to give council financial numbers that are reasonable. He does think this year's revenues are going to increase.

Mr. Martin stated that the construction revenue number is key. It will increase.

Mayor Jenkins asked for a chart of requested positions with corresponding wages. There

will be an increase in budget because all departments are requesting more staff.

Mr. Showers replied we are looking at 13 additional Full Time Employees (FTEs).

Mayor Jenkins wants a true headcount of the additional employees and where they are going.

Mr. Martin told council there are additional revenues beyond what the manager supplied. He asked council how they would like to break down employee wages. COLAs (cost of living adjustments) or merit increases? He explained COLAs are moved by the market.

Mayor Jenkins asked Mr. Showers how much we spent for wage adjustments for employees last year.

Mr. Showers replied we increased last year's budget \$600-650k for the first three months.

Mayor Jenkins wants to know the impact of wage adjustments for budget.

Mr. Showers thought it would be just under 1 million dollars.

Mr. Martin told the council that the May meeting will be the time to look at all the numbers, their categories and time during the year. Remember that additional revenues are coming through some of the big construction projects such as the new La Quinta and Marriot hotels. We can project that revenue through several years.

Mayor Jenkins stated she wants to be sure the new staff costs are sustainable. Vice Mayor Butner agreed, stating we don't want to lay anyone off. What is the cost going to be over the next several years for additional employees? We want to make sure we can afford it. The economy is unsettled. The current inflation will lead to a recession.

Mr. Showers said that virtually all the positions in this budget are 12-month positions. We must think about raises and increases in revenue. He told the council that he would prepare a document that listed each position and what it would cost for the year and break it down. Councilor McPhail reiterated we need to be sure we can afford the new positions.

Mr. Martin asked Mayor Jenkins to table agenda items 5 and 6.

Mayor Jenkins stated council will table agenda item **5, Discussion, Consideration, and Possible Direction to revise Town Attorney job description and language of a possible advertisement**, until the next regular session which is April 20th.

5. **Discussion, Consideration, and Possible Direction to revise Town Attorney job description and language of a possible advertisement.** Staff Resource: Russ Martin
6. **Discussion or consultation for legal advice with the Water Rights Attorney,**

regarding land and water right settlement negotiations with the Yavapai Apache Nation. The Council may, by majority vote, recess the special session, hold an executive session and then reconvene the special session for discussion and possible action on this item as covered by A.R.S. §38.431.03 (A) (3); (A)(6) and (A)(7).

6.1. Recess into and hold Executive Session pursuant to A.R.S. §38.431.03 (A)(3); (A)(6) and (A)(7). Voted to go into Executive Session at 7:45 p.m.

6.2. Reconvene Open Session at 8:43 p.m.

7. Discussion and possible direction to staff for the purposes of consideration for development of, or the negotiation of a property purchase for the purpose of development of a Public Safety Building. The Council may, by majority vote, recess the special session, hold an executive session and then reconvene the special session for discussion and possible action on this item as covered by A.R.S. 38-431.03 (A)(3) and (7).

7.1. Recess into and hold Executive Session pursuant to A.R.S. §38.431.03 (A)(3) and (A)(7). Voted to go into Executive Session at 8:44 p.m.

7.2. Reconvene Open Session at 9:30 p.m.

8. **Adjournment**

Without objection, Mayor Jenkins adjourned the meeting at 9:31 p.m.



Mayor Dee Jenkins



Attest: Town Clerk Cindy Pemberton

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Special/Executive Session of the Town Council of Camp Verde, Arizona, held on April 13, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 5th day of May, 2022.