

**MINUTES**  
**TOWN OF CAMP VERDE**  
**REGULAR SESSION**  
**MAYOR AND COUNCIL**  
**473 S MAIN STREET, SUITE 106**  
**WEDNESDAY, NOVEMBER 20, 2019 at 6:30 P.M.**

1. **Call to Order**

**Mayor German called the meeting to order at 6:30 pm.**

2. **Roll Call:** Council Members Buck Buchanan, Joe Butner, Bill LeBeau, Robin Whatley, Vice Mayor Dee Jenkins, Mayor Charles German. Council Member Jessie Murdock absent.

Also Present: Town Manager Russ Martin, Deputy Clerk Virginia Jones, Finance Director Mike Showers, Community Development Director Carmen Howard, Planner Melinda Lee, Public Works Director Ron Long, Deputy Public Works Director Troy Odell, Public Works Analyst Dorie Blair, Waste Water Marshal Davis, Waste Water Treatment Plant Manager Jerry Tinagero and Recording Secretary Marie Moore.

3. **Pledge of Allegiance**

**Mayor German led the Pledge of Allegiance.**

4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

**a) Approval of the Minutes:**

- 1) Regular Session – November 6, 2019

**b) Set Next Meeting, Date and Time:**

- 1) Wednesday, November 27, 2019 at 6:30 p.m. – Council Hears P&Z Matters-Cancelled
- 2) Wednesday, December 4, 2019 at 6:30 p.m. – Regular Session
- 3) Wednesday, December 11, 2019 at 5:30 p.m. – Work Session
- 4) Wednesday December 18, 2019 at 6:30 p.m. – Regular Session
- 5) Wednesday, December 25, 2019 at 6:30 p.m. – Council Hears Planning & Zoning -Cancelled

**On a motion by Councilor Bill LeBeau, seconded by Councilor Robin Whatley, Council approved the Consent Agenda. Motion carried unanimously, with Mayor German, Vice Mayor Jenkins, Councilors Buchanan, Butner, Le Beau, and Whatley approving.**

5. **Special Announcements and presentations:**

- **There are no Special Announcements or Presentations**

6. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)**  
**None.**

7. **Discussion, consideration and possible approval of a new Town of Camp Verde Waste Water (Sewer) Policy. Changing policy regarding temporarily vacant buildings/land and clarifying definition of RV Park and related equivalencies for calculation of connection and monthly rates and inspection fees. (Staff Resource and Presenters Russ Martin, Troy Odell and Jerry Tinagero)**

Town Manager Russ Martin explained to Council that due to a recent fire to a building in the community, issues within the current policy were brought forth that need to be addressed regarding connection, disconnection and temporary disconnection situations. Mr. Martin also explained that connection fees for RV

units that are temporary that should not be the same as permanent residence and review of inspection fees and the inspection process is necessary.

Vice Mayor Dee Jenkins expressed her concern in the definition of large development. Mr. Martin suggested that the Waste Water Director makes that judgment with an appeal process to the Manager and ultimately to Council with a goal of accuracy and fairness.

Councilor Joe Butner clarified that staff is looking for direction from Council regarding these matters. Mr. Martin indicated that yes, the matter would be brought back to council in a formal capacity after discussion from Council. Councilor Butner indicated he does not support the suggestion of a "point person" within the Waste Water Department who would be put on the spot for making a decision regarding fees and suggested a standard be followed which can then be appealed to the Manager and further to Council.

Mr. Martin explained that there would be a set of parameters followed that staff can come back for Council review with.

Mayor Charles German expressed his agreement with Councilor Butner's statement, clarified the process a developer follows through Community Development and indicated that there should be no question on fees at the point of permitting process. Mr. Martin clarified that it would be best to use the Building Department as reference for the fee schedule. Mayor German questioned vacant houses on or off the current sewer and how that would be dealt with. Mr. Martin explained that it is under the control of the Building Department and indicated it would be discussed in the next agenda item.

8. **Discussion and possible direction to staff on wastewater fees per the rate study of 2018 and options including, but not limited to cap fee rate, flat fee rate(s), temporary disconnect rate, flat fee rate(s) and current unit rate structures. (Staff Resource and Presenter – Russ Martin and Mike Showers)**

Town Manager Russ Martin explained to Council and Public that in January 2020, wastewater rates will increase for commercial and residential by 4% with continual increases annually thereafter. Mr. Martin indicated that revenue is doing well and explained the options available for discussion and consideration regarding the current rate structures.

Finance Director Mike Showers presented Council with a spreadsheet regarding the Wastewater Rates for review.

Councilor Robin Whatley requested clarification on the flat rate fee. Mr. Martin explained how a flat rate fee would affect the revenue generated and the implications associated, as well as the legality of a new rate study. Councilor Whatley strongly expressed her disagreement in raising rates on low income residents. Mr. Martin explained the varying degree of effect that will take place with the current resolution and requested direction from Council.

Vice Mayor Dee Jenkins requested the projected increase and if it is required to do the rate increase. Mr. Martin explained that there does not have to be a rate increase at this point, but it should be discussed for an appropriate reserve fund and the growth of the system.

Councilor Joe Butner indicated that the basis of billing is a premise of reviewing the rate structure and suggested billing on the basis of a service provided without over charging. Councilor Butner indicated he was initially in support of a flat rate but feels the capped rate may be the better situation and more appropriate.

Councilor Whatley questioned what the increase would be for the people that are paying \$17.50 now. Mr. Martin explained the consequences of the flat rate fee and how the rate would increase approximately \$12.50 more. Councilor Whatley expressed concern for the major increase for those who are paying a smaller fee and the drastic increase they would face with the change in rates.

Councilor Bill LeBeau indicated that a flat rate would be detrimental to those who can afford it the least. And questioned if all current accounts could be "grandfathered" in and new construction would be subject to the flat

rate fee. Mr. Martin explained that it would still require a new rate study be conducted which is a state law requirement. Councilor LeBeau indicated that opportunities to not impose a rate increase doesn't come along often and should be utilized.

Vice Mayor Dee Jenkins asked Finance Mike Showers to adjust some numbers on the financial sheet, Martin explained that any change would constitute a new rate study. Mike Showers explained that this is set up to show any impact and any change will trigger the need for a rate study. Vice Mayor Jenkins clarified that the only thing that we could do is not implement the rate increase in January. Mr. Martin explained how to institute a capped rate that doesn't cause increase in fees. Mr. Showers explained the cap rate would only result in a loss of revenue, but would not cause increase in fees to residents.

Councilor Butner clarified that the cap rate means no one would pay more than \$75.00, no rate study would be required and the revenue wouldn't be affected. Councilor Butner requested the amount of septage fees collected. Mr. Martin indicated approximately \$315,000. Councilor Butner suggested taking funding from the septage fee collection to pay for the necessary rate study.

Mayor German indicated that the best solution is if you use it, you pay for it and therefore, the purchase of the water company is necessary for the future. Mayor German expressed that implementing the cap of \$75.00 is the best choice.

Vice Mayor Jenkins clarified the amount of people that would be affected by the proposed \$75.00 capped rate.

Mr. Showers explained that with the capped rate, considering growth, several people could be capped and therefore revenue is lessened. Mr. Showers also clarified that the point of a rate study, which costs \$25,000, applies if fees are increased and asked Council to consider that matter.

Councilor Whatley questioned if no rate study could be conducted until the purchase of the water company is complete. Mr. Showers explained that would be the proper time to conduct a study.

Councilor LeBeau clarified how the rates are effecting each individual and suggests foregoing the rate increase in January.

Council Butner explained that it isn't that he wants to give everyone a break, but without a rate study, they only break that can be given is not implementing the increase in January but also cap the high end while still having enough revenue to operate.

Mayor German indicated that the water company purchase is still viable and therefore, he is in favor of the current option being discussed.

#### **Call to Public:**

Ronald Losczyk expressed his support of Councilor Butner's suggestion and also pointed out that he is on a well so the purchase of the water company will have no effect on his bill.

Sharon DeVries indicated that when she sold her home in Cottonwood it cost her \$640.00 to have a septic pumped and on a yearly basis pays \$646 for current sewer fees. Ms. DeVries expressed her desire for a rate decrease.

Peg Smail expressed her agreement to keep the low-end rates where it is at and questioned who is in the sewer district and what about the new construction that would prevent a rate increase.

Holly Horath thanked Council for discussing the matter and spoke of being forced to connect to the sewer and the cost of \$107 bill monthly Ms. Horath indicated that the fees are very unfair and doesn't feel she should be fined because she has a larger house because they chose to retire in the community.

Charlotte Salsman indicated that she understands that there is money necessary to operate but still feels the rates are too high and requested that a three tier rate fee be applied. Ms. Salsman questioned when the rate increase would be in effect.

Roger Doering questioned if the rates could be based on occupancy rather than units.

Mayor German thanked the public for attending referred to Russ Martin to answer questions asked.

Mr. Martin indicated that occupancy is not a feasible rate calculating option and doesn't feel staff should know that information. Mr. Martin pointed out the sewer district boundaries on a map and who is being serviced.

Councilor Whatley spoke about the history of the sanitary district boundaries. And how she is personally affected by the district taxes she pays without receiving the service, and that she supports the cap on the fees and not raising any rates. Martin indicated that staff will prepare accordingly to move forward.

Clarification was made that the changes discussed are for residential, not commercial properties.

9. **Possible award of Bid #19-136, known as WWTP Solids Handling Improvements (drying beds).** (Staff Resource and Presenter Troy Odell, Russ Martin, Dorie Blair)

Mayor German called a recess at 8:11 p.m. The meeting resumed at 8:17 p.m.

Town Manager Russ Martin explained that the budget was 1.2 million and the low bid came back at over 2 million. Staff is currently trying to figure out budgetarily how the necessities can be accomplished. At this point staff must make adjustments and return to Council with a redesigned, reduced scope, and details for review on December 4<sup>th</sup>, 2019.

Vice Mayor Jenkins requested clarification regarding a need for re-bidding if the scope of work is changed. Deputy Public Works Director Troy Odell explained that within the contract, it is defined that there can be changes and reductions with the low bidder. Mr. Martin explained that the matter will be clarified with the Town Attorney as well.

Mayor German asked if all the bidders were aware of the provision for change. Mr. Odell explained if they read the bid packet, then yes they are aware.

Mr. Martin requested that if any questions are needed answers from the Town Attorney to please get those in promptly due to the holidays.

10. **Update regarding Lift Station Construction at Highway 260 and I-17.** (Staff Resource and Presenters Troy Odell, Jerry Tinagero).

Town Manager Russ Martin spoke of the anticipated lift station and what it would cost, the soils testing and what alternatives could be used due to the situation being faced.

Deputy Public Works Director Troy Odell explained that the project was put on Public Purchase and a mandatory pre-bid meeting took place. Mr. Odell explained that there wasn't sufficient soils testing at the location and once that was conducted it was determined the water level was not as anticipated. Mr. Odell spoke of the progress made currently and the longevity of the lift station for the future use and volume. Staff anticipates a total cost of \$70,000 - \$80,000 which is 10% of the originally anticipated costs.

Vice Mayor Jenkins questioned if the RV Parks spaces below the ditch are rentable depending on this lift system. Mr. Martin explained that there are 90 spaces that will be available upon the completion of the lift station. Mr. Odell indicated that everything has been completed in-house and commended staff for their efforts, and also clarified that this project will not raise connection fees.

Councilor Butner questioned how long the lift station will service the area. Mr. Odell explained approximately 20 years and explained the gravity sewer line and how it could be in place for the life of the sewer.

11. **Call to the Public for items not on the agenda. (Please complete Request to Speak Card and turn in to the Clerk.)**  
**None.**

12. **Council Informational Reports.**  
Councilor Whatley spoke of the programs available at the Town of Camp Verde Library and that every 2<sup>nd</sup>

Friday there is a housing assistance meeting hosted by different organizations to help citizens. Councilor Whatley also attended Veterans Day at Clear Creek and attended AAED, economic development meeting.

Councilor LeBeau indicated he also attended the AAED meeting.

Councilor Butner attended AAED and felt it was a good networking opportunity for the community and was worthwhile to attend. Councilor Butner attended a meeting at Yavapai College and spoke of business growth in Camp Verde and the indication of the partnership with Yavapai College to bring a Career and Technology center in Camp Verde.

Councilor Buchanan also attended the Yavapai College meeting and indicated that there are competing facilities for this technology center.

Vice Mayor Jenkins attended the American Legion meeting and toured the museum, she attended the Opportunity Zone Economic Development meeting and was impressed with Local First representative. Vice Mayor Jenkins also attended meeting at Yavapai College.

Mayor German requested a work session be scheduled so that Habitat for Humanity may present to Council.

13. **Manager/Staff Report**

Town Manager Russ Martin informed Council that the "All Hands" meeting took place this morning for staff. The Town Christmas Party will be December 20, 2019 at 6:00 pm. at the gym. The Town Clerk position has finalized the review of applicants and there are 6 possible candidates. December 5<sup>th</sup> will be a meet and greet with the finalists which is open to the public. There will be a carpool to Intergovernmental meeting in Sedona tomorrow, November 21, leaving at 4:45 p.m.

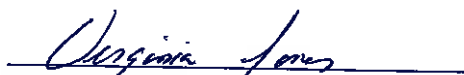
Councilor Jenkins asked if the quarterly update had been rescheduled. Mr. Martin explained that at 5:30 pm on December 4<sup>th</sup>, 2019 it could be discussed, then in January the review will take place.

14. **Adjournment**

The meeting adjourned at 9:00 p.m.



Mayor Charles German

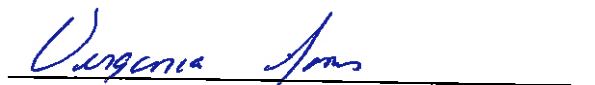


Attest: Town Deputy Clerk Virginia Jones

**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 Council Meeting of the Town Council of Camp Verde, Arizona, held on November 20, 2019. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 9 day of January, 2019. 2020



Virginia Jones, Deputy Town Clerk