

**MINUTES
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, SEPTEMBER 19, 2018 at 6:30 P.M.**

1. Call to Order

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

- 2. Roll Call.** Council Members Jackie Baker, Buck Buchanan, Dee Jenkins, Brad Gordon, Robin Whatley; Vice Mayor Jessie Murdock; and Mayor Charles German were present.

Also present: Town Manager Russ Martin, Town Clerk Judy Morgan, Commander Brian Armstrong Finance Director Michael Showers, Director of Public Works Ron Long, Waste Water 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 – September 5, 2018
- 2) Special Session – September 7, 2018

b) Set Next Meeting, Date and Time:

- 1) Wednesday, September 26, 2018 at 6:30 p.m. – Council Hears P&Z Matters-CANCELLED, no items.
- 2) Wednesday, October 3, 2018 at 6:30 p.m. – Regular Session
- 3) Wednesday, October 10, 2018 at 5:30 p.m. – Work Session
- 4) Wednesday, October 17, 2018 at 6:30 p.m. – Regular Session

- c) Support a Resolution proposed by the City of Flagstaff allowing for regulation of Short-Term Rentals, to be presented at the upcoming Greater Arizona Mayor's Association (GAMA) meeting. [Resource: Mayor Charles German]**

- d) Council to Award Bid #18-130, Fiscal Year 18/19 Chip-Seal project, Areas 2 and 3, to Contractor: Earth Resources Corporation in the amount of \$418,850.56. [Staff Resource: Ron Long, Dorie Blair, Russ Martin]**

Town Manager Russ Martin requested item 4(d) be removed for further information and amendment.

Vice Mayor Jessie Murdock requested the minutes for Wednesday September 5, 2018 be amended on page 11, second line, be corrected to say "power" rather than "water".

On a motion by Councilor Brad Gordon, seconded by Councilor Jackie Baker, the

consent agenda is approved with the inclusion of the correction of the September 5, 2018 minutes and removal of item 4(d) from the consent agenda. The Motion carried unanimously, with Mayor German, Vice Mayor Murdock, Councilors Baker, Buchanan, Gordon, Jenkins and Whatley approving.

There was discussion by Council for Item 4(d). Director of Public Works Ron Long explained that there was \$700,000 budgeted for road improvements. The lowest bid received was submitted at \$418,850. Ron Long proposed to Council to approve an additional \$150,000 above the bid amount to utilize the good rate and expand on the project area.

Councilor Baker questioned whether the bid would need to go back out to a bid process if the increase is made. Ron Long indicated that would not be necessary in this instance. Baker asked for clarification regarding all of the questions received from contractors and if that was standard in a bid scenario. Ron Long explained that there was a new contractor adding a bid, and the questions that were asked were indeed standard of the situation. For those contractors that have bid on Town jobs prior, they are familiar with the Towns policies and process and don't need to submit those questions. Councilor Baker questioned why the contract was not included for Council review and only the bid. Ron Long explained that the contract is the standard contract from the Town that is used and therefore not included. Baker asked why all the bids were not included for Council review. Long explained that the top 3 bids submitted for Council has been the standard policy, but if Council would like the contract or additional bids they would be provided.

Councilor Jenkins asked for clarification on the areas added with the request for additional funds. Ron Long clarified with the following locations: Area 2, Middle Verde Road to Interstate 17, Area 3, Montezuma Castle Hwy to Yavapai Apache Nation with the inclusion of Boothill, Powder Horn and Apache Trail.

Councilor Gordon indicated that the last road project located in the Verde Lakes area had shoulder and grading work done, but did not see the inclusion of such work in the current bid. Ron Long explained that the Town has the proper equipment and skilled employees so funding would be saved by completing the prep work through employees rather than inclusion with the bid. Councilor Gordon indicated being in favor of adding the requested \$150,000 to the project.

Councilor Baker requested clarification on the areas to be included with the additional funding, as the roads are already listed with the first bid amount. Ron Long expressed that there must be a clerical error and an incorrect list was submitted for Council review, but the original bid does not include the additional roads he spoke of.

Call to the Public:

Joe Butner requested Council receive and review a copy of the contract and indicated it should have been included in the packet. Butner expressed that changes in excess of 10% necessitates that a bid go out for re-bid and also requested that any council member that may have received benefit from the company awarded the bid recuse themselves from voting on this agenda item.

Councilor Buchanan thanked Joe Butner for his legal advice but further indicated he did not feel that the change falls under a rebid process.

Councilor Whatley indicated that the original approved amount is for over \$700,000 and even with the additional \$150,000, the bid still remains under that approved budgeted amount.

Town Manager Russ Martin explained that there are standard contracts used within the town and if there are specific changes made to the contract then the attorney is notified. Martin asked Council for direction on proceeding with future bids and if they would like the contract included for review.

Public Works Director Ron Long informed Council that he spoke with Bill Sims, the Town Attorney regarding the 10% increase. He was informed that the requirement to send the project out for re-bid only applies to school districts, not municipalities.

On a motion by Vice Mayor Murdock, seconded by Councilor Whatley, Council Awards Bid #18-130, Fiscal Year 18/19 Chip-Seal project, Areas 2 and 3, to Contractor: Earth Resources Corporation in the amount not to exceed \$568,850.56. The motion carried with approval from Vice Mayor Murdock, Councilors Gordon, Jenkins, Buchanan and Whatley. Councilor Baker opposed. Mayor German abstained from voting until proof is available that he has not received any benefit from the contractor awarded the bid.

5. Special Announcements and presentations.

None

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. Business. Legal action can be taken.

7.1. Review and Discussion of Camp Verde Wastewater Service Fee rates. No action to be taken. [Resources: Councilor Dee Jenkins/Finance Director Mike Showers]

Councilor Jenkins gave a brief background of the project explaining that a few meetings ago a citizen has voiced concerns regarding increase of 70% when council approved a 12% increase. Jenkins then received permission to review billing information from before and after the rate change for residential customers only. Jenkins ascertained that close to 90% had a 12% increase. Over 100 people saw an increase ranging from 13-255%. Data corrections were found and made and corrected bills were sent to those individuals. A pattern was discerned that there was a cap that was removed and therefore there was a significant change in some accounts. Jenkins encouraged citizens to check their accounts and contact the Waste Water Department if they feel there is an error. Jenkins commended Finance Director Mike Showers for his help on the project and the ease of working with him.

Finance Director Mike Showers indicated to Council that there were 86 homes that received an increase over 12%. Showers explained the billing process for the rate and how it is calculated by fixture rate. Each home is charged \$2.52 per unit. Every toilet in a home equals 4 units. The average bill for the area is \$42.88. Showers also explained that Camp Verde is charging below the rate of surrounding communities and even after the entire rate increase has occurred in

5 years, the rates will be lower than most other towns regionally. Mr. Showers did explain that regardless of how the rates are handled, or possible solutions are discussed, there will always be pro's and cons to each option and there will always be someone who receives an unfair bill. Showers explained the debt incurred by the Waste Water Department, pay off timelines and what improvements are being done to the system.

Councilor Whatley asked Mike Showers to explain to the public why the Town uses a fixture rate calculation rather than a water flow calculation for billing customers. Showers explained that since the Town does not own the water company, and the water company will not share the water flow data, the Town has no other option but a fixture rate calculation. Town Manager Russ Martin explained that the Town of Clarkdale has the water flow data available to them and still chose to use a fixture rate calculation for their billing process.

Councilor Baker questioned how many of the surrounding communities calculated their billing on a water flow rate rather than a fixture rate. Mike Showers indicated he was unsure of that answer. Councilor Baker questioned what the average bill was for customers prior to the rate increase. A range of \$32-\$42 was seen prior and now is between \$38-\$44 per customer.

Councilor Baker expressed that the Town is doing the best that they can to provide a service to its citizens with a reasonable bill.

7.2. Discussion of Approved Hours of Operation According to Town Code and to Direct Staff to Return to the Council Approved Hours Established January 3, 2018. [Resource: Councilor Jackie Baker]

Town Manager Russ Martin explained with a limited number of administrative staff a solution involving other departments has helped coverage for many of these services on Fridays, allowing the administrative office to be closed on Fridays. Russ also indicated that he has not received any complaints from the community regarding the Clerk's office closure on Fridays.

Councilor Baker stated that Council sets the hours of operations in January of every year and doesn't feel there is a reason to change the hours now with it being so close to the end of the year and a new council coming in who can make new decisions. Baker reiterated that Council is the only authority to make such changes.

Vice Mayor Jessie Murdock stated she has not heard any negative feedback from community members and expressed that if there was an issue for the office regarding staffing, it was handled well. VM Murdock also indicated that she is not opposed to addressing the issue before January if a change needs to be made.

Russ Martin explained that there will be situations where the office will need to be closed on Friday but with the direction of Council, the office will be open the following Friday.

7.3. Discussion, consideration and possible direction to staff regarding the request by the River Ranch Estates Homeowners Association to rescind tax-exempt parcel number on Caughran Ranch Road as well as consider other actions as may be necessary to satisfy the Homeowners Association's

requests. [Staff Resource: Russ Martin]

Town Manager Russ Martin gave a brief overview of the situation regarding River Ranch Estates and the request for a change in parcel number identification.

Warren Cutright, representative for River Ranch Estates clearly stated they are asking for the Town of Camp Verde to rescind the tax-exempt parcel number 800-15-001 and replace it with the original parcel number 403-13-132. Cutright asked for the water rights situation to not be discussed as there is current litigation in process as well as there are not stakeholders present at the meeting.

Councilor Brad Gordon explained the definition of the dedication of the road and what that includes, specifically the underlying fee title and that a change of parcel number does not change the dedication of the road. Cutright expressed that they are only requesting a change in plot numbers, not a reassignment of or control of the easement.

Town Manager Russ Martin explained that the current parcel number is in place because of the dedication of road to the town. The town does not pay property taxes, therefore a tax-exempt number is assigned to the parcel. Martin asked for Cutright to clarify what the homeowner's association is requesting regarding control of easements. Cutright explained that the current homeowner's association wants to be the owner of the property but does not wish to abandon it's right-of way or the current town maintenance.

Russ Martin explained that regardless if a parcel number change is made, unless the Town agrees to an abandonment, the town will remain responsible for the property.

Councilor Gordon explained that there are 3 possible solutions to the situation.

1-Abandonment by town; 2-Auction the right of way off; or 3-Exercise imminent domain to clarify title.

Cutright asked why the Town will not change the plat number but continue to maintain the roadway. Councilor Gordon explained that the plot (parcel) number doesn't make a change, the dedication of road remains.

Russ Martin indicated that without council action, a request for the change cannot be made and feels that at the end of the process, it becomes a county problem and how they will process the request.

Councilor Dee Jenkins questioned if the plot number is changed then who does that title name belong in. Russ Martin explained that he does not know how the county will deal with the situation because it does not have a taxable value. Councilor Jenkins asked what Town Attorney Bill Sims' direction to the town was regarding the matter and Russ Martin explained that Bill Sims advised the Town in the same manner that Councilor Gordon has just stated with the 3 possible solutions.

Mayor German indicated that he saw no reason to not contact the County and attempt the request.

Councilor Baker questioned the standards of the Town and maintaining the roadway. Russ Martin indicated that the association is very happy with the road

and what services they receive from the Town.

Councilor Gordon explained that the Town will no longer maintain the road if the road is made an easement. Russ Martin indicated that the association is under a time restriction and would need a decision from the Council.

Vice Mayor Jessie Murdock clarified that council is only deciding on requesting the County to change the parcel number.

Public Comment:

Bill LeBeau stated that he feels that this matter should be something that the Town Attorney is included in. Russ Martin explained that the town attorney has been contacted on several occasions regarding the matter, but at this time, nothing can move forward without direction from Yavapai County.

Councilor Baker questioned what the Town Attorney advised regarding the matter. Russ Martin repeated the 3 options previously spoken of by Councilor Gordon and that the attorney advised that the plat indicates the road is the Towns responsibility unless a procedure is followed to do something different.

On a motion by Councilor Baker, seconded by Councilor Gordon, direction to staff was given to process this request to the County to change tax-exempt parcel number 800-15-001 to parcel number 403-13-132 on Caughran Ranch Road. Motion carried unanimously, with Mayor German, Vice Mayor Murdock, Councilors Baker, Buchanan, Gordon, Jenkins and Whatley approving.

8. Call to the Public for items not on the agenda. (Please complete Request to Speak Card and turn in to the Clerk.)

None

9. Council Informational Reports. Manager/Staff Report

Councilor Jenkins indicated that Council should expect to receive an invitation from Library Director Kathy Hellman for the unveiling of the plaque dedication for the Richard L. Cook donation, followed by lunch at Quintus on September 26, 2018.

Commander Brian Armstrong indicated the Marshal's office is participating in an event for the Arizona Special Olympics called "Tip A Cop". Camp Verde Marshal's Office (CVMO) has partnered with Yavapai County Sheriff's Office (YCSO) and deputies will assist in food service at Corner Table Restaurant in the Village of Oak Creek on Friday and Saturday night with donation forms available to help raise funds. He will make available in the Clerk's office donation envelopes to those who cannot make it to the event and still would like to contribute. Councilor Gordon asked about the well being of Officer Dave Freeman. Armstrong stated he is currently in the ICU.

Town Manager Russ Martin indicated he would not be attending the International City Managers Association Conference due to current circumstances but did receive a full refund. He is choosing to attend a virtual conference instead for the amount of \$200.00 and plans to update department supervisors with what he learns from the conference.

10. Adjournment

The meeting adjourned at 8:16 pm.



Mayor Charles German



Attest: Town Clerk Judy Morgan

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 September 19, 2018. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 4th day of October, 2018.



Judy Morgan, Town Clerk