

**MINUTES
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, JUNE 20, 2018 at 6:30 P.M.**

1. Call to Order.

Mayor German called the meeting to order at 6:39 pm.

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

Also Present: Town Manager Russ Martin, Deputy Clerk Virginia Jones, Commander Brian Armstrong, Finance Director Michael Showers, Public Works Director Ron Long, Risk Manager Carol Brown, Sergeant Tom Baizel, Public Works Analyst Dorie Blair and Recording Secretary Marie Moore were present.

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 – June 6, 2018

b) Set Next Meeting, Date and Time:

- 1) Wednesday, June 27, 2018 at 6:30 p.m. – Council Hears P&Z Matters
- 2) Wednesday, July 4, 2018 at 6:30 p.m. - Regular Session – meeting cancelled per Resolution 2018-994
- 3) Wednesday, July 11, 2018 at 5:30 p.m. – Work Session – cancelled
- 4) Wednesday, July 11, 2018 at 6:00 p.m. – Special Budget Session - added
- 5) Wednesday, July 11, 2018 at 6:30 p.m. – Special Session - added
- 6) Wednesday, July 18, 2018 at 6:30 p.m. – Regular Session - meeting cancelled

****Refer to the Manager Report for additional changes made for meeting dates and times****

- c) **Possible approval of Intergovernmental Agreement for Elections Services with Yavapai County Board of Supervisors and Yavapai County Recorder.** [Staff Resource: Judy Morgan]
- d) **Possible approval for Finance Director to close the Impact Fee Fund.** [Staff Resource: Michael Showers]
- e) **Possible approval of Ordinance 2018-A435 an ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, approving submission of escrow papers to the title company for the purchase of .35 Acres (total) of real property located in Yavapai County and**

designated as Yavapai County Parcel Numbers/address/acreage: 404-28-007A/24 W. Finnie Flat Road/.26 Acres and 404-28-007B/250 S. Main Street/.9 Acres. [Staff Resource: Russ Martin, Carol Brown]

- f) Community Development Block Grant (CDBG) Leverage Resolution 2018-1009, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, Committing Local Funds as Leverage for Fiscal Year 2019, Community Development Block Grant Application. [Staff Resource: Deborah Ranney]**
- g) Possible award of Change Order in the amount of \$179,025, under Agreement #18-125, in order to facilitate the pond excavation and transport of the evacuated materials to the park site. [Staff Resource: Ron Long]**

Council requested pulling e) and g) from the consent agenda for discussion.

On a motion by Councilor Baker, seconded by Councilor Gordon, Council unanimously approved the Consent Agenda, with the exception of items e) and g).

Councilor Baker questioned the appraisal amount for the property pertaining to Item e). Town Manager Russ Martin indicated the appraisal was for the amount of \$240,000.

On agenda item g) Councilor Baker requested that Public Works Director Ron Long explain why the change order is taking place as well as the change amount on the change order from what is listed.

Ron Long provided a handout to Council and audience, outlining the amounts of the three (3) lowest bids received for the park project. Ron Long explained that the pond excavation and hauling was not included in the original bid packet because the Town had yet to receive the necessary permits from the U.S. Forest Service and State Trust Land for the excavation. Long also explained that the cost amount of the excavation has been finalized at \$172,725.00 which still keeps the lowest bid below the 2nd lowest bid received. Long explained that with the approval from Council, construction on the project can continue without delay. Long addressed the dust abatement issue and explained that other than the remaining 35,000 cubic yards for the pond, the bulk of hauling material is complete, which will drastically reduce the dust issues. The excavation will create a necessary retention pond that will also double as a public fishing pond for the community when the project is complete.

Councilor Gordon expressed his support for the approval and pointed out that if the Town would have allowed for an outside bid, they would have incurred a large cost to have the current contractor move his equipment in and out of the job. Long also explained that with the additional cost that would bring, there is also a time delay of 30-60 days with a normal bid process.

Councilor Baker questioned the status of the permits for the pond excavation. Long indicated that the Town has a temporary permit from the U.S. Forest Service which is allowing them to move forward but are currently waiting on the final permit as well as the State Trust Permit.

Mayor German asked for clarification of the square footage the permits cover. Long explained that the permits are for approximately 3000 sq. feet and include

easement rights to haul equipment in and out.

Councilor Buchanan questioned if there will be additional anticipated change orders in the future. Long explained that there will be one for approximately \$15,000 which covers the cost of additional aggregate materials and the cost incurred for stopping work on the project but otherwise does not anticipate anything further at this time.

On a motion by Councilor Baker, seconded by Vice Mayor Murdock, Council unanimously approved Consent Agenda items e) and g).

5. Special Announcements and presentations.

5.1. Promotional ceremony and badge presentation for the promotion of Tom Baizel to the position of Sergeant with the Marshal's Office. [Staff Resource: Brian Armstrong]

Commander Armstrong spoke of Deputy Baizel's dedication to the Town for the past 11 years, many qualifications, accreditations and accomplishments. Tom Baizel was sworn in as Sergeant with the Marshal's Office by Commander Armstrong with the pinning completed by wife Kate Baizel.

Mayor German called a recess of the meeting at 7:02 pm for the opportunity to congratulate Sergeant Baizel on his promotion and to partake in celebratory cupcakes.

The meeting reconvened at 7:10 pm.

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

Ron Losczyk expressed his grievance toward the increase in the sewer rate and asked Council to consider other ways of increasing revenue. Losczyk indicated that his bill has increased 71%.

Tim Wiggle made recommendations to Council regarding recycling options and suggested the Town adopt an ordinance regarding a preferred provider for trash removal that includes recycling.

Rob Witt indicated his desire for the public to have an opportunity to meet and speak with all candidates for the upcoming Council election. Mr. Witt is hosting a forum and provided all the candidates with invitations to attend, explaining there will be a question and answer forum and the candidates will have notice of the questions prior to coming so they have time to prepare.

Howard Parrish spoke of his past job experience and indicated that if a job is done well, then there is not a need for a job contract.

7. Business. Legal action can be taken.

7.1. Discussion and possible approval of the Town of Camp Verde Fiscal Year 2019 Proposed Tentative Budget. [Staff Resource: Michael Showers]

Finance Director Michael Showers explained to Council that although the budget is large compared to past budgets, there are a lot of grants and large projects to take into consideration and it does show that the Town is moving forward as the community has expressed a desire for. When approving a tentative budget, it

locks in the maximum amount the Council may spend within the budget year, and with that, limits the Council if they were to want to make a large purchase, should the opportunity present itself, such as a Municipal Water Company. It is recommended Council increase the budget by \$1.5 million dollars to account for the possible purchase. If the Town does not make the purchase, the money is not spent, but if the Town does not increase the budget at this time, it will not be available regardless. The estimated increase of \$1.5 million dollars will cover operations plus a level of capital and is anticipated to be more than enough should the need arise. Councilor Jenkins questioned where the Water Company revenue was in the budget, Showers concurred that \$1.5 million needed to be added to the Water Company Revenue and Expenses.

Public comment was taken on this item:

Carol German indicated that citizens have expressed serious concern regarding the Debt Service and Debt Ratio and expressed her concern to Council regarding the large budget.

Cheryl Wischmeyer questioned the increase in debt ratio from 34% in 2014 to 52% now and expressed that taxes have been raised 3 times in the past 10 years. Wischmeyer informed Council they cannot keep loaning and borrowing the Town into bankruptcy.

Jim Meredith expressed his concern toward the budget and indicated the Council is moving too fast. Meredith recommended the Council focus on one project at a time, put Main Street back together and get businesses in the community to increase revenue.

Vice Mayor Murdock asked Finance Director Michael Showers to explain the debt ratio situation as well as the credit rating of the Town. Michael Showers explained that the Town is not increasing its debt, all of the debt showed are past decisions of the Town and wants of the public. If the Town were to purchase a water company, this would also help with the charging rate for the Waste Water Treatment Plant. The current credit rating of the town is above standard.

Councilor Baker confirmed that the large debt ratio is due to the construction of the new park. Michael Showers indicated that is correct.

On a motion by Vice Mayor Murdock, seconded by Councilor Gordon, Council approved the Town of Camp Verde Fiscal Year 2019 Proposed Tentative Budget with the inclusion of \$1.5 million dollars for the possible purchase of a water company (Revenue and Expense). Councilor Baker opposed.

7.2. Presentation, discussion and possible action by Council on the contract offer to the Town Manager, Mr. Russ Martin. [Resource: Mayor German, Councilor Jenkins]

Mayor German explained to Council that although the contract is for five (5) years, it similar to a one (1) year contract with the options of termination and or opting out of the contract. The contract itself offers a sense of stability for the Town Manager and his family. A part of the contract includes the Town Manager receiving credentialing from the ICMA, International City/County Management Association, which will hold him accountable and benefit the Town.

Public comment was taken on this item.

Joe Butner spoke against the contract, explaining he doesn't feel it favors the Town, but only the Town Manager; spoke against the 5-year term of the contract, suggesting it binds future councils; parts of the contract are ambiguous with consequences for the Town.

Carol German spoke in favor of a contract for the Town Manager, but against the term due to binding future councils, suggesting a one- or two-year contract.

Jim Meredith was opposed to the length of the contract.

Cheryl Wischmeyer spoke against locking in a personnel contract for a length longer than council's term; questioned the DPS report (Marshal Gardner) and any action taken toward what was reported.

Ann Martin spoke on her husband's (Town Manager Martin) and family's commitment to the Town for the last 8 years; feels he has proven himself and supports a 5-year term contract.

Mayor German clarified that he and Councilor Jenkins thoroughly researched contracts in comparable communities and the outcome of the research is what is being presented. Council worked through and approved the template contract. The DPS report has been addressed and Human Resources policies are under review.

Councilor Baker expressed her opposition to the approval and stated that she requested the review of the DPS report on 2 occasions and felt she was denied both requests. Baker also indicated she was not in support of committing future councils to a five-year contract.

Mayor German responded to Ms. Baker's comments about being denied her requests, reminding her that her request(s) were followed-through on but due to her unforeseen family emergency she was unable to participate at the meeting.

On a motion by Council Gordon, seconded by Vice Mayor Murdock, Council approved the contract offer to the Town Manager, Mr. Russ Martin. Councilor Baker opposed.

7.3. Discussion, consideration and possible approval of a new Town of Camp Verde Waste Water (Sewer) Policy. [Staff Resources: Russ Martin, Troy Odell, Jerry Tinagero]

Town Manager Russ Martin explained that the Waste Water Policy is now updated and there are approximately 60 – 80 delinquent accounts which puts undue pressure on the revenue of the Department. The delinquent accounts have up-to-date liens placed on the properties and the new policy addresses the ability to terminate usage if a customer fails to pay. There will always be an option for paying a past due account and continuing with services, but prior to the policy change, it was unfair for those customers who do pay their bills while others who don't to continue to receive the same services.

Councilor Baker questioned what precisely has changed in the Policy. Russ Martin referred everyone to read the minutes which include the exact details but summarized the changes as eventual termination of services with associated

charges, and a change if rate charges for RV's as well.

Councilor Gordon indicated that there was to be an 18-20% rate increase the first year and recommended anyone having a discrepancy with the rate increase to follow up with the department because if it is more, it is being incorrectly billed.

On a motion by Councilor Baker, seconded by Councilor Gordon, Council unanimously approved the new Town of Camp Verde Waste Water Policy.

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.

Vice Mayor Murdock stated she was unable to attend the retirement party for Deb Ranney but did stop by and wished her a Happy Retirement and thanked her for her years of service.

Mayor German indicated that he attended the Water Legislation hearing.

10. Manager/Staff Report

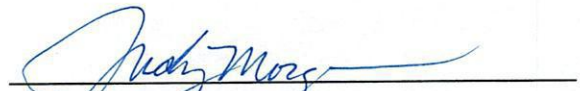
Russ Martin conferred that the July 4th meeting was cancelled due to the holiday, but explained that he would not be available for the July 18th meeting due to a Manager Meeting he is attending. Russ Martin asked Council to consider moving the July 18th meeting to July 11th or August 1st so matters could be discussed while he is present. It was the consensus of Council to move the "Regular" July 18, 2018 as a "Special Meeting" to July 11, 2018, cancelling the July 11th Work Session and July 18th Regular meeting.

11. Adjournment

The meeting adjourned at 8:12 p.m.



Mayor Charles German

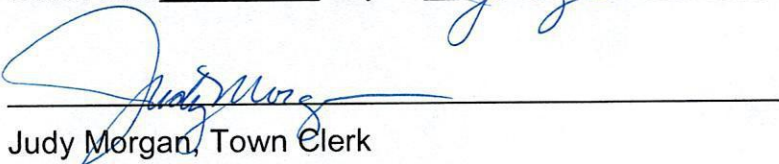


Attest: Town Clerk Judy Morgan

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 June 20, 2018. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 21st day of July, 2018.


Judy Morgan, Town Clerk