

**MINUTES
COUNCIL HEARS PLANNING & ZONING MATTERS
MAYOR AND COUNCIL
COUNCIL CHAMBERS
WEDNESDAY, JANUARY 26, 2011
6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.
Public input is placed after Council motions to facilitate future research.
Public input, where appropriate, is heard prior to the motion

1. **Call to Order**

The meeting was called to order at 6:30 p.m.

2. **Roll Call**

Mayor Burnside, Vice Mayor Kovacovich, Councilors Whatley, Garrison, Baker, Roulette and German were present.

Also Present: Town Manager Russ Martin, Acting Community Development Director Mike Jenkins, Asst. Planner Jenna Owens, and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**

The Pledge was led by Baker.

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) Work Session – January 12, 2011

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

1) February 2, 2011 at 6:30 p.m. – Regular Session

2) February 16, 2011 at 6:30 p.m. – Regular Session

3) February 23, 2011 at 6:30 p.m. – Council Hears Planning & Zoning Matters

On a motion by Kovacovich, seconded by Baker, the Consent Agenda was unanimously approved as presented, with the addition of a meeting on February 25, 2011, the time to be determined.

There was a discussion regarding the previous request to set a date for a Work Session; the date of February 25th was agreed upon; the time will be determined later.

5. **Special Announcements & Presentations**

There were no special announcements or presentations.

6. **Council Informational Reports.**

German said she attended the Chamber Board meeting last Thursday morning; there was nothing new to report.

Baker reported that she attended the Insurance Pool Board meeting on last Friday; there will be an update on the medical marijuana issue, and a training meeting for the municipalities. The Legislature plans no change to our shared revenue procedures at this time, hopefully; Baker also reported on the total cash and investments held by the municipally-owned insurance pool that has been deemed the Gold Standard for pools. She reminded everyone of the new UPS store located in Town.

Garrison reminded everyone about the upcoming Pecan & Wine Festival February 11 through 13; the Yavapai-Apache Nation's celebration of the Exodus and Return will be held on Saturday, February 26th, and the community is invited to become involved in that event.

Burnside commented on the President's State of the Union Address and the message regarding innovation, working together, helping and being kind to each other. He noted that the Cliff Castle Casino is

sponsoring the upcoming Pecan & Wine Festival. A NACOG meeting is scheduled for February 24th, and Burnside said he would like to invite the Town Manager, and the Chairperson and his Manager from the Yavapai-Apache Nation to attend the meeting with him.

7. **Call to the Public for items not on the agenda.**

(Comments from the following individual are summarized.)

Lyndall McElhaney, Camp Verde, spoke on the issue of fines for in connection with strictly enforcing the Handicap Parking laws, describing instances of sanctions imposed unfairly, and requesting that the Town consider just imposing the spirit of the law instead of the letter of the law. (*Garrison requested the Town Manager to look into the speaker's request.*)

There was no further public input.

8. **Discussion, consideration, and possible approval of Resolution 2011-826, a resolution of the Mayor and Common Council of the Town of Camp Verde, Arizona, approving Use Permit 2010-03 for a portion of parcels 404-30-368A and 404-30-368C, fifteen acres, which is leased to the Town of Camp Verde by the Camp Verde Sanitary District for use by Dateland Proving Grounds to allow for research, development, and training for persistent ground surveillance systems for the Naval Air Warfare Center aircraft division. Site equipment includes portable powered surveillance trailers and aerostats. Any changes to these uses must come before the Planning & Zoning Commission and Town Council for approval. Note: the portable powered surveillance trailers and aerostats will help protect US Troops operating in remote areas of Afghanistan. The property is located on the road to the Camp Verde Sanitary District facilities approximately .52 miles north from the entrance at State Route 260. Staff Resource: Mike Jenkins**

On a motion by Baker, seconded by Whatley, the Council unanimously voted to approve Resolution 2011-826, for Use Permit 2010-03, an application submitted by Dateland Proving Grounds to allow for research, development and training for persistent ground surveillance systems for the Naval Air Warfare Center Division; Resolution 2011-826 to include the stipulations as recommended by the Planning & Zoning Commission on January 6, 2011; the use is located on a fifteen (15) acre portion of Parcel 404-30-368A and 404-30-368C which is leased to the Town of Camp Verde by the Sanitary District. The property is located on the road to the Camp Verde Sanitary District facilities approximately .52 miles north from the entrance of State Route 260.

STAFF PRESENTATION

Asst. Planner Jenna Owens first commented that the name under which the application was made has been changed from STARA Technologies, Inc., to Dateland Proving Grounds, a training facility that is currently in use and will be responsible for all aspects of the development in Camp Verde. Also, Mr. Douglas Powell would make the presentation in place of Mr. Colin McCavitt. Ms. Owens reviewed in detail the purpose and background information as outlined in the agenda packet materials. The information included the provision that camera training privacy policies are in place and will be followed in accordance with the Training Policy contained in the agenda packet as well. The required neighborhood meeting was held, with nine individuals in attendance. In addition, a public service announcement was published by The Bugle on December 15, 2010 notifying all Camp Verde citizens of the dates and times of the scheduled Planning & Zoning and Council meetings to hear the subject application. There were no public comments received, other than a letter directed to the Town Manager, Mayor and Town Council commenting on the adverse reaction of some members of the public to the proposed facility described in the Bugle article. Ms. Owens reviewed responses received from the agencies contacted that for the most part had no comments; responses by the applicant to the concerns expressed by Coconino National Forest are included in the agenda materials. It was noted that the response of no comment from the Sanitary District Board is not to be interpreted as acceptance by the Sanitary District of the use of a portion of the subject parcels; the Town will bring this

item to the Board for acceptance or refusal at a later date.

The Planning & Zoning Commission approved the application submitted by Dateland Proving Grounds for the use of the subject property as set forth in the accompanying Staff Report. In addition, Mr. Powell has provided a Certificate of Liability Insurance sample and a revised PGSS Camera Training Policy which are included in the agenda packet.

PUBLIC HEARING OPEN

Applicant's Statement

Douglas Powell, Head of Marketing for the Dateland Proving Grounds, gave a brief introduction to how and why the project came about, based on the urgent need in military operations in Afghanistan for advance surveillance to protect the troops from surprise attacks. He explained that the subject balloons are a combination of old technology and new technology, using high definition cameras, resulting in the "eye in the sky." The program has been extremely successful since being instituted in Afghanistan, with no way of telling how many lives it has saved. Mr. Powell said that the Camp Verde area was selected because it is a perfect location for training in that the elevation and terrain are similar to Afghanistan.

Mr. Powell presented a video that explained and illustrated the need for and use of the technology in connection with military operations. Some photos of the existing project in Dateland were also displayed to illustrate personnel working on the balloon operations, as well as photos indicating the distance and clarity with which the cameras can scan and identify objects from two miles away. Mr. Powell outlined the proposed operational hours, described the mooring station, and the number of trainees anticipated being present at a time on the site. He noted that the trainers and trainees would be using local restaurants and staying at local hotels, as well as other benefits to the local economy. Mr. Powell also commented on the convenience of the Camp Verde location to the Phoenix airport.

COMMENT FROM OTHER PERSONS

(Comments from the following individuals are summarized.)

Steve Sprinz, from **Beaver Creek**, said the people of Beaver Creek do not understand why the Town is even considering this proposal. He objected to the "government-sponsored" capacity to monitor public behavior, and what would appear to be a hazard to flight, the night lighting and no protection against the ongoing state of governmental incompetency permitting abuses.

Patti Sexton, from **Beaver Creek**, commented that she is the one who was beaten up by two assailants who got liquored up in Camp Verde; she said the people want to downsize government, not steal everyone's privacy. She ended with the famous Patrick Henry quote: Give me liberty or give me death.

John Fineman read from a letter he had submitted to the Town Manager regarding the information in newspaper articles on the proposed surveillance operation and concern about a conflict with aviation, the hazard because of the 2500-foot height of the balloon, and need for notification to the FAA..

Reed McManus, from **Camp Verde**, said he believes it is a good program, but a wrong location. It is not worth the small income to the Town to give up rights to privacy. We do not need the incredible optics here.

Janet Kissinger, from **Camp Verde**, was concerned that approving this project would set an undesirable precedent. She displayed newspaper photos of rural settings and horses; that is what Camp Verde is all about, not a future Camp Verde Proving Grounds. The blimps would be an eyesore, and have a negative impact on the skies.

Michelle Herrick, from **Camp Verde**, said she wanted to address public health and privacy, and questioned the issue of the cameras being able to report criminal activity while observing citizens, and

quoted extensively from the camera policy regarding the lighting capability.

Merle Herrick, from **Camp Verde**, was concerned about the effect the operation may have on the residents, animals and the environment, especially the exposure to laser radiation, or scattered radiation, and "operating according to military standards," which he had no respect for and even denigrated.

Murray Lichty, from **Camp Verde**, expressed his complete support for the intent of the technology to protect our military personnel in combat areas; it is not for spying in back yards or creating problems for pilots; if a pilot cannot see a balloon that size he should not be flying. This is a way to support our troops overseas.

Shirley Brinkman, from **Camp Verde**, said that everything changes; as far as privacy she said that she could go on Google Earth and see in your back yard. People are not going to be looking in your windows.

Ivo Buddeke, from **Rimrock**, believes we are not getting the whole story; the military uses drones that carry out assassinations. This is an illegal activity.

(Inaudible) Markham, said there is nothing about this that "fears" her, but questioned destroying our Constitutional rights. The infrared cameras can look through windows and through TVs and our houses. She wondered if she wants to go out in her back yard naked, would she be arrested for indecent exposure.

Marvin Manley, from **Camp Verde**, who lives at the Air Park, is concerned about the proximity of the operation to the Air Park, heard from an individual with the FAA; it is possible the operation may not pass the waiver they will be requesting.

Lisa Calzadilla, from **Camp Verde**, also described the capability of Google Earth to check out her own home or anyone else's; there are countless other people out there who can do that as well. The technology is everywhere. Those troops fighting for our rights deserve all the protection possible and she urged the Council to keep that in mind and support the application.

Jae Heaphy, from **Sedona**, claimed to represent some others from that area, said he is concerned about the issues of losing privacy and the noise generated by the project, as well the ability to control the balloons with the tether. He also questioned the similarity of the area to that of Afghanistan. As for spying on people, the Germans in World War II did the same thing; do we need to go back to Nazi Germany?

Jim Hubele, also lives at the Air Park, reiterated that this is the wrong place; the Government has thousands of acres for training purposes; there are also military communities within those restricted areas that would be similar to Camp Verde.

Alexandra Helm, from **Camp Verde**, said she believes it would be very beneficial to get more information, have more questions answered including the amount of money the lease would make for the Town; the Council needs to get more data and reconsider the project; and the contract should be for only one year. Does the request for five years imply that we will be in Afghanistan for five more years.

Clayton Young, Camp Verde Fire Chief, would like to know if the air space around the project will be restricted to emergency helicopters for medical purposes.

Nancy Floyd, from **Camp Verde**, questioned those who were using the "not in my back yard" argument; she said that it is in the hands of the Council to make a decision that will benefit our Town and bring in more people to shop here and stay in the hotels.

Dave Freeman, from **Camp Verde**, said he represents a number of small businesses; an opportunity such as this is a type of windfall. With the technology of Google Earth we have already lost our privacy. This business does not pollute the earth, does not raise pigs and does not leave buildings behind when they leave. It will provide jobs, training, and educational experience. Mr. Freeman said he cannot understand why a number of people from outside of this area are so concerned; perhaps they have something they do not want to be seen. *(Mr. Freeman stated that he is representing himself, his friends and small businesses, as well as many Chamber members who voiced their concern to him this last week.)*

Howard Parrish, from **Camp Verde**, said he has seen a dirt road in front of his home grow to a 4-lane highway. He said he is not worried about his privacy; he does not have a still in his back yard and is doing nothing illegal. He described the injuries suffered by a nephew in the combat zone, and stressed that if only one life were saved it would be worth everything we can do to bring the project to Camp Verde.

Ron Brattain said he is not from Sedona, not from Rimrock, and not a pilot; he is a citizen of Camp Verde. He lives about a mile from the proposed site of the project, and he is not ashamed of what he has in his back yard. He asked the Council to embrace the project/ it is a good thing for the Town.

Sandi Ashton, from **Camp Verde**, said that the privacy issue should be no big deal; you can find out anything on the internet anymore. She cannot see Camp Verde turning away this opportunity and losing it to some other town.

Jim Rush, from **Sedona**, said he reiterates what the others have said. His first concern is that the project promotes the war. A five-year contract implies we will be in Afghanistan another five years. If the Government is not watching the public, why put it over a town. He is worried about the night sky and some crazy balloon blinking lights, plus it being a hazard to flight when obscured by fog.

James (refused to give last name), asked those who were opposed to stand to show their opposition. *(Burnside noted the number of those who did so.)*

Sharon (inaudible), said she is definitely not for this project, is concerned about mind control, and compared it with Nazi Germany, protesting the actions of the military and the Government.

Irene Peoble, from **Camp Verde**, said that the presentation by the gentleman at the P&Z Commission cited 1,000 feet, and some speakers have been referring to 2,500 feet.

Cheryl Wadsworth feels that approval of the project will set a precedent for allowing privacy invasion. There will be surreptitious law enforcement activities, they can see right through buildings, there are health and exposure issues. At one airport screening the individual dropped dead.

Speaker (refused to give name) saying her refusal is based on the principle of habeas corpus, government interference, and protection of identity; she appeared to be protesting the project.

Linda Buchanan, from **Camp Verde**, said she does not fear for her privacy; Camp Verde will benefit from economic development, and the location is appropriate.

There was no further public input.

A recess was called at 8:20 p.m.; the meeting was called back to order at 8:32 p.m.

APPLICANT'S REBUTTAL

Responding to concerns expressed during the public input, Mr. Powell noted that the company does

currently have an FAA waiver; it is up to the FAA to determine whether the operation is too close to an airport. As part of standard procedures, when the balloon is to be put aloft, notifications to all flight services with full information are made, including a notice to all airmen; an update is given every week. Solar power will help control the Ground Control Station, together with the generators. As for the trailers and equipment that will be installed, only the fence will be left on the site when the operation is ended. The laser is eye-safe. This is a private company; the Government has no control over daily operations or privacy policies. Mr. Powell reviewed the placement of flags on the tether and the night time beacon. He noted that there would be no restriction for emergency helicopters; the Border Patrol constantly flies its helicopters all around the Dateland area, and the applicant is willing to work with local agencies on whatever is needed. As for a 5-year contract, there are other avenues for marketing the product to other countries; there is no connection with the length of the mission in Afghanistan. The applicant would like to apply for the 2,500 feet height, which would provide a better simulation of Afghanistan elevation and better test results; however, that decision is up to the FAA.

The Camp Verde location would be convenient to the major airport in Phoenix, as well as close to other daily living accommodations. Mr. Powell addressed the issue of possibly identifying criminal activities; that is not the intent, it is only a camera raining operation and no one is interested in what the citizens are doing in their daily lives. The applicant will be open to whatever request the Town may make as far as arriving at an emergency response policy. Mr. Powell explained the use of the infrared, or night vision and heat-sensing cameras; they do not look through buildings. As for the reference to "other devices" on the balloon, those would be whatever the military or some other country would choose to install for their own purposes. The generators are specifically designed to operate quietly.

PUBLIC HEARING CLOSED

Council Discussion

The members discussed with Mr. Powell the number of tethers and how they are used in working with the balloon, the anticipated training cycles, the estimated 60% of time the balloon would be aloft, no scattered radiation, as far as the applicant is aware of; the nighttime beacon; and assurance that the film is not recorded or stored during the training operations, and the instructor is always with the trainee. Burnside expressed his concern about the intensity of the lighting to be used; Mr. Powell said the company would work with the Town as long as it would be approved by the FAA. Mr. Powell explained that the camera is capable to seeing 10-12 miles, and it is not tied to any satellite; there will only be one balloon aloft at one time. There was also discussion about the possibility of the balloon getting loose which would be highly unlikely considering the almost \$4 million value of the entire system. Roulette commented that the support of the Chamber of Commerce was significant; he is in support of the project and believes it is a good fit for the Town; he would recommend only a 3-year term. Responding to comments from some out-of-town speakers who voiced objections based on fear of what they perceived as "government intrusion," Baker spoke of her personal deep, steadfast belief and pride in the United States, saying in essence that it was an egregious insult to our Country for them to interject their comparisons of the Military to Nazi Germany; furthermore, she said she will vote absolutely in favor of supporting the proposed activity. Garrison requested that staff make sure that notices of public hearings are always published in both of the local newspapers, and to keep in mind the scheduling of important meetings close to holidays. Whatley said that if she can do one little thing to help bring this system to Camp Verde, she believes it will not only help the boys and girls over there, but it will also help the Town. There was also further discussion on addressing high-intensity lighting and possible complaints; Mr. Powell will look into the lighting issue with the FAA. Garrison noted that the application still has to go before the Sanitary District for approval, and then back to the Council for discussion and agreement on the actual lease terms. Jenkins said he understands that on the application to the FAA for the waiver, the company was required to indicate the location of the airstrip that was mentioned in the public input.

Town Manager Martin confirmed that the Sanitary District has separate authority as the owner of the

property; the Town is subject to the arrangement with the Sanitary District pursuant to the lease already in place. It was also confirmed the Motion included the recommendation of the Planning & Zoning Commission for a 5-year term of the Use Permit, however, the Council may decide upon a different term for the Use Permit at the time of approval.

9. **Call to the Public for Items not on the Agenda.**

There was no public input.

10. **Advanced Approvals of Town Expenditures.** There are no advanced approvals.

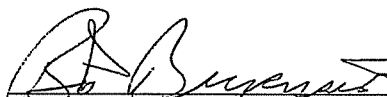
There were no advanced approvals.

11. **Manager/Staff Report**

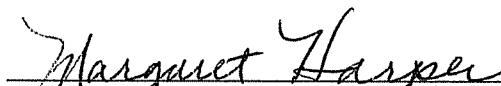
There was no Manager/Staff report.

12. **Adjournment**

On a motion by Baker, seconded by Kovacovich, the meeting was adjourned at 9:32 p.m.



Bob Burnside, Mayor




Margaret Harper, Recording Secretary

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 Work Session of the Town Council of Camp Verde, Arizona, held on the 26th day of January 2011. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 28 day of February, 2011.



Debbie Barber, Town Clerk