

**MINUTES
REGULAR SESSION
MAYOR and COMMON COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, FEBRUARY 2, 2005
at 6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.
Input is placed after Council motion 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 Dickinson, Vice Mayor Reddell, Councilors Gioia, Baker, Kovacovich, and Parrish were present; Councilor Teague was absent due to illness.

Also Present:
Town Manager Bill Lee, Town Attorney Brad Woodford, Finance Director Dane Bullard, Asst. Parks & Recreation Director Lynda Moore, Council Candidates Ron Smith, Helen Zimmerli and Robert Johnson; Town Clerk Debbie Barber and Recording Secretary Margaret Harper.
3. **Pledge of Allegiance**
Councilor Parrish led the Pledge.
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) There are no minutes for approval.
 - b) **Set Next Meeting, Date and Time:**
 - 1) Regular Session – February 16, 2005 at 6:30 p.m.
 - 2) Council Hears Planning & Zoning – February 23, 2005 at 6:30 p.m.
 - 3) Regular Session – March 2, 2005 at 6:30 p.m.
 - 4) Regular Session – March 16, 2005 at 6:30 p.m.
 - 5) Council Hears Planning & Zoning – March 23, 2005 at 6:30 p.m.
 - c) **Possible approval of a proclamation declaring the week of February 14-18, 2005 to be "Homes for Arizonans Week".**
On a motion by Reddell, seconded by Baker, the Council unanimously approved the Consent Agenda as presented, with the addition of a Work Session on February 9, 2005 at 6:30 p.m.

Mayor Dickinson drew special attention to the importance of Item 4c), expressing his belief that Camp Verde has done as well as the town has been able to in connection with home ownership.
5. **Call to the Public for Items not on the Agenda.**
There was no public input.
6. **Statewide Community Update presentation by Arizona State Treasurer David Petersen.**
The Council took no action; a copy of the Power Point presentation is attached.

David Petersen, Arizona State Treasurer, gave a comprehensive Power Point presentation particularly to inform the public about the function of the State Treasurer's Office and the management of the public funds entrusted to it. The presentation briefly referred to and was followed by the next item concerning the Character First! Initiative.
7. **Discussion, consideration, and possible direction to staff concerning the Character First! Initiative.**

On a motion by Dickinson, seconded by Gioia, the Council voted unanimously to adopt a resolution to declare Camp Verde a Town of Character, and directed staff to bring the resolution back to Council at the next meeting for approval.

Steve Harris made a detailed presentation on the formation and history of the Character First! Program; the Character First! Association of the Verde Valley will be the steering committee to take the program to each of the different cities. The goal of Character First! Is primarily to promote good morals, bring back the character that made the U.S. a great nation, and to assist government and community leaders to help make their communities a better place to live. Over 150 cities have signed the resolution, a sample of which was included in the agenda packet. After confirming that any employee participation would only be voluntary, the Council took the above action.

8. **Update and presentation by John Munderloh on the Yavapai County Water Advisory Committee's activities regarding Water Management Strategies and Water Conservation.**

The Council took no action; a copy of the Power Point presentation is attached.

John Munderloh made a Power Point presentation pointing out the many different ideas about what water management means, and reviewed in detail the focus on certain basic strategies; following his presentation Mr. Munderloh also advised that the State of Arizona is moving toward creating a State Water Conservation Office.

9. **Discussion, consideration, possible adoption of the Camp Verde Focused Future Strategic Plan for Community and Economic Development and possible direction to staff to begin working toward implementation of the plan.**

On a motion by Baker, seconded by Kovacovich, the Council voted unanimously to adopt the Camp Verde Focused Future Strategic Plan for our Community and direct staff to begin working towards the implementation once we receive the final document.

Sally Odette and **Mike Johnsen** of APS, the sponsor of the Focused Future Strategic Plan, gave a brief overview of the updated document that was included in each agenda packet. Camp Verde originally developed the plan in 1995, and Ms. Odette said that the update and revision is to carry the Town into the next 18 to 24 months in the area of Community and Economic Development. During the presentation, the teams and individuals who worked on the plan and devoted so much time and effort were recognized and congratulated for their accomplishments. Four focus areas were emphasized and discussed in detail: Business retention and development, physical infrastructure, communication within the community and with the Yavapai-Apache Nation, and tourism. Ms. Odette said that the next step would be for the Council to accept the Plan and begin work on its implementation.

The Council also complimented those who have worked on the Plan and looked forward to receiving the final document and implementing the Plan.

10. **Discussion, consideration, and possible authorization to hire a part-time Court Clerk funded from the Court Enhancement Fund.**

On a motion by Baker, seconded by Kovacovich, the Council voted unanimously to authorize hiring a part-time Court Clerk funded from the Court Enhancement Fund until July 1, 2005.

Magistrate Lyndall McElhaney explained that the court has been using HERO students in the past, and they have worked out very well. However, the student who is currently filling that position will be leaving sometime in May to continue her education for a medical career. Each time a HERO student leaves there is a lag time of about six to eight weeks until another one is on board because of the need to advertise. McElhaney proposed that a part-time court clerk be hired, with the pay to come from the Court Enhancement Fund until July 1st. McElhaney said he would then

request that the newly-created position be added to the Court budget for the next fiscal year, citing the increasing workload handled by the Court to illustrate the need for the additional staff.

The Council approved of hiring a part-time court clerk to be paid from the Court Enhancement Fund until the end of June, but expressed reservation about adding a new position to the budget starting July 1, questioning whether that would be fair to the other departments who also are overworked and what the Town may or may not be able to do for them as well. After further discussion, McElhaney agreed that the person to be hired at this time would be advised that the position would be funded only until the end of June, and that the request to permanently add the part-time position to the Court staff would be revisited at budget time.

11. **DISCUSSION, CONSIDERATION, AND POSSIBLE APPROVAL OF ORDINANCE 2005-A292-A, AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA AMENDING SECTION 108 OF THE ZONING ORDINANCE AMENDING SUBSECTION L – STREET AND EASEMENT STANDARDS BY CLARIFYING SECTION 108.II(L)2(b)(4) RELATING TO PRIVATE DRIVE OR EASEMENT STANDARDS ON PARCELS CREATED AND RECORDED ON OR BEFORE FEBRUARY 26, 2005.**

On a motion by Baker, seconded by Reddell, the Council unanimously approved ORDINANCE 2005-A292-A, AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA AMENDING SECTION 108 OF THE ZONING ORDINANCE AMENDING SUBSECTION L – STREET AND EASEMENT STANDARDS BY CLARIFYING SECTION 108.II(L)2(b)(4) RELATING TO PRIVATE DRIVE OR EASEMENT STANDARDS ON PARCELS CREATED AND RECORDED ON OR BEFORE FEBRUARY 26, 2005.

Town Attorney Woodford explained that the proposed change is a very minor one in connection with the Ordinance that was passed last week. The language regarding any lots recorded prior to the date of February 26, 2005 was changed from, "...shall be allowed to occur" to, "...shall be permitted to occur". The Council discussed the change, confirming that the intent is to help those in the difficult situation that the Council has struggled with by permitting them to have building permits on the easements that have been a point of contention.

12. **Discussion, consideration, and possible approval of an agreement with the Verde Lakes Property Owner's Association for joint use of a 1.21-acre park owned by the Association.**

On a motion by Gioia, seconded by Baker, the Council voted unanimously to approve an agreement with Verde Lakes Property Owner's Association for joint use of a 1.21-acre park owned by the Association.

Introducing the item, Mayor Dickinson said that the Verde Lakes Property Owners Association had discussed with Parks & Recreation Commission members as well as the Town Manager the possibility of a joint use of the Verde Lakes property for a park area. The agreement would be somewhat similar to that with Sunnyside Park. Lee added that the agreement would be for a two-year period and could be terminated after that by either party. The Council discussed the benefit of having a Town park in that area, which also raised the issue of maintenance and the need of more staff. Attorney Woodford explained the indemnification provisions in the agreement that would protect both the property owner and the Town.

PUBLIC INPUT

Winogene Harris, representing the Verde Lakes Property Owners Association, expressed the hope that the park can be approved since she feels it would be an asset for all of Verde Lakes. The existing playground is worn out. She requested some help on the insurance issue and was assured that staff will work with her in that regard, and there should be no charge for adding a rider to the Association's insurance policy, which would meet the insurance requirement

A recess was called at 8:30 p.m.; the meeting was reconvened at 8:36 p.m.

13. **Discussion, consideration, and possible approval of contract with Arizona Engineering in the amount of \$31,427.50 for engineering documents for the Library Parcel, Tract G on the northwest side of Cliffs Parkway.**

On a motion by Reddell, seconded by Parrish, the Council unanimously approved payment to Arizona Engineering in the amount of \$31,427.50 out of the General Contingency Fund to engineer the eight lots on Cliffs Parkway on the land donated to the Library, to raise money for the Library, with the \$31,427.50 to be returned to the General Fund when the lots are sold.

Lee said that the proposal before the Council was for Arizona Engineering to complete the preliminary plans and documents necessary for the development of the infrastructure and roads for the eight lots on the five acres that had been donated to the Town in the Verde Cliffs subdivision. Council had previously determined that developing the property into lots to then be auctioned or sold off would generate the highest monetary return on the property, with the proceeds to go toward development of the new library. The initial investment being requested for the engineering would be paid back to the General Fund from the proceeds of the sale.

14. **Discussion, consideration, and possible direction to staff concerning an Equestrian Committee to serve under the Manager's direction. The committee's focus will be to develop an equine facility as part of the first phase of the Community Park.**

On a motion by Baker, seconded by Gioia, the Council voted unanimously to direct staff to form an Equestrian Committee to serve under the Town Manager's direction to develop that equine facility.

Lee described for the Council a tour that he and some staff had been taken on, including Horse Lovers Park and West World in Scottsdale. That tour gave rise to the desire to form a committee to work on ideas and plans for an equine facility for the Community Park. In discussion, the Council pointed out that the Town already has the arena equipment purchased last year, agreeing that forming a committee was a great idea.

15. **Discussion, consideration, and possible designation of representatives to serve on the FY 05-06 CIP Committee.**

The Council took no action.

Finance Director Bullard advised Council that the staff is currently in the process of putting together the CIP committee for the upcoming budget year. He reminded the members that the CIP is the capital asset side of the five-year budget plan that staff uses to forecast expenditures over the five-year period. Bullard said that it has been awhile since funds were available to realistically generate a CIP plan to start prioritizing various capital projects. The intent is to have each department head on the committee as well as a representative from each of the Town's various Committees and Commissions. Bullard suggested that each Council member appoint a representative from the community to share their views on the CIP Committee; those seven individuals would provide a cross-section of opinions to contribute to the Committee. After Bullard is provided with the names of those selected he will then contact them to set up a meeting, if not by next week, the following week at the latest; the total number of meetings required through the process would be three to four, and during the day. The Council agreed to come up with nominees in the next few days.

16. **Discussion, consideration, and possible approval to purchase the Rio Verde Plaza located at 497 S. Main Street for \$390,000.**

On a motion by Reddell, seconded by Kovacovich, the Council unanimously adopted Ordinance 2005-A297, 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 real property known as the Rio Verde Plaza in Camp Verde, Arizona, including Parcels 404-23--011A and 404-23-011B, located at 497 S. Main Street.

Lee said that this item is the first step in the Master Plan for the seven-acre Town site, being able to acquire the subject property. The purchase of the property has been successfully negotiated as agreed upon for the price of \$390,000. Escrow should be able to close within the next couple of days. Dickinson then explained that the transaction requires the adoption of an ordinance because it is a government entity purchase, and the proposed ordinance was read into the record. The funds for the purchase are from the GADA loan that the Town has recently been approved for that will also provide for the purchase of the First Baptist Church property for the Marshal's Office, and for the remodeling and construction expenses for that facility. There was also a review of how the loan will be paid off from tax funds.

(The Council agreed to hear Items 19, 20, 21 and 22 prior to Items 17 and 18.)

17. Discussion, consideration, and possible direction to staff concerning the property located at 493 S. Main Street as it relates to the Town Facilities Master Plan.

On a motion by Reddell, seconded by Baker, the Council voted unanimously to go into Executive Session to discuss Items 17 and 18 pursuant to ARS Sec. 38-431.03(A)(3) for legal advice; (A)(4) Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations; and ARS 38-431.03(A)(7) for discussions or consultations with designated representatives in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property in the Town of Camp Verde. **The regular session was recessed at 9:21 p.m.**

The Regular Session was called back to order at 10:22 p.m.

Dickinson advised that Council discussed this matter and that direction had been given.

18. Discussion, consideration, and possible approval of a proposed Letter of Intent to allow for the lease, operation, and option to purchase assets of Camp Verde Water Systems, Inc.

On a motion by Dickinson, seconded by Baker, the Council voted unanimously to approve the Letter of Intent and to move forward with the purchase.

19. Call to the Public for Items not on the Agenda

Cheri Wischmeyer read from a prepared document as follows:

"Recently I received information from an ex-employee of the Town of Camp Verde that I might find it interesting to review the building permit on file for the remodel of Dane Bullard's home in 2003. I explained that on November 15, '04 I had requested this information along with a great deal more financial and zoning information and that on December 6 when I reviewed the requested documents I was advised that there were no building permits on file for him. The ex-employee simply stated that perhaps I might want to make another request. The statement intrigued me so I returned to Town Hall and filed a new request for permits issued to Dane Bullard since my original request. Imagine my surprise on December 22, 2004 when I was presented with a building permit No. 2004451 dated November 23, 2004 for Mr. Bullard's remodel. During my interviews with Camp Verde citizens, I had been told that Mr. Bullard did his remodel in 2003, and was the reason he had written himself a vacation cash-out check, which was never written off the books on November 21, 2003. The remodel building permit was completed and filed after my request to review documents but before I actually had the opportunity to review the requested document. Therefore, it can only be assumed that this record was filed because I had begun investigating this particular incident. I cannot think of any other plausible explanation for the date discrepancy. The Town Zoning Code Section 115 states, 'It is unlawful to erect, construct, reconstruct, maintain or use any land in any area subject to the provisions of this Ordinance in violation of any regulation or provision herein. Each and every day during which such violation continues is a separate offense.' It goes on to state in c) of the same section, 'Any person, firm or corporation violating any regulation or provision of this

Ordinance is guilty of a Class 2 Misdemeanor.' Mr. Bullard was in non-compliance for at least a year and should be charged by the Town accordingly. After reviewing the building permit on December 22' I asked to see the inspection record. I was advised that there were no inspection records on file. On December 27, 2004, I received a telephone call from Town Hall advising me that the records I had requested were available. I was confused since I had not requested any additional records, and it was only after I arrived at Town Hall that I realized the record in question was an undated, vague inspection record. There was no receipt or completed date on the document that I could find, and in fact, there was nothing but a signature and a parcel number, which did not match the original building permit but contained the other corresponding information related to Mr. Bullard's remodel. I realized at that point that the Town employees were simply complying with my original request to review the building permits and inspection records for this construction project as is required by law. Based on this information I am filing a second complaint against Dane Bullard for his blatant disregard for compliance with the Town's Code and possible State and/or County zoning laws. As previously stated I expect this complaint will be forwarded to the Town Council for a written response. In previous statements to the Town Council, I requested that Mr. Lee and Mr. Bullard be placed on suspension to prevent destruction or revision of Town documents that may lead to a valid investigation. This act clearly indicates that my concerns were valid and that what I feared had come to pass. If any of the Town citizenry, including me, was to build a home or remodel an existing one, we would be expected to acquire a building permit and would be cited by the Town Zoning Department for failing to do so. It is the Town's Code and it was written and passed by the Town Council for a reason. Town management should not simply ignore it because they can. In this incident, it is worse. Mr. Bullard did not simply remodel his home without a permit, he then attempted to cover up the issue by filing a permit over a year later, and only after he began to fear he had been caught. Mr. Bullard violated Town Code and generally accepted accounting principles, yet he still remains the Town's Chief Financial Officer. He implicated Town employees when he had an employee stamp a check using another authorized signer signature stamp for an interest-free loan, had a Town employee sign a building permit that was filed over a year late, had an employee complete an inspection document on work that was done over a year previously and could not have been completed according to normal inspection processes. And when he stated on the document that he was not using a contractor for the remodeling project, it is my understanding that there were numerous discussions at Town Hall by Mr. Bullard regarding his remodel and the use of a local contractor on the project. The incidents that I have been looking into are but a minute portion of the Town's day-to-day function. How much longer can the Town Council ignore the actions of their management staff? How much longer must the citizens of the Town of Camp Verde have to wonder how many other illegal or inappropriate acts are occurring or being covered up? How much longer do the ethical employees who work for the Town need to be subjected to working for an unethical leadership. You have exceptional employees who work hard for the Town and want to be proud of their jobs. Right now, I don't believe that's the case. Will they come forward? Of course not. In rural communities, good jobs don't come along often. These employees expect the Town Council to protect them against this type of behavior. I will say it's a shame that the Town Council continues to allow the Town management team to place our most valuable asset, our employees, in this type of situation. I once again request that you give my concerns your prompt attention. I would also like to request that Mr. Dickinson recuse himself from both investigations and ultimate decision-making processes since some of my information indicates that there may be a conflict of interest in these situations. As always, I will await your response on this and my previous request. Thank you."

Dane Bullard stated that he would like to go on record saying, "I'm getting tired of this individual attempting to make normal, routine transactions somehow seem dishonest. The money that I drew down was my money. It was not a loan, you cannot loan yourself money. She has gone on record as stating in the local paper that this is nothing personal. I don't think there's a person in this room that believes this is not personal. We know why she has turned into a so-called "community activist," and it really is discouraging when you have individuals motivated by this sort of maliciousness. But individuals who make allegations that are untruthful, and no basis, should recognize the legal liability they are placing themselves in. Thank you."

There was no further public input.

20. **Advanced Approvals of Town Expenditures**

On a motion by Reddell, seconded by Baker, the Council voted unanimously to take \$3,876.10 out of the Park Contingency Fund for the new chemical system for the pool.

21. **Manager/Staff Report**

Manager Lee said that the Town, along with Sedona, Prescott, and Jerome, has been invited to take part in a Civic Tourism Study consisting of four Summits that will be attended by employees, followed by an Open House in Camp Verde to present the findings of the study.

Regarding the question about the ADOT contract and the traffic signals, the contract with Camp Verde is the same as that with Prescott, Payson and Prescott Valley as far as maintenance and payment of electricity.

In response to a request to do some research on what the Town has been expending on Verde Lakes, Lee cited a detailed list of service calls, road maintenance projects, crack sealing, picking up animals when requested, tree trimming, all for the total of approximately \$143,121.40 out of the HURF dollars. All Town government services are provided and/or available to all the citizens in Verde Lakes, with no differentiation because of the difference in location from the center of Town Hall.

Wendy Escoffier has been appointed as the new liaison to the Chamber of Commerce to replace Lynda Moore.

A team is being formed for the Verde Valley Relay of Life in connection with funding for cancer research; Lee invited anyone interested in participating through walking or donations to contact him.

Lee announced that 2.64 acres of water rights have been acquired through the donation to the Town of the 35-acre parcel out by the I-17 bridge.

Marshal Dave Smith started his Citizen Police Academy last Thursday; 10 residents are attending the 9-week course; Lee commended Marshal Smith for putting it together.

Lee reminded all about the Bachelor's Auction Saturday night and the Pecan & Wine Festival the following weekend.

22. **Council Informational Reports**

Councilor Parrish expressed his concern about the prospect of a major crop of tumbleweeds.

Vice Mayor Reddell reported that four interviews have been set up this week for the selection of architects for the conceptual design of the library. Two will be selected to bring to Council for the final selection,

Councilor Kovacovich thanked the League of Women Voters and the Chamber for hosting the Candidate Forum last night.

Councilor Baker will report later on her attendance at the Transportation Committee meeting. She pointed out that, contrary to the claim of being annexed as expressed in a recent newspaper issue, Verde Lakes has been a part of the entire incorporated area of Camp Verde, although there was a movement at that time to keep Verde Lakes out of the incorporated limit.

Councilor Gioia echoed the sentiment of Kovacovich, also thanking the League of Women Voters and the Chamber, particularly the dedication of the League for their dedication to our political process.

Mayor Dickinson announced that beginning next week, Thursday, February 10, at noon, and each Thursday thereafter, Lee, and one different department head each week would be at Basha's for lunch, from 12:00 to 1:00, available for anyone to sit down in a relaxed setting and discuss any concerns or compliments. Dickinson also said that an archaeological convention would be at the Fort Verde State Park; the Fort will allow people to camp out there; there will be food service, outdoor cooking, archaeological exhibits, and other interactive-type activities.

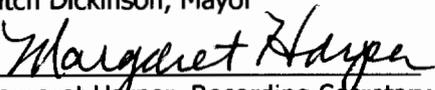
Finance Director Bullard updated the Council on the GADA loan; the bonds were sold yesterday and \$2.15 million will now be available for the Marshal's remodel. The interest rate closed at 4.08.

23. **Adjournment**

On a motion by Baker, seconded by Kovacovich, the meeting was adjourned at 10:24 p.m.



Mitch Dickinson, 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 regular meeting of the Town Council of Camp Verde, Arizona, held on the 2nd day of February 2005. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 18 day of Feb, 2005



Deborah Barber, Town Clerk