

**MINUTES
REGULAR SESSION
MAYOR and COMMON COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, JANUARY 5, 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, Parrish and Teague were present.

Also Present: Town Manager Bill Lee, Town Attorney Bill Sims, Finance Director Dane Bullard, Library Director Gerard Laurito, Town Marshal Dave Smith; Council candidates Helen Zimmerli and Robert Johnson; and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**

Councilor Kovacovich 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) Special Session – December 21, 2004
- 2) Regular/Council Hears P&Z – December 15, 2004

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

- 1) Regular Session – January 19, 2005 at 6:30 p.m.
- 2) Council Hears Planning & Zoning – January 26, 2005 at 6:30 p.m.
- 3) Regular Session – February 2, 2005 at 6:30 p.m.
- 4) Regular Session – February 16, 2005 at 6:30 p.m.
- 5) Council Hears Planning & Zoning – February 23, 2005 at 6:30 p.m.

On a motion by Baker, seconded by Kovacovich, the Council unanimously approved the Consent Agenda as presented.

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

Deborah Moody, a resident of Verde Lakes, requested the Council to consider making available the NAU study about Clear Creek at a cost less than the \$1.00 a page quoted to her by the Town; Mayor Dickinson offered her his copy of the study, and Town Manager Lee said that a copy would also be available in the Library for anyone to review.

6. **Discussion, consideration, and possible appointment of a Council representative to serve on the Selection Committee for architectural services for the new library.**

Council took no action on this item.

Library Director Laurito explained that he planned to put together a committee consisting of a representative from the Council, the Library Commission, Library staff, and the Endowment Group in order to review possible architectural candidates for the new library. Laurito received 11 responses from approximately 16 Request for Qualifications sent out. Having a member of the Council on the committee could save time in that the Council would be involved in the process from the start. The members felt that it was a good idea; Councilor Reddell volunteered to represent the Council, and it was agreed that he would do so.

7. **Discussion, consideration, and possible approval of Resolution 2005-622, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, authorizing application to the Arizona Criminal Justice Commission 2005 Local Law Enforcement Block Grant.**

On a motion by Gioia, seconded by Teague, the Council unanimously approved Resolution 2005-622, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, authorizing application to the Arizona Criminal Justice Commission 2005 Local Law Enforcement Block Grant.

Marshal Smith explained that the item is a direct grant requiring a 10% match, which would be \$383, an amount well within the budget. The funds are used to purchase equipment. During a brief discussion the Council confirmed their understanding that the matching funds for grants had been included in the budget, and could be used for not only equipment, but overtime pay as well.

8. **Discussion, consideration, and possible authorization to transfer title of the PANT vehicle to the City of Sedona.**

On a motion by Reddell, seconded by Kovacovich, the Council unanimously authorized the Marshal to transfer title of the P.A.N.T. vehicle to the City of Sedona.

Marshal Smith requested transfer of the vehicle to the City of Sedona since Camp Verde no longer had an officer assigned to PANT. He explained that PANT gave the vehicle to the Town of Camp Verde.

9. **Discussion, consideration, and possible approval of Resolution 2005-624, a resolution of the Mayor and Common Council of the Town of Camp Verde, Arizona, approving the form and authorizing the execution and delivery of a Loan Repayment Agreement, a Financial Guaranty Agreement (if necessary), and a Continuing Disclosure Undertaking; accepting a loan from the Greater Arizona Development Authority pursuant to such Loan Repayment Agreement in the amount of not to exceed \$2,150,000.00; authorizing the approval of the portions of an Official Statement describing the Town and the distribution and use thereof; delegating to the Town Manager of the Town the authority to designate the final interest rate, maturity date, principal amount, prepayment provisions, and other matters with respect to such Loan Repayment Agreement; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this Resolution and Declaring an Emergency.**

On a motion by Dickinson, seconded by Baker, the Council unanimously approved Resolution 2005-624, a resolution of the Mayor and Common Council of the Town of Camp Verde, Arizona, approving the form and authorizing the execution and delivery of a Loan Repayment Agreement, a Financial Guaranty Agreement (if necessary), and a Continuing Disclosure Undertaking; accepting a loan from the Greater Arizona Development Authority pursuant to such Loan Repayment Agreement in the amount of not to exceed \$2,150,000.00; authorizing the approval of the portions of an Official Statement describing the Town and the distribution and use thereof; delegating to the Town Manager of the Town the authority to designate the final interest rate, maturity date, principal amount, prepayment provisions, and other matters with respect to such Loan Repayment Agreement; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this Resolution and Declaring an Emergency, with the following revisions: **that the Resolution and the adjoining contracting paperwork as well reflect the inclusion of the Townsite Master Plan Study, and that the interest amount be not in excess of five percent (5%).**

Mayor Dickinson said that the proposed Resolution would authorize the Town get a loan in order to purchase and remodel the Baptist Church into the Marshal's facility.

Finance Director Bullard explained that the Town is simply trying to follow through and complete the application process that was begun last fall with the Greater Arizona Development Authority for not only the purchase and remodel of the Camp Verde Marshal's Office, but perhaps to expend some of the funds on the Town site. Although it is a draft resolution, bond counsel has recommended that language be added noting not only the Marshal's Office but the Town Hall Master Plan as well in order to not be tied to just the one project. Sale of the bonds is anticipated to occur sometime mid-January; the interest rate, depending upon market conditions, is going to be approximately 4.5 to 4.75 percent. After sale, the first draw down from GADA should be as early as 1 February. Staff recommended approval of the resolution at this meeting; a phone conference on due diligence is scheduled with Bullard, Lee, and the bond counsel for tomorrow and Council members were invited to listen in. Work on the Marshal's Office should begin in earnest following the February 1 drawdown.

During the ensuing detailed discussion it was confirmed that, pursuant to bond counsel's recommendation, the first paragraph of the Resolution should have language added following, "...finance or refinance the costs of relocation of the offices of the Town Marshal for the Town (collectively, the "Project")..." to include: "...**and the Town Site Master Plan Study; and...**" During later discussion, Sims pointed out that the suggested change also must be included in the actual Loan Repayment Agreement in the first "Whereas."

Bullard said that the initial draw down will be a check remitted to the Town in the entire amount; those funds will be deposited in a separate CIP account earmarked specifically for those projects, for record keeping as well as keeping those separate from the general funds. There was a question from Council regarding the phrase in the Resolution, "declaring an emergency." Town Attorney Sims advised the Council that most governments routinely include the phrase in order to avoid the risk of referendum; in addition, in light of existing circumstances the phrase would seem to be appropriate. There was some objection regarding the authority given to the Town Manager, as listed on Page 2, Paragraph (B) of the resolution, with further objection to the stated interest rate cap of 7 percent. It was generally agreed that the Town Manager would be acting on behalf of the Council and at its direction, keeping the Council involved in the ongoing negotiations, which Attorney Sims pointed out is simply a matter of the Council delegating authority in the process of discharging its duties to its constituents. The cap of 7 percent was of particular concern; it was decided that a ceiling of no more than 5 percent would be requested, and Bullard confirmed that he will consult with the bond counsel regarding that change. It was also agreed that in any event the Town would not consider negotiating the loan at more than 5 percent.

10. **Discussion, consideration, and possible approval of Resolution 2005-623, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, declaring as a public record that certain document filed with the Town Clerk and entitled 'The 2002 Amendments to the Tax Code of the Town of Camp Verde'.** On a motion by Reddell, seconded by Parrish, the Council unanimously approved Resolution 2005-623, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, declaring as a public record that certain document filed with the Town Clerk and entitled 'The 2002 Amendments to the Tax Code of the Town of Camp Verde'.

Finance Director Bullard said that both this item and Item 11 deal with the same issue, with 10 being the Resolution declaring the amendments to be public record, and 11 adopting the Ordinance adopting the amendments. In order to keep the Town's tax code current, every few years the Town must adopt amendments that have been made by the State; those changes generally do not materially affect the Town's tax code. The current amendments, or upgrades, do not appear to impact the Town, and adopting the amendments will bring the Town into compliance with the Model City Tax Code. There was a brief discussion regarding the language regarding timing on construction contracts, and it was confirmed that the change would have no effect on existing contracts.

11. **Discussion, consideration, and possible approval of Ordinance 2005-A296, an ordinance of the Town of Camp Verde, Yavapai County, Arizona, relating to the Privilege License Tax; Adopting 'The 2002 Amendments to the Tax Code of the Town of Camp Verde' by reference; establishing an effective date; providing for severability; and providing penalties for violations.**

On a motion by Baker, seconded by Kovacovich, the Council unanimously approved Ordinance 2005-A296, an ordinance of the Town of Camp Verde, Yavapai County, Arizona, relating to the Privilege License Tax; adopting 'The 2002 Amendments to the Tax Code of the Town of Camp Verde' by reference; establishing an effective date; providing for severability; and providing penalties for violations.

As discussed in the previous agenda item, Bullard said that this ordinance will provide staff the authority to incorporate those changes into the Town's own Tax Code; there was no further discussion.

12. **Discussion, consideration, and possible approval of payment of \$23,636.72 to Lewis and Roca for legal services related to the Wischmeyer termination hearing.**

On a motion by Baker, seconded by Reddell, the Council unanimously approved payment of \$23,636.72 to Lewis and Roca for legal services related to the Wischmeyer termination hearing.

Finance Director Bullard said that the Council is simply being asked to approve an expenditure item that had not been anticipated and therefore was not budgeted; funds to pay the invoice would come from the General Fund Contingency.

There was a brief discussion regarding the amount of the invoice and the number of days spent on the hearing; it was agreed that it was in line with attorneys' fees in general.

13. **Discussion, consideration, and possible award of bid proposal for the installation of a new heating and cooling system at the Camp Verde Historical Society.**

On a motion by Teague, seconded by Kovacovich, the Council unanimously approved the award of the bid proposal for the installation of a new heating and cooling system at the Camp Verde Historical Society for approximately \$7,834.00, to come out of the General Fund.

Town Manager Lee said that the staff had gone out for bids on the item, as directed by Council a few weeks ago. Maintenance Foreman Mike Dumas explained the bids received. The amount came in higher than anticipated because the construction of the building would not allow installation of the system as planned. Council discussed other options. Dumas said he had considered other possibilities, and pointed out that the planned installation appeared to be the best fix, while maintaining the historical integrity of the structure. Future options based on changes to the existing structures will be kept in mind when installing the unit.

14. **Possible approval of Resolution 2004-620, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona approving the application for State Land Improvement Funds.**

On a motion by Reddell, seconded by Parrish, the Council unanimously approved Resolution 2004-620, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona approving the application for State Land Improvement Funds.

Manager Lee said that the Resolution allows the Town to submit a grant application to State Parks to be able to acquire four acres next to the Black Bridge to develop a park with river access. Now, there is only one legal public access point to the river operated by the National Forest Service. The application includes development of a road, parking lot, restroom and a handicap ramp down to the river. Explaining the point system used in SLIF grants, Lee said that instead of acquiring the land, including the property to be donated by the Babbitts, at no expense to the Town as had been expected, it now will cost approximately \$86,000 for acquiring the

property and developing the park. Lee added that amount could be paid out of the Park Contingency Funds, with the possibility that CDBG funds would be available next year for the handicap portions. There was considerable discussion regarding what had been represented to the Council in the past, and the unexpected \$86,000 now being requested, as well as how that expenditure will impact the main Community Park development. It was also pointed out in the discussion that even though the \$86,000 was unanticipated, being able to acquire the property and develop the 10-acre park for that amount, basically is an excellent move; there is \$650,000 in the Park Contingency Fund as well as close to \$1 million in the General Contingency Fund. The \$86,000 will benefit the community and the Town can afford it. Lee said that there has not been time yet to work on donations, and it is anticipated that the cost will actually be less from getting a lot of support from local business people on the project. There was also a brief discussion on the Town acquiring the Community Park property and not being required to purchase the entire 223 acres, and related grant considerations. There was general agreement that the subject river-front park would be a great asset to the Town.

PUBLIC INPUT

Bea Richmond said she is a member of the Dead Horse Ranch State Trails Committee and serves as liaison between that group and the Camp Verde Trails Committee. She said that when the Marshal's Office is moved away, as well as the Library, the Town will have the property from the beginning of Black Bridge Road clear to the river all along frontage of Montezuma Castle Highway, a natural location for a park, and even extends across the river to the other side, a great asset and a great opportunity.

There was no further public input.

15. **Discussion, consideration, and possible direction to staff concerning Section 118 of the Planning & Zoning Ordinance regarding temporary signs.**

On a motion by Teague, seconded by Baker, the Council voted unanimously to direct staff to impose the State Statute during this election for the 260 corridor from Finney Flat Junction on the north and 260/Main Street on the east, which is now also known as Main Street, as discussed, and also to come back to Council with an ordinance in the future to do the same when it is turned back to the Town of Camp Verde and called "Main Street."

Town Manager Lee explained that with the election season coming up the department heads have met and discussed their concerns about Main Street and the prospect of all the signs that appear during election time and the possible damage to all the new planters. Although Main Street is still under State control and the State has guidelines allowing removal of those signs, there has been little enforcement in the past. Lee said that staff is asking for direction or some kind of commitment from Council that candidates would agree to not put their signs out, at least in the Main Street area, pending drafting a new ordinance that would enable the Town to regulate the signs. Attorney Sims confirmed that such an ordinance would have to cover all types of signs, not just political, which would be a constraint of free speech. During the discussion, Lee said that staff was asking the Council at this time for direction to enforce the State law and collect any signs that might be set out since they would still be on the State right-of-way. Lee added that any signs picked up would be available at the Street Yard for retrieval. There was general agreement among the Council members to respect staff's request to not place signs on Main Street in the interim.

PUBLIC INPUT

Helen Zimmerli said that as a candidate she would side with Mr. Reddell, and hopefully with all the other candidates not to clutter up Main Street at all; she personally will not put out any signs.

There was no further public input.

16. **Discussion, consideration, and possible ratification of the additional costs related to the Eagle Scout Ramada project and possible approval of additional funding to complete the base.**

On a motion by Dickinson, seconded by Baker, the Council voted 6-1 to approve the request for \$5,000 additional funds for the rock work on the piers, and ratify the \$14,426.04 for the additional expenses for the project, with a 'no' vote by Gioia.

Town Manager Lee said that the two parts of the agenda item consisted of a request for \$5,000 from the Park Contingency Fund to install a river rock look on the concrete block bases around the ramada, similar to what is in front of the gymnasium, and ratification of funds already spent to assist in the building of the ramada. The Town has spent \$21,564, above the already approved \$4,000, for the retention blocks. Donations have been received from the Friends of Camp Verde in the amount of \$6,637.96, as well as a \$500 donation from Wal-Mart, leaving a balance of \$14,426.04 for final ratification. In order to keep the project moving forward in a timely manner, Lee said that the funds were approved administratively as they were expended. Lee also reviewed the donations of the engineering for the project, welding, rebar, some of the concrete, concrete blocks, and the various labor and material donations. The estimated value of the project is \$90-to-\$100,000, and the Town's costs come to \$14,426.04. Citizens have already used the project extensively for various events, and it is hoped the project will attract more tourism to the State parks.

There was considerable discussion and some displeasure and concern expressed by the Council regarding the fact that funds were expended in the amount requested to be ratified without coming to Council for approval, even though it was apparent that the Council supported the project from the start. The discussion also addressed the benefit of the ultimate value of the building versus the money invested, suggesting that in the end the right thing was done. There was a suggestion that Lee had improperly violated the spending limit imposed on the Town Manager. Lee explained that trying to bring the expense items back to Council for approval on an ongoing basis presented a problem because of the pressure of needing to get the ramada finished in a timely manner since there was a risk of liability for the Town by leaving the project half finished while trying to ask for additional funds, putting the community at risk, with open footings and rebar sticking out. It was felt administratively that the best decision was made. Attorney Bill Sims advised the Council that he believes the Town Code was drafted such that it would accommodate the project. In effect, by authorizing the initial expenditure, the amount could be viewed as a cost overrun, and the expenditure was therefore legitimate. Proceeding as Lee did, based on common law and the initial authorization, and, in order to avoid potential liability deciding to authorize the various expenditures, was entirely appropriate. There was also some discussion addressing the provisions in the Town Code limiting the cap on spending by the Town Manager without prior approval. Attorney Sims suggested that the Code needed to be reviewed and clarified, and an appropriate number arrived at. Attorney Sims also pointed out that the amount requested consisted of a number of individual line items, and Lee had verified that the appropriate procurement procedures were followed for each. The Council discussed further the fact that even though there was the perception that everything was not done absolutely appropriately, it is easy to look at the numbers involved and the value given for those numbers, and realize that nobody benefited personally or profited from the project in any way; lessons were learned, and it should be moved forward. Attorney Sims reiterated for the benefit of the Council that the ratification of the expenditure was for an overrun of a previously approved item, and in light of the exposed rebar to address public safety issues.

PUBLIC INPUT

Cheri Wischmeyer said she had become aware of over expenditures in the Eagle Scout project a couple of months ago when it was brought to her attention by other citizens of Camp Verde. She reported on research she had done, expressing her desire to see that tax money is spent appropriately. In summary, Ms. Wischmeyer expressed her strong objection and dismay, shock and anger, suggesting that by approving the expenditure the Town Council would be violating the public trust if they condone blatant violations of the Town Code by the management team,

consisting of illegal and inappropriate behavior of Town staff who expect the Council to correct their actions retroactively only when they are caught, which in essence Ms. Wischmeyer believes is because of her investigation. Ms. Wischmeyer talked at length regarding what she considered as issues where the Town Manager acted independently and in conflict with what the Council was given to understand. Ms. Wischmeyer requested a full investigation of the ramada incident by an outside agency, such as the Attorney General or County Attorney; appropriate discipline up to and including termination of those knowingly violating sections of the Town Code or other ordinances, and in the meantime those individuals be placed on administrative leave pending the investigation to prevent tampering of records involved. Ms. Wischmeyer requested that the Council not approve the request for the expenditures after the fact, but rather punish the employees who chose to disregard the Council's ultimate authority to approve or deny unbudgeted expenditures.

Helen Zimmerli said that she has heard all the discussions on the ramada project, and described seeing how hard everyone worked to get it off the ground. Ms. Zimmerli stated her opinion that if there was an Eagle Scout who was doing the project, he was doing something positive for the Town as opposed to a lot of negative youth actions in this Town. Ms. Zimmerli feels that no matter what it costs, no matter how hard you have to dig, even send people out on the streets and ask for money to fulfill this aim of completing the ramada, it is honoring that youth and his friends and people who wanted to really do something positive.

There was no further public input.

A recess was called at 8:20 p.m.; the meeting was called back to order at 8:24 p.m.

- 16.a **Discussion, consideration, and possible direction to staff to contact the Army Corps of Engineers to determine the process and feasibility of channelizing West Clear Creek at Verde Lakes Drive to mitigate flooding and property damage to streets and homes.** The staff was directed to contact the Army Corps of Engineers requesting that they come to Town and assess the situation, as discussed.

Mayor Dickinson explained that some months ago, during the West Nile Virus problem and the low water level, the Army Corps of Engineers had been requested to perhaps assist the Town from the Federal level and do some channelization to keep the water better contained and moving forward. At that time only lip service was offered. However, since the occasional flooding over the years with no channelization and no deep water, flood conditions now cause the water to spread. Verde Lakes and Verde Lakes Drive are of particular concern at this time. Town Manager Lee has contacted Mr. Nixon, of the Army Corps of Engineers, and they are now interested in coming to Camp Verde to do some assessment of the ongoing issues. Past Verde Lakes engineering studies will be helpful to the Corps. Dickinson understands that they would also be willing to study the channelization of Black Bridge to White Bridge, and perhaps the confluence of Beaver Creek where flooding along Pecan also occurs. Mr. Nixon has advised that the next step is to direct a letter to them requesting that they come to Town to assess the situation.

A lengthy discussion followed regarding the urgent need to address the flooding problems and channelize the waterways, which, if the Corps decides on such action, would be done with Federal funds. The discussion covered the background of the development of Verde Lakes, past attempts to get help from the Army Corps of Engineers, past research and engineering studies done, different possibilities for involving the Army Corps of Engineers, and possible funding, including CDBG funds.

PUBLIC INPUT

Joan Wilson said she was at the meeting to plead with the Council to consider the project; their home and property received extensive damage last Wednesday night, and they had to be evacuated. She said she had looked up things that had been done in the past in connection with

Verde Lakes Drive and Clear Creek, and described how the flooding was caused. She thanked the staff for their help in warning the residents during the flooding. Ms. Wilson feels the Verde Lakes Drive issue would be the answer to not only her problem but all the neighbors down the street..

Bea Richmond said the problem has been a recurrent one ever since the Town incorporated in 1986, naming the subsequent years where there were serious floods. She feels that maybe there is now a breakthrough with the Army Corps of Engineers. They appeared somewhat intransigent in the past, and now it looks as though they might be willing to coordinate with the Town in resolving the problem. Ms. Richmond reviewed the past efforts spearheaded by Tony Gioia to organize the Verde Lakes Mobilization Committee to look into their chief concerns, Verde Lakes Drive being the main concern and the public safety hazards there from flooding. The Town lost out on some significant funding because residents were unwilling to divulge their financial status, which was a prerequisite. Perhaps this current new possibility will be the answer to the needs and prayers of all the residents.

Robert Johnson said he thought the subject was a good idea six months ago when he brought it before the Council and was voted down. Mr. Johnson said he spoke in favor at that time because he thought it was a question of lives being saved. He commented that it is interesting that it is being brought up again at this Council at this time, this close to elections.

Helen Zimmerli made a brief statement, urging everyone to get off their duffs and get something going down there in Verde Lakes. She has worked with the Red Cross, and worked since last September on floods and water, and she added that it is no fun and Verde Lakes needs to be taken care of.

There was no further public input.

The Council discussed the long-standing problem, sharing some personal memories of the original development of Verde Lakes, and commented in agreement with some of the remarks made by the public speakers.

(The staff was directed to contact the Army Corps of Engineers requesting that they come to Town and assess the situation, as discussed.)

17. **Discussion, consideration, and possible direction to staff concerning the FY2005 CDBG funding cycle.**

On a motion by Reddell, seconded by Baker, the Council voted 6-1 to direct staff to apply the CDBG Grant for the recommended items, including the restrooms, handicap accessibility to the ramada and the Town property, and street improvements in the Downtown Redevelopment area; Gioia abstained.

Town Grants Administrator Carole Keefer explained for the public what Community Development Block Grants are, adding that the Town of Camp Verde is eligible this year and next year because Camp Verde had previously lent its grant money to the County for their Senior Center. The Town would be eligible for \$410,000, due in April, and Town Clerk Barber and Keefer are working on the grant application. Ms. Keefer reviewed projects that the staff is recommending for using the grant funds on, emphasizing the need for the remodeling and improvements that would amount to approximately \$377,000. The difference in the amounts would be used for making the ramada ADA-compliant, and some street improvements in the Town Hall area. Ms. Keefer also cited the criteria that the Town is required to meet in order to qualify for the CDBG funds.

The Council discussed the recommended projects, generally agreeing on their need, as well as the approximately \$500,000 that the Town would be eligible to receive next year, in addition to the \$410,000 this year. There was also some discussion that the funds could and should be used for the Verde Lakes Drive problem, with opinion expressed that channelizing the creek as

discussed is paramount, and the criteria required in order to qualify for the CDBG funds were reviewed and apparently would fit the Verde Lakes area issue. Ms. Keefer agreed to pursue the matter further, and anticipated reviewing the research that has been done on the project. She expressed her hope that there would be ways found to pay for it. The discussion appeared to suggest that the project could be broken down into segments, and Lee confirmed that CDBG funding would not allow that multi-faceted approach. Because of that, Lee said he believes that the Corps of Engineers may be the route to getting the project accomplished. Although that may be disappointing for those Verde Lakes residents, the Town must follow the guidelines that CDBG imposes. The research already done was also discussed, and it was generally agreed that those studies would be of value to the Corps of Engineers in coming up with a solution to the problem in Verde Lakes. Even if they CDBG funds could be used, there are not sufficient funds to complete the project. It was agreed that the Town would explore ways to fund the project, but the prudent first step is to wait for the review and assessment by the Corps of Engineers, which may bring Federal funds to the table. The discussion ended with a review of the projects recommended by staff to be completed through the CDBG funding. There was also discussion regarding the necessity of acquiring 11 lots, according to the engineering done by Arizona Engineering, in order to complete the channelization project that would need to go through those 11 lots.

PUBLIC INPUT

Robert Johnson commented on the thinking in Washington where the congressional representatives lose perspective on a situation and just see the other senators, congressional representatives, money people, lobbyists, and forget about the rest of the country. He suspects the Council has the same problem, and that everything is inside the little clique around here. Those out in the hinterlands are never thought of.

Deborah Moody, a resident in Verde Lakes, said she spoke with 12 neighbors who asked her to talk for them. She said that when Verde Lakes is mentioned one thinks of a blighted neighborhood. Very few consider the residents fortunate to live out by the creek. She and those she spoke for wanted to encourage the Council to consider using money in Verde Lakes somehow. In order to get Verde Lakes to want to be part of the Town, the Town has to reach out to them. Ms. Moody also thanked the Mayor for visiting the community meeting the other night. The residents feel they were brought in to the Town in order for the Town to show them as part of their statistics, and they question what the Town has ever done for them. She also thanked Tony Gioia for all of his footwork.

Winogene Harris wanted to thank the Council for all that has been done out in Verde Lakes, disagreeing with what was said, and said that the Town does come out and does a lot. She asked a question regarding what happened to the property acquired through FEMA in 1978, 1993, the last big flood. What happened to "Do not build in this area anymore"? Ms. Harris said she sees house after house after house being built there, and wondered who is in charge of monitoring that. She described several expensive homes being built and described a type of retaining wall.

Town Manager Lee addressed that question, saying that the County Flood Control issued a permit: The dwelling had to be built to a certain level, which was done. In addition, a permit was issued.

There was further discussion with Ms. Harris regarding one flooding incident in 1993 threatening the lives of one family; she was also informed that the Town has acquired a little over 230 properties of those FEMA lands in the Verde Lakes area. Ms. Harris was then invited to come in to discuss all the issues with the Town Manager.

There was no further public input.

18. **Discussion, consideration, and possible direction to staff concerning the purchase of the Rio Verde Plaza located at 497 S. Main Street as the first step in the Town**

Facilities Master Plan. Note: Council may vote to go into Executive Session pursuant to 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.

On a motion by Reddell, seconded by Kovacovich, the Council voted unanimously to go into Executive Session.

A recess was called at 9:29 p.m.; the meeting was called back to order at 9:52 p.m.

Mayor Dickinson announced that pursuant to the discussion by Council, Manager Lee was given direction regarding the subject purchase and will be carrying out that direction in the days to come.

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

Jeanne Grossmayer commented that she had considered buying property in Verde Lakes back in 1976, and remembered seeing pieces of mobile homes in the trees from flooding. She thanked Councilor Gioia for his efforts in working on the Verde Lakes problem, and then described the flooding issue that she feels is a very major one on Salt Mine Road from a severe, high cut in the road. Ms. Grossmayer said the problem of large chunks of rocks coming down onto the road needs to be looked at by the Town before a possible serious collapse causing major damage or injury, and the Council might need to consider some kind of a major fix. There was no further public input.

20. Advanced Approvals of Town Expenditures

There were no advanced approvals.

21. Manager/Staff Report

There was no Manager/Staff report.

22. Council Informational Reports

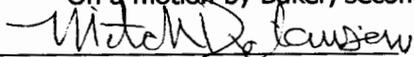
Councilor Gioia said that he had been called for jury duty and would not be able to attend the meeting Friday.

Councilor Baker commented on the article in the recent Bugle regarding praises given for the proper handling of records at Town Hall, and thanked the staff for earning that recognition.

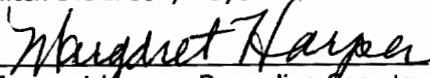
Councilor Teague thanked all those individuals in the Marshal's Office for a job well done during the flooding emergency.

23. Adjournment

On a motion by Baker, seconded by Parrish, the meeting was adjourned at 9:56 p.m.



Mitch Dickinson, Mayor

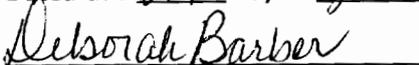


Margaret Harper, Recording Secretary

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 5th day of January, 2005. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 27 day of Jan, 2005



Deborah Barber