

**MINUTES
SPECIAL SESSION
MAYOR and COMMON COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, JUNE 17, 2009
5:30 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 5:30 p.m.

2. Roll Call

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

Also Present: Town Manager Mike Scannell and Recording Secretary Margaret Harper.

3. Pledge of Allegiance

The Pledge was led by Roulette.

4. Discussion, consideration, and possible approval of the refinancing of Koch Financial Lease Purchase Agreement #2 and authorization for the Mayor to execute those legal documents that will facilitate the refinancing of the Koch Financial Lease Purchase Agreement #2 to include amending the Intergovernmental Agreement between the Town of Camp Verde and the Camp Verde Sanitary District, dated May 12, 2007 concerning the financing to upgrade the Sanitary District's wastewater treatment facilities. (Staff Resource: Michael Scannell)

On a motion by Garrison, seconded by Kovacovich, the Council unanimously approved the refinancing of Koch Financial Lease Purchase Agreement #2 and authorization for the Mayor to execute those legal documents that will facilitate the refinancing of the Koch Financial Lease Purchase Agreement #2 to include amending the Intergovernmental Agreement between the Town of Camp Verde and the Camp Verde Sanitary District, dated May 12, 2007 concerning the financing to upgrade the Sanitary District's wastewater treatment facilities.

Town Manager Scannell referred to the document identified as Amendment #2, a restatement of the subject Intergovernmental Agreement, copies of which were included in the agenda packets. Scannell reviewed the purpose of the IGA that was signed on May 12, 2007, which was to fund a loan to close the gap that existed in financing for the project. Under the current agreement the Town had committed to fund principal and interest on the loan in the amount of \$135,000 per year. Based on recent intensive negotiations with the Sanitary District, the District has now agreed to allow the Town to participate in the benefits of any refinancing. The refinancing of the Lease Purchase Agreement has resulted in a savings of approximately \$15,000, the exact amount to be determined upon the closing. Scannell outlined other elements in the original IGA that the Town had disputed and have now been either eliminated or revised in favor of the Town. The amendment will also allow the Town to readdress the 15-acre lease issue at a later date to try to negotiate an extension to at least 50 years instead of the shorter term that the IGA had provided. Scannell confirmed that the Town Attorney has reviewed the document, working with a representative from the Ledbetter Law Firm who interacted with the Sanitary District throughout the negotiations. There was further discussion of the benefits from the proposed refinancing; if approved the closing should take place around July 1, 2009.

5. Discussion, consideration, and possible approval of a letter authorizing the Manager to represent the Town of Camp Verde relative to filing a civil complaint in the Verde Valley Justice Court to recover past due rent estimated to be \$6,025.92 that is owed to the Town by Lawman's Pizza.

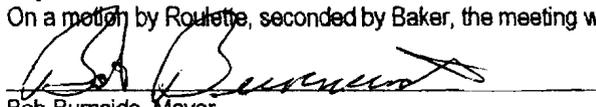
On a motion by German, seconded by Baker, the Council unanimously voted to authorize the Town Manager to represent the Town of Camp Verde to negotiate a \$3,000 settlement for past due rent from Lawman's Pizza, and to report back to Council with the proposed agreement.

Scannell explained that the issue of back rent is related to the Rio Verde Plaza building that the Town purchased approximately six years ago and had recently approved the razing of the building and constructing some other structure as part of the Master Plan. Scannell outlined his contacts with all the tenants in his efforts to correct a deficiency in the rents charged by the Town that had not included the Government Lease Excise Property Tax. All the tenants subsequently vacated the premises, with the exception of the business known as Lawman's Pizza, established and operated by a couple as their life-long dream to run such a business. Scannell described their diligent efforts to succeed, and their request to be permitted to remain in the building past the date required to vacate in order to build up their business enough to be able to move to another location. Based on the responsibility and integrity the couple have

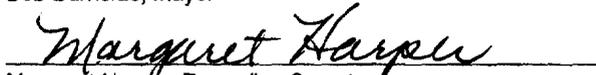
consistently shown, and their efforts to make even partial payments of the past due rent that was accumulating, Scannell requested that he be allowed to try to negotiate a settlement with the couple for \$3,000; he is aware that they have been through a very difficult period, and feels they need and deserve a "kinder and gentler" approach. Scannell noted that a proceeding in Small Claims Court would only begin a series of legal maneuvers that would not be in society's best interest, considering their personal travails. The members briefly discussed the issue and the request by Scannell to negotiate a settlement; if agreed he will report back to Council with the terms of the settlement agreement for approval.

6, **Adjournment**

On a motion by Roulette, seconded by Baker, the meeting was adjourned at 6:13 p.m.



Bob Burnside, Mayor

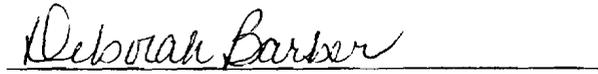


Margaret Harper, Recording Secretary

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 Special Session of the Town Council of Camp Verde, Arizona, held on the 17th day of June 2009. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 6 day of July, 2009.



Debbie Barber, Town Clerk