

**MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, OCTOBER 1, 2008
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 Gioia, Vice Mayor Hauser, Councilors Smith, Garrison, Kovacovich, Elmer and German were present.

Also Present: Town Manager Mike Scannell, Accountant Lisa Elliott, Parks & Recreation Director Lynda Moore, Deputy Town Clerk Virginia Jones, and Recording Secretary Margaret Harper.
3. **Pledge of Allegiance**
The Pledge was led by Hauser.
4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.
 - a) **Approval of the Minutes:**
 - 1) Regular Session – September 17, 2008
 - 2) Special Session – September 24, 2008
 - 3) Executive Session – September 24, 2008 (recorded)
 - b) **Set Next Meeting, Date and Time:**
 - 1) October 8, 2008 at 6:30 p.m. – Work Session with RBF for Park Master Plan/ Quarterly Work Sessions with Commissions
 - 2) October 15, 2008 at 6:30 p.m. – Regular Session
 - 3) October 22, 2008 at 6:30 p.m. – Council Hears Planning & Zoning
 - 4) October 29, 2008 at 4:00 p.m. – Joint Tribal & Council Session with RBF
 - c) **Possible approval of Proclamation declaring October 23, 2008 as “Northern Arizona Council of Governments (NACOG) Appreciation Day”.** (Staff Resource: Norma Garrison)
 - d) **Possible approval of contract with Traffic Signal Maintenance for the annual testing and inspection of two traffic signals. This is a budgeted item.** (Staff Resource: Ron Long)

On a motion by Hauser, seconded by Kovacovich, the Consent Agenda was unanimously approved as presented, with the corrections to the Minutes of September 17, 2008 as noted.

Mayor Gioia requested a correction to the Minutes dated September 17, 2008 as follows: Page 6, Item 11, under Physical Infrastructure, “Redevelopment of Town Complex & Town Library, Priority 1” corrected to reflect two separate items, “Redevelopment of Town Complex, Priority 3” and “Town Library, Priority 1”.

5. **Call to the Public for Items not on the Agenda.**
(Comments from the following individual are summarized.)
Robin Whatley, Parks & Recreation Commission Chairperson, said the applications for the Fort Verde Days Parade are still being taken, and that it is a great way for businesses to advertise.

There was no further public input.

6. **Council Informational Reports**
Garrison reminded everyone of the upcoming NACOG tourism event to take place on Main Street on October 23, 2008, with the buses arriving between 8:00 a.m. and 8:15 a.m., and to be prepared to have a great time.

German said the letter from the Sanitary District regarding the 15 acres has been received, and will be on the Agenda

for the meeting of October 15, 2008.

Hauser reported on the Verde River Days event on Saturday and the successful "Dump the Drugs" program resulting in at least 15 trash bags full of old prescription medicines being incinerated.

Gioia said the Town of Camp Verde was celebrating one year with Town Manager Mike Scannell; he also reported on the final report from the Arizona Town Hall Forum, and the many activities held on the Saturday Verde River Day event that continued on into the second day with canoe and kayak trips on the River. Gioia announced that CCCVL's successful rummage sale brought in approximately \$7,400 for the Community Library building project; also, this will be the last weekend for the Farmers' Market.

7. Accountant Lisa Elliott will update Council on the revenue/expenditure figures for the fiscal year ending June 30, 2008. (Staff Resource: Lisa Elliott)

Lisa Elliott gave an update on the subject financial preliminary figures that show a savings of \$500,000, adding that last year ended on a good note; she plans to get a report to Council on the first quarter activities by November at the latest. Scannell said that the figures show the fund balance increased by approximately \$400,000.

There was no public input.

8. Discussion, consideration, and possible setting of a Work Session to review the proposed Financial Operations Guide. (Staff Resource: Lisa Elliott)

Scannell reported that staff has been working on correcting the deficiencies noted in the review conducted last year. The draft Finance Operations Guide that had been lacking is now ready for Council review. After a brief discussion it was agreed to agendaize the Guide for review and further discussion for the next regular Council meeting on October 15, 2008; the corrective actions taken and presentation of an investment policy for the Town will also be addressed.

There was no public input.

9. Public Hearing, discussion, consideration, and possible recommendation to approve a liquor license application for the Clear Creek Village Store located at 4483 E. Hwy 260, #27. (Staff Resource: Debbie Barber)

On a motion by Elmer, seconded by Hauser, the Council voted 5-2 to approve a liquor license application for the Clerk Creek Village Store, with 'no' votes by Smith and Garrison.

Deputy Clerk Jones said that the above application had been posted pursuant to the legal requirements, and confirmed that any accompanying documents to the application are all public record. Gioia commented that the owner of the building said he had confidence in the couple running the business in the building.

PUBLIC INPUT

(Comments from the following individual are summarized.)

Jamie Nelson, the applicant for the subject liquor license, said she believes the Store will be a success, and outlined ways it already is serving the citizens as well as tourists.

There was no further public input.

10. Discussion, consideration, and possible approval of a Technical Assistance Contract with NACOG for Rehabilitation Specialist services for the Owner-Occupied Housing Rehabilitation project. (Staff Resource: Matt Morris)

On a motion by Smith, seconded by Garrison, the Council unanimously approved the Technical Assistance Contract with NACOG for Rehabilitation Specialist services under the current Home Grant No. 318-07 not to exceed \$3,000 per home.

Housing Director Matt Morris said that both the Town Attorney and NACOG have reviewed and approved the proposed contract, and the draft was included in the agenda packets showing the changes made; the assistance will provide help with the home grant. Morris explained how the grant program works for either replacement or rehabilitation of homes for owners with low to moderate incomes, and that there is literature available in flyers and on the web page that outlines the basic requirements. Morris said inquiries may also be directed to his office for further

information.

There was no public input.

11. Discussion, consideration, and possible direction to the Manager relative to addressing the lack of compliance by the Plaza Water Store with Council's direction in terms of tendering to the Town the required rental payments for the right to occupy Unit #6 in Rio Verde Plaza. (Staff Resource: Michael Scannell)

Staff was directed to work with the Town Attorney to draft up a letter to Ms. Ward to advise her of the deadline of October 15, 2008 for compliance with the request for the increased rental payments; otherwise, the Town will pursue its legal rights to sever the landlord/tenant relationship on that date.

Scannell reviewed the background of the rental of the subject property, and his direction from Council to make certain that the tenants in Rio Verde Plaza pay the appropriate base rental amounts per unit to the Town; the rent was to include an increase to reflect one-half of the governmental excise property tax. Scannell explained that all tenants in the facility were in compliance, excepting the Water Company. Scannell read into the record his letter of September 11, 2008 directed to the proprietor, Claudia Ward, advising her of the increase in rent from \$300 per month to \$600, plus \$60 for the portion of the excise property tax, with a deadline of September 19th for response. No response has been received, and Scannell said he is requesting direction from the Council for further action.

The consensus of opinions expressed by the Council was that it is not fair to other businesses on Main Street to allow one tenant to continue to pay only \$300 per month, particularly when the other tenants in the same building are paying the \$660 per month, plus the Town should not use taxpayer money to subsidize one business. During the discussion it was agreed that Scannell was to work with the Town Attorney to draft a letter to Ms. Ward advising her of a deadline of October 15, 2008 for her to come into compliance with the request for the increased rental payments, and if not, the Town will pursue its legal rights as a landlord to close the business.

There was no public input.

Councilor Garrison requested the following item:

12. Discussion and clarification of Council's unanimous vote with regard to Rio Verde Plaza to "allow whatever time the Town Manager would deem reasonable for relocating the businesses and that the facility be closed and eventually removed." NOTE: This item is for discussion and clarification only and is NOT intended to be a reconsideration of the August 27, 2008 vote.

Garrison explained that people had been accusing her of being unjust and unwise in her decision to agree on the recent decision regarding the Rio Verde Plaza. Garrison said she realizes that it is an emotional issue, but the Council must do what is best for the entire community of 12,000 people. She assured the public that she had done extensive research and had asked many questions, and found that the building, which originally had been purchased to be torn down, was not carrying itself as a rental property. And in an effort to be as fair as possible, the Town had even made the concession of paying half of the required excise property tax. The Council has also been accused of making "back-door" decisions. Garrison reminded the public that the agendas are public notice, properly posted; everything was done openly and with notice by staff to the tenants, none of whom was at the meeting when the decision was made on one of the three options presented. Garrison said she was sorry that it was not what the public wanted, but the Town cannot keep putting money into that building. There was further discussion by the members stressing that the Town has taxes to pay, the building would cost \$25,000-30,000 to repair, the Council faced a difficult decision and may not have properly shared the problem with the public. Other options had been researched, but the decision made was a financial one and one that had to be made.

PUBLIC INPUT

(Comments from the following individuals are summarized.)

Vada Lovato said that although she has been very vocal about saving Rio Verde Plaza, the Artisans Gallery now has a new home on Main Street; she appreciates the hard work that the Council does, and knows that the members do what is in their hearts what is best for Camp Verde.

Lois O'Toole, representing Mobileation, said that it was understood from the beginning that the building would eventually go, and she understands the reasons behind the Council decision. Ms. O'Toole added that because of the type of business and the importance of remaining in place until after the Christmas season, they would appreciate being able to continue as tenants at least until February, 2009. Gioia reassured her that Council had directed staff to allow "whatever time is reasonable" for the tenants to relocate, and there should be no problem.

Ginger Mason appreciated the opportunity to speak on the issue; she is afraid the empty building will be a larger "dead zone." It would have been a good location for the library; perhaps developers could do something with the building. The pizza place spent a lot of money getting their business going. Ms. Mason said she would like to see something regarding future plans, perhaps a community meeting, library location, youth center. *Gioia thanked her for the input and explained that the problem is in trying to keep tax revenue coming in.*

Mark Kipena read a letter he wanted to submit to the Council to explain the difficulty his pizza business is suffering because of the economy, and to request a waiver of the September and October payments. *Scannell said that working with Mr. Kipena has been a pleasure, and that he is working with Mr. Kipena through someone from the Small Business department at Yavapai College and Scannell requested authority to work with Mr. Kipena through this difficult period. Gioia commented that the Council has agreed to give the Manager the latitude to work with the tenants. German further commented on the current economic problems and the need for the community to support the businesses.*

Robin Whatley said that although she could not believe the option of tearing down the building, after listening to the facts and figures had to agree that the Council had made the right decision. Ms. Whatley added that the most incredible people live in Camp Verde; they are able to think beyond their own needs.

There was no further public input.

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

There was no public input.

14. Advanced Approvals of Town Expenditures

a) There are no advanced approvals.

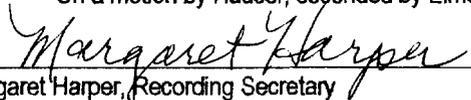
There were no advanced approvals.

15. Manager/Staff Report

Scannell reported that he had received a communication from Greg Eggstaff, a commercial property owner, who is interested in a master lease with the Town for Rio Verde Plaza, structured in such a way that he would become responsible for the costs associated with the building for utilities, and then as the landlord would set the rents at whatever level he deemed appropriate, and the Town would be out of the commercial property leasing business. Scannell said that if Council wishes he will follow up on the request however Council deems appropriate. Gioia advised Scannell that since it is a request from the public, he should pursue this item further and, depending on the follow-up, it would be appropriate to bring it to Council as an agenda item for consideration. Scannell said he would follow up on behalf of the Council to help Mr. Eggstaff understand what the dynamics are, and then report back to Council.

16. Adjournment

On a motion by Hauser, seconded by Elmer, the meeting was adjourned at 8:05 p.m.


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 Session of the Town Council of Camp Verde, Arizona, held on the 1st day of October 2008. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 21 day of October, 2008.


Debbie Barber, Town Clerk