

**(Corrected) MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS - 473 S. Main Street, Room #106
WEDNESDAY, DECEMBER 5, 2012
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**
Mayor Burnside called the meeting to order at 6:30 p.m.

2. **Roll Call**
Mayor Burnside, Vice Mayor Kovacovich, and Councilors Baker, George, German, Jones, and Whatley were present.

Also Present
Finance Director Mike Showers, Community Development Director Mike Jenkins, Town Manager Russ Martin, Town Clerk Deborah Barber, and Assist to the Clerk Stephanie Sunstrom

3. **Pledge of Allegiance**
Sheila Stubler 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) December 19, 2012 at 6:30 p.m. – Regular Session
 - 2) December 26, 2012 at 6:30 p.m. – Council Hears P&Z Matter – **CANCELLED**
 - 3) January 2, 2013 at 6:30 p.m. – Regular Session – **CANCELLED**
 - 4) **January 9, 2013 at 6:30 p.m. – Special Session**
 - 5) January 16, 2013 at 6:30 p.m. – Regular Session
 - 6) January 23, 2013 at 6:30 p.m. – Council Hears Planning & Zoning Matters
 - 7) January 30, 2013 at 6:30 – CIP Work Session
 - c) **Possible authorization to move forward with the budget-approved Mobile Data Computer project for patrol vehicles.** Staff Resource: Marshal Nancy Gardner

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

Council discussed cancelling the December 19th meeting. Burnside suggested leaving it on and cancelling if nothing comes up.

5. **Special Announcements & Presentations** – There are no special announcements or presentations. Council took no action on this item.

6. **Council Informational Reports.**
Baker reported that she had attended the Arizona Municipal Risk Retention Pool (AMRRP) retreat and that goals for the 76 member communities included improving communication through e-tools in order to make reporting, training, and communication simpler and easier. She advised that they would make every effort to get the premium notices out earlier because they know that we are all working on our budgets. She noted that work comp losses were on the increase. She advised that AMRRP is owned by the members. She also attended the NACOG meeting in October, noting that a primary goal is transportation. She reported that Public Works Director Ron Long stays on top of the Town's transportation goals and issues through continuous efforts with NACOG.

Whatley reported that she attended the first annual 3-mile Bea Richmond Walk. She expressed appreciation for the efforts of Peggy Dickey, Ellie Espinoza, and Tony Gioia for organizing the walk and noted that they had raised over \$1,000.

George reported that he attended a joint meeting with the Verde River Basin Partnership and Verde River Institute, noting that they are starting discussions to get more synergy going between the groups to become more efficient.

Kovacovich expressed appreciation to the Maintenance staff for the Christmas lights and decorations, noting that they were beautiful.

Burnside advised that he had also participated in the Bea Richmond Walk and that he had instructed Debbie Barber and Mike Jenkins to meet with Russ Martin about items he had discussed with them.

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

Sheila Stubler said that it was "tussie-mussie" (a triangular-shaped paper ornament filled with candy) at the Fort. Gerry Laurito distributed one to each Council member. She advised that the Town's events were included on their flyer, noting that upcoming events at the Fort included a Victorian Ornament Workshop and display and Candlelight Tours.

Chandler Plante asked for permission to do the MLK walk every year so that he would not have to keep coming back to Council to request permission. Burnside thanked Chandler and advised him to speak to the Manager so that we could make an agenda item to discuss.

Janice Plante, Chandler's mother, asked for permission to use the gym as they did last year, noting that they are working with AmeriCorps and the event is growing. She also asked if they could hang banners at the Circle K intersection and if the Town could put the event on the marquee.

Adrienne Martin of AmeriCorps also spoke to the MLK event, asking Council members to attend and speak.

Clerk Barber advised that the Town has procedures in place to help them plan a successful event and she invited them to come to her office for assistance.

8. **Discussion, consideration, and possible appointment of members to the following:**

- a) **Planning & Zoning Commission – Appoint 2 members to 3-year terms beginning January 1, 2013 and ending December 31, 2016. Applicants are B.J Davis, Bradford Gordon, and Jim Hisrich. Staff Resource: Debbie Barber**
- b) **Board of Adjustments & Appeals – Appoint member(s) to 3-year terms beginning January 1, 2013 and ending December 31, 2016. There are 3 vacant seats. Applicant(s) are Bradford Gordon. Staff Resource: Debbie Barber**

On a motion by German, seconded by Baker, the Council voted to appoint Brad Gordon and Jim Hisrich to the Planning & Zoning Commission for 3-year terms beginning January 1, 2013 and ending December 31, 2016. Whatley, George, and Burnside voted, 'No'.

On a motion by Burnside, seconded by German, the Council voted to appoint Bradford Gordon to the Board of Adjustments for a 3-year term beginning January 1, 2013 and ending December 31, 2016.

Barber advised that the Call for Volunteers was posted on the Town's website, on the bulletin boards at Town Hall, Bashas', and at the Library. The Town received ~~three~~ applications for the two open seats on the

Planning & Zoning Commission and one application for the three seats on the Board of Adjustments and Appeals. She further advised that the notices would continue to be posted until the seats are filled.

Jenkins introduced Jim Hisrich, who has been a Commission member for 5-6 years. Brad Gordon introduced himself and said that he had applied for both open positions. B.J. Davis introduced himself and said that he would like to serve on the P&Z Commission in addition to his position on the Board of Adjustments and Appeals.

Whatley noted that if they appointed Mr. Davis to the P&Z Commission, all would three applicants would be involved. Mr. Davis advised that he already served on the Board of Adjustments & Appeals.

Burnside advised that he believed that recommendations should come from the Commissions. He advised that he had spoken with Director Jenkins before the meeting and had asked him to speak to the Manager about this procedure.

German asked Mr. Davis to consider applying again if a vacancy occurs. He said that he would.

9. **Discussion, consideration, and possible approval of Resolution 2012-873, amending Resolution 2011-844, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona amending the Town of Camp Verde Procedures and Operations Guide, and superseding all resolutions or parts of resolutions adopted by the Town of Camp Verde in conflict with the provisions of this resolution or any part of this resolution are hereby repealed, effective as of the effective date that this resolution is effective. The resolution includes Exhibits A, B & C, which make substantive amendments to the Financial Operations Guide and adds Section 3.9, Attendance by Remote Conferencing to the "Town of Camp Verde Procedures and Operations Guide", which applies all Town staff and elected and appointed officials. Staff Resource: Mike Showers/Debbie Barber**

On a motion by Burnside, seconded by German, the Council voted unanimously to approve Resolution, as amended, Exhibit A, B, and C.

On a motion by Burnside, seconded by George, the Council voted unanimously to approve an amendment to the motion that allows no more than three members to attend a meeting by remote conferencing.

Martin explained that Codes are adopted as one document and that Council could adopt the Resolution eliminating one of the sections. Council discussed at length their confusion with having more than one subject on a resolution. Martin and Barber explained that many documents, such as the Town Code and the Building Code are approved and/or amended by one ordinance or resolution. Both the Financial Operations Guide (FOG) and Section 3.9 are sections in one document as noted in the resolution and called the Town of Camp Verde Procedures and Operations Guide.

Showers reviewed the changes in Exhibit B and answered Council questions about credit card uses and controls, the need for increased limits allowing staff to procure budgeted items, and the impetus for the need to make substantial changes to the FOG. He explained that the implementation of the new accounting system required the changes to ensure operational compliance. Showers reviewed the new controls that will be put into place that will ensure sound financial controls and accountability.

Whatley expressed disappointment in not having the minutes from the previous meetings included with agenda items and she asked when the work session minutes had been approved by Council. Barber advised that she could include past minutes with the relative agenda items in the future. She advised that the September 12, 2012 Work Session minutes were approved on October 3, 2012 and the October 10, 2012 Work Session minutes were approved on October 24, 2012.

Whatley felt that the Section 3.9, Remote Conferencing, was overly complicated and not what was discussed and agreed upon in the work sessions. She discussed her concerns at length and felt that the members who were not present at all of the meetings should not be bringing up the issues at later meetings, noting that she had stated this at the last meeting where this item was discussed.

Martin advised that Council should feel completely comfortable with what is ready to adopt and if not, staff could bring it back at a later date.

Councilor George distributed copies of the Table of Contents, Message from Arizona Ombudsman – Citizens' Aid and Clarkdale Town Code., Chapter 2, pp. 7, which become a part of the permanent record. He reiterated his feelings that the proposed policy was over-kill and suggested a simpler policy, such as Clarkdale's, which met the AG guidelines.

German disagreed with Whatley, noting that she attended the meeting where the policy was developed and she felt strongly that remote conferencing should be used only in emergencies. She felt that it was important for the public to be able to see Council member's body language.

Whatley said that she objected to the policy when it was presented before and she felt as though Council keeps having the same discussions.

Baker read from the Attorney General recommendation, noting that remote conferencing should be used only when there are no reasonable alternatives to presence at the meeting. She felt that Council members make a commitment to their constituents to attend meetings when they are elected. Baker then commented that it has been the Town's standard procedure to adopt changes to large documents, such as the Town Code or the POG by one resolution or ordinance and that she was puzzled by Whatley's comments that this has never been done before and why she thinks that these are two different subjects, when they are part of one document.

Councilor George read from the Town Code that said each ordinance should have one subject only

Barber gave an example, stating that it would be in violation of the Code to approve changes to the POG and call an election within the same ordinance or resolution. Barber reiterated that the POG, which consists of several 'chapters' or 'sections' is one document that was adopted by one resolution, just like the Town Code was adopted and is amended by one ordinance.

Burnside reviewed the proposed Section 3.9, adding the missing #2 – remote attendance at executive sessions is prohibited; take out the 24-hour notice; change the last sentence of #8 to 'all extreme and emergency meetings shall be approved by the Mayor and Town Manager, and delete #10.

The meeting was recessed at 7:51 p.m. and reconvened at 8:01 p.m.

10. **Discussion, consideration, and possible direction to staff to notify the Camp Verde Sanitary District (District) of the Town's willingness to prepare a resolution approving the dissolution and accepting Trusteeship of the District contingent upon voter approval of the electors of both the District and the Town, which if approved, would allow transfer of all powers duties, and responsibilities.** Staff Resource: Russ Martin

On a motion by Whatley, seconded by Burnside, the Council directed staff to notify the Camp Verde Sanitary District of the Town's willingness to prepare a resolution approving the dissolution and accepting Trusteeship of the District contingent upon voter approval of the electors of both the District and the Town, with German and Baker voting, "No".

Martin explained that the voters would be making the decision. The discussion now and within the next

month would be to determine whether to put the question before the voters. He advised that staff was seeking direction to notify the District of the Town's willingness to acquire the District. He advised that Town Attorney Bill Sims was present telephonically to answer questions and Jan Grogan of the Sanitary District was also present.

Martin explained that there were two key components, the first of which is, will this cost the Town money. He said that it already costs the Town money and there is a chance that future Councils may choose to use general fund monies toward a Sanitary District item. He advised that based on his analysis to date, the District has done a good job of thinning their operations, noting that if the Town assumes trusteeship, there would be some immediate efficiencies, such as savings in rent and professional services. He noted that there was approximately \$100,000 that is currently covered by the District's property owners. He suggested that this amount could be covered by an increase in user fees that will for the most part, be offset by the elimination of the assessment. He advised that the increase would be around \$8.00 per month in user fees.

The second component was – if not now, when? He asked for an understanding of the parameters in which this community will have the Town take over the Sanitary District, noting again, that the voters will make the final decision.

Kovacovich asked Martin to explain the expansion of the boundaries if the Town took over. Martin explained the District's boundaries would be expanded to the Town's boundaries, noting that a positive effect of this would be that it would make it easier to provide sewer service in areas that currently lie outside the District's boundaries. He reminded Council that the current debt belongs only to those properties that currently lie within the District boundaries. Kovacovich felt that this would need to be explained to the voters.

Baker asked if the Town would have to provide sewer within the Town boundaries and if we would have to have a property tax to do so. Martin responded that most municipalities do not use property taxes to run a District, but rather by raising fees. He explained that the Town could choose methods, such as fee-based services instead of taxes.

German said that she was bothered by extending the District boundaries to the Town boundaries, as she questioned if everyone would have to pay into the District. She was very concerned about property taxes. Martin replied that the property taxes are there to pay debt and the taxes apply only to those properties that are currently located within the District. He compared the scenario with a contract, noting that the contract does not move to all property owners, though future debt or expansion could be distributed throughout the Town.

Burnside clarified that it is an assessment, not property tax. Grogan replied that the owners do not pay the debt; they pay the general obligation bond. Grogan advised that if the Town assumes the District, the property taxes would go away for those owners who are not served by the District.

Burnside said the Sanitary District was created on the need for a sewer system and pride in the community. The originators wanted to eliminate septic systems going into the Verde River, noting that the initial debt is almost paid.

German expressed concern about increased user fees and increased expenses for the Town due to salaries and employee benefits. She was also concerned about the potential requirement to provide lines to new businesses. Martin suggested that the businesses would pay for the lines, and the increased user fees would be offset by the elimination of the property assessments.

Grogan noted that the \$150,000 is from a General Obligation Bond and that the Chevron station on I-17 & SR 260 paid for the lines to their buildings, but that they could receive reimbursement from future businesses that locate in the area.

Whatley felt that this was a step in the right direction, noting that most communities offer water, trash, recycling, and sewer. She said that this was for economic development and that anyone who opposed this should not say that they want new business. She also noted that the Board is very knowledgeable and wondered who would take their places when they got off the Board.

Martin said that he could guarantee that if a business wanted to locate here and needed sewer, he would come before Council and ask what the Town could do to make it happen.

Attorney Sims explained that the Board Members continue to serve as an Advisory Board to the Council until their terms expire. He advised that it is a complicated process, but that it does create opportunities. Sims explained that the ARS is clear that the Town, acting as Trustee, would not be obligating the whole Town. The statutes protects the interest and rights of the Town's citizens.

Martin advised that the District is currently involved in a lawsuit that Sims will be reviewing to ensure that it has no bearing on the dissolution and that the Town is protected before moving forward.

In response to Whatley's comment, Baker said that the Town pays \$120,000 a year, loaning \$2.5 million dollars so the District could complete the expansion project and that was the Town's contribution to economic development and has been for many years. She said all of the Town pays this obligation. She said that the Town had not ignored economic development. Baker expressed her concerns with the complexity of the proposal and the possibility that the taxes could pass to the rest of the Town. She expressed appreciation to staff for the additional information, but she felt that there were too many unanswered questions.

Jones said that she lives in the District, pays the bill, the taxes, and the levies. She said that it is hard, but that it is the responsibility of the property owner to have this service and she appreciates the service knowing that she will not be having septic problems. She felt that the Town should provide the opportunity for the citizens to have a vote.

Burnside said that this should have been taken to the voters years ago.

11. **Discussion, consideration, and possible approval of Resolution 2012-876, a joint resolution of the Mayors and Common Councils of the Cities of Cottonwood and Sedona, Towns of Jerome, Clarkdale, and Camp Verde, Chairman and Council of the Yavapai-Apache Nation, Yavapai County, Arizona supporting the widening of State Route 260 between Cottonwood and Camp Verde.** Staff Resource: Russ Martin

On a motion by German, seconded by Baker, the Council voted unanimously approved Resolution 2012-876, a joint resolution of the Mayors and Common Councils of the Cities of Cottonwood and Sedona, Towns of Jerome, Clarkdale, and Camp Verde, Chairman and Council of the Yavapai-Apache Nation, Yavapai County, Arizona supporting the widening of State Route 260 between Cottonwood and Camp Verde with the changes that have been mentioned.

Martin advised that Cottonwood approved last night and the Yavapai-Apache Nation will consider it shortly. He said that he would be going to Sedona and Clarkdale Councils in January and would also be speaking to Jerome's Town Manager about the resolution. He expressed appreciation to the Town's consultant, Janet Regner for her assistance in this effort.

Janet Regner advised that she is taking a position in Coconino County. She said that she was proud to see Camp Verde's presence at the intergovernmental meeting. She reported that it was a good meeting with the Nation's Council on Monday and that it was significant that Cottonwood approved the resolution.

Martin advised that he would like to change the proposed resolution, striking Native American tribes & businesses and tourists.

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

Nancy Floyd said that the downtown improvements are amazing, with the buildings and grass. She said that the Christmas lights are up on Rio Verde Lane and encouraged people to come by. She advised that she worked for a credit card company and noted that the Town can restrict what can be charged with merchant codes.

Bob Johnson from Verde Lakes asked questions about the cost to him should the Sanitary District be acquired by the Town. Martin explained that there would be no costs and that it would be many years before the service would reach that far.

13. **Manager/Staff Report**

Martin advised that the Employee Christmas party is next Friday at 5:00 p.m. and that AZCOPS Union is providing turkey and ham for the event. He also advised that there is an angel tree with families in need in the main lobby. He explained that the gifts would be delivered at the party. He also reminded Council that this Saturday night is the light parade and that Grasshopper basketball has started. He noted that concessions have started by the Library Endowment.

Whatley requested an agenda item, which is quoted verbatim due to its complexity: "I would like it written into the Town Code that Council members who are unable to attend a regular meeting, special session, or work session, those Council members will be required to attend telephonically or listen to the minutes of the regular meeting, special session, or work session. Executive Sessions will not be attended telephonically, but will be listened to in the Clerk's Office at a later date. They need to know that if they miss a meeting, they need to take the time to go in to the Clerk's Office; I've done it before, gone in there and listened to an executive session. It was a lot of executive session history. It was about 2 1/2 hours. Um, but um, I think they need to know that in order to keep up to date with what's going on, they need to make that effort to attend the entire meeting. So I would like to see that on a future agenda."

14. **Adjournment**

On a motion by German, seconded by Baker, the meeting was adjourned at 8:56 p.m.



Bob Burnside, Mayor 1-10-12



Deborah Barber, Town Clerk

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 held on December 5, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 10 day of January, 2012.



Deborah Barber, Town Clerk