

**MINUTES
JOINT SPECIAL/WORK SESSION
MAYOR AND COUNCIL
AND
CAMP VERDE SANITARY DISTRICT BOARD
COUNCIL CHAMBERS · 473 S. Main Street, Room #106
WEDNESDAY, MARCH 5, 2014
4:00 P.M.**

Note: Council member(s) may attend Council Sessions either in person or by telephone, video, or internet conferencing.

1. **Call to Order**

Mayor German called the meeting to order at 4:04 p.m.

2. **Roll Call**

Mayor German, Vice Mayor Baker and Councilors George, German, Gordon, and Whatley were present. Councilor Jones arrived at 5:15 p.m.

Also Present: Town Manager Russ Martin, Town Engineer Ron Long, Deputy Director of Public Works Troy Odell, Sanitary District Manager Jan Grogan, Sanitary District Advisory Board Members Chip Norton, Richard Ryneerson. Recording Secretary Marie Moore and Deputy Clerk Virginia Jones.

3. **Discussion relative to utilizing the remaining loan funds from the Water Infrastructure Finance Authority (WIFA) in order to complete needed improvements at the wastewater treatment facility as required under the Aquifer Protection Permit issued by the Arizona Department of Environmental Quality. Staff Resource: Troy Odell/Ron Long/Jan Grogan**

Sanitary District Manager Jan Grogan addressed concerns of citizens regarding not returning the unused funds to reduce payments owed on the WIFA Loan. Grogan indicated that savings would be minimal of \$2000.00 per annum and approximately \$10.00 a month reduction per Sanitary District members.

Grogan advised Council that WIFA representative Sarah Conrad contacted Grogan regarding information published in the local newspaper; Grogan explained that the rumored concerns were that WIFA would be taking the funds back. Conrad assured that this was not the case and provided a letter dated January 24, 2014 stating the remaining work in need of completion is consistent with the loan agreement, and therefore, the costs for these projects may be submitted as part of the loan. Grogan stated the remaining work necessary includes the headwork's, shop building, septage grinder pump, drying beds, filters, UV Unit and DO Probe.

Odell indicated that with the completion of the drying beds for sludge, the amount spent on hauling will reduce \$46,750.00, allowing \$205,000 to be paid back in approximately 4.5 years. Odell estimated the facility will last for 35 years.

Councilor German asked if the district is currently hauling waste to Grey Wolfe Landfill. Grogan indicated that after the sludge is dried in the lagoons, and then hauled to Grey Wolfe. ADEQ wanted the district that the second Lagoon being used must be shut down per the contract previously signed. Utilizing the lagoons has saved approximately \$80,000 but the district has pushed the limits on time usage and there is also a cleanup process to be considered in closing the lagoon. Grogan also indicated that the landfill have specified they will not be accepting this type of waste in the future; therefore it is important to act now and prepare quickly.

Odell addressed the need of construction for a facility where employees are able to shower or do laundry, store chemicals, equipment parts and tools. Currently the vicinity does not have accommodations to service or repair equipment in an enclosed environment and employees are forced to work outside on the ground in the weather. A shop area is necessary to service and repair equipment or the work will need to be sent out and will create more costs for operating. Councilor George inquired about a building on the property that needs to be constructed. Grogan explained that the building does exist, but the plans cannot be located and the building cannot be

reconstructed for a reasonable cost. Ron Long indicated that because the facility is a public entity, the building must be constructed with engineering plans and it will be more cost effective to sell the building as is, and purchase a new structure. The estimated cost of the new structure is at \$110,000 but the bids are approximately 5 months old. Russ Martin stated that the building currently onsite without plans would be sold at a Public Surplus Auction. Grogan indicated the district paid around \$15,000 for the building and any recovered funds close to that amount would be helpful.

Councilor George inquired about the installation of the DO Probe. Odell explained the probe is required and makes the whole facility operate. There was not a DO Probe installed prior to this because that portion of the facility was not being used.

Sanitary District Member Richard Rynearson inquired about the UV Unit. Odell indicated there are more efficient units available that do not require such large bulbs with the filtration system and this project will be next, after the headworks is complete.

Councilor Baker asked why these issues weren't addressed properly in 2009, and Odell indicated that the Board did in fact do research and everything done was approved by manufacturers, but only for a short time period, which has long since passed. It was stated in the permit that was previously called for, but it was set to work at minimal requirements.

Mayor German calls for recess at 4:50 pm.

4. **Discussion, consideration, and possible direction to staff and/or discussion or consultation with the Town Attorney and the attorney for the Sanitary District ADVISING THE COUNCIL AS TRUSTEES OF THE DISTRICT for legal advice regarding possible litigation RELATIVE TO DESIGN/CONSTRUCTION DEFECTS.** Mayor German called meeting back to order at 5:00 p.m.

On a motion by Councilor German, seconded by Councilor George, Council voted to go into Executive Session at 5:02pm.

On a motion by Councilor German, seconded by Vice Mayor Baker, Council voted to end Executive Session 5:30 p.m.

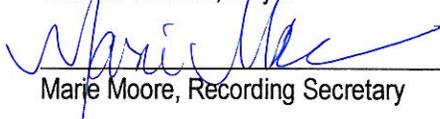
On a motion by Councilor German, seconded by Vice Mayor Baker, Council voted unanimously to direct staff to turn the Sanitary District lawsuit over to the Town Attorneys and bring the matter back to Council for review, once the attorney is 'up to speed' on the lawsuit..

5. **Adjournment**

On a motion by Vice Mayor Baker seconded by Councilor Whatley, the meeting was adjourned at 5:35 p.m.



Charles German, Mayor


Marie Moore, 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 Joint Special/Work Session of the Town Council of Camp Verde, Arizona, held on March 5, 2014. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 20 day of March, 2014.

Deborah Barber

Deborah Barber, Town Clerk