DRAFT MINUTES
COUNCIL HEARS PLANNING & ZONING MATTERS
AND
ADOPTION OF TENTATIVE BUDGET
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, JUNE 24, 2015 at 6:30 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 6:30 pm.
2. **Roll Call**
   Mayor German, Councilors George, German, Gordon, Jones and Whatley. Vice Mayor Baker arrived at 6:50pm.

   Also Present: Town Manager Russ Martin, Town Clerk Virginia Jones, Marshal Nancy Gardner, Community Development Director Mike Jenkins, Asst. Planner Jenna Owens, Building Official Robert Foreman, Economic Development Director Steve Ayers, Finance Director Michael Showers and Recording Secretary Marie Moore.
3. **Pledge of Allegiance**
   Mayor German 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) Work Session – June 10, 2015
      2) Regular Session – June 3, 2015
      3) Special/Work Session – May 27, 2015
   b) **Set Next Meeting, Date and Time:**
      1) Wednesday, July 1, 2015 at 6:30 p.m. Regular Session Wednesday, July 8, 2015 at 5:30 p.m. Work Session
      2) Wednesday, July 15, 2015 at 6:00 p.m. Special Session – Public Hearing – Budget
      3) Wednesday, July 15, 2015 at 6:30 p.m. Regular Session
      4) Wednesday, July 22, 2015 at 6:30 p.m. Council Hears Planning & Zoning Matters
   c) **Possible approval of an Emergency Management Intergovernmental Agreement with Yavapai County Office of Emergency Services to include $4,675.00 in the FY 2015/16 Budget for these services.** Staff Resource: Nancy Gardner
   d) **Possible approval of Agreement for Contracted Services between the Town of Camp Verde and the Camp Verde Cavalry.** Staff Resource: Russ Martin
   e) **Possible approval of Resolution 2015-948 A Resolution of the Mayor and Common Council of the Town of Camp Verde approving the Mayor to execute an Intergovernmental Agreement (IGA) between the State of Arizona Department of Revenue for the administration, collection, audit, and licensing of Transaction Privilege Tax (TPT), Use Taxes, Severance Taxes, Jet Fuel Excise and Use Taxes and Rental Occupancy Taxes imposed by the State, Cities or Towns.** Staff Resource: Michael Showers
   f) **Possible approval of agreement between the Town of Camp Verde and the Verde Valley Archaeology Center and Summerset at Camp Verde, LLC.** Staff Resource: Steve Ayers

Councilor Bruce George requested item 4d be removed and Councilor German requested item 4f be removed.

On a motion by Gordon seconded by Whatley, Council approved the consent agenda with items 4(d and 4(f) removed.

Councilor George indicated that there is a typo regarding 4(d). Town Manager Russ Martin acknowledged the mistake and stated the word "Town" would be replaced with "Calvary" to correct the mistake.
Councilor German requested clarification in reference 4(d) and stated that rather than the Town of Camp Verde signature, the Mayor should sign the document because Council **is** approving the matter. Economic Development Director Steve Ayers indicated he agreed the document

needed to be signed by the Mayor. Councilor Gordon questioned the term "Early Completion Deadline" and what the specific terms would be. Ayers and Town Manager Martin explained that the owner, Mr. Simonton, may complete the obligations regarding the road and water line prior to July 30, 2018 but the Town is not required to pay for those completions until July 30, 2018. After that time there would be a 12% interest accrued if not paid. Councilor German also indicated that she felt this agreement should be a separate vote, not included in the consent agenda. Councilor German questioned the cost to complete the water line. Ayers explained that the actual cost will be less, but the amount of $75,000.00 will be more than enough to complete the matter.

On a motion by George, seconded by Gordon, Council unanimously approves items 4(d) with the amended change of "Calvary" and item 4(f) to include the Mayors signature on the document.

5. **Special Announcements and presentations:**
   - **There are no Special Announcements or Presentations**

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

Elaine Bremner, Executive Director of the Verde Valley Senior Center handed out three documents to the Council and public in attendance, which included an invitation to an upcoming fundraiser to be held on Saturday, a menu outlining what Seniors are fed for a month in Camp Verde and a list of testimonies from Senior Citizens from Camp Verde explaining how important the program is to them. Elaine strongly voiced how important the program is to the Citizens and the need for funds to keep the program going.

Ed Lee, Chair of the Camp Verde OLLI Steering Committee, addressed Council explaining what OLLI is composed of and handed out a calendar of upcoming events that OLLI has scheduled for the community.

Marshal Gardner invited Council and the public to attend and participate in a food drive on Saturday morning in front of CVS in Camp Verde to help support the Verde Valley Senior Center Meals on Wheels Program. Marshal Gardner indicated it is the goal to fill an entire patrol car with non-perishable foods.

7. **Public Hearing, discussion and possible approval of Resolution 2015-941 a Resolution of the Common Council of the Town of Camp Verde, Arizona, Yavapai County, on Use Permit 20150131, an application submitted by Ms. Brenda Ayers, owner of parcels 404-18-167, a total of 2.5 acres. The property owner is requesting a Use Permit to Operate a Bed & Breakfast in a residential neighborhood zoned R1-70 (Residential Single Family). A Bed & Breakfast is an allowed use under the Planning & Zoning Ordinance with a Use Permit, limited to four bedrooms. The property is located at 1512 N. Montezuma Heights Road.** Staff Resource: Jenna Owens

On a motion by George, seconded by Gordon, Council unanimously approves Resolution 2015-941 a Resolution of the Common Council of the Town of Camp Verde, Arizona, Yavapai County, on Use Permit 20150131, an application submitted by Ms. Brenda Ayers, owner of parcels 404-18-167, a total of 2.5 acres. The property owner is requesting a Use Permit to Operate a Bed & Breakfast in a residential neighborhood zoned R1-70 (Residential Single Family). A Bed & Breakfast is an allowed use under the Planning & Zoning Ordinance with a Use Permit, limited to four bedrooms. The property is located at 1512 N. Montezuma Heights Road.

Asst. Planner Jenna Owens gave an overview, history and intent of the property and need for the use permit application. The owner of the property Brenda Ayers was unaware that a permit was required to operate a Bed & Breakfast facility. Owens indicated that Ms. Ayers has been diligently working to become in compliance since she was notified such permit was needed. It is noted that the buildings were not on record, but the Building Official has listed the requirements for the property to meet the intent of the Building Codes. Due to the age of the buildings it is not possible for the buildings to meet all requirements. Owens indicated it is the recommendation of the Planning and Zoning Commission to approve the application with a limit of a 30 day stay and a 5 year term regarding the permit.

Applicant, Brenda Ayers indicated her background with the property and her experience with hotel management. Ayers expressed her desire to proceed with the property as a Bed and Breakfast facility.

Ann DeRoseah spoke of the changes the applicant has accomplished with the project and the effort she has put forth in bringing new visitors to the town with the opportunity for them to stay longer than a few days in town in a hotel room.

Councilor George stated that he attended the Planning & Zoning Commission meeting and was impressed with the support the neighbors of the applicant showed toward the project. Councilor George indicated his support toward approval of the application for the Use Permit.

Councilor Gordon expressed his concern that there is no stipulation the cabins would need to be brought up to Building Codes and meeting P&Z Ordinance. Owens explained that the applicant understands that she will not be allowed to operate if she does not finish the process and meet the requirements set forth.

Councilor German questioned the kitchen status of the cabins and Building Official Robert Foreman indicated that the owner has removed the stove in each cabin to meet the P&Z Ordinance requirements.

Councilor Whatley acknowledged that the structures on the property were built prior to the current owners purchase and were not properly recorded with the Town. Community Development Director did indicate that due to the circumstance, the property is an exemption to State Law.

Vice Mayor Baker expressed her concern that the structures were built without knowledge of the town and the applicant was operating prior to holding a permit. Baker indicated that safety was a large concern for the patrons of the business as well as the lack of access she witnessed for a firetruck to make it to the property regardless of the Fire Marshal approval. Building Official Robert Foreman indicated his confidence that the property will be under good working order once the required upgrades have been met, but also clarified that there is no way that the structures could be brought up to the current code, they can only be brought up to the intent of the current code.

8. **Public Hearing, Discussion, consideration and possible approval or Ordinance 2015-A406 an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, a text amendment to the Town of Camp Verde Planning & Zoning Ordinance Part 2, Section 203 (Use Districts), Item D, RR (Residential-Rural) adding use to item (3) (Uses and Structures subject to Use Permit. The use added is "Agri'Tourism". This amendment will allow for Agri-Tourism uses, as defined under Part One, Section 103 (DEFINITION OF TERMS), SEE Exhibit "A" attached, of the planning & Zoning Ordinance, in the Residential-Rural Zoning District and requires a Use Permit.** Staff Resource: Michael Jenkins

On a motion by German, seconded by George, Council unanimously approves Ordinance 2015-A406 an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, a text amendment to the Town of Camp Verde Planning & Zoning Ordinance Part 2, Section 203 (Use Districts), Item D, RR (Residential-Rural) adding use to item (3) (Uses and Structures subject to Use Permit. The use added is "Agri'Tourism". This amendment will allow for Agri-Tourism uses, as defined under Part One, Section 103 (DEFINITION OF TERMS), SEE Exhibit "A" attached, of the planning & Zoning Ordinance, in the Residential-Rural Zoning District and requires a Use Permit.

Community Development Director Mike Jenkins explained that in a rewrite for the ordinance in 2011 allowed for the use agri-tourism but the problem lies in the fact that there is no agriculturally zoned land in Camp Verde. This revision would allow the included use for residents with a minimum of 2 acres to have the ability to participate in agri-tourism. Jenkins outlined with detail what the revision of the Ordinance would include and how the process of the Use Permit would take place.

Cat Davis addressed Council and expressed her strong support of the revision. As an Agri-Tourism business owner herself, she attested to how this would benefit the town.

9. **Public Hearing, Discussion, consideration, and possible approval of Ordinance 2015-A407, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona. A Text amendment to the Town of Camp Verde Planning & Zoning Ordinance Part 2, Section 203 (Use Districts) H., C3 District (Commercial: Heavy Commercial), I. PM (Performance Industrial), J. M1 District (Industrial: General) and K. M2 (Industrial: Heavy) to allow for Automobile Repair (Heavy). Adding a definition for Automobile Repair (Heavy) to Part 1, Section 103 Definition of Terms (See Exhibit "A" attached).**Staff Resource: Michael Jenkins

On a motion by Baker, seconded by Jones, Council unanimously approved Ordinance 2015-A407, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona. A Text amendment to the Town of Camp Verde Planning & Zoning Ordinance Part 2, Section 203 (Use Districts) H., C3 District (Commercial: Heavy Commercial), I. PM (Performance Industrial), J. M1 District (Industrial: General) and K. M2 (Industrial: Heavy) to allow for Automobile Repair (Heavy). Adding a definition for Automobile Repair (Heavy) to Part 1, Section 103 Definition of Terms (See Exhibit "A" attached).

Community Development Director Mike Jenkins explained to Council that this approval would allow the Automobile Repair (Heavy) to be conducted in the listed zoning districts.

Councilor German questioned that that this would not be conducted in C2 zoning unless indoors. Jenkins clarified that this would not include C2 Zoning district.

10. **Public Hearing, Discussion, and possible approval of Ordinance 2015-A409, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, a Text amendment to the Town of Camp Verde Planning & Zoning Ordinance part 3 section 306, Mobile/Manufactured Home parks.**
    - **Changing B.1b.4 from the current language from "Building Department" to "Arizona Department of Fire, Building and Life Safety, Office of Manufactured Housing.**
    - **Changing B.2.c from "Town of Camp Verde" (wording located two time in the paragraph) to Arizona Department of Fire, Building and Life Safety, Office of Manufactured Housing.** Staff Resource: Michael Jenkins

On a motion by Gordon, seconded by George, Council unanimously approved Ordinance 2015-A409, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, a Text amendment to the Town of Camp Verde Planning & Zoning Ordinance part 3 section 306, Mobile/Manufactured Home parks.

- **Changing B.1b.4 from the current language from "Building Department" to "Arizona Department of Fire, Building and Life Safety, Office of Manufactured Housing.**
- **Changing B.2.c from "Town of Camp Verde" (wording located two time in the paragraph) to Arizona Department of Fire, Building and Life Safety, Office of Manufactured Housing**

Community Development Director Mike Jenkins explained that originally the State department was in charge of the Building Codes pertaining to Manufactured Homes and due to the lack of staff, was confident in relinquishing the duties back to the State at this time.

Councilor Gordon expressed his reluctance in giving the State authority but understood the matter would be better handled than keeping it with in the Town.

11. **Public Hearing, Discussion, consideration and possible approval of Ordinance 2015-A408, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, Amending Town Code, Chapter 9, Article 9-4 (Mining), Section 9-4-3.B.3 to amend procedure for "A permit is non-transferable without Council approval".** Staff Resource: Michael Jenkins

On a motion by George, seconded by Jones, Council unanimously approves Ordinance 2015-A408, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, Amending Town Code, Chapter 9, Article 9-4 (Mining), Section 9-4-3.B.3 to amend procedure for "A permit is non-transferable without Council approval".

Community Development Director Mike Jenkins explained that the mining permit should remain with the property and because a Use Permit can be revoked, if a new owner does not meet the conditions of the permit, it can be rescinded.

12. **Discussion, consideration and possible approval of the Town of Camp Verde Fiscal Year 2015-16 proposed Tentative Budget.** Staff Resource: Michael Showers

On a motion by Councilor George seconded by Councilor Gordon, Council voted 5 to 2 to approve the Town of Camp Verde Fiscal Year 2015-16 proposed Tentative Budget. Vice Mayor Baker and Councilor German opposed.

Town Manager Russ Martin explained that this matter is for the proposed budget and in July Council will vote on each individual line expenses. Martin explained that the approval for this matter would simply be setting a cap on expenditures and the budget can be adjusted throughout the year.

Elaine Bremner, Executive Director of the Senior Center indicated that in past years Council allotted $12,500.00 toward Meals on Wheels for Camp Verde residents. Last year the amount was reduced to $5,000 and Bremner explained that this amount doesn't even cover the vehicle expenses for the year that are associated with the services provided to Camp Verde.

Councilor German indicated she could not vote in support of the entire budget and provided a statement which is attached and becomes a permanent part of the record.

Councilor Whatley explained that it is necessary to proceed with the matter in order to keep the Town in operation, as the new budget must be put in place.

Councilor George indicated that there are matters in the budget he does not agree with it, but this is a compromise of the needs of the Town and it is necessary to approve budget.

Mayor German stated his support toward the approval of the budget although there are matters he doesn't fully agree with but feels it is in the best interest of the budget.

Vice Mayor Baker expressed her reasoning for voting against the budget due to the fact that she felt there could have been more compromise of the budget that would have been wiser and more efficient uses of town funds which would have been in better interest of the citizens of the town. Mayor German requested the Vice Mayor provide a written list of her concerns.

Councilor Jones strongly expressed her support toward the Town and its Employees to improve the Town, which is why she supports the approval of the budget.

Mayor German called a short recess at 8:08 p.m. The meeting reconvened at 8:15 p.m.

13. **Discussion, consideration and possible approval of the FY 2016 Debt Levy Certification to Yavapai County for $781,114.00 acting as Trustee to the Camp Verde Sanitary District.** Staff Resource: Michael Showers.

On a motion by Gordon, seconded by Baker, Council unanimously approved the FY 2016 Debt Levy Certification to Yavapai County for $781,114.00 acting as Trustee to the Camp Verde Sanitary District.

Finance Director Mike Showers expressed that the amount has not increased and there are no extra expenses associated with this matter.

14. **Discussion, consideration, and possible approval of the FY16 special assessment levy of $251,922 for annual payments against the Camp Verde Sanitary District's USDA Notes, which includes payoff of the note 92-09 in the amount of $414,008.00 plus accrued interest, acting as the Trustee to the Camp Verde Sanitary District.** Staff Resource: Michael Showers

On a motion by George, seconded by Gordon, Council unanimously approved the FY16 special assessment levy of $251,922 for annual payments against the Camp Verde Sanitary District's USDA Notes, which includes payoff of the note 92-09 in the amount of $414,008.00 plus accrued interest, acting as the Trustee to the Camp Verde Sanitary District.

Finance Director Mike Showers explained to Council that proceeding with the payoff will save funds that would have to be spent on interest, in return cutting costs for the residents.

15. **Discussion, consideration, and possible appointment of a Vice-Mayor for a two-year term.** Staff Resource: Virginia Jones

On a nomination by Councilor Gordon, seconded by Councilor Whatley, Councilor George accepts nomination for Vice Mayor. Council unanimously appoints Councilor George as Vice-Mayor for a two-year term.

Vice Mayor Baker extended thanks to the Town for the honor and pleasure to serve on Council and as Vice Mayor.

16. **Discussion, consideration, and possible appointment of Mayor to act as liaison to the String of Pearls** Committee as it relates to the Verde River. Staff Resource: Mayor German
THIS ITEM WAS REMOVED FROM THE AGENDA

17. **Call to the Public for items not on the agenda.**
Bob Johnson addressed an article in the paper regarding the Yavapai Ranch consisting of approximately 400 acres. Mr. Johnson also indicated that the trees located by the cannon on the corner of Highway 260 and Finnie Flat are in need of care, stating that he has been watering them as well as the lack of an adequate irrigation system that is now sun damaged.

18. **Council Informational Reports.**

Councilor German showed an article in the Arizona Republic featuring Fort Verde.

Vice Mayor Baker attended a memorial for Sandra Marcum in Prescott at the Court House square and indicated it was a lovely ceremony.

Councilor Gordon attended the Fire District Meeting who are wrapping up their annual budget as well. Gordon stated that there was an article in the paper regarding the roadside trash pickup but it did not give credit to all members who participated.

Councilor George indicated that the roadside trash pickup was successful with filling 20 bags of trash along Hwy 260.

19. **Manager/Staff Report**

No reports.

20. **Adjournment**

The meeting adjourned at 8:35 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 Regular Session of the Town Council of Camp Verde, Arizona, held on June 24, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2015.

_____
Virginia Jones, Town Clerk

#12 Councilor Germans statement to be attached to minutes 6-24-2015

REASONS FOR VOTE ON THE TENTATIVE BUDGET

I do not like voting against the budget because I agree with most of it, but a yes vote means that I am voting for the entire budget. So, the following statements are the reasons I cannot vote for this budget and I will submit this to the Clerk to be part of the record.

1. Town has grown to 92 employees over the last couple of years. With this budget we will be adding another part-time employee for Economic Development, and creating a whole new department and promoting a current administrative assistant to be the director of that department. It is my opinion that the Town as an equal opportunity employer, should have advertised that these two positions to give other employees and the public an opportunity to apply. With savings from this and other line items we could afford a Human Resources Director that could also perform the risk management duties.

2. I am still opposed to the $20,000 spent on an extra attorney for the Marshal's office when all other towns in Yavapai County use the County attorney's office that has an attorney available 24/7. The Manager assured me last year that it would not be in the next budget once the new Marshal's Manual was finished. But it is included again.

3. I am not opposed to another raise for our Town employees, however in our basic budget work sessions the Manager said we could not afford it this year, as we gave a 3% two years ago and another 1.67% last year with more salary adjustments for certain employees. Also last year the Public Safety employees got a 4.5% increase because we were told that their retirement contribution was going up by 3%, but in actuality it only went up .6%

4. We raised the sales tax by .65% to try to increase our revenues & I don't believe we should be creating additional expenditures.

Carol Germans
Council Member