

DRAFT MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, JULY 1, 2015 at 6:30 P.M.

Minutes are a summary of the discussion. They are not verbatim.
Public input is placed after Council discussion to facilitate future research.

1. **Call to Order**
Mayor German called the meeting to order at 6:30 p.m.
2. **Roll Call**
Mayor Charles German, Vice Mayor Bruce George, Councilors Robin Whatley, Brad Gordon, Jackie Baker, Jessie Jones, and Carol German were present.

Also Present

Town Manager Russell Martin, Marshal Nancy Gardner, Town Clerk Virginia Jones, and Recording Secretary Saepyo Choe.

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) There are no minutes for approval
 - b) **Set Next Meeting, Date and Time:**
 - 1) 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

On a motion by Vice Mayor George, seconded by Jones, Council voted unanimously to approve the Consent Agenda.

5. **Special Announcements and presentations:**
 - There are no announcements or presentations
6. **Call to the Public for Items not on the Agenda.**
Barbara Goetting, owner of the Horn Saloon, reported that previously, the Town took 47 days to respond to her request for information, and that this time it has been two weeks. She submitted electrical plans and she has asked twice for an update on the permits. She asked for a rough timeline in order to update the insurance companies, and asked for support so they can open for business again.

Nikki Miller announced that Cornfest is right around the corner, and thanked Bobbie and Marie who work to provide this event. She thanked Mike Dumas and his department for the electrical support, and thanked Barbie Bridges and Steve Ayers for promotional support. Camp Verde Promotions needs more support from the Town to promote events. She reported an increase in Visitor's Center statistics during the weekends of their festivals, explaining that their events are a benefit to the Town. The school system should be a way to get information out, but that does not work. They need volunteers for Cornfest and a better way to reach the community.

Sue Mesa, owner of Clear Creek Vineyard and Winery, distributed information packets to Council. Last December 18th, Council approved extending the winery from their private house to a new facility, which they built beginning in August 2013. She reported a detailed history of the date of application, Town approval, and the five inspections for the slab, foundation, framing, electrical, barn construction--which were all approved. They built a stand-alone tasting room and await opening to the public, but now Planning & Zoning will not issue a use permit, deeming the building "unsafe." Steve Ayers recommended having a civil engineer inspect it, so they hired a certified engineer with 25 years of experience to review it. Planning & Zoning deemed that his accreditation was "not sufficient," and required numerous calculations. They have suffered six months of lost revenue, and the Town has missed out on tax revenue. She requested help to resolve this issue and explained that more detail could be found in the packet.

Mayor German assured Sue Mesa that the issue would be promptly addressed.

Steve Goetting reported that the www.selectcampverde.com website contains many errors, including Latin jibberish on the "government" page, and last year's rates on the business license page. Phoenix businesses are listed in the Camp Verde directory, and information is inaccurate. It is embarrassing that someone is listing the site as an accomplishment in their performance evaluation when it is in its current state, and he should not have to be the one to call the Town out on these errors.

Hub Harris has volunteered for Comfest. He informed that there is an event calendar in AZ Highroads magazine. He believes they accept free advertising, and recommended that Camp Verde take advantage of the opportunity. Events for small towns like Clarkdale, Pine, and Strawberry are being featured, and Camp Verde deserves to be featured as well. He disapproved of increased salaries for the Town Manager and others. He has nothing against them personally, but is concerned because Camp Verde is a small Town. The Town is dying and cannot keep going into debt with high-class salaries.

7. **Discussion and possible approval of Town Managers Performance Review timeline for 2015-2016.** Council agreed to reschedule the start time for the Goal-Setting session to 9am, and had no other issues with the timeline. Town Manager Russ Martin distributed an updated Performance Review timeline. He rescheduled the date of the Performance Review to a week later, and the "Goal-Setting" to a separate day.

Vice Mayor George thanked Martin for his ethical standard, and outstanding performance for the last five years, which has raised the reputation of the Town. Council expressed agreement.

8. **Discussion consideration and possible approval of amendment to the Town's Salary Plan with the addition of the CAD Technician job description.** Staff Resource: Russ Martin
On a motion by Vice Mayor George, seconded by Jones, Council voted 6-1 to approve the Town's Salary Plan with the addition of the CAD Technician job description, with Councilor Baker voting "No."

Russ Martin explained that Staff did not have enough time to submit this proposal in time for the budget sessions. Councilor Baker commented that the job requires only a High School GED and two years of experience, but pays \$41-\$63K plus benefits. She suggested it would be better to contract out the job as needed, instead of paying for benefits.

Martin explained that the job includes a comprehensive list that would take beyond a year, and that the Town would have to pay overhead either way, since consultants are expensive. He said it is the best-value option to hire as a temporary position, rather than to contract out. Currently, the Staff is doing some of this work, but it is best for them to stick to project management. 80% of the wages would come out of funds that have already been allocated for this year, from the Sanitary District.

Gordon explained that it is expensive to contract out, due to having to pay the wage, benefits, and pay a premium on top of that. Also, engineer companies do not want to lose an employee for an entire year or more.

Jones said there are many important projects such as storm water, ponds, and flood control that are needed to improve the community for citizens; and agreed with the salary plan for the position.

Mayor German explained that the funds available from the Water Infrastructure Finance Authority (WIFA) are also important factor to consider.

9. **Discussion, consideration and possible approval of the Town of Camp Verde Personnel Manual.**
Staff Resource: Russ Martin

On a motion by Vice Mayor George, seconded by Whatley, Council voted 6-1 to approve the Town of Camp Verde Personnel Manual, with Councilor Baker voting "No."

Martin explained that the main change to the manual includes the Health Care Affordability Act requirements for employees working over 30 hours a week. They will now be considered "full-time" and the Town is responsible for covering their health care benefits as required by federal law.

Public Hearing

Cheri Wischmeyer referenced the "take home vehicles" section of the manual, authorizing any law enforcement or animal control officer within a 30-minute response-time to take home a patrol vehicle. She disagrees with the Town paying for an extra one-hour commute roundtrip per officer per day, and additional 60 miles of daily wear-and-tear to the vehicle. That adds up to a lot of extra cost and wear-and-tear for these 5-year lease vehicles.

Corporal Jacobs explained that this benefit is important to recruitment and retention. When he left the Sheriff's Office, he sought this benefit. The time to commute to the office and change vehicles also increases response time.

Deputy Richardson explained that he looked a year ago at options for police officer positions, and that the pay and incentives are less in Camp Verde. It is hard to support two kids and a wife in school with the current pay and insurance package, but at least the take-home vehicle benefit balances out where the rest falls short. Officers clock in for duty when they hit Camp Verde Town limits and clock out when they leave Town limits, so the Town does not pay for the commute. The fact that 40 people are testing for law enforcement positions in other places, but only four when he applied, shows that Camp Verde is not competitive.

Debra Fenner said she appreciates seeing patrol cars in different neighborhoods, because police presence deters crime.

Dana Schmidt, a retired Assistant Chief of Police, explained that small towns have trouble keeping good officers, so any small benefit helps. There is nothing worse than having an Officer for a year, then watching them leave for better benefits and pay.

David Marshal, Animal Control Officer and Crime Scene Technician, explained that crime scenes deteriorate quickly, and that it is imperative to arrive as quickly as possible. He reported that they recently solved a crime with a fingerprint.

Canine Officer Jeff Bowers said he requires a special system for his patrol dog to keep him cool during hot temperatures while out on call. The patrol vehicle is already equipped with this system, but if he is not permitted to take it home, he would need to install one into his personal vehicle. He also lives in Cottonwood, so commuting, along with having to cool down the patrol car for the dog, would extend his response time. It also sends the message that "Camp Verde must be doing something right," if someone lives in Cottonwood, but chooses to work for Camp Verde.

Steve Goetting recommended increasing wages and keeping cars inside the community. He expressed concern about the Officer's responsibility and liability when in a Camp Verde patrol car in another jurisdiction.

Deputy C. Jackson said he has been working for the Town for two years, and loves Camp Verde. He lives five miles outside of the district, and Cottonwood and the Yavapai County Sheriff's Office are always asking him, "Where's your patrol vehicle?" He said take-home vehicles communicate pride for your job and shows that your community supports you. He mentioned that having to defrost windshields for two different vehicles in the winter also adds to response times.

Oscar Berrelez, an officer of 19 years, lives in Verde Lakes. He explained he and Officer Bowers just had a big case this morning that required back up from the day shift, who happen to live out of Town. They had two suspects, a bunch of evidence, and needed their help immediately. They get several calls for DUIs and drug recognition, and it looks bad in court if Officers show up late on scene. When the Walmart shooting happened in Cottonwood, Camp Verde Officers would have been available to assist if they had take-home vehicles. Camp Verde needs more Officers as the last two years have been most hectic. The Town really needs the help.

Discussion

Councilor Gordon shared an example of a private company that conducted a study, which showed it is financially smarter to allow take-home vehicles, and more efficient due to eliminating the factor of personal vehicles breaking down.

Vice Mayor George said studies have shown that take-home vehicles last longer due to Officers taking pride in their vehicles; and noted that they will never have to drive passed the scene of an incident due to having to pick up a patrol vehicle.

Councilor German thanked the Officers for sharing their reasons on the issue of take-home vehicles.

Mayor German stated that he use to serve as a volunteer firefighter and appreciates how important it is to secure the scene as fast as possible. He appreciated the need for stability in the department and said that CVMO deserved all the support and equipment they needed.

Councilor Jones said she was unbelievably proud of our Marshal's Office and that take-home vehicles allow them to respond efficiently. She sees patrol vehicles of multiple agencies in Camp Verde and would like to see CVMO vehicles in surrounding neighborhoods.

Councilor Whatley said she was wholeheartedly in favor of take-home vehicles, due to it being more than a perk, but a matter of public safety.

Councilor Baker recognized CVMO as being the best police department, and is proud of them--especially Officers Dave Freeman and Oscar Berrelez, who have served the Town for so many years. The Marshal's Office was there for her family during a hard time. The governor of Arizona at one point in history took away

all the take-home vehicles in the prison system except for one. There are many factors, including economical and mechanical, that municipalities have to consider. It is never because we do not care.

Councilor German clarified the details of the retirement system on page 71 of the manual. The Town will match up to 3% if an employee opts to set aside a percentage of their salary. Staff explained that the Employer Contribution Rate to the Public Safety Personnel Retirement System increased to 28%, a 10% increase from last year. Many places are obligated to pay 40% - 50%, so Camp Verde is fortunate to retain lower rates.

Mayor German Requested the following item.

10. **Discussion, consideration and possible appointment of Mayor German to act as liaison to the Verde Front Leadership Council.**

On a motion by Councilor Baker, seconded by German, Council voted unanimously to approve Mayor German as a liaison and Brad Gordon as an alternate liaison to the Verde Front Leadership Council.

Mayor German announced that the Verde Front Leadership Council is going public to all our communities--moving from informal to formal. They will not make any promises without the Town's direction. Councilor Brad Gordon, who has been a part of the Council since the beginning, volunteered to be the alternate liaison.

Councilor Whatley requested the following Item.

11. **Discussion and clarification to the public regarding the extension of the Mayor and Council Term limits per ARS 16-204 as amended, followed by, but not limited to, possible direction to staff.**

On a motion by Mayor German, seconded by Vice Mayor George, Council unanimously approved posting ARS 16-204, SB 1454, and all pertinent information, to the Town website, local newspapers, and the Town Hall board of Public Notices, in order to remind the public of the changes to the candidate election year.

Robin Whatley explained that during one Council Session, a citizen claimed that Council "took it upon themselves to add 1.5 years to their terms." She wanted to clarify that this is misinformation. In 2012, House Bill 2826 amended ARS 16-204, which reads: "Beginning with elections held in 2014 and later and notwithstanding any other law or any charter or ordinance to the contrary, a candidate election held for or on behalf of any political subdivision of this state other than a special election to fill a vacancy or a recall election may only be held on the following dates and only in even-numbered years: 1. The tenth Tuesday before the first Tuesday after the first Monday in November." Camp Verde has always held elections in odd number years. Then Senate Bill 1454 deemed that term limits could only be lengthened, not shortened. This meant that Camp Verde could not have its election in 2017 as planned, but had to lengthen terms until the fall of 2018. Whatley never anticipated a longer term, and hopes the rumors will go away.

Council added that two Councilors would have been up reelection in 2015.

Councilor Baker thanked Whatley for the explanation. The League of Cities and Towns fought against this, but only the charter cities were successful. Council requested that Staff post all this information on the wall of public notices, in the newspaper, and on the Town website. Jones clarified that this is a separate issue than the recall election in 2015.

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

Ignacio Mesa, husband of Sue Mesa, and co-owner of Clear Creek Vineyard and Winery, reported that they have had to turn business away daily. Yavapai College's Small Business Development Center, magazines, and the Cottonwood Chamber of Commerce have approached them, but they are not able to move forward

on any opportunities until the permit issue is resolved. He said it seems they are receiving support from everyone but their own Town. They have four people on staff, and it is important to them to open as soon as possible.

A Camp Verde resident asked to get to know the Council and Staff better, and recommended that they host coffee talks. This may be a good way to find out everyone's goals and vision for the Town. He is also a Cornfest volunteer, and he asked for more help for Cornfest.

Steve Goetting said he was sick and tired of the 3-minute time limit during the "Call to the Public," because it feels like talking to a wall. He agreed with the coffee talk idea.

Mayor German spoke as a citizen addressing Steve Goetting, disapproving of the manner in which he addresses Council. He explained that he has the option to place any item he wishes on the Agenda, as long as one Council member sponsors the Agenda item. This option has no 3-minute time limit and allows for dialogue, but Steve has seldom chosen this method to resolve issues.

13. **Council Informational Reports.** These reports are relative to the committee meetings that Council members attend. The Committees are Camp Verde Fire District, Camp Verde Schools Education Foundation; Chamber of Commerce, Intergovernmental Association, NACOG Regional Council, Verde Valley Transportation Planning Organization, Yavapai County Water Advisory Committee, and shopping locally. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

Vice Mayor George attended "Coffee with a Cop," and invited the public to join the last Monday, monthly 8:00 p.m. to 9:00 p.m at Thanks a Latte.

Gordon reported on "Coffee with a Cop," the library construction update, and the Verde Valley Water Users Association.

Whatley attended the library construction update: they are currently digging trenches and pouring concrete, and expect the delivery of steel on July 27th.

Councilor Baker acknowledged NACOG Director Mary Luedtka for receiving an invitation to the White House July 13, 2015 for a national conference on aging.

German reported on the library construction update and invited the public to participate.

Mayor German reported on the NACOG meeting.

14. **Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and public of such events and activities. The Council will have no discussion, consideration, or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda.

Russ Martin reported that Tom Jones has picked up his business license, and expects to convert Steve Coury into a Ford dealership within a month or two.

Manager Russ Martin addressed a previous comment made by Cheri Wischmeyer during the June 3, 2015 Regular Session regarding her displeasure of the fact that the Marshal's Office employees receiving, and Council approving, a 4.5% increase in salary due to the alleged mandatory increase of 4% contribution to the retirement fund. Mr. Martin stated that at the time the item was presented to Council he believed the increase for Public Service State Retirement had increased 4% for the employee, when after doing research, realized that was the Town's cost. The Officer's increase was actually .7%. Mr. Martin stated his

error was trying to balance, what her perceived as a significant cost to staff that would have a detrimental effect on their take home pay, and it was something that needed to be addressed. The result of the error was in fact a 2.16% cost of living adjustment above other staff for all sworn officers in the 2014-2015 budget year.

15. **Adjournment**

Mayor German adjourned the meeting at 8:17 p.m.

Charles German, Mayor

Saepyol Choe, 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 July 1, 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



7-1-2015 from
Sue Mason Durin
Meeting

Clear Creek Vineyard & Winery, LLC

June 30, 2015

Town of Camp Verde
Attn: Town Manager & Council Members
473 Main Street
Camp Verde, AZ 86322

We are a licensed (Domestic Farm Winery – Series #13) and bonded winery entitled to grow, process and sell our wine by the State of Arizona. At the December 17, 2014 Council Meeting the Council voted unanimously to approve our Application for Extension of Premise initiated by Arizona Department of Liquor Licenses and Control to move our operations to the new winery on our property.

Our building plans were submitted to the Town for Review on March 12, 2013 and a Zoning Clearance Permit was finally approved by Michael Jenkins on August 9, 2013. A remodel permit was issued on August 14, 2013 by P&Z. The project was started in late August 2013. Subsequently there were no less than five (5) inspections by Inspector Robert Foreman as follows:

- Inspection - 09.04.13 pre-slab inspection - approved Robert Foreman
- Inspection - 10.22.13 Foundation - approved Robert Foreman
- Inspection - 01.06.14 Framing - approved Robert Foreman
- Inspection - 02.18.14 Rough Electrical - approved Robert Foreman
- Inspection - 05.09.14 Final on Barn - approved Robert Foreman

At the Town of Camp Verde Council Meeting on 12.18.14 – the Clear Creek Vineyard & Winery, LLC and AZ Department of Liquor Licenses and Control (AZ DLLC) Application for Extension of Premises was unanimously approved by the Council. (see attached Letter from Town of Camp Verde informing the AZ DLLC of the approval by the Town.

Subsequent to this action by the town we have had numerous meetings with Steve Ayers regarding the process of getting a building permit to start our stand alone Tasting Room however due to code issues the Town was resolving internally we have not been able to request a building permit.

In lieu of a building permit we sought a Use Permit to allow us to have Tastings and Wine sales in our winery in an area closed off and separate from the wine tanks and equipment. However the Town P&Z Department has blocked our efforts to have the public enter our winery stating the building is "unsafe" for the public.

Steve Ayers suggested we seek a degreed, licensed, experienced Civil/ Structural Engineer to review the plans and the building to make a determination on the status of our structure and to document to the Town the outcome arrived at by a professional Civil Engineer.

We sought out and hired a professional from Sedona to review our documents and the structure so he could make a determination on the status of the building. We contracted Luke Sefton, a professional known to the town from past projects. His qualifications as follows:

Luke A. Sefton, P.E., C.F.M. is a Licensed Professional Civil Engineer and longtime Arizona resident with over 25 years of civil engineering, surveying, project/fiscal management, and military leadership experience. He holds a Bachelor of Science in Civil Engineering from Northern Arizona University as well as completion of the Engineer Officer Course in Fort Belvoir, VA and is licensed to practice civil engineering in Arizona and New Mexico.

As Principal of the firm Luke is responsible for complete oversight and coordination of client projects. He specializes in flood studies, drainage reports, storm sewer design, subdivision development, infrastructure design (including street and utility plans), and project management. He has special expertise in hydrology, hydraulic system engineering and floodplain development. Luke has a long history of being actively involved in infrastructure design, including utility plans, sewer/water and grading plans for residential and commercial developments.

Upon presenting his professional opinion that building was very sound as documented by the Town's own P&Z Department inspections. The Structural Engineer was questioned and told that his accredited opinion was insufficient and numerous calculations would be needed to prove the building safe. Luke Sefton, P.E. is willing to put his Licensed Professional Engineer opinion on record that the building is sound yet Mr Jenkins who is not a degreed engineer is still not satisfied.

May we remind the Council we have personally suffered a huge loss of income these past 6 months waiting for the Town to support our business but the Town is also suffering a loss of revenue as every bottle of wine we sell provides TPT tax revenue to the Town as well as Yavapai County. The behavior of the Town P&Z Department is not only hurting our right to income but is also damaging revenues for the Town and the county economies.

We sincerely request the Council's support at a meeting to discuss this issue and our loss of revenues at the Council's earliest possible convenience.

Ignacio & Sue Mesa
Clear Creek Vineyard & Winery
Home of Rio Claro Wines
4053 E Hwy 260
Camp Verde, AZ 86322

Inspections

During construction, the Town will conduct scheduled inspections of the building project to ensure that the construction is in accordance with the approved plans and Town adopted safety codes. Building inspectors look for building code compliance related to the construction of a structure. Their goal is to make sure the structure is safe.

You are required by law to have inspections completed for any construction activities in order to secure not only your safety, but the safety of future occupants. Inspections are required at different phases of a project.



Town of Camp Verde

Gateway to the Verde Valley

◆ 473 S. Main Street, Suite 102 ◆ Camp Verde, Arizona 86322 ◆

◆ Telephone: 928.567.6631 ◆ Fax: 928.567.9061 ◆

◆ www.campverdeaz.gov ◆

December 18, 2014

Arizona Department of Liquor Licenses & Control
800 W Washington, 5th Floor
Phoenix, AZ 85007

RE: Application for Extension of Premises -Ignacio Mesa – Clear Creek Vineyard & Winery

Dear Sir or Madam:

The Common Council of the Town of Camp Verde reviewed the above-mentioned Application at the Regular Session of December 18, 2014. The Council voted unanimously to recommend the approval of said application.

Thank you for your assistance in this matter.

Thank you.

Virginia Jones
Deputy Clerk

14 DEC 26 11:49 AM 11/27

15 JAN 14 11:49 AM 1/30



Handicap Relay 711 or Voice 1-800-842-4681 TTY: 1-800-367-8090



SEFTON
ENGINEERING
CONSULTANTS
Your Ideas to Completion
SURVEYING • ENGINEERING • LAND PLANNING

Dugan McDonald RLS
Luke Sefton PE, CFM
Clint Gillespie RLS
Tim Huskett, PE, CFM
Shane Nauert RLS
Sam Musser, Planner

July 1st, 2015

Ignacio Mesa
4053 East Highway 260
Camp Verde, AZ 86322

RE: Camp Verde Winery

Dear Ignacio:

I have been requested to perform a visual inspection on a barn conversion to a wine storage room with partial cold storage and a tasting room. The total barn square footage is approximately 1900 sf consisting of approximately 450 sf for the tasting room and 1000 sf for the cold storage. This report includes a visual inspection only, and no drawings are included. This visual inspection is to determine the general condition of the building and is not to be considered a detailed review or a review that states that the current construction meets today's code standards

The site inspection and investigation found a 1950 barn that was refurbished and was enclosed during this recent renovation. The construction was completed under a Town permit that included Inspection Reports by the Town for the framing and footing improvements. The Owner provided me with copies of these documents and I have since reviewed them.

The site inspection of the original barn showed no signs of stress, settling, or visible cracks. The roof and original structure appear to be of sound construction and no dry rot or area of failure was noted. This is only a partial engineered analysis of this construction, a full analysis is not part of this report.

The above concludes the scope of my visual inspection and report. If you should have any questions please do not hesitate to call.

Sincerely,



Luke Sefton, P.E.
President

Expires 3/31/17

20 Stutz Bearcat Drive, Suite 8, Sedona AZ 86336 Phone: (928) 202-3999 • Fax: (614) 437-4383

Email: info@seftoneng.com • Internet: www.seftonengineeringconsultants.com

In affiliation with:

Heritage Land Survey & Mapping Inc. with offices in Sedona, Camp Verde, and Colorado



Updated 4/13/09

A.R.S. §4-205.04. Domestic farm winery license; issuance; regulatory provisions; retail sale

- A. The director may issue a domestic farm winery license to any person who meets the requirements of subsection c of this section. Each location that engages in producing and bottling these products must obtain a separate domestic farm winery license. The licensee may not transfer the domestic farm winery license from person to person or from location to location.
- B. An applicant for a domestic farm winery license, at the time of filing the application for the license, shall accompany the application with the license fee. Persons holding a domestic farm winery license shall report annually at the end of each fiscal year, at such time and in such manner as the director may prescribe, the amount of wine manufactured by them during the fiscal year. If the total amount of wine manufactured during the year exceeds the amount permitted annually by the license, the licensee shall apply for and receive A producer's license.
- C. A person may be licensed as a domestic farm winery to sell wine produced or manufactured if in a calendar year it produces at least two hundred gallons and not more than forty thousand gallons of wine and may make sales and deliveries of wine only as specifically provided in this section and as follows:
 1. A licensed domestic farm winery may make sales and deliveries of wine to wholesalers licensed to sell wine under this title.
 2. a licensed domestic farm winery may serve wine produced or manufactured on the premises for the purpose of sampling the wine.
 3. A representative of the licensed domestic farm winery may consume small amounts of the products of the licensed domestic farm winery for the purpose of sampling the wine.

4. A licensed domestic farm winery may sell to a consumer physically present on the premises wine produced or manufactured on the premises in the original container for consumption on or off the premises.
5. A licensed domestic farm winery may purchase and sell wine produced by another licensed domestic farm winery only if the retail sale is to a consumer physically present on the premises of the domestic farm winery.
6. If the licensed domestic farm winery is not otherwise engaged in the business of a distiller, vintner, brewer, rectifier, blender or other producer of spirituous liquor in any jurisdiction, the licensed domestic farm winery may hold licenses prescribed in section 4-209, subsection b, paragraphs 7, 10 and 12 on the licensed domestic farm winery premises or other retail premises. The licensed domestic farm winery shall purchase all spirituous liquor for sale at the other on-sale retail premises from wholesalers who are licensed in this state, except that a licensed domestic farm winery may:
 - (a) Purchase wine from other domestic farm wineries pursuant to paragraph 7 of this subsection.
 - (b) Make deliveries of the wine that the domestic farm winery produces to the domestic farm winery's own commonly controlled retail licensed premises.
7. A licensed domestic farm winery that produces not more than twenty thousand gallons of wine in a calendar year may make sales and deliveries of the wine that the licensed domestic farm winery produces to on-sale and off-sale retailers.
8. Notwithstanding section 4-244, paragraphs 3 and 7, an on-sale or off-sale retailer may purchase and accept delivery of wine from a licensed domestic farm winery pursuant to paragraph 7 of this subsection.
9. A licensed domestic farm winery that produces not more than twenty thousand gallons of wine in a calendar year may make sales and deliveries of wine that the licensed domestic farm winery produces to consumers off of the licensed premises and that is ordered by telephone, mail, fax or catalogue, through the internet or by other means if all of the following apply:
 - (a) The purchaser of the wine provided the licensed domestic farm winery with verification of the purchaser's legal age to purchase alcohol.

- (b) The shipping container in which the wine is shipped is marked to require the signature on delivery of an adult who is of legal age to purchase alcohol and delivery confirmation.
 - (c) The wine is for personal use only and not for resale.
 - (d) The wine is shipped to a residential or business address other than a premises licensed pursuant to this title.
 - (e) The purchaser could have carried the wine lawfully into or within this state.
 - (f) The delivery is made by a person who is at least twenty-one years of age.
 - (g) The domestic farm winery shall collect payment for the price of the spirituous liquor no later than at the time of delivery.
10. A licensed domestic farm winery may make sales and deliveries as expressly permitted by sections 4-203.03, 4-203.04 and 4-244.04.
- D. The domestic farm winery is liable for any violation committed in connection with any sale or delivery of the wine. The rules adopted by the director pursuant to section 4-203, subsection j shall apply to the delivery of wine under subsection c, paragraph 9 of this section. An act or omission of any person who makes a sale or delivery of wine for a licensee under subsection c, paragraph 9 of this section is deemed to be an act or omission of the licensee for the purposes of section 4-210, subsection a, paragraph 9.
- E. A domestic farm winery that sells or delivers wine pursuant to this section shall:
1. Pay to the department of revenue all luxury taxes imposed pursuant to title 42, chapter 3 and all transaction privilege or use taxes imposed pursuant to title 42, chapter 5.
 2. File all returns or reports required by law.
- F. A delivery of wine by a domestic farm winery to a purchaser in this state is a transaction deemed to have occurred in this state.
- G. The director shall adopt rules in order to administer this section.

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES
AND CONTROL
ALCOHOLIC BEVERAGE LICENSE

License 13133013

Issue Date: 2/8/2008

Expiration Date: 8/31/2015

Issued To:
IGNACIO MORENO MESA, Agent
CLEAR CREEK VINEYARD & WINERY LLC, Owner

Domestic Farm Winery

Location:
CLEAR CREEK VINEYARD & WINERY
4053 E HWY 260
CAMP VERDE, AZ 86322

Mailing Address:
IGNACIO MORENO MESA
CLEAR CREEK VINEYARD & WINERY LLC
CLEAR CREEK VINEYARD & WINERY
4053 E HWY 260
CAMP VERDE, AZ 86322



EXPIRES 8/31/2015

POST THIS LICENSE IN A CONSPICUOUS PLACE



