DRAFT MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, JUNE 1, 2016 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 p.m.

2. **Roll Call**
Mayor Charles German, Vice Mayor Bruce George, Councilor Robin Whatley, Councilor Brad Gordon, Councilor Carol German, Councilor Jackie Baker, and Councilor Jessie Jones-Murdock were present.

Also Present
Town Manager Russ Martin, Marshall Nancy Gardner, Finance Director Michael Showers, Ed Lee, Council Candidate Buch Buchanen, Mayor Candidate David Boily, Attorney William Sims (by telephone during Agenda Item 9 only), Community Development Director Michael Jenkins, Town Clerk Virginia Jones, and Recording Secretary Lynn Riordan.

3. **Pledge of Allegiance**
Mayor German led the Pledge of Allegiance.

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:**
      - Regular Session – May 18, 2016
      - Work Session – May 13, 2016
   b. **Set Next Meeting, Date and Time:**
      - Wednesday, June 8, 2016 at 5:30 p.m. Work Session
      - Wednesday, June 15, 2016 at 6:30 p.m. Regular Session
      - Wednesday, June 22, 2016 at 6:30 p.m. Council Hears Planning & Zoning Matters
   c. **Possible approval of Resolution 2016-966, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, approving amendment No. Three of JPA/IGA 09-152-I: providing additional federal funds for the construction of Finnie Flat Sidewalk.** Staff Resource: Ron Long
   d. **Possible Approval to apply for a 2016 Community Oriented Policing Services (COPS) grant under the COPS Hiring Program to fill an Officer position that would be assigned to conduct routine patrol and have the coordination of community oriented policing.** Staff Resource: Nancy Gardner

On a **motion** by Councilor Gordon, seconded by Vice Mayor George, the council voted unanimously to approve and adopt the Consent Agenda.

Town Manager Russ Martin, upon request of Councilor Gordon, gave an explanation of Resolution 2016-966, advising the long period of time that this project has been in planning, funding sources, and the difficulties in meeting ADOT's requirements. This project is scheduled to go out for bid this fall.

5. **Special Announcements and presentations:**
   - **Proclamation remembering the 19 Members of the Granite Mountain Hotshots**

Mayor German read the Proclamation in its entirety, acknowledging the 19 members of the Granite

Mountain Hotshots that lost their lives in the Yarnell fire in 2013, and proclaiming June 30 as a day in remembrance.

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

Ron Posten, Verde Valley Senior Center – Camp Verde Meals on Wheels, addressed the Mayor and Council requesting additional funding for the Meals on Wheels program for Camp Verde, advising that he will attempt to provide any additional information about the Senior Center and/or Meals on Wheels program that the Mayor and Council is requesting.

7. **Public Hearing followed by discussion, consideration and possible approval of a Series 12 (Restaurant) Liquor License for Chea Phallavuth/Ming House LLC, located at 288 S Main Street in Camp Verde.** Staff Resource: Virginia Jones
   - **Staff Comments –** Town Clerk Virginia Jones advised that the applicant was not present; the liquor license application had been posted and published as required; the Town did not receive any concerns or comments (for or against) approval of the application.
   - **Comment from Applicant –** not present.
   - **Public Hearing Open** – No public comment.
   - **Public Hearing Closed** – No Council concerns, comments or questions.
   - **Council Discussion** – None.

On a **motion** by Councilor Gordon, seconded by Vice Mayor George, the council voted unanimously to approve the application for a Series 12 (Restaurant) Liquor License for Chea Phallavuth/Ming House LLC, located at 288 S Main Street in Camp Verde.

8. **A lot drawing will be conducted by the Town Clerk for the Mayor and Council Candidate Seats to determine the order in which candidate names will appear on the Official August 30, 2016 Ballot.** Staff Resource: Virginia Jones

Town Clerk Virginia Jones advised that State Elections law requires that the names of Mayor and/or Council candidates and incumbents be drawn by lottery for placement on the ballot. Town Clerk Virginia Jones and Town Manager Russ Martin drew names by lottery for placement on the August 30 election ballot. The candidates and incumbents will be placed on the ballot in the following order:

Mayor: David Boily
Charles German

Council Members: Carol German
Bruce George
Dave Jenkins
Buch Buchanen
Jessie Jones-Murdock

9. **General Discussion, Clarification and Possible direction to Staff concerning Medical Marijuana Growing and Processing Facilities.** Staff Resource: Russ Martin

Town Attorney William Sims joined the meeting by telephone. This item was placed on the Agenda to address public concerns and clarify legal issues (disclosure) regarding the Medical Marijuana Growing and Processing Facilities and Dispensaries located in Camp Verde. At the request of Mayor German, Attorney Sims advised: Permits/Licenses: the Medical Marijuana Growing and Processing Facilities and Dispensaries are licensed by the Department of Health Services after the applicant has met all requirements of DHS. It is very difficult to restrict or regulate these facilities at the local government level, as they are licensed by DHS, and may only be required to obtain a business license permit (as with any other business) and meet zoning requirements. Business license applicants, except for liquor licenses, special use permits or zoning changes, do not have to

come before the Town Council to obtain a business license. The "agricultural medical facilities" applicants are entitled to obtain a regular business license, and are subject only to the same rules as any other regular business license applicant.

Public Records Requests: the Town is subject to state law for Arizona Public Records requests, with only three exceptions: invasion of privacy, best interests of public and/or government, or confidentiality by statute. As residents, and the local news media, have requested release of all business license applicants and proposed locations, the applicants have requested the information not be made public, and the growers/processing facilities, dispensaries (as well as the patients), are protected under DPH privacy law, a legal issue has arisen. Mr. Sims advised that a compromise has been reached between the media and the growers/dispensaries that locations will be kept confidential in the best interests of the community and the government during construction of any facilities (for safety and protection), and all information, including location, will be disclosed to the public and the media upon occupancy/completion of construction and all security is in place. Mr. Sims advised that if the Mayor and Council follow his advice, it will eliminate their risk of personal liability.

Public Comment: **Murray Lichty** addressed the Mayor and Common Council in opposition to growers/processing and dispensaries being licensed and conducting business in Camp Verde, stating displeasure that the public/residents were not notified in advance of the business application and proposed locations.

Council Discussion: Town Manager Russ Martin advised that, upon receiving advise from Mr. Sims, the public records request for location was denied, however, this information will be disclosed per the compromise. Mr. Martin advised that the Town Staff has remained professional and followed all legal advice. Councilor Gordon stated that although all council members are not in complete support of growers and dispensaries moving into Camp Verde, they are entitled to obtain a business license and protection like any other business, and they are not subject to going before the Town Council to obtain a business license if they meet all criteria for such license. Councilor Baker stated that obtaining medical marijuana requires a prescription, and is a medical necessity for some people, additionally, the facilities (growers/processing and dispensaries) will add to the Town's infrastructure and create local jobs. Councilor Jones-Murdock stated she agreed with the Town Attorney, will follow his advice, and acknowledged that these facilities are licensed by DHS after meeting all requirements. Although she may not be personally in support of these facilities locating in Camp Verde, she does support the business infrastructure and increase in employment. Councilor German stated she requested this matter be placed on the Agenda for the purpose that the public needs to be informed, and she was pleased to see the public in attendance. She stated that although she would like to be able to restrict how many "Agricultural Medical Facilities" and their locations, however, she agreed with the Town Attorney, will follow his advice, and acknowledged that these facilities are licensed by DHS after meeting all requirements. Councilor Whatley stated she is satisfied with the Town Attorney's opinion and will follow his advice. Vice Mayor George stated he is satisfied with the Town Attorney's opinion and will follow his advice. Mayor German initially suggesting that the Town obtain a legal opinion from the Attorney General (state), withdrew his suggestion after discussion. It was the consensus of the Mayor and Council that current issues have been addressed by the Town Attorney and direction to the Town manager to pursue an opinion from the Attorney General's Office will only be given if any further questions or concerns arise.

10. **Discussion, consideration and possible approval of the Town of Camp Verde Fiscal Year 2016-17 Proposed Tentative Budget.** Staff Resource: Mike Showers

On a **motion** by Vice Mayor George, seconded by Councilor Baker, the council voted unanimously to approve and adopt the 2016-17 Proposed Tentative Budget.

Finance Director Michael Showers advised adoption of the proposed Tentative Budget will place a ceiling cap on spending, however, funds (expenditures) can still be "shuffled" around within each department. Mr. Showers advised that the CIP Budget has been increased, based upon the additional revenue from sales tax, which will

allow many CIP projects to be completed. The proposed Tentative Budget is a balanced budget, and includes a 1.5% COLA increase for employees, an additional 4.5 full time employees, and health care benefits (portion) program for employees with families. All reserves remain healthy. Final adoption of the 2016-17 budget will be placed on the Council Agenda within the next 30 days.

Council Discussion: Councilor Baker stated she would like to see more money allocated to the Public Works Department, specifically roads, including more employees for the department. Additionally, she would like to see money allocated for a study to see if the Town is competitive and setting and appropriate wage scale and classification for its employees. Councilor German stated she is glad to see the health care benefits available for families, but stated concerns that non-family employees may request the benefit be paid to them in wages, rather than in health care benefits. Councilor German also stated that, if information requested is received from the Verde Valley Senior Center, she would like to see more funding available for Meals on Wheels. Councilor Whatley stated she was pleased that the Town could provide an additional benefit (health care coverage costs) for employees with families, they are loyal and it saves money in the long run, is good the Town and the community. Councilor Gordon stated he supports the additional benefit (health care coverage costs) for employees with families, it is good the Town and the community. Vice Mayor George stated he supports the additional benefit (health care coverage costs) for employees with families, it is good the Town and the community. Vice Mayor George also stated he would like to see more money in Parks & Recreation and Roads, this year's budget is a good start on many CIP projects. Councilor Jones-Murdock stated she supports the additional benefit (health care coverage costs) for employees with families, the Town has loyal employees that do an excellent job, and it is good the Town and the community. Councilor Jones-Murdock also stated that it is evident that the sales tax increase is beneficial to the Town as it is reflected in the Proposed Budget (specifically CIP projects), and she also supports more funding being allocated to Meals on Wheels when the appropriate documentation, as requested, is received.

11. **Discussion, consideration and possible approval of the FY 2017 debt levy certification to Yavapai County for $697,375.00, acting as the Trustee to the Camp Verde Sanitary District.** Staff Resource: Mike Showers

On a **motion** by Councilor Jones-Murdock, seconded by Councilor Baker, the council voted unanimously to approve FY 2017 debt levy certification to Yavapai County for $697,375.00, acting as the Trustee to the Camp Verde Sanitary District

Finance Director Michael Showers advised that this Agenda Item is required for payment of principal and interest, and as the Town is the trustee for the Sanitary District. This action will not cause any increase in property taxes or fees.

12. **Discussion, consideration and possible approval of the FY 2017 special assessment levy of $252,154.00 for annual payments against the Camp Verde Sanitary District's USDA notes, acting as the Trustee to the Camp Verde Sanitary District.** Staff Resource: Mike Showers

On a **motion** by Councilor German, seconded by Councilor Jones-Murdock, the council voted unanimously to approve FY 2017 special assessment levy of $252,154.00 for annual payments against the Camp Verde Sanitary District's USDA notes, acting as the Trustee to the Camp Verde Sanitary District.

Finance Director Michael Showers advised that this Agenda Item actually did not need to come before council, but for the sake of transparency, and as the Town is the trustee for the Sanitary District, it has been placed on the Agenda for approval. This action will not cause any increase in property taxes, and requires no publication

13. **Discussion, consideration and possible approval of a Library Services and Technology Act (LSTA) Grant award from the Arizona State Library, Archives and Public Records, a division of the Secretary of State.** Staff Resource: Kathy Hellman

On a **motion** by Councilor Whatley, seconded by Vice Mayor George, the council voted unanimously to approve acceptance of a Library Services and Technology Act (LSTA) Grant award from the Arizona State Library, Archives and Public Records, a division of the Secretary of State.

Library Director Kathy Hellman addressed the Mayor and Council with respect to the literacy grant, noting that Sebra Choe had applied for this grant on behalf of the Library, which will greatly enhance pre-school literacy, specifically benefiting non-English speaking children. Sebra Choe presented an overview (power point presentation) outlining the services and benefits the community will receive from acceptance of this grant. The Mayor and Council expressed thanks to Ms. Hellman and Sebra Choe for obtaining this grant, and supporting literacy in our community.

14. **Discussion, consideration and possible approval of a contract with Merit IT (Taurus Technology Investment Partners, Inc.) for professional services for the information Technology (IT) services for the Town of Camp Verde.**

On a **motion** by Councilor German, seconded by Councilor Baker, the council voted unanimously to approve, and enter into, the contract with Merit IT (Taurus Technology Investment Partners, Inc.) for professional services for the information Technology (IT) services for the Town of Camp Verde (Two year contract).

Town Manager Russ Martin advised that the Town has been in need of a new IT system for quite some time, however, funding and contract for services, were not available. The Town is unable to support an in-house IT department. A new server will be installed tomorrow, and this contract (Merit IT – a local company) can provide the IT services needed by the Town. Merit IT is the same company that the Fire Department is currently using for their IT services and support.

15. **Call to the Public for items not on the agenda.**
Debbie Hughes addressed the Mayor and Council in support of the Council taking a look at the employee wage scale and classification, adding the COLA increases to current (long-term) employees without the expense of a classification and wage study.

16. **Council Informational Reports.** T

Councilor Whatley - stated she attended the Intergovernmental Meeting (IGM) last Thursday; the League of Cities and Towns presented information on pending and current legislation and pending bills. Information was also presented regarding Hwy 260 construction and design.

Councilor Gordon – stated he also attended the IGM last Thursday. Councilor Gordon attended VVREO today and he will be presenting a study on the impact of non-profit organizations and how they contribute to the community.

Vice Mayor George - stated he attended the Camp Verde Business Alliance, they are planning for a booth at the Comfest and are moving forward with the entrepreneur programs for Camp Verde (high school and community college levels). Vice Mayor George advised that the Town is again seeking nominations for the next quarterly business beautification award. Vice Mayor George presented a photograph of the "Old Guys" as they had just completed pouring the concrete for the new stage at the Ramada. Vice Mayor George also stated that underground signal sensors had been installed at the intersection (Council approved purchase and installation of overhead cameras last year) noting that road department discovered the overhead cameras were going to cost more than anticipated, and installed the underground sensors saving the Town money.

Councilor German - stated that the concrete for the new stage at the Ramada was donated by the Yavapai Apache Tribe. Councilor German stated she had celebrated Memorial Day by attending the McGuireville American Legion and Beaver Creek Salute to Veterans.

Councilor Jones-Murdock – stated she also attended the IGM –NACOG meeting.

Councilor Baker – stated she missed the IGM meeting, but went to the Clear Creek Cemetery, which is in desperate need of repair and maintenance.

Mayor German - stated that he also went to the Clear Creek Cemetery. Mayor German advised that the actual construction on Hwy 260 is scheduled to begin in September.

17. **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.

Town Manager Russ Martin stated he needed volunteers for the Cornfest Town / League booth, and encouraged any council member that could volunteer to notify the Town Clerk. Mr. Martin advised that the Town's 30th Anniversary was coming up this fall, and he would like to plan some type of event in celebration. Mr. Martin also advised the Sedona Recycles (non-profit organization) is in need of volunteers, donations and financial support. Sedona Recycles picks up approximately 31 tons of recyclable materials from Camp Verde every month, the Town provides $6,000 in funding, however the actual cost to provide this service to our community is approximately $20,000.

Adjournment. Mayor German, with no objection from Council, pronounced the meeting adjourned at 8:21 p.m.

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Charles German, Mayor

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Virginia Jones, 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 Mayor and Common Council of the Town Council of Camp Verde, Arizona, held on June 1, 2016. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2016.

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Lynn Riordan, Recording Secretary