

**MINUTES
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, JANUARY 18, 2017 at 6:30 P.M.**

1. Call to Order.

Mayor German called the meeting to order at 6:30 p.m.

2. Roll Call.

Mayor Charles German, Vice Mayor Jesse Murdock, Councilors Buck Buchanan, Dee Jenkins, Brad Gordon, Jackie Baker.: Councilor Robin Whatley was absent.

Also Present: Town Manager Russ Martin, Town Clerk Virginia Jones, Marshal Nancy Gardner, Public Works Director Ron Long and Recording Secretary Janet Turner.

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 – January 4, 2017

b) Set Next Meeting, Date and Time:

1) Wednesday, January 25, 2017 at 6:30 p.m. – Council Hears Planning & Zoning Matters

2) Tuesday, January 31, 2017 at 4:00 p.m. – Meet and Greet with Yavapai Apache Nation Council at the Camp Verde Community Library

3) Wednesday, February 1, 2017 at 6:30 p.m. – Regular Session

4) Friday, February 3, 2017 at 8:00 a.m. – CIP Work Session

5) Wednesday, February 8, 2017 at 5:30 p.m. – Work Session

6) Friday, February 10, 2017 at 8:00 a.m. – CIP Work Session

7) Wednesday, February 15, 2017 at 6:30 p.m. – Regular Session

8) Wednesday, February 22, 2017 at 6:30 p.m. – Council Hears Planning & Zoning Matters

c) Possible approval of Resolution 2017-972, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, setting the 2017 Meeting Dates and Times for Regular Meetings of the Council and all commission/Committees, and superseding Resolution 2016-954. Staff Resource: Virginia Jones

d) Possible adoption of 2017 policy statement that authorizes the Mayor, as the Town Chief Elected Official, to support or oppose Legislative Bills relative to the protection of groundwater, State Shared Revenues sources and land use authority if the Bill(s) adversely affect the Towns Interest and needs and an immediate response. Staff Resource: Town Council

- e) **Possible Authorization to execute the Agreement Addendum and Scope for Professional Services with Kimely-Horn and Associates in the amount of \$189,900.00 under Professional On-Call Consulting Service Agreement #15-11; to provide Engineered Plans for the grading, drainage and infrastructure that is required for future development of the Community Park.**
Staff Resource: Ron Long
- f) **Possible authorization for the Mayor and/or Vice Mayor to Execute required documents to facilitate the donation of portions of parcel 403-21-250C and 403-21-021E from CH Baldwin, LLC to the Town of Camp Verde.** Staff Resource: Steve Ayers

Vice Mayor Murdock noted that the Agreement #15-11 in Item 4e should be corrected to state #15-112. Councilor Jenkins noted out in previous minutes that the date of 11/7 should be 11/14.

Councilor Jenkins asked for an explanation of Item 4d. Town Manager Martin responded that while he is the direct lobbyist, this gives the Mayor the ability to respond immediately if it is needed should time be of the essence. He added that the item could be pulled by any Councilor if they chose to do so.

Councilor Baker motioned to pull Item 4d and approve the consent agenda with corrections to the minutes and item 4d. be pulled. Councilor Jenkins seconded the motion and Council approved the consent agenda with item 4d pulled for discussion.

Councilor Gordon asked Martin to give the public extra information on Item 4e, and stated that basically it means the Town cannot throw dirt on the park until plans are in hand. Andrew Baer from the Kimely-Horn office in Prescott addressed the Council. He stated he had been working with Ron and Michael for about 1½ months looking at utilities, plumbing, grading, etc., to make sure it is done right—site fill improvement is their specialty.

Martin stated he would be bringing items to the Council from time to time as needed. With regard to Item 4d he explained it means that in cases where an immediate vote is needed it would allow the Mayor to act within the parameters as pre-determined by the Council. It only pertains in cases where legislative action is happening faster than the Council can act and allows the Mayor to undertake appropriate action to protect the Town's interests. Martin further explained that the League of Cities and Towns provides a heads-up on legislative issues. Councilor Gordon added that sometimes there is time to look at things, but sometimes there is not and suggested an explanation be added to Item 4d.

Councilor Baker expressed her concerns regarding past instances where the state legislature has meddled in the Town's business. She added that she felt the entire Council should be informed when emergency issues such as land use authority and groundwater come up and that an emergency meeting should be called. Martin responded that Item 4d is all about immediacy. When the League provides the heads-up sometimes it is just a call, "We're going for a floor vote in a couple hours." Approving Item 4d would allow the Mayor to vote on narrow topic lines, usually it is a no vote, in order to protect the Town. He added that they have not addressed this topic in 6+ years and that it has to be only certain topics; anything else the Mayor would be out of line without calling Council together first. It is rare but they want it in place, and while it hasn't happened in the past, it is just a protection they would like to have in place. Council Gordon added that anything

the Mayor would act on would be to protect the Town and have the Town's voice heard.

Councilor Gordon motioned to approve Item 4d, Vice Mayor Murdock seconded, and Council unanimously approved Item 4d.

5. Special Announcements and presentations:

- **Presentation by MATFORCE Executive Director Merilee Fowler.**

Ms. Fowler remarked that MATFORCE has been in existence for 11 years and their number one goal is prevention among kids. While they addressed only the meth problem to start, since 2007 additional substance abuse problems have been added. They gather people from all sectors of the community and come up with solutions and strategies to address the meth problem, synthetic drugs, prescription drug problem, marijuana, and recently heroin. In October 2015 they developed strategies to address the growing heroin problem. She added they will be celebrating next week that a majority of people do not abuse drugs during the "Stand With Me, Be Drug Free" week.

- **Proclamation declaring January 23-28, 2017, "Stand with Me, Be Drug Free" week.**

Mayor German proclaimed that the week of January 23 through 28 will be "Stand With Me, Be Drug Free" week. Brenda Hauser, who was appointed 11 years ago and has been on MATFORCE longer than Merilee, thanked the Mayor and Council for the proclamation and added they are happy they now have a group in Camp Verde. Mayor German thanked her stating that the work they do is so often not in the bright lights of publicity. With marijuana coming into Arizona, MATFORCE plays an important role for the preservation and protection of citizens.

- **Presentation of 2016 fourth quarter Business Beautification Award to Fort Verde Suites**

Town Manager Martin informed the Council that the owner, who is coming from California, wants to be here for the presentation and would like to postpone it until February 1.

Mr. Jackson, Vice Chair of Yavapai-Apache Nation, was recognized as he was leaving the meeting. He remarked that the Yavapai-Apache Nation stood with the proclamation and thanked them. Mayor German thanked Mr. Jackson for attending.

6. Call to the Public for items not on the Agenda.

Pete Roulette invited the Council to the groundbreaking for the Castle Heights subdivision on January 26 at 2:00 p.m.

7. Discussion, consideration and possible appointment of Council member to serve on the Verde Valley Steering Committee of Mat Force and to include the position of Chairman for Public Safety Personnel Retirement. Staff Resource: Council.

It was noted that Item 7 contains two separate items—MATFORCE and Chairman of Public Safety Personnel Retirement Board. Mayor German asked Council if they wanted a liaison to MATFORCE. He also noted that he was not aware that as Mayor he was supposed to Chair the Public Safety Personnel Retirement, and asked the Town Clerk to add it to the Council assignments so future Mayors are made aware. Councilor Baker volunteered to be a liaison to MATFORCE, and Councilor Jenkins volunteered to be an alternate.

8. **Presentation, discussion and possible approval of a contract with Wendel Energy Services, LLC. To perform an investment grade audit (IGA) of the Town's buildings, parks and wastewater treatment facilities to determine the potential for energy conservation project feasibilities including options and estimated costs and probable payback periods for future project considerations. The cost of the contract is up to \$55,000 that may be rolled into projects once selected.** Staff Resource: Russ Martin

Town Manager Martin explained that Wendel has a background in greener directions and saving money at the same time. Martin stated six months ago he put together a request for qualifications to have companies come in and determine which projects, if any, will promote conservation in the energy arena for the Town's facilities. He noted that something a little more natural, i.e., solar and otherwise, needs to happen to reduce the large electric bill.

Martin noted that there were two companies with four square results. They sat down with Wendel Energy Services and Climate-Tech, Inc. The Manager, Bruce George and Ron Long interviewed them, walked them around the Town campus to get an idea of possible projects, as well as Butler Park, the swimming pool, the Senior Center, Archaeology Center, etc., all of these buildings and asked what could the Town be doing for energy conservation. Can the Town afford it? Does it make sense? Sometimes the projects cost more than maintaining what you have, and he acknowledged that he did not know that any project would provide a return on investment (ROI), but regarding the \$55,000 the Town would get that back one way or another.

Martin stated that there are people in this Town who are very sensitive regarding the expenses of the sewer and of the Town. While Climate-Tech will do this for "free", at the end of this project the contract will state that the Town will pay a fee for service of x-amount of dollars. The school district did that, had it done for free, and at the end of the day they entered into a 20-year agreement. He pointed out that there hasn't been an escalation there as they built a good system. Martin stated that he prefers Wendel over Climate-Tech because Wendel will tell us upfront what's what and he likes their transparency as they put the project forward. In addition, there would be an investment grade audit that would provide a cause for action if they moved forward and the ROI did not materialize.

He continued his discussion and pondered the questions of "How do we get that money back, and what is the return on investment?" He pointed out that currently roughly \$80,000 is spent on electric that is budgeted accordingly. After talking with APS, right now the system size would be a 150-kilowatt hour (kWh) system. For most residential it is 8-10kWh with 12kWh max for a house. Over 100kWh with 150kWh as max for the Town

Another question considered was why would they put in a 125kWh system if they need new pumps before going solar. This is what Wendel would assess to determine what's what. They will look at the control system—we don't know how to determine that but they do—with and without occupancy and overall cost. They would relook at a \$60,000 solar option. Cost of building could be so much that it wouldn't be worth it, so need expertise to check all buildings and determine what our loss is, what would be best, the controls, etc., and provide a comprehensive review.

Martin further explained that if Council gives the authority to sign the agreement, Wendel has to follow the state procurement law, i.e., there's three bidders on the project, here's what they are, what do you want us to do? They will charge 15 percent to help us get through that process, determine how many

pay off years, what projects, and so forth. The upfront investment is \$55,000 to save money down the road, but if no projects materialize the \$55,000 is out of pocket. Mike could probably work on some of them. So basically it's \$35,000 plus a \$20,000 risk which brings us to the \$55,000 amount.

Vice Mayor Murdock inquired about the Town's guarantee. If it's a new system, it fails, and they don't know what it is, what happens then? Martin replied that they generally warrantee the systems and bid it out, but it will probably cost us more to have a warranty.

Former Vice-Mayor Bruce George addressed the Council and commented that Martin covered everything that he was thinking about. Climate-Tech is good for in-house projects. Wendel has done a lot of work with other cities and they are looking pretty good.

Martin pointed out that with Climate-Tech if you say you have an \$80,000 electric bill, they will say, "I guarantee that you'll save \$10,000." You don't know what their profit is but you do with Wendel; Wendel is a more transparent option. Mr. George added that Wendel can bid it out to local contractors and he likes that idea because it puts money back into the community. While it will cost money over time, the Town will recoup it.

Councilor Jenkins stated she was not taking issue with the vendor, but had questions about the project. With an electric and gas bill of \$238, they're going to assess \$200,000. The other buildings are older, just to assess it, still have to determine improvements costs, will you get our money on these old buildings? Martin responded that the investment grade would tell them upfront the cost estimate and whether it's worth doing or not doing. They provide a breakdown on each building, \$1,000-\$1,500 per building, and then they would sit down and discuss details with Dumas. He added that if Council **was** interested in parsing it out and talking about it over the next month to determine if it would be worth it, the Town can back out at that level because that is what they were willing to do. He concluded that the Town is just trying to cover all bases and figure out what to do.

Councilor Baker stated she would rather take that money (the \$55,000) and spend it on whatever is necessary to put solar at the sewer department. And with regards to the Senior Center she believed their needs were usually addressed through NACOG. Moreover, as the Town does not own the property, shouldn't NACOG be able to help them? Martin responded that he was not aware of any study being done on those.

Mr. George continued that when the Town receives the information it will tell them exactly what everything will cost and how much they will save on each one, and they will be able to go down the list and pick and choose what they want to do.

Councilor Baker asked how Wendel would know what it is going to cost us to fix something. Mr. George replied that that is their business, that's what they do. Councilor Baker asked, "They bid it out, right?" Martin restated that the original concept was to "green up" the Town, and even if it didn't pencil out they would still have the economic security of knowing what it's going to cost.

Mayor German remarked he thought it was a no-brainer on the wastewater facility and suggested the \$20,000 would give them a good idea of what to do and whether it's cost effective to remodel—it would provide the Town with that basis. The Town would still be in the driver's seat after receiving the reports and have the option to back off and figure out what could be handled in-house. He said he felt the

whole thing would be worthwhile just to find out what the issues are and the probable costs.

Council Buchanan commented that he had stayed quiet thus far in the discussion because he wanted to hear what the rest had to say. He stated he became a building inspector in Arizona and was a disaster inspector for FEMA and remarked that there's a difference between an energy audit and an investment audit; it's like comparing a Volkswagen with a Cadillac. With commercial properties it was always an energy audit; the investment audit has only been done in the past few years—an investment audit is good, but not an energy audit. He added that he's witnessed it going on wrong in other times and places. Buchanan affirmed that he was all for this and appreciated Martin's due diligence, and thanked Martin and Mr. George for all their work.

Councilor Jenkins stated she was good with the sewer and the \$35,000, but the other \$20,000 she would rather take that and fix the known things, and then if that turned out really good to move forward at that time.

Councilor Baker asked Martin if the Town had ever gotten a price or bid on installing solar at the sewer. Martin replied by giving an example of the school which was under \$400,000 for a just under 100kWh system or roughly equivalent to that. The evaluation they would get would be given to them by the contractor, but they are not contract numbers. He could obtain the information and give it to her tomorrow, although he didn't know if even the school knew the costs. There was a canopy built and then he thought it was about \$200,000+ for the system. He acknowledged he did not have a direct answer for that, but his research suggested that if you're doing a utility grade you're down to \$2 per kWh, and \$4 kWh for residential.

Vice Mayor Murdock motioned to approve the contract with Wendel Energy Services, LLC, to perform an investment grade audit (IGA) of the Town's buildings, parks and wastewater treatment facilities to determine the potential for energy conservation project feasibilities including options and estimated costs and probable payback periods for future project considerations. The cost of the contract is up to \$55,000 that may be rolled into projects once selected. Motion was seconded by Councilor Gordon; Council approved unanimously.

9. Call to the Public for items not on the agenda.

None.

10. Council Informational Reports.

Mayor German: Stated he was appointed to set on the Emergency Operations Committee for hazard mitigation, which involves our storm water person and other members in Town, and stated that on Thursday January 19th, there is a public meeting for comment and invited the public to attend.

Mayor German noted that he spoke at the MLK march on Monday which was well attended with approximately 150-200 people, stating that Chandler Plante did an outstanding job.

Vice Mayor Murdock: Nothing to report.

Councilor Gordon: Stated he resigned from the Verde Land Preservation, that basically it has gone into dormancy and they will not be doing anything but, hopefully, they will continue their work at some point.

Councilor Baker: Attended NACOG Transportation Advisory Committee meeting and while she hadn't had time to review her notes prior to the Council meeting, it reminded her of what they were talking about earlier about Mayor German being our voice with the legislators who seem intent on robbing us blind and dictating how we run our communities.

Councilor Jenkins: Attended a going away party and took a tour of the Camp Verde Marshal's Office facility, and commented that there is a new evidence room, it's beautiful, and she felt she had gained a better sense of understanding.

Councilor Buck: Nothing to report.

11. **Manager/Staff Report.**


Martin: advised Council that if they have not received legislative updates please let him know and indicated the Governor's budget proposal is continuing to take the HURF money. Martin noted that the TPT switch out might seem like a good idea but the problem is they are looking at it to help the universities long-term, using state's revenues, bonds, and also looking at local share

Martin stated that he will not be at the February CIP meeting as his manager conference will be in Oak Creek at that day. It is the first session and those attending will be hearing presentations for projects, and he added that the last session is usually the best session.

On Friday he will be attending the Verde Valley leadership group meeting.

12. **Adjournment**

Mayor German, with no objection from Council, pronounced the meeting adjourned at 8:07 p.m.



Charles German, Mayor




Janet E. Turner, 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 January 18, 2017. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 16th day of Feb, 2017



Virginia Jones, Town Clerk