

**MINUTES
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
FRIDAY, FEBRUARY 8, 2019 at 8:00 AM**

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 8:00 a.m.

2. Roll Call.

Mayor Charles German, Vice Mayor Dee Jenkins, Council Members Jessie Murdock, Buck Buchanan, Joseph Butner and Bill LeBeau were present. Council Member Robin Whatley was absent.

Also Present: Town Manager Russ Martin, Town Clerk Judy Morgan, Finance Director Mike Showers, Library Director Kathy Hellman, Economic Development Director Steve Ayres, Community Development Director Carmen Howard, Marshal Corey Rowley, Commander Brian Armstrong, Recording Secretary Lynn Riordan.

3. Pledge of Allegiance.

Led by Mayor German.

4. Special Session for FY2019-20 Budget Deliberation – CIP Development. Legal action can be taken. Council deliberation and possible action to modify Preliminary Budget content.

4.1. Discussion between Council and the Finance Director regarding the Town of Camp Verde Capital Improvement Plan (CIP) Development. [Staff Resource: Michael Showers]

Town Manager Russ Martin advised the council, in preparation for CIP discussion, that the Town currently expends approximately 1.5 million per year in annual debt payments for in-progress or completed CIP programs, and while the Town has accomplished many superior projects and several financed CIP projects will reach maturity in the next few years, the current annual debts payments will limit the amount of expenditure availability for CIP this coming fiscal year. Finance Director Mike Showers advised that revenue is meeting the projections however reserves are low, therefore the council will need to be conservative in preparing the FY 2019-20. Mr. Showers stated there are many worthy CIP projects being requested and the council will need to set priorities for spending, debt, costs, and necessity.

Rodeo Arena Association: (*Sheet 1; timestamp 8:19AM*) Camp Verde Arena Association (CVAA) President Mary Phelps addressed the Mayor and Common Council advising the 501(c)(3) application has been delayed due to the federal government shutdown. Ms. Phelps advised that the intent of the CVAA is to improve and maintain the Town's image and restore historical aspects. The CVAA has, and will continue to apply for grants and donations, having already raised \$525,000 in donated funds and services/materials. Additionally, APS has prepared an agreement for providing services and installation of lighting (\$18,000) with a portion of the agreement being donated by APS (\$8,000). The Association is requesting \$488,000 be allocated by the Town for development of the

Arena, with \$250,000 in FY 2019-20 and the remained in the following fiscal year. The Association is currently working with Jackpot Ranch and NASHWA Farms for scheduling and hosting events. Vice Mayor Jenkins stated concerns of liability and event liability insurance. Ms. Phelps stated The Association currently only has general liability insurance, however, it is their intention to have sponsored events and have the sponsors provide the event liability insurance with the Town named as an additional insured.

Economic Development: (Sheet 4-8; timestamp 8:29AM) Cris McPhail, Landscape Architect, presented a hand-out and gave a power point presentation of CIP requests for current year and FY 2019-20, and a five-year plan for landscaping. Ms. McPhail requested funding to complete landscaping and improvements at Rezzonico Park \$56,000 with \$24,000 from the current year 2018-19 to complete fencing and irrigation, and the remainder in FY 2019-20 noting that this in is addition to grant funding received last year in the amount of \$16,900; Landscaping for entry enhancement at Finnie Flat and Main Street in the amount of \$12,000 from the current year 2018-19; Landscaping, building removal and electrical upgrades at Hallett Plaza in the amount of \$9,000 from the current year 2018-19, noting that the Wingfield and Hallett families were very involved in this project and many donation have been received for this project including the benches and mural; Landscaping, signage, and lighting at Industrial and Wilshire Roundabouts, noting that signage was a priority, but the overall project – costing \$110,000 - could be spread over several years; request for \$14,000 in FY 2019-20 for Sesquicentennial Park Phase 2 upgrade of structures and installation of plants and irrigation, noting the “Old Guys” have indicated they will provide the labor. Mike Showers advised he has applied for a 2/3 matching grant for restoration at Parsons Riverfront Preserve – the restoration project cost is \$19,600; Carmen Howard addressed the Mayor and Council encouraging them to make Signage and the Wayfinding Signage Project priorities as it may assist local business and increase sales, and potentially encourage new business; Permanent/professional signage could be done in two stages, each costing \$15,000; the Wayfinding Signage Project, which includes signage both inside and outside ADOT right-of-way, will cost \$37,562.

Vice Mayor Jenkins requested a five-year revenue plan/estimate from the finance director to review prior to April budget meeting as the council will be considering several CIP requests. Mike Showers advised that the Town is experiencing an average of 2% revenue increase, however, even small changes +/- can have an effect on the Town’s CIP budget.

Library: (Sheet 10-12; timestamp 9:05AM) Kathy Hellman, Library Director, addressed the Mayor and Common Council with two proposed CIP projects for FY 2019-20; Ms. Hellman advised the interior doors in the Library, although they are ADA approved, were uncommonly heavy making it difficult for very young, elderly and disabled patron to maneuver, particularly in the restrooms, therefore she is requesting ADA approved auto door openers for these doors at a cost of \$14,000; Ms. Hellman advised the Library has interior security cameras but is in need of exterior security cameras, at a cost of approximately \$3,000; and requesting window shades for the West side of the building as the sun, certain times of the year, makes it difficult for the public service counter volunteers to see and installation of blinds may reduce heat/cooling costs. Cost for purchase and installation of blinds is \$12,000.

Marshall’s Office: (Sheet 13-16; timestamp 9:12AM) Marshal Corey Rowley and Commander Brian Armstrong addressed the Mayor and Common Council requesting

\$76,969 for Spillman NIBRS software advising that the upgrade/integration to this system is mandated (federal reporting requirements) and required to be installed and operational by January 2021; Marshal Rowley advised that no grant funding was available however each agency that uses CVMO services will pay their proportionate share (approximately \$19,000 each). The current system is antiquated, will no longer be supported by Spillman and used outdated GIS information. Additionally, the new GEO validation software will provide an additional layer of officer safety as the system will utilize satellite GIS mapping. Brian Armstrong advised CVMO purchased 14 new portable handheld radios last year, 7 with grant funds and 7 from CIP funds; CVMO needs 8 more portable/handheld radios to replace the old radios that are no longer supported by the manufacturer. Additional grant funding is not available as the Town obtained \$120,000 in grant funding over the past two years, however, lease purchase options are available. CVMO is also requesting 10 new patrol vehicles: 3 in FY2019-20 at a cost of \$144,500; 2 in FY 2020-21 at a cost of \$103,000; and 5 in FY 2021-22 at a cost of \$312,000 to maintain a 3 to 5-year rotation. Russ Martin advised that although several of the CVMO patrol vehicles have approximately 73,000 miles, at an average rate of 12,000 per year it would not be necessary to replace vehicles in FY 2019-20, but that the Council should consider a rotation vehicle replacement plan beginning in 2020-21 or 2021-22. Additionally, Brian Armstrong stated CVMO is requesting a solar shade structure for patrol vehicles stating the Town would recover costs over time in savings on cooling, vehicle damage and electrical costs.

Break 9:38 – 9:45 a.m.

Resumed 9:45 a.m.

Public Works/Parks and Recreation: (Sheet 17-19; timestamp 9:46AM) Mike Marshall addressed the Mayor and Common Council advising that the sand filters at Heritage Pool are undersized and aging which is creating a need for additional maintenance and repairs. Mr. Marshall stated he is requesting the sand filters be replaced with new appropriate sized filters at a cost of \$37,000 in FY 2019-20; the current pool heater is also aging with repairs and maintenance increasing, requesting the pool heater be replaced with a new, efficient unit at a cost of \$39,000 in FY 2019-20. Mr. Marshall stated he is also requesting funding for Parks and Recreation Rooms 204 and 305 flooring, Room 305, Gym floor refinishing, and remodel of the weight room and bathrooms to enable better use of Town facilities and protect the Town's assets/investments. Mr. Marshall is requesting \$49,700 for flooring and ceiling projects in FY2019-20 and \$250,000 for weight room/bathroom remodel in FY 2020-21 or 2021-22. *(timestamp 10:08AM)* Ron Long advised the park construction will go out to bid with an anticipated completion date in October or November 2019; Public Works is currently working on getting reclaimed water to "A status" for irrigation use at the park. The parking area should be completed by the end of the month for the loop-trail, the park is currently in need of perimeter fencing. At present the Town has 3.2 million to complete Stage 1 of the park which will include 1 ball field, 2 multi-use fields, and walkways. Stage 2 will include additional amenities like tennis courts. Public works is seeking out grant funding availability to proceed with Stage 2. Mr. Marshall advised that the "Old Guys" would be helping with start-up and signage.

Mayor German (timestamp 10:12AM) advised that the Heritage Fund (gaming compact funding) was swept just after the Town purchased the property for the park and trails which delayed progress on these projects for years. The Town is now able to move forward,

and it is possible that the Heritage Fund may be reinstated for recreation and trails. Construction bids have come in substantially lower than the original engineer's estimates which will help availability to complete projects at the park. Russ Martin advised that the infrastructure for the park is complete, the Town will now move forward with installation of facilities and maintenance as long as there is money, grants and/or donations.

Public Works: Troy Odell addressed the Mayor and Common Council requesting funding in FY2019-20 to re-roof two portions of Building 300 (at Town Hall) as portions of the roof/ceiling are failing leaving the public, staff and records at risk – cost estimate \$48,700; and requesting funds to remodel the restrooms in Building 100 (at Town Hall); the restroom are decades old, components are old and unsanitary – cost estimate 40,000; and requesting funding to repair or replace the Gazebo as it is becoming structurally unstable and unsightly – cost estimate to replace is \$66,929.

Public Works: (*Sheet 23-24; timestamp 10:28AM*) Ron Long addressed the Mayor and Common Council regarding the old Circle K building and intersection advising that demolition and removal of the old building is necessary in 2019-20 – estimated cost is \$125,000; grant funding may be available for a portion of demolition and removal; design and construction of the intersection in FY2020-21 will be at a cost of \$690,000 which may be funded \$350,000 in 2023-24 and \$350,000 in 2024-25; grant funding may be available for part or all of this project. (*Sheet 20-21; timestamp 10:34AM*) Finnie Flat and Montezuma Castle Streetscape project (from Hwy. 260 to the bridge on Montezuma Castle) will cost \$7,126,432 – suggested project budget and construction in 2020 through 2024 – will include some storm water improvements and sidewalks and street lights on both side of the street – Public Works will apply for grant funding for part or all of this project. Design for this project is at a cost of \$15,000, which Public Works would like Town funding for FY 2019-20 so that they have a plan to submit for grant funding applications. Russ Martin advised the CBDG grant for \$330,000 is available now for Holloman and 7th Street project, if the Town approves matching funds of \$100,000.

Public Works: (*Sheet 26-29; timestamp 10:40AM*) Stacy Perry and Ron Long addressed the Mayor and Common Council advising the Street Maintenance Chip-Seal Program is on schedule; Public Works was able to complete additional areas as the bids came in under the estimated cost, while maintaining the required \$350,000 in HURF reserves. Residential areas that were scheduled for last year will be completed this year as Public Works concentrated on the heaviest used streets (i.e. Montezuma Castle) to prevent damage or additional wear. Council requested that Public Works discuss with Council any proposed change of schedule or plan with the Chip-Seal Maintenance Program prior to making schedule changes. Ron Long requested funding for overhead loop detector traffic control replacing the current underground system at Finnie Flat intersection (Bashas/Walgreens) advising that the overhead loop is substantially less expensive than underground controls and provides easier access for maintenance and/or repairs- cost \$45,000. Mr. Long requested funding for construction of a connection road from Roundabout 4 (Hwy 260 and Out of Africa) to Old 279 to provide access for businesses and residents on Old 279. Mr. Long advised that he approach Yavapai Apache Nation regarding sharing the cost of about \$369,000. Stacy Perry requested funding of \$25,000 (for materials only – labor to be provided by Town staff) for the Streets Yard that needs maintenance, materials storage facility/area, and clean-up, advising completion of this project would save money in protection of stored materials.

Storm water: (*Sheet 30-35A; timestamp 11:07AM*) Troy Odell addressed the Mayor and Common Council requesting CIP funding for the following projects: (Note: Some storm water projects require permission from the Forest Service for access and/or require Forest Service permit to construct and/or excavate on forest service land. Mayor German stated he will continue to secure needed permissions and/or permits; ADOT will grant access where necessary.) Verde Lakes, west side of Hwy 260 – clean diversion and rebuild berm – Forest Service permit needed for long-term maintenance – cost \$75,000; West storm water – Forest Service permit, Yavapai Apache permission and accurate maps needed – cost \$63,500; South Forest Land Verde Lakes diversion – Forest Service permit required – cost \$74,000; NW Verde Lakes drainage, ditch and drainage improvements – cost \$276,000. Mr. Odell stated FEMA grants have been applied for every year for storm water projects in Verde Lakes to no avail. The Town does receive \$75,000 per year from Yavapai County Flood Control. McCracken Lane drainage – Pioneer Acres – cost \$537,500; Install box culverts and raise roadway at Industrial Drive/Gaddis – cost \$165,000; S Glenrose and E Quarterhorse-E Stolen Blvd drainage to Diamond 5 Ditch – permission/easement have been secured – cost \$170,000; Amore Drive diversion culverts and pump station – unable to secure private property permission/easement for drainage, therefore alternative solution is pump station installation – cost \$235,900; Cherry Creek and Hwy 279 all-weather crossing – joint partner with Yavapai Apache Nation – cost \$1,400,000.

Wastewater: (*Sheet 26-40; timestamp 11:47AM*) Troy Odell requested CIP funding for the following Wastewater projects: Covered Lay Down area at the Waste Water Treatment plant for pipes and UV sensitive materials to reduce sun damage to materials – cost \$28,000; Main Lift Station Upgrade, add air powered mixer to reduce odors and keep solids in the solution – cost \$8,000; Water Truck for Waste Water treatment plant and Area dust control – cost \$87,650 (or less for used truck); Electrical upgrade at Waste Water Treatment Plant to increase safety and reduce use of electrical extension cords – cost \$15,000.

Break 12:01 – 12:09 p.m.

Resumed 12:09 p.m.

(*timestamp 12:09PM*) Finance Director Mike Showers stated many projects have been requested and/or presented in previous years. Russ Martin advised the council that assuming storm water drainage responsibility may create a liability for the Town. Mr. Martin advised that the Town had very little money to allocate to CIP expenditures this coming fiscal year (\$120,000 approximate available for CIP), therefore, mandated and/or safety issue project must have priority. Mr. Martin stated the Town had accomplished many projects over the past few years, those completed projects are no longer on the list of requested CIP projects, and each year as projects are completed, more are requested. Vice Mayor Jenkins inquired of the Town Manager why so much time has been spent on preparing and considering CIP projects if none of them could be realized. Mayor German gave a brief overview of what the Town needs, what is mandated and safety issue priorities.

(*timestamp 12:33PM*) Mayor and Council participated in an exercise to determine CIP project priorities from the requests presented today.

(*timestamp 12:55PM*) Mr. Martin stated today's work session is for CIP only, the

operations budget is separate, the operations budget has increased with wage adjustment and COLA for employees and increase in costs for the insurance pool, however with the steady increase in revenue and new business, revenues should offset the increase in operational costs.

(timestamp 1:05PM) Vice Mayor Jenkins requested a copy of full disclosure of financials from the finance director through January 2019 with revenue projections for the next two years.

Spillman NIBRS records management modules are mandated and a matter of public safety. It is the CONSENSUS OF COUNCIL to approve funding in the amount of \$67,000.00 and remove them from the prioritizing exercise.

(timestamp 1:14PM) Finance Director Mike Showers presented the results of the prioritizing exercise:

Major CIP Projects:

1. CVMO Patrol Vehicles
2. Rodeo Arena
3. Roundabout 4 Hwy 260 Connector Road
4. Industrial Drive & Wilshire Roundabouts Landscaping/Signage
5. Circle K Intersection

Minor CIP Projects:

1. Landscaping/upgrades of entry monuments
2. CVMO mobile/handheld radios
3. Business signage
4. Pool Heater/Filter replacement
5. Re-roof Building 300

Council discussion: *(timestamp 12:25PM)* Councilmember Murdock requested the Finance Director and Town Manager inquire about lease agreement for CVMO vehicles and comparison costs, value, timing and availability of purchase v. lease.

Council Member Joe Butner requested a realistic allocation for the Rodeo Arena. Russ Martin advised that \$250,000 could be allocated for startup with use of reserve funds and revisit allocation of additional funds in 2020-21.

Mike Showers and Russ Martin advised that a realistic time line for completion of a connector road at Roundabout 4 and Hwy. 260, and Industrial Drive & Wilshire Roundabouts was 3 to 5 years.

Council Member Murdock requested that the landscaping/upgrade, even if it was partial, clean-up and minor "welcome" upgrades, at the Roundabouts and at Finnie Flat can be done this year.

Council requested the CVMO Mobile/handheld radios be a priority and completed now (FY2018-19) if possible, with Signage and Pool Filter replacement scheduled for FY 2019-

20. Council requested Public Works acquire a separate, and a package bid, for pool filter and pool heater. Council requested the re-roof of Building 300 be completed now (FY2019-20) to prevent further damage if possible. It was the CONSENSUS OF THE COUNCIL to proceed with Electrical Upgrades (safety issue) at the Waste Water Treatment plant immediately.

(timestamp 2:02PM) Russ Martin, at the end of this budget work session, stated the Electrical Upgrades at the Waste Water Treatment plant would be completed with operational funding immediately. The compilation of projects, based on Council consensus and priorities to be completed FY2018-19 if funds are available, or approved for FY2019-20 are as follows:

<u>Spillman NIBRS records management modules</u>	\$67,000
Pool Heater (priority over filter)	\$39,000
Entry Enhancement (2 Roundabouts-signage only; upgrading existing monument(s) no lighting or landscaping)	\$12,000
Building 300 Roof	\$22,000
Signage	\$30,000

Mike Showers advised that a plan for CIP Budget Review will be presented to Council in May; Budget Review for operations in April.

Break 2:13 – 2:24 p.m.

Resumed 2:24 p.m.

5. **Discussion and consideration of the Town Manager's performance review, goals and objectives – conducting Evaluation/Goal Setting.** The Council may, by majority vote, recess the regular meeting, hold an executive session and then reconvene the regular meeting for discussion and possible action on this item as covered under A.R.S. 38-431.03 (A)(1).

Town Manager Russ Martin explained he had signed off on the Notice of Executive Session and had agreed to have it in Executive Session (did not request it in Open Session).

Motion was made by Councilor Butner to go into Executive Session pursuant to A.R.S. § 38-431.03 (A)(1). Second was made by Councilor Buchanan. **Motion** carried unanimously with Mayor German, Vice Mayor Jenkins, Councilors Murdock, LeBeau, Butner and Buchanan approving.

5.1. Recess into and hold an executive session pursuant to A.R.S. § 38-431.03 (A)(1).

Mayor German adjourned the Budget Session and convened into Executive Session at 2:25 p.m.

5.2. Reconvene Open Session.

The meeting was reconvened at 3:33 p.m.

6. Adjournment.

Mayor German adjourned the meeting at 3:34 p.m.



Charles German, Mayor



Judy Morgan, 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 Budget Work Session of the Town Council of Camp Verde, Arizona, held on February 8, 2019. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 11th day of March, 2019.


Judy Morgan, Town Clerk